UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE *104th* CONGRESS
SECOND SESSION

VOLUME 142—PART 1

JANUARY 3, 1996 TO JANUARY 25, 1996

(PAGES 1 TO 1440)

GENERAL SERVICES ADMINISTRATION
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UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1996

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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

SENATE—*Wednesday, January 3, 1996*

The 3d day of January being the day prescribed by the Constitution of the United States for the annual meeting of the Congress, the 2d session of the 104th Congress commenced this day at 12 noon.

The Senate assembled in its Chamber at the Capitol.

The Senate was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The hour of 12 noon on January 3 having arrived, pursuant to the Constitution of the United States, the 1st session of the Senate in the 104th Congress has come to an end and the 2d session commences.

The majority leader addressed the Chair.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. I think leader time was reserved.

The PRESIDENT pro tempore. The majority leader is correct.

A REVIEW OF THE 1ST SESSION OF THE 104TH CONGRESS

Mr. DOLE. Mr. President, I wanted to quickly review the historic 1st session of the 104th Congress, the first Republican Congress in 40 years.

On January 3, 1995, I spoke from this podium and outlined the agenda the Republican Senate would be advancing.

Exactly 1 year has now passed since that day, and as we begin the second session of this Congress, I would now like to offer a progress report to the American people—detailing the promises we kept in 1995, and the work we hope to complete in 1996.

As I said on the first day of this session, the primary goal of this Congress would not be to pass unnecessary new laws—but instead to remember a timeless one—the 10th amendment to our Constitution.

That, of course, is the amendment that sets out the principle of federalism, stating that "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Shifting power out of Washington, and returning it to our States, our cities, our neighborhoods, and to the American people. That's what the 10th amendment is all about.

And that is exactly what the 104th Congress has been about since day one—and since Senate bill 1—which put an end to unfunded Federal mandates.

That is what we were about when we passed landmark welfare reform legislation that will give our States the flexibility to design programs that best meet the needs of their citizens.

And that is what we have been about these past few weeks, as we continue our fight for a balanced budget that will ensure a brighter future for our children and grandchildren.

As budget negotiations continue, it is important to note that for as much as this Congress has accomplished in giving Government back to the American people, there is more we could have accomplished—had President Clinton not time and again stood in the way of fundamental change.

In fact, it was President Clinton's active opposition that prevented the Senate by just one vote from joining the House in sending a balanced budget amendment to our States for approval. And it was his veto of the Balanced Budget Act of 1995 that put us in the situation we are now in.

Had President Clinton not chosen to engage on a campaign to scare the American people, America's seniors would be beginning 1996 secure in the knowledge that Medicare was solvent.

It seems to me that we have made some progress, but we need to make more, and whether or not that can be done will be determined, I assume, in the next very few days.

It is also worth noting that President Clinton's misguided insistence on the status quo has prevented the enactment of much-needed regulatory reform legislation which would ease the burden of Government redtape and regulations on America's small business men and women.

Let me make it clear that although we are very frustrated with the President's actions, we have not given up on a balanced budget or on regulatory reform.

Something else we have not given up on is doing everything we can to help law-abiding Americans in the fight against crime and drugs.

In the wake of the terrible tragedy in Oklahoma City, the Senate moved quickly to pass antiterrorism legislation. And at our insistence, this legislation included historic habeas corpus reform, which would put a limit on frivolous lawsuits that convicted felons use to clog our courts and delay justice.

Republicans also included a number of tough anticrime provisions in the Commerce, State, Justice Department appropriations bill. Unfortunately, President Clinton vetoed the bill.

I know that the distinguished chair of the Judiciary Committee, Senator HATCH, will continue to look for ways in which Congress can provide the leadership in the fight against crime that has been missing at the White House.

We took steps to do that just last month, when Speaker GINGRICH and I announced the formation of a congressional task force on national drug policy.

A series of national surveys have shown a very disturbing increase in drug use among America's youth. Drug use among young people was down—way down—in the 1980's, when Presidents Reagan and Bush made the war on drugs a national priority. And these surveys show what has happened now that the Clinton administration has all but declared a cease-fire.

The Speaker and I have charged this task force with convening the Nation's

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● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

top experts, and coming up with an antidrug action plan which we can implement in the coming year.

Earlier this year, the Speaker and I also asked Jack Kemp to chair a 14-member blue-ribbon national commission on economic growth and tax reform.

We asked the commission to start with a blank piece of paper, and to design a tax system that is flatter, fairer, and simpler—one that strengthens families, and one that encourages savings, investments, strong economic growth, and greater opportunity for all our people.

The Kemp commission will issue its report next week, and I anticipate their recommendations will significantly advance the tax reform debate. Hopefully, these recommendations will lead us to a new system so we can end the IRS as we know it.

We also made substantial progress this past year in our efforts to pass a line-item veto, to bring much-needed reform to America's telecommunications industry, and to restore some common sense to our civil justice system. With our House colleagues, we hope to put the finishing touches on both of these important issues early this year. That is still in conference. It is our hope, perhaps, if there should be a budget agreement, that might become part of the budget agreement. The Senator from Arizona, Senator MCCAIN, and Senator COATS, on this side, have worked on this for years, as have many other of my colleagues, too.

We have not given up on regulatory reform. We are just shy of the 60 votes we need; we have 58. We are working with our colleagues on the other side of the aisle because this area affects real people. It costs the average American family about $6,000 per year. We believe in this case it should not be a partisan debate. So I hope we can come together on that.

I also say with pride that just as this Republican Congress has insisted on returning power to the people, we also have made clear that Congress is not a ruling class that is above the people.

While we were in the minority, Republicans fought for legislation that would subject Congress to the same laws we impose on everybody else. And once we were in the majority, we were able to do just that by passing the Congressional Accountability Act.

With Republicans in the majority, Congress was able to enact into law legislation that will shine additional sunlight into the lobbying process, and we also placed a strict limit on gifts that Members of Congress and Senators can receive.

And with Republicans in the majority, we were able to cut more than $200 million from the congressional budget—the largest cut in 40 years.

One thing we did not cut, however, was America's national security. Over the past few years, the Clinton administration has come dangerously close to gutting our national security budget, and this Congress reversed that ill-advised course.

Let me conclude, Mr. President, by thanking all Senators on both sides of the aisle. Our first session was a lengthy one, and at times, the debates have been contentious.

But I believe that all of us can take great pride in the fact that history will reflect we were all part of a truly revolutionary U.S. Congress:

A Congress that kept its promises.

A Congress that fought to change the status quo.

A Congress that succeeded in bringing fundamental change to Washington, DC.

A Congress that, above all, remembered the 10th amendment by returning power to our States and to the American people.

Also, again, I trust that in this session, as it says in the 10th amendment, we will return power to the people.

CONTINUED BUDGET MEETINGS

Mr. DOLE. Mr. President, we will meet again, as the Democratic leader knows, at 3 o'clock, with the President to talk about whether or not we can come together on a balanced budget amendment over the next 7 years, using CBO numbers. I hope that can be accomplished. I think we are, again, serious in what we are attempting. Whether or not it will happen, we will have to wait and see.

We have honored, as far as I know, the so-called blackout. I think we make a lot more progress when none of us are talking to the media. They are all good people, do not misunderstand me, but I think in order to accomplish this very difficult task, we better have an understanding of what it is before it becomes public—not just for our sake, but for the sake of the American people, for the sake of our colleagues on both sides of the aisle. They are going to have to vote on it up or down when and if we reach that point.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER (Mr. WARNER). The Democratic leader is recognized.

THE 1ST SESSION OF THE 104TH CONGRESS IN REVIEW

Mr. DASCHLE. Mr. President, let me commend the distinguished majority leader for his leadership in the 1st session of the 104th Congress.

Let me also repeat what I said a year ago, when this Congress began: Democrats are willing to work with our Republican colleagues where we can—but we will oppose them where we have to. That is the principle that guided Senate Democrats last year, and the principle we will use again this year.

We all wish we were beginning this new session under better circumstances. Instead, the Federal Government remains closed for the 19th consecutive day. Hundreds of thousands of Federal employees are being forced to go without pay, and millions of taxpayers are being denied services for which they have already paid.

The American people deserve better than this, Mr. President, and this Congress is capable of better. We proved that on a number of occasions last year. We proved that we could work together—Democrats and Republicans, Senate and House—to accomplish something worthwhile.

Today, as we begin the second session of this Congress, I think it is worth reviewing those occasions on which we were able to achieve broad consensus last year.

Second, let's look at the successes we achieved in this Senate when we were able to replace extremism with reason.

Third, let's remember the opportunities we lost last session when we could not work together to do what the American people sent us here to do. In each case, I believe we can learn something that may help us in this session.

One area in which this Congress was able to achieve broad consensus is congressional reform. Democrats fought in the 103d Congress for a Congressional Accountability Act to hold Congress to the same standards we demand of other employers. We fought for lobbying disclosure and a real gift ban. And we fought to put an end to the irresponsible practice of unfunded Federal mandates. We were grateful that our Republican colleagues finally joined us last year in supporting these proposals and passing them into law.

Another important area in which Democrats and Republicans worked together successfully was in helping to secure the chances for peace in Bosnia the right way—by strengthening the NATO alliance rather than shattering it. While the results of our decision cannot be determined immediately, I am hopeful that as a result of our continued cooperation, we can work with the administration to see that our efforts in Bosnia remain a success.

In other areas, we achieved success with smaller—but still bipartisan—margins. These were issues on which Democratic Senators, joined by a few of our moderate Republican colleagues, were able to temper the extremism of certain proposals sent over from the House. Through that effort, we avoided deep cuts in school lunch programs, and we preserved the rights of ordinary citizens to know what kinds of toxic chemicals are being emitted in their neighborhoods.

There are still other areas in which we were unable to reach agreement. These are, in many cases, the lost opportunities of the first session of this Congress. It is my hope that we will be able to put aside our differences and recapture those opportunities this year.

Perhaps the greatest of these lost opportunities is welfare reform. We had the ability to change welfare, as we say, from a way of life to a way out. We had more than an opportunity; we had a bill. We passed a good, workable bill in this Senate that would have given people on welfare a real chance to support themselves and their families. But we lost that opportunity when extremism once again reared its ugly head in conference. I hope we will have the chance this year to correct that mistake.

Another lost opportunity is the antiterrorism legislation we passed in the Senate; 9 months after Oklahoma City, that legislation languishes in the House for reasons unknown.

As the majority leader indicated, Democrats opposed the balanced budget amendment put forth last year by Republicans because it would have used Social Security funds to pay off Washington's debts and hide the real size of our deficit. We regard that amendment as yet another opportunity lost. The American people are ready—in fact they are demanding—that we deal with the deficit honestly.

The 1st session of the 104th Congress, represented a number of disappointments. We are disappointed, frankly, that we did not pass welfare reform that promotes work and protects children. We are disappointed that we did not pass a minimum wage law, long overdue. We are disappointed that we did not pass even a minimum health reform package. We are disappointed we did not pass the campaign finance reform bill that should have been passed a long time ago. We are disappointed we did not pass meaningful farm legislation. The farm bill has been pending and we are well into the new crop year and farmers still wonder what the farm policy will be even as they begin to plant for the 1996 season.

We are hopeful in the coming months we can deal with these disappointments in the same bipartisan fashion we dealt with issues from unfunded mandates to Bosnia. I remain willing to work with my colleagues, the majority leader, and all of my colleagues on the Republican side to ensure that we achieve the kinds of successes we are capable of in the second session of this Congress. I yield the floor.

EXTENSION OF TIME FOR MORNING BUSINESS

The PRESIDING OFFICER (Mr. COATS). The Chair now wishes to advise the Senate under the previous order there was now to be a period for the transaction of morning business not to exceed beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. INHOFE. Mr. President, I ask unanimous consent the period for morning business be extended and the time allowed to each Member be extended to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENSE AUTHORIZATION VETO

Mr. INHOFE. Mr. President, I rise today to express my deep concern over the President's veto of the defense authorization bill and to state very clearly why I am not convinced that ratification of the START II Treaty is in the best interests of the United States national security.

At the heart of both of these matters is the issue of national missile defense and whether we are really serious about defending our Nation and the American people against ballistic missile attack. As I have stated many times on this floor, I am serious about this issue. I think there is no higher priority for our Nation's overall defense posture than the issue of national missile defense.

The threat is a very real threat. I have stated several times on this floor and quoted many people who are the experts who understand and evaluate what the threats are around the world. Certainly, the former CIA Director, James Woolsey, is in a position to know and to evaluate what a threat is to our Nation. That is what he did for a living. He was appointed by this President. He stated that he knows of between 20 and 25 nations that have or are developing weapons of mass destruction—either chemical, biological, or nuclear—and are developing the missile means of delivering these weapons.

In addition to that, we know that North Korea—with its development of the Taepo Dong II missile—is going to be capable of reaching Hawaii and Alaska by the year 2000 and the continental United States by the year 2002. Yet all we are talking about in the defense authorization bill is to develop a national missile defense system by the year 2003, not even meeting the time that missiles would be able to reach the continental United States. Many people like to speak of social programs and priorities almost as if national defense no longer matters now that the cold war is over. Yet I am convinced more every day that the threat facing the United States is in many ways greater now than it was when we had only two superpowers that we could identify. Right now we have Libya, Syria, Iran, Iraq, and many other nations that are developing the kind of destructive weapons and missile technology that pose a direct threat to our country.

I suggest also that when the President and others try to use such terms as "star wars," are grossly misleading the American people, trying to make it appear not only that the prospect of a real and affordable missile defense is somehow a fantasy but also that the threat itself is a mythical thing that is not real, not something that we need to be even remotely concerned about. But they are wrong, Mr. President. They are living in the past. They do not realize that today's advancing weapons and missile technology are not the same as what they were 10 years ago when they might not have been so imminent a threat affecting our Nation's security. Today it is there and it is not to be taken lightly by those charged with responsibility for defending America.

We have an investment in this country of over $38 billion in just the Aegis system. The Aegis is an existing system of naval ships that have advanced capabilities for both air and missile defense. For an additional investment of just $4 to $5 billion over several years, we could have a very basic and limited national missile defense capability ready to deploy in that short period of time that was called for in our defense authorization bill.

That has now been vetoed. It was vetoed for one major reason, and that is the President stated that it would be in violation of the ABM Treaty. But as others have pointed out previously, the bill was specifically crafted so as not to violate the treaty. Instead, it merely suggested that the President be urged to negotiate cooperative arrangements with Russia to allow us to proceed with necessary missile defense programs.

Now, Mr. President, I think it is important to realize the President is saying that we do not have a high priority on our Nation's missile defense system. The ABM Treaty was put in place back in 1972 during the Nixon administration. The architect of that treaty was Henry Kissinger. Dr. Kissinger at that time felt that this policy of mutual assured destruction was something that was worthwhile in that we had two superpowers and it put us each in a vulnerable position. Since we would not be able to defend ourselves, and the other side would be in the same position, it was thought that this would be some kind of an advantage in providing strategic stability. I did not agree with it at the time but nonetheless that is what was adopted.

I think it is interesting to remember what was stated not too long ago by Dr. Kissinger when we asked him the question, publicly, on public record: You were the architect of the ABM Treaty back when the ABM Treaty was put in place, and you felt this was something that was in the best interests of this country; what about today, now that we have the proliferation of missiles and of weapons of mass destruction? He said it does not make any sense anymore. He said in a direct quote, "It is nuts to make a virtue out of our vulnerability."

Mr. President, that is exactly what we have done when we hold up the ABM Treaty as the cornerstone of U.S. strategic defense policy as this administration has done. The President has stated in his veto message that there is a linkage between the ABM Treaty and the START II Treaty. He says the Congress' determination to proceed with national missile defense "puts U.S. policy on a collision course with the ABM Treaty," and "puts at risk Russian ratification of the START II Treaty." I reject the notion that we should adopt some type of a treaty—in this case the START II Treaty—just in order to protect the provisions of the ABM Treaty.

I am aware that there is broad support in this body for ratification of the START II Treaty. I understand it. I expect the final vote to be overwhelmingly in favor. That vote may be a 98 to 1 vote and I may be the 1, but I would be compelled to speak out and at least let the American people realize how significant an issue this is.

There are a lot of reasons to be concerned about the merits of the START II Treaty. You could talk about compliance, the fact that the Russians' past record does not inspire a lot of confidence. We could talk about verification. Many provisions would be difficult to verify in the very best of circumstances. We could talk about the SS–18 MIRV'd missiles, and the fact that this would not actually do away with the launch facilities for these destructive multiwarhead missiles. We could talk about the downloading provisions and the fact that, in many cases, it does not require that you do away with the missile. It merely requires that you download it. And if you download it, then you can turn around and upload it.

Yet for all of these concerns, I don't seek to go into great detail. But what I will be addressing is what it does as far as the ABM Treaty is concerned and how it impacts our ability to proceed with the kind of national missile defense we need. This is what is most important.

I agree with Dr. Kissinger that the ABM Treaty is something that outlived its usefulness and no longer should be effective today. And, while I respect the views of some of my colleagues who are saying we now have managers' amendments that address all of these problems, I do not think these managers' amendments really do address them. For one thing, they do not change the treaty itself. All they are is advice by the Senate. I agree that those nine provisions of the managers' amendments are good and they make the Senate's understanding of the treaty much clearer. Unfortunately, they are not a part of the treaty.

I think we should recognize, finally, Mr. President, that they underwent some parliamentary elections in Russia on December 17. The Communists got 22 percent of the vote gaining seats and renewed influence. We now have the Communists at 157 seats in the Duma. Then you have Boris Yeltsin's party. Then there is a very interesting individual by the name of Vladimir Zhirinovsky, from the ultranationalist party that is now No. 3, close behind the party that we were hoping would stay in power.

So it is a changed situation that we have today. And, of course, none of us can predict the future with certainty. But I come back to a simple proposition. Missile defense is among our highest national security priorities. If the President believes this priority must be sacrificed to gain Russia's approval of START II, then I would suggest it is too high a price to pay. This is why I believe it is imperative to resolve the impasse over the Defense authorization bill before we move to final approval of the START II Treaty.

Therefore, today, I am joined by Senator BOB SMITH in sending a letter to the majority leader stating we will object to proceeding to final action on the START II Treaty until an arrangement has been made with the Clinton administration enabling the people of America to be defended against missile attack. I believe this a prudent and justified course of action and I would urge my colleagues to concur.

Finally, if there were other individuals who had been with me in Oklahoma City on April 19, where we observed the results of the most devastating domestic bombing in the history of this country, they might begin to understand what is at stake. There at the Murrah Federal Office Building, we saw the destruction and had heard the cries of the individuals who were in there trapped and injured. And, of course, so many died—169 brave Oklahomans and wonderful people; citizens, who were not guilty of anything. They were killed without warning and without provocation for no apparent reason. This is modern terrorism at its worst. But if you just multiply that tragedy by 100 or 200 or 300, you can only begin to imagine what type of impact a future missile attack might have on a major American city.

The threat is there. The threat is more imminent than many realize. It is a very real threat. And I do not think there is anything this body will be engaged in, in discussing and putting into effect, that has a greater significance for our future security, than developing a national missile defense system.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized to speak in morning business for up to 10 minutes.

A BULLY IN CONGRESS

Mr. REID. Mr. President, first of all I commend Senator DOLE and those leaders on the other side of the aisle who yesterday made it possible to pass a clean CR. I am sorry we did not do it sooner. I wish it had been done sooner. But I commend and applaud the Republican leadership and those Members of the Senate who allowed this to go forward.

Mr. President, I grew up in a small town in southern Nevada. When I was in the eighth grade, there were six kids in the class. That was one of our bigger classes. In the school at that time there was a bully. He was an eighth-grader and everyone in the school was afraid of him. If they were not afraid of him they worked something out with him, so that they could live with him.

We rarely had new people come to school there, but there was a young boy who came to school, an eighth-grader, somewhat small in stature, who came from someplace in Arizona. His name was Gary. He was a quiet young lad. And he was pushed around by this bully for 3 or 4 days, a week, 2 weeks. Finally this young man said I have had enough of this and we are going to settle this. And this young boy agreed to fight the big bully. Everyone knew the bully would win, everyone except Gary. And they engaged in fisticuffs and the young man, like one of the heroes in the books we read as young kids, won the fight. The bully was all through. He no longer pushed anyone around.

The reason I mention that, we kind of have a bully running around Congress. It is in the form of 73 Republican freshman Congressmen. They have suddenly gotten the stature that they can push everybody around. Mr. President, there are 535 Members of Congress, 435 House Members. It seems to me that leaves about 360-plus Members of the House who should be able to do pretty much what they want to do. Mr. President, 73 should not a bully make; 73 should no longer be able to push a body of 535 people around. The time has come, as when Gary came to Searchlight Elementary School many, many years ago, to stand up for what is right.

What is right is to allow people to go to work and to be paid for working. I think it is absolutely unreasonable and unconscionable that the American taxpayer would be told: Yes, we are going to pay these people someday in the future. We are going to pay them, but they do not have to work for the pay.

Please, somebody tell me how that is rational? How is that reasonable? We are saying, "Go ahead and stay home, do not work, and we will pay you anyway"?

Or, we have another deal floating around. You can come back to work but you cannot buy any pencils, cannot buy any gas for cars. You basically cannot do anything.

Mr. President, I suggest that people of good will, both Democrats and Republicans, should follow the lead of the Republican leadership in the Senate, what took place in this body yesterday, and do what is right. What is right is to pass a clean CR and get on with our business. Allow people to go back to work.

Some people say an ongoing Government shutdown is a good thing. I say, tell that to people who want to get a visa to come to the United States. Thousands of them every day want to do that and they cannot do that. Does that matter? Of course it matters, because those people who come here spend around about $3,000 in businesses and retail stores around here. Students trying to get home need to have paperwork processed in our Embassies overseas, and that cannot be done. Foreign exchange students want to come here to study. They cannot do that.

One Member of this body suggests that no one even noticed the shutdown and we ought to keep the Government partially closed. I say that is foolish. Whoever said that has not been out of the beltway long enough. Say that, that the Government shutdown does not mean anything, to Meals on Wheels. What is Meals on Wheels? Meals on Wheels is people who are shut-in's, and they are allowed to stay at their homes as a result of Meals on Wheels. If Meals on Wheels is shut down, these people are going to have to go into rest homes, extended care facilities, and cost the taxpayers even more. Meals on Wheels allows people their independence, their ability to stay at home. But for Meals on Wheels, our rest homes, our convalescent centers, our extended care facilities would be burdened even more than they are.

For someone who says we ought to keep it shut down, what about our Superfund cleanup sites? We have now Superfund cleanup sites that are being cleaned up. We just had a big celebration because the final Love Canal payment was made. We have 30 Superfund cleanup sites that are going to be shut down in the next 24 hours; shut down. That not only involves stopping the cleanup, it costs a lot more money to get them cranked up again. So people do care if the Government is shut down. They care about the thousands and thousands of people who cannot go to our national parks. They cannot go fishing, and small retail merchants at entrances to these parks are screaming for help. They depend on these national parks to earn a livelihood.

This shutdown has nothing to do with agreeing to a balanced budget. We could go back to the process of the appropriations bills which were not passed. We could pass blame on why they were not passed. The fact of the matter is they were not passed, and there is no reasonable, just cause for this Government shutdown and not allowing people to go to work. In fact, we are paying them anyway.

Agreeing to a balanced budget plan and allowing the Government to operate are two entirely separate issues. There is simply no linkage. There should be no linkage. Attempts to make one solely contingent upon the other is really a form of legislative terrorism. The Federal workers are being used as negotiating chips. In order for one side to be able to declare unconditional victory, these people are being used as pawns. This simply is not right. They are not part of the best equation leading to a balanced budget, and it ought not to stop them from going back to work.

What is the current impact of the shutdown?

Six hundred thousand elderly Americans may lose their Meals on Wheels. That is a large number of people.

States have lost $74 million in grants for child protection programs. Child protection programs, this is not welfare. These moneys are used to deal with more than 2½ million cases of child maltreatment each year.

Eleven States have exhausted their funding for unemployment insurance.

The Federal Housing Administration is unable to process 2,500 home loans and refinancing each day of the shutdown. There are 2,500 each day.

More than 1,000 workplace safety complaints have gone unanswered. We receive an average of about 240 calls each day to EPA's hotline for drinking water contamination information. We have people who are complaining that their water is contaminated. These are calls going unanswered.

Five other hotlines which receive thousands of calls each month are shut down, depriving the public of potentially critical information on pesticides, toxic substances, asbestos in schools, and other public health information.

Three hundred and eighty-three thousand people each day are being denied access to our national parks—almost 400,000 people a day. And some say it does not matter?

As Senator DOLE said yesterday—enough is enough. It is time to end this folly and stand up to this bully. A few jabs and a left hook would end them real quick.

This, Mr. President, should end immediately. The bully should be put down, and put down quickly.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

THE REPUBLICAN LEADER

Mr. WARNER. Mr. President, before the distinguished Senator departs the floor, I would like to say how much I personally appreciate his remarks regarding the Republican leader, Mr. DOLE. I was with Mr. DOLE throughout the meeting of 2½ hours yesterday, along with the Speaker, Mr. GINGRICH, Senator DOMENICI, House Budget Chairman KASICH, House Majority Leader DICK ARMEY, and others. In my judgment, he has been a pillar of strength throughout.

I also extend my remarks to the distinguished Democrat leader who has worked with Senator DOLE here in the last 48 hours, and many Members on both sides.

I think the Senate should stand with great pride as to how it has met this tragic shutdown in the Federal Government and the ripple effect throughout the private sector, so that it just is not the Government employees.

I will also address other matters from my constituents here momentarily. But I wish to thank the Senator from Nevada for his remarks about our distinguished leader.

FINANCIAL SUPPORT FOR FEDERAL EMPLOYEES

Mr. WARNER. Mr. President, this morning in my office Congressman WOLF, Congressman DAVIS, and Congresswoman MORELLA joined—and we now have met several times a day—to try to provide our respective leadership here in the Senate and in the House, together with our colleagues from Maryland.

I note the presence of the junior Senator from Maryland on the floor, as well as yesterday the senior Senator from Maryland, and Senator ROTH also.

We worked here as a group because the greater metropolitan area of Washington is probably the most severely affected as a consequence of this Government shutdown. Not only is there a large number of employees—perhaps as high as a half million—who are working at their jobs without pay, but there are some 260,000 to 280,000 who are furloughed and not able to report to their offices for various reasons.

I also wish to mention that at 1 o'clock, and I shall be departing shortly to join Members of Congress, Congressman DAVIS, Congressman FRANK WOLF, and Congresswoman CONNIE MORELLA, and others, to meet with the various members of the Federal Employee Education and Assistance Fund. This is under the leadership of Jerry Shaw, a nationally known individual with Federal employees, currently the counsel for the Senior Executive Association.

We are coming together, the Members of Congress, to encourage others—those who can—who will pledge some personal financial support for Federal employees receiving short paychecks. This is becoming a crisis.

I commend the Federal Employee Education Assistance Fund for doing this. This is a private member of the Combined Federal Campaign assisting Federal employees in dire need during the shutdown with interest-free loans for rent, mortgage, utilities, and food. The charity is in danger of running out of funds without additional contributions.

I am happy to join with others to try to make our contributions to help them.

Attending this 1 o'clock meeting will be representatives from the Federal employee organizations represented on the board of directors. Among them include the Senior Executive Association, the National Treasury Employees Union, the Federal Managers Association, the National Federation of Federal Employees, and the Social Security Managers Association.

THE BUDGET

Mr. WARNER. Now, Mr. President, I would like to make reference again to the problems here. They are all well known to Members of the Senate, particularly those of us who have been here the last few days as the Senate and the House began to resume activities.

We are still hopefully waiting for the President's budget message showing us the balanced budget. We are at an impasse because we do not have an agreed-upon budget, but a 7-year balanced budget with the Congressional Budget Office numbers seems to be agreed upon by both the President and the leadership of Congress. So I am hopeful that will be forthcoming.

I think the American people are looking to the Congress now for leadership. I again commend the leadership of the Senate and many others who are participating.

I hope—and I say this with a long pause—but I hope that the same leadership can come from the Speaker of the House and others to realize today the need to pass a continuing resolution for these employees governmentwide. In addition, we have a crisis here in the Nation's Capital, the District of Columbia. That also requires a continuing resolution which I hope will be acted upon favorably today.

But the Federal Managers Association newsletter which arrived in the Senate offices this morning graphically portrays the ripple effect of this problem. I am reading from a paragraph of that letter.

> Social Security Administration: On a normal day the SSA's 1-800 telephone number receives about 250,000 calls. Today, the SSA expects to receive 2 million calls.

I repeat, Mr. President: 2 million calls.

Managing this task is that volunteer group of Federal employees who are coming to work without pay.

It is interesting, but tragic to note, that a number of the managers, the senior executives of the Social Security Administration, and indeed the Veterans' Administration, are making loans from their own budgets to some of the lower paid employees to enable them just to meet transportation costs to come in, and to work with this volunteer group.

Some of the lower paid Social Security Administration workers are telling their managers they can no longer afford transportation costs to get to work to answer the 2 million calls.

I wish to commend the can do spirit that is prevailing throughout the Federal Government to try to provide these services to needy people.

Back to the Veterans' Administration.

They are caring for those who serve this Nation in the time of our greatest need. And now the managers again are working with the lower paid employees, the local banks, guaranteeing loans to secure the needed funds just to get these employees over this period which I hope will come to a conclusion today. And from my own State the switchboard is off the hook. We are there in my office together with other Senate offices taking these calls. I wish to pay special tribute to those in my office, Anna and Patty and Todd and Doreen, all of whom have been by the phones throughout the day and well into the evening to take calls such as the following:

> My name is Brian Rothermel, a heart transplant recipient. I am a member of a 7-person team from the United States scheduled to go to France to participate in the "2nd Winter World Heart Transplant Games" along with participants from 38 other countries. I have been unable to get my passport due to the Government shutdown. My flight is to leave out of New York on a chartered trip to France on January 5. Please give me help.

From the Handicapped Placement Service—this is a volunteer organization which helps handicapped persons obtain jobs and work in the Federal Government—dated December 28:

> DEAR SENATOR: Many of our employees are being hammered by the budget impasse. Because our employees are contract staff rather than Federal employees, they received no wages during the last furlough. The impact from that stoppage was over $11,000 in wages lost to our employees. As you know, over 80 percent of our employees are people with disabilities and most cannot afford lost wages.

This story goes on and on, Mr. President. I ask unanimous consent that I may have printed in today's RECORD other communications from people seeking help from my office as well as other Senate offices.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FAIRFAX OPPORTUNITIES UNLIMITED,
December 28, 1995.

Hon. JOHN W. WARNER,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR WARNER: Many of our employees are being hammered by the budget impasse. Because our employees are contract staff rather than Federal employees, they received no wages during the last furlough. The impact from that stoppage was over $11,000 in wages to our employees.

As you know, over 80% of our employees are people with disabilities and most cannot afford to lose wages. They are not paid at the same level of pay and benefits as Federal employees, and so the impact is very real and significant. Our organization, as a non-profit, is obviously not in a position to be able to protect people financially as the impasse drags on.

We currently have people out of work at EPA, FBI, Commerce, and GSA and we received notification yesterday that 10 people at a second EPA site are being sent home today. The impact for all of these folks is potentially far greater than the first shutdown (which affected more people but was resolved relatively quickly).

I know that you and other members of our Northern Virginia delegation have been very active in protecting the interests of our local Federal employees. If there is any way that contractor staff, most of whom are at greater financial risk because of wage and benefit differentials, can be protected in this round of reviews, please help make that happen. In any case, anything that can help speed resolution of the current differences will help minimize the significant financial losses that our employees are in the midst of trying to cope with.

Thanks so much and a happy new year!

Sincerely,

JANET SAMUELSON,
President.

January 2, 1996.

DEAR SENATOR WARNER: We are two federal employees who believe in the Republican values of individual responsibility, family responsibility, and service to country. Accordingly, one and five years ago respectively, we left lucrative private employment to return to federal service. We have a home, just completed putting one daughter through college, and now have two attending college. This week a mortgage and two sets of tuition, room and board, and textbook bills had to be paid. In short, we gladly go in each weekday to work hard in federal service, then return each night to family life with its rewards, responsibilities and financial obligations.

In the private sector it was a given that one's employment and financial welfare were directly related to performance and output: work hard and produce, and you are rewarded. In the federal workforce, however, we are reliant on the President and Congress for our employment and financial compensation. We depend on you and your colleagues. Consequently, we ask you to stop the shutdown and allow us to go back to work with pay.

We believe a balanced budget is important for the country, but we believe reasonable people can accomplish this and allow the government to work at the same time. In the next pay period, we will embark on serious financial problems through no fault of our own. We hold the President and Congress responsible and we ask you to put us back to work now. Anything else will undoubtedly result in an anti-incumbent bias within the federal workforce, regardless of past party affiliation.

VERN AND MARY ANN BETTENCOURT,
Burke, VA.

YORKTOWN, VA, *December 29, 1995.*

DEAR SENATOR WARNER: I am writing you to express my concern with what is happening or not happening in the Congress concerning passage of the federal budget. First, let me state that I agree with trying to balance our budget. It has gone for too many years in the red and something should have been done years ago! Get rid of unnecessary costs, and there appear to be many, but keep what is necessary to keep our country the great nation it has become.

Next, I'll let you know that I have been employed for twenty years by the federal government as a medical technologist either with the Department of Defense or currently with the Veterans Administration. I have always been proud to serve our military and now our veterans. However, it is a disgrace to our country the behavior of those in power in Congress. It has been difficult working under the conditions you expect us to work under, not knowing whether there is money to order necessary supplies to cover testing for our veterans. Now, I have learned that we will not be paid for one of the weeks we have already worked!! I will continue to work until it is necessary because of financial constraints to seek employment elsewhere. I was not furloughed, I worked. The ones who were furloughed should be allowed to take their leave, not cost the government more money by being granted authorized absence as occurred previously. This nonsense occurring in Congress is supposedly for my best interests! I wish you could witness the havoc occurring in the time keeping departments and payroll at the Veterans Administration, not to mention other federal agencies. How many millions of dollars are being wasted because of furloughs and shut downs?

I urge you and other Congressmen to settle this dispute about our budget. Do what is best for our country, pass a balanced budget, but do it promptly!

Sincerely,

CECELIA J. GENGE.

ALEXANDRIA, VA.

My name is Brian Rothermel, a heart transplant recipient. I am a member on a seven person team from the U.S. going to France to participate in the "2nd Winter World Transplant Games" along with participants from 38 other countries.

I have been unable to get my passport due to the Government shutdown. My flight is to leave out of New York on a chartered trip to Pro-Loup, France, on January 5, 1996. I have been actively raising money through donations from companies, organizations and individuals to help defray the cost of the trip.

The National Kidney Foundation out of New York is the U.S./organizer of the event and all of the money raised goes to them as a tax deduction.

I am a key member on the team and will be severely devastated if I am unable to go. Please help me in my "quest for gold" and let me get my passport. Thank you for any assistance or consideration you can give me.

BRIAN ROTHERMEL.

Mr. WARNER. I thank the Chair. I close by once again commending the leadership in the Senate and other Members who are actively working today and tomorrow and right on into this week to try to resolve this tragic impasse.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

NATIONAL DISGRACE

Ms. MIKULSKI. Mr. President, I, too, am pleased that the Senate passed a continued funding resolution which puts the Federal Government back to work and puts money into pay stubs for all Federal employees. I commend the Republican leader for doing that, and I am proud of the fact that the Democratic leader has also been offering those continuing resolutions. I am relieved that we have finally taken positive action to put an end to this national disgrace and the shameful way we have treated our Federal employees.

I thank everyone who worked on this continuing resolution that has passed, but I am here to say that we need more than a continuing resolution. We also need to repair the damage that has been done.

Mr. President, I represent a shutdown State, as does the Senator from Virginia. What does a shutdown State mean? Of the hundreds of thousands of Federal employees that are furloughed, many of them are in the State of Maryland. I represent flagship agencies. What are those flagship agencies? One is the National Institutes of Health, 13,000 people working around the clock to find the cure and containment of disease and they are furloughed. I represent the national space agency at Goddard, the Social Security agency, the responsibility of which is to respond to the needs of the elderly in terms of getting out their Social Security benefits; the health care finance agency, the National Institute of Standards. I could go on and on.

I can tell you as I have been out meeting with them, visiting with them, talking with them, they know they are out of work, they are out of money, and they are out of patience. For those workers who have been declared essential, what the American taxpayer should know is that although someone has been declared essential does not mean they are getting paid.

What are examples of the essential employees? Those are FBI agents, the DEA agents, the drug enforcement agents. This morning I met with the FBI team in the Baltimore area. They are on the job. The drug dealers are getting paid. Burglars are getting theirs, the bank robbers. But the very people we rely upon to track down the criminals in the United States of America are not getting paid. They are there. They are working. They have every right to be paid.

I was at the VA hospital in Baltimore this morning, speaking to the nurses, the physical therapists, the physicians, the support team. They are there making sure that every veteran is cared for. They are giving their time and their life's blood, but those doctors, those nurses, are not being paid.

Mr. President, that is a national disgrace. When you talk to constituents as I have, they say to me: Why is it that we can have peace talks for Bosnia and get it done? Why is it that we can have Mideast peace talks and get it done? But why is it we cannot have budget peace talks and get it done?

I do not know. Maybe we have to take the entire Republican and Democratic leadership including the President and all of us and go down the Wye River and try to get this settled. We need to be very serious about this.

Yesterday, when I was at the Social Security Administration, I spoke with the workers there. They want to work, they want to earn their pay, and they want to pay their bills. And you know what. They are absolutely worried. They are worried about how they can meet their responsibilities while they are trying to answer the phone calls and do the other work that Social Security requires.

This morning, when I met with those FBI agents and met with the nurses at the Social Security, I heard incredible talk, stories. At the VA hospital, I talked with a nurse who has come into the job without fail to save the lives of veterans and they themselves have no money for their mortgage. They have no money for their car payment. They have no money for their child care. They worked Christmas Day. They worked New Year's Day. Many of them worked the night shift and therefore are paid a premium for that. They are also prohibited from getting any type of second job because they are essential employees. How can we turn our backs on these men and women?

They have given me letters that they want to go into the CONGRESSIONAL RECORD talking about how they continue to work and continue to care for the sick and care for the dying and they want to know who is going to care for them.

I have a letter from one Federal employee who talks about how, while they have no pay, they are raising money for those who are also out of money. I have another letter from a nurse who has dedicated her life to the sick. I ask unanimous consent that these letters be printed in the RECORD, because I want everyone to know the consequences of this.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BALTIMORE, MD.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, House of Representatives, Cannon House Office Building, Washington, DC.

DEAR MR. SPEAKER, I am a Federal employee at the Baltimore VA Medical Center, the wife of also another loyal Federal employee who works for Ft. Howard VAMC. Together we support 2 children, and assist my elderly mother. Our mortgage alone is greater that ½ our pay. It seems clear to me that no one serves to profit from this political struggle over the budget. Remember you cannot have everything, so start by prioritizing the most valued needs for the good of everyone. I struggle with the thought that Congress and our President no longer care about what happens to us, and that the decisions to allow other Federal employees to be punished for your inability to perform your job, makes me cringe with fear. As for my case, the risk of losing my home and those things I have worked hard for is incomprehensible when you in the midst of disaster took a vacation. It makes me worry that if our country was threatened by other beings, would you hinder and jeopardize our existence. What you are doing is WRONG . . . It's wrong morally and ethically and you, the entire Congress and President should know that team work is what built our country. Divided you will be conquered, United you will build the new generation, much stronger and able to lead us through more challenging endeavors.

There has been no negative outcomes directly affecting you, and why??? Have you created a Them and Us? It is time to earn your keep? Help me, my family and make the RIGHT choices. You were selected for your expertise and administrative skills to manage this task. As we approach the feast of the Three Wise Men, let God send the Holy Spirit to make wise decisions now.

I came to work for the Federal Gov't 6 years ago searching for job security, a little premature. I think the Gov't strategies and methods have to move toward rebuilding a model that meets the needs of this day and age. If you want a budget passed, make it contingent on the salaries of those who must decide this process. It appears that the rules to this game are mixed up and with every passing day, you leave Federal workers with the thought that they are not important. The long term effect is a work force that has little motivation and a lot of anger and resentment. Trying to remotivate staff AIN'T EASY.

I guess I personally want you to hear how it feels to be one of the Federal employees. It's like the story "JUNGLE BOOK" when the little boy raised by animals in the jungle walks into a room filled with the stuffed heads of game, and starts to tear. He says if this is civilization, let me stay an animal, we hunt for food, you hunt for game. . . . Unfortunately, the behavior of you leaders isolated out the Federal Employees (and select groups of them), making us the game. It really hurts to part of them right now. I guess I believed in the UNITED States of America. Unite now, work diligently to restore our confidence for this country.

Yours Truly,

MARLENE SIEMEK.

MIKE HOLY, R.N., M.S.,
Baltimore, MD, January 3, 1996.

Hon. BARBARA MIKULSKI,
Senate Office Building,
Washington, DC.

DEAR SENATOR MIKULSKI: I am a registered nurse, employed at the Baltimore V.A., once furloughed back in November, and now, since December 15th, presently working without pay. I have repeatedly over the past few weeks heard derogatory and mean-spirited comments directed at the federal workforce from a variety of sources. The latest, and what I would consider one of the most reprehensible, came this past Sunday, when on Meet the Press Phil Gramm asked, "Has anyone really missed the federal workers?"

Perhaps, Ms. Mikulski, Mr. Gramm has not "missed" the workforce because, dedicated to the mission, and despite the lack of pay, they continue to come to work, continue the mission, and in the case of the staff at Baltimore's V.A., continue to minister to the needs of our country's veterans! I would challenge Mr. Gramm, or any of the other detractors of the federal workers, to produce comparable examples of such dedication in the private sector.

I would like to share with you, in the hopes that you may share with others, one additional example of the dedication to the community which is evidenced here at the Baltimore V.A. Just five days before Xmas a thirty year old mother of five lost her life in a tragic vehicular/pedestrian accident. Hearing of the news, and the five orphaned children, and aware of what the pay situation would be regarding their own forthcoming paychecks, in a period of just two and a half days V.A. employees contributed and raised one-thousand-fourteen dollars (and thirty-five cents) for the family. The money was hand delivered to a local radio station, to be given to the family, that Friday afternoon, three days before Xmas. Such, Ms. Mikulski, is the "stuff" of which the Baltimore V.A. employees are made!

I share with you the above, again, in the hopes that you may share it with others who may be unaware of the caliber of the people involved. In spite of the politics within the Washington Beltway, at the Baltimore V.A., the mission continues—"Putting the Veteran First!"

Thank you for your continued efforts and advocacy on our behalf!

Sincerely,

MIKE HOLY, *R.N., M.S.*

Ms. MIKULSKI. The Senator from Virginia also talked about phone calls. I have hundreds and hundreds and hundreds of phone calls coming into my office. We have even had to bring in, in some very emotional and highly charged situations, a suicide intervention team because of the desperation that we are facing.

Not everybody is a high-paid Federal employee. One of my constituents, one of the nurses, got a paycheck yesterday for 7 cents—7 cents—after all the deductions were taken out. Another cannot pay her car insurance, and she is not getting paid, and she needs to drive her car to work. I have another Federal employee who is deaf, cannot pay her rent, and they are not accepting the fact that she is furloughed.

These are real stories about real people. And why are they not getting paid? They are not getting paid because some refuse to pass a continuing resolution until we pass a balanced budget. Sure, we want to pass a balanced budget, but we also need not destroy civil service. And while the civil servants are on the job, the Federal contractors are also losing their wages.

Who are they? They are people like the cafeteria workers at NASA who work at the minimum wage. They work for a contractor. They are never going to get caught up. They are the small businesspeople who, again, are Federal contractors and are not being paid. There are people like the small business lady who has a small photography shop outside of the Baltimore passport office. Because there are no passports, nothing is happening. She still has to pay her rent. She has lost 75 percent of her business.

Mr. President, this cannot go on. This is why I am pleased that the Republican leader passed a no-frills, get-back-to-work continuing resolution.

Today I hope that the House of Representatives passes this bill. I am appalled that the House of Representatives is stalling and is hinting that they will not pass this. We must end this financial nightmare for nearly a million Federal employees and contractors. They want to be back to work. For those who are working, they want to be paid. Let them have the pay that they have earned.

If this does not work, I will come back and offer a CR myself. We need to stop playing games with people's lives and get down to business. It is time to stop holding Federal employees hostage.

Mr. President, in conclusion, I have a great deal of respect for the Senate, and I do not want to engage in any histrionics on the floor. But yesterday the Social Security workers, those who want to answer those hotlines, those that want to deal with the million-person backlog, gave me a lock. They gave me a lock, and they gave me some chains. What did they do as a symbolic thing? They wanted to lock us in and chain the door until we get the Government back to work. They want us to go back to work, balancing the budget of the United States.

So, Mr. President, I hope today that the House of Representatives passes this continuing resolution and that the leadership can come to a resolution on this budget crisis. I thank the Chair, and I yield back such time as I might have.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

THE BUDGET AND ENTITLEMENT SPENDING

Mr. GREGG. Mr. President, I rise to address what I think is a farce. Obviously, we are hearing about what are some very significant individual concerns and legitimate individual concerns about Federal employees who are being put through significant stress as a result of their inability to be paid, which I would note in many instances, such as the FBI and the DEA, result from the fact that the President vetoed appropriations bills which would have funded those agencies.

But independent of that really personal and traumatic event which is occurring for many Federal employees, there is a much more significant event occurring here which is the question of how, after 26 years, we begin to put fiscal discipline into the Federal Government. And that has a lot of stories, too, a lot of personal stories.

In fact, in our Nation today where there are approximately, I guess, 50 to 70 million children, depending on how you define a child, every one of those children are a personal story of the fact that we have not balanced our budget. A child born today will have to pay almost $170,000 just in interest during their working lives in order to pay out debts which our generation has put on their backs. That is a pretty big bill.

Just 2 weeks out of work is a big deal, too. Nobody wants to put people through that burden. But what we are doing to our children as a nation is even more significant. So what is really the core issue of this debate is how we straighten out our fiscal house so that we do not end up passing on to the next generation of Americans a country without an opportunity for prosperity, and that comes down to being responsible in the managing of our Government.

I want to talk a little bit today about what I would perceive as being a responsible solution to this balanced budget event, because we are hearing a lot of discussion and a lot of debate about how this should occur or how that should occur. But let me just note there are a few benchmarks upon which we can evaluate whether or not there has been success in getting under control the Federal spending, the rate of growth of Federal Government and, therefore, the opportunity to bring under control the Federal debt burden that we are passing on to our children.

The real benchmark of this exercise is not quite honestly whether we meet a technical balanced budget in the year 2002, although that is absolutely critical that we do that, because such a balanced budget can be reached, unfortunately, through the adjusting and tinkering with assumptions. For example, if you change what the estimated inflation rate is over the next 7 years by just a percent or you change the estimated rate of revenues by the Federal Government by just a percent, you adjust by hundreds of billions of dollars the amount of money flowing into or out of the Federal Government. As a result, you can reach balance.

Of course, assumptions have been part of the debate. That is why we have insisted there be a core score of assumptions called the Congressional Budget Office. But that really is not the essence of how you resolve the issue, because the essence of how you resolve the issue is what structural changes, what changes have you made in the way this Government functions that will guarantee or at least give us significant hope that we will be able to bring under control the expenditures of Government or the rate of growth of the expenditures of Government in a manner which will allow us to be able to afford the size of the Federal Government over the next 7, 10, 15 years.

If you are going to address that issue, it is not so much reaching a balanced budget, it is the programs that drive Federal spending. So as we evaluate the process of reaching a balanced budget and what is occurring at the White House, I suggest we look at a few issues because those are the issues that are going to really determine whether or not we are successful.

It is not so much whether the numbers that are put on the table after this meeting at the White House, which hopefully will be successful, is arrived at that say, yes, there is a balance by the year 2002; it is not so much those numbers that are important, it is the programmatic activity that underlies that.

In this area, the core issue is the issue of entitlement spending. Entitlement spending are those programs which people have a right to have the Federal Government spend money on them because of their physical situation, their financial situation, because of their situation in their lifestyle. Those entitlement programs are the core problem that is driving the Federal debt.

In fact, in the year 2015, all the revenues of the Federal Government will be absorbed by the entitlement programs. We will not have any money to spend on national defense or cleaning up the environment or having better schools. We will be spending everything just on entitlement programs.

So the issue of whether or not we are going to bring under control Federal spending and whether or not we are going to be able to pass to our children and this country a fiscally solvent one versus one that is bankrupt, and whether our children will have an opportunity for prosperity really comes down to how we address these entitlement programs during this process.

In doing that, I think we can score the activities by looking at a few specifics. If the proposal that comes out of the agreements or the discussions which are now going on with the White House—assuming there is a proposal; and I certainly hope there will be—but if such a proposal does not aggressively and affirmatively address those entitlement programs, then it will be essentially a facade, and we will have accomplished little. The pain that these Federal employees are going through subject to the continuing resolution failure will be for naught, and how can we know whether or not there has been substantive change or substantive action taken on the entitlement programs.

Let me lay down a few benchmarks that I think we should look at. There are three basic programs that we are talking about here: Medicare, Medicaid, and welfare reform.

In the Medicare accounts, clearly there has to be a new way to deliver services. There has to be more opportunity for competition. Our senior citizens have to be given more choices, more opportunity to go out in the marketplace, like their kids today, and be able to purchase services other than just what is known as fee for service. Thus, any reform that comes out of this process must involve the use and the utilization of marketplace forces in a very aggressive way. It must allow seniors to do as their children are doing today, which is to opt into other types of health care delivery, whether it happens to be an HMO, a PPO, or a group of doctors, or a PSO, which is another form of doctors and hospitals practicing together. Those various options must be made available to our seniors. And I hope that in any resolution of this matter—it must have that type of a choice program in it, a real choice program, and it cannot be just what we presently have in our Medicare system, which is basically an illusory choice program.

You can also look at the Medicare reform effort and determine whether or not it is real by what the rate of the premium payment is. If we go back to a 25-percent rate of premium as being the part B premium borne by senior citizens, then we will know that basically there has been a sellout, that nothing has really happened.

The fact is that 31.5 percent is what is needed as the part of the part B premium to be paid by seniors if we are going to have a solvent trust fund. Seniors cannot expect that the Medicare trust fund will remain solvent if they are going to ask their children to basically subsidize, at an ever-growing rate, the cost of the part B premium.

The seniors cannot expect the Medicare system to remain solvent. Seniors have to be willing to pay their fair share. By paying their fair share and maintaining the premium at 31.5 percent is clearly a core test issue.

Another test is whether or not there are copayments, especially whether or not we have a situation where, on the part B premium, people with high incomes are required to pay the full cost of the premium. Today, we have the top 500 of retirees from IBM last year being subsidized by the folks who are working at the restaurant, down at Joe and Mary's Diner or at the local gas station, and it is not right, it is not fair. They are being subsidized to the extent of almost 68.5 percent, the cost of their part B premium, and that is not correct.

So any reform that comes out of this agreement has to have some sort of understanding that high-income individuals will bear the full cost of their part B premium.

In the Medicaid accounts, it is very obvious that Medicaid has not worked the way it was supposed to. Nor has welfare. If we are going to make them work effectively, we have to give the States the flexibility to run the programs and to initiate original and imaginative approaches to running the programs. We have to end this huge drainoff of funds which is going into bureaucracy instead of going into care in the area of Medicaid and going into direct support in the area of welfare.

Today, I think it is less than 40 cents of every welfare dollar actually gets to the recipient. The rest goes to overhead. In most States, the administrative costs represent about 15 percent of what the operating costs are of a program. So the difference between those two numbers is what States feel they can have available to address the needs of people versus ending up funding bureaucracies.

So any program that is going to effectively address the outyear drivers of our budget problems, specifically the entitlement programs, must address the fact that Medicaid and welfare must be decoupled from the entitlement train and be returned to the States to be operated as States' programs with the flexibility being given to the State governments where there is as much compassion as in Washington to deliver these services to the less needy and to the more needy individuals.

So these are some of the tests of whether or not we will reach an agreement which is real versus one that is illusory, and in looking at any balanced budget agreement, it is essential that we look at those tests because it is essential that we have an agreement that is real.

I thank the Chair for his courtesy and yield back my remaining time.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Ohio.

HOSTAGE TAKING IS NOT PRETTY

Mr. GLENN. Mr. President, let me join with those who complimented Senator DOLE for taking the leadership yesterday in sending a clean continuing resolution to provide Government funding over to the House. I not only want to compliment Senator DOLE, I also want to compliment all the Republicans on their side of the aisle in the Senate because Senator DOLE made that proposal, knowing full well that he had unanimous consent, or he would not have made it. So I want to not only congratulate him but also the Republicans on the other side who I feel are working in good faith trying to bring this to an end.

Yesterday afternoon, I was making a couple of notes for some remarks on the floor this morning. I was going to start out by talking about hostage taking, how it is never pretty and it is always unfair. The innocents are penalized for something they had nothing to do with. I was not aware at that time of what the lead editorial in the Washington Post was going to be today. They say "The Government as Stage Prop."

They start out saying almost the same words:

> Hostage-taking is an ugly business. It doesn't matter what the cause. Innocent people are seized and used as pawns; they become political trading stamps whose welfare is exchanged for things the hostage-taker could not win by normal means. That, even more than the mindlessness, the waste (in the supposed cause of economy in government), the inconvenience and the instances of outright harm to unpaid workers and unserved citizens alike, is what is finally wrong with the current Government shutdown.

I will not read the rest of the editorial. I ask unanimous consent that it be printed in the RECORD at the end of my remarks, along with another enclosure.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GLENN. Mr. President, innocents are being penalized for something with which they had nothing to do. Congress protects its own income, of course. We do not give up any of the $133,600 a year, but for those making $33,000 a year, it makes all the difference in the world, and this because one small group thinks that they, and only they, have the wisdom on how this Government should go and that they can dictate the future of this Nation.

We elect 535 people to the Congress of the United States, and what a charade it is that just a small group thinks that they can shut down everything and bring such pressure that the rest of Government, everyone else who is elected to Government will give in and say, "OK, this is getting so bad that we give in to your unfair tactics."

Why do we get into this mess? Let us go back just a few years and see what happened. Let us go back to the history. Let us "go to the tape," as they say on the sports broadcasts.

Did Democratic problems contribute to some of the situation we are in now? Why, of course it did. Back some years ago, we had an economy that was not as well managed as it should have been. We wound up at one time with 21-percent interest rates and 17-percent inflation rates, and that lead to what was called the "Reagan revolution." That revolution came in with an experiment in supply-side economics, as it was called then, that did not work, and we can show that.

In the years 1981, 1982 and 1983, we cut taxes by 25 percent—5 percent the first year, 10 percent the second year, 10 percent the third year. This was supposed to result in more investment and such an increase in the economy of this country that new revenues were going to more than make up the losses from those tax cuts.

It flat did not work. When it started, we had, from George Washington through to the end of the administration of Jimmy Carter, $1 trillion in national debt. What do we have now? In the few short years since that experiment in supply-side economics, we have seen the debt skyrocket. We have added $3.9 trillion—$3.9 trillion—in the last few years. It will be just a short time until we hit a total debt of some $5 trillion.

Entitlement growth has contributed to that, of course. Were we prompt in taking action to slow some of these things down, in Medicare, Medicaid, and welfare? No, we probably were not. But does that mean we dump the whole of the programs and just stop Government now?

I know from talking personally with President Clinton on a trip he made to Ohio that first priority of the new administration was get control of the economy. Otherwise, all the other things would not be possible.

What did he do? He came out with a program then, and it was a program that has had considerable success, in spite of the fact it seems to be mentioned only rarely these days. About half of it came in cuts in programs and about half of it came in some tax restoration, to restore some of those tax cuts that had happened under the Reagan administration and went too far. President Clinton, to his everlasting credit, had the fortitude to go ahead and make some changes in those programs and restore some of the tax rate that could bring us back into balance.

We remember that day on the Senate floor very well in the summer of 1993. When the effort was made to pass the Clinton program, we had complete opposition on the other side, both in the Senate and in the House. It was a very dramatic moment when the Vice President, sitting as President of the Senate, broke the 50–50 tie and put the administration's program into effect.

Now, every single Republican Member of the House and every single Republican Member of the Senate voted against that proposal to move toward a balanced budget. Every single one. There were no cries then about the balanced budget and so on. It was a complete stonewalling of the President's efforts to get us headed toward a balanced budget. Did it work, or did it not work in the ensuing years, since 1993? Let us look at the record.

At the time the President made his proposal and at the time that we voted the program in, the budget deficit, per year, was running right at $300 billion. Last year, what was the record? The program was working. The budget deficit went down to $246 billion per year.

Last year, the record is that it went down to $162 billion. So we were on the right path—without any major revolution, without dumping whole programs of Government. We were tailoring them back.

I know from my own personal experience, because I was chairman of the Governmental Affairs Committee and I was assigned billions of dollars to cut back on programs that did not have that big a budget, and we did it. It was tough and we made some very, very tough decisions at that time. That was opposed by every single Republican Member of the Congress, in the Senate and in the House. They said, "We cannot restore any of those tax cuts. We cannot come up with any tax increase at all." That was the rationale for most of the opposition.

Well, it did work. We have been on a track down where the budget deficit has been declining in each one of those years. Where was the Republican interest in the balanced budget? Did anybody ever say a good thing on this floor about what was happening as a result of those tough votes we made in the summer of 1993?

We need to keep going with those reductions. I agree with that. It has leveled off somewhat. Some of the predictions indicate that it will be $150 to $200 billion as far as the eye can see. So we need to make an effort to keep cutting those down and do it not by some great revolution but by the evolution that has been successfully started.

It is said that we have to transfer all these responsibilities to the States. Some should be transferred to the States; I agree with that. But I also say that these proposals to shut down the Government are not affecting only Federal employees, as has been pointed out on the floor here this morning, they also impact the people on welfare, children, the poor, and the care for the elderly.

Here are a few examples of how the people of this country are being impacted, and this is not just Government employees, as important as that may be.

We have some 54,000 Federal employees in the State of Ohio. All of those are not affected by this, but I will use that figure. I do not have a breakdown on how many exactly are impacted. We cannot get information because the appropriate offices that would provide that information are closed down.

These Federal employees are important to us in Ohio. But, Mr. President, regarding care for the elderly, 600,000 elderly Americans face the potential of losing their services of Meals On Wheels, transportation, and personal care provided by the Department of Health and Human Services, if a CR is not passed this week. This covers protection and services for children, unemployment insurance, securities markets, and so many other areas that are affecting every single American, not just the Federal employees, right now.

So what we need to do is say to our colleagues over in the House that "enough is enough," as the majority leader has said. Enough is enough, and it is time that we got on with not only putting Federal employees back to work but rendering the services that the American people expect and are paying for and should have.

Over in the House, the Speaker has said that the crown jewel is the tax cut. That comes out of Medicare, as I see it, some $270 billion. They say you cannot equate that. If you cannot equate it directly from Medicare to the tax cut, that means we are borrowing $245 billion to give a tax cut. We are borrowing the money to give a tax cut. I disagree with President Clinton's proposal on a lesser tax cut, also. I do not believe any tax cut at this time is necessary. Borrowing to give tax cuts is pure folly, as I see it.

The social fabric of this Nation should not be changed by a revolution dictated by a few, but by evolution, slower change, which lets people adapt, whether it be the elderly, children, the sick, the poor, those who need Medicaid. To just throw this back to the States and say that we will give you a bag of money, but we are going to put a much greater increase on requirements that you have to comply with, makes the biggest mockery of the unfunded mandates legislation we passed earlier this year than I can possibly think of. So we are giving them responsibilities, a little bit of money, and saying, "Good luck to you."

Mr. President, I think we need a clean CR, again, that the House will accept. We have narrowed this down to where it is time that the House of Representatives and their group of diehards gave in a little bit and decide that we can negotiate these changes and put the Government back to work.

I yield the floor.

EXHIBIT 1

[From the Washington Post, Jan. 3, 1996]

THE GOVERNMENT AS STAGE PROP

Hostage-taking is an ugly business. It doesn't matter what the cause. Innocent people are seized and used as pawns; they become political trading stamps whose welfare is exchanged for things the hostage-taker could not win by normal means. That, even more than the mindlessness, the waste (in the supposed cause of economy in government), the inconvenience and the instances of outright harm to unpaid workers and unserved citizens alike, is what is finally wrong with the current government shutdown.

Senate Majority Leader Bob Dole was trying again last night to find the formula to reopen temporarily. Good for him; it's the right position; and he takes it at a certain cost. Speaker Newt Gingrich said it would be "very hard" to find the necessary votes in the House without a budget agreement. Does he really lack the power to produce such a limited result? Sen. Phil Gramm, meanwhile, one of Sen. Dole's rivals for the Republican presidential nomination, spoke for the vaudeville wing of the party. He is one of those who, over the years, have found it convenient to make almost a cartoon of the federal government.

It's a straw-man style of politics. First you portray the awful thing, then you run against it, and no matter if the portrayal bears scant relation to the reality. "I do think we've discovered one thing," he said on television Sunday, "and that is, Have you missed the government? I mean, doesn't it strike you funny that 280,000 government employees are furloughed, large segments of the government are shut down? I think this proves beyond a shadow of a doubt that we need to go back and eliminate 150,000 to 200,000 bureaucratic positions." Mr. Gramm and others thus use the government as a stage prop. Rather than make the decisions they ought to be making—ought in fact to have made weeks ago—both parties are using it, or the lack of it, to score political points and gain leverage in the underlying budget talks, even as they also scramble to avoid the blame for the spectacle they have jointly achieved. We have a suggestion for them. They ought to reopen the closed agencies while they talk, since in fact they do finally seem to be talking. It's a nasty game, the shutdown, and it's gone on long enough.

EFFECTS OF THE GOVERNMENT SHUTDOWN, TUESDAY, JANUARY 2, 1996

Congressional Republicans, by refusing to approve funds even for the short term, are forcing a continued shutdown of the government. The continuing shutdown is causing increasingly severe hardships for millions of Americans who: depend on government services; serve the public as federal employees and contractors; and are impacted by the economic spin-off effects of reduced government activity.

EFFECTS OF THE CONTINUING SHUTDOWN ON AVERAGE AMERICANS

Care for the elderly: 600,000 elderly Americans face the potential of losing their services of "Meals on Wheels," transportation and personal care provided by HHS if a CR is not passed this week.

Protection and services for children: As of today, states will lose $74 million in quarterly grants for discretionary child protection programs, which help states respond to more than 2.5 million reported cases of child maltreatment each year. In addition, the Federal Parent Locator Service, to which 20,000 child support cases per day on average are referred, is closed.

Unemployment insurance: By the end of this week, 11 states (plus DC and the VI) will have exhausted Federal funds for administering the unemployment insurance program (New Jersey, Alabama, Rhode Island, Tennessee, Kansas, Alaska, Massachusetts, New Hampshire, Vermont, Utah, New Mexico). In order to keep unemployment offices open, states will have to fill the gap with their own funds. Otherwise, unemployment offices would have to close and benefit payments would cease. Kansas has already closed its unemployment office.

Securities markets: The SEC's funds are expected to be exhausted by the end of next week, causing delays in review of an estimated three-fourths of pending and new SEC filings for the month of January. A delay in review of filings for initial public offerings, mergers and acquisitions, and filings for new debt or stock offerings would eventually impact the flow of corporate financing and capital formation.

Home-buyers: Each day of the shutdown, the Federal Housing Administration cannot process 2,500 home purchase loans and refinancings ($200 million of mortgage loans) for moderate- and low-income working families.

Protection of workers: Since the start of the shutdown, over 1,000 workplace safety complaints have gone unanswered and 3,500 investigations involving pension, health and other employee benefit plans have been suspended.

Environmental protection: All EPA non-Superfund civil environmental enforcement actions have stopped, costing $3 million a day in fines or injunctive relief against polluters; and as of today, up to 32 Superfund cleanups will be shut down.

District of Columbia: The December 22 CR expires tomorrow which will continue the uncertainty over how DC can continue to operate its services.

Passports: Each day, the State Department can't process 23,000 applications for passports that it would normally receive.

Programs for Native Americans: The Bureau of Indian Affairs cannot make general assistance payments due to about 53,000 Indian families and individuals, or to guardians and foster families that care for about 3,000 Indian children.

Veterans: While the December 22 CR provided funding for certain benefits and payments, it expires tomorrow; consequently, contractors providing services and supplies to hospitals will not be paid, and benefits for January will not be paid on February 1 in the absence of a CR. In addition, approximately 170,000 veterans did not receive their December Montgomery GI Bill education benefits and will not receive benefits in January. Funding has also lapsed for processing veterans' claims for educational and rehabilitation counseling, and enabling veterans to obtain VA guaranteed home loans.

Small businesses: Each day of the shutdown, over 260 small businesses are not receiving SBA-guaranteed financing; and 1,200 small business owners are not receiving SBA-sponsored training and counseling normally available to them.

National parks/forests and related businesses: Each day, an average of 383,000 people cannot visit National Parks. Potential per day losses for businesses in communities adjacent to National Parks could reach $14 million, due to reduced recreational tourism.

Foreign visitors: Each day, the State Department cannot issue 20,000 visas to visitors, who normally spend an average of $3,000 on their trips.

Export promotion: On an average day—export licenses with a value of $30.5 million that would otherwise have been approved by the Bureau of Export Administration will not be acted upon; more than $92 million in sales of U.S. products are blocked due to inability to process license applications; and more than 2,500 telephone calls and faxes from U.S. businesses seeking export information are not being answered.

EFFECTS ON FEDERAL WORKERS

Due to Congress' failure to approve short-term funds, beginning last Friday, December 29, about three-quarters-of-a-million Federal employees have received only half their usual pay.

They received pay for December 10 to 15, but not December 16 to 23.

Unless the Congress approves funding by late this week, emergency and furloughed employees will not receive pay for the current pay period on time (i.e., next week).

480,000 emergency workers are working, and the government is obligated to pay them, but they can't be paid until Congress approves funds to end the shutdown (includes federal law enforcement officials, prison guards, and nurses at Veterans Hospitals).

280,000 non-emergency workers are currently furloughed and not being paid (and have no guarantee they will receive back pay unless Congress acts to approve back pay).

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

DO WHAT IS RIGHT FOR AMERICA

Mr. COATS. Mr. President, I was elected to Congress in 1980. I took office in January 1981. At that time, during that election, there was some view that it was a major election. Ronald Reagan was elected President, and a number of changes took place that were viewed then as historic. Republicans took control of the U.S. Senate for the first time since 1954. Republicans did not take control of the House of Representatives but in a sense they gained working control because they elected a significant number of new Members and, joining with conservative Democrats, they formed a working majority that passed some very significant legislation.

One of the primary issues, if not the primary issue, of that election year and the agenda that was proposed and adopted in part during that 95th Congress was the whole question that we are debating here today and this year, which is, what is the size of Government? What is the scope of Government? Is Government too big? Does it try to do too much? Does it overregulate, overspend, overtax? What is the proper role of Government?

David Stockman, then Director of the Office of Management and Budget for then President Reagan, proposed a plan to begin to trim back some of the spending of Government. There was an outcry from the American people. It was the issue of the year. When we compare what was then proposed with the magnitude of the problem then versus what is proposed today and the magnitude of the problem today, it is seen as a very, very minor, almost inconsequential, proposal, in retrospect.

That debate, in one form or another, has been taking place now for the past decade and a half. In a growing sense of frustration, I think the American people are viewing the Congress as incapable of really addressing the fundamental core issues, of really doing something that makes a difference. I do not know how many times we have promised a balanced budget through plans that have been offered by Members from both sides, by both parties. But it was said, "This is the plan that will balance the budget."

We had, of course, the 1981 and 1982 legislation. We had the 1983 Social Security legislation, which is probably the closest we came to making a policy change that substantially made a difference in the way we spend money. We had the 1986 agreement, the 1988 agreement, the 1993 agreement. Each agreement, Members stood on the floor and said this will do the job. We have finally stepped up to the plate, and we have done what the American people have asked us to do. We go home and campaign on it. This is the real balanced budget. Gramm-Latta I, Gramm-Latta II—we have been through it all. There is plenty of blame to spread as to why this was not accomplished.

The Senator from Ohio talked about tax cuts that were proposed and those were attempts to address the question of more and more hard-earned money from those who are in the work force being siphoned off to Government—whether Federal, State, local, or sales tax, or excise tax, or whatever—and also an attempt to dry up the supply of money coming from taxes, to try to slow down the spending. We can argue whether that was proper strategy or not.

I do not think anybody would argue the fact that we have seen the national debt accelerate from a $1 trillion level when I came to Congress in 1981, to nearly $5 trillion level, a 500-percent increase in just this short decade and a half, that the solution would have been $4 trillion of additional taxes out of the American taxpayers pockets. I do not think anybody is advocating that as the solution.

So now here we are with this ever-accelerating frustration on the part of the American people, cynicism, apathy, distrust of this institution's ability to successfully address this problem. Here we are, now, in 1995, having spent this last year primarily attempting to address this question.

We had, again, what many would call a historic election in 1994. As the American people exercised their frustration with the status quo, their frustration with the way that the Congress was addressing the question, the fundamental question, of what the role of Government is and its ever-expanded expenditure that was placing our Nation's economic future in jeopardy and, I think, violated the basic moral responsibility that many people feel we have, and that is to not continue to pass on debt for the enjoyment of expenditures, the utilization of expenditures for our own enjoyment in the present, paid for by someone else's earnings in the future.

I argue that there is an economic necessity for our getting hold of this ever-accelerating rate of growth in the Government and that there is a moral requirement placed on each of us to do what I think each of us knows is the right thing to do, and that is not to enjoy the benefits of this society that the Federal Government can provide to us in the form of payments and benefits to the extent that it places an extraordinary debt load and obligation on the future. That is one of the most basic principles of life: Delaying gratification so that you do the things that are necessary now to provide for a better result in the future. We have robbed our children of this lesson. We have demonstrated to them, I think, a great irresponsibility in terms of the way in which we handle our Nation's finances.

Now, all of this came to a head early on when we debated the balanced budget amendment, because many of us stood here and argued, having gone through all this statutory process, this process of will, if we just work hard enough with it we are able to deal with this problem; having gone through that several times and failed miserably, that only a constitutional mandate to balance the budget would accomplish what we were seeking to accomplish.

That was supported, largely by Republicans but also by a significant number of Democrats, and failed by one vote. It was the greatest disappointment of my time in Congress to lose that by one vote, because as I spoke here, I said I doubt that we will ever have on a sustained basis the will to do what is fiscally responsible on a year-after-year basis, because the political requirement, or at least the political temptation to please constituents now and worry about paying for it in the future is so great that it will continue to drive us toward providing more and more benefits and less and less personal responsibility in terms of asking people to pay for those benefits in the here and now.

Because the Government has the ability to float debt and postpone repayment of those obligations, the political temptation to sort of please those people you represent now so that you can get elected at the next election and worry about repayment of that or putting the hard questions before the people we represent, that is always deferred.

Now, in 1994 I think that frustration, as I said, boiled over. We had a dramatic change in the representation in the House of Representatives and, I think, a very strong mandate from the American people that they wanted something different than the status quo. They wanted the real thing. In response to many who said, "Well, I'm not voting for this balanced budget because it doesn't have an exception for this, an exception for that, and, besides, we shouldn't have to rely on the Constitution to make us do what we know is right. We should have the will to do it ourselves. So let's forget the mandatory constitutional requirement and let's go forward by exercising our own personal will and do what we know is right." That is what the attempt has been all this year.

Here we are. Now it is 1996. We were not able do that in 1995. We are arguing over small numbers and details and large numbers and details, but we are not focusing our efforts on the core concepts.

The Senator from New Hampshire came down here a few moments ago and redirected our attention back to what I think are the basics, what should be the basics of this debate. Instead of focusing on those basics, we are focusing on whether or not a Federal employee should be paid for work that they are doing now, whether they should be held hostage to this process, what the impact is on people and their families, and that impact is real. However, it does not address the core debate.

Mr. President, it seems to me our options are somewhat limited at this point. We can talk about this endlessly and posture and get spins out of the White House and spins out of Congress. This can go on and on and on and on, or we can simply say, "Look, there is a basic principle involved here. We all know it requires major policy changes, or we will just simply be back here 2 years from now arguing the same thing."

We all know, as the Senator from New Hampshire said, unless we address the three basic programs of Medicare, Medicaid, and welfare reform and change policies that drive that spending and decouple the entitlement from the automatic spending train, we will not have achieved success in balancing the budget. I think everybody understands and knows that. Yet, we are now addressing that or focusing on that question.

I do not know what the solution is, Mr. President. Maybe it is to require that the President of the United States, the leader of the Senate, and the Speaker of the House be sent to Dayton, locked up at Wright Patterson Air Force Base—as were the Bosnian factions, leaders of the Bosnian warring factions; they have been at war with each other for 600 years, and being locked up at Dayton produced a result most thought would not happen—perhaps locking up the three leaders of our Government in Dayton, cutting off and saying, "No Larry King, you cannot read any newspapers, you cannot take any polls, you cannot watch the television, you cannot go to Hilton Head to play golf, and you cannot go to New Hampshire and campaign until you do what is right for America," maybe that is the solution. I do not know.

Doing what is right for America is what ought to be driving us in this debate. I think we all know what is right for this economy and what is right for the President and what is right for the future. I think we all know or we should know that unless we address these fundamental changes in the way in which this Government spends money and we put some restraint and control on that, we will not succeed and we will be back here arguing the same thing.

I regret the Federal workers are out of work. There are a lot of people out of work. AT&T just announced they are going to lay off 40,000 people, so it is not just the Federal workers. In defense of the House Republicans, they are using the only leverage they have against the President. It has not worked very well because the President's spin has captured the headlines and their spin—the Republican House has not captured headlines with that.

I have probably gone over my time. I appreciate the patience of the Chair and my colleagues. I will have more to say about this later, but I do think we ought to focus on the basic issues and I do think, despite what the polls say and despite what the phone calls say, we ought to do what we believe is right for America.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

THE IRRESPONSIBLE COURSE OF THE HOUSE OF REPRESENTATIVES

Mr. BINGAMAN. Mr. President, today we are in the 19th day of the longest Government shutdown in the Nation's history. Let me begin, as others have here today, by commending the majority leader for his action yesterday in bringing to a vote, here in the Senate, a continuing resolution to restore funding for the ongoing operation of the Government. I frankly regret that it took us 18 days to have that continuing resolution brought to the Senate floor. But, regardless, I was very pleased to see that action by the majority leader yesterday. I also commend all Senators for agreeing to the passage of the continuing resolution. I think we all know that under Senate rules, any Senator could have objected and could have kept that measure from passing in yesterday's session. It says something about the merits of this issue, this issue of the Government shutdown, that every single Senator agreed to allow that bill to pass.

Today, the House of Representatives will have to decide whether it, too, will pass the continuing resolution that we passed yesterday in the Senate, whether it will pass that resolution so it can be signed by the President and so that funding can be restored to the Government or, in the alternative, whether the House of Representatives will continue in what I believe is the irresponsible course that it has pursued, now, for several weeks.

Since this second shutdown of the Government began, I have spoken three times on the Senate floor. Each time I have denounced the refusal of the Congress to fund the Government as irresponsible. I have denounced it as being an abuse of power by the Congress and an abrogation of responsibility by the majority here in Congress. I believe very strongly that the Founding Fathers who wrote the Constitution expected more responsible conduct by the later generations who would serve in this Congress. I believe very strongly that the American people deserve more responsible conduct by their elected officials.

But I will not repeat today all the arguments that I made in the previous days. Instead, what I want to say today is that today, each Member of the House of Representatives should be given the opportunity to vote on whether or not to restore funding for the normal operation of Government.

Let the people's elected Representatives vote on whether they believe that Government should be shut down or we should restore that funding.

I saw the Speaker of the House made a statement yesterday that he did not know whether the votes were there, in the House, and he doubted that the votes were there in the House to pass the continuing resolution that we passed here in the Senate. It is very simple to determine that. Just put the question to a vote. Let each Member come on the floor of the House and cast his or her vote and answer to his or her constituents for that vote.

The people's elected Representatives need to decide whether the Congress should continue to withhold funds needed to process student loans for this next semester of school. They need to decide whether it is proper for Congress to keep the campgrounds and monuments and visitors centers closed in our national forests and our national parks. They need to decide whether they want to continue withholding funds that are needed to process the 23,000 passport applications that are received each day by the State Department, that were received yesterday, that will be received again today. And they need to vote on whether the Congress wants to withhold one-half of the pay of three-quarters of a million Federal workers or, in fact, withhold the pay of that entire group, entirely, for the month of January—which I understand will be the case unless some continuing resolution is passed.

People deserve to know how their elected Representatives stand on these issues. I know the response that some Republican House Members will give. They will refuse to vote for funding the Government and explain their position by invoking their earnest desire to get to a balanced budget. So let me respond to that just very briefly.

First of all, the issue of whether Congress shares with the President the obligation of maintaining the functioning of Government is a separate question from whether we ought to commit ourselves to reach a balanced budget at some future date. I believe strongly that the Congress does share that obligation to maintain a functioning Government and it is not an obligation that can be ducked by Members of Congress by simply changing the subject.

A second point is the obvious one that we are not going to bring the budget into balance this year. Nobody has stated that we could bring the budget into balance this year. The Speaker of the House has not claimed that, Senator DOLE does not claim that, President Clinton has not claimed that. If everything works perfectly, the best that we could hope for is that if the Government takes certain steps during the next 7 years, and if the economy acts in certain ways during the next 7 years, that that combined result will get us to a balanced budget in the year 2002. So, those Congressmen and Senators, previously Senators, who insist on keeping the Government shut until the Government gets to a balanced budget will have a long time to wait.

Congress meets every year. We pass new budget bills every year. We pass new appropriations bills every year. None of what we do around here is chiseled in granite. All of it is subject to change during this next 7 years. So we need to get on with our business. And part of our business and part of our responsibility is to restore funding for the normal functioning of Government.

Finally, we have a shared commitment between the Congress and the President to reach a balanced budget. What we also need, and need very urgently in my opinion, is a shared commitment, including the commitment of House Republicans, to maintain a functioning Government. This Senate has acted responsibly in passing a continuing resolution to once again fund the Government as we did last evening. Today the House Republicans have the opportunity to act responsibly as well. I sincerely hope that they will seize that opportunity.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

COME TO AN AGREEMENT ON THE BUDGET

Mr. CRAIG. Mr. President, I, like many of my colleagues, have returned to Washington this week, hopeful that the Congress and the President can come to an agreement on the differences they hold over the budget issues that the American public are now so aware of, as a result of the continuing shutdown of Government or a portion of our Government. I stood on this floor just before Christmas and asked the President to give the American people a present, a Christmas present, a balanced budget that would look toward the future, that would assure the economic viability and vitality of this country well into the next generation. And that it was at Christmastime that we should start.

That did not happen. In fact, the President did just the opposite. He vetoed appropriations bills that were sent to him. At least as a result of the veto of one appropriation bill, the Interior appropriation bill, he furloughed, by that action, a good number of workers in my State, Federal employees in the Forest Service and the BLM, who are now extremely frustrated and calling my office and saying why can we not work? Why can we not be paid? Why can we not continue to do what we do for our country?

Let me say to those workers that I am sorry they are not, today, at work. Not just them, but all Federal workers in my State. The President did not veto the Interior appropriations bill because of the dollars and cents of it. He vetoed it because of his belief in a policy or an attitude that is in disagreement with the majority of the U.S. Congress on how many trees ought to be cut in a forest in Alaska, or how certain lands ought to be mined.

So, I am sorry, to those employees in my State, because the Congress did its work and it responded to them, and to the Government, by sending the appropriate appropriations bill, only to be vetoed by the President.

So to those workers, let me tell you. You are today being held hostage by a President who refused to sign appropriations bills that had been sent to him. That is all I want to say on that issue. And I say that because I believe the Federal workers who are furloughed ought to be paid. They are furloughed through no fault of their own. And this Congress and this President ought to come to an agreement to resolve that issue. And I hope that is accomplished before the week is out.

Yesterday, the Senate spoke in an effort to try to bring Federal employees back onto their jobs. And that did not work for the House is still considering its options as appropriately it should.

So, Mr. President, I hope you recognize the importance of the work that we are trying to accomplish here. And I hope that we would not continually look at just tomorrow because, while I am not happy that our Government is shut down, I am not worried about tomorrow and tomorrow's unemployed Federal workers. But I am worried about the future and a balanced budget; and, that we will have a strong, stable Government as a result of a strong, stable U.S. economy that is able to appropriately fund the needed services of Government and assure the long-term stability of the work force and the responsibilities and the goals of a Government. That is the way it ought to be. That is what this Congress has attempted to look at and make changes in over the course of the last 12 months.

It is my disappointment that the White House never sent a balanced budget to Capitol Hill, and it never once said, except in the last few weeks, that it would come to the table in an effort to resolve the budget crisis that we are now engaged in.

Several weeks ago the President did, while signing a continuing resolution, commit himself for the first time to work toward a balanced budget; to try to match up the rhetoric of his last campaign with the actions of his administration. Yet, the American people have watched. And we have worked day after day through Christmas and now into the new year at the White House and here on Capitol Hill to try to resolve the differences just to honor the commitment that we made to the

American people and to try to cause this President to honor his.

I know there are fundamental differences. There are differences that are very difficult to resolve because there are some in this Congress, and certainly many in the administration, who do not believe in a balanced budget but who have profited politically over the years by the longevity of their service by assuring the perpetuation of the welfare state mentality; that you could just give and give and borrow and borrow and buy your way back year after year and continue to serve and to say all is well with the American citizen, the American Government, and the American economy.

While all was well for the short term, what became overpowering to the American people was the growth of a debt that is nearly $5 trillion by its total amount and that is costing well over $200 billion a year just to finance.

Finally, the American people spoke very clearly in the last general election across this country when it said the future of our country is every bit as important as the current well-being of our Government and the well-being of our citizens.

So I am here to work to resolve the issue. I say to the Federal workers in my State and across the Nation that while I wish you were not furloughed, and while I support you being paid when you return to work, and when we produce a balanced budget the future of our country is so very much more important than the short-term difficulty that I am sad you are experiencing but that, in fact, you are experiencing because the policies that will cause this Congress and our Government to operate in a near balanced budget year in and year out to stop building mounting debt is what is fundamentally important for the new year.

So while the President was unwilling to give the American people a Christmas gift, let me ask you, Mr. President, to make a New Year's resolution along with all of the Congress to by this weekend come to terms with the differences that we have between us to resolve a balanced budget in 7 years using the Congressional Budget Office numbers that we can all agree on, that makes sense to the American people, and that for the new year sets a resolution that says for the future, for America's future, for our young people's future, we will build a strong and stable economy in a Government whose policies are based on serving the truly needy but also recognize that the free market system unfettered by an ever-growing Federal Government is the one that serves the American people best.

Mr. President, make that New Year's resolution with us today. Resolve the issue before the week is out so that employees can go back to work who are responsible and dedicated and furloughed through no fault of their own. And they can be compensated, and the American people can see that politics in Washington is not politics or business as usual but that we have heard them well, we have heard them loudly, and we have heard them clearly. And we responded by producing a balanced budget that charts for future generations a responsible Government, and a strong and growing U.S. economy.

I yield the remainder of my time.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

THE GOVERNMENT SHUTDOWN

Mr. SARBANES. Mr. President, we have witnessed over the last few weeks an unprecedented effort to use a coercive tactic in order to achieve a particular substantive result—in my judgment, a totally irresponsible and outrageous tactic; and, this is, to hold Government hostage by closing it down and, therefore, not only depriving the Federal workers of the opportunity to render service but depriving the American people of the service which they render. And I am going to develop here in a moment the impact this is having in the private sector.

There is a tendency to think primarily about the Federal workers who cannot come to work and cannot get paid. And that is true, and that is creating a tremendous hardship and tremendous crisis in many, many families all across the country. But a similar crisis is being created in the private sector which interrelates with the Government in terms of its economic activity.

The Government ought to be allowed to go about its normal activities while this struggle and debate over a 7-year budget plan takes place. There are very important fundamental differences over that budget plan. Very deep cuts in Medicare are proposed by some. There is strong resistance to that. At the same time, those who want the deep cuts in Medicare want to give large tax breaks. A lot of people do not see the sense in giving large tax breaks primarily at the upper end of the income scale at the same time that you are going to be imposing cuts in medical services on people with very modest means.

In all of this there is an effort in effect to create chaos, to hold the Government hostage as a bargaining tactic; a coercive bargaining tactic.

The majority leader yesterday here in the Senate, Senator DOLE, when we passed the clean continuing resolution which would allow the Government to resume its normal activities for a temporary period of time—workers would be back at work, they could do their job, people could get services, workers would be paid—said, and I quote him: "People have been gone from their jobs long enough. Enough is enough."

Today, the Washington Post in an editorial said, "They ought to reopen the closed agencies while they talk, since in fact they do finally seem to be talking. It's a nasty game, the shutdown, and it's gone on long enough."

At the outset of that editorial the Washington Post said, and I quote them:

> Hostage-taking is an ugly business. It doesn't matter what the cause. Innocent people are seized and used as pawns; they become political trading stamps whose welfare is exchanged for things the hostage-taker could not win by normal means. That, even more than the mindlessness, the waste (in the supposed cause of economy in government), the inconvenience and the instances of outright harm to unpaid workers and unserved citizens alike, is what is finally wrong with the current government shutdown.

The basic issue raised is to what lengths will people go to try to get their way?

It is the hallmark of a democracy that you have to accommodate conflicting viewpoints. Democracy does not guarantee you that your way is necessarily going to prevail. It gives you an opportunity to try to persuade others.

We have a constitutional system of separation of powers and checks and balances, and it requires restraint and good judgment on the part of decisionmakers not to sacrifice the means in order to gain their particular end.

Now, we have a classic case of sacrificing the means, the proper workings of democracy, in order to gain a particular substantive result. It has never happened before. Never before has the closure of the Government been used as a coercive tactic over substantive issues about which there are very sharp differences. But it is happening in this instance, and it is wreaking havoc.

I ask unanimous consent that this editorial from the Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 3, 1996]

THE GOVERNMENT AS STAGE PROP

Hostage-taking is an ugly business. it doesn't matter what the cause. Innocent people are seized and used as pawns; they become political trading stamps whose welfare is exchanged for things the hostage-taker could not win by normal means. That, even more than the mindlessness, the waste (in the supposed cause of economy in government), the inconvenience and the instances of outright harm to unpaid workers and unserved citizens alike, is what is finally wrong with the current government shutdown.

Senate Majority Leader Bob Dole was trying again last night to find the formula to reopen temporarily. Good for him; it's the right position; and he takes it at a certain cost. Speaker Newt Gingrich said it would be "very hard" to find the necessary votes in the House without a budget agreement. Does he really lack the power to produce such a limited result? Sen. Phil Gramm, meanwhile, one of Sen. Dole's rivals for the Republican presidential nomination, spoke for the vaudeville wing of the party. He is one of those who, over the years, have found it convenient to make almost a cartoon of the federal government.

It's a straw-man style of politics. First you portray the awful thing, then you run against it, and no matter if the portrayal bears scant relation to the reality. "I do think we've discovered one thing," he said on television Sunday, "and that is, Have you missed the government? I mean, doesn't it strike you funny that 280,000 government employees are furloughed, large segments of the government are shut down? I think this proves beyond a shadow of a doubt that we need to go back and eliminate 150,000 to 200,000 bureaucratic positions." Mr. Gramm and others thus use the government as a stage prop. Rather than make the decisions they ought to be making—ought in fact to have made weeks ago—both parties are using it, or the lack of it, to score political points and gain leverage in the underlying budget talks, even as they also scramble to avoid the blame for the spectacle they have jointly achieved. We have a suggestion for them. They ought to reopen the closed agencies while they talk, since in fact they do finally seem to be talking. It's a nasty game, the shutdown, and it's gone on long enough.

Mr. SARBANES. I also ask unanimous consent that at the end of my remarks three articles from the Post about the impact of this shutdown also be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SARBANES. Mr. President, one article talking about the impact across the Nation of the partial Government shutdown. Let me quote from it:

> Kansas stopped paying unemployment benefits yesterday, the first time a State has turned away claims in the federal program's 60-year history.
>
> The Environmental Protection Agency sent home 2,400 of its "Superfund" workers and stopped toxic waste cleanup work at 609 sites across the Nation throwing hundreds of contract employees out of work . . .
>
> With the holiday season over, the impact of the partial Government shutdown came into sharper focus as private sector companies and State agencies struggled with the ripple effects from Washington . . .
>
> "We've never been through anything like this before," said Ronald Frank, Executive Vice President of Ecology and Environment, a Superfund contractor based near Buffalo that will furlough "a couple hundred" workers today. "I don't think this is the way the system ought to work."

He is absolutely right, it is not the way the system ought to work.

Another private sector operator, "Michael Tilchin, Director of Superfund programs at CH2M Hill Ltd, said 'hundreds of employees' would be furloughed."

> His company is helping clean up an old manufacturing plant in Hellertown, PA, where hazardous wastes have contaminated the groundwater.
>
> The job is 95 percent complete and may have an "unintended consequence," Tilchin said. "In the event the shutdown persists, the costs of shutting it down and restarting it may be larger than the cost of completing the work."

And another private sector businessman said: "If they had their own business, would they run that business this way?" he asked, referring to Congress. For the Government to have no plan to ensure that its programs will continue operating, he said, "seems kind of ridiculous."

It is ridiculous, and it is stupid and it is irrational, and it lacks any common sense. It just shows the limits to which some are prepared to go in terms of using coercive tactics in order to gain their way on another issue. That is what is at work here.

Are you entitled to use any and all tactics, no matter how disruptive, no matter how much chaos they create, no matter how much injury they do, no matter how much harm they inflict on people in order to gain your way?

That is not my understanding of how democracy works, and that is not my understanding of how our constitutional system is supposed to work. Every time there is a sharp disagreement, is the Government to be taken hostage as a coercive tactic? In fact, we have a national policy of not negotiating with hostage-takers. That is the position the United States takes when it is confronted with this situation in the international arena.

The ripple effect that is being felt throughout the economy is extraordinary. "Hundreds of companies whose Federal contracts were frozen when the furlough began * * * have either sent employees home or may have to do so soon."

These are not Federal employees. These are private sector employees. The Federal employees, many of them, are coming into work, over 500,000, and not being paid. And I ask people to stop and think: How long could they go without a paycheck?

Now, there is apparently a certain insensitivity in the Congress to that, but it may just reflect the fact that many Members of the Congress have significant economic means and the loss of a paycheck would not impact upon them the way it does on ordinary citizens who cannot go without a paycheck. They have mortgage payments to make; they have car payments to make; they have school payments to make.

Beyond the Federal employees are all of the private sector employees who are being impacted very sharply, and those employees, unlike furloughed Federal workers who expect to be reimbursed eventually for time off the job, most employees of Federal contractors and vendors will not be paid retroactively.

Mr. President, the impact of this is reaching not only locally and nationally, it is also reaching internationally. Visa applications by foreigners to come to this country have come to a complete halt. There are 20,000 to 30,000 applications made a day. Many of these people want to come for business purposes, for tourism, which is, of course, important to the functioning of our economy. We have just cut that off. These visas are backed up. Americans are backed up now waiting for passports. In many instances, people have forfeited payments for travel arrangements.

With the action taken by the Senate yesterday we have the opportunity to correct this situation. There is a clean resolution that has gone to the House. I very much hope the House will pass it; that this exercise in hostage-taking will come to a halt and the talks on the overall 7-year plan can continue with their sharp differences, but this irresponsible tactic, this impermissible tactic of coercion by closing the Government down ought to come to a halt.

I yield the floor.

EXHIBIT 1

[From the Washington Post, Jan. 3, 1996]

INCONVENIENCE EDGES TOWARD EMERGENCY

(By Thomas W. Lippman)

In Vietnam, the government has threatened to cut off electricity to the U.S. Embassy because the $1,600 bill hasn't been paid.

In Russia, U.S. diplomats took out an interest-free loan from the Moscow embassy's community association to cover the payroll for Russian employees.

In Cuba, the trucker who hauls drinking water to the U.S. interests section has refused to make any more deliveries until paid.

Between 20,000 and 30,000 applications by foreigners for visas to come to this country are going unprocessed each day, creating a huge backlog of paperwork and infuriating prospective visitors. And in this country, more than 200,000 Americans are waiting for passports that cannot be issued.

Such is life in the State Department in the third week of a partial government shutdown that has cut off the department's money and blocked almost all nonemergency spending. Senior officials yesterday described a mounting sense of crisis as undone paperwork piles up, the backlog of unprocessed visa and passport applications grows, travel plans are canceled and embassy officials scramble for funds to pay restive local employees.

"We just don't have any cash," said Richard M. Moose, undersecretary of state for management. As long as suppliers and contractors are willing to extend credit for the few expenditures authorized, the State Department can get by, Moose said. But in the many parts of the world where the department has to lay out cash as services are provided—including several countries where security companies demand payment up front to provide guards—the current mass inconvenience is about to become an emergency, Moose and other officials said.

People around the world may find it hard to believe that the United States could be reduced to the level of "banana republic," Moose said, but "my threshold of believing what can't happen is getting lower all the time."

State is one of nine Cabinet departments and assorted independent agencies whose fiscal 1996 appropriations bills have not been signed into law by President Clinton and thus are mostly shut down because of the budget impasse between Clinton and the Republican-controlled Congress. State, more than any other agency, has spread the impact of the shutdown around the world.

Among those who have felt it are students who planned to start classes this month in foreign universities, vacationers who had firm travel plans and nonrefundable tickets, and people with job offers from employers overseas.

"We had an 84-year-old woman who wanted a passport to go to Rome because her bishop was being elevated to cardinal" in the Roman Catholic church, a State Department consular official said. "We had to say no because it wasn't an emergency."

In many foreign countries, according to Moose and other officials, local laws do not permit the furloughing of local employees. As a result, "we have to let them come to work, but we can't pay them." Worse than that, other officials said, is the fact that visa applicants can see all these furlough-proof local employees at their desks, but are unable to obtain any service because the workers are not permitted to do anything.

"All this is unprecedented. We hope for a solution soon. Otherwise things will just get worse and worse," said Pamela Harriman, U.S. ambassador to France.

State Department and Office of Management and Budget officials said the cutoff of visas and passports has cut into airline revenue at a peak travel season because tens of thousands or even hundreds of thousands of prospective travelers had to stay home. Airline industry spokesmen, however, said they have so far noticed little impact.

Some of the impact of the shutdown is more embarrassing than substantive. Harriman and all other ambassadors, for example, have been told they cannot spend money on what is known as "representation," which mostly means entertainment. No luncheons for visiting business executives, no cocktail parties for important locals, no travel to ribbon-cutting and statue dedications.

The shutdown also is undermining morale in the ranks as leaves and long-planned transfers are canceled and work that is being done goes unrewarded, senior officials said.

In Colombia, for example, U.S. consular officials who worked all last week to help families of the victims of an American Airlines crash were treated as "volunteers" because there is no money to pay them.

In Washington, newly appointed foreign service officers are planning to meet tonight to commiserate over cancellation of their first deployments.

And morale among State Department and U.S. Information Agency employees at overseas posts is likely to fall further on the next scheduled payday, officials said, because their colleagues from funded agencies, such as Defense and Agriculture, get full paychecks but they do not.

Those concerns, however, pale before impending crises in security and communications, officials said.

"I don't think the system can tolerate this for many more days," said OMB Deputy Director John Koskinen, noting that local personnel in many foreign countries "live paycheck to paycheck. That raises a serious problem for us because a number of those people provide security."

"The places that really worry us are the ones where the FSNs [foreign service nationals, or local employees] are at the lower end of the pay scale anyway," Moose said, citing Cairo, New Delhi and Moscow as examples. He said in many embassies funds used for recreation or commissaries are being tapped to cover the payroll shortfall.

In embassies that have U.S. Marine guards, Moose said, the State Department is responsible for paying for the Marines' food but no longer has the funds to do so. "Maybe we can get the Corps to carry us on the cuff. It doesn't do a lot for our image," he said.

As if to underline his point about image, the U.S. Embassy in Mexico City, where the shutdown has been front-page news, sought to allay fears about the solvency of the government in Washington.

"The embassy wishes to make it clear that this situation arises from the constitutional definitions of how the United States budget is passed into law and does not represent any fundamental inability of the United States of America to pay its bills," the statement said.

On Saturday, Moose said, the State Department will run out of money to pay the contractors who run its worldwide communications network. Diplomatic cables, e-mail and secure telephones—the lifeblood of diplomatic communication—could be truncated or cut off, he said.

The restriction on all but emergency travel will not block Secretary of State Warren Christopher and a sizable entourage from flying this weekend to Paris and the Middle East, officials said. One reason is that Christopher travels on an Air Force plane, and the State Department's credit is good with the Air Force.

[From the Washington Post, Jan. 3. 1996]

RIPPLE EFFECT COULD LEAVE AREA REELING

(By Peter Behr)

On a normal day, Duke Chung's Manhattan Bagel shop would serve more than 1,500 bagels to employees of the National Science Foundation and nearby contractors in Ballston. Now he feels like the hole, not the dough.

"Today, it was a little over 200," said Chung; who operates the bagel franchise on NSF's ground floor. The building, usually filled with 1,400 workers is closed except for several dozen supervisors, security and custodial workers, he said. "I used to have 13 employees. Now I have about three. Merry Christmas."

As the partial federal shutdown enters its third week, the economic damage has begun to spread into many corners of the Washington area, from people who run government computers to those who supply its desks and bake its morning bagels.

Hundreds of local companies whose federal contracts were frozen when the furlough began Dec. 16 have either sent employee home or may have to do so soon, officials said.

"In the local area there have to be thousand of [contractor] employees who aren't working. It's of that order," said Edward H. Bersoff, chairman of BTG Inc., a Vienna information technology company. Bersoff also chairs the Fairfax County Chamber of Commerce.

If it continues, the shutdown could soon threaten the entire region's economy, first through the direct impact of federal furloughs and private-sector layoffs and then through the secondary, ripple effects from loss of local wages, economists said. The shutdown may "feed on itself," said Russel C. Deemer, regional economist with Crestar Bank in Richmond.

Unlike furloughed federal workers, who expect to be reimbursed eventually for time off the job, most employees of federal contractors and vendors will not be paid retroactively.

Companies that avoided layoffs by requiring employees to use vacation and comp days over the period from Christmas to New Year's Day are running out of time, said Olga Grkavac, vice president of the International Technology Association of America in Arlington, which represents about 150 area technology companies.

"Unless something is resolved quickly, we'll see more layoffs," she said.

There are no estimates of how many contractors' employees have been sent home—federal departments and agencies whose budgets have not yet been approved provided about one-fourth of the nearly $18 billion in contracts that went to area firms in 1994.

But "we are starting to see some pretty significant impacts," said John F. Dealy, a Washington attorney and business consultant who advises technology companies. The contractors "aren't able to continue working on projects so they have to lay people off. That's accelerating."

BTG's Bersoff said he knows of companies that are preparing to cut off or curtail medical coverage for laid-off workers. "There are second- and third-tier effects of all kinds," he said.

The blow already has fallen on hundreds of merchants and suppliers who depend on federal workers and contractors for their business.

Mark Herman, who manages the Au Bon Pain restaurant at Union Station, said he has seen a sharp falloff in breakfast and lunch business since the Bureau of Labor Statistics office across the street shut down two weeks ago.

Until Dec. 16, Christine Webb, a computer systems developer with a Labor Department contractor, worked at keeping the BLS computers going and bought her lunch at Herman's counter. Now, she's home and preparing to file for unemployment benefits.

Soon, some of Herman's employees who have been using up vacation and sick leave will face layoffs too, he said. Moreover, he has no idea how many croissants and sandwich fillings to order for the days ahead. "It's just totally confusing. It's just nuts."

Others describe a chain reaction of disruption.

Richard A. Morsell, president of Office Furniture Concepts/Federal Supply Contracts Group Inc. in Chantilly, ships desks and chairs to federal offices around the nation. In the past week, some of those shipments have gone into limbo because the federal doors are closed. "This stuff is floating all over the country," he said.

He said he is out several hundred thousand dollars in shipments on which the government has not made payment and he intends to see that the bills are paid, with interest. But who knows where the invoices are? Somewhere in the mountains of unprocessed paperwork in federal mail rooms, he said. "I'm going to have to wait a . . . long time while they work through that paperwork and get to us," he said.

Meantime, his staff has shrunk from 19 to 11 since government purchases began to slow last summer, he said. "It's utterly stupid."

The long-term consequences of the upheaval may hurt local federal contractors for months to come, according to executives such as J.P. "Jack" London, chairman of CACI International Inc., an Arlington-based information technology company.

The next batch of contracts his company would compete for may well be delayed by the shutdown. "It takes people to put those out," London said.

[From the Washington Post, Jan. 3, 1996]

JOBLESS AID, TOXIC WASTE CLEANUP HALT

(By Stephen Barr and Frank Swoboda)

Kansas stopped paying unemployment benefits yesterday, the first time a state has turned away claims in the federal program's 60-year history.

The Environmental Protection Agency sent home 2,400 of its "Superfund" workers and stopped toxic waste cleanup work at 609 sites across the nation, throwing hundreds of contract employees out of work.

Eleven companies, including Blue Cross, are using $5 million to $6 million a day of their own money, rather than the government's, to process Medicare claims and pay their employees.

With the holiday season over, the impact of the partial government shutdown came into sharper focus as private sector companies and state agencies struggled with the ripple effects from Washington. It also generated more disgust with Washington's ways.

"We've never been through anything like this before," said Ronald Frank, executive vice president of Ecology and Environment, a Superfund contractor based near Buffalo that will furlough a "couple hundred" workers today. "I don't think this is the way the system ought to work."

Stephen Crickmore, the president of AdminiStar Federal in Indianapolis, administers Medicare claims for the government. He has been paying 650 employees out of company reserves since the shutdown started on Dec. 16.

"If they had their own business, would they run that business this way?" he asked, referring to Congress. For the government to have no plan to ensure that its programs will continue operating, he said, "seems kind of ridiculous."

His company, Crickmore said, is "looking at how long we're going to continue what we're doing at this point, which is subsidizing the federal government." Early next week, he said, the company will have to decide whether to furlough employees.

Other companies, however, have started sending workers home. EPA contractors across the country received "stop work" orders yesterday, the first wave of several that could jeopardize the jobs of up to 10,000 Superfund workers.

In Houston, Peter Arrowsmith, president of NUS, a Superfund contractor, said his company had started laying off employees and would soon have 125 employees, 15 percent of his work force, sent home without pay.

Michael Tilchin, director of Superfund programs at CH2M Hill Ltd., said "hundreds of employees" would be furloughed. His company is helping clean up an old manufacturing plant in Hellertown, Pa., where hazardous wastes have contaminated the ground water.

The job is 95 percent complete and may have an "unintended consequence," Tilchin said. "In the event the shutdown persists, the costs of shutting it down and restarting it may be larger than the cost of completing the work," he said.

Like the other EPA contractors, Frank said his New York-based company would furlough "a couple hundred" workers today unless the White House and Congress agreed to end the shutdown.

Administration officials, such as Labor Secretary Robert B. Reich and Health and Human Services Secretary Donna E. Shalala, have said repeatedly that the shutdown would disrupt services to a wide range of Americans, not just federal employees. But Republicans, such as Sen. Phil Gramm (Tex.), have argued that, if anything, the shutdown would show what little role the government plays in the lives of ordinary citizens. Republicans point out that the agencies now closed kept about 480,000 employees on the job to provide services while sending a smaller number—280,000—home.

Yesterday, Reich pointed to the closure of the Kansas unemployment offices as an example of the shutdown's fallout, saying, "The people who have lost their jobs in Kansas this week are simply out of luck."

The Labor Department estimated there are between 1,900 and 2,600 new claims for unemployment benefits in Kansas each week. Wayne Franklin, state secretary of human resources in Topeka, said the state did not have the $60,000 a day to keep the unemployment benefits offices open.

Kansas has plenty of money in the unemployment insurance trust fund to pay the benefit claims, but it relies on the federal government to pay the cost of administering the program.

At least 10 other states and the District of Columbia also have exhausted federal funds to administer their unemployment insurance programs, Reich said. District officials said yesterday that 40,000 furloughed federal employees have filed unemployment claims related to the current shutdown. The city, which usually pays about 35,000 claims a year, could issue its first shutdown checks next week.

Reich said officials do not know how long the District offices can stay open. New Mexico, which has a relatively large federal population, also has run out of federal money. "It is an open question whether they'll be able to continue at all," Reich said.

Alaska will try to stay open until Saturday, while Alabama is also using state money to finance the unemployment program through Friday.

In Little Rock, officials with the Arkansas Rehabilitation Services virtually disbanded their state agency for the disabled because the federal money has stopped coming from Washington.

Commissioner Bobby Simpson said he had to furlough 495 of the agency's 603 employees, meaning that 17,000 Arkansas residents with physical and mental disabilities will have no office to turn to for help with job training, special vehicles for commuting to work, and other services. The state rehabilitation office, which has an annual budget of $38 million, receives 76 percent of its funding from the federal government.

"It's ironic because we're in the business of putting people to work, of helping to turn tax users into taxpayers," Simpson said. "We held on as long as we could. . . ."

Despite the problems in some states, reports yesterday by Washington Post correspondents showed that other states were coping with the shutdown, keeping their services available even when faced with lapses in federal funding.

Michigan, for example, has been using its own revenue to make up for the cutoff of federal funds in crucial programs such as Aid to Families with Dependent Children (AFDC) and Medicaid, said John Truscott, a spokesman for Gov. John Engler (R). "We can't fund them forever, but for the next couple of weeks we're okay," Truscott said.

Wisconsin is preparing to use more of its own funds for those two major programs this week but is counting on an eventual reimbursement from the federal government, said James R. Klauser, the state's secretary of administration. He said AFDC and Medicaid payments range between $25 million and $40 million a week in Wisconsin. "We look at it every week," he said. "We're comfortable right now."

California is losing more than $5 million a day in tourism revenue. Officials of Mariposa County, the home of Yosemite National Park, asked Gov. Pete Wilson (R) to declare the county an economic disaster zone, but Wilson turned down the request, saying it exceeded the scope of his authority.

The shutdown also cut into the pensions of about 150,000 retired railroad workers. The retirees, most over 70 years of age, receive a portion of their pension from appropriated funds and the rest from a retirement trust fund. They will lose about two-thirds of an average $130 monthly payment that is paid directly from the treasury; the rest of their annuity from the railroad trust fund will not be reduced.

Federal agencies, meanwhile, continue to struggle to provide services.

Only two of the 15 employees that the Department of Housing and Urban Development has in Flint, Mich., for example, have been allowed to report to work during the shutdown. That has forced the office to delay opening any bids from families or real estate agents for HUD property. Also, none of the roughly 500 families who have home-purchase loans through the field office have been able to get any help, especially those who are drifting further into delinquency.

"The sense of emergency is much higher now than before," HUD coordinator Gary LeVine said. "The three-day shutdown before wasn't so bad. Three weeks is. This is no way to treat the public."

The PRESIDING OFFICER. The Senator from New York.

NEW YEAR'S GREETINGS

Mr. D'AMATO. Mr. President, first, I extend New Year's greetings to all my colleagues and constituents and wish them and their families a healthy new year.

COMING TOGETHER ON PRINCIPLES

Mr. D'AMATO. Mr. President, as we embark on this new year, I think it might do us all well if we were to put aside the rhetoric of confrontation and attempt to come together on some principles that so many have articulated for so long but have failed to really enact. I do believe there might be a handful—and I say a handful—who do not believe there should be a balanced budget. I have not identified anyone. No one has ever told me they are opposed to that, whether they be Democrats or Republicans.

Over the 15 years now that I have been here, I have seen us work, Democrats and Republicans, to attempt to achieve that. I have seen us pass Gramm-Rudman in an attempt to bring about a balanced budget.

On the campaign trail, it is great fodder to say I am for a balanced budget, I want that, and yet when it comes to doing the business of the people, we have failed to do that. We have failed to achieve it. And the reason is because it is not easy. It is difficult. The reason is that because the same people, our constituents, who, on the one hand, say and demand we do the business of the people, as we should, in a responsible manner, that we cut out the wasteful programs, that we reform systems such as the welfare system that certainly needs an overhaul and should be reformed and turned into a workfare system, when it really comes down to implementing what is necessary to achieve a balanced budget, the same people in many cases are the first to come to us and to beseech us to cut spending, but, by the way, there is a good program and it is in education or it is in the arts or it is as it relates to transportation or drug treatment, all of these good programs that are for seniors and do not cut that program.

Everybody has a favorite program. That is without even touching the area of entitlements that people are afraid to even speak to. The fact of the matter is that if you were to reduce or eliminate the spending in all of the discretionary programs, eliminate any of the moneys that we spend on education, any of the money that we spend on the military, on defense, and all of the money that we might spend in housing and urban development, in mass transit, eliminate it all, that unless we begin to curtail the growth in the entitlement programs, begin to reduce that growth in Medicare, in Medicaid, why, then, it makes no sense, we will continue to operate with huge deficits.

That means we are mortgaging the future of our children and their children and future generations. I suggest that that is not responsible. That is an easy way out. That is what has been taking place for far too long.

So as we embark upon this new year, I hope that maybe we will stop being accusatory, one side blaming the other—all of us know that this is not going to be easy—but attempt to come together and to say, how can we moderate the growth in these programs?

I have heard friends of mine, Democrats, indeed, at the White House, the President, Mrs. Clinton, have talked about slowing the growth in these programs. How is it now that that rhetoric has turned so harsh? How is it now that those who attempt to implement the same suggestions that were put forth by the White House in good faith are now accused of attempting to savage senior citizens?

That is inaccurate. It is not fair. Rather than one side or the other being accusatory, why do we not attempt to build on those things that we agree on? If we agree there is a need to balance the budget, if we agree and we have spoken to doing it within a prescribed period of time, if we have agreed that we would use realistic numbers and not pie in the sky, why do we not begin to do this?

It would seem to me that the people of the United States have every right to be angered at both the administration and the Congress for not resolving these differences in an appropriate fashion by working at it and not by delaying and not by taking extended vacations and not by PR and not by spin doctors, but by coming down honestly to resolve this in a manner that all of us know can and should be done.

So I do not come to the floor for the purposes of blaming one side or the other or pointing a finger toward the administration or saying that all that we have put forth in our balanced budget proposals must be and should be adopted. But certainly within the bounds of those that have been suggested, those suggestions by the administration, and within the bounds that have been put forth by the Congress, there is ample opportunity, there has been and there is now, that if we exert ourselves and exhort ourselves not to try to be one up on the other side, one up so we can aggrandize it and claim credit, then why do we not take a look at what we owe the people?

There are suggestions that make sense. It would call for some collective coming together and some courage to be demonstrated on both sides. The senior Senator from New York, my colleague, Senator MOYNIHAN, has put forth as a suggestion looking at the CPI. The CPI no longer adequately reflects what the true costs are as it relates to goods and products and services and indeed has been estimated as being off by as much as one-third—one-third. We say, what is 1 percent? But 1 percent, if you have a 3-percent increase in the inflation rate, is one-third.

Why not then use legitimate numbers to measure what the cost-of-living increase is, what the cost for the consumer really is? That would take some courage on both parts, on the side of the Republicans and the Republican Congress as well as our colleagues on the Democratic side, and on the side of the White House. But, my gosh, if it is a fact, and if it is true, why do we not come together and say, this is the place to start?

We might be able to save $150 billion. Imagine that. Why can we not have the good common sense, again, collectively, Democrats and Republicans, both in the Congress and in the administration, the Executive, to say this is something we can agree on? If we do it together, that together we can go forward and say this is the right thing to do, why then, that is what we should be expected to do.

I do not know that it should even take such great courage. But if one side is afraid the other will then run to the various lobbying groups and to the seniors and claim that they are trying to cut back their increased benefits, then let us do it collectively, let us go forward collectively.

There is $100 billion-plus that can be saved. Should it be saved? I suggest that we have an obligation to do that and, again, to do it together. I suggest that we are wrong in postponing the inevitability of what will take place, which is mortgaging the future and saddling future generations with this great burden, which will mean that they will lose the opportunities that we had in terms of home ownership, in terms of jobs, in terms of creativity that otherwise is going to be stifled in this country.

It seems to me that there are areas that we can agree upon. You cannot continue to double the growth of any program every 7 years. It is a simple mathematical proposition that if you increase spending at the rate of 10 percent per annum over 7 years, you come up with the figure of 2. You have doubled whatever that cost is. So in the area of Medicare, if you are spending $100 billion now, and you increase spending by 10 percent per annum, in 7 years it will be $200 billion.

Does that make sense? Of course not. So it would seem to me that together we should begin to say, how can we moderate the growth in various programs? Yes, good programs, necessary programs. Where can we achieve savings? How can we do that?

In the area of taxes and tax relief, does any side really believe one side wants to advance the interests of the wealthy over those of working people, over those of people who are struggling to make a living? It might be good rhetoric politically for one side or the other to charge that, but how does that advance the business of doing what we should on behalf of the people? We detract, and we detract from ourselves. We detract from the process. And people then come and say, "We need a change. We need to change what is going on. A pox on both your houses."

I hope we would begin to address, where can we give tax relief? And who is entitled to tax relief? Are working-class, middle-class families with children entitled to that relief?

Mr. President, I thank you for the opportunity of putting forth just some suggestions in a new year, in the spirit of attempting to come together and to do the business of the people. I hope we could all reach out together, Democrats, Republicans, legislative and executive, to do that business.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BOND). Who seeks recognition?

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

ISSUES WE MUST ADDRESS

Mr. DORGAN. Mr. President, at noon today we began a new session of the 104th Congress. The first order of business, as described by my friend, the Senator from Maryland, Senator SARBANES, is to end this shutdown and get people back to work and pay Federal employees for the work they do.

Someone yesterday on the floor said, "Well, my constituents cannot understand this shutdown of the Federal Government."

There is good reason for that, because it is not an understandable kind of thing. It made no sense. It never made any sense for anybody to say to 280,000 Federal workers, "We prevent you from coming to work, but we're going to pay you for not performing work we won't allow you to perform."

What kind of logic is that?

And then to say to half a million others, "We insist you come to work and we won't pay you until we resolve the dispute between the White House and the Congress on the budget."

What on Earth kind of logic is that? The first order of business is to end this shutdown that has never made any sense.

The second order of business is to reach an agreement on the budget, one that, yes, does balance the budget, does it in 7 years and does it the right way with the right priorities.

There are other things we need to do this year. There are other priorities. At the start of this session a couple of hours ago, I heard a description of some of the successes of the last session and, indeed, there were some successes in the last session. I might say one of the disappointments of the last session for me and many of us who come from farm country was the inability to have enacted into law a 5-year farm program. There is great difference in Congress about what kind of a farm plan we ought to have. There were virtually no hearings, there was no bipartisan markup, very little bipartisan discussion about a farm program this past year. One was cobbled together, posthaste, and put in a reconciliation bill that everyone knew was going to be vetoed.

The result is we now cross into the new year with no 5-year farm program. I think that is unfair to farmers. It is important to tell farmers and their lenders what kind of a farm program we will have this year as they begin planting their crops this spring. My hope is the Congress will turn its attention to this, have a fair debate, have some hearings about a decent farm program, what works to help family farmers in this country. My hope also is while we do that, the Congress will extend the current farm program for 1 additional year. It seems to me that will provide some certainty, at least, with what will happen with respect to 1996, and then it seems to me we ought to decide to write in 1996 a good farm program, one that saves money, yes, but one that saves family farmers and gives family farmers an understanding that there is a safety net so they will have a chance to make a living when international prices go down and stay down.

So I hope the Congress will consider extending the current farm program for 1 year, and I hope the Congress will be serious and the Congress will decide quickly to begin hearings and to begin a thoughtful discussion about what kind of farm program works for the long-term future of family farmers in this country.

I want to mention two additional items. Not very many minutes ago a Member of the Senate stood up and said one of the problems we face is the construction of a national missile defense program. He spoke very persuasively—not for me but very persuasively for his point of view—that we need a national missile defense program.

This is not about partisan politics, it is about fundamental disagreements about how we spend money. Stripped apart, someone who calls for a new national missile defense program is calling for a new spending program of $48 billion. Those who say we ought to tighten our belts and cut Federal spending and then stand up and say, "By the way, we want to start a new star wars"—and, by the way, it is star wars, there are space-based components included in the program—a multiple-site national missile defense program, are standing up and saying, "We want to embark on a $48 billion new program to construct star wars." I am just saying that is out of step with what we ought to be doing.

The cold war is largely over. In Russia today, they are destroying missile launchers and destroying warheads as part of the agreements we have on weapons reductions, and then we have people stand up and say, "By the way, let's begin a new $48 billion program for star wars, and we insist that you order 20 new B-2 bombers for over $30 billion that the Pentagon says they can't afford, don't need, and don't want."

So I urge us this year to have an aggressive thoughtful debate on those policies as well. If we want to cut spending, and we should, if we want to save money, and we should, if we want to balance the budget, and we ought to, we cannot afford, in my judgment, to order star wars or B-2 bombers the Pentagon says they do not want and this country does not need.

Finally, there is another issue that we have to address in 1996, and that is the issue of jobs. We need to balance the budget because it is the right thing to do and will give us a better economy. I agree with that. But we also ought to care about specific policies in this country that relate to jobs.

Yes, an expanded economy produces jobs. So does a decent trade system. Mr. President, you know something, with all of the angst, with all the nail biting and with all the finger tapping on the desks around here, the shrugging about this, that, or the other thing, the merchandise trade deficit in this country will exceed the budget deficit this year, and you do not hear a whimper about it on the floor of the Senate.

Let me say that again. We will have a larger trade deficit this year in this country than we will have a budget deficit.

Our trade deficit will be nearly $180 billion. That means jobs have left this country, things are being produced elsewhere. And we have a bunch of economists who are measuring economic progress in this country by what we consume. Every month they flail around and say, "Gee, America is doing well because we are consuming more."

The genesis of economic health, it seems to me, the seedbed of jobs and opportunity in the future is not what we consume, but rather what we produce. Do we have good manufacturing jobs in this country?

Among the discussions of trade must be a discussion about NAFTA. I just want to show my colleagues a chart. The red, incidentally, is a trade deficit, trade with Mexico. Before NAFTA, before a trade agreement, a trade agreement which, incidentally, we never seem to be able to win—every time we show up at a negotiating table on trade, we seem to lose—we had a trade surplus with Mexico. We reached a trade agreement, and what happens? Well, we have a deficit with Mexico. This year, that deficit will be $16 to $18 billion. We will have lost about 200,000 American jobs to Mexico.

Take Mexico and Canada together, because that is what NAFTA really is, two countries. Look at the cumulative trade deficit with both countries, which will reach about $40 billion this year. I will during the next 4 or 5 months every month come to the floor to discuss the trade deficit with Japan, over $60 billion and the trade deficit with China, over $30 billion, all of which means fewer jobs and less economic opportunity in this country. It seems to me that we ought to turn our attention in 1996 to the question of who are we and what do we want to be in terms of providing opportunity in the private sector in the form of jobs to the American people.

Do we decide we want to compete with people who make 12 cents an hour and hire 12-year-olds to work 12 hours a day? Not me. That is not fair competition. Yet, the product of child labor flows into this country every day in increasing quantities. The product of labor that makes a quarter an hour making tennis shoes, 30 cents an hour making shirts, 80 cents an hour making shoes, flows into this country every single day, and it displaces American workers who, if they are able to find another job, find a lower-income job. And if they are not able to find another job then become unemployed, or those who are despondent, or those who see somehow a stock market that reaches record highs, productivity on the rise, CEO salaries never higher and discover that American workers get laid off or that 60 percent of American families—

who, during dinner at night, discuss their situation—understand that they now make less money than they did 20 years ago when you adjust their income for inflation.

Part of the discussion we must have as a country, Republicans and Democrats, conservatives and liberals, CEO's and workers, the private sector, Wall Street and Main Street, is what about economic opportunity in this country? Will we continue to measure our economic health by what we consume, or will we decide that our productive sector, our manufacturing base, the seedbed with good jobs, with good incomes make a difference to this country? Will we decide to do something about that?

Will we decide to stop and put an end to the insidious, perverse tax provision that says if you close your U.S. plant and move it overseas, we will give you a tax break? That exists in law. I have had a vote on that in the Senate and lost. It is inconceivable to me that we would retain in our Tax Code a provision that says if you will shut your American manufacturing plant down, lay off your workers, and move those jobs to a tax-haven country somewhere else in the world and then manufacture the same product and ship it back in to our country, we will give you a tax break.

It is inconceivable that this Congress does not act to say we stand for American producers and American workers. No, we do not build walls around our country, but we want our country to compete in an economic system where competition is fair.

I hope in the coming months that this Congress will decide that trade deficits matter; that record trade deficits, the highest in the history of the world that this country absorbed in 1995, are intolerable.

Trade deficits that are bigger than our budget deficits are intolerable. This country needs to do something about it. For those who wonder about some of the issues, on NAFTA, which is the one trade issue, there was something released yesterday by Public Citizen. It says that NAFTA has broken promises. It is a rather lengthy, footnoted document. There are many other evidences of the same problem.

My interest in 1996 is that all of us, together, decide that budget deficits matter and we are going to balance the budget; trade deficits matter and we are going to address the chronic trade problems; farm programs matter and we are going to construct a farm program that makes sense for the family farmers of this country.

I yield the floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

REFLECTION ON THE PAST YEAR

Mr. THOMAS. Mr. President, I rise to reflect a little bit on the past year but, more importantly, to reflect on it as it pertains to what we do in the coming year. I am sorry this year has ended in the conflict over the balanced budget. That has been one of the principal items of this entire year. We have worked on it almost all year. We worked on it in terms of a constitutional amendment to balance the budget. It failed by one vote. We worked on it then through the appropriations process into a reconciliation balanced budget bill, which changed a great many things. A balanced budget is much more than, of course, simply arithmetic or numbers. It is a fundamental change in the direction this Government takes.

So I am sorry that we ended up with this conflict, and I am sorry that Federal employees have become sort of trapped in it. I hope that that changes soon. I hope more than anything that we are able to complete the work that we started on the balanced budget.

I have been in this body now just for 1 year, and I came, as I think most of us came, in 1994, with a message from home that the Federal Government is too big, it costs too much, and the Federal Government is generally too intrusive in our lives. I believe that, and I think most people believe that.

One of the measurements of good government is the responsiveness, I think, to the voters, and to what people at home have suggested. So this year, then, in terms of those kinds of things, it has been a little frustrating. It has been frustrating in that we have come up to a balanced budget amendment, which I thought was necessary, but we could not quite get there.

We have done a great deal on welfare reform. We passed it in this body with a good vote, and now there has been some change in terms of accepting that reform. Then there is regulatory reform. Almost everybody recognizes that the regulatory system results in overregulation and results in regulation that is not efficient, and that the cost benefits often need to be measured there.

On the other hand, it has been a very fulfilling year, it seems to me. I came to Congress in 1989 when Dick Cheney went over to Defense, and I spent 5 years in the House. During that time, it seems to me, there was very little real consideration of change, little discussion of fundamental change in the way this Government behaves and operates. Instead, we sort of dealt with the policies that had been there for a very long time. There was a good deal—and continues to be—of protection of the Great Society kind of programs, the little tinkering around the edges when they came up for renewal. If they did not work right, if the results were not what we hoped they would be, whenever there was measurement of results—which, frankly, is not often enough—then the chances are that we put more money into the program. We continued to increase spending over this period of time, and the effort was basically to see how much increase there was going to be. If we did not like the product, we would put more money in it. Welfare is one of the best examples. Of course, more people are in poverty now than when the welfare program started over 30 years ago. The program needs to be changed.

I understand resistance to change. Change is much more difficult than maintaining the status quo. I think that is part of what is happening here. Some are simply concerned about the uncertainty of change. Nobody knows exactly what will happen. Others, of course, have real philosophical differences. There are people in this body and in this country who believe more Government is better, who believe that the answer to questions that exist with respect to jobs and the economy and services is more Federal Government. I do not happen to share that view. Frankly, the majority does not believe that.

But this has been, I think, a very encouraging year, a very exciting year, because we have reformed and reframed the debate. Instead of extending all the programs and talking about tinkering around the edges, we have begun to look at the merits of the programs and ask, "Is this a program that needs to be carried out by the Federal Government, or is it one that could be better carried out by the State government? Is it accomplishing the purpose for which it was established?" We are beginning to measure some results, which is kind of an unusual process in the Federal Government. So we have changed the way we look at things. I think that is very helpful.

The debate now has been about holding down spending, not about how much you are going to raise it, but whether we can hold down the rate of spending some. That is a difficult thing to talk about because what do you hear on the floor and in the media? "They are going to cut Medicare. There will be no more benefits out of Medicare."

We know that is not true. We know that Medicare, under the proposal, continues to grow at 7.2 percent annually, as opposed to 10 percent, and the spending per beneficiary goes from $4,700 to over $7,000. But we hear it is going to be cut, that we are going to ruin it, exterminate it, because that is the easier conversation. But we have talked about that and we changed that conversation.

Instead of talking about more and more intrusion into State and local government, we are talking about block grants, about the 10th amendment, which says clearly that those things not set forth in the Constitution to be done by the Federal Government should be left to the States and the people. It is pretty clear and simple.

I happen to come from a small State. Some of our needs are quite different than they are in New York. Greybull's welfare problems are different than they are in Pittsburgh. We need to be able to manage it. Instead of talking about how that should grow on the Federal level, we are talking about block grants. We have changed the discussion, and that is healthy.

We are talking about balancing the budget. We have not seriously done that for 30 years. Sure, somebody mentions it occasionally. The President has agreed to it. I will have to admit there have not been results from that yet, but I think that perhaps there will be. To balance the budget in 7 years with CBO numbers is a promise that we have. That is a change.

So, Mr. President, we have not accomplished all that we would like, I am certain. On the other hand, I have to tell you that I am encouraged that we have changed the direction of this body and I think we have changed the framing of the discussion; the purposes have changed. We are going in a different direction. We have not accomplished as much as we would have liked, but we will.

In this coming year, it is very important to continue what has begun. Mr. President, I wish you and my colleagues well as we enter into a new year, representing the people of America. We are, after all, the board of directors, the trustees here. We are responsible to respond to our people. We are responsible to respond to what the voters said. We are responsible to make some decisions, by the way, instead of negotiating for 2 months. I am pretty exasperated with that process, as I know everybody is.

In any event, it is a new year, a good year, and I look forward to some fundamental changes in this country, as I think most people do.

TWO SIMPLE STEPS TO BALANCING THE BUDGET IN 7 YEARS

Mr. MOYNIHAN. Mr. President, the shutdown of the U.S. Government is becoming a crisis. A recent article in the New York Times carried this headline: "Judge Says Budget Impasse Could Shut Nation's Courts." The article reported that:

> A senior judge who represents the policy-making board of the Federal judiciary today warned that the budget stalemate might force the nation's courts to shut down shortly after New Year's Day.

Mr. President, this is unthinkable. It is time to settle, and a settlement ought to be within reach. Here are two simple steps that I propose be taken immediately to break the stalemate and balance the Federal budget in 7 years:

First, drop the tax cut; and second, a 1-percentage point correction in the Consumer Price Index.

Under the President's December 1995 budget as scored by CBO, these two steps get you to a balanced budget in the year 2002. It's as simple as that, It's doable and ought to be done, and it ought to be done now.

Mr. President, I ask unanimous consent that a table entitled "Two Simple Steps to Balancing the Budget in Seven Years," and the article from the New York Times of December 23, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TWO SIMPLE STEPS TO BALANCING THE BUDGET IN 7 YEARS

[By fiscal year, in billions of dollars]

	1996	1997	1998	1999	2000	2001	2002
Deficit under administration's proposal as estimated by CBO	148	162	155	148	145	130	115
Drop Tax Cut	−3	−13	−14	−16	−22	−24	−25
CPI minus one percentage point	−5	−15	−26	−37	−51	−66	−82
Additional savings on debt service	....	−1	−1	−2	−3	−4	−6
Deficit Disappears	140	133	114	93	69	36	2

Compiled by Senate Finance Committee Democratic staff from CBO estimates.

January 2, 1996.

[From the New York Times, Dec. 23, 1995]

JUDGE SAYS BUDGET IMPASSE COULD SHUT NATION'S COURTS

(By Robert D. Hershey, Jr.)

WASHINGTON, December 22.—A senior judge who represents the policy-making board of the Federal judiciary today warned that the budget stalemate might force the nation's courts to shut down shortly after New Year's Day.

Gilbert S. Merritt, the chief judge of the United States Court of Appeals for the Sixth Circuit, said in an interview that "a breakdown in constitutional order" could occur if money was not authorized soon.

His warning came as an additional 20,000 workers were ordered off the job today, bringing the total number of furloughed Federal workers to 280,000, about one in seven people on the Government's nonmilitary payroll. The partial shutdown reached its seventh day today, surpassing the six-day shutdown that involved 800,000 workers in mid-November and making it the longest on record.

The White House and Congress are trading accusations over who is more to blame for the deadlock. The shutdown results from their inability to agree on several spending bills needed to finance Government operations in the fiscal year that began on Oct. 1. Meanwhile, they are also arguing about legislation to balance the Federal budget by the year 2002.

The White House has issued a six-page list of Government functions suspended by the budget deadlock, ranging from granting farmers special permission to use restricted pesticides on crops to the reimbursement of banks for Government-guaranteed loans that have defaulted.

Judge Merritt's warning came in a separate statement. The 840 Federal judges would remain available for work, he said, but it is unlikely that the courts would continue to be staffed by clerical, probation and security personnel.

"The judges cannot run the court system alone," said Judge Merritt, who sits in Nashville. "And if the judiciary shuts down, you can't arrest people for Federal crimes because you can't bring them to court."

Republicans said the White House was to blame for the problems. "President Clinton shut down the Government," said Michele Davis, spokeswoman for Representative Dick Armey of Texas, the House majority leader. "He vetoed three bills last week that would have reopened" national parks, museums and monuments, and restored the missing services, she added.

The shutdown of the national parks forced the cancellation today of the first of the annual Bracebridge dinners at Yosemite National Park in California. Bracebridge, an Ahwahnee Hotel tradition since 1927, recreates a Renaissance feast and includes an eight-course meal.

About 1,650 guests, picked by lottery from among 60,000 requests, were turned away after park rangers closed the gates to Yosemite on Wednesday.

Although the Clinton Administration cited various aspects of law enforcement among its examples of lapsed activity, it did not mention the threat Judge Merritt found to the judiciary.

"If this goes into the first week in January, we are going to have a serious problem," the judge said in the interview. He spoke as the chairman of the steering committee of the Judicial Conference, the policy-making body of Federal judges.

Chief Justice William H. Rehnquist has long urged Congress to consider a separate financing bill for the judiciary, but there has been no response so far, the judge said. The judiciary is now running on funds it gets from fees, which are not allocated to any specific year's budget and which it is allowed to spend on its own. But this money will soon run out, Judge Merritt said.

The White House list included such highly visible examples of service loss as 23,000 passport applications not being accepted on the average day, 383,000 daily visitors affected by the closing of the national parks and 92,400 people in Washington denied admittance to the Smithsonian museums, the National Zoo and the National Gallery of Art.

Among other effects of the shutdown on the list were these:

Suspension of activity involving sales of timber from national forests.

No processing by the Federal Housing Administration of 2,500 home purchase loans and refinancing.

Suspension of civil enforcement actions by the Environmental Protection Agency, except for Superfund cases, that yield an average of $3 million a day in fines or injunctive relief against polluters.

No processing of 20,000 applications a day for student loans or Pell grants.

Blockage of more than $92 million a day in foreign sales because of the closure of the center that licenses exports of military items and sensitive technology.

In a related development, the Bureau of Labor Statistics said that publication of the Producer Price Index and the Consumer Price Index, scheduled for Jan. 11 and Jan. 12, respectively, would be delayed about a week even if furloughed employees returned to work by Tuesday. And employment figures for December scheduled to be made public on Jan. 5, will be delayed if workers do not return by Tuesday.

"The absence of this information potentially could create a degree of short-term paralysis in decision making with resulting long-term adverse effects on the nation's economic well-being,'" said Commissioner Katharine G. Abraham. "For example, companies could delay investment or hiring decisions, causing a decline in output and national income."

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, almost 4 years ago I commenced these daily reports to the Senate to make a matter of record the exact Federal debt as of close of business the previous day.

In that report of February 27, 1992, the Federal debt stood at $3,825,891,293,066.80, as of close of business the previous day. The point is, the Federal debt has increased by $1,162,604,087,046.50 since February 26, 1992.

As of the close of business Tuesday, January 2, the Federal debt stood at exactly $4,988,495,380,113.30. On a per capita basis, every man, woman, and child in America owes $18,936.41 as his or her share of the Federal debt.

THE 1995 BUDGET AND APPROPRIATIONS PROCESS

Mr. DASCHLE. Mr. President, as 1996 begins, and the 2d session of the 104th Congress convenes, we need to take a close look at the record of this Congress' first year. In reviewing that record, one stunning failure stands out above all others. The majority in 1995 presided over perhaps the most bungled budget and appropriations process ever seen in Congress. The majority failed to meet every budget deadline set by law, and every deadline they set for themselves.

Rather than react responsibly to bring order to this process, Republicans instead chose to shut down the government twice. The most recent shutdown, now in its 19th day, is by far the longest in history. Both of these shutdowns have been unnecessary, wasteful of taxpayer funds, and have inconvenienced thousands of Americans who paid their taxes only to have basic services denied them.

Let there be no mistake: Despite some of the rhetoric we have heard, the responsibility for the shutdown falls squarely on the shoulders of Republicans in the House of Representatives. Nothing makes that clearer than the action by the Senate on January 2 to approve a continuing resolution that would fund the Government until January 12. The other body could take up and enact that legislation in a matter of minutes. Yet because of objections by self-proclaimed revolutionaries in the other body, the shutdown continues. These extremists plan to hold the Government and its workers hostage to force the administration to accept a budget that has already been rejected by the President and the American people.

A brief review of the botched budget process this year explains how Congress got into this mess. The Budget Act requires the Senate Budget Committee to report a resolution by April 1. The majority missed that deadline. The Budget Act requires Congress to complete a budget resolution by April 15. Again, the majority missed that legal deadline. By June 15, the Budget Act requires Congress to complete action on a final budget reconciliation bill. Today, over 6 months later, we are still discussing that legislation at the White House. In fact, they did not even complete work on the budget resolution until June 29.

The majority has missed every legal deadline for the appropriations process, as well. By June 10, the Budget Act requires the House Appropriations Committee to report all 13 appropriations bills. The majority failed to report even one of them by that date. By June 30, the Budget Act requires the House to complete action on all 13 appropriations bills. They had completed only two. By October 1, the beginning of the fiscal year, all 13 appropriations bills are supposed to be enacted. On October 1, 1995, Congress had sent only two of them to the President.

Not only has Congress failed to meet its legal responsibilities. It is now failing to meet its constitutional responsibilities to properly fund the Government. Last year was not the first time the President differed with Congress on appropriations bills. When Democrats controlled Congress and Republicans controlled the White House, Democrats handled Presidential vetoes very differently than the majority does today. In 1990, President Bush vetoed the District of Columbia bill twice, and he also vetoed the foreign operations and Labor/Health and Human Services bills. He again vetoed the District of Columbia bills in 1992 and 1993, and the Labor/HHS bill in 1992. In each of these cases, Congress approved a continuing resolution to avoid a shutdown while Congress and the President worked out differences over these bills.

There is no reason that Congress cannot again this year approve stopgap funding while Congress and the President negotiate differences over outstanding appropriations bills that should have been completed long ago. In fact, the President has indicated that, with relatively minor changes, he would quickly sign the bills he has vetoed, and the Government could be put back to work.

Mr. President, I ask unanimous consent that at the conclusion of my statement, the veto messages of the President regarding the VA/HUD, Commerce/State/Justice, and the Interior appropriations bills be printed in the RECORD.

As these messages make clear, agreement is within reach if extremist riders are removed and limited funding for high-priority programs is restored. The only reason that this has not been done already is that certain leaders in the other body seek to impose their radical agenda on America by holding these bills hostage. The Founding Fathers, in writing the Constitution, expected more responsible behavior from leaders in Congress, and did not anticipate that Congress would renege on its basic obligation to maintain the functioning of Government because one faction expected to gain partisan advantage.

Mr. President, I would ask my colleagues to review these veto messages, and begin working to bridge the differences by negotiating in good faith, and stop using coercive tactics to extract advantage. I hope very much that the House will act today on the clean continuing resolution approved by the Senate yesterday. Ending the irresponsible shutdown would be a good demonstration of leadership, and would clearly add a positive note to the bipartisan negotiations over balancing the budget that are now taking place.

There being no objection, the messages were ordered to be printed in the RECORD, as follows:

To the House of Representatives:

I am returning herewith without my approval H.R. 2099, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996."

H.R. 2099 would threaten public health and the environment, end programs that are helping communities help themselves, close the door on college for thousands of young people, and leave veterans seeking medical care with fewer treatment options.

The bill includes no funds for the highly successful National Service program. If such funding were eliminated, the bill would cost nearly 50,000 young Americans the opportunity to help their community, through AmeriCorps, to address vital local needs such as health care, crime prevention, and education while earning a monetary award to help them pursue additional education or training. I will not sign any version of this appropriations bill that does not restore funds for this vital program.

This bill includes a 22 percent cut in requested funding for the Environmental Protection Agency (EPA), including a 25 percent cut in enforcement that would cripple EPA efforts to enforce laws against polluters.

Particularly objectionable are the bill's 25 percent cut in Superfund, which would continue to expose hundreds of thousands of citizens to dangerous chemicals and cuts, which would hamper efforts to train workers in hazardous waste cleanup.

In addition to severe funding cuts for EPA, the bill also includes legislative riders that were tacked onto the bill without any hearings or adequate public input, including one that would prevent EPA from exercising its authority under the Clean Water Act to prevent wetlands losses.

I am concerned about the bill's $762 million reduction to my request for funds that would go directly to States and needy cities for clean water and drinking water needs, such as assistance to clean up Boston Harbor. I also object to cuts the Congress has made in environmental technology, the climate change action plan, and other environmental programs.

The bill would reduce funding for the Council for Environmental Quality by more than half. Such a reduction would severely hamper the Council's ability to provide me with advice on environmental policy and carry out its responsibilities under the National Environmental Policy Act.

The bill provides no new funding for the Community Development Financial Institutions program, an important initiative for bringing credit and growth to communities long left behind.

While the bill provides spending authority for several important initiatives of the Department of Housing and Urban Development (HUD), including Community Development Block Grants, homeless assistance and the sale of HUD-owned properties, it lacks funding for others. For example, the bill provides no funds to support economic development initiatives; it has insufficient funds for incremental rental vouchers; and it cuts nearly in half my request for tearing down the most severely distressed housing projects. Also, the bill contains harmful riders that would transfer HUD's Fair Housing activities to the Justice Department and eliminate Federal preferences in the section 8, tenant-based program.

The bill provides less than I requested for the medical care of this Nation's veterans. It includes significant restrictions on funding for the Secretary of Veterans Affairs that appear designed to impede him from carrying out his duties as an advocate for veterans. Further, the bill does not provide necessary funding for VA hospital construction.

For these reasons and others my Administration has converyed to the Congress in earlier communications, I cannot accept this bill. This bill does not reflect the values that Americans hold dear. I urge the Congress to send me an appropriations bill for these important priorities that truly serves the American people.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *December 18, 1995.*

To the House of Representatives:

I am returning herewith without my approval H.R. 1977, the "Department of the Interior and Related Agencies Appropriations Act, 1996."

This bill is unacceptable because it would unduly restrict our ability to protect America's natural resources and cultural heritage, promote the technology we need for long-term energy conservation and economic growth, and provide adequate health, educational, and other services to Native Americans.

First, the bill makes wrong-headed choices with regard to the management and preservation of some of our most precious assets. In the Tongass National Forest in Alaska, it would allow harmful clear-cutting, require the sale of timber at unsustainable levels, and dictate the use of an outdated forest plan for the next 2 fiscal years.

In the Columbia River basin in the Pacific Northwest, the bill would impede implementation of our comprehensive plan for managing public lands—the Columbia River Basin Ecosystem Management Project. It would do this by prohibiting publication of a final Environmental Impact Statement or Record of Decision and requiring the exclusion of information on fisheries and watersheds. The result: a potential return to legal gridlock on timber harvesting, grazing, mining, and other economically important activities.

And in the California desert, the bill undermines our designation of the Mojave National Preserve by cutting funding for the Preserve and shifting responsibility for its management from the National Park Service to the Bureau of Land Management. The Mojave is our newest national park and part of the 1994 California Desert Protection Act—the largest addition to our park system in the lower 48 States. It deserves our support.

Moreover, the bill would impose a misguided moratorium on future listings and critical habitat designations under the Endangered Species Act. And in the case of one endangered species, the marbled murrelet, it would eliminate the normal flexibility for both the Departments of the Interior and Agriculture to use new scientific information in managing our forests.

Second, the bill slashes funding for the Department of Energy's energy conservation programs. This is short-sighted and unwise. Investment in the technology of energy conservation is important for our Nation's long-term economic strength and environmental health. We should be doing all we can to maintain and sharpen our competitive edge, not back off.

Third, this bill fails to honor our historic obligations toward Native Americans. It provides inadequate funding for the Indian Health Service and our Indian Education programs. And the cuts targeted at key programs in the Bureau of Indian Affairs' are crippling—including programs that support child welfare; adult vocational training; law enforcement and detention services; community fire protection; and general assistance to low-income Indian individuals and families.

Moreover, the bill would unfairly single out certain self-governance tribes in Washington State for punitive treatment. Specifically, it would penalize these tribes financially for using legal remedies in disputes with non-tribal owners of land within reservations.

Finally, the bill represents a dramatic departure from our commitment to support for the arts and the humanities. It cuts funding of the National Endowments for the Arts and Humanities so deeply as to jeopardize their capacity to keep providing the cultural, educational, and artistic programs that enrich America's communitties large and small.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. It does not reflect my priorities or the values of the American people. I urge the Congress to send me a bill that truly serves the interests of our Nation and our citizens.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *December 18, 1995.*

To the House of Representatives:

I am returning herewith without my approval H.R. 2076, the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996."

This bill does not meet the priorities and needs of our Nation and people. It would undermine our ability to fight the war on crime; decimate technology programs that are critical to building a strong U.S. economy; and weaken our leadership in the world by drastically cutting funding for international organizations, peacekeeping, and other international affairs activities.

First, the bill represents an unacceptable retreat in our fight against crime and drugs. It eliminates my COPS initiative (Community Oriented Policing Services) to put 100,000 more police officers on the street. Already, this initiative has put thousands of police on the street, working hand-in-hand with their communities to fight crime. The block grant that H.R. 2076 would offer instead would not guarantee a single new police officer. That's not what the American people want, and I won't accept it. As I have said, I will not sign any version of this bill that does not fund the COPS initiative as a free-standing, discretionary grant program, as authorized.

The bill also eliminates my "drug courts" initiative. And it unwisely abandons crime prevention efforts such as the Ounce of Prevention Council and the Community Relations Service. I am also disappointed that the funding levels in the bill fall short of my request for the Drug Enforcement Administration, and OCDETF (Organized Crime Drug Enforcement Task Force). This is no time to let down our guard in the fight against drugs.

Second, the bill constitutes a short-sighted assault on the Commerce Department's technology programs that work effectively with business to expand our economy, help Americans compete in the global marketplace, and create high quality jobs. As we approach a new, technology-driven century, it makes no sense to eliminate an industry-driven, highly competitive, cost-shared initiative like our Advanced Technology Program (ATP), which fosters technology development, promotes industrial alliances, and creates jobs. Nor does it make sense to sharply cut funding for measures that will help assure our long-term growth and competitiveness—such as our National Information Infrastructure grants program, which helps connect schools, hospitals, and libraries to the information superhighway; the GLOBE program, which promotes the study of science and the environment in our schools; the Manufacturing Extension Partnership, which helps small manufacturers meet the hi-tech demands of the new marketplace; Defense Conversion; or the Technology Administration. And I oppose the bill's harmful cuts for the Census Bureau and for economic and statistical analysis.

Third, I am deeply concerned that this bill would undermine our global leadership and impair our ability to protect and defend important U.S. interests around the world—both by making unwise cuts in funding for international organizations and peacekeeping activities, and by cutting programs of the State Department, the Arms Control and Disarmament Agency, and the United States Information Agency. These cuts would impair our ability to support important activities such as the nonproliferation of weapons, the promotion of human rights, and the control of infectious disease like the Ebola virus.

Moreover, sections of the bill include inappropriate restrictive language, including language limiting the conduct of U.S. diplomatic relations with Vietnam, that I believe infringe on Presidential prerogatives. And I cannot accept the provision that would cut off all funding for these agencies on April 1, 1996, unless the State Department Authorization Act and related legislation had been signed into law.

Fourth, the bill includes three additional provisions that I cannot accept.

It cripples the capacity of the Legal Services Corporation (LSC) to fulfill its historic mission of serving people in need—slashing its overall funding, sharply limiting the administrative funds LSC needs to conduct its business, and imposing excessive restrictions on LSC's operations. LSC should be allowed to carry on its work in an appropriate manner, both in its basic programs and in special initiatives like the migrant legal services program.

Section 103 of the bill would prohibit the use of funds for performing abortions, except in cases involving rape or danger to the life of the mother. The Justice Department has advised that there is a substantial risk that this provision would be held unconstitutional as applied to female prison inmates.

The bill also includes an ill-considered legislative rider that would impose a moratorium on future listings under the Endangered Species Act by the National Oceanic and Atmospheric Administration and other agencies. That rider not only would make bad policy, it also has no place in this bill.

Finally, I would urge the Congress to continue the Associate Attorney General's office.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. H.R. 2076 does not reflect my priorities or the values of the American people. I urge the Congress to send me an appropriations bill that truly serves this Nation and its people.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *December 19, 1995.*

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICAID

Mr. DEWINE. Mr. President, we all hope that agreement can be reached very shortly on the budget. I would like to take a few minutes of the Senate's time this afternoon to talk about one particular part of that budget controversy and that is Medicaid. I would like to caution the negotiators, caution all of us on both sides of the aisle, that as we debate and negotiate on Medicaid, we really need to stay focused on the fact that this is not just a question of money. The argument is not over just money. It is not just a question of finding a dollar amount that we can all agree on, a dollar amount that we can compromise. There are also very important policy issues that we simply must deal with. The policy issues are, in a very real sense, even more important than the dollars that are involved.

If we merely reduce the Federal contribution to the States to furnish Medicaid but at the same time do nothing to structurally fix Medicaid, then I believe we will have failed, and that failure will have devastating consequences. Instead, I believe we must seize this opportunity to fix Medicaid by removing the wasteful, inefficient, and administratively burdensome parts of the current program. If we do that, then we will improve Medicaid but, more important, we will improve poor people's health care.

So this debate is not just about money. It is not just about federalism. It is not just about State sovereignty. It is about the poor and how best to serve them, how best to develop constructive and viable alternatives that will meet their health care needs. Because the reality is, if given the flexibility, if given the freedom, the States can devise programs that cost less and at the same time provide better health care for the poor.

I would like this afternoon, therefore, to review for just a few moments where we are currently on Medicaid, where our proposal and the President's proposal would take us. Today, under the status quo, under what has become an open-ended entitlement program, the Federal Government can give States an unlimited amount of money to look after the health of their poor so long as States do two things. First, States have to provide the poor within their boundaries with a Federally-prescribed set of services. That is, States are told what health care to give their poor and how to give it to them, how to deliver the services. Second, States have to contribute to the costs of Medicaid from their budgets based on a Federal formula.

The fact that unlimited funds have been made available to this program has also meant that there has been no incentive to remove the inefficiencies that exist, nor to come up with new or better ways to serve the health care needs of the poor. This has resulted, in turn, in ever-increasing expenditures on Medicaid by both the Federal Government and by the States. Between 1988 and 1994, 6 years, State spending on Medicaid has increased by 160 percent. During the same years, Federal spending on Medicaid has increased 170 percent. Or, to look at it another way, in 1987 States spent on the average 10 percent of their own budgets on Medicaid. Last year, they spent almost 20 percent.

In a conversation I had this morning with my Governor, the Governor of the State of Ohio, George Voinovich, he told me that in just a few years, unless changes are made, Ohio will be spending 40 percent of its total budget for the cost of Medicaid.

Federal Medicaid spending has grown from 2.7 percent of total Federal outlays to 5.6 percent during this same period of time. So, today, we have a Medicaid Program that is growing too fast and does not provide the best health care for the buck. So we have set out to change this, to cut Federal spending growth—not Federal spending, but to cut the rate of growth, and to cut it in half; and, at the same time, to improve the delivery of health care services to the poor. We proposed a reduction in the current Federal contribution to Medicaid. But, under our plan, we also gave States more flexibility than ever before in determining how health care services should be provided to poor people.

These two changes, fewer dollars from Washington, slower rate of growth, but more flexibility for the States, those two have to go hand-in-hand. You cannot have one without the other, because States cannot deliver health care with fewer dollars if they must do so under the current bureaucracy-laden, expensive system. On the other hand, if we let States be creative, they can spend less and at the same time provide better services.

Allowing States the flexibility to reform and redefine Medicaid means that our proposal is not just a proposal about money. While it is a proposal that sometimes tells the States what services to provide, for the most part it leaves the States to find innovative ways to provide these services. It leaves it up to the States. States are given this flexibility because we believe the States can devise better and more cost-effective ways in which to deliver health care services. If I could, let me give the Members of the Senate an example, an example I think is very instructive.

Let us take a child on Medicaid who has severe asthma, and who is hospitalized on an average of every 2 to 3 weeks every summer, usually for 3 to 4 days at a time. Medicaid pays for this child to be in the hospital at a cost, tremendous cost, per day. But Medicaid does not—let me repeat—does not allow a State to send a case worker over to that child's home and install an air-conditioner in that child's bedroom to prevent these recurring asthma attacks. An air-conditioner could well save the child from what are very scary breathing problems. I will say my wife, Fran, and I have experienced this with our own children. There is nothing scarier than to have a child who cannot get her breath. A simple thing such as an air-conditioner could save that child from that agony and that family from that agony and, at the same time, save taxpayers thousands and thousands of dollars. Yet, under the current law, this sort of preventive measure is not permitted. This sort of preventive measure is not permitted under current Medicaid law.

Giving the States more flexibility will allow them to be innovative, bold, imaginative, and will provide people with real services that matter—and that in many cases will be cheaper.

Let me give another example, Mr. President. Under today's Medicaid Program Medicaid beneficiaries who suffer traumatic brain injuries are required to be institutionalized in nursing homes, if they want the money, and if they want the help. So if an 18-year-old is involved in a car accident and is left comatose, he or she may be treated in a rehabilitation center until the car insurance is exhausted. But then that 18-year-old would be placed under current law in a nursing home. Imagine if instead this 18-year-old could be treated at home with services specific to his or her needs with community-based services aimed specifically at brain injuries. He may well recover, return to school, get a job, and live a full life. And, Mr. President, it would cost a lot less.

Mr. President, I ask unanimous consent that my time be extended by 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEWINE. Mr. President, let us consider another example, a 15-month-old baby girl born with short bowel syndrome. The teenage parents can find child care an overwhelming prospect. Under Medicaid today that infant would almost inevitably be sent to an institution. What if nursing services could instead be provided for that baby at home along with training and support for the young parents? That little girl could grow up with parents in a more stable home environment, and live the sort of life that children are meant to live. And again, Mr. President, it would cost less.

Here is another example. If today an 85-year-old woman has osteoperosis, cancer, psoriasis, she would likely end up in a nursing home. But what if the States could instead establish full health programs that include monthly nursing visits and weekly physical therapy? She could be mobile, hopefully keep her condition from deteriorating, and stay at home.

Another example: As we all know, under the current Medicaid system many, many poor children get ordinary care in emergency rooms. That is where they go for that type of care. But that really is not the place for building long-term doctor-patient relationships. Let us give States the flexibility, and they will develop their own managed care plans for the poor. So these children could go to their own primary care physicians where the doctors will know them, their names, and their medical history. That will certainly ensure better health care. But some may say, but cannot States really do all of these things now? Well, in any one of these scenarios a State could go hat in hand to Washington and maybe, just maybe, get permission, get a waiver, to help their citizens in these alternative innovative, and, yes, responsive ways. But States do not have the ability to address these local situations in their own communities without permission from Washington. That is the law today. They have to go to Washington hat in hand. They have to beg for permission to do it. Why should we have a system in which we must waive the rules in order to simply do what is right?

We instead free States so that they could respond compassionately to their poor, and in the long run provide them with better care while cutting the inefficient and duplicative cost of Medicaid.

So, Mr. President, I believe it is a mistake to look only at the money side of the Medicaid question. The President proposes to cut the rate of growth of Federal contributions but make no structural changes—let me repeat, make no structural changes—and require States to make up the monetary difference. It does not increase State flexibility, and it ties the hands of Governors and State legislators so that States are left paying more toward Medicaid but given an insufficient voice in determining how those funds are spent.

Mr. President, it will take more than this to achieve what I am sure both President Clinton and I ultimately want, and what we all want for the poor of this Nation: Better affordable health care for the poor. Unfortunately, the President's proposal has shifted the debate away from substantive Medicaid reforms to simply a numbers debate.

It must be reiterated again and again that we are not just debating how large or small the Federal contribution to Medicaid should be. To characterize the debate in this way emphasizes a fundamental misunderstanding of Medicaid, and a fundamental misunderstanding of what this debate is all about. We cannot sit down to the negotiating table to simply split the differences on the Federal contribution level and call it a day. We cannot just sit down and say Republicans are at this figure, Democrats are at this figure, let us split the difference and all go away happily. That is not going to solve the problem. And in fact, Mr. President, as I think I have outlined to demonstrate this afternoon, that may be the worst of all possible worlds. If we end up splitting the difference between the two sides but yet make no change in policy and keep the policy the way it is today, it simply will not work. The States cannot make it work. We will be dealing the States a hand that they simply cannot play. And the people who are going to suffer are not just going to be the Governors, the State legislatures, and the taxpayers of each State. The people who are going to suffer are the poor who depend on Medicaid for their health care. That is who is going to suffer.

Mr. President, to approach it in this simplistic way, to make this just a numbers debate, would be, I believe, to take the easy way out and leave unaddressed the problems currently facing Medicaid today—the inefficiencies, the exorbitant costs. Given the flexibility, States could begin to address. In fact, to split the difference and call it a day would leave the States with a devastating bill to meet these legal obligations. As I stated earlier, my State of Ohio would have to spend 40 percent of its total budget on Medicaid—40 percent. Ohio already devotes 30 percent of its budget to Medicaid today, and this increase would come in just the first 10 years. That is huge, and this percentage will continue to grow.

Mr. President, in conclusion, let me say that States will be forced to pull money away from other programs if this path is followed. Which State programs would we have our Governors cut? Education? Public health and safety? I think not. This runaway proposal would squeeze out all else, and it simply cannot be tolerated.

Mr. President, the only solution would be bankruptcy for the States or increase State taxes to raise money to pay for the ever-increasing legal obligations of the States under Medicaid. This would certainly be one back-door way of increasing taxes that I do not think anyone in this Chamber would approve of. We cannot reduce the Federal contribution to Medicaid while at the same time keep the costly, inefficient, and counterproductive requirements of Medicaid and then simply walk away.

We cannot walk away from the 18-year-old accident victim, nor walk away from the 15-month-old infant of the overwhelmed teenage parents. We cannot walk away from an 85-year-old woman with osteoporosis and cancer. Mr. President, we do not believe in simply abandoning people. Any Medicaid Program that comes out of these negotiations that we negotiate or vote for should not do that either.

I thank the Chair. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered.

(Mr. STEVENS assumed the Chair.)

CHANGING THE SYSTEM

Mr. BOND. Mr. President, I wish to say that I think we have had some very useful discussions today, although obviously the substantive discussions and negotiations are, we hope, going on elsewhere. But I wish to begin by reemphasizing what my distinguished colleague from Ohio has just said in the past few minutes about the importance of changing the system.

I had the privilege of serving as chief executive of the State of Missouri for 8 years, and I was convinced, as were almost all of my other colleagues who were Governors at the time, Republicans and Democrats, that we could do a far better job in handling many of the programs partially funded by the Federal Government if we did not have all of the strings and restrictions and red tape put upon us. That is why we have moved in this session of Congress to change the programs themselves, to make them more effective and efficient, not just to save money. Obviously, we cannot continue to spend, particularly on entitlement programs like Medicare and Medicaid, at the ever-increasing rates of growth, without destroying these very programs, bankrupting the Government, and destroying our economy. But it is not enough, as has been pointed out by my colleague from Ohio, merely to cut the amount of money that we are turning over to the States. If we tell them, "You have to keep spending the money the way we tell you but we are not going to give you as much as you have been getting, or not as much as an increase as you have been getting," then we risk disaster. We need fundamental changes—allowing the States to develop responsive and responsible, effective and caring programs to meet the needs of those who are recipients of the programs, within these budgetary constraints.

Mr. President, in my second term as Governor, we fought and fought and fought to get waivers from the Department of Health and Human Services, now HCFA, so we could start a managed-care program for Medicaid, so we could give the providers selected by the Medicaid recipient the opportunity to do the best job they could of keeping that recipient healthy.

It made a tremendous amount of difference. More emphasis was placed on keeping people healthy, on preventive health care, on regular checkups, on routine well-baby care that kept the recipients well, kept them out of the hospital, kept them from lost time. The result was that we saved some money but people on Medicaid in my State were a lot happier, and healthier, with the program. And those examples, those experiments are being carried out in every State in the Nation. If we only could change the program so that State legislators and Governors who are just as concerned as the Members of this body about taking care of those in need could make those innovations, I am convinced we can do it.

Now, we have had, as I have said, much discussion about differences in policy, differences in policy that lie at the base of this balanced budget debate, but part of the problem is, I think, some of the facts are being misstated. We have heard earlier today about how Federal employees are being held hostage; that it is an unheard of shutdown of the Federal Government.

It seems to me, Mr. President, in the time I have been here when there was a Democratically controlled Congress and a Republican President, there were shutdowns in the Federal Government when Congress and the President did not agree. To say that it is unheard of is not true. I believe even during the period of the Carter administration, when there was a Democratic President and a Democratic Congress, there were a number of periods of time when there was no budget or continuing resolution in place. As a matter of fact, some of my colleagues, on a bipartisan basis, today were talking about how the Democratic majority in Congress in 1990 toughened up the Anti-Deficiency Act to make it more painful, more painful for the executive branch to try to continue to operate in the absence of a continuing resolution, and, yes, it appears that some of those chickens have come home to roost now.

But let us make clear one thing. Part of this responsibility, the responsibility that some of the agencies of Government are shut down, is on the back of the President. I can speak from personal experience, having managed the bill that funds veterans, housing, environment, space, emergency management, and other areas—the VA-HUD and independent agencies appropriations bill. We passed the bill. We passed the bill that made over 12 percent cuts from last year's original appropriations.

Now, during the summer of last year, in a rescission bill, the Congress, with the President's signature, rescinded some of those funds from the previous year because that bill, VA-HUD, was making too many promises that could not be kept in out-years. When you make a promise in housing, for example, to provide housing over a number of years, you have to appropriate the budget authority up front, but then each year as you carry out that commitment, the expenditure of that authority—the outlays—are scored against the aggregate budgetary limitations for that year.

So we have had to cut back significantly, and the President agreed when he signed the rescission bill that we would cut back on the commitments in VA-HUD. So it was with surprise that when we tried to negotiate with the White House to find out how we could change the fiscal year 1996 appropriations bill to accommodate their needs and their desires, the only thing we got from Mr. Panetta, who was up here on the Hill, was a statement that, well, we just need to spend $2 billion more, just give us $2 billion more.

I explained to him, as every Member of this body who is familiar with the appropriations process knows, we cannot give $2 billion more. We have to stay within the budget. But I suggested that if they were willing to work with us, we could make adjustments within the dollars available and send the President the bill, he could sign that bill, and then to the extent he is able to reach a later agreement which might put more money into the various appropriated accounts, we could come back by a supplemental appropriation or a continuing resolution to add money to the Veterans' Administration, Housing and Urban Development, Environmental Protection Agency, National Aeronautics and Space Administration, the National Science Foundation, and all of those agencies.

What happened? Well, frankly, the President vetoed the bill. The President vetoed the bill because we did not spend as much money as he wanted. That is understandable. Everybody who likes government likes to spend more money. But if you don't want to cut spending in domestic appropriated accounts, you have to find someplace else to take it. You could, for example, cut back on the money going into entitlement programs like Medicare and Medicaid. Actually, we have a very good example of that. The President and Mrs. Clinton back in 1993 and 1994, as my colleagues will recall, came before the Congress—you probably have seen film clips of them recently—and said we really must slow the rate of growth of Medicare to 6 to 7 percent a year.

Mr. President, they were correct because as the Clinton trustees of Medicare and Social Security have said, if we do not reform part A of Medicare, it is going to go broke, it is going to run out of money in the year 2002.

The President was right when he said we have to slow the rate of growth. But not only do we have to slow the rate of growth, just as my friend from Ohio said, we have to change the structure of Medicare; we have to change the structure of Medicare because a top-down Government price-fixing program in health care has not worked.

It is important that we give senior citizens choices, choices so they can choose from among private plans which will have to manage the costs effectively and give the recipients, the Medicare recipients, the kinds of services they need if they are to compete.

The President and Mrs. Clinton were very clear when they came before the Congress and said it is not a cut when you say we are going to slow the rate of growth to a reasonable amount of 6 to 7 percent. How interesting it is to hear now representatives of the President, the ads run by their supporters, saying Medicare is going to be slashed because the Republican Congress proposes to let it grow by 7.2 or even 7.4 percent.

Mr. President, we have to save Medicare. If you are talking about just cutting a little bit of money out of Medicare, you are not going to really save it; you are just going to squeeze it down and make it more difficult for Medicare recipients to get doctors and hospitals and other health care providers to give them the kind of services they need. You need to change the program and you need to slow the rate of growth in the program. You tell me how much you want to slow the rate of growth of the Medicare Program, and we can probably tell you how long past 2002 you will keep the program healthy, how long before it will go bankrupt.

Mr. President, I ask unanimous consent that I may be granted another 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. I thank the Chair.

Mr. President, as I was saying, how long do you want to keep Medicare healthy? Personally, I would like to see Medicare kept healthy, not only for those who are on Medicare right now, but those who will be coming on, people my age and people younger.

We are going to have to make changes to slow the rate of growth. One proposal to save $70 to $80 billion was estimated only to save it for maybe 2 more years. I do not think, Mr. President, we ought to go through all this battle and all this heartache and say that Medicare will not go bankrupt in 2002, it will go bankrupt in 2005. We can do better than that. We have to implement real reforms which will assure the financial solvency of this critical program well into the foreseeable future.

I hope we would stop the posturing and stop the ads and stop the claims that Medicare is being savaged. It begins to appear to me, Mr. President, that there is something else at work here. The President of the United States told the American people in the campaign and told us in the State of the Union Message in 1993 he wanted a balanced budget. Then just a month and a half or so ago, before Congress sent him a continuing resolution, he agreed that he would sit down and develop with the Congress a balanced budget reaching balance in the year 2002 on the basis of Congressional Budget Office scoring.

If he is willing to do that, and if he is willing to take a hard look and a responsible look at how we keep entitlement programs from going bankrupt, and how we keep it from destroying us, then there is plenty of room to negotiate as far as I am concerned. If I were a negotiator, I would say, we put it all on the table. I would not put more taxes on the table because we tried the taxes and that did not work. Jacking up taxes in 1993 got only about a third of what we expected out of it.

It is time that we cut. If the President would come forward and deal in good faith, we could reach that agreement in a very short time. But what I am hearing from the press, some of my colleagues who have friends in the White House, the political advisers are saying, "Great, don't move. Don't move, Mr. President. You've got it just where you want it. You have talked about a balanced budget, but then you can come out and be against all the cuts. You don't have to agree to any of the cuts, just say you're for a balanced budget and then trash anybody who tries to put the details of a balanced budget together. And so long as you don't have to present one, then you're not going to be caught."

As one of my friends, a Member of this body on the other side of the aisle, has said—and obviously I will not identify him—he said it makes for great campaign rhetoric. It is great political fanfare, but it is a darn poor way to govern.

Mr. President, I suggest that if the President wants to have a balanced budget, if he wants to carry through on his promise, then it is time, as we say in Missouri, to show me, come forward and say where you are going to make these necessary cuts. The White House is not doing that.

I mentioned earlier that with respect to the small little appropriations bill I handled, veterans, HUD, independent agencies, they originally requested $2 billion, about $1.9 billion-plus. We have just received their latest request. Guess what? That latest request goes up to $2.5 billion. This is not negotiation. This is moving in the opposite direction.

Mr. President, if anybody is negotiating with somebody who keeps taking steps farther and farther away from agreement, you will find out that is not negotiation, that is political game playing. Unfortunately, until we see any movement in the other direction, I have to say that this President apparently does not want a balanced budget.

Dismiss all the rhetoric. His requests are for more spending in domestic areas. His requests are for less cuts in entitlement programs. Frankly, every time that the Congressional Budget Office has scored his proposal—and the Congressional Budget Office is the one who he said must judge those proposals—it shows that he misses in the neighborhood of two to three hundred billions of dollars.

Mr. President, there is some talk about adding a few billion dollars more to domestic discretionary. Unfortunately, under the congressional budget resolution that will achieve a balanced budget by the year 2002, have to cut nondefense discretionary from $270 billion in 1996 to $258 billion in 1997. That is a 4.4-percent decrease—a $12 billion expenditure reduction. If you are going to be putting more money in this year, you are going to make it a bigger cliff to fall off of next year.

I would caution our negotiators not to go down that path of building in more spending now when we are going to have to have greater cuts next year and more program disruption.

We could come to an agreement. I think there are lots of areas where we could agree. I will tell you that I am beginning to think that the only place that we can make an agreement is working with our colleagues in Congress. I have had the pleasure of working with the Senator from Maryland, Senator MIKULSKI. We have some policy differences, but those policy differences can be accommodated.

I know that there are groups working together on a bipartisan basis, Senators BREAUX and CHAFEE and others, Senator NUNN and many others, who are working to come up with a balanced budget, because I believe there are people in this body on both sides of the aisle who believe it is in the best interest of this country to get the Government back to work, to get the employees of the Federal Government doing what they are supposed to do, and put forward a responsible bipartisan plan to move this country toward a balanced budget in the year 2002.

The Kerrey-Danforth commission, headed by Senator KERREY from Nebraska and my former colleague, Senator Danforth from Missouri, pointed out how difficult the entitlement problems are. Unless we start dealing with those entitlement problems, we are not going to reach that result.

So, Mr. President, it has been with only a slight degree of hope and a great deal of concern that I have watched the proceedings today. We have to find some areas of compromise. Unless we see the President willing to come forward and tell us where cuts are going to be made—real cuts; not phony cuts, real cuts—then we are going to have to work within this body, and I hope we can find bipartisan cooperation in the House, to come to agreements on how to get spending under control, how to provide the vital services that are necessary, that must be provided, but to do so in a responsible way that does not cost our children and our grandchildren another $1 or $2 trillion worth of debt.

Mr. President, this is a vitally important issue. The issue of the budget is going to define not only what our children face in the future, but our economy in the short term. I look forward to working with Members of this body and ultimately Members of the other House in seeing if we cannot fashion what the President has been unwilling to come forth and produce, and that is a balanced budget.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TAX PROTOCOL WITH THE KINGDOM OF THE NETHERLANDS (TREATY DOC. NO. 104–23)

Mr. COCHRAN. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Tax Protocol for the Kingdom of the Netherlands (Treaty Document No. 104–23), transmitted to the Senate by the President on January 3, 1996; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification, the Protocol between the Government of the United States of America and the Government of the Kingdom of the Netherlands in Respect of the Netherlands Antilles Amending Article VIII of the 1948 Convention with Respect to Taxes on Income and Certain Other Taxes as Applicable to the Netherlands Antilles, signed at Washington on October 10, 1995. Also transmitted for the information of the Senate is the report of the Department of State with respect to the Protocol.

The Protocol amends Article VIII (1) of the Convention to limit the exemption from U.S. taxation of interest on debt instruments to interest paid on instruments issued on or before October 15, 1984, by a U.S. person to a related controlled foreign corporation that was in existence before October 15, 1984.

I recommend that the Senate give early and favorable consideration to the Protocol, and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 3, 1996.*

COMMENDING J. KEITH KENNEDY

Mr. COCHRAN. Mr. President, I send a resolution to the desk commending J. Keith Kennedy for his service as Republican staff director of the Appropriations Committee and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 208) commending J. Keith Kennedy.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, this resolution commends J. Keith Kennedy, who has served as the Republican staff director for the Appropriations Committee for 15 years, having assumed that position 15 years ago today.

Keith is a very valuable member of the Senate staff, upon whom we have all relied at one time or another.

I know my colleagues join Senator HATFIELD and BYRD in wishing Keith continued success in his position—we will continue to rely on his sound counsel.

Mr. HATFIELD. Mr. President, I rise to congratulate and to convey my appreciation to a member of my staff, J. Keith Kennedy. Today marks the 15-year anniversary of Keith's service as the Republican staff director of the Senate Appropriations Committee, serving either in the majority or in the minority as fortune permitted. Mr. Kennedy has steered the staff with a firm, but gentle hand at the helm, through the often choppy waters of legislative process. Such continuity has provided the Senate with the type of institutional memory that keeps us from remaking some of the mistakes of the past. In this capacity, Mr. Kennedy has worked to uphold the position of the Senate in negotiations with three administrations—those of Presidents Ronald Reagan, George Bush, and Bill Clinton, five OMB directors—David Stockman, James Miller, Richard Darman, Leon Panetta, and Alice Rivlin, and a House of Representatives under both Democratic and Republican majorities. During that time, he helped implement the Reagan revolution of the early 1980's when many of us were still trying to get our sea legs in a Senate with a new Republican majority. In the 1990's, he has played a key role in charting a course out of fiscal excesses of earlier years.

Keith has served the Senate with distinction and honor for over 23 years. I have come to rely on him as a trusted adviser, policy expert, and friend.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 208) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 208

Whereas J. Keith Kennedy has served as majority or minority Chief Clerk and Staff Director of the Committee on Appropriations since January 3, 1981;

Whereas he has ably served the Senate in various other roles since September of 1972;

Whereas he has served as clerk of the Legislative Branch Appropriations Subcommittee, in which capacity he has endeavored to provide for the welfare and benefit of the entire U.S. Senate and its employees;

Whereas he has overseen the modernization and streamlining of the day-to-day operations of the Senate Appropriations Committee;

Whereas he has ably represented the interests of the Appropriations Committee and the Senate in all budget negotiations since 1981;

Whereas he has upheld the high standards and traditions of the Senate with abiding devotion; and

Whereas he has earned the respect, affection and esteem of the United States Senate: Now, therefore, be it

Resolved, That on this fifteenth anniversary of his tenure, the Senate express its commendation, appreciation and gratitude to J. Keith Kennedy for his continuing service and for jobs well done.

CONGRATULATING BRETT FAVRE FOR WINNING THE 1995 NATIONAL FOOTBALL LEAGUE MOST VALUABLE PLAYER AWARD

Mr. COCHRAN. Mr. President, I now ask unanimous consent that the Senate turn to consideration of Senate Resolution 207, a resolution submitted earlier today by myself and Senator LOTT.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 207) to congratulate Brett Favre, a native of Kiln, Mississippi, for winning the 1995 National Football League Most Valuable Player Award.

Whereas Brett Favre, a native of Kiln, Mississippi, is a professional football player with the Green Bay Packers;

Whereas Brett Favre has demonstrated extraordinary skills as an athlete and has proven himself a leader and top performer in the National Football League;

Whereas Brett Favre has been named the Most Valuable Player of the National Football League for 1995: Therefore, be it

Resolved, That the Senate of the United States congratulates Brett Favre for the outstanding season he has had as quarterback of the Green Bay Packers and for being named the Most Valuable Player of the National Football League for 1995.

Mr. COCHRAN. Mr. President, it is with much pride that I submit a resolution congratulating Brett Favre for his outstanding accomplishment in being named the Most Valuable Player of the National Football League for 1995. Brett is a native of my State of Mississippi.

He grew up in the Kiln community near the Mississippi Gulf Coast and starred as a student and athlete at Hancock Central High School. He first received national attention as quarterback for the University of Southern Mississippi, where he led his team to victories over such nationally ranked powers as Florida State University, University of Alabama, and Auburn University.

This year, Brett Favre set a National Football Conference record of 38 touchdown passes and 4,413 total yards passing during the regular season. This is the third highest number of touchdown passes in a season in NFL history. He threw three more touchdown passes in Sunday's 37 to 20 first round playoff victory over the Atlanta Falcons.

Ironically, Brett was chosen for MVP over another outstanding Mississippian and NFL star, Jerry Rice. Jerry Rice is generally considered the best wide receiver and pass catcher in modern history. His accomplishments were noted when he was named MVP of the Super Bowl in 1987.

Brett Favre's rise to the top of his profession in four seasons is a testament not only to his ability, but to his courage and determination to excel. Brett Favre has proven himself a leader and top performer in every capacity and his achievements during the 1995 season were awesome.

I urge the Senate to join me in giving special recognition to this exceptionally talented young man and congratulating him upon receiving one of the highest honors awarded in his profession.

I ask unanimous consent that the article about him and his award that appeared in the Clarion Ledger, January 2, 1996, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Clarion-Ledger, Jan. 2, 1996]

FAVRE REACHES TOP—EARNING NFL MVP HONORS CAPS A LONG CLIMB FOR THE KID FROM KILN

(By Mike Knobler)

Billy Ray Dedeaux remembers a time he told his fourth-grade class to play touch football. One boy made a tackle, and Dedeaux paddled him for it.

Dedeaux had no way of knowing the boy was simply preparing himself to become the world's best football player. And that's exactly what Brett Favre has become.

Favre was named the National Football League's MVP Monday in a landslide vote over fellow Mississippian Jerry Rice. Favre, the Green Bay Packers quarterback, got 69 of a possible 88 first-place votes from a panel of sports writers and broadcasters. Rice, the San Francisco 49ers receiver, got 10.

"It means everything," said Favre, who just completed his fifth—and by far his most successful—regular season in the NFL. "It's like winning the Super Bowl, except it's an individual honor. It's the National Football League, which means it's the best player in the whole world. In this game. And that's awesome.

"Think about all the great players you play with and play against. It's overwhelming. It's hard to even explain how much that means to win that and say, 'God, MVP of the league.'"

Back home on the Gulf Coast, Favre's family and former teachers were pleased with the honor but not surprised. They'd been hearing and reading for weeks that he was a leading candidate for the award.

"At first, when they started talking about it, you didn't think too much of it," said Bonita Favre, Brett's mother "But as the year went on, it didn't seem out of reach."

The MVP award carries with it the promise of more endorsement contracts and more money for Favre, 26. That means more work for his family in Kiln.

Bonita pays all the bills and takes care of all the accounts for Brett's three businesses: Favre Enterprises, Favre Agricultural Enterprises and Favre Property Management. There are lawyers and accountants to help, but Bonita handles the day-to-day finances.

Irvin, Brett's dad, runs the agricultural business, a 45-acre Black Angus farm behind the Favres' house. Scott, Brett's brother, runs the real estate business, which owns residential and commercial property in Mississippi and Tennessee.

Brett handles the football.

"Being the MVP won't change Brett," Irvin said. "It'll change his lifestyle a bit. This'll complicate matters more. In the offseason, if you add all the days up (for his current endorsements and charity appearances), it'd be a little over a month. How much that'll increase and how much he wants that to increase, I don't know. He won't really have any off time. He'll be a busy man, and Brett doesn't really like that."

Brett set an NFC record with 38 touchdown passes and threw for 4,413 yards. He guided the Packers to an 11–5 record and their first NFC Central title in 23 years.

The Packers beat the Atlanta Falcons in the opening round of the playoffs and face the 49ers Saturday at San Francisco. Gladys Haas will be watching that game on TV.

"I love to watch him throw that ball," said Haas, Favre's kindergarten teacher. "His father said to me one time after things were going real nice for him, 'Gladys, you started all of this.' He was a dear youngster just like all kindergartners are. Even at that age, I'd say he was an up-and-going youngster."

Favre was already a football prodigy by the time he got to Dedeaux's class at Hancock North Central Elementary School. Favre won a Punt, Pass and Kick contest in Biloxi. Dedeaux watched Favre advance from PeeWee to high school to Southern Mississippi to the pros.

"Any teacher dreams of a star student," Dedeaux said, "Brett and many others have made that dream come true. He's a go-getter. He's always been very competitive, even in elementary school."

Former high school math teacher Richard Streiff remembers Favre as the A student who sat in the center of the front row in class. he also remembers Favre as an unlikely candidate to become an MVP quarterback in the NFL.

"I never dreamed he'd be a quarterback," Streiff said. "I thought he'd wind up as a defensive back at one of the major universities.

"He's an excellent young man. I can't say enough nice things about him as student and as a person."

Favre has a new teacher these days: Packers coach Mike Holmgren. Favre admitted he owes much of his success to Holmgren. Holmgren admitted he owes much of his success to Favre.

"He does everything you can ask from a quarterback, and he's still young and learning," Holmgren said.

Last year, Favre nominated Dedeaux for the NFL's teacher of the month award. Dedeaux won and received $2,500, plus $5,000 for the school Favre returns each spring and signs autographs for sixth graders.

That gives Dedeaux the chance to tell his story about the kid who disobeyed his teacher and went on to greatness.

"Sometimes that's what happens when you become hardheaded and don't listen," Dedeaux said. "He was just making himself tough."

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 207) was agreed to.

The preamble was agreed to.

REPORT ON THE CONTINUATION OF LIBYAN EMERGENCY—MESSAGE FROM THE PRESIDENT—PM 107

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1996, to the *Federal Register* for publication.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993) that it demonstrate by concrete actions its renunciation of such terrorism. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, the national emergency declared on January 7, 1986, and the measures adopted on January 7 and January 8, 1986, to deal with that emergency, must continue in effect beyond January 7, 1996. I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 3, 1996.*

REPORT CONCERNING EMIGRATION LAWS AND POLICIES OF ROMANIA—MESSAGE FROM THE PRESIDENT—PM 108

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompany report; which was referred to the Committee on Finance:

To the Congress of the United States:

On May 19, 1995, I determined and reported to the Congress that Romania is in full compliance with the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. This action allowed for the continuation of most-favored-nation (MFN) status for Romania and certain other activities without the requirement of an annual waiver.

As required by law, I am submitting an updated report to the Congress concerning emigration laws and policies of Romania. You will find that the report indicates continued Romanian compliance with U.S. and international standards in the area of emigration policy.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 3, 1996*.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on January 3, 1996, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2808. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until March 31, 1996, and for other purposes.

MESSAGES FROM THE HOUSE

At 2:16 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the resolution (H. Res. 326) informing the Senate that a quorum of the House is present and that the House is ready to proceed with business.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1750. A communication from the Secretary of the Judicial Conference of the United States, transmitting, a notice relative to funding of the Judiciary; to the Committee on Appropriations.

EC–1751. A communication from the Chairperson of the Defense Environmental Response Task Force (DERTF), Office of the Under Secretary of Defense, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Armed Services.

EC–1752. A communication from the Deputy Chief (Programs and Legislation Division), Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a notification relative to the contracting of work currently performed at Newark Air Force Base (AFB), Ohio; to the Committee on Armed Services.

EC–1753. A communication from the Director of the Office of Management and Budget, the Executive Office of the President, transmitting, pursuant to law, the report on appropriations legislation within five days of enactment; to the Committee on the Budget.

EC–1754. A communication from the Chairman of the Civil Tiltrotor Development Advisory Committee (CTRDAC), Office of the Assistant Secretary of Transportation, transmitting, pursuant to law, the final report; to the Committee on Commerce, Science, and Transportation.

EC–1755. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on the state energy conservation program for calendar year 1994; to the Committee on Energy and Natural Resources.

EC–1756. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–1757. A communication from the Deputy Associate Director for Compliance, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–1758. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report on the Trans-Alaska Pipeline Liability Fund; to the Committee on Energy and Natural Resources.

EC–1759. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a Presidential Determination relative to the Assistance to support Nigeria and other states participation in the peacekeeping mission in Liberia; to the Committee on Foreign Relations.

EC–1760. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–1761. A communication from the Executive Director of the Japan-United States Friendship Commission, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Foreign Relations.

EC–1762. A communication from the President of the National Safety Council, transmitting, pursuant to law, the report on internal controls and financial management systems in effect during the fiscal years ending June 30, 1995, and 1994; to the Committee on the Judiciary.

EC–1763. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report on the Office of Minority Health; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1371. A bill entitled the "Snowbasin Land Exchange Act of 1995" (Rept. No. 104–201).

INTRODUCTION OF BILLS AND JOINT RESERVATIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CRAIG:

S. 1515. A bill for the relief of Benjamin M. Banfro; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. COCHRAN (for himself and Mr. LOTT):

S. Res. 207. A resolution to congratulate Brett Favre, a native of Kiln, Mississippi, for winning the 1995 National Football League Most Valuable Player Award; considered and agreed to.

By Mr. DOLE (for himself, Mr. HATFIELD, and Mr. BYRD):

S. Res. 208. A resolution commending J. Keith Kennedy; considered and agreed to.

SENATE RESOLUTION 207—RELATIVE TO BRETT FAVRE

Mr. COCHRAN (for himself, Mr. LOTT, Mr. FEINFOLD, and Mr. KOHL) submitted the following resolution; which was considered and agreed to:

S. RES. 207

Whereas Brett Favre, a native of Kiln, Mississippi, is a professional football player with the Green Bay Packers;

Whereas Brett Favre has demonstrated extraordinary skills as an athlete and has proven himself a leader and top performer in the National Football League;

Whereas Brett Favre has been named the Most Valuable Player of the National Football League for 1995: Now therefore be it

Resolved, That the Senate of the United States congratulates Brett Favre for the outstanding season he has had as quarterback of the Green Bay Packers and for being named the Most Valuable Player of the National Football League for 1995.

SENATE RESOLUTION 208—COMMENDING J. KEITH KENNEDY

Mr. DOLE (for himself, Mr. HATFIELD, and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 208

Whereas J. Keith Kennedy has served as majority or minority Chief Clerk and Staff Director of the Committee on Appropriations since January 3, 1981;

Whereas he has ably served the Senate in various other roles since September of 1972;

Whereas he has served as Clerk of the Legislative Branch Appropriations Subcommittee, in which capacity he has endeavored to provide for the welfare and benefit of the entire U.S. Senate and its employees;

Whereas he has overseen the modernization and streamlining of the day-to-day operations of the Senate Appropriations Committee;

Whereas he has ably represented the interests of the Appropriations Committee and the Senate in all budget negotiations since 1981;

Whereas he has upheld the high standards and traditions of the Senate with abiding devotion; and

Whereas he has earned the respect, affection and esteem of the United States Senate: Now, therefore, be it

Resolved, That on this fifteenth anniversary of his tenure, the Senate express its commendation, appreciation and gratitude to J. Keith Kennedy for his continuing service and for jobs well done.

AMENDMENTS SUBMITTED

FEDERAL EMPLOYEES LEGISLATION

DOLE (AND WARNER) AMENDMENT NO. 3114

Mr. DOLE (for himself and Mr. WARNER) proposed an amendment to the bill (S. 1508) to assure that all Federal employees work and are paid; as follows:

In lieu of the House amendment, insert:

SEC. 2. EXCEPTED EMPLOYEES UNDER NORMAL LEAVE POLICY.

Federal employees considered excepted from furlough during any period in which there is a lapse in appropriations with respect to the agency activity in which the employee is engaged shall not be considered to be furloughed when on leave and shall be subject to the same leave regulations as if no lapse in appropriations had occurred.

SEC. 3. ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.

Beginning on January 2, 1996, any federal employee who is excepted from furlough and is not being paid due to a lapse in appropriations shall be eligible for unemployment compensation benefits with no waiting period for such eligibility to accrue. With respect to any person who is eligible for such benefits by reason of the preceding sentence, any such benefits received shall be subject to repayment in the same manner and to the same extent when eligibility by reason of the preceding sentence ceases as if such cessation were an end to the period of unemployment.

TITLE II

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 201. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1995:

All nutrition services for the elderly under the account heading "Aging services programs" under the Administration on Aging in the Department of Health and Human Services;

All grants to states for child welfare services, authorized by title IV, part B, subpart 1, of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All Federal Parent Locator Service activities, as authorized by section 453 of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All State unemployment insurance administration activities under the account heading "State unemployment insurance and employment service operations" under the Employment and Training Administration in the Department of Labor;

All general welfare assistance payments and foster care payments, as authorized by law, funded under the account heading "Operation of Indian programs" under the Bureau of Indian Affairs in the Department of the Interior;

All projects and activities necessary to accommodate visitors and to provide for visitor services in the National Park System, the National Wildlife Refuges, the National Forests, the facilities operated by the Smithsonian Institution, the National Gallery of Art, and the John F. Kennedy Center for the Performing Arts; and

All projects and activities necessary to process passports, notwithstanding section 15 of the State Department Basic Authorities Act of 1956:

Provided, That whenever the amount which would be made available or the authority which would be granted under an Act which included funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be considered under that appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever, is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 202. Appropriations made by section 201 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 203. No appropriation or funds made available or authority granted pursuant to section 201 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 204. No provision which is included in the appropriations Act enumerated in section 201 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution.

SEC. 205. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 206. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 207. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 208. No provision in the appropriations Act for the fiscal year 1996 referred to in section 201 of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 206(c) of this joint resolution.

SEC. 209. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

TITLE III—DISTRICT OF COLUMBIA

That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 301. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this joint resolution) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996:

Provided, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided*, That where an item is included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this joint resolution, the pertinent project or activity shall not be continued except as provided for in section 311 or 312 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 302. Appropriations made by section 301 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 303. No appropriation or funds made available or authority granted pursuant to section 301 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 304. No provision which is included in the appropriations Act enumerated in section 301 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this joint resolution.

SEC. 305. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this joint resolution.

SEC. 306. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 307. Notwithstanding any other provision of this title of this joint resolution, except section 206, none of the funds appropriated under this title of this joint resolution shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 308. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 309. No provision in the appropriations Act for the fiscal year 1996 referred to in section 301 of this title of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 306(c) of this joint resolution.

SEC. 310. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 311. Notwithstanding any other provision of this title of this joint resolution, except section 301, whenever the Act listed in section 301 as passed by both the House and Senate as of the date of enactment of this joint resolution, does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate of operations for an ongoing project or activity provided by section 301 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 301 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an account that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366. For the purposes of this title of this joint resolution the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 312. Notwithstanding any other provision of this title of this joint resolution, except section 206, when ever the rate for operations for any continuing project or activity provided by section 301 or section 311 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366.

SEC. 313. Notwithstanding any other provision of this title of this joint resolution, except sections 306, 311, and 312, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this resolution that would impinge on final funding prerogatives.

SEC. 314. This title of this joint resolution shall be implemented so that only the most limited funding action of that permitted in this title of this resolution shall be taken in order to provide for continuation of projects and activities.

SEC. 315. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100–202, shall not apply for this title of this joint resolution.

SEC. 316. Notwithstanding any other provision of this title of this joint resolution, except section 306, none of the funds appropriated under this title of this joint resolution shall be used to implement or enforce any system or registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but limited to registration for the purposes of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this joint resolution otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

TITLE IV—VETERANS AFFAIRS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 401. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERAN'S BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.

(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payment as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payment of such benefits are available (other than pursuant to subsection (b)).

SEC. 402. Section 401 shall cease to be effective on September 30, 1996.

TITLE V—CLARIFICATION OF CERTAIN REIMBURSEMENTS

"SEC. 501. CLARIFICATION OF REIMBURSEMENT TO STATES FOR FEDERALLY FUNDED EMPLOYEES.

"(a) If a State used State funds to continue carrying out a Federal program or furloughed State employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government—

"(1) such furloughed employees shall be compensated at their standard rate of compensation for such period;

"(2) the State shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such furloughed employees, together with interest thereon due under section 6503(d) of title 31, United States Code; and

"(3) the State may use funds available to the State under such Federal program to reimburse such State, together with interest thereon due under section 6503(d) of title 31, United States Code.

"(b) For purposes of this subsection, the term 'State' shall have the meaning as such term is defined under the applicable Federal program under subsection (a)."

"(c) The authority under this section applies with respect to any period in fiscal year 1996 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in subsection (a) with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts."

ORDERS FOR THURSDAY, JANUARY 4, 1996

Mr. COCHRAN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11 a.m. on Thursday, January 4, 1996; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 12 noon, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. COCHRAN. Mr. President, for the information of all Senators, negotiations will continue tomorrow on the Balanced Budget Act by the year 2002. However, rollcall votes are not expected during Thursday's session of the Senate.

RECESS UNTIL 11 A.M. TOMORROW

Mr. COCHRAN. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 3:46 p.m., recessed until Thursday, January 4, 1996, at 11 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, January 3, 1996*

This being the date fixed by the 20th amendment of the Constitution of the United States for the annual meeting of the Congress of the United States, the Members of the 104th Congress met in their Hall and, at 12 noon, were called to order by the Speaker of the House of Representatives, Hon. NEWT GINGRICH.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray using the words of Isaac Watts:

O God, our help in ages past,
Our hope for years to come,
Our shelter from the stormy blast,
And our eternal home.
Before the hills in order stood
Or earth received her frame,
From everlasting you are God,
To endless years the same.
O God, our help in ages past,
Our hope for years to come,
Still be our guard while troubles last
And our eternal home. Amen.

The SPEAKER. The Clerk will utilize the electronic system to ascertain the presence of a quorum.

Members will record their presence by electronic device.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 1]

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fields (LA)
Filner
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gingrich
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stearns
Stenholm
Stokes
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Traficant
Upton
Velazquez
Vento
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

□ 1225

The SPEAKER pro tempore (Mr. WALKER). On this rollcall, 365 Members have recorded their presence by electronic device, a quorum is present.

Under the rule, further proceedings under the call are dispensed with.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Mississippi [Mr. MONTGOMERY] come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ARMEY. Mr. Speaker, I offer a privileged resolution (H. Res. 325) providing for a committee to notify the President of the assembly of the Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 325

Resolved, That a committee of two Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has assembled and Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF COMMITTEE TO NOTIFY THE PRESIDENT, PURSUANT TO HOUSE RESOLUTION 325

The SPEAKER pro tempore. The Chair appoints as members of the committee on the part of the House to join a committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that Congress is ready to receive any communication that he may be pleased to make, the gentleman from Texas [Mr. ARMEY] and the gentleman from Missouri [Mr. GEPHARDT].

NOTIFICATION TO THE SENATE

Mr. ARMEY. Mr. Speaker, I offer a privileged resolution (H. Res. 326) to inform the Senate that a quorum of the

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

House has assembled, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 326

Resolved, That the Clerk of the House inform the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DAILY HOUR OF MEETING

Mr. ARMEY. Mr. Speaker, I offer a privileged resolution (H. Res. 327) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 327

Resolved, That until otherwise ordered, the hour of meeting of the House shall be 2 p.m. on Mondays; 11 a.m. on Tuesdays and Wednesdays; and 10 a.m. on all other days of the week up to and including May 11, 1996; and that from May 13, 1996, until the end of the second session, the hour of daily meeting of the House shall be noon on Mondays; 10 a.m. on Tuesdays, Wednesdays, and Thursdays, and 9 a.m. on all other days of the week.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON TODAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
January 3, 1996.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Tuesday, January 2, 1996 at 12:05 p.m. and said to contain a message from the President whereby he submits an unclassified report on the Loan Guarantees to Israel Program.

With warm regards,

ROBIN H. CARLE,
Clerk, U.S. House of Representatives.

UNCLASSIFIED REPORT ON LOAN GUARANTEES TO ISRAEL PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations:

To the Congress of the United States:

Enclosed is an unclassified report on the Loan Guarantees to Israel Program and on economic conditions in Israel, as required by section 226(k) of the Foreign Assistance Act of 1961, as amended (Public Law 87–195), and section 1205 of the International Security and Development Cooperation Act of 1985 (Public Law 99–983).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *December 30, 1995.*

□ 1230

PRIVILEGES OF THE HOUSE—RIGHTS OF THE HOUSE COLLECTIVELY

Mr. GEPHARDT. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a resolution pursuant to rule IX.

The Clerk read the resolution, as follows:

H. RES. 328

Whereas clause 1 of rule IX of the Rules of the House of Representatives states that "Questions of privilege shall be, first, those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings";

Whereas over 280,000 Federal employees have been barred from performing the jobs for which they will eventually be paid;

Whereas more than 480,000 Federal employees are required to report for work without being paid their full salaries at regular intervals;

Whereas the public is not receiving the benefits of their tax dollars; and

Whereas the inability of the House of Representatives to act on legislation keeping the Government in operation impairs the dignity and the integrity of the House and the esteem the public holds for the House; Now, therefore, be it

Resolved, that upon the adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill H.R. 1643, with a Senate amendment thereto, and concurred in the Senate amendment, and that a motion to reconsider that action shall be considered as laid on the table.

The SPEAKER pro tempore. Does the gentleman from Missouri [Mr. GEPHARDT] wish to be heard on whether or not his motion constitutes a question of privilege?

Mr. GEPHARDT. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Missouri is recognized.

Mr. GEPHARDT. Mr. Speaker, let me explain why this is most certainly a question of privilege and why this Congress must finally reopen the Federal Government, with no threats or conditions, while we work to resolve the budget impasse that we are involved in.

The fact is that while we fight over the Federal budget, millions of Americans are being held hostage; and while some Republicans have even suggested that no one has noticed this Government shutdown, I think that is simply fiscal fantasy, not reality.

Think about the frail, home-bound seniors who will not have their meals delivered on time, or at all. Think about the elderly who will not have their Medicare claims processed, and the jobless who will not receive their unemployment checks.

Right now, crucial cleanups of toxic waste dumps have been stopped, and the Government's efforts to crack down on workplace abuses and nursing home atrocities are grinding to a halt. If you ask me, that is more than wrong; it is an abuse of power. It is an abuse of the responsibility the American people have placed in this Congress, and in each of us, when they elected us to serve them, not just to throw ideological tantrums. Even the Republicans in the other body have rejected the radicalism of this shutdown.

The extremist approach says, if the President will not agree to a budget that slashes Medicare to give huge tax breaks to the wealthy, we are going to make the whole country suffer until we get our way.

This is, by far, the longest and most devastating Government shutdown in American history. According to news reports, the House Republicans have adopted this strategy because they want as a trump card the Government shutdown, that will not be as powerful as the President's veto pen.

The Constitution never provided for this procedure. The Constitution merely asks that the Congress provide a budget that the President can and will sign, and it is now 94 days late in that basic responsibility.

I have studied the Constitution carefully in the last days. I cannot find a page in the Constitution that says that if one group of people cannot have their way, they can shut down the whole Government for days and days and days. The Constitution I have read says that the Congress has two alternatives if there is a veto. One is to override the veto; the other is to present a new piece of legislation that the President will sign or veto.

This Congress under this majority is saying, there is a third choice, and that choice is to let the Government stay down.

Let us be very clear. This is a choice we are making; this is a clear choice that we are exercising. And it is a choice to say that we are not going to override the President's veto, we are not going to present new legislation, we are simply going to leave the Government down as a way of leveraging the President.

The integrity of this Congress is in question. Right now every Member of this House is being prevented from fulfilling our most basic duties and obligations. That is why I believe this is a matter of privilege under rule IX of this House, which states very clearly that matters of privilege are those affecting the House collectively, as well as its dignity and integrity.

In the words of the Republican leader of the other body, enough is enough. Good-faith negotiations on the budget have been taking place for days and are going on today. The damage has been done; the point has been made.

I urge the House to adopt this resolution and pass the bill that has already been passed by the other body. It reopens the Government for the next 2 weeks so that people can be served while we negotiate in good faith, and I believe it restores some sense of responsibility to this House, the sense that this is a Government of the people, not a revolution.

Mr. Speaker, parliamentary privilege exists for exactly this kind of crisis. It is the very essence of privilege, and I urge the Chair to rule in its favor.

The SPEAKER pro tempore. The Chair will recognize Members who wish to discuss the question of privilege before the House.

The Chair has provided a great deal of leniency to the minority leader in the matter of discussing the question of privilege, out of deference to the minority leader's status, but the Chair will hold the discussion henceforth only to those issues that relate to whether or not this is a question of privilege.

The Chair recognizes the majority leader.

Mr. ARMEY. Mr. Speaker, I would like to speak on the question of privilege.

Mr. Speaker, I do not believe this is a question of privilege, and I take umbrage at the minority leader's use of the time allotted to him to speak on the question of privilege of the House to give what can only be characterized as a political speech.

Mr. Speaker, it includes the kind of accuracy that one encounters in political speeches, and I feel compelled to make the point. We do have a partial shutdown of the Federal Government.

The SPEAKER pro tempore. The gentleman from Texas will confine his remarks to the question before the House, which is whether or not the resolution constitutes a question of privilege.

Mr. ARMEY. Mr. Speaker, in my opinion, the gentleman from Missouri does not have a resolution that constitutes a question of privilege of the House, and I urge the Chair to so rule.

Let me just say in so doing that I share the consternation of the gentleman from Missouri over the President shutting down the Government.

The SPEAKER pro tempore. Does the gentleman from Wisconsin [Mr. OBEY] wish to be heard on the question of privilege?

Mr. OBEY. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Wisconsin is recognized.

Mr. OBEY. Mr. Speaker, let me simply say, it is my understanding that rule IX of the House allows for privileged resolutions to be considered by the House when actions have been taken which affect the rights of the House collectively, its safety, its dignity, and its integrity. It seems to me that that is certainly the situation at this moment, because we have a fundamental misuse of taxpayers' money appropriated by this House.

It seems to me, Mr. Speaker, that it is a fundamental misuse of taxpayers' dollars, which are appropriated by this House, when we have a situation in which workers are being paid——

The SPEAKER pro tempore. The gentleman has now wandered beyond discussing a question of privilege. The Chair will remind the gentleman that he has the same obligation as all Members to discuss the matter before the House, which is whether or not the resolution, as presented by the minority leader, constitutes a question of privilege under rule IX.

Mr. OBEY. Mr. Speaker, that is what I am trying to do. What I was simply attempting to say is that I think that certainly the dignity of the House and the integrity of the House are brought into question when a situation is allowed to continue which, in effect, has taxpayers' money provided for work that Government employees have not done and when you have workers required to perform work for which they are not paid—that is certainly not meeting the standard of dignity and decency and honor which we have a right to expect in this House.

I think, on those grounds alone, rule IX would dictate that we ought to be able to proceed with this resolution.

The SPEAKER pro tempore. Does the gentleman from Georgia [Mr. LINDER] wish to be heard on the question of privilege?

Mr. LINDER. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Georgia is recognized.

Mr. LINDER. Mr. Speaker, we are engaged in a great debate over the direction of the country. It is messy. It has always been thus. No one, however, is questioning the integrity of the people on either side of this House on this debate. We do not question those on the left and they should not question us on the right. We are intending to reshape the Government, and that requires a great debate.

I think the speeches and the positions of individuals on both sides are dignified. There is no less dignity or more dignity by just stating opinions as to the question of the safety of the Members of the House. I see no one here unsafe. I think the Chair should rule against this question of privilege.

PARLIAMENTARY INQUIRY

Mr. SCHUMER. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from New York will state it.

Mr. SCHUMER. Mr. Speaker, would it be appropriate to ask for a unanimous-consent request that each side be allowed to debate this without the restrictions the Chair is placing on it for, say, 15 minutes each? It is an important issue, and we ought to be debating the issue itself.

Would that be appropriate, to ask for such a unanimous-consent request?

The SPEAKER pro tempore. The Chair is attempting to assure that the discussion of the resolution before the House is confined to the matter of the privilege of the House and not to the merits of the argument underlying the resolution. So the Chair intends to proceed as historically such debates have been constituted.

REQUEST TO DEBATE ISSUE OF PRIVILEGE AND UNDERLYING MERITS

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that each side be allowed 15 minutes not only to debate the issue of privilege, but the underlying merits of the issue as well.

Mr. LINDER. I object.

The SPEAKER pro tempore. Objection is heard.

Does the gentleman from Texas [Mr. STENHOLM] wish to be heard on the question of privilege before the House?

Mr. STENHOLM. I do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Texas is recognized.

Mr. STENHOLM. Mr. Speaker, I would address my comments to the words "dignity" and "integrity" of the proceedings of the House of Representatives, as stated in rule IX of the Rules of the U.S. House of Representatives, as well as the second statement that says, "those affecting the rights and the reputation and conduct of Members individually in their representative capacity only."

When we had this resolution before you last week, Mr. Speaker, you ruled against this as a question of privilege, but I am asking you to take another look at the rules of the House and the questions of privilege that shall be, first, those affecting the rights of the House collectively, its safety, its dignity, and the integrity of its proceedings.

I would suggest, Mr. Speaker, that the integrity of the proceedings of the 104th Congress, 1st session just adjourned, and the beginning of the 2d session, the integrity of the proceedings of the House of Representatives is being called into question by the procedure in which we are being asked to follow without allowing a vote of the will of the majority as to whether or not the issue in question shall be put to the body of the House of Representatives.

□ 1245

It seems to me that we have been guilty, in the conduct of our proceedings, of mixing apples and oranges, of mixing an appropriation process with a budget process, of which a further reading of the Rules of the House of Representatives will clearly show that they are two separate issues and should not be commingled. But it is my argument in behalf of the minority leader's motion of privilege that a careful examination of the Rules of the House, the integrity of our proceedings will be called into question unless you find it to rule in favor of those who wish to have a simple, up and down vote as to whether or not the work of the Congress, the work of our Government shall proceed as we follow the regular order.

No Member of this body is more in favor of balancing the budget. I would rather do it in the regular order, and it seems to me that having the continued impasse is not in the best interests of the integrity of this body. Certainly as an individual Member, I am receiving the calls from people whose service is being denied because of these actions.

Mr. Speaker, I would ask that you find in favor of this motion of privilege. Basically it is to do one thing, to preserve the dignity and integrity of the House of Representatives in one simple aspect, allowing a vote. Let us now express ourselves as to the merits of the issue before us. That is all that we are asking for.

The SPEAKER pro tempore (Mr. WALKER). Are there additional Members who wish to be heard on the question of privilege?

PARLIAMENTARY INQUIRY

Mr. LINDER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LINDER. Mr. Speaker, the question I have is, Have there been other occasions when matters that large segments of this body wanted to vote on have not been allowed to come to the floor of the House?

The SPEAKER pro tempore. The gentleman is not stating a precise parliamentary inquiry relating to the pending question and the Chair therefore will respond in the regular order.

Does the gentleman from Virginia seek recognition?

Mr. MORAN. I do, Mr. Speaker, and I would like to address the issue of this motion relating to the integrity of this House.

To do so, I would like to quote initially today's CONGRESSIONAL RECORD, specifically the majority leader of the Senate, Senator DOLE.

Senator DOLE, I quote, says,

> Let me just say I read a wire story, there's a split between the House and the Senate on what ought to happen. I do not get that feeling at all in talking with the Speaker. In fact, we just had a 30-minute meeting.

The SPEAKER pro tempore. The gentleman is not discussing the matter before the House which is the question of privilege. The gentleman will confine his remarks to the matter before the House.

Mr. MORAN. I will attempt to that, Mr. Speaker.

I was reading the introduction of comments that I think are quite relevant.

The majority leader of the Senate, in offering this motion and speaking to it prior to its passage in the Senate, which it has now, this is the very same motion offered by the minority leader.

The SPEAKER pro tempore. The Chair will remind the gentleman of the proceedings of the House. He is not to quote matters that have taken place in the other body unless they relate specifically to the matter before the House, which is the question of privilege. So the gentleman will have to confine his remarks to those matters that relate to the question of privilege before the House.

Mr. MORAN. I will accept the Speaker's interpretation of what I was saying. Rather than quote the majority leader of the Senate, I will simply say that his comments, I felt, were relevant, and this is the very same legislation that is being offered here.

Let me make the second point that I wanted to make with regard to the integrity of this House.

When this House voted to go on vacation and leave the Government shut down, I think that went directly to the integrity of this House. Now we have an opportunity, with legislation immediately before us, to pass that legislation to get the Government up and running. The other body has seen fit to do that.

Mr. LINDER. Regular order.

Mr. MORAN. I think it goes directly to the integrity of this House.

The SPEAKER pro tempore. The chair is attempting to proceed along the regular order, but it is difficult if Members engage in discussion that goes beyond the question of privilege before the House. The gentleman will confine his remarks to the question of whether or not the resolution before the House constitutes a question of privilege.

Mr. MORAN. Mr. Speaker, I cannot imagine anything that goes more directly to the integrity of this House and the issues for which we are responsible than to act in a constructive way when we understand that the American public is shut out of its Government and Federal employees are shut out of their jobs.

Mr. HAYWORTH. Regular order.

Mr. MORAN. We took action to go on vacation when that was the case. We have an opportunity to rectify it. I think it is consistent with the integrity of this House to rectify it now.

Mr. THOMAS. Regular order.

The SPEAKER pro tempore. The Chair will inform the Member that he has an obligation to discuss those matters that are before the House.

Does any other Member wish to be heard on the question of privilege before the House?

Mr. THORNTON. Mr. Speaker, I wish to be heard on the question of privileges of the House, of this motion.

Mr. Speaker, this motion calls upon the House to exercise its duty under the Constitution of the United States, which provides in relevant part that the Congress shall make appropriation for the functioning of Government. It says specifically no money shall be withdrawn from the Treasury except upon appropriation of the Congress.

Nowhere in the Constitution is the President authorized to make an appropriation—I am not trying to assess blame for where we are. We are talking about how to get out—the question is, how do we resolve the impasse? The impasse must be resolved by the Congress performing its duty under the Constitution of the United States.

Mr. LINDER. Regular order.

Mr. THORNTON. If performance of our duties under the Constitution is not a question of privilege, I would like to ask whether the Contract With America overrides the Constitution?

Mr. HAYWORTH. Regular order.

The SPEAKER pro tempore. The Chair is listening to the gentleman. His remarks at this point have in fact been to the matter before the House.

Mr. THORNTON. I thank the Speaker.

Mr. Speaker, this is very important, because having placed the responsibility for appropriations for the operation of government upon the Congress and upon no other element of government, a failure to act becomes an abuse of power, and a failure to act by refusing to allow a vote upon a measure which has passed the other body is an abuse of power. This is clearly a question of privilege under the Constitution of the United States.

The SPEAKER pro tempore. Are there other Members who wish to be heard on the matter before the House?

Mr. VOLKMER. Mr. Speaker, yes, I would like to speak in favor of the resolution by the minority leader, and I would like to point out that the gentleman from Arkansas came very close to the words that I am about to speak but did not quite get there.

That is, under our Constitution, as he correctly points out, only this House can originate appropriations bills. It is only through those appropriation bills that this Government and all its agencies and employees operate. Without those appropriation bills, there is no Government that can function at all.

If that comes about, I say that does affect the dignity and integrity of this House, the integrity of this House by nonaction altogether.

Now, if by nonacting, and if this Congress, this body, this year would fail to even originate one appropriation bill, the President cannot spend a penny, the other body cannot spend a penny. Only this House can originate those bills.

And the failure to originate the bills is not a violation of rule IX and the dignity of this House and the integrity of this House, Mr. Speaker, I wish you to think very carefully about this, that surely would affect the dignity and integrity of this House by failure to follow the Constitution of the United States.

No. 2, if that is a violation of rule IX, then the failure to do a part thereof would also be a failure, and therefore would affect the dignity and integrity of this body and a violation of the rules.

Therefore, there is no question in my mind that if this House fails to act on all appropriation bills or fails to act on one or two, it still affects the dignity. You say, well, we have a procedure we can follow through a discharge. If you do not have a majority, Mr. Speaker, you cannot discharge anything.

Therefore, through the actions of the majority, the Government could be shut down altogether, all avenues of Government. There has to be a methodology for the rest of the House to be able to follow to keep the Government functioning.

PARLIAMENTARY INQUIRY

Mr. LINDER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LINDER. Mr. Speaker, is it within the regular order of the House and the correct prescription under the Constitution that this House can override the President's vetoes and put everybody back to work this afternoon?

The SPEAKER pro tempore. The gentleman's parliamentary inquiry has to be directed to the specific question pending before the House. Therefore, it does not constitute an appropriate parliamentary inquiry at this point.

Mr. CARDIN. Mr. Speaker, speaking on the point of privilege, I think it is important to point out that rule IX refers to questions of privilege that affect the dignity and integrity of the House.

We are a Government of the people. We have been back in our districts. Does anyone here think that the procedures that we have been using, that the people of our district do not believe that the dignity and integrity of this House is in question?

I urge the Speaker to rule in favor of this matter being a matter of privilege so that we can uphold the great dignity of this House.

The SPEAKER pro tempore. The Chair is prepared to rule.

Are there additional Members who wish to be heard?

Mr. WYNN. Mr. Speaker, I rise in support of the resolution and specifically address the issue of the integrity of the House.

Mr. Speaker, I believe this resolution is appropriate because by our inaction, we have compelled the services of certain Federal employees, specifically those being the essential Federal employees performing such services as prison guards, security, and the like, compelled their services without compensation. It is unclear to me what definition of integrity the Chair is utilizing, but I would say that under most generally accepted definitions of integrity, compelling services from employees without compensation when it is within our power to provide them with compensation is in fact a question of the integrity of the House.

On that basis, I believe that this resolution, which addresses the integrity of the House by requiring us to take action to provide compensation to those employees and others, but specifically to those who are in fact working but are not being paid, does in fact raise a legitimate question of the integrity of the House, and ask the Chair to rule favorably on the resolution.

The SPEAKER pro tempore. Does the gentleman from Michigan desire to be heard on the question of privilege?

Mr. DINGELL. Yes, Mr. Speaker.

The resolution says questions of privilege shall be first those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings.

That quotes from the rules.

Mr. Speaker, as you stand there, I would call to your attention that one of the most important functions of this institution is to manage, to expend, under the power of the purse. We have the duty of collect taxes, we have the duty to expend moneys by authorization and by appropriations. None of that has until this time been properly carried out.

Certainly the questions of the integrity of this body and the integrity of the proceedings, the dignity of this body, are severely impaired by our failure to provide for the proper running of the Government of the United States. That is a failure of this institution. That is a failure because we have not been able to address the questions of the budget in a proper fashion.

I would call to the attention of the Chair our failure to carry out our duty, our failure to carry out our responsibilities of appropriating funds, of authorizing expenditures, or of implementing the budget as required by the Budget Act, clearly affect the privileges, the prerogatives, the dignity, and the integrity of this institution. Certainly the respect in which the public holds this body has fallen to something approaching one of the lowest points that I have ever seen in my career.

Clearly, without taking the action here of bringing this matter to a vote and, clearly, without having taken the steps necessary to permit this body to commence addressing the single largest problem that confronts this country today, and that is the orderly running of its Government, the funding of its public affairs, and retaining the respect of its people, we are not carrying out our duties.

It is very plain to me, Mr. Speaker, that the question of the privileges of the House is entwined with this so intimately that the questions of the privileges of the House and the functioning of this body cannot be separated one from another.

I urge a proper ruling on this matter.

The SPEAKER pro tempore (Mr. WALKER). The Chair is prepared to rule. Are there additional Members who wish to be recognized?

The Chair recognizes the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, I wish to address the point of personal privilege of the leader on our side. What is happening here is this is the body of the people. Everyone on this side of the aisle and I would imagine many on the other side of the aisle have been told by the people they went home and spoke to, it is time now to get on with the business of the Government. I join the gentleman's request.

The SPEAKER pro tempore. The gentlewoman will confine her remarks to that matter before the House, which is the question of privilege.

Are there additional Members who wish to be heard on the question of privilege as offered by the minority leader?

The Chair recognizes the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Speaker, I wish to be heard on the question of privilege.

Rule IX is designed to allow us to bring to the floor motions which in fact do affect the integrity of the body, of Members of the body. At this very moment, there are Members of this body holding a press conference regarding whether we as Members of Congress should continue to receive our pay.

The SPEAKER pro tempore. The gentleman will confine his remarks to the matter before the House which is, does the resolution before the House and the wording of that resolution constitute a question of privilege.

Mr. ORTON. Respectfully, Mr. Speaker, I believe that I am addressing that, because I have just in the last few minutes had my integrity questioned as an individual Member of this body by members of the press with regard to whether I would continue to accept pay while other workers are not.

The SPEAKER pro tempore. The Chair would remind the gentleman, he has an obligation to discuss the resolution which is before the House and not a question of privilege that might exist in another forum. This is not now a forum for a question of personal privilege.

Mr. ORTON. Mr. Speaker, rule IX has to do with the integrity of the body collectively and individually. And the integrity of this body is in fact——

The SPEAKER pro tempore. The Chair would remind the gentleman that he has an obligation not to discuss all of rule IX but to discuss the matter before the House, whether or not it constitutes a question of privilege of the House under rule IX.

Mr. ORTON. Mr. Speaker, that is exactly what I am attempting to do. If my integrity individually has been questioned with regard to funding of the Government, then that is a matter of privilege individually and collectively.

The SPEAKER pro tempore. The Chair would remind the gentleman that he might in fact draft a question of personal privilege that he could bring to the House, but the matter before the House at the present time is the specific wording offered by the gentleman from Missouri [Mr. GEPHARDT].

The Chair is prepared to rule. Are there additional Members who wish to be heard on the question of privilege?

The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, to address the issue of privilege, I do believe that under rule IX this does rise to the occasion of privilege, the resolution offered by the minority leader. It does so because clearly the collective integrity of this House and the dignity of this House is being called into question, is being called into question in every commentary throughout the country about the closedown of the Government.

The dignity and the integrity of this House is being called into question by our individual constituents, by the interviews on every nightly news program in every one of our districts. That goes to the collective integrity and to the collective dignity.

The SPEAKER pro tempore. The gentleman should confine his remarks to those matters that are before the House and the question of privilege that was offered by the gentleman from Missouri.

Mr. MILLER of California. Mr. Speaker, the reason this goes to that privilege is because in fact when the will of the people is thwarted, the integrity of the House, the dignity of this House is called into question. The only way that that can currently be remedied is through this motion that rises to privilege. That dignity and that integrity is called into question when the popular will is thwarted, and we see it very often, when Members know that the votes exist to do something and yet the matter cannot be brought to the floor.

That is why a motion of privilege is laid before the Chair because there is no other way. That goes exactly to the heart of the privilege. The privilege in this case that the minority leader is asserting is the privilege to bring a matter to the floor by which now there is no other way to get that matter to the floor. That is because the power of the Chair, the power of the Chair and the rules——

The SPEAKER pro tempore. That is the reason why the Chair is prepared to rule.

Mr. MILLER of California. I am giving the Chair a reason to rule for privilege, because the power of the Chair is the power of recognition, and the Chair is now willing to recognize any Member for this purpose. Therefore, the minority leader must bring a matter before the House under the rules of privilege. We know that there are 198 votes to open up the Government on this side. So if we can find 20 votes on that side, the people's will can be carried out.

The SPEAKER pro tempore. The Chair is attempting to maintain order and would remind the majority side that it is the duty of the Chair to maintain order and would ask the cooperation of the Members in so doing. He would also ask the cooperation of the minority in discussing this matter to constrain their remarks to those matters that are before the House.

The gentleman from California has wandered away from that particular admonition, and the Chair would ask him to please constrain his remarks that address the question of privilege.

Mr. MILLER of California. Mr. Speaker, I would simply say, in closing, that the reason the integrity is called into question and the dignity of the House is called into question and the reason this motion should be granted privilege is that the popular will of the people and the belief of the people is that this body is not carrying out that will, and yet they believe the votes exist. The only way we can find that out is for the Chair to rule this is a matter of privilege and let the votes commence and we can open up the Government this afternoon.

The SPEAKER pro tempore. The Chair is prepared to rule.

The Chair is constrained, first, to determine whether the resolution qualifies under rule IX.

Questions of the privileges of the House must meet the standards of rule IX even when they invoke provisions of the Constitution. Those standards address privileges of the House, as a House, not those of the Congress, as a legislative branch. The question whether a Member may broach the privileges of the House simply by invoking one of the legislative powers enumerated in section 8 of article I of the Constitution—or the general legislative "power of the purse" in the seventh original clause of section 9 of that article—has consistently been answered in the negative. The ordinary rights and functions of the House under the Constitution are exercised in accordance with the rules of the House, without necessarily being accorded precedence as questions of the privileges of the House.

The Chair will follow the ruling of Speaker Gillett on May 6, 1921, as recorded in volume 6 of Cannon's precedents, section 48:

> It seems to the Chair that where the Constitution ordered the House to do a thing, the Constitution still gives the House the right to make its own rules and do it at such time and in such manner as it may choose. And it is a strained construction, it seems to the Chair, to say that because the Constitution gives a mandate that a thing shall be done, it therefore follows that any Member can insist that it shall be brought up at some particular time and in the particular way which he chooses. If there is a constitutional mandate, the House ought by its rules to provide for the proper enforcement of that mandate, but it is still a question for the House how and when and under what procedure it shall be done. . . .

Applying that precedent of May 6, 1921, which is recorded in Cannon's Precedents at volume 6, section 48, and the similar precedents of February 7 and December 22, 1995, the Chair holds that the resolution offered by the gentleman from Missouri does not affect "the rights of the House collectively, its safety, dignity, [or] the integrity of its proceedings" within the meaning of clause 1 of rule IX. Although it may address an aspect of legislative power under the Constitution, it does not involve a constitutional privilege of the House. Rather, the resolution constitutes an attempt to impose a special order of business on the House by providing that the Senate amendment to H.R. 1643 be deemed adopted.

The resolution does not constitute a question of privilege.

Mr. MORAN. Mr. Speaker, I appeal the ruling of the Chair.

MOTION TO TABLE OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. ARMEY moves to table the appeal of the ruling of the Chair.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. ARMEY] to lay on the table the appeal of the ruling of the Chair.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. ARMEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 206, nays 167, answered "present" 1, not voting 59, as follows:

[Roll No. 2]

YEAS—206

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Calvert
Camp
Campbell
Canady
Castle
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gekas
Gilchrest
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hyde
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCrery
McDade
McHugh
McInnis
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Skeen
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Young (FL)
Zeliff
Zimmer

NAYS—167

Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Cardin
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
Davis
de la Garza
DeLauro
Dellums
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Miller (CA)
Minge
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Pallone
Payne (NJ)
Payne (VA)
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stenholm
Stokes
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Traficant
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

ANSWERED "PRESENT"—1

Wolf

NOT VOTING—59

Abercrombie
Berman
Brown (FL)
Brown (OH)
Bryant (TX)
Buyer
Callahan
Chabot
Chapman
Clay
Collins (IL)
Cubin
DeFazio
Dixon
Dornan
Durbin
Fazio
Fields (TX)
Foglietta
Gallegly
Gibbons
Gillmor
Gilman
Hayes
Hoke
Hutchinson
Johnson (CT)
Johnston
LaTourette
Lightfoot
Maloney
McCollum
McIntosh
Meek
Mfume
Mink
Norwood
Owens
Pastor
Pelosi
Portman
Pryce
Quillen
Roukema
Sanders
Sawyer
Shuster
Smith (MI)
Souder
Stark
Stockman
Studds
Tanner
Torricelli
Towns
Visclosky
Wilson
Wyden
Young (AK)

☐ 1329

The Clerk announced the following pairs:

On this vote:

Mr. Hoke for, with Mr. DeFazio against.

Mr. McIntosh for, with Mr. Pastor against.

Mr. GORDON changed his vote from "yea" to "nay."

So the motion to lay on the table the appeal of the ruling of the Chair was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, because of inclement weather in my district, I was not in attendance for two recorded votes, rollcall vote No. 1 and rollcall vote No. 2.

Had I been in attendance, I would have voted "present" on rollcall vote No. 1 and "yea" on rollcall vote No. 2.

PERSONAL EXPLANATION

Mrs. MALONEY. Mr. Speaker, I was unavoidably detained in my district this morning due to weather.

Had I been present, I would have voted "present" on rollcall vote No. 1, and "nay" on rollcall vote No. 2.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, I was unavoidably delayed during rollcall No. 1, a quorum call, and rollcall No. 2, a motion to appeal the ruling of the Chair. Had I been present, I would have voted "present" on rollcall No. 1, and "aye" on rollcall No. 2.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WALKER). The Chair announces that by agreement, the 1-minutes will be limited to 15 people on each side.

TRIBUTE TO ANNE NOEL FAZIO

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, I come to the House floor to share some sad news with our colleagues this morning. Anne Noel Fazio, the youngest daughter of our good friend and colleague, VIC FAZIO, died on Sunday after a 9-year battle with leukemia. She was 22.

As many of you know, Anne was a fighter. When faced with the most difficult circumstances, this courageous woman forced her energy on living. She never gave up.

After a successful bone marrow transplant in 1987, Anne graduated from C.K. McClatchey High School in 1991. She earned a degree in history from the University of California, Davis last year. She also served as president of the Tri Delta Sorority.

Mr. Speaker, I would ask Members to join me in a moment of quiet reflection to honor Anne Fazio's memory and to remember our friend VIC FAZIO and his family during this difficult time.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, I want to thank the gentleman very much for taking the well. He expresses all of our feelings who are devastated by Anne's death, and we share in the tragedy that VIC and his family are going through today, and we wish them the very, very best.

I thank the gentleman very much for his remarks and for bringing this before the House.

GOVERNMENT SHUTDOWN CAUSES GOVERNMENT WASTE

(Mr. DEUTSCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEUTSCH. Mr. Speaker, when my Republican colleagues came to Congress, they promised us that they would run government like a business. Well, think about this business.

There is a disagreement between the CEO and the board of directors, and what they decide to do is furlough the workers and pay them; and that is what has been going on for the last 19 days. We have furloughed the workers and we have paid them, and it has cost us $40 million a day for 19 days, three-quarters of a billion dollars, by those people who have promised us to run government like a business.

Let us see what we have done with $40 billion, $80 billion, $120 billion, $160 billion.

The SPEAKER pro tempore. The time of the gentleman has expired.

The Member is reminded that he should make his point with his speech rather than using props that are demeaning to the proceedings of the House.

BALANCE THE BUDGET IN 7 YEARS

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I watched with interest the befuddled stage business just preceding me in the well of this House, and as my good friend from Florida was flummoxed trying to make an argument for fiscal conservatism, it bears out the point that for the last 40 years, those proponents of tax-and-spend and spend-some-more will do anything to change the subject.

Mr. Speaker, the mission is clear: Balance the budget in 7 years using the honest, nonpartisan numbers of the Congressional Budget Office. Sure, the liberals will try to change the subject. Sure, they will try to act as if they are born-again fiscal conservatives, but just as that flummoxed piece of stage crap indicates, it will not wash.

ENOUGH IS ENOUGH

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, enough is enough—that is what the majority leader of the other body said yesterday about the game of political blackmail being played by the Republican Party.

The President, Democrats, and responsible Republicans all agree that it is time to end the Government shutdown and allow Federal employees to go back to work. It is time for Speaker GINGRICH and the right-wing extremists in the House of Representatives to release these 260,000 political prisoners.

Federal employees should not have to pay for the failings of Congress. That is why I am reimbursing the U.S. Treasury for my salary for every day of the shutdown. If Federal workers are not being paid, neither should Members of Congress.

"I think we've made our point," said the Senate majority leader about the Republican shutdown. But, sadly, the only point that Republicans are making by shutting down the Government is that they are unfit to lead.

PUT BLAME WHERE IT BELONGS

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, the time has long passed when we should have balanced our budget. The last speaker is absolutely right, enough is enough. I do not see any sense in what is happening.

At the White House, the President has refused consistently to live up to his agreement to balance the budget in 7 years with CBO numbers. All he sent us is a budget that is $200 billion a year out of balance. It is time we get to it.

The House Republicans have pledged to put everything on the table, to discuss everything, but we cannot get meaningful discussions with the White House.

Let us put the blame where it belongs. Let us put the pressure where it belongs. Mr. President, enough is enough.

NO POLITICAL TOUCHDOWNS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, if the Congress were a New Year's bowl game, then the legislative Heisman Trophy has to go to House Republican new Members for most successful tackles of a Federal Government: 19 days so far.

No one is scoring political touchdowns in this, Mr. Speaker. The public is throwing the yellow flag on all of our Houses, including this one.

My constituents have gone from expressing general frustration to specific anger. They are asking about the thousands of passports that are not being processed, the private vendors who are not being paid, the 2,500 housing loans a day not being processed, the $40 million a day of small business loan guarantees not being processed, millions of dollars a day in export licenses not being issued.

One Federal supervisor in Charleston told me, BOB, we run complex operations. You cannot turn us on and off like a switch. A Federal fraud investigator reminded me that he cannot be ferreting out millions of dollars in fraud from a furloughed status.

Mr. Speaker, while the budget negotiators do their work, this House should let hundreds of thousands of Federal workers do their work. Please end this shutdown now.

LET US STAND FOR A BALANCED BUDGET

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, there are really two reasons why we need to balance the budget. The first one is that the interest is the third largest expenditure in the national budget each year.

In 2 years we will be paying the bondholders on our national debt more money than we pay for our entire Defense Department. We pay $20 billion each month to the bondholders on our national debt, $20 billion that could be spent on education, on health care, Medicare, Medicaid, whatever you want; $20 billion is absolutely gone except for going into the pockets of bondholders; and that debt, ladies and gentlemen, is going to be passed back to the children of America.

The second reason is, we want to balance the budget. If we do, we can reduce interest rates. Lower interest rates mean businesses can expand. More jobs will be created, more opportunities; home mortgages will go down, automobile payments each month will go down. It is prosperity that we have to gain.

I, Mr. Speaker, stand for a balanced budget and I wish that every Member of the House would do the same.

MORE JOBS LOST FOR AMERICANS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, AT&T just laid off 40,000 American workers. AT&T laid off 40,000 American workers, another 40,000 folks. In case you have not heard, because I know you care, another 40,000 American workers are laid off. But Uncle Sam keeps saying, do not worry, because NAFTA and GATT are going to replace those jobs with high-technology jobs.

Right. The only high-technology job I see is that new Slurpee machine at 7-Eleven. Beam me up, Mr. Speaker.

What about a Happy New Year in Basking Ridge, NJ? They lost 7,000 jobs in 1 day. Neither party will balance this budget on minimum wage jobs.

Neither party has a program. The country absolutely needs a third party to do something about jobs. If there is any consolation, Mr. Speaker, I never heard of anybody committing suicide by jumping out of a basement window, and that is about the only tenement our people will live in after we keep losing jobs.

VOTE TO DEFEND AMERICA

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, to follow my friend, it is true that this is the first President who sent our jobs to Mexico, our troops to Bosnia, and our balanced budget to the White House trash can.

He has done something else, Mr. Speaker, and that is to veto the defense authorization bill; and the reason the President vetoed the defense authorization bill is because we say in that bill, we shall defend America against ICBM's and have that system in place by the year 2003. The President refuses to defend this country while Iraq, Libya, China, and others hurry up and accelerate their programs on offensive missiles.

Defend America. Vote to override the President's veto today.

AMERICAN TAXPAYERS ARE BEING CHEATED

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, it appears that self-styled Republican revolutionaries believe that the end justifies the means. Somehow they have this notion that these Federal workers are the President's Federal workers, or they are the Democrats' Federal workers. Sorry, fellows. They are the taxpayers' Federal workers, and the taxpayers are being cheated because of your shutdown.

They are being cheated because small businesses cannot get their loans processed through the SBA. They are being cheated because small businesses cannot bid on contracts because the contract offices are closed. They are being cheated because toxic waste cleanup is not proceeding. They are being cheated because student loan applications are not being processed. They are being cheated because FHA home mortgage applications are not being processed.

And then they go on and abuse the Federal workers: No checks for the Federal workers. That means no mortgage payments, no utility payments, and, sometimes, no food on the table.

There is one thing wrong with these self-styled revolutionaries. Someone told them that the end justifies the means, and they do not care who they hurt.

In this case, they hurt the taxpayer and they hurt our Federal workers, and that is a shame, Mr. Speaker.

□ 1345

REPUBLICANS HAVE MET BALANCED BUDGET CHALLENGE

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, I remember, and I think the American people remember, that last year when we Republicans tried to pass a balanced budget amendment, we were defeated because the Democrats claimed, "Oh, my goodness, you don't need a balanced budget amendment, you don't need to amend the Constitution, just present a balanced budget. Why do you have to amend the Constitution?"

OK, we met the challenge. The Republicans came up with a balanced budget. And the very same Democrats who voted against the balanced budget amendment to the Constitution, claiming we should just do it here legislatively, are now opposing our balanced budget.

For 4 years we have heard this President claim to be a new Democrat. In fact, 4 years ago he was running on a campaign motto of being someone who was going to end welfare as we know it and would balance the budget. Now, after 4 years of rhetoric, we have come to where he cannot dodge anymore.

The fact is we have laid upon the table a balanced budget. He claims to have been in favor of the balanced budget. I hope the American people remember that, too. But when the Republicans lay their alternative out, the President refuses to lay out his alternative, and that is the reason the Government is shut down today.

DEMAND FOR A CONTINUING RESOLUTION

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, first let me offer my deepest sympathy to the Fazio family and offer our love.

A tragedy occurred today in this House, however. One Nation under God, indivisible, and with liberty and justice for all, we stood and pledged allegiance to the U.S. flag. This is supposed to be a nation that protects working Americans, working people.

But yesterday in my community a Government worker performing essential services in the veterans hospital received for her 80 hours of work a $5 salary check. That is right, Mr. Speaker, $5 for 80 hours of work, a working parent with children, trying to survive, and yet she is there nurturing our veterans of war without getting compensated.

The Republicans refuse to put on the floor today a continuing resolution to open the doors of Government and pay these workers to provide the services that the taxpayers of America have asked them to provide. That is all we request, Mr. Speaker, and I demand that we put on this floor a continuing resolution to open this Government today. It is a disgrace on this House's ability to govern. Pass the Dole proposal to open this Government now.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

AMERICA NEEDS A BALANCED BUDGET

(Mr. ROYCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROYCE. Mr. Speaker, I just want to take a minute, as we commence the second session of the 104th Congress, to focus on the necessity of reaching the goal of a balanced Federal budget.

Four years from now we will enter upon the third millennium and the 225th year of our Nation and, ironically, although the American revolution was mostly about taxes, an American child born today will inherit a tax bill of $186,000 just to cover his or her share of the interest on the national debt. That is the direct per capita cost of financing $5 trillion. That is not the cost of paying it off. That is that child's cost in taxes during his or her lifetime.

That is not the only cost of this enormous debt. That same child born today will have to pay higher monthly mortgage payments, higher car payments, higher college loan payments, all because of a $5 trillion debt. That is because the Federal Government will be sopping up over half of the available credit in the markets as it continually refinances the debt, causing interest rates to remain arbitrarily high.

GO DOWN, MR. PRESIDENT, WAY DOWN TO CONGRESSLAND

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, day 19—and the U.S. Government is still closed, held captive. Forty million dollars a day—down the drain, wasted—almost $800 million. All this the

Republicans say, in the name of fiscal conservatism. More than a quarter of a million Government employees at home, waiting to work and wanting to work. Still thousands of others on the job, not getting paid.

The Ayatollahs of the right continue to hold the U.S. Government hostage to their radical demands. Do it our way they say—cut Medicare, gut Medicaid, slash education and student loans, attack our environment—or we will keep the Government shut.

People unable to pay their mortgages, their car loans, their children's education bills, Government contractors unable to work, business people unable to get passports to conduct business abroad. None of this matters to the mullahs of the Republican right. They are not affected, they are constitutional officers, not Government employees.

So I say here today, go down, Mr. President, way down to congressland, tell NEWT GINGRICH to let our Government go. The American people will not give in to Republican blackmail and hostage taking.

REPUBLICANS WILL BALANCE THE BUDGET

(Mr. COX of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX of California. Mr. Speaker, as our colleagues know, we have done our job here. We did it last summer. We passed all our appropriations bills.

The truth is that the President has now vetoed appropriations bills that would keep our parks open, appropriations bills that would keep our prisons and the guards paid. We passed not only a balanced budget amendment to the Constitution, by a two-thirds vote here, which would have kicked in in 7 years, but failing the one vote necessary to get a two-thirds margin for a constitutional amendment in the Senate, we, the House and Senate together, passed the Balanced Budget Act to balance the budget in 7 years, and the President has vetoed that.

Then we passed a resolution that the President signed that said you, Mr. President, will come up with a balanced budget, scored by the CBO, in 7 years, and he has not done that.

There is a good reason that now we have this seeming impasse. It is that the President has not done his job. We will continue to do ours and we will balance the budget.

REPUBLICANS HOLDING GOVERNMENT HOSTAGE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, when I was home in New Jersey the last week and in my district office, I received many calls on a regular basis from Government employees, some of whom were almost in tears because they have not been able to pay their rent, pay their mortgage, creditors are calling upon them, and there really was not a great deal we could do.

I naively expected when I came here today that because the Senate had moved a continuing resolution that would reopen the Government, and because the President supported it, that we would take that continuing resolution up today, but we did not.

The only thing I can say is that finally we know where the blame is. The blame is with the House Republican leadership and those Republicans that they represent here in the House who want to keep the Government shut down, who want to hold the American people, the Government workers and the taxpayers who are paying for services they should be getting, hostage to their own ideology about what the budget priorities should be.

I have said from the very beginning that is not the way to operate.

REPUBLICANS READY TO PASS A BALANCED BUDGET

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, to hear the rhetoric in this debate one would think that most of the Government is shut down. That is not true. Most of the Government is up and running.

It is about one-fifth of the Government that is not open for business today. And most of that one-fifth could be open for business today if the President had simply signed 3 appropriations bills the House and the Senate, representing a majority of the American people, sent to him in time for him to put his signature on it and to put these people to work. The President chose not to sign those bills and so most of that one-fifth of the work force is out of work today. As to that remaining number, they are tied up in a filibuster on the Senate side led by Members of the President's own party.

So if you want to know why part of the Government is shut down today, it is because the President failed to sign the appropriation bills the House and Senate agreed upon, and because his own party has the final remaining appropriation bills tied up in the Senate in a filibuster. We are ready to go to work, pass a balanced budget bill for this country and get us on a course to fiscal sanity again.

FRESHMAN REPUBLICANS HOLD GOVERNMENT HOSTAGE

(Mr. TORRES asked and was given permission to address the House for 1 minute.)

Mr. TORRES. Mr. Speaker, that is true, that the Government is not totally shut down, but most of it is shut down and today Federal workers, joined by senior citizens and others, will take to the street to protest. They are going to picket the houses and the offices of the 73 freshman Republicans who are holding the Government hostage.

Yes, nearly 760,000 Federal employees are either furloughed or working without pay. This is having a calamitous effect across the country, and impacting not only our economy but individual Americans alike. We are told that 12 States have already advised the agency for Health and Human Services that 600,000 seniors in the next 2 weeks will probably not receive Meals on Wheels nor have adequate transportation. That is simply disgraceful.

Ladies and gentlemen, we ask those 73 Members and our Republican leadership to let this Government go back to work.

A SIMPLE SOLUTION TO BUDGET IMPASSE

(Mr. BONO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONO. Mr. Speaker, this place cracks me up sometimes. I sometimes feel like I walk through a mirror and I am going to meet the Mad Hatter. We hear bleeding heart after bleeding heart. We hear all these stories.

It is this simple. The President said he would sign a contract to balance the budget in 7 years, scored by CBO. We said fine. If you do that, there is no problem, we will keep going, and Government will be open.

Now the President has not done that, so all the rest of this rhetoric is rhetoric. As soon as the President decides to keep his word, that is what has got to be understood, Mr. Speaker, is that he has to keep his word, and his word was that he would sign a balanced budget scored by CBO. I hope he keeps his word soon.

PRESIDENT HAS PROBLEM WITH BALANCED BUDGET

(Mr. WATTS of Oklahoma asked and was given permission to address the House for 1 minute.)

Mr. WATTS of Oklahoma. Mr. Speaker, I too, as my colleague from Illinois, offer condolences to the Fazio family and to the Johnson family.

Mr. Speaker, on November 20 there was a continuing resolution that was signed that said that Congress and the President shall balance the budget by the year 2002, using Congressional Budget Office numbers and using honest numbers. That resolution expired December 15 at midnight. At that time, the President had not offered a balanced budget, scored by CBO, that would balance in 7 years.

Mr. Speaker, that has been the problem. We have had appropriations that have been vetoed. We do not have a President that submitted a budget that would balance over the next 7 years, and that is the problem. What is the problem with submitting something that will balance? Is it that the President does not want to be accountable, the President does not want to discipline himself?

We said, "Mr. President, you don't have to agree with our numbers. You can disagree with our numbers. Just give us your priority, your numbers, and we will negotiate a settlement."

TIME TO TAKE RESPONSIBILITY IN BUDGET BATTLE

(Mr. REED asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REED. Mr. Speaker, the leader of the other body is right, enough is enough. For 19 days much of the Federal Government has been closed through the failure and intransigence of the new House leadership.

Federal workers and their families are the most obvious victims of this hostage mentality. They are not the only ones suffering. At Rhode Island's VA medical center employees are already working with either half or no pay, and now the veterans' benefits are threatened because the VA continuing resolution expires today.

Moreover, by the end of the week Rhode Island will have no funds left to administer its unemployment compensation insurance program, which could mean that no more unemployment compensation would be paid in Rhode Island.

Senior citizens could also expect to be hit hard by this Republican brinksmanship. Indeed, nationally 600,000 seniors will not get Meals on Wheels if Republicans do not bring a continuing resolution to the floor by Friday.

Environmental cleanup has stopped at Superfund sites, small business loans go unprocessed, American business people cannot go overseas without passport renewals, our national parks remain closed, and the list unfortunately continues. Mr. Speaker, it is time for some Members of this House to act like they want to take responsibility.

□ 1400

GOVERNMENT SHUTDOWN

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, I think each one of us have furloughed Federal workers in our districts. I have 1,038 in my district. However, 940 of them would be working had the President not vetoed legislation that would have funded their departments.

On November 20, as was said earlier, the President signed a continuing resolution that said he would come up with a balanced budget by the end of this year, by the end of the first Session of the 104th Congress, which was December 31, but he failed to do so. I have to admit I am very frustrated. I think we here in Congress are very frustrated. What does it take for the President to keep his word? Would one more CR do it? Should we just go out on the limb and extend another 10 days and open up this Government?

It seems like every time we come up with a continuing resolution, the President backs away from the negotiating table. The only way that we can keep him at the negotiations table is to continue on our current course. However uncomfortable it may be, however painful it may be, we are going to have to do it. It is the only option that we have left. The President said that he would balance the budget. We said we would do it. we are going to keep to our word. Mr. President, please keep to yours.

ENOUGH IS ENOUGH

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, yesterday, I had the opportunity to meet with some of my Federal workers from the Social Security Administration and see firsthand the hardships that we have caused because of our failure to get our work done. They are not interested in excuses.

Enough is enough, as the leader of the other body said when legislation was passed to put our Federal workers back to work. It is now time for us to do the same. For 3 weeks, hundreds of thousands of American families have been held hostage to budget strategy. Some are at work without pay. Some are home not working without pay. Through all of this, millions of Americans have been denied services from their Government.

The American people do not understand this and neither do I. We have all agreed that we are going to pay for Federal workers, yet we are denying people basic services which are going to cost our taxpayers more money. It does not make sense. Enough is enough. Let us get our job done.

GETTING THE JOB DONE

(Mr. SCARBOROUGH asked and was given permission to address the House for 1 minute.)

Mr. SCARBOROUGH. Mr. Speaker, we have got our job done. We as a Congress have passed the first balanced budget in over a generation. A man had not walked on the Moon the last time this institution had the discipline to balance the budget. We have done that now.

If we want to know about how big our national debt is, consider this in this holiday season. If we made a million dollars every day from the day Jesus Christ was born until today, we still would not have enough money to pay off our Federal debt. The time to balance the budget is now. Let us forget the demagoguery. Let us forget the half-truths. Let us instead be driven by these words that were written in the 1800's: Ask not what your age wants but what it needs, not what it will reward but what without which it cannot be saved; and that go and do.

That is what we are going to do. We are going to balance this budget.

HONEST NUMBERS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, for the first shutdown we spent $700 million. In this shutdown we are spending $40 million a day. We have now been shut down for 19 days. So that comes out to about $1.5 billion the taxpayers have paid for this little clown act. I think that is exactly what it is. We ought to call it what it is.

When we say what is the real point, they say it is about honest numbers by the President 7 years from now. Even if the President gets reelected, he will not be President 7 years from now. This President and this Congress cannot possibly preordain what future Congresses and future presidents are going to do 7 years from now. We cannot even get decent weather forecasts for tomorrow. What are they talking about? Honest numbers, 7 years from now. I mean, what kind of arrogance is that that one side has honest numbers for 7 years and we do not. Meanwhile, we keep paying. Enough is enough.

BALANCING THE BUDGET

(Mr. SHAYS asked and was given permission to address the House for 1 minute.)

Mr. SHAYS. Mr. Speaker, we spend a billion dollars a day just on interest on the national debt. We are elected by adults to represent the children and future generations. We have the opportunity of a lifetime to balance our Federal budget and to get our financial house in order.

Since the Vietnam war the national debt has gone up from $300 billion to $4,900 billion, $4.9 trillion. This is not about Federal employees. This is not about the disruption of some Federal services. It is about finally, once and for all, and for the good of our children and future generations, balance the Federal budget in 7 years using honest numbers.

Taxes are on the table. Spending is on the table. Even defense is on the table. The budget must be balanced and it must happen at least within 7 years.

STOP SHUTTING THE GOVERNMENT DOWN

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I may have a bruised eye but it is nothing compared to the bruises the American people and our Federal workers are taking from this Republican Congress.

I rise today on behalf of the employees and patients of the Bronx Veterans Affairs Medical Center and the hundreds of thousands of Federal employees who are stuck in the middle of this budget debate. Here is a copy of a check for $1.51, which is what one worker at the Bronx VA Hospital Center received when she opened her paycheck in my district last Friday, $1.51, Mr. Speaker. In New York City that can get you this: One transit token to get home from work, and one penny extra to spend in any way you see fit. And if you live in Co-op City as I do, it will not even get you home, because Co-op City is a two-fare zone.

The staff of the Bronx VA Hospital has begun soliciting food donations to distribute to the staff because the workers cannot afford to buy food. It is an outrage that those who can care for our veterans have to go hat in hand to beg for food. I call upon you Republican colleagues to stop shutting the Government down. Think of people who live from paycheck to paycheck.

REGARDING THE BALANCED BUDGET

(Mr. DELLUMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELLUMS. Mr. Speaker, in the context of this discussion regarding the balanced budget, my colleagues on the other side of the aisle seek three objectives: One, to change the nature, function, and role of the Federal Government in people's lives; two, to significantly reduce the size of the Federal Government; and, three, to shrink the revenues designed to carry out the purpose, the business of Federal governance. Nothing can be more fundamental and basic than that, to change the definition of the role of the Federal Government in people's lives.

It would seem to me if this struggle is that fundamental, then you do not solve that problem by creating the artificial crises of shutting down the Government. Dignify your own fundamental struggle here, allow the workers to get back to work, allow the Federal Government to function, and within the context of the processes that are designed for us to deal with these problems, let us address it that way. This is a fundamental basic struggle here. It is not a testosterone test. It is not an ego trip. It is a fundamental discussion. We ought to have it.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. WALKER) laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, December 28, 1995.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Thursday, December 28, 1995 at 5:30 p.m. and said to contain a message from the President whereby he returns without his approval H.R. 1530, "National Defense Authorization Act for Fiscal Year 1996."

With warm regards,

ROBIN H. CARLE,
Clerk.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–155)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 1530, the "National Defense Authorization Act for Fiscal Year 1996."

H.R. 1530 would unacceptably restrict my ability to carry out this country's national security objectives and substantially interfere with the implementation of key national defense programs. It would also restrict the President's authority in the conduct of foreign affairs and as Commander in Chief, raising serious constitutional concerns.

First, the bill requires deployment by 2003 of a costly missile defense system able to defend all 50 States from a long-range missile threat that our Intelligence Community does not foresee in the coming decade. By forcing such an unwarranted deployment decision now, the bill would waste tens of billions of dollars and force us to commit prematurely to a specific technological option. It would also likely require a multiple-site architecture that cannot be accommodated within the term of the existing ABM Treaty. By setting U.S. policy on a collision course with the ABM Treaty, the bill would jeopardize continued Russian implementation of the START I Treaty as well as Russian ratification of START II—two treaties that will significantly lower the threat to U.S. national security, reducing the number of U.S. and Russian strategic nuclear warheads by two-thirds from Cold War levels. The missile defense provisions would also jeopardize our current efforts to agree on an ABM/TMD (Theater Missile Defense) demarcation with the Russian Federation.

Second, the bill imposes restrictions on the President's ability to conduct contingency operations essential to national security. Its restrictions on funding of contingency operations and the requirement to submit a supplemental appropriations request within a time certain in order to continue a contingency operation are unwarranted restrictions on a President's national security and foreign policy prerogatives. Moreover, by requiring a Presidential certification to assign U.S. Armed Forces under United Nations operational or tactical control, the bill infringes on the President's constitutional authority as Commander in Chief.

Third, H.R. 1530 contains other objectionable provisions that would adversely affect the ability of the Defense Department to carry out national defense programs or impede the Department's ability to manage its day-to-day operations. For example, the bill includes counterproductive certification requirements for the use of Nunn-Lugar Cooperative Threat Reduction (CTR) funds and restricts use of funds for individual CTR programs.

Other objectionable provisions eliminate funding for the Defense Enterprise Fund; restrict the retirement of U.S. strategic delivery systems; slow the pace of the Defense Department's environmental cleanup efforts; and restrict Defense's ability to execute disaster relief, demining, and military-to-military contact programs. The bill also directs the procurement of specific submarines at specific shipyards although that is not necessary for our military mission to maintain the Nation's industrial base.

H.R. 1530 also contains two provisions that would unfairly affect certain service members. One requires medically unwarranted discharge procedures for HIV-positive service members. In addition, I remain very concerned about provisions that would restrict service women and female dependents of military personnel from obtaining privately funded abortions in military facilities overseas, except in cases of rape, incest, or danger to the life of the mother. In many countries, these U.S. facilities provide the only accessible, safe source for these medical services. Accordingly, I urge the Congress to repeal a similar provision that became law in the "Department of Defense Appropriations Act, 1996."

In returning H.R. 1530 to the Congress, I recognize that it contains a number of important authorities for the Department of Defense, including authority for Defense's military construction program and the improvement of housing facilities for our military personnel and their families. It also contains provisions that would contribute to the effective and efficient management of the Department, including important changes in Federal acquisition law.

Finally, H.R. 1530 includes the authorization for an annual military pay raise of 2.4 percent, which I strongly support. The Congress should enact this authorization as soon as possible, in separate legislation that I will be sending up immediately. In the meantime, I will today sign an Executive order raising military pay for the full 2.0 percent currently authorized by the Congress and will sign an additional order raising pay by a further 0.4 percent as soon as the Congress authorizes that increase.

I urge the Congress to address the Administration's objections and pass an acceptable National Defense Authorization Act promptly. The Department of Defense must have the full range of authorities that it needs to perform its critical worldwide missions.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *December 28, 1995.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal and, without objection, the message and bill will be printed as a House document.

There was no objection.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE] for 1 hour.

□ 1415

Mr. SPENCE. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from California [Mr. DELLUMS], pending which I yield myself such time as I may consume.

Mr. Speaker, I believe the President made a monumental mistake last week when he vetoed the fiscal year 1996 Defense authorization bill. On a purely political level, the veto has even more clearly defined the stark differences between the Clinton administration and this Congress on key national security issues such as ballistic missile defense and United Nations' control of U.S. military forces—central elements in both the Contract With America and the President's veto.

Unfortunately, against the real-world backdrop of hazardous peacekeeping deployment to Bosnia over a cold and wet holiday season, the President's veto of a bill containing a number of important pay and benefit provisions represents a slap in the face of our military personnel and their families.

First and foremost, this bill is about improving the quality of life of the All Volunteer Force. Contrasted against the President's vehement opposition to the deployment of a national missile defense system by the year 2003 or the bill's limitations on the President's ability to place U.S. military forces under the control of the United Nations—provisions the American people overwhelmingly support—vetoing the bill and risking these quality of life provisions is incomprehensible.

There are really two issues underlying the President's veto. First, the President opposes the ballistic missile defense provisions in the bill that call for the deployment of a national missile defense system by the year 2003. A bipartisan majority of the Members of both the House and Senate support this provision, but apparently not this administration. The missile defense system called for would be consistent with the ABM Treaty and, contrary to the wild assertions of it costing tens of billions of dollars, could be operational for a fraction of the costs based on the Pentagon's own estimates.

The second veto issue is even more of a red herring. The bill contains a provision simply requiring the President to certify in advance that any future deployment of U.S. military troops under the operational control of the United Nations is in the U.S. national security interest. It does not preclude the President from putting U.S. troops under U.N. control, it simply requires the President to certify to the Congress that such an arrangement is in the U.S. national security interests. The President has vetoed the entire Defense authorization bill in large part based on a requirement for a certification.

This veto indicates to me that despite the fact that the conferees went out of their way to accommodate the administration's concerns on numerous provisions, including provisions on ballistic missile defense and U.N. command and control, the White House is truly not interested in having a Defense authorization bill this year. Yesterday's Wall Street Journal carried an op-ed stating that, "with his veto of the 1996 Defense bill last week, President Clinton just made the world a more dangerous place." It is difficult to disagree.

If, as a result of the veto, we are reduced to political jockeying instead of advancing the numerous quality of life and reform provisions contained in this bill, so be it. This is the President's decision. At a minimum, therefore, today's override vote will provide each of us an opportunity to choose where our national security priorities truly lie.

Finally, to those who might have voted against this legislation in another form, or for whatever reason it is a bipartisan product of the Congress, both parties, both Houses—its our bill that the President vetoed.

Mr. Speaker, I reserve the balance of my time.

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we all are aware, we are here addressing the issue of the President's veto of the Defense authorization bill.

The main focus of the President's veto message had to do with the issue of ballistic missile defense and the ABM Treaty. Before I go into the specifics of that, I would like to set the record straight.

In my capacity, Mr. Speaker, as ranking minority member, I sat with the distinguished gentleman from South Carolina [Mr. SPENCE], who is the present chair of the Committee on National Security. When the Secretary of Defense briefed us in extensive detail on what would invite a veto from this administration, there were a number of issues on that list, Mr. Speaker. The one issue that was very clearly communicated to us was that the ABM Treaty potential violation, the provisions of the ballistic missile defense contained in the bill could indeed invite a veto.

Over the course of the conference process, there were a few meetings addressing this issue attended by my distinguished colleague from California [Mr. HUNTER], the distinguished gentleman from South Carolina, this gentleman, and the gentleman from South Carolina [Mr. SPRATT] with members of the other body. At that time, on the issue of ballistic missile defense/ABM Treaty, the comment was made very clearly: "You have two options. Either you want this as a political issue, or you want to address the problem and we get a conference report."

I would suggest, without fear of contradiction, Mr. Speaker, that it was the former decision as opposed to the latter; they wanted the issue, not the conference report.

In the other body, a provision was passed that was the result of a bipartisan effort of a group of Members of the other body selected by the majority leader of the other body. This gentleman and other Members on the Democratic side of the aisle indicated that we were prepared, though not totally pleased with all of the provisions, but in the spirit of collegiality, in the spirit of compromise, we were prepared to live with that language. Easy way to solve the problem. No one was totally happy, but to get the job done, we could come together around the bipartisan language contained in the Defense authorization bill established by

Members of the other body. It was not done.

So here we are, Mr. Speaker, with a veto message from the President, and he vetoed for several reasons. I would like to reiterate the main reason: Ballistic missile defense/ABM Treaty. Because the provisions of the conference report that passed required the deployment of a national missile defense system by the year 2003 of a costly missile defense system able to defend all 50 States from a long-range missile threat that our intelligence community, for which we authorize and appropriate billions of dollars, has stated without equivocation that they do not foresee such a threat coming in the next decade, though this bill, this conference report, commits us to deployment by the year 2003.

Mr. Speaker, that has enormous implications. Implication No. 1: It forces an unwarranted deployment decision now that does not have to be made. The threat assessment does not warrant deployment at this time.

Second, it wastes tens of billions of dollars, tens of billions of dollars, at a time when we are handwringing about balanced budgets.

One or two of my colleagues will rise today and say, "But I was in a briefing that said that X contractor or X service said 'we could do it for this amount of money.'"

Mr. Speaker, this is a legislative body. We have a responsibility to the legislative process. Not one hearing has been held to sustain or to reject the integrity of that assertion. What is on the record at this point sustains this gentleman's assertion that to go forward will cost us tens of billions of dollars, at a time when we are talking about guaranteeing the future for our children, balancing the budget on the backs of people in this country least able to handle the pain and the shock of withdrawing the Government's ability to address their human misery, tens of billions of dollars to address a threat that is not out there.

It also then, Mr. Speaker, prematurely commits us to a specific technological approach to the deployment that may or may not be obsolete next year or the year after or by the year 2003. This would likely require a multiple-site architecture, a multiple-site architecture that cannot be accommodated within the framework of the ABM Treaty as it is presently designed. Thus, it requires us to abrogate the ABM Treaty.

Responsibility, integrity, fiduciary responsibility to our American citizens would, at a minimum, Mr. Speaker, require that any time you start to tread on the waters of abrogating a treaty, it would dictate that we walk lightly, we tread gently, and we move with responsibility. To take bold steps to abrogate a treaty at this point in this gentleman's opinion makes no sense.

Mr. Speaker, this would jeopardize continued Russian implementation of START I, as well as ratification of START II Treaties. Now, START I and START II significantly reduce the nuclear inventory on this planet. We talk about the future for our children. What could be more important to the future of our children than to remove thousands of heinous nuclear weapons that have only one function, and that is to destroy life on this planet? We place that in jeopardy by making moves that unilaterally communicate to the Russians our desire to abrogate a treaty.

It jeopardizes our current efforts to agree on an ABM/theater missile defense demarcation with the Russian federation. Mr. Speaker, at this time we are engaged, this country and the Russians, engaged in a process to address the problem of the distinction between strategic weapons and theater missiles.

I am sure, and I would attempt to jog your memory, Mr. Speaker, but when we negotiated the ABM Treaty, there was no such thing as theater ballistic missiles, so the question of the speed and the range, at what point does a weapon cease to be strategic, or at what point does a weapon cease to be theater, is very significant. We are involved in that process at this point. Why engage in any activity that would jeopardize those efforts to reach an agreement? Again, it flies in the face of reality, and it makes no sense to this gentleman.

There are a few other reasons why the President vetoed this. I would only hit upon four additional areas.

First, it imposes restrictions on the President's ability to conduct contingency operations essential to national security by requiring submission of supplemental appropriations within a time certain.

Second, it infringes upon the President's constitutional authority from his perspective as Commander in Chief by requiring certain Presidential certifications. Therefore, these two areas are areas of constitutional prerogatives that have been bandied back and forth between the Congress and the executive branch of Government over the years, and the President, looking at this bill, said, "This infringes upon my constitutional rights in this area," and has vetoed it. This gentleman's belief is that in many of these areas, we are in gray areas, but I tend to believe the President is correct in this area.

I would just highlight two additional areas where the President calls to our attention reasons for veto.

One of them, it slows the pace of the Defense Department's environmental cleanup program. We have all, many of us in these Chambers, our communities have been affected by base closures. How, then, can we transfer that land on those bases back to the community for higher and better use, allowing them to convert these closed military bases so they do not sit there as pink elephants or white elephants in the middle of the community, how can we transfer that land back to the community for higher and better use, allowing them to convert their economy from a reliance on military presence to peacetime presence if we cut moneys out designed to clean the base?

□ 1430

So how can you on the one hand say to people in your community, we want to help you overcome the adverse impact of removing the military's presence from your community, and then say, but we are not going to put sufficient moneys in the environmental restoration and cleanup fund to allow that to happen expeditiously? That makes no sense to this gentleman.

Any community out there that is adversely affected by base closure, we ought to be leaning over backward to try to help those communities move forward as rapidly as they can into the 21st century, but shaving off dollars for environmental cleanup in order to build ships that we can build in the year 2000 and bring them into 1995; and other weapons systems that we have brought into this to cut environmental restoration, it just does not make any sense, but it tells us where our priorities are.

Our priorities in this bill certainly are not related to community, and I think that is where we ought to be.

The final point that I would like to highlight is that this bill requires medically unwarranted discharge procedures for HIV-positive service members. I would just make one final point on this. Military service people said they do not need this provision. If there is a reason for discharge, present law handles it. But to have that across-the-board, blanket requirement that you must now discharge people who are HIV-positive is oppressive, it is prejudicial, and it ought to be beneath us as American people in terms of how we address and how we treat people, particularly those who have decided to serve their country in this particular capacity.

Mr. Speaker, with those remarks explaining why I believe my colleagues ought to support the President's veto and sustain the President's veto, I would reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the bill before us passed the House, it passed the Senate, went to the President, and he vetoed it. To me, it is absolutely astounding that he would veto the Defense authorization bill immediately on the heels of his deploying 20,000 United States troops in harm's way in Bosnia.

But he vetoed it. So a vote to sustain his veto, or a "no" vote on this motion to override, in effect says, we are willing to send you into harm's way, but, by the way, we are not going to pay you.

A vote to override the President is a vote to pay the troops in Bosnia.

Moreover, a vote to sustain the veto, as my friends on the other side would have you do, says to military families, despite the fact that your housing is substandard and 70 percent of their housing is inadequate, we will not fix your housing, we do not want to repair your facilities, we do not care about your quality of life. Those repairs are authorized in this bill, and unless this veto is overridden, they will not be made.

It also says, we will not clean up environmental problems caused by the base closures. It also says to the military retirees, we will not pay your COLA's; and it also says to the men and women of this country and to the men and women of the armed services of this Nation that defending this Nation and defending you from a potential missile attack from any rouge element in the world is too expensive. That is what the President said when he vetoed this bill.

I do not know why he wants to stick to the tenets of the ABM Treaty, which was conceived in 1972 before all of these horrendous weapons systems were created, but in fact, he does; and when President Clinton called for more money last year, as we did, for the military and this year vetoes this bill, he is speaking in tongues.

Mr. Speaker, I include for the RECORD the following material.

[From the Wall Street Journal, Jan. 2, 1996]

THE ABM TREATY'S THREAT

With his veto of the 1996 defense bill last week, President Clinton just made the world a more dangerous place. If there's a silver lining, it is that it sets down an important political marker for this year's presidential campaign. GOP upstart Steve Forbes also put down a marker last week, castigating Bob Dole and the Senate for their apparent willingness to ratify the Start II treaty—a "further pretext," Mr. Forbes said, for the "policy of leaving the American people vulnerable to missile attack."

Given the current Senate, the President's veto is almost certain to be sustained, hamstringing the effort to build critically needed defenses against ballistic missile attack. Millions of Americans may pay for his decision with their lives, when some future commander-in-chief lacks the means to shoot down a ballistic missile heading on a lethal trajectory for an American city. By vetoing the bill, Mr. Clinton also shows that he has no viable strategy for dealing with the changed nuclear realities of the post-Cold War world—realities that are discussed nearby by former Reagan Defense official Fred C. Ikle.

The Administration, to the extent it's thinking at all instead of repeating Democratic party rote, remains mired in an obsolete mindset that sees Moscow as our main foe and regards arms control and "mutual assured destruction" as the centerpiece of policy. Mr. Clinton's principal objection to the GOP defense bill is that by requiring deployment of a missile-defense system by 2003 it would violate the 1972 Anti-Ballistic Missile Treaty under which the U.S. and the Soviet Union agreed not to defend themselves against missile attack.

The Republican bill is "on a collision course with the ABM treaty," Mr. Clinton said in his veto message. That, as we see it, is precisely the point. The ABM Treaty is a grave danger to national security and the United States ought to exercise its prerogative to withdraw. If any progress toward defense is to be made, every Republican Presidential candidate ought to pledge to give the required notice on his first day in office.

We thought back in 1972 that agreeing not to defend against missile attack was a reckless promise, but today any vestige of a rationale has vanished. More than two-dozen nations already possess ballistic missiles and a number will soon have missiles capable of reaching across the Atlantic or the Pacific. It's not hard to imagine that Washington or San Francisco would make tempting targets for a lunatic leader in one of the Iraqs or North Koreas of the world. When that happens, it will be too late to start building a missile defense.

The ABM Treaty is just one relic of the Cold War that Mr. Clinton is intent on preserving. He further objects that it would derail his arms-control efforts, keeping the Russian Duma from ratifying Start II, under which Russia would reduce its nuclear arsenal to 3,500 warheads from about 8,000. Whatever the Duma does, it looks likely that the U.S. Senate will ratify Salt II three years after it was signed by Presidents Bush and Yeltsin. Perfunctory debate ended last week and a vote is expected soon. Mr. Forbes, free of the impact of past habit, is one of the few Republican voices urging against ratification.

Yet with few exceptions, Republicans do believe that defending America against missile attack ought to be a national priority. Their Congress has put forward a workable and affordable plan toward that goal. On the other hand, we have a President who's decided that it is more important to the security of the United States to reduce the number of Russian nuclear warheads than to have the capability to defend ourselves against missile attack from the madmen of the world.

As for Start II, somehow we don't find it very comforting to contemplate a world in which the Russians have 4,500 fewer scary things tucked away in their arsenal but a Saddam Hussein has one that he intends to use on us. Clearly it's time for a new security strategy. It will require more, but missile defense will be a cornerstone. Mr. Iklé argues that to wake the world to this obvious need may well take a nuclear explosion, either accidental or deliberate.

[From the USA Today, Dec. 1, 1994]

CLINTON SEEKS $25B MORE FOR MILITARY

(By Bill Nichols)

President Clinton said Thursday he wants $25 billion more in military spending over the next six years to improve quality of life for military personnel, increase their pay and boost troop readiness.

In an announcement some saw as an attempt to preempt Republican plans to boost military spending next year, Clinton said unexpected military deployments in the Persian Gulf, Haiti and elsewhere contributed to the budget shortfall.

"I have pledged that . . . our military will remain the best-trained, best-equipped, the best fighting force on Earth," Clinton said. "We ask much of our military and we owe much to them."

Some Republicans weren't impressed.

"This is a small step in the right direction but it does not go far enough," said Sen. John McCain, R-Ariz.

But the White House said the increase request wasn't prompted by politics or by earlier cuts in the military budget.

Even in an era when the public wants a leaner government, "the people of this country expect us to do right by our men and women in uniform," Clinton said.

Said Republican strategist William Kristol: "See, the Republican Congress is already having an effect."

Details:

The $25 billion would cover a projected $49 billion shortfall over six years, created in part by a congressionally mandated pay hike for military personnel.

Rep. Ike Skelton, D-Mo., outgoing chairman of the House Armed Services Subcommittee on military forces and personnel, said the Pentagon would still face a $15 billion shortfall.

Deputy Defense Secretary John Deutch said the gap would be closed with the additional $25 billion plus more favorable economic assumptions from the Congressional Budget Office and "modernization reductions" at the Pentagon.

The White House did not specify where the $25 billion would come from.

In addition, Clinton asked for at least $2 billion to pay for unexpected operations in Kuwait, Haiti, Bosnia-Herzegovina and to deter Cuban refugees.

Among the quality-of-life improvements the money would pay for: more military family housing, increased child care and improved barracks for single men and women.

Mr. DELLUMS. Mr. Speaker, I yield myself 30 seconds in order to address an issue raised by the distinguished gentleman from Louisiana [Mr. LIVINGSTON], the previous speaker in the well.

I might call to your attention, Mr. Speaker, something that I am sure you are aware of, and that is that there is a bill that has been passed in the other body, it is Senate bill 1514, to be enacted by the Senate and House of Representatives, a separate piece of legislation addressing the issue of the pay of military troops. Therefore, if my colleagues are interested in addressing the issue of the pay of military troops, there is a bill at the desk that can be brought up to maintain the integrity of that.

Mr. Speaker, I yield 4 minutes to the distinguished gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the distinguished gentleman from California for yielding me this time.

Mr. Speaker, I am delighted that he made that point. I would make one further point, and that is that the President did sign the defense appropriations bill. I am sure the appropriations chairman knew that. So the appropriation for the Defense Department is up and running, and people are indeed getting paid. So I do not think we need to run those kind of scare tactics out here.

This is not an appropriations bill. This is not an agency that needs a continuing resolution. This is an authorization bill, and it is really embarrassing that we are dealing with this bill after the appropriation bill has already passed anyway. This is really passé. But some of the reasons that have been given for sustaining the President's veto I think are terribly important.

Obviously, Senator NUNN in the Senate is, I think, a very esteemed Member that people look to, and as he pointed out over and over and over again, if you want to see all sorts of earmarking, you ought to see this bill. This bill is earmarked 101.

He points out that every single line of the National Guard and Reserve procurement funds have been earmarked. There are no general categories left. The Department of Defense, all sorts of unrequested projects at undesignated sites have been earmarked. I could go on and on and on. For anybody who would like, there is a three-page letter over here with all of the things that he is upset about.

The gentleman from California has made a very eloquent statement in behalf of the President that all I can say is ditto, ditto, ditto, because he is absolutely right on, about the very seriousness of saying to the State Department and the executive branch, oh, you do not know what you are doing; we can go ahead and do this. This will not really violate the treaty. We do not need hearings on this. We know better than you.

I do not think so. This is a great display of arrogance, I think, if we proceed and do this, and I think the President is absolutely correct. If we are so sure we are right, why are we not having hearings, and why have we not really made our case in public?

But to run it out this way and run over some very serious treaties with parts of the world that are not the most stable is, I think, very, very dangerous, and I think the President is right on that too.

It also authorizes way more than this administration asks for. For heaven's sake, we have the Government partially closed down; we are spending all sorts of money and angst over that. Never, never, even during the cold war, did we authorize more money than the administration asked for, and yet we did in this budget. This was like a feeding frenzy.

I must say as an American citizen, one of the things that bothers me the most in here too is the message we are sending to service women and to dependents of servicemen and saying to them, nice that you gave up your rights to go protect our rights, and we are not going to give you the same rights that any other American would have. The fact that we would deny them the right to privately finance abortions when the health of the mother could be jeopardized is absolutely unconscionable in 1996 when they are out there defending freedom and liberty for the rest of us.

Why are we throwing political firecrackers into the military personnel system? That is what we are doing. We are taking political firecrackers and throwing them into the personnel system.

The other political firecracker we throw in there that the military says we do not need, this is divisive, it is not a problem, we can handle this, are the regulations on HIV-positive. Why are we doing these things? I think this is a political embarrassment.

I certainly hope that people vote to sustain the veto.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Military Procument.

Mr. HUNTER. Mr. Speaker, I thank the distinguished chairman of the committee for yielding time to me.

Let me tell my colleagues, this is a basic difference between the President of the United States and the Republican majority in the House, the full House, and the American people whom they represent, because we do want to have a defense against incoming ballistic missiles.

The President does not want to have a defense against incoming ballistic missiles. In 1991 in the wake of Desert Storm, after we saw those Scud missiles come in and do damage against our troops, we rose as a body in both bodies, the House and the Senate, and we passed a mandate that we should build a defense, a national defense, against incoming ballistic missiles, and that we should have that defense completed by, guess when? 1996.

Well, folks, it is 1996, the Berlin Wall was down at that time when we made that mandate, so this was not in consideration of the cold war, and we have not done a thing toward that goal that both Houses set in motion. In fact, some of the leaders on the Democratic side who have urged the President to veto this bill on the basis that it defends America were authors of that initial legislation that says, we should defend America.

Now, on a couple of specifics. We had three basic elements in our plan to defend this country against ballistic missiles. One was that we shall deploy a system, we shall deploy a system; No. 2, it shall be at multiple sites, not just one site; and No. 3, that it shall be by the year 2003.

To pacify the President on this issue, we took out the second element, the multiple sites. We took that out. I objected to taking that out, and a number of other Members did, but we took it out to get a bill. Now the President says that it implies that we shall likely require multiple sites, so it is still not quite good enough.

We want to defend America; the President does not. Let us override his veto.

Mr. DELLUMS. Mr. Speaker, I yield 6 minutes to my distinguished colleague the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I voted for this bill when it passed the House. I thought the parts of it I objected to would be cured in conference. Some were, some were not. So I decided reluctantly to vote against the conference report, and today I vote reluctantly to sustain the veto.

I want to address the very provisions that the gentleman just in the well took up, namely, the parts of the bill to which the President objected and singled out that deal with ballistic missile defense and the ABM Treaty.

This year, Mr. Speaker, each House adopted in the authorization bill what amounts to a special chapter devoted solely to ballistic missile defense and the ABM Treaty. In the Senate, this chapter was painstakingly worked out, and in the end it represented a compromise that almost everyone agreed to, the Clinton administration included. The Senate vote in favor of it was overwhelming: 85 to 13. So in conference, on the Democratic side, we offered a straightforward, simple, efficient solution. We said we would take the Senate provisions in toto, completely.

Now in 12 years of going to defense conferences, this is the first that I can recall where the House conferees or some of us said to the Senate, we will buy your language lock, stock, and barrel, only to have the Senate conferees say to us, sorry, it is not for sale anymore.

That is exactly what happened in this conference. Having cut a deal on ballistic missile defense, having voted for the deal and the bill that contained it, Senator DOLE and others in the Senate decided that they had to have more. Senator NUNN told us in conference, look, you can have it one way or the other. You can have a defense bill or you can make a political statement, but not both, and the Republican conferees in the House and Senate chose to do the latter and refused to compromise further; and so here we are in January without an authorization act.

□ 1445

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding. If we did not compromise, why did we take out the multiple-site language to accommodate the President?

Mr. SPRATT. I was getting ready to take that up right now. I thank the gentleman for bringing that up.

I will admit that this draft that we have before us does smooth the sharpest edges off the original earlier drafts that dealt with ballistic missile defense and the ABM Treaty. But this bill would require the President to renegotiate the treaty with the Russians now, when START II has yet to be ratified, and the politics in Russia are hardly propitious for ratification.

Second, it would imply that the United States should break out of the treaty if the Russians do not agree to the amendments we want, permitting multiple sites, unlimited interceptors, and space-based sensors, and it would require the testing of a chemical laser in orbit in 1999, which would be a violation of the treaty.

I believe that we should develop and deploy a ground-based missile defense system. The gentleman referred to some of us who had voted for that before. I voted for it. Frankly, before that system is finished, I think we will want to deploy interceptors at more than one site. We will need to. I think we will also want to deploy space-based sensors, and I think that both of these features, plus more, will probably require changes and revisions in the ABM Treaty, but nothing requires us to negotiate those changes just now, right now.

If we force the administration to renegotiate the ABM Treaty now, with START II not yet ratified, we will risk the ratification of START II. And if START II is not ratified and our warheads are not reduced from 8,000 to around 3,500, and we have to maintain the deployment of nuclear weapons at START I levels, additional costs in operations and maintenance by the year 2000 are going to be $5 to $8 billion.

If we have to find these additional billions of dollars each year for offensive missile deployment and maintenance, where are we going to find the additional billions for defensive missile systems? Where will we find the billions needed to deploy missile interceptors and ground-based radars at multiple sites, to fast-track the space-based sensors, to field four theater ballistic missile systems at the same time?

One particular point. Dig deep into title II of this bill, research, deployment, and testing for the Air Force, and you will see where this bill simply does not ask the hard questions about where is the money going.

Here we say in this particular section that the Air Force should step up the deployment of so-called Brilliant Eyes or the Space and Missile Tracking System. We now plan on deploying one first operational shot in the year 2003. The cost estimated for that is $5.5 billion, to do one operational shot in 2003. Of that cost, only $800 million is now programmed in the Air Force's budget.

If we want to fast-track these space-based sensors so that all 18 satellites can be deployed in 2003, which is what title II calls for, that will mean billions of additional dollars in R&D over the next 7 years plus billions of additional dollars more to produce and launch 18 satellites, and the bill does not breathe a word about where this money is coming from.

That is why these provisions in this bill make for more of a political statement than a ballistic missile defense plan that can be paid for and carried out over the next 6 to 7 years.

Mr. Speaker, we need an authorization bill. We need it to provide additional pay for our troops. We need it to authorize military construction. We need it to authorize end-strength, we need it for lots of reasons. But we can sustain this veto and still have a bill because I am convinced that in 1 week, 1 week of earnest work and reasonable compromise, we can bring forth a bill that the President will sign and almost all of us will vote for.

Mr. SPENCE. Mr. Speaker, I yield 30 seconds to the gentleman from Florida [Mr. YOUNG], the chairman of the Subcommittee on National Security of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, I only rise to respond briefly to the comments of the gentlewoman from Colorado, who I know always wants to be exactly correct in her comments. She made the comment that the President was really a strong supporter of national defense because he signed the defense appropriations bill.

In fact, in an interview with the Los Angeles Times, the President himself said that he signed the defense appropriations bill. But a message from the White House on November 30 indicates that the President did not sign the defense appropriations bill, that it became law without his signature, and I think that is one indication of just how strong the President does support national defense.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN], the chairman of the Subcommittee on Military Readiness.

Mr. BATEMAN. I thank the distinguished gentleman for yielding me the time.

Mr. Speaker, as the chairman of the military readiness Subcommittee and on behalf of U.S. forces and their families, I rise to strongly urge my colleagues to override the veto of the fiscal year 1996 Defense authorization bill.

The conference report on H.R. 1530 achieves the goals that the Committee on National Security set to ensure that the readiness problems experienced late in 1994 would not be repeated. It provides the necessary resources to meet requirements. It establishes a mechanism to fund contingency operations so that funds are not diverted from critical readiness accounts. It institutes reforms in Defense support services to free resources for critical readiness and modernization programs.

With the deployment of United States forces to Bosnia as only the latest reminder of the commitment and sacrifice these men and women willingly make on a daily basis, it is critical that we keep faith with these men and women and demonstrate our commitment to ensure their welfare and that of their families. The conference report on H.R. 1530 does this. It ensures military readiness, improves quality of life for our military personnel and their families, and furthers the efficient use of Defense resources.

This bill takes concrete action in support of our forces. It deserves to be enacted into law. Support our troops, override the veto.

Mr. SPENCE. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I rise in strong support of the defense authorization bill and urge all Members to vote in favor of this veto override.

There are three simple reasons for my support. First, this bill provides tangible support for our troops deployed to Bosnia. This bill includes a 2.4-percent pay raise, important increases in housing allowances, and other support for our troops and their families.

Second, this bill makes an important commitment to defending this country and the American people against the growing threat of attack from ballistic missiles. The missile defense sections of this bill have been carefully coordinated with the administration and do not violate the ABM Treaty. Whatever my personal feelings about the ABM Treaty, any attempt to characterize this bill as a "dangerous violation" is simply to mislead the public and keep this Nation completely vulnerable to a growing and real threat.

Third, this bill keeps our promise to revitalize our national security within a balanced budget. We freeze the level of defense spending, slightly below 1995 levels. We will not allow the President to underfund even his own bottom-up review while continuing to use U.S. troops as the world's policemen.

For these reasons, I urge all Members to support our troops by supporting this bill and this override.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON], the chairman of the Subcommittee on Military Research and Development.

Mr. WELDON of Pennsylvania. I thank the gentleman for yielding me the time.

Mr. Speaker, I rise to, in the strongest possible terms, express that if Members want to vote to sustain the President's veto, do not buy the rhetoric that somehow we are doing this because it will in any way violate any treaty. This bill in no way violates any treaty to which this country is a party, and my colleagues on both sides of the aisle know that.

What offends me most about this debate, listening from home, one would think that perhaps those on the other side do not support this bill, when in fact on the House floor 86 Democrats supported this bill, and when the President threatened to veto, 58 Democrats voted with us on this bill, because this is a good bill.

This does not violate the ABM Treaty in any way, shape, or form, and I will debate anyone at any time for any length of time on the detailed specifics that are debated here in 1-minute and 2-minute sound bites, and my colleagues know that.

And the talk about costly expenses to implement an ABM Treaty? The Air Force has said they could do a system for $2.5 billion in 4 years. The Army has said they could do one for $4 billion in 5 years, and these figures were not contrived by some contractor. These were done in a special task force requested by Secretary Perry himself. Why do our colleagues not admit the facts as they are?

Then our colleagues get up and say that it is going to violate the START treaty. If our colleagues would read the Russian media on a daily basis, their concern is not about this bill and its impact on the ABM Treaty. Their concern is about this administration's plans with NATO. That is what is going to jeopardize START II in the minds of the Russians, not the ABM provisions in this bill.

But what really upsets me about my liberal colleagues and the President on this issue, Mr. Speaker, is they want to fund the world's first ABM system with United States tax dollars to protect the people of Israel. Because this country will do that with the Arrow system, and, by the way, I support that. My liberal friends will pay to protect the people of Israel but will not spend the money to protect the people of the United States. That is what is so outrageous.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY], the chairman of the Subcommittee on Military Installations and Facilities.

Mr. HEFLEY. Mr. Speaker, I rise again in strong support of H.R. 1530, the National Defense Authorization Act for fiscal year 1996. However, I am troubled to have to rise today for this purpose, not because of the numerous merits of the bill but because the President has chosen to veto legislation that supports military personnel and their families even while he has chosen to deploy those troops thousands of miles from home in a place called Bosnia.

It is rare for a President, any President, Mr. Speaker, to veto a defense bill. This President has already signed into law two appropriation bills for general defense and military construction. Yet here we are today debating whether to override a veto on the bill which specifies how these funds will be spent, and I have to ask why.

Let us look at the little part of the bill that I had the most responsibility for. On a bipartisan basis, the Subcommittee on Military Installations and Facilities, which I chair, has worked with the Department of Defense and with the gentlewoman from Nevada [Mrs. VUCANOVICH], the chairman of the Subcommittee on Military Construction of the Committee on Appropriations to develop a military construction program which makes significant improvements in our military infrastructure and enhance the quality of life for our service personnel and their families.

Over 9,200 families would benefit from new construction, as well as improvements to existing family housing units. This bill would also provide for 68 new barracks projects.

In addition to those significant housing improvements, this bill would provide needed child development centers and medical facilities for our personnel. Hundreds of construction projects in this bill are designed to enhance the readiness of our forces, and the quality of life.

We know there is a military housing crisis. We have worked hard to improve the quality of life for military personnel and their families. We are confronting a significant deterioration in military infrastructure. Without an authorization bill by law, none of these projects can go forward.

This legislation also provides for an important reform that, over the long term, will go a long way toward resolving the military housing crisis. Working closely with the Secretary of Defense, we have developed a program to encourage the private sector to develop troop housing and military family housing at installations where there is a certified shortage of quality housing—and we know that there are tens of thousands of such units in our present inventory. The housing crisis is deplorable and we must act to change it. Yet, the President has vetoed an initiative strongly supported by his own Secretary of Defense that can fix the problem.

Mr. Speaker, the President has chosen to put critical improvements that would begin to end years of benign neglect of our military infrastructure at risk. Why? As best I can tell it is because this President objects to a reasonable outcome on the question of ballistic missile defense. His view appears to be that if the threat is only realistically a decade away we should do nothing now to prepare for that possibility.

Most people I talk to are surprised—shocked—to learn that we have no defense against ballistic missile threats. The President should look to the future beyond his own term in office and help lay a foundation for a strong national defense in the next century. This bill does that. I urge a vote to override this ill-considered veto.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. CLINGER], the chairman of the Committee on Government Reform and Oversight.

Mr. CLINGER. I thank the gentleman for yielding me the time.

Mr. Speaker, I once again rise in strong support of H.R. 1530, the Department of Defense authorization conference report. I am extremely disappointed that the President chose to veto this bill which represents the dedicated efforts of Chairman SPENCE and all the conferees to revitalize U.S. national security.

As I said on the House floor when we voted on the conference report last month, included in this conference report are provisions to significantly reform the procurement system of the Department of Defense and the civilian agencies of the Federal Government. These provisions are consistent with H.R. 1670, the Federal Acquisition Reform Act of 1995, which was a joint initiative of the Committee on Government Reform and Oversight and the Committee on National Security. H.R. 1670 passed the House by a vote of 423 to 0 in September of last year.

The language in this conference agreement represents the efforts of many of our colleagues on both sides of the aisle and in both Chambers who have joined with us in rejecting the status quo, and who are prepared to lead the way toward reforming a system which, for years, has become increasingly more arcane, more convoluted, and therefore, more costly—both to government buyers and to businesses wanting to participate in the Federal marketplace.

The President supports these changes. The Statement of Administration Policy specifically pointed to these provisions as ones which are "beneficial." It was disappointing that the President chose to overlook these provisions in making the decision to veto this conference report.

I would expect that the President believes that procurement reform legislation can be accomplished another way—and maybe it can. But the likelihood that free standing procurement legislation will be taken up by the Senate this year is remote and thus, it seems that the President has run the risk that important procurement reforms will not be enacted. By not taking advantage of this opportunity in the Defense authorization bill, he has endangered reforms which would free the Federal procurement system from continuing wasteful and costly procedures in a way that promotes affordable and commonsense approaches to meet our budgetary goals.

We in Congress have an opportunity today to override the President's veto in order to see these significant reforms enacted into law. Therefore, I strongly urge my colleagues to join me in voting for H.R. 1530, the Department of Defense Authorization Conference Report.

□ 1515

Mr. DELLUMS. Mr. Speaker, I yield myself 30 seconds. Let me just respond to the distinguished gentleman, for whom I have a great deal of respect.

First, the President did not veto this bill on the procurement issue, and I would suggest that the gentleman totally and fully understand the legislative process that if we sustain the President's veto, we can go back, address the issues of ballistic missile defense and ABM, the issues upon which the President vetoed the bill, correct those problems and come back to the floor with a conference report.

Nothing in the President's message would throw out any of the legislation the gentleman responded to.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, the gentlewoman from Colorado historically fails to see the solutions to very simple problems and requirements for national security. We can neither accept nor tolerate anything less than a superlative force in our Armed Services. Someone with HIV positive, with the limited numbers of personnel we have, degrades from that readiness. We need a full up-round of that individual to serve, both either a man or woman, in our forces. We do not need the social engineering in a defense bill.

We voted 48 to 3 in the committee. How often in a committee do you vote 48 Republicans and Democrats to 3 to support a bill? Because it serves the needs of our men and women.

What are those needs? First of all, you have got to be able to train people so that they are going to survive in combat. You have got to be able to provide the weapons systems.

Do you know that the service life of our F-15 Strike Eagles over in Bosnia and the F-18 CD's is almost gone? The replacement for F-16's like Scott O'Grady, was shot down, and the helos in Iraq, there was no replacement?

The President's budget, the military and Pentagon reacted to the President's budget. That was not in there. We went and asked, "What do you need?" Not what do you want, "What do you need to do your job?" "We need replace those airplanes. We need the quality of care for our troops and those issues." And we provided that. That is why we had a 48-to-3 vote within the committee.

I take a look at the Bottom-Up Review, where we are $200 billion shy of the Bottom-Up Review, the ability to fight two conflicts at the same time. And, yes, we put some more money in because the Pentagon said, "This is what we need, a bare-bones minimum for readiness."

What it is going to cost us, not $2.2 billion but $3 billion or $6 billion to support Bosnia. Where do you think the President is going to want to take it from? Out of this bill.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Speaker, over the last several months, President Clinton has picked up the veto pen frequently.

As of today, the President has rejected not only an overall plan to balance the budget, but also a number of other bills which would have put our Government employees back to work, opened our National Parks, and provided funds to fight crime and protect the environment.

The crowning blow, however, came last week, when he vetoed legislation authorizing the funds for our Nation's defense at the very same time that United States troops were setting up their tents and sleeping bags in the snow of Bosnia.

In addition to laying out a plan to maintain our national security, this bill provides funds for desperately needed military housing improvements and a very modest 2.4-percent pay raise for our military personnel. The President's veto sends the wrong message to our friends and allies; to our enemies; and—most especially—to our troops, and we should vote to override it.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from West Columbia, TX [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Speaker, I rise in support of the motion to override the President's veto of H.R. 1530, the Defense authorization conference report.

Mr. Speaker, I cannot understand the President's goals in vetoing this essential piece of legislation.

It contains authorities that are absolutely necessary to maintain and train our Armed Forces.

For example, this Congress voted to protect the American people from ballistic missle attack.

What President would tell the citizens of this country that he does not want to protect them? This President, by his veto, said just that.

This Congress voted to keep American troops under American operational control.

What President would tell the Armed Forces of this country that he wanted them commanded by foreigners? This President, by his veto, said just that.

This Congress voted to support American military families with a small but well deserved pay raise, with basic protections for housing allowances, and improved health care. This President, believe it or not, vetoed that support.

This President vetoed the improvements in readiness that this Congress saw as essential. Among other things, we must have the mobilization insurance and dental care programs that H.R. 1530 will provide for our military reserve components. Through these and other programs, we must provide for our "citizen-soldiers, sailors, airmen and marines" to which this country has turned for over 200 years.

Mr. Speaker, this conference report contains too many important improvements for our Armed Forces than I can detail here. Suffice it to say that the President, by his veto, has made a grave mistake. It is no exaggeration to say that this President has made the world a more dangerous place to live by his veto.

It is the constitutional responsibility of this body to correct that mistake. Vote yes to override the President's veto.

Mr. DELLUMS. Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, I want to respond quickly to the statements made about the Arrow missile defense system in the well just a few minutes ago by my colleague, the gentleman from Pennsylvania [Mr. WELDON].

That system is being funded in this budget at $56.5 million in an account called Other Theater Ballistic Missile Systems, which is totally funded at $460 million. This $56 million compares to about $2 billion we are spending on upper-tier and lower-tier for the Navy, and Impact Three, and it is considered a theater ballistic missile defense system. It compares to $770 million. None of it is for production, procurement and deployment. That issue is yet to be reached.

Mr. WELDON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Pennsylvania.

Mr. WELDON of Pennsylvania. Mr. Speaker, will be gentleman answer for the record the total cost of the Arrow system, the total percentage of American dollars that will fund the first total, complete nationwide ABM system for a country in the world? Will the gentleman provide those for the record, the total cost, not this year, total cost?

Mr. SPRATT. Reclaiming my time, this is for a demonstration of the validity of the system. It is an R&D and development program. There is no money for deploying such a system. We have not reached that decision. We have not funded it.

Out of a total budget of $3.8 billion, $56 million for this; we fund it because we think there are complementaries and commonalities that will teach us something about our other systems.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, on September 20, 1995, this House voted overwhelmingly in support of the conference report for the Military Construction Appropriations Act for fiscal year 1996. By a bipartisan vote of 326 to 93 we demonstrated our commitment to addressing the serious housing and quality of life problems affecting our servicemembers and their families. On October 3, the President signed the appropriations bill, yet on December 28, the President vetoed the necessary authorization for the construction of badly needed new facilities.

Mr. Speaker, without this authorization, $1 billion for construction and improvements for family housing cannot go forward. Secretary Perry's No. 1 priority for a family housing private sector initiative will remain stalled. And, $626 million for desperately needed barracks; $207 million for environmental compliance projects; $430 million for Guard and Reserve operational facilities; $196 million for medical related facilities; and, $44 million for child development centers—none of these mentioned will be built.

In addition, while we have committed our troops to participate in IFOR, the $161 million appropriated for the United States contribution to the NATO Security Investment Program cannot be obligated or expended. While our troops are supporting the Bosnia peacekeeping mission, the United States contribution for NATO communications and facility support for the same mission is nonexistent without the enactment of this authorization.

Mr. Speaker, we have worked hard and in a bipartisan manner. The Appropriations and Authorization Committees have worked closely together to meet the needs of our soldiers, sailors, airmen, and their families. Don't let our efforts disintegrate now. I urge you to join me in voting to override the veto of this much needed authorization.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, what we have is an appropriations bill not signed by the President that became law without his signature in search of an authorization bill.

If we care in this Chamber about adequate pay for the military, if we care in this Chamber for adequate housing for the military, if we care in this Chamber for adequate health for the military, if we care in this Chamber for our military retirees, if we care for adequate procurement reform within the Pentagon as a whole, then we will vote to override the President's veto.

This is long overdue. It is the House that historically has decided how much you authorize and you appropriate for the armed services of the United States. This has become an institutional matter. We should send a signal that the Government is open for business in terms of the Department of Defense, which needs these authorizations.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I want to go back to the missile defense portion of this thing a little bit.

Let me make it clear that when the negotiations were held with the chairman, the ranking member, a number of leaders from the other body, and the President's representative, he gave us a long laundry list of things he thought were wrong with the bill. When I asked him directly what he had to have out, what had to be taken out for the President to sign the bill, the answer I would characterize as evasive.

Now, we had a series of meetings with them. At least my feeling was, my impressive was, that if we took out one of the three basic elements of missile defense, that is, the multiple site designation, that the President would probably sign the bill. We took that out, and the gentleman from South Carolina [Mr. SPRATT] has risen up again and has given us a long litany of other things he thinks the President based his decision on.

Let me just say this: I think he has defined the issue fairly well. The President does not think it is in the interests of the United States of America to defend against incoming ballistic missiles. He feels we should not do that, because if we do that at some point we either have to renegotiate the ABM Treaty or we have to break it.

The problem is there are other countries besides the two countries that signed the ABM Treaty. We signed the ABM Treaty, the Russians signed it, and the North Koreans did not sign the ABM Treaty. They are building a missile which we project in a few years will have the ability of reaching some States in the United States of America.

We have no defense against that missile. Now, the gentleman from South Carolina [Mr. SPRATT] has given us a good reason to continue to delay the building of a defense against ballistic missiles.

In 1991 we said we will have it by 1996. Today the majority, the Republicans, the American people said let us have it by at least 2003. No, that is not acceptable.

Maybe at some point, maybe at some point we will agree to defend the country by the year 2020. But the President has made it clear he does not want to defend America.

Mr. DELLUMS. Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from South Carolina [Mr. SPRATT], to respond to the gentleman from California.

Mr. SPRATT. Mr. Speaker, let me make clear to my friend, as I think he knows, I am for building and deploying a ground-based system that is treaty-compliant to start with. I candidly acknowledge that before we are finished with it, we will probably want to go back to that treaty, change it significantly, so we can allow space-based sensors and multiple site deployment.

What I am saying now is if you push that issue, if you force it now, you are going to risk ratification of START–II. If START–II is not ratified, then ballistic missile defense against 8,000 warheads as opposed to 3,000 warheads is a much different thing.

I do not know where we are coming up with the money to maintain START-level offensive systems without, and at the same time to pay for, the development and deployment of a ballistic missile defense system. That is a coherent position.

I am for protecting ourselves against ballistic missiles that may be launched against this country.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. HUNTER. Will the gentleman tell me when he is for completing this defense system?

Mr. SPRATT. As soon as practicable, and there is plenty of time between now and then to go back to the ABM Treaty once we have ratified START–II and to deal with the issues that we have to deal with, plenty of time to develop a system and then work out those issues.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. TIAHRT].

□ 1530

Mr. TIAHRT. Mr. Speaker, I recently went to Bosnia to visit the area where our troops will be located in Sarajevo and other places. I also stopped by in Germany to see the First Armor Division before they left. I went along with many others from this body, about 18 others who also visited with our troops.

Something very disturbing occurred to me while I was there. Many who support the policy of Bosnia do not support this authorization bill nor did they support the appropriations bill. I disagree with the policy in Bosnia. I cannot find anybody in my district who strongly supports it. Most of them say we should not be in there. But for us to go ahead and send troops there and then not support them through the authorization process, through the appropriation process is somehow fundamentally wrong.

With all respects to our President and his office, he did not sign the appropriations bill. He did not even have the courage to sign the appropriations bill. I think there is something fundamentally wrong there. He vetoed this authorization bill, which provides for our volunteer Army. I heard one comment over the time when we were contemplating sending troops in that this was the job of our military, that they had volunteered to do the job similar to Bosnia.

I believe that is above and beyond the call of what they agreed to when they took the oath as military personnel. They defend the Constitution, our borders, and our vital American interests overseas, but this is above and beyond that. There are no vital American interests in Bosnia that have been named or that have convinced the American people.

What is this fundamental difference? Why are we saying, yes, we will do this through the administration and send troops there but then not providing for the appropriations? Not providing for the authorization, there is a big fundamental difference here. I think that it may be possibly that someone is trying to embarrass our military. That cuts against everything that I believe this government stands for. It is evident in the Fourth District of Kansas. It is evident here on the floor of the House.

I believe that we should support this and override the veto. We should have had an appropriations bill that was signed by the President.

The SPEAKER pro tempore (Mr. DREIER). The Chair wishes to inform the floor managers that the gentleman from South Carolina [Mr. SPENCE] has 1½ minutes remaining and is entitled to close, and the gentleman from California [Mr. DELLUMS] has 4¾ minutes remaining.

Mr. DELLUMS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in concluding, let me make a few observations. First, it is a very significant rule of the House that I believe is important, and it makes a great deal of sense. That is that none of us have the right to question each other's motives. I think that is important. I think that allows us to be large in this body. It allows us to rise above mundane, earth bounding, pedestrian statements. It forces us to address the issues. I think we ought not be about questioning anyone's motives in this body, including the President of the United States.

I would suggest that it flies in the face of reality to suggest that anyone is attempting to embarrass the U.S. military. That is bizarre and extreme in its orientation, and it defies response except to suggest that it is totally disingenuous and it ought to be beyond us.

Second, all of us know why the appropriations bill was not signed into law. If we recall, the President of the United States initially said that he would veto the appropriations bill on the grounds that increasing the military budget by $7 billion at a time when we were cutting education for our children, challenging Medicare and doing other kinds of things in the totality of the budget debate was unacceptable. But then along came the issue of Bosnia, and a number of my colleagues challenged the President on the issue of Bosnia and said, you ought to take a second look at whether you veto the appropriation bill.

So the President was caught between vetoing on the integrity of the budget and the stress on the issue of deploying of troops in Bosnia, stepped back, allowed the bill to become law without signature. I do not think we ought to question that as, in some kind of way, unAmerican, unpatriotic or noncourageous or suggesting that anyone wanted to embarrass the military in this country. That is extreme and we ought to stay with reality.

Second, let me make this observation for those who raised the brilliant parts of the bill regarding family housing, et cetera: No. 1, we all understand the legislative process. We can bring the MILCON bill to the floor of Congress in a separate piece of legislation. For those of my colleagues who raised the issue of acquisition reform, they understand the legislative process. They know they can bring acquisition to the floor of Congress in a separate piece of legislation. For those who raised the issue of the cost-of-living increases for military troops, they can bring that bill to the floor of Congress in a separate piece of legislation.

I would also remind my colleagues that, just before we left to go home for the few days of the Christmas break, during that week we had four separate opportunities in the context of the debate on the issue of the continuing resolution of whether we would pass a continuing resolution that would provide for the cost of living for the troops, four times. So it is a little disingenuous to bring the issue in the context of a veto message suggesting that this is the only way that we can deal with the cost of living of the troops.

This gentleman has been around here 25 years. It seems to me that the one thing we ought to be about is dealing with each other with a degree of honesty and integrity that is warranted by our significant responsibilities here. It seems to me that all of us have a responsibility to be part of the educative process.

Finally, I would make this observation, Mr. Speaker. The President did not veto the bill on the basis of all these good things. He vetoed the bill on the basis of the bad things. One of the bad things was that it does indeed have the potential of abrogating the ABM treaty.

The gentleman from Pennsylvania said nothing can be further from the truth. But the ABM treaty only allows one site on either side. If you move to multiple sites, if you move to a multiple site, there is violation. But I would grant that in this particular bill the language has been fuzzed up so that it speaks to protection of the continental image of the United States. The gentleman from Pennsylvania will, I am sure, agree that, at a bare minimum, it is debatable that you can do that without multiple sites. The gentleman understands that. There have been no hearings on this basis.

So what is in the record is the potential for abrogation. That is what I am suggesting, potential for abrogation.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Texas, Mr. SAM JOHNSON, a man who knows something about representing this country abroad, having served in prisoner of war camps in Vietnam.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I hate this disagreement among us. I respect the Democrats, and I respect the gentleman from California [Mr. DELLUMS] very much. I think he knows exactly what he is doing. But in the last 10 years, he is aware that the defense budget has been cut by 71 percent. It has hit us hard.

This particular authorization takes care of our troops. It gives them equipment that they need in order to fight the battle. It gives them the stuff of what it takes for this President to expand our military all over the world with new missions and lets them do the job. It gives them the ability to do the job. In addition it gives them that quality of life that gets them out of the snow and mud and makes the military worth being in and worth fighting for this nation.

I urge Members to support this and override that presidential veto and give our troops what they need. We do not want the President trying to do more with less. I think the gentleman would agree with that.

Mr. SPENCE. Mr. Speaker, I yield the balance of my time to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON of Pennsylvania. Mr. Speaker, let us call it like it is.

This President does not want a defense bill. He only signed the appropriations bill and allowed it to become law to get support for the funding of troops in Bosnia. He never wanted this bill. Did we try?

Mr. Speaker, I was in meetings with Senator NUNN and Bob Bell, the Assistant to the President for National Security, for one entire day on missile defense. Mr. Bell raised 12 specific points. I will put in the RECORD, Mr. Speaker, the fact that we resolved all 12 points to his satisfaction. Senator NUNN raised four points, Mr. Speaker, and we resolved all four points to Senator NUNN's satisfaction.

Mr. Speaker, in the end this President does not want a bill because this President does not support our military. I urge an override of the President's veto.

Mr. Speaker, I include for the RECORD the following information:

NET RESULT OF CHANGES MADE TO ACCOMMODATE THE MINORITY AND THE WHITE HOUSE

(1) Virtually all the complaints lodged against the BMD provisions in the SASC-reported (prior to the compromise) and House-

passed bills related to the ABM Treaty and the President's prerogatives in the area of arms control negotiations. All of these concerns have been eliminated by the conference action. Two areas, in particular, have been fixed:

In dropping the House demarcation language and adopting language virtually identical to the Senate-passed language, the conference report will not constrain the President's right to negotiate and will not impose a unilateral interpretation of the treaty.

In eliminating the requirement to deploy a multiple-site NMD system, we eliminate the argument that the bill contains an "anticipatory breach" of the ABM Treaty. The requirement to deploy an NMD system by a date certain is not a treaty issue since we are permitted to deploy a single site under the treaty. Therefore, concern that this will upset the Russians and START II should be eliminated. After all, the only operational ABM system in the world is around Moscow.

(2) The other argument or concern that has been raised is that the Senate-passed language is particularly important since it was carefully negotiated, agreed to by a large majority in the Senate, and is acceptable to the Administration. The fact of the matter is that the conference action incorporates an overwhelming majority of the Senate compromise.

The structure of the conference agreement is virtually identical to the Senate-passed bill. One section (cruise missile defense) was split off as a free-standing provision and one non-controversial section (cooperation with allies) was added.

Although there have been changes made to the Senate-passed language, there is more identical than different. With the exception of the three NMD variables (deploy, multisite, and date), which have been negotiated with the Minority and the White House, the underlying structure and content is overwhelmingly the Senate language.

Mr. DORNAN. Mr. Speaker, I would like to include for the record the following remarks regarding Bill Clinton's veto of this defense authorization conference report. I spent this past New Year's weekend with our troops and their families in Germany as they prepared for deployment into Bosnia. This defense bill including pay raises, increased housing allowances, vital weapons modernization, and new combat readiness priorities, is exactly what these soldiers and their families want—it is exactly what they need. Please support this conference report and please support an override of the Clinton veto—a veto against our troops deploying to Bosnia!

CONGRESSMAN ROBERT K. DORNAN REBUKES CLINTON FOR VETO OF DEFENSE BILL

"It's absolutely absurd for Bill Clinton to send our troops into civil war in Bosnia and then veto a defense authorization bill which provides them and their families so much support," commented Congressman Robert K. Dornan of California who, as the chairman of the House National Security Subcommittee on Military Personnel, was one of the prime authors of the FY 1996 defense bill which the president rejected yesterday.

"General Omar Bradley once said that 'Fairness, diligence, sound preparation, professional skill and loyalty are the marks of American military leadership.' Where's your fairness; where's your loyalty, Mr. President?"

Dornan firmly believes this defense bill contains exactly what the troops and their families scheduled for deployment to Bosnia need. Among the provisions in the bill Dornan helped develop and pass include a modest 2.4 percent military pay raise, a 5.2 percent increase in the basic allowance for quarters/housing, and new guidelines for accountability of American POWs and MIAs. Dornan, who introduced the first and only free standing legislation to restore the pay raise two years ago, had harsh words for the President. "After twice canceling a modest pay raise for our military, a raise that was twice restored by the U.S. Congress, Clinton now is attempting to gain credit for this raise by separating it from the rest of the defense bill. The troops already were expecting this raise! Other real benefits, such as the additional housing funding and POW/MIA legislation, are being held hostage to cheap liberal politics!"

In his veto statement, Clinton described his objections to three major provisions of the bill. All three provisions were major initiatives by Congressman Dornan. "Clinton objects to immediately deploying an effective ballistic missile defense, despite the fact that we Republicans have identified a near term/low cost system known as 'upper tier' which would modify existing Navy ships and missiles for wide area missile defense. Clinton objects to my limitations on placing U.S. troops under foreign and U.N. command, even though this is precisely the reason why he cost 19 Americans their lives in Somalia. Finally, Clinton objects to restrictions on U.S. defense funding going to Russia, including my provision to restrict some aid pending an end to Russian work on offensive biological weapons. It's obvious 'Peacenik Clinton' is more interested in supporting Third World dictators with missiles, the United Nations, and communists in Russia than supporting the United States military and the United States taxpayer!"

THE FISCAL YEAR 1996 DEFENSE AUTHORIZATION CONFERENCE REPORT

Republicans Restore Defense Spending After Clinton Cuts Combat Readiness

President Bill Clinton has more than doubled the defense cuts promised by Candidate Clinton—$120 billion!

Clinton's defense plan—the "Bottom Up Review"—should be called the "Bottom Out Plan"—it's underfunded by as much as $150 billion!

Republicans, under the leadership of Floyd Spence, have restored just $7 billion to defense, including programs I personally helped initiate such as: additional funding for Army "scout" helicopters—both the OH-58D "Kiowa Warrior" and RAH-66 "Comanche", additional funding to build "more" than 20 B-2 bombers and equip the B-1B with precision guided munitions, and additional funding for a near term ballistic missile defense capability using existing Navy Aegis cruisers and destroyers.

My Subcommittee on Personnel, thanks to the efforts of my ranking Democrat Owen Pickett and the hard work of all my subcommittee members, improved military quality of life by: increasing military housing allowance by 35 percent, setting permanent personnel levels to stop the "drawdown," and increasing the number of national guard technicians.

I also included several initiatives that reverse the trend of liberal social programs within the department designed to conduct combat operations.

This bill: stops abortions at U.S. military hospitals, stops pay for convicted military prisoners, establishes strict new guidelines for the accountability of American Prisoners of War and Missing in Action, discharges all non-deployable HIV+military personnel, and awards the AFEM to U.S. veterans of El Salvador.

In closing, I would remind those who oppose this bill of the wise words of one of our founding fathers, Benjamin Franklin, who warned:

> The expenses required to prevent a war are much lighter than those that will, if not prevented, be absolutely necessary to maintain it.

Support our troops, support modernization, support this conference report.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding.

Under the Constitution, the vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 240, nays 156, not voting 38, as follows:

[Roll No. 3]

YEAS—240

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Campbell
Canady
Castle
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Greenwood
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (RI)
Kennelly
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Longley
Lucas
Manzullo
McCrery
McDade
McHugh
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Nussle
Ortiz
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pickett

Pombo
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stenholm
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff

NAYS—156

Ackerman
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Blute
Bonior
Borski
Boucher
Brown (CA)
Camp
Cardin
Chabot
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
DeLauro
Dellums
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Ford
Frank (MA)
Franks (NJ)
Furse
Ganske
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gunderson
Gutierrez
Gutknecht
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kildee
Kleczka
Klink
Klug
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McInnis
McKinney
Meehan
Menendez
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Orton
Owens
Pallone
Payne (NJ)
Peterson (FL)
Peterson (MN)
Pomeroy
Rahall
Ramstad
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Schroeder
Schumer
Serrano
Shays
Skaggs
Slaughter
Spratt
Stokes
Stupak
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Upton
Velazquez
Vento
Volkmer
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates
Zimmer

NOT VOTING—38

Abercrombie
Berman
Brown (FL)
Brown (OH)
Bryant (TX)
Callahan
Chapman
Clay
DeFazio
Dixon
Durbin
Fazio
Fields (TX)
Foglietta
Gallegly
Gibbons
Hoke
Hutchinson
LaTourette
Lightfoot
McCollum
Meek
Mfume
Norwood
Pastor
Pelosi
Quillen
Roukema
Sawyer
Shuster
Souder
Stark
Stockman
Studds
Tanner
Visclosky
Wilson
Wyden

□ 1545

The Clerk announced the following pairs:

On this vote:

Mr. Abercrombie and Mr. Hoke for, with Mr. DeFazio against.

Mr. Quillen and Mr. Lightfoot for, with Mr. Pastor against.

Messrs. BAESLER, ROHRABACHER, and DE LA GARZA changed their vote from "nay" to "yea".

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The message and bill are referred to the Committee on National Security.

The Clerk will notify the Senate of the action of the House.

PERSONAL EXPLANATION

Mr. PASTOR. Mr. Speaker, I was unfortunately enroute to Washington when three rollcall votes were ordered. Had I been present, I would have voted "present" on rollcall No. 1, "no" on rollcall No. 2, and "no" on rollcall No. 3.

PERSONAL EXPLANATION

Mr. FOGLIETTA. Mr. Speaker, I was detained in my district in Philadelphia. I would have voted "present" on the quorum call. I would have voted "no" on the motion to table the motion on the Chair's ruling, rollcall No. 2; and I would have voted "no" to override the President's correct decision to veto the Defense authorization bill, rollcall No. 3.

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1530.

The SPEAKER pro tempore (Mr. WALKER). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

CONTINUATION OF MOST-FAVORED-NATION STATUS FOR ROMANIA

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered printed:

To the Congress of the United States:

On May 19, 1995, I determined and reported to the Congress that Romania is in full compliance with the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. This action allowed for the continuation of most-favored-nation (MFN) status for Romania and certain other activities without the requirement of an annual waiver.

As required by law, I am submitting an updated report to the Congress concerning emigration laws and policies of Romania. You will find that the report indicates continued Romanian compliance with U.S. and international standards in the area of emigration policy.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 3, 1996.*

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO LIBYA (H. DOC. NO. 104–157)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1662(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1996, to the *Federal Register* for publication.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993) that it demonstrate by concrete actions its renunciation of such terrorism. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, the national emergency declared on January 7, 1986, and the measures adopted on January 7 and January 8, 1986, to deal with that emergency, must continue in effect beyond January 7, 1996. I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 3, 1996.*

PROVIDING U.S. MILITARY PERSONNEL WITH FULL COST OF LIVING INCREASE

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1514) to authorize the obligation and expenditure of appropriated funds for a 2.4-percent increase for basic allowance for quarters for the members of the uniformed services, and ask for its immediate consideration in the House.

The SPEAKER pro tempore. Under the guidelines consistently issued by successive Speakers, as recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leaderships.

PARLIAMENTARY INQUIRIES

Mr. VOLKMER. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. VOLKMER. Mr. Speaker, because of the din on the floor, I was unable to hear the Speaker's ruling on the request of the gentleman from California. Would the Speaker be so kind as to repeat the ruling?

The SPEAKER pro tempore. The Chair declined recognition as the Chair has in previous cases.

Mr. DELLUMS. Mr. Speaker, the House is not in order, and the gentleman is entitled to be heard. We cannot hear the Speaker.

The SPEAKER pro tempore. The House will be in order.

The Chair will repeat his denial of recognition. Under the guidelines consistently issued by successive Speakers, as recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leaderships.

Mr. DELLUMS. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DELLUMS. Mr. Speaker, is the reason that this gentleman cannot be recognized to offer this unanimous-consent request because of the minority status of this gentleman and the fact that the majority has not agreed to bring up this legislation which is needed, as this gentleman understands, by 5 p.m. this afternoon?

The SPEAKER pro tempore. The Chair would say to the gentleman, it has absolutely nothing to do with the gentleman's minority status; it has to do with the clearances that have to be obtained for a measure to be brought to the floor by unanimous consent by majority or minority Members.

Mr. DELLUMS. Mr. Speaker, further parliamentary inquiry.

Does that mean, as I understand the language of the Chair, that that bipartisan agreement has not been achieved as of this moment?

The SPEAKER pro tempore. The Chair knows of no understanding between the bipartisan leaderships, committee leadership, or by the floor leaderships for bringing the gentleman's measure to the floor by a unanimous-consent request.

Mrs. SCHROEDER. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state it.

Mrs. SCHROEDER. Mr. Speaker, I had trouble hearing during the prior parliamentary inquiry. In order to bring the needed pay-raise bill to the floor, which is needed by 5 o'clock tonight, we are to go get bipartisan support. The question we have is, Where do we go to get that?

The SPEAKER pro tempore. The gentlewoman is not stating a parliamentary inquiry.

Mrs. SCHROEDER. We do not know where that room is. No one has been able to find that.

The SPEAKER pro tempore. The committee leadership, I would say to the gentlewoman and the floor leadership.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. ROGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Rogers moves to discharge the Committee on Appropriations from further consideration of the veto message on the bill, H.R. 2076, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Kentucky [Mr. ROGERS] is recognized for 1 hour.

Mr. ROGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill was referred back to the Committee on Appropriations when the veto message was received from the President. Consequently, any effort to override the veto must await a discharge of the bill from the committee back to the floor, and consequently, that is the purpose of my motion.

I think the parties are prepared to yield back the time which otherwise would be allocated to us on the motion to discharge, so that we can get directly to the main motion. So if there is no request for time on the other side, I am prepared to yield back the time on this side on the motion.

Mr. MOLLOHAN. No objection, Mr. Speaker.

Mr. ROGERS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. ROGERS].

The motion was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-149)

The SPEAKER pro tempore. The unfinished business is the further consideration of the veto message of the President of the United States on the bill (H.R. 2076) making appropriations for the Departments of Commerce, Justice and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding.

The gentleman from Kentucky [Mr. ROGERS] is recognized for 1 hour.

Mr. ROGERS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from West Virginia [Mr. MOLLOHAN].

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the veto message of the President on H.R. 2076, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just a few minutes ago, the President took to the airwaves to say that we have workers in the Justice Department that are not able to go to work; we have workers in the Commerce Department that have been laid off; we have workers in the Federal Judiciary and the State Department around the world unable to go to work. He says it is because the Congress shut down the Government.

I am going to make the President a real deal here today. We are going to give the President a chance to put these workers back to work.

We have heard speakers in the well of this House, for the last several weeks now, saying we need to put these workers back to work. I am going to make you a real deal today. We are going to give you a chance to vote to put these workers back to work, because today we are going to give you a chance to vote to override the President's veto of this bill and put the workers back to work.

Make no mistake, the reason the workers in these departments are not working today is not because the Congress did not pass a bill. We sent the President this appropriations bill for these departments several weeks ago. The President chose to lay them off. The President chose to close the Government for these agencies. The President chose to say to the American people, I am going to shut these agencies down because I do not like the bill the Congress gave to me.

Well, I am saying to Members of this body today, here is your chance. You have been telling the folks back home, if I had a chance, I would put the workers back to work. If I had a vote, I would vote to require the workers to go back to work and to reinstate their pay.

Here is your chance. Here it is, right square before you. The vote on the bill to override this veto by the President of the spending bill for these agencies is square before you. A "yes" vote will send these workers back to work.

A "yes" vote to override the veto will mean that the guards in the prisons will also receive their pay, even today, as the prisoners are receiving their benefit checks. It is true. Today, prisoners are receiving money and the guards in the Federal prisons are not. Is that not something, Mr. President?

Well, today you have a chance. Let us pay the guards in the prisons as well as the prisoners, Mr. Speaker. Let us put them all back to work. Vote "yes" to override the President's veto.

Some of the most important agencies of the Government are shut down because of the President's veto. The Justice Department, the FBI, the Drug Enforcement Administration, U.S. Attorneys, the Federal prisons, all law enforcement agencies in the Justice Department are laid off or working without pay because the President chose to thumb his nose at the bill we sent to him.

We bring to the floor the President's veto of the Commerce, State, Justice appropriations bill. You get a chance today to put more than 200,000 employees back to work and to end the crisis of the government to these major parts of our Government.

□ 1600

The bill we sent to the President is a good bill. It is tough on crime and even tougher on spending. The bill provides the largest amount of funding ever provided in the Nation's history for the number one domestic priority, and that is fighting crime. But even more important at this moment, it represents our best opportunity to put over 200,000 Federal employees back to work, with pay, not just for a day, not just for a week, but for the rest of the fiscal year.

This is what Members of this body can do, while the negotiators are down at the White House trying to work out a deal on a continuing resolution for a few days, here is the chance to short-circuit all of that. Here is the chance to override all of that.

Our immigration patrol, the Border Patrol, fighting illegal immigration, laid off. Drug Enforcement Administration, fighting the Nation's scourge of drugs, laid off. State Department personnel around the world issuing passports, visas and the like, guarding America's diplomacy efforts around the world, laid off. Prosecuting criminals in the Federal courts, laid off. Here is the chance. Members have been saying in the well of this House in speech after speech, day after day, week after week, "Give me a chance to vote and I'll put these workers back to work." Here it is, square before you.

Vote "no" and you continue this shutdown. Vote "yes," and you put our workers back to work. New Border Patrol agents, new FBI employees, new Drug Enforcement agents will be hired and put to work in addition to the ones already hired.

The fundamental question, Mr. Speaker, is whether the President's objections to this bill outweigh the harm caused by the shutdown of these departments and agencies, harm to Federal employees and their families and to the American people that has resulted from the President's veto of this bill.

In my view, there is no reason, no valid reason, to support the veto and vote against this effort to override the veto. Of course we have differences with the President. But they relate to just a handful of programs in this bill, and certainly do not justify shutting down these agencies.

The President vetoed the bill, with one exception, because it does not provide enough money for several programs funded in the bill. And what compelling need caused him to prevent the Nation's war against crime from being funded and put 200,000 Federal paychecks in jeopardy? Listen to this. This is why: No funding for corporate welfare, he says. The Advanced Technology Program, he vetoed the bill because of that. That is corporate welfare. I thought we were out to eliminate it. Certainly the bill did. The President says, "No, I don't like that."

Another reason why he vetoed the bill, Mr. Speaker, listen to this one. There is no funding for the Ounce of Prevention Council, $2 million, an extension of the Vice President's office.

Another reason he vetoed the bill was lack of funding for international organizations, like the International Office of Epizootics, Mr. Speaker.

Is that enough to shut down the Government? Well, the President said so when he vetoed our bill. He would like to put more money in the United Nations and international organizations, and that is why he vetoed the bill.

There may not be as much funding as he or even some of us wanted for individual programs. But we have set priorities, we had to, priorities we thought were the President's as well, the war on crime and drugs and the fight against illegal immigration. On no scale of right and wrong can you justify shutting down 3 departments, the Federal courts, 20 independent agencies, and depriving more than 200,000 Federal employees of paychecks because a handful of programs are not funded at a high enough level to merit the President's signature. Any yet that is exactly what happened.

Look at the harm being done by the President's veto and the shutting down of these departments. Two-thirds of the funding in the bill, nearly $18 billion, is aimed at putting criminals behind bars. The bill contains $14.6 billion for law enforcement programs at the Department of Justice, a 19-percent increase over 1995 funding, including $3.6 billion for State and local law enforcement to give them the resources to fight crime where it counts, on our streets back home. That is a 57-percent increase over last year.

It contains $2.5 billion, an $895 million increase, to combat illegal immigration and secure our Nation's borders, $146 million more than the President requested, including 3,000 more INS personnel, 1,000 more Border Patrol agents on the border.

The bill includes $500 million for California, Texas, Florida, New York, and other States most impacted by criminal aliens, a $370 million increase, and the President's veto is telling those States, tough luck.

It includes $175 million for violence against women programs, 7 times more than provided in 1995, the full amount of the President's request, one of the major initiatives of the bill, and now because of this veto those programs are sitting at zero.

This is the largest crime-fighting budget in the Nation's history which the President vetoed.

If you cannot justify shutting down these agencies because of funding levels for a handful of programs and you cannot justify the veto because of the harm it does to the Nation's fight against crime, what does it come down to, Mr. Speaker? It comes down to one policy difference. Instead of funding the President's COPS Program, the bill provides a $1.9 billion grant, full funding, to provide local communities the resources to hire every single policeman on the beat that he has proposed, and then some. It comes down to this, Mr. Speaker: The issue of who controls the program to help local communities fight crime—the President's Washington-based one-size-fits-all program which half the communities cannot afford, or the block grant approach in this bill to empower local communities to decide what they need most to fight crime in their judgment, tailor made to their community.

This bill provides a better way. The President was willing to block the largest crime-fighting bill in the Nation's history and shut down 3 departments, the Federal courts, 20 independent agencies and more than 200,000 employees because he did not get his way on the COPS Program.

Now the House has the opportunity to overturn that decision, to put 200,000 employees back to work for the rest of the fiscal year, to reopen Justice, State, the Federal judiciary, to put the war against crime back on track to fight illegal immigration, drug abuse and violence against women.

I urge my colleagues to weigh the balance. The choice is to reopen the business in the Departments of Justice, State and Commerce, the Federal courts and 20 agencies, provide paychecks and jobs to 200,000 employees, fund the largest anticrime bill in history, or to shut them down, over a handful of funding issues and a matter of who gets credit for hiring police on the beat. I believe, Mr. Speaker, the choice is plain. Let us put them back to work. Vote "yes" to put America's workers back to work.

Mr. Speaker, I reserve the balance of my time.

Mr. MOLLOHAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we find ourselves once again spending time on the floor of the House taking on an action which will not advance the process of completing the fiscal year 1996 appropriation bills. We are way behind in them. They are way past due. They should have been passed in the first session, and here we are at the beginning of the second session of the 104th Congress and we do not have our appropriation bills done.

The Commerce-State-Justice bill was vetoed by the President and received by the House on December 19. It was referred to committee at that time, and today, rather than presenting to the House a bill that could be signed into law and one that ends the shutdown of all the agencies funded in this bill, now in the 19th day, we are debating a veto override.

Well, I will vote to sustain the President's veto today, Mr. Speaker. At the time the conference report was passed, I indicated that if a vote to override occurred, that I would support the President. My position is based on the belief that the most constructive thing to be doing now is working out our differences on this bill in a rational way, without the Government shutdown being used by the majority in the House of Representatives as leverage in these policy debates. Indeed, Mr. Speaker, I think there is a pretty clear analogy between just good old hostage-taking and the strategy being pursued by the majority.

The similarity is that both in the conventional hostage-taking situation and in the situation where we allow Federal workers to be laid off and not employed and do not pass a continuing resolution, there is an irrationality that is common on both situations. That irrationality is this: In this case by the majority here in the House it is the presumption that by holding these hostages, by keeping these Federal workers unemployed, keeping them out, that that is going to affect the policy debate; that the President of the United States is going to be brought to heel on these issues because these Federal employees and all of the Americans they serve are being held hostage in the debate.

That is an irrationality, Mr. Speaker. It is an irrationality in the conventional hostage situation; it is an irrationality here. There is no relationship between these Federal workers going back to work and solving these policy questions.

We could pass a continuing resolution here today in a shorter period of time than we take to debate this veto override, get the workers back to work and then sit down in a rational way and solve these policy issues.

The Government shutdown in its 19th day is furloughing some 280,000 Federal Government workers, holding them hostage, and keeping 480,000 excepted workers on the job without pay.

Last night, Mr. Speaker, the Senate did a sensible thing, a rational thing. It passed a clean continuing resolution lasting until January 12, giving us some time to work on these issues. I believe the quote is "enough is enough," were the words of the Senate majority leader. In fact, he used the word "pawns" to describe those employees caught in the middle of this fight that they have nothing to do with and no reason to be involved in.

These people want to go back to work, and we should be addressing that situation today with a simple continuing resolution. Various Republican Members have been quoted as indicating that the current shutdown was having no significant effects across the country and should perhaps be extended. I think the statement, the whole idea is irresponsible and I patently disagree, Mr. Speaker.

At the Justice Department, most of the law enforcement personnel have been declared essential, but as of this week they will only receive half a paycheck. What a way to ring in the new year. All FBI training, all Federal Bureau of Investigation training of State and local law enforcement has stopped.

My good friend and chairman of the committee alluded to the COPS Program, Mr. Speaker, a wonderfully successful program. I know there are some other speakers that are going to be speaking in greater detail about the success of the COPS Program, a program to get community police, federally assisted community police, out on the beat.

□ 1615

To date, there are 31,000 cops out on the beat as a result of this program, doing good work, good reviews, real results in reducing crime in the neighborhoods in which they are working.

Mr. Speaker, 7,688 more policemen could be added right now to the beat in communities all across this country if the money were available, if we would simply pass a continuing resolution. That's 7,688 more policemen out there fighting crime.

Mr. Speaker, also vendors who are supplying food to prisons are continuing to deliver that food, but they are not being paid. How long can that continue before vendors either refuse to deliver more food or go bankrupt? What a reputation for the Federal Government to get, reneging on its obligations, not paying small businessmen, small businesswomen out there trying to make it work for their services. What would this mean to the prisons if that would happen? No food, riots. Mr. Speaker, it is not a pretty picture.

More than 200,000 Americans, Mr. Speaker, are now waiting for passports. That is not in effect. Our friends suggest that these workers are unessential? This affects students trying to begin school overseas, individuals who have job offers, and many people who have nonrefundable tickets for overseas travel. The inconveniences are tremendous.

Local employers who process visa applications are required to come to work but cannot do their jobs once they get there.

Funds to pay for the massive State Department-run worldwide communication system will run out of funding the end of this week. That is the heart of our ability to communicate with our posts around the world. Activities to facilitate American businesses around the world are being hampered with the nongranting of more than 30 export licenses a day worth over $30 million to U.S. businesses, blocking more than $92 million a day in export licenses for defense articles and dual-use technology items.

The release of government-generated statistics is being held up that is affecting business decisions, and more than 260 small businesses which receive an average of $40 million in financing guarantees from the SBA are not receiving those guarantees, Mr. Speaker.

The impact is real. It is affecting the ability of the Federal Government to provide essential services. Keeping Federal employees off the job is just not being mean-spirited to Federal employees, reducing and eliminating their paychecks, it is meaning that we are not delivering services to the American people across a broad sector, and it is patently irresponsible. These are the impacts of the shutdown, Mr. Speaker.

Clearly, we ought to be working today to get the Government open. It is simple to do it, pass the CR and not wasting time on a veto override motion.

Mr. Speaker, I reserve the balance of my time.

Mr. ROGERS. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the full committee.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I agree with my friend, the gentleman from Kentucky. This is, indeed, an opportunity for a real deal.

Today we can vote to override the President. We can solve many of the problems we heard the President complain about just a little while ago on television. He said the Congress is keeping many Federal employees out of work.

Well, the fact is that 620,000 Federal employees have not returned to work, because the three appropriations bills that provide the funding for those 620,000 employees were vetoed by the President of the United States, the same gentleman who was on television just a little while ago complaining about the lack of appropriations bills.

The Congress did its job in those three bills. We sent the President the Commerce, Justice, State, and judiciary bill, on which we are considering the veto here today; the Interior bill; and the VA-HUD bill. The President chose to veto them and put those 620,000 Federal employees on the street without paychecks for the Christmas holidays. In fact, he vetoed the bills just about a week before Christmas.

The American people can thank the President for the closure of the national parks and museums. They can thank the President for delaying Government services. The Federal employees can thank the President for reductions in paychecks, and while they are thanking people, they might also consider the Labor, Health and Human Services bill which has passed the House of Representatives, went over to the other body, the U.S. Senate, and it got lost there. There are 143,000 people employed with the funding in the Labor-HHS bill that is being filibustered by the Democrats in the Senate. It cannot move, because every time they bring the bill up, the Democrats in the Senate filibuster it.

The SPEAKER pro tempore (Mr. WALKER). The gentleman is reminded that he is not to characterize the actions of the Senate.

PARLIAMENTARY INQUIRY

Mr. LIVINGSTON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. LIVINGSTON. Mr. Speaker, I did not characterize it. I just simply pointed out they filibustered.

The SPEAKER pro tempore. The gentleman is not allowed to characterize the actions or inaction of the Senate.

Mr. LIVINGSTON. I stand corrected, Mr. Speaker. I apologize for pointing that out.

Mr. Speaker, I might add that on this bill alone, which is the real crime bill, if the President had not vetoed it, if he were sincere in his concerns that he expressed on television a little while ago, $14.6 billion would have been spent to fight crime, an increase of 20 percent over last year. Mr. Speaker, 25 percent more would have been spent on immigration initiatives, 57 percent more would have been spent on State and local law enforcement, 285 percent more than last year would have been spent on State criminal alien assistance, and 573 percent more would have been spent for violence against women programs.

So let us not hear that the Congress is responsible for the shutdown. When the President chose to veto these bills, he knew it was going to hang us up over the Christmas holidays, and he know these 620,000 people would hit the bricks for the Christmas holidays. Our hearts go out to these people sincerely. We are sorry. We do not want to hold them hostage. But the President committed that he was going to meet our demands to balance the budget and save our children and our grandchildren from total economic catastrophe. He has reneged on that promise. He has not met us halfway.

We need to override this bill so that we can put these people back to work. This is our opportunity. If you do not take advantage of this opportunity, then, in fact, do not talk about how people are being hurt.

The fact is we have a real chance to put all of those people back to work by overriding this veto, and by overriding the veto on the Interior bill, and by overriding the veto on the VA-HUD bill, and, for that matter, we can put the people to work who are funded in the Labor, Health and Human Services bill by getting the other body to do what they are supposed to do.

Mr. MOLLOHAN. Mr. Speaker, I yield 5½ minutes to the gentleman from Wisconsin [Mr. OBEY], the distinguished ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, the President's veto of this bill is hardly new news to people. The President made clear his intentions to veto this bill in July if it passed without continuing the President's program under which 31,000 cops on the beat positions were filled in communities all throughout the country because of action of the Congress in the previous year.

So there is no reason to be suddenly shocked or chagrined by the President's simply doing what he told us many months ago he would do if this bill did not pass in its present form.

I think we need to really be frank about what is happening here today. What is happening here today is that we are going through a series of meaningless exercises, pretending to have an effort to override the previous veto that was considered by the House. Now we are going through the charade of pretending that we are going to try to override the President's veto on this bill because the House does not have any other legislative business to perform. That is what is going on, and that is what the taxpayers ought to know.

What ought to be on the floor today is the motion to continue the bipartisan action that was taken in the Senate yesterday by Mr. DOLE and Mr. DASCHLE, when, on a bipartisan basis, they passed a resolution to open up the entire Government. That is the motion that should be before us today. Instead, we face the ridiculous spectacle of first seeing Government workers paid for work that they were not allowed to do, then we see Government workers being forced to do work for which they are not yet being paid, and the Congress sits here and allows that to continue.

Do not kid anybody. The President did not shut down the Government. The President exercised his constitutional right to veto a bill which he thought was haywire, and the President has asked on every occasion that the Congress pass legislation to keep the Government open while differences are being resolved.

The Congress has shut down the Government because the Speaker and the Republican majority have made a conscious decision that they want to gain leverage over the President of the United States to force him to make cuts in Medicare and Medicaid and education that he simply is not willing to do, and that is why the Government is shut down.

What I really believe ought to happen—instead of this meaningless consumption of time here today on this veto override that is going nowhere—what ought to happen is we ought to take note of the quote in the newspaper this morning by the Senate majority leader, who said, "I can't see any sense in what we have been doing. I would hope we would have quick action in the House. People have been gone from their jobs long enough. Enough is enough."

I want to say to my moderate friends on the Republican side of the aisle, sooner or later you are going to have to decide whether you are Gingrich Republicans or Dole Republicans, and that time might as well be today. Because what ought to happen here today is that you ought to bring on to this floor—and only you can do it, only you have the votes—you ought to bring onto the floor a resolution which will open up all of the Government so that Government can stay open while we continue to work on the other differences between us.

After that resolution is passed, then what ought to happen it that appropriation bills ought to be separated from the other debate going on about long-term budget policy. We ought to reach a bipartisan, reasonable consensus on the dollar levels in those appropriation bills. Those bills should be stripped of extraneous language, and then we should try to pass those compromise appropriation measures.

We are supposed to be public servants. We are supposed to be looking for ways to provide service to the public, not to deny that service, and yet by your refusal to follow the Senate lead, to follow Senator DOLE's lead in opening up the Government, you are insisting upon denying to the public services for which they have already paid.

What you have here, in my view, is an incredible display of arrogance.

We are being told that the majority in this House believes that their political ideology is more important to them than providing the services to the taxpayers who we are all supposed to serve.

What we ought to do is, on a bipartisan basis, the same as the Senate did: pass the Dole motion and get on with the business of opening up the Government. Open up the Government, that is what we are paid to do, and we should not be paid until we do it.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. REGULA], a member of the subcommittee.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, very simply, today's Post carries a story about 40,000 people being laid off by AT&T. The other day it was reported 3 million jobs have been lost through downsizing.

That is the reason this bill is extremely important. We need to expand our exports, open up the markets so that there will be new jobs for the 3 million people that have been downsized in the name of efficiency.

What is in this bill that would affect that? No. 1, this cripples the embassies if we do not override this veto. It cripples our security. It cripples our communications. It makes them difficult to represent the United States around the world and to encourage the growth in exports.

Second, the International Trade Agency is crippled, and it is the protector of our industries against unfair dumping, against unfair practices that make it difficult for them to compete.

Third, it cripples the manufacturing extension assistance, which helps small and medium businesses to be competitive in the marketplace.

□ 1630

Mr. MOLLOHAN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. CONYERS], ranking member of the Committee on the Judiciary.

Mr. CONYERS. Mr. Speaker, I thank my friend on the subcommittee, the ranking chairman, for yielding me the time.

Mr. Speaker, may I again wish my friend, the subcommittee chairman with the least meritorious appropriation bills, a warm and happy new year. The time that he had off for Christmas has left him confused and not as prepared as he normally is, because he said the Congress has an opportunity to bring people back to work.

Dear Mr. Subcommittee Chairman of Appropriations, a Congressman rose on the floor in April and said, "I will shut down the government if the President does not agree to my budget, and when that happens, watch and see what he will do then."

That was the Time Man of the Year that uttered those now famous remarks. So why does the gentleman not admit that a continuing resolution would not free your appropriation, which was wisely vetoed by the President, but that a continuing resolution would open up the entire Government? Let us get real around here.

We could not work during Christmas because there was not anything to do. We come back now, there still is not anything to do. So we start bringing up these lemons, trying to see if we can override them.

Please, the President's veto did not shut down the Government. So my dear friend, recognize that we are the ones that could operate. Tell me what is the problem with your Presidential candidate, the majority leader, who is trying to organize the Republicans to make a face-saving device after Christmas.

Now, in Detroit, the eighth largest police force in the country, we strongly support the President's Cops on the Beat Program. We have already received the first round funding. In Dearborn Heights, Mayor Ruth Canfield has said this is excellent. We are on the way. In Highland Park, MI, another part of my district, the mayor, Lindsey Porter, has praised the half dozen. They only got six cops, but six makes a difference in a small town. Ruth Canfield, the mayor of Dearborn Heights, the Detroit police chief, Isaiah McKinnon, all say the same thing. Do not kill this program.

Mr. ROGERS. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary.

Mr. LINDER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Georgia.

Mr. LINDER. Mr. Speaker, I rise only to respond to the ranking member of the Committee on Appropriations's remarks about our obligation to provide services that have already been paid for. That is the point of this debate.

For 26 years we have been providing services that have not been paid for. We have passed the bill on to future generations. That is why we are here and having trouble. But we insist on a balanced budget so we stop passing the bill on. That is why we are here.

Mr. HYDE. Mr. Speaker, reclaiming my time, at the conclusion of this debate we will have the opportunity to reopen three executive branch departments and all of their agencies and to fund the judicial branch of the U.S. Government.

The President's veto of this appropriations bill has had the effect of keeping no less than 43,200 employees of the United States furloughed. It did not have to be this way.

The President vetoed this conference report because of an alternative method of funding the 1994 crime bill's COPS Program. The fact is under this bill, the one the President vetoed, there is more funding provided for more local governments with more flexibility to hire cops or to hire technology or get equipment, but it lets the decision be made locally, not "Father Knows Best" in Washington. I guess it is hard to break the habit of assuming that all wisdom and judgment is here in Washington, and not out where the people are.

Prison building grants are contained in this bill that the President vetoed. This bill provides $500 million to fund our Truth in Sentencing Program: This conference report deals directly with what our criminal justice system needs most, holding violent criminals accountable for the pain they have caused. It contains needed legislation to prevent activist Federal judges from taking over and running State prison systems. Count these casualties of the President's veto pen.

It is clear keeping criminals behind bars will reduce crime. This bill does it. Prison construction is worthwhile in a proven prevention program. There are so many other things. Few problems have contributed more to the revolving door of justice than Federal court-imposed prison population caps. This bill removes them.

Cities across the United States are being forced to put up with predators on their streets because of this judicial activism. In dozens of States and hundreds of communities, Federal judges have imposed prison population caps. So vicious criminals are released simply because we cannot accommodate the caps.

In short, the President's veto of the Commerce, State, judiciary and Justice conference report does real harm.

Mr. MOLLOHAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I would like to clear the air, because we are talking about the present status of the Government. We simply need to pass and consider the Dole legislation, which allows us to open this Government and to keep it running.

While we have some major philosophical differences, those that would impact in a dastardly way my 18th congressional district, just recently we cited statistics in Houston that showed crime was going down. Partly crime was going down because we happened to be the beneficiary of some $3 million over the last month to help us ensure that we had 52 or more police out in our neighborhoods, the kind of coverage by law enforcement that our citizens applauded, participated in, and wanted.

Yet this bill that is before us that has now been vetoed, of which we should sustain the President's veto, denies America's cities the opportunity to have the continuation of the Cops on the Beat Program, eliminating over 100,000 police. Why our Republican colleagues would think that their contract on America can deny the basic rights of Americans to have safe streets with police officers patrolling the neighborhoods is beyond me. It is a philosophical difference that is impacting citizens in the 18th congressional district in the worse way.

I do not think it is any news to anyone that drugs kill. They simply kill. In this legislation, we have our Republican colleagues killing the drug courts, courts that have been noted in Harris County to be of great consequence and have been able to isolate those in drug trafficking, managed to move those people quickly through the system, and have them incarcerated, where they belong.

But what have our Republican colleagues done? The very vital drug courts that have helped us stem the tide of drugs, have been eliminated under this bill, along with dollars for DEA, the Drug Enforcement Administration, when we have already stated that it is of great need for us to make sure that we have drug violation enforcement and stop the tide of drugs coming across our borders.

Likewise, let me say that rather than provide for jobs, we are eliminating jobs by eliminating the Advanced Technology Program, which stimulates much needed technical research which creates jobs.

This bill also devastates our Legal Services Corporation severely limiting the access of poor people to the justice system.

Mr. ROGERS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I am pleased to commend the gentleman from Kentucky, the distinguished chairman of the Subcommittee on Commerce, Justice and State Appropriations, Mr. ROGERS, for his leadership in seeking to override the President's veto and put the employees of several important Federal agencies back to work. Time is of the essence for them to return back to work and to get their salaries restored. Vital services need to be resumed.

This motion to override the President's veto is the right thing to do. As the chairman of our Committee on International Relations, I am concerned about the impact that the continued shutdown of the State Department is having on American citizens, both here and abroad.

One key activity of the State Department affected is the operation of our domestic passport offices located in our major cities. Our colleagues have heard from constituents who have been unable to obtain their passports, causing hardship to U.S. businesses, to students, and others who need to travel overseas.

Our embassies and consulates overseas are not providing any visa services to foreigners seeking to come to our country, including au pairs, who must obtain a J–1 visa to enter our country. Our passport offices and visa services should be resumed as quickly as possible. Commerce and tourism are vital to our Nation's economy. These vital services should be restored immediately.

These are just a few of the serious consequences of the President's veto of this bill, in addition to the impact on law enforcement and international trade. As a world leader, Mr. Speaker, we must resume our international services to the fullest. We must pay the bills we have incurred overseas and end the fiscal limbo into which this veto has plunged our foreign service employees. Credibility and reliability are hard to gain, but much too easy to lose.

Accordingly, Mr. Speaker, I strongly support the motion to override the President's veto to get these agencies running again and putting our Federal workers back to work.

Mr. MOLLOHAN. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Speaker, I thank the gentleman for yielding time.

Mr. Speaker, listening to this debate, a lot of attention has been paid to the crime-fighting elements contained in this bill, I think the biggest crime being committed here is on this floor here today by trying to blame the President of the United States for vetoing this bill, which somehow shuts down Government.

If we wanted to put Government back to work and all of our employees, we would have voted earlier today on a resolution to put them all back to work, the so-called Dole legislation. So let us quit talking about crime in this crime bill and how great it is and somehow it shuts down Government. We really should be talking about fighting crime.

Being an ex-police officer, I want to devote my attention to the crime portion of this legislation.

Back in 1994, when we passed a real crime bill, we promised, all of us, in a bipartisan manner, to put 100,000 more police officers on the street. Unlike my friend from Illinois, who said Father Washington knows all, we have put 31,000 more police officers on the street.

Who applied for those 31,000 police officers? No one in this room. No one in this room. It was the local mayors, the local county boards of commissioners, the state police. They asked, and they applied on a one page application, and it worked extremely well.

The American public wants more police officers on the street. That is what this program is delivering. American people feel safe and secure in their homes and communities. Putting more police officers in their communities will make them safer and make America more secure.

But in this bill that you are presenting today, not one single police officer is guaranteed. We asked you back on December 6, our motion to recommit, to take $1.9 billion to fund the COPS Program out of your $14.6 billion.

My friends on that side of the aisle said no, they could not allow us to do that. So the President vetoed the bill, amongst others reasons, but mostly the COPS reason. December 19, the COPS More Program was announced. Many of you got police officers. But you got more than police officers, because the COPS Program is more than just cops. It is equipment, it is civilian employees, it is technology. It is what you need, it is what the local people are telling us they need to fight crime in their communities.

So if you take a look at it, COPS has the support of virtually every major law enforcement agency in the United States, the cops, the sheriffs, the chief of police, the beat cops in every town and city across this country.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank my friend for yielding time.

Mr. Speaker, this vote presents us with an immediate opportunity to reopen a large and important part of our Government. If the House and the Senate votes to override the President's veto, we can have our embassies and our passport offices and our freedom broadcasting operations back at full strength tomorrow morning.

In all of the publicity about the Government shutdown, what gets lost is that many of the most essential Government services, the ones that Americans miss the most, like national parks, museums, passports, VA mortgages, are suspended, even though the Republican Congress has passed various appropriation bills to keep them open. President Clinton vetoed each and every one of these bills, complaining that the multi-billion-dollar spending levels were too low.

In the CJS bill, provisions covering the State Department and related agencies, only two major items, international organizations and peacekeeping, are substantially lower than the 1995 figures. The House, I might add, supported higher numbers both in the authorization bill which went through my subcommittee, and we met the President and gave him exactly what he asked for on that.

□ 1645

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise in strong opposition to the Commerce, Justice, State, and Judiciary appropriations bill and I urge my colleagues to sustain the President's veto of this legislation.

With two-thirds of the Cabinet agencies closed, paychecks stopped for 760,000 Federal workers, and 260,000 Government employees furloughed, this body should be taking up legislation to immediately reopen the Government and put Federal employees back to work.

What we are engaged in this afternoon is filler, trying to put something on the floor because there is no legislative business to conduct, so we have this veto override. We know what the outcome will be on this, but let us take up the time because the Speaker of the House, and the House Republican majority do not want to do what they were sent here to do and that is to reopen this Government and put those Federal employees back to work again.

That is wrong to keep them out of work and not being paid. The House should follow the actions of the other body and correct this injustice. Failure to reopen the Government represents a dereliction of our constitutional duty.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Speaker, I rise to urge my colleagues to override President Clinton's veto, and I ask my colleagues who did not support the original conference report to consider the program being held hostage by President Clinton's veto pen.

In America, during the next 5 minutes, one woman will be raped and more than a dozen will be beaten, but the President's veto pen ended the Federal Government's commitment to protecting these women. This bill included full funding for the Violence Against Women Act, $175 million to protect women and children from abuse. That, Mr. Speaker, is a 573-percent increase from last year.

No, this is not filler. A continuing resolution will provide funding for these very important programs at the 1995 level of $26 million. How many of my colleagues would argue it is filler to increase $175 million for programs to protect women and children compared to this year's $26 million, and how many of my colleagues are willing to bridge this gap at the expense of abused and battered women and children?

It was a long fight to authorize the Violence Against Women Act. Now let us fund it. I thank the gentleman for his time.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. BROWN], the ranking member on the Committee on Science.

Mr. BROWN of California. Mr. Speaker, I rise in support of the President's veto of H.R. 2076. Although there are many sections of this bill which I find troubling, I will limit my remarks to the funding of the ATP and MEP programs at the National Institute of Standards and Technology.

Mr. Speaker, before speaking in defense of these, I want to pay tribute to the distinguished ranking member of the subcommittee dealing with these subjects, who has done a valiant job throughout the year, including today, in trying to educate the Congress to the importance of these various programs. Funding levels for the MEP and the ATP were not the result of any objective analysis of the merits of these programs, but were based solely on political considerations.

From the beginning days of the 104th Congress, both MEP and ATP programs were targeted as corporate welfare by many of my colleagues on the other side of the aisle.

Mr. Speaker, before I list my specific objections to the bill, I want to express my disgust with the process this House is following at the beginning of the second session of the 104th Congress. We are in the midst of the longest Government shutdown in the history of the United States. As a result, vital services are being denied to Americans. In addition, the other body has passed legislation which would put the Government back to work as the budget negotiations progress.

However, rather than taking up legislation which would put the government back to work, the leadership of this House is simply marking time by bringing up this veto override. Congress did not pass H.R. 2076 with the necessary margin to override a veto, so why do we think we will have the necessary margin today—we do not. This is a feeble pretense by the leadership that the House is doing something, anything rather than proceeding with the substantive business pending before Congress.

H.R. 2076 provides adequate funding for the NIST laboratories and provides subsistence funding for the Manufacturing Extension Partnership [MEP] but it completely eliminates funding for the Advanced Technology Program [ATP]. Funding levels for the MEP and the ATP were not the result of any objective analysis of the merits of these programs, but were based solely on political considerations. From the beginning days of the 104th Congress both the MEP and ATP programs were targeted as corporate welfare by many of my colleagues on the other side of the aisle.

The only reason there is any funding for the MEP is due to the educational efforts of the small and medium-sized business community about the importance of this program. The ATP, which up to now has funded only 276 grants, could not muster the widespread support to withstand a political vendetta. Indeed, H.R. 2076 not only eliminates funding for new projects, it eliminates funding for projects currently underway. Current ATP recipients which provide 50 percent of a project's cost, will suddenly find themselves short. This bill forces the Government to simply walk away from commitments it has made to business. Is this the signal that we want to send our business community?

Why do I believe that the termination of these programs was based in politics rather than any rational evaluation of the programs? In hearings before the Committee on Science this year, the only witnesses who spoke against ATP and MEP were individuals with no technical or business background.

Every other private sector witness supported these programs and programs like them—regardless of whether their company received an ATP award. According to a Congressional Budget Office [CBO] report, Federal Financial Support of Business, the ATP and MEP represent less than 4 percent of the $12 billion the Federal Government will spend on programs that support industrial technology commercialization.

If Republicans were interested in rooting out so-called corporate welfare, why are they silent regarding the other 96 percent of the programs such as the almost $1 billion Small Business Innovation Research Program [SBIR] or $3.7 billion at the National Institutes of Health [NIH] for applied biomedical research? In fact, the chairman of the Science Committee is a cosponsor of legislation, which has passed the House, which strengthens government/industry partnerships at Federal labs. If opponents of industrial welfare were serious, we would be debating the entire range of Government-funded technology commercialization programs. The Science Committee has not done this and this House has not done this.

Eliminating the ATP is nothing more than a banner for Members who pretend we are eliminating Government corporate welfare. The CBO number show that we are not. Let us be frank, ATP was targeted by this Republican Congress, despite its initiation by a Republican administration, because it was enthusiastically endorsed by Bill Clinton—both as a candidate and as President. Eliminating ATP funding does not say we are willing to make hard choices—it says we are making simple ones. Eliminating ATP is easy because it is a small program with a small constituency. Spouting platitudes, opponents of ATP have tried to kill it for purely political reasons.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS of Georgia. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, to quote a Member of the other body: "Enough is enough."

It is time for the President to do for the American Government and the taxpayer's employees what he did for the government and people of Mexico.

Last year, President Clinton provided $20 billion United States taxpayer dollars to Mexico so they could pay their bills and employees.

But President Clinton vetoed the appropriations bills that would have paid the bills for the Commerce, Justice, and State Departments and their employees.

Mr. Speaker, enough is enough. It is time to override the irresponsibility of the President. Vote yes to override President Clinton's veto of the Commerce, Justice, and State appropriations bill.

Mr. Speaker, It is time for Congress to do for America what the President did for Mexico.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Speaker, I come here this afternoon to express my outrage. My colleagues talk about opening the Government when they have closed it down. Some of them say they are revolutionaries. I think the question is whether they are becoming anarchists or nihilists.

I have heard some say their hearts go out to the those whose services are being cut, but their fists are on their neck.

Look, I like the COPS Program. It is working in the 12th District. It is working in nine different police departments and they fashion their own. Some of my colleagues may not like it, but they should not shut down the Government to carry out their point of view; they should do it through normal legislative processes.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BILBRAY].

Mr. BILBRAY. Mr. Speaker, as one of the individuals who has had the privilege of living along the Mexican border, I need to highlight that a continuing resolution will not address the outrageous situation along our border. Actually, this bill does include $500 million of reimbursement to State and local government for the cost of incarceration of criminal illegal aliens, Mr. Speaker. Also, there are 1,000 new Border Patrol agents to be put at the border and also 1,500 additional INS individuals to be put at the border.

Mr. Speaker, if Members had seen the rape, the main, the loss of life along our frontiers, they would never want to support the status quo. I ask my colleagues on the other side of the aisle, do they really want to serve the status quo, even at the cost of the type of anarchy we are confronting on our border?

We keep hearing about the need to fight for crime. Let me tell my colleagues that the fight against drugs, the fight against crime, and the fight against the injustices of illegal immigration starts at our borders, and it is time we have the guts to either admit that we do not want to control the border, or we start voting for the funding so we do our job at the border.

Mr. MOLLOHAN. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Speaker, for those of my colleagues who may have missed it, New York City is experiencing the steepest decline in violent crime since 1972. No one thought we could do it, but we did. With the help of the President's COPS Program, we have added well over 2,000 new police officers to the New York City Police Department. Those police are dedicated to new policing strategies; targeting hot spots, walking neighborhood beats, working with the community to prevent crime. That is what community policing is all about.

Mr. Speaker, this trend is not just confined to New York City. Other cities, like Houston and San Diego, are experiencing a similar decline. It makes no sense to eliminate a successful program such as this, as this bill does.

This is not a debate about balancing the budget, a goal many of us support, this is about the priorities of our country. To me and my constituents, ridding our streets of crime is a priority worth fighting for. Sustain safe communities. Sustain the President's veto.

Mr. ROGERS. Mr. Speakers, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Speaker, today we have the opportunity to put many Government employees back to work—by overriding the President's ill-conceived veto of H.R. 2076, the Commerce, State and Justice appropriations bill.

H.R. 2076 is a fiscally responsible bill which reflects the priorities of the American people. The bill provides $1.8 billion—a 20-percent increase over fiscal year 1995—to help I.N.S. stem the tide of illegal immigration.

H.R. 2076 provides $3.4 billion to aid States and localities in their fight against crime. That includes money for Byrne grants, Weed and seed, and the local law enforcement block grant.

It also provides $2.9 billion for prison construction so that States can keep violent criminals behind bars.

When the House passed this appropriation earlier, 256 Members—including 35 Democrats—voted for it. It is not radical. It is not extreme. In fact, H.R. 2076 is a responsible approach to balancing fiscal constraints with the need to provide real tools to fight crime at the local level.

With just a few more votes, we can override the President's veto. A yes vote on H.R. 2076 would mean that the hard working employees at the Drug Enforcement Agency, the Federal Bureau of Investigation, and the U.S. Marshal's Service can go to work and get paid. It would also mean that our constituents will be able to get passports in a timely manner.

If we want to get our Nation on the path to a balanced budget, preserve our commitment to fighting crime, and get the Government back to work again, we must support the motion to override the President's veto.

Mr. MOLLOHAN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, as Senator DOLE said, as the Member of the other body said, enough is enough. The majority leader the other day said it. The American people are saying it. All of the House Republicans, who are becoming extremists, "Shut the government down unless you do it exactly my way," they can blame this on the President, but everyone knows that is not the case. He has exercised his veto power because he wants to see the COPS Program continue, the cops on the beat which are helping our neighborhood.

Look at the choice we are putting law enforcement in. We are saying either knock out the COPS Program, which every major police group in America supports, or all our brave Federal law enforcement people get half pay. Shame on us. FBI agents, half pay? DEA agents, risking their lives, half pay? And now we are telling them that they may not get health benefits next week? Young Federal law enforcement people who go out and risk their lives?

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. SCHUMER. Mr. Speaker, I will not yield on my time. If the gentleman has time, I would love to continue the dialog with him. But it should be a dialog; not do it my way or no way, as the majority party is saying. So I will not yield.

Shame on those who are saying that young FBI agent, that young DEA agent, maybe his wife is pregnant, that they may not get health benefits next week because of this horrible political game. Members on the other side are bringing this House to a new low, telling law enforcement either they will not get the police program or they will get half pay; telling law enforcement unless it is done exactly our way they will get half pay.

Republicans are not the party of law and order any more. They are are not the party defending law enforcement any more. They have become the party of extremism, of political games, and the American people know it.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, the gentleman that just spoke, I am afraid, is slightly confused on who is responsible for what. This bill covers part of the Federal Government, a part of which is mostly out and not working. But if we want to change it, we need to vote to override the President's veto because that will put the employees of the departments in this bill—Commerce, Justice, State and Judiciary—back to work.

These are valuable departments. In 1994, I happened to have supported the 100,000 cops on the street proposal. After looking at the list where Justice gave those awards, I strongly support giving the community the funds and letting those closest to the problem make the decision. I was a coauthor with the gentleman from Maryland [Mr. WYNN] of the troops to cops proposal that is part of that program. And I must say I am disappointed at some of the judgments made by those in the Department of Justice.

I think the sooner we have the States, the counties, and the cities making these decisions, the more confidence we can have in the outcome.

□ 1700

Mr. MOLLOHAN. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from New York [Mr. SCHUMER].

The SPEAKER pro tempore (Mr. WALKER). The gentleman from New York is recognized for 2 minutes.

Mr. SCHUMER. Mr. Speaker, I just want to reply to the gentleman from California [Mr. HORN], for whom I have a great deal of respect. The gentleman did support the COPS Program. It took some courage. The gentleman had to break from some of his party's leadership last year to do that.

Mr. Speaker, I would say this: Be a group. Sit down and negotiate. I am not talking to the gentleman from California per se, although I would be interested to hear what the gentleman had to say. I am talking to the Speaker and the leadership on that side.

The President vetoed the bill because of a fundamental disagreement. He thought the COPS Program should continue. He thought that the money that the majority party put in there for prisons only went to three or four States, instead of my State, which needs more money for prisons, so he vetoed the bill. That has been done by every President from George Washington on.

Mr. Speaker, that does not mean the President is causing this. This is the first Congress in history, with a Republican Speaker as its leader, to say, "When the President vetoes, we shut down the Government until we force him to his knees." That is what is happening here, and let the American people hear it.

Again, a veto happens all the time, has happened hundreds of times. That is not what is shutting the Government down. I just want to make this point again. It happens all the time.

What is different today, for the first time in history a political party has the temerity, has the gall to say to the President, "Unless you do it my way, we are shutting the Government down." And who loses? Who loses are the brave men and women whom we both support: Law enforcement, the FBI. They get half pay. They do not know what their health benefits are going to be next week. Shame on you.

Mr. ROGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I rise in strong support of the override of the Presidential veto.

Mr. Speaker, this Member rises in strong support for an override of the Presidential veto of H.R. 2076, the Commerce, Justice, State Appropriations Act.

For those in this body interested in putting Federal employees back to work, this vote presents an opportunity to immediately restore funds for three extremely important agencies. Tens of thousands of Government workers will go back to work if we override the President's ill-conceived veto.

My colleagues have offered excellent reasons to vote in favor of the Justice Department provisions of H.R. 2076. It provides bloc grants to get cops on the street while avoiding the cookie-cutter, one-size-fits-all Federal bureaucracy, and funds an additional 1,000 border patrol agents to combat illegal immigration. As my colleague, the chairman of the Commerce, Justice, State Subcommittee, the distinguished gentleman from Kentucky [Mr. ROGERS], has noted, it is a good, tough, anticrime bill.

But this Member, as vice-chairman of the Committee on International Relations, would alert his colleagues to some of the implications of the continued shutdown of the Department of State. We have sent representatives to every country on earth, and now we are refusing to support them. High-risk posts, such as Lebanon, Pakistan, and the Central Asian Republics, can no longer pay for personal security. In many of these locations, American diplomats are open targets. Two State Department employees were recently assassinated in Karachi. And now we cannot pay guards to protect these employees. My colleagues, this is just plain wrong.

Certainly most congressional offices have been contacted by angry constituents unable to get a passport. According to today's Washington Post, we now have a backlog of 200,000 passport applications waiting to be processed. In some cases, people with real family emergencies are finding it impossible to reach their destination because the State Department passport office is closed.

Likewise, individuals seeking to come to the United States are finding it impossible to get visas from our overseas Embassies. My colleagues, the Untied States is losing hundreds of millions of dollars daily because foreign tourists are unable to fulfill their vacation plans. This Member has been to American consular sections in places like Seoul, Korea, where even under normal conditions the line to get an American visa can be blocks long—with each visa applicant ready to spend thousands of dollars in the United States if given the opportunity.

In addition, our Embassies are beginning to face litigation or loss of basic services because of failure to pay our bills. This is not a trivial matter. Licenses for the sale of high-technology equipment are not being processed, and American commercial service centers have closed their doors. The United States compound in Vietnam is having its electricity cut off for failure to pay its bill. Drinking water is being shut off at the United States special interests section in Cuba. The Government of Bangladesh, one of the poorest nations on Earth, has offered us a loan to keep operations up and running. The United States simply cannot continue to function in this way—we are abnegating our basic international responsibilities.

Mr. Speaker, there are many reasons to support H.R. 2076. Overriding the Presidential veto will restore a range of basic services that currently are denied to the American people. Overriding the Presidential veto will get Federal employees back to work. Overriding the Presidential veto is just, plain good Government.

This Member urges his colleagues to vote in favor of H.R. 2076.

Mr. ROGERS. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. GUTKNECHT].

Mr. GUTKNECHT. Mr. Speaker, I represent two Federal prison facilities in my district. Last week I was advised that the guards would not be paid, but some of the inmates would. This is the perverse consequence of a Washington-knows-best mentality. It is precisely this mentality that this bill attempts to change.

Even the Washington Post editorial board on September 21 of last year, which is hardly a Republican propaganda organ, says that our approach makes more sense: Crime is primarily a State and local issue.

Mr. Speaker, let us grant locals some flexibility in dealing with it. Let us end this absurdity. Let us override this veto.

Mr. ROGERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, let us get it straight. Who is saying that, "If I do not get it my way, I am going to shut the Government down"? It is the President. In his veto message he says, as I have said, "I will not sign any version of this bill that does not fund the COPS initiative as a freestanding, discretionary, grant program as authorized."

"If I do not get my way I will shut the Government down, and I vetoed the bill," and so there it is. The President vetoed the bill that funds the State Department, the Commerce Department, the Justice Department, the Judiciary, 20 independent agencies, and said, "So there."

We are saying to our colleagues on the other side, This is your time, Members of Congress. If you want to put 206,000 American workers in the Government back to work, vote yes on this bill. If you want to keep them out and deny them paychecks, vote no. But now is your chance.

Mr. Speaker, my colleagues on the other side have all made speeches right here: "If I had the vote, I would put them all back to work." Mr. Speaker, my colleagues have got it right now. Vote "yes." Put them back to work.

Mr. Speaker, I yield back the balance of my time.

Mr. HOYER. Mr. Speaker, with the passage of the 1994 crime bill, we made a landmark commitment to provide an additional 100,000 police officers on the streets and sidewalks of our communities across America. When I talk to law enforcement officers and members of orange hat patrols, PTA presidents and parents in my district, they tell me that putting cops on the beat is the best way to fight crime. These officers walk the streets of our communities, get to know the people they serve, and the community members to get to know them. Their presence deters crime and instills a sense of safety in our neighborhoods.

But the Commerce, Justice, State apprpopriations bill which has been adopted by the Republican majority of this House eviscerates the COPS Program and its goal. This was the primary reasons President Clinton vetoed this bill. I applaud his actions, and urge my colleagues to sustain his veto.

No one can argue that the COPS Program isn't working. In the Fifth District of Maryland, the towns of Crofton, La Plata, Greenbelt, Laurel, Hyattsville, and the counties of Anne Arundel, Calvert, Charles, and Prince George's have all received funds to hire additional police officers. More than half the police departments in the country have been scheduled to receive additional officers.

Why are the Republicans dismantling this effective program? Why are they eliminating the funding for community officers? Why are they lumping money for COPS into a block grant that adds bureaurcracy? Sheriffs across the country, including those in my district, Republican and Democrat alike, are opposed to this change. Fred Davis, the sheriff of Charles County and a Republican, told me that he wanted this funding to remain intact. Block granting it, he argues, will jeopardize the goal of adding 100,000 cops. "My concern is that would be lost," he says. If the money is given to States, it "could be used for other programs. I think to change the way it is now done adds another layer of bureaucracy. It's going to slow things down." Our superintendent of the Maryland State Police, David Mitchell, has also voiced his support for the COPS Program and I would like to submit it for the RECORD.

Mr. Speaker, the Republicans in the House should listen to the voices of those like Sheriff Davis, Chief Mitchell and law enforcement organizations like the Fraternal Order of Police, the National Association of Police Organizations, and the National Sheriffs' Association, and keep street smart law enforcement officers on the streets of America.

Crime is a national emergency. We know that putting more police on the streets is an effective response to this crisis. We know that the COPS Program puts police officers in the place where they make the most difference—on the streets. I urge my colleagues to uphold the President's veto and support the Cops on the Beat Program.

STATE OF MARYLAND,
DEPARTMENT OF MARYLAND
STATE POLICE,
Pikesville, MD, January 3, 1996.

Hon. STENY HAMILTON HOYER,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HOYER: The Violent Crime Control and Law Enforcement Act of 1994 provides needed assistance to many governmental agencies. In particular, the Community Oriented Policy Services (COPS) program provides much needed funding for manpower and equipment for the law enforcement community. Moreover, the COPS program provides an excellent framework from which to build a consistent community policing approach throughout the country. Additionally, many police departments would not otherwise be able to afford implementation of this innovative approach to policing without federal assistance.

Another extremely important component of the violent Crime Control Act is funding for addressing the problem of violence against women. The law enforcement community benefits greatly from funding for education, training and the formation of special investigative units to fight this terrible plague on society. Without continued funding many gains will be negated.

Should funding for this important act diminish or be abolished, the adverse impact will be felt at state and local levels throughout our country. Without the centralized administration and direction from the COPS office, much progress in these important endeavors will be lost. Ceasing these programs in their infancy will cause disruption in service to our communities, as most state and local governments cannot afford to pick up lost funding with local funds at this time.

As this act is of vital importance to the communities in Maryland, I strongly urge your support for continued funding by the federal government. The partnership currently in place among the federal, state and local governments, the police and our communities is far too important to allow to dissolve.

Sincerely,
DAVID B. MITCHELL,
Superintendent.

Mrs. MORELLA. Mr. Speaker, I rise to support overriding the President's veto of the Commerce-Justice-State fiscal year 1996 appropriations bill.

For more than 2 weeks, Federal workers within the affected agencies of this bill, have not been paid to perform the crucial services which this bill funds. This bill funds 3 Cabinet departments, the Supreme Court, the Federal judiciary, the U.S. Trade Representative, and 22 independent agencies.

The bill is diverse. It funds such disparate agencies as the Federal Bureau of Investigation [FBI], the Small Business Administration [SBA], the Securities and Exchange Commission [SEC], the United States Information Agency [USIA], the Legal Services Corporation, and the National Marine Fisheries Service. By overriding the President's veto today, we can return these Federal workers to work tomorrow.

Federal employees want to work. They want to go back and perform their vital and necessary functions—processing passports and visas, implementing strong crimefighting measures, collecting important commerce data, and allowing our Nation to be more globally competitive, among other critical duties.

Mr. Speaker, it's important to note that this bill also funds programs which are important to law enforcement and our economic competitiveness. During consideration of the conference report last month, I pointed out that funding for the Violence Against Women Act [VAWA] and other legal and law enforcement programs critical to the well-being of American families needed to be funded.

The bill also funds the National Institute of Standards and Technology [NIST], the only Federal laboratory specifically charged with the mission of assisting U.S. industry. The bill funds the vital measurement and standards activities and other basic science research of the NIST laboratories upon which industry significantly relies.

The bill also provides NIST funding for its Manufacturing Extension Partnership [MEP] Program, the Malcolm Baldrige National Quality Awards Program, and NIST Construction of Facilities Program, which is vital for NIST to be able to continue meeting its mission in the future.

Mr. Speaker, it's time to return our Federal workers to work. I urge my colleagues to override the President's veto of this bill.

Mr. TAYLOR of North Carolina. Mr. Speaker, I rise in support of the Commerce, Justice, State and Judiciary Appropriations Act, and in support of overriding the President's veto. This bill does exactly what needs to be done in this time of fiscal restraint: It sets priorities and it trims the fat.

This bill recognizes the fact that President Clinton's COPS Program is a myth; the communities will never see the 100,000 cops that the President has promised—the numbers just don't add up.

Instead, the bill empowers communities by providing for the block grants that passed as part of the Contract With America. We offer more funding and more flexibility; most of all, we have an approach that is realistic and very workable. It places power in the hands of our local governments, who can use the money to address the problems unique to their area.

This legislation also reduces funding for the Legal Services Corporation [LSC], an entity that has systematically abused taxpayer money by, for example, representing drug dealers in public housing. I would have preferred to eliminate the LSC altogether, but the bill makes a step in the right direction by placing restrictions on the types of cases it can engage in.

We also devote additional resources to combat illegal immigration by providing increased resources for the Immigration and

Naturalization Service [INS]. New border patrol agents will enable us to police our borders more effectively, thus preventing the problems that arise once the illegals sneak in.

Mr. Chairman, I therefore urge my fellow Members to vote in support of overriding the President's veto of this Commerce, Justice, State and Judiciary Appropriations Act. Let's get the Federal workers in these Departments back to work.

The SPEAKER pro tempore (Mr. WALKER). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 240, nays 159, not voting 34, as follows:

[Roll No. 4]

YEAS—240

Allard
Archer
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pombo
Porter
Pryce
Radanovich
Ramstad
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stenholm
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—159

Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bishop
Bonior
Borski
Brown (CA)
Cardin
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Danner
de la Garza
DeLauro
Dellums
Deutsch
Dicks
Dingell
Doggett
Dooley
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gonzalez
Green
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Miller (CA)
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Portman
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rose
Roybal-Allard
Sabo
Sanders
Sanford
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Slaughter
Spratt
Stokes
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—34

Abercrombie
Armey
Brown (FL)
Brown (OH)
Bryant (TX)
Callahan
Chapman
Clay
DeFazio
Dixon
Fazio
Fields (TX)
Gallegly
Gephardt
Gibbons
Hoke
Hutchinson
LaTourette
Lightfoot
Meek
Mfume
Norwood
Pelosi
Quillen
Rush
Sawyer
Shuster
Souder
Stark
Stockman
Studds
Visclosky
Wilson
Wyden

□ 1724

The Clerk announced the following pairs:

On this vote:

Mr. Armey and Mr. Hoke for, with Mr. Abercrombie against.

Mr. Lightfoot and Mr. Quillen for, with Mr. DeFazio against.

Mr. BARCIA and Mr. DICKS changed their vote from "yea" to "nay."

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. WALKER). The message and the bill are referred to the Committee on Appropriations.

The Clerk will notify the Senate of the action of the House.

PERSONAL EXPLANATION

Mr. LIGHTFOOT. Speaker, due to my son's hospitalization I was unable to be present and voting on January 3, 1996.

Had I been present I would have voted in favor of overriding the veto of H.R. 1530, the National Defense Authorization Act and in favor of overriding the veto of H.R. 2076, the Commerce, Justice, State, and the Judiciary Appropriations Act.

PERSONAL EXPLANATION

Mr. ABERCROMBIE. Mr. Speaker, during rollcall vote Nos. 1, 2, 3, and 4 I was unavoidably detained. Had I been present, I would have voted "present" on rollcall No. 1; "no" on rollcall No. 2; "yes" on rollcall No. 3; and "no" on rollcall No. 4.

PERSONAL EXPLANATION

Mr. RUSH. Mr. Speaker, during rollcall vote No. 4 on H.R. 2076. I was unavoidably detained. Had I been present I would have voted "nay."

PERSONAL EXPLANATION

Mr. LATOURETTE. Mr. Speaker, unfortunately, due to the inclement weather in the Cleveland area, I was unable to arrive in Washington in time for votes this afternoon. As a result, I was unable to vote on rollcall votes No. 1—procedural vote—quorum call—2, 3, and 4. However, had I been present I would have voted "yes" on rollcall votes Nos. 2, 3, 4, and "present" on rollcall vote No. 1.

FARM CREDIT SYSTEM REFORM ACT OF 1996

Mr. EMERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2029) to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes, with Senate amendments thereto, and concur in the Senate amendment to the title of the bill and concur in the Senate amendment to the text of the bill with an amendment.

The SPEAKER pro tempore. Is this a unanimous-consent request that has been cleared?

Mr. EMERSON. Mr. Speaker, this is a unanimous-consent request that has been cleared by both leaders and by the committee chairmen and ranking member on each side.

The SPEAKER pro tempore. The Clerk will report the title of the bill and the proposed amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments and the House amendment to the Senate amendments as follows:

Senate Amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Farm Credit System Reform Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AGRICULTURAL MORTGAGE SECONDARY MARKET

Sec. 101. Definition of real estate.
Sec. 102. Definition of certified facility.
Sec. 103. Duties of Federal Agricultural Mortgage Corporation.
Sec. 104. Powers of the Corporation.
Sec. 105. Federal reserve banks as depositaries and fiscal agents.
Sec. 106. Certification of agricultural mortgage marketing facilities.
Sec. 107. Guarantee of qualified loans.
Sec. 108. Mandatory reserves and subordinated participation interests eliminated.
Sec. 109. Standards requiring diversified pools.
Sec. 110. Small farms.
Sec. 111. Definition of an affiliate.
Sec. 112. State usury laws superseded.
Sec. 113. Extension of capital transition period.
Sec. 114. Minimum capital level.
Sec. 115. Critical capital level.
Sec. 116. Enforcement levels.
Sec. 117. Recapitalization of the Corporation.
Sec. 118. Liquidation of the Federal Agricultural Mortgage Corporation.

TITLE II—REGULATORY RELIEF

Sec. 201. Compensation of association personnel.
Sec. 202. Use of private mortgage insurance.
Sec. 203. Removal of certain borrower reporting requirement.
Sec. 204. Reform of regulatory limitations on dividend, member business, and voting practices of eligible farmer-owned cooperatives.
Sec. 205. Removal of Federal Government certification requirement for certain private sector financings.
Sec. 206. Borrower stock.
Sec. 207. Disclosure relating to adjustable rate loans.
Sec. 208. Borrowers' rights.
Sec. 209. Formation of administrative service entities.
Sec. 210. Joint management agreements.
Sec. 211. Dissemination of quarterly reports.
Sec. 212. Regulatory review.
Sec. 213. Examination of farm credit system institutions.
Sec. 214. Conservatorships and receiverships.
Sec. 215. Farm Credit Insurance Fund operations.
Sec. 216. Examinations by the Farm Credit System Insurance Corporation.
Sec. 217. Powers with respect to troubled insured system banks.
Sec. 218. Oversight and regulatory actions by the Farm Credit System Insurance Corporation.
Sec. 219. Farm Credit System Insurance Corporation Board of Directors.
Sec. 220. Interest rate reduction program.
Sec. 221. Liability for making criminal referrals.

TITLE III—NATIONAL NATURAL RESOURCES CONSERVATION FOUNDATION

Sec. 301. Short title.
Sec. 302. Definitions.
Sec. 303. National Natural Resources Conservation Foundation.
Sec. 304. Composition and operation.
Sec. 305. Officers and employees.
Sec. 306. Corporate powers and obligations of the Foundation.
Sec. 307. Administrative services and support.
Sec. 308. Audits and petition of Attorney General for equitable relief.
Sec. 309. Release from liability.
Sec. 310. Authorization of appropriations.

TITLE IV—IMPLEMENTATION AND EFFECTIVE DATE

Sec. 401. Implementation.
Sec. 302. Effective Date.

TITLE I—AGRICULTURAL MORTGAGE SECONDARY MARKET

SEC. 101. DEFINITION OF REAL ESTATE.

Section 8.0(1)(B)(ii) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(1)(B)(ii)) is amended by striking "with a purchase price" and inserting ", excluding the land to which the dwelling is affixed, with a value".

SEC. 102. DEFINITION OF CERTIFIED FACILITY.

Section 8.0(3) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(3)) is amended—

(1) in subparagraph (A), by striking "a secondary marketing agricultural loan" and inserting "an agricultural mortgage marketing"; and

(2) in subparagraph (B), by striking ", but only" and all that follows through "(9)(B)".

SEC. 103. DUTIES OF FEDERAL AGRICULTURAL MORTGAGE CORPORATION.

Section 8.1(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-1(b)) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(4) purchase qualified loans and issue securities representing interests in, or obligations backed by, the qualified loans, guaranteed for the timely repayment of principal and interest.".

SEC. 104. POWERS OF THE CORPORATION.

Section 8.3(c) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-3(c)) is amended—

(1) by redesignating paragraphs (13) and (14) as paragraphs (14) and (15), respectively; and

(2) by inserting after paragraph (12) the following:

"(13) To purchase, hold, sell, or assign a qualified loan, to issue a guaranteed security, representing an interest in, or an obligation backed by, the qualified loan, and to perform all the functions and responsibilities of an agricultural mortgage marketing facility operating as a certified facility under this title.".

SEC. 105. FEDERAL RESERVE BANKS AS DEPOSITARIES AND FISCAL AGENTS.

Section 8.3 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-3) is amended—

(1) in subsection (d), by striking "may act as depositories for, or" and inserting "shall act as depositories for, and"; and

(2) in subsection (e), by striking "Secretary of the Treasury may authorize the Corporation to use" and inserting "Corporation shall have access to".

SEC. 106. CERTIFICATION OF AGRICULTURAL MORTGAGE MARKETING FACILITIES.

Section 8.5 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-5) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting "(other than the Corporation)" after "agricultural mortgage marketing facilities"; and

(B) in paragraph (2), by inserting "(other than the Corporation)" after "agricultural mortgage marketing facility"; and

(2) in subsection (e)(1), by striking "(other than the Corporation)".

SEC. 107. GUARANTEE OF QUALIFIED LOANS.

Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-6) is amended—

(1) in subsection (a)(1)—

(A) by striking "Corporation shall guarantee" and inserting the following: "Corporation—

"(A) shall guarantee";

(B) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(B) may issue a security, guaranteed as to the timely payment of principal and interest, that represents an interest solely in, or an obligation fully backed by, a pool consisting of qualified loans that—

"(i) meet the standards established under section 8.8; and

"(ii) have been purchased and held by the Corporation.";

(2) in subsection (d)—

(A) by striking paragraph (4); and

(B) by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively; and

(3) in subsection (g)(2), by striking "section 8.0(9)(B))" and inserting "section 8.0(9))".

SEC. 108. MANDATORY RESERVES AND SUBORDINATED PARTICIPATION INTERESTS ELIMINATED.

(a) GUARANTEE OF QUALIFIED LOANS.—Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-6) is amended by striking subsection (b).

(b) RESERVES AND SUBORDINATED PARTICIPATION INTERESTS.—Section 8.7 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-7) is repealed.

(c) CONFORMING AMENDMENTS.—

(1) Section 8.0(9)(B)(i) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(9)(B)(i)) is amended by striking "8.7, 8.8," and inserting "8.8".

(2) Section 8.6(a)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-6(a)(2)) is amended by striking "subject to the provisions of subsection (b)".

SEC. 109. STANDARDS REQUIRING DIVERSIFIED POOLS.

(a) IN GENERAL.—Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-6) (as amended by section 108) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d) through (g) as subsections (b) through (e), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 8.0(9)(B)(i) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(9)(B)(i)) is amended by striking "(f)" and inserting "(d)".

(2) Section 8.13(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-13(a)) is amended by striking "sections 8.6(b) and" in each place it appears and inserting "section".

(3) Section 8.32(b)(1)(C) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb-1(b)(1)(C)) is amended by striking "under section 8.6(b)(2)".

(4) Section 8.6(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-6(b)) (as redesignated by subsection (a)(2)) is amended—

(A) by striking paragraph (4) (as redesignated by section 107(2)(B)); and

(B) by redesignating paragraphs (5) and (6) (as redesignated by section 107(2)(B)) as paragraphs (4) and (5), respectively.

SEC. 110. SMALL FARMS.

Section 8.8(e) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa-8(e)) is amended by adding at the end the following: "The Board shall promote and encourage the inclusion of qualified loans for small farms and family farmers in the agricultural mortgage secondary market.".

SEC. 111. DEFINITION OF AN AFFILIATE.

Section 8.11(e) of the Farm Credit Act of 1971 (21 U.S.C. 2279aa-11(e)) is amended—

(1) by striking "a certified facility or"; and

(2) by striking "paragraphs (3) and (7), respectively, of section 8.0" and inserting "section 8.0(7)".

SEC. 112. STATE USURY LAWS SUPERSEDED.

Section 8.12 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–12) is amended by striking subsection (d) and inserting the following:

"(d) STATE USURY LAWS SUPERSEDED.—A provision of the Constitution or law of any State shall not apply to an agricultural loan made by an originator or a certified facility in accordance with this title for sale to the Corporation or to a certified facility for inclusion in a pool for which the Corporation has provided, or has committed to provide, a guarantee, if the loan, not later than 180 days after the date the loan was made, is sold to the Corporation or included in a pool for which the Corporation has provided a guarantee, if the provision—

"(1) limits the rate or amount of interest, discount points, finance charges, or other charges that may be charged, taken, received, or reserved by an agricultural lender or a certified facility; or

"(2) limits or prohibits a prepayment penalty (either fixed or declining), yield maintenance, or make-whole payment that may be charged, taken, or received by an agricultural lender or a certified facility in connection with the full or partial payment of the principal amount due on a loan by a borrower in advance of the scheduled date for the payment under the terms of the loan, otherwise known as a prepayment of the loan principal.".

SEC. 113. EXTENSION OF CAPITAL TRANSITION PERIOD.

Section 8.32 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–1) is amended—

(1) in the first sentence of subsection (a), by striking "Not later than the expiration of the 2-year period beginning on December 13, 1991," and inserting "Not sooner than the expiration of the 3-year period beginning on the date of enactment of the Farm Credit System Reform Act of 1996,";

(2) in the first sentence of subsection (b)(2), by striking "5-year" and inserting "8-year"; and

(3) in subsection (d)—

(A) in the first sentence—

(i) by striking "The regulations establishing" and inserting the following:

"(1) IN GENERAL.—The regulations establishing"; and

(ii) by striking "shall contain" and inserting the following: "shall—

"(A) be issued by the Director for public comment in the form of a notice of proposed rulemaking, to be first published after the expiration of the period referred to in subsection (a); and

"(B) contain"; and

(B) in the second sentence, by striking "The regulations shall" and inserting the following:

"(2) SPECIFICITY.—The regulations referred to in paragraph (1) shall".

SEC. 114. MINIMUM CAPITAL LEVEL.

Section 8.33 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–2) is amended to read as follows:

"SEC. 8.33. MINIMUM CAPITAL LEVEL.

"(a) IN GENERAL.—Except as provided in subsection (b), for purposes of this subtitle, the minimum capital level for the Corporation shall be an amount of core capital equal to the sum of—

"(1) 2.75 percent of the aggregate on-balance sheet assets of the Corporation, as determined in accordance with generally accepted accounting principles; and

"(2) 0.75 percent of the aggregate off-balance sheet obligations of the Corporation, which, for the purposes of this subtitle, shall include—

"(A) the unpaid principal balance of outstanding securities that are guaranteed by the Corporation and backed by pools of qualified loans;

"(B) instruments that are issued or guaranteed by the Corporation and are substantially equivalent to instruments described in subparagraph (A); and

"(C) other off-balance sheet obligations of the Corporation.

"(b) TRANSITION PERIOD.—

"(1) IN GENERAL.—For purposes of this subtitle, the minimum capital level for the Corporation—

"(A) prior to January 1, 1997, shall be the amount of core capital equal to the sum of—

"(i) 0.45 percent of aggregate off-balance sheet obligations of the Corporation;

"(ii) 0.45 percent of designated on-balance sheet assets of the Corporation, as determined under paragraph (2); and

"(iii) 2.50 percent of on-balance sheet assets of the Corporation other than assets designated under paragraph (2);

"(B) during the 1-year period ending December 31, 1997, shall be the amount of core capital equal to the sum of—

"(i) 0.55 percent of aggregate off-balance sheet obligations of the Corporation;

"(ii) 1.20 percent of designated on-balance sheet assets of the Corporation, as determined under paragraph (2); and

"(iii) 2.55 percent of on-balance sheet assets of the Corporation other than assets designated under paragraph (2);

"(C) during the 1-year period ending December 31, 1998, shall be the amount of core capital equal to—

"(i) if the Corporation's core capital is not less than $25,000,000 on January 1, 1998, the sum of—

"(I) 0.65 percent of aggregate off-balance sheet obligations of the Corporation;

"(II) 1.95 percent of designated on-balance sheet assets of the Corporation, as determined under paragraph (2); and

"(III) 2.65 percent of on-balance sheet assets of the Corporation other than assets designated under paragraph (2); or

"(ii) if the Corporation's core capital is less than $25,000,000 on January 1, 1998, the amount determined under subsection (a); and

"(D) on and after January 1, 1999, shall be the amount determined under subsection (a).

"(2) DESIGNATED ON-BALANCE SHEET ASSETS.—For purposes of this subsection, the designated on-balance sheet assets of the Corporation shall be—

"(A) the aggregate on-balance sheet assets of the Corporation acquired under section 8.6(e); and

"(B) the aggregate amount of qualified loans purchased and held by the Corporation under section 8.3(c)(13).".

SEC. 115. CRITICAL CAPITAL LEVEL.

Section 8.34 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–3) is amended to read as follows:

"SEC. 8.34. CRITICAL CAPITAL LEVEL.

"For purposes of this subtitle, the critical capital level for the Corporation shall be an amount of core capital equal to 50 percent of the total minimum capital amount determined under section 8.33.".

SEC. 116. ENFORCEMENT LEVELS.

Section 8.35(e) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–4(e)) is amended by striking "during the 30-month period beginning on the date of enactment of this section," and inserting "during the period beginning on December 13, 1991, and ending on the effective date of the risk based capital regulation issued by the Director under section 8.32,".

SEC. 117. RECAPITALIZATION OF THE CORPORATION.

Title VIII of the Farm Credit Act of 1971 (12 U.S.C. 2279aa et seq.) is amended by adding at the end the following:

"SEC. 8.38. RECAPITALIZATION OF THE CORPORATION.

"(a) MANDATORY RECAPITALIZATION.—The Corporation shall increase the core capital of the Corporation to an amount equal to or greater than $25,000,000, not later than the earlier of—

"(1) the date that is 2 years after the date of enactment of this section; or

"(2) the date that is 180 days after the end of the first calendar quarter that the aggregate on-balance sheet assets of the Corporation, plus the outstanding principal of the off-balance sheet obligations of the Corporation, equal or exceed $2,000,000,000.

"(b) RAISING CORE CAPITAL.—In carrying out this section, the Corporation may issue stock under section 8.4 and otherwise employ any recognized and legitimate means of raising core capital in the power of the Corporation under section 8.3.

"(c) LIMITATION ON GROWTH OF TOTAL ASSETS.—During the 2-year period beginning on the date of enactment of this section, the aggregate on-balance sheet assets of the Corporation plus the outstanding principal of the off-balance sheet obligations of the Corporation may not exceed $3,000,000,000 if the core capital of the Corporation is less than $25,000,000.

"(d) ENFORCEMENT.—If the Corporation fails to carry out subsection (a) by the date required under paragraph (1) or (2) of subsection (a), the Corporation may not purchase a new qualified loan or issue or guarantee a new loan-backed security until the core capital of the Corporation is increased to an amount equal to or greater than $25,000,000.".

SEC. 118. LIQUIDATION OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION.

Title VIII of the Farm Credit Act of 1971 (12 U.S.C. 2279aa et seq.) (as amended by section 117) is amended by adding at the end the following:

"Subtitle C—Receivership, Conservatorship, and Liquidation of the Federal Agricultural Mortgage Corporation

"SEC. 8.41. CONSERVATORSHIP; LIQUIDATION; RECEIVERSHIP.

"(a) VOLUNTARY LIQUIDATION.—The Corporation may voluntarily liquidate only with the consent of, and in accordance with a plan of liquidation approved by, the Farm Credit Administration Board.

"(b) INVOLUNTARY LIQUIDATION.—

"(1) IN GENERAL.—The Farm Credit Administration Board may appoint a conservator or receiver for the Corporation under the circumstances specified in section 4.12(b).

"(2) APPLICATION.—In applying section 4.12(b) to the Corporation under paragraph (1)—

"(A) the Corporation shall also be considered insolvent if the Corporation is unable to pay its debts as they fall due in the ordinary course of business;

"(B) a conservator may also be appointed for the Corporation if the authority of the Corporation to purchase qualified loans or issue or guarantee loan-backed securities is suspended; and

"(C) a receiver may also be appointed for the Corporation if—

"(i)(I) the authority of the Corporation to purchase qualified loans or issue or guarantee loan-backed securities is suspended; or

"(II) the Corporation is classified under section 8.35 as within level III or IV and the alternative actions available under subtitle B are not satisfactory; and

"(ii) the Farm Credit Administration determines that the appointment of a conservator would not be appropriate.

"(3) NO EFFECT ON SUPERVISORY ACTIONS.—The grounds for appointment of a conservator

for the Corporation under this subsection shall be in addition to those in section 8.37.

"(c) APPOINTMENT OF CONSERVATOR OR RECEIVER.—

"(1) QUALIFICATIONS.—Notwithstanding section 4.12(b), if a conservator or receiver is appointed for the Corporation, the conservator or receiver shall be—

"(A) the Farm Credit Administration or any other governmental entity or employee, including the Farm Credit System Insurance Corporation; or

"(B) any person that—

"(i) has no claim against, or financial interest in, the Corporation or other basis for a conflict of interest as the conservator or receiver; and

"(ii) has the financial and management expertise necessary to direct the operations and affairs of the Corporation and, if necessary, to liquidate the Corporation.

"(2) COMPENSATION.—

"(A) IN GENERAL.—A conservator or receiver for the Corporation and professional personnel (other than a Federal employee) employed to represent or assist the conservator or receiver may be compensated for activities conducted as, or for, a conservator or receiver.

"(B) LIMIT ON COMPENSATION.—Compensation may not be provided in amounts greater than the compensation paid to employees of the Federal Government for similar services, except that the Farm Credit Administration may provide for compensation at higher rates that are not in excess of rates prevailing in the private sector if the Farm Credit Administration determines that compensation at higher rates is necessary in order to recruit and retain competent personnel.

"(C) CONTRACTUAL ARRANGEMENTS.—The conservator or receiver may contract with any governmental entity, including the Farm Credit System Insurance Corporation, to make personnel, services, and facilities of the entity available to the conservator or receiver on such terms and compensation arrangements as shall be mutually agreed, and each entity may provide the same to the conservator or receiver.

"(3) EXPENSES.—A valid claim for expenses of the conservatorship or receivership (including compensation under paragraph (2)) and a valid claim with respect to a loan made under subsection (f) shall—

"(A) be paid by the conservator or receiver from funds of the Corporation before any other valid claim against the Corporation; and

"(B) may be secured by a lien, on such property of the Corporation as the conservator or receiver may determine, that shall have priority over any other lien.

"(4) LIABILITY.—If the conservator or receiver for the Corporation is not a Federal entity, or an officer or employee of the Federal Government, the conservator or receiver shall not be personally liable for damages in tort or otherwise for an act or omission performed pursuant to and in the course of the conservatorship or receivership, unless the act or omission constitutes gross negligence or any form of intentional tortious conduct or criminal conduct.

"(5) INDEMNIFICATION.—The Farm Credit Administration may allow indemnification of the conservator or receiver from the assets of the conservatorship or receivership on such terms as the Farm Credit Administration considers appropriate.

"(d) JUDICIAL REVIEW OF APPOINTMENT.—

"(1) IN GENERAL.—Notwithstanding subsection (i)(1), not later than 30 days after a conservator or receiver is appointed under subsection (b), the Corporation may bring an action in the United States District Court for the District of Columbia for an order requiring the Farm Credit Administration Board to remove the conservator or receiver. The court shall, on the merits, dismiss the action or direct the Farm Credit Administration Board to remove the conservator or receiver.

"(2) STAY OF OTHER ACTIONS.—On the commencement of an action under paragraph (1), any court having jurisdiction of any other action or enforcement proceeding authorized under this subtitle to which the Corporation is a party shall stay the action or proceeding during the pendency of the action for removal of the conservator or receiver.

"(e) GENERAL POWERS OF CONSERVATOR OR RECEIVER.—The conservator or receiver for the Corporation shall have powers comparable to the powers available to a conservator or receiver appointed pursuant to section 4.12(b).

"(f) BORROWINGS FOR WORKING CAPITAL.—

"(1) IN GENERAL.—If the conservator or receiver of the Corporation determines that it is likely that there will be insufficient funds to pay the ongoing administrative expenses of the conservatorship or receivership or that there will be insufficient liquidity to fund maturing obligations of the conservatorship or receivership, the conservator or receiver may borrow funds in such amounts, from such sources, and at such rates of interest as the conservator or receiver considers necessary or appropriate to meet the administrative expenses or liquidity needs of the conservatorship or receivership.

"(2) WORKING CAPITAL FROM FARM CREDIT BANKS.—A Farm Credit bank may loan funds to the conservator or receiver for a loan authorized under paragraph (1) or, in the event of receivership, a Farm Credit bank may purchase assets of the Corporation.

"(g) AGREEMENTS AGAINST INTERESTS OF CONSERVATOR OR RECEIVER.—No agreement that tends to diminish or defeat the right, title, or interest of the conservator or receiver for the Corporation in any asset acquired by the conservator or receiver as conservator or receiver for the Corporation shall be valid against the conservator or receiver unless the agreement—

"(1) is in writing;

"(2) is executed by the Corporation and any person claiming an adverse interest under the agreement, including the obligor, contemporaneously with the acquisition of the asset by the Corporation;

"(3) is approved by the Board or an appropriate committee of the Board, which approval shall be reflected in the minutes of the Board or committee; and

"(4) has been, continuously, from the time of the agreement's execution, an official record of the Corporation.

"(h) REPORT TO THE CONGRESS.—On a determination by the receiver for the Corporation that there are insufficient assets of the receivership to pay all valid claims against the receivership, the receiver shall submit to the Secretary of the Treasury, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the financial condition of the receivership.

"(i) TERMINATION OF AUTHORITIES.—

"(1) CORPORATION.—The charter of the Corporation shall be canceled, and the authority provided to the Corporation by this title shall terminate, on such date as the Farm Credit Administration Board determines is appropriate following the placement of the Corporation in receivership, but not later than the conclusion of the receivership and discharge of the receiver.

"(2) OVERSIGHT.—The Office of Secondary Market Oversight established under section 8.11 shall be abolished, and section 8.11(a) and subtitle B shall have no force or effect, on such date as the Farm Credit Administration Board determines is appropriate following the placement of the Corporation in receivership, but not later than the conclusion of the receivership and discharge of the receiver.".

TITLE II—REGULATORY RELIEF

SEC. 201. COMPENSATION OF ASSOCIATION PERSONNEL.

Section 1.5(13) of the Farm Credit Act of 1971 (12 U.S.C. 2013(13)) is amended by striking ", and the appointment and compensation of the chief executive officer thereof,".

SEC. 202. USE OF PRIVATE MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 1.10(a)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2018(a)(1)) is amended by adding at the end the following:

"(D) PRIVATE MORTGAGE INSURANCE.—A loan on which private mortgage insurance is obtained may exceed 85 percent of the appraised value of the real estate security to the extent that the loan amount in excess of 85 percent is covered by the insurance.".

(b) CONFORMING AMENDMENT.—Section 1.10(a)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2018(a)(1)(A)) is amended by striking "paragraphs (2) and (3)" and inserting "subparagraphs (B), (C), and (D)".

SEC. 203. REMOVAL OF CERTAIN BORROWER REPORTING REQUIREMENT.

Section 1.10(a) of the Farm Credit Act of 1971 (12 U.S.C. 2018(a)) is amended by striking paragraph (5).

SEC. 204. REFORM OF REGULATORY LIMITATIONS ON DIVIDEND, MEMBER BUSINESS, AND VOTING PRACTICES OF ELIGIBLE FARMER-OWNED COOPERATIVES.

(a) IN GENERAL.—Section 3.8(a) of the Farm Credit Act of 1971 (12 U.S.C. 2129(a)) is amended by adding at the end the following: "Any such association that has received a loan from a bank for cooperatives shall, without regard to the requirements of paragraphs (1) through (4), continue to be eligible for so long as more than 50 percent (or such higher percentage as is established by the bank board) of the voting control of the association is held by farmers, producers or harvesters of aquatic products, or eligible cooperative associations.".

(b) CONFORMING AMENDMENT.—Section 3.8(b)(1)(D) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(D)) is amended by striking "and (4) of subsection (a)" and inserting "and (4), or under the last sentence, of subsection (a)".

SEC. 205. REMOVAL OF FEDERAL GOVERNMENT CERTIFICATION REQUIREMENT FOR CERTAIN PRIVATE SECTOR FINANCINGS.

Section 3.8(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(A)) is amended—

(1) by striking "have been certified by the Administrator of the Rural Electrification Administration to be eligible for such" and inserting "are eligible under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) for"; and

(2) by striking "loan guarantee, and" and inserting "loan guarantee from the Administration or the Bank (or a successor of the Administration or the Bank), and".

SEC. 206. BORROWER STOCK.

Section 4.3A of the Farm Credit Act of 1971 (12 U.S.C. 2154a) is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following:

"(f) LOANS DESIGNATED FOR SALE OR SOLD INTO THE SECONDARY MARKET.—

"(1) IN GENERAL.—Subject to paragraph (2) and notwithstanding any other provision of this section, the bylaws adopted by a bank or association under subsection (b) may provide—

"(A) in the case of a loan made on or after the date of enactment of this paragraph that is designated, at the time the loan is made, for sale into a secondary market, that no voting stock or participation certificate purchase requirement shall apply to the borrower for the loan; and

"(B) in the case of a loan made before the date of enactment of this paragraph that is sold into a secondary market, that all outstanding voting stock or participation certificates held by the borrower with respect to the loan shall, subject to subsection (d)(1), be retired.

"(2) APPLICABILITY.—Notwithstanding any other provision of this section, in the case of a loan sold to a secondary market under title VIII, paragraph (1) shall apply regardless of whether the bank or association retains a subordinated participation interest in a loan or pool of loans or contributes to a cash reserve.

"(3) EXCEPTION.—

"(A) IN GENERAL.—Subject to subparagraph (B) and notwithstanding any other provision of this section, if a loan designated for sale under paragraph (1)(A) is not sold into a secondary market during the 180-day period that begins on the date of the designation, the voting stock or participation certificate purchase requirement that would otherwise apply to the loan in the absence of a bylaw provision described in paragraph (1)(A) shall be effective.

"(B) RETIREMENT.—The bylaws adopted by a bank or association under subsection (b) may provide that if a loan described in subparagraph (A) is sold into a secondary market after the end of the 180-day period described in the subparagraph, all outstanding voting stock or participation certificates held by the borrower with respect to the loan shall, subject to subsection (d)(1), be retired.".

SEC. 207. DISCLOSURE RELATING TO ADJUSTABLE RATE LOANS.

Section 4.13(a)(4) of the Farm Credit Act of 1971 (12 U.S.C. 2199(a)(4)) is amended by inserting before the semicolon at the end the following: ", and notice to the borrower of a change in the interest rate applicable to the loan of the borrower may be made within a reasonable time after the effective date of an increase or decrease in the interest rate".

SEC. 208. BORROWERS' RIGHTS.

(a) DEFINITION OF LOAN.—Section 4.14A(a)(5) of the Farm Credit Act of 1971 (12 U.S.C. 2202a(a)(5)) is amended—

(1) by striking "(5) LOAN.—The" and inserting the following:

"(5) LOAN.—

"(A) IN GENERAL.—Subject to subparagraph (B), the"; and

(2) by adding at the end the following:

"(B) EXCLUSION FOR LOANS DESIGNATED FOR SALE INTO SECONDARY MARKET.—

"(i) IN GENERAL.—Except as provided in clause (ii), the term 'loan' does not include a loan made on or after the date of enactment of this subparagraph that is designated, at the time the loan is made, for sale into a secondary market.

"(ii) UNSOLD LOANS.—

"(I) IN GENERAL.—Except as provided in subclause (II), if a loan designated for sale under clause (i) is not sold into a secondary market during the 180-day period that begins on the date of the designation, the provisions of this section and sections 4.14, 4.14B, 4.14C, 4.14D, and 4.36 that would otherwise apply to the loan in the absence of the exclusion described in clause (i) shall become effective with respect to the loan.

"(II) LATER SALE.—If a loan described in subclause (I) is sold into a secondary market after the end of the 180-day period described in subclause (I), subclause (I) shall not apply with respect to the loan beginning on the date of the sale.".

(b) BORROWERS' RIGHTS FOR POOLED LOANS.—The first sentence of section 8.9(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–9(b)) is amended by inserting "(as defined in section 4.14A(a)(5))" after "application for a loan".

SEC. 209. FORMATION OF ADMINISTRATIVE SERVICE ENTITIES.

Part E of title IV of the Farm Credit Act of 1971 is amended by inserting after section 4.28 (12 U.S.C. 2214) the following:

"SEC. 4.28A. DEFINITION OF BANK.

"In this part, the term 'bank' includes each association operating under title II.".

SEC. 210. JOINT MANAGEMENT AGREEMENTS.

The first sentence of section 5.17(a)(2)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(2)(A)) is amended by striking "or management agreements".

SEC. 211. DISSEMINATION OF QUARTERLY REPORTS.

Section 5.17(a)(8) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(8)) is amended by inserting after "except that" the following: "the requirements of the Farm Credit Administration governing the dissemination to stockholders of quarterly reports of System institutions may not be more burdensome or costly than the requirements applicable to national banks, and".

SEC. 212. REGULATORY REVIEW.

(a) FINDINGS.—Congress finds that—

(1) the Farm Credit Administration, in the role of the Administration as an arms-length safety and soundness regulator, has made considerable progress in reducing the regulatory burden on Farm Credit System institutions;

(2) the efforts of the Farm Credit Administration described in paragraph (1) have resulted in cost savings for Farm Credit System institutions; and

(3) the cost savings described in paragraph (2) ultimately benefit the farmers, ranchers, agricultural cooperatives, and rural residents of the United States.

(b) CONTINUATION OF REGULATORY REVIEW.—The Farm Credit Administration shall continue the comprehensive review of regulations governing the Farm Credit System to identify and eliminate, consistent with law, safety, and soundness, all regulations that are unnecessary, unduly burdensome or costly, or not based on law.

SEC. 213. EXAMINATION OF FARM CREDIT SYSTEM INSTITUTIONS.

The first sentence of section 5.19(a) of the Farm Credit Act of 1971 (12 U.S.C. 2254(a)) is amended by striking "each year" and inserting "during each 18-month period".

SEC. 214. CONSERVATORSHIPS AND RECEIVERSHIPS.

(a) DEFINITIONS.—Section 5.51 of the Farm Credit Act of 1971 (12 U.S.C. 2277a) is amended—

(1) by striking paragraph (5); and

(2) by redesignating paragraph (6) as paragraph (5).

(b) GENERAL CORPORATE POWERS.—Section 5.58 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–7) is amended by striking paragraph (9) and inserting the following:

"(9) CONSERVATOR OR RECEIVER.—The Corporation may act as a conservator or receiver.".

SEC. 215. FARM CREDIT INSURANCE FUND OPERATIONS.

(a) ADJUSTMENT OF PREMIUMS.—

(1) IN GENERAL.—Section 5.55(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4(a)) is amended—

(A) in paragraph (1), by striking "Until the aggregate of amounts in the Farm Credit Insurance Fund exceeds the secure base amount, the annual premium due from any insured System bank for any calendar year" and inserting the following: "If at the end of any calendar year the aggregate of amounts in the Farm Credit Insurance Fund does not exceed the secure base amount, subject to paragraph (2), the annual premium due from any insured System bank for the calendar year";

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

"(2) REDUCED PREMIUMS.—The Corporation, in the sole discretion of the Corporation, may reduce by a percentage uniformly applied to all insured System banks the annual premium due from each insured System bank during any calendar year, as determined under paragraph (1).".

(2) CONFORMING AMENDMENTS.—

(A) Section 5.55(b) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4(b)) is amended—

(i) by striking "Insurance Fund" each place it appears and inserting "Farm Credit Insurance Fund";

(ii) by striking "for the following calendar year"; and

(iii) by striking "subsection (a)" and inserting "subsection (a)(1)".

(B) Section 5.56(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–5(a)) is amended by striking "section 5.55(a)(2)" each place it appears in paragraphs (2) and (3) and inserting "section 5.55(a)(3)".

(b) ALLOCATION TO INSURED SYSTEM BANKS AND OTHER SYSTEM INSTITUTIONS OF EXCESS AMOUNTS IN THE FARM CREDIT INSURANCE FUND.—Section 5.55 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4) is amended by adding at the end the following:

"(e) ALLOCATION TO SYSTEM INSTITUTIONS OF EXCESS RESERVES.—

"(1) ESTABLISHMENT OF ALLOCATED INSURANCE RESERVES ACCOUNTS.—The Corporation shall establish an Allocated Insurance Reserves Account in the Farm Credit Insurance Fund—

"(A) for each insured System bank; and

"(B) subject to paragraph (6)(C), for all holders, in the aggregate, of Financial Assistance Corporation stock.

"(2) TREATMENT.—Amounts in any Allocated Insurance Reserves Account shall be considered to be part of the Farm Credit Insurance Fund.

"(3) ANNUAL ALLOCATIONS.—If, at the end of any calendar year, the aggregate of the amounts in the Farm Credit Insurance Fund exceeds the average secure base amount for the calendar year (as calculated on an average daily balance basis), the Corporation shall allocate to the Allocated Insurance Reserves Accounts the excess amount less the amount that the Corporation, in its sole discretion, determines to be the sum of the estimated operating expenses and estimated insurance obligations of the Corporation for the immediately succeeding calendar year.

"(4) ALLOCATION FORMULA.—From the total amount required to be allocated at the end of a calendar year under paragraph (3)—

"(A) 10 percent of the total amount shall be credited to the Allocated Insurance Reserves Account established under paragraph (1)(B), subject to paragraph (6)(C); and

"(B) there shall be credited to the Allocated Insurance Reserves Account of each insured System bank an amount that bears the same ratio to the total amount (less any amount credited under subparagraph (A)) as the average principal outstanding for the 3-year period ending on the end of the calendar year on loans made by the bank that are in accrual status bears to the average principal outstanding for the 3-year period ending on the end of the calendar year on loans made by all insured System banks that are in accrual status (excluding, in each case, the guaranteed portions of government-guaranteed loans described in subsection (a)(1)(C)).

"(5) USE OF FUNDS IN ALLOCATED INSURANCE RESERVES ACCOUNTS.—To the extent that the sum of the operating expenses of the Corporation and the insurance obligations of the Corporation for a calendar year exceeds the sum of operating expenses and insurance obligations

determined under paragraph (3) for the calendar year, the Corporation shall cover the expenses and obligations by—

"(A) reducing each Allocated Insurance Reserves Account by the same proportion; and

"(B) expending the amounts obtained under subparagraph (A) before expending other amounts in the Fund.

"(6) OTHER DISPOSITION OF ACCOUNT FUNDS.—

"(A) IN GENERAL.—As soon as practicable during each calendar year beginning more than 8 years after the date on which the aggregate of the amounts in the Farm Credit Insurance Fund exceeds the secure base amount, but not earlier than January 1, 2005, the Corporation may—

"(i) subject to subparagraphs (D) and (F), pay to each insured System bank, in a manner determined by the Corporation, an amount equal to the lesser of—

"(I) 20 percent of the balance in the insured System bank's Allocated Insurance Reserves Account as of the preceding December 31; or

"(II) 20 percent of the balance in the bank's Allocated Insurance Reserves Account on the date of the payment; and

"(ii) subject to subparagraphs (C), (E), and (F), pay to each System bank and association holding Financial Assistance Corporation stock a proportionate share, determined by dividing the number of shares of Financial Assistance Corporation stock held by the institution by the total number of shares of Financial Assistance Corporation stock outstanding, of the lesser of—

"(I) 20 percent of the balance in the Allocated Insurance Reserves Account established under paragraph (1)(B) as of the preceding December 31; or

"(II) 20 percent of the balance in the Allocated Insurance Reserves Account established under paragraph (1)(B) on the date of the payment.

"(B) AUTHORITY TO ELIMINATE OR REDUCE PAYMENTS.—The Corporation may eliminate or reduce payments during a calendar year under subparagraph (A) if the Corporation determines, in its sole discretion, that the payments, or other circumstances that might require use of the Farm Credit Insurance Fund, could cause the amount in the Farm Credit Insurance Fund during the calendar year to be less than the secure base amount.

"(C) REIMBURSEMENT FOR FINANCIAL ASSISTANCE CORPORATION STOCK.—

"(i) SUFFICIENT FUNDING.—Notwithstanding paragraph (4)(A), on provision by the Corporation for the accumulation in the Account established under paragraph (1)(B) of funds in an amount equal to $56,000,000 (in addition to the amounts described in subparagraph (F)(ii)), the Corporation shall not allocate any further funds to the Account except to replenish the Account if funds are diminished below $56,000,000 by the Corporation under paragraph (5).

"(ii) WIND DOWN AND TERMINATION.—

"(I) FINAL DISBURSEMENTS.—On disbursement of $53,000,000 (in addition to the amounts described in subparagraph (F)(ii)) from the Allocated Insurance Reserves Account, the Corporation shall disburse the remaining amounts in the Account, as determined under subparagraph (A)(ii), without regard to the percentage limitations in subclauses (I) and (II) of subparagraph (A)(ii).

"(II) TERMINATION OF ACCOUNT.—On disbursement of $56,000,000 (in addition to the amounts described in subparagraph (F)(ii)) from the Allocated Insurance Reserves Account, the Corporation shall close the Account established under paragraph (1)(B) and transfer any remaining funds in the Account to the remaining Allocated Insurance Reserves Accounts in accordance with paragraph (4)(B) for the calendar year in which the transfer occurs.

"(D) DISTRIBUTION OF PAYMENTS RECEIVED.—Not later than 60 days after receipt of a payment made under subparagraph (A)(i), each insured System bank, in consultation with affiliated associations of the insured System bank, and taking into account the direct or indirect payment of insurance premiums by the associations, shall develop and implement an equitable plan to distribute payments received under subparagraph (A)(i) among the bank and associations of the bank.

"(E) EXCEPTION FOR PREVIOUSLY REIMBURSED ASSOCIATIONS.—For purposes of subparagraph (A)(ii), in any Farm Credit district in which the funding bank has reimbursed 1 or more affiliated associations of the bank for the previously unreimbursed portion of the Financial Assistance Corporation stock held by the associations, the funding bank shall be deemed to be the holder of the shares of Financial Assistance Corporation stock for which the funding bank has provided the reimbursement.

"(F) INITIAL PAYMENT.—Notwithstanding subparagraph (A), the initial payment made to each payee under subparagraph (A) shall be in such amount determined by the Corporation to be equal to the sum of—

"(i) the total of the amounts that would have been paid if payments under subparagraph (A) had been authorized to begin, under the same terms and conditions, in the first calendar year beginning more than 5 years after the date on which the aggregate of the amounts in the Farm Credit Insurance Fund exceeds the secure base amount and to continue through the 2 immediately subsequent years;

"(ii) interest earned on any amounts that would have been paid as described in clause (i) from the date on which the payments would have been paid as described in clause (i); and

"(iii) the payment to be made in the initial year described in subparagraph (A), based on the amount in each Account after subtracting the amounts to be paid under clauses (i) and (ii).".

(c) TECHNICAL AMENDMENTS.—Section 5.55(d) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4(d)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "subsections (a) and (c)" and inserting "subsections (a), (c), and (e)"; and

(B) by striking "a Farm Credit Bank" and inserting "an insured System bank"; and

(2) in paragraphs (1), (2), and (3), by striking "Farm Credit Bank" each place it appears and inserting "insured System bank".

SEC. 216. EXAMINATIONS BY THE FARM CREDIT SYSTEM INSURANCE CORPORATION.

Section 5.59(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–8(b)(1)(A)) is amended by adding at the end the following: "Notwithstanding any other provision of this Act, on cancellation of the charter of a System institution, the Corporation shall have authority to examine the system institution in receivership. An examination shall be performed at such intervals as the Corporation shall determine.".

SEC. 217. POWERS WITH RESPECT TO TROUBLED INSURED SYSTEM BANKS.

(a) LEAST-COST RESOLUTION.—Section 5.61(a)(3) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–10(a)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (F); and

(2) by striking subparagraph (A) and inserting the following:

"(A) LEAST-COST RESOLUTION.—Assistance may not be provided to an insured System bank under this subsection unless the means of providing the assistance is the least costly means of providing the assistance by the Farm Credit Insurance Fund of all possible alternatives available to the Corporation, including liquidation of the bank (including paying the insured obligations issued on behalf of the bank). Before making a least-cost determination under this subparagraph, the Corporation shall accord such other insured System banks as the Corporation determines to be appropriate the opportunity to submit information relating to the determination.

"(B) DETERMINING LEAST COSTLY APPROACH.—In determining the least costly alternative under subparagraph (A), the Corporation shall—

"(i) evaluate alternatives on a present-value basis, using a realistic discount rate;

"(ii) document the evaluation and the assumptions on which the evaluation is based, including any assumptions with regard to interest rates, asset recovery rates, asset holding costs, and payment of contingent liabilities; and

"(iii) retain the documentation for not less than 5 years.

"(C) TIME OF DETERMINATION.—

"(i) GENERAL RULE.—For purposes of this subsection, the determination of the costs of providing any assistance under any provision of this section with respect to any insured System bank shall be made as of the date on which the Corporation makes the determination to provide the assistance to the institution under this section.

"(ii) RULE FOR LIQUIDATIONS.—For purposes of this subsection, the determination of the costs of liquidation of any insured System bank shall be made as of the earliest of—

"(I) the date on which a conservator is appointed for the insured System bank;

"(II) the date on which a receiver is appointed for the insured System bank; or

"(III) the date on which the Corporation makes any determination to provide any assistance under this section with respect to the insured System bank.

"(D) RULE FOR STAND-ALONE ASSISTANCE.—Before providing any assistance under paragraph (1), the Corporation shall evaluate the adequacy of managerial resources of the insured System bank. The continued service of any director or senior ranking officer who serves in a policymaking role for the assisted insured System bank, as determined by the Corporation, shall be subject to approval by the Corporation as a condition of assistance.

"(E) DISCRETIONARY DETERMINATIONS.—Any determination that the Corporation makes under this paragraph shall be in the sole discretion of the Corporation.".

(b) CONFORMING AMENDMENTS.—Section 5.61(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–10(a)) is amended—

(1) in paragraph (1) by striking "IN GENERAL.—" and inserting "STAND-ALONE ASSISTANCE.—"; and

(2) in paragraph (2)—

(A) by striking "ENUMERATED POWERS.—" and inserting "FACILITATION OF MERGERS OR CONSOLIDATION.—"; and

(B) in subparagraph (A) by striking "FACILITATION OF MERGERS OR CONSOLIDATION.—" and inserting "IN GENERAL.—".

SEC. 218. OVERSIGHT AND REGULATORY ACTIONS BY THE FARM CREDIT SYSTEM INSURANCE CORPORATION.

The Farm Credit Act of 1971 is amended by inserting after section 5.61 (12 U.S.C. 2279a–10) the following:

"SEC. 5.61A. OVERSIGHT ACTIONS BY THE CORPORATION.

"(a) DEFINITIONS.—In this section, the term 'institution' means—

"(1) an insured System bank; and

"(2) a production credit association or other association making loans under section 7.6 with a direct loan payable to the funding bank of the association that comprises 20 percent or more of the funding bank's total loan volume net of nonaccrual loans.

"(b) CONSULTATION REGARDING PARTICIPATION OF UNDERCAPITALIZED BANKS IN ISSUANCE OF INSURED OBLIGATIONS.—The Farm Credit

Administration shall consult with the Corporation prior to approving an insured obligation that is to be issued by or on behalf of, or participated in by, any insured System bank that fails to meet the minimum level for any capital requirement established by the Farm Credit Administration for the bank.

"(c) CONSULTATION REGARDING APPLICATIONS FOR MERGERS AND RESTRUCTURINGS.—

"(1) CORPORATION TO RECEIVE COPY OF TRANSACTION APPLICATIONS.—On receiving an application for a merger or restructuring of an institution, the Farm Credit Administration shall forward a copy of the application to the Corporation.

"(2) CONSULTATION REQUIRED.—If the proposed merger or restructuring involves an institution that fails to meet the minimum level for any capital requirement established by the Farm Credit Administration applicable to the institution, the Farm Credit Administration shall allow 30 days within which the Corporation may submit the views and recommendations of the Corporation, including any conditions for approval. In determining whether to approve or disapprove any proposed merger or restructuring, the Farm Credit Administration shall give due consideration to the views and recommendations of the Corporation.

"SEC. 5.61B. AUTHORITY TO REGULATE GOLDEN PARACHUTE AND INDEMNIFICATION PAYMENTS.

"(a) DEFINITIONS.—In this section:

"(1) GOLDEN PARACHUTE PAYMENT.—The term 'golden parachute payment'—

"(A) means a payment (or any agreement to make a payment) in the nature of compensation by any Farm Credit System institution (including the Federal Agricultural Mortgage Corporation and any conservator or receiver for the Federal Agricultural Mortgage Corporation) for the benefit of any institution-related party under an obligation of the institution that—

"(i) is contingent on the termination of the party's relationship with the institution; and

"(ii) is received on or after the date on which—

"(I) the institution is insolvent;

"(II) a conservator or receiver is appointed for the institution;

"(III) the institution has been assigned by the Farm Credit Administration a composite CAMEL rating of 4 or 5 under the Farm Credit Administration Rating System, or an equivalent rating; or

"(IV) the Corporation otherwise determines that the institution is in a troubled condition (as defined in regulations issued by the Corporation); and

"(B) includes a payment that would be a golden parachute payment but for the fact that the payment was made before the date referred to in subparagraph (A)(ii) if the payment was made in contemplation of the occurrence of an event described in any subclause of subparagraph (A); but

"(C) does not include—

"(i) a payment made under a retirement plan that is qualified (or is intended to be qualified) under section 401 of the Internal Revenue Code of 1986 or other nondiscriminatory benefit plan;

"(ii) a payment made under a bona fide supplemental executive retirement plan, deferred compensation plan, or other arrangement that the Corporation determines, by regulation or order, to be permissible; or

"(iii) a payment made by reason of the death or disability of an institution-related party.

"(2) INDEMNIFICATION PAYMENT.—The term 'indemnification payment' means a payment (or any agreement to make a payment) by any Farm Credit System institution for the benefit of any person who is or was an institution-related party, to pay or reimburse the person for any liability or legal expense with regard to any administrative proceeding or civil action instituted by the Farm Credit Administration that results in a final order under which the person—

"(A) is assessed a civil money penalty; or

"(B) is removed or prohibited from participating in the conduct of the affairs of the institution.

"(3) INSTITUTION-RELATED PARTY.—The term 'institution-related party' means—

"(A) a director, officer, employee, or agent for a Farm Credit System institution;

"(B) a stockholder (other than another Farm Credit System institution), consultant, joint venture partner, or any other person determined by the Farm Credit Administration to be a participant in the conduct of the affairs of a Farm Credit System institution; and

"(C) an independent contractor (including any attorney, appraiser, or accountant) that knowingly or recklessly participates in any violation of any law or regulation, any breach of fiduciary duty, or any unsafe or unsound practice that caused or is likely to cause more than a minimal financial loss to, or a significant adverse effect on, the Farm Credit System institution.

"(4) LIABILITY OR LEGAL EXPENSE.—The term 'liability or legal expense' means—

"(A) a legal or other professional expense incurred in connection with any claim, proceeding, or action;

"(B) the amount of, and any cost incurred in connection with, any settlement of any claim, proceeding, or action; and

"(C) the amount of, and any cost incurred in connection with, any judgment or penalty imposed with respect to any claim, proceeding, or action.

"(5) PAYMENT.—The term 'payment' means—

"(A) a direct or indirect transfer of any funds or any asset; and

"(B) any segregation of any funds or assets for the purpose of making, or under an agreement to make, any payment after the date on which the funds or assets are segregated, without regard to whether the obligation to make the payment is contingent on—

"(i) the determination, after that date, of the liability for the payment of the amount; or

"(ii) the liquidation, after that date, of the amount of the payment.

"(b) PROHIBITION.—The Corporation may prohibit or limit, by regulation or order, any golden parachute payment or indemnification payment by a Farm Credit System institution (including the Federal Agricultural Mortgage Corporation) in troubled condition (as defined in regulations issued by the Corporation).

"(c) FACTORS TO BE TAKEN INTO ACCOUNT.—The Corporation shall prescribe, by regulation, the factors to be considered by the Corporation in taking any action under subsection (b). The factors may include—

"(1) whether there is a reasonable basis to believe that an institution-related party has committed any fraudulent act or omission, breach of trust or fiduciary duty, or insider abuse with regard to the Farm Credit System institution involved that has had a material effect on the financial condition of the institution;

"(2) whether there is a reasonable basis to believe that the institution-related party is substantially responsible for the insolvency of the Farm Credit System institution, the appointment of a conservator or receiver for the institution, or the institution's troubled condition (as defined in regulations prescribed by the Corporation);

"(3) whether there is a reasonable basis to believe that the institution-related party has materially violated any applicable law or regulation that has had a material effect on the financial condition of the institution;

"(4) whether there is a reasonable basis to believe that the institution-related party has violated or conspired to violate—

"(A) section 215, 657, 1006, 1014, or 1344 of title 18, United States Code; or

"(B) section 1341 or 1343 of title 18, United States Code, affecting a Farm Credit System institution;

"(5) whether the institution-related party was in a position of managerial or fiduciary responsibility; and

"(6) the length of time that the party was related to the Farm Credit System institution and the degree to which—

"(A) the payment reasonably reflects compensation earned over the period of employment; and

"(B) the compensation represents a reasonable payment for services rendered.

"(d) CERTAIN PAYMENTS PROHIBITED.—No Farm Credit System institution may prepay the salary or any liability or legal expense of any institution-related party if the payment is made—

"(1) in contemplation of the insolvency of the institution or after the commission of an act of insolvency; and

"(2) with a view to, or with the result of—

"(A) preventing the proper application of the assets of the institution to creditors; or

"(B) preferring 1 creditor over another creditor.

"(e) RULE OF CONSTRUCTION.—Nothing in this section—

"(1) prohibits any Farm Credit System institution from purchasing any commercial insurance policy or fidelity bond, so long as the insurance policy or bond does not cover any legal or liability expense of an institution described in subsection (a)(2); or

"(2) limits the powers, functions, or responsibilities of the Farm Credit Administration.".

SEC. 219. FARM CREDIT SYSTEM INSURANCE CORPORATION BOARD OF DIRECTORS.

Section 201 of the Farm Credit Banks and Associations Safety and Soundness Act of 1992 (106 Stat. 4104) is repealed.

SEC. 220. INTEREST RATE REDUCTION PROGRAM.

Section 351(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999) is amended—

(A) by striking "SEC. 351. (a) The" and inserting the following:

"SEC. 351. INTEREST RATE REDUCTION PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) IN GENERAL.—The"; and

(B) by adding at the end the following:

"(2) TERMINATION OF AUTHORITY.—The authority provided by this subsection shall terminate on September 30, 2002.".

SEC. 221. LIABILITY FOR MAKING CRIMINAL REFERRALS.

(a) IN GENERAL.—Any institution of the Farm Credit System, or any director, officer, employee, or agent of a Farm Credit System institution, that discloses to a Government authority information proffered in good faith that may be relevant to a possible violation of any law or regulation shall not be liable to any person under any law of the United States or any State—

(1) for the disclosure; or

(2) for any failure to notify the person involved in the possible violation.

(b) NO PROHIBITION ON DISCLOSURE.—Any institution of the Farm Credit System, or any director, officer, employee, or agent of a Farm Credit System institution, may disclose information to a Government authority that may be relevant to a possible violation of any law or regulation.

TITLE III—NATIONAL NATURAL RESOURCES CONSERVATION FOUNDATION

SEC. 301. SHORT TITLE.

This title may be cited as the "National Natural Resources Conservation Foundation Act".

SEC. 302. DEFINITIONS.

In this title (unless the context otherwise requires):

(1) BOARD.—The term "Board" means the Board of Trustees established under section 304.

(2) DEPARTMENT.—The term "Department" means the United States Department of Agriculture.

(3) FOUNDATION.—The term "Foundation" means the National Natural Resources Conservation Foundation established by section 303(a).

(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 303. NATIONAL NATURAL RESOURCES CONSERVATION FOUNDATION.

(a) ESTABLISHMENT.—A National Natural Resources Conservation Foundation is established as a charitable and nonprofit corporation for charitable, scientific, and educational purposes specified in subsection (b). The Foundation is not an agency or instrumentality of the United States.

(b) PURPOSES.—The purposes of the Foundation are to—

(1) promote innovative solutions to the problems associated with the conservation of natural resources on private lands, particularly with respect to agriculture and soil and water conservation;

(2) promote voluntary partnerships between government and private interests in the conservation of natural resources;

(3) conduct research and undertake educational activities, conduct and support demonstration projects, and make grants to State and local agencies and nonprofit organizations;

(4) provide such other leadership and support as may be necessary to address conservation challenges, such as the prevention of excessive soil erosion, enhancement of soil and water quality, and the protection of wetlands, wildlife habitat, and strategically important farmland subject to urban conversion and fragmentation;

(5) encourage, accept, and administer private gifts of money and real and personal property for the benefit of, or in connection with, the conservation and related activities and services of the Department, particularly the Natural Resources Conservation Service;

(6) undertake, conduct, and encourage educational, technical, and other assistance, and other activities, that support the conservation and related programs administered by the Department (other than activities carried out on National Forest System lands), particularly the Natural Resources Conservation Service, except that the Foundation may not enforce or administer a regulation of the Department; and

(7) raise private funds to promote the purposes of the Foundation.

(c) LIMITATIONS AND CONFLICTS OF INTERESTS.—

(1) POLITICAL ACTIVITIES.—The Foundation shall not participate or intervene in a political campaign on behalf of any candidate for public office.

(2) CONFLICTS OF INTEREST.—No director, officer, or employee of the Foundation shall participate, directly or indirectly, in the consideration or determination of any question before the Foundation affecting—

(A) the financial interests of the director, officer, or employee; or

(B) the interests of any corporation, partnership, entity, organization, or other person in which the director, officer, or employee—

(i) is an officer, director, or trustee; or

(ii) has any direct or indirect financial interest.

(3) LEGISLATION OR GOVERNMENT ACTION OR POLICY.—No funds of the Foundation may be used in any manner for the purpose of influencing legislation or government action or policy.

(4) LITIGATION.—No funds of the Foundation may be used to bring or join an action against the United States.

(d) TAX EXEMPT STATUS.—

(1) 1996 TAXABLE YEAR.—In the case of the 1996 taxable year, the Foundation shall be treated as organized and operated exclusively for charitable purposes for purposes of section 501(c)(3) of the Internal Revenue Code of 1986.

(2) 1997 AND SUBSEQUENT TAXABLE YEARS.—In the case of the 1997 and subsequent taxable years, the Foundation shall be required to maintain the tax exempt status of the Foundation in the manner prescribed by the Secretary of the Treasury for similar tax exempt organizations.

SEC. 304. COMPOSITION AND OPERATION.

(a) COMPOSITION.—The Foundation shall be administered by a Board of Trustees that shall consist of 9 voting members, each of whom shall be a United States citizen and not a Federal officer. The Board shall be composed of—

(1) individuals with expertise in agricultural conservation policy matters;

(2) a representative of private sector organizations with a demonstrable interest in natural resources conservation;

(3) a representative of statewide conservation organizations;

(4) a representative of soil and water conservation districts;

(5) a representative of organizations outside the Federal Government that are dedicated to natural resources conservation education; and

(6) a farmer or rancher.

(b) NONGOVERNMENTAL EMPLOYEES.—Service as a member of the Board shall not constitute employment by, or the holding of, an office of the United States for the purposes of any Federal law.

(c) MEMBERSHIP.—

(1) INITIAL MEMBERS.—The Secretary shall appoint 9 persons who meet the criteria established under subsection (a) as the initial members of the Board and designate 1 of the members as the initial chairperson for a 2-year term.

(2) TERMS OF OFFICE.—

(A) IN GENERAL.—A member of the Board shall serve for a term of 3 years, except that the members appointed to the initial Board shall serve, proportionately, for terms of 1, 2, and 3 years, as determined by the Secretary.

(B) LIMITATION ON TERMS.—No individual may serve more than 2 consecutive 3-year terms as a member.

(3) SUBSEQUENT MEMBERS.—The initial members of the Board shall adopt procedures in the constitution of the Foundation for the nomination and selection of subsequent members of the Board. The procedures shall require that each member, at a minimum, meets the criteria established under subsection (a) and shall provide for the selection of an individual, who is not a Federal officer or a member of the Board, to be provided with the power to select subsequent members of the Board.

(d) CHAIRPERSON.—After the appointment of an initial chairperson under subsection (c)(1), each succeeding chairperson of the Board shall be elected by the members of the Board for a 2-year term.

(e) VACANCIES.—A vacancy on the Board shall be filled by the Board not later than 60 days after the occurrence of the vacancy.

(f) COMPENSATION.—A member of the Board shall receive no compensation from the Foundation for the service of the member on the Board.

(g) TRAVEL EXPENSES.—While away from the home or regular place of business of a member of the Board in the performance of services for the Board, the member shall be allowed travel expenses paid by the Foundation, including per diem in lieu of subsistence, at the same rate as a person employed intermittently in the Government service would be allowed under section 5703 of title 5, United States Code.

SEC. 305. OFFICERS AND EMPLOYEES.

(a) IN GENERAL.—The Board may—

(1) appoint, hire, and discharge the officers and employees of the Foundation, other than the appointment of the initial Executive Director of the Foundation;

(2) adopt a constitution and bylaws for the Foundation that are consistent with the purposes of the Foundation and this title; and

(3) undertake any other activities that may be necessary to carry out this title.

(b) OFFICERS AND EMPLOYEES.—

(1) APPOINTMENT AND HIRING.—An officer or employee of the Foundation—

(A) shall not, by virtue of the appointment or employment of the officer or employee, be considered a Federal employee for any purpose, including the provisions of title 5, United States Code, governing appointments in the competitive service, except that such an individual may participate in the Federal employee retirement system as if the individual were a Federal employee; and

(B) may not be paid by the Foundation a salary in excess of $125,000 per year.

(2) EXECUTIVE DIRECTOR.—

(A) INITIAL DIRECTOR.—The Secretary shall appoint an individual to serve as the initial Executive Director of the Foundation who shall serve, at the direction of the Board, as the chief operating officer of the Foundation.

(B) SUBSEQUENT DIRECTORS.—The Board shall appoint each subsequent Executive Director of the Foundation who shall serve, at the direction of the Board, as the chief operating officer of the Foundation.

(C) QUALIFICATIONS.—The Executive Director shall be knowledgeable and experienced in matters relating to natural resources conservation.

SEC. 306. CORPORATE POWERS AND OBLIGATIONS OF THE FOUNDATION.

(a) IN GENERAL.—The Foundation—

(1) may conduct business throughout the United States and the territories and possessions of the United States; and

(2) shall at all times maintain a designated agent who is authorized to accept service of process for the Foundation, so that the serving of notice to, or service of process on, the agent, or mailed to the business address of the agent, shall be considered as service on or notice to the Foundation.

(b) SEAL.—The Foundation shall have an official seal selected by the Board that shall be judicially noticed.

(c) POWERS.—To carry out the purposes of the Foundation under section 303(b), the Foundation shall have, in addition to the powers otherwise provided under this title, the usual powers of a corporation, including the power—

(1) to accept, receive, solicit, hold, administer, and use any gift, devise, or bequest, either absolutely or in trust, of real or personal property or any income from, or other interest in, the gift, devise, or bequest;

(2) to acquire by purchase or exchange any real or personal property or interest in property;

(3) unless otherwise required by instrument of transfer, to sell, donate, lease, invest, reinvest, retain, or otherwise dispose of any property or income from property;

(4) to borrow money from private sources and issue bonds, debentures, or other debt instruments, subject to section 309, except that the aggregate amount of the borrowing and debt instruments outstanding at any time may not exceed $1,000,000;

(5) to sue and be sued, and complain and defend itself, in any court of competent jurisdiction, except that a member of the Board shall

not be personally liable for an action in the performance of services for the Board, except for gross negligence;

(6) to enter into a contract or other agreement with an agency of State or local government, educational institution, or other private organization or person and to make such payments as may be necessary to carry out the functions of the Foundation; and

(7) to do any and all acts that are necessary to carry out the purposes of the Foundation.

(d) INTEREST IN PROPERTY.—

(1) IN GENERAL.—The Foundation may acquire, hold, and dispose of lands, waters, or other interests in real property by donation, gift, devise, purchase, or exchange.

(2) INTERESTS IN REAL PROPERTY.—For purposes of this title, an interest in real property shall be treated, among other things, as including an easement or other right for the preservation, conservation, protection, or enhancement of agricultural, natural, scenic, historic, scientific, educational, inspirational, or recreational resources.

(3) GIFTS.—A gift, devise, or bequest may be accepted by the Foundation even though the gift, devise, or bequest is encumbered, restricted, or subject to a beneficial interest of a private person if any current or future interest in the gift, devise, or bequest is for the benefit of the Foundation.

SEC. 307. ADMINISTRATIVE SERVICES AND SUPPORT.

The Secretary may provide, without reimbursement, personnel, facilities, and other administrative services of the Department to the Foundation.

SEC. 308. AUDITS AND PETITION OF ATTORNEY GENERAL FOR EQUITABLE RELIEF.

(a) AUDITS.—

(1) IN GENERAL.—The accounts of the Foundation shall be audited in accordance with Public Law 88–504 (36 U.S.C. 1101 et seq.), including an audit of lobbying and litigation activities carried out by the Foundation.

(2) CONFORMING AMENDMENT.—The first section of Public Law 88–504 (36 U.S.C. 1101) is amended by adding at the end the following:

"(77) The National Natural Resources Conservation Foundation.".

(b) RELIEF WITH RESPECT TO CERTAIN FOUNDATION ACTS OR FAILURE TO ACT.—The Attorney General may petition in the United States District Court for the District of Columbia for such equitable relief as may be necessary or appropriate, if the Foundation—

(1) engages in, or threatens to engage in, any act, practice, or policy that is inconsistent with this title; or

(2) refuses, fails, neglects, or threatens to refuse, fail, or neglect, to discharge the obligations of the Foundation under this title.

SEC. 309. RELEASE FROM LIABILITY.

(a) IN GENERAL.—The United States shall not be liable for any debt, default, act, or omission of the Foundation. The full faith and credit of the United States shall not extend to the Foundation.

(b) STATEMENT.—An obligation issued by the Foundation, and a document offering an obligation, shall include a prominent statement that the obligation is not directly or indirectly guaranteed, in whole or in part, by the United States (or an agency or instrumentality of the United States).

SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department to be made available to the Foundation such sums as are necessary for each of fiscal years 1997 through 1999 to initially establish and carry out activities of the Foundation.

TITLE IV—IMPLEMENTATION AND EFFECTIVE DATE

SEC. 401. IMPLEMENTATION.

The Secretary of Agriculture and the Farm Credit Administration shall promulgate regulations and take other required actions to implement the provisions of this Act not later than 90 days after the effective date of this Act.

SEC. 402. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall become effective on the date of enactment.

Amend the title so as to read: "An Act to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes.".

House Amendment to Senate Amendments: In lieu of the matter inserted by the Senate amendment to the text of the bill, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Farm Credit System Reform Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AGRICULTURAL MORTGAGE SECONDARY MARKET

Sec. 101. Definition of real estate.
Sec. 102. Definition of certified facility.
Sec. 103. Duties of Federal Agricultural Mortgage Corporation.
Sec. 104. Powers of the Corporation.
Sec. 105. Federal reserve banks as depositaries and fiscal agents.
Sec. 106. Certification of agricultural mortgage marketing facilities.
Sec. 107. Guarantee of qualified loans.
Sec. 108. Mandatory reserves and subordinated participation interests eliminated.
Sec. 109. Standards requiring diversified pools.
Sec. 110. Small farms.
Sec. 111. Definition of an affiliate.
Sec. 112. State usury laws superseded.
Sec. 113. Extension of capital transition period.
Sec. 114. Minimum capital level.
Sec. 115. Critical capital level.
Sec. 116. Enforcement levels.
Sec. 117. Recapitalization of the Corporation.
Sec. 118. Liquidation of the Federal Agricultural Mortgage Corporation.

TITLE II—REGULATORY RELIEF

Sec. 201. Compensation of association personnel.
Sec. 202. Use of private mortgage insurance.
Sec. 203. Removal of certain borrower reporting requirement.
Sec. 204. Reform of regulatory limitations on dividend, member business, and voting practices of eligible farmer-owned cooperatives.
Sec. 205. Removal of Federal Government certification requirement for certain private sector financings.
Sec. 206. Borrower stock.
Sec. 207. Disclosure relating to adjustable rate loans.
Sec. 208. Borrowers' rights.
Sec. 209. Formation of administrative service entities.
Sec. 210. Joint management agreements.
Sec. 211. Dissemination of quarterly reports.
Sec. 212. Regulatory review.
Sec. 213. Examination of farm credit system institutions.
Sec. 214. Conservatorships and receiverships.
Sec. 215. Farm Credit Insurance Fund operations.
Sec. 216. Examinations by the Farm Credit System Insurance Corporation.
Sec. 217. Powers with respect to troubled insured System banks.
Sec. 218. Oversight and regulatory actions by the Farm Credit System Insurance Corporation.
Sec. 219. Farm Credit System Insurance Corporation board of directors.
Sec. 220. Interest rate reduction program.
Sec. 221. Liability for making criminal referrals.

TITLE III—IMPLEMENTATION AND EFFECTIVE DATE

Sec. 301. Implementation.
Sec. 302. Effective date.

TITLE I—AGRICULTURAL MORTGAGE SECONDARY MARKET

SEC. 101. DEFINITION OF REAL ESTATE.

Section 8.0(1)(B)(ii) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(1)(B)(ii)) is amended by striking "with a purchase price" and inserting ", excluding the land to which the dwelling is affixed, with a value".

SEC. 102. DEFINITION OF CERTIFIED FACILITY.

Section 8.0(3) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(3)) is amended—

(1) in subparagraph (A), by striking "a secondary marketing agricultural loan" and inserting "an agricultural mortgage marketing"; and

(2) in subparagraph (B), by striking ", but only" and all that follows through "(9)(B)".

SEC. 103. DUTIES OF FEDERAL AGRICULTURAL MORTGAGE CORPORATION.

Section 8.1(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–1(b)) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(4) purchase qualified loans and issue securities representing interests in, or obligations backed by, the qualified loans, guaranteed for the timely repayment of principal and interest.".

SEC. 104. POWERS OF THE CORPORATION.

Section 8.3(c) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–3(c)) is amended—

(1) by redesignating paragraphs (13) and (14) as paragraphs (14) and (15), respectively; and

(2) by inserting after paragraph (12) the following:

"(13) To purchase, hold, sell, or assign a qualified loan, to issue a guaranteed security, representing an interest in, or an obligation backed by, the qualified loan, and to perform all the functions and responsibilities of an agricultural mortgage marketing facility operating as a certified facility under this title.".

SEC. 105. FEDERAL RESERVE BANKS AS DEPOSITARIES AND FISCAL AGENTS.

Section 8.3 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–3) is amended—

(1) in subsection (d), by striking "may act as depositories for, or" and inserting "shall act as depositories for, and"; and

(2) in subsection (e), by striking "Secretary of the Treasury may authorize the Corporation to use" and inserting "Corporation shall have access to".

SEC. 106. CERTIFICATION OF AGRICULTURAL MORTGAGE MARKETING FACILITIES.

Section 8.5 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–5) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting "(other than the Corporation)" after "agricultural mortgage marketing facilities"; and

(B) in paragraph (2), by inserting "(other than the Corporation)" after "agricultural mortgage marketing facility"; and

(2) in subsection (e)(1), by striking "(other than the Corporation)".

SEC. 107. GUARANTEE OF QUALIFIED LOANS.

Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6) is amended—

(1) in subsection (a)(1)—

(A) by striking "Corporation shall guarantee" and inserting the following: "Corporation—

"(A) shall guarantee";

(B) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(B) may issue a security, guaranteed as to the timely payment of principal and interest, that represents an interest solely in, or an obligation fully backed by, a pool consisting of qualified loans that—

"(i) meet the standards established under section 8.8; and

"(ii) have been purchased and held by the Corporation.";

(2) in subsection (d)—

(A) by striking paragraph (4); and

(B) by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively; and

(3) in subsection (g)(2), by striking "section 8.0(9)(B))" and inserting "section 8.0(9))".

SEC. 108. MANDATORY RESERVES AND SUBORDINATED PARTICIPATION INTERESTS ELIMINATED.

(a) GUARANTEE OF QUALIFIED LOANS.—Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6) is amended by striking subsection (b).

(b) RESERVES AND SUBORDINATED PARTICIPATION INTERESTS.—Section 8.7 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–7) is repealed.

(c) CONFORMING AMENDMENTS.—

(1) Section 8.0(9)(B)(i) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(9)(B)(i)) is amended by striking "8.7, 8.8," and inserting "8.8".

(2) Section 8.6(a)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6(a)(2)) is amended by striking "subject to the provisions of subsection (b)".

SEC. 109. STANDARDS REQUIRING DIVERSIFIED POOLS.

(a) IN GENERAL.—Section 8.6 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6) (as amended by section 108) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d) through (g) as subsections (b) through (e), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 8.0(9)(B)(i) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa(9)(B)(i)) is amended by striking "(f)" and inserting "(d)".

(2) Section 8.13(a) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–13(a)) is amended by striking "sections 8.6(b) and" in each place it appears and inserting "section".

(3) Section 8.32(b)(1)(C) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–1(b)(1)(C)) is amended—

(A) by striking "shall" and inserting "may"; and

(B) by inserting "(as in effect before the date of the enactment of the Farm Credit System Reform Act of 1996)" before the semicolon.

(4) Section 8.6(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–6(b)) (as redesignated by subsection (a)(2)) is amended—

(A) by striking paragraph (4) (as redesignated by section 107(2)(B)); and

(B) by redesignating paragraphs (5) and (6) (as redesignated by section 107(2)(B)) as paragraphs (4) and (5), respectively.

SEC. 110. SMALL FARMS.

Section 8.8(e) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–8(e)) is amended by adding at the end the following: "The Board shall promote and encourage the inclusion of qualified loans for small farms and family farmers in the agricultural mortgage secondary market.".

SEC. 111. DEFINITION OF AN AFFILIATE.

Section 8.11(e) of the Farm Credit Act of 1971 (21 U.S.C. 2279aa–11(e)) is amended—

(1) by striking "a certified facility or"; and

(2) by striking "paragraphs (3) and (7), respectively, of section 8.0" and inserting "section 8.0(7)".

SEC. 112. STATE USURY LAWS SUPERSEDED.

Section 8.12 of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–12) is amended by striking subsection (d) and inserting the following:

"(d) STATE USURY LAWS SUPERSEDED.—A provision of the Constitution or law of any State shall not apply to an agricultural loan made by an originator or a certified facility in accordance with this title for sale to the Corporation or to a certified facility for inclusion in a pool for which the Corporation has provided, or has committed to provide, a guarantee, if the loan, not later than 180 days after the date the loan was made, is sold to the Corporation or included in a pool for which the Corporation has provided a guarantee, if the provision—

"(1) limits the rate or amount of interest, discount points, finance charges, or other charges that may be charged, taken, received, or reserved by an agricultural lender or a certified facility; or

"(2) limits or prohibits a prepayment penalty (either fixed or declining), yield maintenance, or make-whole payment that may be charged, taken, or received by an agricultural lender or a certified facility in connection with the full or partial payment of the principal amount due on a loan by a borrower in advance of the scheduled date for the payment under the terms of the loan, otherwise known as a prepayment of the loan principal.".

SEC. 113. EXTENSION OF CAPITAL TRANSITION PERIOD.

Section 8.32 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–1) is amended—

(1) in the first sentence of subsection (a), by striking "Not later than the expiration of the 2-year period beginning on December 13, 1991," and inserting "Not sooner than the expiration of the 3-year period beginning on the date of enactment of the Farm Credit System Reform Act of 1996,";

(2) in the first sentence of subsection (b)(2), by striking "5-year" and inserting "8-year"; and

(3) in subsection (d)—

(A) in the first sentence—

(i) by striking "The regulations establishing" and inserting the following:

"(1) IN GENERAL.—The regulations establishing"; and

(ii) by striking "shall contain" and inserting the following: "shall—

"(A) be issued by the Director for public comment in the form of a notice of proposed rulemaking, to be first published after the expiration of the period referred to in subsection (a); and

"(B) contain"; and

(B) in the second sentence, by striking "The regulations shall" and inserting the following:

"(2) SPECIFICITY.—The regulations referred to in paragraph (1) shall".

SEC. 114. MINIMUM CAPITAL LEVEL.

Section 8.33 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb–2) is amended to read as follows:

"SEC. 8.33. MINIMUM CAPITAL LEVEL.

"(a) IN GENERAL.—Except as provided in subsection (b), for purposes of this subtitle, the minimum capital level for the Corporation shall be an amount of core capital equal to the sum of—

"(1) 2.75 percent of the aggregate on-balance sheet assets of the Corporation, as determined in accordance with generally accepted accounting principles; and

"(2) 0.75 percent of the aggregate off-balance sheet obligations of the Corporation, which, for the purposes of this subtitle, shall include—

"(A) the unpaid principal balance of outstanding securities that are guaranteed by the Corporation and backed by pools of qualified loans;

"(B) instruments that are issued or guaranteed by the Corporation and are substantially equivalent to instruments described in subparagraph (A); and

"(C) other off-balance sheet obligations of the Corporation.

"(b) TRANSITION PERIOD.—

"(1) IN GENERAL.—For purposes of this subtitle, the minimum capital level for the Corporation—

"(A) prior to January 1, 1997, shall be the amount of core capital equal to the sum of—

"(i) 0.45 percent of aggregate off-balance sheet obligations of the Corporation;

"(ii) 0.45 percent of designated on-balance sheet assets of the Corporation, as determined under paragraph (2); and

"(iii) 2.50 percent of on-balance sheet assets of the Corporation other than assets designated under paragraph (2);

"(B) during the 1-year period ending December 31, 1997, shall be the amount of core capital equal to the sum of—

"(i) 0.55 percent of aggregate off-balance sheet obligations of the Corporation;

"(ii) 1.20 percent of designated on-balance sheet assets of the Corporation, as determined under paragraph (2); and

"(iii) 2.55 percent of on-balance sheet assets of the Corporation other than assets designated under paragraph (2);

"(C) during the 1-year period ending December 31, 1998, shall be the amount of core capital equal to—

"(i) if the Corporation's core capital is not less than $25,000,000 on January 1, 1998, the sum of—

"(I) 0.65 percent of aggregate off-balance sheet obligations of the Corporation;

"(II) 1.95 percent of designated on-balance sheet assets of the Corporation, as determined under paragraph (2); and

"(III) 2.65 percent of on-balance sheet assets of the Corporation other than assets designated under paragraph (2); or

"(ii) if the Corporation's core capital is less than $25,000,000 on January 1, 1998, the amount determined under subsection (a); and

"(D) on and after January 1, 1999, shall be the amount determined under subsection (a).

"(2) DESIGNATED ON-BALANCE SHEET ASSETS.—For purposes of this subsection, the designated on-balance sheet assets of the Corporation shall be—

"(A) the aggregate on-balance sheet assets of the Corporation acquired under section 8.6(e); and

"(B) the aggregate amount of qualified loans purchased and held by the Corporation under section 8.3(c)(13).".

SEC. 115. CRITICAL CAPITAL LEVEL.

Section 8.34 of the Farm Credit Act of 1971 (12 U.S.C. 2279bb-3) is amended to read as follows:

"SEC. 8.34. CRITICAL CAPITAL LEVEL.

"For purposes of this subtitle, the critical capital level for the Corporation shall be an amount of core capital equal to 50 percent of the total minimum capital amount determined under section 8.33.".

SEC. 116. ENFORCEMENT LEVELS.

Section 8.35(e) of the Farm Credit Act of 1971 (12 U.S.C. 2279bb-4(e)) is amended by striking "during the 30-month period beginning on the date of the enactment of this section," and inserting "during the period beginning on December 13, 1991, and ending on the effective date of the risk based capital regulation issued by the Director under section 8.32,".

SEC. 117. RECAPITALIZATION OF THE CORPORATION.

Title VIII of the Farm Credit Act of 1971 (12 U.S.C. 2279aa et seq.) is amended by adding at the end the following:

"SEC. 8.38. RECAPITALIZATION OF THE CORPORATION.

"(a) MANDATORY RECAPITALIZATION.—The Corporation shall increase the core capital of the Corporation to an amount equal to or greater than $25,000,000, not later than the earlier of—

"(1) the date that is 2 years after the date of enactment of this section; or

"(2) the date that is 180 days after the end of the first calendar quarter that the aggregate on-balance sheet assets of the Corporation, plus the outstanding principal of the off-balance sheet obligations of the Corporation, equal or exceed $2,000,000,000.

"(b) RAISING CORE CAPITAL.—In carrying out this section, the Corporation may issue stock under section 8.4 and otherwise employ any recognized and legitimate means of raising core capital in the power of the Corporation under section 8.3.

"(c) LIMITATION ON GROWTH OF TOTAL ASSETS.—During the 2-year period beginning on the date of enactment of this section, the aggregate on-balance sheet assets of the Corporation plus the outstanding principal of the off-balance sheet obligations of the Corporation may not exceed $3,000,000,000 if the core capital of the Corporation is less than $25,000,000.

"(d) ENFORCEMENT.—If the Corporation fails to carry out subsection (a) by the date required under paragraph (1) or (2) of subsection (a), the Corporation may not purchase a new qualified loan or issue or guarantee a new loan-backed security until the core capital of the Corporation is increased to an amount equal to or greater than $25,000,000.".

SEC. 118. LIQUIDATION OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION.

Title VIII of the Farm Credit Act of 1971 (12 U.S.C. 2279aa et seq.) (as amended by section 117) is amended by adding at the end the following:

"Subtitle C—Receivership, Conservatorship, and Liquidation of the Federal Agricultural Mortgage Corporation

"SEC. 8.41. CONSERVATORSHIP; LIQUIDATION; RECEIVERSHIP.

"(a) VOLUNTARY LIQUIDATION.—The Corporation may voluntarily liquidate only with the consent of, and in accordance with a plan of liquidation approved by, the Farm Credit Administration Board.

"(b) INVOLUNTARY LIQUIDATION.—

"(1) IN GENERAL.—The Farm Credit Administration Board may appoint a conservator or receiver for the Corporation under the circumstances specified in section 4.12(b).

"(2) APPLICATION.—In applying section 4.12(b) to the Corporation under paragraph (1)—

"(A) the Corporation shall also be considered insolvent if the Corporation is unable to pay its debts as they fall due in the ordinary course of business;

"(B) a conservator may also be appointed for the Corporation if the authority of the Corporation to purchase qualified loans or issue or guarantee loan-backed securities is suspended; and

"(C) a receiver may also be appointed for the Corporation if—

"(i)(I) the authority of the Corporation to purchase qualified loans or issue or guarantee loan-backed securities is suspended; or

"(II) the Corporation is classified under section 8.35 as within level III or IV and the alternative actions available under subtitle B are not satisfactory; and

"(ii) the Farm Credit Administration determines that the appointment of a conservator would not be appropriate.

"(3) NO EFFECT ON SUPERVISORY ACTIONS.—The grounds for appointment of a conservator for the Corporation under this subsection shall be in addition to those in section 8.37.

"(c) APPOINTMENT OF CONSERVATOR OR RECEIVER.—

"(1) QUALIFICATIONS.—Notwithstanding section 4.12(b), if a conservator or receiver is appointed for the Corporation, the conservator or receiver shall be—

"(A) the Farm Credit Administration or any other governmental entity or employee, including the Farm Credit System Insurance Corporation; or

"(B) any person that—

"(i) has no claim against, or financial interest in, the Corporation or other basis for a conflict of interest as the conservator or receiver; and

"(ii) has the financial and management expertise necessary to direct the operations and affairs of the Corporation and, if necessary, to liquidate the Corporation.

"(2) COMPENSATION.—

"(A) IN GENERAL.—A conservator or receiver for the Corporation and professional personnel (other than a Federal employee) employed to represent or assist the conservator or receiver may be compensated for activities conducted as, or for, a conservator or receiver.

"(B) LIMIT ON COMPENSATION.—Compensation may not be provided in amounts greater than the compensation paid to employees of the Federal Government for similar services, except that the Farm Credit Administration may provide for compensation at higher rates that are not in excess of rates prevailing in the private sector if the Farm Credit Administration determines that compensation at higher rates is necessary in order to recruit and retain competent personnel.

"(C) CONTRACTUAL ARRANGEMENTS.—The conservator or receiver may contract with any governmental entity, including the Farm Credit System Insurance Corporation, to make personnel, services, and facilities of the entity available to the conservator or receiver on such terms and compensation arrangements as shall be mutually agreed, and each entity may provide the same to the conservator or receiver.

"(3) EXPENSES.—A valid claim for expenses of the conservatorship or receivership (including compensation under paragraph (2)) and a valid claim with respect to a loan made under subsection (f) shall—

"(A) be paid by the conservator or receiver from funds of the Corporation before any other valid claim against the Corporation; and

"(B) may be secured by a lien, on such property of the Corporation as the conservator or receiver may determine, that shall have priority over any other lien.

"(4) LIABILITY.—If the conservator or receiver for the Corporation is not a Federal entity, or an officer or employee of the Federal Government, the conservator or receiver shall not be personally liable for damages in tort or otherwise for an act or omission performed pursuant to and in the course of the conservatorship or receivership, unless the act or omission constitutes gross negligence or any form of intentional tortious conduct or criminal conduct.

"(5) INDEMNIFICATION.—The Farm Credit Administration may allow indemnification of the conservator or receiver from the assets of the conservatorship or receivership on such terms as the Farm Credit Administration considers appropriate.

"(d) JUDICIAL REVIEW OF APPOINTMENT.—

"(1) IN GENERAL.—Notwithstanding subsection (i)(1), not later than 30 days after a conservator or receiver is appointed under subsection (b), the Corporation may bring an action in the United States District Court for the District of Columbia for an order requiring the Farm Credit Administration Board to remove the conservator or receiver. The court shall, on the merits, dismiss the action or direct the Farm Credit Administration Board to remove the conservator or receiver.

"(2) STAY OF OTHER ACTIONS.—On the commencement of an action under paragraph (1), any court having jurisdiction of any other action or enforcement proceeding authorized under this Act to which the Corporation is a party shall stay the action or proceeding during the pendency of the action for removal of the conservator or receiver.

"(e) GENERAL POWERS OF CONSERVATOR OR RECEIVER.—The conservator or receiver for the Corporation shall have such powers to conduct the conservatorship or receivership as shall be provided pursuant to regulations adopted by the Farm Credit Administration Board. Such powers shall be comparable to the powers available to a conservator or receiver appointed pursuant to section 4.12(b).

"(f) BORROWINGS FOR WORKING CAPITAL.—

"(1) IN GENERAL.—If the conservator or receiver of the Corporation determines that it is likely that there will be insufficient funds to pay the ongoing administrative expenses of the conservatorship or receivership or that there will be insufficient liquidity to fund maturing obligations of the conservatorship or receivership, the conservator or receiver may borrow funds in such amounts, from such sources, and at such rates of interest as the conservator or receiver considers necessary or appropriate to meet the administrative expenses or liquidity needs of the conservatorship or receivership.

"(2) WORKING CAPITAL FROM FARM CREDIT BANKS.—A Farm Credit bank may loan funds to the conservator or receiver for a loan authorized under paragraph (1) or, in the event of receivership, a Farm Credit bank may purchase assets of the Corporation.

"(g) AGREEMENTS AGAINST INTERESTS OF CONSERVATOR OR RECEIVER.—No agreement that tends to diminish or defeat the right, title, or interest of the conservator or receiver for the Corporation in any asset acquired by the conservator or receiver as conservator or receiver for the Corporation shall be valid against the conservator or receiver unless the agreement—

"(1) is in writing;

"(2) is executed by the Corporation and any person claiming an adverse interest under the agreement, including the obligor, contemporaneously with the acquisition of the asset by the Corporation;

"(3) is approved by the Board or an appropriate committee of the Board, which approval shall be reflected in the minutes of the Board or committee; and

"(4) has been, continuously, from the time of the agreement's execution, an official record of the Corporation.

"(h) REPORT TO THE CONGRESS.—On a determination by the receiver for the Corporation that there are insufficient assets of the receivership to pay all valid claims against the receivership, the receiver shall submit to the Secretary of the Treasury, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the financial condition of the receivership.

"(i) TERMINATION OF AUTHORITIES.—

"(1) CORPORATION.—The charter of the Corporation shall be canceled, and the authority provided to the Corporation by this title shall terminate, on such date as the Farm Credit Administration Board determines is appropriate following the placement of the Corporation in receivership, but not later than the conclusion of the receivership and discharge of the receiver.

"(2) OVERSIGHT.—The Office of Secondary Market Oversight established under section 8.11 shall be abolished, and section 8.11(a) and subtitle B shall have no force or effect, on such date as the Farm Credit Administration Board determines is appropriate following the placement of the Corporation in receivership, but not later than the conclusion of the receivership and discharge of the receiver.".

TITLE II—REGULATORY RELIEF

SEC. 201. COMPENSATION OF ASSOCIATION PERSONNEL.

Section 1.5(13) of the Farm Credit Act of 1971 (12 U.S.C. 2013(13)) is amended by striking ", and the appointment and compensation of the chief executive officer thereof,".

SEC. 202. USE OF PRIVATE MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 1.10(a)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2018(a)(1)) is amended by adding at the end the following:

"(D) PRIVATE MORTGAGE INSURANCE.—A loan on which private mortgage insurance is obtained may exceed 85 percent of the appraised value of the real estate security to the extent that the loan amount in excess of such 85 percent is covered by the insurance.".

(b) CONFORMING AMENDMENT.—Section 1.10(a)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2018(a)(1)(A)) is amended by striking "paragraphs (2) and (3)" and inserting "subparagraphs (C) and (D)".

SEC. 203. REMOVAL OF CERTAIN BORROWER REPORTING REQUIREMENT.

Section 1.10(a) of the Farm Credit Act of 1971 (12 U.S.C. 2018(a)) is amended by striking paragraph (5).

SEC. 204. REFORM OF REGULATORY LIMITATIONS ON DIVIDEND, MEMBER BUSINESS, AND VOTING PRACTICES OF ELIGIBLE FARMER-OWNED COOPERATIVES.

(a) IN GENERAL.—Section 3.8(a) of the Farm Credit Act of 1971 (12 U.S.C. 2129(a)) is amended by adding at the end the following: "Any such association that has received a loan from a bank for cooperatives shall, without regard to the requirements of paragraphs (1) through (4), continue to be eligible for so long as more than 50 percent (or such higher percentage as is established by the bank board) of the voting control of the association is held by farmers, producers or harvesters of aquatic products, or eligible cooperative associations.".

(b) CONFORMING AMENDMENT.—Section 3.8(b)(1)(D) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(D)) is amended by striking "and (4) of subsection (a)" and inserting "and (4), or under the last sentence, of subsection (a)".

SEC. 205. REMOVAL OF FEDERAL GOVERNMENT CERTIFICATION REQUIREMENT FOR CERTAIN PRIVATE SECTOR FINANCINGS.

Section 3.8(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)(A)) is amended—

(1) by striking "have been certified by the Administrator of the Rural Electrification Administration to be eligible for such" and inserting "are eligible under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) for"; and

(2) by striking "loan guarantee, and" and inserting "loan guarantee from the Administration or the Bank (or a successor of the Administration or the Bank), and".

SEC. 206. BORROWER STOCK.

Section 4.3A of the Farm Credit Act of 1971 (12 U.S.C. 2154a) is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following:

"(f) LOANS DESIGNATED FOR SALE OR SOLD INTO THE SECONDARY MARKET.—

"(1) IN GENERAL.—Subject to paragraph (2) and notwithstanding any other provision of this section, the bylaws adopted by a bank or association under subsection (b) may provide—

"(A) in the case of a loan made on or after the date of enactment of this paragraph that is designated, at the time the loan is made, for sale into a secondary market, that no voting stock or participation certificate purchase requirement shall apply to the borrower for the loan; and

"(B) in the case of a loan made before the date of enactment of this paragraph that is sold into a secondary market, that all outstanding voting stock or participation certificates held by the borrower with respect to the loan shall, subject to subsection (d)(1), be retired.

"(2) APPLICABILITY.—Notwithstanding any other provision of this section, in the case of a loan sold to a secondary market under title VIII, paragraph (1) shall apply regardless of whether the bank or association retains a subordinated participation interest in a loan or pool of loans or contributes to a cash reserve.

"(3) EXCEPTION.—

"(A) IN GENERAL.—Subject to subparagraph (B) and notwithstanding any other provision of this section, if a loan designated for sale under paragraph (1)(A) is not sold into a secondary market during the 180-day period that begins on the date of the designation, the voting stock or participation certificate purchase requirement that would otherwise apply to the loan in the absence of a bylaw provision described in paragraph (1)(A) shall be effective.

"(B) RETIREMENT.—The bylaws adopted by a bank or association under subsection (b) may provide that if a loan described in subparagraph (A) is sold into a secondary market after the end of the 180-day period described in the subparagraph, all outstanding voting stock or participation certificates held by the borrower with respect to the loan shall, subject to subsection (d)(1), be retired.".

SEC. 207. DISCLOSURE RELATING TO ADJUSTABLE RATE LOANS.

Section 4.13(a)(4) of the Farm Credit Act of 1971 (12 U.S.C. 2199(a)(4)) is amended by inserting before the semicolon at the end the following: ", and notice to the borrower of a change in the interest rate applicable to the loan of the borrower may be made within a reasonable time after the effective date of an increase or decrease in the interest rate".

SEC. 208. BORROWERS' RIGHTS.

(a) DEFINITION OF LOAN.—Section 4.14A(a)(5) of the Farm Credit Act of 1971 (12 U.S.C. 2202a(a)(5)) is amended—

(1) by striking "(5) LOAN.—The" and inserting the following:

"(5) LOAN.—

"(A) IN GENERAL.—Subject to subparagraph (B), the"; and

(2) by adding at the end the following:

"(B) EXCLUSION FOR LOANS DESIGNATED FOR SALE INTO SECONDARY MARKET.—

"(i) IN GENERAL.—Except as provided in clause (ii), the term 'loan' does not include a loan made on or after the date of enactment of this subparagraph that is designated, at the time the loan is made, for sale into a secondary market.

"(ii) UNSOLD LOANS.—

"(I) IN GENERAL.—Except as provided in subclause (II), if a loan designated for sale under clause (i) is not sold into a secondary market during the 180-day period that begins on the date of the designation, the provisions of this section and sections 4.14, 4.14B, 4.14C, 4.14D, and 4.36 that would otherwise apply to the loan in the absence of the exclusion described in clause (i) shall become effective with respect to the loan.

"(II) LATER SALE.—If a loan described in subclause (I) is sold into a secondary market after the end of the 180-day period described in subclause (I), subclause (I) shall not apply with respect to the loan beginning on the date of the sale.".

(b) BORROWERS' RIGHTS FOR POOLED LOANS.—The first sentence of section 8.9(b) of the Farm Credit Act of 1971 (12 U.S.C. 2279aa–9(b)) is amended by inserting "(as defined in section 4.14A(a)(5))" after "application for a loan".

SEC. 209. FORMATION OF ADMINISTRATIVE SERVICE ENTITIES.

Part E of title IV of the Farm Credit Act of 1971 is amended by inserting after section 4.28 (12 U.S.C. 2214) the following:

"SEC. 4.28A. DEFINITION OF BANK.

"In this part, the term 'bank' includes each association operating under title II.".

SEC. 210. JOINT MANAGEMENT AGREEMENTS.

The first sentence of section 5.17(a)(2)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(2)(A)) is amended by striking "or management agreements".

SEC. 211. DISSEMINATION OF QUARTERLY REPORTS.

Section 5.17(a)(8) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(8)) is amended by inserting after "except that" the following: "the requirements of the Farm Credit Administration governing the dissemination to stockholders of quarterly reports of System institutions may not be more burdensome or costly than the requirements applicable to national banks, and".

SEC. 212. REGULATORY REVIEW.

(a) FINDINGS.—Congress finds that—

(1) the Farm Credit Administration, in the role of the Administration as an arms-length safety and soundness regulator, has made

considerable progress in reducing the regulatory burden on Farm Credit System institutions;

(2) the efforts of the Farm Credit Administration described in paragraph (1) have resulted in cost savings for Farm Credit System institutions; and

(3) the cost savings described in paragraph (2) ultimately benefit the farmers, ranchers, agricultural cooperatives, and rural residents of the United States.

(b) Continuation of Regulatory Review.—The Farm Credit Administration shall continue the comprehensive review of regulations governing the Farm Credit System to identify and eliminate, consistent with law, safety, and soundness, all regulations that are unnecessary, unduly burdensome or costly, or not based on law.

SEC. 213. EXAMINATION OF FARM CREDIT SYSTEM INSTITUTIONS.

The first sentence of section 5.19(a) of the Farm Credit Act of 1971 (12 U.S.C. 2254(a)) is amended by striking "each year" and inserting "during each 18-month period".

SEC. 214. CONSERVATORSHIPS AND RECEIVERSHIPS.

(a) Definitions.—Section 5.51 of the Farm Credit Act of 1971 (12 U.S.C. 2277a) is amended—

(1) by striking paragraph (5); and

(2) by redesignating paragraph (6) as paragraph (5).

(b) General Corporate Powers.—Section 5.58 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–7) is amended by striking paragraph (9) and inserting the following:

"(9) Conservator or receiver.—The Corporation may act as a conservator or receiver.".

SEC. 215. FARM CREDIT INSURANCE FUND OPERATIONS.

(a) Adjustment of Premiums.—

(1) In general.—Section 5.55(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4(a)) is amended—

(A) in paragraph (1), by striking "Until the aggregate of amounts in the Farm Credit Insurance Fund exceeds the secure base amount, the annual premium due from any insured System bank for any calendar year" and inserting the following: "If at the end of any calendar year the aggregate of amounts in the Farm Credit Insurance Fund does not exceed the secure base amount, subject to paragraph (2), the annual premium due from any insured System bank for the calendar year";

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

"(2) Reduced premiums.—The Corporation, in the sole discretion of the Corporation, may reduce by a percentage uniformly applied to all insured System banks the annual premium due from each insured System bank during any calendar year, as determined under paragraph (1).".

(2) Conforming amendments.—

(A) Section 5.55(b) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4(b)) is amended—

(i) by striking "Insurance Fund" each place it appears and inserting "Farm Credit Insurance Fund";

(ii) by striking "for the following calendar year"; and

(iii) by striking "subsection (a)" and inserting "subsection (a)(1)".

(B) Section 5.56(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–5(a)) is amended by striking "section 5.55(a)(2)" each place it appears in paragraphs (2) and (3) and inserting "section 5.55(a)(3)".

(C) Section 1.12(b) (12 U.S.C. 2020(b)) is amended—

(i) in paragraph (1), by inserting "(as defined in section 5.55(a)(3))" after "government-guaranteed loans"; and

(ii) in paragraph (3), by inserting "(as so defined)" after "government-guaranteed loans" each place such term appears.

(b) Allocation to Insured System Banks and Other System Institutions of Excess Amounts in the Farm Credit Insurance Fund.—Section 5.55 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4) is amended by adding at the end the following:

"(e) Allocation to System Institutions of Excess Reserves.—

"(1) Establishment of allocated insurance reserves accounts.—There is hereby established in the Farm Credit Insurance Fund an Allocated Insurance Reserves Account—

"(A) for each insured System bank; and

"(B) subject to paragraph (6)(C), for all holders, in the aggregate, of Financial Assistance Corporation stock.

"(2) Treatment.—Amounts in any Allocated Insurance Reserves Account shall be considered to be part of the Farm Credit Insurance Fund.

"(3) Annual allocations.—If, at the end of any calendar year, the aggregate of the amounts in the Farm Credit Insurance Fund exceeds the average secure base amount for the calendar year (as calculated on an average daily balance basis), the Corporation shall allocate to the Allocated Insurance Reserves Accounts the excess amount less the amount that the Corporation, in its sole discretion, determines to be the sum of the estimated operating expenses and estimated insurance obligations of the Corporation for the immediately succeeding calendar year.

"(4) Allocation formula.—From the total amount required to be allocated at the end of a calendar year under paragraph (3)—

"(A) 10 percent of the total amount shall be credited to the Allocated Insurance Reserves Account established under paragraph (1)(B), subject to paragraph (6)(C); and

"(B) there shall be credited to the Allocated Insurance Reserves Account of each insured System bank an amount that bears the same ratio to the total amount (less any amount credited under subparagraph (A)) as the average principal outstanding for the 3-year period ending on the end of the calendar year on loans made by the bank that are in accrual status bears to the average principal outstanding for the 3-year period ending on the end of the calendar year on loans made by all insured System banks that are in accrual status (excluding, in each case, the guaranteed portions of government-guaranteed loans described in subsection (a)(1)(C)).

"(5) Use of funds in allocated insurance reserves accounts.—To the extent that the sum of the operating expenses of the Corporation and the insurance obligations of the Corporation for a calendar year exceeds the sum of operating expenses and insurance obligations determined under paragraph (3) for the calendar year, the Corporation shall cover the expenses and obligations by—

"(A) reducing each Allocated Insurance Reserves Account by the same proportion; and

"(B) expending the amounts obtained under subparagraph (A) before expending other amounts in the Fund.

"(6) Other disposition of account funds.—

"(A) In general.—As soon as practicable during each calendar year beginning more than 8 years after the date on which the aggregate of the amounts in the Farm Credit Insurance Fund exceeds the secure base amount, but not earlier than January 1, 2005, the Corporation may—

"(i) subject to subparagraphs (D) and (F), pay to each insured System bank, in a manner determined by the Corporation, an amount equal to the lesser of—

"(I) 20 percent of the balance in the insured System bank's Allocated Insurance Reserves Account as of the preceding December 31; or

"(II) 20 percent of the balance in the bank's Allocated Insurance Reserves Account on the date of the payment; and

"(ii) subject to subparagraphs (C), (E), and (F), pay to each System bank and association holding Financial Assistance Corporation stock a proportionate share, determined by dividing the number of shares of Financial Assistance Corporation stock held by the institution by the total number of shares of Financial Assistance Corporation stock outstanding, of the lesser of—

"(I) 20 percent of the balance in the Allocated Insurance Reserves Account established under paragraph (1)(B) as of the preceding December 31; or

"(II) 20 percent of the balance in the Allocated Insurance Reserves Account established under paragraph (1)(B) on the date of the payment.

"(B) Authority to eliminate or reduce payments.—The Corporation may eliminate or reduce payments during a calendar year under subparagraph (A) if the Corporation determines, in its sole discretion, that the payments, or other circumstances that might require use of the Farm Credit Insurance Fund, could cause the amount in the Farm Credit Insurance Fund during the calendar year to be less than the secure base amount.

"(C) Reimbursement for financial assistance corporation stock.—

"(i) Sufficient funding.—Notwithstanding paragraph (4)(A), on provision by the Corporation for the accumulation in the Account established under paragraph (1)(B) of funds in an amount equal to $56,000,000 (in addition to the amounts described in subparagraph (F)(ii)), the Corporation shall not allocate any further funds to the Account except to replenish the Account if funds are diminished below $56,000,000 by the Corporation under paragraph (5).

"(ii) Wind down and termination.—

"(I) Final disbursements.—On disbursement of $53,000,000 (in addition to the amounts described in subparagraph (F)(ii)) from the Allocated Insurance Reserves Account, the Corporation shall disburse the remaining amounts in the Account, as determined under subparagraph (A)(ii), without regard to the percentage limitations in subclauses (I) and (II) of subparagraph (A)(ii).

"(II) Termination of account.—On disbursement of $56,000,000 (in addition to the amounts described in subparagraph (F)(ii)) from the Allocated Insurance Reserves Account, the Corporation shall close the Account established under paragraph (1)(B) and transfer any remaining funds in the Account to the remaining Allocated Insurance Reserves Accounts in accordance with paragraph (4)(B) for the calendar year in which the transfer occurs.

"(D) Distribution of payments received.—Not later than 60 days after receipt of a payment made under subparagraph (A)(i), each insured System bank, in consultation with affiliated associations of the insured System bank, and taking into account the direct or indirect payment of insurance premiums by the associations, shall develop and implement an equitable plan to distribute payments received under subparagraph (A)(i) among the bank and associations of the bank.

"(E) Exception for previously reimbursed associations.—For purposes of subparagraph (A)(ii), in any Farm Credit district in which the funding bank has reimbursed 1 or more affiliated associations of the bank for the previously unreimbursed portion of the Financial Assistance Corporation stock held by the associations, the funding bank shall be deemed to be the holder of the shares of Financial Assistance Corporation stock for which the funding bank has provided the reimbursement.

"(F) Initial payment.—Notwithstanding subparagraph (A), the initial payment made to each payee under subparagraph (A) shall be in such amount determined by the Corporation to be equal to the sum of—

"(i) the total of the amounts that would have been paid if payments under subparagraph (A) had been authorized to begin, under the same terms and conditions, in the first calendar year beginning more than 5 years after the date on which the aggregate of the amounts in the Farm Credit Insurance Fund exceeds the secure base amount, and to continue through the 2 immediately subsequent years;

"(ii) interest earned on any amounts that would have been paid as described in clause (i) from the date on which the payments would have been paid as described in clause (i); and

"(iii) the payment to be made in the initial year described in subparagraph (A), based on the amount in each Account after subtracting the amounts to be paid under clauses (i) and (ii)."

(c) Technical Amendments.—Section 5.55(d) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–4(d)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "subsections (a) and (c)" and inserting "subsections (a), (c), and (e)"; and

(B) by striking "a Farm Credit Bank" and inserting "an insured System bank"; and

(2) in paragraphs (1), (2), and (3), by striking "Farm Credit Bank" each place it appears and inserting "insured System bank".

SEC. 216. EXAMINATIONS BY THE FARM CREDIT SYSTEM INSURANCE CORPORATION.

Section 5.59(b)(1)(A) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–8(b)(1)(A)) is amended by adding at the end the following: "Notwithstanding any other provision of this Act, on cancellation of the charter of a System institution, the Corporation shall have authority to examine the system institution in receivership. An examination shall be performed at such intervals as the Corporation shall determine.".

SEC. 217. POWERS WITH RESPECT TO TROUBLED INSURED SYSTEM BANKS.

(a) Least-Cost Resolution.—Section 5.61(a)(3) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–10(a)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (F); and

(2) by striking subparagraph (A) and inserting the following:

"(A) Least-cost resolution.—Assistance may not be provided to an insured System bank under this subsection unless the means of providing the assistance is the least costly means of providing the assistance by the Farm Credit Insurance Fund of all possible alternatives available to the Corporation, including liquidation of the bank (including paying the insured obligations issued on behalf of the bank). Before making a least-cost determination under this subparagraph, the Corporation shall accord such other insured System banks as the Corporation determines to be appropriate the opportunity to submit information relating to the determination.

"(B) Determining least costly approach.—In determining the least costly alternative under subparagraph (A), the Corporation shall—

"(i) evaluate alternatives on a present-value basis, using a reasonable discount rate;

"(ii) document the evaluation and the assumptions on which the evaluation is based; and

"(iii) retain the documentation for not less than 5 years.

"(C) Time of determination.—

"(i) General rule.—For purposes of this subsection, the determination of the costs of providing any assistance under any provision of this section with respect to any insured System bank shall be made as of the date on which the Corporation makes the determination to provide the assistance to the institution under this section.

"(ii) Rule for liquidations.—For purposes of this subsection, the determination of the costs of liquidation of any insured System bank shall be made as of the earliest of—

"(I) the date on which a conservator is appointed for the insured System bank;

"(II) the date on which a receiver is appointed for the insured System bank; or

"(III) the date on which the Corporation makes any determination to provide any assistance under this section with respect to the insured System bank.

"(D) Rule for stand-alone assistance.—Before providing any assistance under paragraph (1), the Corporation shall evaluate the adequacy of managerial resources of the insured System bank. The continued service of any director or senior ranking officer who serves in a policymaking role for the assisted insured System bank, as determined by the Corporation, shall be subject to approval by the Corporation as a condition of assistance.

"(E) Discretionary determinations.—Any determination that the Corporation makes under this paragraph shall be in the sole discretion of the Corporation.".

(b) Conforming Amendments.—Section 5.61(a) of the Farm Credit Act of 1971 (12 U.S.C. 2277a–10(a)) is amended—

(1) in paragraph (1) by striking "In general.—" and inserting "Stand-alone assistance.—"; and

(2) in paragraph (2)—

(A) by striking "Enumerated powers.—" and inserting "Facilitation of mergers or consolidation.—"; and

(B) in subparagraph (A) by striking "Facilitation of mergers or consolidation.—" and inserting "In general.—".

SEC. 218. OVERSIGHT AND REGULATORY ACTIONS BY THE FARM CREDIT SYSTEM INSURANCE CORPORATION.

The Farm Credit Act of 1971 is amended by inserting after section 5.61 (12 U.S.C. 2279a–10) the following:

"SEC. 5.61A. OVERSIGHT ACTIONS BY THE CORPORATION.

"(a) Definitions.—In this section, the term 'institution' means—

"(1) an insured System bank; and

"(2) a production credit association or other association making loans under section 7.6 with a direct loan payable to the funding bank of the association that comprises 20 percent or more of the funding bank's total loan volume net of nonaccrual loans.

"(b) Consultation Regarding Participation of Undercapitalized Banks in Issuance of Insured Obligations.—The Farm Credit Administration shall consult with the Corporation prior to approving an insured obligation that is to be issued by or on behalf of, or participated in by, any insured System bank that fails to meet the minimum level for any capital requirement established by the Farm Credit Administration for the bank.

"(c) Consultation Regarding Applications for Mergers and Restructurings.—

"(1) Corporation to receive copy of transaction applications.—On receiving an application for a merger or restructuring of an institution, the Farm Credit Administration shall forward a copy of the application to the Corporation.

"(2) Consultation required.—If the proposed merger or restructuring involves an institution that fails to meet the minimum level for any capital requirement established by the Farm Credit Administration applicable to the institution, the Farm Credit Administration shall allow 30 days within which the Corporation may submit the views and recommendations of the Corporation, including any conditions for approval. In determining whether to approve or disapprove any proposed merger or restructuring, the Farm Credit Administration shall give due consideration to the views and recommendations of the Corporation.

"SEC. 5.61B. AUTHORITY TO REGULATE GOLDEN PARACHUTE AND INDEMNIFICATION PAYMENTS.

"(a) Definitions.—In this section:

"(1) Golden parachute payment.—The term 'golden parachute payment'—

"(A) means a payment (or any agreement to make a payment) in the nature of compensation for the benefit of any institution-related party under an obligation of any Farm Credit System institution that—

"(i) is contingent on the termination of the party's relationship with the institution; and

"(ii) is received on or after the date on which—

"(I) the institution is insolvent;

"(II) a conservator or receiver is appointed for the institution;

"(III) the institution has been assigned by the Farm Credit Administration a composite CAMEL rating of 4 or 5 under the Farm Credit Administration Rating System, or an equivalent rating; or

"(IV) the Corporation otherwise determines that the institution is in a troubled condition (as defined in regulations issued by the Corporation); and

"(B) includes a payment that would be a golden parachute payment but for the fact that the payment was made before the date referred to in subparagraph (A)(ii) if the payment was made in contemplation of the occurrence of an event described in any subclause of subparagraph (A); but

"(C) does not include—

"(i) a payment made under a retirement plan that is qualified (or is intended to be qualified) under section 401 of the Internal Revenue Code of 1986 or other nondiscriminatory benefit plan;

"(ii) a payment made under a bona fide supplemental executive retirement plan, deferred compensation plan, or other arrangement that the Corporation determines, by regulation or order, to be permissible; or

"(iii) a payment made by reason of the death or disability of an institution-related party.

"(2) Indemnification payment.—The term 'indemnification payment' means a payment (or any agreement to make a payment) by any Farm Credit System institution for the benefit of any person who is or was an institution-related party, to pay or reimburse the person for any liability or legal expense with regard to any administrative proceeding or civil action instituted by the Farm Credit Administration that results in a final order under which the person—

"(A) is assessed a civil money penalty; or

"(B) is removed or prohibited from participating in the conduct of the affairs of the institution.

"(3) INSTITUTION-RELATED PARTY.—The term 'institution-related party' means—

"(A) a director, officer, employee, or agent for a Farm Credit System institution or any conservator or receiver of such an institution;

"(B) a stockholder (other than another Farm Credit System institution), consultant, joint venture partner, or any other person determined by the Farm Credit Administration to be a participant in the conduct of the affairs of a Farm Credit System institution; and

"(C) an independent contractor (including any attorney, appraiser, or accountant) that knowingly or recklessly participates in any violation of any law or regulation, any breach of fiduciary duty, or any unsafe or unsound practice that caused or is likely to cause more than a minimal financial loss to, or a significant adverse effect on, the Farm Credit System institution.

"(4) LIABILITY OR LEGAL EXPENSE.—The term 'liability or legal expense' means—

"(A) a legal or other professional expense incurred in connection with any claim, proceeding, or action;

"(B) the amount of, and any cost incurred in connection with, any settlement of any claim, proceeding, or action; and

"(C) the amount of, and any cost incurred in connection with, any judgment or penalty imposed with respect to any claim, proceeding, or action.

"(5) PAYMENT.—The term 'payment' means—

"(A) a direct or indirect transfer of any funds or any asset; and

"(B) any segregation of any funds or assets for the purpose of making, or under an agreement to make, any payment after the date on which the funds or assets are segregated, without regard to whether the obligation to make the payment is contingent on—

"(i) the determination, after that date, of the liability for the payment of the amount; or

"(ii) the liquidation, after that date, of the amount of the payment.

"(b) PROHIBITION.—The Corporation may prohibit or limit, by regulation or order, any golden parachute payment or indemnification payment by a Farm Credit System institution (including any conservator or receiver of the Federal Agricultural Mortgage Corporation) in troubled condition (as defined in regulations issued by the Corporation).

"(c) FACTORS TO BE TAKEN INTO ACCOUNT.—The Corporation shall prescribe, by regulation, the factors to be considered by the Corporation in taking any action under subsection (b). The factors may include—

"(1) whether there is a reasonable basis to believe that an institution-related party has committed any fraudulent act or omission, breach of trust or fiduciary duty, or insider abuse with regard to the Farm Credit System institution involved that has had a material effect on the financial condition of the institution;

"(2) whether there is a reasonable basis to believe that the institution-related party is substantially responsible for the insolvency of the Farm Credit System institution, the appointment of a conservator or receiver for the institution, or the institution's troubled condition (as defined in regulations prescribed by the Corporation);

"(3) whether there is a reasonable basis to believe that the institution-related party has materially violated any applicable law or regulation that has had a material effect on the financial condition of the institution;

"(4) whether there is a reasonable basis to believe that the institution-related party has violated or conspired to violate—

"(A) section 215, 657, 1006, 1014, or 1344 of title 18, United States Code; or

"(B) section 1341 or 1343 of title 18, United States Code, affecting a Farm Credit System institution;

"(5) whether the institution-related party was in a position of managerial or fiduciary responsibility; and

"(6) the length of time that the party was related to the Farm Credit System institution and the degree to which—

"(A) the payment reasonably reflects compensation earned over the period of employment; and

"(B) the compensation represents a reasonable payment for services rendered.

"(d) CERTAIN PAYMENTS PROHIBITED.—No Farm Credit System institution may prepay the salary or any liability or legal expense of any institution-related party if the payment is made—

"(1) in contemplation of the insolvency of the institution or after the commission of an act of insolvency; and

"(2) with a view to, or with the result of—

"(A) preventing the proper application of the assets of the institution to creditors; or

"(B) preferring 1 creditor over another creditor.

"(e) RULE OF CONSTRUCTION.—Nothing in this section—

"(1) prohibits any Farm Credit System institution from purchasing any commercial insurance policy or fidelity bond, so long as the insurance policy or bond does not cover any legal or liability expense of an institution described in subsection (a)(2); or

"(2) limits the powers, functions, or responsibilities of the Farm Credit Administration.".

SEC. 219. FARM CREDIT SYSTEM INSURANCE CORPORATION BOARD OF DIRECTORS.

(a) IN GENERAL.—Section 5.53 of the Farm Credit Act of 1971 (12 U.S.C. 2277a–2) is amended to read as follows:

"SEC. 5.53. BOARD OF DIRECTORS.

"(a) ESTABLISHMENT.—The Corporation shall be managed by a Board of Directors that shall consist of the members of the Farm Credit Administration Board.

"(b) CHAIRMAN.—The Board of Directors shall be chaired by any Board member other than the Chairman of the Farm Credit Administration Board.".

(b) CONFORMING AMENDMENTS.—

(1) Section 5314 of title 5, United States Code, is amended by striking "Chairperson, Board of Directors of the Farm Credit System Insurance Corporation.".

(2) Section 5315 of title 5, United States Code, is amended by striking "Members, Board of Directors of the Farm Credit System Insurance Corporation.".

SEC. 220. INTEREST RATE REDUCTION PROGRAM.

Section 351(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999) is amended—

(A) by striking "SEC. 351. (a) The" and inserting the following:

"SEC. 351. INTEREST RATE REDUCTION PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) IN GENERAL.—The"; and

(B) by adding at the end the following:

"(2) TERMINATION OF AUTHORITY.—The authority provided by this subsection shall terminate on September 30, 2002.".

SEC. 221. LIABILITY FOR MAKING CRIMINAL REFERRALS.

(a) IN GENERAL.—Any institution of the Farm Credit System, or any director, officer, employee, or agent of a Farm Credit System institution, that discloses to a Government authority information proffered in good faith that may be relevant to a possible violation of any law or regulation shall not be liable to any person under any law of the United States or any State—

(1) for the disclosure; or

(2) for any failure to notify the person involved in the possible violation.

(b) NO PROHIBITION ON DISCLOSURE.—Any institution of the Farm Credit System, or any director, officer, employee, or agent of a Farm Credit System institution, may disclose information to a Government authority that may be relevant to a possible violation of any law or regulation.

TITLE III—IMPLEMENTATION AND EFFECTIVE DATE

SEC. 301. IMPLEMENTATION.

The Secretary of Agriculture and the Farm Credit Administration shall promulgate regulations and take other required actions to implement the provisions of this Act not later than 90 days after the effective date of this Act.

SEC. 302. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall become effective on the date of enactment.

□ 1730

Mr. EMERSON (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. WALKER). Is there objection to the request of the gentleman from Missouri?

Mr. WOLF. Reserving the right to object, Mr. Speaker, and I will not object, but I just wanted to have some clarification. I would ask the gentleman, does this resolution that we are bringing up tonight have anything to do with the resolution that was just passed in the Committee on Rules, which gives the Speaker or the Chair the ability to recess subject to the call until January 23? Because if it does, I want to make sure that my objection is heard loud and clear, and Members ought to know that this might have something to do with that.

Does this have anything to do with the resolution that was passed in the Committee on Rules today that deals with giving the Speaker the right to recess subject to the call of the Chair until January 23, which would be a very bad thing to do?

Mr. EMERSON. Mr. Speaker, will the gentleman yield under his reservation of objection?

Mr. WOLF. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, I would like to give him absolute assurance that it has absolutely nothing to do with the subject raised by the gentleman from Virginia.

Mr. WOLF. I will not object, Mr. Speaker. I just wanted to be sure, because when the resolution comes up on the floor, if it ever comes up in this House to vote on the issue of whether or not we adjourn or recess, I not only will vote against it, I will speak against it, and I will work against it.

Since this does not deal with that, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Missouri?

Mr. DE LA GARZA. Reserving the right to object, Mr. Speaker, on the bill and amendments thereto, I yield to my distinguished colleague, the gentleman from Missouri [Mr. EMERSON], for an explanation.

Mr. EMERSON. Mr. Speaker, I thank the distinguished member of the Committee on Agriculture for yielding to me to explain the bill.

Mr. Speaker, today the House is considering legislation that will allow an important segment of the agricultural finance industry to continue providing low-cost, long-term real estate and rural housing loans to American farmers, ranchers and rural residents, as well as reduce the regulatory burden on the Farm Credit System [FCS].

As sent to us from the other body, H.R. 2029, the Farm Credit System Reform Act of 1996, contains two major legislative amendments to the Farm Credit Act of 1971. First, the bill provides major reforms to the Federal Agricultural Mortgage Corporation, better known as Farmer Mac, that will create an efficient and cost-effective secondary market for agricultural real estate and rural housing loans. Second, the legislation provides needed regulatory relief for FCS institutions, including amending an unnecessary provision of law that would establish an independent board of directors for the Farm Credit System Insurance Corporation [FCSIC].

The original H.R. 2029 was reported from the Committee on Agriculture December 13, 1995, and entitled the Farm Credit System Regulatory Relief Act of 1995. H.R. 2029 was adopted by the House under suspension of the rules December 19, 1995. The companion piece included as title I—Agricultural Mortgage Secondary Market, the Farmer Mac amendments, in the bill the House is considering today also was reported by the Agriculture committee December 13, 1995. The House has not acted on that legislation separately. In the meantime, the other body acted on H.R. 2029, placing both the FCS regulatory relief package and the Farmer Mac reforms in the bill, and returning it to the House.

Today, the House considers both pieces of legislation with some minor revisions. First, as adopted by the House Committee on Agriculture, the bill requires Farmer Mac to meet certain new minimum capital standards as Farmer Mac proceeds to recapitalize its core capital. Again, as contained in the House committee reported bill, this legislation provides the Farm Credit Administration's (CFA) Office of Secondary Market Oversight with authority to place Farmer Mac into receivership and wind down its operations should that become necessary.

Second, title II of H.R. 2029 before us today contains two amendments different from the bill the House passed December 19, 1995.

Mr. Speaker, it is necessary to clarify the intent of a time-sensitive provision of the legislation and pass a House amendment to the Senate amendment H.R. 2029. Section 219 is revised in the House amendment so as to amend section 5.53 of the Farm Credit Act of 1971 to provide that FCSIC shall be managed by a board of directors of the FCA board of directors, except that the chairman of the latter board may not serve as chairman of the FCSIC board.

As demonstrated by earlier passage of the repeal of section 201 of the Farm Credit Banks and Associations Safety and Soundness Act of 1992 (106 Stat. 4104) by both the House and Senate, there is no need to create a new bureaucratic structure to establish an independent board for FCSIC that section 261 would have created effective January 1, 1996.

Therefore, it should be noted that this provision is also intended to restore the former FCSIC Board, in existence before January 1,1996, which consists of members of the FCA Board of Directors. This should clarify the legislative history on this matter.

One other provision contained in this bill different from the legislation the House passed earlier deals with how payments are made under a system of new reserve accounts established within the insurance fund. Under the provisions of this bill, reserve accounts may be disbursed during each calendar year beginning more than 8 years after the date the insurance fund reaches its secure base amount but not later than January 1, 2005. FCSIC estimates the insurance fund should reach its statutorily-set secure base amount in early 1997.

This provision is designed to provide the FCSIC with the flexibility to adjust, at its sole discretion, the premiums charged to FCS institutions to capitalize the insurance fund. This discretionary authority would allow FCSIC to lower insurance premiums in advance of reaching the insurance fund's secure base amount, if, in FCSIC's opinion, events warrant such a premium reduction. Within these provisions in an important legislative compromise that provides for the orderly redemption of Financial Assistance Corporation stock held by FCS institutions.

Mr. Speaker, this is sound legislation the House should adopt today and send back to the other body for consideration. I urge its immediate passage.

Mr. DE LA GARZA. Mr. Speaker, continuing to reserve the right to object, I rise in support of the legislation.

Mr. Speaker, I urge my colleagues to support H.R. 2029 because it will provide mechanisms for ensuring affordable credit in rural America. Our farmers and ranchers have been and will continue to experience in the next several years, great uncertainty with roller coaster market prices and impending changes in Federal agricultural policy. It will be more important than ever that there be reliable credit sources available to them.

Passage into law of regulatory relief for the Farm Credit System will hopefully provide for a reduction in operating costs that can be passed on to System borrowers. The legislative changes that are being proposed to Farmer Mac will provide both commercial banks and Farm Credit System institutions with the means to lower the cost of borrowing money as well.

Previous reforms of Farmer Mac have not been as successful as we had hoped, which is why additional authority is currently needed. Lending is inherently risky, however, I am hopeful that these reforms will allow Farmer Mac to become a viable entity and to develop a secondary market for long-term agricultural real estate loans. It is as balanced an approach as could be achieved.

Again, I support this legislation and look forward to prompt action by the other body.

Mr. BARRETT of Nebraska. Mr. Speaker, I rise today in support of H.R. 2130, the Farmer Mac reform bill.

Farmer Mac was established to provide a reliable source of long-term agricultural loans. Its goal was greater competition in loan rates for farmers and ranchers. Unfortunately, Farmer Mac's enabling legislation was too restrictive and a secondary market for agriculture never fully developed.

H.R. 2130 seeks to address these impediments. I believe the reforms contained in H.R. 2130 would allow Farmer Mac to prove the viability of the agricultural secondary market. My constituents are encouraged by the opportunity that a reformed Farmer Mac could bring to rural borrowers.

I'm encouraged that the House is acting on Farmer Mac today. I urge my colleagues to support H.R. 2130.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Missouri?

Mr. HOYER. Reserving the right to object, Mr. Speaker, as I understand this legislation, it is necessary. If we do not pass it, many in this House on both sides of the aisle will have many constituents who will be hurt. America, in my opinion, will be hurt if we do not allow this to pass at this time.

However, we have a selective sense of responsibility. We did not want to hurt veterans, we did not want to hurt those who go to national parks, we did not want to hurt those who got Social Security checks, and I did not want to hurt any of those, either. So what we continue to do is ask people to come to work, as a responsible employee, but guess what, we are not going to pay you, and we lock out others who cannot serve their constituencies. People are at risk because apparently some Members of this House are not feeling it.

The leadership is about to suggest that this House, like Pontius Pilate, wring its hands and say that we will go home until January 23; no responsibility for the pain that is being caused, no responsibility for the services that are being denied; like Pontius Pilate, it must be somebody else.

Mr. Speaker, as I said at the outset, I will not object to this particular piece of legislation, because unlike some in this House, I believe we ought to be responsible. People sent us here to ensure that their lives would be, to the extent we could affect them, be better. To object to this would not affect that end, but some in this body believe that if their end is appropriate, any means they utilize to attain it are justified. That is wrong.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Missouri?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. WALSH. Mr. Speaker, I offer a joint resolution (H.J. Res. 153) making further continuing appropriations for fiscal year 1996, and for other purposes, and I ask unanimous consent that it be considered as passed, and that a motion to reconsider be laid on the table.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. OBEY. Reserving the right to object, Mr. Speaker, under my reservation of objection, I would first ask the gentleman to explain the motion before the House, before I ask a couple of questions about it.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, this is a continuing resolution that affects only the District of Columbia and only their ability to spend local funds. It is a continuation of the bill that was passed last year that provided continuing funding for the District's own local funds through January 3. This is identical to the legislation we passed at the end of the last session but this would continue that funding authority until January 25.

Mr. OBEY. Mr. Speaker, if I could ask the gentleman, then, is it correct to say this allows only the use of District funds?

Mr. WALSH. That is correct.

Mr. OBEY. And that even if this passes, the District will not have received any Federal payment since, I believe, December 15?

Mr. WALSH. That is correct. The District has received about $370 million of the $660 million Federal formula funds and approximately $8 million of the $52 million that go toward the pension fund.

Mr. OBEY. Continuing my reservation of objection, let me simply say, Mr. Speaker, that I am troubled by this, because while I think we want the District government to remain open, that there would be no need for this specific resolution, as narrowly drawn as it is tonight, if the House leadership would simply allow us to bring up the Dole resolution which passed the Senate yesterday, which opens up all of the agencies of Government.

We have the ridiculous situation under which some Federal workers have been paid for work which they were not allowed to do, and other Federal workers are being required to perform work for which they are not getting paid. The District is not the only jurisdiction with problems. There are 10 States, I am told, that are about to run out of needed funds to administer unemployment compensation programs. There are 95 percent of workplace safety inspections which are not taking place. There are 2,500 mortgage applications a day under SBA that are not being attended to. Veterans' education benefits are in question for 170,000 veterans. Pension fraud cases are not being pursued. The Older Americans Act and Meals on Wheels are being put at risk, all because of the arrogance, it seems to me, of some Members of this body who put their political and economic ideology ahead of the right of taxpayers to receive the services for which they have already paid.

Therefore, I am extremely troubled by the narrow nature of this proposition, but I would simply suggest that I do not see any useful purpose that would be served for anyone on this side of the aisle to engage in the same kind of childish leverage games that we have seen go on on the part of the leadership of this House and the Speaker, so I very reluctantly will not object.

However, I would ask, in the process of not objecting, I would ask when the House Republican leadership would allow us to bring to the floor for a vote the resolution sent over by the Senate, sponsored by Mr. DOLE yesterday, which would open up the entire Government.

Mr. WALSH. If the gentleman will continue to yield, Mr. Speaker, surely my colleague, the gentleman from Wisconsin, understands that this is a very unique situation. It does not involve any Federal funds, unlike the other continuing resolution that he is discussing, and these are not frivolous matters. These are important and very serious and monumental, in fact, discussions about the direction of the Federal Government. It obviously has taken some time.

I am sure that when there is some agreement on the future direction of this country and its budget, that we will bring that forward.

Mr. OBEY. Continuing my reservation of objection, let me say that I recognize that the decision on that question is above the gentleman's pay grade and above mine, but I would nonetheless simply take this occasion to inform the Chair and the House that in the event that there is no objection made to this request, that after this is disposed of, I would ask unanimous consent to take from the Speaker's desk H.R. 1643, the Dole proposition, in order to permit immediate consideration in the House, because that would reopen all of Government and it would pay everybody for work that they are doing, which might seem a quaint idea, given the Alice-in-Wonderland atmosphere that this House has taken on, but nonetheless, I think would meet with considerable support on the part of the American taxpayer.

□ 1745

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. WALKER). Is there objection to the request of the gentleman from New York?

Mr. DURBIN. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Appropriations of the District of Columbia several questions.

The appropriations bill for the District of Columbia was to be submitted to the President for signature by October 1 so that the ordinary operations of the D.C. Government could continue. Can the gentleman from New York tell me when that appropriations bill for fiscal year 1996 was submitted to the President?

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, this bill obviously has not been concluded; its work is still in conference. There are substantial differences between the Senate position and the House position. I spoke with Senator JEFFORDS as recently as today to try to get some resolution.

As the gentleman knows, this has been a very difficult year for the District of Columbia. We passed legislation that basically overhauled the

Home Rule to provide for a control board, a financial control board. We never received a budget from the District until 2½ months after it was supposed to be submitted.

We received a number of budgets. We received the City Council budget, a mayoral budget, a control board budget, all of which, as the gentleman knows since he serves on the subcommittee, slowed us down substantially.

Mr. DURBIN. Mr. Speaker, if the gentleman would respond to the following question: Would it be necessary to pass any temporary spending bill if the subcommittee, which we both serve on, had done its job and submitted an appropriations bill to the President on time?

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, I think the subcommittee did yeoman work, and it definitely did do its job. Unfortunately, there are substantial differences between the Senate and the House positions. I think the House did its job; I think the conference has work to do yet.

Mr. DURBIN. Mr. Speaker, if I might, the fact is that we are over 3 months into this fiscal year. this subcommittee has failed to produce an appropriations bill for the District of Columbia. We are forced to lurch from spending bill to spending bill with gross uncertainly among the residents of the District of Columbia about their future. To blame anyone other than this committee and this Congress for this dereliction of duty would be improper.

I would like to ask the gentleman another question: The District of Columbia appropriations bill which came over from the Senate carried with it an amendment offered by Senator BOXER, Senator DOLE, and Senator DASCHLE entitled No Budget, No Pay. It said that so long as the Federal Government was shut down, Members of Congress would not receive their paychecks. That provision was included in the bill, the Senate version of this appropriations bill, and I am asking the gentleman from New York whether it is included in his temporary spending bill.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. First of all, let me just clarify, I do not really think the gentleman meant to say that we are derelict in our duty. I think we have worked very, very hard, all of us, both parties, both Houses, to try to get these issues resolved and they are substantive issues.

As far as the issue of pay, I heard the chairman of the Senate subcommittee and the chairman of the conference say that it was his feeling that it would not be the Senate's position in a final conference agreement.

It is not a part of the House's position. Many Members thought it was punitive and it treated the Members of Congress differently than all other Federal workers.

Mr. DURBIN. So if I understand the gentleman's remarks, he does not want to be punitive to the Members of Congress during this budget crisis? Is that his position?

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. I think the gentleman is correct. I have no intention to be punitive to anyone, any member of the Federal Government.

Mr. DURBIN. Mr. Speaker, reclaiming my time, is the gentleman fielding any phone calls in his district about this Government shutdown?

For instance, in my district, Federal prison guards received 1 week's pay for the month of December. They are going to work every day and putting their lives on the line in prisons, guarding dangerous prisoners, and they are being paid for 1 week out of 4 in December.

Does the gentleman consider that punitive to Federal prison guards who are doing their job?

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. I am sure the gentleman is aware, we passed those appropriations bills. The President, as a matter of fact, signed the appropriations bill that allowed the prisoners to get paid and vetoed the appropriations bill that paid for the guards. So that is a question of priorities, and I do not quite understand it.

The SPEAKER pro tempore. Does the gentleman continue to reserve the right to object?

Mr. DURBIN. Mr. Speaker, I continue to reserve the right to object.

It is also true that if the Dole resolution were passed by this body today, that prison guard and others would be full-time back at work.

Mr. Speaker, I yield to my colleague, the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I would simply like to point out that despite all of the rhetoric that we have heard on this floor today, there are three appropriations bills which have still not even made it to the President, the first being the District of Columbia bill which we are discussing right now; the second being the Foreign Operations bill which is hung up because of differences between Republicans in the Senate and Republicans in the House on the issue of family planning and abortion; and third, the Labor, Health, Education and Social Services appropriations bill, a huge share of the Federal Government.

All of those programs at this point are in limbo because we still have not had resolutions worked out between the House and the Senate. So it seems to me that there is a high degree of congressional culpability for the fact that this Government is not operating under regular appropriations bills; and it also seems to me that it comes with considerable ill grace to blame the President for the fact that he has not even been able to consider whether to veto bills, because three of them have not gotten to him yet.

Mr. DURBIN. Mr. Speaker, continuing to reserve my right to object, I think it is clear that one of the reasons this temporary spending bill is being brought to the floor is to avoid any debate over no budget, no pay, to make sure that this House does not go on record on the proposition as to whether or not Members of Congress will continue to take recesses and vacations, will continue to receive paychecks while this group of Republicans decides that 280,000 Federal employees will be furloughed and hundreds of thousands of innocent people will be penalized by the strategy. That is part of the strategy behind this temporary spending bill.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. I would just remind my colleague that the reason that those employees are not at work is because the President vetoed those appropriations bills——

Mr. DURBIN. Reclaiming my time, the gentleman——

Mr. WALSH. And we just had an opportunity to override that veto, and we did not get it done.

Mr. DURBIN. Mr. Speaker, regular order.

The SPEAKER pro tempore. The gentleman is correct. The gentleman from Illinois controls the time under his reservation.

Mr. KINGSTON. Mr. Speaker, regular order.

The SPEAKER pro tempore. The gentleman from Georgia demands the regular order. Is there objection?

Mr. DURBIN. Can I continue my reservation?

The SPEAKER pro tempore. The gentleman from Georgia has demanded the regular order. The gentleman will have to choose the regular order. The gentleman will have to choose whether or not to object at this time.

Mr. DURBIN. If the gentleman will withdraw his regular order request, I promise to conclude my remarks momentarily.

Mr. KINGSTON. I will withdraw, Mr. Speaker.

Mr. DURBIN. Mr. Speaker, I continue to reserve my right to object.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield, I would say to my friend and fellow committee member, we have all worked very hard on this committee to try to get the District of Columbia back to work and get the appropriations bill passed and so forth. Unfortunately, it is one of the bills that is getting caught in this massive debate over the size and scope of Government over the next 7 years.

I think, as the gentleman knows well and certainly the ranking Committee on Appropriations member knows well, that the chairman has worked very hard on that process and will continue to do so. What we are trying to do now is at the request of the District of Columbia folks to let them continue to work.

Mr. DURBIN. Mr. Speaker, continuing to reserve, I would like to ask the gentleman from New York one final question: Why are we passing this temporary spending bill for the District of Columbia?

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, the delegate from the District of Columbia has asked us to try to get the people back to work. This is their money, it is not ours, and that is the reason. It is a very narrow CR that affects only their money, no Federal money.

Mr. DURBIN. I would just say to the gentleman from New York, I hope he will remember those words when the next D.C. appropriations bill comes up, because the gentleman has taken a position in the past that this Congress has some responsibility even over the local funds of the District of Columbia, and now he is saying that we should let them have their own money with no strings attached. I think that may not be consistent with the gentleman's overall position.

Mr. CONYERS. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Speaker, first of all, I want to commend the gentleman's dialog. I think the gentleman has made an important connection here between the point of suspending the pay of the Members while we are suspending the pay of other people.

Mr. KINGSTON. Mr. Speaker, regular order.

The SPEAKER pro tempore. The gentleman from Georgia has renewed his request for regular order. Does the gentleman from Illinois object?

Mr. DURBIN. I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

REPORT ON RESOLUTION AUTHORIZING SPEAKER TO DECLARE RECESSES SUBJECT TO THE CALL OF THE CHAIR AND WAIVING REQUIREMENTS OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED FROM COMMITTEE ON RULES

Ms. PRYCE, from the Committee on Rules, submitted a privilege report (Rept. No. 104–445) on the resolution (H. Res. 330) authorizing the Speaker to declare recesses subject to the call of the Chair from January 5, 1996, through January 23, 1996; waiving a requirement of clause 4(b) of rules XI with respect to consideration of certain resolutions reported from the Committee on Rules during that period, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mr. FILNER. Mr. Speaker, I regret that I was unable to be present for a number of rollcall votes at the end of last session. I was paired for several of the votes, but on other votes I would have voted as follows: Rollcall 871, "no." Rollcall 872, "no." Rollcall 873, "yes." Rollcall 874, "yes." Rollcall 875, "no." Rollcall 878, "no." Rollcall 879, "no." Rollcall 880, "no." Rollcall 881, "no." Rollcall 883, "no." Rollcall 884, "no."

EXTENSION OF MOST-FAVORED-NATION TREATMENT TO PRODUCTS OF BULGARIA

Mr. OBEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria in order to permit the immediate consideration in the House of the Senate amendment to the House amendment that is the Dole appropriation.

The SPEAKER pro tempore. Under the guidelines consistently issued by successive Speakers as recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leaderships.

SUSPENDING PAY OF MEMBERS OF CONGRESS DURING GOVERNMENT SHUTDOWN

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of the bill (H.R. 2658), a bill which would suspend pay of Members of Congress during this Government shutdown and thereby force us to play by the same rules as the rest of the Federal Government, and ask for its immediate consideration.

The SPEAKER pro tempore. Under the guidelines consistently issued by successive Speakers as recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leaderships.

□ 1800

PURE LUNACY

(Mr. VOLKMER asked and was given permission to address the House for 1 minute.)

Mr. VOLKMER. Mr. Speaker, we have heard all day today about the Members on the other side trying to blame the President for the shutdown when we all know that only in the House can appropriation bills be instituted. All they have to do is bring a clean continuing resolution, we pass it, and everybody goes back to work.

It is really silly, I would say it is lunacy that today we tell Federal workers that they can work but not be paid, while at the same time here in this House we are getting paid and we are not working. We have not really done anything today.

Look at the legislation that was passed. Unanimous consent on a little agriculture bill which we needed, but that is all. What did we do? What are we going to do tomorrow? Nothing. What are we going to do the next day? We are going to recess, we are going to recess until the 23d, almost the whole month, not do anything, get paid, while the Federal workers out there, the Republican majority tells them, "You go ahead and work but you won't get paid."

It is pure lunacy. What is lunacy? It is insanity, great or wild foolishness.

You never saw anything foolish like this in the history of this Congress.

A SAD DAY

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, this is an interesting turn of events today. We have had opportunity to put Federal employees back to work. This House met its constitutional responsibility and in fact did vote, and twice the other side of the aisle has now voted down measures that would put our Federal civil servants back to work.

Now we had another opportunity here to get some relief for the District and other Federal employees, and that was objected to by the other side. We have given the President of the United States a balanced budget, we gave him a CR and 30 days to come back with a plan, and we have met in good faith.

We need trust, we need working together. We do not need this obstructionism from the other side of the aisle. We need to come together, get these problems resolved. It is a sad day for the country and a sad day for the Congress that in fact we could not have taken care of the people's business and the Federal employees' business today with simple action by the House of Representatives and working together.

SHUTDOWN AFFECTS INNOCENT FEDERAL WORKERS

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, during 1987 when we had a Republican President and a Democratic Congress that could not agree, what we did was to respond to the President's request to have a continuing resolution throughout the year. Again in 1988 we had the same inability to agree, and we had a continuing resolution throughout the year.

This is the normal course of business. That is what the majority leader in the Senate has attempted to do. He said yesterday this does not make any sense. Whatever point there was, I do not know what the point was, but it has not been made.

The fact is that what we are doing is punishing Federal employees, and that is the point we want to make. The Congress is not punishing the President, it is not punishing ourselves. We are punishing innocent Federal employees, public civil servants. These people are innocent.

Politics is the art of compromise. It is not the tactics of terrorism. Terrorists take hostages, innocent hostages for purposes beyond anything to do with the hostages. This has got to stop.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. WALSH. Mr. Speaker, I again offer a joint resolution (H.J. Res. 153) making further continuing appropriations for the fiscal year 1996, and for other purposes, and ask unanimous consent that it be considered as passed and that a motion to reconsider be laid on the table.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. WALKER). Is there objection to the request of the gentleman from New York?

Mr. DURBIN. Mr. Speaker, reserving the right to object, and I will say to the gentleman from New York, I will not object, but I want to under my reservation say that my frustration over being held back from offering the no-budget/no-pay provision led me to object earlier.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. Further reserving the right to object, I yield to the gentleman from New York.

Mr. WALSH. My good friend from Illinois objected to this, which would have stopped the District government from going back to work tomorrow. I hope he regrets that decision. Does the gentleman regret that decision?

Mr. DURBIN. Let me say this to the gentleman from New York. I will not object because I will not allow myself——

Mr. WALSH. Do the gentleman regret the decision that he made?

Mr. DURBIN. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Illinois controls the time under his reservation.

Mr. DURBIN. I will not object because I will not descend to the level that you have inflicted on 280,000 other Federal workers across this country.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. OBEY. Mr. Speaker, reserving the right to object, I trust that no one at this point will object, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The text of the joint resolution is as follows:

H.J. RES. 153

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this joint resolution) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996:

Provided, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided,* That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this joint resolution, the pertinent project or activity shall not be continued except as provided for in section 111 or 112 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, funds, or authority provided in this title of this joint resolution.

SEC. 105. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this joint resolution.

SEC. 106. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 25, 1996, whichever first occurs.

SEC. 107. Notwithstanding any other provision of this title of this joint resolution, except section 106, none of the funds appropriated under this title of this joint resolution shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 108. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 109. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this title of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this joint resolution.

SEC. 110. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 111. Notwithstanding any other provision of this title of this joint resolution, except section 106, whenever the Act listed in section 101 as passed by both the House and Senate as of the date of enactment of this joint resolution, does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate for operations for an ongoing project or activity provided by section 101 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 101 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366. For the purposes of this title of this joint resolution the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 112. Notwithstanding any other provision of this title of this joint resolution, except section 106, whenever the rate for operations for any continuing project or activity provided by section 101 or section 111 for which there is budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ration to the rate for operations provided by this section as the number of days covered by this resolution bears to 366.

SEC. 113. Notwithstanding any other provision of this title of this joint resolution, except sections 106, 111, and 112, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to states, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this resolution that would impinge on final funding prerogatives.

SEC. 114. This title of this joint resolution shall be implemented so that only the most limited funding action of that permitted in this title of this resolution shall be taken in order to provide for continuation of projects and activities.

SEC. 115. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100-202, shall not apply for this title of this joint resolution.

SEC. 116. Notwithstanding any other provision of this title of this joint resolution, except section 106, none of the funds appropriated under this title of this joint resolution shall be used to implement or enforce any system or registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this joint resolution otherwise be used to implement or enforce D.C. Act 9-188, signed by the Mayor of the District of Columbia on April 15, 1992.

Mr. WALSH. Mr. Speaker, House Joint Resolution 153 extends title II of the current continuing resolution (H.J. Res. 136), which expires at midnight tonight, to January 25, 1996. It provides the District government with the authority necessary to continue providing municipal services using its locally raised revenues. This resolution does not provide any Federal funds.

The exact same terms and conditions that were included in title two of the previous joint resolution (H.J. Res. 136) are included in House Joint Resolution 153. The joint resolution that I have just introduced simply extends the terms, conditions, and spending authority for a 3-week period to January 25, 1996.

Mr. Speaker, the regular appropriations bill for the District of Columbia government for fiscal year 1996 was passed by the House on November 2, 1995, and is presently in conference. The conference committee has had several meetings and we have made considerable progress. However, there are some issues that are requiring more time to resolve than we had anticipated.

I have made this unanimous consent request and introduced this joint resolution because I believe it is essential that municipal services continue to be provided by the District government using their own local revenues. As I mentioned earlier, no Federal funds will be made available by this resolution.

So the joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WALSH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Joint Resolution 153 and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A GREAT TRAGEDY

(Mr. FORBES asked and was given permission to address the House for 1 minute.)

Mr. FORBES. Mr. Speaker, there is a great tragedy going on here. Our friends on the other side have pontificated at great length today, but they have had several opportunities to put several hundred thousand Federal workers back to work and they have refused the opportunity.

It is unfortunate that these opportunities have gone by the wayside, while we stand here as Americans hoping that we can get to the 7-year balanced budget that on November 20 was promised to not just this Congress but to all of America. When the polling numbers dipped overnight, that is when we saw the 7-year balanced budget agreement on November 20.

Unfortunately it will not be until the polling numbers, the tracking numbers over at the executive branch drop overnight that we will see a balanced budget agreement. It is unfortunate, and I regret the turn of events, and I hope that sanity will be restored in Washington.

WANTED: 20 GOOD REPUBLICANS

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, earlier today we had an opportunity to open the Government in its entirety and put people back to work and to make sure that the taxpayers were getting the services for which they are paying. That opportunity was denied us when the Chair failed to recognize the privileged resolution of the minority leader of the House of Representatives.

That opportunity continues to be denied us because 20 Republicans cannot find their way to come forward and vote to open the Government. One hundred ninety-eight Democrats are prepared to vote. What we need are 20 good Republicans who put the interests of this Nation ahead of the interests of partisan politics, just 20 good Republicans out of the entire Republican caucus to come forward and let us open up this Government, and the negotiations at the White House can continue.

Everybody who is a party to those negotiations seems to believe one another is negotiating in good faith. There is no reason to hold the Government of the United States hostage, to hold small business hostage, to hold veterans hostage, and to hold other segments of this Government and its population hostage.

IN OPPOSITION TO PROPOSED HOUSE RECESS TO JANUARY 23

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, frankly we have had several opportunities to open up the Government. We had one just a few minutes ago in overriding the President's veto on State, Commerce and Justice that would have put hundreds of thousands back to work. Our side of the aisle supported it, yours did not. The President has had an opportunity to sign a number of appropriation bills, he has not.

But I support the resolution. I will be one of the Republicans that will vote to open up the Government. I will come and sign a discharge petition or anything else. I think this has gone on too long. I think we all look ridiculous at this point, and it is important that we open up the Government, get people back to work and start paying the people who have been doing the work over the Christmas holidays and are not getting their full paychecks. They are now having to borrow and go to credit unions to do it.

I would also add, I understand there may be a motion here tomorrow to recess this House until January 23 subject to the call of the Chair. That is something I am going to oppose. I think it is wrong for us to go home, take another vacation, with pay, and leave once again hundreds of thousands of Federal employees with their situations unresolved and that would mean another 2 or 3 weeks without pay. I will do everything I can to oppose that, Mr. Speaker.

ANOTHER VOTE AGAINST HOUSE RECESS

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, I too want to join the chorus of folks objecting to the idea that we might, and it is inconceivable, but that we might actually recess tomorrow to January 23. We have got the people's business to do.

Somehow folks on the other side of the aisle think that these are the President's employees or they think that they are the Democrats' employees, but the fact remains that they are the taxpayers' employees and they ought to be allowed to do the taxpayers' business. We have lost a lot throughout this process, a lot of services, a lot of productivity, a lot of employee loyalty, and we ought to try to recover that by putting these people back to work as soon as possible.

We do not have a deal right now. We should stay here and continue working toward a deal. There are folks on this side of the aisle that are willing to accept a 7-year balanced budget. All we are saying is let us keep working to get people back to work.

It is not just Federal employees. We have contract employees, thousands of contract employees, and at the end of the day they are not going to be paid unless we change the rules of the game. They are out of actual cash dollars to feed their families. We have imposed a lot of pain. It is time to sit down and address the problem.

BEGOSH BECOMES FIRST AMERICAN CASUALTY IN BOSNIA

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, on Saturday, one of my constituents, 23-year old Specialist Martin John Begosh of Rockville, a graduate of Wheaton High School, became the first American casualty of the President's deployment of United States troops to Bosnia.

Specialist Begosh and his patrol in the 709th military police battalion were reconnoitering roads in the Tuzla area when his Humvee ran over a land mine. He was lucky not to have been killed; as it is, he may be permanently disabled because the blast shattered much of the bone in his right foot.

I was pleased this weekend to speak with Specialist Begosh's parents, who expressed great relief that their son was out of harm's way, as well as great pride in their son's devotion to duty and country and in his being awarded the purple heart—let us hope it is the only one that need be presented in the Bosnia operation.

This weekend, Specialist Begosh's grandparents will be celebrating their fiftieth anniversary. I have written to the Secretary of the Army asking that, if he is fit to travel, Specialist Begosh be evacuated to the Washington area in time to join his family for this special event. I hope that this request will be approved.

□ 1815

THE HUMAN EFFECTS OF THE GOVERNMENT SHUTDOWN

(Mr. EDWARDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS. Mr. Speaker, there is nothing wrong with Congress having an honest debate on a 7-year budget. That is democracy. There is something terribly wrong when the Speaker of this House today prohibited democracy from working in preventing us from being able to vote cleanly, and clearly, and quickly to reopen the Government.

Let me tell you some of the victims of that decision by the Speaker and House Republicans. This letter from my district, a former welfare recipient, now a Federal employee, basically had to cancel his child's 9-year-old birthday because he could not get paid. This letter from my district is a Government employee who cannot buy insulin for his diabetes problem. This letter is from a woman in my district, a Federal employee whose husband lost his private-sector job recently and she cannot get paid as a VA employee. They are not sure if they will keep the mortgage on their home. This is a letter from a woman in my district, a hardworking Federal employee who had to borrow money from her mother in order to pay rent. Finally, this, along with many other letters, is a letter from someone who needed a bone marrow transplant operation, cannot get it done because of Speaker GINGRICH and the House Republicans' decision today. That is wrong.

TRAGIC EFFECTS OF THE GOVERNMENT SHUTDOWN

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, I yield to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. I thank my friend, the gentleman from Illinois, for yielding.

Mr. Speaker, the Committee on Rules of this House reported out a resolution that will come to the floor tomorrow that would have this Congress go on recess until January 23 while the Government is shut down, Federal employees are locked out of their jobs, the American public is locked out of their Government. We have done this before.

I would urge this body not to do it again. This will haunt us for the rest of our careers. We cannot go home without doing our jobs.

If we recess, it means that 760,000 Federal employees will not get paid at all for the next paycheck. They will not be able to make their rent. They will not make their mortgage. They will not be able to make their car payments. They will not even be able to put food, many of them, on the table for their children.

Do not do this to the career civil servants who support this Government. We are all in this together. All of the American people have an interest in the Government running efficiently and effectively and fairly.

IN MEMORIAM: ROBERT JOHNSON, EXECUTIVE EDITOR OF JET MAGAZINE

(Mr. JACKSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. JACKSON of Illinois. Mr. Speaker, let me first offer my condolences to the family of the gentleman from California [Mr. FAZIO].

Mr. Speaker, I would like to take this moment to honor the memory of a great and cherished man, pioneer, and leader, Mr. Robert Edward Johnson of Chicago, associate publisher and executive editor of Jet magazine.

A longtime family friend and mentor, Mr. Johnson bridged the gap between African-American journalists of the past and the media celebrities of today. His life traced that of the civil rights era—a Morehouse College classmate of Dr. Martin Luther King, Jr., he was the first reporter of a major publication on the scene of the Montgomery bus boycott. He critically linked social action with mass communication, thereby changing the complexion of American journalism and propelling our historic struggle to victory.

Through his example, he challenged and inspired his progeny to strive for excellence. For his immense contribution to our Nation and our world, we shall remember and honor him with eternal gratitude. Our deepest thoughts and prayers are with his wife Naomi—Nemi—their children, grandchildren, and numerous loved ones.

Mr. Speaker, I submit for the RECORD a biography of Mr. Johnson's lifetime achievements and contributions.

Robert Edward Johnson died Wednesday morning, December 27, 1995 at his Hyde Park, Chicago home after a long illness. He was laid to rest on Tuesday, January 2nd. He was a role model and mentor for thousands of journalists and a friend and confidant of many, including entertainment superstars like Bill Cosby and Michael Jackson and people of all walks of life. He loved everybody and got as much joy out of telling the stories of unheralded people in Jet as he got out of telling the stories of world leaders and celebrities. He was the author of the book, "Bill Cosby: In Words and Pictures." Johnson covered some of the major stories of the time and was the first representative of a major national publication on the scene at the beginning of the Montgomery Bus boycott. A graduate of Morehouse College, where he was a classmate of Martin Luther King Jr., and a student of the great educator Benjamin E. Mays, Johnson played a major role in helping to publicize the King crusade in America and in Chicago.

John H. Johnson, chairman and CEO of Johnson Publishing Company, said, "The company has lost a great editor, and I have lost a dear friend. Bob Johnson was a great journalist who inspired and taught tens of thousands of aspiring journalists, Black and White. During his 42-year career as Jet managing editor and executive editor, he helped change the color of American journalism."

Born in Montgomery, Alabama on August 13, 1922, and reared in Birmingham, Alabama, he was an active journalist for most of his 73 years. He began his career as a child, throwing papers for local dailies, selling editions of Black weeklies on street corners, and founding his high school newspaper, the Westfield Trail Blazer. At Morehouse College, from which he graduated in 1948, he edited the Morehouse Maroon Tiger and was a stringer for national newspapers. In 1952, he received a master's degree in journalism from Syracuse University.

During World War II, he served in the U.S. Navy and was transferred to editorial duties at Treasure Island's Naval Base in Masthead, which published a racist joke that was offensive to African Americans. He later became the first African American managing editor of the weekly tabloid.

Johnson's professional career began in 1948 with the Atlanta Daily World, where he later became city editor. He joined the Jet staff in February 1953, two years after it was founded by Publisher John H. Johnson, and played a major role in the success of the weekly newsmagazine which is known around the world.

Johnson covered stories in Europe, Asian, and Africa. In 1972, he was among the journalist who accompanied President Nixon to Russia, Poland, Austria and Iran. In 1979, he accompanied U.S. Ambassador Andrew Young on a trade mission tour of Africa.

Johnson was cited repeatedly for his contributions to journalism. He was a member of Alpha Phi Alpha Fraternity and was associated with the Martin Luther King Jr. Center for Nonviolent Social Change, the World Federation of Scottish Societies, the DuSable Museum of African American History, Alpha Kappa Delta, National Black Journalist Association, the Chicago Headline Club, Operation Push, the NAACP and National Urban League. He was a member of the Board of Trustees of Dillard University and received honorary degrees from Dillard, Morehouse College, Miles College and Texas College. He was a member of University Church.

He is survived by his wife Naomi (Nemi) Cole Johnson, their three children, Bobbye Johnson, Attorney Janet Johnson-Vinion and Robert III; two grandchildren, Chloe and Cole Johnson-Vinion; three brothers, Percy Johnson of Dayton, Ohio; Washington Johnson and J.C. Johnson of Birmingham, Ala.; one sister, Lena Pace of Birmingham, Ala. and a host of nieces, nephews and friends.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. KINGSTON). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

UPDATE ON BOSNIA MISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, in all of this business about the budget, there are some dedicated Americans we should not overlook.

The votes in this Chamber on the issue of Bosnia do not end our interest or attention to the American forces now arriving in that troubled region.

Mr. Speaker, we should continue to show our attention to the mission and concern for the troops. It is our sincere wish that their mission be successful and safe. Our uniformed Americans, who will be in the Balkans on an unprecedented peace mission, are professional and well-trained. So far, our troops have been well-received by the people of Bosnia. As we begin the new year, our thoughts and prayers are with our service men and women in that sad corner of the world.

As our troops slowly occupy the Tuzla sector, I have four concerns—let me spell them out:

The first is that of accidents to our troops. Already, one of our soldiers, Specialist Martin Begosh from Maryland, has been injured by a land mine as he drove his Humvee vehicle along a back road.

Second is the threat of terrorists who oppose the peace process. We know there will be rogue elements on each side, who do not favor the Dayton peace agreement. The Bosnian Moslem Government has agreed to expel Iranians and other fundamentalist forces, but the terrorist threat is still one of concern.

Third, the American efforts to equip and train the Moslem-Croat Federation may well cause our forces problems as the Serbs might view Americans as enemies and federation forces may expect favors. In addition, we should be particularly concerned with the end-game associated with this effort. We should ask ourselves whether the equip and train mission will lead to a longterm security guarantee in the region.

Fourth is the possibility of mission creep. Already, two American counterfire radar system units are going to Sarajevo, which is in the French sector. Also, an article in this morning's Washington Post discusses the danger of United States Army involvement in both investigating Serb atrocities and participating in Bosnian political and judicial matters.

Let us closely follow the American military effort in Bosnia, and at the same time be mindful of the four concerns just mentioned. I know that all Members of this body wish only the best for our troops, wherever they may be, especially those who will attempt to bring stability to a war-torn region. The troops should know that this body will support them and assist them in this unique challenge.

So as we begin the year 1996, we wish these fine Americans all the best.

CALL AN END TO THE GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I say, as has been stated before, enough is enough. We have got to get this Government up and running again.

Federal employees, Federal contractors, and American citizens are needlessly suffering. It is a time to put an end to this.

Frankly, I applaud the Senate for passing a continuing resolution yesterday, and I do hope that this body and the House of Representatives will have an opportunity to vote on that continuing resolution for a limited period of time. I believe, as the other Members of this House do on both sides of the aisle, judging from the votes we have had, that we can have a balanced budget in 7 years scored by CBO, and let us let the President present his budget to the negotiators so we can move ahead with a continuing resolution.

But, you know, I want to point out that this shutdown has a human side. It has a human side. We have got 280,000 Federal employees who are furloughed. There is pain out there, there is suffering out there, there is anguish and anger out there.

Some 760,000 Federal employees received partial paychecks. They are anxious about their next paycheck they fear may be empty.

Countless Federal contractors, many who are in this region, have been forced to lay off employees due to stop-work orders on contracts that are current and the uncertainty of future contracts. This work and these wages will never be recouped.

I received countless calls from Federal employees and contractors who are concerned about paying this month's mortgage and even buying food. I have heard from a man in my district who works for an agency that is shut down, as does his wife. Not only are they having trouble paying this month's mortgage, their daughter's $13,000 college tuition bill just arrived.

I heard from a railroad retiree who received notice his retirement benefits will be cut 67 percent in January due to a lack of appropriations from the U.S. Treasury.

I have heard from a woman who works for Computer Data Systems, a Federal contractor. They furloughed employees, forcing them to take leave in order to pay them.

Not only are employees' summer vacations now being used up, soon their leave will run out, and they may be furloughed without reimbursement.

I heard from another Federal contractor, who has begun laying off employees, not just furloughing them. If he is able to rehire them, they will have to wait 9 months to 1 year before being covered by the company's health insurance, again due to a preexisting condition clause.

I have heard from a constituent whose niece is in the Peace Corps in Kenya. Due to the shutdown, she did not receive her allotment of money to buy a plane ticket home.

The local economy has suffered tremendously. Restaurants have been forced to lay off employees. Travel agencies are losing business by doing that which they usually get at this peak time. And the local tourist industry has been crippled.

Just some statistics: Each day of the shutdown, over 260 small businesses are not receiving SBA guaranteed financing, totaling over $40 million of loans. Each day of the shutdown, 95 percent of workplace safety complaints are going unanswered. Each day of the shutdown, an average of 383,000 people cannot visit National Park Service facilities. Campgrounds, monuments, visitor center are closed in 155 national forests.

Each day the State Department cannot process 23,000 applications for passports it would receive. Each day the State Department cannot issue 20,000 visas to visitors who normally spend an average of $3,000 on their trips.

All EPA non-Superfund civil environmental enforcement actions have stopped, costing $3 million a day in fines or injunctive relief against polluters.

We heard that just this week toxic cleanup in Superfund sites has run out of money and that will not be happening.

We could go on and on with the fact that 20,000 people have not been able to get Federal college loans because of the shutdown, 2,500 home purchase loans with FHA have not been awarded because of the shutdown.

All of this, and NIH, as a matter of fact, which is in my district, 2,000 grants have not gone out, leaving grantees with a break in their funding system, uncertain whether or not they can continue research. That is research to isolate the colon cancer gene, the breast cancer gene, working on Alzheimer's, Parkinson's, all of the various diseases and ailments where they can and are working and trying to come up with cures.

I further feel that it is so unfair to these Federal employees to not let them receive a check for work they have done or work that they want to do that they cannot do; therefore, finally, Mr. Speaker, I have said that my salary that would be comparable to the period of time when Federal employees are not being paid will be withheld, because I am a Federal employee and I should be treated the same way.

It is time to call an end to this shutdown and go on with the balanced budget.

ORDER OF BUSINESS

Mr. DURBIN. Mr. Speaker, I ask unanimous consent that I may be recognized in the place of the gentleman from West Virginia [Mr. WISE] for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THIS IS PERSONAL RESPONSIBILITY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

Mr. DURBIN. Mr. Speaker, I thank the gentlewoman from Maryland for her comments. I hope that she can rally 19 of her Republican colleagues. That is all we need to reopen this Government, and I hope that we can vote on that before there is any suggestion that this Congress leave for another 3 weeks.

Another Republican, the gentleman from Virginia, said earlier Congress is about to set out on another paid vacation, another 3 weeks away from Washington, while this Government is shut down. If it happens, and I sincerely hope it does not, I hope that my colleagues, particularly my Republican colleagues, who have endorsed this strategy, the Gingrich strategy of Government shutdown, will go home and listen to what the people on the street have to say about what we are doing.

This morning I stood at the Jefferson Park CTA stop in the city of Chicago for about an hour and a half, and as a thousand people came by, I took my poll, and I can tell you people across this country are damn disgusted with what is happening here in Washington. They cannot countenance how we can allow 280,000 Federal workers to be furloughed and three-quarters of a million workers to have their pay in jeopardy.

You see, they listened to the Gingrich rhetoric about personal responsibility, personal responsibility, and yet they see the same leaders who are sending Federal workers home unpaid and underpaid, taking their full congressional paychecks every single day. They hear these pious pronouncements about personal responsibility while Members of Congress with full pay go home for a Christmas vacation content in the knowledge they will be able to make next month's mortgage payment while hundreds of thousands of Federal workers do not have that certainty and have a bleak Christmas and holidays as a result of it.

The gentlewoman from Maryland referred to the National Institutes of Health. My brother, who is a retired Federal employee, swims every morning with some doctors from the National Institutes of Health. They were hopping mad this week because Members of Congress are still referring hardship cases to the National Institutes of Health while they fail to fund that agency adequately. In other words, we want them to continue performing their services, and yet will not make their paychecks whole. We will not treat them as an agency of great importance, which they are.

Personal responsibility, Mr. GINGRICH? It is not even close. It is arrogance.

And we also heard this talk about a family-friendly Congress. That is a hoot. That is a real hoot for Members here.

□ 1830

You see Members dropping out in droves because of this schedule and the madness that we have gone through for the past year.

But forget us for a moment. Think about the innocent families that are being disadvantaged by this shutdown. Think about those families and the impact that they feel. A young woman calls me, a college student, had a chance to go on a mission for a church to Haiti over Christmas. That was going to be her gift to poor people, and she could not get a passport. Another family called, having tried to sell a home in their family estate for month after month, had to cancel the closing because the Veterans' Administration cannot process papers because of the Gingrich shutdown.

Now the Gingrich folks say this is a matter of personal responsibility. It is a matter of principles. Let me tell you, it is not a matter of principle if it is somebody else's paycheck on the line. It is a matter of principle to put your own paycheck on the line.

The reason I became so angry and objected a minute ago to the District of Columbia appropriation is because the bill that should have been brought to the floor would include a bill from the Senate that has my bill in it, "no budget, no pay." A bill that says when the budget shuts down, we stop issuing congressional paychecks.

You know what would happen if Members of Congress did not get their paychecks? This crisis would be over in a heartbeat. Over in a heartbeat. You would start counting the case for these paid vacations and recesses and realize you are not going to get paid. I have given up my congressional salary during the shutdown. It is painful for me and my family.

I guarantee you if every Member of Congress did it, if Speaker GINGRICH did it, if Mr. DELAY, who considers him some constitutional officer of some kind, or Mr. ARMEY did it, they would think twice about another recess while this Government is shut down. They would think twice about congressional junkets and trips. They would think about doing the business of this country.

Why in the world are we taking it out on all of these innocent people, hundreds of thousands of people? If you have a problem, show your statement of principle, show your character, put your own paycheck on the line. Do not take it out on the innocent people across this country.

Let me close by saying this: We are seeing the face of modern Republicanism, the face of Gingrich Republicanism, and it is a mean face. It is a face that looks for innocent victims. Is it any wonder that the Democrats and President Clinton have second thoughts about the Gingrich budget plan? We see what they will do with the Government shutdown. Imagine what they will do if they get to write this budget for the next 7 years.

FUNDAMENTAL ISSUE OF SEPARATION OF POWERS

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from Georgia [Mr. BARR] is recognized for 5 minutes.

Mr. BARR. Mr. Speaker, in all of the debate and the rancor over the current budget problems that we are facing, some other more fundamental problems seem to be being lost. One of those I was reflecting on today and would like to bring to the attention of this body, and that is a pattern of conduct on the part of this administration, an attitude, if you will, on the part of this administration, to disregard constitutional powers involving the separation of powers between the different branches of government, namely the Congress of the United States and the presidency.

Mr. Speaker, since assuming my seat in this Congress last year, I have witnessed a series of constitutionally suspect acts and pronouncements by the current administration, beginning with the administration's unilateral and unauthorized bailout of the Mexican peso, through the White House's cavalier approach to Congressional authorization for approval of U.S. troop deployment in Bosnia, to the recent pattern of circumventing Congressional authority over the government's power to borrow.

I have seen, Mr. Speaker, a deeply disturbing and troubling trend, raising the specter of an administration overstepping the proper and constitutional bounds of executive power.

It is no secret, Mr. Speaker, that from the beginning many of us in this Congress viewed the administration's Mexican peso bailout as unwise monetary policy. The practical legacy of that ill-advised decision will reverberate to the national detriment through the financial community, and indeed our local communities, for many years to come. These problems will occupy me and my colleagues on the Committee on Banking and Financial Services in the coming months.

What troubles me, Mr. Speaker, from a constitutional perspective, is the way in which the administration finessed the underlying legal issue of whether the President and the Treasury Secretary had the authority to jeopardize our national treasury in the first instance.

When I wrote to Treasury Secretary Rubin questioning the legality of using U.S. resources to guarantee the government securities of another country, I received assurances from his general counsel that "This is a consideration of monetary and foreign policy," and that it is "an area that is properly left to the discretion of the President and, acting with the President's approval, the Secretary of the Treasury."

Mr. Speaker, such a response does worse than insult the intelligence, it ignores the Constitution. The administration's attitude on executive prerogative was demonstrated again during the debate over the deployment of troops to Bosnia. In the November 23, 1995, edition of the Tampa Tribune, for example, Clinton spokesman McCurry was asked about the funding for this mission. He said "The importance of the mission that we must undertake here will not be circumscribed by funding." He then assured, Mr. Speaker, reporters that the President "Will figure out how to pay for it, one way or another."

Mr. Speaker, I worry greatly that "One way or another" is a thinly veiled reference to move in a way that is constitutionally impermissible. Mr. Speaker, it is black letter constitutional law that with the Congressional power of appropriation in Article I goes right to specify how appropriated monies shall be spent, a congressional and parliamentary understanding more than 300 years old.

This cavalier attitude by the President and his staff on Congressional approval represents an entirely unaccountable shift in the constitutional understanding that has governed the relationship between the several branches of the Federal Government for over 250 years. This problem with the abuse of executive power has most recently been demonstrated by the administration's approach to the debt limit and the misuse of government trust funds in violation of Congressional power to set borrowing limits, power vested in the Congress by the Constitution. The use of government funds by the Thrift Savings Board clearly demonstrates, Mr. Speaker, that this Executive Branch is issuing new debt instruments and thwarting Congress' exclusive power to control the national debt.

In light of this pattern of conduct, Mr. Speaker, I strongly urge that this body, this Congress, and its appropriate oversight responsibility, initiate hearings and begin to take strong measures that will restore the proper balance between these two branches of the government. This looming notion of "Government by Executive" has plainly gotten out of the control, and the people of the United States, in Congress assembled, should not tolerate these such usurpations of their authority vested in them by the Constitution.

CONGRESS SHOULD TAKE THE RESPONSIBILITY TO KEEP GOVERNMENT RUNNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes.

Mr. VOLKMER. Mr. Speaker, earlier today during a one-minute I mentioned that what I see going on in this Congress and this House is just pure lunacy. You know, under Webster's Dictionary, lunacy is intermittent derangement. I recognize that here. It is insanity. That has been mentioned here. Great or wild foolishness, a lot of that, and a widely foolish act.

There is no question in my mind that what has been going on in this House of Representatives since the December 15 is lunacy. You know, I can remember back when I was a young person we had a name for people with lunacy. They called them lunatics. There is no question in my mind that in this House today we have got a whole bunch of lunatics. They do not understand really how this government is supposed to operate.

They do not understand that under the forefathers, this government, under our Constitution, was developed as a tripartite, three-body, system. We had the Congress, the Supreme Court, and the President. They are coequal. One is not better than the other. One is not supposed to be more powerful than the other.

Then in a range of appropriations, they gave the House the power; taxation the same; the power to initiate legislation, only the House. But then they gave the President the power of veto, and they said if you want to override that veto, it takes two-thirds of each house to do it.

That is the way this Congress had operated for over 200 years, until 1995. In 1995, our imperialistic Speaker, Speaker GINGRICH, and the radical Republicans decided that is not the way that this government should operate any longer. Oh, no. We are not going to do that anymore. If we do not get our way, on our so-called, and I say so-called, seven-year balanced budget, if the President does not sign it, which he did not, he vetoed it, then we are not going to appropriate funds for various agencies of the government, which they have not, Labor, HHS, D.C., foreign aid, or if the President vetoes it, then we are not going to pass a continuing resolution to fund the government while we negotiate with the President. We are just going to shut the government down.

That is what has happened. And, lo and behold though, these people that suffer from this disease of lunacy now also suffer from a disease of irresponsibility, because they say it is not our fault. We did not do it. They are not man enough to accept the responsibility of what they decided, to run the government by shutdown. Oh, no, it is the President. I heard the majority leader just this morning on TV; it is the President's fault. The President is shutting the government down.

The President does not appropriate one penny. Folks, he has no power under our Constitution to appropriate one penny. He can only sign a bill. If he decides to veto it, then the House has the right to try and override; if not, then pass legislation continuing it. Like I say, that is what we did under Reagan, while I was here, under Reagan, Bush, Carter before him, everybody.

That is the way it happened. But no, not under this group. No. Shut the government down, but do not accept responsibility. Place the responsibility somewhere else.

I even had some of these freshmen tell me earlier, before we broke for Christmas, that this is just the start, too, folks, because next year they say whey we do the appropriation bills, if the President does not sign it and he vetoes it, there will not be a CR, there will not be another bill, we will just shut it down. And guess what? When I said, you know, this one we have here, this is back in December, it may last for several months, they said good. Good, we save that much money. We will not be spending the money.

What kind of government is it where people say it is good to tell people you have got to work, but you are not going to get paid? That is what happened. That is happening today. Or those of you who do not work, you are going to get paid?

Not only that, at the same time, they keep getting paid all the time. And they do not do anything. We have not done anything in this House for a month.

HOW MUCH GOVERNMENT CAN WORKING PEOPLE AFFORD?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. COLLINS] is recognized for 5 minutes.

Mr. COLLINS of Georgia. Mr. Speaker, as Congress and the Clinton administration continue negotiations to balance the Federal budget, I am reminded of the question I heard from residents in Georgia's Third District last week: How much government can working people afford?

I want to repeat that question: How much government can working people afford?

Today the combined Federal, State, and local taxes consume nearly 40 percent of the disposable income of working Americans. Federal taxes place the harshest burdens on taxpayers. In 1994, the average American family turned over 25 percent of its income to the Federal Government. That compared to just 2 percent in 1954.

During the 1950's and the early 1960's, the Federal Government managed to pay for the national defense, build a nationwide Interstate Highway System, deliver our mail, and provide other vital government functions while living within its means. Today the Federal Government spends $500 million per day more than it collects in taxes and revenues. We are $4.9 trillion in debt. Interest on our national debt is the third largest single item in the Federal budget, topped only by Social Security and the national defense outlays.

Federal entitlement programs are responsible in large part for our national financial predicament. Today working Americans are paying the bills to provide health care to the elderly, the poor, and the disabled. Today working Americans are paying the bills to fund numerous Federal welfare programs that create a lifestyle of government dependence. Today working Americans are paying the bills to subsidize various Federal programs for farmers, students, cities, counties, States, businesses, and the list goes on and on, which brings me back to the question I heard from my constituents: How much government can working people afford?

We Americans are a fair and compassionate people. We believe in providing the benefits of Federal programs, such as Social Security and Medicare, for which people have paid for and earned. We also believe in helping those who want to help themselves. We are providing the programs that will help those citizens in our society who have encountered difficulties. But we must reform those programs that encourage government dependence as a way of life for millions of Americans.

□ 1845

Mr. Speaker, working people pay the bills. They provide the funds to pay for all Federal programs and they must pay for the Federal debt and the interest that accrues because of irresponsible deficit spending.

While Democrats criticize tax breaks for fat-cat corporations and businesses, who do they really think pays the corporate taxes? The working people of this country, Mr. Speaker. That is who pays corporate taxes. Corporate taxes are built into the cost of products and services purchased by consumers.

When a consumer goes to the store and buys a product or purchases a service, he or she does not get two receipts for that product or service. They get one receipt for the item and within that one receipt are all the taxes that have been paid on that product. Instead, this consumer has only one receipt rather than two. No receipt for just the tax portion of the profits earned on the sale of that item.

American workers pay the bills for all government programs and for all services. How much more government can they afford?

Mr. Speaker, I urge President Clinton to join Congress in our effort to preserve Medicare, to change welfare, and to provide tax relief for working Americans and pass a 7-year balanced budget. This is the only way we can provide a Federal Government that working people can afford.

WE ARE OUR BROTHERS' AND SISTERS' KEEPERS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think the question that we all are facing is a simple proposition; that we all are brothers' and sisters' keepers. We have heard from those who want to follow the current pulse of

America that most Americans are not concerned about this business here. In fact, we find that maybe about 80 percent of the Federal employees are, in fact, working. So all that we are doing here is creating noise and disturbance.

But I know America better, and I know what the fabric and the heart of Americans are all about. Americans are caring people, and we are wise people as well, and we recognize that a government defaulted and undermined and demoralized is not a functioning government, and that is what we have today.

We have it because the Speaker of this House has refused to accept the responsibility of governance. It is all right to campaign and to share with those who would listen to your political philosophy and tag it as a contract on America, or a new day for America, or a new deal, but it is the next thing to translate those activities into governance, into making America work, into making this country function and to be responsible for this country's future.

Mr. Speaker, there are faces to this tragedy, this Government shutdown, and so today I am filing a continuing resolution that will allow this Government to open today and to fund most Government operations at 90 percent funding, and to pay those furloughed Federal employees. Because I know what the responsibility is of legislators and this House that has the power of the purse strings of this Nation.

First, it was to pass appropriations bills before November. This was not done by this Republican majority. But then it was to have a sense of humanity and dignity and believing in the integrity of this Congress, which is to not allow the least of our brothers and sisters to be able to go without food, like those in my community working at the Veterans' Administration Hospital. Employees that, in fact, are not able to pay their rent. They are being evicted and their child, a disabled individual, is not able to go to that particular day care.

Or another person who calls and says, and she happens to be in a Republican Member's district, but calling and pleading with me, she needs food to eat now and her child is in need of constant medical attention. She still has medical coverage, but she will not be able to pay the premiums.

Or another NASA employee that says help us get back to work. And then a senior citizen, likewise in a surrounding area, but calling me out of pain, saying the cuts the Republicans are proposing to make in Congress are terrible and a grave injustice to the disabled and the elderly.

What about those small businesses which have become the backbone of America, particularly as corporate America is downsizing, AT&T eliminating 40,000 jobs. Well, let me tell my colleagues, we are losing some $40 million a day in being unable to help our small businesses under the Small Business Administration; 225 small businesses are not being able to receive loan moneys so that they can keep their doors open, and so they can hire people and create jobs for America.

I think it is important today to ask that this continuing resolution be passed. I am also going to make an inquiry into the Department of the Agriculture because many of our citizens need food stamps, and we need to have a waiver of requirements to help people stay away from the brink of disaster.

And last, we have a situation where our States do not know what to do. Many who are not able to get unemployment insurance, the doors are closed because the moneys coming from the Federal Government are no longer here. We are in a constitutional crisis. This Nation is frankly being brought to its knees and we are bleeding.

And now, as we have said in times past about stop the bleeding when there has been violence among our youth, we are doing violence to Americans, and I simply cannot believe that we live in a nation where someone would say, "I have got mine, you get yours."

I ask the Republicans to join me in my continuing resolution to open the doors of this Government until January 19 so that we can discuss the philosophical differences, but we can stop the bleeding. And we can ensure that we have the kind of humanity that would allow this citizen to get food to eat, and disabled children to go to the day care that they need.

Mr. Speaker, it is time now for the politics to be put aside. We have to govern, and we have to govern for all of America.

SPEAKER GINGRICH MAY RECESS HOUSE SUBJECT TO THE CALL OF THE CHAIR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, first, I want to go over a resolution which has raised the eyebrows of a number of our colleagues here that the House leadership filed with the Committee on Rules today. It has been described as a resolution which will allow the House to go on vacation or recess until the 23d of January, and I wanted to make the point to my colleagues, because I think there is genuine concern about this, that that is not what the resolution does.

It says that the Speaker may declare a recess subject to the call of the Chair on January 5 through Tuesday, January 9; and then the Speaker may declare a recess subject to the call of the Chair from January 9 to January 12, and it goes on from January 12 to January 16, and from the 16th through the 19th, but it does not call for a recess. It gives the Speaker the power to make the call on that, and I wanted to assure my colleagues——

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, I would ask the gentleman, if this passes until when, until January 23d?

Mr. KINGSTON. Mr. Speaker, I would tell the gentleman, no, this is the 5th.

Mr. HEFNER. But it would be a continuing. He can only do it for 3 days, and then he has to have the authority to do it for 3 more days. Is that the understanding?

What I want to get at is how many legislative days would from now, until when, the 23d or whatever, how many legislative days would that entail? I say that for this reason; for people that would be filing discharge petitions or what have you.

Would the gentleman explain to me exactly what it does one more time.

Mr. KINGSTON. Reclaiming my time, Mr. Speaker, I will show the gentleman the wording on this, because as it was described at the Chair to me, I was confused about it also.

As I see it, it goes on a week-to-weekend, week-to-weekend time period, and it would give the Chair some discretion, yet, at the same time, we would not be going on vacation or recess unless the Chair had that——

Mr. HEFNER. What I want to get at is, we would have what, in essence, would be a recess for 2 or 3 weeks, but there would only be 2 or 3 legislative days that would be counted, if somebody wanted to file a discharge petition or what have you here in the House. Am I correct?

Mr. KINGSTON. Reclaiming my time once again, I would say to my learned colleague, who has more experience at this than I do, that I am not certain how this impacts discharge petitions, and I assume the discharge petitions he is referring to are ones that affect the continuing resolution. Am I correct on that?

Mr. HEFNER. Mr. Speaker, I understand the discharge petition has to lay for, say, so many days, but they have to be legislative days. Under this we could be in recess for 3 or 4 days but we would only have 1 legislative day.

Mr. KINGSTON. Is the gentleman saying discharge petitions specifically?

Mr. HEFNER. I want to know how many legislative days it would entail if this authority was granted and the Speaker exercised it, as is his authority to do that.

Mr. KINGSTON. As I read this, it allows the Speaker to declare a recess subject to the call of the Chair through the 9th, and then goes on from the 9th to the 12th and the 12th to the 16th.

Mr. HEFNER. And he would have to do it again on the 9th through the following week.

Mr. KINGSTON. Let me say this, I will give this to the gentleman so that he can read it, because I had not read it earlier today when it was being made.

Mr. HEFNER. When will this take place? Will this be tomorrow?

Mr. KINGSTON. Should the House vote on it? It has been filed with the Committee on Rules. And, as the gentleman knows, I am not on the Committee on Rules and I do not choose to represent them. I just wanted to make sure that my colleagues and friends on that side of the aisle knew that there was more to it than that we were going home until the 23d. Because I, like many of my colleagues, have a lot of concerns about the situation right now and would like to engage with them, if they care to dialog on the budget.

What I am concerned about right now is that the interest on the national debt is the third largest expenditure in our entire budget right now. And that interest will exceed military spending in the next 2 years if we do not get it under control.

I will be happy to yield in a minute or two on the subject of the budget, because, as I said earlier, I do not want to represent the Committee on Rules on all the fine print of this.

Mr. HEFNER. Mr. Speaker, if the gentleman would again yield for 30 seconds for me to ask this question.

Mr. KINGSTON. Mr. Speaker, I yield to my friend for 30 seconds, with the abundance of recognition from that side of the aisle that, ordinarily, it is hard for them to yield to us in special hour, so I am doing this in the camaraderie that I think this House needs more than ever.

Mr. HEFNER. What I am getting at is this is the same procedure, if this passes, the same procedure we have been using for the past 12 days; am I correct?

REQUEST FOR SPECIAL ORDER

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to be recognized in place of the gentleman from Louisiana [Mr. FIELDS] for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

U.S. GOVERNMENT IN A STATE OF POLITICAL DISORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I looked at my dictionary, Webster's dictionary, before I came down here this evening and saw that it defines anarchy as the absence of government; a state of political disorder.

Well, folks, that is where we are tonight, and I was reminded of that even more when someone from the other body, from Texas, who aspires to the highest office in this land, appeared on the David Brinkley show last Sunday. For those of my colleagues who may have missed it, that individual taunted the audience with this question about the Government shutdown. He said, "Have you missed the Government? I mean, doesn't it strike you as funny that 280,000 Government employees are furloughed and large segments of the Government of the United States are shut down?"

Well, let me give that fellow from Texas a heavy dose of reality.

□ 1900

I hate to burst his bubble, but I have a list here of residents of the Ninth Congressional District of Ohio who would respectfully beg to differ with him. As a matter of fact, no, it does not strike them as funny that much of our Government is shut down.

For example, Jan, a student from Toledo, was supposed to start school this week, but now will not be able to because of this budget impasse. Jan called me and said, and I quote her directly, "My financial aid papers can't be processed until the Department of Education gets up and running, and I can't start school without having the paperwork processed." She said there are "millions of students like me." Well, she does not think it is very funny.

Two disabled veterans from our community, Gary and Tom, called our office to say that they were very upset that their compensation checks are late. They asked me, "How are we supposed to pay our bills?" They represent millions of disabled veterans.

Another veteran in my district, Charles, of Oregon, OH, is 76 years old and receives railroad retirement, which he earned. He asked me, "How come they cut my check by $124?" The veterans of my district, and all veterans all over our Nation, know what some elected officials clearly do not know. They do not get it. They do not know that in response to this shutdown, railroad retirement reduced its benefit payments by 64 percent; that the December 22 continuing resolution which provided continuing funding for certain veterans benefits and payments expires today; that contractors providing services and supplies to hospitals will not be paid and benefits for January will not be paid on February 1.

Approximately 170,000 veterans did not receive their December Montgomery GI bill education benefits and will not receive benefits this month.

These are the same men and women who have served our country in times of crisis, the soldiers and families who have given above and beyond the call of duty in defense of this Nation, yet some would dishonor their honorable service by saying it is funny that we are leaving them high and dry.

Deborah, of Waterville, OH, called my office to say that she and her family departed last week for a long-awaited holiday hiking vacation at the Grand Canyon, but the canyon was closed due to the shutdown. She said, "Please find a way to end this political nonsense now. These tactics affect the American citizens and many hard-working Government employees that now have no means to generate income for their families."

She is right. On an average day, 383,000 people visit our National Parks System. Losses for businesses in those communities adjacent to our national parks could reach $14 million a day due to reduced tourism. It is not funny to those people. They understand what governance is all about.

Loryn, of Toledo, called my office to say that she was supposed to begin to study in Spain and was scheduled to leave January 5, but will not be able to because she cannot get her passport back from the passport office. She has lost $1,000 already in nonrefundable airfare and may lose the $5,000 paid for this semester of schooling.

She is not alone. On an average day the State Department receives over 23,000 applications for passports and 20,000 visas for visitors to this country. To those citizens and to those visitors it is not funny at all.

Jan, of Toledo, called my office to say that her son and daughter are serving in the Peace Corps in the Ukraine, and guess what. Their stipends for service were cut off. It is not funny to them.

Let us bring up the Dole bill, pass it, and put America on the right track again, and tell the gentleman from the other body that his irresponsible comments border on anarchy.

25TH ANNIVERSARY OF THE CREATION OF THE FEDERAL LAW ENFORCEMENT TRAINING CENTER

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, recently I came across an excellent address which had been given by a long-time friend of mine, Mr. Eugene T. Rossides, a very distinguished lawyer, formerly of New York, now of Washington, DC. It was upon the occasion of the 25th anniversary commemoration of the creation of the Federal Law Enforcement Training Center in Glynco, GA.

Mr. Rossides and I served together in the Eisenhower administration, where we were both Cabinet assistants, and in the Nixon administration he was Assistant Secretary of the Treasury for Enforcement, Tariff and Trade Affairs, and Operations for 4 years.

He is very knowledgeable on the relationship between the Federal and State governments in terms of law enforcement, particularly drug enforcement for which he had responsibility. He is also very knowledgeable on the subject of terrorism, a matter about which this Chamber will be debating in the next few months.

I would like to note a few of the comments that he has made that I think are significant and very important, and will put the full text of the remarks, Mr. Speaker, in the RECORD, if I may.

The remarks that he made, which I think add another enlightenment on history for us, is that the Secret Service at the time of the Nixon administration had no women in it. After a luncheon for the First Lady, Pat Nixon, where there were 200 women in the room and 4 male Secret Service agents who stood out like a sore thumb, the question was raised by a friend of Mrs. Nixon's and taken in hand by then Assistant Secretary Rossides, who checked with the head of the Secret Service and said, "Is there any problem with having women in the Secret Service?" And Chief James Rowley said, "Absolutely not," and Mr. Rossides said, "I am delighted, because there are women in the New York City Police Department and certainly we should have more in Federal law enforcement."

The problem was, apparently, that the Director of the FBI, J. Edgar Hoover at that time, would not allow women in Federal law enforcement, and we know that over the last quarter of a century there has been a significant change.

During this period the highly successful Sky Marshal and Pre-Departure Inspection Programs were set up to prevent the highjacking of American aircraft.

A major program aimed at the financial resources of organized crime was also undertaken. That effort was immensely successful, and much of Mr. Rossides' experience was with applying that approach to the various drug kingpins, who have substantial resources, as we all know.

He has great concerns, however, as to what has happened regarding Federal drug enforcement. Some of that happened later in the Nixon administration after the Drug Enforcement Administration [DEA] was created in the Department of Justice. He thinks that was a very "serious mistake from which we are still suffering." He believes that aim to put all Federal law enforcement in the Department of Justice ought to be with the Drug Enforcement Administration in Justice, added to it were the Bureau of Narcotics and Dangerous Drugs in Justice, the Office of Drug Abuse Law Enforcement in Justice, and the drug smuggling authority of the Customs Service which was in the Treasury.

Mr. Rossides believes that plan crippled proper drug smuggling enforcement by removing the experts from it. They remained in Customs. He has some very sensible suggestions about what we should do in this area, and I think it is worthy of Congress and the Committee on Government Reform and Oversight to examine some of these matters.

He noted that the DEA and Justice Department policy diverts attention, manpower, time, and money from what he considers the primary function for our overseas personnel regarding drugs, which is "the gathering of intelligence on drug shipments and potential drug shipments to the United States." He would put the stress on going after the drug traffickers' finances through income tax evasion and money laundering cases.

He believes that the Federal law enforcement role regarding drugs is threefold: Antidrug smuggling; major domestic drug trafficking cases; and, income tax evasion and money laundering cases. He recommends that we phase out the DEA by first, transferring domestic drug enforcement authority from the DEA to the FBI and second, by returning the drug smuggling authority to the Treasury's Customs Service. Rossides believes that the result would be increased efficiency in drug enforcement at a saving of perhaps half a billion dollars annually. A program to place DEA agents in State and local police departments would certainly be a part of that transition to phase out DEA. During his service at Treasury, then-Assistant Secretary Rossides saw success with a joint Federal-State-local law enforcement program. It lasted 17 months after Secretary John Connally obtained a $7.5 million supplemental appropriation. The result was that 1,175 major drug dealers were under a full net worth tax audit.

That is a fascinating discussion. Ask yourself if we would be further ahead had the two-pronged criminal and civil approaches been steadily pursued.

Mr. Rossides has great concern about the tendency to make the FBI a national police force. Most of us would agree that should not happen. He gives very good reasons as to why that should not happen.

Mr. Speaker, I am delighted that we have had an opportunity to look at some of his remarks, and I hope my colleagues will look at the full address, which I will include for the RECORD.

REMARKS OF EUGENE T. ROSSIDES ON THE 25TH ANNIVERSARY COMMEMORATION OF THE CREATION OF THE FEDERAL LAW ENFORCEMENT TRAINING CENTER, GLYNCO, GA—JULY 19, 1995

Director Charles F. Rinkevich, the staff of the Federal Law Enforcement Training Center and the men and women attending the Center.

I am very pleased to be here and to be part of this 25th year celebration. I salute the men and women in law enforcement.

Today I will discuss the following matters:

1. my concerns regarding federal drug law enforcement;

2. my concerns regarding the Department of Justice, the Federal Bureau of Investigation (FBI) and a national police force in the Department of Justice;

3. my views regarding state and local law enforcement and their interaction with federal law enforcement; and

4. some comments regarding the National Rifle Association.

First let me reminisce regarding several law enforcement initiatives undertaken during my four years as Assistant Secretary of the Treasury for Enforcement, Tariff and Trade Affairs and Operations (1969-January 20, 1973), a number of which have had a lasting impact on federal law enforcement.

TREASURY'S FEDERAL LAW ENFORCEMENT TRAINING CENTER (FLETC)

Chief James Rowley, then Director of the U.S. Secret Service, had stressed to me the importance of training and the need for increased training facilities for the Secret Service in view of their new responsibilities for presidential candidates protection. He had proposed an enlargement of the Treasury Law Enforcement Training School then located at 13th and L Streets, N.W., Washington. I accepted the proposal. The Office of Management and Budget asked that the name be changed to reflect the participation of several other federal agencies at the Treasury School. Treasury's Appropriations Subcommittee, chaired by Congressman Tom Steed of Oklahoma, approved the necessary appropriations. Tex Gunnels was the Clerk of the Subcommittee.

Thus, the Treasury Law Enforcement Training School was expanded with additional facilities and became the Federal Law Enforcement Training Center (FLETC) housed in Treasury and under the supervision of the Assistant Secretary for Enforcement—now Under Secretary. It has a board of directors, chaired by Treasury and composed of the representatives from the various departments whose personnel train at the Center.

The original plans called for this facility to be built in Beltsville, Maryland. A site had already been selected. However, the then country executive objected and mounted a campaign against it. After the while I decided it was not worth the effort for Beltsville, and Glynco, Georgia, suggested by Tex Gunnels, was the beneficiary. FLETC has grown substantially and now also trains state, local and foreign law enforcement personnel.

THE FIRST WOMEN IN FEDERAL LAW ENFORCEMENT

In 1969 or 1970, Pat Hitt, Assistant Secretary of the Department of Health, Education and Welfare, wrote to Secretary David Kennedy and said she had been at a Republican women's luncheon for the First Lady, Pat Nixon, and in a room with 200 women the four Secret Service agents stood out like a sore thumb. She inquired whether women could be stituted instead.

The Secretary sent the letter to me for response without comment. I showed Mrs. Hitt's letter to Chief Rowley and said that I knew there were women in the New York City Police Department and asked him why there were none in federal law enforcement.

Chief Rowley told me that J. Edgar Hoover would not allow women in federal law enforcement. I asked him if he had any objections to women in the Secret Service. When he said he had no objection, I told him to proceed and get women into the Secret Service. That decision took less than 15 minutes and changed the face of federal law enforcement.

THE SKY MARSHAL AND PRE-DEPARTURE INSPECTION PROGRAMS

In 1970, following multiple hijackings of four U.S. planes which were sitting on the ground in the Middle East, President Nixon decided to put armed guards on U.S. commercial airliners. The President accepted Treasury's sky marshall program, including a training program, a pre-departure inspection system which is still in use today and which has been highly successful.

PROGRAM AIMED AT THE FINANCIAL RESOURCES OF ORGANIZED CRIME

I initiated the effort to go after the finances and illegal profits of the organized drug traffickers. This took three avenues initially: (1) an effort started in the summer of 1969 which led to the Bank Secrecy Act of 1970; (2) the Treasury/IRS Narcotics Trafficker Tax Program; and (3) the effort to break Swiss bank secrecy in organized crime cases (which was successful through negotiations with the Swiss banking authorities). The Assistant Secretary of the Treasury for Tax Policy, Ed Cohen, assisted in the effort with the Swiss authorities. These three efforts were followed later by money laundering legislation and enforcement, principally by IRS and Customs.

I am proud of the accomplishments of Treasury enforcement during my four years with Secretaries David Kennedy, John Connally and George Shultz and Under Secretary Charls E. Walker, a great deal of which has had a lasting and highly favorable impact on federal law enforcement.

A few comments about WACO since congressional hearings are starting today. I echo the comment of Ronald Noble, Under Secretary of the Treasury for Enforcement, who stated the David Koresh was "a cold-blooded killer." David Koresh was responsible for ambushing and killing four Treasury agents of ATF and wounding twenty others. Koresh was also responsible for the deaths of about 80 persons in the compound.

Steve Higgins, former director of ATF, in an article in the Washington Post (July 2, 1995 C3, col. 1) sets forth the background and legality of ATF's actions and involvement in WACO.

I congratulate Secretary Lloyd Bentsen, Under Secretary Noble and the investigating team for the comprehensive and objective report on WACO, which report has been highly praised. That investigating team included three outstanding independent experts.

I also congratulate Treasury for the selection of John Magaw, former director of the U.S. Secret Service and one of the most experienced and distinguished men in law enforcement, as director of ATF and for the full support given to him and ATF. I especially commend Mr. Magaw for his willingness to assume the responsibilities of Director and for the outstanding job he is doing, particularly in correcting the seventeen mistakes made at WACO as set forth in the Treasury "Blue Book" report. Former President Bush wrote the following about him: "John Magaw, who used to head the USSS and now heads ATF, is one of the most principled, decent men I have ever known."

One area that Director Magaw has given special attention to is training and to the program at FLETC.

Treasury is very fortunate to have the leadership of Secretary Robert Rubin, who has spoken and written vigorously in support of Treasury enforcement and in particular ATF. I endorse the contents of his recent letter regarding the WACO hearings.

POLICY ISSUES CONCERNING FEDERAL, STATE AND LOCAL ENFORCEMENT

1. My Concerns Regarding Federal Drug Enforcement

Fundamental to an understanding of how to reduce drug trafficking is to recognize that there are three distinct crimes involved: (1) drug trafficking, (2) smuggling and (3) financial-income tax evasion and money laundering.

To summarize my views:

(1) The Reorganization Plan #2 of 1973, which created the Drug Enforcement Administration (DEA) in the Department of Justice, was a serious mistake from which we are still suffering. It was pushed through the Congress by the White House and the Justice Department at the very time Watergate was breaking loose. They wanted eventually to put all federal enforcement in the Justice Department.

A high level White House staff assistant, who later became a key Watergate witness, told me in the fall of 1972, after the Nixon Administration's re-election victory in November, that the aim was to put all law enforcement in Justice and that I had not seen anything yet. "Just wait until the second term begins," he said.

Reorganization Plan #2 created the Drug Enforcement Administration (DEA) in the Justice Department and transferred to the DEA the Bureau of Narcotics and Dangerous Drugs (BNDD) in Justice, the Office of Drug Abuse Law Enforcement (ODALE) in Justice, and the drug smuggling authority of the Customs Service. For 21 years, since 1974, we have had a second rate team handling drug smuggling in the "war on drugs."

Reorganization Plan #2 crippled proper drug smuggling enforcement by removing the experts. It will remain crippled as long as DEA controls it. There is no way that DEA can be as effective in anti-drug smuggling activities as the experts in Customs. Nor can DEA get the full cooperation of the customs services around the world as can the U.S. Customs Service. Returning anti-drug smuggling authority to Customs will result in a better and more cost effective performance.

(2) The enforcement policy and priority of DEA in attacking the problem of drugs at the source, i.e. to eradicate the poppy and coca plant growing areas by force or payments for crop substitution, has been and continues to be a failure. (See Washington Post, "U.S. Falling Far Short In Drug War," July 10, 1995, A1, col. 1.) The goal is unattainable and we are wasting scarce resources. How many people realize that it only takes a small number of square miles of poppy and coca plant production to feed the entire U.S. heroin and cocaine addict population? The monies spent on eradication are counterproductive and are better spent elsewhere.

(3) The federal role against drug trafficking should be limited to major domestic U.S. cases. American agents should not run cases on foreign soil. The DEA policy of running cases in foreign jurisdictions is not sound drug enforcement policy. Liaison assistance overseas is proper. Running cases overseas is not as a general rule, with limited exceptions.

The Americanization of the world drug problem by the DEA and the Justice Department has been a debacle and has lessened the responsibility of the host government for handling drug trafficking in their own countries and has weakened the United Nations efforts.

The DEA and Justice Department policy diverts attention, manpower, time, and money from what I consider the primary function of our overseas personnel regarding drugs, the gathering of intelligence on drug shipments and potential drug shipments to the U.S.

(4) Income Tax Evasion and Money Laundering: An attack on the drug traffickers' finances through tax evasion and money laundering cases should be the cornerstone of any multi-faceted enforcement program.

The Achilles heal of the drug trafficker is income tax evasion. Tax evasion, unlike drug trafficking, leaves a paper trail and there are proven methods, based on numerous precedents, for developing evidence. The Treasury successfully ran such a program for two years from July 1, 1971 to July 1973.

Money laundering cases have added another dimension and have been quite helpful. IRS and Customs are playing leading roles in this effort.

To summarize, the federal enforcement role regarding drugs is three-fold: (1) anti-drug smuggling; (2) major domestic drug trafficking cases; and (3) income tax evasion and money laundering cases.

I recommend that we phase out the DEA by (1) transferring domestic drug enforcement authority from the DEA to the FBI and, (2) returning the drug smuggling authority to Treasury's Customs Service. The result would be increased efficiency in drug enforcement at a savings of over $500 million. A program to place DEA agents in state and local police departments would be part of a transition in phasing out DEA. Overseas personnel would be Treasury agents of the Customs Service. Their mission would be to work with local customs and police officials to gather intelligence on smuggling cases and potential smuggling operations pertaining to the U.S.

I further recommend that we revive the Treasury/IRS Narcotics Trafficker Tax program, one of the most successful, if not the most successful, joint federal-state-local law enforcement program in our history. Initiated in the spring of 1971 with a supplemental appropriation of $7.5 million obtained by Secretary John Connally, it started on July 1, 1971 and lasted two years.

The last report on the program was issued on December 1, 1972. That 17-month report listed the number of major drug dealers under full net worth tax examination, the number of civil tax actions, the number of criminal cases in progress and the amount of money collected.

How many major drug dealers do you estimate we had under full net worth audit? Take a guess. The number should surprise you. We had 1175 major dealers under full net-worth tax audit in just 17 months!

That program did more to disrupt the drug traffickers operations and finances than all of the other drug enforcement programs combined and it disrupted practically all of the major drug networks in the country. Unfortunately, after mid-1973 the program was discontinued—a victim of Watergate, and a new IRS commissioner who was not enforcement minded and opposed the program. On January 20, 1973, I had completed four years as Assistant Secretary and had returned to private practice.

The use of the tax code on organized crime is not new. The example of Al Capone is well-known. What distinguished our tax program were four innovations:

First. The establishment of a national Target Selection Committee with representatives from several federal enforcement agencies.

Second. The establishment of regional Target Selection Committees with the added representation of state and local police. Central to my concept of the tax program was the full involvement of the state and local police.

Guidelines were developed for these committees to distinguish major from minor dealers and a monthly report system was developed. It was the first time that a list of major drug traffickers in the U.S. was put together systematically, utilizing federal, state and local agencies.

Third. A key part of the program was to attack the financial structure of the drug networks. IRS was instructed to try to develop a criminal case first. If within a few months they did not feel that they could develop a criminal case expeditiously, they were instructed to move the investigation promptly to a civil audit.

This was an important innovation in the overall objective of attacking the financial structure of the drug networks. You can punish a person in two ways: put him in jail or take his money.

Fourth. For minor drug dealers who had been arrested with cash on them, we initiated a tax action against them and tied up the cash.

2. My concerns Regarding the Department of Justice, the FBI and a National Police Force in the Department of Justice.

There has been a steady increase of power and enforcement personnel in the Department of Justice which I do not believe is in the national interest. When a crisis occurs, the immediate reaction of the Department of Justice is to ask for more money, manpower and authority. It is a standard technique to imply that lack of money, manpower and authority in the Justice Department are the cause of the problem.

This crisis stemming from the Oklahoma City bombing is an example. While the rest of government is downsizing, the Administration's anti-terrorism bill calls for more enforcement personnel primarily for the FBI, even though it has been stated that more personnel would not have prevented the bombing nor can anyone demonstrate they would be able to prevent future acts of terrorism.

I object to the request for additional personnel and that portion of the $2.1 billion price tag that is for FBI and Justice Department personnel. They are not needed and Congress should not allow it. Federal enforcement must not be exempt from downsizing.

I question the need for and oppose the provisions in the bill giving increased wire tap authority to the FBI and Justice Department. They are not needed.

According to newspaper reports, the increased wiretap authority includes the authority to wiretap in alleged terrorism cases for 48 hours without a court order. To continue a tap thereafter would require a court order. Such a provision gives the FBI carte blanche to tap for 48 hours anybody it wants to on the allegation that it could involve terrorism. It means there could be hundreds and thousands of 48-hour taps which could then be discontinued and nobody outside of the FBI would know about it.

I was pleased to see that the Republican-controlled Senate voted 52–28 to table the White House proposal to expand emergency wiretap authority. Majority Leader Dole argued it could erode constitutional protections on privacy. (N.Y. Times, June 6, 1995).

I am concerned about the FBI becoming a national police force. The tradition of our nation is against a national police force.

An important tradition of federal enforcement is to couple the enforcement function with the regulatory function. Wherever possible that tradition should be enhanced—not weakened. Stronger enforcement is the result and it lessens the possibility of a national police force.

One principle that the Congress should follow in considering any new enforcement authority is to house it outside of the Department of Justice. The Republican Congress has an opportunity to correct some grievous errors of the past. It should not become a captive of the Justice Department and FBI.

There is no department or agency of government in the democratic world that has the amount of accumulated law enforcement power as the U.S. Department of Justice. There has been a steady accretion of such power over the past decades by the Justice Department.

First of all you have under one roof, under one person, all the prosecutorial functions of the federal government and a substantial part of the investigatory function. State and local governments, in general, do not allow such combination of power under one agency. State and local police investigate and make arrests. Thereafter, the prosecutor gives the matter an independent objective review to determine if sufficient evidence is available to prosecute.

The attorney general of New York does not supervise the state police. The district attorney of New York County does not supervise and control the New York City police department.

The attorney general of the United States is the chief legal officer of the government. He or she should not also be the chief of police.

There have been newspaper and magazine articles concerning the problem of prosecutors' discretion. I do not believe there is adequate oversight and review within the Department of prosecutors' discretion.

These and other problems have not received the attention they deserve in the learned journals, in books, or in our law schools.

What is needed is a thorough review of the functions and authority of the Department of Justice by a blue-ribbon commission. Such a commission should be charged with reviewing all enforcement functions and authority in the Justice Department to determine which ones are necessary and which are not, which enforcement functions and agencies should be transferred to other departments, and which functions and authority could be handled just as easily or better by the states and localities.

My remarks regarding the Justice Department are not aimed at the rank and file in the FBI or DEA. They are dedicated people, many of whom risk their lives daily for the public good. I am concerned about the misguided efforts of those career persons and appointees in the Department of Justice, and White House staff, who want to centralize law enforcement in the Department of Justice.

3. My Views Regarding State and Local Law Enforcement and Their Interaction With Federal Law Enforcement

Inside the Beltway too much attention is devoted to federal law enforcement and not enough to state and local enforcement.

We tend to forget that state and local law enforcement is the front-line against unlawful conduct. State and local enforcement officers are the ones closest to the people. The achievement in our nation of "Life, Liberty and the pursuit of Happiness" depends primarily on the over 650,000 state and local police, not on the approximately 90,000 Federal law enforcement personnel.

State and local enforcement personnel face the media daily, many of which feel compelled to cast them in a poor light, to highlight miscues and to overlook or play down successes.

I believe that there has been a gradual erosion these past two decades in the public's respect for and confidence in law enforcement, on both the federal, state and local enforcement levels.

Forgotten, under the barrage of adverse publicity, is the outstanding day-to-day work of our state and local enforcement community which is essential to the rule of law and to our well being.

There must be a concerted effort to reverse the situation. There must be an upgrading of state and local enforcement. Fundamental to improvement is training, training and more training. The Persian Gulf War proved what the military's obsession with training can produce. We must increase and elevate training for state and local enforcement. Increased professionalism will only come with increased emphasis on training. I note that there are an increasing number of state and local officers receiving advanced training at FLETC.

I will make a few general comments regarding federal-state enforcement relations.

First, I was proud of the attitude and practices followed by the two Treasury bureaus, the Secret Service and the Bureau of Alcohol, Tobacco and Firearms, who dealt with state and local enforcement personnel on a daily basis. They had a policy of treating their counterparts in state and local enforcement as equal professionals. That should be the rule with all federal enforcement agencies.

Secondly, just as there is ongoing effort to return to the states the civil functions being performed by the federal government, I propose a review of federal criminal jurisdiction with a view to return to or transfer to the states criminal jurisdiction wherever possible and appropriate. As mentioned, downsizing of federal enforcement should not be exempt from the present effort to downsize the federal government and return functions to the states.

I further propose that federal enforcement defer to state enforcement wherever possible and appropriate.

For example, if there is to be an anti-terrorism center, as set forth in the proposed anti-terrorism legislation, why not have it as part of an intergovernmental organization controlled by the states with federal participation? Terrorist acts are not solely federal matters. They are also, if not primarily, state and local matters.

An anti-terrorism center under the supervision of the states, with federal participation, would energize the state and local enforcement community. Such energizing will not occur if the anti-terrorism center is in the FBI. Putting it under the states would also be a check against a national police force. Such a center under state supervision would be a substantial boost to and recognition of the central importance of state and local enforcement.

4. A Few Comments Regarding the National Rifle Association (NRA).

I applaud President Bush's action in resigning from the NRA over the April 13, 1995 fundraising letter of Wayne R. La Pierre, executive vice president and chief operating officer of NRA. We owe President Bush a great deal for his decades of public service culminating in his presidency. He deserves our praise for his letter of May 3, 1995 to Thomas L. Washington, President of NRA, resigning from NRA. His letter says it all. In his opening paragraph he writes:

"Dear Mr. Washington, I was outraged when, even in the wake of the Oklahoma City tragedy, Mr. Wayne La Pierre, Executive Vice President of NRA, defended his attack on federal agents as 'jack-booted thugs.' To attack Secret Service Agents or ATF people or any government law enforcement people as 'wearing Nazi bucket helmets and black storm trooper uniforms' wanting to 'attack law abiding citizens' is a vicious slander on good people."

President Bush also states:

"I am a gun owner and an avid hunter. Over the years I have agreed with most of NRA's objectives, particularly your educational and training efforts, and your fundamental stance in favor of owning guns.

"However, your broadside against Federal agents deeply offends my own sense of decency and honor, and it offends my concept of service to country. It indirectly slanders a wide array of government law enforcement officials, who are out there, day and night, laying their lives on the line for all of us.

"You have not repudiated Mr. La Pierre's unwarranted attack. Therefore, I resign as a Life Member of NRA, said resignation to be effective upon your receipt of this letter. Please remove my name from your membership list."

And President Bush, in a commencement address on May 11, 1995 at the College of William & Mary in Williamsburg, Virginia, retierated his defense of federal enforcement agents as follows:

"'I miss dealing with the law enforcement people who lay their lives on the line for us every day,' Bush said, 'and I think we all ought to speak up against the excesses of these crazy people who put them in a bad light and refer to them as 'Nazis' and refer to them as 'jack-booted thugs.''" (Los Angeles Times, May 12, 1995)

Let me state where I stand on the NRA and gun control. I echo President Bush's support of the NRA's educational and training efforts and the "fundamental stance in favor of owning guns." In my judgment the right to own a gun is not and has not been in danger, and will not be in danger in the future under our constitutional system of government. I also supported the Brady bill and the ban on certain assault weapons. They are reasonable and responsible legislation.

President Bush's letter brought national headlines. It also resulted in other key Republicans denouncing or criticizing Wayne La Pierre's and NRA's rhetoric. The Los Angeles Times (May 23, 1995) reported the following criticism of NRA by California's top two Republicans. Governor Pete Wilson, in an address to an annual memorial ceremony for slain peace officers, called the NRA hyperbole:

"'An inexcusable slander' that was 'not only a grotesque smear, but gives comfort to the real things—the brutal animals who take innocent lives. . . . It's an insult to every officer who daily puts on a badge.'"

Attorney General Dan Lungren stated:

"Character isn't just saying you're in love with your guns. Character is admitting you're wrong—not issuing, after three weeks, that mealy-mouth apology."

Lungren denounced the fund-raising letter as "obnoxious, abhorrent and totally irresponsible." For law officers, he said:

"It's worse than a slap in the face, it's a spit in the face. If this kind of language were being spewed by leaders of inner-city gangs, there would be wholesale condemnation of it without batting an eyelash. I'm not going to accept this kind of conduct whether it comes from the NRA or street gangs like Crips and Bloods. . . .

"At some point, people should call them on this stuff.

"Most people don't think every gun conceived by man ought to be readily available on the street. You don't need to have bazookas, flamethrowers and semiautomatic weapons with 50-round magazines."

Governor Wilson, who strongly opposes assault guns, said:

"The name 'assault weapon' tells you what they're for. They're for combat. Yes, there is a right to keep and bear arms. But an assault weapon has no legitimate justification in a civilized society."

Senate Majority Leader Robert Dole (R–KA) appearing on ABC's This Week With David Brinkley (April 30, 1995), criticized the NRA stating they needed "an image repair job." Dole specifically criticized an NRA computer bulletin board on which bomb-making instructions have appeared stating that there are already "enough people out there who know how to make bombs." (Washington Post, May 1, 1995, A10, col. 6).

Former House Speaker Thomas S. Foley (D–WA), a long-time member of the NRA, announced he is resigning: Foley said on CNN's Late Edition:

"To present that you're for law enforcement, in support of law enforcement, while attacking law enforcement officials is I think hypocritical." Washington Times, May 22, 1995).

Phoenix Mayor Skip Rimza, who let his membership lapse two years ago after the NRA opposed a city ordinance banning minors from carrying guns in public without parental consent, said: "They've let a fringe group take over the organization." (Christian Science Monitor, May 22, 1995).

The Associated Press reported that three Texas cities, Houston, Laredo and McAllen, have barred the NRA from sporting-goods shows this summer because of its criticism of federal enforcement agents. Jerry W. Curl, show director of the Texas-Mexico Hunting and Fishing Expos said: "After . . . talking to our exhibitors and the sportsmen across the state, everyone is in agreement that the NRA is heading in the wrong direction."

The board of directors of the 14,000-member International Association of Chiefs of Police (IACP) "cut all ties with the NRA and banned the NRA from advertising in the police chiefs magazine." (USA Today, May 18, 1995, A1, Col. 3.)

I applaud the Secret Service in disinviting the NRA to its annual pistol competition. I applaud the U.S. Olympic Committee in forming U.S.A. Shooting to replace the NRA as the U.S. government body for the Olympics.

The board of directors of the NRA is responsible for the NRA's programs and the actions of its officers and staff which report to the board. According to newspaper and magazine articles, its "philosophical guru and powerbroker" is Neal Knox who engineered the takeover of the board of directors by the extremists.

The NRA's organized program of attack on the federal enforcement activities of the ATF and FBI, and efforts to discredit federal enforcement personnel in the performance of their duties to carry out congressional legislation—the law of the land—is harmful to the very foundation of our democracy: the rule of law.

Make no mistake about it, the NRA's actions are basically an assault on the rule of law, the essential ingredient of a civilized and democratic society.

To highlight a handful of mistakes, grievous as some are, and deliberately try to create the false image that these errors are the norm, is not the work of a responsible organization. As Director Magaw has stated, in the last 10 years the statistics demonstrate that there were 50,000 cases written for prosecution; 80,000 persons arrested and 10,000 search warrants executed. With all that activity, there were only 230 complaints against ATF and not one of those has been upheld against ATF.

We have today in the NRA a handful of extremists who have turned a responsible organization into a radical one. The program of attack on the ATF is based on the "Big Lie" technique. Repeat the Big Lie often enough and the people will believe it.

The NRA's program and actions have been a significant factor in the growth in disrespect for the law and the agencies responsible for carrying out the laws on both the federal and state level.

You would think that the NRA would spend its time and money assisting law enforcement instead of fighting law enforcement officials.

The NRA has been the main organization with an action program to discredit federal law enforcement. The board of directors of NRA and its acknowledged leader Neal Knox must bear a major responsibility for the anti-law enforcement attitudes that have developed this past decade in this country.

There is a clear connection between NRA rhetoric and actions and the rhetoric of Timothy McVeigh and his alleged actions in Oklahoma City on April 19, 1995, the second anniversary of WACO. And remember that the slanderous LaPierre NRA fundraising letter was dated April 13, 1995.

Yes, government officials will make mistakes, but that is no reason for a policy by NRA's board of directors to devote a substantial part of the effort and resources of NRA to attack the crime fighters instead of attacking crime and criminals.

The NRA has been clamoring for hearings on WACO despite the fact that hearings were held a year-and-a-half ago and extensive reports by Treasury and Justice released. The NRA has tried to turn David Koresh, a killer and child molester, into a victim.

I suggest Congress should consider hearings on the NRA's program of attack on federal law enforcement to determine the impact of the NRA's rhetoric and program on the rule of law, on the general public's growing disrespect for law enforcement agencies and on persons who have attacked and killed federal agents, including the impact on Timothy McVeigh and the Oklahoma City bombing.

I do not believe that the rank and file of NRA condone the actions of its present extremist leadership. I believe that if the members of NRA were presented with all the facts regarding the NRA's program of lies, of intimidation and disrespect for the rule of law, that they would reject that program.

A recent Wall Street Journal article (May 24, 1995, A12, col. 1) discusses the growing concern of NRA members with the organization's rhetoric and actions. The non-extremists in NRA are, I estimate, over 90%.

Will the NRA leadership change its policies and program and become a responsible organization again?

Based on the NRA's full page ad in response to President Bush, subsequent NRA fundraising letters, and actions taken at its annual gathering on May 19–21, 1995, held in Phoenix, the answer is "No." The extremist leadership of the NRA led by board member Neal Knox, have laid down the gauntlet to President Bush and to the American people.

What can be done to counter the extremist leadership of NRA and to return NRA to its former respected position? I suggest three things:

First, encourage the over 90% non-extremist rank and file of NRA to press for new leaders;

Secondly, ostracize the present leadership, as a number of persons and organizations are doing; and

Thirdly, respond to NRA by utilizing the nationwide federal, state and local law enforcement community in a program of information and political action on the federal, state and local level. As President Bush said: "I think we all ought to speak up against the excesses of these crazy people."

An organization should be established with the following charter: (1) to counter NRA's extremism by getting the facts and arguments to supporters in every congressional district; and (2) to stress the affirmative, namely, support for the rule of law and support for the men and women in federal, state and local law enforcement.

In my judgment it would not be that difficult nor expensive to mount a major effort because the organizations and structure are in place. In every congressional district there are state and local police departments and associations of retired state and local police officers. There is the National Association of Police Organizations, Inc. (NAPO), with a membership of 180,000, and the International Association of Chiefs of Police (IACP).

On the federal level, every federal agency has a retired agents association. There are also the non-agent organizations such as the Treasury Employees Association. There is also in place the Federal Law Enforcement Officers Association (FLEOA), the lobbying group for federal law enforcement.

Most states, if not all, have law enforcement lobbying groups. New York City has the Patrolmen's Benevolent Association.

All these are effective groups and can readily be mobilized. And of course active duty enforcement personnel can write and contact their elected officials in support of the rule of law and law enforcement agencies.

What is needed is a small organization to disseminate to each of these groups the information and program to counter NRA's Big Lie rhetoric and program. I stress that the group would not be an umbrella organization. Its purpose would be to galvanize opposition to NRA's extreme positions and to counter NRA's lies and misleading statements.

The name of such a group could be the "Law Enforcement Information Association." Its staff would be small. It could probably do the job with about ten staff members.

The organizations mentioned and their individual members can be mobilized to contact their congressmen/women and senators and state and local elected officials by telephone and in writing and to meet with them and convey one simple message:

"Support the rule of law and the law enforcement agencies responsible for carrying out the laws of the land and reject NRA extremism."

It can be done. It should be done.

Thank you.

CONGRESS CAN DO BETTER IN 1996

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, this is a new year and a new year of the 104th session, a brand-new opportunity for those of us in the House to begin to look backward and reflect and look forward hopefully to do a better job.

One has been told that the month of January is represented by the mystical god that has two heads; one that looks backwards and one that looks forward. You and I know if we look backward too long we live in the past and no progress is made.

If we look back at 1995, we see Democrats and Republicans yelling at each other. We see people who are willing to take their views to the extreme at the expense of America, yet they say they do it in the name of saving America. If we look back, we see people saying we made commitments to the American people that we would do these things.

Hopefully, Mr. Speaker, we do not look back too long. If we look back long enough, we know that what we did in 1995 was not always honorable; was not always those actions that are worthy of those who represent the people and who say that we represent "We the people."

Hopefully, we look back just long enough to say we will try to do better and try to be more responsible. And I ask, Mr. Speaker, is it responsible as we look at 1996, and this is the third day, is it responsible to families and communities to know what we are doing in this shutdown? Is it responsible for those who would have home loans to find that they are unable to execute those loans because they cannot get anyone to provide the insurance? Is that responsible?

Is it responsible, Mr. Speaker, to deny the students and their parents the opportunity for student loans when they did not cause this impasse? So why are we making them hostage to this?

Is it fair to the taxpayers to deny them their services, which they no longer have that opportunity, not only to consider, Mr. Speaker, the more than 280,000 workers who are now being shut out of the opportunity of providing services that we say we are going to pay them later. Is that fiscally responsible? It certainly is not civilly responsible and it is not humanly responsible. We are not being responsible as human beings, much less as leaders of this great body of this great Nation.

Mr. Speaker, in 1996 we can do better than that. We certainly can honor our veterans, Mr. Speaker, our veterans who have served this country well. I am told as we call our veterans hospitals, particularly ones in Salisbury, that people are threatened to lose their jobs. Nurses are not being paid fully for the work that they are doing. Some of the people are not able to work at all and those who are working are not being paid fully. And so what? Veterans are being denied even the health care that they should have.

This is unfair, Mr. Speaker. Further, when we call our regional office in Winston-Salem that provides the claims, there is no one to answer the telephone. Only a skeletal crew. So if a veteran wants to process a new application, wants to find out what the status of his claim, there is no one, not even to answer the telephone. Is that being responsible?

Yes, Mr. Speaker, we have an opportunity in 1996 to go forward with honor. And we also have an opportunity in 1996 to look at reflectively our action, our activities, our commitment and our involvement in serving the people in this body and to act if we have been responsible. I submit, Mr. Speaker, we have not.

Finally, I called my State EPA or environmental secretary just to find out what are the implications for health and water and safety and what would be North Carolina's vulnerability as the shutdown proceeds. I was told there are 287 Federal workers who receive some Federal funds who are providing water and air protection. In fact, 135 of them are paid in part or fully by EPA.

Through the execution of a letter, they were able to forestall the sending home of 135 employees who had responsibilities for inspection of the air, the water in our rivers; 135 people could have possibly been sent home today if they could not have gotten that extension, and they do not know how long that will last. They are sorry they were not able to get 125 of the coastal management because they are part of the Commerce budget.

Then there are eight persons in marine fisheries and, in talking about the safety of marine fisheries, those persons will be denied an opportunity to provide that the waters are safe for the fish that people have to eat.

Mr. Speaker, finally, I think that 1996 is an opportunity where we can make a lot of resolutions, but we ought to resolve ourselves that we will be both fiscally responsible, humanly responsible, but we also will be legally responsible in providing for the welfare of this government, for the people deserve no less.

□ 1915

VICTIMS OF GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. EDWARDS] is recognized for 5 minutes.

Mr. EDWARDS. Mr. Speaker, hostage-taking should have no place in a democracy. There is nothing wrong with this Congress or any Congress having an open, honest debate about a budget plan. If this year's budget debate takes 2 more days, 2 more weeks, or even 2 more months, there is nothing wrong with that. Open democracy and debate is what this institution is all about.

But it is terribly wrong, and it is totally wrong, for Speaker GINGRICH and Gingrich Republicans of this House to use Federal employees and their families as hostages during this budget debate. To harm innocent families is morally wrong. Even Ebenezer Scrooge showed some compassion at Christmastime, but Christmas has come and gone. Yet speaker GINGRICH and his band of extremists in this House have continued to furlough hundreds of thousands of Federal employees. No telling how many Tiny Tims across America have been harmed as innocent victims in this ploy.

Tonight let the American people be very clear about facts. Fact No. 1: Yesterday Senator DOLE in the other body voted unanimously to pass a resolution to put Federal workers back to work immediately. As Mr. DOLE said, and I quote, "Enough is enough."

Fact No. 2: If this House would simply take the Dole resolution, passed unanimously in the Senate, and pass it in the House, it would take 15 minutes to do so. After that 15-minute vote, the President would sign it, and within hours hundreds of thousands of Federal employees would be back to work and be earning a paycheck and servicing our Nation's senior citizens and veterans and students who need loans in order to better themselves.

Fact No. 3, and this is a sad fact but a true one: Today in this House Speaker GINGRICH and a band of his supporters chose not to even let this House have a vote on the Dole resolution to put the Federal Government back into operation and to put Federal workers back to work.

Speaker GINGRICH basically denied the democratic process today. In doing so, he harmed hundreds of thousands of Federal employees and the many millions of people that they serve, including our Nation's veterans who put their lives on the line for this Nation.

There has been a lot of talk about statistics during this budget debate. In the next few moments, I just simply want to put a human face on the victims of the Gingrich plan to shut down the Federal Government.

One letter from my district said this. I had a phone call today from a woman veteran who is being set up for a bone marrow transplant for breast cancer. She wondered if she would soon hear about her VA claim. I tried to explain to her about the furloughs at the regional office.

Another letter from my district:

> Dear Congressman Edwards:
>
> I am a medical administration specialist at the Waco VA medical center. I'm also a single parent with a teenager at home and a child in college. I just received a $78 paycheck. I've had to borrow money from my mother to pay my rent. I don't know how I'm going to pay my daughter's college tuition payment that is due now.

She goes on to say,

> It is obvious to me that the honorable Speaker and his staff have lost sight of the human face of their actions. We're not faceless. We are someone's wife, husband, brother, sister, son, daughter. When we are held hostage by the whims of Washington legislators, our hardship radiates out into the community.

Another letter from a Government employee in my district:

> Dear Congressman Chet Edwards:
>
> I am a government employee with the Veterans Administration. This government shutdown has caused me great hardship. I am unable to purchase my insulin medication for diabetes.

Let me repeat that, my colleagues:

> I am unable to purchase my insulin medication for diabetes. I have had to borrow money for food and medicine. My rent has to be paid by the first of the month. My landlord, who ironically is owned by the government, is the housing authority, and they are gong to charge me $25 for the first day and $5 every extra day that I do not have money to pay my rent.

Mr. Speaker, that is the face of the victims of this needless, absolutely unproductive Federal shutdown, and there are many more faces throughout the country. In the days ahead I have every intention of letting this House know of the victims from these games that are being played.

GETTING OUR FINANCIAL HOUSE IN ORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. SHAYS] is recognized for 5 minutes.

Mr. SHAYS. Mr. Speaker, I was elected to the statehouse in 1974 and began service in 1975 and I could never understand how Congress would be able to spend more than it raised in revenues and deficit-spend. I knew that on the State level we had to balance our State budgets.

I vowed when I was elected in 1987 that my first priority would be to get our financial house in order and be part of that effort. There was a small group of us, only 30 at the time, who voted for a budget that the gentleman from Ohio [Mr. KASICH] introduced which began to do that, and each year we saw that number increase. Finally this year we saw a Congress that over 300 Members voted for a balanced budget amendment.

But it would be kind of silly to vote for a balanced budget amendment and not be willing to vote to balance the budget, and we set out to balance the budget. It was a long and an arduous task in which we spent the last 11 months to in fact balance the budget in 7 years. We submitted that budget and it was vetoed by the President.

We are asking the President of the United States to do the same kind of heavy lifting that we have done and tell us where his priorities are and where he would spend and where he would cut. I do not disagree that the President might have a problem with where we spend on Medicare, Medicaid, school lunch, student loans. He may have differences. He may not agree with the tax cuts that we have suggested in the next 7 years, all of those are issues that are open for dialog and debate and need to be debated.

The issue is, when? When is he going to submit his balanced budget, a budget balanced in 7 years, scored by real numbers of the Congressional Budget Office, which is not a partisan office, it is not a bipartisan office, it is a nonpartisan office.

And so we are now in a position where the President has, which is his privilege, the ability to take the 13 different budget items and agree to the ones that we have passed, and the 13 budget items, any of those that he does not agree with, he can veto. He has vetoed the Interior bill, the Commerce, Justice and State and the VA–HUD bill.

My colleague was right in pointing out that the Veterans Administration is not functioning. It is not functioning because we provided a budget and the President decided to veto it. We have not yet presented him the Labor-HHS bill. That is in the Senate and is now filibustered by my colleagues on the other side of the aisle who are in the Senate. We have not given him the District of Columbia bill and the Foreign Operations. But all the other bills we have given him.

So we have a shutdown. I contend that this is not an issue of Federal employees or even the reduction and disruption of some services. It is an issue of whether finally after 30 years of deficit spending we are going to get our financial house in order.

When I was first elected to the statehouse, our debt was $350 billion. Our debt has grown now to $4.9 trillion. It is about whether we finally, after so many years, are going to get our financial house in order and balance the Federal budget and in the process save our trust funds, particularly Medicare, from insolvency starting this year and bankruptcy in the seventh year.

We have heard criticism of our budget, that the earned income tax credit, a credit that goes to people who pay no taxes, is being cut and yet we know it is going from $19.9 billion to $25 billion in the next 7 years, the school lunch program, which under our plan goes from $5.1 billion to $6.1 billion, or our student loan which goes from $24 billion to $36 billion. Only in this place when you spend 50 percent more like on the student loan program, going from $24 billion to $36 billion, do people call it a cut. Or Medicaid that is going from $89 billion to $127 billion. Or Medicare which is going from $178 billion to $289 billion.

We have put in tremendous new money under our Medicare program. For instance, it goes from $4,800 to $7,100 per beneficiary in the 7th year, a significant increase. Ultimately we have a disagreement with the President on Medicare and Medicaid. He may have other priorities. The simple fact is this Government would get started in 6 hours, those parts that need to be funded that are not would be funded in easily 6 hours if the President did one thing that he promised to do at Thanksgiving, and I thought when the President gave his word, he meant to keep it, and he gave his word that we would balance the budget in 7 years using real numbers. We are still waiting for his balanced budget proposal.

I know the Government is shut down, but I know ultimately that we are going to have to get our financial house in order, and I am willing to stay as long as it takes to do that.

REPUBLICANS HOLD GOVERNMENT HOSTAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, I just want to make a quick comment on the comments of my colleague, the last speaker, who knows very well that there have been unbalanced budgets in this country under Republican Presidents, but never has there been a shutdown of the Government of the magnitude that we see today.

What we see here is a political ploy. It has very little to do with balancing the budget but it has to do with trying to hold hostage this Democratic President. It quite frankly is politics of the very worst kind, and I believe that the American public has some understanding of what is going on here.

Mr. Speaker, last months Speaker GINGRICH shut down the Government because he did not like his seat on Air Force One. Now the Gingrich Republicans in the House of Representatives are at it again. This time they are holding the American people hostage in order to blackmail the President into agreeing to their massive cuts in Medicare, Medicaid, education, and the environment, all to pay for a tax break for the wealthiest Americans.

Make no mistake about it, this has been the Speaker's plan all along. As long ago as April of last year, the Speaker threatened to shut down the Government in order to get his way on the budget, and I quote him: "I don't care what the price is," the Speaker said in April. "I don't care what the price is."

It is this kind of childish philosophy that has isolated the Gingrich Republicans from responsible Republicans in the United States Senate who have joined Democrats in calling to open up the Government and put the employees back to work again.

"Enough is enough." That is the quote from the majority leader of the other body in announcing that he has had it with this legislative blackmail scheme. Enough is enough. That is how the American people feel. Enough is enough for the 600,000 senior citizens who are losing their Meals on Wheels because of the Republican Government shutdown.

□ 1930

Enough is enough for the small businesses that are facing layoffs because they have not received the small business loans that they were promised, and enough is enough for the Federal employees who serve the public every day and who now have been betrayed,

Think of the Federal employees, of the Social Security office once located in the Murragh Federal Building in Oklahoma City. In April they survived the worst terrorist attack in our Nation's history, and today they are the target of political terrorists and are being forced to work without pay.

The Republican Party claims to be the party of fiscal responsibility, but this Government shutdown is costing taxpayers $50 million a day, $50 million a day. Thus far, the shutdown has cost hard-working taxpayers $550 million. That is right, taxpayers are paying hundreds of millions of dollars, and they are receiving no services in return. That is not fiscally responsible. That is not responsible at all under any set of circumstances.

Thus far, the House of Representatives has had 12 votes to reopen the Government, and only two Republicans have had the courage to join Democrats to end the irresponsible politics of the Gingrich Republicans and in order to reopen this Government.

Enough is enough. That is what the public wants is for this Government to open and not to be having a gun pointed at the heads of Federal employees or at the President of the United States.

Let us get serious here. We are sent here to do the work of the people, and that is to carry on the Government of this country every single day, and if the Gingrich Republicans who are, for political reasons, only keeping this Government shut down, at great cost to the American taxpayer, at great cost to the American public in terms of the services that we are bound to provide to people in this country, and they put their faith and trust in all of us who serve in this body, and we dare not turn our backs on the American public in the way that the Speaker of this House has, and the Republican leadership.

Woe to those who do this, for the public will turn its back on you.

THE GOVERNMENT SHUTDOWN

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, over a year ago the House Republicans promised us a revolution, but what they did not tell us is that they were going to take hostages.

But here we are. We are into day 19 of this Government shutdown. Federal workers and their families all across America and beyond are being held hostage. Meals on Wheels, a program for our seniors, that is being threatened. Small businesses are losing income because of SBA problems with the Small Business Administration, and private-sector employees are being laid off because of the Government shutdown, from cleaning up Superfund sites, and other environmental catastrophes, and the people who have got the contract to do those cleanups are being laid off.

Half a million people are working today not knowing if they are going to get paid. And we have got about 260,000 Federal workers who are not on the job.

Medicare and unemployment claims are not even being processed. So if you worked hard and you were laid off, how do you think those people from AT&T feel when they picked up the paper and read that 40,000, 13 percent of their work force, are going to be laid off? And then you turn the paper and you go to page 2, and there is the Federal Government not even going to process your unemployment claims.

Environmental waste cleanups, nursing home inspections are being interrupted, and in one case a foreign government is threatening literally to shut off the lights at the U.S. Embassy because we have not been paying our bills. Forty million dollars a day down the drain, all because a small band of extremist Republicans in this House cannot get their way, so they are going to close it all down, all because a small band of extremist Republicans who do not represent the majority of America, in fact, they do not represent the majority in Congress, they do not even represent the majority in this House, are trying to force their will on the American people. These are people who do not like the Government, and they do not like the people who work for the Government. That is who we are talking about here.

You know, who are the people who work for the Government? They are our men and women in uniforms, our troops overseas who are guarding our embassies all over the world, they are the police that are protecting the men and the women and the children of this country, protecting them in their neighborhoods. They are the teachers who are teaching our young people. They are the people at the Department of Education who are processing Pell grants so your kids can get a higher education, so they have an opportunity to live in this great country and make a living for themselves. They are people who work in our national parks, who provide this wondrous enjoyment of one of the great gifts not only in this country but in the world. These are the people that are being affected.

The Senate Majority Leader, the Republican, Mr. DOLE, was right, "Enough is enough." He is fed up with the antics of what is happening on this side of the aisle.

People have been gone from their jobs long enough. It is time that the House Republicans stop messing around with other people's lives. End this shutdown and open this Government.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, shutting down the Government, harming innocent people, it is just not Government workers that are being inconvenienced, it is the elderly, it is children, it is our veterans, it is our veterans' hospitals.

If we opened this Government tomorrow, it would have absolutely no effect on negotiations that are going on on the budget. They could still trash the President. They could still have their negotiations, and you could go ahead with the business. There are a lot of people that are being inconvenienced and a lot of people are being devastated because of the shutdown of the Government. It is not just Government employees that are being inconvenienced, it is elderly, children, students, small business.

Mr. BONIOR. You are absolutely right.

Mr. HEFNER. Enough is enough. We need to open this Government and put people back to work and do the business of America that people sent us here to do and that the Federal employees were hired to do to go about doing the business of America.

Mr. BONIOR. The gentleman is absolutely right.

You know, when we had these impasses before, we would move forward. We would move forward, and we would do our negotiations, and we did not lay off and close the Government down and cause the inconveniences and the heartaches that are happening all across America.

I thank my colleagues for their attention this evening.

DEVASTATION OF GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I wanted to basically express shock, if you will, tonight over the fact that the Republican majority here in the House continue this process of leaving a significant part of the Government shut down. I guess I was pretty much amazed before the Christmas recess, if you will, when we voted here on the House floor to give Speaker GINGRICH the power to recess the Congress over the holiday between Christmas and New Year's, and I suddenly realized that that meant that Government workers and the services that they provided would essentially cease to exist. The workers would be furloughed, and the services would not be provided between Christmas and New Year's.

When I heard yesterday that the Senate, after repeated requests by the President, that the Senate had finally gone along and decided that they were going to pass a continuing resolution to keep the Government going, at least for the next week or so, I fully expected that when we reconvened that I would be coming back today to vote in the House on that Senate resolution and the Government would be up and running by tomorrow and even though the budget negotiations would continue, that at least we would not have the continuation of this Government shutdown. I guess I was very naive in assuming that.

When we came here today and we had a vote on the motion that the minority leader, the gentleman from Missouri [Mr. GEPHARDT], made to try to bring that Senate resolution up that would reopen the Government, the Republicans on the other side, almost all of them, voted to table that motion, and now we face the real possibility, based on this motion or resolution that has come up before the Committee on Rules again at the request of the Republican majority, that tomorrow we may go into recess again and possibly until January 23, which I guess is the day when the State of the Union address is given by the President, that the Government would continue to be shut down and the Congress would not be in session.

I wonder who the Members on the other side are listening to when they go home to their respective States or their respective districts. When I went home over the last week or 10 days, in my district office we repeatedly got calls from individuals, some of whom are Government employees who were not getting paid for the Christmas holiday or for the part of the time that they had already worked; others, people who were missing services, whether it was passports or Social Security applications or student loans or small business loans or whatever it was, and my phones never stopped ringing for the whole period of the recess from people who were paying their taxes but were not able to receive Government services and from Government employees, many of whom were asking how they were going to pay their rent, how they were going to pay their mortgage, how they were going to get through the next day.

So I think it is incredible and it really is shameful, the fact that we are now facing the real possibility that for the next 3 weeks this Government continues to be shut down because Speaker Gingrich, and particularly the freshman Republicans, want to hold the Government hostage to their own particular ideology on the budget, and the blame is squarely with the House Republicans, with Speaker GINGRICH and the Gingrich Republicans because as we know, the Senate, the other body, has already acted on its continuing resolution.

I am joined here tonight by several Democratic colleagues from various parts of the country, and we wanted to highlight, if we could, in the time that we have, the fact that the shutdown is affecting the quality of life for many Americans, particularly with regard to the environment, the EPA, which is one of the Government agencies that is shut down, particularly with regard to the Superfund program, which we were told today is about to shut down completely for all practical purposes over the next 5 days, and also highlight some other areas where the Government, through its inspection, through its enforcement, provides for the health and safety of Americans but cannot do so because of the Government shutdown that has been put upon us, if you will, by the Republicans.

So I would like to now yield, if I could, to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I thank the gentleman for yielding.

We heard in the last election, the campaign, the Contract With America, but I doubt very seriously if, during this campaign, if the people, who were campaigning as Republicans had said what we plan to do is to cut inspection in the workplace where people work, on the safety, and we are going to cut some of that and we are going to cut back on the inspectors for our safe water, we are going to cut back on the EPA, we are going to cut back on the funding for the FDA and all the other institutions and agencies that protect the food and water and air that we breathe, that we are so dependent on, I doubt very seriously if there had been the outpouring of support for the Contract With America.

But there are a couple of points that I would like to make, and as I said earlier, this is not just inconveniencing Government workers. One of the Presidential candidates made, I thought, a very crass remark when he said, "Have you missed the Government since they have been furloughed?" I mean, you are talking families, people that have children, people that have maybe their aging parents that are living with them, maybe people that are trying to support a foster child or whatever.

But there is one other area that is being very devastated to the American people, and you have thousands, thousands of people that would like to make applications for their Social Security, for Social Security disability, veterans' benefits, our VA hospitals. I have one in my district. They are shorthanded.

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They are short-handed. Some of the people that are deemed to be essential, they are either getting half pay or not getting any pay. So you are hitting individuals, there are real faces on these furloughs. There are thousands of people that are being affected by these furloughs.

I just would like to give maybe some of the people who have not been here as long as some of us have, we did not use to do business such as this. Nobody wants to do business as usual, and that is the standard cry around here, we do not need to do business as usual. We certainly need to make some changes.

But in the past, we have never gone to these extremes. I have been on the Committee on Appropriations for a lot of years. We would have disagreements with Presidents, President Reagan, President Bush, and my dear departed friend, God rest his soul, Silvio Conte on the Republican side, would always get up on appropriations when these bills that would come before the Committee on Appropriations, and he would say "OMB has some real problems with this," or "The President has problems with this, and if there are not modifications made, he is going to veto the bill." In most instances, the committees would get together and they would make some modifications and we would work it out among the Appropriations Committee.

Now, this is absolutely mind-boggling to me, and it just tells me that there are egos that are involved, there is a philosophy here that is involved, that says if we do not get our way, we are going to close the Government.

I have had people that talked to me here on the floor and said "All the President has got to do is to sign the budget. If he will sign the budget, you can put these people back to work." Or "You can get a continuing resolution if the President will capitulate and do it our way."

The gentleman, the last Republican that spoke here, said "We can put this Government back to work in 6 hours. All the President has to do is to offer a 7-year balanced budget our way." He has got to make the massive cuts in Medicare, he has got to accept the giant tax cut paid for with Medicare and Medicaid cuts for the wealthiest citizens in this country.

If you just look at the numbers, the numbers that you cut from Medicare and Medicaid almost match identically the tax cuts that are going to be made for those that are the most privileged in this country. To use an old colloquialism in North Carolina, "that just ain't right."

So the Republicans have an agenda here, and what they plan to do will keep this Government shut down until the President knuckles under, and he does it our way.

But I would like to just remind my Republican friends, they talk about a big revolution that took place in 1994. I would like to remind them that 60 percent of the eligible voters in this country did not vote for anybody. They did not vote for the Republican revolution, they did not vote for the Democrats, they did not vote for anybody. And to say that there is a mandate out there, there are people that want to balance the budget, and I am one of them. But I think when you tell the American citizens "We want to balance the budget, but here is how we want to do it: We want to do it on the backs of the senior citizens, the veterans, the children, and the students that want to get a loan to go to college," I do not believe that the percentage would be 85 percent of the people that wanted to balance the budget on the backs of the people that are the most vulnerable people in this country.

I would like to make one other point. I remember Ronald Reagan, who was a very amicable President of the United States. People have said here for the past so many years, "It is the Democrats that have run up these giant deficits."

I would like to remind the Republicans and the American public that during the Reagan and Bush administrations, we accumulated more debt than we had since the founding of this Republic. The Republicans say it was Democrats that helped run up these deficits.

Let me just make a little explanation here. I will take you back and just try to bring in history. A lot of folks have tried to rewrite history. When Ronald Reagan became President, I would remind my Republican colleagues and the American people, the Republicans had a majority in the other body, and in this House for the first 4 years of the Reagan administration, he had a working majority in this House. He passed more of his legislation than any President since George Washington. They did bad tax policy. We ran up deficits. Jimmy Carter's last deficit was in the $50-billion range, and from there they skyrocketed up to the $300 billion range, and we accumulated $3 trillion in just one administration.

So I would say to you, sure, it was some Democrats that voted with Republicans to pass bad tax policy. But when Ronald Reagan became President, he said "I am going to balance the budget in 3 years." He did not say "I am going to do it with CBO or OMB numbers." He said "I am going to balance the budget in 3 years," no qualifications. And in 4 years, we had well over $200 billion more in debt in this country.

So to say that the 40 years that the Democrats have been running this body and passing legislation is responsible for the debt is absolutely rewriting history.

But that brings us to where we are today, which has really nothing to do with history, but we want to set the record straight. There is absolutely no reason and no justification for shutting down the Government to keep the budget talks going between the President and the leadership of this Congress. It is absolutely harassment. It is putting a gun to the head of the President of the United States and holding hostage the American people and those that are most vulnerable in our society.

So I would say to the Republicans, there are faces to those people out there that are being furloughed, and it is not just Government workers; it is people, our senior citizens, our children, our veterans, our small business community. They are all beginning to feel the pain from this shutdown of Government. I would urge the Republicans to take another look and do a clean CR, get the Government back to work, and continue the negotiations with the administration. Working together, we can do some good things for the American people. But this is not the responsible way to do it, it is so painful, and it is just plain wrong.

Mr. PALLONE. I appreciate what the gentleman said. I think it is particularly important that we zero in today on the fact that this is now strictly the House Republicans that are holding up this process. Because the Senate, the Senate majority leader specifically said, he has been quoted over and over again, enough is enough, it is time to put the Government back together, to send the employees back to work, to provide the services.

They sent over a resolution today which we were going to vote on, and we are being thwarted. We cannot even bring the resolution to the floor that was passed in the Senate because Speaker GINGRICH and the Republican House leadership here refuses to bring it up. I think the reason they refuse to bring it up is because they think it will pass if it comes up. So they just do not bring it to the floor.

I would like to yield now to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman from New Jersey [Mr. PALLONE] for his outstanding work in terms of trying to develop a discussion and debate I think really important, salient points to the American people with regard to budget and various programs.

I have a great deal of admiration really for my colleague from North Carolina, Mr. BILL HEFNER, and the work he has done in the Committee on Appropriations. The thing he did not say during the 1980's, when we both served, was that the Committee on Appropriations and the appropriations and the spending committees in Congress consistently provided less spending than the Presidents in the 1980's sought. They actually provided less spending. They did not always do it the same way, but they tried to do their job. As I recall, I do not recall President Reagan or Bush vetoing any appropriation bills. If they were dissatisfied with that level of spending, of course, at that time, of course, the political litany we heard from our colleagues of the loyal opposition, the Republicans, was, of course, that it was the Congress that was responsible, it was the Congress that was doing all the spending.

I would be happy to yield to my colleague and friend.

Mr. HEFLEY. In the last 30 years under Democrats and Republicans, the Committee on Appropriations and the Congress has always appropriated less money, less money, than all of these administrations had requested. Probably over 30 years, but I know for the past 30 years, we have always appropriated less money than the administrations requested. That includes Reagan and Bush and all the administrations in the past 30 years.

Mr. VENTO. I thank my colleague and appreciate his work in achieving those types of savings and making certain. We obviously have funding that does not go through the entitlement process, the appropriations process. We want to recognize that as being a growing problem. Social Security and Medicare as we know today, at least the Part A portion of Medicare and Social Security, are not responsible for any of our deficit. In other words, Part B Medicare surely could be attributed to that, and, of course, Medicaid and the other entitlement programs, which are really an indication of trying to respond to those that are the deepest in need in this Nation.

I would just like to say the reason we are where we are at today with the shutdown of these essential programs is because the Republican program, the congressional program that has been put forth as a budget, cannot make it on its merits.

If these programs were in fact meritorious and would win the support of the public, obviously somebody else would be doing it. But these issues are not. I would just point out that it is up to the President. The President could say the same thing, "I will not sign a continuing resolution until you give me the type of budget I want." In other words, this could be done.

But this is not the case. This is being done by the Republicans in the House at this particular point, and earlier joined by their colleagues in the Senate, that we are saying "we are not passing a continuing resolution. We are going to stop the Government months after, months after the regular spending bills should have been in place to keep the normal operation of government in place."

I would say that no one, in the fact that these appropriations bills had not been passed was seeking 100-percent funding. It was not the Clinton program. We were funding these at 60 and 70 percent of what they could have or should have been funded at. So there was no predisposition as to what the decisions would be with regard to the spending bills.

But, in other words, this program, these Republican programs, whatever you might believe, my colleagues, cannot be sold on their merits. That is why we are here today with a shutdown of the Government, because we are in essence going to say we are going to force the public to be punished, be punished, in the short-term.

What is that punishment? What is the nature of the punishment? We have heard here. The person that wants an FHA loan cannot get it. That loan is frozen. Today there is $3 to $4 billion worth of paper that people, the American dream, they saved, they made their down payment, they made their contract, they cannot get it. You want a VA student loan, you cannot get it. You want your Social Security card, 60,000 Social Security cards and reissuance of Social Security cards are not being issued today.

So it is not just public employees who are being treated and mocked, mocked by the Members of this Congress, and saying we do not need them. What is the difference.

I would be happy to yield to my colleague from California.

Mr. TORRES. Mr. VENTO, I thank the gentleman for yielding, but is this not really a question of a sort of cantankerous attitude on the part of our colleagues on the other side saying "We want it our way or no way at all?" Have I not understood, have you not understood, that this body is a body of compromise? We come here to compromise. None of us, none of us, get whatever we want. The President does not get what he wants. Republicans do not get what they want. Democrats do not. Somehow we work a middle ground, a compromise. That is what the gentleman from North Carolina [Mr. HEFNER] was talking about.

Mr. VENTO. The gentleman makes a very good point. It is called a consensus. It is called building a consensus. The issue that my colleague Mr. PALLONE raised and Mr. HEFNER, that Senator DOLE, I think he was wrong not to act on a CR earlier, he has acted on it now. I think he has recognized enough is enough.

But we do not set the agenda here. I am certain that today if that were to come up, that measure for a CR with Senator DOLE's support, it would pass in this House of Representatives.

But the leadership, the Republican leadership, not just the freshmen, not just the freshmen Republicans, but the Republican leadership, they set the agenda. They say what can come up and what cannot. When the unanimous consents have been made repeatedly on this floor today to ask to bring that up, they were denied, because the Republican leadership in this Congress that is running this House, that cannot sell their programs on the merits, are trying to obviously do this on the basis of trying to shut down and shut out Government.

The President has not even had a chance on 3 of the 13 bills; the very important Labor, Health and Human Services bill, has not even been presented to the President for a variety of reasons. You can blame whoever you want for it. The fact is the President has no option. There is no fund that has been brought before him. Nor for the District of Columbia, nor for foreign operations which are so important in terms of the passport programs.

Today in my district, as an example, a great tragedy a dear friend of mine lost his son in Rome. So we are struggling with a limited staff. Can you imagine the tragedy if that was your son or if that was your daughter. Where is the empathy? Where is the understanding of the people in this House that are proudly proclaiming "we represent the people?"

Who are you representing when you are acting in this particular manner in terms of the people? You are not representing this man that is having this problem in my district. And this experience can go on and on and on.

People getting half pay for their work. What if you are a research scientist at NIH? You think you can suspend those living models? Somebody has to feed them and keep them in place.

Here in the Wall Street Journal, not necessarily a pillar of liberal Democratic policy, they are reporting to us on the fact that we are contributing to a downturn in the economy.

You got the weather, you cannot control that; you have other factors I cannot control. In spite of whatever one thinks, the Members of Congress do not control necessarily what AT&T does or other manufacturers across this country laying off people.

But for heaven's sake, let us do what we are supposed to do in terms of just providing the regular continuing resolution, the normal operations of Government which people have a right to rely upon in terms of what is happening in this Nation.

We are contributing to the downturn of the economy in 1996 as we go forward. It is a precarious situation our economy is in today, and it is not one that can sustain this type of indifferent mocking attitude with regards "I am going to get my way and make my political points."

You failed on the merits, my colleagues. You failed on the merits.

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Now they are trying, in a cloud of political spin control, trying to come out. They have painted themselves in a corner. I do not know how to get them out. I would like to help them. We should send out an SOS: The House of Representatives is in trouble. It is out of control. It is out of control.

Now we see our Republican Speaker wants a resolution so he can have a suspension and a recess. He wants to send home this House of Representatives. Why? Because he cannot sustain for 2 or 3 weeks. He cannot sustain for 2 or 3 weeks the type of pressure that would develop right here on this floor if he kept this House in session. He could not sustain it from the Republican or the Democratic side of this aisle. So he is saying send them home, we will recess it, but I will not have to deal with all these individuals.

I have news for the Speaker. I am sent here and the other Members are sent here to represent people and to prevent this type of problem from happening, not to sweep it under the rug, not to recess this House, but to address the very serious problems that are coming to grip this Nation because of the political shenanigans, the political shenanigans of the Republicans leading this House in the wrong direction.

This is not why we were elected, to hand the power over and the responsibility over to a few that have just a political agenda. We cannot stand that. We cannot do that. It is time to forget about the politics and get on with the normal operation and act responsibly in this case, to deal with those serious problems of the environment, not to close down the EPA.

And, of course, what is the choice of some of these issues? There is no choice. There is no choice. They are saying we can either fund the EPA, defund the EPA through an appropriations bill, or defund it through a continuing resolution or through lack of passing any measure. No option there.

I thank the gentleman from New Jersey for yielding, and my colleagues that are joining in this special order. This is very serious moment in terms of the credibility of this Government and the health of our economy. It goes well beyond the normal politics that should play. They have failed on the merits. They have failed on the merits, and now they are trying to do it in terms of wedging this through and pressuring it through.

The fact is, many of us have and hold convictions very deeply. I have got news for the new Republicans in this House. They are not the first group to come down here with a plan for a balanced budget. The 7-year scheme that they have, which is an effort to get elected 3 or 4 times, I guess, before they achieve their balanced budget, is a very interesting scheme. Someone said where did this come from, out of intuition? I say it came out of the political play book. This is a justification for getting reelected, because, therefore, if one is reelected, they can be expected to achieve this.

I have news for my colleagues. The last two Presidents, and many others, many of us want a balanced budget, but it is not whether we want a balanced budget, it is how we balance it. We do not balance the budget by providing lavish tax breaks for our special-interest friends. We do not provide a balanced budget by building a social deficit in terms of health and in terms of education.

I have got news for my colleagues, that type of deficit and that type of cost is something that we cannot afford to deny to those that are in need, to the future generations of this country. We do not develop a balanced budget by developing an environmental deficit and selling our natural resource legacy.

So there is much that has to be debated, and I want to debate all these issues on their merits. I want the Government back and running in the normal operation. And I am happy to live, I understand, we understand, the Democrats do, in this House and in the Senate, that we lost the election in 1994. The Republicans have a right to come forth and sell their agenda on its merits. That is what they have been trying to do. And the answer that is coming back from the public is we do not want the Republican agenda. We do not want the contract. We did not buy into it. Most people are not even aware of what it was or is.

So I would hope that we can address this issue this week; that we can get out the CR and then have our battles over policy and votes, which we understand. There are more Republicans in this House than Democrats, and in the Senate, and, obviously, we will have to make compromises and develop consensus.

As my colleague, the gentleman from California, ESTEBAN TORRES, pointed out, some of those compromises I know I will not like. But, nevertheless, I do not think this is the way we should achieve our goal. I certainly will stand here and resist it and fight it very vigorously, and I thank the gentleman from New Jersey.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Minnesota for those remarks and, obviously, he is very concerned.

I want to say briefly, and then I want to yield to someone else, that I think, as I have been watching this debate, and some of the comments by our Republican colleagues, I just see this radicalism, this extremism, taking over amongst them. It is the whole idea that their ideology is the only ideology, and unless they get their way on the budget, they are going to close the Government down.

There is a lack of concern for Government workers, lack of concern for constituents who need Government services. The whole idea that somehow Government itself is bad and, therefore, it is not a problem to shut it down because the Government is evil, the Government should not even be here. Almost an anarchistic approach, that I think the gentlewoman from Ohio [Ms. KAPTUR] mentioned before. It is an extremism. It is a radicalism that seems to be taking hold on the other side of the aisle.

I yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, I thank the gentleman from New Jersey, and I will save my comments on the environment for a little while later, but I just wanted to respond and thank my colleague from Minnesota before he leaves for his comments and for his well-placed anger.

I want to make one point that he made so well and add to it; that we talk about the freshmen who are standing in the corner like children, holding their breath and saying if we do not do it their way, it is no way. But I think we also have to put the blame on the so-called moderate Republicans. After all, the Democrats passed a resolution in our conference; that we wanted to pass a clean CR that would support the bipartisan resolution passed in the Senate to open up the Government.

So we have to hold them responsible, because we have 198 votes; is that not correct?

Mr. PALLONE. Exactly.

Mrs. LOWEY. All we need is 20 votes from Republicans who understand that this kind of pain and suffering is wrong.

And, incidentally, I want to add that I got a call today from someone who works in the Veterans Administration at the Franklin Delano Roosevelt Hospital in Montrose. They had to hold a bake sale because some of their employees who are so loyal, they want to go to work, but did not get their paycheck that was worth anything. In fact, it was 2 weeks that included all the deductions, but it was really less than 1 week's pay that they got. And, in fact, they cannot afford to get to work at the Veterans Hospital in Montrose.

So people who are working, taking care of our veterans, who gave their heart and soul, and some made the ultimate sacrifice for their country, cannot afford to go to work to take care of our veterans.

So I just want to say to my colleague that I understand his anger, because I know all of us share it, and we cannot just blame the freshmen Republicans who are standing in the corner saying my way or no way, but the moderate Republicans have a chance now to join with Senator DOLE in the Senate in a bipartisan way to open up this Government and then we can have and continue to have a debate.

This is a serious debate about the priorities of our country. We really disagree. We want to protect Medicare, Medicaid, the environment, and education, and they want to give tax cuts to those who really do not ask for it. This is a serious debate. Let us have it, but not to shut down the Government and cause so much pain.

And the impact on the economy, my colleague mentioned, which is also so very important. It is not just the national parks, but it is all those small businesses around the national parks that are not making the income and contributing to our tax base.

So I want to thank the gentleman very much.

Mr. PALLONE. Mr. Speaker, I appreciate what the gentlewoman is saying. That is a good point. We keep talking about the extremism and the radicalism of the freshman, but all we need is 20 votes, 198 plus 20 votes from anybody on the Republican side and we can reopen the Government.

And now, Mr. Speaker, I want to yield to the gentleman from California.

Mr. TORRES. Mr. Speaker, I thank the gentleman from New Jersey for this special order. Obviously, it provides for us a time to be able to speak to some of these issues that concern us so much here today.

I was struck by the comments by the gentleman from Minnesota [Mr. VENTO], when he talked about the Wall Street Journal, certainly no pillar of liberal reporting, so to speak, but today's Wall Street Journal really is an indictment. It is an indictment of what is taking place in this House.

To reflect on what Mr. VENTO said, that we are told in this particular article that 12 States of the United States that are serving 600,000 elderly have told the Department of Health and Human Services that within 2 weeks, 2 weeks, the Meals on Wheels Program will run out, and the transportation programs for seniors will run out.

Moreover, they say that the Government has not paid the private companies that process Medicare claims since mid-December, and they are now owing something like $60 million. The administrator of the Health Care Financing Administration, HCFA, which really makes the payments to Medicare and Medicaid, is saying that benefits are funded with trust fund money, but administrative officials worry that the processing companies which they depend on will have to begin to lay off workers by the thousands and this is going to delay reimbursement to the hospitals and to the doctors.

Can you imagine the chaos that this country is going to go through if that is, in fact, brought about?

We talk about the environment. The Environmental Protection Agency yesterday began to shut down its Superfund Program, the very program that is so important to the cleanup of toxic waste in this country. And although the program already has multiyear funding, that funding operates on an administrative spending ceiling that the EPA could crash through if the shutdown continues as it is now doing.

The EPA yesterday started issuing stop-work orders to its contractors who employ some 10,000 employees across this country. They are going to be laid off. There are 18,000 employees of EPA now on furlough. What is going to happen to Superfund? There is some real crises, my friends, taking place here unless we reach some solution.

Mr. PALLONE. If I can just follow up briefly on what the gentleman said about the Superfund Program. I have, in New Jersey, in my State, the largest number of Superfund sites in the country of any State, and in my particular congressional district a large number of Superfund sites, and already this shutdown has delayed indefinitely cleanup work at about, I guess five of the sites in my congressional district.

In fact, last Wednesday I actually went to the EPA lab and center in Edison, in the heart of my district, and was in an empty room. The entire place was closed down. I think there were two staff personnel involved not only in Superfund, but all the EPA research activities that took place in Edison, NJ.

Basically, what it means is that a number of these sites, not only in my district, but around the country, if we do not continue to do that work, a lot more work will have to be done. There were some contractors that were quoted in a lot of the newspapers today that were saying that because they are not able to do the contract work on Superfund sites, when they go back again there is going to be even more hazardous waste, and they are going to have to spend even more money in order to do the cleanup.

So not only is it a question of health and safety about being at risk for these hazardous waste sites in terms of people's exposure to hazardous waste because the sites are not being cleaned up, but also more money is likely to be incurred for the Superfund, which again goes back to the taxpayers, if the shutdown continues, particularly the way we are hearing now that it might go on, if we recess tomorrow, for 2 or 3 weeks or indefinitely.

Mr. TORRES. I have a particular interest, of course close to home, because I represent a large sector of the San Gabriel Valley in California wherein the water is polluted and a particular San Gabriel basin provides drinking water for a million people. And we have already started on a very unique plan to clean up that water, and it has taken the cooperation of business and political and local leadership and citizens to clean up, and they are cleaning up while keeping the lawsuits out that would generally stifle this kind of advancement.

But now with this shutdown, we are going to see the safety and the prospects for clean water for the San Gabriel Valley affected very largely.

□ 2015

These are the kinds of problems that are concerning all of us, I am sure. I thank the gentleman for giving us this opportunity to speak to these issues, especially the environment and what is happening with the furlough and the shutdown.

Mr. PALLONE. I appreciate the gentleman's comments. I yield now to the gentlewoman from Oregon.

Ms. FURSE. Mr. Speaker, I want to talk a little about safety, both environmental safety and other types of safety. I do not know if the people in this country understand that this Congress has talked a lot about putting people in prison. Let me talk a little bit about a Federal prison in my district that is a large Federal prison.

We had a terrible riot there. The guards were fantastic. They worked so well. I got a letter from the wife of one of those prison guards, and she said, and I quote from this letter, "Three hundred eighty-five correctional workers at Sheridan, Oregon, are being held as political hostages. Those guards are not being paid."

Can you imagine the kind of work they do for the safety of the community, and yet because of a political issue, this issue of who is up front, who is going to win this political argument, those workers who every day go to work to protect our safety, their financial safety is being held hostage.

Now, there are some other environmental issues and safety issues that I believe who should understand with this Government shutdown. We have a choice. We can open the Government, as the Democrats tried to do today; tried to get a continuing resolution that mirrored the Senate resolution. We tried to get the Government back. Well, I think we should think about the safety of people and their health.

When we close down, as we will, clean drinking water facilities, the protection to turn the faucet on and get clean water, that is an EPA function and if we do not have those people working in the EPA, the drinking water of every single one of us will present a problem.

The veterans hospital, my colleague spoke about that. Well, I have a veterans hospital too in my district. They will run out today of money for drugs, food, and supplies. Imagine a government that would turn its back on its veterans who are in hospital. Absolutely awful.

Ten States will have no money for unemployment benefits. Those unemployment benefits, those people paid into that. This is something those citizens earned, and yet, because there is a political goings-on in this place, they are being held hostage.

The Republicans are holding the environment and the health of all Americans hostage when they play this political game. We could have a clean continuing resolution, get the Government back to work, act like a civilized country, and then deal with the issues of the benefits.

But I will tell my colleagues one of the problems of why we are in this crisis. We were supposed to have 13 appropriations bills on the President's desk October 1. That is the way it is supposed to work. But we still, because of the mishandling of the legislation and the disagreement between the Senate and the House, the Senate Republicans and House Republicans I might add, we have not had those appropriations bills even get to the President. How can they talk about a balanced budget when they did not do the work that was necessary?

I want to remind my Republican colleagues that there was a time when a crisis occurred with a Republican President and a Democratic House, and they worked it out in less than a day because the people's right, the people's safety and health was put first, beyond the political game.

We do not need this crisis. We could get back to work if they would bring forward, and they are in the majority, bring a resolution to us. Let us vote to keep the Government open. That is what we want to do. That is what we should do.

Mr. PALLONE. Mr. Speaker, I appreciate the gentlewoman's comments. I think the reality is that they are afraid. That actually the House Republican leadership, Speaker GINGRICH is afraid to bring this resolution up, because as the gentlewoman from New York said, we only need 20 Republican votes and we could possibly get them if we could only have the continuing resolution brought up to the floor for a vote. But we have been thwarted in that effort and now we are told that tomorrow we are going to recess.

Mr. FURSE. If the gentleman would yield further, when we take an oath of office to do our duty by the people of this country, we do not take an oath of office to get reelected. We take an oath of office to look after the health and safety of the people of the United States. That is our office and our oath. That is what we are paid for. These Federal workers are losing money, but the Members of Congress are still getting paid. It is not right.

Mr. PALLONE. Mr. Speaker, I yield to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. Mr. Speaker, I thank my colleague from New Jersey for, one, requesting this hour, but also getting a lot of diverse Members that are Democrats. But we are diverse. We are from all parts of the country: Florida, New York, Oregon, Texas and New Jersey, and tonight we are talking about the Department of the Interior concerns and the shutdown and also the EPA.

We share and we will talk about the lack of funding for the Medicare suppliers. My own VA hospital in Houston, they are running out of supplies tomorrow just like they are in Oregon. We are not serving the veterans by keeping the Government closed. What I think is ironic, the extremists, they think they are hurting Democrats or bureaucrats. They are hurting a lot of people.

The people who are veterans who are not getting those services and the senior citizens who want to apply for Social Security and cannot apply for it. I had a townhall meeting in Houston and I had a senior citizen with an appeal on his Social Security check. He thinks they misfigured. The appeal here in Maryland is shut down. We do not know when he is going to get some redress or at least an answer on it.

Tonight I want to talk a little bit about the Department of Interior and what is happening all over the country, because a few years ago I had the opportunity, in fact I took my kids and we went to Yellowstone in Wyoming and we could not go into Yellowstone in 1985 or 1986 because of the fires. They closed the park. That was a natural disaster.

Mr. Speaker, what we are experiencing now with our National Parks and with our veterans and health care is an unnatural disaster, an unnatural crisis to paraphrase my colleague from Oregon, that has been created by the Republican Majority to force tax cuts that nobody has asked for.

Sure, all of us would like a tax cut. But the first priority ought to be to balance the budget. Let me talk about the 383,000 people that visit our National Parks that are closed. In California, Yosemite, that is not represented by a Democrat by any means, has asked for assistance from the Governor of California, who could not do anything. Yosemite and Mariposa County asked for State disaster assistance, but the Governor of California, who was a Republican presidential candidate, said he could not help.

It is just atrocious what is happening. The Forest Service that operates our campgrounds and monuments and visitors centers, not just here in Washington, because I have a group of students coming next week from a junior high in my district. It is the first time a lot of those youngsters will be able to come to their capital, and it is going to be closed to them.

Mr. Speaker, it is unreasonable what they are trying to do because they do not have the votes in Congress to override a presidential veto to accept the cuts that they want to do in education funding and health care.

In Houston, we have a petrochemical complex and there are EPA sites that are not being staffed now because of the shutdown. That is why I know the gentleman from New Jersey [Mr. PALLONE] asked for the time tonight. The other point is that the EPA is not only not enforcing the Superfund sites, but the non-Superfund civil environmental enforcement actions have been stopped, costing us $3 million a day.

I always hear from my colleagues on the Republican side saying that no business can run like the Federal Government, and they are right. No business can have $5 trillion deficits. But also you do not get your income just because you want to cut the budget. We should balance the budget first. That is the first priority, and then we are going to have to make some tough decisions.

But, Mr. Speaker, we should not give $200 billion in tax cuts before we balance the budget. We should not cut health care for seniors and investment in our future for both job training and the children who are the ones who are going to be paying those taxes tomorrow. We should not cut environmental to make sure that we have a cleaner tomorrow by saying we are going to cut that now. That is what they are doing.

That is why they have not been able to pass them, and we saw today they could not pass a bill that would override a presidential veto. Even though there were lots of things in those bills that I wanted to vote for, I could not take the cuts that they were going to do in those programs.

It is the same way with VA-HUD and NASA. In Houston, we have the Manned NASA Space Center. We have those employees who are furloughed right now. Tomorrow there will be a picket out in front asking, "Why are NASA employees being furloughed?" That was passed here by overwhelming votes, the efforts, and yet they are furloughing those employees that are, quote, nonemergency.

Mr. Speaker, it is a tragedy that is happening, but it is a tragedy that was in the making by the Speaker. And earlier this year I had some Republican freshmen tell me they said they were elected to come up here and close it down. I want to congratulate those 73 Republican freshmen. They are successful. They closed down Pearl Harbor for veterans who want to go out there. They closed down Yosemite and Yellowstone and the monuments, and they are effectively closing down my VA hospital. If that is what they want to do, then they are successful.

Mr. PALLONE. Mr. Speaker, reclaiming my time, I think it is incredible, but I have heard it over and over again, many of our colleagues saying that they were in fact elected to come here and shut down the government. That is what we are hearing. It is part of this radical extremism that we are seeing come into play every day.

Mr. Speaker, I thank the gentleman from Texas, Mr. GENE GREEN for participating. He pointed out that these problems that we are facing with the shutdown are throughout the country.

Mr. Speaker, I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Speaker, I want to thank the gentleman from New Jersey [Mr. PALLONE] for calling us together. I want to reiterate once more that it is strange that this is an election year, and Senator DOLE has joined with the President, Democrat and Republican, in a bipartisan way and joined with the Democrats of the House to say, "Let us open this government and do it now."

So, it is the extreme Republicans of the Republican Conference in the House that are controlling the party, because all we need is 20 Republican votes to join with the Democrats and the government would be open again.

I just want to take a few minutes to talk about the impact of this shutdown on the environment. We have been hearing a lot about the monuments that are closed, and certainly the impact of the economy in those areas, all the small businesses that are not doing well, but there are a lot of other areas that are severely impacted by this shutdown.

For example, EPA's role in helping to ensure safe drinking water has been halted. EPA's role in helping to ensure that the air we breathe is free of harmful pollutants has been shut down. EPA's role in helping clean up toxic waste that pollutes our drinking water and fouls our air has been suspended. EPA's civil enforcement actions against polluters, which bring in $3 million in fines on an average day, have been terminated.

In the EPA region that includes the States of New York and New Jersey, and we have worked so closely on protecting the waters in our areas, nearly all of the 1,000 EPA staff are suspended. These are the environmental cops on the beat, the people who protect our health from polluters.

To step back for a moment, let us not forget that the shutdown is part of a larger, concerted effort to roll back a host of laws that my colleagues and I have been speaking about to protect our natural resources and the environmental health and safety of the American people.

They have already gutted the Clean Water Act. They have already put in place a 21-percent cut in the Environmental Protection Agency's budget, including a 50 percent cut in the enforcement activities and a 20 percent cut in the program that cleans up hazardous waste sites; a 40 percent cut in funding for land acquisition for National Parks and Wildlife Refuges; a 24 percent cut in major wetlands conservation programs and a measure that would terminate altogether the EPA's role in protecting wetlands; a measure that speeds up the desecration of our National Forests by increasing timber sales and the construction of logging roads; and, a 30 percent cut in loans to States to help keep raw sewage off our beaches and out of our rivers; 40 percent cut in funds that provide critical assistance to local communities to keep drinking water safe in my district, and on and on and on.

I know we have two colleagues that want to share a few words, so I will not continue; I will save it for another day. But I want to make it very, very clear, this is unacceptable to the majority of American people. They have to understand, and the ones that understand, understand it very clearly, that this environment, our precious water, the air we breathe, should not be destroyed by a right-wing extreme group of Republicans. We all want to balance the budget, but it is priorities that we care about, that has made our country strong, that must be preserved.

So, we are going to continue to fight for our environment, and I know we are all going to do it together. But right now I ask again that at least 20 Republicans come join the Democrats, come join the bipartisan effort in the Senate. Let us get this Government open and then let us continue this very serious debate about the priorities of our country. We can do it civilly and not close the Government down and create all this hardship for thousands and thousands of people in my district and all of our districts.

□ 2030

I want to thank the gentleman again for calling us together, and I hope we will gather another night until we get this Government open.

Mr. PALLONE. I appreciate the gentlewoman's remarks. I think she is pointing out that, in fact, the shutdown even more severely impacts, and it is selective in a sense, in that the agencies like the Environmental Protection Agency, that the Republican majority has targeted for these severe cuts, are the very ones in many cases that are being shut down. So the ideology even goes to which agencies are being shut down, which is one of the reasons that we are talking about the EPA and other such health and safety regulators tonight.

I yield to the gentleman from New York [Mr. OWENS].

Mr. OWENS. I want to congratulate the gentleman and thank him for holding this special order. I know he is almost out of time, and I just want to be associated with the remarks that were heard before from my colleagues, especially the anger and the indignation that I heard expressed here.

It is time to be angry. It is time to be indignant. This is a cruel and heartless exercise being perpetrated on people who can accept it the least, the least of our people, people who are working for wages, people who are contract workers. There are a whole lot of people out there who do not have any cushion at all. They cannot afford to be without a paycheck.

As the ranking Democrat on the Subcommittee on Workforce Protections, I can tell my colleagues also that there are very few nonessential employees in the Government agencies which carry out inspections of the workplace. OSHA, for example, 10,000 workers lost their lives on the job last year. About 56,000 workers died as a result of injuries experienced on the job or diseases contracted on the job, a very serious matter. Without OSHA inspections, all of these things increase. They have never had enough people. This is one area where we did not need downsizing and streamlining in the first place.

But since the Republican majority took over here, they have shown great contempt for workers. They have gone after OSHA. They have gone after the Department of Labor. They have let it be known that although it is not in the Contract With America, they do not value workers in this society very much. They want a class war. They are waging a class war. The workers do not know, they are not fighting back yet, but there is a class war being waged against them.

To have the civil servants, the Government workers, held as hostages in a situation like this displays in dramatic form, very specifically, that contempt for workers that is unAmerican. It is unAmerican to be as heartless as they are in this exercise. It is not in keeping with our tradition to use people in the way they are being used.

I just want to make certain, and I will continue this at a later date, that we understand that workers are suffering a great deal in many different ways. Certainly those Government agencies, the bureaus and the units of the Department of Labor which are involved in activities which deal with workers, not only OSHA but also Fair Labor Standards Act and a number of others, they are essential and we need them now for many reasons. Workers should not be treated with such great contempt by the Republican majority.

Mr. PALLONE. I appreciate what the gentleman said. Going back to what I said before, he points it out so well, that this shutdown is selective and it is those departments in many cases that provide health and safety protection. They are the ones that are shut down and are not being funded.

You mentioned OSHA, safety complaints, a minimum wage, other types of labor violations. These are the agencies that are shut down and are not able to do their work, so clearly health and safety is impacted in a significant way. I appreciate the gentleman's comments.

I yield to the gentleman from Florida.

Mr. DEUTSCH. I thank the gentleman. I guess I pose the question to my Republican colleagues who are here, two freshman Republicans who are about to take over the next special order, and the question is, they came here saying they were going to run Government like a business.

What we have is a situation, if you would think about it, in any corporation in American where the CEO has a disagreement with the board of directors. And what they decide to do is, they decide to furlough the workers and pay them. If you think about that, furlough the workers and pay them when they have a disagreement, and I guess I would throw back to any of my Republican colleagues or anyone in America, is there any corporation in America that would do that? Absolutely not. And if any corporation did that, if it were a publicly traded corporation, the value of that corporation would disintegrate the following day.

That is exactly what we have done. Again, if we think about what is going on, it is a situation that is totally indefensible. Adults have disagreements. They have disagreements, and what they do in those disagreements, is, they try to work out those disagreements.

On a practical level what is happening is we are actually wasting taxpayer dollars, about $50 million a day of actual salary expenditure, $50 million a day for the last 19 days, over $750 million that has been wasted in direct taxpayer dollars to date. The last shutdown cost about $750 million in direct payments, $1.5 billion in direct taxpayer waste, which is going to take a long time to catch up on that $1.5 billion, but there is a multiplier effect. There is a huge multiplier effect. It is probably a 10 to 50 times multiplier effect in terms of what is happening.

You cannot get a visa to come to the United States of America today, if you are in any country in the world that needs a visa to come to America. When those people come, they travel, and luckily a lot of them come to south Florida and my district. They spend plenty of money, on average a couple of hundred dollars a person, and there is a multiplier effect on the couple of hundred dollars they are spending. Those people are not coming.

There are 2,500 HUD home loans that are approved every day. That has a multiplier effect. That is not happening. In my district, whether it is the Flamingo—I have three national parks in my district—whether it is a hotel in Flamingo, FL, in the Everglades National Park, or closing down fishing in Florida Bay where people would come and spend money, that is not happening.

Again, for anyone who is listening, for my colleagues on the Republican side, try to explain to me why we cannot pass a CR and agree to disagree and keep working on this. It is not unprecedented that the President and the Congress have had disagreements over the budget. For 2 full years under the Reagan administration, we operated under CR's. That is not such a terrible thing. And let the voters decide in November.

But to do this destructive behavior, which is really what it is, it is destructive behavior for ourselves, for our children, for our economy, is just wrong, immoral, and just plain stupid.

Mr. PALLONE. I want to thank the gentleman. I really want to thank all my Democratic colleagues for participating in this special order this evening. I think all we are really asking is that we be allowed to bring a continuing resolution, that has already passed in the Senate on a bipartisan basis, to the floor of the House so that we can vote on it.

Unfortunately, what we are hearing from the Republican side, from Speaker GINGRICH and the Republican majority, is not only are they not going to allow the continuing resolution to come up either today or tomorrow—they did not let it come up today— or tomorrow, so that we can vote on it and open up the Government again, but they are actually considering another motion to put us in recess for as much as 3 weeks.

Today is the 19th day of the Government shutdown. If it goes from today until the 23d of January, which is what the motion that passed out of the Committee on Rules today and which we will probably consider tomorrow would allow, you would have to add another 20 days, almost 3 weeks, to that 19 days that the Government has already been shut down. It is already unprecedented, and we hope that that does not happen and we are going to continue to make the point that it should not happen.

Ms. PELOSI. Mr. Speaker, the personal toll resulting from the Federal shutdown is enormous and its effects are far reaching. For thousands of Federal workers, the shutdown means a great financial stretch for many to make mortgage and other payments due. For American taxpayers, it means they are simply not getting their money's worth. Taxpayers have made an investment in these workers and their services to the public, and they are getting no return on their investment. Federal workers have been shut out by the shutdown, and the American taxpayer has been shut out by the shutdown.

In addition to the personal toll, there is a tremendous impact on the environment. Cleanup of Superfund sites has been halted. The 2,800 individuals who are responsible for this important program have been furloughed. Other important environmental enforcement programs have been shut down, including the call-in EPA hotline to report drinking water contamination. Many companies have been put on hold waiting for EPA assistance or permits to conduct their activities. They have been shut out by the shutdown.

In today's Post, there is an article about an EPA contractor which discusses the difficulties imposed by lack of Federal funding for the agency that owes him money. As a result of not being paid, he and scores of other small businesses in the same situation may have to release workers they can no longer afford to pay. These Federal contractors and small businesses have been shut out by the shutdown.

The communities adjacent to parks and lands operated by the Interior Department are losing tourist revenue. In California, Mariposa County has asked Governor Wilson to declare a state of emergency because of the loss of business from visitors to Yosemite National Park. The average 383,000 people who visit national parks each day are shut out by the shutdown.

The loss on all levels is great. The Republicans may be mad at Government, but Federal workers, small businesses, and visitors to our Nation's scenic wonders are not big government or what the Republicans have now relegated to little taxpayers. They are valued workers who deserve to be paid for their work and a public who deserves to get what it pays for.

Balancing the budget in the name of taxpayers is a contradiction when the shutdown is costing them over $40 million a day—over $1.5 billion so far. By your actions to continue the shutdown, you are depriving Federal workers of their earned income and the American taxpayer of a return on their investment.

Balance the budget, but don't shut out our Federal workers and the American public. This balancing act is just too expensive for everyone.

REPUBLICAN VIEW OF BALANCED BUDGET BATTLE

The SPEAKER pro tempore (Mr. WHITE). Under the Speaker's announced policy of May 12, 1995, the gentleman from Arizona [Mr. HAYWORTH] is recognized for 60 minutes as the designee of the majority leader.

Mr. HAYWORTH. I thank the Speaker and I thank my colleague from Kentucky for joining me this evening.

Mr. Speaker, I listened with great interest to my friends from the minority just a few moments prior offer a variety of opinions. And indeed as we stand in this Chamber tonight, surrounded by the great law givers of history, in a

Chamber that resounds with the echoes of history, again we acknowledge the right of Americans to disagree and at times to disagree profoundly. At this juncture in our history, we have come, once again, to a fundamental argument as to the philosophy and purpose of government.

In the preceding presentation from the minority party, I listened with great interest as time and again well-meaning Members of this House mentioned that they stood for a balanced budget but—and therein is the rub—but.

There is always something that seems to get in the way, and regrettably a quarter century has passed since this government faced up to the notion of balancing the budget. So it is always simple, in terms of rhetorical excess, to divert one's attention from the central goal, and in the midst of a cacophonous presentation, unfurl the venom and vitriol of name calling and things that just do not square with the facts.

Mr. Speaker, ladies and gentleman of this House, and those who join us tonight, there is one central and inescapable fact of our recent time here in this historic 104th Congress. Because once you get past the rhetoric and the apologists for those who would continue to promote a tax-and-spend agenda, once you would get past the rhetoric of victimization that spews forth like unto a flood from the other side, we are faced with one indisputable fact. This government would not face this partial shutdown if the President of the United States would have exercised his constitutional responsibility to sign the appropriations bills.

Indeed, Mr. Speaker, in all candor, in all sincerity, the straight talk, the inescapable fact is this: Only one man stands between Government employees and their jobs, and he resides at the other end of Pennsylvania Avenue. Oh, to be sure, those who would continually look for excuses and ways to spend more of your money will tell you it is not so. They will continue to label people with unfair epithets, and that is their right in a free society.

But understand that this President failed to sign those appropriations bills, and understand further, and this is the distressing fact, this President did more than make an agreement. He signed a public law in November saying that he agreed with the notion of balancing the budget within 7 years using honest, nonpartisan numbers as offered by the Congressional Budget Office. And the tragedy of this situation is that this President again abdicates his responsibility. Believe me, there is no joy in having the situation come to this.

Mr. LEWIS of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. HAYWORTH. I would gladly yield to my friend from Kentucky and again I thank him for joining us during the course of this hour.

Mr. LEWIS of Kentucky. The President not only signed his name to that continuing resolution that the gentleman voted for, I believe, and I voted for to allow Government workers to go back to work, with a promise from the President that he by the end of the year would come up with a balanced budget, scored by CBO, that would balance over the next 7 years, buy the end of the year.

Where are we?

□ 2045

We are past the end of the year. Where is the President? Four budgets that he has offered later that did not balance. You are right. He is the gentleman that stands in the way of the Government workers from going back to work.

Mr. HAYWORTH. I thank the gentleman for making his point.

Reclaiming my time, it is vital that we move forward. But it is also worth noting that, in the words ironically of the gentleman who now resides at the other end of Pennsylvania Avenue, to quote him from his campaign in 1992, "Change is hard, change is difficult." How unintentionally prophetic the candidate's words were and how tragically cynical that candidate's words were when he said, "I believe we can balance the budget in 5 years."

I yield to my friend, the gentleman from Georgia.

Mr. KINGSTON. One of the things we have to remember as we hear, and the gentleman is a freshman, and I understand, I was listening to some of my Democrat colleagues calling your group a bunch of extremists and so forth. You know, what is interesting is the freshman class has voted on a balanced budget, and that budget has passed both Houses, and it passed.

With the majority of votes in both Houses, and yet the President was the one who vetoed that.

Now, the Democrats who are calling you guys extremists have not submitted a budget or have not voted on a budget. In fact, the President's budget did not get one single vote, Democrat or Republican, including our colleagues who we were entertained by earlier tonight. They have not submitted a balanced budget. They have not voted on a balanced budget.

I think what is so important is, you know, all of this apportioning the blame seems to be going on in a real fervency. It takes our eye off what is important. A balanced budget is what is important. It will lower interest rates. It will create jobs. It will bring down the cost of home mortgages, the cost of automobile payments, student loans and so forth. Even more importantly than that, it will save our country from economic disaster.

You cannot live in a country that has a $4.9 trillion debt and rising. And that debt was brought about by Republicans Democrats. We all know that. Anybody who starts blaming that on one President or one party or the other is fooling themselves. It is a bipartisan part.

Mr. DEUTSCH. Will the gentleman yield?

Mr. KINGSTON. I do not control the time. I would be happy to yield.

Mr. HAYWORTH. Reclaiming my time, while I certainly appreciate the fact my good friend from Florida is here tonight, I will be happy to answer his questions here later tonight.

However, with the deference we showed the minority side, let us first make our points. I will be happy to yield time them.

Seeing my friend from Florida reminds me of a couple of questions he brought up.

First, this morning, in the well of the House with, I guess, a valiant effort to do some stagecraft with the wastepaper basket and simulated checks, but I applaud the gentleman for this: At long last in some perhaps passing way he chose to embrace a tentative economic conservatism and fiscal soundness. I appreciate that in the gentleman from Florida.

But even as he decried in his words the fact that visas were not being issued by this Government, I would respectfully point out to my friends from the minority one of the reasons those visas are not being issued is because members of the minority, when they served as the majority of this House, used this voting card as a Visa card, trying to charge up debt upon debt upon debt on future generations, and, yes, change is difficult, and answers may at times be imperfect.

I wish there could be a straight line. I wish there could be a cogency to this to wrap it up in a neat little package. But the fact is this: As painful and at times confusing as these days may be, to change the culture so pervasive in this town, it is so easy to say tax and spend and spend and spend and spend some more. We have to take measures to do so.

I yield to my friend, the gentleman from Kentucky.

Mr. LEWIS of Kentucky. You know, this is the bottom line: 40 years of tax and spend with no offer of a balanced budget, and we are continuing to hear from the other side that we are extremists, that we are mean-spirited, that, as one gentleman said this evening, that we were lunatics, that we are completely out of control.

This Government is $5 trillion out of control because liberals in this House for 40 years spent money that they did not have, and they want to continue to do that even though they talk about a balanced budget, and that, you know, that is not fiscal responsibility. That is not common sense.

Where will the Interior workers be in the year 2012 when every tax dollar will be consumed by entitlements and interest on the debt?

Mr. KINGSTON. If the gentleman will yield further, I have a lot of Federal employees in my district. I am concerned about them. That is why I supported the Interior bill when it passed. That is why I supported today the veto override on the Commerce, State, Justice bill, which would have allowed the Federal prison employees to be paid, and what I do not quite understand is why our friends who want the Government reopened voted against these bills.

Mrs. LOWEY. Mr. Speaker, will the gentleman yield?

Mr. HAYWORTH. I would be happy to yield to the gentlewoman from New York.

Mrs. LOWEY. I appreciate the gentleman yielding to me, because I will be delighted to answer the question.

I think you raise, as do all the gentlemen raise, some very important issues, and in fact I think it would be important that we continue this debate on the priorities of our Nation. We serve on the Committee on Appropriations, and you and I know that there are differences of opinions. There are differences of opinion between Democrats and Democrats and Republicans and Republicans.

So I would suggest to the gentleman, and I certainly appreciate the gentleman yielding, that we continue this debate on the priorities of our Nation, but let us open the Government.

Mr. HAYWORTH. Reclaiming my time, I yield to the gentleman from Georgia.

Mr. KINGSTON. I think what is so important here is let us not go around saying that the NEWT GINGRICH freshmen Republicans have closed down the Government when you know, and the learned distinguished gentlewoman from New York knows, that is not the case. The fact is that when you voted against that bill, you helped close down the Government, just a wee bit. Now, maybe, as an author of the bill, I may be accused of saying well, his bill reached too far, but there is plenty of, in the spirit of reopening the Government and in the spirit of balancing the budget, I would say there is plenty of room for both parties to come to the table, but do not sit over there and vote against the bills and have a President who vetoes the bill and then vote to support his veto and tell us we are closing down the Government.

You know, it is too important to the Federal employees, to the National Park employees, to the prison guard employees in my district, for them to be hearing the games. This is their job. This is real people, real mortgages, real grocery bills, real problems, real jobs, and let us not say that, oh, well, I am going to vote against this bill but it is the Republicans that just did this.

Mr. HAYWORTH. Reclaiming my time, I would simply like to make this point: I find it especially objectionable, indeed, the gentleman from Florida, a fellow freshman, I suppose who is guilty of showing extremely good sense, the gentleman from Florida [Mr. WELDON], pointed out the fact that Federal Government, the executive branch, went to great expense to send out letters with paychecks attempting to play the blame game and politicize the entire crisis, even with Federal paychecks. I decry that whole notion we should play the blame game.

I am also happy, however, to point out that in the best tradition of the truth will come out, in the best tradition of people having all the facts, we are joined by one tonight who fought off the blame game, who gave straight talk to the people of his district in California. It is an honor to welcome back to this Chamber and to this special order my good friend, the gentleman from California [Mr. CAMPBELL]. I thank the gentleman and welcome him as the newest member of the extremely good-sense bunch. We are happy to have you here. I yield to the gentleman from California.

Mr. CAMPBELL. I thank the gentleman.

I am proud to be part of this special order tonight and proud to be your colleague in this remarkably historic 104th Congress.

I asked to speak tonight as part of the special order on two issues, one, a bit more general, as to why it is so important to be talking the balanced budget and, then, second, this issue of the continuing resolution.

It may well be these points were covered far better by speakers prior to me, in which case you may reclaim the time. So indicate.

Let me just take a moment because we correctly have focused upon the hardship to the Federal employees, the hardship to those with contracts with the Federal Government, to those who depend upon the Federal Government at least in part for necessities of life. It is appropriate that we do.

But it is even more appropriate to focus upon the hardship to the next generation who are not here to vote, whose money we spend every year, that we deal with a budget that is not balanced. It is really the worst form of democratic misrepresentation where people who do not have the vote are taxed by people who do.

Democrats and Republicans alike have participated in building the budget debt to where it is today, and the deficit each year being out of balance adds to it.

When I had the honor to serve here before, we did not balance the budget, and the President at that time was Republican. So let us just put that issue to one side.

What is critical for the American people to understand, and what I hope I have some effect in raising, is the unethical, immoral nature of our spending the next generation's money. That is the No. 1 and principal reason why we need to focus upon a balanced budget.

Second, the baby-boomers are going to be in their retirement years in 15 years. Now, every actuarial assumption about Medicare and Social Security falls through the cracks when you have that huge influx of retirees coming into their Social Security and Medicare recipient years. We have got 15 years.

If we spend 7 of those getting to a zero deficit, we then ought to spend the remaining 8 to build up a surplus. If we go into those retirement years of the baby-boomers without a surplus, God help us, God help us. We will not have the funds to treat them fairly. There will not be a Medicare for those who would be retiring 15 years from now, a second reason for the appropriate focus on this budget.

Third, the debt of the United States is unlike the debt of almost every other developed economy. It is not predominantly financed at the present auctions the way other countries do. We rely upon foreign investment to purchase our Treasury bonds for the new auctions, and every time we do that, we put our economic future in the hands of others, and that is a tremendous risk when you contemplate the amount of debt that we add up and the claims upon that debt by those who are not citizens, participants in the United States.

Now, that is why it is appropriate for us to consider the deficit, the debt, and the unfairness that it brings to the next generation. What about the continuing resolution that brings us to the floor tonight?

I thank the gentleman for yielding and pointing out that I was recently elected to this body, and it was an honor to be selected by the people of the 15th District of California.

I had one message, one message in my campaign. It was, "If you elect me, I will do my utmost to vote to balance the budget."

And I will stay here as long as it takes, if that means giving up vacation, which it did, if it means giving up my paycheck, which it does, I and a number of others, I understand, have voluntarily given back our paychecks to show the seriousness of our resolve on this matter.

Thirty days ago, roughly speaking the President agreed that he would put forward a plan. It would not necessarily be one that you or I, Mr. Speaker, would agree to, but he agreed to a plan, and it would balance the budget in 7 years, using honest methods of measuring, and the Republicans were going to put forward their plan, and then we would sit down and hash it out between the two, and in return we agreed to keep the Government operating through continuing resolution.

The President did not put forward that plan, and instead negotiations are of a one-sided nature. To have a continuing resolution tonight, therefore, is to invite similar response. If we were to concede to business as usual, we would say "yes" to a continuing resolution, and if we did that, we would be postponing yet again the time when we actually balance our Federal budget.

But critically to the present context, we would be saying it is all right if you go back on what you pledged you would do; put your own proposal forward.

Mr. Speaker, I ask the President to come forward with his proposal that balances the budget in 7 years using honest scoring. It can have no tax cut at all; that would be all right with me. It might have totally different numbers for Medicare and Medicaid; that would be all right with me. But we have to have something from which to deal, and I am very worried if we say all right to a continuing resolution before we have that, that we will never have that.

The last point I want to raise draws from my previous experience in this body, 1988 to 1992. I remember we came upon those years coming out of the years of President Reagan, and there had been a continuing resolution for a substantial part of the time that President Reagan was in office for his first term and the deficit grew.

□ 2100

If you want to postpone what we must do, business as usual says "continuing resolution."

Mr. Speaker, I was not elected to do business as usual. If we miss this chance, we miss the last chance, the best opportunity, to be fair to the next generation. I urge my colleagues not to give up on that opportunity; not to be unfair to the next generation, as previous generations have been by building up debt upon them. but to say to them "We will give you something better. We will give you at least a chance at a balance, a clean slate in financial terms." To do that, the sacrifices that must be made, which I believe my constituents are willing to sustain.

I thank the gentleman for yielding.

Mr. HAYWORTH. I thank the gentleman for his remarks.

PARLIAMENTARY INQUIRY

Mr. HAYWORTH. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. WHITE). The gentleman will state it.

Mr. HAYWORTH. Mr. Speaker, during the course of these special orders, is it in order or appropriate, even though I control the time for this hour as the designee of the majority leader, is it appropriate to find some way to yield the time in an orderly fashion so we might invite our friends from the minority to engage in a dialogue about the future of this country? For example, in 3-minute allotments to each side. Indeed, if I may be so bold and with unanimous consent from my friends from the Democratic side, to perhaps continue this through the following hour, as they are the designees of the minority leader? What would be in order?

The SPEAKER pro tempore. The Chair would inform the gentleman that he controls the time and he has the right to yield time under whatever conditions he may wish to impose.

Mr. DEUTSCH. Mr. Speaker, I would control the next hour, and would be happy to agree for the following hour after the next 45 minutes that the gentleman from Arizona controls; I would continue that exact same procedure on a 3-minute type basis.

Mr. HAYWORTH. If that is fine, we would ask the Chair's indulgence and that of the timekeeper to allow us to know when 3-minute increments expire. Is that appropriate? Could we do that?

The SPEAKER pro tempore. The Chair would advise the gentleman that the gentleman should keep his own time by watching the clock that is on the floor. Otherwise he is perfectly entitled to yield as he sees fit.

Mr. HAYWORTH. I certainly, certainly appreciate the Chair's reliance on self-sufficiency. I am armed with the second hand of my watch from my alma mater, which is altogether reliable. With that in mind I would be happy to yield 3 minutes to my friend from Florida.

Mr. DEUTSCH. Thank you. I appreciate this. I think this is what we should be doing in really having a dialogue. That is a lot more healthy in terms of debate. And I am not questioning anyone's motives in terms of what they are doing and believe.

I listened intently to the gentleman from California in terms of his statement. But I would just question him, and I agree really probably with 95 percent of what he said, I voted for the balanced budget amendment, I believe exactly the way the gentleman does about the future of our children and our grandchildren in terms of the fiscal responsibility of this country.

But my question really to the gentleman would be, I agree with 95 percent of what the gentleman said. But why not pass a continuing resolution? How does the gentleman defend the fact that you folks are stopping us from passing a continuing resolution, which does not have anything to do with that issue? It is just that it is a leverage approach, which I think is ultimately going to hurt you politically, but I think it is really hurting the country today.

Mr. CAMPBELL. If the gentleman would yield?

Mr. HAYWORTH. Since my friend from Florida addressed the question to the good friend from California, I would be happy to yield time to the gentleman from California.

Mr. CAMPBELL. In response, there are two reasons. The first is not at all regarding leverage. To pass a continuing resolution is to continue the business as usual. It was in this vein that I made my reference to the Presidency of Ronald Reagan, President Reagan. What happened in those years was a substantial amount of the time that he was in office, certainly in his first term, was governed by continuing resolution. That postponed the necessity and the eventual achievement of a balance.

The continuing resolution, there are several possibilities we are speaking about, but the essence of it is we postpone the hard choice, keep a present level of funding, until we get to where we want to be. So that could be continuing forever.

So the first and most important answer to the gentleman from Florida's question is that a continuing resolution constitutes business as usual, with the assumptions that will eventually get to that which has not yet been resolved, and that is what I think we must say no to.

Mr. HAYWORTH. I would yield for a comment to the gentleman from Georgia.

Mr. KINGSTON. I wanted to answer the question with something practical, not necessarily philosophical, but strategically important, and that is when we had the November shutdown, the 6-day shutdown, you will remember we had a continuing resolution passed that reopened the Government for a 3-week period of time, at which time, by December 15, the President of the United States was to have submitted a 7-year balanced budget, which he did not on December 15.

So what has happened is there are a lot of Members who feel somewhat, "burned once, and it is your fault; burned twice, it is my fault." I am not going to be burned twice.

That is their concern. What would be different now? The President did not do it then. It was a public agreement to do a Congressional Budget Office 7-year balanced budget, which he did not submit.

The other thing I wanted to say is that we are arguing numbers here. We think we should spend $12 trillion over the next 7 years, and the President wants to spend $13 trillion over the next 7 years. But beyond that we are also arguing policy. We have to have some policy changes. For example, give our senior citizens more choices to preserve and protect their Medicare program by allowing, for example, a medical savings account, which takes a change in the tax law. If you do not have that tied into the balanced budget, then, unfortunately, this President is not going to do that. He is not going to sign that and give our seniors a choice.

So there is a policy reason, and then there is a strategic reason along with the reasons that Mr. CAMPBELL had pointed out.

Mr. HAYWORTH. Reclaiming my time, there is one thing that undergirds this, and that is a moral imperative for generations yet unborn and for our children, my son age 2, who will pay in excess of $185,000 in interest on our debt if we do nothing.

With that, I am happy to yield to my friend, the gentleman from Florida.

Mr. DEUTSCH. If we can just with the Members who are here, if we can actually, it might be easier logistically, when you yield, whoever you yield to controls the time for 3 minutes. We cannot go through you.

Mr. HAYWORTH. We will try to make sure we control that.

The SPEAKER pro tempore. I would inform the Members that the gentleman from Arizona controls the time. If you want to have an informal agreement that you can operate among yourselves, that is fine. But from the standpoint of the House rules, the gentleman from Arizona controls the time.

Mr. DEUTSCH. Informally, because we are trying to get debate in front of what we are saying. If I could take 15 seconds, I know my colleagues wanted to respond to this, because we are at the heart of the dialog.

What I would suggest to the gentleman from California are two very specific things: In a continuing resolution, you have the ability to focus in not business as usual, which is something I would agree with the gentleman about. You have the ability to pick numbers which are the lowest numbers of the House or Senate. You have the ability to constrain Government spending, to get toward your targeted goals. And you also have the ability to do it for 30 days, or less, but 30 days.

If you look at what is happening to our country today in terms of the suffering, and just again the waste, the waste of hundreds of millions of dollars, billions of dollars of waste on a macro effect. We know this is hurting our economy. For 30 days to pass a CR, and again I know there are some people on the other side of the aisle who feel the President was not truthful to them but I think there are others who feel maybe he was truthful and maybe there was just a misinterpretation.

Mr. HAYWORTH. What I would suggest is what is the big deal about giving us 30 days?

Mr. KINGSTON. Let me answer the question. If you have 30 days, and I am not one who says no CR. I am very concerned about these out-of-work employees. But my concern is that if we gave you 30 days, would you and your colleagues here tonight have a 7-year balanced budget plan that, regardless of what your leadership says or does, that you, the three of you, to put you on the spot, would say here is our plan, we are going to end up, because I think what it takes at this point is it is going to take rank and file assertiveness to come forward and say "I am tired of waiting on the President, I am tired of waiting for our folks."

Mr. DEUTSCH. I will take the time back. I would say to you, you know for a fact that a large number of Democratic colleagues did exactly that. They had a budget that was voted on this House floor that was a balanced budget, that used CBO numbers, the so-called coalition budget. It is still out there on the table. So there are a large number of Democrats on this side of the aisle that did exactly that.

Mr. KINGSTON. Are you saying then the only thing we are arguing is the coalition budget versus the Republican budget? If we can establish that, I bet we could wind this thing up.

Mr. HAYWORTH. Let me yield to the gentlewoman from New York for a comment.

Mrs. LOWEY. Thank you so much. This is a very helpful discussion and I want to thank my good friend on the Committee on Appropriations from Georgia, Mr. KINGSTON, for yielding, for you both yielding to me.

I think there really is a difference in priorities, and that is a healthy debate, as we said before. We can talk about Medicare, and you mentioned medical savings accounts. Some of us feel it should be done differently. We can talk about Medicaid. We can talk about education, the environment. You and I may differ on the depth of the cuts in the environment. But I do believe that we can agree that there should be a balanced budget. In my judgment, the President, Democrats, and Republicans for the most part, have agreed there should be a balanced budget.

This kind of a debate is healthy. We do not have to hold all the Federal employees hostage while we are debating very serious questions in this country. I do not have a national park in my district. But when a national park closes, it is not just the visitors who are on Christmas vacation that could not get into the national park. In the United States of America, seeing a closed sign to me is outrageous, but it is all the small businesses around that national park that are being deprived of their livelihood. People who want to get mortgages from the FHA cannot get those mortgages. People at veterans hospitals are not getting the services. Meals on Wheels, Head Start.

Why can we not agree to open up the Government, like adults, and then continue our serious discussion. I would respectfully disagree with my colleague, my distinguished colleague from California, that we can have this discussion in an adult atmosphere. Why do we have to hold these Federal employees hostage. That seems very wrong to me.

Mr. HAYWORTH. Reclaiming the time, and I appreciate the gentlewoman's restrained tones and very sober assessment, and indeed this is refreshing compared to some of the things I have heard in this Chamber and elsewhere. But I think here is the fundamental problem. In all sincerity, I would say to the gentlewoman from New York, it is extremely distressing in a free society when the parameters of debate are agreed to, to have one party—no, I do not mean Republican and Democrat—but I mean one party to the agreement seem to be perhaps either confused or deliberately disingenuous as to the parameters or the terms of debate. That is what I feel is so difficult.

Certainly the gentlewoman offered, in a very, I think, understated way, a very appealing argument in some ways. The one that is fundamentally flawed, because it fails to acknowledge the culpability, or let me rephrase that, the responsibility of the executive branch to recognize that yes, there is a new majority, and though there may be disagreements, there is also a responsibility for the Executive to sign appropriation bills to keep people at work. The problem at which we are at loggerheads comes from the fact that we just do not seem to get a consistent answer from the executive branch.

Again, as my friend from Georgia pointed out, fool me once, shame on you; fool me twice, shame on me. And it is difficult to abandon that, because it is more than an obstruction. It is the very crux of the problem we face. If the Executive will agree in good faith to the parameters, if my friend from Florida and my friend from New York, my friend from New Jersey now embrace the budget offered by the minority within the minority, then fine, let us move forward and have that discussion. But not to be able to get the debate on the table because of the shifts that come almost by the nanosecond in the executive branch is extremely, extremely distressing.

Mr. PALLONE. I again appreciate the fact that the gentleman from Arizona has yielded us the time, but I am extremely frustrated, and I listened to the gentleman from California, who has been here in previous sessions with me, and the problem that I have with what the gentleman has laid out and what some of my colleagues on the other side have laid out is that they are acknowledging in essence that what they are doing is having the Government shut down, the Government if you will, being held hostage to what they want to accomplish.

I say this, I am trying to say this in a calm fashion. The reality is that historically here procedurally, the procedure has been that the Congress passes the appropriations bills or the budget and they send them to the President, he vetoes them or he approves them. If he vetoes them, he sends back a message which he did in each case with each appropriation bill and each budget, and also with the budget bill, and then the opportunity exists to either sit down with the White House and work out an agreement or to bring up another appropriations bill or budget bill that reflects in some measure what the President has said, so that a compromise can be reached.

□ 2115

Mr. HAYWORTH. Reclaiming my time.

Mr. PALLONE. Let me finish, if I could. Historically, while that process went on, there were continuing resolutions passed so that the Government could continue to operate.

As the gentleman from Florida stated, those continuing resolutions, even the ones we passed for a brief time in November or December, were at a much lesser amount than the current operations of the Government. So one would make a very legitimate argument to say that there was significantly less money that was being spent. And if, in fact, we were to continue operating the Government for the rest of the year at those lesser amounts, we would probably be saving a tremendous amount of money.

I do not see any argument other than this hostage theory; this theory that if we pass a continuing resolution, if we let the Government continue to operate, even at a lesser amount, which meets the budget demands or the budget parameters, that the problem with that is that the Government will continue to operate and we will not be able to come to an ultimate agreement over a balanced budget.

So, basically, what we are saying is, we do not want the CR, we do not want the Government to operate because we want this leverage with the President.

Mr. HAYWORTH. Reclaiming my time, and I will be happy to yield to my friend from Kentucky and my friend from California in just one moment, and I appreciate the measured tones that my friend from New Jersey is employing, but to suggest that it is this new majority that holds this Government hostage is again to ignore the fact that the President, within his constitutional bounds, as the gentleman points out, chose to pick up a veto bill because it was more important to him, for whatever reason, to veto those appropriations than to work with this majority to keep the Government in business.

So to a certain degree it may be the chicken or the egg argument, but I feel compelled to protest, in measured tones, the use of that word. Because good people and people of good will should be able to disagree.

And with that, let me yield to my friend from Kentucky.

Mr. LEWIS of Kentucky. I think that argument could be used in the other direction that the President is holding us hostage to send him appropriation bills that he would sign. It works in the same way.

Are we supposed to, in the House and the Senate, pass legislation that will fit the desires of the President? And if he does not get those, then he is going to hold the Government hostage, the Government workers. It works the same way. He vetoed those bills. He promised that he would work with the Republican Congress to come up with a balanced budget before the end of the year. Before the end of the year.

He signed it and said he would do it, and he did not do it. And he vetoed three bills, Commerce, Interior, VA-HUD. If he would have signed those, the Government would be in operation for the most part.

Mr. HAYWORTH. Reclaiming my time to yield 1 moment to my friend from California, and then, of course, I will be happy to hear from my friends from the minority.

Mr. CAMPBELL. I thank the gentleman from Arizona, and, Mr. Speaker, in response to the point raised by my good friend from New Jersey there are these differences, putting aside entirely the leverage argument. I want to do that just for a moment.

The difficulty with the continuing resolution are the following: First of all, nothing structural can or will be done in a continuing resolution. This is a given. In order to get to a balanced budget in 7 years, both sides acknowledges that there has to be structural reform, principally on the entitlement side.

Second, whereas the gentleman from New Jersey is quite right in suggesting that a continuing resolution could be at a 75-percent, or 25-percent, for that matter, expenditure level, the reality from history, and here I refer to the Presidency of Ronald Reagan, so a member of my own party, was that the continuing resolution that lasted longer than the 10 days, any CR that lasts longer than a very short time period, in order to have the approval of the House and the other body, is a continuation of present expenditure levels.

I would put this proposition in a straightforward manner. If there were a series of CR's, if there were a series of CR's at 75 percent of the expenditure level from now for the next 7 years, we would indeed balance the Federal budget.

The last point I would make is the gentleman from New Jersey, I believe, or it might have been the gentleman from Florida, drew our attention to the coalition budget. Mr. Speaker, I would have been thrilled if the President of the United States had put the coalition budget on the table, and I would have voted in favor of a CR if he had done so.

The leadership shown by the members of the minority party and the majority party, those who worked on the coalition budget, was admirable, and if the President had put that forward, I would vote for a CR. The President has still to fulfill his part of the obligation to put a package on the table.

So those are the structural reasons why a CR will not do what needs to be done, and the historical record is, in the first 3 years of the Reagan administration, when we were governed largely by the CR, there was no structural change, nor could we expect there to be substantial cuts.

Mr. HAYWORTH. Reclaiming my time, I believe my friend from Georgia wants to ask a question of our friends on the minority.

Mr. KINGSTON. Well, the gentleman from New Jersey is about to burst in thought here, so I want to yield to him for a question.

Mr. HAYWORTH. I would gladly yield to the gentleman from New Jersey for his rejoinder and then we will return to our friend from Georgia.

Mr. PALLONE. I want to use a brief amount of time. First of all, I would point out, and, again, I will not use the word "hostage" anymore this evening, although I feel that way, but I will not use it.

I would point out, first of all, that the coalition has on many occasions tried to bring their budget before this House. They have tried it on a privileged measure, they have tried many times.

I have seen the gentleman from Mississippi, GENE TAYLOR, and the gentleman from Texas, CHARLIE STENHOLM, and I have seen many others over the last week or so before the Christmas break try to bring the coalition budget to the floor. So the suggestion that somehow the coalition budget is not on the table, the only reason it has not been brought up again is because the leadership, the Republican leadership, has not allowed it to be brought up. I think one of the reasons for that is because it may very well be it would get enough votes to pass.

Let me say one more thing, and then I will not talk for a while. I am listening to the debate tonight. I think it is very, very instructive and very helpful, but the bottom line is that right now the Government is shut down, and if tomorrow we bring up this motion and we allow the Speaker to have recess authority and the Government is shut down for another 2 or 3 weeks, I do not believe that the leverage that it seems that your side is trying to use to bring the President to do certain things is going to work.

In other words, we have been at this now for several weeks. This is the 19th day. The whole notion that somehow shutting down the Government is going to exercise some leverage over the President or over the Democrats is just not happening.

So I guess I am wondering, how long is this going to go on? Will this go on for another 2 or 3 weeks or another month, another 6 months, or whatever? At some point there has to be a recognition of the fact that this effort to leverage, if you will, the Government shutdown, is not accomplishing its goal, and that the budget negotiations, which actually are happening between the President and the Republican leadership, does seem to have some positive value. They are meeting every day. They are talking. Both sides claim that it has been very positive. So what is the point?

The only people, it seems to me, that are suffering are the Government employees and the American taxpayers who are not getting the services. So even if we buy the leverage theory, I do not think it is working and everybody is meeting now and talking about the budget anyway.

Mr. HAYWORTH. Reclaiming my time, I appreciate the gentleman's heartfelt sentiments. Perhaps I am guilty too, sometimes, of verbosity. I know he had a lot to say there and challenged to do it in a brief period of time.

Again, before I yield to my friend from Georgia, let me respectfully suggest to my friend from New Jersey, again, as has been stated by my colleagues, this is not about leverage, this is about the future. It is about a free society, people of goodwill from opposite points of view agreeing to broad parameters, in terms of debate, upon which disagreements may be resolved.

What is especially disturbing is that this pattern portends something that is less than the common good, because, in the words of columnist Robert J. Samuelson in the Washington Post 2 months ago, "When one side continues to repeatedly distort the facts and the evidence, then the purpose is not to debate, it is to destroy."

With that, I yield to my friend from Georgia.

Mr. KINGSTON. I want to ask my colleagues this question, and I want them to think about it in the context of the debate in the last couple of weeks. Is the issue the Government shutdown or is the issue balancing the budget?

It would appear to me, as I have listened to the debate over the last couple of weeks, that the issue is the shutdown. We are concentrating so much on it, I am wondering if, for some Members, it is not a red herring. Because if it is not the issue, and the issue really is a balanced budget, then should your Members not join our Members in being absolutely outraged that the President, during that 3-week grace period, did not offer a balanced budget scored by the Congressional Budget Office?

And, as my colleagues pointed out, it seems all three of you support the coalition budget, or you are close to it. Why not put that on the table? The second he does that, the Government is reopened.

Mr. HAYWORTH. Reclaiming my time briefly. Let me just ask my colleagues, did all three of you vote for the coalition budget when it appeared on this floor?

Mr. PALLONE. No. But again, if I could——

Mrs. LOWEY. No, but I would be happy——

Mr. DEUTSCH. Will the gentleman yield?

Mr. HAYWORTH. So the gentleman from New Jersey did not; the gentlewoman from New York did not, and the gentleman from Florida did.

Mr. DEUTSCH. That's right.

Mr. HAYWORTH. So, again, a majority of the minority here tonight did not support that budget when it was brought to the floor.

Mrs. LOWEY. No, but I would be very pleased if the gentleman would yield for a response to the gentleman from Georgia.

Mr. KINGSTON. I asked that question because I just want you to really think about this. Should we not all, as a body, be outraged that the President, during that 3-week grace period, under the agreed handshake of, yes, I will put a 7-year balanced budget on the table by December 15, should we not all be outraged that he did not; rather than outraged at NEWT GINGRICH because the Government is closed down, when, in fact, the President of the United States has as much to do with it, if not more?

Mr. HAYWORTH. Let me yield to the gentlewoman from New York and then the gentleman from Florida.

Mrs. LOWEY. Just briefly I would like to respond to my good friend from Georgia, because he asks a very key question: Should we not be focused on the balanced budget rather than the shutdown. And I think that is what my colleagues and I are saying this evening. Let us open the Government. Let us make sure these people go back to work. Let us make sure that the Head Start centers and the Meals on Wheels and the nutrition sites and the parks and the businesses continue operating and let us focus together on the balanced budget.

I think many of us would have differences of opinion if we took the Republican budget and talked about specific parts of it, I do not think that is what we are doing tonight, or talked about the President's budget, talked about his forecast for the next 7 years or the next 6 years, or 5 years. In fact, there was an outstanding article in the Wall Street Journal, I believe most of us have read it, talking about the Republican budget and how its predictions are questionable, and what happens after the 7th year, and does the deficit rise, and should a tax cut of that magnitude be put in place.

There are some real questions that I think we could debate in a healthy, open way. So I would like to just say to my good friend from Georgia, let us just focus on the balanced budget. Let us have a healthy debate about Medicare, Medicaid. The President wants to preserve Medicare, Medicaid. He may want to change it differently from my colleagues, from myself, or others of us, but let us open the Government.

And, in fact, is it not strange that the leading contender for President on the Republican side wants to have a continuing resolution, agrees with the President, but that in our body we cannot get that done?

I think that is the best way to focus on a balanced budget. Open the Government and let us focus all our discussion on the balanced budget.

□ 2130

Mr. HAYWORTH. I thank the gentlewoman for her observation and would yield to my friend, the gentleman from Kentucky [Mr. LEWIS] and then I promise, I will yield to my friend from Florida.

Mr. LEWIS of Kentucky. With all due respect, why now are we hearing from the other side that we need to focus on the balanced budget, get a continuing resolution, move away from the government shutdown, when we did not hear anything from the other side about a balanced budget until just recently this last year?

What we heard from the very beginning of the 104th Congress was a lot of rhetoric, a lot of words like "extremists," "mean-spirited," that we were "cutting," "slashing," going to "destroy Medicare," we were going to "starve children to death." I did not hear any proposals from the other side about a balanced budget, about saving Medicare, about reforming welfare, about all the things that now we seem to want to focus on.

Just this very evening, I sat up here in the House and listened to the gentleman from Michigan [Mr. BONIOR] say that we disliked Federal workers and even the military. I heard a lot of individuals talking about how extreme and how terrible we really are because we want a balanced budget.

The question I have tonight: How can we trust, how can we trust the President when he has told us so many times that he is going to do this, and he is going to do that, and he does not follow through? How can we trust individuals that want to use that type of rhetoric and not get to a real debate, and then talk about how that we should keep our words and our conduct within the parameters of civility?

Mr. HAYWORTH. Reclaiming the time to allow my friend from Florida a chance to answer those questions.

Mr. DEUTSCH. I do not want to focus on what the President said and what the President did not say. But I read the signature and the agreement on the continuing resolution, and I guess what

I have heard now several times this evening is the President committing to a specific submission of a 7-year CBO. That is what he agreed would happen, but he did not agree that he was going to submit it.

And to say that they are outraged that the President lied to you, I mean, he did not say that, at least as far as I am aware. I think it is a fundamental question.

Mr. HAYWORTH. Reclaiming my time, it is a fair question that I would like to answer. When the Chief Executive vetoes the balanced budget offered by this House and the other body, when the Chief Executive does that, then he puts upon his shoulders, if you will, he foists upon himself and his branch of Government the responsibility for offering an alternative.

Mr. DEUTSCH. If the gentleman would yield, I am glad you cleared that up, because in the sort of English language that I understand, that is a lot different than a flat-out lie or a flat-out mistake. If that is what you are going to say is the statement of the President, that he did not do it because he did not come back to you, that is a little bit different than being so disingenuous with us, about lying to you.

Mr. KINGSTON. Mr. Speaker, if the gentleman would yield, I respectfully disagree with the gentleman from Florida. I think certainly the President purposely led the Members of Congress to believe, and remember I believe there were 68 Democrats who voted with the Republicans to reopen the Government in November under the clear understanding that the President would offer a balanced budget within that 3-week period. I thought, as a naive, fairly newcomer here that we would have this thing wound up by December 15 and, if not, operate under continuing resolutions.

But let me emphasize, even now, if the President, and I will not call him the porcelain President, although that has been suggested, but if he would make one sign of good faith negotiation, just offer the coalition budget or coalition modified or anything that is 7-years, Congressional Budget Office, then we reopen the Government tomorrow.

Let me reemphasize, I am not one who belongs to the caucus within the Congress of saying "Do not reopen until it is finally done," because I am very concerned about these folks. I see a lot of gray area in here. But what I do not see any gray area in is in good-faith bargaining.

Mr. HAYWORTH. I yield to my friend, the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. My response to the gentleman from Georgia, and the distinguished gentleman is not just a Member of this body, but a practicing attorney before he came here and a very wise attorney and a very excellent attorney, you want to look for good faith. Look over the last week when if we add up the number of hours that the President has been personally engaged in discussions with the Speaker and the majority leader in the Senate, adding up to scores of hours at this point in time.

Again, I would go back to your question. Now the gentleman is deciding, as one of 435 Members of this institution, this is what the President has to do before we open up the Government. What I guess I am really hearing, and sort of seeing things as you see them, I am sure if I sat where you sat I would probably see them a little differently in terms of the President's behavior. But still you can look at it from where I am. There is still enough good faith. All of us have a sworn constitutional duty to protect and defend the Constitution and the people of this country. Then why not give the President the benefit of the doubt for another 30 days?

Mr. HAYWORTH. To reclaim my time before I yield to my friend from New Jersey, "History does not repeat itself, it rhymes." I am fond of that statement from Mark Twain. Our most recent history provided a continuing resolution. People may disagree as to the emphasis or the subtleties that I do not see appearing in that document. But when we have a situation, the gentleman used the term "disingenuous", when there is that situation and that unfortunate suspicion, it is very difficult, because it completely changes the parameters and fails to have common terms of agreement for debate in conflict resolution.

Mr. PALLONE. Mr. Speaker, if the gentleman would yield, let me just say this first of all. I guess I am somewhat amazed and trying to contain myself because I have never seen anyone as a Chief Executive who has been more willing to sit down and negotiate and spend time.

Mr. HAYWORTH. Reclaiming my time briefly for this question, where was he for the first 3 weeks after the public law was signed? Where was the negotiation for those 3 weeks?

Mr. PALLONE. The bottom line is, if the gentleman would yield.

Mr. HAYWORTH. I would be happy to yield.

Mr. PALLONE. The American people, whether it is public opinion polls or just my own talking to people, my own constituents believe very strongly that the President is the last person who is not trying to come to an agreement and not trying to negotiate in good faith. He is the one who constantly says, "Let us negotiate. Let us sit down."

Mr. HAYWORTH. Reclaiming my time, we certainly all come from very different districts across the width and breadth of this continent.

Mr. KINGSTON. If the gentleman would yield, I would like to respond to the gentleman from New Jersey and since the gentleman is about to control the time, may I go ahead?

Mr. PALLONE. What I just wanted to say to the gentleman from Georgia, for whom I have the utmost respect, I have a basic disagreement with many of my colleagues on the other side because I believe the differences over this budget between Democrats and Republican, even if you compare the coalition budget to the budget that the Republican majority passed, the differences are significant. They are going to take weeks to work out. This is not something that can be worked out at the stroke of a pen.

There are differences over entitlement status of Medicaid; over standards that are going to be applied for Medicaid for nursing homes; difference over environmental protection. I think in many ways it is sort of naive to suggest that somehow this can be worked out in 48 hours or 72 hours or 1 week or even 2 weeks.

So, as these negotiations go on, and we eventually reach an agreement that both sides can live with, it makes sense to keep the Government open. There is no way this is going to happen overnight.

BALANCED BUDGET AND FEDERAL GOVERNMENT SHUTDOWN

The SPEAKER pro tempore (Mr. WHITE). Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. DEUTSCH] is recognized for 60 minutes as the designee of the minority leader.

Mr. DEUTSCH. Mr. Speaker, I would be happy to yield to the gentleman from Georgia [Mr. KINGSTON]. I have a stopwatch on my wrist that counts down in 5 minutes, so what I would like to do is yield the gentleman 5 minutes and he will control that 5 minutes.

Mr. KINGSTON. Has that been CBO scored?

Mr. DEUTSCH. It is my cheap little plastic watch.

Mr. KINGSTON. Mr. Speaker, I wanted to follow up on the discussion of the gentleman from New Jersey and the gentleman from Arizona. I think it is relevant.

Mr. Speaker, one of the things that the Democrats are fond of saying, and, Mr. LOWEY, I hear it said all the time, is that we are behind on the appropriation process. I would say that is accurate, but I would also say it is a lot more difficult when we are trying to reduce and consolidate Government than when we are spending or renewing "as is" with a 10-percent increase.

But let us say the Committee on Appropriations is very much guilty as charged. Why are you not as equally outraged then that the President of the United States is not guilty of not submitting a balanced budget when on June 4, 1992, he said, "I will have a budget balanced in 4 years"? And we had all kinds of speeches where he said: I am going to support a balanced budget, I am or not. But he has not.

One thing about these freshmen who get kicked so much is that they came here with a contract, albeit not everyone may have liked it on the other side of the aisle. But they said what they were going to do and they did it. They made it clear they were going to balance the budget. When did we first pass it? October? Where is the President? Where is his budget.

Mrs. LOWEY. If my good friend from Georgia would yield, I think we can go back, you and I are on the Committee on Appropriations and we can talk about the $7 billion increase in the military budget that the Pentagon did not ask for. We could talk about the cut in afterschool jobs and heating assistance for the elderly.

Let us talk about where we are today. It seems to me from all accounts, from personal accounts and talking to my colleagues, from reading the Wall Street Journal and the New York Times, and Democrats and Republicans both, I do not know that we all respect it but we certainly read it, the President is very engaged in the process, as my good colleague from New Jersey said.

Mr. KINGSTON. But where is his budget?

Mrs. LOWEY. Let me finish this. What we are saying is that there are real differences of opinion in how to resolve Medicare, Medicaid, education, and the environment, among other issues. There are real differences of opinion.

So, why can we not continue this debate? And the President is involved. He is involved in the discussion. He has been there all day, I understand, working around the clock, and this has been going on for more than a week. Why can we not open the Government?

My good friend from Georgia, one other point. I still cannot understand why we cannot continue this debate, talk about how we reform Medicare, and the gentleman mentioned welfare. I had a welfare reform bill that I worked on 2 years ago, because I understand welfare is not working. I want to shake up the system, but I do not want to close down the Government and put all these people out of work, hurt our economy irreparably.

These businessmen who have contracts are not going to get these contracts back to make up for all the lost opportunities they have and the damages to their business. I hope they can stay in business. So why can we not open the Government up, continue our discussion about welfare, Medicaid, education, and the environment?

We may still differ, but that is the democratic way. Why should we have a constitutional crisis where some people are saying, "If you cannot do it my way, it is no way"? That does not make sense to me, and I know my good friend and I could sit down and iron out our differences. Let us all do that together. Open up the Government and let us continue this discussion.

Mr. KINGSTON. If I could have 10 seconds, I want to say one thing, just to nitpick. The President was on a golfing junket over New Year's at Hilton Head. He was not negotiating.

Mrs. LOWERY. President DOLE was campaigning.

Mr. HAYWORTH. Reclaiming my time, I would say that is very optimistic thinking by the gentlewoman, and we welcome her to our side.

Mr. DEUTSCH. The gentleman from Georgia still controls 1 minute.

Mr. KINGSTON. Mr. Speaker, let me yield to the gentleman from California.

Mr. CAMPBELL. Mr. Speaker, I appreciate both gentlemen for yielding. There were a couple of points that I think needs to be closed on and then we could move to what we could do if we were negotiating the budget ourselves to present to the American people potential consensus.

But the first and most fundamental point is why can we not do this while the Government continues? That would be under a continuing resolution, and there is nothing to prohibit a continuing resolution to last an entire year.

If my colleagues remember, I do not know if they were here for that moment, but President Reagan brought to the table when he gave a State of the Union address a continuing resolution and he slammed it down and he said, "Do not send me any more of these."

□ 2145

That was after the Government had run for almost a year under continuing resolutions. So the flaw in the gentlewoman's argument is this: If we give a continuing resolution this week for another week, it could easily run to 52 weeks, and it is not made up because we have precedent from the Reagan administration that it does run that long, and that means we postpone by 1 year, frankly, until the Presidential election what needs to be done within 7. That is a substantial reason why the gentlewoman's suggestion is not, in my judgment, practicable.

Mrs. LOWERY. If I could respond to the distinguished gentleman from California, what I perceive as a flaw in your argument, if we believe that there are serious differences in how to reform Medicare, how to reform Medicaid, how deep a cut there should be in environmental programs, what are EPA's responsibilities, what we should be doing with the Department of Education, these are serious issues which we have discussed in Appropriations. We have discussed in the authorizing committees.

If we cannot resolve these differences within the next month or the next 2 months, and the President has made it very clear that he is determined to protect Medicare, Medicaid, education, and the environment, then we may have to continue this debate into the next election. I would hope that we can resolve it before, but it may not be possible to resolve it. Then the American people may have to decide.

But I just do not understand the view of the gentleman from California that we should keep the Government closed and we will not use the word hostage, keep the Government closed while we are having a very serious debate about our priorities.

One of the gentlemen mentioned before that the President has vetoed some bills, and in fact the bill, Labor, Health, Human Services, has not even come to his desk. I am on that subcommittee, and that is the bill that funds the Department of Social Services, the National Institutes of Health, where critical research is being done, and the reason that bill has not come to his desk is because the Senate Republicans and Democrats would not support it as has come through the House. So we are having a serious discussion about priorities in this country. Let us continue that discussion.

The President is engaged. But why do we have to close down Government?

Mr. CAMPBELL. If the gentleman will yield further, I appreciate your yielding. I think the gentlewoman's comments are candid and, in that sense, extremely helpful. I do believe there is a significant sentiment, whether the gentlewoman is of that view or not, this matter ought to be put over until the November election. But I watched with care and listened with care to the words that the gentlewoman used. She pointed out if the budget crisis continues, then perhaps, I think it was correct, the gentlewoman said perhaps, the matter would have to be kicked over until the Presidential election. Then the people could decide.

I think, by the way, it is amusing, the Member of the other body characterized as the leading contender for the nomination on our side also proposed a continuing resolution under the theory it would be in his interest to have the matter put over until the Presidential referendum. But in that candid concession by the gentlewoman, we have, I think, exactly why the proposal of a continuing resolution is not acceptable, and that is that it will postpone for 1 full year from October, when the budget was due, to November of next year when a presidential election take place, and we do not have a year to waste.

Second and last, in response to the gentlewoman, I said that it might be useful to discuss what can be done. If this body were to put forward a budget, and I think there is potential, great potential, for give, just speaking for myself, I always thought the tax cut was the least part of a budget balance, and I also, with respect, believe that the Budget Director, Mr. Panetta, my former colleague from California, had it right 4 years ago when he said that the growth of the entitlement had to be restricted if we were ever going to balance the budget, and my former colleague from California proposed $400 billion to be taken out of the growth of Medicare over an 8-year period. It makes it difficult, it seems to me, for him to speak now that a $270 billion reduction from the growth of Medicare over 7 years is Draconian.

So, suppose our side were to give something on the tax cut and the President's side and the minority side was to give something regarding the necessity to restrain the growth of the Medicare entitlement, I believe agreement is possible. And in that sense, we then would not need to have the Government shut down 1 day further.

I thank the gentleman for yielding.

Mr. DEUTSCH. If I could respond, let me respond, I think this really has been very healthy. I think there are some of us on our side, and hopefully there is a realization for some of you on your side as well, that as hard as we work as individuals and collectively as a body, that at the end of the day there might not be an agreement, that although there are general areas of agreement, that disagreement in terms of Medicare, your proposals, and what most of us want to see happen are really totally different. We see the problem differently. We, many of us, see the problem the same way you do on welfare reform, but there are some areas where we do not, and I guess my question to you is that I think you as individuals and collectively need to come to a realization that there might not be a point, I mean, we are hoping and we are working, we are up late at night tonight, and hopefully they are still at the White House working to come to that agreement, but if those agreements, if those disagreements are such that there cannot be a compromise, I mean, I absolutely believe that the approach to try to leverage President Bill Clinton is just not going to work.

I mean Bill Clinton, you know, whatever someone might think of him, is not someone who is going to be intimidated by pressure, by threats or by anything like that. I think a lot of people on your side think that he is going to be. I think you are totally misreading the man, and because of that there is a possibility that this might last not 12 months, as the gentleman has said several times at this point, 10 months, and I guess what I still do not understand is what is the big deal about the 1-month period, and then maybe at that point we have 9 months.

I yield to the gentleman.

Mr. CAMPBELL. I appreciate the gentleman yielding.

The big deal is we do not have the time left. The clock is way past midnight on the budget and the debt of the United States.

The gentleman has been candid, as the gentlewoman was candid, about saying they expect the possibility, I am not trying to put unfair words in the gentleman's mouth, but expect the possibility, it might be that we do not have a resolution for 10 months. Well, dating it from October, when the budget was due, it is 13 months.

The point is we cannot afford that amount of time when we have 7 years to the halfway point before the baby-boomers start retiring.

But it is a candid admission, and I believe that, Mr. Speaker, that large numbers of my good friends and colleagues on the minority side would be willing to live with that, would be willing to live with why do not we just cool it, postpone it, let a year run, let the people decide.

But the problem is it will only be worse in 1 year, and we also have an obligation. The question was asked by the gentleman what harm from reopening the Government while the discussions continue? There is no harm in reopening the Government while the discussions continue. The harm is the expenditures under the continuing resolution that it would take to keep the Government open for a period of 12 months.

Almost, although I am glad my comment caused such a response, I will be pleased to yield, and I will just finish my comment. The dimension of a continuing resolution of the nature to take us to the November elections, which has certainly been discussed by the gentleman from Florida and the gentlewoman from New York, would postpone for 1 year any structural reform. There is no dispute about that.

I put to you, from the experience of the Reagan years, it would not last for 10 months if it did not maintain present expenditure levels.

Mr. PALLONE. If the gentleman would yield, I simply disagree with what you are saying about a continuing resolution.

First of all, I would point out that when you talk about a 7-year budget or a 10-year budget or whatever, you are basically guessing, if you will, about what is going to happen beyond the first year. The bottom line is that you could, first of all, let us point out we are only talking about certain agencies of Government maybe about half of the appropriation bills or half of the agencies right now.

If you were able to craft a continuing resolution either for a day or a month or right until October 1, that basically appropriated funds at the level that you anticipated in your, in the first year of your 7-year budget, you would accomplish that goal, and there are many people who maintain, there are many people who maintain the only real part of a 7-year or even a 10-year budget is the first year because that is the only part that you really have specific control over.

So I would maintain that if you craft the CR so that it is exactly like what you are proposing in the first year of your budget, then your concerns disappear, and we continue to operate and try come to an agreement.

Mr. CAMPBELL. If the gentleman will continue to yield, I appreciate it, the observations of the gentleman from New Jersey elucidate exactly why the continuing resolution is so dangerous, because everyone knows the real money is in the out years, and that is true in the Coalition budget, it is true in the Republican budget, it is true in the President's budget, although the latter did not score under CBO numbers. So it would be the easiest thing in the world to say we will agree to the first year, because the first year has no pain. If we have a budget agreement, we have a structure in place which gets us to zero. The easiest thing in the world is to make it.

Mr. HAYWORTH. If the gentleman will yield further, I think my friend from New Jersey would remark upon my restraint during the course of this. I thank the gentleman for the time.

The question came, why do not we let this go, why do not we let the next election be the referendum on this, and I would respectfully suggest that again that is a postponement of what was decided in November 1994, and we affirmed last month in a special election in California.

We are certainly in this representative form of Government in this republic to make those decisions, not to go, to use the metaphor that I used in my previous life and have been in another walk of life, to go into a 4-corners offense and delay and delay and delay the work that should be done now.

Mrs. LOWEY. If the gentleman will yield further, I just would like to respond to my good friend from Arizona. There are various interpretations of the last election. Some feel it was mandate. Some feel it was a mandate for a revolution.

In my district, I think most of us feel we had one revolution in this country, that is enough. There was frustration, there was anger. People wanted change. Yes, they wanted welfare to be changed. Yes, they felt that there are too many people without health care.

So I think this debate is very healthy, and we all have differences of opinion within our own party and also among parties. So what we are saying is let us have this healthy debate. Let us put in place a continuing resolution. Let us open the Government.

But I still do not understand, and I know we have been debating for over an hour, why we have to deprive researchers at the National Institutes of

Health from getting the resources that they need to fight breast cancer, to fight Alzheimer's disease. I do not understand why we have to say to someone who is turning 65 today, "Happy birthday, but, sorry, you cannot sign on for Social Security."

Let us open the Government. Let us not stand in the corner and say unless you do it my way I am going to turn blue. Let us open the Government and continue this very serious debate.

Many of us in this room have similar priorities, but there may be real differences in priorities among us, and the American people deserve to hear those differences, but not close down the Government.

Mr. DEUTSCH. I want to respond actually to a couple of things because I have been taking notes, and this really is a dialog, and I would really like to respond to a number of things.

The gentleman from California, I think, made a good point in terms of saying that the out years really are more difficult than the just the first year. The first year is difficult as well in terms of cutbacks that are taking place, real dollars levels less than, not inflation-adjusted or anything else, real dollars less than the previous year, I mean bottom-line reductions in a variety of programs.

But I think what you obviously understand and what people need to understand is next year's Congress can change this budget. I mean, we can only obligate ourselves legally for the year, for while we are here for this year, we cannot obligate ourselves for next year. We are putting a framework in place, so I guess the reason why I bring that out is that your concern, and I am not arguing for a continuing resolution at all and I think you know, maybe it is a realization on our part, that we might not come to a resolution, and that is one of the reasons why, if we were under a balanced budget amendment, we would not be having this debate because that would be the sandbox that we were playing in. And by one vote, we are not having a balanced budget amendment in this country.

This House overwhelmingly supported a balanced budget amendment.

So, again, I guess, let me just really focus in on that point just a little bit more and to say to you that, you know, we are 10 months away from an election. You know, we are having this debate now, and we are not going in circles yet but we are getting close to the point of going in circles, that when we look at what is happening to the economy in this country today on a micro level, whether it is a small city next to Yosemite Park, whether it is a business that cannot get an EPA inspector to inspect a site in Houston, TX, and people get laid off because of that, whether it is a motel in Flamingo, FL, in my district, those are things that are adding up and happening.

You keep saying, and we have heard it now, that you do not want to do the continuing resolution because it sort of frees things up.

□ 2200

I am happy to yield to the gentleman from Georgia.

Mr. KINGSTON. Let me throw that question right back at you: If we cannot lock in forever and this whole thing is going to be reversed in 10 months, then why can we not reopen the Government by you guys voting for the appropriations bills? It is that simple. You want to reopen the Government? Vote for the appropriations bills. We have already passed 12 out of 13. The one we have not passed, we introduced the Washington, DC continuing resolution today, and it was objected to by one of your Members, and only because of the delicate scurrying around and our high regard on both sides of the aisle did we go back and reopen that we could do a CR for Washington, DC. I am just saying if you want to reopen the government, fine. Vote.

Mr. DEUTSCH. Reclaiming my time, that is also a very good question that needs to be responded to.

Let me talk about the Constitution for a second, because I think the Speaker, speaks of the Constitution and he is a historian of the Constitution. He is a professor. He speaks as a professor quite often.

The Constitution has a role in all this debate. We go back to that. What is our job? Our job is to appropriate. That is our power, going back to the Magna Carta. How many times have we heard the Speaker talk about the Magna Carta? That is our job. We are appropriating. There is a whole process set in place in the Constitution.

The President has a role in our system of government. He has a role in the constitutional authority to veto appropriations bills that he finds objectionable and give to us those reasons. We have the constitutional option at that point, which is to override his veto or to send him another bill.

But one of the questions which your side has not really answered, and, truthfully, it is disturbing, is that all of sudden you as the controlling part in this Chamber have now put into the Constitution a third option which really does not exist in the Constitution, which is what is going on now.

What should be happening is going back and back, because I will tell you absolutely the truth, and I speak with absolute certainty this will happen: If you kept sending the President veto messages, eventually you will get a two-thirds veto override. I guarantee that will happen.

Mr. HAYWORTH. Will the gentleman yield briefly?

Mr. DEUTSCH. I yield 5 minutes to the gentleman from Arizona.

Mr. HAYWORTH. I thank the gentleman for 5 minutes, when really 10 seconds is needed. Just for the sake of pointing this out, when we talk about the extra-constitutionality or the implication is that somehow these endeavors are unconstitutional, I would simply point out nowhere in this document do you see the phrase "continuing resolution." Nowhere in this document is it explicitly delineated that above all costs, government will remain open through the process of continuing resolutions.

Good people can disagree about the intent of the Constitution and the dynamism of it and how it can be stretched and pulled and turned or interpreted in different manners. But I think it is worth noting that this is not some sort of sanctified notion that is somehow noble that we go back simply to business as usual and not deal with this question at this juncture in our history, for now the time draws here.

Mr. CAMPBELL. If I might, to take up more on this point, I thank the gentleman for yielding and I think his point is very well taken. I wish to respond to the question of the structural change.

The gentleman from Florida, if I could have his attention for a moment, the gentleman from Florida in debate raised a very good question I think, Mr. Speaker, and that was since next Congress can change, why is it so critical that we put in train now a seven-year plan?

The answer is in order to get to a balanced budget within seven years, we have to change the structures, everybody agrees on that, particularly the structures of the unconstrained growth of entitlements.

Now, we can pass a bill today and it will become law with the President's signature that will begin to restructure those entitlements. It would then take affirmative law to undo it, which is a whole lot different than saying we are going to postpone it for 11 months through a series of continuing resolutions.

So just as a logical point, I would hope, Mr. Speaker, that the gentleman from Florida would agree that there is a huge difference between having to undo legislation which sets in process structural reforms, and working with essentially no change over the status quo, which is what the continuing resolution does.

I have one last point in my never ending attempt to see if we can work out a budget agreement here on the floor tonight.

Mr. HAYWORTH. Truly historic it would be.

Mr. CAMPBELL. Indeed. I am given great hope by the gentleman from Florida's suggestion that sooner or later if the President keeps vetoing things, we will have two-thirds in this body. God speed the day.

Mr. DEUTSCH. Send him some more budgets.

Mr. CAMPBELL. I am game. I am game to stay here to do it. If the gentleman might espouse, I think some constructive debate could be had, and there is value in trying to analyze how we got here, so I am not saying what has been discussed heretofore does not have that value. It does. But if the gentleman from Florida believes that there might be two-thirds support for something that the President does not agree with, boy, am I anxious to hear it.

Mr. Speaker, I would be delighted and yield whatever time I might have on this or future special orders to hear the dimensions of a budget understanding that would get two-thirds.

I happen to believe that that is one increasingly likely option. I laid out at least in broad outline what the dimensions of such a deal might be, with give on our side and give on your side. Mr. Speaker, I would be very interested if the gentleman from Florida might at some point or his colleagues from New Jersey or New York, put to us some dimensions of a budget deal that would get two-thirds, the objection of the President notwithstanding?

Mrs. LOWEY. If I could respond to the gentleman?

Mr. HAYWORTH. Before my friend from New York begins, my friend from Florida raised a point, he mentioned the balanced budget amendment. Did all three of you join with the majority to vote for the balanced budget amendment?

Mr. DEUTSCH. Two-thirds of us.

Mr. HAYWORTH. You and the gentleman from New Jersey, and the gentlewoman from New York had problems with it.

Mrs. LOWEY. I want to respond to my good friend from Georgia and then California in talking about the appropriations process. I would hope all listening tonight would understand that if the appropriations bills had been completed by October 1, we would not be in this predicament now. I would assure my good friend, who is the Chair of the Foreign Operations Committee on Appropriations, who is totally frustrated because extraneous provisions are constantly being tacked on that cannot get through the Senate, and instead of the normal process where people could agree to drop it, they are standing firm, and that is why aid to Israel, aid to other critical parts of the world, again, I hate to use the word, are being held hostage to those who want to eliminate all family planning. That is just one example.

There are other extreme provisions that have been tacked on, and I know many of us feel, although I am an abortion advocate, I do not want to have to debate this on the floor anymore. Abortion provisions are being tacked on to appropriations bills. So if you are saying that the President has to be held hostage and agree to some of those extreme provisions or we cannot open the Government, I would just say to my good friend, that is wrong.

I would suggest that you perhaps go back to your caucus and say take off some of those extreme provisions, and then send the appropriations bill to the other body, who will not even deal with Labor-Health-Human Services, as you know, because they do not agree with what the leadership wants to do with it, and let us get some agreement and then send it to the President. That is my first point.

The second point that I just wanted to make, I do not believe that our forefathers, if they were here today, would say "Let's have a debate. But if we cannot agree, let us shut down the Government." I do not think that provision is anywhere in the Constitution either that provides for shutting down the Government if there is sincere differences of opinion between Republicans and Democrats or between the administration and this body.

We have to have a serious debate, we have to continue the discussion, but let us open the Government.

One other point I would like to mention to my colleague from California, which follows up on what my colleague from Florida said: I was with a group of businessmen this week talking about the budget and talking about options, and I would like to say there are serious people on both sides trying to come to some kind of compromise. These were CEO's of major corporations that meet with me regularly and give me advice. They said, "We can't be sure of economic conditions one year from now or two years from now." I think we could all agree on that. So we have to respect differences of opinion.

Mr. KINGSTON. If the gentlewoman would yield.

Mr. DEUTSCH. I am going to be really fair and assume that I took over that 5 minutes. Actually, let me take about 30 seconds to respond to the gentleman from California's question. I think it is a very serious question and a very good question.

I would tell you, I really believe there is a middle ground that unfortunately, I will be honest with you, I do not think either party represents. I think what the President said privately, I do not believe he said it publicly, he wants a budget that 100 Republicans and 100 Democrats will vote for. But the truth is in this Chamber, the way this process works, we are never going to have an opportunity to vote for a budget that 107 Democrats and Republicans will vote for, but we might.

Let me follow through on that thought, because something is going to give. What is going to give is either there is going to be a two-thirds, or it might not, projecting the way this thing is going to play itself out.

Mr. CAMPBELL. If the gentleman would yield for a moment, I wanted to respond to the gentleman, Mr. Speaker.

Please, to the extent you have the President's ear, and I believe you have more of it than I, let him offer exactly that deal that will get hopefully 109 and 109 on each side, and let him offer it through a Member of the minority. I would look at it with a very open mind. I really can call that an offer, and I know the gentleman from Florida is sincere in making it. If it gathers 109 votes on each side, let us put it on the table.

It is not profitable I think to cast any more blame. Let us say from this point forward, what can we do. If the President will, however, say this proposal, let us say it becomes the one of the gentleman from Florida, is the one I will sign, it has got tremendous possibilities. The difficulty with the coalition budget and others, is we never knew and still do not know if the President would sign it.

So I would urge the gentleman to the extent he has the President's ear to do exactly that. I for one will view that proposal with a very open mind.

Mrs. LOWEY. If the gentleman will yield for 10 seconds, we have reinforcements here. I just want to say that if we are not looking back and we are looking forward, the President is working very hard with your leadership, working in a bipartisan way, to see if we can work out some of these difficulties. So I would just like to say in closing, let us in good faith continue the serious discussions, try and work out our differences, but please, let us not have any more pain and suffering among taxpaying citizens. Let us open the Government tomorrow, let us vote for the resolution that 198 Democrats support. All we need is 20 Republicans. Support that resolution, open the Government, and I pledge, and I think we all pledge, to continue to work with the administration, with the Republicans, to work out our sincere differences.

I respect the differences in opinion. I do not deny anyone their honesty, their sincerity. I respect those differences. So let us respect each other, continue to debate, but open the government tomorrow.

Mr. DEUTSCH. I yield 5 minutes to the gentleman from Georgia.

Mr. KINGSTON. I did want to respond to two things. No. 1, we only need about 30 Democrats to reopen the government, because we can get some of these vetoes overridden and we can pass some more appropriations bills. So we hope that we can pick up those votes so you all will allow us to reopen the government. Just as much as basically you want to do it your way, we want to do it our way. But I do think that reasonable people can prevail, reasonable thought can prevail.

But I wanted to get back, you mentioned what would our forefathers do. I think, No. 1, they would pray, and I know that it is politically incorrect to say that, but if we look at the example of Benjamin Franklin and the Constitutional Convention, I think it was significant that authors in history wrote down his speech about let us pray, because we are obviously at a deadlock. We are not doing that as an institution. We know that.

No. 2, I think they would look at the example of their mother country, England, which was a country of revolutions and counterrevolutions for over 1,000 years, going back to the Roman Empire, and particularly 1650, right after the English civil war, where they beheaded King Charles and Oliver Cromwell and the military ran the government and kept dismissing parliament after parliament over and over again. I think if our forefathers were here, seeing those examples, knowing those examples, what they would do is they would say wait a minute, you are telling me you are $4.9 trillion in debt, you are telling me you pay $20 billion a month interest? You are telling me you have a man who serves in the White House who promised to balance the budget and since he has served, we have paid $480 billion in new interest on the debt? And you are quibbling about 1 more month? For crying out loud, let us go in there with a machete and start cutting and slashing. What is this crazy stuff about a 7-year balanced budget? Can you people not do it in 1 year or 2 years?

□ 2215

Mr. HAYWORTH. If the gentleman would yield, and it is always interesting to speculate on what our Founding Fathers might have done. I think, in retrospect, they probably would have included language that would have offered the balanced budget amendment that we now need, because the gentleman outlined a severe problem of always wanting to expand, for oft-times noble purposes. I do not question anyone's sincerity. Indeed, Dwight Eisenhower said of our political adversaries, "Always presume they, too, want the best for this Nation."

But it has been so easy over the last half century to say worthwhile, you bet you. Some we need to do, absolutely. But we have expanded the role of this Government to the point that we have conferred upon it a status that is illegitimate to this extent. It seems to suggest the notion of infinity with reference to resources, and these resources are finite.

There will be disagreements as to the emphasis, as to the direction, but if we agree on nothing else tonight, Mr. Speaker and my colleagues, let us agree in a constructive way to acknowledge these resources are finite and the consequences are great for American people living today and those generations yet unborn, and let us move together to solve the problems, because that is the most important thing that we can do.

I yield my time to my friend from Kentucky.

Mr. KINGSTON. The gentleman has been a true gentleman from Kentucky. He has not said a word in 20 minutes.

Mr. LEWIS of Kentucky. I thank the gentleman from Georgia, and I want to also take a minute to respond to the gentlewoman from New York.

The CEO's that said we cannot tell what the future is going to bring as far as the economy is concerned, that is true. But we know for a fact that if we continue spending the way we are spending, if we cannot slow the rate of growth in our spending to $12 trillion over the next 7 years, if we fail to balance the budget, as the gentleman from California [Mr. CAMPBELL] was talking about earlier, that we have to do it now, we have a window of opportunity to do it now, if we do not do that, I mentioned a while ago in the year 2012 every tax dollar will be consumed by interest on the debt in entitlements.

In the year 2030, when my 13-year-old daughter is approaching my age now, the deficit for 1 year, we know, projected out there, the deficit for 1 year would be over $4 trillion. That is a deficit for 1 year approaching what our debt is now.

The Lord only knows what the debt would be then. We will never reach that point. We will be facing economic destruction in this country if we do not get control of our spending. We have to do it.

Now, what we have to do is say, here is $12 trillion over the next 7 years, now what are our priorities? How are we going to divide the pie up? We need to get around the table and to make those decisions. We have to slow the rate of Medicare, because if we do not, we will lose Medicare in 7 years. We are going to have to control Medicaid or we are going to lose it.

All of the programs that are so important to this Nation and to the people of this Nation we have to slow the rate of growth or we lose it. I have parents that are 78 years old. I want them to have Medicare in 7 years from now. I hope they are still living then; I hope there is Medicare for them. I hope that for my sister and for my other relatives, and for Members of this House, myself, that there will be Medicare one day, but it is not going to be there if we do not act responsibly now. We do not have time to delay it. We have to make some tough decisions.

It is about today. It is about the next generation also. But I am concerned that there are those who are looking at it as the next election. We cannot worry about that. We have to worry about it today, what is good for this Nation and for the people of this Nation.

Mrs. LOWEY. If the gentleman would yield.

Mr. DEUTSCH. I am going to control the next 5 minutes and I would be happy to yield to the gentlewoman from New York.

Mrs. LOWEY. Well, I will respond and say good night again, but since the gentleman referred his comments to me, I want to respond again to make it very clear that I support the efforts to balance the budget, and I think all of us in this debate do as well.

Mr. LEWIS of Kentucky. My question is when, though.

Mrs. LOWEY. As a member of the Committee on Appropriations, with the gentleman from Georgia [Mr. KINGSTON], we have been in meetings with the same people who talk fancy rhetoric about balancing the budget. We will give the Pentagon $7 billion more than they asked for. Now, it is a matter of priorities. I will fight for afterschool programs for children, for Head Start, for the National Institutes of Health, for breast cancer research, where I think we can make cuts in other areas. I feel strongly we have to reform welfare. We have to reform Medicare and Medicaid. There are serious discussions going on with the President and leadership of both parties.

All I am saying, in conclusion, is let us balance the budget, let us continue to work to reform these programs and see if we can get together on a methodology, be it in Medicare or Medicaid, that makes sense, and my colleagues and I know there are some people in the Republican Party that do not even want to see Medicare continue, so I am happy we agree on that.

Mr. HAYWORTH. That is just not true.

Mrs. LOWEY. I want to conclude by saying let us continue the discussion, but let us open the Government, and let us not have people suffer anymore, because these are taxpayers. They work hard. They should not have to be suffering with the Government closing down. Let us continue this debate.

Mr. LEWIS of Kentucky. May I respond?

Mr. DEUTSCH. I want to give the gentleman from Illinois [Mr. POSHARD] a chance, a fresh voice, who maybe will clear everything up.

Mrs. LOWEY. Maybe we will continue tomorrow night. Thank you very much.

Mr. POSHARD. I want to thank my colleague from Florida for the time, and I have been watching the debate here, and let me say how much I appreciate the people that are on this floor right now. The gentleman from California, TOM CAMPBELL, has been one of my dear friends for many, many years; I have gotten to know the gentleman from Arizona, J.D. HAYWORTH, and the gentleman from Georgia, JACK KINGSTON, this year; and the gentleman from Kentucky, RON LEWIS, and I think they are all very positive contributing

Members. But let me throw my 2 cents in on this.

I appreciate the tenor of the debate here, also. I am not one to point fingers and to place blame. I voted for the coalition budget. I helped, to the extent that I could, the Members of that coalition put their budget together. I believe it is the best budget that is before us. But moderate Democrats that have supported that from the beginning and helped put it together would believe that way.

I believe very strongly in the entitlement reform commission's report and the Medicare trust fund board in saying that, knowing that entitlements consume 48 percent of our budget today, that interest on the debt consumes another 20 percent, that that is 68 percent of our budget today that goes to entitlements and interest on the debt. I do not think anyone could look at our budget and not conclude that we have to do something with respect to slowing down the growth of entitlements if we truly want to get to a balanced budget in 7 years.

I do. I want to use CBO figures, and the President has agreed to do that at this point in time, as have many Democrats on our side of the aisle. I also agree that we ought to push the Medicare trust fund balance from the current 6 years that it has slid to out to the 10 years that we normally maintain the balance of that fund.

So the end objective of what we are all about here, I find no disagreement. I, for one, have concluded a long time ago that we need to accomplish those two dual objectives, and so have, I think, most Democrats on our side. But let me tell my colleagues where we, where at least I differ with the way things are going.

When I hear folks stand up and criticize the President for not being, or for maybe being disingenuous about his attempt to balance the budget, then what I want to do is just share this with them, and I am not here to place blame or argue or anything else, but here are where things kind of break down for me.

I have been here 7 years now, and in 1992 we were running a $310 billion deficit a year in this Government. That has gone down to $260 billion, to $200 billion, to, this year, $161 billion. Under this President, in less than 3 years, we have decreased the deficit by $140 billion.

Now, when we look at the conference report, the Republican budget, the conference report, it goes down next year from $161 this year to $151 billion. It goes back up the second year to $158 billion, $158.8, and then it goes down to $126 billion at the end of the third year.

So when I look at this and I say, well, we have accomplished $140 billion deficit reduction plus in the last 3 years, and at the end of the second year of this budget we have only accomplished $2 billion of deficit reduction and we have accomplished less than $30 billion at the end of the third year, I do not believe that any of us can accuse the President of being disingenuous about wanting to balance the budget. We have accomplished significant deficit reduction here in the first 3 years of the administration, much more so than what the Republican budget would accomplish, or even the coalition budget.

Mr. HAYWORTH. Will the gentleman yield?

Mr. DEUTSCH. I yield the gentleman 5 minutes that he is not going to control.

Mr. HAYWORTH. I welcome my good friend from Illinois, and I appreciate, almost, the technique of Cicero in not assessing blame or bestowing credit.

Mr. Speaker and my colleague from Illinois, a couple of points. First of all, as we know, history does not occur in a vacuum. Many factors entered into this temporary valley in deficit reduction. Indeed, if we looked at the projections for the President under the former majority, we also noted an exponential rise in deficits following a few years.

It is this point. To achieve the goal that is laudatory in the abstract, this President decided to levy the largest tax increase in American history on the people of this country. Again, good people can disagree, and the gentleman does correctly point out, I think, an opportunity for improvement in the plan offered by the new majority. And, indeed, that is why I was pleased to join with 70 mostly newcomers in voting for a budget plan offered by my friend from Wisconsin that would have balanced this budget in 5 years and paid off the debt in 30, because I believe we owe future generations that much.

The point is, and this perhaps is a difference of philosophy that may exist among us here, I do not believe we solve anything, I do not believe we are more and more responsible by adding more burden to the hard working people of America; indeed, the same people that this President said he wanted to offer tax relief as a candidate in 1992.

I yield to my friend from Illinois.

Mr. POSHARD. And I appreciate the gentleman's yielding.

I voted for that budget 3 years ago. It had $247 billion of tax increases in it, 4-percent increase basically on the highest income levels in this country, 1 percent corporate income tax, and a $4.5-cent-a-gallon gasoline tax, half of which went to deficit reduction and half of which went to our transportation system in this country.

So it did have those tax increases in it, and it hit the upper income bracket with the 4 percent increase mainly because that bracket had seen a decrease in their taxes, and an unconscious taxation rate of up to 78 percent at one time, which I certainly never agreed with, and I do not see how anybody could ever agree with that, but they had seen a tremendous decrease down to 28 percent, then up to 31 percent of that bracket.

□ 2230

So, yes, there was a tax increase in that budget. But it also had $253 billion of Government spending decreases in that budget, which no one ever wants to talk about.

Here is the other thing: In my district, as I am sure it was true in almost all districts throughout this country, I had thousands of people under that budget that became eligible for the first time in their life for the earned income tax credit, which when I was a member of Education and Labor, that was TOM PETRI's bill. TOM, you were here. That was TOM's bill. TOM was the one that brought the earned income tax credit to this Chamber.

I still say for the working, and I will yield in 1 second to the gentleman from Georgia, but I still say that was one of the best measures to help the working class people in this country or low-income people, to keep them off of welfare.

So, yes, that did help reduce the deficit, the combination of those two things, but I think over the long haul, my friend from California, they were appropriate. In any case, I have to believe that my President and your President is not being disingenuous here. I believe the President wants to balance the budget. I believe we have real differences about the process in getting to the end goal of achieving those two objectives, but we can get there.

Now, back to the other issue with respect to my friend from California, I will say, because, TOM, I listened to your testimony earlier, this is the most confusing thing to me as to why we cannot pass a continuing resolution here and continue to resolve the procedural differences in getting to that balanced budget. I understand what you folks are saying. I understand where you are coming from. But it seems to me that the Federal workers should be separate and apart from our differences on how to achieve this balanced budget.

Mr. CAMPBELL. Would the gentleman yield on that point?

Mr. DEUTSCH. There are 8 minutes left, and if we just give ourselves 4 minutes each side to sort of close and J.D. wants to use a minute.

Mr. HAYWORTH. I thank the gentleman from Florida and Illinois for being involved. I yield 1 minute to my friend from California in response.

Mr. CAMPBELL. I appreciate it. To my good friend from Illinois, the reduction of the deficit under President Clinton is a point in his favor. It is also responsive to the economic recovery. I would have to say it is at least as much the latter as the former. Therefore, we must plan for the economic downturn. It is insufficient to say we are OK as we are going now.

Second, the gentlewoman from New York said that some members of our party are opposed to Social Security in concept. Mr. Speaker, I consider that inaccurate, and I would challenge the gentlewoman on the next opportunity to state for the RECORD what Members of the majority party wish to abolish Social Security or are opposed to it in principle.

Last, to the gentleman from Illinois, it is a privilege to serve with you, and I commend to the readership of this country a very fine article in Washington Monthly that describes your personal religious commitment and how that affects your role in public policy. I think we share that, and from that I hope that people as reasonable as you might prevail upon the President to respond to compromise constructively.

Mr. HAYWORTH. Our dear friend from New York truly did take a parting shot. We could go back and play historical revisionism at infinitum. The question is not who created a program, but who is willing to save and sustain it. I know no one in this majority who is willing to abandon Medicare or willing to abandon Social Security. I know no one in this new majority willing to abandon Medicaid as a goal, but of course we have offered alternatives, and upon that good people may disagree.

To my colleagues from the minority, Mr. Speaker, to my colleagues from the majority and those who have joined us this evening nationwide on C-SPAN, I think it is important to note that we may engage in constructive dialog. Indeed, it is our hope that that constructive dialog that occurs in this Chamber, where so many great debates have gone on through the years, is also occurring at the other end of Pennsylvania Ave., and let us work together to save this Nation by making it economically sound. With that I yield to my friends from Kentucky and Georgia.

Mr. LEWIS of Kentucky. Mr. Speaker, I just want to close by saying I appreciated the remarks from my friend from Illinois. But I think we have to look a lot at what the President presented as a budget this year, the first budget, the second budget, the third budget, and the fourth budget. None of those balanced. I think what we have to look at is where those budgets take us into the future, where we are going to be 10 years from now, 7 years from now, 5 years from now. Those deficits start to return and start taking us toward more debt and increasing debt.

So, it is great that the deficits have gone down. That is a little help toward looking at the future. But we have to get serious about what we are going to do in the next 7 years, and that is the President needs to give us a balanced budget now, one that will preserve and protect the future generations. That is all we are asking for, and I hope that the President will be forthcoming, be very serious about a balanced budget and just cut the rhetoric, just do the job.

Mr. KINGSTON. Mr. Speaker, let me just say that the President has been in office over 2 years now and he has not submitted a balanced budget. To the gentleman from Illinois, I was here when the President passed his budget in 1993 with much fanfare about seriously attacking the deficit, but since then he has not been back in the debate.

We need a balanced budget. If he will submit a balanced budget, I believe we can resolve this. But more importantly, if we can get some Members on your side to join us in passing some of these appropriations bills, we can reopen the Government. I am not a hardliner about let us keep the Government closed, let us hold these folks as hostages. But it disappoints me when I hear you all need to reopen the Government. It was your President who vetoed the bills.

Mr. DEUTSCH. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. POSHARD] to close, and then I will take the last 4 minutes.

Mr. POSHARD. Mr. Speaker, I thank the gentleman. I would like to say that with respect to Presidential budgets, I was here for the 4 years under President Bush, and I do not think that even the Republican Party ever voted for one of his budgets, and most of the time they were not presented. That is the normal around here. We usually iron this thing out over here anyway.

The other thing is with respect to my friend from Kentucky, the deficit goes up in whatever budget we pass here on the table at the end of the 7 years anyway. We are going to have to go through this again, or whatever Congress is in session then is going to have to do this all over again at the end of our budgets if we want to continue to work on the debt at that point in time.

The other thing is, I guess, again to my good friend from Georgia, on the appropriation bills, the appropriation bills flow from the budget itself. And the President is saying "I disagree with the overall budget that you folks have presented here. And so, therefore, I cannot really sign appropriation bills that conform themselves to that budget, if I disagree with the budget overall."

Mr. DEUTSCH. Mr. Speaker, let me take the last minute. This is just a little bit——

Mr. HAYWORTH. That about HCFA, not about Medicare. That is about the Health Care Financing Administration.

The SPEAKER pro tempore (Mr. WHITE). The gentleman from Florida [Mr. DEUTSCH] controls the time.

Mr. DEUTSCH. The gentleman does not control the time, so regular order. This is what the Speaker of the House said, and people can read it themselves.

> We don't get rid of it in round one because we don't think that is politically smart and we don't think that's the right way to go through a transition period, but we believe it's going to wither on the vine because we think people are voluntarily going to leave it.

That is not historical revisionism. And some of the statements by the gentleman from Texas [Mr. ARMEY] in his book and other quotes, that is not historical revisionism.

I will respond quickly regarding saving Medicare. Twelve of the 30 years the Medicare Program had left less of an actuarial life than it does today. Some of the tough votes we talked about when I was in Congress the first year, we did one of those adjustments. We cut Medicare $68 billion that I voted for and that my colleagues over there did not choose to do.

We do not save Medicare by destroying it. And it is so disingenuous that the $270 billion cuts would not stay in the trust fund. There is no reason not to do a CR in an hour and a half

PARLIAMENTARY INQUIRY

Mr. KINGSTON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KINGSTON. Mr. Speaker, is not it true that the Republicans would have the next hour, should we want to do that?

The SPEAKER pro tempore. It is up to the majority leader to make that determination.

Mr. KINGSTON. Mr. Speaker, I ask unanimous consent for 2 minutes; 1 minute for the gentleman from Florida [Mr. DEUTSCH] and 1 minute for our side.

The SPEAKER pro tempore. The Chair cannot recognize a unanimous-consent request in the special orders period.

PARLIAMENTARY INQUIRY

Mr. PALLONE. Mr. Speaker, I have a parliamentary, inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. PALLONE. Mr. Speaker, just so I understand, is there any process now for us to proceed or are you suggesting that we do not have one?

The SPEAKER pro tempore. The Chair can only recognize at the present time speakers pursuant to a list provided by the majority leader.

Mr. PALLONE. Does that mean, therefore, that we cannot continue?

The SPEAKER pro tempore. Absent a request by the majority leader.

Mr. PALLONE. Mr. Speaker, if I could just ask for some time to thank everyone.

CONCLUDING REMARKS REGARDING BALANCED BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May

12, 1995, the gentleman from Kentucky [Mr. LEWIS] is recognized for 10 minutes as the designee of the majority leader.

Mr. PALLONE. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Kentucky. I yield to the gentleman from New Jersey.

Mr. PALLONE. Mr. Speaker, I just wanted to thank everyone tonight for participating in this. I know it has been going on now for about 2 hours, or maybe more, and I think it has been very productive and I just wanted to thank all of my colleagues.

I have to be honest and say that all of my colleagues, particularly those who have been here debating like this now for on a regular basis during special orders for months or maybe it is almost a year now, they should understand that from my perspective, and I know it is true for my Democratic colleagues that, we have the utmost respect for you because you have been willing, as have many of us, to come to the floor and debate some of these issues.

Mr. Speaker, I thought this was very productive and I really appreciate the opportunity.

Mr. LEWIS of Kentucky. Mr. Speaker, I yield to my colleague from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, if there is no other agreement this evening, I welcome the gentleman's very constructive statement and sentiment of gratitude.

But let me say in candor to my friend from Florida, Mr. Speaker, that it is distressing to use partial quotes that are, in fact, the product of historical revisionism to try and score debating points.

Here is the exact quote from the Speaker of the House, as misquoted by my friends in the minority. Quote, "You know, we tell Boris Yeltsin, 'Get rid of centralized command bureaucracies. Go to the marketplace.' OK. What do you think the Health Care Financing Administration is? It is a centralized command bureaucracy. It is everything we are telling Boris Yeltsin to get rid of. Now, we don't get rid of it in round one because we don't think it is politically smart. We don't think that's the right way to go through a transition. But we believe it is going to wither on the vine because we think seniors are voluntarily going to leave it." Voluntarily. End quote.

It refers, Mr. Speaker, to the Health Care Financing Administration, and not the program known as Medicare. And to my friend from Florida, and, yes, I am a bit passionate about this. If free people are to debate, if free people are going to reach resolution of problems, this points out what I was saying earlier this evening. We have to agree on broad parameters to define the debate; not partial quotes; not trying to imply that those in the majority would take away these programs; not trying to imply as has been the case as has been called by liberal publications medigoguery to scare seniors, to claim we want to have our children drink unclean water, to get rid of school lunches. We all know that to be false.

I would ask, Mr. Speaker, my good friend from Florida to check his facts.

Mr. DEUTSCH. Will the gentleman yield?

Mr. HAYWORTH. And, indeed, to retract what has been used here as a mantra from the minority.

Mr. DEUTSCH. If the gentleman will yield, I will be happy to respond.

Mr. HAYWORTH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Florida will suspend.

□ 2245

The SPEAKER pro tempore (Mr. WHITE). The Chair will remind the gentleman from Florida that he is here under the rules of the House. The Chair has ruled that all Members will suspend for a short period of time. The Chair would like to inform the Members that the gentleman from Kentucky controls time, and he may yield time to Members as he wishes, and only those Members may speak.

The gentleman from Kentucky.

Mr. LEWIS of Kentucky. In a moment I will yield to the gentleman from Florida. But I would like to say this is exactly why we cannot have a good, honest debate. This is why it is hard to put trust and faith in our colleagues when there is rhetoric that is so accusatory.

As I said, all evening I sat back here and listened to the gentleman from Michigan [Mr. BONIOR] say that we disliked Federal employees, we disliked Government, we even disliked the military. One gentleman said that we were lunatics, that we were extremists, that we are out of control. That is not constructive debate. That is getting it down to a level where I think it is every destructive.

I think misquoting our Speaker is another area of being very destructive in trying to reach a good debate and a good dialog.

I yield to the gentleman from Florida.

Mr. DEUTSCH. I would be happy, first of all, I have seen a video of his statement. This is a letter from the Speaker to the editor of the Washington Post which does not have the full context of what was said, and it is actually a quote from the transcript of his speech, not a transcription of the speech itself. So, I mean, this is somewhat questionable in terms of its accuracy.

As I mentioned to the gentleman from Arizona, I will be happy to supply him with a videotape at that point in time.

If we want to spend the next 5 minutes, the next 6 hours, I will be happy to discuss the issue of Medicare with my Republican colleagues because I think that is one of the areas of fundamental disagreement. I think, and the gentleman from Kentucky, I think sincerely stated that he believes that the Republican proposal would save Medicare, and I believe that it would destroy Medicare, and that is a fundamental, 180 degree difference in how we view the specific policies of that, and we can go into it, because I serve on the subcommittee that the bill went through.

The trustee report talks about a $90 billion cut. It is a $270 billion cut, and I would just close very quickly on the point of Medicare. It is a $270 billion cut, which, if it really were to save Medicare, and this is a fundamental question, why does it not go into the Medicare trust fund? I mean, how did that $270 billion number, how did it come up?

Mr. LEWIS of Kentucky. Reclaiming my time, I want to yield to the gentleman from California for just a minute. I think he made some instructive, gave us some instructive information a little while ago about Mr. Panetta and his proposal. I think if you look at Mr. Clinton's proposal, you know, I do not think we are that much different.

Mr. CAMPBELL. I thank the gentleman from Kentucky for yielding.

This is important to understand and to be fair about. Both sides agree that the unconstrained growth of Medicare will wreck the budget of the United States. All sides agree with that. In 1992, our former colleague, presently the Budget Director, my colleague from the California delegation, proposed a program of $400 billion, that is a "b," cuts in the rate of growth of Medicare over an 8-year period, and that was a part of what I considered at the time a very straightforward and honest attempt to save Medicare. It was not to take what was rightfully the seniors' and give to others. No. It was a good-faith effort by our colleague from California, the former colleague from California, to save Medicare for those who needed it. He realized at that time that Medicare was growing at better than twice the general inflation rate.

If I may, I will be very brief in concluding, the number, therefore, of $270 billion in 7 years is much less, and what the trust fund trustees recommended by their own admission would require revisiting the issue within 5 years. What is being attempted by Mr. Panetta in 1992 and the Republicans now is a longer term answer, one that will guarantee Medicare is there for those who need it many years from now.

Mr. HAYWORTH. If the gentleman will yield, I want to make a point now that the passion has left the voice but the sentiment remains.

I have the very greatest respect for my friend from Florida. Good people can disagree. Again, I simply make this appeal: Let us debate on facts and accurate data and let us have difference of opinion in this Chamber. But I have to say, again quoting Robert J. Samuelson, when one side continually distorts the facts, the purpose is not to debate, it is then to destroy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BUYER (at the request of Mr. ARMEY) for today until 3 p.m., on account of weather-related travel problems.

Mr. LIGHTFOOT (at the request of Mr. ARMEY) for today, on account of his son's surgery.

Mr. STOCKMAN (at the request of Mr. ARMEY) for today and the balance of the week, on account of illness.

Mr. HOKE (at the request of Mr. ARMEY) for today, on account of personal reasons.

Mr. FAZIO of California (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of a death in the family.

Mr. MEEK (at the request of Mr. GEPHARDT) for today, on account of a death in the family.

Mr. MFUME (at the request of Mr. GEPHARDT) for today and January 4, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. SKELTON, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. FIELDS of Louisiana, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. GEJDENSON, for 5 minutes, today.

(The following Members (at the request of Mr. BARR) to revise and extend their remarks and include extraneous material:)

Mrs. MORELLA, for 5 minutes, today.

Mr. COLLINS of Georgia, for 5 minutes, today.

Mr. BARR, for 5 minutes, today.

Mr. DIAZ-BALART, for 5 minutes each day, today and January 4.

Mr. HORN, for 5 minutes each day, today and on January 4.

Mr. CAMPBELL, for 5 minutes, today.

Mr. GOSS, for 5 minutes, today.

Mr. JONES, for 5 minutes, on January 4.

Mr. FUNDERBURK, for 5 minutes, on January 4.

Mr. KINGSTON, for 5 minutes each day, today and on January 4.

Mr. DAVIS, for 5 minutes each day, today and on January 4.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SHAYS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) and to include extraneous matter:)

Mr. HAMILTON in two instances.

Mrs. MALONEY.

Mr. VENTO.

Mr. LANTOS in three instances.

Mr. RAHALL in two instances.

Mr. MENENDEZ.

Mr. MILLER of California.

(The following Members (at the request of Mr. BARR) and to include extraneous matter:)

Mr. DIAZ-BALART.

Mr. CUNNINGHAM.

Mr. BEREUTER in two instances.

Mr. BARRETT of Nebraska.

Mr. BAKER of California.

Mr. PORTMAN.

(The following Members (at the request of Mr. HAYWORTH) and to include extraneous matter:)

Ms. ROS-LEHTINEN.

Mrs. MORELLA.

Mr. QUINN.

Mr. CONYERS.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 51 minutes p.m.), the House adjourned until tomorrow, Thursday, January 4, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1884. A communication from the President of the United States, transmitting a proposed supplemental language request to provide authorization for a 2.4-percent pay raise for U.S. military personnel (H. Doc. No. 104–158); to the Committee on National Security and ordered to be printed.

1885. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2000 resulting from passage of H.R. 1058, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on Government Reform and Oversight.

1886. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2000 resulting from passage of H.R. 2336, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on Government Reform and Oversight.

1887. A letter from the Director, OPM, President's pay agent, transmitting a report justifying the reasons for the extension of locality-based comparability payments to categories of positions that are in more than one executive agency, pursuant to 5 U.S.C. 5304(h)(2)(C); to the Committee on Government Reform and Oversight.

1888. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–172, "Uniform Health Insurance Claim Forms Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1889. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–173, "Insurance Omnibus Amendment Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1890. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–174, "Department of Corrections Employee Mandatory Drug and Alcohol Testing Temporary Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1891. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–175, "Acquisition of Space Needs For District Government Officers and Employees Temporary Amendment Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1892. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–176, "Establishment of the John A. Wilson Building Foundation Temporary Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1893. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–177, "Solid Waste Facility Permit Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1894. A letter from the Commissioner, Delaware River Basin Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1895. A letter from the Director, Federal Mediation and Conciliation Service, transmitting the 1995 annual report in compliance with the Inspector General Act Amendments of 1988, pursuant to Public Law 100–504, section 104(a) (102 Stat. 2525); to the Committee on Government Reform and Oversight.

1896. A letter from the Chairman, Federal Trade Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1897. A letter from the Administrator, General Services Administration, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1898. A letter from the Inspector General, General Services Administration; transmitting the semiannual report on the activities of the Department's inspector general for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1899. A letter from the President, National Endowment for Democracy, transmitting the semiannual report on activities of the inspector general for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1900. A letter from the Director, Office of Federal Housing Enterprise Oversight, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1901. A letter from the Secretary of Defense, transmitting the semiannual report on activities of the inspector general for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1902. A letter from the Secretary of Transportation, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1903. A letter from the Executive Director, State Justice Institute, transmitting the semiannual report on activities of the inspector general for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1904. A letter from the Commissioner, Susquehanna River Basin Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1905. A letter from the Thrift Depositor Protection Oversight Board, transmitting the semiannual report on activities of the inspector general for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1906. A letter from the Comptroller General of the United States, transmitting certification that the trustees of the TAP Fund have established a reserve as required by section 8102(a)(2)(A) of the act, pursuant to Public Law 101–380, section 8102(a)(2)(B) (104 Stat. 565); jointly, to the Committees on Government Reform and Oversight, Transportation and Infrastructure, and Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. PRYCE: Committee on Rules. House Resolution 330. Resolution authorizing the Speaker to declare recesses subject to the call of the Chair from January 5, 1996, through January 23, 1996; waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules during that period (Rept. 104–445). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than January 4, 1996.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Wisconsin:

H.R. 2841. A bill to prohibit use of official funds for travel outside the United States by Members of Congress during any period of lapsed appropriations as a result of a failure to enact a regular appropriations bill or continuing resolution; to the Committee on House Oversight.

By Mr. OBEY:

H.J. Res. 138. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 139. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 140. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 141. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 142. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 143. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 144. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 145. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 146. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 147. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 148. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 149. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 150. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 151. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

H.J. Res. 152. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

By Mr. WALSH:

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; considered and passed

By Ms. NORTON:

H.J. Res. 154. Joint resolution making further continuing appropriations for the District of Columbia for fiscal year 1996, and for other purposes; to the Committee on Appropriations.

By Ms. JACKSON-LEE:

H.J. Res. 155. Joint resolution making further continuing appropriations for fiscal year 1996, and for other purposes; to the Committee on Appropriations.

By Mr. ARMEY:

H. Res. 325. Resolution providing for a committee to notify the President of the assembly of the Congress; considered and agreed to.

H. Res. 326. Resolution to inform the Senate that a quorum of the House has assembled; considered and agreed to.

H. Res. 327. Resolution providing for the hour of meeting of the House; considered and agreed to.

By Mr. GEPHARDT:

H. Res. 328. Resolution relating to the privileges of the House; to the Committee on Rules.

By Mr. HOYER (for himself, Mr. Moran, and Mr. Wynn):

H. Res. 329. Resolution providing for the consideration of the joint resolution (H.J. Res. 118) making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 263: Mrs. Lowey.

H.R. 491: Mr. Gejdenson.

H.R. 497: Mrs. Meyers of Kansas.

H.R. 972: Mr. Jones.

H.R. 1248: Ms. Lofgren.

H.R. 1448: Mr. Hutchinson.

H.R. 1464: Mr. Shadegg and Mr. Davis.

H.R. 1625: Mr. Hoekstra and Mr. Young of Alaska.

H.R. 1701: Mr. Johnson of South Dakota.

H.R. 1733: Mr. Coyne and Mrs. Kelly.

H.R. 1794: Mr. King.

H.R. 2078: Mr. Weller.

H.R. 2119: Mr. Underwood, Mr. Horn, Mr. Foley, Mr. Klug, and Mr. Luther.

H.R. 2152: Mr. Canady.

H.R. 2193: Mr. Gunderson and Mr. Young of Alaska.

H.R. 2246: Mr. Klink.

H.R. 2310: Mr. Ensign, Mr. Gekas, Mr. Menendez, Mr. Jefferson, Mr. Pete Geren of Texas, and Mr. Baesler.

H.R. 2333: Mr. Stark, Mr. Pastor, Mr. Myers of Indiana, Mr. Houghton, Mr. Sam

JOHNSON, Mr. MCCRERY, Ms. DELAURO, and Mr. DUNCAN.

H.R. 2416: Mr. KENNEDY of Massachusetts.

H.R. 2508: Ms. WOOLSEY and Mr. MANTON.

H.R. 2543: Mr. FLAKE.

H.R. 2579: Mr. BARTLETT of Maryland, Mr. DORNAN, Mr. YOUNG of Alaska, and Mr. TAUZIN.

H.R. 2585: Mr. WAXMAN.

H.R. 2597: Mr. GILCHREST, Mr. HASTINGS of Florida, Mr. NORWOOD, Mr. STEARNS, Mr. HOLDEN, Mr. CLYBURN, Mr. OLVER, Mr. PETERSON of Florida, and Ms. SLAUGHTER.

H.R. 2618: Ms. WOOLSEY.

H.R. 2647: Mr. FRANKS of New Jersey.

H.R. 2651: Mr. STOCKMAN.

H.R. 2658: Mr. FORD, Mr. BALDACCI, Mrs. SCHROEDER, Mr. MEEHAN, Mr. MCHALE, Mr. JACKSON, Ms. KAPTUR, Mr. PAYNE of New Jersey, Mr. TORRES, Ms. DANNER, Mr. MARKEY, Mr. LEACH, Mr. DINGELL, and Mr. WARD.

H.R. 2664: Ms. PRYCE and Mr. JOHNSON of South Dakota.

H.R. 2745: Mr. SERRANO, Mr. FILNER, Mr. BLUTE, and Mr. FLAKE.

H.R. 2757: Mr. LARGENT, Mr. STUMP, and Mr. SMITH of Texas.

H.R. 2780: Mr. GILLMOR.

H.R. 2785: Mr. TEJEDA.

H.R. 2823: Mr. ORTIZ, Mr. FRELINGHUYSEN, and Mr. LARGENT.

H. Con. Res. 125: Mr. TORRICELLI.

EXTENSIONS OF REMARKS

CORPORATE LEADERS SHOULD CONTRIBUTE TO BUDGET SACRIFICE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. MILLER of California. Mr. Speaker, the budget discussions are about fundamentally important issues. For instance, nearly 50 Democratic Members of the House who are prepared to make tough budget choices are asking corporate leaders, who have called for fiscal discipline, to declare the sacrifices they are prepared to make for deficit reduction.

After all, we are talking about some of the richest people in the country, paid millions of dollars a year. And the Republican budget bill will make them richer still, thanks to reduction of the alternative minimum tax, lower capital gains taxes and extended tax loopholes. Some, like ASARCO and Chevron, stand to gain billions from royalty-free giveaways of public resources.

Are they prepared to pay a fair share of corporate taxes, which are just one-third the level in 1954 despite a 14 fold increase in profits?

Will they pay their employees wages and benefits that support a family, so that the taxpayers can stop subsidizing their corporations through welfare, food stamps, Medicaid and tax credits—all targeted for big cuts in the Republican budget?

There is something unseemly about some of the richest people in America demanding a budget that preserves their perks and penalize the poor—many of whom they employ.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 22, 1995.

DEAR SIR: We have seen the recent advertisement which you signed with 90 other CEOs. I am glad to know that we share a common goal of cutting federal budget deficits. You and the other cosigners of the letter make it clear that as corporate leaders you would like entitlements such as Medicare, Medicaid and Food Stamps which affect the nation's poor and elderly be put on the table. Believe us, those items are on the table and are almost certain to take a major hit in any likely resolution of the current impasse.

While it appears you are willing to offer up substantial sacrifice on the part of the nation's poor and elderly, it is not clear what you are willing to put on the table. We would like to know if Corporate America in general and your corporation in particular are willing to play a role beyond offering sacrifice on the part of others. These are some questions which illustrate the possible contributions which corporate America might consider.

CORPORATE TAX BURDEN

During the 1950s Corporate America paid a much bigger share of the cost of government. In 1954, corporate taxes accounted for 30% of all federal revenues. Corporations will pay only 11% of the taxes collected by the federal government this year despite the fact that corporate profits have increased 14 fold in the intervening years. If the same share of profits were paid in taxes this year as in 1954, the federal deficit would be eliminated in one year with no cuts required in Medicare or any other program. Are you willing to accept a larger share of the federal tax burden, a share more in line with that which corporations bore in the 1950s (a period remembered as a time of growth and prosperity for rich and poor alike)?

ACCEPTING A MINIMUM TAX (REGARDLESS OF LOOPHOLES)

A central proposal in the House Republican budget is to eliminate the Alternative Minimum Tax for corporations such as yours. This would allow numerous large and profitable corporations to exploit tax loopholes and pay no federal taxes whatsoever. Would you commit your corporation to continue to pay the current minimum tax level regardless of the loopholes, deductions and exemptions that the Republicans promise to enact?

WORKER HEALTH BENEFITS

A major cost to the Medicare and Medicaid programs is the additional payments that they and other payers in the health care system must make in order to cover the cost that hospitals, clinics and physicians incur treating the more than 30 million Americans who have no health benefits. Most of these uninsured patients are either employed or are dependents of Americans who have jobs but not health care coverage. How many of your employees do not have full health care coverage? Are you willing to extend coverage to those employees so that the federal government, private individuals and corporations don't have to continue picking up the tab?

PAYMENT OF LIVING WAGES

Millions of Americans who have full time jobs, earn too little money to support their families. As a result, many workers qualify for Food Stamps, the Earned Income Tax Credit and numerous other federal programs. How much do your lowest paid workers make? How many of your workers are a drain on the federal treasury because they are being paid less than the amount required to feed, clothe and provide minimal shelter to their family? What is the current multiple of the salary and benefits received by your lowest paid workers and that paid to you and your senior executives? How has that multiple changed over time? If your company would return to the multiple that it maintained during the 1950s, how much would it allow lower rung wages to rise and how much would that reduce the drain that your employees place on federal programs?

PAYING YOUR FAIR SHARE TO LOCAL GOVERNMENTS

The federal government has attempted to improve the quality of local schools by making direct federal payments to local school districts so that they can hire more qualified teachers, reduce classroom size and toughen academic requirements. Those efforts are now facing substantial cutbacks as the result of various budget balancing proposals. At the same time American corporations are forcing local communities to bid against each other, offering up huge tax concessions to persuade you to locate facilities in their area. Many of those tax concessions come directly out of the budgets of local school districts. Is your company willing to cease such practices and is it further willing to pay the appropriate level of taxes in communities where it is now located without respect to earlier tax concessions made by those communities? That would do a great deal to help build a better trained and educated workforce that in the end would be a real boon to corporate America. Further, it would help offset the decline in federal funds that the schools are likely to experience if this budget package is adopted.

HELPING EMPLOYEES BE BETTER PARENTS

The federal government provides grants to local communities to provide child care simply because many employers refuse to do so despite indications that on site day care improves productivity, employee retention and loyalty. In addition, it helps workers be better parents and that results in a better, stronger society in which corporations can expect to be more profitable. Would you be willing to reduce the need for federal grants for daycare assistance by extending daycare services to a larger share of your employees.

CEASE BUDGET BUSTING LOBBYING ACTIVITIES

Many corporations hire lobbyists that actually encourage the federal government to spend *more*—not less—money, provided that the money will flow into corporate coffers. This year for example corporate lobbyists succeeded in persuading the Congress to spend $7 billion more at the Department of Defense than the Department had requested. Much of this went for new procurement of fancy new weapon systems which the military had not asked for but which will produce fat contracts and subcontracts for many of the Fortune 500. It might help to balance the budget if Corporate executives such as yourself made a commitment not to send lobbyists to Washington to ask Congress to spend money that the Pentagon and other portions of the Executive Branch are not asking for. Would you make that commitment?

A FAIRER DISTRIBUTION OF THE INDIVIDUAL TAX BURDEN

Most senior executives in America's largest corporations benefit from not only the highest salaries of corporate leaders anywhere in the world, but stock option and benefit packages which are worth in many instances millions of dollars a year and have become increasingly generous in recent years. The value of these packages has increased even further as a result of the tremendous run up in stock valuations in recent years. The stock of many companies can attribute their spectacular growth to the wage concessions of their employees. As Business Week pointed out this spring "the combination of high productivity and tepid wages increases is pushing corporate profits through the roof" and as every investor or stock option beneficiary knows stock prices

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

move in direct multiples to profits. The Republican budget includes a big cut in capital gains taxation which makes the windfall for corporate leaders such as yourself even greater. But there is another policy option. Since events of the last decade have allowed you and your cosigners to grow far richer than earlier generations of corporate managers at the same time that the lot of most of your countrymen has declined, you could offer to pay more tax rather than less.

You probably won't want to help out in all of the respects listed above. But perhaps some of these items could be put on the table. Whether or not they are adopted, it would at least make the elderly couple who has to pay more of their Social Security check for Medicare coverage or the working family that has had to assume the nursing home costs of an elderly aunt feel that the decision that they should sacrifice was not made before other possible options were explored.

Sincerely,
George Miller.
David R. Obey.
Richard A. Gephardt.

P.S.—Another option that you might consider in examining what you might do to help with the budget deficit would be to refrain from deducting from your corporate federal tax payment the advertising cost associated with these ads. Some taxpayers might feel that the advice you are providing on the sacrifices that they might make should be paid entirely by you rather than billing 35% of those costs to Uncle Sam.

Members of Congress Who Signed Letter to Corporate CEO's, December 22, 1995

1. Hon. George Miller.
2. Hon. David R. Obey.
3. Hon. Richard A. Gephardt.
4. Hon. Dick Durbin.
5. Hon. Alcee Hastings.
6. Hon. Rosa DeLauro.
7. Hon. Joseph P. Kennedy.
8. Hon. John Lewis.
9. Hon. Cleo Fields.
10. Hon. Melvin Watts.
11. Hon. Bill Hefner.
12. Hon. Nancy Pelosi.
13. Hon. Patrick J. Kennedy.
14. Hon. Albert Wynn.
15. Hon. Major Owens.
16. Hon. Sam Gejdenson.
17. Hon. Maxine Waters.
18. Hon. Ronald V. Dellums.
19. Hon. Jesse Jackson, Jr.
20. Hon. Tom Foglietta.
21. Hon. Louise Slaughter.
22. Hon. Ron Coleman.
23. Hon. Chaka Fattah.
24. Hon. John W. Olver.
25. Hon. Karen L. Thurman.
26. Hon. Cynthia McKinney.
27. Hon. Eva M. Clayton.
28. Hon. Pat Williams.
29. Hon. Bobby Rush.
30. Hon. Bill Richardson.
31. Hon. Marcy Kaptur.
32. Hon. Lynne C. Woolsey.
33. Hon. Barney Frank.
34. Hon. John Joseph Moakley.
35. Hon. Patsy T. Mink.
36. Hon. William L. Clay.
37. Hon. Jim McDermott.
38. Hon. Lane Evans.
39. Hon. Pete Stark.
40. Hon. Bernie Sanders.
41. Hon. Donald M. Payne.
42. Hon. Maurice Hinchey.
43. Hon. Peter A. DeFazio.
44. Hon. Patricia Schroeder.
45. Hon. David Bonior.
46. Hon. Neil Abercrombie.

BUDGET NEGOTIATIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, December 20, 1995, into the Congressional Record.

The Status of the Budget Negotiations

The negotiations between Congress and the President over a balanced budget are now entering a critical phase. Hoosiers tell me they want to get these budget issues resolved. They want Congress and the President to work together to get the government's business done. They do not want government furloughs and they see the threat of default on the national debt as very much to be avoided.

The President and the Republican leaders in Congress agree on the need for a balanced budget in seven years. There are very good economic arguments for a balanced budget, which will reduce interest rates and free up capital to enhance America's global competitiveness, but the real political passion for fiscal responsibility flows from people's opposition to sadding their children with a huge public debt.

Medicare continues to be a major sticking point in negotiations. Congressional leaders have proposed cutting back Medicare by $270 billion, raising premiums and reducing consumer protections for beneficiaries. The President has proposed $124 billion in cutbacks and more modest changes in the program, consistent with the recommendations of the Medicare trustees. While we should go after cutbacks in Medicare in a serious way, we should preserve Medicare to protect older persons.

MEDICAID

Medicaid is another crucial battleground. Medicaid is the insurer of last resort in the health care system today, providing services to poor families and children, and nursing home care for the elderly. The Republican leadership wants to replace the Medicaid guarantee with a block grant; cut projected federal spending sharply on the program; and let the states decide how and on whom the money would be spent. The President wants to preserve the guarantee, but would cut projected costs by capping the annual increase per beneficiary.

Medicaid must be preserved to protect the vulnerable, while made more efficient and effective. The alternative would be more poor people uninsured, and the poor, the states and hospitals that serve the poor would all be stranded.

WELFARE

The current welfare program embodies a federal guarantee of aid to needy single parents and their children. The congressional leadership has proposed eliminating the 60-year-old federal guarantee and turning the program over to the states as block grants. The President apparently supports this basic reform, but has said that the Republican plan bites too deeply into cash assistance, child nutrition, child care and food stamps. He accepts the principle of allowing states to set eligibility requirements and benefit levels, but he would maintain the federal entitlement for the poor.

I support welfare reform that rewards work over welfare and encourages responsibility. Welfare reform should limit the time families could remain on welfare, require parents to support their children, and provide the states with flexibility to set eligibility and benefit levels.

Welfare reform has stalled in Congress because of differences between GOP leaders in the House and Senate over the school lunch program. I agree with those in the Senate who want to keep the entitlement status of the school lunch program. The House leadership, in contrast, wants to turn the program over to the states.

TAX CUTS

Congressional leaders propose to cut taxes by $245 billion over seven years, $140 billion more than the President proposes, but they are now hinting they might be willing to trim the level of cuts and target them more to low and moderate income families, rather than the well-to-do. My preference is to cut the spending first. I would defer a tax cut until the budget is balanced or the deficit is neutralized, and would not increase taxes on the working poor, as proposed in the congressional leadership budget. One other problem with GOP tax cuts is that the revenue losses explode after the seventh year. No sooner would the budget be balanced than the tax cuts would threaten to unbalance it all over again.

SPENDING PRIORITIES

Both the President's and the Republican proposals call for significant savings by cutting domestic spending. I agree with this approach, but also believe that the spending cuts favored by congressional leaders are much larger than needed in order to finance large tax breaks to the well-to-do. I oppose laying the burden of deficit reduction largely on poorer Americans. Other problems with the current proposals are that too much of the savings come from unspecified domestic programs and come late in the seven-year process.

We must exercise care in where we cut. The idea behind eliminating the budget deficit is that savings and investment count—that a balanced budget raises savings which in turn fuel investment. But just as business invests in machinery and equipment, the government must invest in education, research and development, and infrastructure to boost growth in a world of fierce international competition. That means that investments in human and physical capital are necessary and vital ingredients for faster growth in the American economy.

This Congress is not being tough enough in reducing "corporate welfare." The mining industry still gets a huge discount on mining federal lands. California's agribusiness has access to very low-cost federal water. The timber industry enjoys subsidies for cutting in federal forests. And livestock owners, particularly in the West, benefit from minimal grazing fees on federal lands. We need to reduce or eliminate these subsidies, particularly when budget proposals today are clearly skewed against poorer Americans.

CONCLUSION

The key now is that the two parties work together to fashion a compromise that balances the budget in seven years, but in a way that does not devastate key federal programs, particularly Medicare, Medicaid and education. I believe a decent deal is within reach. I have staked out a position with other moderate and conservative House

Democrats to achieve these goals, and my sense is that the President and congressional leaders have been moving toward this position. All differences may not be settled before the end of the year, and those which can't be resolved ought to be taken to the voters in 1996. But, in the interim, we should work to compromise in areas where we can.

A POEM DEDICATED BY LYNN MURPHY OF PRINCETON, WV, IN TRIBUTE TO HER FATHER

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. RAHALL. Mr. Speaker, I have received thousands of letters and other manner of communication from my constituents in southern West Virginia in recent months and recent days, expressing concern over the budget impasse. More recently, their communications have dealt with the Government shutdown and their fears not only for themselves who are Federal employees, but the fears of those who are not, but whose family members rely upon earned Social Security and veterans benefit checks arriving on time.

One such person—Lynn Murphy of Princeton, WV, wrote to voice her concern over the worry she could see in her father's eyes when report after report told him that his Social Security disability and veterans benefit checks might be delayed or fall short of the total benefits due as a result of the budget battles and the longest Government shutdown in our history—a battle still raging in Congress.

While we were able to vote on a measure that assured Social Security and veterans benefit checks would arrive on time and not fall short of their total amount due, when Lynn Murphy wrote her letter and accompanying tribute to her veteran father in the form of a poem, neither she nor her father knew for sure and they were worried.

In Ms. Murphy's poem, she not only pays homage to her father, but speaks to each of us as Members of the House concerning our need to get it together and put a stop to scaring the elderly, our veterans, and others who depend upon benefits of one kind or another for their daily necessities, She calls upon Congress not to forget her father and others like him as they continue to debate a balanced budget.

On behalf of Ms. Murphy's deep and abiding love for her father, I am privileged to commend the poem she wrote in tribute to him and his life, to the reading of my colleagues and all who have access to the CONGRESSIONAL RECORD as we try to make some progress on coming to an agreement to fund the U.S. Government.

Mr. Speaker, the untitled poem by Lynn Murphy follows:

My father fought in two separate wars and still come out with life.
He then worked for the mines, and took my Mom to be his wife.

With my Mom came a family, and my Dad wanted it that way.
No matter how bad my Daddy felt, He was still at work every day.
Finally, my Dad retired at the age of Fifty-five
And with all my Dad has endured in his life, he is lucky to be alive.

So Congress, when you make your decisions, the way you need to do,
Remember my Dad risked his life, for others, and for you.

Why shouldn't he get his disability checks from Social Security and the VA?
Those checks pay the bills for he and Mom; he doesn't throw his money away.

I've watched my parents do without to see that us kids had.
And they both were on their feet each day, Although often they felt so bad.

My Dad deserves an honorary award for he is the greatest Dad in the land.
I hope he will always get his checks, and I hope you will understand.

Look to God for answers to questions, that may arise on Capitol Hill.
And think about my Dad who still strives to do God's will.

Let God ease the problems. Have faith and you will see
that everything seems to work out, if it is God's will for it to be.

NEBRASKA CORNHUSKERS: COLLEGE FOOTBALL CHAMPIONS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. BEREUTER. Mr. Speaker, last night the University of Nebraska Cornhuskers firmly convinced all of America that they are still the No. 1 college football team in the country.

The Huskers' complete domination of the University of Florida Gators in the Fiesta Bowl for a 62 to 24 win was truly one of the most impressive displays of offensive and defensive talent in college football history.

It is also important to note that this awe-inspiring victory was Nebraska's 36th win in a 3-year period, establishing a new record.

The Cornhuskers, under the extraordinary coaching and steady leadership of Coach Tom Osborne, demonstrated remarkable persistence and consistency in their drive toward a second consecutive national championship. Their committed efforts show that the reward of success is won by dedication, teamwork, exceptional conditioning, high motivation, and the superior efforts of Coach Osborne and his coaching and support staff.

As an alumnus of the university and the Representative in Congress from Lincoln, the home of the Huskers, this Member enthusiastically congratulates the University of Nebraska Cornhuskers and Coach Osborne on another well-deserved national championship.

CONGRESSMAN BARNEY FRANK ON "DEMOCRACY REAFFIRMED IN ISRAEL"

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. LANTOS. Mr. Speaker, I rise today to call the attention of my colleagues in the Congress to an article written by our distinguished colleague from Massachusetts, BARNEY FRANK. It appeared in the Boston Globe on December 25 of last year.

Barney has given an outstanding analysis of how Israel has dealt with the emotional and political aftermath of the tragic assassination of Prime Minister Yitzhak Rabin. His analysis is particularly significant—not only for democratic Israel, but also for industrial societies such as our own and for developing democratic societies in the former Soviet Union and in the Third World—who must deal with the relationship between terrorism and democracy, between violence and freedom. As he said: "For nearly 50 years, Israel has been the most persistent and successful in demonstrating that democracy is not a luxury to be enjoyed only by societies that are wealthy, secure and well insulated from outside attack, but is a recognition of the fundamental right of men and women to govern themselves freely."

Mr. Speaker, I ask that the entire article by Mr. FRANK be placed in the RECORD, and I urge my colleagues to read it and give it thoughtful and careful attention.

DEMOCRACY REAFFIRMED IN ISRAEL

In the emotional aftermath of the searing, tragic murder of Yitzhak Rabin, Israeli society has understandably been deeply engaged in a debate over the role of dissent in a democracy. But the most important aspect of this debate—both for Israel and the rest of the world—is what is not being discussed. No significant elements within Israel are arguing that there should be any serious curtailment of the vigorous, open democracy that has characterized Israel since its beginning. It is significant that Israelis are not questioning their commitment to democracy at this terrible time.

In many societies, the murder of a popular leader in the midst of a delicate set of negotiations involving the security of the Nation would have led to widespread repression of elements in the opposition party, whether or not they were connected to the murder. The sad fact is that in most societies facing the kind of overwhelming physical threats to their existence that Israel has lived with since 1948, democracy would never have flourished in the first place. The mature, pained, thoughtful response of Israeli society to this murder is a reminder of something that would be a grave error to overlook: every condition that has been put forward by repressive rulers in the post-war world to justify the suppression of democracy has been present in Israel since its inception, and the experience of Israel is an eloquent repudiation of the notion that democracy is a luxury to be indulged only by those nations that are prosperous and secure.

From its birth, Israel's existence was threatened by attack from the overwhelmingly larger hostile forces which surround it. While fighting to defend its right to exist, Israel has also coped with the difficult economic problems of a new nation, compounded by the military drain on its resources and its unshakable commitment to absorb large numbers of Jewish refugees from oppression elsewhere in the world. Through all of this, Israel has maintained a commitment to a flourishing, vigorous democracy, governed by leaders chosen in elections as free as those held anywhere in the world, amidst untrammeled—often raucous—free speech.

Among those who have enjoyed the rights of free speech and the ability to participate fully in free elections are members of the Arab minority, some of whom reject the very legitimacy of the state of Israel. But that rejection has never been used to prevent them from participating fully in the electoral process on a one-person/one-vote basis, and those they vote for are seated in Parliament with full rights to vote, debate, et cetera.

There should be nothing remarkable about these facts, and in the United States or much of Western Europe they would not be. But among those nations which have come into being since the end of the war, this pattern is an exception. And it is especially exceptional in nations that have faced severe external threats from heavily armed enemies, have been struggling simultaneously with the difficult task of economic development, have been severely divided internally over some fundamental issues involving the security of the nation and have undergone the difficult social process of absorption of large numbers of migrants, many of whom come ill-prepared at first to deal with the complexities of modern society.

In fact, Israel has now become through the peace process an exporter of democracy in the Middle East. The elections that will soon be held in the West Bank will be freer and more democratically legitimated than any other elections in the nations surrounding Israel. It is highly unlikely that Yasser Arafat would have decided that elections were the appropriate path to power in the emerging Palestinian entity had that not been a condition laid down by the Israeli government in the ongoing negotiations.

As with our own country, Israeli democracy has not been perfect. There have been lapses, although these have been few compared with the territories. And much of what we know about these occasional lapses comes from the vigorous denunciation of them from people and organizations within Israel, because its democracy is among other things appropriately self-critical.

Israel is not the only new nation that is working hard to demonstrate that democracy is the best way to cope with the multiple dangers in the post-war world. Through the efforts of Nelson Mandela and others, South Africa is also on the list of societies that seek to make this point. But for nearly 50 years, Israel has been the most persistent and successful in demonstrating that democracy is not a luxury to be enjoyed only by societies that are wealthy, secure and well insulated from outside attack, but is a recognition of the fundamental right of men and women to govern themselves freely. When properly understood, it strengthens society and better enables it to cope with the gravest problems.

RECOGNIZING PHYLLIS L. PETERSON

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. BAKER of California. Mr. Speaker, education is a crucial building block of our society. An informed electorate is critical to effective self-government. An educated work force is vital to a successful economy. And the capacity for knowledgeable decisionmaking enriches our individual lives.

Dr. Phyllis L. Peterson has played an important role in turning these principles into realities for thousands of men and women in the East Bay of San Francisco. For 12 years she has served ably as president of Diablo Valley College in Pleasant Hill, CA, located in the heart of the Golden State's 10th Congressional District, which I represent here in Washington. Overseeing Diablo's growth as a premier community college, she has been nationally recognized for her leadership in preparing young adults both for careers in the job market and for further academic pursuits.

When Dr. Peterson retires later this year, she will leave a legacy of hope and opportunity for the many lives she has touched in her 37 years as an educator. Her development of the Center for Higher Education in San Ramon made education available in an area previously without a higher educational presence. Her leadership enabled Diablo Valley College to grow to its present enrollment of 23,000 students, providing them with a quality, affordable, and accessible education.

In 1993, her peers called on her to serve as head of the Chief Executive Officers of the California Community Colleges. The University of Texas Community College leadership program recognized her as an outstanding community college president and the Association of California Community College Administrators honored her with the Harry Buttimer Distinguished Administrator Award.

These signal honors were bestowed in recognition of Dr. Peterson's commitment to higher education, her capability as an administrator, and her love for students. Dr. Phyllis L. Peterson is an exemplary educator and community leader, and richly deserves our thanks for all she has done to prepare new leaders for our country and our world. I am pleased to call on my colleagues to join me in honoring her today.

CORNHUSKERS WIN ANOTHER NATIONAL CHAMPIONSHIP: A CREDIT TO TEAMWORK AND DEDICATED COACHING

HON. BILL BARRETT

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. BARRETT of Nebraska. Mr. Speaker, last night the 1995 college football season climaxed with an awesome display of athletic ability, teamwork, determination, and brilliant coaching. I refer, of course, to the Fiesta Bowl, in Tempe, AZ, and the Nebraska Cornhuskers' impressive and decisive victory over the Florida Gators.

The No. 1 Huskers rolled over the No. 2 Gators 62 to 24 to win their second consecutive NCAA football championship. The Fiesta Bowl win capped off a second straight undefeated season, and put the Big Red in the record books as the first team in 40 years to win back-to-back, undefeated, undisputed national championships.

While some of the Cornhusker players are receiving the laurels of victory because of their outstanding individual performances in last night's game, the real credit rests with the hard work, dedication, and discipline of the entire Cornhusker squad. The old adage that there is no "I" in "TEAM" was never more apparent.

Those who watched the game last night saw a team that loves to play the game and plays it better than any other team in the country. The team was both the Husker offense and defense, and the team ran over, around, and through the vaunted Florida Gators.

Cornhusker Coach Dr. Tom Osborne heads a football program in which we in Nebraska take great pride. It is renowned for its success on the field, but also for its program of weight training and physical conditioning. Dr. Tom is a true sportsman and insists his players be the same. He is also an educator, and it shows in his program—Nebraska has had more academic all-Americans than any other program and graduates more than 85 percent of its players.

It takes not only exceptional talent, but also patience, a thick skin, great courage, and character to coach a team of Nebraska's caliber and national exposure. I applaud Coach Osborne's victory in the Fiesta Bowl last night, and I applaud his unswerving determination to support his players and do what he believes best to turn out young men who understand the responsibility of being not only champions on the football field, but also good citizens. It is not always easy; it is not always without its setbacks, but the success and quality of the players he sends into the world each year speaks volumes about the coaching of Dr. Tom and his staff.

I'm confident that in the annals of college football, the University of Nebraska Cornhusker teams of 1994 and 1995 will be heralded as among the best ever to step onto the college gridiron. I'm even more confident that the discipline and hard work needed to achieve that victory will inspire thousands of Nebraskans and Americans in years to come to achieve the best in their families, communities, businesses, and government.

Congratulations, Huskers.

VALUES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report of Wednesday, December 27, 1995, into the CONGRESSIONAL RECORD.

VALUES

"Peace on earth, good will toward men"—it is a blessing echoed often at this time of year. While we have many reasons to be grateful that we live in the U.S., it is also true that Americans daily face many disturbing realities—crime, drug abuse, illegitimacy—which strike right at the heart of a decent life. A few years ago "It's the economy, stupid" conveyed the idea that the economy was paramount on voters' minds; now people are more inclined to blame the nation's problems on the moral decline. Today social issues like crime, welfare, education, and racial preference, and cultural issues like abortion, gay rights, school prayer, flag burning, and television violence have become prominent.

Americans are struggling to restore old-fashioned values to a central place in their lives and to revitalize the family. Parents struggle to raise their children in the face of powerful forces that are sending very different messages to their children than they want to send. Again and again I have been asked by distraught parents to watch a particular movie, listen to a particular piece of music, or watch a television show or video game that encourages casual sex or incessant violence. One parent said to me the other day, "What in the world is going on?"

What parents tell me they really want in life is a benign environment for raising their children. They express deep concern about the birth rate for unwed mothers and the divorce rate, both of which have doubled in recent decades. They are distressed that more children are being raised with less supervision and fewer resources, putting them at much greater risk for delinquency. Each day I encounter heroic parents who have kept their family together against all the odds.

Concern for moral values has always been a part of American life—from the battle against slavery to the battle against excessive use of alcohol. Yet the debate over our society's moral fiber has picked up recently as Americans increasingly question why they face a host of social problems and how best to deal with them. People are fearful that families and values are disappearing, and they often feel hopeless and powerless. I think the debate is worthwhile and healthy, and indicates that we are on our way to addressing our social ills. People ask me what they can do about declining values. The answer begins with individual responsibility.

INDIVIDUAL RESPONSIBILITY

"The only thing necessary for the triumph of evil," said the political leader and writer Edmund Burke, "is for good men to do nothing." Individual responsibility for our own actions and instilling a sense of shared values play a crucial part in solving our country's problems. We need to look for common ground combining the great themes in American values—personal responsibility, freedom, individualism, respect, trustworthiness, fairness and caring. We must return to the ideas of our Founding Fathers who spoke unashamedly of virtue. They understood that without a virtuous people the country does not function well, and that without virtue individuals cannot realize either their own or the common good.

FAMILIES

Central to our efforts to take back our streets, our neighborhoods and our homes is strengthening the family. As Barbara Bush said, "Your success as a family—our success as a society—depends not on what happens at the White House, but on what happens inside your house." Like many Americans, I believe that the breakdown in families is at the root of many of our social ills. I am struck by how, in discussions of wide-ranging public policy questions, we often come back to strengthening the family as the best way to remedy the ills. Questions dealing with values, morals, and character should be addressed first in the family and then in society.

THE COMMUNITY

We need to develop and encourage community institutions that reinforce and strengthen the traditional values. Many familiar institutions work at this everyday—churches, scout groups, service clubs, to name a few. People can contribute in many ways—volunteering at a local Boys or Girls Club, helping out with a church youth group, setting up afterschool programs for "latchkey" kids, or supporting the character education programs that have sprung up to help young people think and talk about moral behavior and core values. In the words of the African proverb, "It takes a whole village to raise a child."

THE GOVERNMENT

Public officials deal with improving values in a variety of ways—from the White House conference on ways to teach character, the Congress struggling to find ways to keep pornography off the Internet, to public calls for teenage curfews and school prayers. Many politicians push government programs to strengthen values, including family and medical leave, earned income tax credits for the working poor, income tax credits for children, anti-crime efforts, and reforming welfare by emphasizing work and responsibility.

I believe that government can solve few of the core cultural issues that bother most Americans, but it can play an important secondary role. Congress can, for example, support local anti-crime efforts or help states improve anti-drug programs, and we should make sure that in the current budget-cutting climate important programs with proven results are not gutted. Lawmakers must also be careful to look at how broad legislation impacts on families, children, community, and values—for example, making sure we assess whether a certain tax policy would tend to strengthen families or weaken them.

CONCLUSION

In talking with many foreign visitors, I find what grips their imagination about America is not our affluence or military power, or even our clogged freeways and high crime rates. What really impresses them are the values upon which our system is built. These values include not only liberty and individual freedom but also individual responsibility and a sense of community purpose. One visitor said to me the other day that when we as a nation depart from these values, we do so at our peril.

I am encouraged by the increased discussion in our country over character and values, and the consideration of what kind of people we want to be. This country has a marvelous power of self-correction, and my hope is that the process is now underway. A collective effort on the part of individuals, families, communities, and public officials can result in tremendous change. We often think of steps we should take to make America more prosperous. It is even more important to think of ways to make America safe, moral, and just.

A TRIBUTE TO JIM HARKINS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. RAHALL. Mr. Speaker, as chance would have it, the end of 1995 brought about not only the elimination of the Interstate Commerce Commission but the retirement from the Regular Common Carrier Conference [RCCC] of a friend to many of us, Jim Harkins.

While Jim has had a long and distinguished career in the freight transportation industry, including stints in the railroad industry and with a major shipper, many of us first came to know him in his capacity from 1967 through 1985 as executive director of the Traffic Department of the American Trucking Associations and of the National Motor Freight Traffic Association. It was probably from Jim that many of us who know anything about freight classification learned it.

In 1985, Jim became executive director of the RCCC. In that capacity, he has been an articulate, knowledgeable, and effective spokesman from the less-than-truckload segment of the motor carrier industry.

Although Jim is leaving RCCC, I am sure that we will continue to hear from him on matters related to freight transportation in this country. I also hope that Jim and his wife Lucille will have more opportunity to enjoy a relaxed life in Maryland and Florida with their four children, and of course, their grandchildren.

It has been indeed a great pleasure for this gentleman from West Virginia to have worked closely with Jim Harkins. On behalf of the many members of the Subcommittee on Surface Transportation, and the full Committee on Transportation and Infrastructure, who know Jim, I wish him the best of luck in his future endeavors.

MEDICARE REFORM

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. BEREUTER. Mr. Speaker, this Member highly commends to his colleagues the following two excellent editorials which appeared in the Norfolk Daily News on January 2 and 3, 1996.

[From the Norfolk Daily News, Jan. 2, 1996]

MEDICARE OUTLAYS MUST HAVE LIMIT

Medicare was not conceived as a welfare program. But those who now argue for taxpayers to make up any differences between actual costs of Medicare and the premiums that beneficiaries pay are treating it that way.

If a similar philosophy prevails early in the next century when there are too-few workers to sustain benefits at projected levels without turning to Uncle Sam, then Social Security will also be in that "welfare" category.

It is important not to accept either of those programs as general welfare obligations of the U.S. Treasury, financed by taxpayers either through higher taxation or by more borrowing. Social Security and Medicare were conceived as programs that would depend on contributions by the beneficiaries themselves, who could afford to pay the equivalent of insurance premiums during their working years, and, in the case of Medicare, pay modest premiums during retirement.

In the case of Social Security, that has worked. It has been a struggle, however, to make sure that political promises to beneficiaries were matched by legislative action to adjust "premiums"—in the form of payroll taxes—to keep the system solvent. The struggle continues.

More than a difference in total outlays is involved in the contest between the White House plan for Medicare, which proposes spending of $97 billion less than would otherwise be projected and the plan proposed by Republicans in Congress, which projects spending about $200 billion less.

The difference is that the GOP plan puts a ceiling on the outlays, and fixed specific dollar amounts that would not be exceeded. That would bar further tapping of taxpayer resources. The White House plan takes a different approach, though also claiming to slow spending growth. It projects some savings but includes no provisions to enforce them. Greater demands on the system than projected would simply be made up by shifting the extra costs to taxpayers at large.

That has become the traditional way for the prevailing majorities in Washington to handle federal programs: Enact a formula for benefits, then tax or borrow to meet the overall demand. Setting and enforcing a ceiling on expenditures has been something to resist.

If that pattern were to be followed in the future in the government's other major insurance program—Social Security—trillions in debt limits would not be enough. The budgeteers would have to begin thinking in quadzillions. Better to fix limits right now.

[From the Norfolk Daily News, Jan. 3, 1996]

PLENTY OF BLAME TO GO AROUND

At the Social Security Administration office in the Washington suburb of Woodlawn, Md., 100 of the federal workers idled by the budget impasse staged a small demonstration. "Furlough Newt," proclaimed one of the placards displayed. Another said, "Give Newt the boot, not the loot." Still another was less focused on the speaker, but put the blame on Capitol Hill: "Congress we have a contract with America, too."

If the majority ruled among the elected policymakers in the federal establishment, the conflict which found the government partially shut down would have been resolved quickly. But a congressional majority is not enough. One man's veto—the President's—can mean that a super-majority is needed in Congress if legislators are to work their will.

Speaker Gingrich has attempted to use the congressional majority's power to get the Clinton administration to accept a balanced budget in 2002, Medicare reform and modest reductions in taxation—all of them being goals which Mr. Clinton also proclaimed at various times. There is a sharp and continuing dispute about the details, of course.

An objective view of the situation should lead to the conclusion that the contending parties are equally accountable for the failure to reach an agreement, whatever the arguments.

Why should the federal workers only blame Newt when it is obvious that the president could have avoided the shutdown by accepting a compromise? Of course, it would not be seemly for them to be parading in front of the White House with banners calling for Bill, their boss, to give in to Capitol Hill.

Popular opinion, fed by sad stories of the lives disrupted momentarily by the partial federal shutdown, seems to reflect the idea that all the blame should be heaped on Newt and his cohorts. Who elected them, anyway? Only a majority of the voters in their districts, which is as good a claim to legitimate power as the president himself has.

A more presidential president, one willing to acknowledge that there is wisdom on the east end of Pennsylvania Avenue, would have found a way to end this impasse long before it became so disruptive.

TRIBUTE TO A HALF-CENTURY OF HERBLOCK—POLITICAL CARTOONIST AND POLITICAL CONSCIENCE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. LANTOS. Mr. Speaker, this past Sunday the Washington Post dedicated the Outlook Section of the newspaper to its outstanding editorial cartoonist, Herb Block—Herblock—in appropriate recognition of his 50 years of cartooning for the Post. In 1946 Herb accepted the offer to join the Washington Post, and for the past half-century, we have been blessed or—at least in the view of some—cursed with his wit, his humor, and his principles.

The selection of his cartoons from the past 50 years, which was included in the Outlook Section, brought back memories of the high points and low points of the political history of our Nation. Looking through these cartoons has brought Herb's wonderful gift into dramatic perspective for me. With a few well drawn lines and a few well chosen words, he has the ability to convey the essence of an entire complex political issue and highlight the absurdities and inconsistencies.

But the laughter is never at the expense of the message. This is not humor for the sake of humor, but wit with a point. I admire Herb's humor, but even more I admire his principles. His cartoons always reflect his strongly held point of view, and I must say that most of the time I am in perfect agreement with him.

Mr. Speaker, a few years ago when I was chairman of the House subcommittee conducting the investigation of fraud and mismanagement at the Department of Housing and Urban Development, Herb did a number of delightful and insightful cartoons about the HUD scandal. At that time, I invited Herb to join me for lunch at the Member's dining room. We spent a delightful hour or more talking about his background and highlights of his career. He mentioned then that he generally avoids spending time with those of us whom he cartoons, but I was delighted that he made an exception for me that day. It was an engaging experience that I still remember fondly.

Mr. Speaker, we in the Congress seem to find ourselves the frequent focus of Herb's sharp wit and his sharper pen. This past year, and particularly these past 19 days of Government shutdown, have provided him with abundant material, which he has exploited with this typical skill. In the past few days, as well as throughout the last half-century, Herb's humor and his principled point of view are important in keeping political issues in perspective. If this were Japan, I am certain that Herblock would be officially declared a "National Treasure." He is a national treasure, and I invite my colleagues to join me in paying tribute to him for his contribution to our national political debate and to the strength of our democracy.

Mr. Speaker, Kate Graham—the chairman of the Executive Committee of the Washington Post Co. who has had extensive experience and frequent exasperation with Herb—paid homage to Herblock in a wonderful column in Sunday's Outlook. I ask that her column be placed in the RECORD, and I urge my colleagues to read it.

[From the Washington Post, Dec. 31, 1995]

A TIGER BY THE TAIL—THE TURBULENT PLEASURES OF LIFE WITH HERB

(By Katharine Graham)

My mother had a saying: "Any man worth marrying is impossible to live with." Why does this make me think of my glorious life and times with Herblock, one of the greatest ornaments to The Post and to all of journalism? Underneath his genius for cartooning and writing lies a modest, sweet, aw-shucks personality. Underneath that lies a layer of iron and steel. For the publishers and editors over him—or under him, as it would be more accurate to say—it's like having a tiger by the tail.

Herb started out in his hometown of Chicago doing editorial cartoons for the Chicago Daily News in 1929. Four years later he became a syndicated editorial cartoonist for the Newspaper Enterprise Association Service in Cleveland, where he won the first of his three Pulitzer Prizes.

When World War II came along, Herb went into the Army and produced and edited a feature service for Army newspapers. After the war, Herb was passing through Washington. A chance encounter led to a meeting with my father, Eugene Meyer, who happened to be desperately looking for a cartoonist for The Post. Herb provided a few samples and in return, my father gave Herb a subscription to the paper. "So you can see how you like us," my father explained.

Evidently the attraction was mutual. Herb arrived at The Post the same week that my husband, Phil Graham, arrived in January of 1946. The extraordinary quality of Herb's eye, his insights and sharp comments immediately stood out. When The Post was struggling for its existence, Herb was one of its major assets, as he has been throughout his 50 years here. The Post and Herblock are forever intertwined. If The Post is his forum, he helped create it. And he has been its shining light.

Herb fought for and earned a unique position at the paper: one of complete independence of anybody and anything. Journalistic enterprises run best when writers and editors have a lot of autonomy. But Herb's case is extreme. And because he's a genius, it works.

Since he arrived at The Post, five editors and five publishers all have learned a cardinal rule: Don't mess with Herb. He's just as tough within the confines of The Post as he is in the political world outside.

Herb's independence evolved gradually. In the early years, he made several sketches for the day's cartoon and dutifully submitted them to the editorial page editor to choose.

When the editor was away, Herb began showing them to a preferred group of reporters and editorial writers whose opinions he valued. Gradually, the editor's role was dropped altogether.

Of course, this has produced a few tense moments. In 1952, during the Eisenhower-Stevenson campaign, The Post endorsed Ike, but Herb supported Stevenson and continued to jab away at the general. Which point of view do you think made the bigger impression with readers? Finally, Herb's cartoon was dropped by the paper for the last days of the campaign. Since his work continued to be syndicated in other papers, The Post looked silly. The Washington Daily News ran a headline: "Where's Mr. Block? One of D.C.'s Top Draw-ers Is Missing."

Even earlier, Phil protested Herb's cartoons on Congress. He feared they made The Post look as though it was ridiculing and undermining the strength of that institution. "I think we should put that little 'Congress' character back in the ink bottle," Phil wrote.

Back came three eloquent pages from Herb including, "When a majority of Congress fails to act, or acts badly, I think it's fair to be critical of Congress."

I too sometimes opened the paper and gasped at Herb's cartoons, particularly during Watergate when we were so embattled on all fronts. But I had learned not to interfere. And anyway, most of the time we're on the same wavelength. Even when we aren't, I should confess, I generally find myself laughing uproariously at the cartoon that has caused my apprehension. In this sense, Herb always wins.

Herb studies events and reacts to them in his own way. His point of view is liberal, and his instincts are common-sensical. But his common sense has a special twist. As economist Ken Galbraith once put it: "While Herb appreciates virtue, his real interest is in awfulness." His mind turns to the rascals, the phonies and the frauds. He has pursued them for 50 years without ever flagging except for time taken off for a couple of heart attacks and operations. But these ordeals were probably nothing compared with the distress he has caused a number of other people, such as President Nixon and Sen. Joseph McCarthy. It was Herb who is said to have coined the term McCarthyism, using it on a tar barrel.

Herb's unique ability to crystalize what is right—or, more likely, wrong—about an issue or a person has often influenced the course of events in Washington. Naturally, the strength and impact of his cartoons often provoke strong reactions from readers who disagree. Part of the job of Post publishers is to defend Herb and the paper from these reactions.

"Since Herblock is the most gifted political cartoonist of our times," Phil wrote one reader, "by definition he therefore cannot be an organization man. Being an old reactionary and individualist, I am all for people who simply have to be individualistic. . . . I think—though it will amaze you—that Herblock probably considers himself frustrated and suffocated by our policy."

I too have written my share of explanatory letters. One, in 1989, said that to cartoon is to caricature, and people who are very gifted at cartooning sometimes offend. "Most of the time, however, cartoons illuminate or amuse," the letter went on to say. I doubt the irate reader was completely satisfied, but the statement, I believe, is true.

As Herb begins his second 50 years at The Post, he has lost none of his dynamic energy and original insight. He is going as strong as ever and, as a matter of fact, has just published his 12th book. It's about his cat Bella and, as usual, it's just wonderful. Herb does caricature the cat, but I don't think Don Graham and Meg Greenfield will hear from her in protest.

In fact, Bella has proven she's more than a match for Herb. For example, she is known to complain about Herb's legendary propensity to live in a rat's nest of old newspapers and magazines, discarded clothes and paint brushes and pencils. "We cats are neat," Bella is alleged to have said, while frowning on those who are not.

Now maybe Herb knows what it feels like to have a cat by the tail. It's a privilege, a pleasure and an honor we all have loved and treasured.

TRIBUTE TO NATIONAL UNIVERSITY OF SAN DIEGO, CA

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. CUNNINGHAM. Mr. Speaker, it is with great honor that I rise today in celebration of San Diego's outstanding institutions of higher learning. In 1996, National University will celebrate its 25th anniversary. The year-long celebration will officially commence with an academic assembly on Thursday, January 26, 1996.

National University is a nonprofit, accredited institution of higher learning that specializes in meeting the educational needs of adult learners in California. National University is the only university in California offering a unique, one-course-per-month format. The university offers 45 degree programs and a number of teacher credential programs, and its expanding Department of Continuing Education and Educational Services provides nonacademic, customized training and professional development programs to meet the specific objectives of businesses throughout the state. National has a full-time enrollment of approximately 7,800 and 101 full-time faculty members.

The estimated 45,000 alumni of National University have reason to be proud of their affiliation with the university. National has been named one of the best universities in the western United States for two consecutive years by U.S. News and World Report. In 1995 the university received one of six nationwide Creative Restructuring in Higher Education Special Merit Awards from the American Association of University Administrators. Last year, the American Association of University Administrators recognized National's accomplishments through a special award presented at its annual convention. The university also received a Total Excellence in Management Award from the San Diego Business Journal for the excellence of its management.

The university has developed its tone and direction for the next 5 years in "NU 2000." This plan represents a year of discussion and formulation by the people at National. The main objective is to create the premier institution for adult learners by the year 2000. With the continued dedication of its students, faculty, and administrators, the excellent National University will continue maturing into the visionary institution it aspires to be.

NEW YORK CITY VETERANS ARE ANGRY

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mrs. MALONEY. Mr. Speaker, having just returned from the Christmas recess, I can report that the veterans of New York City are angry. They are angry because the VA budget has been slashed. They are angry because the Government shutdown is affecting services. They are angry because they believe that after all the sacrifices they and their families have made for our country, our Nation is turning its back on them.

I would like to submit for the record a statement put out on December 26, 1995 by Col. Bernard Wray and the United War Veterans Council of New York County. It is indeed sobering reading for those of us who support our Nation's veterans.

NEW YORK VETERANS' COMMUNITY OUTRAGED BY UNNEEDED REDUCTION IN VETERANS' ADMINISTRATION SERVICES TO VETERANS IN NEED!

The United War Veterans' Council of New York County which was first incorporated by Union Veterans of the Grand Army of the Republic in New York County, in 1895, to help aging Civil War Veterans, and which now consists of fifty-five separate Veterans and Patriotic organizations, issues this distress call to all concerned members of the Veterans' Community, and to their families and friends:

Never, during the past 100 years have war veterans, men and women, been treated with the disdain and disrespect that we see in this run-away session of Congress. Now is the time for our 16 million War Veterans and their families to demand full restoration of all VA services, and full restoration to their jobs of all VA service providers!

It should be noted by all veterans, that the House of Representatives cut the VA allocation requested by the President by one billion dollars. This is one twentieth of the 20 billion dollars appropriated by this session of Congress for twenty B-2 bombers, which the Air Force does not even want or need in its aircraft stock.

Now is the Time for all Veterans to step forward in all 435 Congressional Districts, and to spell out in the clearest terms, to all Representatives, regardless of party affiliation, that they will be held to strict accountability at the 1996 elections, should they break faith with the Veterans' community. Full restoration of Veterans' Benefits and Veterans' Health Care is non-negotiable. It was a Contract bought and paid for with the blood, sweat and tears of millions of American Veterans.

Meanwhile, we call for all members of Congress, and their staffs to agree to receive no further pay, while the Veterans and their service providers are being asked to make sacrifices. We also call upon Corporate America to share in the sacrifices of the War

Veterans of America on this the 50th Anniversary of Victory in World War II.

Semper Fi'

IN HONOR OF EL MUNDO—CELEBRATING 5 YEARS OF SERVICE TO THE HISPANIC COMMUNITY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to honor El Mundo Hispanoamericano, celebrating 5 years of distinguished and reliable reporting and community service. El Mundo was founded in 1990 with a commitment to report on all aspects of the Hispanic community throughout New Jersey.

El Mundo Hispanoamericano commemorated its anniversary on Wednesday, December 20, 1995. For 5 years, El Mundo has been providing the Hispanic community with vital information about the world around them and their native lands. El Mundo prides itself as an advocate for the Hispanic community, defending issues and interests that are of importance to the people.

They have covered the good news and the bad news. When municipal or State services were not up to par, they wrote about it. When government and individuals did something positive for the community, they wrote about it too. They have served as an integral link between the Government and the community.

Even though, the founders, Ney Bravo and his family, are Ecuadoran, El Mundo reports on all of Latin America. The newspaper covers issues of concern to all immigrants from the Caribbean, Central, and South America. It does so with sensitivity and care. Ethnic newspapers like El Mundo provide a vital source of information to the Hispanic community about their native lands. Such newspapers help a community establish themselves in this great Nation.

It is an honor to recognize El Mundo, a newspaper that provides accurate news coverage to the people I represent. I ask that my colleagues join me in honoring El Mundo for its faithful service to the Hispanic community.

THE GUATEMALAN ELECTIONS

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. DIAZ-BALART. Mr. Speaker, the participation of citizens in free and fair elections, and their faith in the legitimacy of the subsequent electoral results, are fundamental to all democracies. No participatory democracy is able to survive if its citizens do not have faith in the electoral process. To be able to ensure that democracy continues to take root and flourish throughout the Western Hemisphere, we must do all within our power to encourage the development of conditions that inspire faith in electoral processes throughout the Americas.

To that end, as it attempted to do in Haiti, the Clinton administration should do what it can to ensure to the Guatemalan people, that the second round of elections scheduled to take place on January 7 in that Central American country is free and fair. By doing so, the Clinton administration would help ensure that the Guatemalan people not only develop trust in their own electoral system, but further appreciate the benefits of living in a democracy.

ALEC COURTELIS, AN AMERICAN HERO

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to pay tribute to a true American hero, Miami civic leader Alec Courtelis, who died last week after a courageous 2-year struggle against cancer. My sincere condolences go to his wife Louise, son Pan, daughter Kiki, and sister Danae Voyazis.

As former President Bush said after this unfortunate loss to our Nation and south Florida, "Who says there are no heroes any more? Just look at the life and legacy of Alec Courtelis." Although 68 years old and in a fight for his life with pancreatic cancer, Alec continued his tireless work for the many causes in which he believed.

The story of Alec Courtelis' life is an inspiration for all those who know that the American dream is still a reality for anyone, regardless of their background. An immigrant who came to this country from Alexandria, Egypt, Alec always rejoiced in America's unlimited opportunities. He lived his life by the motto that "nothing is impossible in America."

He emigrated to Miami in 1948, a city that has welcomed many immigrants from around the world. After earning his engineering degree at the University of Miami, his company helped build many prominent commercial and residential developments in south Florida, including the Falls shopping center.

A successful self-made businessman, he gave much back to the Nation and our community which had given this opportunity. He raised funds for the cause of education in Florida, including the University of Miami and the University of Florida College of Veterinary Medicine. As State University Chancellor Charles Reed said, "No one in Florida has made a greater contribution to the betterment of this State than Alec Courtelis."

But the greatest example he set for all of us was in the last years of his life when he showed what real courage is all about. He took the time to give great encouragement to many cancer patients in their fight with this dreaded disease, showing them that through positive mind-therapy, they could win against this disease.

Like the man in Rudyard Kipling's poem "If," which was used in his funeral services, Alec Courtelis truly showed that:

> If you can fill the unforgiving minute
> With sixty seconds' worth of distance run,
> Yours is the Earth and everything that's in it,
> And—which is more—you'll be a Man, my son!

STATEMENT BY UNDER SECRETARY JOE R. REEDER

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. DELLUMS. Mr. Speaker, I rise to bring to your attention and to the attention of my colleagues, an exceptional statement delivered by Joe R. Reeder, Under Secretary of Defense. Mr. Reeder's analysis is one that merits our attention. I herewith submit his statement to be included in today's CONGRESSIONAL RECORD.

WORLDWIDE CONTINUING LEGAL WORKSHOP, OCT. 3, 1995

It is a pleasure to be back in Charlottesville. The first time I came to this city was in the fall of 1976 for the JAG basic course. I was glad it was only for two months because the cavaliers were suffering through some of the worst football in their history.

I also came back and taught a course as a reservist in 1981. The head of their school was Bill Suter, who later became TJAG—and as you know—is now with the Supreme Court.

I look fondly back upon my time in the JAG Corps and have acquired friends and experiences in the corps which will always be special to me.

That is why I was very pleased when Gen. Mike Nardotti asked me to share some thoughts about our Army—where we are now—where we are going—and your role in the challenges we face.

Let me start with the bottom line on America's Army.

Today's soldiers are the most highly motivated, best led, best trained, and best equipped fighting force in the world. No one disputes that—even those who would like to.

Day in, day out, we have soldiers operating in 60 to 100 countries around the world—an average of over 20,000 American soldiers are on operational deployments. That's in addition to the 120K men and women permanently stationed overseas.

If you think back to the changes made over the last 5 years—you see an active army that has gone from 780 thousand to 515 thousand seen its budget nose-dive from $90 billion to just under $60 billion—and at the same time see its missions skyrocket 300 percent.

Those cuts would have severely wounded, if not crippled any other army, or large corporation. But not the U.S. Army.

Thanks to the Army's leadership including many of you in this room. The Army is as ready as it has ever been—and certainly more ready than we were 5 years in Desert Storm.

In many respects this Army just keeps getting better. One concrete example is "vigilant warrior" in Kuwait last October.

During operation Desert Shield it took almost 30 days for our Armored Forces to arrive in Saudi Arabia. This time, the lead elements of our heavy forces—not 82d Paratroopers or 10th Mountain Division Light Fighters—but tankers from the 24th ID were on the ground in under 72 hrs.

In 2 weeks, 2 brigades of the 24th were in Kuwait and Saudi Arabia, linked up with their prepositioned warfighting equipment. Within 3 weeks, over 30 thousand servicemen were in theater—equipped for war.

Now let me touch on what lies ahead for our army.

I see several major challenges facing their army leadership.

First and foremost, we have to be tougher as our resources shrink. And I do not expect their resource picture to brighten anytime soon.

I read a poll in the Army Times a few weeks ago which proclaimed that two-thirds of the American people believe the defense budget should be reduced further.

There's just not enough money to cover all our needs. Tough choices have to be made.

Secretary Perry's top 3 are clear and unequivocal.

Our first priority is near term readiness. We cannot afford to let this slip. After the Superbowl, the 49ers get an offseason. They can eat, drink and get fat for a few months. That is a luxury your Army does not have.

Our next priority is quality of life—which surprises some people—but I see it as a steel chain link to readiness.

Quality of life directly relates to our ability to attract and retain quality people.

We face the critical challenge of finding and keeping quality people. The soldiers we have in uniform today are the best ever—hands down.

Easily the most important change in the Army in the past 25 years is the quality of our soldiers.

Last year, I had the opportunity to dine with Gen. and Mrs. George Blanchard. As some of you know, Gen. Blanchard was the Army CINC in Europe in the late 70s. He was also my Div Cmdr in the 82d ABN Div.

About half way thru the meal, he turned to me and said, "Joe, it hurts me to admit this, but I have got to tell you the soldiers today are better than when I served."

I agreed, but asked why he said that. He said for two reasons:

First, the all-volunteer Army and second, the way we treat soldiers today—among other things, their quality of life.

I told him he should not feel bad—because the quality of today's Army is his legacy.

I also told him I had a different perspective, in one respect maybe a better perspective than his. Rather than having lived through that change, I left the Army in the late 70s and was gone 14 years.

Coming back in 1993, I had the benefit of not having watched that process of change in a slow, gradual way, . . . I can tell you the difference was like night and day.

We must continue recruiting and retaining high quality people.

Our third priority is modernization. Modernization dollars have shrunk dramatically. We have been hit harder here than anywhere else.

Your Army, best in the world, but only eight in size cannot afford to lose any more modernization dollars.

We are accepting some risk in this area for two reasons.

One, our superior technology completely outmatches the entire world. We expect that no country will come close to competing with our existing systems for the next 10 years.

And two, we expect to achieve cost savings from BRAC and acquisition streamlining that will allow us to reinvest these savings into our modernization program.

We must always maintain technological superiority. This is one of my greatest concerns.

Anyone who thinks it was decency or goodness that caused Saddam Hussein or General Cedras to back off when faced by American soldiers, lives in a dream world.

In Haiti and Kuwait, lives were saved from the ravages of war—not out of goodness—but out of a knowledge of what our soldiers could and would do if forced to fight.

Technology overmatch—by deterring—saves lives. It saves not only lives—it saves money—by allowing us to maintain a smaller and more effective Army, and avoiding the prohibitive, gut-wrenching costs of war.

In these days of reduced resources, and tough program cuts we must squeeze more out of dollars. We must become more efficient. The dollars we save in efficiencies can and must be plowed back into modernization.

General Reimer, your new chief, believes—and I quote: "We must find new and innovative ways to help ourselves. We must find smarter ways to do business, streamline our management processes, reduce overhead, leverage outside resources and use what we have more efficiently."

I can think of no better group to "help us help ourselves" than the leadership of the JAG Corps. Because, in the end, your real clients are your soldiers and ultimately, the American taxpayer.

Let me spend a few minutes talking to you, as a lawyer who has been functioning as a client for the past 2 years. I'd like to tell you what lawyers do for me, and what lawyers do for the Army as a whole.

But before I do that, let me tell you that being a client is a real eye-opener. I have learned a great deal in this capacity about what makes clients happy and, sometimes, what frustrates them.

Maybe the best story I've seen on reversal of roles was the movie "The Doctor," starring William Hurt. Hurt played the role of a great surgeon who was very flippant, played acid rock in the operating room, and was not very sensitive to the needs of his patients.

His perspective radically changes when he learned he has cancer of the eye. The balance of the movie—following this discovery—covers his frustration under the cold-blooded treatment of another "Hot Shot" doctor.

The last scenes of the movie are ones I will never forget. William Hurt, after recovery, is placed in charge of 10 interns. He orders them to live, for 48 hours, as patients as part of their training. The interns are forced to experience the discomforts of patients including enemas, staff rudeness, and a shocking lack of privacy.

I can assure you my client experiences have been a little more pleasant.

As Mike Nardotti and Bill Coleman can vouch, I use lawyers extensively—every day. They have traveled with me; they have provided traditional legal counsel, advice and representation; and they have assisted in crafting argument on matters of policy having very little to do with the law.

Based on my experiences, I think lawyers could be used more extensively.

The art of good advocacy is something that can be applied anywhere.

Just about everything we write—everything I have seen of any import—is expository. Everything is either asking someone to do or approve something.

Everytime I see an Army document that is asking for something important from OSD, from Congress, or from another agency, I instinctively ask to have counsel review and edit it. I do not believe I have ever failed to get back a product that was measurably better than what I had provided.

Recently I worked in a non-legal capacity, and sometimes, extensively on the rocky mountain arsenal settlement negotiations. My role was restricted to interfacing with the policy-makers of the State of Colorado—Gov. Roy Romer, Lt. Gov. Gail Schoettler, and other policy people.

Both Bill Coleman and Mike Nardotti built a great negotiation team. From the General Counsel's office, Earl Stockdale and Tammy Paragino oversaw the development of the negotiation strategy,. While JAG officers Col. Cal Lederer, Maj. Sharon Riley, Maj. Jonathan Potter, and Capt. Tom Cook played key roles on the negotiating team.

In addition to everything else he did, the quarterback of our rocky mountain negotiating team, Col. John Benson, was absolutely superb in knowing when—and he was very sparing—to call me out and dust me off for action.

John's team tackled several complex and controversial issues and masterfully dealt with a wide range of groups that included the State of Colorado, the Fish and Wildlife Service, the EPA, shell Oil, and several local groups.

The efforts of Benson's team led to a cost-savings to the Army of between $1 to 2 billion and brought over 12 years of negotiations to a successful juncture.

A couple of weeks ago we awarded John Benson the legion of merit, and recognized with awards four other attorneys who were instrumental in that landmark litigation and settlement.

In the months to come, Col. Cal Lederer will lead the team in completing final negotiations.

If you forget everything else that I say to you today, the one thought I would hope you would take away—my one request—is that you set your top priority knowing intimately the business of your customers. What are their priorities today?

When I say "the business of your customers," I am not talking only about the legal implications of your client's actions. I am talking about what your client does on a day-in/day-out basis—readiness challenges, maintenance challenges, personnel progression, training, finding efficiencies, and whatever else happens to be the priorities at your particular installation.

I say this because I have had very fine lawyers—lawyers who obviously were capable analytically—who turned out to be of marginal use because they simply did not understand—they did not undertake to develop a rudimentary understanding of—the context of the legal problem.

It is not that they did not want to; they simply did not understand it. It is like a doctor—and there are many fine doctors who behave like this—who is technically superb, but who treats each person to be operated on as a speciment.

I am reminded of the time when my daughter was 10 months old when I was serving in the 82d airborne division. One night, we had to rush her to Womack Army Hospital with a 106 degree temperature, for what turned out to be spinal meningitis. Apart from misdiagnosing her, the doctor who treated her that night, kept referring to her as my "son."

Our legal community faces similar challenges in serving our clients. All of us know lawyers in private practice who might prepare a lease that costs $10,000 in legal expenses for a condo that is only $20,000 itself.

What's the problem?—Complete disregard, or lack of understanding, of the context.

I am reminded of a young aggressive Navy attorney.—The prosecutor in famous murder trial a few years ago.

During the trial, a sailor took the stand.

"Would you please tell the court if you recognize either the defendant or the plaintiff?" asked the prosecuting attorney "beg your pardon, sir" said the sailor, "but would you explain to me what those words mean?"

The prosecutor's eyes narrowed. "Shame on you! How can you take the stand as a witness in a murder trial and not know those basic terms?"

"Sorry sir"

The prosecutor said, "Let me rephrase the question. Tell the court where you were when the accused is said to have struck the victim."

"Well sir, I was abaft the binnacle"

And would you please explain what those words mean"

"Shame on you sir!" said the sailor. "How can you work on a case about murder on a ship and not know those basic terms?"

Now, to keep our counsel as lawyers relevant, in addition to keeping track of the context, it also helps to think of our decisions in terms of business consequences. Doctors and lawyers are considered notoriously bad businessmen. And we must change that.

Sid Lanoue, our Surgeon General, is an exception. He has put every hospital on a budget that rewards preventive medicine, and lets hospitals keep savings.

I understand the JAG Corps is moving in the same direction. SJA claims officers are more aggressively recovering money from carriers for damaged household goods—and their office budgets are rewarded with a portion of the recovered money.

One aspect of lawyering that makes good business sense is how a private attorney charges for his time.

One way is the contingency fee—if the client does not win, the lawyer does not get paid.

The other way is billing rates.

I always tried as an attorney, not only to consider the dollar and cent consequences of decisions, and the time value of money—but also the money value of my time.

Ask yourself these questions: "Would I pay for what I am doing?" "Am I giving the taxpayer what they are paying for?"

Everyone has a "billing rate."

Governmental bureaucracies are a real challenge to change, especially if attorneys are part of the foot dragging.

No one is better than attorneys at putting up roadblocks or taking them down—telling people they can not do things that otherwise make good business sense. We as attorneys must think about the practical business consequences of our advice.

Last year, the AMC legal community has also begun a program that makes good business sense. They now routinely conduct post-award contract negotiations with unsuccessful bidders.

When people think they have been treated unfairly—they litigate. These debriefings help make contractors understand why they have been treated fairly—and save millions in litigation costs.

Let me just make a couple other observations about being an Army lawyer.

Army attorneys in one respect have a tougher job than their civilian counterparts, who are constrained only by the code of professional responsibility.

Army lawyers, on the other hand, under EC 7-14—must also be fair—must not employ the awesome power of Government to effect an unjust end.

Looking back, I am not proud of everything I did as a Government attorney. I am sure there were times that I was over-zealous. I abided by code but did not always focus on what was just or fair.

Some of those who have never served in private practice may not appreciate the power the Government was available to effect unjust ends.

If I had to do it over again, I would be more oriented to pursue my work because it was just and fair—not solely because I had a legal argument.

Why? Because it's just good lawyering. People who believe they have been wronged usually will not give up easily.

When it comes to fairness, people demand more from their Government than they do from others.

Another aspect of context involves change—especially those changes over which we do not exercise control—shrinking resources, new technology, new missions.

Last May, Judge Frank Posner of the 7th circuit was the keynote speaker at the American Law Institute in Chicago. His speech was critical of the ACI. He chastised the entire body for failing to adapt or to even acknowledge revolutionary changes taking place in society.

While I did not agree with everything he said, he was right that attorneys cannot function as elite professionals in a vacuum.

Obviously today's world is much more complicated than just a few years ago. It was much easier to give advice. As often as not, SJA advice was more confined to military criminal law and a few community matters.

The end of the Cold War has contributed to changing this.

Commanders now find themselves anywhere in the world—assigned any number of unusual missions.—Reducing street crime on the streets of Port 'A Prince, or guarding refugees in Panama—the different scenarios are endless.

In the past the SJA was always considered part of the special staff. A specialist who could keep to himself. No more the SJA has become a member of the commander's battle staff. He plays a role—like that of the G2—assessing the battlfield—identifying potential legal, and ethical landmines.

In Panama, Haiti, Somalia, and Rwanda our SJAs are one of the most important staff members, helping their commanders avoid these landmines.—Stepping forward and guiding them through these minefields.

It is in this regard I would ask you to do ever more. In this period of resource constraints, we need our attorneys more than ever—to keep stepping forward.

Help us streamline our processes.—Not something lawyers are well-known for doing, but vitally important. Help make the rules and procedures more understandable—more accessible—and more relevant to the needs of your commander.

The law, ethically applied and sensibly interepreted—invariably is fair and makes sense. And your role in interpreting and applying the law, if anything, is more important today than ever before.

Let me close by thanking each of you for what you've done up to now, what you're doing this week, what you must keep doing in order to keep our Army the finest in the world.

IN RECOGNITION OF THE LIFELONG CIVIC ACHIEVEMENTS OF HAMILTON C. FORMAN

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. DEUTSCH. Mr. Speaker, for the past 50 years in Broward County, one man has been at the forefront of civic progress in South Florida. Whether it was a fight for the preservation of the Everglades or the integration of our schools, Hamilton C. Forman has taken a leading role in finding solutions to our communities' problems. In recognition of these civic accomplishments, the B'nai B'rith Foundation of the United States is awarding Hamilton Forman the Great American Traditions Award on Saturday, January 6.

The Hamilton Forman story began in the rural section of Broward County during the pre-Depression era. His family worked as dairy farmers in an isolated section of the county. Yet, even though Hamilton Forman grew up in a remote section of Broward County, it did not restrain him from devising a clear vision on how he wanted Broward County, his home, to develop. He wanted to create a booming economy in South Florida built around warm weather and migration. With this idea in mind, he invested a good portion of his life's savings in real estate located across the region. By the end of World War II he had amassed hundreds of acres of local real estate and established himself as a role model for entrepreneurial success and civic involvement.

But the achievements of Hamilton C. Forman over the last 50 years cannot simply be summarized by saying that he was instrumental in building a hospital or that he donated money and time to a charitable organization. The primary contribution Hamilton C. Forman has given to South Florida is that he has repeatedly offered his services to the community over the last 50 years. It is this rare example of continued leadership and civic involvement that I wish to pay special tribute to today. Since World War II, Hamilton Forman has chosen to involve himself in a wide array of issues facing our diverse society and I would like to take this time to thank him for this untiring involvement in the welfare of South Florida.

IN HONOR OF MAY AARONSON

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mrs. MORELLA. Mr. Speaker, I rise today to call attention to my constituent, May Aaronson, of Chevy Chase, MD, who will celebrate her 84th birthday on January 6.

When May was 45, after raising three children and volunteering in many community activities, May Aaronson enrolled in college. She went on to graduate at the top of her class at Howard University and then embarked on a 31-year career at the National Institute of Mental Health in the field of early child development. Her work there has had lasting impact on the health and well-being of countless children, especially at-risk youngsters.

She helped to create a model in-home education program for at-risk preschoolers; she authored a book for young parents on how to raise a healthy infant; and she coauthored and authored measurement tools for parent and child behavior and interaction. In her work for the Department of Health and Human Services she reviewed and oversaw grants in the area of Early Child Development and helped create a national network of information sharing about programs providing services for young children. She also created a screening test, the Children At Risk Screener, to aid in the important task of identifying preschoolers who need early educational, psychological or medical intervention. This typifies her work as it combines her creativity with practicality in designing a test in the form of a game that can be administered in less than 10 minutes.

May Aaronson is also proud of the accomplishments and contributions of her children: Doris Aaronson, a professor of psychology at New York University; David Aaronson, a professor of law at American University; and Jean Rosenfeld, a clinical social worker.

Two years ago, at the age of 82, she retired. As May celebrates her 84th birthday, she studies computer science, and she works as a volunteer on the Montgomery County Hotline, reaching out to those in need.

Mr. Speaker, May Aaronson is a role model for women, for senior citizens, and for all Americans. Please join me in celebrating the birthday of this remarkable woman!

THANK YOU MR. DIJOSEPH

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. QUINN. Mr. Speaker, I rise today in memory of Elma Town Supervisor John F. DiJoseph.

John DiJoseph tirelessly dedicated his life to the enhancement of the Elma community, and proved himself to be extraordinarily available to his constituents, or as he thought of Elma's citizens, friends.

Since 1975, Mr. John DiJoseph has been involved in his community's local politics and various community organizations, including Celebrity Waiters Dinner for the Leukemia Society, Kiwanis, Elma Historical Society, Executive Committee of the New York State Association of Towns, Eric County Association of Town Governments, Elma Conservation Club, Erie County Agricultural Society, Elma Fire Council, Elma Fire Companies, Elma Community Council Services, Saint Vincent de Paul Roman Catholic Church, and others too numerous to mention.

In 1980, John DiJoseph first served the Town of Elma in public office as Councilman, and served in that capacity with distinction until 1986, when he became Town Supervisor. As Supervisor, John DiJoseph will best be remembered by his community, as the Elma Town Board Proclamation so eloquently stated, as someone "to strive to emulate his total dedication to family and to his extended family, and the citizens of Elma."

Mr. Speaker, today I would like to join with the citizens of Elma, and indeed, the entire western New York Community, to honor Mr. John F. DiJoseph, who is survived by his wife, Shirley; his children, John, Jr., Michael, and Norine; his parents, Frank and Mary; his brother, Patrick; and sister, Laureen for his distinguished service to the Town of Elma.

SUPPORT GEPHARDT MOTION

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. POSHARD. Mr. Speaker, I rise in strong support of the motion to reopen the departments and agencies which have been closed and to stop holding Federal workers hostage while we negotiate a balanced budget. This will be the third resolution passed by the Senate to put our Federal employees back to work and all have been rejected by the House Republicans.

I represent thousands of Federal workers who provide very important services for hundreds of thousands of taxpayers in the 19th Congressional District and this Nation. Just last week I met with several hundred Federal workers in my district who are being punished for doing nothing more than working for a government agency for which there is no funding authority. These are people who take on the very important responsibility of caring for our veterans at the VA medical center. These are men and women who have the difficult task of running the high security Federal prison at Marion. There are many others who go to work every day with the goal of providing service to the taxpayers of this Nation, including the Forest Service and Fish and Wildlife employees.

And what are they getting for their trouble? They work in agencies which are apparently not important enough to fund through the regular appropriations bills, are too important to keep off the job, but in the final analysis are not important enough to pass a clean funding bill so they can be paid. This is truly outrageous, and I know the people in my district are fed up with the games being played in Washington.

We should come to agreement on those appropriations bills which we can pass to put these agencies back in business. For those where agreement cannot be reached, we should pass a clean continuing resolution and at least let the basic functions of those agencies and departments continue. And we should come to terms on a 7-year balanced budget as scored by the Congressional Budget Office.

I have cosponsored and voted for the "Coalition" budget which represents the middle-ground for both sides in this debate. I would urge the negotiators once again to take a look at our approach—balanced in 7 years, better for Medicare and Medicaid than the leadership plan and rejecting a tax cut which we can't afford—and come to an agreement.

I support the motion to put our people back to work and to pay them for their time and effort. And I urge the negotiating teams to work in a bipartisan spirit to reach agreement on the overriding goal of balancing the Federal budget.

TRIBUTE TO PROF. HAROLD NORRIS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1995

Mr. CONYERS. Mr. Speaker, I rise today in tribute to Prof. Harold Norris, a gifted attorney and profound humanitarian who imbued generations of law students with a love and a passion for justice. This fall, Professor Norris retired from the Detroit College of Law where he taught constitutional and criminal law for the past 35 years. Professor Norris is far more than just a teacher. He is a tireless crusader for human rights. He is blessed with the soul of a poet, the insight of a historian, the curiosity of a philosopher, and the courage of a warrior.

Law students in his final constitutional law class presented him with a plaque on the Bill of Rights. That plaque illustrates his impact on them and on thousands of other young people. It reads in part:

> While the Bill of Rights grants assurance to the individual of the preservation of liberty, it does not define the liberty it promises . . . only in recent American history has the Bill of Rights been used as a shield in the battle against indignity, abuse, oppression, inequality, unfairness and intrusion. And while the Bill of Rights is the individual's shield against governmental abuse and power, that shield is of little use without a hand to hold it high. Throughout his life Professor Harold Norris has held that shield and taught his students and others to do the same. He has taught us that the Bill of Rights does not implement itself, it is only by the conviction, courage and strength of people who recognize its indispensable protections that the true spirit of its contents are achieved.

Born in Detroit, Harold Norris' early life was shaped by the Great Depression. He was keenly aware of the Depression's devastating impact on the lives of working-class people who desperately sought help and guidance from the Government. That experience helped crystalize his feelings about the importance of justice as a reality, not just a concept.

Over the years, Professor Norris has engaged in ground-breaking work in the areas of civil and human rights. As a delegate to the Michigan Constitutional Convention of 1961, he served as vice-chair of the Committee on the Declaration of Rights, Suffrage, and Elections. He wrote numerous key provisions of the Michigan constitution of 1963, including provisions that prohibited racial and religious discrimination and provisions that created a right to appeal in a criminal case. He was co-author of the provisions creating a civil rights commission.

He is former chairman of the constitutional law round table of the Association of American Law Schools. He was counsel to the Committee on Constitutional Revision of the House of Representatives of the State of Michigan, and he has been a consultant to the Judiciary Committee of the U.S. House of Representatives.

Professor Norris' passion for the law affected every aspect of his life. At his retirement party, Norris' son, Victor, a Detroit-area attorney, observed that the first gifts given to him and his sister, Barbara, by their father caused us to be the only kids on the block with their own individually framed copy of the Bill of Rights.

Harold Norris received a bachelor of arts degree from the University of Michigan in 1939. Two years later, he earned a master's degree in economics, also from the University of Michigan. In 1942, he joined the Army Air Corps and attended the Harvard Business School program to train statistical control officers. He spent almost 3 years overseas before being discharged in 1946. When he returned home, he enrolled in Columbia University and earned his law degree in 2 years. He and his wife, Frances, had two children, Victor and Barbara, both born during the Columbia years.

In 1948, Harold Norris was admitted to the Michigan bar. For the next 13 years, he engaged in private practice. During that time, he became active in bar associations where, as he recalled in a 1991 magazine interview, "I helped initiate and secure prepaid legal insurance, the principle of fair employment practice legislation, compulsory automobile liability insurance, and the inclusion of lawyers in the Social Security Act." Norris wrote the Michigan Automobile Liability Accident Claims Act.

In addition to his private practice and his work with the bar associations, Harold Norris involved himself with the American Civil Liberties Union where, among other things, he represented teachers and students who were subpoenaed by the House Un-American Affairs Committee. He pushed for one-man, one-vote, and he spoke out on the need for fair and impartial evaluations of citizen complaints against the police.

In 1961, a number of forces converged on Professor Norris and moved him toward the realization of one of his goals: to be a teacher. While serving as president of the ACLU's Detroit chapter, Norris met the late Charles King, deal of the Detroit College of Law, who asked him to join the faculty. in 1961 Norris became a professor at Detroit College of Law; that same year he was elected a delegate to the Michigan constitutional convention. In the classroom and in the political arena, he was able to expand his efforts to help this country live up to its promise of freedom and justice for its citizens.

Despite Professor Norris' awesome accomplishments, he remains an unpretentious man who always makes time to talk to students and friends. He encourages open debate in his classes, and he considers it his mission to spark an unquenchable thirst for justice in his students.

Professor Norris' passion for justice is a natural part of his lifelong search for balance and harmony in the universe. His talent as a writer and social commentator has won him praise in the literary field as well as in the legal field.

As an author, Professor Norris' works include "Mr. Justice Murphy and the Bill of Rights," published in 1965; "Reflections on Law, Lawyers, and the Bill of Rights, a Collection of Writings 1944–1984," published in 1984 and "Education for Popular Sovereignty Through Implementing the Constitution and the Bill of Rights," published in 1991. Included among the collected writings found in "Education for Popular Sovereignty Through Implementing the Constitution and the Bill of Rights," is "Due Process and the Rule of Law: Earning Citizen Cooperation with Police." Presented at a public meeting in Detroit, the speech is as relevant today as it was when Professor Norris gave it in 1961. Detroit police were engaged in a unlawful crackdown on African American citizens. Some 1,500 dragnet arrests resulted in only 40 warrants. Much of the community was outraged over the trampling of individual rights. Professor Norris went directly to the heart of the issue when he wrote:

> We believe that the public has a tremendous interest in law enforcement, but it has an even greater long-range and permanent interest in the rule of law. We hear of promoting world peace through law. We need the rule of law to promote the peace of the Detroit community. Justice through law is the objective of government and law enforcement, not merely the apprehension and prevention of crime. Inscribed upon the portals of the building housing the United State Supreme Court in Washington, are the words Equal Justice Under the Law . . . the watchwords of our constitutional faith. In other words, it is the purpose of the Bill of Rights and Due Process to make all citizens self-governing and equally secure against any arbitrary and unlawful intrusion, private or public. The Bill of Rights was born in controversy and lives in controversy. Due Process of law is to be observed in emergencies as well as in conditions of safety.

Harold Norris also is a sensitive poet whose work has been praised by Archibald MacLeish and Theodore H. White. White said Norris' poetry is "infused with an almost forgotten sense of love—love of country and of people, love of America's monuments and places, love of its future and heroes."

Professor Norris' poem, "The Liberty Bell" hangs in the lobby of the Detroit College of Law and in the public lobby of Philadelphia's Independence National Park's Administration Building, the home of the Liberty Bell.

In a moving tribute to civil rights legend Rosa Parks, Norris wrote in part: "I will walk. My will is responsible. I am this nation. This nation is what I do. It will not be done. Unless I do it. This nation is determination. This nation is conduct. Conduct with a free will. During his career, numerous groups have honored Professor Norris with awards and commendations. Included among these awards are the National Judge Finch Law Day Speech Award from the American Bar Association for his address on "Law, the Language of Liberty," the "Champion of Justice Award" by the State Bar of Michigan and the "Distinguished Warrior for Civil Rights Award" by the Detroit Urban League.

In 1987, the Michigan supreme court presented him with a citation for his vision, faith, and commitment that have inspired a lifetime of contributions to the jurisprudence of our State. In that citation, he was aptly described as a lawyer, educator, poet, and statesman.

Professor Norris enjoyed a unique and beautiful relationship with his wife, Frances, whose death in 1990 ended a forty-seven year marriage.

Their son, Victor, recently provided one of a most telling and insightful assessment of Professor Norris. Asked to describe his father, Victor said:

"Even if he wasn't my father, I would say that I have never known anyone who on a minute-by-minute, day-by-day basis feels so responsible to his country and to making it a better place to be."

When Professor Norris' name is mentioned, the most respected and successful lawyers and judges in Detroit say he shaped their law perspective about justice and led them to understand that the Bill of Rights is a living document that must be protected by those who practice both justice and the law.

Harold Norris' presence has made this a better, stronger, and more decent Nation. During a teaching career that spanned four decades, he touched the lives of thousands of lawyers who now carry on his mission of our Nation.

One of Professor Norris' last acts at Detroit College of Law was to create and to help fund the Harold Norris Colloquium, which is an annual even that will explore key issues in the fields of constitutional law, civil rights, and civil liberties.

Detroit, the State of Michigan, and the United States are deeply indebted to Professor Harold Norris—humanitarian, lawyer, teacher, and poet. Because of his appreciation and understanding of the living power of the Constitution and the Bill of Rights, generations of citizens have been able to live with a greater measure of freedom, opportunity, and dignity. I am pleased that my family and his have been friends, neighbors, and leaders in helping define and resolve the issues that yet may make this form of government great.

PASS THE FOREIGN AID BILL

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 3, 1996

Mr. DEUTSCH. Mr. Speaker, for the past several months, the House Republican leadership have stubbornly help up the entire foreign aid package, including MEPFA and aid to Israel, in order to score political points on a domestic political issue.

Unfortunately, this intransigence has put the three most vital benefits of foreign aid to Israel in serious jeopardy. First, without delivering foreign aid by January 1, the economic stability of Israel could be threatened. The Israeli Government will come dangerously close to defaulting on its financial commitments. Moreover, funding for a variety of social projects in the region will be imperiled including money earmarked for roads, housing and hospitals.

Second, the failure to pass the foreign aid bill will have a serious impact on the American economy. It is a little known fact that 83 percent of all aid to Israel is spent here in the United States creating good jobs for Americans. Without passage of the foreign aid legislation, billions of dollars that would have been injected into the American economy will be lost.

Third, failure to pass the foreign aid bill will endanger the fragile Middle East peace process. Both Israel and the Palestinians rely heavily on American aid to stabilize their domestic economies. Eliminating this funding will encourage extremism in both societies and threaten all of the hard fought progress that has occurred over the last several years.

On a practical level, the United States has a choice between either providing aid to Israel or sustaining a large military presence in the Middle East. I urge the House Republican leadership to negotiate a compromise on this legislation and pass the foreign aid bill. Without some type of action, we are in jeopardy of seriously undermining the peace process in the Middle East.

SENATE—*Thursday, January 4, 1996*

(Legislative day of Wednesday, January 3, 1996)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Lord of our lives and Sovereign of our beloved Nation, we humbly confess our need for Your supernatural power. Thank You that You do not tailor our opportunities to our abilities, but rather give us wisdom, strength, and vision to match life's challenges. We surrender the pride of thinking that we can make it on our own resources. We are totally dependent on You. We could not think a thought, give dynamic leadership, or speak persuasively without Your constant and consistent blessing. You are the source of all we have and are. We praise You for the talents, education, and experience You have given us, but we know that You alone can provide the insight, innovation, and inspiration we need so urgently to meet the problems we face. You have told us there is no limit to what You will do to empower leaders who trust You completely, and give You the glory. We commit this day to glorify You in all that we say and do. In Your all-powerful name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

UNANIMOUS-CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 153

Mr. DOLE. Mr. President, first I ask unanimous consent that when the Senate receives from the House, House Joint Resolution 153, a funding resolution for the District of Columbia until January 25, 1996, that the joint resolution be deemed read a third time and passed, and the motion to reconsider be laid upon the table, all without any intervening action or debate.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. DOLE. I think it is clear that the effect of this will be to continue the District of Columbia government until January 25 at which time we hope we will have an agreement, or we will have some permanent resolution of appropriations bills and the D.C. appropriations bill. There is only one outstanding difference on that appropriations bill. It relates to vouchers. So, if that could be resolved, we could pass the District of Columbia bill.

SCHEDULE

Mr. DOLE. Mr. President, for the information of my colleagues, leaders' time has been reserved. There will be a period of morning business until 12 noon.

We are not expecting any rollcall votes to occur during today's session. I am not certain whether or not anything may come from the House. There is that possibility. But something may come from the House.

So I hope that maybe after Members have had any discussion they want, we might stand in recess subject to the call of the Chair.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

Mr. DASCHLE. I thank the President pro tempore.

FUNDING FOR THE DISTRICT OF COLUMBIA

Mr. DASCHLE. Mr. President, I applaud the action taken this morning. I believe that providing the District of Columbia with the confidence of knowing that they will have the appropriate operating funds to continue at least through the 25th of January is very important. I talked to the Mayor this morning, and he urged that this be done. I am pleased that, again on a bipartisan basis, the Senate has agreed to take at least one of the many outstanding problems out of the mix and deal with it directly.

THE GOVERNMENT SHUTDOWN

Mr. DASCHLE. Mr. President, while I agree that it is right to deal with the problems facing the District of Columbia, there should be no misunderstanding about the current situation. There are hundreds and hundreds of problems that are being created almost on a daily basis that have not been dealt with. Veterans are again in the same position they were prior to Christmas. If something is not done prior to the end of this month, veterans will not receive their disability checks.

If something is not done before the end of this month, AFDC recipients will not have their checks.

If something is not done before the end of this month, 260,000 Federal workers will have been out of work for an entire month. And the taxpayers are paying $40 million a day for this to occur.

How ironic can it be? The irony certainly must be apparent to every one of the people involved. How ironic that at the very time we are dealing with the budget, trying to find some resolution to the deficit, we are creating through this irresponsible Government shutdown a $40 million deficit unnecessarily each and every day. It is just outrageous.

The Senate has, through leadership of the majority leader and colleagues on both sides of the aisle, come to terms with this. We passed the continuing resolution. That issue is over and done with.

What remains is for the House to act responsibly to do what they should have done weeks ago—to pass a continuing resolution, put people back to work, and make absolutely certain that this horrendous situation we face today is solved once and for all.

If we do not, there will continue to be dire consequences. Everyone should know that Meals on Wheels runs out of money this week. Senior citizens who may only receive one meal a day will cease receiving those meals as a result of the inaction in the House. Senior citizens will go hungry. No one ought to be confused about it. Everyone ought to understand the implications of what we are doing here. Seniors who may not get any other nutritional opportunities for the entire day will be denied this one meal as a result of House Republican intransigence.

Medicare contractors are no longer being paid. Medicare contractors are now being asked to go out and provide medical services without any compensation at all.

So are we affecting the lives and health of millions of Americans beyond Federal workers? Absolutely. We are doing it today.

I already mentioned veterans not receiving their disability benefits. They are not receiving educational benefits either.

Unemployment offices—we have people out of work, walking in for unemployment compensation, not knowing how they are going to pay their bills. Their situation is totally unrelated to any budget negotiations. They are

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

walking into unemployment offices and finding that no one can provide them with service because 10 States have already been forced to shut down their unemployment offices. Ten States have shut down every single unemployment office

So people seeking help—not Federal employees, not people who may be part of the Federal Government but people who are out of work—are now being told there is nothing that we can do for them either.

Superfund has been halted now for cleanups in 32 toxic wastesites. There are 32 sites around the country completely shut down as a result of what has happened here in the Congress, and what is happening—or not happening—on the House side.

There are 20,000 student loans per day that are not being processed.

I had a call a couple of days ago from a friend in South Dakota whose daughter is depressed and in tears wondering just what is going to happen because she was told she cannot even go back to college because her student loan did not come through for the second semester. What happens to the next 6 months of her life?

Mr. President, there has been a lot of talk about furloughing Federal workers without pay. But it appears that the House may furlough themselves with pay. How outrageous can that be? What a contrast. What an incredible juxtaposition of fairness. The House is going out on a 2-week vacation with pay.

Every Federal worker is left at home without pay and the Federal taxpayer is left holding the bag each and every day for services not rendered.

This country has been in very difficult positions in the past. But I daresay, Mr. President, that this is the most inexplicable, outrageous situation that I have seen since coming to the Senate. It has to end. The House has to come to grips with taking the responsibility and doing the right thing. It has to happen, and it better happen today.

I yield the floor.

MAKING FURTHER CONTINUING APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. STEVENS). For the information of the Senate, under the previous order, House Joint Resolution 153, which was just received from the House, has been deemed read a third time and passed, and the motion to reconsider has been laid upon the table.

So the joint resolution (H.J. Res. 153) was deemed read a third time and passed.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 12 noon with Senators permitted to speak therein for not to exceed 10 minutes.

COMMEMORATION OF UTAH'S CENTENNIAL

Mr. DOLE. Mr. President, 100 years ago today, Utah became the 45th State of the Union. I wish to join with Utahns everywhere and celebrate this momentous day, as I am sure my colleagues would as well, and I extend my best wishes for the next century.

Mr. HATCH. Mr. President, 100 years ago today, January 4, 1896, President Grover Cleveland signed a proclamation admitting Utah as the 45th State of the Union. I rise in recognition of this event and to join with Utahns everywhere to celebrate the centennial of the State of Utah.

Prior to President Cleveland's action, Utahns had diligently battled for more than half a century to attain this goal. The telegram announcing Utah's statehood arrived at 9:13 a.m. on that winter morning in January at the Western Union office located on Main Street in Salt Lake City. As gunshots rang out the news, hundreds of people began shouting with joy, "Statehood has been proclaimed." Bells and whistles reverberated throughout the valley, and one-by-one, 100 American flags were hoisted.

President Cleveland actually signed the proclamation at 10:03 a.m. in Washington, DC. His private secretary, Mr. Thurber, was quoted in the Salt Lake Tribune as saying,

> The President looked upon the signing of the proclamation as purely as Executive act, and one not, therefore, to be witnessed by the public any more than the affixing of his signature to other routine business which came before him.

Let me emphatically state 100 years later than President Cleveland's act was not just routine business—this was the birth of a truly remarkable State.

Utah is great because its people make it so. Utahns, regardless of religious affiliation, hold solid values in common that I believe are essential to the quality of life anywhere. These include a strong work ethic, honesty, charity, compassion, thrift, perseverance, and respect for the family. There is a positive can do attitude in our State that is irresistible and refreshing.

As our State motto indicates, Utah is industrious. As we excel in the arts and humanities, we also excel in the sciences and in commerce. This success has brought us an enviable level of prosperity compared to other States, and sets the stage for a stable future for our children.

Utah's natural beauty is unsurpassed. The State of Utah has as a lasting and historical landmark, the Great Salt Lake; the greatest snow on Earth; and everything to offer in pure natural beauty. We are surrounded by the majesty of our mountains and forests; the breathtaking beauty of our red rock canyons; and the wide, open, limitless expanse of our farmlands and deserts.

People have come to Utah from every part of the world with one basic motivation—the belief that this is the place where they would find the opportunity to pursue their hopes and dreams. Utah's history is filled with tales of people who have displayed remarkable determination and the will to forge ahead regardless of the odds. Our history and our people have literally made a desert blossom. Utah leaves an indelible impression upon its citizens, its visitors, and its leaders. The Utah values and the people who believe in them are the reasons Utah is a wonderful place to live, work, and most importantly raise our families.

Mr. President, most of my colleagues have had the opportunity to visit Utah and experience the spirit that makes our State what it is today. As many have told me, they can fully understand why I am so proud to represent Utah in this body. I choose to bring this highly important date to the attention of the Senate in the hope that my colleagues will join with me in congratulating all Utahns for a job well done.

I want to publicly recognize all of the citizens of the great State of Utah and sincerely thank them for making Utah the wonderful place that it is today. I am honored to represent the people of Utah, and I hope and pray that the next 100 years will be successful and peaceful for all those who dwell within Utah's borders. Happy 100th birthday Utah.

Mr. BENNETT. Mr. President, I rise today to bring to the attention of the Senate the current celebration which is ongoing in my home State of Utah. With the beginning of this new year, Utah begins its centennial celebration having been admitted to the Union of States in 1896.

This 100-year mark is very significant considering the long struggle for the citizens of the Utah Territory to gain statehood in the late 19th century. The people of the Utah Territory tried unsuccessfully for admission to the Union six times—1849, 1856, 1862, 1872, 1882, and 1887—before being admitted in 1896.

Today, Utah is one of the fastest growing States in the country. Business is thriving as more and more companies establish roots in the State. The banking and financial industry have a long history of success in Utah. Manufacturing industry continues to grow and succeed. Utah's software industry is growing so rapidly that it has now surpassed that of Silicon Valley. Utah provides many opportunities for the families that reside in the State. With six 4-year, degree-granting universities and colleges, including four State institutions and two private institutions, Utah provides its citizens with many opportunities to enhance their education and circumstances. Today, Utah is ranked among the stop States in the Nation for the quality of its graduates.

Again, Mr. President, it brings me great pleasure to join with the people of my State in celebrating during this centennial year. I would like to pay tribute to the many people who have worked so hard to put together the events that are taking place this week and throughout the remainder of this year. In particular I would like to single out Mr. Steve Studdert for the fine job he has done as chairman of the Utah Centennial Commission. Additionally, thanks goes to Gov. Mike Leavitt and his many predecessors who have worked so hard over the past 100 years to make Utah what it is today. Of course we cannot forget our pioneer founders who saw the vision of what the desert could yield and put forth the hard work to cultivate and culture the Rocky Mountain valleys we now call home.

For Utahns who find themselves transplanted to Washington, DC, I would like to announce that a celebration will be held here on the 27th of January, commemorating Utah's centennial. My staff and I can be contacted for further details.

BUDGET STALEMATE

Mr. REID. Mr. President, I know that this is a Presidential election year. We are going to have a hotly debated and contested Presidential election. But it is going to be on issues that are important, as indicated by the action taken by the majority leader day before yesterday.

I commend and applaud publicly the action of the majority leader in allowing the Senate to pass a clean continuing resolution. I say that because the issue of allowing the Federal workers to go to work is important. It is important to more than just the Federal workers. Therefore, I think it is important we talk about procedure so that people understand a little bit better what is going on.

The House of Representatives yesterday refused to allow to come to a vote—they refused to allow the continuing resolution that has passed the Senate to come before the House to be voted upon. They did that, the leadership in the House refused to let it come forward, because they knew if it came forward, it would pass.

That, to me, is a cowardly act. Why would they not let people stand in the light of day and cast their vote as to whether or not this Government could continue to function? They refused to do it because they knew if they brought it up for a vote, it would pass.

There are some in the House who think they are hurting what they hate; namely, the Federal Government, but they are hurting a lot more than just the Federal Government. Look at any newspaper, wherever it might be, in the United States today, and you will find the same stories.

I think the most illustrative appears in today's USA Today. In today's USA Today, Bangladesh, if not the poorest, one of the poorest countries in the world, is going to loan money to the United States to keep the Embassy open in Bangladesh. How embarrassing.

> In Bangladesh, one of the world's poorest countries, the government has offered a loan [to the United States] to keep lights on at the United States embassy in Dhaka.

It is hurting more than Federal workers. Alabama ran out of Federal unemployment money, as did many other States.

> U.S. embassies around the world are being forced to beg for credit.

You have businesses and governments throughout the world saying the United States cannot pay, will you give us some credit.

> In Miami—

This same newspaper reports—

> fishing guide Mike Haines has lost $3,000 in the past 2 weeks. Haines takes people on fishing trips in Everglades National Park which shut down December 20.
>
> Now, 2 months after fulfilling his boyhood dream of being a full-time fishing guide, Haines is scrambling to make ends meet.
>
> The Federal court system, including the Supreme Court, is running out of funds. It has tapped into a $120 million emergency fund drawn from fees collected by the courts.

They are going to run out of money on the 7th. That is Saturday, or Sunday. The Federal courts are going to run out of money.

> About 15,000 employees of Government contractors are temporarily out of work.

On television last night in the news it was very, very graphic—people with uniforms, protective uniforms, faces covered, every part of their body covered, working in toxic waste dumps, being laid off.

The L.A. Times—this is not something just within the beltway. It is all over the country. The L.A. Times:

> Shutdown Begins To Hit Home Across the United States.
>
> The effects of the shutdown have spread gradually during the holidays, customarily a slow time in the public and private sectors, but this week the pace quickened and the closure is being felt in everything from restaurants and tourist businesses to toxic waste cleanup.

National parks, Mr. President, according to the New York Times, average 383,000 visitors a day. They are closed; a potential loss to businesses of $200 million a day. That $200 million goes to people's wages. Those people can buy cars. This, Mr. President, is an economic disaster based upon an unwillingness of a certain small group of people in the other body to allow an up-or-down vote on whether or not the CR should continue. Of course, it should continue.

Mr. SARBANES. Will the Senator yield for just a moment?

Mr. REID. I will be happy to yield to my friend from Maryland.

Mr. SARBANES. I wish to add one further example. In Mariposa County, CA——

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. REID. I yield to him. He wanted to ask me a question.

The PRESIDING OFFICER. Do so through the Chair, please.

Mr. SARBANES. Will the Senator yield for a question?

Mr. REID. I will be happy to yield for a question.

Mr. SARBANES. I thought that was the question that had been put earlier, I say to the Chair.

The PRESIDING OFFICER. No.

Mr. SARBANES. Is the Senator aware that apparently,

> In Mariposa County, CA, home of Yosemite National Park, which has been closed through one of the busiest times of the year, the number of private sector layoffs has climbed to over 1,600 people. Most are hotel, restaurant, and gas station workers who usually can depend on the revenue they collect during the holiday season to carry them until the summer. One-fourth of the adults in that county are out of work. Officials there have declared an economic emergency.

I say, is this not yet another example of the kind of harm that is being felt across the country as a consequence of this closure of the Government?

Mr. REID. I would respond to my friend's question that the answer is yes. Even in Reno, NV, northern Nevada, why, we have significant numbers of people coming from California all the time, and they many times do continue when they are visiting Yosemite, which is so close to Nevada. That has been lost.

This is felt by not only Federal workers; this is felt by non-Federal workers, and it is really reverberating throughout the entire United States. And I also respond to my friend that it is going to get worse, as indicated in these newspapers about which I was talking.

The L.A. Times goes on to say that "at the other end of the economic spectrum"—they are talking about people. The reason they say this is, unemployment compensation checks, as indicated by the minority leader, are not being sent out in a number of States, but at the other end of the economic spectrum, many businesses are unable to obtain needed export licenses or are being left with no way to obtain required Federal approval of special imports or other transactions.

That is jobs. It is fancy talk, but it means jobs.

Also, the Securities and Exchange Commission cannot approve various offerings that have been made. Why is that important? It is important because each time a new company, a new stock offering is made, people are hired, put to work. They are simply not being put to work, all because a few people in the other body refuse—the leadership led by the Speaker of the House of Representatives refuses to allow that issue to come to a vote.

I see in the Chamber my friend from the State of Virginia. One of his fellow Members of Congress, Congressman DAVIS, with whom I am not personally familiar but someone I have followed, he publicly, a Republican, spoke out yesterday saying let us at least have a vote on the House floor as to whether or not a continuing resolution should pass.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. REID. I would be happy to yield for a question.

Mr. WARNER. I just left, Mr. President, Congressman DAVIS' office. The delegation here in the greater metropolitan area, Congressman DAVIS, myself, Congresswoman MORELLA, who represents Montgomery County, and Congressman WOLF, and we were joined by Congressman BATEMAN, who represents the Tidewater district of Virginia, all met this morning, as we have been regularly meeting on this.

I wish to inform my distinguished colleague that Congressman DAVIS and the entire group this morning unanimously are going to do everything they can to oppose the House of Representatives going into recess tonight, as contemplated for a period to extend perhaps until the State of the Union Address around the 22d or 23d of January, while these employees are out of work.

I shall on my own time—and perhaps these statements could be charged to time I will eventually seek—talk about the ripple effect here in northern Virginia. So I thank my distinguished colleague from Nevada for mentioning Congressman DAVIS. I said yesterday publicly he and other Republicans in the House of Representatives from this area indeed deserve a great deal of personal credit for their courage in this situation.

The PRESIDING OFFICER. The Chair is going to add 2 minutes to the time of the Senator from Nevada because of the statement from the Senator from Virginia. The Senator is recognized for 2 minutes. His first 10 minutes has expired.

Mr. REID. Mr. President, I think we should recognize that this should be a bipartisan resolution of the problems we have facing this Government. I have not been a party to the talks with the President, the two leaders from the House and the Senate. I hope they are progressing, but they are very difficult. We know that.

There are 80 different issues that are issues dealing with public policy that they have to work out. There has been an agreement on both sides that there should be a balanced budget, there should be a balanced budget within 7 years. They will use CBO figures. That has been stated publicly. That is not a secret. But in the meantime, let the Government go forward and go back to work, as it should.

I also say there are a few people—the House leadership is holding up the ability to vote on a CR. What are they afraid of? They are afraid of the fact that if this comes up for a vote before the House of Representatives, it would pass. I understand that in the House of Representatives yesterday in a secret meeting that they had, a Republican conference or caucus, 54 Republicans there voted to have this brought to the floor. It would pass. Clearly it would pass.

Mr. President, I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Is there an objection?

The Chair would state under the previous order morning business would not extend beyond the hour of 12 o'clock.

Mr. REID. I ask for 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. REID. I say that Mr. President, because I have been interrupted a couple times.

Mr. President, the Los Angeles Times:

> . . . budget analysts warned Wednesday that if the standoff continues for even a few more days, the impact will spread to larger and larger slices of the American economy and stopgap solutions will be more difficult to achieve.
>
> Several federal agencies reported that they have begun to halt contracts with private companies that provide supplies or services for federal programs. The White House Office of Management and Budget said [that] no overall estimates are available, [but they are strong].

It is the same in other newspapers.

The New York Times talks about the real problems that face this Government.

Mortgages. Work has halted on an estimated 200 million mortgages a day on mortgage loan processing for American people.

Veterans' Administration. That 170,000 veterans are not going to receive their benefits.

Mr. President, I say that this has gotten out of hand. This is not fair to the Federal workers, but more importantly it is not fair to a wide segment of the American population. This has got to stop. It is folly. I say, let those people come forward and allow an up-or-down vote in the House of Representatives. Speaker GINGRICH should allow an up-or-down vote if he believes in the democratic process.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

THE PRESIDENT'S VETO OF THE INTERIOR BILL

Mr. WARNER. Mr. President, the President vetoed the Interior bill December 18. We are not here to try and reopen the debate in terms of what has taken place in the past, but I must say that this action by the President of vetoing the bills that were passed in the Congress just simply cannot help but to worsen the situation.

This particular bill, of course, embraces so many of our national parks and other places that people come from all over the world to visit, as well as our own citizens. This has been a point of very significant contention, the fact that people who have planned for a long time to visit these sites and many others cannot do so as a consequence of this deadlocked situation between the Congress and the President.

ENDING THE BUDGET STALEMATE

Mr. WARNER. Mr. President, I join all those who wish the President and indeed the leadership of both the House and the Senate to get these talks to reach a point where we can have a reconciliation of this problem. We have finally, after some months, focused the country's attention on the need for a balanced budget. And that is the centerpiece of this controversy. But I feel that this shutdown is taking the public attention away from that important and historic landmark achievement by the leadership of both the Senate and the House, and others; that is, bringing a final agreement on a balanced budget within a 7-year period of time.

If the President would be forthcoming, if he would be forthcoming with a balanced budget, with his own ideas as to how he can achieve it within that 7-year period of time with the CBO figures, I think these negotiations could very quickly resolve such differences that remain and allow the current stalemate to be concluded.

Mr. President, earlier I spoke about the meeting on the House side this morning with Virginia Representatives DAVIS, WOLF, BATEMAN, Congresswoman MORELLA, who represents Montgomery County, MD, and myself. We meet regularly throughout each day. But this morning we reported as a group first that in our own metropolitan area the SAIC Corp., private contractors, furloughed some 600 people. DynCorp, another private contractor, has furloughed 700 people.

We had the transportation representatives in to see us this morning, primarily the taxicab operators in northern Virginia. Their business is absolutely devastated. Yesterday we met with those of the hotel industry and the restaurant industry. Their business is being devastated.

So the ripple effect, Mr. President, is impacting the greater metropolitan area, and indeed in many other places throughout the United States. It is imperative that all of us bring to bear our best judgment to try and resolve this problem.

Mr. President, I wish to include in today's RECORD just samples of the thousands of communications being forwarded to my office, both by telephone and by letter. I am certain that this is taking place in other offices here in the Senate. As a matter of fact, Congressman BATEMAN said he cannot even get through to his office in Tidewater, VA, today because of the volume of communications from his constituents.

But one letter dated December 12 of last year from a retired Navy captain, signed both by himself and his wife, simply says:

> Our country is already in a sorry state due primarily to congressional incompetence over the years, and these situations only make matters worse. Perhaps one answer to the "stalemate" problem might be to exclude the media from all deliberations and eliminate press conferences.

This is sort of the typical reaction of an individual who has dedicated his life as a public servant here in the military to try and keep our Nation strong but expressing his own views.

A second letter, December 29, 1995, from Mr. John Fulton of Vienna, VA, indicates he is a lifelong Republican, but he says:

> There is no rational reason why the issue of ongoing day to day operations of our government cannot be separated from the larger, and critically important, budget deficit problems.

I certainly agree with these constituents.

Mr. President, I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

VIRGINIA BEACH, VA,
December 12, 1995.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: I am a retired naval officer, having served forty years in the Navy, and my wife a homemaker for fifty-four years are most concerned with the political shenanigans now going on in Washington. While you are not directly involved the respective parties leadership must stop this nonsensical attempts to outwit the other side for political gain. It is time for your colleagues to put aside their egos and do the work Congress was elected to do, and within the framework of the Constitution.

Our country is already in a sorry state due primarily to congressional incompetence over the years, and these situations only make matters worse. Perhaps one answer to the "stalemate" problem might be to exclude the media from all deliberations and eliminate press conferences. In any event, you and your colleagues must get your act together, for the good of our country.

Having said the above we, like most of your senior citizen constituents, only ask that in your deliberations and voting that we be treated equally and fairly.

Sincerely,

T.H. CONAWAY, Jr.

MARGARET P. CONAWAY

VIENNA, VA,
December 29, 1995.

Hon. JOHN W. WARNER,
U.S. Senate, U.S. Capitol, Washington, DC.

DEAR SENATOR WARNER: I am writing to express my concern and dismay over the way in which this congress is conducting the work of the Nation.

As a lifelong Republican, I am embarrassed and appalled at the recent actions taken by members of our party which have resulted in a partial shutdown of government operations, financial problems for thousands of federal employees and private contractors, cost to the nation of millions of dollars in federal funds wasted daily and gross inconvenience to our citizens nationwide. The lack of mature leadership and responsibility demonstrated by Republican members of both the House and Senate in this situation is without historical precedence in the 44 years that I have been privileged to be a party member and vote!! It would appear that a significant number of congressional members have forgotten a fundamental principle of our Democracy—the ends don't justify the means! If this behavior continues there will be no need for term limits.

There is no rational reason why the issue of ongoing day to day operations of our government cannot be separated from the larger, and critically important, budget deficit problems. We must separate these issues; get the government and related businesses back to work and focus on the central issue before the Nation—the re-prioritization of our national goals, priorities, programs and commitments necessary to balance our budget and relieve our children and grandchildren of the horrendous 4 trillion dollar debt. If the congress and administration are unable to resolve this issue before the next election then let the voters decide who they want to entrust the challenge to.

I am also greatly concerned about the proposed capital gains tax cuts and child tax credits. If our party is serious about deficit reduction and restoring our Nation's fiscal health and credibility we should recruit all Americans to share in the sacrifice—sustain the cuts, drop all tax cuts and apply all the savings toward the $4,000,000,000,000 + deficit! Any other course of action will be correctly viewed by the American people as a sham, catering to wealthy-special interest groups and we will (and should) pay at election time. This is a year when those of us who have profited greatly from stocks/bonds investments should be willing to make a continued investment in the Nation which made those earnings possible—through capital gains and other revenues. When we get our nation out of debt we can cut taxes—and all celebrate!

I appreciate your leadership and wish you and your staff a blessed and prosperous New Year.

Sincerely,

JOHN FULTON.

Mr. WARNER. I yield the floor.

The PRESIDING OFFICER. Does the Senator from New Mexico seek the floor?

Mr. BINGAMAN. Yes, Mr. President.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

LIVELIHOODS DISRUPTED

Mr. BINGAMAN. Mr. President, I wanted to comment on two major items today. First—this is a somewhat new item. I believe it is a new example of the abrogation of responsibility by the House Republican leadership. For 20 days we have been holding three-quarters of a million Federal civil servants hostage in this effort to exercise what Speaker GINGRICH calls his right not to pass spending bills.

He has referred to that many times in interviews. As a result, as the Senator from Virginia was just pointing out, many Americans—contract workers, those planning to travel, those seeking export licenses, those seeking federally insured mortgages—have had their livelihoods disrupted.

Now the leadership in the House has added the military personnel of the country to the list of those whose livelihoods are being disrupted.

Yesterday, the House failed to override the President's veto of the Defense authorization bill. And when they did that, Congressman DELLUMS sought to bring up S. 1514, which is a bill that the Senate passed last Saturday to ensure that our troops get their full January pay raise, both their basic pay and subsistence pay, which are to increase 2.4 percent, and their quarters pay, which is to increase 5.2 percent.

When the Senate passed the bill last Saturday, the Presiding Officer, Senator STEVENS, made the statement: "Mr. President, this bill should not be controversial. The President asked that it be passed and has said that he will sign it as soon as he receives it."

Congressman DELLUMS yesterday tried to bring it up in time so that the Pentagon could ensure that troops receive their full pay in their first January paycheck. He was refused.

Mr. President, when we have troops in Bosnia and when our troops are proudly around the globe in other potential hot spots—South Korea, the Middle East—the House Republicans should not be adding them to the list of people who are being inconvenienced and whose livelihoods are being disrupted by inaction in Congress. This is yet another example of where Senate Republicans have acted responsibly in carrying out their duties under the Constitution; House Republicans have not. The Senate acted last Saturday on the Stevens-Thurmond bill as soon as the President vetoed the Defense authorization bill. I am sure many Senate Republicans do not agree with the President's veto of that Defense authorization bill, but they were not going to allow their differences with the President on that larger issue to adversely affect our troops.

Mr. President, I can only hope that the House Republican leadership will reverse course today. Their refusal to take up and to pass that military pay bill yesterday was inexcusable. I hope they will do our military personnel and all Americans a service by bringing it up and passing it today.

IMPLICATIONS FOR THE SECOND SESSION OF THIS CONGRESS

Mr. BINGAMAN. Mr. President, let me speak about one other issue that I am quite concerned about, and that is the implication of what is going on now for the work of this Congress in the second session and in future sessions. There has been a lot of talk about hostage-taking. There was a very good editorial that has been referred to in the Washington Post yesterday about how the current shutdown is an example of hostage-taking. Yet, the editorial stated, I thought, very eloquently:

> Hostage-taking is an ugly business. It doesn't matter what the cause. Innocent people are seized and used as pawns; they become political trading stamps whose welfare is exchanged for things the hostage-taker could not win by normal means.

Obviously, the most dramatic example of hostage-taking in recent history in this country was the hostage-taking in Iran in November 1979. It could be debated whether the current Government shutdown rises to the level of a hostage-taking. Perhaps this is just a using of public servants, Federal employees, as pawns in a larger political game, and I will leave to others the debate about whether this is, in fact, a hostage-taking.

But, Mr. President, in my view, when each of us took our oath of office, and that oath included the duty to protect and defend the Constitution, implied in that was the responsibility to maintain a functioning Government. Now, that is not written into the Constitution, but I think it is clearly implied that those of us who seek public office will take on that responsibility.

We can argue about what the Government ought to do, we can argue about how large the Government ought to be, we can argue about how many employees ought to be hired by the Federal Government, but the basic responsibility to maintain a functioning Government is something about which I think is very difficult for us to argue.

The Republican leadership in the House has taken a different view. They are saying that as to the parts of the Government which today remain closed, they do not share that responsibility to maintain those parts of the Government functioning. They believe that is the President's problem, it is not their problem.

Those who wrote our Constitution established a system of government where power is shared, but also a system of government where responsibility is shared, and part of that responsibility that is shared is the responsibility to maintain a functioning Government.

Mr. SARBANES. Will the Senator yield for a question?

Mr. BINGAMAN. I will be glad to yield to the Senator from Maryland for a question.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. I say to the distinguished Senator from New Mexico, given our constitutional arrangements of separation of powers and checks and balances, if both branches do not act responsibly, how can we meet our responsibilities under the Constitution?

We have a situation here, as I perceive it, in which a coercive tactic is being employed which I understand has never been used previously in our Nation's history. That is, a certain group, in order to get its way on a substantive issue, is prepared to use as a tactic the closing down of the Government with all of the harm that inflicts, not only on the Federal employees but throughout the private sector.

This is a classic example of using any means to get to your end, even though the means that are being used here result in a breakdown of our constitutional system of democratic government. What is the Senator's perception with respect to that?

Mr. BINGAMAN. Mr. President, I appreciate the question very much, and I agree entirely with what the Senator from Maryland is saying. I believe it is a breakdown of our system. I believe the Founding Fathers who set up our system of government intended that all of us in Government, whether in the legislative branch or in the executive branch, would work together to try to maintain a functioning Government and to resolve disputes. That is not happening now.

I was particularly bothered by an article on December 2 in the Washington Post where it talked about the impasse that was existing, and it referred to the chairman of the Appropriations Committee in the House, Mr. LIVINGSTON. It said:

> Livingston and other Republicans yesterday boasted that after weeks of standoff over spending issues, the momentum had shifted in the Republicans' direction when the President accepted the defense spending bill. "I think that once the defense bill was off the table, the administration lost the leverage it really had planned on using," Livingston said. He added that most of the remaining spending bills include programs that "are a greater concern to the President" than to many other Members of Congress.

To me, that does not bode well for the rest of our deliberations in the second session of the Congress. If the President needed to keep the Defense appropriations bill on the table in order to be able to bargain with the House, then the obvious message is that he would keep it on the table in a new session. I cannot conceive of the President this fall, for example, when we send him appropriations bills, I cannot conceive of him signing a legislative appropriations bill before all of the executive branch appropriations bills have been completed. It would not make any sense, if this is the new context in which we operate.

Mr. SARBANES. Will the Senator yield for a further question?

Mr. BINGAMAN. Yes, I will be glad to yield.

Mr. SARBANES. Representative BOEHLERT stated in mid-November, and I quote him: "You have a group in our conference who could not care less if the Government shuts down. They will be cheering."

I submit, shutting the Government down is a default in carrying out your responsibilities as an elected Member of the legislative branch. You have to separate out the matter of carrying forward the normal functions of Government, on which millions of people across the country depend, from disputes you may be having over particular issues.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

REGARDING THE RESOLUTION COMMENDING BRETT FAVRE

Mr. COCHRAN. Mr. President, yesterday the Senate passed, at my request, a resolution commending Brett Favre, from my State, who was named earlier this week as the most valuable player in the National Football League. Brett, as Senators know, is the quarterback of the Green Bay Packers.

When I introduced the resolution, I did so on my behalf and TRENT LOTT, as a cosponsor. I learned, after adopting the resolution, that the two distinguished Senators from Wisconsin wanted their names to be added as cosponsors of the resolution. I looked at the RECORD and it does reflect that later in the RECORD. I wanted to make a point of saying that I had not received that information at the time the resolution was submitted and passed by the Senate.

I was going to ask unanimous consent that the distinguished Senators HERB KOHL and RUSS FEINGOLD be added as cosponsors, but that is reflected in the RECORD. So I am pleased that they joined us in the resolution commending and congratulating Brett Favre for the great honor that he received.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

CONGRATULATING BRETT FAVRE

• Mr. KOHL. Mr. President, I rise today with my colleagues, Senators RUSS FEINGOLD, THAD COCHRAN, and TRENT LOTT, to congratulate Green Bay Packers' quarterback, and Kiln, MS, native Brett Favre for winning the 1995 National Football League Most Valuable Player Award.

After leading the Green Bay Packers to their first National Football Conference [NFC] Central Division title since 1972, Brett Favre ran away with the National Football League Most Valuable Player voting, capturing 69 votes from a nationwide panel of 88 sports writers and broadcasters. Favre's numbers speak for themselves, as he threw an NFC record 38 touchdown passes for over 4,400 yards passing. This would be considered an amazing accomplishment for any quarterback; however, couple it with nagging injuries over a 17-week season, and you've described the iron-willed "Leader of the Pack," Brett Favre.

Brett Favre has emerged as a true star in the National Football League. His Most Valuable Player Award is the first for any Green Bay Packer since 1966, when then Packer quarterback and MVP Bart Starr led the Green and Gold to its first of two Super Bowl championships. The Packers and all their loyal fans hope history repeats itself this year.

On behalf of Wisconsinites and Green Bay Packers' fans everywhere, I congratulate you, Brett Favre, on your MVP season and a job well done.•

THE BUDGET IMPASSE

Mr. COCHRAN. Mr. President, it is becoming more obvious every day that the White House is not prepared to reach an agreement with the Congress to balance the budget. We have not seen any specific proposal from the administration to make any changes that would, in fact, lead to a balanced budget. They are unnecessarily shutting down Government services and programs and furloughing Government workers.

The Congress must now act to identify the activities that should be funded and pass legislation that puts people who are really needed back to work. There has been too much political grandstanding. It is time for that to end.

We should not give up our goal of getting spending under control and balancing the budget. That probably means electing a new President later this year who will cooperate with the Congress in this effort. In the meantime, I am prepared, and I know other Senators are prepared to work with the Republican majority and with like-minded Democrats to get the Government back in business with reductions in those programs that should be cut back, and to resolve this impasse.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I posed a question to the Senator from New Mexico and his time then expired. I ask unanimous consent to yield to him at this moment to respond to that question.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

THE SHUTDOWN

Mr. BINGAMAN. Mr. President, I appreciate the Senator from Maryland. I will be brief. I did want to conclude my answer to his question.

I think what we have is a very troublesome development in the way that the Congress and the President are interacting. It seems that the Congress is going to take the view that it only has a responsibility to enact a Defense bill, that other bills can go their own way—and, of course, its own appropriation, the legislative appropriation bill—and it is up to the President to try to get the others enacted. If that is the case, then you have essentially a hostage-taking or a standoff, which I think is very destructive of the system of Government as it was intended.

This hostage-taking can be a two-way street. Hostage-taking begets more hostage-taking. As I indicated before, the President would be ill-advised, in my opinion, if these are going to be the ground rules for the interaction with the Congress, to sign a legislative appropriations bill in this new session of Congress until all appropriations bills for the executive branch have been signed and put into law.

I am also greatly concerned that we are not going to be able to get good cooperation between the Legislature and the President on doing a Defense appropriation bill. If, as Congressman LIVINGSTON points out, once the President signs the Defense appropriations bill, the Congress is then absolved from the responsibility to work with the President on getting the other appropriations bills signed, that, to me, is a very troublesome situation, which I take as a great problem for all of us.

Mr. President, I appreciate the chance to respond, and I hope that a reasonable resolution of these problems can be found. I thank the Senator from Maryland for the time.

Mr. SARBANES. Mr. President, I briefly want to add to the comments of the Senator from New Mexico on this particular matter. To make our constitutional system work requires, I believe, a certain amount of restraint and good judgment on the part of all decisionmakers. It must be an essential premise of our system that one is not willing to subvert everything, in effect to bring the whole building crashing down, in order to get your way. I never understood democracy to work that way. There has to be a certain amount of accommodation. Obviously, the basic functions of Government should continue. Are we to reach a state of affairs where every time there is a sharp policy difference—and people can obviously hold sharply different opinions—that for one side to gain its way, it brings the Government to a halt and inflicts all of this harm that is being felt across the country?

I ask unanimous consent that a Washington Post story giving examples of such harm be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SARBANES. The headline is: "Day 19: Federal Siege Takes Public, Private Hostages."

It says:

> The partial shutdown of the federal government dragged through its 19th straight day yesterday with one clear effect. It took even more hostages.
>
> Health officials in Nebraska, facing a widespread flu outbreak, urged Federal officials to reopen the Centers for Disease Control and Prevention to help them assess and contain the problem. The federal Meals on Wheels Program, which delivers hot food daily to more than 600,000 needy senior citizens, is running out of money and may be partially closed by week's end. The Peace Corps, also desperately short of cash, began drawing up plans to recall some or all of its 7,200 members worldwide if the shutdown persists much longer.
>
> In Mariposa County, CA, home to Yosemite National Park, which has been closed throughout one of its busiest times of the year, the number of private-sector layoffs climbed past 1,600. Most are hotel, restaurant and gas station workers who usually can depend on the revenue that they collect during the holiday season to carry them until the summer.
>
> One-fourth of the adults in the county are now out of work, and officials there have declared an economic emergency.

This is no way to do business, obviously. There is no reason to it. It does not make common sense. There is a tremendous ripple effect throughout the private sector of people dependent on Federal contracts and Federal activities. Needlessly and harmfully the shutdown is resulting in laying off people in the private as well as the public sector.

The distinguished Senator from Virginia, in his comments earlier, made reference to one such occurrence about which he had received notice only this morning. Currently half a million Federal workers are coming to work and not getting a paycheck. Another quarter of a million have been furloughed and are not getting paychecks. Workers in the private sector now are not going to get paychecks. How is it anticipated that people will be able to handle this situation?

The Federal workers are told that once they go back, they will be paid. But who can bridge the intervening period? Unfortunately, there may be a lack of sensitivity in the Congress because, many Members have significant economic means and, therefore, the loss of a paycheck—which is not happening for them—does not really place a burden upon them. They can handle that situation. But most people are not so well situated. Whether they work for the Federal Government or whether they are in the private sector, they need a regular paycheck in order to meet their obligations, such as mortgage payments, car payments, and school payments.

Nearly half of the Federal employees—46 percent—make less than $35,000 a year. Three quarters of all Federal employees make less than $50,000 a year. Less than 1 percent—six-tenths of 1 percent of all Federal employees—make over $100,000 a year. Members of Congress make more than that. Close to 100 percent of all Federal employees make less than Members of Congress. Now, these employees cannot move from period to period without a paycheck. We need to put them back to work.

The New York Times had an editorial this morning, and I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SARBANES. The editorial stated:

> The turmoil and uncertainty created by vast numbers of Federal workers not going to work or not being paid is poisoning the atmosphere for progress on the budget. Too much hardship has already been inflicted, not only on the 760,000 unpaid workers, but on millions of Americans who cannot get visas, loans, or any number of other Federal services. Congress and the President should reopen the government now.

I absolutely agree with that sentiment. There is a colleague in the House, in the Republican leadership in the House, who said in mid-November, "You have a group in our conference who could not care less if the Government shuts down. They will be cheering." What an abdication of responsibility.

Do Members of Congress, as my distinguished colleague from New Mexico states, think they have no responsibility for ensuring that the Government continues to function and providing the basic services upon which so many of our people are dependent?

The people in the private sector, some will go bankrupt out of this escapade. They will go bankrupt. I have had people call my office who say, "We are not going to be able to make it. We set up a small private business and things were working fairly well and now we are confronting a situation where we may well go under." For 19 days now we have been through this situation after the previous closedown of 6 days, all in order to try to bring a coercive pressure, a scorched earth bargaining tactic, with respect to the larger issue of the 7-year budget projection.

Now, that issue involves many difficult and complex questions and a strong difference over what the priorities should be. But in my judgment, it is an irresponsible and impermissible tactic to use the closing of the Government, which has never been done before, to use the closing of the Government as a coercive pressure in to achieve a certain result with respect to the larger budget issues.

Are we going to descend, deteriorate into such practices in the Congress, thereby falling short of meeting the responsibilities I think we have under the Constitution? Mr. President, Congress and the President should reopen the Government now as the majority leader sought to do when he moved the continuing resolution and sent it over to the House. House adoption of it would bring this crisis to an end.

EXHIBIT 1

[From the Washington Post, Jan. 4, 1996]

DAY 19: FEDERAL SIEGE TAKES PUBLIC, PRIVATE HOSTAGES

(By Rene Sanchez)

The partial shutdown of the federal government dragged through its 19th straight day yesterday with one clear effect. It took even more hostages.

Health officials in Nebraska, facing a widespread flu outbreak, urged federal officials to reopen the Centers for Disease Control and Prevention to help them assess and contain the problem. The federal Meals on Wheels Program, which delivers hot food daily to more than 600,000 needy senior citizens, is running out of money and may be partially closed by week's end. The Peace Corps, also desperately short of cash, began drawing up plans to recall some or all of its 7,200 members worldwide if the shutdown persists much longer.

In Mariposa County, Calif., home to Yosemite National Park, which has been closed throughout one of its busiest times of the year, the number of private-sector layoffs climbed past 1,600. Most are hotel, restaurant and gas station workers who usually can depend on the revenue that they collect during the holiday season to carry them until the summer.

One-fourth of the adults in the county are now out of work, and officials there have declared an economic emergency. The local newspaper has launched a food drive for those in need, and radio stations in the Yosemite area are urging residents in neighboring counties to drive over and do business there.

"Who's paying the price for this? Not Congress or the president, but the average citizen," said Michael Coffield, the Mariposa County administrator. "All the money our residents are losing is gone for good. Every day, it is getting more and more dire."

Ever since the shutdown began, President Clinton and congressional Democrats have insisted that it would pose significant hardships, and Clinton made his most strident remarks yet on that subject yesterday by ticking off a lengthy list of problems he said the government's partial closure is causing Americans.

But some Republican leaders have countered by saying the shutdown shows how large parts of the government do not affect many Americans. Other Republicans contend that short-term problems from the shutdown are far less important than the long-term crisis an unbalanced budget will create.

Labor Secretary Robert B. Reich said that his department has received more than 63,000 phone calls regarding working and wage complaints that it has not been able to answer in the past three weeks.

Federal courts have remained open throughout the shutdown by running on filing fees and other miscellaneous funds. But court officials are now predicting that they will exhaust those emergency funds by Sunday. David A. Sellers, spokesman for the federal courts' administrative office, said at that point it would be up to individual courts around the country to decide whether to close or to keep some of their business going.

The Peace Corps also has stayed partially open during the shutdown by using leftover funds from the last fiscal year. That pool of money is now drying up. Officials said that if the shutdown persists another week or so they may be forced to recall volunteers who work in 95 countries, because the agency will not be able to pay their living allowances.

"We're having to take a very serious look at that as this goes on," said Andre Oliver, a Peace Corps spokesman.

The furlough also has begun to threaten the complicated process by which scientists, universities and other research organizations apply to the National Institutes of Health (NIH) for money to finance experiments and other scientific studies.

January is the beginning of a thrice-yearly cycle in which grant applications are reviewed by committees of outside experts, and then recommendations on whether to fund them is passed on to NIH officials. None of the preparation for that is occurring.

NIH also has about 2,000 grants that have been approved but whose financing hasn't been provided to the researchers in the last month. About half are multi-year projects already underway, and about half are for new research waiting to begin.

"We're all sort of teetering on the edge now," said Wendy Baldwin, NIH's deputy director for extramural research. "There's a whole cascade of scheduling in jeopardy."

EXHIBIT 2

[From the New York Times, Jan. 4, 1996]

THE BUDGET SCRUM

For fans of political games, President Clinton put on a rip-roaring show yesterday, as he charged right through the budget rift that has opened up on the Republican side between Newt Gingrich and Bob Dole. The new year thus dawns with the surprising spectacle of two archrivals, Mr. Dole and Mr. Clinton, trying to look like grown-ups while the Republicans in the House insist childshly that the only way to apply leverage on the President is to keep the Government closed. More and more it looks as if the zealous freshmen are calling the shots in the House.

Say this for the freshmen Republicans. In theory they are just the kind of people the public says it wants in politics—men and women of principle who have a lot more on their minds than re-election. But zeal needs to be harnessed to a caring practicality. In the current impasse, Mr. Clinton and Mr. Dole have it right. The turmoil and uncertainty created by vast numbers of Federal workers not going to work or not being paid is poisoning the atmosphere for progress on the budget. Too much hardship has already been inflicted, not only on the 760,000 unpaid workers, but on millions of Americans who cannot get visas, loans or any number of other Federal services. Congress and the President should reopen the Government now.

But it is also time for the White House to help resolve the budget impasse by sketching more details of the President's own thinking on how to achieve a balanced budget in seven years, as House Republicans demand. Mr. Clinton's skill in gaining political advantage from the current situation has been impressive. But his tactics leave even his allies confused on how much he really does want a compromise balanced budget, as opposed to an impasse on which he can run for re-election while defending longstanding Democratic principles.

By all accounts, the long hours of negotiating over the holiday weekend involved a lot of Mr. Clinton and Mr. Gingrich discussing the arcana of Federal social policies while many other people in the room rolled their eyes. There is no sign yet of real horse-trading except a leak here and there. For instance, the White House might be willing to modify its opposition to a cut in the capital gains tax. The Republicans seem willing to scale back their $240 billion tax cut. But the House freshmen and their allies insist that they simply do not trust Mr. Clinton to bring the process to a conclusion until they get a clearer signal of where he would be willing to make concessions, particularly on Medicare, Medicaid and welfare.

The freshmen militants, Mr. Gingrich and even the Democratic leadership have the luxury of being dealt into a game whose outcome means less to them than to Mr. Clinton and Mr. Dole. With their eyes on the Presidential race, each man is trying to calculate whether he has more to gain from accommodation or recalcitrance. Mr. Dole has promised to bring adult leadership to the White House, but he does not look very adult if he cannot stand up to his party's kiddie-corps zealots. Mr. Clinton needs to emerge as a President who can stay resolute in the face of opposition; but at a certain point the Chief Executive of a Government that cannot open for business will begin to look weak.

Mr. Dole is right when he observes that Americans are growing impatient with the budget impasse. Right now, Mr. Clinton may have more to gain by holding out on the budget while insisting he wants to reopen the Government. But there is clearly a deal within reach, and the public will remember who walks out of the wreckage with it.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that the time for morning business be extended until the hour of 12:30, and Senators be allowed to have 10 minutes to speak.

Mr. WARNER. Mr. President, the majority leader has indicated to the Senator from Virginia that that is quite agreeable.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SHUTDOWN

Mr. FORD. Mr. President, all my life I have heard the saying, "Can't see the forest for the trees." I think those words can be appropriately applied to the situation we now find ourselves in. For too many Federal workers, for too many thousands of honest, hard-working Americans trying to make a decent living, this budget impasse and shutdown has demonstrated to them that some of their elected representatives cannot see the forest for the trees.

While some are wrapped up in trying to score political points, to gain political favor in certain circles, they are missing the point of what is really going on outside the beltway. How disappointing it is to pick up the morning's Washington Post with the headlines, "Employees Find They Are an Afterthought." How sad it is to know that people who need food, who need medicine and basic care will be deprived of services. How sad it is, Mr. President, to hear some demagog the situation by saying that nobody is missing those Government workers and we need to get rid of more of them.

My office, as others have stated here this morning, is being overrun with calls and letters about how this shutdown is affecting families in Kentucky, far outside the beltway, far away from the political arena. A mother in Lexington, KY, wrote me, "Most of us live from paycheck to paycheck. We cannot survive without being paid. I am a single parent struggling to pay rent, a car payment, and keep food in the house, so I haven't been able to save part of my salary. If I'm not paid on January 16, I will be evicted." This is a woman that was on welfare, that was able to get a job and get off of welfare, and now the Government is forcing her back into welfare. She asks in her letter, "Isn't this the United States of America? Isn't our Government supposed to be by the people and for the people?" "Federal employees," she says, "are also people."

She is speaking from her heart about real people, about the thousands who cannot get mortgage insurance, thousands who are losing home loans, thousands working in service industries, the rippling effect, facing the daily threat of being laid off. Homeowners in eastern Kentucky threatened with landslides because the Office of Surface Mining is operating on reduced staff and reduced funding. Real people, Mr. President.

Another person wrote, "I'm excepted from furlough which means I'm working now with no pay. The check I received yesterday was one-quarter of my salary. My mortgage is due. This one-quarter does not cover the mortgage. What is worse is that I have two small children. I must continue to pay my baby sitter to keep them after school while I go to work for no pay."

I received a call from a grandmother. I do not know how many in here have ever been involved in trying to help a couple adopt a child. When I was Governor of Kentucky we worked with agencies. It is an emotional period. It is a real decision to adopt a child. So I got a call from this grandmother. She was worried about her granddaughter. The adoption of a baby has been halted because the agencies do not have enough money to process the necessary paperwork. That is hurt, Mr. President. That is not inconvenience, that is hurt. You have hurt that family that made up their mind to adopt a child. That is hurt, capital H-u-r-t. She is looking to her representatives for help and answers. What do we do to help her? How do you tell someone that is out there working hard, paying their taxes, that because of circumstances completely out of their control they cannot go forward with adopting a child?

Mr. President, the hardest thing I have had to do in my 21 years in the U.S. Senate is to say to men and women in the military to go defend our country on some foreign shore, to lay their lives on the line. One thing I have told them, and one thing that helps, that whatever I can do to support them when they come back, or their loved ones if they do not come back, I will do.

Looking now at the VA, "VA Runs on Promises." "Nursing home workers tend patients without pay. They are stripping the sheets off, the laundry, trying to take care of our veterans, for no pay."

So we say to our veterans, the only reason you are being taken care of is because they are willing to come as long as they can. These people cannot get another job. They are prohibited from getting another job to have some income, maybe, to offset the loss of their paycheck.

Let me also tell you about "Helen's Hotline" from the VA hospital in Lexington. What are they doing? Food—God's Pantry, in Lexington, distributes food to the homeless and those who need food. They will provide up to 3 weeks of food to those people. They are even giving them transportation to God's Pantry in order to pick up some food. Food and social and spiritual support are being offered by the VA hospital there in Lexington, stress relief, and the canteen service will accept—think about this, now—accept postdated checks from the cafeteria or retail store through January 17.

Creditors' letters have been sent from the Director of the VA to the utilities, the mortgage companies, the lenders, the bankers, asking for leniency because they do not have their check.

I think the lowest blow of all is they have set up a food bank at the VA hospital for their employees, and they are being asked to bring food, those who can afford it, to bring nonperishable food to the VA hospital to help their employees. They have asked the citizens of Lexington to help with the food bank and financial contributions, monetary donations. They are trying to van pool and help the employees because they have lost their cars because they could not make the payments. These people do not wait on payments: "Oh, go ahead, that's all right, you don't have to pay me until you get paid." That does not work.

"Things to do." The utilities companies? Ask them to be lenient. Mortgage company? Ask them to be lenient. How lenient will these people be?

"What is this," one asked me. "Is this really America? Is this what America is all about? Is this how the world's greatest superpower functions?"

These people want a resolution to the crisis. They want to reopen Government just like the distinguished majority leader, Senate Republicans, and Senate Democrats want. As one said, it is time to stop the nonsense going on here in Washington. They agree with our majority leader when he says, "Enough is enough."

Let us reopen Government. Let us stop this insanity and get on with the shaping of a fair and equitable budget agreement.

Mr. President, I ask unanimous consent to have printed in the RECORD the full text of two letters I referred to in my statement earlier.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 3, 1996.

DEAR ELECTED REPRESENTATIVE: I'm writing to speak out for furloughed federal employees and working federal employees who are not being paid. I happen to be one of those directed to work without pay. Since I came to work for the federal government in 1977 federal employees have taken the brunt of budget cuts and have been reviled by Presidents and Congress. Our salaries have fallen far behind the private sector. It is proposed that our pensions be further cut and even those of us who had careers covered under Social Security before coming to the government have had our future Social Security benefits cut in half. However, this budget battle is the final outrage against federal employees. What private company could order their employees to work, but not pay them? Ironically, the federal government would be on their doorstep immediately. I can't even file for unemployment benefits since I have been directed to work, and am doing so without pay.

Most of us live from paycheck to paycheck. We cannot survive without being paid. I am a single parent, struggling to pay rent, a car payment and keep food in the house so I haven't been able to save part of my salary.

If I am not paid on January 16, 1996, I will be evicted. My landlord isn't interested in the reason he doesn't receive his rent. He just demands it be paid on the 1st day of each month. I will also lose my car if this continues and my credit will be ruined. It may be already.

We were given a letter to send to our creditors asking for forbearance. Do you really believe that the banks, insurance companies and Corporate America care why our bills are not being paid. NO—THEY DO NOT!

Isn't this the United States of America? Isn't our government supposed to be by the people and for the people? Federal employees are also people. We pay taxes. We vote. We are part of the people referred to in the Bill of Rights and the Constitution. I would have never believed this could happen in this country. We are being deprived of our basic human rights because we happen to be federal employees. My mind almost refuses to accept that this is happening to me, but the realities of unpaid bills and basic needs not being met jerk me back into the real world that I must live in—unknown to you!

I have related my personal situation to you but please remember that it is also representative of the situation of about 700,000 citizens of this country who have given daily of themselves to serve this country.

I am frustrated, fearful, resentful and very angry over the situation I have been placed in by you. Regardless of your political allegiance or your personal position on the national budget issues, you have severely and wrongfully damaged my life forever. The harm done to this point is irreversible and the damage irreparable. Please wake up and stop this nightmare.

Sincerely,

——— ———.

JANUARY 3, 1996.

DEAR CONGRESSMAN, I am an employee of Social Security. As you may be aware, as a field office employee, I am excepted from furlough which means I am working now with no pay. The check I received yesterday was for ½ salary (through 12/15/95). My mortgage is due and this ½ does not cover the mortgage. What is worse is that I have 2 small children. I must continue to pay a baby sitter to keep them after school while I go to work with no pay.

The end result is that we do not have money for anything except utilities. My children wanted to know this morning why they had left over Christmas turkey and dressing in their lunch boxes instead of their usual chips and sandwiches. It is because these, the chips and sandwich are now "non-essential" items in our household and because you all can not see fit to work the budget out—they must suffer. If you have a better explanation that I can give a 5 yr. old and 8 year old—please let me know. This is beginning to HURT! My children do not understand and neither do I. Please work this out—Soon!! Before I have to explain to them why we have no heat—

Sincerely,

——— ———.

Mr. FORD. Mr. President, we hear a lot about "all the President has to do is sign the bills." If you put things in the bills that are not acceptable, then you ought not to expect it to be signed. That is trying to put the President in a position where he cannot sign it. All we have to do is pass a clean CR and put Government back to work.

The Senate has done that. The Democrats in the House are ready. There is only one group, one element that is saying to my people down there: "We do not care whether you pay the mortgage, whether you pay your utilities, whether you buy food"—things of that nature. We think we ought to get with those people and say to them, let us get on with the running of the Government. We can balance the budget.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Oklahoma.

ACCOMMODATIONS ON THE APPROPRIATIONS BILLS

Mr. NICKLES. Mr. President, it is with interest I listened to some of our colleagues talk about the Government shutting down, and I also note yesterday, when the President had a press conference, he said the congressional Republicans shut down the Government. At least he said Congress shut down Government. He mentioned several examples.

Several of the examples that have been mentioned, both on the floor and by the President and by other people, some of the horror stories of individuals who have lost their jobs, who are not being paid, are in agencies for which the President vetoed the appropriation bill. One agency that has received as much attention as any other is Interior, the appropriation bill that is covered by Interior, dealing with national parks and the museums.

The Washington Post has run some front-page articles talking about the museums not being open, the Smithsonian shut down, national parks being shut down, not having access for individuals wanting to have their vacations and go to the parks, not being able to get in because the Government shut it down and, as the President said, Congress shut it down.

I just happen to be aware of the fact the President vetoed the Interior bill. The President is the one who shut down the parks. The President is the one who did not make it possible for the parks to be opened. If he had signed the bill, those people would have been paid. They would not have been furloughed. The parks would be open. The Smithsonian would be open. Those people would have had coverage. There would be no disruption.

I just make that point. It is interesting that everything is Congress' fault. The President vetoed the Interior bill. I think that is unfortunate.

I used to manage that bill. Now Senator GORTON is managing that bill, and I think he has done a very good job. I looked at the veto message dealing with Interior. There are different reasons why the President vetoed the bill. These are very poor excuses for vetoing a bill. I have urged others, and I hope maybe, I will tell my friends and colleagues, maybe within a very short period of time we will have another Interior bill on the floor. I hope that is the case. I hope it happens today.

Mr. WARNER. Mr. President, if the Senator will yield, the House of Representatives is going to take up a veto override today on that. I was over there earlier this morning.

Mr. NICKLES. I appreciate that. The veto override may not happen. I hope it does. That is one way we could get the employees back to work immediately.

If that does not happen, I hope we will take the original Interior bill as it passed through both Houses and maybe make some changes. I am looking at the President's veto message on Interior. Most of these changes could be made with very little dollars involved and maybe some better understanding.

We had the Presiding Officer, a moment ago, who is from Alaska—part of it was dealing with Tongass. There is a misunderstanding on what would happen in the Tongass. Some people were saying the Interior bill as passed would open up a lot of additional clear cutting. I do not think that is the case. We can clarify that, and we should clarify it.

I am looking through some of the other things that were mentioned. I ask unanimous consent to have the President's veto message printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NICKLES. But these are minuscule problems. This is no reason to shut down the Interior Department, national parks, Forest Service and so on, and everything else that is covered by this bill, Indian Health Services—you name it.

So, let us try to accommodate. Let us make a couple of concessions. Let us work to resolve some of the problems that are raised in here. It can be done with very few dollars and open up the Interior Department, open up the national parks, open up the Smithsonian, open up the national museums. There is no reason not to. The President should not have vetoed the bill in the first place, but the President is responsible for those parks being closed.

Yesterday, or the day before, there was an article in the Post talking about somebody having a concession service adjacent to a park and now they had to let their employees go. Those employees, incidentally, will not be covered by the bill once it passes. They will not be paid. They are not Federal employees; they are contractors. And if they are not contracting with the Federal Government, if they just happen to be doing business adjacent to the Federal Government operation, they are out of luck.

Again, I fault President Clinton in this case. I think he made a mistake in vetoing the bill. But for him to say Congress is the reason why those agencies are shut down is not the case, and that is not the case in Interior.

It is not the case in other agencies as well. A lot of us are very concerned about the Veterans' Department being closed. I agree with my colleagues from Maryland and other places saying if you have a physician or if you have a nurse or if you have somebody working in a veterans hospital, that person ought to be paid. It does not make a lot of sense not to pay them.

Why are they not being paid? The appropriation bill was not signed. We passed the appropriation bill, we funded the Veterans' Department, the President vetoed the bill.

Why did he veto the bill? I have a copy of his veto message. I ask unanimous consent to have it printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NICKLES. But we should take care of veterans and people who are working in veterans hospitals. They should be paid. They should not be furloughed. And we can solve that problem. I am hopeful before very long we will pass the VA-HUD bill, and let us look at the President's veto message and see if some accommodations can and could and should be made in that area.

But let no one misunderstand. The President vetoed the bill that funds the Veterans' Department. It was on his desk. If he would have signed that bill, those individuals would not have been furloughed. They would not have been working without pay. So we need to get past this maybe rhetorical war and who is at fault. The President vetoed several of these bills.

One of the other things that maybe concerns me where Congress is largely at fault is dealing with the agency called Labor, Health and Human Services, and Education—actually three different agencies. We have heard some people talk about how some people are impacted. This Senate has not passed that appropriations bill. It is the only appropriations bill we have not passed. You might say, "Why hasn't it?" We are supposed to pass that bill before the end of September. We have not passed it.

Unfortunately, there has been a filibuster on even a motion to proceed to that bill. I have been around here a long time. I cannot remember an appropriations bill where Members filibustered the motion to proceed. We usually have fought out our differences—win, lose, or draw—on all appropriations bills. Somebody said it has riders on it. All appropriations have riders on how are we going to spend money. This bill is no different than any other bill. It had some riders. It says the administration will not spend money on a variety of different things. That is part of Congress' legislative responsibility. But we have not even been able to vote on the Labor-HHS bill. That is unfortunate.

I hear today and read in the paper about scare tactics—that it is terrible; we are not able to take care of the Bureau of Labor Statistics or Meals on Wheels. It is because, unfortunately, many Democrats will not allow us to bring that bill up and vote on it. I hope maybe we can get that resolved because that bill needs to pass. We need to vote. We need to find out where the votes are. Some people are objecting to us even considering the bill.

Looking at several of the bills the President has vetoed, Interior, which I alluded to before. If you add Interior, 76,000 employees are impacted. The Forest Service is funded at 38,000 under that bill. Indian Health is at 15,000, for a total of 133,800 employees who are impacted because the President vetoed the Interior bill. That was not Congress' veto. It was the President's veto.

Again, I reiterate my statement about my offer to work with people. I think we ought to make some changes—minor changes—and pass the Interior bill.

Mr. SARBANES. Mr. President, will the Senator yield on that point?

Mr. NICKLES. I am happy to yield.

Mr. SARBANES. I welcome this attitude that we need to try to work out the differences. That is how I think you legislate.

The fact is, though, that when President Reagan and President Bush vetoed appropriations bills, until we worked out the differences we passed the continuing resolutions to allow the Government to continue to function. We then considered seriously the basis upon which the President had vetoed the legislation and tried to work out an accommodation so that an appropriations bill could be passed by the Congress to which the President could give his consent.

So the veto by the President of legislation because it contains provisions with which he disagrees is a standard practice.

What has happened in the past is either we could work that out, or we have provided a continuing resolution in the meantime while we tried to work it out. That has not been done in this instance. I do say to the Senator that I think that his suggestion that we ought to look at the basis of the veto message and see what accommodations can be made between the two branches in terms of passing another bill, my understanding is the other side simply wants to send the same bill back which I would not regard as a constructive action.

I assume from the Senator's comments that he would not regard it as a positive or constructive action in the circumstance either.

Mr. NICKLES. Mr. President, to respond to my colleague, I really see no reason that the President vetoed the Interior bill and put people out of work. My point is that for the President to say, "Well, this is Congress' fault these people are not working," I just disagree. I think he bears direct responsibility in vetoing the Interior bill which is impacting the lives of 133,000 employees, and also for his actions in vetoing Commerce, State, Justice, as well as VA-HUD.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NICKLES. Mr. President, I ask unanimous consent for an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. In looking at VA-HUD, and if we are not able to break this impasse soon, I tell my colleague from Maryland that it is my hope that we will take up—maybe we cannot pass—the HUD bill. Maybe there is a dispute. But we ought to be able to pass the veterans bill. My guess is we could pass that very quickly and maybe some additional things.

I worked with the Senator MIKULSKI. I was on that Appropriations Committee. I cannot help but think we could fund most areas in that bill. I have a copy of that veto message. I think we should be able to fund people working for the Veterans' Department, and hopefully we will be able to break that logjam. We should do it today, or certainly before the end of this week.

In looking at Commerce, State, Justice, the Justice portion of it I have heard some people allude to the fact, well, we are going to have problems with prisons; we are going to have problems with clerks; and so on. Hopefully we will pass the Justice portion of it. I notice there is a dispute in Commerce. Maybe we could leave that one set aside, or other areas.

My point is that the President vetoed that bill. That bill has impacted 194,000 employees. We passed that bill. The President could have signed the bill and then said, well, he sends a rescission, or he could have requested a supplemental appropriations. That has happened as well. The President did not do that.

I think the President's pollster was whispering in his ear saying, "This is looking good if you stand up to Congress and veto some bills. We will reenact Harry Truman, and say the heck with Congress." Unfortunately, that has put thousands of people into a furlough situation, or thousands of people into working without pay.

The President vetoed those bills. He could have signed those bills and then worked out a budget agreement. He could have signed those bills and then requested a supplemental appropriation, if he did not think we were spending enough money in some areas. If he thought we were spending too much money in other areas, he could have sent a rescissions package. But instead he was in a veto mood, and he vetoed these bills having an impact on hundreds of thousands of people, all of which he is trying to give Congress full credit for.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. NICKLES. No. I am almost out of time.

So the President is directly responsible for putting hundreds of thousands of people—I will submit this for the RECORD as well—who were impacted because he vetoed the bills. That was his right to do so. But for him to come back and say that was all Congress' fault I think was incorrect.

Mr. President, I ask unanimous consent to have printed in the RECORD this chart.

There being no objection, the material was ordered to the printed in the RECORD, as follows:

THE BALL'S IN THE PRESIDENT'S COURT

The following bills have been vetoed by the President. These three vetoes have adversely affected more than 620,000 employees, as follows:

Commerce, Justice, State, Judiciary:	
Justice	102,000
Commerce	25,000
Judiciary	28,000
State	25,000
SBA	5,800
USIA	8,000
Total	193,800
Interior:	
Interior	76,000
Indian Health	15,500
Forest	38,000
Energy	2,300
Miscellaneous	2,000
Total	133,800
VA-HUD:	
NASA	20,000
National Science Foundation	2,000
Veterans	240,000
HUD	11,000
EPA/miscellaneous	20,000
Total	293,000
Overall total	620,900

Source: House Appropriations Committee.

EXHIBIT 1

To the House of Representatives:

I am returning herewith without my approval H.R. 1977, the "Department of the Interior and Related Agencies Appropriations Act, 1996."

This bill is unacceptable because it would unduly restrict our ability to protect America's natural resources and cultural heritage, promote the technology we need for long-term energy conservation and economic growth, and provide adequate health, educational, and other services to Native Americans.

First, the bill makes wrong-headed choices with regard to the management and preservation of some of our most precious assets. In the Tongass National Forest in Alaska, it would allow harmful clear-cutting, require the sale of timber at unsustainable levels, and dictate the use of an outdated forest plan for the next 2 fiscal years.

In the Columbia River basin in the Pacific Northwest, the bill would impede implementation of our comprehensive plan for managing public lands—the Columbia River Basin Ecosystem Management Project. It would do this by prohibiting publication of a final Environmental Impact Statement or Record of Decision and requiring the exclusion of information on fisheries and watersheds. The result: a potential return to legal gridlock on timber harvesting, grazing, mining, and other economically important activities.

And in the California desert, the bill undermines our designation of the Mojave National Preserve by cutting funding for the Preserve and shifting responsibility for its management from the National Park Service to the Bureau of Land Management. The Mojave is our newest national park and part of the 1994 California Desert Protection Act—the largest addition to our park system in the lower 48 States. It deserves our support.

Moreover, the bill would impose a misguided moratorium on future listings and critical habitat designations under the Endangered Species Act. And in the case of one endangered species, the marbled murrelet, it would eliminate the normal flexibility for both the Departments of the Interior and Agriculture to use new scientific information in managing our forests.

Second, the bill slashes funding for the Department of Energy's energy conservation programs. This is short-sighted and unwise. Investment in the technology of energy conservation is important for our Nation's long-term economic strength and environmental health. We should be doing all we can to maintain and sharpen our competitive edge, not back off.

Third, this bill fails to honor our historic obligations toward Native Americans. It provides inadequate funding for the Indian Health Service and our Indian Education programs. And the cuts targeted at key programs in the Bureau of Indian Affairs are crippling—including programs that support child welfare; adult vocational training; law enforcement and detention services; community fire protection; and general assistance to low-income Indian individuals and families.

Moreover, the bill would unfairly single our certain self-governance tribes in Washington State for punitive treatment. Specifically, it would penalize these tribes financially for using legal remedies in disputes with non-tribal owners of land within reservations.

Finally, the bill represents a dramatic departure from our commitment to support for the arts and the humanities. It cuts funding of the National Endowments for the Arts and Humanities so deeply as to jeopardize their capacity to keep providing the cultural, educational, and artistic programs that enrich America's communities large and small.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. It does not reflect my priorities or the values of the American people. I urge the Congress to send me a bill that truly serves the interests of our Nation and our citizens.

William J. Clinton.

THE WHITE HOUSE, *December 18, 1995.*

EXHIBIT 2

To the House of Representatives

I am returning herewith without my approval H.R. 2099, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996."

H.R. 2099 would threaten public health and the environment, end programs that are helping communities help themselves, close the door on college for thousands of young people, and leave veterans seeking medical care with fewer treatment options.

The bill includes no funds for the highly successful National Service program. If such funding were eliminated, the bill would cost nearly 50,000 young Americans the opportunity to help their community, through AmeriCorps, to address vital local needs such as health care, crime prevention, and education while earning a monetary award to help them pursue additional education or training. I will not sign any version of this appropriations bill that does not restore funds for this vital program.

This bill includes a 22 percent cut in requested funding for the Environmental Protection Agency (EPA), including a 25 percent cut in enforcement that would cripple EPA efforts to enforce laws against polluters.

Particularly objectionable are the bill's 25 percent cut in Superfund, which would continue to expose hundreds of thousands of citizens to dangerous chemicals and cuts, which would hamper efforts to train workers in hazardous waste cleanup.

In addition to serve funding cuts for EPA, the bill also includes legislative riders that were tacked onto the bill without any hearings or adequate public input, including one that would prevent EPA from exercising its authority under the Clean Water Act to prevent wetlands losses.

I am concerned about the bill's $762 million reduction to my request for funds that would go directly to States and needy cities for clean water and drinking water needs, such as assistance to clean up Boston Harbor. I also object to cuts the Congress has made in environmental technology, the climate change action plan, and other environmental programs.

The bill would reduce funding for the Council for Environmental Quality by more than half. Such a reduction would severely hamper the Council's ability to provide me with advice on environmental policy and carry out its responsibilities under the National Environmental Policy Act.

The bill provides no new funding for the Community Development Financial Institutions program, an important initiative for bringing credit and growth to communities long left behind.

While the bill provides spending authority for several important initiatives of the Department of Housing and Urban Development (HUD), including Community Development Block Grants, homeless assistance and the sale of HUD-owned properties, it lacks funding for others. For example, the bill provides no funds to support economic development initiatives; it has insufficient funds for incremental rental vouchers; and it cuts nearly in half my request for tearing down the most severely distressed housing projects. Also, the bill contains harmful riders that would transfer HUD's Fair Housing activities to the Justice Department and eliminate Federal preferences in the section 8, tenant-based program.

The bill provides less than I requested for the medical care of this Nation's veterans. It includes significant restrictions on funding for the Secretary of Veterans Affairs that appear designed to impede him from carrying out his duties as an advocate for veterans. Further, the bill does not provide necessary funding for VA hospital construction.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. This bill does not reflect the values that Americans hold dear. I urge the Congress to send me an appropriations bill for these important priorities that truly serves the American people.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *December 18, 1995.*

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE GOVERNMENT SHUTDOWN CRISIS

Mr. KENNEDY. Mr. President, first of all I want to identify with what I think has been a very compelling case made by a variety of my colleagues here on the floor of the Senate, by the Senator from New Mexico, the Senator from Maryland, and the Senator from Kentucky, in describing in very human terms what is happening with real families impacted by the Government shutdown. And that same situation is happening in spades in my own State of Massachusetts. There are heartrending stories of families that in so many circumstances really are being devastated. The adverse impact on children continues. And it is very real. The prospects are of serious consequence, indeed. And that is a very important issue for the American people to dwell on, to be concerned about and also to bring their best judgment on the levels of power to try to remedy it.

The Government shutdown was remedied here in the U.S. Senate by the actions that were taken by Senator DOLE, and I think all of us want to take note of his leadership and understanding—that this charade of closing down the Government is nothing but a charade.

If our good friends, our Republican friends, the majority in the House and Senate, had met their responsibilities, these various appropriations bills would have been passed as has been done in other years. If they had been vetoed, these matters would have been worked out in the same way they have been historically—as has been described by the Senator from Maryland.

It is not a shutdown because even our Republican friends say they are going to pay all of these individuals eventually. So it is really not a shutdown. The taxpayers are going to pay these people.

Maybe they get some satisfaction, the Senator from Oklahoma and others, from the fact that the Americans are not going to be working now. They are not going to work, and, yet, our Republican friends say eventually they are going to be paid. And in the meantime, we have these human conditions and human tragedies that are taking place. The American people understand it. I think all of us are very hopeful that our Republican friends in the House are going to follow the leadership that has been provided in the Senate by Republicans and permit the opportunity for the services to be continued which are in so many instances essential for the well-being of our fellow citizens. And, I am hopeful that whatever differences exist can be worked out as has been part of the proud tradition of this country.

Mr. President, I wish to address an issue which is related to these negotiations which are taking place between the leadership, Republican and Democrat, and the President. It is one aspect of these negotiations which I think bears close attention by our colleagues here in the Congress and the Senate but most of all by our senior citizens and by working families in this country, because it is a matter that will have a very significant and important adverse impact on them if it is included in the budget proposal.

Like others, I have stated that we are for the balanced budget, but we do believe it has to meet the basic criteria of being fair and just to the American people. That means if there is going to be belt-tightening, it ought to be across the board and not be particularly burdensome to the neediest and most vulnerable, the children, disabled, the neediest families in our society. That means we ought to make sure whatever the final outcome is going to be, it will be fair and just for all Americans. It is on that issue that I address the Senate for these few remaining moments this morning.

LEGISLATING A CHANGE IN THE CPI

Mr. KENNEDY. As the President and the congressional leaders discuss ways to achieve a balanced budget, one idea should be rejected out of hand—legislating a change in the Consumer Price Index.

That kind of arbitrary action by Congress would break faith with the elderly and make a mockery of the commitment of both parties not to cut Social Security.

It would raise taxes on low-income working families qualifying for the earned income tax credit—and other working families as well.

It would lead to lower wage increases for millions of workers throughout the country at a time when one of the most serious challenges our society faces is the decline in the living standard for all but the wealthiest families.

Such a change would be harshly regressive in its impact. It would be unprecedented political meddling in what has always been an impartial, factual determination of the CPI.

Reducing the CPI would reduce cost of living adjustments for millions of Americans receiving Social Security benefits, military pensions, veterans' pensions, and civil service retirement. It would reduce the amount of supplemental security income payments to the needy. Because of indexing of tax brackets, it would raise income taxes for most taxpayers—and reduce the earned income tax credit.

According to the Congressional Budget Office, a 1-percent decrease in the change in the CPI would reduce Government spending and increase Government revenues over the next 7 years, for a total deficit reduction of $281 billion. Some may see this large sum as a magic bullet to balance the budget and avoid other painful choices. But it is a bullet aimed at millions of Americans who need help the most, and who don't deserve this added pain. It makes no sense to fight hard to save Medicare—and then attack Social Security.

Legislating an arbitrary reduction in the CPI would clearly break the compact of Social Security. That compact says, "work hard, play by the rules, contribute to the system, and, in return, you will be guaranteed retirement security when you are old." An essential part of that compact is a fair Social Security COLA, so that senior citizens can be sure that their hard-earned Social Security benefits will not be eaten away by inflation.

Overall, more than three-fourths of the lower spending under the change would come from cuts in Social Security alone. Nearly all the rest would come from other Federal retirement programs. It is the elderly who will pay heavily if Congress adopts this change.

Over the next 10 years, a 1-percent cut in the COLA would reduce the real value of the median income beneficiary's Social Security checks by $5,300. By the 10th year, the real purchasing value of that check would be 9 percent lower—making it even harder than it is today for senior citizens to stretch their limited incomes to pay the bills for housing, food, medical care, and other necessities.

Reducing the Social Security COLA is a direct attack on the retirement benefits that senior citizens have earned. If Congress is to respect family values, it has to value families, especially the millions of elderly families all across America.

Changing the CPI also affects the deficit by increasing taxes, because income tax brackets and the earned income tax credit are indexed to inflation. If tax brackets are not adjusted for inflation, taxes go up and the earned income tax credit goes down.

Failing to adjust tax brackets hits middle income families the hardest. For the wealthy, the change in the CPI would have a minimal impact. A family earning $100,000 would see its taxes rise by one-third of 1 percent of its income. But for families at lower income levels, the differences are far more significant. A family earning $36,000 would face a tax increase that, as a percent of income, would be more than four times as large. The hardest hit of all would be low-income working families who depend on the earned income tax credit. Twelve percent of the total tax increase—$13 billion—would be paid by these low-income hard-working families.

The impact of cutting the CPI reaches well beyond the Federal budget. It is also a direct attack on the wages of working families. Many workers have CPI adjustments in their collective bargaining contracts. But every pay increase is affected by the CPI. If the CPI is reduced by Congress, wages will be lower too for virtually all workers across the country.

There is no greater source of dissatisfaction in American families than the continuing erosion of their living standards. Except for the wealthy, the story of the past two decades has been "work harder and earn less." Cutting the CPI will make a bad situation even worse, by putting even greater downward pressure on the wages of every American.

Lowering the CPI has been presented as merely an overdue technical correction that should be supported as a matter of good government. This claim cannot pass the truth in advertising test.

The technical argument for lowering the CPI has been made by the Boskin Commission, which was appointed by the Senate Finance Committee to examine the issue. The Commission issued an interim report last September, which identifies several biases in the calculation. The Commission asserted that the CPI has overstated inflation by 1.5 percent a year. For the future, the Commission predicted that the CPI would be 1 percent a year too high.

The major problem with the Commission's analysis is that the sources of bias it identifies are also identified by the nonpolitical professional economists at the Bureau of Labor Statistics in the Department of Labor. They have the responsibility for setting the CPI each year. They do so fairly and impartially. They make periodic corrections to take account of any biases—up or down—that affect the index. The Bureau already plans to reduce the CPI by about two-tenths of 1 percent in 1997. This reduction is already assumed in the budget projections for the next 7 years.

The issue is not whether there should be changes in the CPI, but who should make them and how large they should be. The Boskin Commission's work is a poor basis for changing the CPI. As the Commission itself acknowledged, it did little original research. The Commission's membership was stacked with economists who believed that the CPI was overstated. According to Dean Baker, an economist at the Economic Policy Institute, "All five members had previously testified that they believed the CPI was overstated. Economists who gave contrary testimony * * * were excluded."

According to Joel Popkin, another expert on the CPI, the Commission comprised five of the six witnesses before the full Finance Committee who gave the highest estimates of bias. As Mr. Popkin also pointed out, the interim report of the Commission falls far short of presenting adequate justification for its conclusions, and therefore provides no basis for Congress to change tax policies or entitlement programs such as Social Security.

In fact, for the elderly, the group most affected by any change, the most authoritative study by the Bureau of Labor Statistics suggests that the CPI may understate rather than overstate the true increase in the cost of living, because of the rapid increase in medical costs for the elderly.

To legislate an arbitrary change in the CPI would be unprecedented. In the entire history of the CPI, the Congress has never tried to impose a politically driven adjustment, and there is no excuse for imposing one now. Senior citizens and working families across the country depend on a fair CPI, and Congress should keep it that way.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, my understanding is that at this point in time, the Senators desiring to be recognized would request unanimous consent to speak for a stipulated period?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. Mr. President, I ask unanimous consent that I may speak for 3 minutes and then that the Senate turn and recognize the distinguished junior Senator from Mississippi, the majority whip.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CPI AND BLOCKING THE LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION BILL

Mr. WARNER. Mr. President, I just wish to say to my colleague from Massachusetts, I listened very carefully. This question of the CPI is open for debate. Thus far, consideration has been given in a bipartisan manner by Members on both sides of this aisle, and as yet there has been no resolution. I think, indeed, there is some consideration at the level of the President and his senior advisers on this issue.

But, Mr. President, what disturbs me so much is that the Senator from Massachusetts sought to come here this morning and talk about that issue, yet he fails to address one of the most burning issues indeed on both sides of the aisle here in the U.S. Senate, and that is the inability of the majority leader, the inability of the chairman of the Appropriations Committee, to bring up the Labor and Human Resources appropriations bill. It is stopped, blocked, such that this body cannot—cannot—act upon that very important piece of legislation. The distinguished Senator from Massachusetts is the ranking member of that committee, and as such he is in a position to see that this piece of legislation could be brought forward.

This Senator is receiving reports this morning—and I called in as early as an hour ago to the CDC, the Centers for Disease Control, and to the facilities here in Maryland—as to what the impact is of this shutdown on those very important, ongoing health advisory services to all of our citizens, and I shall later in the day perhaps be able to advise the Senate. I heard that the CDC is not able to monitor the flu epidemic that is now in the United States.

So, Mr. President, I would hope that at some point, if the Senator from Massachusetts desires to return to the floor, that he might address this important issue. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. KENNEDY. Could I have a minute to respond to the Senator from Virginia?

The PRESIDING OFFICER. Will the Senator from Mississippi yield?

Mr. LOTT. Mr. President, if I could get clarification, I would be glad to withhold so long as the Senator does not use a minute of my own time. Could we agree he have a minute, and then I have the time allocated to me?

The PRESIDING OFFICER. There is no time assignment to the Senator from Mississippi.

Mr. LOTT. I withhold until the Senator responds.

Mr. KENNEDY. Mr. President, it is so interesting to listen to my good friend and colleague cry crocodile tears for the Centers for Disease Control because in the very appropriations bill the Senator has talked about he would cut the Centers for Disease Control by a third and diminish its effectiveness to deal with these communicable diseases.

That is an issue we ought to be debating out here. The Senator knows we could pass that bill if it had not come with the unwarranted and unjustified positions that have been assumed by the majority in undermining a woman's right to choose and including striker replacement. Drop those, and it passes by a voice vote this afternoon, I say to the Senator.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

MISINFORMATION ABOUT THE GOVERNMENT SHUTDOWN

Mr. LOTT. Mr. President, I am pleased that there have been efforts at the White House, meetings between the President, the Vice President, and the leaders of Congress to try to find a solution to our budget problems. I know that sometimes they feel like they are trying to grasp for the wind. It is very difficult to find a solution, but it is a very, very important effort. I wish them continued encouragement in their efforts to find an agreement to the budget. I have been very much concerned that it does not seem like they are making that much progress.

The way you get a budget agreement, the way you get any agreement any time when you have two opposing views is both sides have to give a little and get a little in return. I do not think that is happening yet. But I hope they will continue. I hope that something will happen, if they do not meet today, tomorrow, that dramatic progress will be made, although I know it will be very difficult.

Yesterday afternoon the President went on national television right before the bipartisan meeting on the budget to bemoan the partial shutdown of the Federal Government. He recited a list of horror stories about the disastrous effects of that shutdown.

He said, "We ought to reopen the Government." I agree. He said, "The shutdown has been especially devastating to hundreds of thousands of dedicated public servants who work for the American people through the Federal Government." I agree with that. He said, "It's time to stop holding Federal workers hostage in this process." I agree with that too.

But that is the limit of my agreement with President Clinton. There is an awful lot of misunderstanding or misinformation that is being perpetrated on the American people about how we got into the situation we are in now.

Let us remember that the current shutdown is indeed partial because it does not effect any departments or agencies whose appropriations bills have been signed into law. I believe seven of them have been signed into law.

So the question is, why have not the remaining appropriations bills been signed into law? If they had been, we would not have the situation we have now.

There have been two major problems in getting those bills signed into law. One is the President himself. The second is the Democratic minority here in the Senate. Most of the President's tales of woe yesterday would not have been happening if the Labor, Health and Human Services, and Education appropriations bill was signed into law. But we would not even pass it here in the Senate.

There is the problem. It is the Senate that has not acted. It is the minority in the Senate that has blocked the Labor-HHS, Education appropriations bill from even being considered. Keep in mind what has happened is that there is a threat to filibuster the motion to proceed because of some policy language that is in that Labor-HHS-Education appropriations bill. We are being told by the minority in the Senate you cannot even bring it up because of some of the provisions in this bill.

Why not? Let us bring it up. Let us have amendments. Let us debate them. Let us vote. Oh, no. The minority in the Senate, the Democrats in the Senate, have blocked even the consideration of this bill. Why? Because of striker replacement language that is in this bill where the President clearly, in my opinion, and I think some courts will eventually decide, has exceeded his authority with an Executive order on this subject. But the Democrats in the Senate will not even allow that bill to be brought up for consideration. Yet, they complain about how people are being affected by the fact that we do not have funding in this particular area.

Let us do something about it. Let us get the bill up. Let us go with the usual process around here, let us have votes. Some amendments will pass, some will not. Let us send it to the President and let him do what he will.

So we need to keep in mind exactly why some of these horror stories are happening. It is because the Democrats in the Senate will not even allow this appropriations bill to be brought up. So, you know, I am concerned about the Meals on Wheels Program, over Medicare contractors, over jobs that might be affected by this. The solution is to take this Labor-HHS-Education appropriations bill up.

The responsibility is at least a shared one. The President had the temerity yesterday, for instance, to complain that the Environmental Protection Agency has been crippled by the shutdown. But who was it that vetoed the appropriations bill that had funding for the Environmental Protection Agency in it? President Clinton.

The President complained about the shutdown of emergency programs at FEMA. But who vetoed FEMA's appropriations bill? President Clinton vetoed that bill.

The President, with a straight face, complained about shutdowns at the State Department after he himself vetoed the State Department's appropriations bill. Oh, but he said he had his reasons for those vetoes, that he did not get everything he wanted in some of those bills.

Well, here is, in his own words, what he said about why he vetoed some of these bills. "I will not sign any version of this bill," talking about the State-Justice-Commerce appropriations bill—and get that, "any version"—"that does not fund the COPS initiative as a free-standing, discretionary grant program, as authorized."

Translation: The Congress decided to fight crime by giving localities discretion in how they spend Federal aid. Mr. Clinton says it is his way or no way. He will shut down three critical Federal Departments unless he gets his COPS program the way he wants it.

We have three coequal branches of Government. The President cannot say, "It's my way or no way." He has to work with the Congress, and he has to be sometime aware of what the courts have said.

But that is not all. He would keep those Departments shut down and their work force out on the street unless the Congress limits restrictions on the conduct of the Legal Services Corporation and its grantees, otherwise he cannot accept the appropriations bill. Funding is provided, services will be provided, but there are some restrictions on trying to control the excesses of the Legal

Services Corporation. But he is ready to shut down all three of these big Departments and the agencies that are also affected by it because he cannot accept it the way it was written in the appropriations bill we sent him.

He said he "cannot accept" the money Congress wants to spend to keep the Commerce Department in operation and to keep the Justice Department in operation and to keep the State Department in operation unless we agree to pay for abortions for prison inmates.

Did you hear me? One of the 10 issues, I believe it was 10, that he listed why he vetoed that bill—actually it was 9 major issues—was because it had limits on abortions being paid for prisoners. The American people would not believe that. That was one of the main issues that he listed as to why he would veto that bill.

He said he cannot accept congressional funding for these three very important Departments as long as there is a moratorium—not a ban, mind you, just a moratorium—on future listings under the Endangered Species Act by the National Oceanic and Atmospheric Administration.

There is a lot of feeling across America that the Endangered Species Act has gone too far, has been distorted, has gone from what was needed to ridiculous. I voted for the original Endangered Species Act, but I had no idea that it was going to get into a situation where an entire appropriations bill would be vetoed for the Interior Department because of objections relating to the marbled murrelet. The President lists as one of the seven major reasons why he vetoed the Department of Interior bill is because he did not like the objections regarding the marbled murrelet.

Do the American people know this? Would they be horrified if they realized that one of the major reasons the President vetoed an appropriations bill was because of this bird? I guess it is a bird. I do not think they would be very happy with that.

He had other reasons, as well, for closing down those three Departments. He opposes funding reductions in the Census Bureau. How many of you think the American people are all upset because there maybe is not enough funding in 1996 for the Census Bureau? Maybe it does deserve more, but that is what all this budget discussion is really about, I thought. If there is an agreement there would be some more funding provided for these things, then the changes would be made. But to veto the bill, and one of the major reasons listed for the veto of the Commerce, State, Justice Department bill was because he opposes cuts in the Census Bureau. I do not think there are a lot of American people really worrying about that.

Mr. SARBANES. Will the Senator yield for a question on that?

Mr. LOTT. Let me continue. I am about to get to the point where I can yield. Let me continue on my thought, if I can.

He is so devoted to the Commerce technology programs that he shut down the entire Department in order to preserve them. I do not understand the thinking.

The same holds true with the Interior and Energy Departments. The workers are idled because Mr. Clinton has two problems with the Interior appropriations bill. His first problem is he wants more money. Yes, that is the big part of it all, he wants more money for everything. I was looking over his objections on the Interior bill. He wants more money for DOE energy conservation, more money for Native American programs, more money for the National Endowments for the Arts and the Humanities.

That is the crux of all of it. We have a President for the first time in my memory, and I have been watching them pretty closely now for about 27 years, who is vetoing appropriations bills because they do not spend enough. Every other President I have ever watched, Democrat and Republican, vetoed appropriations bills because Congress could not control its insatiable appetite to spend more of the taxpayers' money. Now we have a President who says, "I want more money" and, in most cases, we are not talking about cuts in a lot of them, we are talking about controls on the rate of increases in these programs.

His second problem concerns provisions regarding certain environmental areas. The Tongass National Forest, the Columbia River Basin, the Mojave National Preserve. In the case of the Mojave National Preserve, as I understand it, he is mad because the responsibility would be shifted from the Park Service to the Bureau of Land Management. Is that enough reason to veto an appropriations bill for the Interior Department?

And in Tongass, he objects to clear cutting. As I understand the language in the bill, clear cutting is prohibited in there. He pointed out three technical concerns he had, basically technical. I think they can be worked out. I hope they will be, and I hope we can move this Interior Department appropriations bill forward.

The third vetoed appropriations bill would have funded the Veterans' Department, HUD, and several smaller agencies. President Clinton killed that funding and let those Departments and agencies close because Congress would not give him money for his pet projects, such as the National Service Program. As always, he wanted more of the public's money than Congress wanted to spend: More for EPA; more for the Council on Environmental Quality; more for something called Community Development Financial Institutions Program, and just generally more money.

He even vetoed the bill because Congress inserted a provision to stop the Secretary of the Veterans' Department from engaging in inappropriate political activity. He cited that as one of the reasons why he vetoed it.

So it goes on and on, Mr. President. I am afraid we have not done a very good job in explaining why we did some of the things we did in appropriations bills, but more importantly, explaining why the President vetoed them.

If I held up the list of the seven things that he cites as to why he vetoed the Interior appropriations bill—plus, of course, more money for everything—I do not believe the average American would agree with what he did. They would not think that a disagreement over whether some particular national preserve is controlled by the Park Service or the Bureau of Land Management is enough reason to veto the bill.

But I think we can find a solution. We will and we should try to pass these appropriations bills again with changes that have been suggested, sometimes by the President and sometimes by others. It has not been done before now partially because there was a thinking that there were serious budget negotiations underway and maybe some conclusion would be reached on the entitlements programs and on returning tax dollars to the people who pay the taxes and only appropriated accounts.

But since fast progress is not being made, at least we should go ahead and try to move some of these appropriations bills, individually or in a group, and allow the President to make up his own mind then whether or not he wants to veto them again. But if he does, the record will then be replete with evidence: The problem is not the Congress, the problem is the President, because we are going to give him another opportunity to consider these appropriations bills individually or perhaps even in a group.

Hopefully, we can come to an agreement. Hopefully, the budget discussions will bear real fruit. But it is going to take a lot more movement by the President than I have seen or I have read about in the press so far.

Mr. President, I ask unanimous consent that the period for morning business be extended until the hour of 1:30 p.m., with statements limited to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I will be glad to yield to the Senator from Maryland. I thank him for letting me complete my statement before he asked his question.

Mr. SARBANES. If the Interior bill permits clear cutting in the Tongass National Forest, I take it from the Senator's comments he would be opposed to it; is that correct?

Mr. LOTT. I think there should be language in the appropriations bill that would be—frankly, I hoped it would say there should not be clear cutting. I am not on the Appropriations Committee. I know they are working on that, and I think they will come up with language that will clarify that.

Mr. SARBANES. I take it from that response, if the President had a reasonably based concern that the bill would permit clear cutting, it would be a justified basis on which to veto the bill?

Mr. LOTT. I do not think so. Although I understand his concern and while I may have some agreement with him on it, to veto the entire Department of Interior appropriations bill over that one point would not be sufficient, in my mind, because you are talking about thousands of people being out of work, you are talking about monuments being closed down, parks being closed down.

That could have been clarified in other ways, through authorization, through other appropriation bills, and it would be coming very quickly.

Mr. SARBANES. That is what we did with Presidents Reagan and Bush. They would veto the bills, then we would try to accommodate their veto message and work out an understanding between the executive and legislative branches. But if that was not done immediately, we would provide a continuing resolution so the Government could function.

Mr. LOTT. If the Senator will yield on that, 2 years in a row in the Reagan administration, the Congress did not pass a single appropriations bill that was signed into law.

Mr. SARBANES. That is right, and——

Mr. LOTT. And the Democratic-controlled Congress passed continuing resolutions that had all 13 appropriations bills lumped into them—just lumped them into a pile along with the debt ceiling and everything, and left town and said to the President, "Sign it."

Mr. SARBANES. We reached agreement with the President, and the Government continued to function on the basis of the continuing resolution.

Now you have an instance in which you have just brought the Government to a partial shutdown by not providing a continuing resolution and not working out the differences that were connected with the veto of the appropriations bills.

The Senator mentioned the Bureau of the Census, and he sort of dismissed it. The United States has done a decennial census every year since 1790. That was when the first census was done. We have done a census every 10 years since then. Does the Senator think that we should do a decennial census in the year 2000?

Mr. LOTT. Well, I would want to think about that and make sure I gave you a fully informed answer. I think the answer is probably yes. But we are not talking about not funding the Census Bureau; we are talking about the level of funding for the Census Bureau 4 years from when this decennial census will occur, and also when it involved vetoing an entire Department's appropriations bill. I do not think that because the President did not get all the funds he wanted, that is enough to veto the State, Commerce, Justice appropriations bill.

Mr. SARBANES. I say to the Senator that the President had other reasons as well. But since you focused on the Bureau of Census, unless the Census Bureau gets additional funds now to begin the work that needs to be done to do the decennial census in the year 2000, they will not be able to do it.

Mr. LOTT. But you cannot be concerned here about Meals on Wheels, other Federal programs, and monuments being closed and, on the other hand, say, "I am vetoing the bill because you do not give me all of the funding I want for the Census Bureau or for the National Endowment programs." This process could still go forward. My point is that the President vetoed these bills, in my opinion, on questionable grounds that put all of these Federal workers out of work.

We passed one continuing resolution, I remind the Senator from Maryland, and I was involved in the discussions and suggested some language that helped move that continuing resolution through right before Thanksgiving, with the idea that there would be sufficient time for us to get an agreement on our budget before Christmas. It did not happen. We still do not have one. The President signed into law a commitment to have a balanced budget in 7 years, using CBO numbers or real numbers, which still has not happened.

So the Congress, frankly, is concerned about sending another CR down there that would extend the time without knowing what the result is going to be. By the way, how much time does it take? The President has known for weeks, for months, that we were moving toward a balanced budget in 7 years, yet he did not really get engaged until actually right before Christmas. But it is time that we get an agreement. If we get an agreement, then all these other problems will fall by the wayside.

What we are trying to do is get a solution that controls the rate of growth in the explosive Federal Government spending for the sake of our children's future. That is what I worry about. I worry about this $185,000-plus a year in interest on the national debt that every child owes when they are born. How are we going to control this? That is what is really at stake.

Mr. SARBANES. Can I ask what the time situation is?

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Mississippi has 5 minutes remaining.

Mr. LOTT. Mr. President, I think I have made my point for now. I am sure we will have continuing discussions. I think we can find solutions if men of good will are willing to work together and try to find a way to work out the disagreements and come to the conclusion and pass these bills. I do not see why it could not be done quickly. I certainly hope it will be.

I yield the floor.

Mr. SARBANES. Mr. President, I want to make this observation about the comments of the Senator from Mississippi. Never before has the Congress used as a coercive tactic to close down the Government in order to try to gain its way for a fundamental change——

Mr. LOTT. Is it not true that, in 1987, I believe, the Democratic-controlled Congress passed a CR that had every appropriations bill, debt ceiling, and a number of other issues, and left town and said to the President, "Sign it and keep the Government operating, or veto it and shut it down."? And they were gone. Did that happen or not?

Mr. SARBANES. The President could have called the Congress back. The Congress gave him a CR so the Government could continue to function. Now what is happening is, for the first time ever, the Congress is refusing to provide a CR and use that as a coercive tactic in the bargaining. That is an irresponsible and, in my view, impermissible action. That is what is happening.

We did not close the Government down with respect to the Republican Presidents. We let the Government go on to function.

Mr. LOTT. The Government has been closed down before during Democratic administrations. This is not new. We have had budget disagreements every year for the last 15 years.

Mr. SARBANES. The Government has been closed down for 19 days.

Mr. LOTT. I know it has been done for at least 11 days, as I remember. I do not remember the other times, but we have had these shutdowns before.

Mr. SARBANES. Mr. President, reclaiming my time, I want to answer that point. There were periods before the Civiletti decision in 1980 in which the Government continued to function without an appropriations bill because there was not a ruling that under the Antideficiency Act, the Government could not go on functioning. So we did not have an appropriations bill, but the Government continued to function.

Then we had this ruling that you are not allowed to do that. Subsequent to that, we had maybe a day, or a weekend, or something, in which there would be a gap in between having an appropriation bill, and either getting an appropriation or getting a continuing resolution. This is the first time, clearly, in which an extended period has been allowed to develop as a coercive tactic in closing down the Government.

You cannot find a previous instance—you can find instances before the Civiletti opinion in which departments continued to function without an appropriations bill, but there was then a ruling that said such functioning ran counter to the Antideficiency Act. You can then find instances after the Civiletti opinion in which you had a period of a day or two or a weekend in which that was the case. But we never had an instance, as we have now experienced, where we have had 6 days earlier in 1995 and now we have run for 19 days and where it is clearly admitted that this is being used as a coercive tactic.

My distinguished colleagues in the House have been very explicit about the fact that they will, as they say, create a "titanic legislative standoff" with President Clinton. Others have said openly that they intended to bring the Government to a halt, to have a closedown, in order to provoke a controversy.

My very basic point is that this is irresponsible. It has not been done in the past. It represents, I think, an abuse of the constitutional arrangements of power, and it ought to cease.

I yield the floor.

THE GOVERNMENT SHUTDOWN

Mr. KENNEDY. Mr. President, we have heard, during the course of the morning, that this is really just a question about the various funding and how we will be able to get the resources to be able to move toward a balanced budget. I think it is important that as we see this process hopefully move forward, that the American people are going to understand the various options which we can take that make that progress.

I want to address the Senate on the fairness issue in reaching the balanced budget, because I think all of us know if it was just a question of figures, anyone could reach the balanced budget by slashing, burning and ending various kinds of programs. The question is, how are we going to reach that objective and do it in a way that will be fair, meeting the standard of fairness to the American people. I think it will only be if the proposal that is agreed on, and hopefully it will be agreed on by the Congress and by the President, will meet that standard of fairness, and will be acceptable by the American people. That is a fair test.

I want to address the Senate for a few moments this afternoon on a very important aspect of what I think is the issue of fairness. The original Republican budget plan was properly vetoed by the President because it failed to meet this test of fairness. It inflicted deep cuts in Medicare, Medicaid, education, the environment, and other important national priorities, and included large tax breaks for wealthy individuals and corporations.

Half of all the spending cuts in the Republican plan came from the bottom 20 percent of families in America while only 9 percent of the cuts came from the top 20 percent of families in America. Two-thirds of the tax breaks in the Republican plan go to the same top 20 percent of Americans, while the bottom 20 percent would face a tax increase. The middle 60 percent of Americans would also be hit unfairly. They would lose an average of $600 each because of the spending cuts, and get back only a third of that amount in tax reductions.

In order to have a fair balanced budget, every form of spending should be on the table. By the year 2002, the largest of all entitlement programs will be tax entitlements. It is not going to be the Census Bureau, it is not going to be the NEA, it will not be education, it is not going to be the environmental cleanup, it is going to be tax entitlements. Between now and the year 2002, the Federal Government will spend over $4 trillion in tax loopholes and tax preferences which go disproportionately to wealthy individuals and corporations. In 2002, these tax entitlements will represent a larger share of the budget than Social Security, Medicare and Medicaid or any of the other entitlement programs. So far, out of the $4 trillion of tax entitlements, the Republicans are willing to cut only $16 billion. Out of the $4.3 trillion, they are prepared to cut $16 billion.

A recent article in the Wall Street Journal cited the increasing disparity of the tax burden between individuals and corporations. The journal cites Treasury Department figures that corporate taxes in 1993 accounted for only 10 percent of the total Federal tax collections. In 1960, that figure was 23 percent. The proportion of taxes paid by corporate America has decreased by more than half at the same time the corporate profits have soared and wages have remained stagnant.

The Tax Reform Act of 1986, the most recent comprehensive reform of our Tax Code, was enacted to provide greater equity in the tax burden by eliminating corporate loopholes. The statistics compiled by the Office of Management and Budget suggest this has had limited effect. Mr. President, this chart is effectively summarizing what was in the Wall Street Journal article about a week ago about what has happened with tax fairness, and corporations versus families. Here we find where the American families, working families, individuals, and individual families have been with respect to tax revenues, and where the burden has fallen.

What have we seen over the period of the last years? Constant reduction in terms of corporate participation. It is now just about a third of what it was back some 30 years ago. Basically, that has been because of the escalation of the various tax expenditures and tax loopholes. What do our Republican friends want to do in their budget? They want to provide greater kinds of benefits to the corporations and wealthiest individuals, and increase—increase—the taxes on the working families, on the neediest working families in this country.

I wish when we listen to our good Republican friends that are talking about how the President wants to spend a little more on the Census Bureau and how he wants to do a little more on the environment, that we would realize that their arguments would have a lot more power if they explained why they want to have $245 billion in tax breaks, which is their latest offer, saying they will not support any kind of budget unless it has that $245 billion—again, it is the corporations who have been gradually paying less and less of their fair share of the load.

We hear a lot about people being in the wagon and out of the wagon, paying their fair share of the load. What we have seen, Mr. President, is over the period of these years right up until now, the gradual reduction in the corporations' participation because of the whole range of different tax expenditures.

Let me just describe briefly a few of those. Again, this is occurring because the Tax Code is still rife with loopholes through which this country's major corporations jump with ease. The General Accounting Office has reported that in 1991, 73 percent of foreign-based corporations doing business in the United States pay no Federal income taxes. More than 60 percent of U.S.-based companies paid no U.S. income taxes. Not only are the foreign corporations not paying any, what we have devised in the Tax Code are provisions which are encouraging these corporations to move jobs overseas taking jobs away from Americans. We give them tax benefits if they take the jobs away from hard-working Americans who are already paying their fair share, to move them overseas. We found that when the President in the last Congress closed down one of the principal loopholes, no sooner had it been closed down than under the Republican program it has opened up again.

Companies still have a significant incentive to minimize the calculation of their U.S. income, and therefore their U.S. taxation. They shift income away from the United States and shift deductible expenses into the United States. In fact, these corporate tax loopholes encourage companies to move plants and jobs overseas to low-tax havens. Our Tax Code promotes the wage stagnation caused by the exodus of good manufacturing jobs.

Surely, if elderly couples depending on Medicare and having an average income of less than $17,000 a year would be required by the Republican plan to pay an additional $2,500 in Medicare premiums to balanced the budget over the next 7 years, corporations can be asked to contribute their fair share.

If 4 million children would lose their health care and 5 million senior citizens and disabled Americans would lose their Medicaid protection to balance the budget, corporations can be asked to bear their fair share. Surely, if education funding would be cut by 30 percent and millions of college students would have the cost of their student loans increased to a point where they may no longer be able to afford college, corporations can be asked to bear their fair share.

Here are several approaches to make this work. First, the Republican plan would provide a reduction of 17 percent in the Federal budget over the next 7 years, exclusive of defense spending and Social Security. Reducing the $4 trillion in tax subsidies by 17 percent would achieve savings of $680 billion.

If we applied the 17-percent reduction to only one-quarter of the tax expenditures, we would save $170 billion—more than enough to provide the additional savings needed in the current impasse to balance the budget fairly in 7 years. Surely it makes sense to reduce corporate subsidies by a similar percentage as programs that benefit working Americans and the poor are being cut.

As a second approach, a number of specific corporate loopholes that are contrary to sensible national policy could be eliminated entirely to achieve the needed savings. It would make sense under this approach to focus specifically on tax subsidies that have the direct or indirect affect of encouraging American businesses to move transactions and jobs overseas. It is particularly offensive, at a time when large numbers of American workers are losing their jobs and being dislocated by changes in the economy, that the Tax Code is subsidizing corporations to move transactions and jobs overseas.

Here are examples of some of the most egregious corporate tax expenditures:

Runaway plants—$8 billion over 7 years: The Tax Code now encourages U.S. firms to move abroad. A manufacturing plant that moves overseas can defer its taxes on profits until those profits are repatriated to the United States. As a result, much of these profits never come back to the United States. Unlike all other taxpayers, these multinational companies are not required to pay taxes at the time of the gain.

Closing this egregious loophole would eliminate an $8 billion giveaway over 7 years. Yet, legislation proposed to address this specific issue was rejected by the Senate earlier this year on a party line vote.

As a result, foreign subsidiaries can accrue big profits abroad, stash the money in foreign bank accounts, and not pay any U.S. taxes on them.

In a related matter, the President and Congress took action in 1993 to close an additional loophole that provides incentives to companies to move jobs overseas. The Republicans now want to reopen that loophole, and have done so in their budget plan.

Over the course of the past 15 years, the United States lost 3 million manufacturing jobs. Fifty percent of these jobs have been lost in the last 5 years alone. These jobs were being lost at the same time that U.S.-owned subsidiaries were locating plants in tax haven countries across the globe.

Closing these loopholes is a win-win for the American worker and the American taxpayer. U.S. companies will no longer have the same incentive to move U.S. jobs overseas and at the same time we can reduce the Federal deficit.

Transfer pricing—$35–$40 billion annually: Companies have a significant incentive to minimize their U.S.-based income, and therefore their U.S. taxes. Therefore, they shift income away from the United States and shift tax-deductible expenses into the United States. Plain and simple, it's cooking the books, shifting costs from one part of the company to another for tax purposes, or transfer pricing.

IBM, for example, was fortunate enough to accumulate $25 billion in U.S. sales in 1987. That same year, its 1987 annual report stated that one third of its worldwide profits were earned by its U.S. operations. Clearly, its U.S. operations appeared profitable and successful. Yet, its tax return reported almost no U.S. earnings.

A recent study asserts that transfer pricing could cost as much as $35 to $40 billion annually. The Multi-State Tax Commission has stated that it is at least a $2 billion a year problem, and that only includes foreign-based companies doing business in the United States. And there are far more U.S.-based companies with foreign operations than foreign-based companies with U.S. operations.

And this is not the result of tax policy that is intended to spur U.S. investment. In contrast, it is revenue lost directly as a result of multinational companies fixing the books to minimize their U.S. tax liability.

This is not a new problem with which we are dealing. To the contrary, we have been trying to close this loophole for almost 20 years. Back in 1978, when we debated the United States–United Kingdom tax treaty, we spent a substantial amount of time on this issue. We knew then, as we know now, that it was a loophole that necessitated action. The only difference now is that it is a much bigger problem, more pervasive, and more costly to the Federal Treasury.

States have responded to this problem by requiring companies to proportion their costs and profits according to employees, payroll, and other standards. We can do the same.

And even more troubling is the fact that this is not a single loophole that exists by itself for multinational corporations. There are others, such as tax credits provided to U.S. companies for tax payments made to foreign countries by their subsidiaries, or tax deferrals for U.S. companies on income of foreign operations that are not repatriated to this country.

Title passage—$16 billion over 7 years: Another tax loophole for multinational corporations is the so-called inventory property sales source rule. Large multinational exporting corporations are able to sell goods abroad and avoid U.S. taxes through some fancy footwork during the export process. This provision allows multinational corporations to shift sales to overseas operations, eliminating taxation in this country.

This loophole was closed by both the House and the Senate in the 1986 tax reform process, but was reopened in conference. Treasury has estimated that if we eliminated it altogether, as we tried to do in 1986, we would generate as much as $16 billion.

Let's look at an example. Company X is shipping out some products to a foreign country. Under normal circumstances, that shipment would pay taxes to the United States. But under a special rule, that company passes title to the products out on the high seas, thereby avoiding all Federal taxes. This is equivalent to a tax exemption that disproportionately benefits upper income individuals.

Some people will say that we are taking steps that will hurt exports and the expansion of our markets that can create new jobs for the economy. But we are only closing an unnecessary loophole that is prevalent because companies are willing to pass title of property in the middle of the Atlantic and Pacific Oceans.

Foreign sales corporations—$9.4 billion over 7 years: An additional tax break is provided to companies through paper transactions. It is called the foreign sales corporation loophole, and provides exporters with the opportunity to exempt a portion of their export income from U.S. taxation.

A company does not have to increase its export activity, increase its payroll, or even increase its own production in the United States. It only has to set up a foreign sales corporation on paper. It can then exempt up to 30 percent of its export income from taxes. The Joint Tax Committee estimates that the closure of this loophole would raise $9.4 billion in new revenue over the 7-year budget period.

Capital gains tax reduction: Whether we agree or disagree about its merits, do any of us really believe that it should be retroactive to January 1, 1995?

Is that fair? To give new tax breaks to wealthy individuals retroactively while we also cut important programs for our working families?

Billionaires' loophole: We still haven't closed the so-called billionaires' loophole. On April 6, we voted 96–4 to close it up tight, and the Senate Finance Committee has closed it twice now. But every time it goes to conference, it gets opened up.

This is a tax loophole that exists for billionaires who renounce their American citizenship to avoid millions and even billions of dollars in taxes on income, capital gains, gifts, and estates.

The law would not prevent individuals from shifting both their assets and their citizenship to a foreign country. Rather, it would just make sure that those who have amassed great wealth through the U.S. economic system pay their fair share of taxes.

Last year, approximately 850 individuals renounced their citizenship, but only a handful of those would be affected by this legislation. The tax loophole only applies to those with a minimum $600,000 in unrealized gains, which generally would necessitate a minimum $5 million net worth. All those without that level of liability can renounce their citizenship without the IRS ever questioning their motives.

This loophole allows an individual to enjoy all the benefits of the United States, including its stature as an economic engine for the world, grow rich because of it, and then expatriate without being taxed on the wealth generated in this country. This tax break costs the taxpayers $3.6 billion over 10 years.

It is not even a slap on the wrist. It is barely enough to close the loophole that permits American billionaires to renounce their citizenship and take up their residency overseas in order to escape American taxes.

Unbelievable. We passed the amendment here on the floor of the U.S. Senate by over 90 votes, saying: When you go to the conference on those budgets, pull that Benedict Arnold proposal out of that budget.

Those doors were not even closed over there when out it came again, right out again. No wonder the President vetoed that particular budget. Who wants to be associated with saying to a superwealthy American, "Renounce your citizenship and escape all the taxes for the moneys you have earned in the United States"? That provision is still in there.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Mississippi.

WHO SPEAKS FOR THE TAXPAYER?

Mr. LOTT. Mr. President, I will be brief because I have spoken earlier. I see there is another Senator wishing to speak. But I would like to respond directly to some of the comments just made with regard to taxes. I will hold it down. We are trying to go back and forth.

Mr. President, there is a lot of complaining about tax cuts in the budget negotiations. I ask the question again, who, here, is going to speak for the taxpayers of America? There are a lot of Americans out there getting up every morning at 5 o'clock, going to work, pulling their share of the load, paying taxes. They think a little more fairness in the Tax Code, a little incentive to save, a little incentive for growth in the economy to create jobs is a good idea. Everybody around here seems to be worried about this program or that program, this welfare program, that program. What about the people who are paying the taxes on all these programs? Why do they not get a little help?

As I understand it, one of the points that was indirectly referred to was the earned income tax credit. I do not know much about what has been going on in the budget negotiations at the White House, but I understand that is one area where they are very close to agreement.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. LOTT. The earned income tax credit program is one that most of us have supported in the past. The problem has been it has exploded, like so many Federal programs. Now, I understand, people who have an income of up to $30,000 a year are getting a tax credit. We are not saying eliminate it. We are not saying wipe it out. We are saying control the explosive growth, make sure it is applicable and provided to those who are at the low-income, entry level, and not begin to move it on up into the beginnings of middle-income people.

Another point, let us talk about the specifics of the tax proposals. I have asked this question here on the floor and nobody has really responded to it.

Mr. KENNEDY. Could I ask the Senator this question, why is the Senator——

Mr. LOTT. Mr. President, I yield for a question.

Mr. KENNEDY. Why is the Senator so concerned about providing some offset for the EITC program, for the increases in the Social Security and the excise taxes and other FICA taxes, for families that are making $30,000, yet so unwilling to try to provide also some belt tightening for those who are making $400,000? I have not heard the Senator talk about that. I am stunned by his silence. I am sure he is going to address that issue. That is what this is about.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The time belongs to the Senator from Mississippi.

Mr. LOTT. I would ask this of the Senator, is he opposed to eliminating the marriage penalty in the Tax Code? For years we have talked about the unfairness of the marriage penalty. That is one of the things we propose to eliminate, and it is not cheap. It costs a good bit of money. Why should a couple living apart pay more when they get married, under the Tax Code, even though they are making the same money?

Who among us opposes the option of the spousal IRA, the spouse working in the home being able to have an individual retirement account? I do not think anybody is opposed to that. Most of us would like to see the IRA expanded because we would like to encourage savings. When we had the individual retirement account provisions in the 1980's it worked. It encouraged people to save. Part of what is going on in these negotiations would allow for an expansion of IRA and then allow it to be used for education and for medical purposes. I think those are good ideas.

And should we not allow for changes in the estate taxes so people who have small farms and small businesses do not wind up having to sell the farms that have been in their families for years to pay for the estate taxes—how in the world did we ever get in a position of taxing death, anyway? I think most American people would like to receive some relief there, whether they are wealthy or poor, frankly.

Also, you want to help families, a family of four? How about helping them by allowing them to keep a little of their own money with a tax credit for children? We are trying to encourage and help families with children provide for their own needs, and not everybody just look to the Federal Government to do it for them.

Yes, the capital gains tax rate cut. This is something most people will acknowledge, if it is done properly, will encourage growth in the economy and the creation of jobs. Even the President has said as much. He has said that if other tax provisions can be worked out, and the spending disagreements can be worked out, that this is something that he could support.

So it is one thing to bash the tax cuts en bloc, but when you take it apart and look at what is in the package that passed the Congress overwhelmingly, there is an awful lot of good in there. I hope it will remain in the final package.

Maybe the magic number is not 240 or 245, maybe it is less than that. But I think we need to look at the specifics of what we are trying to do and who we are trying to help in the economy. If we need to make changes to make sure it is directed more to the middle-income families, fine. I would support that. I think that is the way the talks will eventually go.

Mr. SARBANES. Will the Senator yield for a question?

Mr. LOTT. Mr. President, before I yield the floor I yield for a question.

Mr. SARBANES. Yesterday AT&T announced they were going to fire 30,000 people. Why in the world would you cut the taxes, in some instances in half, on the CEO's getting the stock options, who are not on their way out the door, and then turn to these fired, these families who have been fired, and say it is going to be harder for you to get a tuition loan to send your son and daughter to college. Or, if they are——

Mr. LOTT. It is not going to be harder for them to get a tuition loan.

Mr. SARBANES. Low-income people, they are not going to get the tax credit.

Mr. LOTT. Everybody who wants to go to college will be able to get a loan or grant or work-study program or scholarship. They will be able to go to college in America.

Mr. SARBANES. Not under the plan you put forward. You are cutting back on that.

You are having senior citizens finding themselves unable to get medical care and, at the same time you are doing all this, you are going to give a big tax break.

Mr. LOTT. Mr. President, I reclaim my time. If the Senator is going to make that kind of statement about what we are going to do, throwing senior citizens off of Medicare, that is just not the case. It is not the intent and it would not be the result.

As a matter of fact, I think the Senator from Maryland knows that in the alternative budget that has been proposed by the majority in Congress, more money is added back for education. Even these direct loans are being increased.

Mr. KENNEDY. Will the Senator yield on the issue of education?

Mr. LOTT. I still maintain, when you look at the Federal programs we have with the NDSL, the Pell grants, the other grants, the myriad of programs to help people who want to go to college, the money is there for people that need it. The only ones who may not be getting enough help are those in the upper-middle-income category that cannot qualify for the loans or the grants.

Mr. KENNEDY. Mr. President, could I ask, just on that question——

Mr. LOTT. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Why does the Senator, who believes in competition and also in choice, why does he defend the Republican position in insisting that students get their aid and assistance through colleges through the guaranteed loan program, which provides, over the period of the next 7 years, a guaranteed profit of between $7 and $9 billion over that period to the banks in this country, rather than letting the college and the student make their choice whether they want that or the direct loan program?

Mr. LOTT. Let the Government do it. That is always the answer. Let the Federal Government become the lender of first resort.

Mr. KENNEDY. Why not let the schools and students choose the loan program that provides the best services at the lowest cost, rather than writing in, as the Republicans have done, an arbitrary cap on direct loans?

Mr. LOTT. Mr. President, I reclaim my time to say this. The answer is always let Uncle Sam give the money, direct the money, loan the money. I say the private sector can do it and they will do a better job of collecting the loans that are owed than the Federal Government. The Federal Government has a terrible record in collecting money that is owed on these loans that have been made.

I say we should have a greater emphasis on loans, as a matter of fact. I have always supported the NDSL Program. But now we are going to a program that, in my opinion, is going to wind up costing a whole lot more and, for a lot of kids in the future who will need that help, the money will not be there to help them.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

THE GOVERNMENT SHUTDOWN

Mr. BAUCUS. Mr. President, we have heard some very interesting comments by the Senator from Mississippi, the Senator from Maryland, and the Senator from Massachusetts, debating what the provisions of the Federal budget should be. Each Senator has his own views. That is a very important debate. I personally fall on the side of the Senator from Maryland and the Senator from Massachusetts, in saying this budget proposed by the Republican majority is unfair. It creates too much of a burden on middle-income people, on low-income people, and shifts the benefit to the most wealthy. It is just basically unfair. But, Mr. President, I stand here to address another issue.

While we are here debating what the provisions of the Federal budget should be, many—tens of thousands, hundreds of thousands, millions of innocent Americans—are suffering because the Government is shut down and because innocent Americans, whether they are working for the Federal Government or not, are bearing the brunt of this shutdown. It is wrong. It is absolutely wrong. We should put people back to work.

The burden of this debate should not fall on innocent Americans, and it is now falling on innocent Americans because the House majority and the Speaker of the House are in a willful band over there and are not letting American Federal employees go back to work.

It is a very interesting debate we have heard from the Senator from Mississippi, the Senator from Massachusetts, and the Senator from Maryland. It is very interesting. Let us have this debate. Let us work on the budget. Let us work on the provisions. But, in the meantime, let us put Americans back to work, and let us take the burden off of innocent Americans.

Today, once again, most of the employees of the Forest Service, the Bureau of Land Management, the VA hospitals, the State Department, and many other parts of our Government will stay home and the rest will work without pay.

Small businesses will go without Government contracts as their rent and utility bills are coming due.

People on Indian reservations will have to go without heating assistance money as a blizzard now sweeps across the Great Plains during the coldest weeks of the year.

Gas stations in rural areas that depend on their customers in the Forest Service will lose more of their business.

Families will lose there housing deposits. Why? Because the VA cannot process home loans.

I am here to say that it is an outrage. I spent last Monday walking down Route I-94 through Miles City, close to where you, Mr. President, reside. That is the State you represent. I heard from people who do not know how they will pay their heating bills, and others who had counted on a day snowmobiling in Yellowstone National Park. I have heard the same outrage from people in our State who are unable to go snowmobiling in Yellowstone National Park. Excuse my language, but they are mad as hell, and they are right to be mad as hell.

Listen to a letter I got last week from a fellow who works in the park.

> I work here in Yellowstone National park in the fleet Maintenance Division as a mechanic. The job I currently hold has been the best one I've ever held. I've held this permanent position since the 25th of September, 1989. As you very well know, the National Park Service is currently in the middle of the budget crisis. This stalemate has got to stop now, due to the fact that the main concessionaire, TW Recreational Services, has been considering shutting the season down because they cannot maintain the number of employees to wait out this "Mexican Standoff" and may have to abandon the rest of the season.
>
> Not only that, the gateway communities of the Park are currently losing capital and are trying to survive the lost income all because you people decided to "flex" your muscle and keep the National Park Service shut down.

Now hear an e-mail I received just this morning from a woman who works in Hamilton:

> As a non-tenured, furloughed staff scientist at the Rocky Mountain Labs, NIH, Hamilton Montana, I am feeling this quite acutely, both financially and professionally.

Or listen to the folks at the Gardiner Chamber of Commerce:

> Gardiner is the north entrance to Yellowstone Park. The economy is almost entirely

dependent on visitors to Yellowstone. With Yellowstone closed the last three weeks, the cost to our small community of 1,500 is not less than $1.5 million in private sector gross receipts.

Mr. President, you heard that right. Since last December, Gardiner has lost $1,000 for every single resident—innocent people, while we here debate. It is wrong.

Mr. President, it is an outrage. Whatever one's views on the budget, it is wrong and has to stop. It is wrong that innocent people suffer, whether they are furloughed Federal employees or other Americans who feel the brunt of it, while we in the Congress debate the budget.

I want to commend our majority leader for doing what is right and getting the Senate to do its part by passing a bill to keep the Government open. That was a tough decision. He has been roundly criticized for it. But it was the right thing to do.

Now it is up to Speaker GINGRICH and the House. Up to now, they have flat-out refused to do what is right. They have flat-out refused to take the burden off of innocent Americans. They are the holdouts. Yesterday, they voted to keep hurting the small businesses outside Yellowstone, keep the people on the Fort Peck Reservation and our other reservations waiting for their heating assistance, keep people at home or working without pay.

Why did they do it? Well, they have ideas that they want the President to accept on the budget. Maybe they believe they get some leverage over the President with this, or think they have some political advantage when all of this is ended. That might be so. I have ideas that I would like the President to accept on the budget, too. But I am not going to punish innocent people just because I want my views adopted.

The fact is, you should not do things that you know are wrong. It is that simple. It is the very first moral lesson we learn as children. You should not do things you know are wrong.

You should not make families on the Fort Peck Reservation go without heating in the coldest part of winter.

You should not threaten the jobs of auto mechanics and scientific researchers.

You should not threaten to make small businesses close their doors because they have no money to pay the rent.

You should not hurt innocent, hard-working people.

So I have come down here to the floor, Mr. President, just to say to the Speaker and to the folks in the House, do what you know is right. Pass the resolution. Put folks back to work. Take the burden off of them so that we in both Houses of Congress, along with the President, can do the Nation's work and pass the 7-year balanced budget resolution.

Let us debate the provisions of it, but let us not in the meantime put the burden on innocent Americans. Mr. Speaker, and all of the Republicans in the House, I urge you to do what you know is right. Pass the resolution and put the people back to work.

Mr. President, I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

THE BUDGET

Mr. SARBANES. Mr. President, just a couple of days ago Ellen Goodman wrote a very interesting column entitled "Bootstraps for Middle-Aged Children," and she addressed the problem that would confront the elderly and their children if the budget is cut according to the Republican budget proposal. She made the point that middle-aged children may get a small tax cut of less than $1 a day and a nursing home bill of $35,000 a year for their parents if some of these Medicaid cuts go through.

Actually, the fact is that Medicaid now pays for 60 percent of nursing home care. The elderly are required to use up their own assets until they get down to a level where they qualify for Medicaid. These are middle-income people who are, in effect, by their health situation, forced to use up their assets in order to meet their medical needs, and then Medicaid covers for them. If Medicaid ceases to do that, the burden is going to come back upon their children.

I think if people ask themselves carefully, "Which would you rather do, forego a small tax benefit or keep the protection against the extraordinary costs of nursing home care?" they would want to be protected against the nursing home costs.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Sun, Jan. 3, 1996]

BOOTSTRAPS FOR MIDDLE-AGED CHILDREN

(By Ellen Goodman)

BOSTON.—This one is for Priscilla Parten, the Derry, N.H., woman who had the temerity to ask Lamar Alexander who would care for the elderly if the budget is cut according to the GOP pattern.

The answer from the presidential candidate, one of the men hawking their wares across New Hampshire was that "We're going to have to accept more personal responsibility in our own families for reading to our children and caring for our parents, and that's going to be inconvenient and difficult."

Happy New Year, Priscilla and open up your calendar. Scribble down two rather large words under 1996: Personal Responsibility. They're going to be the watchwords of the 1996 campaign.

Personal Responsibility is the catchall moral phrase uttered by politicians in favor of removing the guaranteed safety net and parceling the money out in incredibly shrinking block grants to the states. It's the all-purpose ethical disclaimer for those who equate the task of caring for the elderly sick with "reading to children," for those who blithely describe eldercare as "inconvenient" or "difficult" but character-building.

To know what they have in mind, get past the P.R. campaign and go to the fine print of the GOP's Medicaid Transformation Act of 1995. That's the Orwellian title for the bill that would "transform" Medicaid by eliminating its guarantee.

From the day Medicaid is block-granted, adult children earning more than the national median income—that's $31,000 a year per household—may be held responsible for the bill if their parents are in a nursing home. If they don't pay up, these newly defined Deadbeat Kids may find a lien put on their incomes, their houses, their savings.

A secret of the current system is that Medicaid, the health program established for the poor and their children, now pays for 60 percent of nursing-home care. That's because nursing care eats up the assets of elders at a rate of about $35,000 a year until they are indigent.

Not surprisingly, the folks calling for Personal Responsibility draw on examples of personal irresponsibility to justify a change that is beginning to make middle-class eyes widen. They point to elderly millionaires who deliberately transfer their assets to the kids in order to go on the dole in nursing homes. They describe deadbeat kids who callously drop their parents at the government door and go off to the Bahamas.

THE ONES WHO WILL SUFFER

But if and when states begin sending bills to the kids, those folks aren't the ones who'll suffer. Thousands of middle-aged "children" of the 3 million elders in nursing homes may have to pay for their parents out of their children's education fund and their own retirement savings. Adult children, perhaps elders themselves, may have to choose between nursing sick parents at home or emptying the bank.

How neglectful are we, anyway? Despite the bad P.R. we are getting, families do not by and large look to nursing homes for their parents until they are overwhelmed. Elders do not, by and large, go there until they are too ill to be cared for at home. Only one-fifth of the disabled elderly are in nursing homes.

Daughters and daughters-in-law provide most of the care of elders and they will shoulder the increased Personal Responsibility at the cost of their jobs, their pensions, their own old age. The daughter of a disabled 88-year-old may, after all, be 66 herself. It is their characters that will be built on deteriorating lives. One politician's social issue is another woman's life.

There is enough guilt in every family to trip the responsibility wire, to push the button that says families should take care of their own. As a political slogan, P.R. passes what Dan Yankelovich calls the "they have a point" test.

But there is an awful lot of Personal Responsibility going around already. As educational loans are cut we are told to be responsible for our own children. As company pensions are fading, we are told to be responsible for our own retirement. At the same time we are to be responsible for disabled parents and even grandparents.

Dear Priscilla, when the politicians up there start talking about Personal Responsibility, they mean our responsibility, not theirs. The GOP Congress isn't just trying to balance the budget. They want to end the

> idea of government as an agent of mutual responsibility.
>
> This is what you get in return for a safety net: a pair of bootstraps, a middle-class tax cut of less than a dollar a day and, oh yes, a nursing-home bill of $35,000 a year.

FEDERAL REGULATION OF WETLANDS

Mr. BOND. Mr. President, for years, I have tried to reform the way our Federal Government protects wetlands. The current system is bureaucratic and cumbersome; it is full of delay, waste, and uncertainty. I believe that wetlands should be protected. I believe that the Federal Government should continue to have an important role. But clearly, whatever is done to address the outstanding questions surrounding the Federal regulation of wetlands, the system must be streamlined. This is not radical or extreme. It is not even partisan. If one is not an employee of the Environmental Protection Agency or if one is not a K-Street concrete environmentalist, streamlining makes sense. Streamlining is a bipartisan issue. Depending on which day one decides to listen to the President, he believes in streamlining.

Senators may remember the National Performance Review to re-invent Government making Government work better and cost less. We have been told that the administration wants to make the Government user friendly, that it wants to streamline and reduce duplication and waste.

> Our goal is to make the entire Federal Government both less expensive and more efficient, and to change the culture of our national bureaucracy away from complacency and entitlement toward initiative and empowerment. We intend to redesign, to reinvent, to reinvigorate the entire national government.

This is President Clinton on March 3, 1993. He also said:

> It is time the Federal Government follow the example set by the most innovative State and local leaders and by the many huge private sector companies that have had to go through the same sort of searching reexamination over the last decade, companies that have downsized and streamlined and become more customer-friendly and, as a result, have had much, much more success.

Apparently, Vice President GORE also believes in streamlining and reinventing Government. On that same day, Vice President GORE said:

> It's time we cut the red tape and trimmed the bureaucracy, and it's time we took out of our vocabulary the words, 'Well, we've always done it that way.

The Vice President also requested action from citizens and policymakers.

> Help us get rid of the waste and inefficiency. Help us get rid of unnecessary bureaucracy. Let us know when you spot a problem and tell us when you've got an idea.

I have spotted a problem and I have an idea. Outside of Washington, this is common sense. The problem is that we have multiple agencies doing the same thing with regard to wetlands. My idea was to eliminate just a fraction of the existing redundancy in wetlands regulation. The Clinton administration already has employees at the U.S. Army Corps of Engineers who have had the lead in making permitting decisions on wetlands for 20 years. The Clinton administration also has employees at the Environmental Protection Agency which oversee the same permitting decisions. My idea is that one team of professionals should be enough. If it is not enough, then we have more management problems than a National Performance Review could remedy.

I included a provision in the VA–HUD appropriations bill which removes EPA's duplicative authority to veto corps-issued permits. According to the corps, there is no other Federal regulatory program that gives two Federal agencies decisional authority over the same Federal permit of action. The corps has been the lead agency in wetlands protection for almost 20 years and it simply cannot be demonstrated that we need to hire one set of bureaucrats to second-guess what the first set of bureaucrats is hired to do in the first place. We are here today to balance a budget. To balance a budget, tough choices must be made. Eliminating redundant activities is an easy choice. It is common sense. Leave it to the environmental lobbyists to argue that we need two or more different Federal agencies conducting the same task—looking over each other's shoulder—adding expense, confusion, delay and frustration for our Nation's citizens.

There have been many changes recommended to improve the administration of this important program. This change is the easiest one. In that sense, I thought the provision should be noncontroversial. In fact, no Senator offered an amendment on the floor to address this provision. It was not challenged in the House. Hearings have been held in both the House and the Senate. The House-passed reauthorization of the Clean Water Act removes this duplicative authority. The bipartisan bill introduced in the Senate to reform the wetlands regulatory program removes this authority.

Knowing of the Clinton's administration's efforts to streamline Government, I was surprised to learn in the President's veto message that this provision is one of the reasons for the President vetoing the bill that funds Federal employees at EPA, the Veteran's Administration, Housing and Urban Development, and others. Not even rank and file people at the EPA could think this is a very good reason for the President to prevent their funding bill from becoming law. This is truly an astonishing notion put forth by the President. He is saying, in effect, I don't trust the people who I hired and the people who work for me at the U.S. Army Corps of Engineers to protect wetlands and to obey the law so I want to make sure I have another agency of people who I hired and who work for me to keep an eye on them.

Mr. President, for me, this issue is a flashback to another streamlining provision I proposed in the 102d and 103rd Congress. Several years ago, a farmer in St. Louis County came to my office with a real problem. He had some wet places of ground on his land and he had four different agencies coming out to that land telling him different things. I sent representatives out. The four agencies could not agree. They had swampbuster, they had section 404 regulations in hand. We got two different opinions on the particular wetlands problems and the agencies could not agree.

I had a modest suggestion and introduced legislation to make the Soil Conservation Service the lead agency responsible for technical determinations about wetlands on agricultural lands. After several years passed, I offered this proposal as an amendment on May 4, 1993, to S. 171, the Department of the Environment bill to elevate the EPA to Cabinet level. The administration opposed that idea also—at least initially. The opposition dug out all the same bogeymen, ghosts, and goblins. I was actually told that this amendment would make things more complicated—not less—if SCS was the lead agency. I was told this was the wrong vehicle and that the amendment would make wetlands regulation more expensive. The bipartisan amendment failed 40–54. Eight months later, the administration adopted this idea administratively and said they were glad they thought of it. In the interagency press release, they noted:

> The agreement eliminates this duplication of effort and gives the farmer one wetland determination from the Federal Government. Farmers can now rely on a single wetland determination by the Soil Conservation Services.

Interior Assistant Secretary for Fish and Wildlife and Parks George T. Frampton, Jr., said:

> This agreement represents a common sense approach to administering wetlands programs affecting our Nation's farmers. We are minimizing duplication of effort.

For this administration, it is a fine line between extremism and common sense. I would hope that another change of heart could be in order but I fear that the pressure from environmental lobbyists may be too great.

During Senate hearings, EPA argued repeatedly that they never use the authority so we shouldn't care about them having it. I will argue that if they never use it, then why have it? I would like to know why the administration desperately needs an authority that has only been used 11 times in the last 20 years as tens of thousands of permit decisions were made. Is the

President trying to say, well, yes, we agree that the EPA has not officially objected to corps decisions 99.9978 percent of the time, but we can never be too careful. We have so much extra money and so many people looking for work at EPA, that we better have them ready for that eventuality that occurs .0022 percent of the time.

The other argument that is used is that we would have the corps permitting themselves for their own activities. As Senators know, the corps does not actually issue itself section 404 permits but does follow all of the steps involved in the permitting process. Every other existing internal and external decision safeguard is affected by my legislative provision. The corps must meet the public interest review which requires the careful weighing of all public interest factors. Mr. President, listen to the list of criteria to be considered under the public interest review:

> All factors which may be relevant to the proposal must be considered including the cumulative effects thereof: among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use shore erosion, etc.

Additional criteria the corps are bound to follow are found in the section 404(b)(1) guidelines developed by the EPA. EPA retains its 404(q) authority, known as elevation authority, which allows the EPA and the Department of Commerce and the Interior to request higher level review within the Department of the Army. Individual State permitting and water quality certification requirements provide an additional form of objective safeguard to the corps regulatory program. Section 401 of the Clean Water Act requires State certification or waiver of certification prior to issuance of a section 404 permit—effectively giving States veto authority.

In addition to these requirements, the corps' implementing regulations require that district engineers conduct additional evaluations on applications with potential for having an effect on a variety of special interests such as Indian reservation lands, historic properties, endangered species, and wild and scenic rivers. The corps must satisfy the National Environmental Policy Act requirements during the permit process and permit decisions are subject to legal challenges. EPA also has lead enforcement authority. One final safeguard is provided by my fellow Senators. The great majority of corps projects are authorized by Congress. I believe this Congress has the understanding and concern to put the brakes on bad projects—environmental lobbyists and EPA wetlands experts are not the only people who understand and are willing to protect valuable wetlands.

As anyone can see, the cries from the environmental lobby are a red herring. There remains lots of bureaucracy and lots of redundancy for those who cherish it. In this case, they are crying wolf. My provision will do nothing to harm wetlands. Under my provision, if a wetland is or is not permitted, it will be because of an official decision made by an official of the Clinton administration.

What is this about? It is a plain old-fashioned bureaucratic turf fight. EPA bureaucrats have power and they don't want to surrender any of it. They have good working relationships with environmental lobbyists who don't want to see their access reduced. I have no doubt that EPA employees work very hard and have expertise in wetlands issues, but I am simply saying that the corps does, too, and one agency is enough. I expect bureaucrats to fight to protect power and to protect turf. What I do not expect, however, is their political leadership to provide them cover for doing so. Is the President here to create a government that works better and costs less or is he here to protect bureaucratic turf and the regulatory status quo. Unfortunately, the bureaucrats whose turf the President is protecting are currently at home because the President vetoed their funding bill—in part, and astonishingly, over this common-sense issue.

Mr. President, there was a New York Times article printed in the Record on December 14 [S18650] that discusses this issue. I ask unammious consent that my response to that letter be printed in the Record. I also ask unanimous consent to have printed in the Record a Wall Street Journal op-ed piece entitled "Death of a Family Farm," detailing an abuse of wetlands regulations.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, December 15, 1995.

Ms. Kris Wells,
Editor, Letters to the Editor, The New York Times, New York, N.Y.

Dear Ms. Wells: The December 12, 1995, story entitled "Brief Clause in Bill Would Curb U.S. Power to Protect Wetlands" is a very catchy headline, but grossly inaccurate. As the article accurately notes, the U.S. Army Corps of Engineers and the Environmental Protection Agency (EPA) have dual decisional authority in permitting activities in wetlands. According to the Corps of Engineers, no other program maintains this dual decisional authority over the same permit or action.

In the spending measure I crafted for Veterans Affairs, Housing and Urban Development and the EPA, I included a provision that eliminates this dual authority by removing EPA's authority to veto permits the Corps has issued. Therefore, the provision would indeed curb one and only one of the many "EPA" powers to protect wetlands, but it certainly does not curb "U.S." power to protect wetlands unless you think the "U.S." Army Corps of Engineers in not a federal agency. Additionally, these two agencies just happen to report to the same boss/es; ie., the President, Office of Management and Budget, the Counsel on Environmental Quality and the Vice President, who is a self-proclaimed advocate for the environment.

There are many things this government can no longer afford, and on the top of that list is bureaucratic redundancy. Leave it to the environmentalists to argue that we need two or more different federal agencies conducting the same task—looking over each other's shoulder—adding expense, confusion, delay and frustration. The bottom line on this issue and on the projects that were mentioned in the article is this: if a wetland is or is not permitted, it will be because of an official decision rendered by officials of the Clinton Administration. If people in the environmental community do not feel that the Clinton Administration has hired aggressive enough regulators, then they should take it up with the Clinton Administration and quit crying wolf about a common-sense provision to streamline government—a goal that the President has repeatedly endorsed.

As Vice-President Gore said on March 3, 1993: "It's time we cut the red tape and trimmed the bureaucracy, and it's time we took out of our vocabulary the words, 'Well, we've always done it that way.' . . . Help us get rid of the waste and inefficiency. Help us get rid of the unnecessary bureaucracy. Let us know when you spot a problem and tell us when you've got an idea." Don't bother telling the environmental activists and lobbyists when you've got an idea. Which conservative ever called such dug-in-defenders of the status quo liberals?

Sincerely,

Christopher S. Bond.

[From the Wall Street Journal]

Death of a Family Farm

(By Jonathan Tolman)

"My mother lives in Cranston. There aren't any wetlands there." This was the incredulous statement of a co-worker when I tried to explain to her the plight of the Stamp farm. Bill Stamp, president of the Rhode Island Farm Bureau, and his wife Carol own one of the few farms left in the state. But due to federal regulations, their farm is slated to close at the first of the year.

The Stamps' troubles all started when the city of Cranston, R.I., rezoned their property from agricultural to industrial. For years, Cranston had been trying to get the Stamps to develop their property. To give them an added incentive, the city decided to raise their taxes to the industrial bracket in1983.

In order to pay the higher taxes and keep their farming operation alive, the Stamps decided to develop part of the property at Cranston and move their farm to another part of the state. Their first encounter with wetlands happened three years later after they built a road on part of their property. The Stamps had already received permits from both the city and the state to proceed with the road when the Army Corps of Engineers decided to get involved.

Under Section 404 of the Clean Water Act, before anyone can deposit dredged or fill material into a "navigable water" of the U.S., they must get a permit from the Army Corps of Engineers. Over the years, with the legal prodding of environmentalists and a string of court cases, the Corps has expanded its definition of "navigable water" to include areas you wouldn't normally expect to see boats, namely wetlands.

Identifying wetlands is a difficult business. As the Corps pointed out in one of its recent press releases, "Wetlands don't have to have visible water." Because of the tricky nature of wetland identification, in 1987 the Corps developed a 150-page manual filled with flow charts, appendices and guidelines for identifying wetlands.

Upon learning about the road, the Corps told the Stamps, "Since a Federal permit has not been issued for the work you are presently performing, you are hereby ordered to cease and desist from any further work within Corps jurisdiction." In order to continue, the Stamps had to apply for a permit for the road they had already built. The Corps denied the permit, and demanded that the road be removed. In addition, the Corps demanded that the Stamps also remove the water and sewer lines which had been placed on their property. The Corps refused to consider any additional permits until the Stamps complied with their demands.

Realizing the mess they were in, the Stamps hired an expert consultant to help them with their wetland problems. After surveying the area with the Corps' own manual, the consultant came to the conclusion that the area where the Stamps built their road wasn't even a wetland. Just to be sure, he brought in two other wetland and soil scientists to look at the area. In a letter to Mr. Stamp, one of the experts, a dean at the University of Rhode Island, wrote: "The delineation of wetlands on that portion of your property is obviously in error." The other consultant, a former New York State soil scientist, concluded, "Since the soils would not qualify as hydric soils, the area would not be a wetland under the U.S. Army Corps of Engineers jurisdiction."

Yet when the Corps was asked to reevaluate the site, it refused. The consultant, feeling that the Stamps had been wronged, wrote the Washington headquarters of the Corps and asked for a re-evaluation. The Acting Assistant Secretary of the Army, G. Edward Dickey, refused, "because the Corps is a decentralized agency, the divisions and districts are responsible for most permit decisions and other related regulatory decisions, including delineations." (Perhaps someone should tell the secretary of the Army that he is now in charge of a "decentralized agency.")

Now, after the Stamps have spent thousands to restore the "wetland," as well as having paid $15,000 in fines, thousands of dollars in legal fees and a lot more in increased property taxes, the original permits from the state of Rhode Island have expired. Unless the state can come through with new permits in the next few weeks, the Stamps will be unable either to sell or develop their land, and their financiers will likely foreclose on their farm in January.

Some might argue that in order to protect our nation's fragile wetlands, some errors and unfortunate incidents will happen, but in the long run it will be worth the price. The problem with this reasoning is that the 404 program doesn't really protect wetlands. Although the unwitting can get caught in the regulatory morass of the 404 program, savvy developers are aware of myriad exemptions, such as a rule that if the Corps does not respond within 30 days of being notified about a construction project of less than 10 acres, the developer can proceed with the project.

Because of such loopholes it is not surprising that many environmentalists detest the 404 program almost as much as landowners. An article published last spring in Audubon magazine described the 404 program as "a hoax perpetrated and perpetuated by a wasteful, bloated bureaucracy that is efficient only at finding ways to shirk its obligations and that when beaten on by developers, spews wetland destruction permits as if it were a pinata." The environmentalists' argument isn't just liberal griping. Recent data from a nationwide survey of wetlands, conducted by the U.S. Agriculture Department, suggests that even though wetland regulation has increased in the last decade, wetland losses to development have not slowed. Even more ironic is that despite the continued loss of wetlands to development, a host of non-regulatory, incentive-based programs have restored so many wetlands that this year the U.S. will gain more wetlands than it lost.

Recently, Sen. John Chafee (R. R.I.), chairman of the Environment and Public Works Committee, announced plans to consider the re-authorization of the Clean Water Act, including the 404 program. The senator has the power to eliminate a program that both landowners and environmentalists agree is a bloated, wasteful bureaucracy. Maybe he can do it before another farm in his home state goes belly up.

Mr. BOND. Mr. President, there are many ways in which we can reform this program. We can do so in a bipartisan way. We can do so in a way that cuts redtape and offers new incentives for wetlands protection. We can do so in a way that includes more respect for those who currently protect wetlands—private property owners. We can bring rationality to the program and turn an important program into a more effective and maybe—maybe—even a more popular program. In the process, we might even give the States a greater role. In my State, I know we have officials who understand and care just as much about wetlands as the folks who work here in Washington. I am hopeful that these issues can be addressed. In the meantime, this legislative provision is an important start toward removing duplicative redtape and an important test for the President to see if he is so wed to the regulatory status quo, that he would reject this commonsense reform.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about "another go", as the British put it, with our pop quiz. Remember—one question, one answer.

The question: How many millions of dollars in a trillion? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the enormous Federal debt that is now about $12 billion shy of $5 trillion.

To be exact, as of the close of business Wednesday, January 3, the total Federal debt—down to the penny—stood at $4,988,377,902,358.91. Another depressing figure means that on a per capita basis, every man, woman, and child in America owes $18,935.97.

Mr. President, back to our quiz—how many million in a trillion? There are a million million in a trillion, which means that the Federal Government will shortly owe $5 million million.

Now who's not in favor of balancing the Federal budget?

THE NEW YEAR

Mr. MOYNIHAN. Mr. President, the new year is now upon us, a Presidential year, and already the competition is fierce among candidates for election to "Safire's New Political Dictionary: The Definitive Guide to the New Language of Politics." Accordingly, Mr. President, I have the honor to propose as first-in-the-field, a remarkable triple-hyphenated safe bet and sure winner from the new year's day editorial of the Washington Post entitled, appropriately enough, "The New Year." The editorial looked back to its predecessor 50 years ago, when the Post editorial writer of that age, contemplating the end of the Second World War, pondered whether the United Nations might now bring peace on Earth. This year's editorial comments, "That sort of world-federal-ish talk seems almost quaint today." Indeed, it does. Cord Meyer apart, there are not likely to be as many as half a dozen Americans alive who remember the World Federalists and their unflinching attachment to world government. That, of course, is just the role editorials play in our lives; to remind us of forgotten fancies and dashed dreams, lest we become too much impressed with the wonders of our own age.

Mr. President, I can report that Mr. Safire, interviewed by telephone in his posh Washington offices, readily concurred that "world-federal-ish" was definitely an early starter for this year's pol-lexigraphic race, adding that it might prove a watershed compound and go on to win a triple crown.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. COATS. Mr. President, may I inquire, what is the current status of the Senate?

The PRESIDING OFFICER. The time for morning business has expired.

Mr. COATS. Mr. President, I ask unanimous consent to extend the time of morning business for an additional 10 minutes, and that I be permitted to speak during that time.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Mr. President, reserving the right to object, could I suggest to my colleague that we extend it until 2 o'clock with Members allowed to speak therein for 10 minutes?

Mr. COATS. Mr. President, I have been informed that it is the leader's intention to go into recess subject to the call of the Chair immediately after my statement.

Mr. SARBANES. There is a Member on our side who actually has left his office and is on his way to the floor, and we would like for him to have 10 minutes.

Mr. COATS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, I think we have an agreement here that we would extend the period of time for morning business by 20 minutes, with 10 minutes allocated to this Senator and 10 minutes allocated to the Senator from Arkansas, as given by the Senator from Maryland. If that is acceptable, I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. And thereafter, Mr. President, I ask unanimous consent the Senate go into recess subject to the call of the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

TIME TO BALANCE THE BUDGET

Mr. COATS. Mr. President, I have come for the first time to a disturbing conviction. That conviction is that I do not believe this budget process is going to succeed. I am beginning to believe that any amount of negotiating in the future is not going to result in agreement. I have come to this point because 44 days after the President said he agreed that we should enact a balanced budget, nothing has happened, and I am not sure that negotiating and bargaining is being done in any way that would fulfill that commitment.

The President, first of all, has not demonstrated any history of supporting or proposing a balanced budget and has yet to put a balanced budget as scored by the agency that he insisted it be scored by, on the table.

He has vetoed the only real budget that has come before his desk, and even now, today, January 4, as I said, 44 days after he agreed to enact a balanced budget, he has yet to propose a balanced budget. President Clinton has now proposed four budgets, none of which has produced a balance. The third so-called balanced budget he proposed was scored by the Congressional Budget Office as $200 billion per year over balance as far as the eye could see, and then his fourth budget only managed to reduce the deficits to $100 billion a year for every year ad infinitum.

Not one Member of the Senate, Republican or Democrat, has voted for the President's budget. In one vote, it was defeated 96 to nothing, in another 99 to nothing. So this is just not Republican rhetoric. This is a unanimous rejection of the President's attempts to balance the budget by all Republicans and all Democrats in the Senate.

So for anybody who is under the illusion that the President has proposed a balanced budget with honest numbers, no one in this body, Republican or Democrat, agrees to that.

It seems to me, third, that at every stage of the negotiations the President has purposely tried to distract the Nation's attention from a balanced budget.

First, he talked about the number of years it would take to balance the budget and finally agreed, under duress I think, that 7 years would be the right number. But he was quoted as saying, and I quote again, "[As President] I would present a 5-year plan to balance the budget." He said that on Larry King in June.

And then in July, he said, "But I do not believe it is good policy, based on my understanding of this budget—which is pretty good, now—to do it in 7 years." That he said in a Rose Garden ceremony in July.

Then he said, well, I think we ought to "balance the budget in 10 years. It took decades to run up the deficit, it's going to take a decade to wipe it out." That was during his Presidential address to the Nation.

Then he used the scoring issue, that is, determining whether or not the numbers were real, as a distraction. He challenged us—and I sat over at the House of Representatives during his State of the Union Address—when he said, "Let's at least argue about the same set of numbers so the American people will think we are shooting straight with them." That was in his address before a joint session of Congress on administration goals in February 1993.

And so we accepted that challenge, and we said we will agree, Mr. President; let us use the agency that you want to use. That is the Congressional Budget Office. And then we argued back and forth, back and forth, and the President said, well, the Congressional Budget Office, I do not agree with them. I wish to use my own numbers.

For nearly 9 months he was able to distract the press, the Congress, and the American people from the real issue of balancing the budget by focusing the debate on how long it ought to take, on what numbers we ought to use. So he—I have to give him credit—he masterfully maneuvered and shifted the debate for month after month after month when the real issue was balancing the budget.

The President's attitude is particularly destructive because we are at a unique moment in recent history. We have the opportunity to pass a real balanced budget, interestingly enough, at a time when the differences between us are not that great. We have a chance to negotiate because really we are quite close. A number of Democrats have worked with Republicans in trying to put together an alternative budget that would reach balance, and the number differences really are not that far apart.

The differences between the Republican budget and the President's only amounts to 2 percent of the entire budget. Even on the most divisive issues, those issues of Medicare, Medicaid, and welfare reform, we are quite close.

On the most contentious issue of all, Medicare, both the President and the First Lady have essentially stated that they would do more to slow the rate of growth than what the Republicans have done. In 1993 the President said:

> . . . Medicare and Medicaid are going up at three times the rate of inflation. We propose to let it go up at two times the rate of inflation. This is not a Medicare and Medicaid cut.

The First Lady in 1993 said:

> We are talking about beginning to reduce the rate of increase . . . in the Medicare from about 11 percent . . . increase annually to about 6 or 7 percent increase annually.

So what the Republicans have done in their budget is exactly what both the President and the First Lady had indicated that we ought to do. And yet now it is politically turned to the fact that the Republicans are trying to cut when it is not a cut. We are trying to do what they suggested.

My point is, not necessarily that the President is playing politics with this, although clearly he is, my point is that we are not far apart at all.

I think we need to understand also that this partial shutdown of Government could be solved overnight if the President had simply signed the appropriations bills that were sent to him. He chose to veto the Interior appropriations, the Commerce, Justice, State appropriations, and the VA-HUD appropriations bills. Those hundreds of thousands of workers, Federal workers that are not now working that we hear about every day at drumbeat out of the White House could all be at work if the President had just signed the bills that we sent to him.

What is discouraging, Mr. President, is that we have come so close for a result so important and that the remaining differences between us are narrow. But it seems to me that the President is willing to sacrifice perhaps one of the most important things the U.S. Congress could do in this decade if not this century. We are sacrificing that, the demands of history for the demands of politics.

Look, this game cannot continue indefinitely. We have to end this political posturing. I think we have a moral obligation to do so. I am convinced that we should set some kind of firm deadline and prove once and for all if the President has any intention of supporting a balanced budget. That deadline ought to be set in weeks, not months.

If the President refuses to negotiate in good faith to reach that agreement and do what he said he would do, that is, put a budget on the table that actually balanced, if he is not willing to do this, then I think we should end this politically motivated pretense that is going on.

It would then become an issue to be decided in the 1996 elections. Voters would be presented with a very clear choice: The status quo, continue the Government growing as it has, leave it the same, that Government needs to do more, keep spending, keep taxing, or change the fundamental direction and course of Government and achieve a balanced budget.

If we do that, we can pass appropriations bills that produce enough savings to ensure that we can still reach a balanced budget in 7 years during this interim period between the time we cut off negotiations and the election of 1996.

Mr. President, I suggest that it is time for the games and the politics and the distractions to end. There is one issue, and one issue only that we must decide: Will we fulfill the promise of this unique moment in passing a balanced Federal budget? All the rest can be negotiated if both sides negotiate in good faith. If the President refuses to do so, as he has done to this moment, then the question will need to be put to the American people—is it enough for a President to talk about a balanced budget or do we need a President who will actually agree to a balanced budget?

Mr. President, I yield back any time I have remaining.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

HOW LONG UNTIL SOME MEMBERS IN CONGRESS COME TO THEIR SENSES?

Mr. BUMPERS. Mr. President, when I was a young man the Governor of Tennessee, the then-Governor of Tennessee, Frank Clement, delivered the keynote address at the Democratic national convention. As I matured and studied speeches like that, I decided it was not quite as great as I thought it was at the time. But the thrust of the speech was, "How long, America?" And he kept coming back to that recurring theme. "How long, oh, how long, America?" In other words, how long are we going to wait for solutions to these problems?

That would be a good speech to give today, how long the American people are going to have to wait until some people in this body, but especially in the House, come to their senses.

This morning we had a group of Social Security workers come into our Little Rock office. I was out at the time. My legislative director suggested that they call the Speaker of the House. He told them he would be happy to give them the names of the 73 freshmen Congressman over there, their telephone numbers, and reminded them that the Senate had voted to do precisely what should be done, thanks to the courage of the majority leader.

The majority leader probably is not interested in having a Democrat compliment him for what he did because I am sure he is taking unbelievable flak from some quarters in his own party. That goes with the leadership. If you are not willing to stand up for what you believe, you do not deserve to be called a leader. If you do not stand up for responsible Government, you do not deserve to be here.

We have a saying in Arkansas when something is really out of the ordinary. We say, "I have been to two State fairs and a goat rope, and I never seen anything like this before." I can tell you, I have never seen anything like this before. I pray to God we never see anything like it again, because if the checks and balances of the Constitution can be circumscribed and circumvented by a simple hard-core majority who are willing to stick together, and most of whom distrust Government, strongly distrust Government, the next question you have to ask yourself is, if people are willing to abuse their power by circumventing the Constitution in a way that was never intended by Madison and the other Framers, how long can we continue to govern ourselves? That is a very legitimate question that you are going to hear asked more and more if this is not resolved shortly.

The American people are divided to some extent. They do not understand it. But I can tell you, each day that goes on they become increasingly apprehensive about just what is going on, what is the meaning of it. They are not Federal employees, and so they are not very perturbed about it. But as they see their lives disrupted, as everybody's lives are going to be, if this goes on much longer, they are going to acclimate themselves and attune themselves to what is going on here.

We should not for one moment forget what is the overriding issue here. There is a minor constitutional crisis that could loom very large in the future; there is, obviously, a tremendous political battle going on, and that is where the American people really do not understand why we would subject this country to this for political reasons.

But we should not ever forget one simple fact: All we have to do is what the Senate did the night before last and pass a continuing resolution and get Government up and running. It has nothing to do—it has nothing to do—with the discussions going on at the White House. You can resolve every single issue that is at stake here without sending 250,000 workers home and others with half paychecks and scaring the pants off a lot of American citizens.

The tax cut is one of the issues. That is not an unsurmountable problem. I cannot tell you how I detest the thought of that $245 billion tax cut, and every time I look at the statistics on who gets that $245 billion, I am literally stunned that every newspaper in the country is not editorializing on it every single day.

Think about it. The people who make less than $30,000 a year get virtually not one dime of it, and if you make $300,000 a year, you are going to get over $8,000 a year in tax cuts. What kind of a nation passes tax bills like that?

Let me go back. That is based on a CBO assumption that the budget will be balanced in the year 2002, and by doing so, interest rates will decline to the point that over a 7-year period, we will save $245 billion. I can tell you that is a massive assumption, one that I can almost guarantee you will never come about.

In order for that to come true, every single projection of growth rate, interest rates, and unemployment which the Congressional Budget Office puts out would have to come true, literally true—every one of those things.

It also means that next year and the next year and the next year, through 7 years, Congress will do precisely what was projected in this 1995 budget resolution. We will not even do what the budget resolution does in 1996. I can bet you we will not do it. We certainly are not going to do it every year between now and the year 2002. You are going to have tornadoes in my State, you are going to have floods in the Midwest, you are going to have hurricanes in Florida, you are going to have droughts throughout the Midwest, and we are going to pick up the tab for every bit of it. None of that is anticipated in the budget resolution.

But for purposes of argument, because the President did, in fact, come out with his own tax cut, not nearly as massive as this one, but why not say to the Republicans: "You're hot for a $245 billion tax cut. You want to spend all of $245 billion the Congressional Budget

Office says you are going to save over the next 7 years. We do not believe that. Not only do we disagree strongly on who would get the tax benefits, we do not think those savings will ever materialize. But to prove our good faith, why don't we do this? Let's wait until the budget for 1998 comes up before we get into this tax-cutting business. If all CBO's projections have come true, interest rates are as low as they projected, all the other economic indices are the way they projected them and the savings are materializing, then say, 'OK, we'll accept a $200 tax refund for all the children in America,' and if it goes according to Hoyle for 2 more years, up it to $400."

Why would that not be a simple solution to it? After all, once you put that tax cut in place, if this place falls apart and the dome of the Capitol falls to the ground, you will not be able to take that tax cut away. You are going to be spending the money for a tax cut that you do not have, because we will never undo it. So why do it, unless you know the savings are going to be there?

I heard the majority whip say this morning that this President is the first President that ever wanted more money. He never heard of anybody vetoing a bill because they wanted more money. I remind the Senator from Mississippi, Ronald Reagan used to go around saying, "I'm being accused for these massive deficits, and you know I can't spend a penny that Congress doesn't appropriate."

To the ordinary layman out there, that is fine, because the people always liked the President better than Congress.

I ask unanimous consent for 5 additional minutes, Mr. President.

The PRESIDING OFFICER. Under the order, we were to go into recess. The Senator is recognized for 5 additional minutes.

Mr. BUMPERS. While he was saying, "I can't spend a penny that Congress doesn't appropriate," he was never vetoing any money bills. He signed everything we sent him, and the people should be grateful, because while he was President, Congress appropriated billions less than he asked for. But he vetoed a defense bill because it was not high enough, and we had to give him more money to get him to sign the bill.

Mr. President, the American people last fall were angry about a host of things. There was no one single thing that people were angry about. There were a whole host of things they were angry about. It is an interesting thing, you take 1 percent of the vote last fall and shift 1 percent of the vote here, here and there, and we would not have anything bordering on an American revolution.

As far as the bonded Contract With America, so far two things have passed both Houses and have been signed by the President, and both of them would probably have been passed without the so-called Contract With America.

People were not voting for the Contract With America, because they did not know anything about it. They were voting because they were angry. They were angry about the deficit, they were angry about gays in the military, they were angry about some Members getting in trouble. It was a whole host of things.

But I can tell you, Mr. President, the one thing they were not voting for was chaos. So far, that is all they have gotten out of it.

The other day I mentioned James Baldwin, a great black author, who wrote a book called "Go Tell It on the Mountain." In the book—it was sort of autobiographical, I guess—the person who was the central character in the book was obviously James Baldwin.

He described the churches when he was a youngster and how people would have dinner on the grounds after church. Senator HEFLIN, and southerners like Senator HEFLIN and I know what that is like. He has been to a thousand dinners on the grounds after church on Sundays, just as I have.

James Baldwin describes in the book listening to some of the black preachers talk about how many souls they had saved in the last revival, how many souls they had saved in the last year, and this youngster who wanted to be a preacher was offended by the way they talked about how many souls they had saved, not as individual people who were actually saved but macro numbers, and he took a vow that never would he take the gift of God so lightly.

As you might guess, as you go on into the book, he becomes a minister, and the first thing you know, he is one of the big stars at the dinner on the grounds after the church services, and he is talking about how many souls you save, as he said originally, as though you were talking about ears of corn being lopped off the stalk. Yes, he fell into it, too. It was a magnificent novel. I recommend it to you. Here we talk about 250,000 employees, which is a big number. Do you know what they are? They are red-blooded human beings with families, with obligations. Some of them are losing their credit rating right now because they cannot pay their bills. They, each one, count.

When people sometimes ask me how I would sum up our democracy and the Constitution of the United States—which is sacred to me—I always say the Constitution of the United States says one thing. Well, it does not say it, but it means one thing and, that is, each one of us counts. Our criminal justice system, our whole legal system, all of our freedoms in the Constitution say each one of us counts, and each one of these 250,000 people who are suffering count. I know how nice it is to go into a coffee shop. "It has not hurt me any." "I have not lost a thing." "It looks to me like we can probably do without those 250,000 from now on." You let this go on another 2 weeks and see what they are saying in the coffee shops.

So, Mr. President, these are human beings, and they are depending on Congress to do the right thing, to govern and not abuse their power. What is the cost of this? Why are the American people not up in arms about this? They say $45 million a day. I do not know who computed that, but add $12 million to that as of Sunday night. The 10-percent airline costs—do you want to take a guess what revenues that produces to the U.S. Government every year? Between $4 and $5 billion. We are losing $12 million a day. Add that to the $45 million, and then you take the loss of revenues of the communities who are dependent on Government, national parks, and so on. You are going to be at $100 million a day, while we continue to negotiate and bargain and bicker about sums much, much smaller than that. It is the height of irresponsibility to hold this country hostage in order to get your way. It is an outrageous abuse of power. I do not mind saying, in a partisan way, that I believe a lot of people are going to pay for this come next November.

I yield the floor.

Mr. DOMENICI. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER (Mr. COATS). The Senator will state it.

Mr. DOMENICI. What is the situation in the Senate now?

The PRESIDING OFFICER. The Chair indicates to the Senator that we are acting on a unanimous-consent request that the Senate go into recess subject to the call of the Chair immediately after the remarks of the Senator from Arkansas, and those have just finished.

Mr. DOMENICI. Mr. President, I have not had an opportunity this morning to speak because I had to be elsewhere, which you might suspect.

I ask unanimous consent that there be a quorum call for 5 minutes after which I be permitted to speak for up to 10 minutes and then the Senate recess subject to the call of the Chair.

The PRESIDING OFFICER. The Senator can ask for a quorum call but cannot predetermine what takes place after that. The Senator can ask unanimous consent to speak or put in a quorum call and then state that request, and the Chair would consider that.

Mr. DOMENICI. The quorum call needs to run before I make the request?

The PRESIDING OFFICER. Yes.

Mr. SARBANES. If the Senator will withhold for a moment, is the Senator prepared to proceed now?

Mr. DOMENICI. I need that 5 minutes that I was seeking.

Mr. SARBANES. Senator NUNN would also seek 10 minutes. Why do we not take a quorum call and then see if we can work that out.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I ask unanimous consent to speak for 3 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Reserving the right to object. Could we have 3 minutes on this side, as well? We have been doing an equilibrium thing here all day.

I amend the request to ask unanimous consent that this side of the aisle have 3 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Wyoming is recognized.

THE NEED FOR A LIMITED CONTINUING RESOLUTION

Mr. THOMAS. Mr. President, I have been in the chair listening for some time, and I wanted to make a couple of observations. First of all, I agree thoroughly with Senator DOLE and the Members of this body in seeking to have a resolution which would put the Government back in place. It seems to me that that is what we should do. We ought to have a limited CR in which there is time to proceed with what I hope are useful negotiations that are going on. We need to put this thing behind us and get on with resolving the problems.

There are, however, I think, a couple of other things that we also ought to be able to expect. One is that the White House and the President should deliver what they said they would. We did this on November 19, I believe. We had an agreement that we would have a CR, that during that time there would be a balanced budget based on CBO numbers, over 7 years. It did not happen. That did not happen. Then we had an opportunity—the White House did—to pass appropriations bills, to put almost all those back to work who are now furloughed. They did not do that. He vetoed it.

Mr. President, there is another difficulty that we have had in Wyoming. It has to do with Yellowstone Park. There was an article in the paper this morning about it. Our Governor sought to negotiate with the Secretary of the Interior so that the State would take responsibility for part of Yellowstone Park. There was no real effort on the part of the Secretary to do that. Promise to return calls, promise to do something to consider a proposition by the State, did not do that. So not only are the employees of the National Park Service in this case not working, but neither are the concessionaires, neither are those who had contracted to do work, because the Department of Interior did not, frankly, make the real effort to do anything about that. So there has to be some responsibility assigned there in terms of doing what we said we would do.

Second, Mr. President, it seems to me that those who are doing the negotiating, if they really wanted to find a solution, if there was a real, honest-to-goodness effort on the part of the parties to find a solution, they could do that. It is time to do that.

Frankly, I suggest that the three principles sit down, the President, the majority leader, and the Speaker of the House—eliminate all the observers, eliminate the staff—and come to some agreement, come to the snubbing post on what we ought to do. There is a lot of leeway within this outline, and we can do that. Mr. President, that is our job.

Our job is to find solutions. That is what we are here for. That is why we are the trustees for the American people. Our job is to keep the Government functioning in as effective way as we know how. Our job is to make decisions and to move forward. We have great opportunities to do that, great opportunities in this place to do that. There are opportunities in the White House.

There is not much point in assigning blame, but there is plenty to go around. We ought to come to the snubbing post and make some decisions. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I ask unanimous consent that notwithstanding the previous order, I be recognized to speak for not more than 10 minutes, Senator NUNN be recognized thereafter for up to 15 minutes, and following those remarks, I ask that the Senate stand in recess subject to the call of the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CURRENT SITUATION

Mr. DOMENICI. Mr. President, there has been a rather lengthy discussion this morning about the continuing resolution and the status of our public employees. I very much wanted to be here this morning to talk about it, but obviously I had some other things I had to do as we seek to get a balanced budget.

I thought I might take just a few minutes and talk about the fact that the situation that we are in today is the result of both the President of the United States and the Congress of the United States having certain rights and certain responsibilities. In a sense, it is a two-way street, not a one-way street like everybody has been talking about, including the President, who used the words "cynical strategy" to talk about the Republican Congress, albeit he chose to say it was the Republican House rather than both of us. "Cynical strategy" seemed to indicate that the entire blame for where we are today should be borne by the U.S. House Republicans, or a combination of the House Republicans and the Senate Republicans.

Mr. President, and fellow Americans, that is not true. Let me state what Republicans have done and what I perceive that the President has not done that put us in this situation that we are in today. Before I begin that, I would like very much to state once again that I hope we can resolve the issue of Federal employees who have not been paid and who have been relying upon their paychecks while they work without pay or relying upon them because we promise to pay them. I think we ought to solve that issue and solve it quickly. They are not responsible for the problem.

Having said that, Republicans in both Houses produced a balanced budget using real numbers and using the Congressional Budget Office estimates. We already did that. The President of the United States, in his capacity as the Chief Executive, chose to veto that. Had that been signed, obviously we would not be in this mess.

I am not standing here saying the President has no prerogative to veto that. He vetoed it. Nonetheless, we had already passed many of the appropriations bills, and the President got on television yesterday and enumerated a whole series of things that were situations where either people are suffering because we have not passed certain appropriations bills, or the Government cannot do certain things like issue visas, so many foreigners cannot get in the country. And the President is critical of the Congress—in particular, the Republicans in the House—because he says they are to blame for this.

Let me remind the American people this is a two-way street. Had the President of the United States signed three bills which he vetoed—Commerce, State, Justice; Interior appropriations; VA–HUD appropriations—many of the long list and litany of things that have gone wrong in America would not have gone wrong. They would have been taken care of by these bills.

Now, there are some who took to the floor this morning and said the President has this absolute right to veto but

Congress has no rights; they must respond and either give him what he wants or suffer the consequences of partial closure of Government. Not so. No student of our Constitution is going to tell you that. When he vetoes them, he bears some responsibility for vetoing them. We certainly have a responsibility to say, well, if he vetoed them, try something else and see if we can get through this.

I understand that is being tried and some targeted appropriations are being worked on. I hope it works. I hope the President understands the next time we send him something that is targeted that he does not have the absolute right to veto them and then claim it is our responsibility because the Government is closed. We have a right to stand up and say, "Mr. President, these are tough times. We do not agree on a lot of things, but you do not have the absolute immunity to veto bills and blame us because the Government is closed."

You might have to look at the next Interior bill. Mr. President, there was not very much money involved in that Interior bill. Frankly, you got some bad advice on the Interior bill, yet you get up and talk about cynicism when most of those U.S. monuments, the museums, would have all been opened if you had signed that bill. You look at your list, Mr. President, of why you vetoed it—pretty flimsy stuff. If you have some responsibility in this, then the public ought to look at why you vetoed them and what were your reasons.

Let me also suggest that the President used some very, very strained—strained—words when he spoke of cynical strategy. I am working in good faith with this President to try to get a balanced budget, but I believe he and his entire administration have been engaged in a cynical strategy since June of this year when they produced a budget allegedly in balance that did not use the Congressional Budget Office numbers and economics but used their own, concocted by their on economists, by their own OMB personnel, and have never to this day produced a balanced budget using the Congressional Budget Office numbers. That is a strategy. It is a beautiful strategy. Since the word "cynical" is battered around, it is a cynical strategy because never to this day—while blaming Republicans for all kinds of things—never to this day has the President of the United States had to put a balanced budget on the table. We are negotiating with him and he still has never put one on. He has not put it on in the negotiations. And I am breaching nothing there, everybody understands he has not. He did not when we asked him to, and he signed a continuing resolution that said we would be bound by the Congressional Budget Office economics and numbers, and the conclusion on that is that means the final agreement will be judged that way, not that I have to produce one. Is that not interesting?

So, to this date, no balanced budget in 7 years using the CBO numbers has been produced by this White House, by this President, by his Cabinet. And they are now engaged in blaming this whole episode on Republicans.

At least it is a two-way street from here to Pennsylvania Avenue, and when Presidents veto bills that fund Government, they take a bit of the responsibility of what will happen if Congress chooses not to fund some of those. After all, I do not advocate this, but the truth of the matter is the Constitution is eminently clear. Congress has the purse strings of the U.S. Government. We decide how to spend the taxpayers' money, and that is not a shared responsibility, I regret to say. That is a singular responsibility, and we have been choosing not to fund what the President wants.

We are also trying to get a balanced budget, which the President either does not want or wants something different on. These are difficult political and philosophical times. What is at stake is big. For some of us what is at stake is whether future generations have to pay for our bills or whether we will pay for them ourselves.

So, whenever we have stories about things going wrong because Government is closed, none of us like that. But the big reason for all this, it all starts because Republicans have come to the conclusion that we want to live up to our commitment to use real numbers, no phony numbers, use Congressional Budget Office numbers and produce significant change in Government so as to produce a balanced budget.

So I wish I could have done this earlier in the day, but I think I have made my case. I think I have made my case that the reason we are in this mess is not just because Republicans have not sent bills to the President to fund Government; the President bears some of the blame, and I have elaborated that as best I could here today. It is a two-way street, and bantering around words like cynicism, and a cynical strategy, deserves a response. Or it is not too far-fetched to conclude that their strategy in the White House has been a cynical strategy of rather significant proportions.

I yield the floor.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. SARBANES. Will the Senator from Georgia yield me 30 seconds?

Mr. NUNN. I yield the 30 seconds.

Mr. SARBANES. Mr. President, I think it is important at this point to have printed in the RECORD a quote from Investor's Business Daily, November 8 of 1995.

> Gingrich has said he would force the government to miss interest and principal payments for the first time ever to force Democratic Clinton's administration to agree to his seven-year deficit reductions.

And a quote from Representative SHERWOOD BOEHLERT, a quote from the Los Angeles Times of November 14:

> You have a group in our conference who could not care less if the government shuts down. . . . They will be cheering.

I thank the Senator.

The PRESIDING OFFICER. The Senator from Georgia.

BUDGET IMPASSE AND CENTERS FOR DISEASE CONTROL

Mr. NUNN. Mr. President, I have made it clear in previous remarks and other public statements that I oppose shutting down portions of the Federal Government as a tactic in the budget debate. I have supported the continuing resolutions that would restore funding for full Government operations as we continue to move toward the objective of a balanced budget.

I applaud the leadership of Senator DOLE, Senator DASCHLE, and others in this body who have concluded that the current situation is artificially created, it is unnecessary and is a wasteful burden on Federal workers and on the taxpayers they serve.

Mr. President, I recall here over the last 20 years, several debates on holidays, whether we ought to add another holiday to the overall holidays the Federal Government observes. I remember people totaling up the amount of money it costs to have one holiday and projecting that over 20 years and talking about the astounding cost when you pay people for a holiday. If anyone stops and thinks about what we are doing now, I believe we are about on day No. 20—there may be a few more days in that counting the previous shutdown—we really have had 20 to 25 additional holidays this year where the taxpayers of this country are paying for people who want to work but who are not allowed to work, but they are going to be paid. And that is, to me, a real paradox, as to how you possibly can start off a quest to save $1.2 trillion over 7 years by declaring over 20 paid holidays for workers.

And then, it is not only the workers themselves—it is unfair to them because they want to work, they are not getting paid now, and that is a hardship—but also it is terribly unfair to literally hundreds of thousands and growing to be millions of Americans who are suffering because of this shutdown.

Mr. President, there are many examples of the harm being done by the shutdown. One example which has not drawn much attention is the fact that the U.S. Centers for Disease Control and Prevention, the CDC in Atlanta, GA, is virtually shut down. Today is the 50th year of operation of the Communicable Disease Center, and it is effectively closed. Except for a skeleton staff, no personnel are available to fulfill the functions of the CDC.

This is bound to have an impact on the health and safety of the American people and, indeed, citizens around the world. The workers at the CDC are the same Federal workers who pinpointed the cause of Legionnaire's disease and toxic shock syndrome. These are the same men and women who risked their lives to investigate the recent outbreak of ebola and track the course of influenza, AIDS, and TB across the Nation and indeed the world. Their job is to investigate, to define, to monitor and to prevent disease—to get out in front of emerging infectious diseases, food and waterborne diseases, respiratory inspections, birth defects, lead poisoning, air pollution, radiation, and other environmental health emergencies.

The problem in this area is you do not know it is an emergency if you are not out in front of it before it is too late. We will be lucky if we get by with this shutdown and closedown of the CDC without having some serious problem and erosion in the health of the American people.

In some cases, the CDC implements control measures during a critical time when minutes and even seconds count. Rarely a week passes by without the CDC directing the Nation's attention to important new research findings on public health issues. At this point, we do not know what public health crisis will emerge in 1996. With a CDC shutdown, we do not know what might be happening right now. What we do know is that the CDC plays a critical role in watching for signs and sustaining sophisticated surveillance and monitoring communications with medical health officers in our Nation and throughout the world. We do not know the impact of the Government shutdown on the health of the U.S. citizens. We may not know it until it is too late.

Like other Federal employees, the people in CDC are deeply dedicated, hard-working persons, scientists, physicians, and public health professionals. Some even risk their lives to investigate outbreaks of unknown, sometimes even deadly diseases. These people are protecting the Nation's health and they are anxious to return to their jobs.

In addition, the CDC personnel who are not at work, who would otherwise be there, they would be providing critical funding for technical assistance to State and local programs for sexually transmitted diseases, TB, HIV, childhood immunization, environmental health, national and international chronic and infectious disease prevention, breast and cervical cancer. We all need to recognize they are not on the job.

Mr. President, diseases, viruses, bacterial infections, and cancers do not stop because of a Government furlough or a partisan political and budget debate.

CDC grants to State health agencies to fund prevention programs that are fundamental to saving lives and maintaining the health of our population are also being affected adversely. Programs in 20 States for rape prevention are in danger, and funds for staffing hotlines for public health emergencies, such as violence, STDs, and HIV, may halt operations. All of this is in great risk.

We cannot afford to wait to open the doors at the CDC. The health of the Nation and the world could be at stake.

I urge our colleagues in the House to think again about the tactics they are using. They are trying to get the budget balanced, and that is a goal that all of us should work toward. And I hope we can achieve that. But the tactics being used are totally counterproductive to the taxpayers and to the country and to the health of our citizens. We must not continue to hold hostage the health and safety of American citizens who are paying for a service that is not being rendered.

THE BUDGET DILEMMA—A TWO-WAY STREET

Mr. NUNN. Mr. President, my friend from New Mexico talked about the rights of the Congress regarding the purse strings, and the rights of the President regarding the veto. And he emphasized that this is a two-way street. I agree that the budget dilemma, the budget challenge, the effort to balance the 7-year budget, is indeed a two-way street. The American people should hold all of us accountable for that.

But this continuing tactic to keep the Government closed down is not a two-way street. There are a group of people who believe—I think erroneously so—that it gives them leverage. In effect they are saying that the President should care more about the health of the American people, about the workers out there, than the Congress does. Otherwise, why is it leverage? Is it leverage for you to hold somebody hostage if both have an equal stake in returning that innocent victim without being harmed? If it is not leverage, then why do it? If it is leverage, that means that the Congress does not have an interest in the workers and does not have an interest in the people who are being affected in this country, and indeed abroad.

Mr. President, I do not understand any logic behind the House Republicans' position. And I again am gratified that the leadership of the Senate on both sides of the aisle recognize that this is counterproductive, and recognize that the wrong people are being held hostage in this high-level game of Russian roulette.

Mr. President, one closing thought again in response to the thoughts voiced by my good friend from New Mexico, Senator DOMENICI.

This effort to get the budget under control is indeed a two-way street. As I think we have set forth in the Chafee group composed of about 10 Democrats and about 10 Republicans, there is no reason the parties cannot come together. It is not easy. It is not something that can be done in an or hour or two hours but over a 2-, 3-, 4- or 5-day period should be able to be done.

I do not think there is any question about the responsibility of keeping the Government closed. That is a tactical decision made by House Republicans. But all of us are involved in the effort to try to get the budget under control. It is very clear what has to be done. The administration and Democrats have to be willing to save more on entitlements, to restrain the growth of entitlements more than has thus far been indicated. Republicans have to be willing to come down some on what they are doing in terms of the cuts in Medicare and Medicaid which are too severe. That is very apparent.

It is also apparent that both the Republicans and the White House need to take another thorough look at tax cuts. It is to me almost unbelievable that we can be starting a quest to get the budget under control by declaring a very large dividend at the very beginning before we have implemented anything. That is what large tax cuts do. So I am hoping that the tax cuts will come down, and that the Republicans will agree to that.

I am hoping that those of us on the Democratic side will recognize that we have to restrain the entitlement growth. That is the heart of what has to be done. It is apparent for all of us to see. There are a lot of complexities in doing it. But we will have to make those movements.

In the final analysis, there is a right of the President to veto, and there is a right of Congress not to appropriate. There also is a right of the American people to say, "We have had enough; a plague on both your houses. We send people to Washington to be able to reach reasonable compromises to govern this Nation effectively and both political parties are failing at that task."

At some point the American people are going to come to that conclusion, and they are going to come to the conclusion that both parties are to blame. I hope everyone recognizes that because that day, if it has not already arrived, is fast approaching.

I believe it is up to all of us to put aside some of the harsh and unreasonable rhetoric and some of the incivility that has gone into this debate and to recognize we all have an obligation to the American people and to our children and grandchildren to get this Nation's fiscal house in order and to do it in a responsible way, a way that will not be looked back on in a year or two as an absolute march of folly but a way that is fair and effective for the American people.

TRIBUTE TO ADM. ARLEIGH A. BURKE

Mr. NUNN. Mr. President, today a grateful Nation pays its final tribute to a true patriot and hero, Adm. Arleigh A. Burke, who died on Monday at the age of 94.

Admiral Burke will be buried on the grounds of the Naval Academy in Annapolis, where he graduated in 1923. His service to the Nation will serve as a model to Academy graduates as well as all members of the Armed Forces for generations to come.

Admiral Burke said he was attracted to the Navy because, in his words, the rules were "strict, known and observed." His adherence to the rules was a matter of personal honor, not bureaucratic timidity. When it came to strategy and tactics, he was a bold innovator. During World War II, he initiated dramatic changes in naval doctrine, developing and implementing tactics relying on the speed and maneuverability to destroyers armed with torpedoes to undertake offensive operations.

Admiral Burke's Destroyer Squadron 23, known as the "Little Beavers" compiled an outstanding combat record in the Pacific in 1943, which earned him the Distinguished Service Medal, the Navy Cross, and the Legion of Merit. During the assaults on Bougainville and Buka in the Solomon Islands, he made two dramatic high speed runs, crippling Japanese airfields and sinking a large number of Japanese vessels. Reflecting the speed and daring of these maneuvers, Adm. William F. Halsey gave him the nickname "Thirty-One Knot Burke" after Burke sent a message to American transports announcing: "Stand aside! Stand aside! I'm coming through at 31 knots." A Presidential Unit Citation praised the squadron's "daring defiance of repeated attacks by hostile groups" and its attacks on the "enemy's strongly fortified shores to carry out sustained bombardments against Japanese coastal defenses and render effective cover and fire support for * * * major invasion operations * * *."

Subsequently he helped plan the invasions of Iwo Jima, Guam, the Marianas, and Okinawa. At Okinawa, the ship on which he was serving was hit by kamikaze suicide planes, and he was awarded the Silver Star for rescuing sailors trapped in a compartment by smoke and fire resulting from the attack.

After the war, he served in the office of the Chief of Naval Operations, where he produced an influential report emphasizing the vital role of the Navy in the post-war national security establishment. Although the inter-service rivalries of the period nearly cost him promotion to the grade of admiral, President Truman recognized his skills and character and he was promoted.

During the Korean war, Admiral Burke served as commander of a cruiser division and as a member of the Military Armistice Commission. In 1955, he was appointed by President Eisenhower and confirmed by the Senate as Chief of Naval Operations, a position he filled for an unprecedented three terms. He played a key role in the development of antisubmarine technology, the Polaris submarine, and strengthening allied navies.

President Kennedy offered him the opportunity to serve a fourth term as CNO, but Admiral Burke declined so that the Navy could have younger leadership. After retiring from the Navy, he helped to establish and lead the Center for Strategic and International Studies, which has provided numerous influential studies on national security matters. He also served as president of the Capital Area Council of the Boy Scouts of America. In January 1977, Admiral Burke was awarded the Nation's highest civilian award, the Medal of Freedom, by President Ford. The Navy's *Arleigh Burke* class is named in his honor. When the lead ship, the *Arleigh Burke*, was commissioned in 1991, he gave the crew a simple, direct message reflecting his belief in providing the Navy with the best equipment and hard training: "This ship is built to fight," he said. "You'd better know how." It is most fitting that the crew of the lead ship, the *Arleigh Burke*, will be present to honor him today.

The current Chief of Naval Operations, Adm. Mike Boorda, summed up Admiral Burke's career when he said: "Admiral Arleigh Burke defined what it means to be a naval officer: relentless in combat, resourceful in command and revered by his crews. He was a sailor's sailor."

I wish to express my condolences to his wife of 72 years, Roberta "Bobbie" Gorsuch Burke, and to express my appreciation for his devoted service to our Nation.

I think we can indeed say—all of us can say—that he followed military affairs, and that Admiral Burke, in Admiral Boorda's words indeed "* * * defined what it means to be a naval officer: relentless in combat, resourceful in command and revered by his crews." He was, indeed, "a sailor's sailor."

Mr. President, I thank my colleagues for the time, and I will yield back any I have.

ORDER OF PROCEDURE

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, there is a unanimous-consent agreement, as I understand it, to recess subject to the call of the Chair. I wonder if I could ask unanimous consent that I might be heard for not more than 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Senator from Vermont is recognized for up to 3 minutes.

Mr. LEAHY. I thank the distinguished Presiding Officer.

He, like I, was among the skeleton crew here during the Christmas and New Year's time as we were trying to move things along, and I know he has had more than enough time to sit in that chair and I hate to add to it.

REFUSING MY PAY DURING THE GOVERNMENT SHUTDOWN

Mr. LEAHY. Mr. President, tomorrow, like other Members of Congress, I will receive a paycheck for the last 2 weeks. In good conscience, however, I cannot use this money while thousands of Federal Government employees are denied their paychecks because Congress refuses to reopen the Government. Until this Government shutdown ends, I will be putting the amount of my paycheck into escrow.

As a matter of principle, Members of Congress should be treated the same as all Federal employees. I work for the people of Vermont, including the hard-working Federal workers who are being punished by this Government shutdown. If the Federal workers in my home State cannot receive a paycheck, then I will not receive a paycheck.

I am a cosponsor and strong supporter of Senator BOXER's no budget-no pay bill which would stop the pay of Members of Congress during a Government shutdown. The Senate has passed this legislation three separate times, but the leadership of the House of Representatives refuses to bring the bill to a vote. I would also note that the Senate has passed legislation to put people back to work. The distinguished majority leader, Senator DOLE, introduced a continuing resolution which passed to that effect. But that has been rejected by the House of Representatives.

I urge the House Speaker and my other colleagues in the House and Senate to also give up their paychecks until Congress ends this foolish Government shutdown. Speaker GINGRICH and the House Republicans are all accepting their pay while Federal workers are working without pay or forced to stay home without pay. In fact, at least one Member of the other body said he would accept his pay "because he is in the Constitution," although I do not find his name in my copy of the Constitution. I believe it is the height of arrogance for them to accept it. In fact, they even accepted travel money from the taxpayers to go home for a Christmas vacation.

If the Speaker and his followers would also give up their pay as I am, I believe the House would quickly vote to reopen the Government. Maybe if they went without pay for a while, they would find out what it is like when you are working but not getting paid. They would learn that the bills keep coming even though the paychecks do not, which is what thousands of Federal workers in Vermont and throughout the country are now finding out.

My family is no different than any of the other hundreds of Vermont families that are going to miss that paycheck because of this shutdown. I will not enjoy my pay if they cannot enjoy theirs.

Mr. President, I yield the floor.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess subject to the call of the Chair.

Thereupon, the Senate, at 2:43 p.m. took a recess subject to the call of the Chair.

The Senate reassembled at 5:47 p.m. when called to order by the Presiding Officer (Mr. BOND).

NOMINATION JOINTLY REFERRED TO COMMITTEE ON FINANCE AND COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the nomination of Stuart E. Eizenstat, of Maryland, to be Under Secretary of Commerce for International Trade, received on January 4, 1996, be jointly referred to the Committee on Finance and the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting one nomination which was jointly referred to the Committee on Banking, Housing, and Urban Affairs and to the Committee on Finance.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:03 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House proceeded to reconsider the bill (H.R. 1530) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, returned by the President of the United States with his objections, to the House of Representatives, in which it originated; the said bill did not pass, two-thirds of the House of Representatives not agreeing to pass the same.

The message also announced the House proceeded to reconsider the bill (H.R. 2076) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1996, and for other purposes, returned by the President of the United States with his objections, to the House of Representatives, in which it originated; the said bill did not pass, two-thirds of the House of Representatives not agreeing to pass the same.

The message further announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

At 1:59 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 2029) to amend the Farm Credit Act of 1971 to provide regulatory relief, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on January 4, 1996, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 1295. An act to amend the Trademark Act of 1946 to make certain revisions relating to the protection of famous marks.

H.R. 2203. An act to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project.

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

The message also announced that the House proceeded to reconsider the bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes, returned by the President of the United States with his objections, to the House of Representatives, in which it originated; the said bill did not pass, two-thirds of the House of Representatives not agreeing to pass the same.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1764. A communication from the Director of the Office of Administration, the Executive Office of the President, transmitting, pursuant to law, the personnel report for fiscal year 1995; to the Committee on Governmental Affairs.

EC-1765. A communication from the Director of Commissioned Personnel, Department of Health and Human Services, transmitting, pursuant to law, the report on the Public Health Service Commissioned Corps Retirement System; to the Committee on Governmental Affairs.

EC-1766. A communication from the Commmissioner of the Office of Social Security, transmitting, pursuant to law, the accountibility report for fiscal year 1995; to the Committee on Governmental Affairs.

EC-1767. A communication from the Commisssioner of the Office of Social Security, transmitting, pursuant to law, the semiannual report of the Office of the Inspector General for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC-1768. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on the valuation of the U.S. Coast Guard Military Retirement System for fiscal year 1994; to the Committee on Governmental Affairs.

EC-1769. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a notice relative to the Civil Service Retirement and Disability Fund; to the Committee on Governmental Affairs.

EC-1770. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the semiannual report of the Inspector General for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S.J. Res. 46. A joint resolution making further continuing appropriations for the fiscal year 1996 for the operations of the Passport Office of the Department of State; to the Committee on Appropriations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN:

S.J. Res. 46. A joint resolution making further continuing appropriations for the fiscal year 1996 for the operations of the Passport Office of the Department of State; to the Committee on Appropriations.

PASSPORT OFFICE CONTINUING APPROPRIATIONS

Mr. MOYNIHAN. Mr. President, we find ourselves in the 20th day of an untenable situation. Large parts of the Federal Government are closed. Spending authority is suspended for 9 Cabinet departments and 38 agencies, commissions, and boards, which have responded by closing virtually all functions.

Prior to 1982, the Federal Government had never closed. This is now the 12th closing in 14 years. Recall that the British arrived in Washington in 1814. They burnt the White House. They burnt the Capitol. We still did not close down the Federal Government. In the 1930's, in the midst of the worst depression we have ever had, we kept the Federal Government open. We now have an army in the Balkans. They deserve a better example.

One critical service forced to close is the Passport Office of the Department of State. Last night, the Senate passed a continuing resolution attached to H.R. 1643 and the majority leader's back-to-work bill, S. 1508. Both of these measures would reopen our passport offices. But, apparently, the House may balk at approving these eminently reasonable and logical measures. Accordingly, I rise to introduce legislation to reopen the Passport Office. Last year 5.3 million Americans applied for passports. This year the agency expects a record 5.6 million applications. Today, the Washington Post reports that the Government closing has created a backlog of 200,000 passport applications. This is no way to begin a record-breaking year at the Passport Office.

Speaking of the backlog of passport applications is perhaps too callous. All of these applications were submitted by citizens who expect that the Federal Government will provide them with a passport so they can travel to other countries to conduct business, study, visit family and friends, and vacation. Two hundred and fifty constituents have contacted my office seeking assistance; however, the passport office will only issue passports in cases considered life or death emergencies. One man was unable to attend his daughter's wedding in London because his passport had expired and could not be renewed. Another who is employed abroad fears losing his job if he cannot get his passport renewed. For years, we badgered the Soviet Union to grant more passports to its citizens. Now we are denying them to our own.

Article 12 of the International Covenant on Civil and Political Rights, ratified by the U.S. Senate on April 2, 1992, recognizes that "Everyone shall be free to leave any country, including his own." This is a binding international obligation of the United States, yet we have now taken action which violates that covenant.

A 1- or 2-day delay might be considered a nuisance. For this to continue for 3 weeks leads to incalculable waste, as people are forced to cancel plans and seek refunds for reservations. This is not just. Closing passport offices and other large swaths of the Federal Government erodes the confidence of all Americans, disrupts the lives of those who rely on Government services, and discourages Federal workers. Clearly we have entered an Orwellian realm in which employees are paid not to work so that negotiations to save money can continue.

The Founders of our Nation were astute students of government. They searched history to analyze the strengths and weaknesses of various political systems as they debated and later formed our own Government. They perceived how government power is derived from the consent of the governed. They perceived how government power is derived from the consent of the governed. In the Declaration of Independence they reveal their insights:

> We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness. That to secure these Rights, Governments are instituted among Men, deriving their just Powers from the Consent of the Governed, that whenever any Form of Government becomes destructive of these Ends, it is the Right of the People to alter or to abolish it, and to institute new Government, . . . Prudence, indeed, will dictate that Governments long established should not be changed for light and transient Causes;

Governance is a covenant between the people and their leaders. Perhaps not since secession has that covenant been so trampled. The closing of the Government ought never have begun. Now we should end it without further delay. At a minimum, we should reopen our passport offices.

ADDITIONAL COSPONSORS

S. 912

At the request of Mr. KOHL, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 912, a bill to amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage revenue bond financing, and for other purposes.

S. 1453

At the request of Mr. BURNS, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 1453, a bill to prohibit the regulation by the Secretary of Health and Human Services and the Commissioner of Food and Drugs of any activities of sponsors or sponsorship programs connected with, or any advertising used or purchased by, the Professional Rodeo Cowboy Association, its agents or affiliates, or any other professional rodeo association, and for other purposes.

ADDITIONAL STATEMENTS

THE ROAD TO MOUNT RUSHMORE IS A BALANCED BUDGET

• Mr. PRESSLER. Mr. President, Mount Rushmore, set in the heart of the Black Hills National Forest, was created as a shrine to America's democracy. As a powerful American symbol, it is the jewel of the National Park System. Like all other units of the National Park System, Mount Rushmore was forced to close as part of the Government shutdown on December 15, 1995.

However, thanks to the extraordinary dedication of one man, Mount Rushmore will remain illuminated for all to see during this dark period preceding fiscal responsibility. Mr. Art Oakes has graciously donated funds to ensure that the monument is able to remain lit for the more than 2 million visitors it receives each year.

I share with all Americans the frustration that the Federal Government remains partially shut down. It is clear that Americans want a balanced budget and are willing to shoulder the burden to get it done.

Mr. Oakes has shown us just how dedicated Americans are to a balanced budget. He is willing to give up his own hard-earned money to help Mount Rushmore through this shutdown crisis. He recognizes that Mount Rushmore is not just a park, but a symbol of what America represents—both to other Americans and to tourists from overseas.

Today, my wife Harriet and I would like to show our support for Mr. Oakes' efforts by donating $200 for continuing the nightly illumination of the Mount Rushmore monument.

As many of you may know, Mount Rushmore was designed in 1927 by Gutzon Borglum, the son of Danish immigrants. The monument is a shrine of American Presidential heroes: George Washington, Father of the Nation; Thomas Jefferson, author of the Declaration of Independence; Theodore Roosevelt, conservationist and trustbuster; and Abraham Lincoln, the Great Emancipator and preserver of the Union.

More than 65 years later, Mount Rushmore is still one of the most powerful symbols of America. It represents the freedom of democracy, the melting pot country which offers the hope of a better life. Yet how can we continue to promise a better life if our President refuses to agree on a plan to balance the budget?

We need a balanced budget. The American people want and deserve an end to shamelessly wasteful spending programs. Washington must operate under a budget where we live within our means—as people in my home State of South Dakota do every day.

I feel passionately that we must give the dream of America—represented by Mount Rushmore—back to our children. We can do that only if Bill Clinton agrees on a balanced budget. I want the National Park Service and the rest of the Federal Government back at work and fully functioning. This will happen if Bill Clinton agrees on a balanced budget. It is that simple. Bill Clinton should stop stalling and start leading. He should support our goal of a balanced budget.•

CONGRATULATIONS TO CONGRESSMAN KWEISI MFUME

• **Mr. SARBANES.** Mr. President, I am most pleased to join with the citizens of Baltimore and Maryland in expressing warmest congratulations to Congressman KWEISI MFUME upon his appointment as president and chief executive of the NAACP. Those of us privileged to have worked closely with Congressman MFUME are convinced that the NAACP, the African-American community, and all Americans of goodwill will be well served by this appointment. It is an inspired choice.

KWEISI MFUME's accomplishments compellingly demonstrate the quality, strength, and determination of his character. Against great odds, Congressman MFUME overcame what would be considered for most people insurmountable obstacles in shaping his life and career. In his first elected office, he established an outstanding record for public service as a member of the City Council of Baltimore. This was followed by service in the U.S. House of Representatives where as chair of the Congressional Black Caucus, he led that group with exceptional effectiveness and vision.

It is very encouraging that the NAACP Board of Trustees has called upon Congressman MFUME's leadership at such a critical time in the history of the organization and of the civil rights struggle. He brings to this demanding responsibility unique dimensions of perception and experience. His longtime grassroots involvement has equipped him with a special understanding of needs of individuals and community groups, while his proven and tested national leadership gives him a unique knowledge of the realities and demands of the public and private sectors. These insights and experiences will greatly benefit the NAACP.

Congressman MFUME's appointment further solidifies the historic and productive relationship between Baltimore and the NAACP, whose national headquarters is located in our city. He follows in the footsteps of other distinguished Baltimoreans who were critical to civil rights progress: the late, great Supreme Court Justice Thurgood Marshall, who led the relentless effort which finally brought down the legal structure of segregation; Clarence Mitchell, Jr., the NAACP's chief Washington lobbyist, whose legislative genius was critical to the passage of every landmark piece of civil rights legislation and, Dr. Lilly Jackson and Ms. Enolia MacMillan, two courageous leaders of Maryland's NAACP who inspired their counterparts throughout America.

Congressman MFUME's presence will be deeply missed in the Congress. But, like another esteemed colleague, former Representative William Gray, now the President of the United Negro College Fund, he is continuing the struggle for justice and equality in a newer arena.

I salute the NAACP for this outstanding appointment and pledge to continue working with its members and new leader in the continuing struggle for an America which provides opportunity and fairness for all its citizens. I ask to have printed in the RECORD several articles from the Baltimore Afro-American, the Baltimore Jewish Times, the Baltimore Sun, the New York Times, and the Washington Post describing the achievements and life of this extraordinary man and the great challenges which lie ahead for him.

The articles follow:

[From the Baltimore Afro-American, Dec. 16, 1995]

NEW HOPE AT THE NAACP

It borders on the ironic that after a nationwide and lengthy search to find a new leader for the much beleaguered NAACP, the right candidate—and some would say the perfect candidate—came from the same city where the association has its headquarters—Baltimore.

In selecting Rep. Kweisi Mfume as its President/CEO the NAACP—to use an apt description—has struck oil. Rarely has the naming of an individual to such high profile position been greeted with such an unanimous chorus of approval, from the President of the United States, to the man and woman in the street.

If ever things were meant to be, then probably it was meant to be that Mr. Mfume would be called upon to resurrect the nation's oldest and largest civil rights organization, and that he would respond at the cost of giving up a seat in the U.S. Congress to which he could have been reelected as long as he wished.

A more qualified candidate—and here we are not simply talking about what appears on paper but what's inside—would be most difficult to find. It is as if the man and the job were waiting for each other.

There are the challenges ahead for Mr. Mfume of eliminating the $3 million plus debt, rebuilding staff, redefining the role of the NAACP, rebuilding bridges of understanding that his immediate predecessors destroyed, and above all, restoring the faith of people in the NAACP.

This is a tall order, but we believe Mr. Mfume is the right person, in the right place, at the right time, to fill it.

He can not do this however, unless the African American people, who have always been the rock on which the NAACP stood, rally now to its support.

Either through donations, or memberships, or a combination of both, it is imperative that all of us join Mr. Mfume in a grand and glorious campaign to set matters right at the NAACP.

Without it, we would indeed be in dire straits.

[From the Baltimore Jewish Times, Dec. 15, 1995]

MFUME'S ADVANCEMENT

Rep. Kweisi Mfume's decision last week to leave Congress and assume the leadership of the National Association for the Advancement of Colored People is an important development for a black community that needs strong and farsighted leadership to fight the unprecedented attack on the civil rights advances of the past half-century now underway in Washington. It also is welcome news for a Jewish community that remains concerned about the decay of our cities, and rising signs of black anti-Semitism.

Rep. Mfume's story—his rise from a life on the streets and the kinds of social problems that have become epidemic in our cities—is legend in Baltimore. And he has become, as described by Baltimore Jewish Council Executive Director Arthur C. Abramson "a strong and supportive friend of the Jewish community." (See "A Friend, In Deed," on Page 22.)

His tenure as chair of the Congressional Black Caucus was not without controversy; it was Rep. Mfume, after all, who suggested a "covenant" between the influential congressional group and Nation of Islam leader Louis Farrakhan. But he also helped give the caucus a new prominence and ability to help shape the national agenda.

These are discouraging times in Congress—for Democrats and black legislators, in particular. The civil rights agenda is under assault; important social programs that have helped keep stabilize cities despite growing poverty and growing despair are being decimated.

Rep. Mfume faced an extraordinary choice; stay in a safe congressional seat, and fight from within to head off the most sweeping Republican cuts—or work to rebuild an organization that was once the towering giant of the civil rights movement, but which has failed to adjust to the harsh realities of the 1990s.

Rep. Mfume's decision for the latter reflects his deep commitment to his people and to a nation that can no longer afford to turn a blind eye to the agony of our cities.

Rep. Mfume, who has worked closely with Jewish leaders over the years, can provide the soul for a revitalized alliance that should benefit both communities.

Kain Y'hee Ratzon, Rep. Mfume.

So may it be.

[From the Washington Post]

A FIGHTER IN THE PUBLIC ARENA—IN MFUME, NAACP HIRES A DIRECTOR IT HOPES CAN PUSH IT TO RECLAIM ITS HISTORIC LEADERSHIP

(By Hamil R. Harris and Michael A. Fletcher)

In choosing Rep. Kweisi Mfume as its new leader, the NAACP reached out to a former street fighter and seasoned politician to take on a daunting array of internal and external challenges facing the historic civil rights organization.

NAACP officials hope Mfume (D–Md.), who was named president and chief executive officer Saturday, can bridge the divide between blacks and whites, battle the increasingly powerful congressional conservatives and heal the internal divisions that have crippled the organization in recent years.

"The organization needed a jolt of electricity, and he is exactly the man to give it to them," veteran civil rights activist Roger Wilkins said yesterday. His uncle, Roy Wilkins, headed the NAACP for years.

Mfume "is a man who understands the streets. He also has operated in the highest policy spheres in the United States. He is smart, he is tough, and he has integrity," Wilkins said. For Mfume, the job offers a chance to broaden his role as a national black leader by reaching out to a new generation of activists while reassuring the old guard of the civil rights establishment, who form the core of the NAACP's support. He has pledged to work to recruit young people and others who have seen the NAACP, the nation's oldest and largest civil rights organization, as elitist and increasingly irrelevant.

"The time is now for a new generation to join the NAACP," Mfume, 47, said during his acceptance speech Saturday. "While we value maturity and experience, we must learn to cherish youth. . . . I reach out to the current generation and say to you in the clearest terms that it is all right to come back home to the NAACP." Baltimore NAACP member Kobi Little, 24, welcomed Mfume's comments. He is suing the organization because youth members, ages 17 and younger, are barred from voting in branch and national elections. "I think it will mean good things for the organization," he said.

Mfume is in his fifth term representing Baltimore's predominantly black 7th Congressional District in the House. In 1992, he was elected and served for two years as chairman of the Congressional Black Caucus, when it enjoyed the peak of its power working with a Democratic president and a Democratic majority in Congress. He plans to resign from the House and assume his new post Feb. 15. "We are at the crossroads of tremendous change in our nation," Mfume said. "Despite the gains made by African Americans, racism continues to divide our country and polarize our people. We can stand by and watch in the comfort of our own circumstances, or we can step forward and dare to lead."

Mfume has scored his first victory by uniting the fractious NAACP board behind his selection, which was unopposed, despite some board members' previous plans to challenge the search committee's candidate. The challenge "never materialized," said board member Joe Madison, who was a finalist for the job. "I'm just ecstatic about the choice and relieved that someone of the stature of the congressman would step up and take the job."

Mfume said he plans to reach out to the NAACP's historic allies in the corporate and white communities. He also plans to make a "long list" of courtesy calls on national black figures, including Nation of Islam leader Louis Farrakhan.

Mfume's selection won cautious praise from Jewish activists who traditionally have supported the NAACP but have been alarmed in recent years by its overtures to Farrakhan, whose rhetoric has been denounced as antisemitic.

Abraham H. Foxman, national director of the Anti-Defamation League of B'nai B'rith, hailed Mfume's selection yesterday. He said, "We need the NAACP to be strong and active and to be a major voice for civil rights, for unity, and to fight discrimination."

But he added: "I will have a problem if he looks to Farrakhan for leadership. I hope and believe he will not." Born Frizzell Gray in West Baltimore, Mfume—in the words of poet Langston Hughes—didn't ascend to power on a crystal staircase. He dropped out of school and fathered five sons by four women by age 22.

Gray hung out on street corners, got into fights and drifted between menial jobs. But he changed his life as radically as he changed his name. He said the name, which is of African derivation, translates as "conquering son of kings."

Mfume received a degree in urban planning from Morgan State University and became a talk show host on the college's radio station. Mfume championed issues of the poor and the disenfranchised and won a seat on the Baltimore City Council in 1979. NAACP board member and civil rights activist Julian Bond was on the search committee that selected Mfume. Bond said that what is at stake now is the very survival of the NAACP—"its future, its very existence."

[From the Washington Post, Dec. 15, 1995]

BIG CHOICE FOR KWEISI MFUME—AND THE NAACP

(By William Raspberry)

Every now and then someone will make a choice that, however little you might have anticipated it, immediately strikes you as brilliant—even obvious.

That's my reaction to the NAACP's selection of Kweisi Mfume to be its new leader. The 47-year-old Baltimore congressman was nowhere on my list of candidates for the job; I'd simply never thought of him in that connection. But as soon as I heard that he'd been chosen, I could only think: Yes!

Clearly, it's a brilliant choice for the troubled organization as it wrestles with the difficulties of changing directions without losing its fundamental character. Mfume is young enough, savvy enough and "street" enough to deal with the young people his predecessor, the Rev. Benjamin Chavis, tried to reach during his foreshortened tenure. As a fifth-term congressman, former chair of the Congressional Black Caucus and widely respected civic and political leader, he is experienced enough and solid enough to instill confidence in the rest of his potential constituency.

Nor, now that I think of it, is it a bad choice for Mfume himself. He may have been close to the limit of his political influence and patience, given the country's tightening purse strings and rightward movement. The NAACP leadership gives him a shot at leadership on a new, higher, more effective level.

But even brilliant choices are not guaranteed success. If Mfume will permit a word of caution from an admirer:

The NAACP is, in some ways, two organizations—one devoted to a glorious past of fighting Jim Crow, school segregation and laws calculated to limit black advancement; the other groping for relevancy at a time when so many of black America's problems (though arguably spawned by racism) are perpetuated and exacerbated by our own inappropriate choices and behavior.

Kweisi Mfume is also two men—the one accepting the traditional view that racism is our number one problem, the other bold enough to see the need for blacks to change their behavior, no matter what white people do or fail to do.

Which Mfume is taking charge of the NAACP? His acceptance speech of last Saturday offers a small clue. "We are at the crossroads of tremendous change in our nation," he said. "Despite the gains made by African Americans, racism continues to divide our country and polarize our people. We can stand by and watch in the comfort of our own circumstances, or we can step forward and dare to lead."

A guaranteed applause line, that. And yet I hear myself asking: Lead where? For if he is talking about leading a fight against racism, I fear he is missing the boat. Racism has not disappeared from American life; far from it. But I really do believe that it is no longer the main barrier to black progress—particularly among those of us most in need of progress. Does Mfume?

Like most of us, I suppose he is of two minds. The recent settlement of cases involving discrimination at Denny's restaurants, the humiliation of two innocent black teenagers by security people at the Eddie Bauer's outlet in suburban Washington, the race killing of two civilians by white supremacist soldiers from Fort Bragg, N.C.—all these things and more counsel vigilance against racism. Mfume understands that.

But he understands something else: that lasting change must come from within. It wasn't racism that made Mfume (then known as Frizzell Gray) a violent, street-running dropout who fathered five sons by three women—all "without benefit of clergy." And it wasn't the defeat of racism that helped him to turn his life around.

He's not sure precisely what it was. But he does know that once he made the decision to get himself together, to make something of himself, he had lots of help and advice from people who had it to give. There is something deeply inspirational about his journey from irresponsible street bum to respected leader who, by the way, took the trouble to build a relationship with his sons.

Which experience should guide his efforts to reach out to young blacks, as he has vowed to do: the humiliations of racism or the power of decision? They may be equally authentic, but, as his own life teaches, they are not equally effective at producing.

[From the New York Times, Dec. 11, 1995]

MFUME: NOT JUST LEADER, A SAVIOR TO N.A.A.C.P.

(By Steven A. Holmes)

WASHINGTON, December 10.—When Representative Kweisi Mfume walked into a hotel conference room here to interview with the board of directors of the National Association for the Advancement of Colored People on Saturday, the group broke out into spontaneous applause. It was perhaps the first time in more than two years the full board had found anything to cheer about.

For an organization mired in debt and increasingly accused of being archaic and out of touch, Mr. Mfume, who was named on Saturday as the N.A.A.C.P.'s president and chief executive officer, is viewed by many within the civil rights group as a savior. So much so that the descriptions of him that flow from some quarters lapse effortlessly into hyperbole.

"In our new president we have the brilliance of Dubois, the eloquence of Martin Luther King, the toughness of Thurgood Marshall, the caring of Ms. Bethune and Harriet Tubman and Sojourner Truth," A. Leon Higginbotham, Jr., a retired Federal Judge said, comparing Mr. Mfume to a pantheon of icons of the anti-slavery and civil rights movements.

While neither Mr. Mfume nor anyone else could be such a giant, he clearly provides skills, outlook, visibility and a personal story that could help revive the ailing organization.

Born Frizzell Gray in Baltimore in 1948, Mr. Mfume spent his early years under the hand of an abusive stepfather who, until Mr. Mfume's mother divorced him, beat his wife and belittled his stepson. When Mr. Mfume was 16, his mother died of cancer, leaving him feeling alone and abandoned.

For several years, Mr. Mfume went through what he later called his "lost years," dropping out of high school, hanging out on the tough streets of the city's west side, where he was known by his nickname of Pee Wee, and fathering five children out of wedlock by four different women.

"I came out of a disjointed family structure," Mr. Mfume said in a speech last year. "I grew up in the worst possible conditions. I became homeless after my mother's death, hit the streets and dropped out of school, flirted with every temptation that was around, became a teen parent before my time, felt left out and victimized."

But Mr. Mfume grabbed hold of his life. He earned a high school equivalency diploma, attended Morgan State University, a historically black college in Baltimore, and later gained a reputation as a disk jockey and radio talk show host. Along the way he took a new name (pronounced Kwah-EEE-see Oom-FOO-may), which in a Ghanaian dialect means "conquerer of kings."

"It's different," Mr. Mfume once said of his name. "So is Zbigniew Brzezinski."

After seven years as a member of the Baltimore City Council, Mr. Mfume was the surprise victor of a 1986 Democratic Primary to replace retiring Representative Parren J. Mitchell. In the heavily Democratic district, the win virtually guaranteed election to Congress. He has been reelected four times, often gaining more than 80 percent of the vote in the general election.

As a Representative, Mr. Mfume made his mark as Chairman of the Congressional Black Caucus from 1992 to 1994, a time when the number of blacks in the House shot up to 40 from 26.

With new-found strength because of its increased size, the caucus under Mr. Mfume flexed its muscles as never before. It pointedly chastized President Clinton for bowing to criticism and withdrawing Lani Guinier, a professor at the University of Pennsylvania Law School, as his nominee for Assistant Attorney General for Civil Rights.

The caucus also pressed Mr. Clinton to use American troops to restore ousted Haitian President Jean-Bertrand Aristide to power, one of the few groups to do so publicly for what was considered by many to be a hopeless cause.

Mr. Mfume's tenure as head of the caucus was not without its missteps. In 1992, he angered Jews and some members of the Caucus when he declared that the group had entered into a "sacred covenant" with the Nation of Islam.

In the face of criticism and in the wake of an anti-Semitic, anti-Catholic and anti-white speech by one of Mr. Farrakhan's aides, Khalid Abdul Mohammed, Mr. Mfume disavowed any association with the group and spent much time mending fences with Jewish leaders in Baltimore.

As a five-term Representative from Baltimore, where the N.A.A.C.P. is based, Mr. Mfume brings political acumen to the civil rights group, the country's oldest but one whose political relevancy has been questioned in recent years. He has shown an ability to raise money, a skill badly needed for a group saddled with a $3.2 million debt. As a former Baltimore street tough who turned his life around, he also lends credibility to a message of personal responsibility for black youths.

"The time is now—right now—to restore the financial, spiritual and political health of this historic, American institution," Mr. Mfume said at a news conference following the board's decision. He added, "And my job is to provide the leadership that will make that happen."

His career has been free of scandal, a stark contrast to the recent history of the N.A.A.C.P. In the last two years, the organization has fired its executive director amid charges of sexual discrimination and harassment and replaced a board chairmen who was accused of financial improprieties.

With his handsome looks, smooth manner and current girlfriend—an actress, Lynn Whitfield, who won an Emmy Award in 1991 for her portrayal of Josephine Baker in a cable television movie—he brings a measure of glamour to an organization sometimes seen as frumpy.

At his news conference on Saturday, Mr. Mfume spoke of the need for the N.A.A.C.P. to maintain a commitment to coalition politics with whites and others. In doing so, he appeared to be trying to assuage the concerns of some whites and blacks who had been put off by the attempts by Benjamin F. Chavis Jr., the former executive director, to align the organization with Mr. Farrakhan, who preaches a black separatist ideology.

"It is easier to accomplish things when you maximize the number of people who you have working with you and working for you," he said in an interview.

As a condition of taking the job, Mr. Mfume wrested concessions from the N.A.A.C.P. board, which since the mid-1980's has taken much power and control from the organization's chief executive but has fallen short in raising money and in debating and formulating policy.

Rather than report to a 64-member board, Mr. Mfume will deal with a smaller executive committee and have the authority to hire and fire staff, a power that had been stripped from the top executive. And to denote who will be in charge, his title will be president and chief executive officer, not executive director.

The need to symbolically change the position back to president—something, although small—was powerful in terms of what is said about the position," he said in an interview.

One unknown question, however, is Mr. Mfume's administrative skills. As member of Congress, and before that, the Baltimore City Council, Mr. Mfume has never had to run an organization as large as the N.A.A.C.P. But officials of the organization say they are not overly concerned.

"If that becomes a problem, we could get him a manager," said one board member who spoke on condition of anonymity. "Because he brings so much else, if he's weak there, we could prop him up."

[From the Baltimore Sun, Dec. 10, 1995]

MFUME TRANSFORMED HIMSELF

MATURING: AS HE PROGRESSED FROM THE BALTIMORE CITY COUNCIL TO THE U.S. CONGRESS, KWEISI MFUME DEVELOPED INTO A POLISHED CONSENSUS BUILDER

(By Tom Bowman and Karen Hosler)

"We are going to change," Rep. Kweisi Mfume declared yesterday after being chosen to head the NAACP.

He could have been talking about himself. Kweisi Mfume, 47, began his political career as a dashiki-clad political activist on the Baltimore City Council. But when he arrived on Capitol Hill, he quickly transformed himself into a polished consensus builder.

Battling Mayor Donald Schaefer and Council President Clarence H. "Du" Burns, he first ran in 1979 on a campaign to "beat the bosses," advocating for the poor and the powerless.

After two terms on the council, he decided in 1986 to make a run for the seat of Rep. Parren J. Mitchell, a retiring civil rights legend who served 16 years in the House. Defeating a Republican, St. George I. B. Crosse III, in a bitter contest for the 7th District seat, he embarked on a bridge-building effort, forging a relationship with Governor Schaefer.

The dashikis gave way to finely tailored dark suits. The once-angry voice took on a measured and mellifluous cadence. "I'm the same fighter, but the arena has changed," he explained once. "Sometimes I will do it by compromise, sometimes I will do it through confrontation."

He reached out to all his constituencies, from Catonsville to West Baltimore to Charles Village to East Baltimore and Hampden. Some white areas in the district had felt snubbed by Mr. Mitchell.

The new congressman set up town meetings with his neighboring Democrat, Rep. Benjamin L. Cardin, and followed his predecessor, Mr. Mitchell, to the House Banking, Finance and Urban Affairs Committee.

But Mr. Mfume became more adept at dealing with the opposition than was the often-acerbic Mr. Mitchell. "Mfume's style is, 'You'll like me and respect me,'" Daniel P. Henson III, the city housing commissioner, said several years ago. "Parren's style was, 'You may not like me, but you'll respect me.'"

On the Banking Committee, Mr. Mfume matured into a skilled legislative craftsman. He was instrumental in saving programs that aided minority businesses. And he embraced issues outside the traditional black agenda, from high-technology development to business tax breaks.

Within two years, he became a leader in the Congressional Black Caucus, which elected him one of two vice chairmen.

"He's serious. He's thoughtful, He's a consensus builder," Rep. Mike Espy, a Mississippi Democrat, said in December 1992, when Mr. Mfume was elected chairman of the Black Caucus.

With his elevation to caucus chair and the election of a Democratic president, Mr. Mfume found his profile rising in Washington. President Clinton desperately needed the votes of the 39-member Black Caucus to get his legislative agenda through Congress.

As head of the group, Mr. Mfume proved a tough negotiator and a shrewd bargainer, often holding out for concessions from Mr. Clinton on programs such as the tax credit for the working poor. The man who once had a popular radio talk show on Morgan State's WEAA now became a fixture on the nationally televised Sunday TV talk shows.

The Black Caucus, under Mr. Mfume, provided Mr. Clinton with critical votes for his crime bill, despite deep-held opposition to death penalty provisions.

Mr. Mfume's term as caucus chairman had its stormy moments. He made many of his more traditional colleagues uncomfortable by reaching out to the Nation of Islam and its chairman, Louis Farrakhan, who has a history of making inflammatory remarks about Jews and other groups.

But after Republicans took control of Congress this year, the Black Caucus members were mere voices in the wilderness. Because the caucus members are among the most liberal in Congress, few found any common ground with the ruling Republicans.

Mr. Mfume found himself in an unhappy eclipse. Once surrounded by reporters every time he left the House floor, the Baltimore Democrat could recently be seen ambling alone past the press-mobbed Republican leaders.

No longer in the majority party, he would become the 20th House Democrat to leave or announce plans to do so. Five others have switched to join the GOP.

When Mr. Mfume assumed the leadership role in the Black Caucus three years ago, Mr. Espy offered words that would apply today as Mr. Mfume assumes the leadership of the NAACP.

"He has a professional style, which we need," Mr. Espy said in 1992. "It will be difficult. I know he's up to the job."•

FDA REVIEW OF OLESTRA

• Mr. GLENN. Mr. President, I rise to comment on the decision currently before the Food and Drug Administration regarding the Procter & Gamble Co.'s petition for its food additive, olestra.

Olestra is a fat-free food additive invented by the Procter & Gamble Co. This synthetic cooking oil and the decision by FDA are the subject of this week's Time magazine cover story.

The scientific issues under review by FDA are fascinating and I commend FDA for its management of the review by the Food Advisory Committee.

The Procter & Gamble Co. undertook its efforts to better understand fat in the human body in the 1950's and developed olestra in the 1960's. In 1971, Procter & Gamble began the approval process at FDA.

More than two decades later, olestra has not yet been approved. Nobody is faulting the FDA; approval of olestra has posed unique and unprecedented scientific questions that had to be researched. Accordingly, the FDA has approached this unprecedented food additive with appropriate prudence, and Procter & Gamble was required to invent new protocols to test olestra's safety for human consumption.

Regulatory review by the FDA is necessary to ensure the public health and safety. At the same time I believe that we should encourage innovation by American industry. I believe that unnecessary delay in the approval of new products will have a negative impact on the investment in research and development. Without the FDA approval, olestra cannot be manufactured for and used by the Nation's consumers. Procter & Gamble has invested more than $200 million in the development of this product and expects to invest many more millions to construct manufacturing facilities should olestra be approved. Therefore, I am pleased that the FDA has indicated that it will complete its decisionmaking process very soon.

Mr. President, I ask that the text of my letter of December 13, 1995, to Commissioner Kessler of the FDA be printed at the conclusion of my remarks.

U.S. SENATE,
Washington, DC, December 13, 1995.

DAVID A. KESSLER, M.D.,
Commissioner of the Food and Drug Administration, Park Lawn Building, Rockville, MD.

DEAR MR. COMMISSIONER: I am writing in regard to the food additive petition for olestra, the non-calorie fat substitute. Because of olestra's development by the Ohio based Procter & Gamble Company, I have been interested in the product and its review by the FDA. I am pleased to hear that the Food Advisory Committee has recommended to the FDA that olestra meets the statutory standard of "reasonable certainty of no harm."

I want to commend FDA for its management of the Food Advisory Committee review process. It is my understanding that based upon an objective scientific process, no significant new safety issues were raised and no new data raising concern were introduced. I further understand that the issues of labeling statements and postmarketing surveillance raised by Committee members were addressed and agreed to by Procter & Gamble prior to the meeting.

FDA's commitment to further the process is certainly evidenced by the November 13 publication of the Federal Register notice announcing that all data, information and public comments on the petition were to be filed by December 1 in order to facilitate the FDA decision making process. I am pleased that the notice also indicated that the FDA intends to render a decision within 60 days of the conclusion of the Food Advisory Committee meeting provided no significant new safety issues are raised. Given the favorable review by the advisory committee and the absence of significant new safety issues or concerns, I believe that the FDA should take the necessary steps to ensure that the decision making process is completed within the timetable on or about January 17, 1996. I look forward to the final agency action on the olestra petition.

Best regards.

Sincerely,

JOHN GLENN,
U.S. Senator.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

OUTSTANDING ACCOMPLISHMENTS IN WISCONSIN COLLEGIATE ATHLETICS

• Mr. KOHL. Mr. President, I rise today to recognize two outstanding accomplishments in Wisconsin collegiate athletics. Over the weekend of December 9–10, 1995, two Wisconsin schools were crowned as national champions. On Saturday, December 9, the University of Wisconsin-La Crosse captured the NCAA Division III Football Championship, by defeating Rowan, NJ, 36 to 7 in the Amos Alonzo Stagg Bowl, held in Salem, VA. Also finding success in the Commonwealth of Virginia, the University of Wisconsin claimed their first NCAA Division I Men's Soccer Title, downing Duke University, 2 to 0 in Richmond. Both championships can be attributed to a team first attitude, and a work ethic that is second-to-none.

Behind an uncompromising defense that allowed just 153 yards, including yielding only 4 yards during the 3d quarter, and a balanced offensive attack that amassed 451 yards, the UW-La Crosse Eagles earned their second national title in 4 years. Although they trailed Rowan early in the game, the "never-say-die" Eagles went on to score 36 unanswered points including an 85-yard scoring strike by senior All-American quarterback, and Division III Player of the Year, Craig Kusick, that seemed to decimate the valiant efforts of the Rowan defense. Inspired by their offensive counterparts, the unrelenting Eagle defense held Rowan scoreless for the final three quarters, and gave UW-La Crosse the lead for good after tackle Mike Ivey stopped an overmatched Rowan back for a safety. The championship marks the second Division III title for Eagle head coach Roger Harring and caps off his 27th season with an undefeated campaign, 14–0.

Defense has also been the key on the road to the Badgers' title run. While allowing only 11 goals all season, and never more than 2 in a game, the Wisconsin defense continued to stonewall its opponents by becoming the first team ever to go through the entire five-game tournament without allowing a goal. The 2-to-0 victory over Duke in the final extended their shutout string to 7 consecutive games and the 17th blanking over their 25-game schedule. Truly a team effort, Coach Jim Launder's Badgers were the first Wisconsin team to advance past the NCAA quarterfinal.

There is a cliche that says, "Offense wins games. Defense wins championships." Although somewhat simplistic, it can be no more true than in the results of the championships attained by our fine Wisconsin universities. Wisconsin is truly proud of all its student athletes, and on behalf of the State of Wisconsin, I salute our national champions for their dedication to their common goal and for a job well done.•

TRIBUTE TO PATTY CALLAGHAN, ACTION FOR EASTERN MONTANA, GLENDIVE

• Mr. BAUCUS. Mr. President, I wish today to give tribute to one of eastern Montanan's treasures, Patty Callaghan. Patty recently retired after 20 years with Action for Eastern Montana.

Patty retired as executive director to attend Luther Seminary in St. Paul, MN. She hopes to return to eastern Montana as a lay leader with rural churches.

Montana needs more leaders like Patty Callaghan. Rural Montana needs the love for and knowledge of our State that people like Patty have.

Patty's work with Action actually led to her decision to choose the seminary. When funding cutbacks in the programs that she administers forced her to look to other resources, Patty found the churches responding generously. She found the needs of rural communities to be much the same as the need of rural congregations—energy, leadership for change, accountability, respect, and compassion.

Patty has dealt with many family issues that will serve her will in her new life. She found the work at Action for Eastern Montana rewarding and the Glendive community generous when a need was identified.

In a recent tribute to Patty, family members, coworkers, friends, and many others including Montana's Governor Marc Racicot expressed their respect and appreciation for her life's work.

I would also like to express my profound respect and admiration for Patty Callaghan and what she has done for eastern Montana. Public service can bring out the best and worst in people. With Patty, her compassion and caring has only deepened. Eastern Montana desperately needs this commitment to its communities.

Thank you, Patty. We wish you the best and look forward to seeing you again soon.●

ORDERS FOR FRIDAY, JANUARY 5, 1996

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m. on Friday; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 12 noon with Senator permits to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. For the information of all of our colleagues, negotiations with the Republican and Democrat leadership, the White House, and the President will continue tomorrow to see if we can reach some agreement on a balanced budget. I also believe there will be a meeting on Saturday afternoon, maybe into the evening. We do not expect any rollcall votes during Friday's session of the Senate.

FEDERAL EMPLOYEES AND A BALANCED BUDGET

Mr. DOLE. Mr. President, it had been our thought we might remain in session tonight because the House may take action with reference to our deeming resolution which passed here the other day. There will be a House Republican conference at 7 o'clock. They have not yet passed, and I do not know precisely what, if anything, will pass, but we wanted to be here if something passed later this evening. I now understand that would be objected to—an effort to do it tonight—so if there is any action it would come tomorrow. I had hoped we would do it tonight because if it passed Federal employees could be back to work tomorrow morning. I know that is the hope of the Senator from Virginia who has been working on this on a daily basis. We have had meetings throughout the day on the balanced budget amendment and we have also talked about Federal employees. Speaker GINGRICH is very forthcoming. I know he has been in meetings throughout the day.

I think all of us regret the deadline of January 3 passed without reaching a balanced budget agreement. We have not given up. We will be back, as I said, negotiating tomorrow afternoon and probably Saturday afternoon. I would say perhaps by the weekend or sometime early next week we probably ought to have some agreement—or disagreement, maybe; that we cannot put it together. But we have not reached that point yet. I will keep everybody informed.

If there are any rollcall votes, as I have indicated to the Democratic leader, Senator DASCHLE, there would be at least 24 hours' notice provided to our colleagues.

Mr. WARNER. Mr. President, I again salute our distinguished majority leader. I know how hard he has worked on this.

I have been in consultation with my colleagues from Virginia in the House of Representatives, and most specifically Congressman DAVIS, here, within the hour.

As you state, the House will have its caucus tonight. I, just speaking for myself, am optimistic, without going into the details, that there will be some action. Therefore, if that is done, it is likely that this body, the Senate, would review it tomorrow, would that be correct?

Mr. DOLE. I would do it as quickly as we can. I thought if the House took it up in the morning it might be finished at 11 o'clock and we could take it up at any time it comes from the House.

I will say, as I said before, some of our House colleagues have a different view of this than some of us in the Senate; maybe not all of us in the Senate. But I also add, at least this Senator has been here the last couple of weeks doing a lot of the heavy lifting. We explored almost every option I can think of to get people back to work. I know that is the view of all the House Members, both Republicans and Democrats, that they should be working and they should be paid, and you should not pay people for not working. In this case the workers are willing.

I hope there will be some positive measure to come from the House tomorrow so we can take it up and pass it very quickly and then get back to where we ought to be, back on our message. Our message is balancing the budget over the next 7 years. It is not a Government shutdown. Our message is to balance the budget. That is what the American people want us to focus on, on both sides of the aisle. That, and a number of other issues like welfare reform and tax cuts for families with children.

In my view, the other message is an impediment. If you watch the evening news tonight you will probably see two or three stories on the Government shutdown but not one on the balanced budget, not one. So I think somewhere along the way we have gotten off message. I hope things will move along here, we will get back, get our work done.

I would think Members on both sides would like some free time this month or next month because we have sort of gone around the calendar here.

Mr. WARNER. Mr. President, again, I commend my distinguished colleague and friend, the majority leader. I know full well, having shared many of the hours here over the past couple of weeks with you, that you have done more than your share of the heavy lifting and you have explored in a very objective way, recognizing the diversity of views within our own party as well as across America. But the keystone is the balanced budget using the CBO figures. I am hopeful the President will recognize that obligation on his part to send to the Congress, as early as possible, such a balanced budget.

I think, when the history is written on this, the turning point in this classic chapter of our history will be when the distinguished majority leader stood right here, and I was privileged to be on the floor, and you said those important words, "Enough is enough." That was the turning point.

Mr. DOLE. I thank Congressman WOLF and Congressman DAVIS and also Congresswoman MORELLA, because they have been working with us, with the Senator, with our office, and I know they have been working on the House side. They may be in a little better position to appreciate the importance of some early action because they have a great number of Federal employees in their districts. Obviously, they are very concerned.

Mr. WARNER. Mr. President I would like to add Congressman BATEMAN. He joined with us in our regular daily meetings today because a significant part of the Federal establishment in Virginia is in the Tidewater, of which he is a Representative.

Mr. DOLE. That is true.

RECESS UNTIL 11 A.M. TOMORROW

Mr. DOLE. If there be no further business to come before the Senate, I ask unanimous consent the Senate now stand in recess under the previous order.

There being no objection, the Senate, at 5:54 p.m., recessed until Friday, January 5, 1996, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate January 4, 1996:

DEPARTMENT OF COMMERCE

STUART E. EIZENSTAT, OF MARYLAND, TO BE UNDER SECRETARY OF COMMERCE FOR INTERNATIONAL TRADE, VICE JEFFREY E. GARTEN, RESIGNED.

HOUSE OF REPRESENTATIVES—*Thursday, January 4, 1996*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. LAHOOD].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 4, 1996.

I hereby designate the Honorable RAY LAHOOD to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are thankful, O gracious God, for all the wonderful gifts that have come from Your hand that You have given to us and to every person. Remind us that Your blessings and countenance are not only on us personally, but bless Your people from every background or position or opinion. So we pray, almighty God, that we will be gracious of others, hear their words, respect their concerns, and always realize that Your grace is with each person in Your whole creation. May Your loving spirit, O God, that is new every morning, be with us this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. HEFLEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HEFLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, further proceedings on this question are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Colorado [Mr. HEFLEY] come forward and lead the House in the Pledge of Allegiance.

Mr. HEFLEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that there will be fifteen 1-minutes on each side.

BALANCING THE BUDGET: WHAT'S IT ALL ABOUT?

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, balancing the budget: What is it all about? Balancing the Federal budget is about better government. It is about being right and responsible. It forces the Government to live within its means—just like every American family. It means our children will inherit the American dream—not the American debt. It forces our Government to stop spending money it does not have.

Balancing the budget is also about a better future. It means lower interest rates and faster economic growth. It means 4.25 million more new jobs over the next 10 years and a 16.1-percent increase in per capita incomes. A balanced budget is about $37,000 in savings on an average 30-year mortgage on a $75,000 home. It means a solvent Medicare system with increased spending per beneficiary. But probably most important of all, a balanced budget is about saving future generations from paying lifetime tax rates in excess of 80 percent.

Mr. Clinton needs to know we will settle for nothing less than a balanced budget. No more excuses. No more Washington gimmicks. It is time to do the right thing for our children's future.

GOVERNMENT SHUTDOWN

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, this is day 20 of the Government shutdown and it is beginning to bite. Not simply Federal employees but small business people who cannot get export licenses, other business people who want permits so they can put toxic waste aside and cannot and are closing down their businesses. Social Security recipients who want to sign up for Social Security the first time who cannot.

It is affecting average Americans. Now we hear the most Orwellian of doublespeak from the other side. They blame President Clinton for this because of vetoing some bills that they do not like.

Well, Presidents have vetoed bills throughout history, Washington, Lincoln, Jefferson, and Roosevelt. But what is different this time is not that the President vetoes bills but that this is the first Congress and only one House of this Congress because Senator DOLE is not going along that says, if the President does not sign every bill we pass, we are shutting down the Government. That is a disgrace. It is a disgrace to all Americans, particularly those affected by this horrible shutdown.

SPEAKING OF DOUBLESPEAK

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, speaking of Orwellian doublespeak, to hear my friends from New York talk about Washington and Jefferson and Lincoln and mention the current occupant of 1600 Pennsylvania Avenue in the same breath is truly astounding.

My colleagues, once you get past the politics of victimization, the debate is about this: Why is $12 trillion over the next 7 years not enough? Why should the children being born today pay over $185,000 in interest on the debt if we fail to act? My friend from New York indicts this majority in Congress because he would rather go back to business as usual, to the 40 years that gave us this mind-boggling debt, to just continuing on with spend and spend and tax and spend some more.

Mr. Speaker, the American people deserve better. I am proud to stand up for the people.

THE GOVERNMENT SHUTDOWN, DAY 20

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, today is day 20 of the Government shutdown. The fault lies entirely with the House Republican leadership.

Yesterday there was an opportunity or there would have been an opportunity because the Senate sent over a continuing resolution to allow the Government to operate once again. But Speaker GINGRICH and the House Republican leadership would not bring the resolution up. There are 198 Democrats on our side that are prepared to vote to keep the Government operating. We only need 20 Republicans in order to accomplish the goal of reaching 218 and opening up this Government again.

My understanding is that in the House Republican conference there are enough votes to do that. But the Speaker, Speaker GINGRICH, and the House Republican leadership will not allow a vote to come to the floor. Instead, we understand today they want to bring up a resolution that would allow them to recess this House for 2 or 3 weeks until January 23 and the Government would be shut down that entire time. I say no to that motion to recess. Let us stay here and let us get this Government going again.

REPUBLICANS DO NOT HOLD THE KEYS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the President seems to think that House Republicans are keeping the Government shut down. I must say, as a House Republican that is news to me.

You see the Government's front door has got a big old deadbolt on it. Republicans managed to open the door when we passed the Balanced Budget Act of 1995. President Clinton slammed the door shut and locked it tight when he vetoed the Balanced Budget Act.

Now, Mr. Speaker, here is my keychain. None of my keys will open the Government. I checked around with some of my colleagues. None of their keys will open the Government either. As it turns out, when the President vetoed the Balanced Budget Act, he did not just shut the door, he changed the lock.

Mr. Speaker, we do not hold the keys. The President does. There is only one way the Government is going to open back up, and that is when the President of the United States agrees to a plan that balances the budget in 7 years and uses honest numbers.

KUWAIT AND CHINA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in 1991, America went to war. America went to the front lines to free Kuwait from Iraqi occupation. America spent over $75 billion. American troops died in the gulf. American troops still suffer from that war disease.

After all that, ladies and gentlemen, let us talk some business. Kuwait just awarded China, that is right, China, a $391 million contract to build two oil gathering projects. Now, if that is not enough to change the oil filter, folks, Kuwait did not even consider American bids. Think about it. After good old Uncle Sam saved their assets, put our young people's lives on the lines, quoting news reports, Kuwait did not even consider American bids. Beam me up. With a foreign policy like this, it is a wonder we have any budget to balance.

TRAVELGATE

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, for 2 long years, Mr. Speaker, a career public servant has been targeted, smeared, and ultimately prosecuted, all the news suggested, as part of a political coverup designed to justify the Travelgate firings and the transfer of White House business to political cronies. Thank God for the jury system which acquitted Billy Dale in just 2 hours. But chilling facts continue to emerge.

Today the AP reports a newly released memo in which a high administration official explained the origins of this Orwellian case by saying, and I quote, "We knew that there would be hell to pay if we failed to take swift and decisive action in conformity with the First Lady's wishes." That is shocking, and I will tell my colleagues, regardless of how powerful the person who ordered it, no matter how high in the Clinton administration, if Federal law enforcement agencies were turned against a career public servant as part of a political coverup, there ought to be, and I quote, "hell to pay" on the part of all those responsible.

REPUBLICAN GOVERNMENT SHUTDOWN

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Republicans, this is your Government shutdown, and it is now item No. 11 of the Contract With America. It is your baby and you are going to have to defend it. Good luck.

It is unconscionable to go again on recess without reopening the Government. What you are forgetting is that you are not just hurting Federal employees. You are hurting average Americans, small businesses. Do not hide behind the balanced budget rhetoric. Who is President Clinton expected to negotiate with? Senator DOLE, who is being shellacked already by the right wing? Senate Republicans who appear to be responsible? Or GINGRICH and House Republicans who want a hard line?

Mr. Speaker, we cannot negotiate with five Republican parties. Republicans, get your act together. This institution is not looking good these days. We are all going to have to suffer unless we get these games stopped.

GOVERNMENT SHOULD BE REOPENED

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I understand there is a resolution to allow the Congress to recess until January 23. I personally think we should reopen the Government, but under no circumstances should the Congress leave town while the Government is shut down. The soldiers in Bosnia are not leaving Bosnia.

And do not clap, because I do not agree with you on the other side of the aisle, too. You all have been partisan and politicizing this place.

The soldiers in Bosnia are not leaving. The cancer researchers are not leaving. The FBI agents are not leaving. I personally believe, and we all only answer to our constituents and to our conscience, but I believe it would disgrace the Congress for us to leave while the Government is shut down.

One other thing to my side, this is not a leadership vote. This is a conscience vote. And my conscience is not for sale. Congress should not leave while the Government is shut down.

You all ought to stop being so partisan, because when we can get together in the spirit of reconciliation, we can solve these problems. Each side eggs the other side on and nothing gets done.

TAX DOLLARS NOT AT WORK

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, at the State and local level, when you pass a roadway, there is a big sign that says your tax dollars at work. Here in Washington we ought to have a sign that says, your tax dollars are not at work. Because that is the reality in day 20 of the Government shutdown. Let us be real. The Republicans are trying to say this is President Clinton's shutdown. Absolutely wrong. The President could not open the Government if he wants to.

The Republicans set the agenda. The Republicans are in the majority. The Republicans have the vote. Let there be no mistake. This is a Republican, a Gingrich Republican government shutdown.

This is not about a balanced budget in 7 years with real numbers. I am for that. A lot of Democrats are for that. There are budgets out there to do this. This is about their desire to give tax breaks to the wealthy while cutting Medicare and Medicaid.

Meanwhile our employees, the taxpayers' employees and their families are suffering. Mortgage payments are not being made. Utility bills are not being met. Car payments are not being made. Clothes for the kids are not being met, and contractors are not being paid. I hope Federal employees will come to Washington, to Capitol Hill to share their pain with these Republican revolutionaries.

THE AMERICAN PEOPLE EXPECT US TO BALANCE THE BUDGET

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, I am a House Republican freshman. The President calls me an extremist, right-wing, radical Republican freshman.

What am I so extremist about? Well, I want the Government to balance its budget, just like my family has to. A balanced budget means lower interest rates, which means cheaper car loans, mortgages, and student loans. Pretty scary stuff.

I want to cut taxes for working families and I want to reduce capital gains tax to create more jobs. Yes, I know it will mean more take home pay for working Americans and better jobs. Well, I guess that is extreme if my colleagues are big government liberals.

I have been in Washington for an entire year, and am still being overcome by commonsense, practical, and honest solutions to our Nation's problems. I guess in Washington that is pretty extreme. Mr. Speaker, the American people expect us to balance the budget and do the right thing for our children's future.

WE HAVE OUR PAY SO WE ARE GOING TO GO PLAY?

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, we have heard excuse, after excuse, after excuse. Let us put the record straight. Let us look at facts, not rhetoric.

Yesterday we had on this floor the potential of bringing up what the House should have brought up, and that was the resolution, passed unanimously in the U.S. Senate because the Senate, with BOB DOLE, said enough is enough. Of course it is. Today the taxpayers will spend another $40 million for nothing, for nothing because they are going to keep this shutdown as we watch Head Start going into trouble, as we watch 240 small businesses a day not be able to get capital loans to keep going, and on, and on, and on.

What are the Gingrich Republicans in the House saying? They get the Marie Antoinette compassion award. They are saying, "Let them eat cake. We have our pay."

So, today we are going to vote a recess resolution. We are going to go play.

Now I think the American people are very angry if they say, "We have our pay, we're going to go play."

We cannot open it with keys. We open it with a voting card. They keep voting "no." That is what is wrong.

I AM HERE TO BALANCE THE BUDGET

(Mr. BAKER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER of California. Mr. Speaker, 1 year ago the 1st day of the 104th Congress began. In short it was the beginning of the end. It was the beginning of the end for the Washington business-as-usual crowd, and when the balanced budget is signed into law, the American people will understand why they held the second Boston tea party here in Washington on November 1994.

Oh, in the past, yes, our leaders in Washington have always backed down from making tough decisions necessary to lead this country, and they always found a way to protect their spending while adding new taxes and new debt to the American people. As a result we have a $5 trillion debt. We spend $200 billion a year on interest just to keep that debt alive.

That is what these folks are really for. Mr. Speaker, the new majority is here to say no. The President said the House Republicans are unwilling to compromise. Well, I want to tell my colleagues I am here to balance the budget, and I believe that we have compromised for 26 years. We have added the spending. We have compromised the business of big Government. We are not going to do it anymore.

JOIN THE SENATE AND PASS A CONTINUING RESOLUTION

(Mr. SANDERS asked and was given permission to address the House for 1 minute.)

Mr. SANDERS. Mr. Speaker, 480,000 Federal employees are working without pay, a form of involuntary servitude; 280,000 Federal employees are not working, and they will be paid. Virtually all of these workers have mortgages to pay, children to feed, and financial obligations to meet.

Mr. Speaker, what is happening to these workers is immoral, is wrong, and must be rectified immediately. NEWT GINGRICH and the Republican leadership must not continue to hold the House and the American people hostage while they push their disastrous 7-year balanced budget plan. The gentleman from Georgia, Mr. GINGRICH, and the Republican leadership must join Senator DOLE and the entire Senate and pass a continuing resolution now, now to reopen Government.

Mr. Speaker, that is what the American people want, that is what they need, and that is what this body must do.

WHAT IS RADICAL OR EXTREME ABOUT BALANCING THE BUDGET IN 7 YEARS?

(Mr. DUNCAN asked and was given permission to address the House for 1 minute.)

Mr. DUNCAN. Mr. Speaker, today some in the national media and some for partisan political purposes are accusing House Republicans of being extremists or radicals.

If ever there was an inside the beltway line, this has to be it.

Out in the country, the overwhelming majority of the people do not see anything radical or extreme about trying to balance the budget in 7 years.

Most people wonder why we cannot do it sooner than that.

Most families have to balance their budgets every year.

And then there are the so-called cuts. James K. Glassman, the Washington Post columnist who is not partial to either party, has called the Republican budget the "No-Cut Budget."

Federal spending has almost tripled in the last 15 years.

One agency that we have supposedly gutted is the EPA, yet their spending has doubled in the last 10 years.

Very few people out in the country, in the private sector, have had their salaries doubled or tripled in the last 10 or 15 years.

So when people hear these crocodile tears coming out of Washington, or they read some misleading report about a cut, they should ask what that agency was getting 10 years ago, all years of very low inflation.

And they should remember that Federal spending goes way up every year under the 7-year budget passed by the House.

EVERY DAY OF SHUTDOWN COSTS APPROXIMATELY $50 MILLION

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, on day 20 of the longest Government shutdown in history, once again yesterday the Republican majority refused to open the Government. This is a cruel, unnecessary hardship. There is not a businessowner in this country who would demand that his or her employees cease working and forgo their paychecks indefinitely. There is not a private employee in this country who would be expected to tolerate such treatment. Yet our Federal workers are forced to accept idleness or to work without pay.

Meanwhile, taxpayers are also paying an unfair price. Who is eliminating health and safety violations while OSHA is closed? Who is making sure laid-off workers are going to get the compensation they paid into? Who is looking out for the integrity of worker pension plans? In a word—nobody.

But everybody—every taxpayer—will be footing the bill for this fiasco. Every day of shutdown costs approximately $50 million. Talk about Government waste.

This situation is wrong. I urge my colleagues, pass legislation to open the Government.

THE 104TH CONGRESS WILL BALANCE THE BUDGET

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, I entered politics because I thought I could make a difference. As a Republican, as a proponent of a balanced budget, and as a Member of the 104th Congress, I truly feel that I have, in a small way, made a positive difference. I am very confident that in the coming days America will have a balanced budget—something the American people have demanded for many, many years.

Now, let me say that I truly feel sorry for those who are unfairly caught up in the middle of this partial Government shutdown. But, let me also add that I would feel even more shame and sorrow if we failed to discipline our Government.

We must, as a government, as leaders, think of the future and think also of our children. We must balance the budget and restore the ethic of living within our means.

This 104th Congress has made a difference and we will balance the budget.

GIVE CREDIT WHERE CREDIT IS DUE

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, I rise in defense of the freshmen House Republicans. They have been unfairly maligned. Blaming them for this Government shutdown is like blaming the followers of the Pied Piper for being mesmerized by him. They voted with Speaker GINGRICH 92.3 percent of the time in 1995. Marching in lockstep with him is the only step that they know. No, we should give credit where credit is due. Speaker GINGRICH is individually as responsible for this shutdown as he was for the cry-baby shutdown in November. He could end personally this shutdown in 15 minutes this morning if he would simply put Republican BOB DOLE's resolution here for a vote.

Mr. Speaker, I believe there would be bipartisan support for it from almost every member of the Democratic caucus and some of the Republicans, but instead of letting people of moderation, of good will, work together to end this shutdown and the $40 million a day that it costs the American taxpayer, they are asking that the Speaker be given extraordinary power to recess this body until January 23. That is simply fanaticism run amok in this body.

A NEW YEAR'S RESOLUTION

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute.)

Mr. FUNDERBURK. Mr. Speaker, I was prepared for almost anything when I came to Washington 1 year ago today, but I never thought that I would spend my time defending my constituents in an all out war being waged against them by President Clinton. First, Bill Clinton decides to send $40 billion to bail out Mexico, while our national debt stands at $4.9 trillion and of course he does not want to balance the budget. This is a slap in the face of the workers in my district, who have already lost jobs that moved to Mexico as a result of NAFTA. Then the President and his FDA decided to attack the small tobacco farmers in my district, who struggle from year to year just to make ends meet. These are the people who provide the jobs, pay the taxes, and fight our wars. Clinton liberals are using tobacco as a politically correct shipping boy while a member of his administration called for the legalization of cocaine. Now, Mr. Clinton in a desperate attempt to salvage his reelection, is sending young men and women from my district to Bosnia. Many casualties are the likely result, and for what American national security interest? Mr. Speaker, I have a New Year's resolution for Bill Clinton; stop waging war against the citizens of the Second District of North Carolina.

LAYOFFS AND GOVERNMENT SHUTDOWN: JUST THE BEGINNING OF A TWO-PRONGED ATTACK ON THE AMERICAN MIDDLE CLASS

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, AT&T lays off 40,000 employees at a time when profits have never been better. The Republican Congress furloughs 260,000 Federal workers for no reason other than to use them as human shields in the GOP jihad to provide tax cuts to companies like AT&T.

This, Mr. Speaker, is just the beginning of a two-pronged attack on the American middle class. Daily, I get calls from constituents wondering why they cannot go back to work while negotiations over the budget continue. Even BOB DOLE has said enough is enough and that Federal workers should return to work.

However, our noble Speaker of the House, whose behavior resembles that of the King of Prussia, insists on keeping Federal workers off the job until the President goes along with his attack on Medicare. Mr. Speaker, BOB DOLE is right, enough is enough.

REPUBLICANS ARE WINNING AND ARE MAKING A DIFFERENCE ON THE BALANCED BUDGET

(Mr. CHAMBLISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAMBLISS. Mr. Speaker, it has been an honor and a privilege to serve the people of Georgia in Congress this past year. I truly feel that we have changed the way Congress and Washington operate. It is no longer business as usual and status quo. This past year has been long. It has been arduous, and obviously the work continues as we try to make sure the President honors his commitment to balance the budget in 7 years. But I am proud to say that we are winning. This 104th Congress has totally changed the terms of political debate. It is no longer should we balance the budget, it is now a matter of how soon we get the President to keep his word to balance the budget. It is no longer should we make government smaller, it is now a matter of how small.

Mr. Speaker, Republicans are making a difference. We have stood firm for real change, and we will not back out of our commitment to do the right thing and balance the budget.

IF THE GOVERNMENT IS NOT WORKING THEN AT LEAST THE CONGRESS SHOULD BE

(Mr. WISE asked and was given permission to address the House for 1 minute.)

Mr. WISE. Mr. Speaker, this is day 20 of the partial Government shutdown.

Yesterday the Eastern Panhandle Social Service Agency called to tell me the first Federal worker was facing eviction. Another Federal worker told me yesterday that his mortgage company would not accept even partial payment for his mortgage. Today I have contacted the West Virginia Bankers Association asking that its member banks work closely with Federal employees facing financial difficulties. They are not unemployed because of any fault of their own, and if, as the Republican leadership promises, they are going to be paid eventually, they deserve credit forbearance. But even that does not help with the checkout line at the grocery store, paying the heating bill, or buying the kids' shoes.

Now there is word that the Gingrich Republican leadership wants to recess the House for 3 weeks leaving the Government partially shut down. Mr. Speaker, I oppose the Government going on another recess while the Government is still shut down and taxpayers pay $40 million a day for services they are not receiving.

I voted yesterday to open the Government up. I am going to vote today against letting the Congress leave today. Mr. Speaker, if the Government is not working, then at least the Congress should be.

□ 1030

LIBERAL GIVEAWAY

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, A well-known news magazine this week called tax cuts a "giveaway."

That illustrates precisely the liberal mind-set of some in the media and most in this administration.

They actually think that the money of hard-working, lawabiding taxpayers belongs to the Government, not to the people who earned it.

Tax cuts mean American families will keep more. Liberals in the media and in the administration want the Government to take more and spend more.

Americans now are staggering under the heaviest tax burden in history. And the top half of wage earners already pay 95 percent of all income taxes.

The real question is: Who knows best how to spend hard-earned dollars—the American people or the Federal Government?

HISTORIC HEIGHTS OF IRRESPONSIBILITY

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, we have risen to historic heights of irresponsibility led by our history professor. What a shame. What a shame. A previous speaker said that we needed a key to unlock Government, and he did not have the key. He was wrong.

This is the key given to all 435 of us by the voters of our districts. It is a district question for each of us to be reasonable and responsible. We had that opportunity yesterday and we had a vote, and of all of the Republicans in the House, only two, only two of my colleagues, the gentlewoman from Maryland [Mrs. MORELLA] and the gentleman from Virginia [Mr. DAVIS], used this card to unlock the lockout of Government employees and Government services to the American public.

My friend from Virginia who spoke previously said, stop making this a partisan issue. BOB DOLE is the leading candidate for President in the Republican Party. He said, this does not make sense.

MEMBERS SHOULD HAVE SALARIES WITHHELD DURING SHUTDOWN

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, this is day 20 of the partial shutdown of Federal Government; 760,000 Federal employees did not receive their paychecks, and 280,000 of them cannot even report to work, although I hear many of them are trying very hard to do so; they do want to work.

I am a Federal employee. If our Federal employees are not being paid, I am having my salary withheld just as they are having their salaries withheld. They are being held hostage.

Also, I am here to work. I am not furloughed, and I will stay here to work, and I will vote against this House recessing until we have our Federal Government operating fully again. It is our responsibility; let us rise to it on both ends of Pennsylvania Avenue and open up Government.

CHILD SUPPORT SUFFERS DURING SHUTDOWN

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, it is truly difficult to balance the family budget when you do not know when the next check is coming in. I know, because 28 years ago I was a single working mother with three small children, and I never received the child support that I was owed. Yet, as we head into the 20th day of the Gingrich Government shutdown, that is the same situation that the new majority is forcing on thousands of American families. Each day the Gingrich shutdown drags on, approximately 20,000 deadbeat parents get off the hook from paying their child support.

It is one thing being poor, Mr. Speaker, but not knowing when and if a check will come in severely compounds the problem.

By continuing to insist on huge Medicare cuts and education cuts and massive special interest tax breaks, the Gingrich Republicans are leaving thousands of American families in limbo, not knowing when they will receive their next child support check. It is time to end the Gingrich shutdown.

CONGRESS AND THE PRESIDENT SHARE BLAME FOR SHUTDOWN

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, this is disgraceful. We have Members over here saying it is GINGRICH's fault, it is the President's fault. it is all of our faults, folks. We have not been able to get our act together. We could pass a continuing resolution. I favor doing that, and I voted yesterday with my colleagues to do it. But the President could have signed the appropriation bills, or he could have put a balanced budget on the table and that would end this entirely too. So we all share blame.

One of the most outrageous proposals I have seen is to recess this Congress until January 23. If we recess the time to move the discharge petition, that will take a longer period of time. I think that is wrong. We ought to bring this to a vote and let the House vote on it. Congress would go home for nearly 3 weeks and leave the Government unfunded. We would be asking Federal workers to work at their jobs for a period of 1 month and not pay them, if you can imagine that, while we being fully paid would go back to our districts.

I agree with the gentleman from Virginia [Mr. WOLF] and the gentlewoman from Maryland [Mrs. MORELLA], who just talked. While we vacation back home, we would be asking Federal workers to work without pay. It is wrong, it would be a disgrace, it would send a signal to the American people, let them eat cake. I will oppose it, Mr. Speaker.

SIGNS OF OUR TIMES

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, across the county, Americans are looking for some signs. Signs of progress.

Signs of leadership. Signs of decency. Unfortunately, this is still the only sign they see. "Closed." Why? Simple. Because of the close-minded radical right—Members who refuse to see any side to this issue other than their own.

But it is not just their minds that are closed. The Gingrich Republicans have closed their eyes, too. They close their eyes to the pain that their gutless gamesmanship has caused.

Seniors and children are denied nutrition programs, unemployed workers can not get benefits, and all the GOP does is talk about "holding the President's feet to the fire." Meanwhile, innocent Americans huddle around a fire to keep warm.

Yes—this GOP majority has opened its backrooms to big business lobbyists to help them write new laws. But it closes the door on hardworking Government employees who implement and enforce those laws.

Mr. Speaker, I urge you and your side of the aisle, to open up our minds, and say "Yes, we are open." Open the Government, now.

A CLEAR MISSION

(Mr. FRISA asked and was given permission to address the House for 1 minute.)

Mr. FRISA. Mr. Speaker, 1 year ago today I walked into this great House as a brandnew Member of Congress representing Long Island, NY. When I did that, I had one mission 1 year ago, and that was to do things differently, to get away from the rhetoric and the empty words that really are not truthful.

The simple fact is, we have done our job. The President does not like it. My colleagues on the other side of the aisle certainly do not like it.

Here is the result of our work product. We promised a balanced budget; we delivered it. Here it is. Mr. Speaker, anyone in this country who would like to get a copy of this real budget, call my office, 202-225-5516; I will send you one.

If you would like to see the President's alternative balanced budget, you do not have to call. You can see it right here. You cannot really see it, because it does not exist.

The President of the United States has not done his job. Though he has done a lot of yakking, and he has done a lot of blabbing; he has not rolled up his sleeves and done the real work and put numbers on the table.

UTAH CELEBRATES 100 YEARS OF STATEHOOD

(Mr. ORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTON. Mr. Speaker, today I join my fellow Utahns in celebrating Utah's Statehood Centennial. One hundred years ago, on January 4, 1896, my home State of Utah became the 45th State in the Union.

Utah had spent nearly 50 years attempting to become a State, and had been turned down six times by 1896. But the patriotic and pioneering spirit of those who settled in the Utah territory prevailed, and the news of the long sought after statehood was received with great rejoicing and enthusiasm as thousands of citizens participated in parades and celebrations on that cold January morning, celebrations being reenacted in Utah today.

Over the past 100 years, citizens of Utah have served our great Nation with distinction through military, government, civic, and religious activities.

Today, Utah enjoys the strongest economy and is among the most rapidly growing States in the Nation. It is without prejudice that we declare Utah to be the greatest place on Earth.

It is my honor to serve the people of Utah in this, the people's House of Representatives. Today, we in the Congress honor the contributions which Utahns have made to our Nation over the past century and look forward with great anticipation to the opportunities of service to one another in the next century.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 393

Mr. ZIMMER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 393.

The SPEAKER pro tempore (Mr. LA HOOD) Is there objection to the request of the gentleman from New Jersey?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Mr. REGULA. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. This is a privileged motion.

The Clerk read as follows:

Mr. REGULA moves to discharge the Committee on Appropriations from further consideration of the veto message on the bill (H.R. 1977) making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending September 30, 1996, and for other purposes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. REGULA] is recognized for 1 hour.

Mr. REGULA. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Illinois [Mr. YATES].

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion to discharge the Committee on Appropriations from further consideration of the veto message of the President to the bill H.R. 1977 and on the veto message itself, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and my colleagues, today we have an opportunity to correct a serious problem, and that is the lack of access to the Nation's treasures that result from the veto by the President of the Interior appropriations bill.

It is a good bill. We worked hard on it on both sides of the aisle. It was recommitted twice to the conference to take care of the problems of the Tongass to satisfy the environmental concerns and also to take care of the need for a mining moratorium. Those issues were addressed, and I think out of the give and take of the conference and the recommittals, we arrived at a good bill, a bill that is fair and a bill that is nonpartisan.

There are many projects that need to be finished that were in Members' districts, both Republican and Democrat. The parks, of course, serve all of the people of the United States, as well as do the cultural institutions downtown.

I want to say to my colleagues on the other side of the aisle that on December 20, 89 Members of the minority voted to override the President on securities litigation reform. That is a pretty esoteric bill, and I am going to borrow a phrase from my good friends on the other side of the aisle and say that was an override for the rich, because people involved in securities are pretty much well-to-do people; they certainly are not the average American.

They found it in their hearts to override the President's veto on a bill with a very narrow constituency, a bill that will be beneficial to a limited number of people.

Today we are asking my colleagues on the other side of the aisle to join us in voting to override a bill that affects 260 million Americans. This is an override for the people, and I would hope that the 89 Members of the other party that voted to override the President on a very sophisticated piece of legislation, affecting only a handful of Americans relatively, certainly would want to do the same for the 260 million Americans that want access to the treasures of this Nation.

Today we have an opportunity to open the facilities that Americans care about, to give them an opportunity if they come to the Nation's Capital to visit the Vermeer exhibit, one of the world's great treasures, at the National Gallery, which is scheduled to leave, I think, February 11, a very limited opportunity of time; an opportunity to see the marvelous exhibits at the Smithsonian; an opportunity for sportsmen that like to hunt ducks that are coming down the flyways and are stopping at the various facilities, one in Arkansas that I am aware of, the season I think opens or should have opened January 1; an opportunity for people that want to go to Philadelphia and see the Liberty Bell; an opportunity to visit the Holocaust Museum.

All we need is for my colleagues on the other side of the aisle, or for the 89 that wanted to override the securities legislation to say, let us open up these facilities to the American public, let us open our parks, let us open our forests.

□ 1045

What does a vote "yes" mean? A vote "yes" means that we can keep Indian schools open, it will provide welfare assistance to needy Indian children. A vote "yes" will ensure that essential services on Indian reservations, including health services, law enforcement, education, continue to be provided.

What will a "no" vote mean? A "no" jeopardized the health, the education, and the safety of over 1 million native Americans. Let me say here that we added, at the request of the administration, in the bill that they vetoed, we added prior to the veto, an extra $50 million for Indian programs. This was something I know that the ranking member of the Committee on Appropriations was interested in.

A vote to override the President's veto will ensure the collection of Federal revenues. Most people do not realize that from mining, oil and gas leasing, and timber harvesting, we collect $8 billion, not million, $8 billion in Federal revenues. But those collections agencies, such as MMS, are paralyzed because of the fact that they do not have people on the job. We could very well lose a substantial amount of money.

A "no" vote will jeopardize the collection of the $8 billion that are generated by the activities in this bill.

A "yes" vote will put 130,000 Federal employees back to work. It will ensure that they can provide for their families.

All we need today is for the 89 that voted to override on securities legislation to vote to override the President today, and we will put those 130,000 employees on the job as early as tomorrow.

What does a vote "no" mean? It means they still live in an era of uncertainty. They have difficulty meeting their monthly payments.

What will a "yes" vote do for our national parks? Some 369 national parks will open their doors. I call on 89 of you to help us open the doors. It will open 500 national wildlife refuges, our 150 national forests, the National Gallery of Art, the Smithsonian, our natural and cultural treasures will be opened to the public.

A "no" vote will lock the doors, will deny 260 million Americans access to those things that they treasure, the parks, the forests, the fish and wildlife facilities, the National Gallery, the Smithsonian, the Holocaust Museum. A "no" vote is to keep them out. It is very important that the American public understand that a "no" vote today is to deny access to these marvelous facilities.

What will a "yes" vote do for the American people? It means that they will have the things that they treasure. It means that they can appreciate their great out-of-doors, the public lands, the forests, the hiking and the camping areas, and these are a part of what we talk about in family values. A "yes" vote means that that family that wants to camp out in a national forest or a national park will have an opportunity to do so. A vote "yes" is a vote for the American people. A vote "no" is to say you are locked out, no access to the things that you treasure so much and that belong to all the Americans.

So I say to my colleagues, the right vote today is a vote "yes." If you can vote "yes" to take care of a handful of lawyers that deal in securities litigation, you certainly can vote "yes" to let 260 million Americans have access to the things they treasure, to the things that they own, to the things that are part of their heritage of this great Nation.

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management						
Management of lands and resources	597,236,000	616,547,000	570,017,000	563,936,000	568,062,000	-29,174,000
Fire protection	114,748,000	114,763,000				-114,748,000
Emergency Department of the Interior firefighting fund	121,176,000	131,482,000				-121,176,000
Wildland fire management			235,924,000	240,159,000	235,924,000	+235,924,000
Central hazmat account	13,409,000	14,024,000	10,000,000	10,000,000	10,000,000	-3,409,000
Construction and access	12,068,000	3,019,000	2,515,000	2,615,000	3,115,000	-8,953,000
Payments in lieu of taxes	101,409,000	113,911,000	111,409,000	100,000,000	101,500,000	+91,000
Land acquisition	14,757,000	24,473,000	8,500,000	10,550,000	12,800,000	-1,957,000
Oregon and California grant lands	97,364,000	112,752,000	91,387,000	95,364,000	93,379,000	-3,985,000
Range improvements (indefinite)	10,350,000	9,113,000	9,113,000	9,113,000	9,113,000	-1,237,000
Service charges, deposits, and forfeitures (indefinite)	8,883,000	8,993,000	8,993,000	8,993,000	8,993,000	+110,000
Miscellaneous trust funds (indefinite)	7,605,000	7,605,000	7,605,000	7,605,000	7,605,000	
Total, Bureau of Land Management	1,099,005,000	1,156,682,000	1,055,463,000	1,048,335,000	1,050,491,000	-48,514,000
United States Fish and Wildlife Service						
Resource management	511,334,000	535,018,000	497,150,000	501,478,000	497,943,000	-13,391,000
Construction	53,768,000	34,095,000	26,355,000	38,775,000	37,655,000	-16,113,000
Natural resource damage assessment and restoration fund	6,687,000	6,700,000	6,019,000	4,000,000	4,000,000	-2,687,000
Land acquisition	67,141,000	62,912,000	14,100,000	32,031,000	36,900,000	-30,241,000
Cooperative endangered species conservation fund	8,983,000	38,000,000	8,085,000	8,085,000	8,085,000	-898,000
National wildlife refuge fund	11,977,000	11,371,000	10,779,000	10,779,000	10,779,000	-1,198,000
Rewards and operations	1,167,000	1,169,000	600,000	600,000	600,000	-567,000
North American wetlands conservation fund	8,983,000	12,000,000	4,500,000	6,750,000	6,750,000	-2,233,000
Lahonton Valley and Pyramid Lake fish and wildlife fund		152,000	152,000	152,000	152,000	+152,000
Rhinoceros and tiger conservation fund		400,000	200,000	200,000	200,000	+200,000
Wildlife conservation and appreciation fund	998,000	1,000,000	998,000	800,000	800,000	-198,000
Total, United States Fish and Wildlife Service	671,038,000	702,817,000	568,938,000	603,650,000	603,864,000	-67,174,000
Natural Resources Science Agency						
Research, inventories, and surveys	162,041,000	172,696,000		145,965,000		-162,041,000
National Park Service						
Operation of the national park system	1,077,900,000	1,157,738,000	1,088,249,000	1,092,265,000	1,083,151,000	+5,251,000
National recreation and preservation	42,941,000	39,305,000	35,725,000	38,094,000	37,649,000	-5,292,000
Historic preservation fund	41,421,000	43,000,000	37,934,000	38,312,000	36,212,000	-5,209,000
Construction	167,688,000	179,883,000	114,868,000	116,480,000	143,225,000	-24,463,000
Urban park and recreation fund	6,000	2,300,000				-6,000
Land and water conservation fund (rescission of contract authority)	-30,000,000	-30,000,000	-30,000,000	-30,000,000	-30,000,000	
Land acquisition and state assistance	87,373,000	82,696,000	14,300,000	45,187,000	49,100,000	-38,273,000
Crime Trust Fund		15,200,000				
Total, National Park Service (net)	1,387,329,000	1,490,122,000	1,261,076,000	1,300,338,000	1,319,337,000	-67,992,000
United States Geological Survey						
Surveys, investigations, and research	571,462,000	586,369,000	686,944,000	577,503,000	730,503,000	+159,041,000
Minerals Management Service						
Royalty and offshore minerals management	188,181,000	193,348,000	186,556,000	182,169,000	182,994,000	-5,187,000
Oil spill research	6,440,000	7,892,000	6,440,000	6,440,000	6,440,000	
Total, Minerals Management Service	194,621,000	201,240,000	192,996,000	188,609,000	189,434,000	-5,187,000
Bureau of Mines						
Mines and minerals	152,427,000	132,507,000	87,000,000	128,007,000	64,000,000	-88,427,000
Office of Surface Mining Reclamation and Enforcement						
Regulation and technology	109,795,000	107,152,000	92,751,000	95,470,000	95,470,000	-14,325,000
Receipts from performance bond forfeitures (indefinite)	1,189,000	501,000	500,000	500,000	500,000	-689,000
Subtotal	110,984,000	107,653,000	93,251,000	95,970,000	95,970,000	-15,014,000
Abandoned mine reclamation fund (definite, trust fund)	182,423,000	185,120,000	176,327,000	170,441,000	173,887,000	-8,536,000
Total, Office of Surface Mining Reclamation and Enforcement	293,407,000	292,773,000	269,578,000	266,411,000	269,857,000	-23,550,000

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Bureau of Indian Affairs						
Operation of Indian programs	1,519,012,000	1,609,842,000	1,509,628,000	1,261,234,000	1,384,434,000	-134,578,000
Construction	120,450,000	125,424,000	98,033,000	107,333,000	100,833,000	-19,617,000
Indian land and water claim settlements and miscellaneous payments to Indians	77,096,000	151,025,000	75,145,000	82,745,000	80,645,000	+3,549,000
Navajo rehabilitation trust fund	1,996,000					-1,996,000
Technical assistance of Indian enterprises	1,966,000	1,966,000		900,000	500,000	-1,466,000
Indian direct loan program account	779,000					-779,000
(Limitation on direct loans)	(10,890,000)					(-10,890,000)
Indian guaranteed loan program account	9,671,000	9,684,000		7,700,000	5,000,000	-4,671,000
(Limitation on guaranteed loans)	(46,900,000)	(70,100,000)		(50,680,000)	(35,914,000)	(-10,986,000)
Total, Bureau of Indian Affairs	1,730,970,000	1,897,941,000	1,682,806,000	1,459,912,000	1,571,412,000	-159,558,000
Territorial and International Affairs						
Assistance to territories	50,481,000	41,512,000	24,685,000	40,468,000	37,468,000	-13,013,000
Northern Mariana Islands Covenant	27,720,000	27,720,000	27,720,000	27,720,000	27,720,000	
Subtotal	78,201,000	69,232,000	52,405,000	68,188,000	65,188,000	-13,013,000
Trust Territory of the Pacific Islands	19,800,000					-19,800,000
Compact of Free Association	13,574,000	10,038,000	14,618,000	10,038,000	10,038,000	-3,536,000
Mandatory payments	10,000,000	14,900,000	14,900,000	14,900,000	14,900,000	+4,900,000
Subtotal	23,574,000	24,938,000	29,518,000	24,938,000	24,938,000	+1,364,000
Total, Territorial and International Affairs	121,575,000	94,170,000	81,923,000	93,126,000	90,126,000	-31,449,000
Departmental Offices						
Departmental management	62,479,000	64,772,000	53,919,000	57,796,000	57,796,000	-4,683,000
Office of the Solicitor	34,608,000	35,361,000	34,608,000	34,608,000	34,608,000	
Office of Inspector General	23,939,000	25,485,000	23,939,000	23,939,000	23,939,000	
Construction Management	1,996,000	2,000,000		500,000	500,000	-1,496,000
National Indian Gaming Commission	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Office of Special Trustee for American Indians				16,338,000	16,338,000	+16,338,000
Total, Departmental Offices	124,022,000	128,618,000	113,466,000	134,181,000	134,181,000	+10,159,000
Total, title I, Department of the Interior:						
New budget (obligational) authority (net)	6,507,897,000	6,855,935,000	6,000,190,000	5,946,037,000	6,023,205,000	-484,692,000
Appropriations	(6,537,897,000)	(6,870,735,000)	(6,030,190,000)	(5,976,037,000)	(6,053,205,000)	(-484,692,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	
Crime trust fund		(15,200,000)				
(Limitation on direct loans)	(10,890,000)					(-10,890,000)
(Limitation on guaranteed loans)	(46,900,000)	(70,100,000)		(50,680,000)	(35,914,000)	(-10,986,000)
TITLE II - RELATED AGENCIES						
DEPARTMENT OF AGRICULTURE						
Forest Service						
Forest research	193,748,000	203,796,000	182,000,000	177,000,000	178,000,000	-15,748,000
State and private forestry	154,268,000	187,459,000	129,551,000	136,794,000	136,794,000	-17,474,000
Emergency pest suppression fund	17,000,000					-17,000,000
International forestry	4,987,000	10,000,000				-4,987,000
National forest system	1,328,893,000	1,348,755,000	1,266,688,000	1,247,543,000	1,256,253,000	-72,640,000
Forest Service fire protection	159,285,000	164,285,000				-159,285,000
Emergency Forest Service firefighting fund	226,200,000	239,000,000				-226,200,000
Emergency appropriations	450,000,000					-450,000,000
Wildland Fire Management			385,485,000	381,485,000	385,485,000	+385,485,000
Construction	199,215,000	192,338,000	120,000,000	186,888,000	163,500,000	-35,715,000
Timber receipts transfer to general fund (indefinite)	(-44,769,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(+221,000)
Timber purchaser credits	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	
Land acquisition	63,882,000	65,311,000	14,600,000	41,167,000	41,200,000	-22,682,000
Acquisition of lands for national forests, special acts	1,250,000	1,317,000	1,069,000	1,069,000	1,069,000	-181,000
Acquisition of lands to complete land exchanges (indefinite)	210,000	210,000	210,000	210,000	210,000	
Range betterment fund (indefinite)	4,575,000	3,976,000	3,976,000	3,976,000	3,976,000	-599,000
Gifts, donations and bequests for forest and rangeland research	89,000	92,000	92,000	92,000	92,000	+3,000
Total, Forest Service	2,803,602,000	2,416,539,000	2,103,671,000	2,176,224,000	2,166,579,000	-637,023,000
DEPARTMENT OF ENERGY						
Clean coal technology	-337,879,000	-155,019,000				+337,879,000
Fossil energy research and development	423,701,000	436,508,000	379,524,000	376,181,000	417,169,000	-6,532,000
(By transfer)	(17,000,000)					(-17,000,000)
Alternative fuels production (indefinite)	-3,900,000	-2,400,000	-2,400,000	-2,400,000	-2,400,000	+1,500,000
Naval petroleum and oil shale reserves	187,048,000	101,028,000	151,028,000	136,028,000	148,786,000	-38,262,000
Energy conservation	755,751,000	923,561,000	556,371,000	576,976,000	553,293,000	-202,458,000
Biomass Energy Development (transfer)		-16,000,000	-16,000,000	-16,000,000	-16,000,000	-16,000,000

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Economic regulation	12,413,000	10,500,000	6,297,000	8,038,000	6,297,000	-6,116,000
Emergency preparedness	8,233,000	8,219,000	....	....	....	-8,233,000
Strategic Petroleum Reserve	135,954,000	25,689,000	....	....	....	-135,954,000
(By transfer)	(90,764,000)	(187,000,000)	(187,000,000)	(187,000,000)	(187,000,000)	(+96,236,000)
Energy Information Administration	84,566,000	84,689,000	79,766,000	64,766,000	72,266,000	-12,300,000
Total, Department of Energy	1,265,887,000	1,416,775,000	1,154,586,000	1,143,589,000	1,179,411,000	-86,476,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Indian Health Service						
Indian health services	1,709,780,000	1,816,350,000	1,725,792,000	1,815,373,000	1,747,842,000	+38,062,000
Indian health facilities	253,282,000	242,672,000	236,975,000	151,227,000	238,958,000	-14,324,000
Total, Indian Health Service	1,963,062,000	2,059,022,000	1,962,767,000	1,966,600,000	1,986,800,000	+23,738,000
DEPARTMENT OF EDUCATION						
Office of Elementary and Secondary Education						
Indian education	81,341,000	84,785,000	52,500,000	54,660,000	52,500,000	-28,841,000
OTHER RELATED AGENCIES						
Office of Navajo and Hopi Indian Relocation						
Salaries and expenses	24,888,000	26,345,000	21,345,000	20,345,000	20,345,000	-4,543,000
Institute of American Indian and Alaska Native Culture and Arts Development						
Payment to the Institute	11,213,000	19,846,000	5,500,000	5,500,000	5,500,000	-5,713,000
Smithsonian Institution						
Salaries and expenses	313,853,000	329,800,000	309,471,000	307,988,000	308,188,000	-5,665,000
Construction and improvements, National Zoological Park	3,042,000	4,950,000	3,000,000	3,250,000	3,250,000	+208,000
Repair and restoration of buildings	23,954,000	34,000,000	24,954,000	33,954,000	33,954,000	+10,000,000
Construction	21,857,000	38,700,000	12,950,000	27,700,000	27,700,000	+5,843,000
Total, Smithsonian Institution	362,706,000	407,450,000	350,375,000	372,892,000	373,092,000	+10,386,000
National Gallery of Art						
Salaries and expenses	52,902,000	54,566,000	51,315,000	51,844,000	51,844,000	-1,058,000
Repair, restoration and renovation of buildings	4,016,000	9,885,000	5,500,000	7,385,000	6,442,000	+2,426,000
Total, National Gallery of Art	56,918,000	64,451,000	56,815,000	59,229,000	58,286,000	+1,368,000
John F. Kennedy Center for the Performing Arts						
Operations and maintenance	10,323,000	10,373,000	9,800,000	10,323,000	10,323,000	....
Construction	8,983,000	9,000,000	8,983,000	8,983,000	8,983,000	....
Total, John F. Kennedy Center for the Performing Arts	19,306,000	19,373,000	18,783,000	19,306,000	19,306,000	....
Woodrow Wilson International Center for Scholars						
Salaries and expenses	8,878,000	10,070,000	5,140,000	6,537,000	5,840,000	-3,038,000
National Foundation on the Arts and the Humanities						
National Endowment for the Arts						
Grants and administration	133,846,000	143,675,000	82,259,000	88,765,000	82,259,000	-51,587,000
Matching grants	28,512,000	28,725,000	17,235,000	21,235,000	17,235,000	-11,277,000
Total, National Endowment for the Arts	162,358,000	172,400,000	99,494,000	110,000,000	99,494,000	-62,864,000
National Endowment for the Humanities						
Grants and administration	146,131,000	156,087,000	82,469,000	94,000,000	94,000,000	-52,131,000
Matching grants	25,913,000	25,913,000	17,025,000	16,000,000	16,000,000	-9,913,000
Total, National Endowment for the Humanities	172,044,000	182,000,000	99,494,000	110,000,000	110,000,000	-62,044,000
Institute of Museum Services						
Grants and administration	28,715,000	29,800,000	21,000,000	21,000,000	21,000,000	-7,715,000
Total, National Foundation on the Arts and the Humanities	363,117,000	384,200,000	219,988,000	241,000,000	230,494,000	-132,623,000
Commission of Fine Arts						
Salaries and expenses	834,000	879,000	834,000	834,000	834,000	....
National Capital Arts and Cultural Affairs						
Grants	7,500,000	6,941,000	6,000,000	6,000,000	6,000,000	-1,500,000
Advisory Council on Historic Preservation						
Salaries and expenses	2,947,000	3,063,000	3,063,000	2,500,000	2,500,000	-447,000

FY 1996 INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL (H.R. 1977) — continued

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
National Capital Planning Commission						
Salaries and expenses	5,655,000	6,000,000	5,090,000	5,090,000	5,090,000	-565,000
Franklin Delano Roosevelt Memorial Commission						
Salaries and expenses	48,000	147,000	48,000	147,000	147,000	+99,000
Pennsylvania Avenue Development Corporation						
Salaries and expenses	2,738,000	3,043,000	2,000,000			-2,738,000
Public development	4,084,000	2,445,000				-4,084,000
Land acquisition and development fund		1,388,000				
Total, Pennsylvania Avenue Development Corporation	6,822,000	6,876,000	2,000,000			-6,822,000
United States Holocaust Memorial Council						
Holocaust Memorial Council	26,609,000	28,707,000	28,707,000	26,609,000	28,707,000	+2,098,000
Total, title II, Related Agencies	7,011,333,000	6,961,469,000	5,997,212,000	6,107,062,000	6,141,431,000	-869,902,000
(Timber receipts transfer to general fund, indefinite)	(-44,769,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(+221,000)
(Timber purchaser credits)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	
TITLE III - GENERAL REDUCTION						
General reduction, Energy conservation			-12,799,000			
Grand total:						
New budget (obligational) authority (net)	13,519,230,000	13,817,404,000	11,984,603,000	12,053,099,000	12,164,636,000	-1,354,594,000
Appropriations	(13,549,230,000)	(13,832,204,000)	(12,027,402,000)	(12,083,099,000)	(12,194,636,000)	(-1,354,594,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	
Crime trust fund		(15,200,000)				
(Timber receipts transfer to general fund, indefinite)	(-44,769,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(-44,548,000)	(+221,000)
(Timber purchaser credits)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	
(By transfer)	(107,764,000)	(187,000,000)	(187,000,000)	(187,000,000)	(187,000,000)	(+79,236,000)
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management	1,099,005,000	1,156,682,000	1,055,463,000	1,048,335,000	1,050,491,000	-48,514,000
United States Fish and Wildlife Service	671,038,000	702,817,000	568,938,000	603,650,000	603,864,000	-67,174,000
National Biological Service	162,041,000	172,696,000		145,965,000		-162,041,000
National Park Service	1,387,329,000	1,490,122,000	1,261,076,000	1,300,338,000	1,319,337,000	-67,992,000
United States Geological Survey	571,462,000	586,369,000	686,944,000	577,503,000	730,503,000	+159,041,000
Minerals Management Service	194,621,000	201,240,000	192,996,000	188,609,000	189,434,000	-5,187,000
Bureau of Mines	152,427,000	132,507,000	87,000,000	128,007,000	64,000,000	-88,427,000
Office of Surface Mining Reclamation and Enforcement	293,407,000	292,773,000	269,578,000	266,411,000	269,857,000	-23,550,000
Bureau of Indian Affairs	1,730,970,000	1,897,941,000	1,682,806,000	1,459,912,000	1,571,412,000	-159,558,000
Territorial and International Affairs	121,575,000	94,170,000	81,923,000	93,126,000	90,126,000	-31,449,000
Departmental Offices	124,022,000	128,618,000	113,466,000	134,181,000	134,181,000	+10,159,000
Total, Title I - Department of the Interior	6,507,897,000	6,855,935,000	6,000,190,000	5,946,037,000	6,023,205,000	-484,692,000
TITLE II - RELATED AGENCIES						
Forest Service	2,803,602,000	2,416,539,000	2,103,671,000	2,176,224,000	2,166,579,000	-637,023,000
Department of Energy	1,265,887,000	1,416,775,000	1,154,586,000	1,143,589,000	1,179,411,000	-86,476,000
Indian Health Service	1,963,062,000	2,059,022,000	1,962,767,000	1,966,600,000	1,986,800,000	+23,738,000
Indian Education	81,341,000	84,785,000	52,500,000	54,660,000	52,500,000	-28,841,000
Office of Navajo and Hopi Indian Relocation	24,888,000	26,345,000	21,345,000	20,345,000	20,345,000	-4,543,000
Institute of American Indian and Alaska Native Culture and Arts Development	11,213,000	19,846,000	5,500,000	5,500,000	5,500,000	-5,713,000
Smithsonian Institution	362,706,000	407,450,000	350,375,000	372,892,000	373,092,000	+10,386,000
National Gallery of Art	56,918,000	64,451,000	56,815,000	59,229,000	58,286,000	+1,368,000
John F. Kennedy Center for the Performing Arts	19,306,000	19,373,000	18,783,000	19,306,000	19,306,000	
Woodrow Wilson International Center for Scholars	8,878,000	10,070,000	5,140,000	6,537,000	5,840,000	-3,038,000
National Endowment for the Arts	162,358,000	172,400,000	99,494,000	110,000,000	99,494,000	-62,864,000
National Endowment for the Humanities	172,044,000	182,000,000	99,494,000	110,000,000	110,000,000	-62,044,000
Institute of Museum Services	28,715,000	29,800,000	21,000,000	21,000,000	21,000,000	-7,715,000
Commission of Fine Arts	834,000	879,000	834,000	834,000	834,000	
National Capital Arts and Cultural Affairs	7,500,000	6,941,000	6,000,000	6,000,000	6,000,000	-1,500,000
Advisory Council on Historic Preservation	2,947,000	3,063,000	3,063,000	2,500,000	2,500,000	-447,000
National Capital Planning Commission	5,655,000	6,000,000	5,090,000	5,090,000	5,090,000	-565,000
Franklin Delano Roosevelt Memorial Commission	48,000	147,000	48,000	147,000	147,000	+99,000
Pennsylvania Avenue Development Corporation	6,822,000	6,876,000	2,000,000			-6,822,000
Holocaust Memorial Council	26,609,000	28,707,000	28,707,000	26,609,000	28,707,000	+2,098,000
Total, Title II - Related Agencies	7,011,333,000	6,961,469,000	5,997,212,000	6,107,062,000	6,141,431,000	-869,902,000
TITLE III - GENERAL REDUCTION						
General reduction, Energy conservation			-12,799,000			
Grand total	13,519,230,000	13,817,404,000	11,984,603,000	12,053,099,000	12,164,636,000	-1,354,594,000

Mr. REGULA. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my good friend from Ohio is trying to continue a coverup. I do not understand, Mr. Speaker, why he does not come in with a good bill, a bill of which we on the committee can be proud, instead of trying to revive a dead, discredited bill.

We should approve not only a clean continuing resolution, and then we can pass an Interior bill the President can sign, not this bill, which the President rightfully vetoed. The gentleman did not indicate the defects in this bill, and we know why the President vetoed the Interior conference bill, because it is a bad bill and it would have been wrong on the part of the President to sign this bill.

My good friend, the gentleman from Louisiana [Mr. LIVINGTON], the chairman of the Committee on Appropriations, at the last time this bill was on the floor, got up before the House and said that we all know why the Government is shut down, it is because the President vetoed this bill. Well, of course the President vetoed this bill because it was the right thing to do. He vetoed the bill because it slashes funding for the Native Americans by $325 million.

My friend from Ohio talks about the additional $50 million they have put in. That is a sop, a pittance, when one realize that the original cut to the funds for the Native Americans was over $400 million by the Senate, almost a half billion dollars.

The President vetoed the bill because the low income weatherization program is gutted by lack of appropriations. He vetoed the bill because the National Endowment for the Arts and the Humanities are cut in half. He vetoed the bill because America's greatest forest, the Tongass National Forest in Alaska, will be increased in its cut of timber by one-third. If its harvests in the past are any indication, the cut will be a clear-cut, as well. It treats the Native Americans like second-class citizens. It suspends the environmental laws that give the public a right to protest the breaches to the environmental laws that the increases in the cuts are liable to make.

My good friends in the majority do not believe this veto override will be successful. My friend from Ohio points out all the things that an override of this veto will bring. Well, the evils in this bill are such that the President could not possibly have signed the bill. Those wrongs will continue, because I am sure that the President continues the same frame of mind.

There has been no effort on the part of the majority to rework this bill. The conference took care of the moratorium for mining and little else.

As I indicated, the chairman of the committee, and it is indicated, also, by my friend from Ohio that the veto of the President was responsible for the closing of the Government. The fact is that the wrongs in this bill were emphasized by the House's veto on two separate occasions of this bill. Motions to recommit the bill to committee were approved by the House. So they believed, along with the President, that this was not a good bill. If it is not a good bill, why, then, does the gentleman from Ohio ask for an override?

All of these wrongs could be satisfied by passing a clean continuing resolution, as has been pointed out so frequently. Because that continuing resolution is not passed, because this is such a bad bill, our national parks are closed, the National Gallery of Art is closed, and the Vermeer exhibition is barred from showing to the public through the expenditure of public funds, although the Mellon Foundation, as it has done so frequently in the past, has come to the rescue of the Vermeer exhibition, and the public will be allowed to see it until its scheduled time for closing takes place.

The Smithsonian is shut down. Millions of Americans whose livelihood depends upon the Interior Department, the Forest Service, and upon other agencies are left out in the cold.

Mr. Speaker, let me give some examples of what is happening as a result of what the closedown of the Government is doing to this bill.

Welfare assistance to 53,000 Indian families has been ended. Child welfare assistance to 3,000 Indian children in foster homes and orphanages is cut off. Indian tribes that rely on funding from the Bureau of Indian Affairs are having to furlough employees, close schools, and close tribal jails. Over 383,000 visitors have been turned away from the national parks, having a devastating effect on towns and businesses that rely on that tourism.

Local communities are losing over $14 million every day because of the park closures. Thousands of service industry workers have lost their jobs as a result.

The Park Service has been forced to evict people who are camping in the Everglades National Park in Florida. The Minerals Management Service is prevented from issuing permits to begin exploration or development of authorized offshore oil and gas deposits. A Federal criminal trial against an international wildlife smuggling ring in Chicago has been delayed because the Fish and Wildlife Service cannot provide crucial assistance to the Justice Department. The National Biologic Service has been prevented from investigating an alarming increase in the death of bald eagles and sea otters.

The list of hardships and tragedies, Mr. Speaker, goes on an on. The Nation burns and the House of Representatives fiddles. We should have had meetings of the full committee, not just of the chairman of the House subcommittee and the chairman of the Senate subcommittee, to decide what will go into the bill. Other members of the committee have contributions to make, as well.

I believe, Mr. Speaker, we must defeat this motion to override the President's veto, and only then can we have a serious discussion of how to fix up the Interior bill which the President was so correct in vetoing.

Mr. Speaker, I reserve the balance of my time.

Mr. REGULA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is important that we respond to the gentleman from Illinois.

Number one, he made a great case for overriding the President's veto. He pointed out all of the things that are happening, how people are being penalized in so many different ways, how the health is in jeopardy for Indians and so on. There is a very simple way to cure that, I would say to the gentleman, my friend from Illinois, and that is, vote to override the President's veto.

This bill, as we well know, has a lot of good things in it. Let me just mention a couple.

We are talking about the Native Americans being second class. One-fourth, 25 percent of the money in this bill is for Native Americans, $3 billion. They are hardly second class when we are appropriating 3 billion taxpayer dollars to support the many and varied programs. As I would point out, we did respond, actually we put more in the conference and in the bill that finally went to the White House than was requested by the President during earlier negotiations.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman knows that the amount requested by the President was $1.9 billion. The amount that the conference approved and which is in this bill is $325 million less than the amount requested by the President.

Mr. REGULA. As the gentleman would recognize, though, that in the negotiations, and I want to address that, the gentleman said that we made no attempt to work with the White House. We did and I have a whole list of things here that we changed in response to the White House. They said initially, and I would add they keep moving the goal posts, that is part of the problem; we no sooner respond to the White House's request than the goalposts move.

□ 1100

They asked for $110 million, this is not the original request, this is after we were in conference, they asked for $110 million over the Senate-passed level. We ended up with $111.5 million over the Senate, plus $25 million additional for the Indian Health Service. And I could go through the whole list of things that the White House requested during the conference to which we responded, perhaps not totally, but as much as possible.

Part of what is at issue here is how much we are going to spend. I have to agree, we are not spending as much as the minority party would like. But the American people have said, we are not willing to borrow money from our grandchildren to fund today's programs. So the allocation to us was 10 percent under 1995's appropriation.

Mr. YATES. Mr. Speaker, if the gentleman will continue to yield, does the gentleman think the American people want the Indian children to be deprived of their food and of their necessities of life? This bill and the failure to provide a clean continuing resolution are doing that. The gentleman knows it as well.

Mr. REGULA. Mr. Speaker, I would only point out that with $3 billion, they are not actually being deprived. That is a lot of money. It goes to these many programs. The person that is depriving the Indians of access to these funds is the President of the United States. I hope that 89 of my colleagues will recognize that today, as they did on the securities litigation legislation, and will support the fact that we want this $3 billion to go to the Indian programs.

The gentleman mentioned increasing cuts. Certainly we had to reduce spending to meet the 10 percent reduction goal. But I have to say that I think we have done a responsible job, given the fiscal constraints.

The gentleman and I have served on this committee for many years together and in the past years we were always able to spend more each year. That made life easy. We just added another 5 percent to everybody's program or 3 or whatever the number was, and everybody was happy. Because the American people, in November of 1994, said, wait a minute, we do not want to put our grandchildren in debt. They already owe $20,000 apiece. We do not want to add to that for Government programs. So as a result the Committee on the Budget gave us 10 percent less than 1995. So instead of having an increase, as we have had in the past, we had a reduction. So we did it and we worked together in many respects.

We did the must-dos. We flat funded the parks, the Smithsonian, the National Gallery so they can stay open for the public, the Forest Service, the Fish and Wildlife Service. We did the need-to-does, things that needed to be fixed, repairs and so on. The nice-to-dos took a hit. There is no question about it. We abolished the Bureau of Mines. We did a number of other things. But frankly, unless we are willing to continue borrowing money from future generations, we are simply going to have to restrain our spending. That is what we did here. We tried to do it in a fair manner. I do not think the gentleman would disagree that given the fiscal constraints we had that we were at least bipartisan in allocating the money.

Mr. YATES. Mr. Speaker, if the gentleman will continue to yield, will the gentleman tell me why the majority, the Republican majority agreed to increase the cut for the Tongass forest by at least a third?

Mr. REGULA. Mr. Speaker, I would say to the gentleman that the original was, I think, something like 450. We got it back to 418. But the money we put in the bill, which is the real world, limits the cut to exactly or a little less than has been cut in the past during the time that the gentleman was chairman of this committee.

Mr. YATES. Mr. Speaker, will the gentleman be surprised in the event that the cut went beyond the amount that he says will be authorized by, paid for by the 320?

Mr. REGULA. Mr. Speaker, I would be surprised because history tells us that the money we put in will probably result in a smaller cut, and I would also point out to the gentleman that it is the President's chief of the Forest Service, appointed by the President, that is managing the Tongass as part of the Forest Service. Therefore, decisions that are made along the lines the gentleman is discussing will be made by the employees or certainly the executive branch appointees that have responsible positions. There is no way that they can, by magic, create money out of the air so that with the money that is in the bill, the cut really is restricted to what we have had in the past.

Mr. YATES. Mr. Speaker, will the gentleman tell us why the Republican majority agreed to nullify the environmental laws by depriving the public of the right to protest the increases in the cuts?

Mr. REGULA. Mr. Speaker, I would tell the gentleman No. 1, in the recommittal we took out the sufficiency language with the exception of one sale. This is a parallel to what happened when the gentleman was chairman on the Oregon situation at the request of Senator HATFIELD. Any further sales other than the one that is just changing the location are subject to sufficiency language, which means it has to go through the courts, through the EPA and all the requirements.

Mr. YATES. Mr. Speaker, has the sufficiency language been taken out of the cut in the Northwest States of the United States?

Mr. REGULA. The language that was placed in the bill that the gentleman was chairing?

Mr. YATES. Mr. Speaker, the bill that I chaired that had sufficiency language goes back something like 8 or 9 years. There was no sufficiency language after that. It was done for one time only. Yet there is sufficiency language for the amendment that was introduced by the gentleman from Arizona [Mr. KOLBE]. The people of the State of Arizona, the environmental community is deprived of the opportunity of protesting because of sufficiency language.

Mr. REGULA. Mr. Speaker, reclaiming my time, I notice that the President never even mentioned that in his override message.

Mr. YATES. Mr. Speaker, does the gentleman know why?

Mr. REGULA. Because they were a party to it.

Mr. YATES. On the contrary, Mr. Speaker, it was put in because the amendment of the gentleman from Arizona was put in after the President's statement had been drafted.

Mr. REGULA. Mr. Speaker, reclaiming my time, how could he write the statement until he had the bill? He vetoed the bill at 11 a.m. We did not get the veto message until 5 p.m. explaining his decision. So he had 6 hours, if he wanted to get it in there.

Mr. YATES. Mr. Speaker, if the gentleman will continue to yield, the fact remains that the gentleman has not replied to my point about the sufficiency language being in the bill as being applicable to the cut that takes place in the forests of the Northwest.

Mr. REGULA. Well, we are having a good discussion. I do not want to use too much of my time here.

Mr. YATES. But the gentleman has not really answered my question.

Mr. REGULA. Mr. Speaker, I am not sure what the gentleman is referring to. We had one instance, just as he had one instance when he was chairman, of sufficiency language being included and that was on a sale in the Tongass that has already gone through all the environmental steps. It is just that the people that were going to purchase it are out of business so it is a moving of that sale to another purchaser. But the environmental requirements had all been met. That is the reason we put sufficiency on that one item. I agree we had it in originally on the Tongass generally, but we took that out. That was one of the things that was negotiated on the recommittals.

Mr. YATES. Mr. Speaker, what about the marbled murrelet provision? The marbled murrelet provision, is that not still subject to sufficiency language?

Mr. REGULA. The marbled murrelet is in the bill that went to the White House.

Mr. YATES. It is subject to sufficiency language, is it not?

Mr. REGULA. No, that is not. That is a different issue, and we only had the one sufficiency, similar to what the gentleman had in the bill for Oregon some years ago.

Mr. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield 6 minutes to the gentleman from Wisconsin [Mr. OBEY], ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I am simply stuck here, forced to repeat much of what I said yesterday on two previous veto overrides. Nothing real is happening here today. There is no real legislation which is being pursued here today.

Everybody knew the President was going to veto this bill. He made it quite clear. He indicated he was not going to sign a bill which has a huge increase in logging in the Tongass, one of the few temperate rain forests left in the world. He made it quite clear that he was not going to accept the reversal of the California Desert Protection Act, which passed last year. He made it quite clear he was not going to support other provisions, including major reductions in weatherization programs for low-income people trying to stay warm in a cold winter.

But this is not about the veto. Everybody knows this veto is not going to be overridden. The only reason we are having this silly debate on the floor here today is because the majority party is trying to keep off the floor any effort to open up the entire Government. So this is a time filler. We are going to waste 2 hours on something which is going nowhere.

Now, I would simply point out, in contrast to what my good friend from Ohio has said, the President did not shut down the Government. Presidents have for time immemorial vetoed legislation which they thought was out of whack. Those vetoes did not shut down the Government because previous Congresses were responsible enough to pass continuing resolutions so that the Government remained open.

This Congress has refused to do that because there is a strategic decision which has been made by Mr. GINGRICH and his clones. That decision has been that unless the President is going to accept their reductions in Medicare, their reductions in Medicaid, their reductions in education, and their other demands in the 7-year budget negotiations going on in another room on other subjects—unless the President is going to cave on that collection of issues, that in order to put the squeeze on the President—they are going to keep the Government closed. That is the decision that my colleagues on that side of the aisle have decided that they are going to make. They are apparently willing to take all the heat from the public that is going to be generated in order to get their way.

Collectively, they are holding their breath and turning blue until the President caves. That is what is going on.

Now, it seems to me that that is not what the public sent us here to do. I want to congratulate the action taken by the Senate majority leader, Senator DOLE. I think that action has defined the difference between fighting for principles within a rational construct and simply behaving like nihilists, pretending that you are principled. I really believe that the only way we are going to get out of this impasse is for our moderate friends on the Republican side of the aisle to recognize that sooner or later they are going to have to make a choice between following the rational leadership of someone like BOB DOLE or following the irrational leadership, in my view, of someone like Mr. GINGRICH.

Until my colleagues make that choice, the taxpayers are going to be stuck with the incredible spectacle of first seeing Government workers prevented from doing the work that they are being paid for and then later on seeing the spectacle of workers being required to work for which they are not getting paid. It is really an Alice-in-Wonderland world.

What ought to happen is very simple. My colleagues ought to stop this 2-hour charade. They ought to bring to the floor legislation which opens up the Government and allows everyone to go back to work. But that is not going to happen. The chairman of this committee summarized several weeks ago why it is not going to happen. He held a press conference after the President signed the defense appropriations bill and then said the following:

> If the Government shuts down on December 15 and 300,000 people are again out of work, most of the people going out will be his people; I think he is going to care more than we do.

That was said by the distinguished chairman and my good friend, the distinguished chairman of this committee, Mr. LIVINGSTON.

Mr. Speaker, unfortunately, the truth of this statement has been demonstrated. It is apparent that there is very little concern on that side of the aisle for the 300,000 Government workers who are being forced into these silly circumstances, and there is very little concern for the taxpayers who have a right to get the services for which they have already paid taxes. They have a right.

The Congress ought to quit this silly game. My colleagues ought to follow the lead of Senator DOLE. They ought to bring up that clean continuing resolution to open the Government so that we can continue to discuss our other differences like adults, without shooting innocent people in the process. Until they face up to their responsibilities and open up the Government, that is exactly what is happening.

□ 1115

All my colleagues are doing is shooting the innocent because of incredible arrogance that some people in this House have, the incredible arrogance to think that their political ideology is more important than the service we are supposed to provide our constituents. That is outrageous.

Mr. YATES. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I wish to first thank the gentleman from Illinois [Mr. YATES] for giving me 4 minutes, and I have to agree with everything that the gentleman from Wisconsin [Mr. OBEY] has just said, and I would like to maintain that thought just a little longer because to me, what I am seeing happen in this House, and I have seen it since December 15, is something that I, who have served here now starting my 20th year, have never seen before, and I say that in the history of this country no one has ever seen before, no Member of this House in all those 207 years has seen the cynicism of what I call the radical right wing Republicans led by our Speaker in the approach to how we run the Government, and that approach is, Mr. Speaker, they use blackmail. If they cannot get their way on a balanced budget provision or reconciliation bill which they call a Balanced Budget Act, then they are going to shut down the Government until the President agrees to what they want in a balanced budget.

Now that is as simple as that, my colleagues. It is pure blackmail. I never thought that I would ever see a Member of Congress elected by his constituents elect to use a shutdown of the Government in order to get their views on something. We are seeing it right here today on this bill.

It is very apparent to me that the gentleman from Ohio, the gentleman from Arizona, the gentleman from Alaska, those on that side, are going to say, "Well, we let you have a vote to override the President." Purse cynicism. Then they are not going to do anything more. They know the vote is not going to be in their favor, as the gentleman from Wisconsin [Mr. OBEY] has rightly proven. We are not going to override the President because there are things in this bill that many of us cannot accept.

Mr. Speaker, we are willing to compromise, like the President is, to work it out, but, no, not them. They have got to have their way, and their way only, and, if they do not get their way, then there is not going to be a CR.

We had the opportunity yesterday. Every one of us had that opportunity yesterday to keep the Government running, to let everybody go back to work. The people; like in my district I had a lady call me yesterday, my colleagues. She got a $50 paycheck yesterday. I asked, "How would you like to—how would this staff, how would your staff, like to get a $50 paycheck?" No, my colleagues are smart.

The gentleman from California, Mr. Speaker, who heads up the Legislative Subcommittee, yes, he was smart. The President was not quite seeing exactly what my colleagues were going to do.

I wish the President had never signed that legislative appropriation bill. He should never have done it. He should never do it next year. He should not sign the Defense appropriation bill next year. He should not sign his own next year until all the rest of these have been done because my colleagues are not just doing it now, they are going to propose—it is very clear to me that under the operation of GINGRICH, under their operation under Speaker GINGRICH, they plan to do this every time, not just this year, not just for this bill for this fiscal year, but for next year also. They are willing to put people in hardship, to let kids starve, just so that they can say we have to have our balanced budget.

Mr. Speaker, I want a balanced budget, too. I voted for one, I voted for one. But I do not want one with a big tax cut in it like my colleagues have got, I will not vote for one with a big tax cut like my colleagues have, and the President will not ever sign one with a big tax cut like my colleagues have got. I will not vote for one that cuts Medicare for my elderly citizens like my colleagues have got, the President will not sign one like that. And my colleagues say, "Okay, we'll shut down the Government," and that is just what they have done.

I ask, "Why don't you do like your Presidential candidate, Senator DOLE? Why don't some of you, just 20 of you, come with us? We'll open up the Government."

Mr. SAXTON. Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from Alaska [Mr. YOUNG], the distinguished chairman of the Committee on Resources.

Mr. YOUNG of Alaska. Mr. Speaker, it is very difficult for me to sit here and listen to the rhetoric that comes out from that side of the aisle, the outright mistruths very nearly close to the mistruths have been spoken by the President of the United States.

When I hear people talk about the Tongass, the gentleman from Illinois [Mr. YATES], and, no, I will not yield. I listened to that tirade a while ago, and I will not yield. The Tongass does in fact—the provision of this bill froze the amount of timber that could be harvested. It froze it to 1.7 million acres. . . .

Mr. VOLKMER. Mr. Speaker, I ask that the gentleman's words be taken down.

Mr. YOUNG of Alaska. Mr. Speaker, there are no truths in——

Mr. OBEY. Mr. Speaker, I demand that the gentleman's words be taken down.

Mr. YOUNG of Alaska. The gentleman has to prove that he is telling the truth, and he is not.

PARLIAMENTARY INQUIRIES

Mr. VOLKMER. Parliamentay inquiry, Mr. Speaker.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman will state his inquiry.

Mr. VOLKMER. My parliamentary inquiry is how far back will the stenographer, the reporter, go because it is our—at least my—when I asked for thhe words to be taken down, that the gentleman had used the word "mistruth" way back and continuously in reference to Members and to the President, and I would like for all of those words to be taken down.

The SPEAKER pro tempore. The Clerk will report the words most immediately complained of.

□ 1130

Mr. OBEY. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Wisconsin will state his parlimentary inquiry.

Mr. OBEY. Mr. Speaker, how do I make certain that the words which are going to be read back are the words to which I was objecting? Because the words to which I was objecting were the words that indicated that the gentleman from Illinois had uttered mistruths and had known that. Those are the words that I am specifically addressing.

The SPEAKER pro tempore. The Chair will direct the Clerk to report the words.

The Clerk read as follows:

> The gentleman keeps talking about the Tongass. It will be 90 percent in wilderness, and he knows it, and you told a mistruth every time on this issue, and you know that it is a mistruth. There is absolutely no truth, there is no truth. . . .

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent to withdraw the words.

Mr. VOLKMER. Mr. Speaker, reserving the right to object.

The SPEAKER pro tempore. Is there objection?

Mr. VOLKMER. Mr. Speaker, I object.

The SPEAKER pro tempore. The gentleman from Wisconsin objects.

Mr. OBEY. No, I did not object.

The SPEAKER pro tempore. The gentleman from Missouri objects.

Mr. VOLKMER. I withdraw my reservation.

The SPEAKER pro tempore. The gentleman from Wisconsin is recognized.

Mr. OBEY. Mr. Speaker, I am reserving the right to object because, in my view, when a Member accuses another Member of purposely misleading the House, he owes it to the House to apologize. I will be happy to withdraw my objection if the gentleman apologizes to the gentleman from Illinois.

Mr. YOUNG of Alaska. Mr. Speaker, it is rare that I apologize when I know I am speaking from my heart. It is rare that I ask this House to listen to a gentleman's understanding as he sees the issue. It is rare that I have to apologize when other gentlemen do not take the opportunity to read the facts on an issue.

The gentleman and I have discussed this for many, many years, and he and I know we differ. He knows my emotionalism on this. He knows I have lost over 42 percent of my working people in this area. He knows that I am a gentleman that would never impugn another gentleman. The gentleman knows that.

Mr. YATES. I do not know that.

Mr. YOUNG of Alaska. Well, then, I apologize to you personally.

The SPEAKER pro tempore. Does the gentleman withdraw his objection?

Mr. OBEY. Yes, I withdraw my objection, in light of the apology.

The SPEAKER pro tempore. The gentleman from Alaska may proceed in order.

Mr. YOUNG of Alaska. Mr. Speaker, may I again go back to what I said happened in the Tongass.

We froze the amount of timber to cut. We know, in fact, that it is 90 percent a wilderness. These are facts, my friends, facts, not fiction.

In fact, we know that only 10 percent, and only 10 percent, over 100 years would be cut. We know that there are 42 percent of my people out of work in southeast Alaska today because of action of this body, and we heard a lot about it is a shame that the President vetoed this. Then we talked about the people's hardships and the people that are out of work.

What about the people that are blue collar workers? Have I heard anybody on this floor defend them, other than myself and a few of my colleagues? I heard a gentleman a while ago say, we are going to hold our faces blue until we get our way. I would rather be blue than red.

I am going to suggest respectfully that this veto is wrong. The President shut down these parks; the President shut down the monuments. There is a letter today in the Washington Post about the police were on hand at the parks. Where were they before? They are issuing tickets to people, taxpayers. Where were they before?

This administration and this Secretary of Interior are using this for a political gambit. This is what this is all about. We did our job. We sent a bill to the President that the President could have signed and should have signed.

By the way, we heard a lot about the American natives. The American natives want to stand on their own, they want to manage their own affairs, they want to be able to decide their own destiny. They do not want to continue with handouts as the minority has been doing over these years to make them subservient. They want to be their own people. The best way, they have said to me, is we will take our cuts as long as everybody else does too. But this President has kept those moneys away from those people.

It is time that this Congress overrides this President, and you have that responsibility too.

Make no mistake about it. Mr. Speaker, the Interior appropriations veto was politics, pure poll-driven politics.

If you read the President's veto message and compare it to the White House press release, they are identical. Was the President trying to seriously communicate with the Congress or was this just a public relations exercise? I have never seen anything like it.

The President vetoed this bill with a press release, threw thousands of workers out of work right before the holiday, and then blamed the Congress. Shame on you, Mr. President.

This is a slap in the face of Chairman REGULA and Chairman LIVINGSTON. They sent a balanced bill to the White House that was sensitive to every concern raised by the President's staff.

This veto message also insults my constituents who live and work in the Tongass National Forest. It singled out a carefully drafted provision that would bring stability to my constituents who live and work in the Tongass.

The Tongass provision did 2 things: First, froze the amount of timber that could be harvested over 100 years at 1.7 million acres and, second, allowed the Forest Service to convert timber sales from one purchaser to another. It did nothing more and nothing less.

The fact is, every issue raised by the Clinton administration was addressed in the bill.

The administration said it wanted the ability to use good science, so we allowed them to use sound scientific data under Chairman REGULA's bill.

The administration said it did not want a permanent ban on habitat conservation areas, so Chairman REGULA's bill removed the ban at their request.

After the bill passed the Congress, the President's staff had to find an excuse for him to veto it. The Environmental Mecca, the Tongass National Forest, served as excuse No. 1.

The veto message/press release makes it sound like the whole 17-million-acre forest would be clear-cut tomorrow if the bill became law. The fact is only 10 percent of the forest will ever be harvested during a 100-year period. The other 90 percent is off limits in wilderness status or not available for harvest.

It seems to me that your advisors told you about the wrong Tongass provision, Mr. President.

The reality for my constituents is that 42 percent of the timber employees in the Tongass are out of work. Timber is part of a well-rounded Alaskan economy. We have enough preservation in the Tongass to protect the resources and environment. We need some stability, Mr. President.

I urge my colleagues to override this poll-driven veto.

Mr. YATES. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker and Members, this committee, the Subcommittee on Interior of the Committee on Appropriations, does a lot of great work; and in this legislation there are a lot of very good provisions. Unfortunately, this bill, which does so much for native Americans, which does so much for the natural resources of our country, is being held hostage by the Senator from Alaska and by those who seek to have special privilege in the Tongass National Forest, the only temperate rain forest in North America, the only one that belongs to the American people.

What they are seeking to do is to go back in time. In 1990 we passed a Tongass reform bill. They seek now to nullify that even though the Alaska delegation at that time said that they would agree to it if they could have 10 years of peace under the requirements of that bill.

What they seek to do now is to go back to a plan which received thousands and thousands of comments about its inadequacy for sustainability, about its inadequacy for Native rights, about its inadequacy for the environment; and they seek to legislate that plan in this bill. Why? Because the Pacific Timber Co. wants it that way; there are no ifs, ands, or buts about it.

The reason the Washington Monument is closed and the reason the Liberty Bell is seeking private donations, and the reason you cannot go snowmobiling in Yellowstone National Park is because of the Louisiana Pacific and this legislation.

This is the worst of special-interest legislation. You cannot do what they want to do under this bill unless you waive the environmental laws of this Nation. You cannot do what they want to do under this bill unless you put in sufficient language to protect this corporation from a lawsuit that they have already lost in court.

We are here doing that in this legislation, and we are holding Indian children hostage. We are holding the health of Indian natives of this country hostage. We are holding the tourism economies of Yosemite National Park, Mariposa County, hostage, because Louisiana Pacific wants to do legislatively what they are afraid to do and come before our committee, the Committee on Natural Resources, and debate this openly about the Tongass.

The gentleman from Alaska previously said the Tongass is 90 percent wilderness. No, it is not. And when he says he only wants to cut 10 percent, he has to recognize this. The vast majority of Tongass is ice, rocks, lakes, and other things. The timber base is a very small business.

When you want to clear-cut 10 percent of that timber base and you want to do it without regard to the environmental laws of this country and without regard to the public planning process, you do great devastation to the remaining land base and the timber base in that area. That is why the Governor of Alaska is opposed to this process. That is why the Anchorage Daily News is opposed to this process. That is why the Alaska Outdoor Council, some 10,000 members, hunters, and fishermen, are opposed to this process. That is why the Alaska Wilderness Recreation and Tourism Association is opposed to this process, because you are legislating on them a single use for a great natural resource that is in fact increasing the economy of Alaska. It is diversifying the economy of Alaska.

The reason the logging economy went down in Alaska is because of a Japanese-owned mill that cannot get more Federal dollars and subsidies, for the taxpayers quit. They went out of business because they just could not get enough subsidies. Well, excuse me. Try the marketplace.

Now what we have is a struggle to try to get those lands that they have locked up under an old 50-year contract without environmental reviews, they are trying to bring that into the land base for this. So what? So they can get pulp and send it to Japan; so they can get logs and cant them and send them to Japan. There is no value added here for the American economy. But there is $102 million in the last 3 years lost in preparing these sales and cutting these roads.

So without $102 million of subsidies, these logs would never leave. These logs would continue to be trees. They would be vertical instead of horizontal. That is why. That is why.

That is why we must sustain the veto. We cannot have the special interests come into the Halls of Congress and dictate and say that we must set aside the laws so that they can have the special privilege of not having to put up with public input and public debate and a public planning process, so they do not have to suffer the indignities of losing a court case, so they do not have to suffer the scrutiny of the public subsidies to their private corporations.

That is what is holding hostage the National Park System, the Indian health system, the endangered species system in this country, the special interests of Louisiana Pacific and their associates.

The people of Alaska oppose this legislation; their newspapers oppose this, their tourism association and the Governor of the State oppose this legislation.

Mr. Speaker, I include the following material for the RECORD.

Mr. Speaker, I rise in strong opposition to this effort to override the President's veto. President Clinton stood up for the environment and the taxpayers. We should support him.

Mr. Speaker, the American people deserve to know what's going on here. There's a hidden agenda in this bill that the Republicans do not like to highlight.

Why are our national parks closed and thousands of loyal employees out of work? It is because the Republican leadership allowed this spending bill to become a grab bag of legislative gifts for special interests who want to exploit our natural resources at taxpayer expense.

The Republicans apparently believe that it is more important to dictate a forest plan that will increase Federal spending to cut down 400-year-old trees in the Alaska rainforest than it is to reopen the national parks and put people back to work. But the Republicans just can't say no to Louisiana Pacific. That's what this fight is about—more taxpayer dollars to subsidize Louisiana Pacific and increase logging in the Tongass National Forest by over 40 percent.

Mr. Speaker, there is absolutely no valid reason to hold Federal workers, private sector contractors, and the rest of the public hostage to the Alaskan pulp mill barons. This Tongass rider doesn't belong on any appropriations bill. It hasn't been the subject of a single day of public hearings in the Resources Committee. The only thing the chairman from Alaska has pending in committee is his bill to give away the entire 17-million acre Tongass National Forest, abolishing the wilderness areas and national monuments in the process. It's no wonder that the Governor of Alaska is joined by so many other Alaskans in opposing this Tongass rider.

This bill is full of other antienvironmental legislative riders that wouldn't see the light of day if considered in the normal process. It guts the California Desert Protection Act. It stops progress in improving land management in the Columbia River Basin. It undercuts the Endangered Species Act. The list goes on.

Mr. Speaker, I would have hoped that we learned a lesson from the timber salvage rider that passed on the rescissions bill earlier this Congress. There were no hearings on that legislative rider either. We were assured by proponents that it applied only to dead trees and burned trees. But what we later found out is that language was included to cut healthy forests in the Pacific Northwest. We found out that exempting the timber industry from the environmental laws of this country leads only to disaster.

Mr. Speaker, the President has made clear from the outset that the Tongass and the other legislative riders on this bill were unacceptable. Yet Republicans made only cosmetic changes in response. They alone share the blame by producing an Interior appropriations bill that tries to legislate bad policy rather than allocate public funds. They just can't say no to the special interests.

I urge my colleagues to vote against the veto override. Let the Republican majority instead get to work on producing a clean bill that is in the public interest. Let's get on with the business of governing and reopen the parks, monuments, refuges, and forests that are so important to the American people.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I want to commend the gentleman for his statement and point out that 90 percent of the Tongass Forest is not wilderness.

Mr. MILLER of California. Mr. Speaker, if the gentleman will yield, of course it is not.

Mr. VENTO. Also, the 10 percent that we are talking about here may make up 50, 60 percent of the whole timber base in that forest.

Mr. KOLBE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, as chairman of the Subcommittee on National Parks, Forests and Lands, we oversee the national parks, the Bureau of Land Management, and the Forest Service. On December 18, 1995, President Bill Clinton vetoed the Interior appropriations bill which would have provided funding to keep parks, forests, BLM recreation areas open to the public. In a staged press conference, President Clinton surrounded himself with children and said that for the sake of maintaining clean air and clean water for the children, he would have to veto the bill.

What the President failed to realize or point out was that the Interior appropriations bill funds the Department of the Interior agency and has nothing to do with the Environmental Protection Agency, which is charged with regulating the Nation's air and water. Rather than working with the Congress on resolving issues of substance, President Clinton has simply chosen to play politics. The bottom line is that the Clinton administration is using our national parks, forests, and BLM recreational areas as part of their strategy to thwart efforts to balance the Federal budget.

The national parks, forests, and all other Department of the Interior facilities would be open if President Clinton had just signed the Interior appropriations bill. His public excuses for not signing the bill simply do not wash.

In addition to killing the funding for the parks, the administration got enough Democratic support to kill a bipartisan bill in the House of Representatives which has facilitated States providing the support necessary to keep parks and wildlife refuges open during periods of budget impasse. It is clear that the administration is simply keeping facilities closed for political reasons alone.

In fact, it does not even require any legislation to keep parks open. Secretary Babbitt has full authority to accept donations to fund park operations, but the terms demanded by the Secretary are so onerous that only the State of Arizona has agreed to them in order to keep the Grand Canyon open.

Actually, this is a hot-button issue, Mr. Speaker. The President of the United States and the Secretary of the Interior are going around talking about closing the park. There is no park closing bill, and I would urge this body to override the veto.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in opposition to the override of the President's veto message on this important Interior appropriations bill.

Unfortunately, this bill, under the mantra of repeating over and over again a balanced budget amendment, something we would all like to do, but the question is how you do it, when you look into the bowels of what is in this particular bill and what is in the 7-year plan that our Republican colleagues are trying to foist upon us, they are extreme positions. They are positions that do not agree with the last three decades of work that has been done in this Congress, that is the product of the American people, the product I wish I could claim of only Democrats, but I know that there are many Republicans that have worked on that. But fundamentally it is in disagreement with the people of this country.

In this spending bill, I think we see in clear view the fact that this extreme agenda that is being delivered to this Congress by the leadership in this House and the Republican Senate is inherent. They are trying to put in here in a covert way, the chairman of the policy committee rises and gives a speech, but the fact is the policy committees have not done their work.

This is a spending bill, but yet within this spending bill, it is laced with provisions that overturn fundamental policies of environmental law, of land use law, of the endangered species, very well worked out agreements such as the Tongass Forest agreement which now they disagree with. This fact is they are trying to put it through in a covert way.

If these proposals are so meritorious, why are they not put up on the floor to be voted on and considered as they were passed into law initially, in other words, to defund something that has been designated a park? That is what is done in this particular legislation, in other words, to renege on the establishment of the Mojave National Preserve in California, to open up again the question of the Tongass which has an agreement to cut 300 million board-feet a year, but to specify and to suggest to override all environmental types of challenges that exist in law for good reason; for good reason, to renege on the Columbia Basin and prevent the establishment of an environmental impact statement so that we can move forward with the Pacific Northwest problem.

This bill deserves to be defeated, and I hope we will uphold the President's veto.

□ 1145

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Arizona [Mr. KOLBE], a member of our subcommittee.

Mr. KOLBE. Mr. Speaker, let us stop the rhetoric, misstatements, and half-truths. The current budget crisis this Nation is facing is not because Congress failed to do its job. We passed a bill. It is because the President chose to veto the Interior appropriations bill, the VA, HUD and independent agencies appropriations bill, and the Commerce, Justice, State bill, and because Democratic Senators are filibustering the Labor, HHS bill.

Again, let me reiterate why certain Federal employees have been furloughed and why others are performing their duties without pay; it is because the President has decided that it is more important for him to engage in partisan politics than to allow Federal employees to go back to work.

Today, we are going to have the opportunity to override the President's veto of the Interior appropriations bill. If we are successful, this $12.1 billion appropriations measure will reopen our museums, the National Endowment for the Arts and Humanities, put back to work those dedicated employees at the National Park Service, the Bureau of Land Management, and the Fish and Wildlife Service, as well as get the needed money to our Nation's Indian communities.

The President's shutdown of the Federal Government does not have to continue. In fact, if you want to find out what kind of impact his shutdown is having, I would encourage all of my colleagues to visit one of the 23 tribal communities in Arizona. They have been devastated by the President's veto of this important bill. Recently, the proud and noble Chairman of the Hopi Tribe announced that he may have to release the inmates in the tribe's jail because they do not have the money to heat the facility. I might add that these funds are included in this Interior appropriations bill. Again, we do not have to allow this type of suffering to continue.

The President's veto message was based solely upon polls conducted by his political advisers. The President realized that most Americans are concerned about the environment, and justifiably so. But he has taken this posturing to an extreme and in the process hundreds of thousands of hard working Americans are suffering the consequences.

I will speak more about this later. Let us do what all Americans want us to do: Let us allow them to go back to work. Overriding the President's veto of this bill will accomplish this and a lot more.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. I thank the gentleman for yielding me the time.

Mr. Speaker, there are more than sufficient reasons for both the President's veto and for our sustaining it.

But I think it is especially important to explain why this is not about reopening the part of Government funded in this bill. The illogic of the arguments that have been offered on this point is profound, if not comic. Here is how it goes.

First, let us dillydally for months on even getting this bill to the floor of the House of Representatives, having wasted months and months on extraneous business at the first part of the first session of this Congress. That is what happened on this bill.

Second, then let us yield control of much of the substance of the bill in conference to some of the most extreme anti-environmental forces and have it rejected, not once but twice, taking additional weeks, not because of the President of the United States but because moderate Members of the majority party could not swallow the fiscal and environmental outrages in this bill. That is what happened.

Third, then let us waste several more weeks before finally getting a bill to the House that could pass. That is what happened on this bill.

And, fourth, we then end up 2½ months into the fiscal year, 2½ months late, 2½ months of irresponsible failure by the majority party to manage the most basic business of the Congress. That is what happened on this bill.

Fifth, we then wait another month after that, 3½ months into the fiscal year, 3½ months late, 3½ months of failure by the majority to manage the business of the House, and then we bring up a veto override and have the temerity to suggest that it is the President's fault for the circumstances that we are in? Give me a break.

An absolutely astounding, stunning act of political chutzpah, to suggest that having failed in our responsibilities for 3½ months to take care of the people of America, funding critical natural resource management responsibility, then to suggest that it is the President's fault, that he is somehow responsible for these unfortunate circumstances. It makes no sense. Truly an amazing act of political illogic.

This partial closure is in fact the intended effect of the Speaker's deliberate decision cynically to use the majority's failure to get its work done on appropriations bills to leverage concessions on other budget matters on which the American public and their President simply disagree with the extreme views of many in the majority party.

We are in this fix because of the Speaker's refusal and no other reason.

Mr. REGULA. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I rise to urge my colleagues to override the President's veto of the Interior appropriations bill. For 20 days now, his veto shut the American people out of the Smithsonian Museums, the national parks such as the Grand Canyon, Yellowstone, and in my district the Cleveland National Forest. These parks and museums provide a quality of outdoor life and experience for millions of Americans.

I commend the gentleman from Ohio [Mr. REGULA], the chairman, and certainly there is no other chairman that I know of that would write a more fair and equitable bill than the gentleman from Ohio [Mr. REGULA], the chairman. I commend him for his hard work in crafting this spending bill for our Nation's national parks, national forests, public lands, and national wildlife refuges during these times of budget constraints. The Interior appropriations bill provides similar operating funds as in 1995, as we did previously, for national parks and monuments.

We will later today take up legislation to allow State employees to voluntarily operate our national parks. I also support this legislation. But this bill, overriding the President's veto, is the much better long-range solution to the problem.

One hundred thirty thousand Federal employees are furloughed because of the President's veto of this bill. These people deserve to be back to work, allowing our national parks and forests and cultural institutions to be open.

I urge my colleagues to override the President's veto and support this bill.

Mr. YATES. Mr. Speaker, I yield the balance of my time to the distinguished gentlewoman from California [Ms. WATERS].

The SPEAKER pro tempore (Mr. LAHOOD). The gentlewoman from California [Ms. WATERS] is recognized for 2 minutes.

Ms. WATERS. Mr. Speaker, the Republican gentleman from Ohio [Mr. REGULA] has offered a motion to discharge from committee the Interior appropriations bill that has been vetoed by the President. Normally the committee would go to work, take into consideration the reasons the President gave for his veto, reasonable policymakers would make the necessary adjustments, and pass the appropriation.

Now the Republicans are trying to find a way to look better. They have simply created a mess, not only on this bill but on the budget in general. The Republican caucus has been led by the freshman class, that group which has the least experience in the management of government.

The Republicans have gone too far. The Republicans have stepped way over the line. They have jeopardized not only the National Park Service in this bill, they have jeopardized Federal employees and veterans' services, prison security, passport services, and Social Security services.

Time and time again we heard that they were willing to shut this Government down, that they would do this, and this is what they are doing. Just yesterday they voted in the Committee on Rules to allow the Speaker to recess in 3-day intervals. They are planning to go home. In that Committee on Rules, GERALD SOLOMON, JAMES QUILLEN, DAVID DREIER, PORTER GOSS, JOHN

LINDER, DEBORAH PRYCE, LINCOLN DIAZ-BALART, SCOTT MCINNIS, and ENID WALDHOLTZ all voted to give the Speaker the power to call a recess.

I urge my colleagues to sustain the President's veto. This is not about good policymaking. This is about the continued efforts to force all of us to do what that freshman class wants done. We cannot allow that to happen. I think we are more responsible than that.

And if they decide to recess, let them go home. But the people on this side of the aisle, my colleagues in the Democratic Party, I believe, will stay here. We will stay here and do the work of the people rather than use those kinds of tactics.

Mr. REGULA. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in support of this effort to override the President's veto. In doing so, I must acknowledge that I agree with the President on one thing: This bill is not perfect. But guess what? The legislative process is not about producing legislation that one side or another views as perfect. The legislative process is about getting the most reasonable compromise possible among competing viewpoints.

We need to remember the old adage, "The perfect is the enemy of the good." This bill represents a reasonable compromise.

Take the issue of the Tongass National Forest on which I worked. This bill would allow the planning process to continue unimpeded. This bill would allow science to determine the acreage and the allowable sale quantity that will eventually be permitted in the forest. This bill allows for the set-aside of additional environmentally sensitive habitat conservation areas. And this bill would allow lawsuits to challenge the controversial alternative P forest management plan.

Did we make some compromises to achieve these goals? Of course we did. We made reasonable compromises with legislators with opposing views to protect the long-run health of the forests and the integrity of the planning process.

Let me repeat that. We made reasonable compromises with legislators with opposing views to protect the long-range health of the forests and the integrity of the planning process.

I urge an override.

Mr. REGULA. Mr. Speaker, I yield myself the balance of my time.

I just want to say, in response to the gentlewoman from California, that we have been negotiating with the administration on a continuous basis. Some of the changes were in response to their requests. The only problem is they kept moving the goal posts.

I thought it was interesting that it took them 6 hours after they vetoed the bill to decide what the veto message would say, because I think they had some problems. They recognized it was a good bill, and yet they felt that they had a commitment to close the parks and close the forests and close the Smithsonian and close the Holocaust and close the National Gallery of Art. And so, after finally pondering as to why they did veto the bill, we got a veto message late in the day.

I say to my colleagues that are wondering procedurally, we are not going to call for a vote on this motion to discharge the bill from the appropriations process, and we will go into the next hour of debate on the override itself. But I hope at that time the 89 Members of the minority party that voted to override the President for the securities lawyers will vote to override the President for the people.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. REGULA].

The motion was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF MOST-FAVORED-NATION STATUS TO BULGARIA

Mr. OBEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment—most-favored-nation treatment—to the products of Bulgaria, with the Senate amendment thereto, and concur in the Senate amendment, the Dole proposal to open the Government, and that a motion to reconsider be considered as laid on the table.

The SPEAKER pro tempore. Under the guidelines consistently issued by successive Speakers and recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leaderships.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–147)

The SPEAKER pro tempore. The unfinished business is the further consideration of the veto message of the President of the United States on the bill (H.R. 1977) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding.

The gentleman from Ohio [Mr. REGULA] is recognized for 1 hour.

□ 1200

Mr. REGULA. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Illinois [Mr. YATES].

Mr. Speaker, we have heard a lot of debate on this subject. I have a number of Members that would like to speak on it, so I will reserve my remarks for the closing.

Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Speaker, I just want to urge my colleagues to support the motion to override. For the sake of the American people we need to reopen our national treasures. There is no good reason why the parks are closed. There is no good reason why the monuments are closed. There is no reason why our constituents here in Washington cannot go to some of the great places around this District.

This bill is fair, balanced. It protects our natural resources while ensuring a fair return to the American taxpayers. I urge all my colleagues to support the motion to override.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FARR].

Mr. FARR. Mr. Speaker, I thank the gentleman for yielding time to me.

I also thank the chair of the committee who does outstanding work and is an outstanding chair, but I must rise to urge that we not override the veto.

The veto is there because the President found that there were things in this bill that were broken, that need fixing, and we in Congress can fix those things. The President rejected the clear-cutting of the Tongass National Forest. The President rejected the jeopardizing of the Columbia River Basin ecosystem management plan. The President recognized that this bill kills the California Desert Protection Act that Congress enacted last year.

This bill prohibits the protection of the habitat for endangered species and further prohibits any further listing of endangered species. This bill walks away from the commitment of the Indian Health Service and Indian education. It walks away from the National Endowment for the Arts and the Humanities. In particular let us talk about that for a moment.

I think the shutdown of the Federal Government has drawn national attention to the importance that the arts play particularly here in Washington, DC. Indeed our country has said that these things are important. This bill cuts funding for those important programs. This bill was vetoed because Congress failed to hear the recommendations of the White House conference on tourism which met here just a few months ago, the private sector, at the invitation of the President, to recommend to Congress and to the executive department of how we should best support tourism in the United States. This bill undermines those recommendations.

So my colleagues, this committee has worked hard. It has an outstanding chair and outstanding members because it has recognized the interest of special interests in this and is certainly a bill that ought to be vetoed, as it was by the President. I ask my colleagues to sustain that veto.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. EHLERS].

Mr. EHLERS. Mr. Speaker, I thank the gentleman from Ohio for yielding time to me.

Mr. Speaker, I happen to be a staunch environmentalist. I opposed this bill in some earlier versions. In fact, Members may recall that this is the third try which finally managed to get past the House. I voted against it the first two times because I was concerned about environmental issues. But I am satisfied that this bill in its present form is the best bill we are going to get out of the House. I believe that the environmentalist concerns are largely satisfied.

In regard to the National Endowment for the Humanities, I was also one of those who worked to maintain funding for the National Endowment for the Humanities. In fact, we managed to get it increased considerably over some of the earlier proposals.

Once again, I believe this is the best bill that we can get from this House as it relates to funding for that organization. I read the veto message from the President, and to me it seems like a rather thin veto message. I suspect if this bill had hit his desk by itself and not in the company of the other two bills he vetoed the same day, this bill would have been signed and passed into law because the objections are not that strong.

I believe it is very important that we vote to override the President's veto on this bill. It is important that we open our national parks, our wildlife refuges, our national forests, put 130,000 Federal employees back to work, open our museums and the Smithsonian in particular do a good service to the American public by once again allowing them to use and visit these national treasures which we have.

I urge my colleagues, particularly those on the other side of the aisle, who are concerned about these issues to recognize that this bill in its present form is a good bill, certainly the best we are likely to get through this Congress, and I urge them to override the President's veto and put this into effect.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I urge my colleagues to sustain President Clinton's veto of the Interior appropriations bill. The legislative riders in H.R. 1977 mandate extreme changes in national environmental policy that cannot stand public scrutiny on their own. Otherwise, they would not be hidden in this funding bill.

One of the riders in H.R. 1977 would end a hugely successful energy-efficiency program that was enacted 8 years ago during the Reagan administration. At that time, a broad industry coalition that included all major appliance manufacturers agreed to efficiency standards to make refrigerators, washing machines, air conditioners, dishwashers, and gas furnaces more efficient. On average, these Federal efficiency standards have brought savings of $1,300 per U.S. household—a total of $130 billion in economic savings.

Why would Congress terminate a program that has brought such great savings to our constituents and dramatically reduced emissions of carbon dioxide and other gases that contribute to global warming? It is not because global warming is not a problem. Today's New York Times reports that last year was the warmest year since records were first kept in 1856; and that the years 1991 through 1995 were warmer than any similar 5-year period on record. Why would we raise the cost of energy to our constituents to allow for greater pollution of their environment and an increase in global warming?

Innovative companies like Whirlpool, Frigidaire, and Maytag support the Federal efficiency standards and are developing new technologies that lead to more efficient appliances. Unfortunately, other companies have not stepped up to the challenge and now want Congress to reward their poor performance.

This rider brushes aside consumer interests, technological innovation, and environmental protection to please a select group of companies who have lobbied for a special interest gift. The winners are the whiners—the least efficient companies, the ones that pollute the most. The losers, again, are our constituents who are being threatened with policies they do not support that would deplete our natural resources and bring great harm to our environment.

This is awful policy, and it should be deleted from this bill. Support the President's veto.

[From the New York Times, Jan. 4, 1996]

'95 THE HOTTEST YEAR ON RECORD AS THE GLOBAL TREND KEEPS UP

(By William K. Stevens)

The earth's average surface temperature climbed to a record high last year, according to preliminary figures, bolstering scientists' sense that the burning of fossil fuels is warming the climate.

Spells of cold, snow and ice like the ones this winter in the northeastern United States come and go in one region or another, as do periods of unusual warmth. But the net result globally made 1995 the warmest year since records first were kept in 1856, says a provisional report issued by the British Meteorological Office and the University of East Anglia.

The average temperature was 58.72 degrees Fahrenheit, according to the British data, seven-hundredths of a degree higher than the previous record, established in 1990.

The British figures, based on land and sea measurements around the world, are one of two sets of long-term data by which surface temperature trends are being tracked.

The other, maintained by the NASA Goddard Institute for Space Studies in New York, shows the average 1995 temperature at 59.7 degrees, slightly ahead of 1990 as the warmest year since record-keeping began in 1866. But the difference is within the margin of sampling error, and the two years essentially finished neck and neck.

The preliminary Goddard figures differ from the British ones because they are based on a somewhat different combination of surface temperature observations around the world.

One year does not a trend make, but the British figures show the years 1991 through 1995 to be warmer than any similar five-year period, including the two half-decades of the 1980's, the warmest decade on record.

This is so even though a sun-reflecting haze cast aloft by the 1991 eruption of Mount Pinatubo in the Philippines cooled the earth substantially for about two years. Despite the post-Pinatubo cooling, the Goddard data show the early 1990's to have been nearly as warm as the late 1980's, which Goddard says was the warmest half-decade on record.

Dr. James E. Hansen, the director of the Goddard center, predicted last year that a new global record would be reached before 2000, and yesterday he said he now expected that "we will still get at least a couple more" by then.

Dr. Hansen has been one of only a few scientists to maintain steadfastly that a century-long global warming trend is being caused by mostly by human influence, a belief he reiterated yesterday.

Other experts would go no further than the recent findings of a United Nations panel of scientists in attributing the continuing and accelerating warming trend to human activity—specifically the emission of heat-trapping gases like carbon dioxide, which is released by the burning of coal, petroleum products and wood.

The United Nations panel concluded, for the first time, that the observed warming is "unlikely to be entirely natural in origin" and that the evidence "suggests a discernible human influence on climate."

Previously, few scientists apart from Dr. Hansen had been willing to go even that far, contending that the relatively small warming so far could easily be a result of natural climate variability. Even now, most experts say it is unclear whether human activity is responsible for a little of the warming or a lot.

"I think we're beginning to see it," Dr. Phil Jones of the Climatic Research Unit at East Anglia said of the human influence on climate, adding that he agreed with the United Nations report.

"I don't think you can say much from one year's values," he said, "but this figure from '91 to '95 is quite illuminating." He said it was nearly half a degree above the 1961–90 benchmark average of 58 degrees.

Both the 1995 record high temperature and the strikingly warm half-decade of the early 1990's are "consistent with the sort of expectation we have of the interplay between natural and manmade influences." said Dr. Tom M.L. Wigley of the National Center for Atmospheric Research in Boulder, Colo. If things had not turned out that way, he said, "we would have been pretty surprised and maybe a little concerned" about the United Nations panel's conclusion. Nevertheless, he said, "it's not the sort of thing you want to overinterpret or overemphasize."

Dr. Wigley was a member of a subcommittee of the United Nations panel that dealt specifically with the question of detecting a human role in climate change.

The panel predicted that the heat-trapping gas emissions would cause the average global temperature, now approaching 60 degrees Fahrenheit, to rise by a further 1.8 to 6.3 degrees, with a best estimate of 3.6 degrees, by 2100.

By comparison the world is 5 to 9 degrees warmer now than in the last ice age more than 10,000 years ago. The predicted warming, if it materializes, would likely cause widespread climatic disruption, the United Nations panel said.

The margin of seven-hundredths of a degree by which the 1995 global average exceeds that of 1990, according to the new British data, sounds small. But it represents an increase of nearly half a degree from the post Pinatubo low, in 1992. As scientists had previously predicted, the recovery from the Pinatubo cooling became obvious last year, though no record was set.

The 1995 figure is all the more remarkable, Dr. Hansen said, because it was established at a time when two natural warming influences were neutralized. The solar energy cycle was at a low ebb, and the warming effect of El Niño, the pool of warm Pacific water that appeared in early 1995, was offset by a turn to cooler-than-normal conditions in the tropical Pacific later in the year.

A different picture emerges from an analysis of satellite measurements of global temperature by Dr. John R. Christy of the University of Alabama and Dr. Roy Spencer of NASA's Marshall Space Flight Center in Hunstville, Ala. While their data show temperature fluctuations roughly paralleling those in the surface measurements, the values are lower: 1995 was only an ordinary year compared with the data set's 1982–91 average.

But that was a warm period to start with, said Dr. Christy. And, Dr. Jones said, the satellite measurements combine temperature readings for the entire lower atmosphere, rather than measuring just at the surface, while the most prominent warming—over the Northern Hemisphere continents—does not extend very far upward. That explanation of the difference in the data sets "makes sense," Dr. Christy said, adding, "Of course we only live in the bottom" of the atmosphere.

In the past, skeptics about global warming have cited the satellite data. But Dr. Christy said that even the rate of warming measured from the satellites has begun to move into the range scientists expect to result from human-caused warming.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I commend the gentleman for this, his observation. There are many things, all these riders do not belong in a spending bill. This is not just about spending. It is about bad policy and it is about bad priorities in this bill.

In fact, the veto of this bill was not even a close call, I would not think, of the President. What has happened here is we have had Republicans in the House and Senate, after 14 months, agreeing with themselves and not making any effort or not a substantial enough of an effort to in fact come to resolution on these issues which have been 30 years of environmental policy by both Democrats and Republicans, Presidents and Congresses.

Mr. REGULA. Mr. Speaker, I yield 3½ minutes to the gentleman from Arizona [Mr. KOLBE], an excellent member of our subcommittee.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, earlier I spoke about the importance of overriding the President's veto of the Interior appropriations bill. I want to take a couple of minutes to talk about some of the negotiations that went on with this administration, because I think it is an important illustration of the problem we are facing on the entire budget.

Back in September, before these bills had finished their work in the House and the Senate, there was a discussion between staff and between the chairmen with the administration about some of their key funding priorities. Here is what they said about some of them. Here is what the conference did.

On the Bureau of Indian Affairs, something that affects my State tremendously, the administration said they needed a minimum of $110 million more, and we ended up giving $135 million more, $111 to the Senate level for the BIA and we added $25 million to the Indian Health Service. So we added more than the administration said was necessary in order to meet their objections to that.

In the Department of Energy, this is a department where the administration's idea of conservation is chartering jets for Hazel O'Leary to fly to South Africa, in the Department of Energy they said the Energy Information Administration needed to be much closer to the House funding level. We added $7.5 million. We split the difference between the Senate and the House. It is a compromise which all appropriation bills represent, as they have in the past, as they do this year.

In the Forest Service they said they needed to increase the stewardship incentive program to double the Senate level. We did not double the Senate level. But we provided $4.5 million, whereas the House had not originally provided that.

Then some of the key legislative appropriation items, they said they needed to have the House mining patent moratorium. Yes, we went back and forth on that and twice in this House took this issue to the floor here. But it is in there. So it is an item that the President said that he needed to have in there. Tongass, I will not discuss that. It has been discussed enough here on the floor. It is a compromise between the two positions.

The California Desert, the administration said they needed to have the National Park Service in charge, that the House language would not work. We modified the language so that the park service can use planning and use of seasonal employees. The Bureau of Land Management will operate it in its coming fiscal year while they are developing the plan for management of it.

The administration said they needed Senate language on AmeriCorps, and it has the Senate language on AmeriCorps. The administration said it needed to have the grazing reform moratorium for a maximum of 90 days and it retains the moratorium for a maximum of 90 days.

Mr. Speaker, this bill is one that we can support. It is one that represents a compromise between the interests. It is one that represents an opportunity to fund the vital agencies of this Government, and I urge my colleagues to vote yes, to put Federal employees back to work, to open the national parks.

Let me take my remaining time to say one word about the issue that has been raised about Mount Graham because there too is a good example of the kind of back and forth that this administration has done over the last 6 years. For last 6 years the Justice Department of three administrations has defended the position of this Congress and of the administration to build those telescopes on Mount Graham in a way that protected the red squirrel and allowed science to go forward. To say no now to that after we had passed it and made it very clear that that is what we intended to do is to say no simultaneously to protecting the squirrel, to protecting the environment, to the endangered species and to say no to good science. That is the kind of thing that we have seen here today, the kind of hypocrisy that we have heard about.

I urge my colleagues to vote to override this veto.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, the Republicans just do not get it. They do not get it. They do not understand. Some of us served in the majority under Republican Presidents and when a bill was vetoed because the President, by the way, has that authority in the Constitution of the United States, they are not the President, the majority is not the President, the majority does not run the whole country, believe it or not, I know that is hard to accept, especially by their freshman Republicans, but I have got to tell them something. When the President vetoes a bill, what we try to do is work out what it is that we need to do in order to see to it that the President can sign the bill. We negotiate.

Instead what they have taken the position of doing is saying, it is our way or no way. So let us not do this hype business about the reason that parks are closed is because the President vetoes a bill. Some of us have served in the majority under Republican Presidents who have had to deal with vetoed legislation. We did not shut the Government down for 3 weeks like Republicans are about to do. Is it not about 21 days? I think so, 19 or 20. So I just say to my colleagues, try to understand the process. It is called the Constitution of the United States.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. RADANOVICH]

Mr. RADANOVICH. Mr. Speaker, I am a Republican freshman and I am very proud of it. I made a decision recently to not pass continuing resolutions until we got the President to deal realistically about a balanced budget scored in 7 years.

However, upon that decision, that led to the closure of Yosemite National Park in my district. Not only do my Federal employees suffer, but also the communities of Mariposa, Oakhurst, Coarsegold, Three Rivers, and Auberry. Private property owners, private businessmen who are not being, who will not be repaid, one motel owner Jerry Fisher has lost a quarter of a million dollars so far.

I am proud of what I am doing and what I stand for. My community is suffering. I ask my colleagues to override this veto. This is a reasonable bill. It is a fair compromise. It should not be used as a pawn in this game. I want this bill overridden.

Mr. YATES. Mr. Speaker, I yield 4 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, there are policy reasons why this bill should be rejected, serious and substantial policy reasons. There are three basic broad reasons.

First, this is a bill that is unacceptable because it would unduly restrict our ability to protect our natural resources and our cultural heritage. The second reason this bill does not promote the technology that we need for long-term energy conservation and economic growth.

Third, the one perhaps most important to me and many others that have native American populations in their States, is that this bill seriously undermines our commitment to provide adequate health, educational and other services to native Americans.

Let me also talk about the Tongass. I have been to the Tongass. Just because you may represent that area does not mean that you have all the wisdom of that area. In the Tongass, this bill would allow harmful clear-cutting, require the sale of timber at unsustainable levels. And it would dictate the need for an outdated forest plan for the next fiscal year.

In the Columbia River basin, the bill would impede implementation of a comprehensive plan. The result, gridlock, court challenges on timber harvesting, grazing, mining and other important activities.

In the California Desert, the bill undermines our designation of the Mojave National Preserve by cutting funding for the preserve and shifting responsibility for its management from the Park Service to the BLM. The bill would also put a misguided moratorium on future listings and critical habitat designations under the Endangered Species Act. The bill slashes funding for DOE's energy conservation program so our commitment to energy conservation and renewable energy once again is suspect.

Native Americans perhaps are hit the worst than anybody. If you look at the effect of the shutdown, it is native Americans that are suffering the most. This bill would make it worse. Funding for Indian Health Service totally inadequate, Indian education programs, cuts at BIA programs that are important for child welfare, adult vocational training, law enforcement, detention services, community fire protection and general assistance to low income Indian individuals and families.

□ 1215

Moreover, the bill would unfairly single out certain self-governance tribes in Washington State for punitive treatment. Specifically, it would penalize these tribes financially for using legal remedies in disputes with non-tribal owners of land within reservations.

Finally, the bill represents a dramatic departure from our commitment to support for the arts and humanities. It cuts funding of the National Endowments for the Arts and Humanities so deeply as to jeopardize their capacity to keep providing the cultural, educational, and artistic programs that enrich America's communities large and small.

Mr. Speaker, we have seen poll after poll say that the American people care about the environment, and hopefully there are moderate forces on that side, on the majority side, that will see that and are seeing that, and I acknowledge several Members from midwestern, from eastern States that recognize that there is no reason why we should not keep our commitments to the environment.

There is no reason to sign bad bills. The President constitutionally can veto bad policy bills, and the argument just does not wash that, if we just sign this bill, everyone will go back to work at the national parks or the BLM. There are no good reasons to sign this bill.

I come from a Western State, and I realize many of my colleagues on that side will disagree. This is a bad bill for Western States that want quality of life, that want to have balance on timber harvesting and mining and grazing.

I urge rejection of this bill.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Speaker, I thank the gentleman from Ohio [Mr. REGULA] for yielding this time to me.

I would like to respond to the last couple of speakers. One a couple a speakers ago said Republicans do not get it. I would hope that we, and, as my colleagues know, this place is inherently political, so we are going to talk about politics here, and politics enters into the veins of what goes on in this House, but I do not see this Interior bill as a political issue. I see this Interior bill as an issue to get the Nation back to work, to open up the Park Service, to talk about legitimate policy differences, and it is my understanding that basically we worked out the policy differences before the bill left the House floor. There was a great deal of discussion on this for a period of many weeks, so I think we solved those problems, and, as a representative of the State of Maryland, I think the Interior bill is not a perfect bill, it is not an excellent bill. It is a moderate approach to solve the problems of the Federal lands, and I think it should be voted on, and I think we should override the Presidential veto.

On a couple of the policy differences, restricting our natural resources with this bill I do not think is correct. I think this bill goes a long way in enhancing the policies to improve the natural resources of the United States. It is not perfect, but there is no utopia.

Let us move in the right direction. This did not take a huge step in the right direction, but it did take a couple of steps in the right direction. We continue to work on this to promote technology for conservation. I think we have shifted in the right direction.

One of the things this country can do, this Government can do, to enhance conservation is to enhance the environment conducive in the private sector to look for the technology to do that. We cannot do everything here in Government.

Native Americans. We increased the amount of money from what the President wanted. Now, if we look at native Americans and we look at reservations today, I think we are improving the quality of life for native Americans.

I want to say something quick about Tongass. The President did not like the fact that there could not be legal challenges. We changed that. We moderated that.

The President did not like the fact that we were not going to protect goshawks, we did not have conservation areas. We changed that. We now have those changes.

There is a lot of discussion about how is there going to be clear-cutting. There is nothing in the bill that states there is going to be clear-cutting, and the Forest Service manages the way the trees are going to be cut, and I trust this Interior Department so that there will not be clear-cutting.

I think we ought to override the President's veto.

Mr. YATES. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I have the greatest respect for the gentleman from Maryland [Mr. GILCHREST]. I know that he is a reasonable person and that he goes into these issues very carefully. I think he has come to the wrong conclusion if he believes that the environmental deficits of this bill have been settled. If it were true, that there were no environmental flaws and big environmental flaws in this bill, why then would the Audubon Society, the Sierra Club, Nature Conservancy, the Wilderness Society, Defenders of Wildlife all be opposed to this bill?

Mr. Speaker, I yield 2 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, I appreciate the gentleman yielding this time to me, and the reason that I asked for the time was to reply to the rather astounding claim for preferential treatment by the gentleman from California representing the area around Yosemite National Park, Mariposa County, and adjoining counties. I fail to understand how the gentleman can come to the well of the House and say that he is proud to be a Republican freshman who is going to impose or try to impose his ideology over the welfare of the general citizenry and at the same time ask us now to override the President's veto because people in his district are hurting, because business in his district is hurting.

I think I can speak about tourism at least as well as the gentleman from California, having represented the No. 1 tourist destination area in the world for more time in more legislative venues than anybody in this Congress. When we cannot issue visas, we cannot get people to come to this country, let alone to Hawaii to be able to help with our balance of trade deficit. Tourism is the positive force in that area, and yet someone can come here to the floor and say, "Your people stay out or work, but put my people back to work," and then claim some kind of moral high ground in a political debate about being proud to shut the country down, standing up for the principle of I want mine, but my colleagues do not get theirs?

Some people have come into this Congress happy that they have never had any legislative experience, citing that as some kind of virtue. I think that kind of claim is so blatantly exposed with that kind of rhetoric to come here on the floor and say, "I want mine. I don't want to take responsibility for what I'm doing to the rest of the people of this country, but help me out because I have got a political problem."

I say to my colleagues, "Shame on you, grow up, learn what a legislature is all about."

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. NETHERCUTT], an excellent member of our subcommittee.

Mr. NETHERCUTT. Mr. Speaker, I am happy to strongly support overriding this Presidential veto that the President has signed recently on this particular bill that affects so many people in the Department of Interior.

As my colleagues know, we have heard a lot of talk about putting Federal workers back to work, Mr. Speaker, in the Department of Interior and agencies that come under the Department of Interior, and I am all for that. I think it is time that we do that, but I think we have to understand that the President of the United States, in the stroke of his veto pen, sealed the fate of Federal workers, but he also sealed the fate of non-Federal workers who rely on the forests for their livelihood.

The gentleman from Ohio [Mr. REGULA] and a lot of Democrats and Republicans worked very heard to present a bill to the President that would be acceptable, and I heard the gentleman from Ohio [Mr. REGULA] say earlier today that the goalpost had moved, and they consistently moved during the negotiation period. That is true. We made a special effort to talk to the President, talk to the Interior Department and get a bill that would be acceptable to everybody, and we sent it down to the White House, and the President, as I say, as my colleagues know, boldly strokes his veto pen and seals the fate of people in the Department of Interior and people out of the Department of Interior, and, so I say, he sealed the fate of non-Federal workers in our Nation's forests who have been devastated by the no-harvest policy of this administration, and that is the crime here, is that the President in vetoing this bill not only hurts people who are Federal workers, but he hurts people who are non-Federal workers who rely on the forest for jobs.

In addition I have to ask the question of my friends on the other side, "Who is thinking about the jobs of the people who are non-Federal employees?" Anyone who votes to override this veto will think about and will support jobs in the private sector that would come about by this signing, overriding this bill, and also the people in the public sector, and I urge my colleagues to vote to override this veto.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, the President was wise in vetoing this bill. This is terrible energy policy, terrible environmental policy. It is an all-out assault upon the environment in our country. We can go down the litany from Tongass to California Desert, through all of the parks decisions which are made under the guise of an appropriations bill, but there is a 50 percent cut in money for low income weatherization, thousands, thousands of poor and elderly across this country dependent upon this money—cut 50 percent for the poor in this appropriations bill. The energy efficiency standards that were put on the books in 1987, 1989, 1991, which have improved the efficiency of stoves, of refrigerators, and people say, "Who cares?" I will tell my colleagues who cares. Because of those laws we have saved 4 billion barrels of oil from having to be imported in the United States from Saudi Arabia and Kuwait, 4 billion in the last 8 years. We saved the need for us to build 50 500-megawatt nuclear power plants in this country. We saved consumers in this country $132 billion in electricity costs, untold billions of dollars in nuclear power plants that would have had to have been constructed, and they say, well, this is just a small compromise. No new energy standards for any refrigerator, or stove, or light bulb, when we know the gains that are made by working smarter and not harder in environment, in energy efficiency in energy.

This is terrible policy. It is a direct assault upon the environment of this country. This bill must be vetoed, the veto must be sustained, if we are to have an environment in this country that is worth respecting.

Please, instead of having the EPA turn into every polluter's ally, support the President and sustain the veto.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I thank the gentleman from Ohio [Mr. REGULA] for yielding this time to me.

Mr. Speaker, I rise in support of the motion to override the President's veto. While it is true that the fiscal year 1996 Interior appropriation bill does not provide for the same level of funding we have seen in previous years, it does provide funding for such important functions as management of our Nation's parks and refuges which, I think, is very, very important. The American people want a balanced budget, and all areas of the Government must contribute toward this goal, and they want their parks and refuges open. As long as the President's veto is able to stand, our Nation's treasured 369 parks and 504 refuges will remain closed, and the people who we hire to manage them will be out of work.

□ 1230

These parks and refuges are funded by millions of American taxpayers' dollars who paid for them with entrance fees, excise taxes, duck stamps and income tax payments. It is unfair for the American people to continue to be shut out of these lands.

No bill is perfect. Would I write this one differently? Yes, I would. But it does achieve two primary goals: It provides funding to maintain the park and refuge system, and it moves us toward the all-important goal of a balanced budget.

I urge my colleagues to vote "yes" so Americans can once again have access to the parks and refuges for which they have paid.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in opposition to the motion to override the President's veto. The fact is that this, as I said earlier, is not a close call. I understand, and I think most Members understand, there is a new majority in this House. We understand there is not enough money in the Park Service or the BLM or the Forest Service, and some of that I guess I do not like. They are not my priorities, if that was all that this bill did in terms of changing funding, if it did not target things like the Low-Income Energy Assistance Program for the poor.

I, as a Representative, feel a special obligation to defend and represent the powerless in our society, not the powerful, the special interests. But this bill goes way beyond that.

We have heard a litany of suggestions about the fact that if we do not pass an appropriations bill, the parks cannot open up, the refuges cannot function, the Smithsonian remains closed. That is because, of course, the majority in this body will not take up the Dole resolution which, in fact, would provide a CR, which is the normal course of what has been done year in and year out with few exceptions. This is unprecedented, to be in the 20th day of a shutdown without appropriations.

The fact of the matter is that this is a sham, the suggestion you could pass this and the parks would be open, because we know that at the end of this month, the debt ceiling is going to have to be addressed, that issue is going to have to be addressed, and then not just the Park Service, but everything, the advocacy here; and make no mistake about it, I understand it and you understand it.

You know what the scheme has been since last year when the Speaker announced that he would bring the Government to a halt to get what he wants in terms of issues.

Now, I do not think that there is anything wrong with a balanced budget. I commend you for the emphasis and effort and impetus that has been brought to that particular issue. I commend Ross Perot for the impetus that has been brought to that. But the fact is that a balanced budget and the good things here with parks and others that you want to hold up as a shield to deflect the bad policy that lies behind it is where the concern comes.

You have to compromise. You have to address those issues. You cannot step back and suggest that we want a balanced budget; everyone wants that. I would just like to mention to my friends, you are not the first that have been here with a plan for a balanced budget in 4 years or 5 years or make it 7 years. Intuition? I think not. I think, more, political motivation to justify getting reelected. But it is a tough goal to accomplish.

You cannot justify a balanced budget with bad policy. Good environmental policy will, in fact, lend itself to achieving that particular balanced budget. But you cannot pour more money into the southeast part of Alaska for building roads and losing money on timber and all of the other natural resources that you have in here; in other words, in the Pacific Northwest, reneging on the Columbia Basin.

Mr. Speaker, science to this group seems to be very selective. Everybody wants to have more science, but science seems to this new majority to be what the Inquisition was to religion. You just cannot selectively use that. If you wore this bill out in public, you would be arrested for indecent exposure.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Speaker, I rise today in strong support of this vote override. We need to reopen our national parks, wildlife refuges, museums, and monuments.

The fiscal year 1996 appropriations bill for the Department of the Interior was vetoed by the President on December 18. Had it been signed into law—along with the many other appropriations bills that the President has chosen to veto—our precious national parks would be open today. Park guides and wildlife managers would be at work as we speak. Children would be touring our national museums on class trips and history would be relived for the many visitors to our national monuments.

Instead, these national treasures remain closed—not because of our inability to pass an appropriations bill, but because the President has refused to open them.

In my district, this means that the Timucuan National Preserve is closed to the countless visitors it enjoys on a daily basis. The Timucuan Preserve includes wetlands, forests, prehistoric archaeological sites, and historic sites. This veto means that the Fort Caroline National Memorial and Fort Matanzas National Park are unable to accommodate visitors and school children wishing to learn about the area's rich 16th century history. Further, the President's veto means that visitors to the Castillo de San Marcos National Monument, a historic fort in St. Augustine, are unable to actually enter that historic fort.

I urge my colleagues to support the override to open our national parks and send these Federal workers back to work.

Mr. YATES. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I do not think that any of us can tolerate the misrepresentation of why the parks are closed down. The parks are closed down for one very simple reason. The Republicans have yet to receive their crown jewel in the Contract With America, which is a $245 billion tax break for the rich in America. You guys are holding up the whole Federal government in order to get that. Whether it be the parks or Medicare or student loans, you are going to hold your breath until you get that $245 billion to fulfill your contract with the country club in America.

Do not lay off the closing of the Federal parks on Bill Clinton. All he is saying is, open the parks, but do not expect me to cut Medicare and student loans and give a big tax break to the wealthy as the price for doing it. You can open the parks this afternoon if you want to, but you do not want to because you cannot as a result stop the Federal Government from operating in order to give your huge tax break for the corporate officials and country clubs across this country.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from New Mexico [Mr. SKEEN], a distinguished member of our subcommittee.

Mr. SKEEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it seems to me that the louder the voice, the weaker the argument, and we have heard a lot of loud voices. But the basic thing that is wrong with this whole exercise is inconsistency. We are lobbing grenades at one another time after time over every minute issue in every bill, and this is another veto override that I think should happen.

There is nothing wrong with this bill, the Interior bill from an environmental standpoint, from a practicality standpoint; and just to illustrate to you that you should not cave in, Carlsbad Caverns was kept open because the local communities dug up the money with the State to keep it open.

If you want these people to go back to work in the Federal sector, override these vetoes and put them back to work.

As an illustration, and as an example, the Agriculture Appropriations Subcommittee bill passed. The Department of Agriculture is operating today. Every bureau, every system that has anything to do with agriculture is working today. If you also want to see an inconsistency, here is the IRS, one of our greatest examples of bureaucracy thievery, extracting from people who are on half-time withholding on income tax during this period of time. Another inconsistency.

Folks, I think it is about time we quit beating ourselves over the head and get down to the business of actually doing something definite about providing these bills and this legislation by overriding the foolish kind of a veto, to stop proposing foolish kinds of rhetoric and keep our voices down a little bit and have respect for one another.

Mr. YATES. Mr. Speaker, I yield myself 30 seconds.

I have the utmost respect for my good friend from New Mexico, but I insist that his was not a foolish veto by the President of the United States. There is a difference between a good bill and bad bill, and the President recognized that this was a bad bill. His veto was entirely justified, and in spite of all of the suggestions that the President ought to sign this bill and put people back to work, it still remains a bad bill, and his act in rejecting it was totally justified.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Speaker, I rise in strong opposition to this resolution. The majority leader and the front-running candidate for the Republican nomination for President right: Enough is enough. It is time to put the government back in business again.

This override attempt is just public relations. This debate we have been having over the last month is, what is the Government supposed to do and who is it supposed to help?

Mr. Speaker, the gentleman from Louisiana [Mr. LIVINGSTON], my friend and the chairman of the House Committee on Appropriations, gave away just how the Republicans view this debate and how they view our government. That happened right after the President signed the Defense appropriations bill.

My dear friend, Mr. LIVINGSTON, said that the President has lost his negotiating edge because he and the Democrats were the only ones who had an interest in the constituencies involved in the remaining appropriations bills. But that is so wrong.

The veterans who need health care are not Democrats; they are Americans who need our Government. The pregnant women and the mothers who need help getting a decent meal for their babies are not Democrats; they are Americans who need our Government. The people who count on the Government to keep the environment clean are not Democrats; they are Americans. And the people who yearn to visit our historic sites, our national museums and national parks are not Democrats; they are Americans.

The President was right to veto this bill. It cuts too much and would hurt our environment. Let us bring the bill back and do it right.

Mr. SKEEN. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, we have an opportunity before us today to send 133,000 Federal employees back to work and at the same time reopen all of the national parks and museums of which we have heard so much about in recent weeks. I ask my colleagues on both sides of the aisle to vote for this override.

A vote "yes" on the override will also provide welfare assistance to Indian children, keep Indian schools open and ensure essential services on Indian reservations. A vote "yes" will continue the mining patent moratorium and stop the giveaway of Federal lands.

The problem that we have is that this was indeed a carefully crafted piece of legislation that met demands from liberals and conservatives, Republicans and Democrats, on both sides of the Capitol; and despite the fact that it was returned to conference on many occasions, when it went to the President, he vetoed it.

Let me underscore that. He vetoed this bill, and the parks, the museums and all of the other good effects of this bill were shut down for the Christmas holidays. He kept 133,000 Federal employees from returning to work before Christmas. He has shut down the parks and the Smithsonian and the National Gallery which now I am glad to see has reopened. He is the one that told the native Americans that they cannot get welfare assistance for Indian children, funding for Indian schools. So what we are trying to do is simply fix the problem.

We have heard a lot of rhetoric on both sides. The time has come to put aside the rhetoric. The time has come to accept a good, a carefully crafted bill.

Understand, this is the best we can do. Override the President's veto. Send it back to him. Let us put these people back to work. Let us open the parks, be done with politics. We have already overridden his veto last week on a bill that was far less significant than this issue. This is a good bill.

I invite my friends on both sides of the aisle to override the President's veto and put these people back to work.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I think the point is that you can blame whomever you want. You can blame the House, you can blame the Senate or the President in terms of this measure. It has been around, and the fact that communication has not gone forward to resolve the differences is clear when we get a veto from the President.

☐ 1245

So whatever the good intentions of my colleagues in trying to iron out the differences, they did not achieve it.

Nobody consulted me on this particular bill. I have worked on this. What is wrong with this is, this is a spending bill but nevertheless it has in it many, many policy provisions that should not be in a spending bill.

And some of the priorities of course in terms of spending, I understand my colleagues' difficulty, but there is no reason to suspend the reform efforts in terms of the roaded or unroaded areas in the West which are in this bill, to suspend the grazing reforms which are present in this bill. There is no reason to undo the Columbia Basin study areas and to put that science to use so it can serve us in these needs. There is no reason to address the policy issues.

These are measures that do not belong in a spending bill. These are the riders that are being put in here at the insistence of extreme individuals in the House and the Senate that do not belong in these particular bills and, often supported by various interest groups, they do not belong in here.

So you brought into this the fact that you do not want to bring these issues up on the floor and debate them in the normal process that is afforded the House and the Senate to consider these issues, so they are being jammed into this particular proposal. As I said, even if this bill were to pass and we could open it up, we would be right back to the same problem because of the debt ceiling, and you know that that debt ceiling is going to be used for the same purposes with the same goal.

You can wrap yourself in a balanced budget mantra all you want in terms of no matter how often you repeat it, but it is not going to happen. You cannot do that with bad policy. You cannot have a balanced budget, you cannot deal with the deficit if you are going to create an environmental deficit, and that is what is going on here.

Much of what has passed as legislative process this past year has been a direct assault, a covert assault, I might say, on the environment, but nevertheless having a devastating effect. That is why we need to reject this effort to override.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from Oregon

[Mr. BUNN], a member of the subcommittee.

Mr. BUNN of Oregon. Mr. Speaker, I have listened to the debate with interest, and I have listened as we have been told that the parks are closed because of tax cuts, the parks are closed because of Medicare changes, the parks are closed because of veterans' issues.

Maybe I misunderstood, but I thought this was the Interior appropriations bill that we were talking about. I served on that committee and I worked, as we looked at an account-by-account basis, trying to make the changes, to set the priorities. We did save $1.4 billion in this as we moved toward balancing the budget.

I heard speaker after speaker talk about wanting to balance the budget on the other side. But we do not balance the budget unless we take action, and this budget does take action. It does preserve priorities, and it will get 133,000 people back to work if we will just vote to override.

We have the opportunity today to open the parks, to open the monuments, to open the museums, and stay on track to balancing the budget. It will not happen with talk. It will happen with action. This bill takes the action necessary.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, once again, the Government for 200 years stayed open when a President vetoed a bill. The Congress could sustain the veto, the Congress could override the veto, but the Government continued to work.

The only reason the Government is shut down is the Republicans have decided, after 200 years, they are going to use as a technique laying off hundreds of thousands of employees and the services that they provide for Americans, including their ability to walk into national parks across this country.

Why are we going to suspend that constitutional, historical, and successful way of governing this country? Because there is an emergency in this country, and the emergency is that the one thing the Republicans cannot do is get this $245 billion tax break for the wealthy in America. That is what the whole debate is over.

The bills which they are insisting upon the President passing include other parts of the Contract With America which include gutting of environmental laws. The historical mechanism by which we change environmental laws was through the appropriations process, by which you brought the EPA, Superfund, and the national parks laws out here separately. They do not want to do it that way. We are in emergency, martial law, to get that tax break for the wealthy. We will hold every ordinary Federal employee hostage. America held hostage to this tax break for the wealthy. That is what it is all about.

We are going to gut environmental laws, we are going to cut Medicare, but we cannot keep the Government going. For 200 years, and, by the way, there are a lot of things that can be said about the Democratic Party, but for the 60 years we ran this place, the Government did not shut down. Once the Republicans get in charge, the whole thing comes down around their ears.

That is why we should sustain the President's veto and ensure that regular constitutional process is continued.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. DAVIS].

Mr. DAVIS. Mr. Speaker, let me just say to my friend from Massachusetts, this Government closed down nine times under the Reagan and Bush administrations when Congress did not come up with the appropriate resolutions and there was a veto and an impasse. The difference was in those days that it never lasted longer than 3 days or a weekend because the President would be up here after a veto trying to work out the differences. We have not seen that in this case.

I think our side is equally responsible. We ought to bring a continuing resolution and move it through, but I do not think you are blameless in this. Frankly, the President can end this right here by signing this bill.

The issues that you claim are policy issues are not enough money for weatherization, not enough money for the National Endowment for the Humanities, not enough for native Americans, but what is in this bill is a lot more than what you have got on the table right now, which is a Government shutdown altogether.

This bill will put 133,000 Federal workers back to work. It will open up our national parks. It will open up the U.S. Geological Survey, which is doing a lot of research on earthquakes, on health and safety, water quality assessment, that is not being done right now. We have to balance the good this bill does against a few of what I think are ideologically driven objections on the other side.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Speaker, I have listened with great interest over the course of the last several months to the passion with which the Republicans have attacked the welfare system of this country, talking time and time again about a system of dependency, a system which instead of breaking a cycle of poverty in fact maintains a cycle of poverty.

But it is interesting to me that when we talk about a different form of welfare, a welfare where taxpayers are robbed of their paychecks in order to pay huge subsidies to our mining companies, in order to pay huge subsidies to our timber companies, all of a sudden there is quiet on the Republican flank for that kind of welfare, that kind of dependency, that kind of denial of free market tactics. Why do we not stand and ask our lumber companies to really determine whether or not on their own, without taxpayer subsidies, they go into the Tongass?

Mr. REGULA. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I will yield in one brief moment.

Why do we not ask whether foreign mineral companies would come and mine on our lands if in fact they had to pay the below-surface value of those mines rather than just the surface value of those mines?

What we have here is the denial of a real corporate kind of equity in America. We have a situation where we have welfare for the rich and free enterprise for the poor. That is the kind of system that the Republicans want to put upon the people of this country. It is time that we are consistent with what we expect the poor standards to be as well as what we expect the corporate standards to be in this country.

I yield to the gentleman from Ohio.

Mr. REGULA. Is the gentleman aware there is a moratorium on issuing mining patents which is included in this bill?

Mr. KENNEDY of Massachusetts. I am also aware that the gentleman from Ohio [Mr. REGULA] was very much involved in trying to get a better law, which he was not successful in convincing his fellow Republicans to do.

What you have essentially done is given them the keys to Fort Knox, you have given them the rights of Fort Knox, but you have not asked anybody to pay for the gold.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GANSKE].

Mr. GANSKE. Mr. Speaker, let us put into perspective what seems to be one of the most contentious parts of the Interior appropriations bill, harvesting part of the Alaska Tongass Forest.

If this table represented Alaska, the Tongass Forest would represent a postage stamp. The area that we are talking about for harvesting would represent the size of a pinhead. Is this what the President and the Democratic Members of this body are willing to close down the Government about?

I lived in the Pacific Northwest for a number of years. There should be balance in weighing the benefits of logging versus the environment. This bill makes reasonable compromises in the use of this forest, and I respect Members such as the gentleman from New York [Mr. BOEHLERT] and the gentleman from Maryland [Mr. GILCHREST], who are strong environmentalists and who support this bill. We should vote to override this veto.

Mr. Speaker, I want to respond to some of the rhetoric that has been on the floor this morning. The President's veto has more to do with politics than with the substance of this bill.

Now in the 20th day of current partial Government shutdown, the reason the national parks are closed is the direct result of bad faith bargaining by President Clinton. This ought to be crystal clear to all of the furloughed Government workers who are affected by this bill. If the President had not vetoed this appropriations bill, they would be back to work and citizens who want to visit their national parks would be having a good time.

The citizens in this country should take notice. Those who vote against this veto override are as responsible for this stalemate as the President.

Mr. YATES. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, we are being given an extraordinary constitutional argument, namely that when the President of the United States exercises his constitutional right to veto, he is then to be held responsible for a shutdown of the Government. That is of course nonsense but it is confirmation of what we have here: people who want to make very drastic changes in public policy, who lack the two-thirds that the Constitution says you need to override a veto, who in the absence of the two-thirds want to hold the Government hostage.

But even on its own terms the arguments fail, because the problem is that the appropriations bills, this one included, were not passed by this congressional majority until months after they were supposed to. We are in a crisis in part because of the absolute incompetence of the majority, which kept them from passing the great majority of appropriations bills for months, did not get any passed on time, or maybe one. That is why we are in this crisis.

The Constitution allows the President to veto a bill, and then we have time for him to have the veto override considered, and then negotiations. When you wait 2½ months after the deadline and pass the bill, you have lost your right to complain about a veto.

Mr. REGULA. Mr. Speaker, I yield 1½ minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, we are in this crisis on this bill I think for one reason. It probably was summarized in a letter the President sent to the Senate committee considering the bill on property rights.

His letter said, "I don't care how you modify the bill, I don't care how you modify the environmental reform that the House passed, I will veto that bill. I will stand in the schoolhouse door and veto any environmental reform because I don't want to see any changes in the status quo." We see it reflected here. The President of the United States has said, "I don't like the environmental reforms, I don't want any more trees cut in the Tongass Forest, so I will put 133,000 workers at risk of not going to work because I am going to veto this bill."

This President is not about to negotiate these changes. He is simply against them. He has promised his environmental friends he will stand in the schoolhouse door and veto bill after bill after bill that makes any attempt to modestly restrain the environmental extremists who have written some of these laws and regulations into existence. He will veto risk assessment/cost-benefit analysis, he will veto property rights, he will veto reforms in environmental legislation. He will veto them even if it means putting 133,000 workers out of business and the parks closed.

That is what this is all about. We ought to override that veto. We ought to put those workers back to work. We ought to make these modest reforms. It is a bill that has been approved by this House and by the Senate, by numbers sufficient to represent the majority will of the people of the United States. This President will not negotiate with us. We ought to override the veto.

Mr. YATES. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I think the gentleman takes some poetic license here. I would like to see a copy of that letter where the President says, I will put 133,000 workers out and I will veto this bill because I do not want any reforms. The gentleman is taking some poetic license with this in quoting the President of the United States. I would like to see a copy of the letter.

Mr. TAUZIN. Mr. Speaker, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, the letter I referred to is a letter he sent to the Senate committee on property rights.

Mr. HEFNER. Mr. Speaker, I would like to see the quote in the letter that says, I will put 133,000 people out of work. The gentleman may produce that.

Mr. REGULA. Mr. Speaker, I yield 30 seconds to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, the letter I referred to, I will tell my friend, is a letter the President sent to the committee considering property rights legislation, one of the environmental reforms we have been fighting for on this House floor.

The letter I referred to is a letter from the President telling the chairman of that committee: I do not care how you change this bill, I will veto any bill on this subject matter that hits my desk regardless of how you change it. That is the upshot of his letter.

I will send the gentleman a copy of it. What I said is that that letter reflects the attitude of the White House. They will not negotiate with us on the environmental reforms. They will simply veto legislation.

Mr. YATES. Mr. Speaker, I yield 30 seconds to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, but the point I am making, the gentleman stood in the well and he said the President said, I will put 133,000 people out of work. I do not believe he has that in print from the President of the United States. I do not care what rhetoric he uses about a letter that he sent to the other body. Show me in print where the President of the United States said, I will put 133,000 people out of work.

Mr. TAUZIN. Mr. Speaker, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, the President said that when he vetoed this bill. When he vetoed this bill, he said I would rather have 133,000 out of work than sign legislation that has modest environmental reforms.

Mr. HEFNER. Mr. Speaker, that is a conclusion; that is not a fact. And the gentleman knows it.

Mr. REGULA. Mr. Speaker, I reserve the balance of my time.

Mr. YATES. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, I think that it is quite clear what is happening here. The Government is shut down for one reason. That is because we have not passed a bill which passed the Senate. All we have to do is get that bill out on the floor here. With regard to the provisions of this bill before us now, what is happening simply is this: The Republicans want to override a veto.

The President vetoed that bill for a host of very good reasons. Among them is the fact that this bill would provide for the expedited application of mining patents, mining patents that are worth literally billions of dollars. Under the provisions of this bill, which the President vetoed, those applications would have to be processed in an unprecedented short period of time, in effect giving away to mining companies, many of whom are foreign mining companies, billions of dollars of American resources at bargain basement prices. That is what is at stake here.

These people tell us that they want to balance the budget. If they really wanted to balance the budget in a responsible and appropriate way, they would allow us to treat the resources of this country in accordance with their true value. If we believe in the free market, let that free market principle apply to public resources as well as private resources. Stop giving away the treasury of the country. Stop giving away the resources which will be passed on to future generations. You are allowing those resources to be exploited at bargain basement prices. Stop it. That is what this veto is all about.

Mr. YATES. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this is a bad bill. No amount of rhetoric about men out of work or Federal workers out of employment can change that fact. That it is a bad bill was recognized on two occasions by the House in voting to recommit the bill. The President was right in vetoing this bill. It is a bad bill, and his veto should not be overridden.

Mr. REGULA. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Ohio [Mr. REGULA] is recognized for 4½ minutes.

Mr. REGULA. Mr. Speaker, this bill deserves to be supported, and we should override the President's veto.

I wanted to just get some facts out here in the little time I have left. Indian education is above 1995. Indian health is above 1995. The native Americans get one-fourth, 25 percent of this bill, about $3 billion goes to native American programs.

I want to point out that we negotiated with the White House people, but they kept moving the goal posts. To show you how reluctant they were, they vetoed the bill, and then it took them 6 hours to decide what should be in a veto message. Normally you decide why to veto a bill and then veto it, but they were uncertain about what was wrong because they recognized that it basically was a good bill.

This is not about the EPA, that is not in this bill. It is not about welfare, that is not in this bill. It is not about Medicare. I have heard all these things from my colleagues on the minority side. It is about a mining moratorium. We just heard a speaker say we are going to give away our mineral resources. The moratorium in this bill stops that, but the President vetoed it. He wants to go ahead and give out all these patents and give away our mining lands because without this bill there is no moratorium.

My colleagues, we have an opportunity to vote "yes" to open the parks. We have an opportunity to vote "yes" to put 133,000 people back to work. We have an opportunity to vote "yes" to open up 500 national wildlife refuges. We have an opportunity to vote "yes" to open up 155 national forests. We have an opportunity to vote "yes" to support the Indian schools, an opportunity to vote "yes" to welfare assistance to Indian children, an opportunity to vote "yes" to the opening of the Smithsonian, the National Gallery of Art, the Holocaust Museum, an opportunity to vote "yes" to retain the patent moratorium, an opportunity to vote "yes" to collect $8 billion in revenues that are generated by the Federal lands.

I would say to the 89 Members that voted "yes" to override the President to help securities litigation lawyers, I would think that, at a minimum, you would vote "yes" to open up all of the resources to the 260 million Americans that this bill represents. I urge all of my colleagues to vote "yes" to override the President's veto and open up these facilities that belong to all Americans.

Mr. TAYLOR of North Carolina. Mr. Speaker, we have all heard from our constituents about the Government shutdown. Closure of our National Parks and Forests has attracted a great deal of attention. In my district—where we have National Park Service units and national forest land—over 500 Federal workers have been furloughed. Those that are at their jobs are working without pay.

However, the situation is even worse for those who rely on visitors to western North Carolina for their business. Concessioners, for instance, are private enterprises and are losing money because of the reduction in tourists to our area. These people will not receive the back pay that the Federal workers will be getting.

I was extremely disappointed that President Clinton vetoed our bill on December 18. As you know, we worked very hard to craft a bill that the administration could support—one that addressed the concerns expressed by various administration Representatives. I don't know if the President was even aware of what was in this bill—I think he simply vetoed it to pander to the more radical environmental groups who claimed it would severely damage the environment.

But of course these claims are completely false. This bill does not harm to our natural resources; in fact, it addresses many concerns expressed by this administration.

This bill increases funding for the National Park Service's operations and maintenance. We are well aware of the backlog of needed projects in our National Parks—basic projects like updating the sewage system at Certain Park sites or upgrading Visitor Centers. This bill will allow those projects to be completed.

This bill also provides additional funds for our country's Native Americans. The administration requested $110 million more be added to the Senate's $3.5 billion for Indian affairs. We added $137 million more.

We restored the mining patent moratorium that the administration requested.

We lowered the ceiling on logging in the Tongass National Forest from 450 million board feet to 418 million board feet.

In fact, we responded as best we could—give the severe budget confines of this bill—to all the administration's concerns. And yet, President Clinton vetoed the bill and jeopardized the livelihood of thousands of Americans.

We keep hearing that a clean CR will fix the current situation. This is not true. A CR is simply a temporary solution. This bill is the true cure. Rather than keeping Federal workers at these Federal agencies guessing about whether they will be shutdown in 2 weeks and then another 2 weeks for the rest of the fiscal year, this bill will fund the Department of the Interior and the Forest Service for the remainder of the fiscal year—9 months rather than 2 weeks.

Again, I cannot be sure that the President knew of the wonderful things we had in this bill. He listened to the radical leftwing environmental community and vetoed this bill to pander to them. Let us not continue this terrible travesty. Support this bill, vote to override the President's veto and let us put these fine men and women back to work.

Mrs. VUCANOVICH. Mr. Speaker, I rise in support of overriding the President's veto of this conference report.

Putting this bill together has been a difficult process, and it's safe to say that no one gets everything they would like to see in the bill. But on balance, the conference report represents the best effort and fairest bill possible.

At the last meeting of the conferees, we made considerable movement to address the concerns about the measure expressed by the administration.

Among other things, we put back into the bill a clean mining patent moratorium; we increased funds for Indian tribes; we gave the Park Service funds for the Mojave Desert. All in all, we made considerable movement to alleviate the administration's problems with the bill. Nevertheless, the President vetoed it.

This bill includes real compromises. But apparently the President wants things his way or not at all. For instance, those of us who support responsible mining in our country have tried to move forward on mining law reform. We are willing to negotiate royalties and payment for patented land. So we have included a clean patent moratorium.

But we did not go far enough for the President.

Had he signed this conference report, the current shutdown of Interior Department offices would have been avoided. Unfortunately, despite our concessions, the President chose to reject the bill and close National Parks and recreation areas.

We have done our job. It's time to put people back to work. It's up to the President.

I support the conference report and urge my colleagues to vote "aye".

Mr. POSHARD. Mr. Speaker, I rise in opposition to the motion to override the President's veto of the Interior Appropriations bill, H.R. 1977.

I appreciate the efforts of the Chairman, Congressman REGULA, to find common ground on some very difficult issues and pass this bill. As much as I appreciate his work and that of the Ranking Member, my colleague from Illinois Congressman YATES, I must still oppose this motion and support the veto of the President.

The cuts in this bill in energy conservation programs and in clean coal research are too much for people in my district to accept. Our coal mines have been all but shut down by the Clean Air Act of 1990, and without continued support for clean coal research, it will be very difficult to find new markets for that coal.

I support the President's veto and urge opposition to the override.

The SPEAKER pro tempore. All time has expired.

Without objection, the previous question is ordered.

There was no objection.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, the vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 239, nays, 177, not voting 17, as follows:

[Roll No. 5]

YEAS—239

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Horn
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Nussle
Orton
Oxley
Packard
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—177

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Dooley
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hayworth
Hefner
Hilliard
Hinchey
Holden
Hostettler
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Morella
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stokes
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—17

Brewster
Bryant (TX)
Chapman
DeFazio
Fazio
Fields (TX)
Hoke
Lightfoot
Mfume
Norwood
Quillen
Stark
Stockman
Studds
Visclosky
Wilson
Wyden

□ 1328

The Clerk announced the following pair:

On this vote:

Mr. Quillen and Mr. Lightfoot for, with Mr. DeFazio against.

So, two thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The message and the bill are referred to the Committee on Appropriations.

The Clerk will notify the Senate of the action of the House.

□ 1330

EXTENSION OF MOST-FAVORED-NATION TREATMENT TO PRODUCTS OF BULGARIA

Mr. OBEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1643), with the Senate amendment thereto, and concur in the Senate amendment, the Dole proposal, to open the Government, and that a motion to reconsider be laid on the table.

The SPEAKER pro tempore (Mr. LAHOOD). Under the guidelines consistently issued by successive Speakers as recorded on page 532 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leadership.

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. OBEY. Mr. Speaker, the leadership on this side of the aisle has authorized me to make the motion I just did. Can we have any indication at all from the majority side as to whether or not there is any plan at all for them to allow the Dole proposal to be brought before us?

Mr. WELDON of Pennsylvania. Regular order, Mr. Speaker.

The SPEAKER pro tempore. That is not a proper parliamentary inquiry.

LEGISLATIVE PROGRAM

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, we will now be turning our attention to special orders for a period of time. During this period of time, the majority leadership will be working with and consulting with the majority Members on a broad range of questions and issues related to the temporary Government shutdown that has resulted from the President's veto of recent appropriations bills.

Mr. Speaker, we intend also during this period of time, while the House is entertaining special orders, to do some consulting with the minority leadership as well, and in anticipation of what might come of these sessions, I must advise the Members that until notified otherwise, we should expect that we would be coming back to the floor for business requiring votes at some time later in the day.

We will proceed with special orders; it would be my expectation that we would be able to come back, if things go well, and interrupt those. If not, and the special orders scheduled for the day were to be completed, we would even expect possibly to go into a period of recess while these discussions go forward.

The short point, of course, to the Members at large is, until notified otherwise, the Members ought to anticipate that there will be additional business which would include votes later in the day; and I will return to the floor to inform the body, as things develop, of any additional information that might affect the manner in which they conduct their affairs today.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I would be happy to yield to the gentleman from Michigan.

Mr. BONIOR. I would ask the majority leader what time he anticipates that we would resume business today.

Mr. ARMEY. I can only say to the gentleman that it is my anticipation that that could be at 5 or 6 o'clock tonight. Certainly I should expect that by that time I would have enough information to, if we do not call the Members back in for such business, at least advise Members further on what the schedule would be for the rest of the day and the rest of the week.

Mr. BONIOR. If the gentleman would continue to yield, it is my understanding also that the Senate has decided that they will not be in today, tomorrow, and the rest of the weekend. If that in fact is the case, at least that body not doing any business, what legislation could we put forward that would relieve the impasse that we are in?

It seems to me that the fastest and the best way to do that would be to take up the resolution by the majority leader of the Senate, Senator DOLE, and pass that and get this Government back to work.

Mr. ARMEY. I thank the gentleman for his suggestion. Let me just say there are a very broad range of things that will be under discussion, and we will be able to make a report later in the day.

Ms. JACKSON-LEE of Texas. Would the gentleman yield?

Mr. ARMEY. I would be happy to yield.

Ms. JACKSON-LEE of Texas. I thank my colleague from Texas for yielding, and certainly I appreciate and support the minority whip on his comments.

I would like to indicate that I filed yesterday House Joint Resolution 155 that is a clean continuing resolution with several original cosponsors that would open the Government until January 19. I would like to know if the majority leader would allow a unanimous-consent request for that to be brought up on the House floor so that we could discuss that and debate that opening of the Government until January 19.

Mr. ARMEY. I thank the gentlewoman for her inquiry. I can only say that at this time I am not prepared to entertain such a request.

Ms. JACKSON-LEE of Texas. Well, I thank the gentleman if he would consider it. I think that we have certainly an opportunity for bipartisan direction on this and support on this. I thank the gentleman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will first entertain 1-minutes, if any Member wishes to give a 1-minute; and then we will move to special orders without prejudice to resumption of business.

NEGOTIATING FOR A BALANCED BUDGET

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, we are here today because we want to open the Federal Government. Our side is not looking to hurt Federal employees. I just want people to recognize that we are in a very, very difficult time of trying to balance the Federal budget. I think the other side needs also to recognize that we are making some progress.

President Clinton the other day decided that he would support a reduction in the capital gains tax, something that the other side has called "a tax cut for the rich." The President now agrees, and I think it is incumbent, with the President's assurance that he will support a capital gains tax, that we give a little, that we work to negotiate, that we seek to reopen the Government.

The bottom line is a 7-year balanced budget, CBO, OMB, make sure they are real numbers, honest numbers that the American public can agree to, and we can resolve the stalemate here in Washington. But the American public, both Democrats and Republicans, universally agree that a balanced budget can and should be done in 7 years.

CONGRESS SHOULD NOT BE EXEMPT FROM HARDSHIPS

(Mr. BROWDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWDER. Mr. Speaker, I do not believe that the President and Members of Congress should be exempt from the same hardships that others endure. If we are unable to pay Federal employees, then we should not be able to pay ourselves during a shutdown. Like some other Members of this House, I have introduced legislation to prevent the President and Members of Congress from collecting paychecks during Government shutdowns, and I invite my colleagues to join me as a cosponsor of H.R. 2671.

It is not right that Federal employees should be made to suffer this outrage alone. Maybe a pay freeze would make the President and Congress take the situation more seriously. Cosponsor H.R. 2671.

PRESIDENT SHOULD SIGN APPROPRIATIONS BILLS

(Mr. YOUNG of Alaska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, you have just seen the House uphold the President's veto, and may I say that the minority side again has shut down the parks, the refuges, the monuments. It is the President who has not acted appropriately.

This is a body of two Houses and conferences, and we reached the right decision. We sent the bill to the President. He alone has shut down the parks. He alone has shut down the monuments. He alone is causing the pain, and it is time for the American public to say, Mr. President, sign the bills that Congress sends to you.

For those of you on the minority side, you are no longer in the majority, you are in the minority. So let us tell the truth. Let us have the President sign these bills. We will send them to him.

Mr. President, let us put the people back to work. It is your fault; it will continue to be your fault. Let us think about this country instead of the election in 1996.

PASS A CONTINUING RESOLUTION TO OPEN GOVERNMENT

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, it is now 3 months and a few days since the fiscal year closed and since the Congress had a responsibility to enact a new national budget and to adopt some 13 appropriations bills. None of that has been done.

My Republican colleagues are anxious to tell us how the President can get the country back to work. Well, it is very simple. We can get the Government going again by the simple expediency of continuing the negotiations and by seeing to it that a continuing resolution in the proper form has been passed.

Our Republican colleagues have told us what they are going to do. The Speaker himself said this: I do not care what the price is, I do not care if we have no executive offices and no bonds for 30 days. Not this time. He said he would shut the Government down and he has done so. Federal employees, citizens, everyone else is hurting because of this consequence.

My advice is, let us not slink out of town like a bunch of skulkers; let us pass a continuing resolution and get about the business of the country.

MEALS ON WHEELS LIVES

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, I have a real problem. Just the other day the President comes on national television, and the first item he mentioned as part of the shutdown was Meals on Wheels. My wife devotes 1 full day a week plus other free time to Meals on Wheels in the private sector. I picked up the telephone today and I called every place I could think of in southwest Missouri, my district, and every meal is being delivered. Meals on Wheels has not been shut down.

Now, maybe there is a Government function that they call Meals on Wheels that is Government funded that is shut down. But the private-sector Meals on Wheels is delivering meals all over the United States, which is a real good example that the private sector can do a better job than the Government.

Meals on Wheels are being delivered, and I resent the President of the United States stating that my wife's volunteer work is not happening.

POLITICS IS THE ART OF COMPROMISE

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, the fact is that while Meals on Wheels are being delivered now, they will not if we do not pass the Dole continuing spending bill.

Mr. Speaker, politics is the art of compromise. Politics should not be the tactics of terrorism. Terrorism is when you take innocent hostages, punish them to achieve an objective that you cannot otherwise achieve through legal and democratic processes.

Federal employees, public civil servants, are being taken hostage, are being punished through no fault of their own, only because they choose to serve the American public and the American civil service. They are being punished, some having to work without pay, others being locked out of their jobs, being told it is illegal even to volunteer.

Now, three-quarters of a million Federal employees will not be able to pay for their rent, will not be able to even provide food for their families. It is wrong. Shame on this body.

□ 1345

WHAT THE BUDGET DEBATE IS ABOUT

(Mr. LINDER asked and was given permission to address the House for 1 minute.)

Mr. LINDER. Mr. Speaker, I will be willing to admit that it is unfortunate that Federal employees are being furloughed in this great debate. But they are not the only hostages. They are not the only innocent ones.

There are several hundred million people in this country who are held hostage by this whole process. The most innocent are our children and grandchildren, who are inheriting from this body a $5 trillion debt that will cost them in their lifetime, if they are born this year, $187,000 just to pay interest on the debt.

This is a great debate. It is not a sandbox fight. It is about the direction of the Government. The dollar amounts are insignificant. What the President cannot tolerate is turning back to individuals the right to make decisions about their own lives. The nanny state will wither away and the left will lose control over the lives of people. That is what this debate is about and I am on the side of the innocent children and grandchildren.

ACCEPTING RESPONSIBILITY IN BUDGET BATTLE

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, both Democrats and Republicans on the Senate side were responsible in enacting a clean CR to put the Government back to work again. We have now been in a Government shutdown for some 20 days which is costing this Government at least $20 million each day. Twenty days of that, we just need to multiply that.

But, more importantly, it is costing the taxpayer their services that they deserve. Our country deserves better. Yet there are those on the other side, under the rubric of being responsible to their grandchildren and to the children, the innocent, and denying children of today opportunities.

How responsible is it for us to say that we should deny the opportunity and the responsibility for people to productively give back to their country what they will be paid? How responsible is it for us to pay people who are not actually working? It certainly is not responsible, nor is it civil, to deny the responsibility of us as Members of this Congress.

MEETING THE CHALLENGE

(Mr. GRAHAM asked and was given permission to address the House for 1 minute.)

Mr. GRAHAM. Mr. Speaker, a relationship, to work and survive, has got to be honest and we have got to deal with each other in good faith. For a government to govern well, we have to be honest and we have to deal with each other in good faith.

The President has vetoed every measure we have sent to him that would balance the budget. He has a constitutional right to do that. If he believes that our budget devastates the elderly, he has a moral obligation to fight us. I will never, never say bad things about somebody that follows their beliefs because that is what they should do. There comes a time, though, that one has an obligation to do more than just say no.

Mr. President, if you do not like our view of a balanced budget, give us your view. We cannot negotiate against ourselves anymore. You have a legal and a moral obligation to fight us when you think we are wrong. You have a legal and moral obligation to fulfill your commitment you made 40 days ago to put a budget on the table that balances. Please fulfill your obligation.

LEGISLATION PROHIBITING OVERSEAS TRAVEL BY MEMBERS DURING GOVERNMENT SHUTDOWN

(Mr. BARRETT of Wisconsin asked and was given permission to address the House for 1 minute.)

Mr. BARRETT of Wisconsin. Mr. Speaker, last week I noticed a newspaper account that said that notwithstanding the fact that there are over 700,000 Federal employees who are not being paid, there are still 50 Members of Congress, nearly 50 Members of Congress, who were scheduled to go on foreign trips during this shutdown.

Mr. Speaker, that is a slap in the face to the hard working Federal employees who want to be working and who should be paid. This is not the time for Members of Congress to be traveling overseas. And today the Speaker has scheduled a piece of legislation that allows us to be in recess for up to 3 weeks. That is wrong, too.

I have introduced legislation that would prohibit Members of Congress from traveling overseas during times of Government furloughs. It is wrong, and the Members of Congress should stay here and we should not recess ourselves. We should stay here, get these people back to work. They want to work. They should be working. It is simply wrong to do what this Government has done.

CALLING ON PRESIDENT TO STEP FORWARD IN BUDGET DEBATE

(Mr. FOX of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOX of Pennsylvania. Mr. Speaker, I come to the House floor today to remind my colleagues that on November 20 the President of the United States did promise this House by law that he in fact would work with us, the House and Senate, for a balanced budget.

As the previous speaker from South Carolina has said, it is a fact we have no budget from the President. Six appropriation bills have gone to the President without signature. The facts are very clear. His not signing the appropriation bills has caused the furlough of Federal workers.

We want the Federal workers to go back to work. We want our constituents served. Republicans and Democrats in this House want a balanced budget, and we can do it by ending the gridlock, by having the President meet us halfway. The budget he gave us previously was $265 billion out of balance. Let us have a budget that truly balances, one that is going to be providing services to our people without bankrupting the Nation or the next generation.

BIPARTISANSHIP NEEDED TO RESOLVE IMPASSE

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I would like to take up the call of the gentleman from South Carolina. I think it is time for us to work in a bipartisan manner, and I have offered House Joint Resolution 155 that would open this Government by a continuing resolution, provide our employees that are furloughed an opportunity to come back to work and provide the services to the American people, and as well to pay the Government and to operate the Government at 90-percent funding.

I am very proud to say that I have been joined by Members Gene Green, Al Wynn, James Clyburn, Bennie Thompson, Patsy Mink, Eva Clayton, Tom Foglietta, Louise Slaughter, Earl Hilliard, Cleo Fields, Donald Payne, Xavier Becerra, Corrine Brown, Rosa DeLauro, Jim Moran, Alcee Hastings, Joe Kennedy, John Lewis, Patrick Kennedy, Sanford Bishop, Lucille Roybal-Allard, Tom Barrett, Harold Volkmer, and Pat Schroeder. We are all concerned that we work in a bipartisan manner to do what the American people have sent us here to do, to have this Government operating and, yes, work to balance the budget with the priorities that will benefit all of us who are Americans. I hope my colleagues will allow this to come to the floor today.

CREDIBLE WHITE HOUSE PLAN NEEDED TO END SHUTDOWN

(Mr. WELDON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. WELDON of Pennsylvania. Mr. Speaker, we have heard from the President that this shutdown in the Federal Government has been caused by freshman Republicans. I rise as a five-term Republican who on many occasions has broken with my party to support the President on labor and environmental issues. But I will not break ranks with our party in this case, because the credibility of this administration in my mind is at question. I think the Philadelphia Inquirer, Mr. Speaker, summed it up best in their lead editorial today entitled, "Your Turn, Bill." I will read the last paragraph, Mr. Speaker.

> Congress should pass stopgap funding as soon as the President provides the missing ingredient of serious bargaining: a credible White House plan to balance the budget in 7 years.

To my liberal friends, I would say the Philadelphia Inquirer is not exactly a bastion of conservative politics. I would urge this President and my liberal friends to heed the advice of the Philadelphia Inquirer, and I will join with them in supporting a stopgap CR when this President lives up to the commitment of his words a few weeks ago.

Mr. Speaker, I include for the Record the editorial mentioned earlier.

Your Turn, Bill

"Enough is enough." That was the gist of Bob Dole's argument for passing a new, stopgap funding bill, even though there's no deal yet on a balanced budget. The partial shutdown is a wasteful exercise that could have ended yesterday if House Republicans hadn't rejected the idea.

Yet Newt Gingrich & Co. can rightly shout "enough is enough" at President Clinton. In the agreement that ended a shorter shutdown in November, the President promised a serious plan to balance the budget in seven years. The country is still waiting for his plan.

House Republicans have rejected short-term funding—and taken the heat for it—out of a legitimate concern that federal businesses-as-usual lessens pressure on Mr. Clinton to bargain seriously.

So the stalemate drags on.

The most aggrieved folks are nearly half a million "essential" workers in unfunded departments and agencies: They are being forced to work but won't be paid until Congress and the President agree on funding. Yesterday, a federal judge turned down the plea of two unions to bar the government from making their members work without pay.

No matter how this fiasco plays out, requiring people to work with out pay if fundamentally unfair. How would Republican lawmakers like to work without pay? They voted that idea down in the House, as Majority Whip Tom DeLay got all huffy about how he wasn't a federal employee, but "a constitutional officer." Well, la-dee-dah, Mr. DeLay.

Another 260,000 "nonessential" workers are missing paychecks, but at least they're getting time off—and have been promised back pay for doing nothing: Ridiculous?

There's a middle way out of this morass that's less stubborn than the House GOP, but doesn't let Mr. Clinton off the hook as Mr. Dole did.

Congress should pass stopgap funding as soon as the President provides the missing ingredient of serious bargaining: a credible White House plan to balance the budget in seven years.

LET YOUR PEOPLE GO

(Mr. FARR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FARR. Mr. Speaker, I rise as a Member from the delegation of the great State of California. This is the State that is proud to lead this Nation in environmental, educational, and economic policy.

Unfortunately, it is also the State that showed that a legislative branch of government can bring government to a halt by not adopting a budget on time. California's partisan politics delay the State budget year after year. However, never was it this bad.

Congress is now in its fourth month. We have been here more days, taken more votes, and spent more hours on the floor and accomplished less than any other Congress in history. Congress was unable to make the October 1 fiscal deadline. It is internationally embarrassing.

Mr. Speaker, give us back our Nation. Let your people go. Vote for a clean CR and get Government back to work.

AS THE POLLS TURN

(Mr. SCARBOROUGH asked and was given permission to address the House for 1 minute.)

Mr. SCARBOROUGH. Mr. Speaker, let our people go? The Speaker and this House have bent over backwards. We have passed two balanced budget plans, we have passed appropriation bills.

The President vetoed the first balanced budget plan in a generation. The President has vetoed the Interior bill. The President has vetoed bills that would get funding for veterans' affairs, for HUD, for the Environmental Protection Agency.

This truly is the do-nothing President. His people are telling him at the White House, "Do nothing, stand in the road, block progress, fight a balanced budget at all costs. That is what you need to do, Mr. President. Be firm, do nothing, and your poll points will go up."

Maybe they will. I really do not care whether his poll points go up or not.

The fact of the matter is we have put on the table the first balanced budget in a generation, and if the President wants to continue standing in the way of that, fine. We are going to balance this budget with or without him.

REQUEST FOR PERMISSION TO ADDRESS HOUSE

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that I be given 30 seconds to ask the gentleman a question.

Mr. LINDER. Mr. Speaker, I object.

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would inform the gentleman that we are in 1-minutes. If the gentleman would be so inclined, if he has not given a 1-minute, he may get in line.

ANOTHER VICTIM OF SHUTDOWN

(Mr. EDWARDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS. Mr. Speaker, I would like to read one more letter from a real person in my district, another victim of the Gingrich shutdown philosophy.

> Mr. Edwards: I used to live on welfare but I fought my way out of the system. I'm employed at the VA hospital in Temple, Texas as a certified surgical tech. I'm not on food stamps, AFDC or Medicaid anymore. I support my children and take care of them through my job which I am not being paid for. The check I was to receive on January 2 was for rent, electric bills, food and gas. My 9-year-old's birthday had to be put on hold until I start getting paid again. I wish they could have felt my heartbreak when I told him and he started to cry.

Mr. Speaker, it is time to pass a resolution to put the Government and decent, hardworking Federal employees back to work. We can do that if Mr. GINGRICH and the House Republicans will let us take 15 minutes to vote in favor of a clean continuing resolution.

NO COUNTERPROPOSAL RECEIVED IN BUDGET DEBATE

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, it is interesting. The previous speaker and all the others, they all voted against the override. If you wanted to get this birthday party done, you want to help these people out, why do you not vote for the bills? It is that simple.

The President has vetoed Interior, which would open national parks; the Justice Department; Commerce VA; HUD; EPA. These are all real things that would have opened the government. And yes, there is plenty of time to continue debating these issues and these spending levels. If you did not like this year's appropriations, go for it next year. Try to put in more money. We know you like to spend. But the President had vetoed these things and we have not seen yet a counterproposal.

That is what we have been looking for since November a counterproposal. What I do think is I share your concern about the furloughed employees. I want them to go back to work. I am not against a CR. But what I wish is that you would have the same urgency about the $20 billion a month we are spending in interest on the national debt. This money is going to be paid for by your children and my children. Let us show them the same compassion you pretend to show other groups.

□ 1400

TAX BREAK: CROWN JEWEL OF THE CONTRACT WITH AMERICA

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, yesterday the budget negotiators finally got to the key issue in the budget debate: whether or not we are going to provide a $245 billion tax break largely for the rich in this country as part of the 7-year balanced budget plan.

The Republican Party considers the tax cut for the rich to be the crown jewel in their Contract With America, and they have promised to keep the Government shut down until we give this tax break to the rich. The crown jewel is a good metaphor, for without the tax cut for the rich, the contract will not sparkle, it will not shine. But it is a jewel at a great price. To pay it, we must cut student loans, we must slash Medicare, we must cut Medicaid, we must slash environmental programs.

The Gingrich budget promises 7 years of milk and honey and tax breaks for the rich, but 7 years of financial famine and locusts for the working-class people of our country.

FOCUS ON BALANCING THE BUDGET

(Mr. McINNIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McINNIS. Mr. Speaker, while I appreciate the gentleman's cute props and while I appreciate my colleague's earlier statements about the child that was crying, certainly we divert from the primary issue here, and that is to balance the budget for the Federal Government and focus on some short-term hardships.

We understand there are hardships out there. I have got a program that I am going to talk about on a 5-minute special order on how we can help on some of those, but do not let us lose focus on the most important issue facing this country in generations, and that is to balance this budget, to control Government spending. Remember, right now this Government spends $30 million an hour more than it brings in, and if you want to talk about an impact on the children and the future of this country, it is handing them this credit card, the congressional voting card, which is accumulating that kind of debt. That is what is going to break the backbone of this country.

We can focus on these short-term hardships. We can do something about it. But until we address the long-term problem, we are not going to get anywhere.

BRING UP THE LINE-ITEM VETO

(Mr. KANJORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KANJORSKI. Mr. Speaker, I could not help but hear some of my colleagues on the other side engage in some rhetoric which I think is unfortunate at this time, I might say, on our side also. It sort of indicates where this impasse is starting to take this Congress, and I hope the American people will give us a little sufferance here because if they do not, they may start to believe that we have defeated the success of representative democracy in America under the Constitution as we know it.

The fact of the matter is we have a fundamental philosophical disagreement here, and we may have to recognize we are not going to come to a conclusion on it. We may not get an agreement on reconciliation and balancing the budget.

But this country must go on. What I would suggest is there is a tool, although I disagree with the tool, that was passed by this House and by this Senate but not sent to the President, that would resolve this problem, and that is the line-item veto. If the conference committee will meet today, agree on a conference report between the House and the Senate, bring it back to this House and send it to the President so he can sign it, he will have the authority to take the objectionable parts out of the appropriations bills which are keeping this Government shut down.

LET US GET TO A REASONABLE BUDGET AGREEMENT

(Mr. GANSKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GANSKE. Mr. Speaker, we have heard a lot of hot air about tax cuts for the rich, tax cuts for the rich. Well, as many of the Members know, myself and another Member who is sitting in the body today earlier in the year worked hard to lower the tax cap for the $500-per-child tax credit. The conference bill is currently at $75,000 for a single earner and $110,000 for a couple.

Most people would say that that is reasonable, especially if you look at the fact that in 1950 the average income-earner family in this country was sending 5 percent of their income to Washington for Federal taxes and today it is over 25 percent. Remember also the President himself introduced a bill that had some tax cuts in it.

So I think what we are working at now, and as we said all along in the continuing resolution, was that we would put everything on the table, the level of tax cuts. The President has his. We have ours. Let us get some numbers and come to an agreement.

ENOUGH IS ENOUGH

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, enough is enough. I have sat here and listened to my Republican colleagues from Georgia and from the panhandle of Florida talk about what they really want in a budget. Maybe they need to call home and ask how many of their seniors are not being able to apply for Social Security or how many of their veterans are not getting the health care they need or being able to apply for veterans' pensions.

The Federal employees are not the only ones that are hurting. In Houston we have thousands of people who are hurting. The passport office, we have 10,000 applications for passports, and they expect to grow by a thousand a week, that are not being issued. That is hurting business people who want to go overseas and sell our products. The Meals on Wheels program in Houston, I was interested to hear my colleague from Missouri talk about they are delivering them today, and they are in Houston. They say they only have enough money for another week or the 3,500 meals in Houston will not be delivered for seniors. The VA medical center, as of today, is only supplying, the contractor is only supplying for the VA medical center on an as-needed basis, so veterans are not getting the health care they have earned in supporting our country.

There is absolutely no reason to keep the Federal Government closed because they cannot get what they want in negotiations. Let us continue the negotiations. Let us also continue for the folks who are paying the bill.

TAXPAYER RESOURCES BEING SQUANDERED

(Mr. POMEROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POMEROY. Mr. Speaker, this morning's front page of the Washington Post quotes the Senate majority leader with a very succinct comment, one which finds broad agreement all across the State of North Dakota. It says, "People should work for their money."

Yet the House of Representatives, the majority specifically in the House of Representatives, has created a situation today where thousands and thousands of Federal workers are prohibited from coming to their place of employment and discharging their services to the American people. Yet they have been assured by the same majority that shuts them out from their desks that they will now be compensated for this time.

Now, what could be more ridiculous than that? Not letting them come to work but paying them for staying at home, what is the point? The point is an awful lot of people are being hurt, the taxpayers' resources are being shamelessly squandered.

The Senate Republicans and Senate Democrats alike have voted to put this Government back to work, and it is time the House go along.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would advise the Members that Members are allowed one 1-minute speech during each legislative day. The Chair has notified other Members of that previously.

PRESIDENT HAS REDUCED THE DEFICIT

(Mr. POSHARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, I just want to reemphasize again, if I may, I hear various speakers coming up here and painting the President as the ogre with respect to balancing the budget, reducing the deficit.

I just want to point out that in 1992 this country was running a $310 billion deficit per year. It went down to $260 billion, to $200 billion, and this year to $161 billion.

This President, whom everyone accuses of being disingenuous about balancing the budget, has reduced the deficit $150 billion in 3 years, whereas the budget that we are being told we should agree to here and pass goes from $161 billion in this year to $151 billion, back up to $158 billion and down to $126 billion in the third year. The President's budget? It is $150 billion in 3 years. This budget that we are being told is a saving grace of America, $35 billion in the same amount of time.

HOW TO REOPEN THE GOVERNMENT

(Mr. MANZULLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANZULLO. Mr. Speaker, the House just voted a few minutes ago to override the President's veto of the Interior appropriations bill.

Whenever the President vetoes a bill, that mean he does not like it. But when the President vetoed the Interior appropriations bill, that meant that 130,000 Federal employees could have been working, 369 national parks would have been open, 500 national wildlife refuges would have been open, 155 national forests would have been open.

Let us get candid about this. Whenever the President vetoes a bill, he shuts down the Government. If the President is complaining about the Government being shut down, all he has to do is to sign the appropriations bill. That is what this process is about.

So, if you want the Government to be open, all the President has to do is to sign the bills, the appropriations bills that Congress has sent to him. It is that simple.

IT IS TIME TO RETURN TO SANITY

(Mr. MENENDEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, I was listening to this debate on the floor, and I decided to come down. I wanted to tell some of my radical friends, since I always hear them called liberal friends, it is time to stop using our Federal employees, who are our fellow citizens, American citizens, as hostages.

I feel like we are in the Iran hostage situation again. It is time to stop using Americans who depend upon those Federal employees as hostages, and it is time to stop asking them to be the ultimate sacrifice in this process.

The fact of the matter is you want to impose your will, your extreme agenda as the law of the land, and that is not the American way. It is about negotiation, it is about compromise. It is not about blackmail and threat, and that is what is at stake here.

We are discussing about deeply rooted principles. I know you have yours, and we have ours. But it is time to stop using Federal employees and the American citizens who depend upon their services as hostages, and it is time to take the gun away from the President, which is what you are doing, at his head; it is time to return to some sanity in this House and in this country.

AMERICA WANTS A BALANCED BUDGET

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, there you have it, we have been called gruesome, we have been called extreme, we have been called radical, we have been called just about every name in the book because we want to do something so extreme and so radical as to balance the budget using honest numbers.

People back home are saying to me, "Dave, if you can't do it, who will do it? And if we can't do it now, when will we do it?"

The time has arrived. The President is vetoing all of these bills that we put before him because we do not spend as much money as he wants to spend. Those are the bottom-line issues in his vetoes. He wants to spend more money than we want to spend.

We want to balance the budget. He has not presented a budget that balances. He has not presented to us a budget that, when we give it to the CBO, the Congressional Budget Office, and they analyze the numbers, it does not come to balance in 7 years. The American public wants the budget balanced.

WE MUST WORK OUT OUR DIFFERENCES

(Mr. HEFNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, I think the gentlemen are missing the point here. We are talking about a balanced budget all the time. We are talking about opening up the Government.

All Presidents past, Gerald Ford, Ronald Reagan, Jimmy Carter, George Bush, when they had a disagreement, it is their perfect right to veto a bill.

Incidentally, the bills that President Clinton got were far late. They were not anywhere near the time they were supposed to be here.

The President has the right to veto a bill, and then you work out the differences.

This is totally ridiculous to say, "If you don't sign these bills like we passed them, like we want them, we are going to close the Government down and put all of these people out of work."

That is the process. The President has the right to veto a bill, and then you work with appropriations or the authorizers and then you work out the differences. You do not just get mad and throw a tantrum and close the Government down, our VA hospitals that are so vital to the people of this country.

It is not just Federal employees it is hurting. It is average working people out there that depend on the services of the workers.

This is totally ridiculous, holding them hostage because you have got a temper tantrum because you cannot have it like you want it.

WE MUST DEAL WITH THE DEBT AND THE DEFICIT NOW

(Mr. GILCHREST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILCHREST. Mr. Speaker, if there is anybody in the Chamber who was born in 1946, they are now the quintessential baby boomer. They are 50. That means in 15 years or a little bit less or a little bit more, they are going to retire. If we do not reform what we are doing now, if we do not reform Medicare, there is going to be no health care for those retirees.

□ 1415

Mr. Speaker, if we do not reform Social Security, there is going to be no Social Security for those retirees. If we do not do something about the debt, which is about $5 trillion, there will be no economic structure for the baby boomers' children to operate under.

It is time for us to deal with this debt, with this budget. We want to put the Federal workers back to work. We want the President to sign the bills, which he can today, to put these people back to work. We need to get rid of the politics, shift the focus back to the budget and some of this Nation's problems.

HOUSE-PASSED BUDGET INCREASES ANNUAL OPERATING DEFICIT IN 1996

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAYLOR of Mississippi. Mr. Speaker, I wish a couple of my colleagues would take the time to read the report from the Congressional Budget Office that says that the budget that has passed this House increases the annual operating deficit for this Nation in 1996. It does not decrease it, it increases it.

Even when they cook the numbers, it increases the annual operating deficit by $7 billion. You do not balance the budget by taking your first step backward.

The second thing I would like to do is commend those wonderful men and women who work for our Nation's veterans hospitals, taking care of the people who came home from our wars in a situation much worse than they left, who are working for reduced pay. I want to tell them it is my deepest regret that they are not being fully compensated for what they have done. We have tried three times on the House floor on the Democratic side to bring a budget bill straight to the floor under an open rule that if people wanted to amend, they could, and three times now the Speaker of the House has ruled that would not happen. We will continue to work in your best interests.

BALANCED BUDGET IN 7 YEARS IMPORTANT FOR THE FUTURE

(Mr. ALLARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, we are where the road forks in this country's history. We are talking about business as usual or whether we really want to bring some change to this place.

I have a lot of empathy and support, or concern, about Federal employees who may not be having an opportunity to work, and I think we need to look at our policy as a way we handle these kinds of public discussions and we ought to set a policy that allows them to go back to work if they wanted to.

But we are talking about whether we are going to balance the budget in 7 years using real figures, or whether we are going to go over here and do business as usual, as we have been doing for the last 40 years. That is where this crossroad is.

The President simply is not sitting down and looking at what we can do with real numbers in 7 years to balance the budget. We have to do that if we are going to have any kind of future for our children and grandchildren. It is imperative. It is important.

GOVERNMENT SHUTDOWN UNFAIR

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, it is time for this House of Representatives to get a grip. The shutdown of the Federal Government is unworthy of a great country. The irresponsible actions of this House have increased the economic uncertainty of our Federal workers. Whether they get paid eventually or not is unknown, but what is known is that those industries which depend on the Federal Government operating will never be made whole.

Think, in our area in California, Mariposa County has appealed to Governor Wilson to declare them a disaster area because of the loss of business due to the closing of Yosemite Park. It goes on and on, with coffee shops and stationery stores and all the rest who do business as a result of the Federal Government and Federal buildings being functioning.

Mr. Speaker, for a Nation that prides itself on the issue of fairness, this shutdown is unfair to the American taxpayer, unfair to the Federal workers, unfair to American businesses who want to engage in trade. We are not able to protect our environment, to conduct our foreign policy.

Mr. Speaker, if this is the tactic that the Republicans want to use, then in a sense of fairness we should not be accepting our own paychecks.

CONGRESS SHOULD ACT RESPONSIBLY AND BALANCE THE BUDGET

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, I care about our civil servants, and I care about our Federal employees who are without compensation and who are not working today. But the pain now being felt by our Federal employees will be exactly the same pain felt by all Americans in the next decade if this House and this Congress fail to act.

Let me give an example. Some Federal employees recently received half of their monthly salary, and all of their benefits were taken out and their costs of benefits were taken out of their paycheck, and that is exactly the type of paycheck that Americans will receive in 10 years if we fail to act and act responsibly at this time.

So I urge my colleagues to hold tight, to balance the budget, and to act responsibly now.

HOUSE SHOULD HAVE AN OPPORTUNITY TO VOTE ON SAME RESOLUTION THAT SENATE PASSED

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, the dilemma that we face here today could be corrected in about 1 hour. All it would require would be for the Speaker of this House to bring to the floor the same resolution that Senator DOLE brought on the other side and in the other body. We could put everybody back to work, ensure that Meals on Wheels obligations were honored, ensure that benefits were extended to those who were deserving of them, and it could be accomplished this afternoon.

But you know what the compelling truth here is today? That a radical element in this House that is out of touch with realities across this Nation, they have decided that they are going to hold Federal employees and our senior citizens hostage to their point of view, and that is precisely what they are doing today.

If Senator DOLE can bring the U.S. Senate Democrats and Republicans along, surely we ought to have an opportunity in this institution to simply vote on a measure to reopen this Government. That should be done today, and I guarantee if that simple measure was brought to the floor, it would pass easily.

THE UTAH CENTENNIAL—100 YEARS OF STATEHOOD

(Mr. HANSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANSEN. Mr. Speaker, on January 4, 1896 President Grover Cleveland stated:

> Now, therefore, I, Grover Cleveland, President of the United States of America, in accordance with the act of Congress aforesaid, and by authority thereof, announce the result of said election to be as so certified, and do hereby declare and proclaim that the terms and conditions prescribed by the Congress of the United States to entitle the State of Utah to admission into the Union, have been duly complied with, and that the creation of said State and its admission into the Union on an equal footing with the original States is now accomplished.

The centennial is a time to remember our roots which allows us to pass our heritage on to others. For nearly 50 years, Utah teetered on the brink of statehood. Our predecessors understood the value of industry and hard work. Early settlers planted crops, built roads, schools, mercantiles, and by 1869, hailed the linkup of the transcontinental railroad. Utahns have always recognized the need to be prudent with their resources, cherished education, and esteemed family and the community.

It is a celebration not just for Utah but one for the world. Invited leaders from 59 nations will attend the celebration to honor the immigrants from their countries who helped make Utah what it is today.

This is a moment we've all been waiting for. It is a time for pondering and expressing our gratitude for the wonders of the State and a time to ponder the past and plan for the future.

Gov. Mike Leavitt stated, and I agree, that "with the caliber of citizens in this State today, the legacy of quality that our predecessors worked so hard to establish will undoubtedly be carried on for future generations."

I, as well as many others, reflect upon our Utah history, and recognize that the struggles and sacrifices of our early settlers to achieve statehood have made Utah one of the most prosperous States in the country. I am proud to represent the great State of Utah.

Mr. Speaker, I hope Members join with me in celebrating Utah's 100-year birthday.

HOUSE OF LUNATICS

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, back last month I made a speech on this floor about this being the biggest show on Earth, that Ringling Brothers-Barnum & Bailey did not hold a candle to this place.

Well, it is not even a good show any more. It is a house of lunatics right now. You can look around. Mr. Speaker, there is not hardly anybody here. Yet we have got Federal employees not working, we have got agencies shut down, and this House is doing absolutely nothing. There is not anybody here.

You talk about a place that no one should actually want to be connected to. And every day that I serve here under this new leadership, under these radical Republicans, I just think, you know, this is not a House of Representatives; this is a place like a zoo, and they do not even know how to run it. They do not know how to run a House.

I would say lunacy has really taken over. And then they blame the President for what we are not doing here.

REPUBLICANS CONCERNED WITH BALANCING BUDGET

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I did not intend to give a 1-minute speech, but I thought I would reply to the gentleman before me, because I think he knows and I know that his party shut down the House of Representatives, shut down Congress, shut down the Government nine times. You were involved in the last 10 or 12 years in almost every kind of parliamentary move, chicanery, in dealing with the White House at that time, owned and operated or run by Republicans, the Republican Presidents there. And your party was involved in doing much more than we have even started to do, which is to try to balance the budget.

Mr. Speaker, I would like to say to the folks on that side of the aisle that I hear time and time again that the Republicans are doing all this for tax cuts for the rich. Let me give them a quick review of the Los Angeles Times story from yesterday, where it says "Clinton set to accept capital gains tax."

If you are going to run around here saying we have tax cuts for the rich, you better talk to your own President.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will now recognize Members for the special order speeches without prejudice to the possible resumption of legislative business.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May

12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

SHUTDOWN HURTING AMERICAN PRIDE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I wake up in the mornings and sometimes wonder what world I am in, because I realize I am going to go to work, and actually I have the privilege of still going to work, many Federal employees do not, that I am going to work, but I am going to go to work under these conditions: That I am working in a country that has been shut down partially for 20 days; where the Centers for Disease Control is not able to respond effectively; where the Environmental Protection Agency is not able to respond to safe drinking water complaints; where children are soon going to be ushered out of Head Start programs.

That is bad enough. I then realize there are thousands of workers capable of fulfilling those functions who are not going to fulfill those functions, but apparently are going to be paid for doing it. The issue is not whether or not they are going to be paid; the issue, of course, is why are they not working? They should be working.

So, Mr. Speaker, is this some Third World country we are talking about? No, this is the United States of America. You remember the America of "Send in the Marines," "Wherever you go, you shall be safe"? Remember the America, where you hold up the silver dollar and the eagle is always strong, and the flag flies free and proud? That is our America.

Why is this America being treated now to this kind of situation? All of us ought to be gravely concerned about this. I hear a lot about how it is necessary to shut this Government down partially to get a balanced budget. While this Government is being shut down in that perhaps laudatory goal, at the same time a lot of other budgets are being significantly unbalanced. Yes, the Federal employee, such as the person being evicted in my district today.

But it goes beyond that. It goes to the small businesses that will not be getting their Small Business Administration loan guarantees. It goes to the vendors; it goes to Federal services; it goes to the business person who is trying to get abroad to sell products for his or her company, which brings dollars and jobs back to this country.

□ 1430

And so those are the budgets that are being unbalanced. Thousands, perhaps millions across this country every day. And when do we hear about those?

I hear a lot about how because many of us voted to sustain the President's veto, in effect not approving the Interior appropriations bill a little while ago, or Commerce, State, Justice yesterday, that somehow that shut the Government down.

It is interesting, because 9 of the appropriation bills that run this Government, 9 of the 13, were not to the President's desk by October 1, which is the beginning of the financial year. Some of them did not get there for months, but even then, does a veto, a Presidential veto mean somehow the Government is shut down?

I have had the privilege of serving in this Congress now through President Reagan and President Bush, as well as President Clinton. Basically, in all that time under the House leadership, and it was a Democratic leadership except for, of course, the present one, in no time during that period did this Government ever shut down because the House leadership said to President Reagan, with whom there was great differences, or said to President Bush, we are going to shut this entire Government down because you have vetoed an appropriations bill. We keep the Government moving in an orderly fashion.

Never, never have I seen this kind of situation. In fact, I challenge anyone to find a 20-day shutdown. Congratulations. I consider it the legislative Heisman Trophy for bringing a government to its knees.

Now, what is the impact that goes beyond the Federal budget? Let us talk for a second. Forty million dollars a day of payroll to workers who are not being able to do their jobs. That is the first loss to the taxpayers. The last 4-day shutdown in November cost this Government, cost the taxpayer, $700 million for 4 days in payroll as well as lost revenues.

It means that half the Head Start children in this country soon will not be able to attend that program. Who pays for that? What is the loss to those children?

It means the Centers for Disease Control cannot respond to flu outbreaks. It means, for instance, that in the State Department, where just during the last shutdown an anguished father contacted me about his children in Russia who needed visas to get their adopted children out. There is no one there to service them all across the globe.

They are talking now in Vietnam about dunning our representative there $1,600 for electricity or water. We are buying utilities on credit cards in some of our embassies.

Meals on Wheels. Very important in rural West Virginia, but across the country as well. The only contact many senior citizens have with the outside world endangered.

SBA is now unable to make $40 million a day in loan guarantees. How many small businesses are there? About 260 a day, actually, that need that money to either meet their line of credit, to start that new product, or to hire a couple of extra people.

Export licenses from the Department of Commerce are backed up. Billions of dollars of lost opportunities. Those are American jobs, jobs exporting abroad, not able to do it.

Got a problem with your water? Concerned about it? Do not call the EPA, you will only get voice mail. The EPA. We are not able to respond to basic environmental concerns? The fact is negotiators need to negotiate and Federal Government workers need to work.

SUPPORT A CLEAN CONTINUING RESOLUTION TO OPEN THE GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I may be comforted that I have heard more voices coming to this well and really asking in a very sincere and honest manner can we not all get along; and, in fact, answer the American people in an affirmative answer by saying we can and we will open this Government, and we will allow our citizens to go back to work not so much because they are Federal employees, but because they are public servants who are doing the business of the public, providing essential and necessary responsibilities that this Government is entrusted to do.

With that, I am comforted by the more than 40 of my colleagues that have joined me in supporting a clean continuing resolution that would open this Government for at least 2 weeks, to January 19, fund the existing operations at at least 90 percent, so that we would not have the crisis that we are facing.

In Houston we have only four Environmental Protection Agency employees. They cannot do their job. So communities like Pleasantville and Kennedy Heights, that would need the services of the Environmental Protection Agency dealing with Superfund cleanup responsibilities, they cannot get toxic waste areas cleaned up. The Superfund monies have been depleted as of last Tuesday.

This clean continuing resolution would allow us to continue to debate these very emotional issues dealing with the budget; whether we should have a $245 billion tax cut; whether or not we should shut down 57 schools in Texas by prohibiting them from having direct student loans for their students. And when I say shut down, shut down the opportunity of those students to go to college.

I might add, too, that the list is growing of supporters who want this resolution to come to the floor, and it is different from the one of the other body, because the other body's resolution was until January 11. And I applaud Senator DOLE, but now we have come to the end of this week and we still have not gotten a budget compromise. So FRANK PALLONE, ROBERT MENENDEZ, CHET EDWARDS, BOB WISE, CHUCK SCHUMER, HENRY B. GONZALEZ, MIKE MCNULTY, IKE SKELTON, GENE TAYLOR, JERRY NADLER, KAREN THURMAN, BOBBY SCOTT, EDDIE BERNICE JOHNSON, BILL HEFNER, LYNN RIVERS, MIKE WARD, and WILLIAM JEFFERSON are now adding their names to this effort of bipartisanship.

As we speak today, we are losing $50 million a day, ladies and gentlemen, my colleagues, by this shutdown. All total we have lost $550 million. We are in the middle of a peacekeeping responsibility in Bosnia. Our young men and women need us. We need our resources. We need to use our tax dollars effectively.

What have we seen in the headlines besides the budget? We see corporations laying off 40,000 people. We need to be in the business of providing and creating jobs. Our small businesses in the 18th Congressional District, who would receive small business loans, which, in fact, in my view, are the backbone of America, cannot, in fact, get those loans to keep their employees hired.

And, likewise, those small businesses who are involved in Government contracts, they are unable to meet their obligations because they are not getting paid. Businesses that rely on contracts for services with the Small Business Administration are at a risk during this shutdown. In fact, several businesses who are awaiting payment from the Small Business Administration are closing their doors. That may not be 40,000 employees, ladies and gentlemen, it may amount to hundreds of thousands. And the reason is because this country is filled with independent entrepreneurs who I am so very proud of who are trying to work.

So I would ask the leadership, the Republican leadership, join me with this continuing resolution. It is offered in a bipartisan effort. We have over 40 Members who have joined already to cosponsor a resolution that would open the Government, stop the bleeding, stop the loss of money, but let us continue to debate whether we cut Medicare and Medicaid, whether we cut the education loans, whether we cut in the environment, but open the Government so we are not losing $50 million a day.

This funds the Government at 90 percent. It allows people to be back at work doing the nursing home inspections that they are entitled and must be responsible to do, opening the national parks, opening the monuments, taking down the image internationally that the Government is shut down. Our embassies have had to send out letters to ensure our foreign governments that we are, in fact, not a government in crisis or revolution. This should not be.

And let me remind my colleagues that under the Constitution we are to work with the three branches of government, and we must work with the President and this House and the Senate. Let us work together, pass House Joint Resolution 155, and allow us to open this Government up. It is most important. House Joint Resolution 155. Let us pass it and open the Government.

ORDER OF BUSINESS

Mr. BUYER. Mr. Speaker, I ask unanimous consent to speak out of order in place of the gentleman from North Carolina [Mr. JONES].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

TALK IS EASY; BALANCING THE BUDGET IS DIFFICULT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

Mr. BUYER. Mr. Speaker, actually, I do believe with some of the Members here on the floor, we could actually work out the budget deal. Don't you think? That is about how I feel at the moment, is to override that which is down below the hill so that we can get it done.

One thing that did bother me, before I start in on this, is when I heard one of my colleagues mention the word "perhaps." Balancing the budget is perhaps a laudatory thing to do. Perhaps is kind of a word like a maybe. Like balancing the budget may be a good thing to do. It does not imply any form of desirability, which, in fact, bothers me somewhat, and that is the problem that we have.

It is easy to talk about let us balance the Nation's budget, but when we actually get down to doing it, it is very difficult. One thing that is bothersome is, whether it is the Republicans or whether it is Democrats, there is this blame game that goes on in this town. And when we feel the heat back home by our constituents or Federal workers or someone who cannot get a passport or visa, it is easy to quickly blame someone else. Or if, in fact, someone is working in a Veterans Administration and someone calls to have a need and they say, well, just call your Congressman. They would like to blame the Congress, and that is an easy thing to do.

There is something that confronts us, though, and that is the Federal Government cannot sustain its current fiscal policies. I do not care who we are or what our background is or our partisanship, that is a fact. The spending commitments will far exceed the revenues available to meet the Federal Government's obligations. That is a fact. So we cannot deal on assumptions. Assumptions carry great liability.

Facts are stubborn things. It is a condition, not a theory, which presently confronts us. Look at this chart here for a moment. This is what confronts us. We have a national debt. Look at this national debt and the explosion. There is a great blame game when they say this national debt. They blame it on the 12 years of the Reagan-Bush era, as if Congress did not pass spending bills. So when they cut taxes, they did not cut spending, and we got a mushroom in the national debt.

I came to Congress in 1992. I am not interested in a blame game here. I know what confronts us. Fact is what confronts us.

If my colleagues would time travel with me and we say, now in the year 2002 we balance the budget, well, this bothers me. I am not satisfied. I am not satisfied because I know the national debt will continue to grow from its $4.9 trillion today to around $6.8 or $6.9 trillion. This national debt, this will take us up to about 2030 to 2035 to bring it back into better balance. I will not even be alive.

So people say, STEVE, why are you doing this? It is very easy to come here to the floor and say all of these things. Oh, my gosh, we have Federal workers not being paid. Here are some of the impacts. Here is someone that needs a visa to come back to school from whatever country they are from. Or here is someone that needs to go overseas for a particular job, or whatever is going on.

There are numerous examples, and we can go on and on and on. Do we give in to the moment or do we permit the eyes of our minds to see the greater vision? And the greater vision is saving the country. Save the country. Because if we permit the national debt to just mushroom and balloon like it is, I know what countries do whose debts become unmanageable. They devalue their currency.

I will submit this to the American people. If they see Members of Congress leaving this institution and they are starting to buy gold, Americans better buy gold, because we can see what is about to happen.

So it is easy to come here and wrap ourselves around whatever issue. There is no ownership on the issues of compassion. Some like to believe there are, but there are not. I neither believe that the milk of human kindness has soured, nor will I give in to the tears of vexation.

Mr. Speaker, I look at this chart and I think what a luxury President John Kennedy must have had when he came to this town in the early 1960's. Because at that time he had 70 percent of the budget that was discretionary spending. Seventy percent. Twenty-three percent was entitlement, 7 percent was interest on the debt. By 2002, the discretionary spending will have gone from the 70 percent all the way to only 28 percent.

□ 1445

So when we subtract 16 percent of the 28 percent for the military budget, we are not arguing over much anymore, because the mandatory spending side, entitlements and interest, they overtake itself. It is wrong and we have to balance the budget. Let us not give in to the rhetoric today.

CLEAN CONTINUING RESOLUTION WILL PUT FEDERAL EMPLOYEES BACK TO WORK

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes.

Mr. VOLKMER. Mr. Speaker, I wish to commend the gentleman from Indiana [Mr. BUYER], who just spoke, for his steadfastness for an effort to balance the budget, but I must disagree with him to the extent as far as he will go by saying that we must have a vision, and the vision is that we balance the budget in 7 years, and in the meantime, we make people suffer unendlessly. Those people who are suffering are innocent victims, not only Federal employees but contractors, private businesses, et cetera, in order to reach that goal, and it is not necessary.

Mr. Speaker, I tell the gentleman from Indiana, he and others on his side had an opportunity to vote for the coalition balanced budget amendment that many of us supported, and they did not, for the sole reason that it did not include a big tax cut for the wealthy. That is the only reason.

So, it tells me that what they really want is a big tax cut for the wealthy at the same time they want to cut back on Medicare, et cetera. But that is not really why I want to take the 5 minutes. I just want to emphasize that I, too, support a balanced budget in 7 years, but I do not want to give the tax cut and cut Medicare and all those other things at same time.

We can have a balanced budget. There is no question in my mind that if the majority party would decide to go with the coalition budget, we could pass it and I think the President would sign it and we would have it done, but that is not what they want.

The other thing, what I really came here to talk about is I keep hearing in this well, and I heard it in December and I have heard it ever since December 15, telling us that the President has not come forth with his budget; that he agreed in the November 20 continuing resolution to bring a balanced budget. That is not what it says.

Mr. Speaker, I am sorry the gentleman from South Carolina and others who have made that statement, that they either cannot read, and that is a sorry affair for somebody to be in the Congress that cannot read, or, if they can read, they do not understand what they read.

I would like to read to the Members of Congress, for those who have not read that resolution, what it actually says.

> Section 203: Commitment to a 7-Year Balanced Budget. The President and the Congress shall enact legislation in the first session of the 104th Congress to achieve a balanced budget not later than the fiscal year 2002, as estimated by the Congressional Budget Office; and, the President and the Congress agree that the balanced budget must protect future generations, ensure Medicare solvency, reform welfare, and provide adequate funding for Medicaid, education, agriculture, national defense, veterans and the environment. Further, the balanced budget shall adopt tax policies to help working families and stimulate future economic growth.

This does not say anything about the President submitting a balanced budget to anybody, but yet they keep insisting the reason they shut down the Government is because the President has not submitted a balanced budget to them. They submitted their balanced budget and they say the President has not submitted his.

Mr. Speaker, the President never agreed to do that. There is not one statement in there about the President submitting a balanced budget. What is really interesting to me is the conditions that they now put on a CR, continuing resolution. Back on October 1, we had a CR, a continuing resolution, that ran into November. It did not have any conditions.

The President stands today, and we on this side stand, ready to sign and vote for a continuing resolution to keep this Government going. We proved that yesterday. We wanted to take up the resolution of Senator DOLE, the majority leader from the Senate, that would have kept this Government working, but we could not get 20 Members from the other side to go along with us. We got 2, and that is all from the majority party.

The Gingrich Republicans refused to let us even take that up. They said, "No. We are going to keep the Government shut down until we get our way." Pure blackmail. That is all it is.

Mr. Speaker, this has never happened before in the history of this country. We have never had a shutdown to this magnitude and to this length of time. And how much longer will it go? Well, we are going to have to ask Speaker GINGRICH, because he is the only one that can tell us. All the rest of the Republicans are going to follow him just like a pied piper. If he decides that we do a continuing resolution, we will do it. If he decides we do not, we will not. So, we will have to ask Speaker GINGRICH whether this is going to last another month, a week, 2 weeks or whatever.

Mr. Speaker, I say all we need is a continuing resolution, a clean one, and we can get everybody back to work. We can still negotiate on a balanced budget.

REQUEST FOR SPECIAL ORDER

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent to speak for 5 minutes in place of the gentleman from North Carolina [Mr. FUNDERBURK].

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

CONSEQUENCES OF GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker and Members of this body, it was yesterday that I took part in a bipartisan press conference that dealt with a group called the Federal Employee Emergency Assistance. It was there that we discussed the fact that the people who are receiving the assistance by and large are people who are receiving income in the range of $20,000 to $27,000 a year, who are single heads of household; most of them are women.

Can my colleagues imagine these people who are not receiving a paycheck who have to pay rent or a mortgage or utility bills? Well, I and my colleagues who were there have pledged support to this fund, but this fund should not be so overloaded, as it is now, with the calls that are coming in, the emergency calls, if we did not have this shutdown.

This is day 20. I have spoken often about it. My colleagues have spoken often about it. Every day the circumstances become more dire in terms of the consequences. We have problems now with the Centers for Disease Control not being able to perform its functions and NIH not being able to perform their functions. Blood banks are running out of the supply of blood. Meals on Wheels is facing the consequences of a shutdown.

We know also that there has been some discussion about having a continuing resolution bit by bit to put a few more agencies back in operation. I would submit to this House that if we have a bit-by-bit continuing resolution, that we are going to have a lot of organizations, people, American citizens, falling through the cracks, because there are enormous consequences and ripple effects of this shutdown.

Home buyers, home buyers who are looking for the VA or FHA loans would be affected by it. Federal contractors would be affected by it. I brought just a few of the many, many letters I have received from Federal contractors. That means jobs and continuation of employment.

HIV-AIDS, a stop work order for a company in Montgomery County, MD. Another company that is dependent on tourism in publications has had to lay off people. Another company that deals with the EPA. Another one that deals with the EPA through Superfund. Can my colleagues imagine the toxic waste sites that will not be cleaned because of this?

Aerospace, information and environment, NASA, these are all contractors that even if we pay our Federal employees, and I have been involved very much in making sure they will be paid, these Federal contractors will not be paying these people who are furloughed and some may even lose health benefits over a period of time.

So, Mr. Speaker, I would say we have got to work together. A clean continuing resolution is what we want until we reach the resolution of this budget in terms of the deliberation. I say to the President, get that 7-year budget scored by CBO in front of the negotiators. I say to the negotiators, stay there, stay there until it is done. I say to my colleagues, I hope the President and I hope my colleagues will consider withholding their salaries when Federal employees are not being paid. I say to my colleagues, there should be no recess for this House until we get the Government back in full operation.

CONGRESS SHOULD DO A REALITY CHECK AND REOPEN THE GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I have come to the floor, as many others have, to point out here it is, Thursday afternoon. It is the 20th day of the shutdown and the Congress has no business, and that is because we are not allowed to bring up the main business that everyone in America wonders why we are not dealing with and the sad fact the Government is shut down.

The Government is shut down and we are being denied the right to come to this floor, have a debate on that, and put the bills up so everybody can see how we vote. We have had over 12 votes on whether or not to keep this Government open. Yesterday we had one, and it was to try and bring up the resolution that came from the other body, the resolution that came unanimously from the other body, the resolution that said enough is enough is enough is enough in a bipartisan unanimous fashion and said reopen the Government, and we were denied the right to bring that up.

Now, all day long I heard people give excuses. I heard that someone should come down with their keys, and they said, "I do not have the key to open the Government on my key chain." Yeah, every one of us do. It is not a key; it is a voting card. We all have got a voting card. That is the key to opening the Government up.

There have been 12 votes. If you look at how people vote, you will find that of the majority in this body, the Gingrich Republicans have voted no-no-no-no-no every single time, and now because they are afraid we might win we are not allowed to bring anything up.

Mr. Speaker, let me just point out there are a few more historic data that we should have out there. It is also almost 100 days into this fiscal year, 100 days, and we have not finished the budget. Can you believe it? We are almost a third of the way through it and we have not tapped it.

Second, it is the first anniversary of Speaker GINGRICH taking the gavel. I remember a year ago sitting here when he was talking about we were going to have open rules, we are going to debate these things, and so forth. Well, 1 year later we cannot even bring up the bills that we think are fair.

Mr. Speaker, we think we should be able to bring up the Senate resolution opening the Government. We think we should not be receiving our pay when there are Federal employees out there not receiving their pay. Here we are with our held harmless policy, and we said we were going to abide by the laws everyone else did.

What about all the contract employees you are hearing about? Well, it is OK. We will get charity for the Federal employees. We will get them interest-free loans. We know there are 10,000 contractors with employees alone dealing with EPA and Superfund sites that have been shut down. Now, those 10,000 contractors all happen to have employees, and we have no way to guarantee that they get to come back to work or they get their pay or what happens to them.

Mr. Speaker, that is just one teeny weeny little facet. So to say we will try and get charity for the Federal employees still does not have anything to do with the magnitude that is out there. We know 240 small businesses a day are denied the money that they need from the Small Business Administration for bridge loans for creating new jobs, for expansion, for whatever. What happens to that fallout?

Mr. Speaker, I could go on and on and on, but I think the thing that makes me the craziest is listening to this piety about we have to do this because of a balanced budget and because the President is not using the right numbers and he will not come down with the right numbers for the year 2002. Reality check, people. We have not even done the budget for this year. We should be talking about the year 2002?

Next reality check. In the year 2002, this President, even if he is reelected, will not be President in 2002. This President cannot bind future Presidents.

Mr. Speaker, let me give you another reality check. Most of us are not going to be in this body in the year 2002, especially if we keep acting like this bunch of clowns that it looks like to the average person. Even if we were, we cannot bind future Congresses.

So, Mr. Speaker, here we are not doing our work this year and blaming it on the fact we do not like the kind of budget the President is committing to 7 years from now when he will not even be here and saying our numbers are not as good or his numbers are not as good as the numbers they have.

Mr. Speaker, we also hear about how much better and how much more they care about the balanced budget. I am a Member who voted for the Democratic budget on this floor, and I want to tell my colleagues on the other side, your scoring office, the Congressional Budget Office, will tell you that the budget that I voted for has a much lower deficit than the ones the majority party is pushing. The Congressional Budget Office says that in the year 1997, ours is $30 billion below in deficit, and I could go on with the rest of the numbers. But let us get the facts and do the reality. Let us get the Government open, and let us stop playing games.

□ 1500

SOME OF THE FACTS

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I want to take some time to deal this afternoon with something that often is lost in this debate. That is some of the facts.

Yesterday the President of the United States in a press conference went before the American people and made a series of statements about what this shutdown, and he blamed it on the Republicans, would do. I thought this afternoon it would be interesting to deal with some of the facts and our perspective and what this debate is all about. A lot of the debate is about spending more, as they have done in the past, and getting less in return.

Let us look at what the President said. He said this week the Meals on Wheels Program for seniors will run out of money. I talked to my seniors in my district. Some of the senior citizens are in the Meals on Wheels Program. I talked to them. They said: Mr. MICA, we would be willing to miss a meal or meals if it meant our contribution, making our contribution toward balancing our Federal budget. I almost cried when I heard them say that.

Then I talked to the program administrator. The program administrator said: Mr. MICA, we know you have to balance the budget, but let me tell you, when you balance that budget, include in it, as you have done, a proposal that would give us flexibility because we get money and we cannot spend money because of stupid Federal regulations. So do that.

That is what this debate is about. We have allowed that. That is what this holdup is about because we know that the President will not make these program changes. That is one of the program changes.

Then let us talk about Head Start. I have always been an advocate of Head Start. I love Head Start. Who would not want to give a deserving child a head start? Then I looked at the programs in my district, and I almost threw up. Let me tell my colleagues what we do with Head Start. Let me tell you, Mr. Speaker, and also my colleagues what we do with Head Start.

I have 18 teachers in one program in a community Head Start; not 1 teacher is certified, not one is certified. But we have 11 administrative force for 450 children. This is sick. This is sick, 11 administrators. I thought we would change this. No, you cannot change it because it is required by Federal law and regulations. So our children who need this assistance, what are they getting? They are getting second-class education. That is what this is about, spending more and getting less. I am sick of it.

All right, let me tell you, you could send the kids in my district, you could send them to the best private schools, preschools we have got, and spend less and give the parents a $1,000 check and still come out better. I have not counted the money that they are spending on the administration for Washington and Atlanta and then you impose on our State and locals to administer these programs. I get upset when I hear this.

Then the President has the gall to go before us and say: Environmental Protection Agency, shut down toxic waste. Can you think of a bigger toxic waste program than EPA? The whole program is EPA. I sat on the subcommittee that investigated EPA for 2 years; 85 percent of the money goes for attorney's fees and studies. Even the GAO produced a report, I will show it to anyone that wants to see it. It says toxic waste site cleanups are done on the basis of a political decision, not on the basis of public health and safety and concern for our children.

So, then he goes on and says, lets do this, that EPA's efforts to prevent cryptosporidium from contaminating water supplies, something that proved deadly, threatened the city of Milwaukee, have been badly delayed. First of all, let me tell you about cryptosporidium. It is caused by deer feces. It was caused by deer feces, as I believe.

Let me tell my colleagues about water contamination. Under Federal law and Federal regulation, we looked into this. We investigated it; 54 contaminants are required by law by statute for EPA to investigate. That is what they told us they were doing. They were doing the inflexible thing that Congress mandates that we are trying to change so that we could look at water contamination so that we could spend less and get more instead of the opposite.

Then Medicare contractors who serve our elderly are not being paid. I will tell my colleagues what that debate is about. I come from Florida. We have a billion dollars' worth of contractor fraud in Florida in Medicare and a billion dollars' worth in Medicaid. That is $2 billion. How many elderly could we serve in this Nation if we would eliminate the fraud, waste, and abuse? So that is what this is about, spending more and getting less.

LEAST PRODUCTIVE, MOST DESTRUCTIVE CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. MORAN] is recognized for 5 minutes.

Mr. MORAN. Mr. Speaker, yesterday we ended the first session of the Republican revolutionary Congress. We heard from a lot of folks that are typical of revolutionaries, full of self-righteous zeal, people who firmly believe that the end justifies the means, people who are almost wholly intolerant of other people's point of view. But let us look inside that first session of the last Congress to see what it actually accomplished.

When we do, we have to come to the conclusion that yesterday marked the last day of the least productive, most destructive session of Congress in our Nation's history. Despite all of the promises, all of the rhetoric, we have virtually nothing to show for it.

I will not go into all the quotes from the various commentators and news sources and experts from both Republican and conservative think tanks alike. They all concur. Loads of rhetoric, loads of promises, virtually no performance. I do not have a fancy chart. I have just a little Xerox copy that tracks the bills from previous sessions of Congress. It used to be that we enacted about 450 bills a year. The last time the Republicans controlled Congress, it dropped to 250 bills. Then it goes along until this last session of the Congress we ended yesterday, and it drops off the cliff.

It looks like the 1929 stock market crash. There is only one bill really in that whole Contract With America that has actually been fully enacted called the Congressional Accountability Act. Do you know what? That bill was passed by the previous Democratic Congress. It was held up by the Republicans in the Senate. So we passed it again. This time it got through the Senate and signed by the President. There have been two other bills, the Unfunded Mandate Act and Paperwork Reduction, both of which the President wanted.

So that is what we have to show for it.

One of those promises that was made in the Contract With America, if the Republican leadership had kept it, we never would be in this position. It would not be the most destructive Congress in our Nation's history. If the Congress had made good on their promise in the Contract With America to pass a line-item veto, the President today would have been able to delete all those extraneous ideological, inappropriate, nongermane provisions in the appropriation bills that have been sent to him. He could clean up the mess, clean up those appropriation bills, enact them and we would be finished with this. Every one of them could have been enacted.

Of course, they would not have been enacted in time. After 10 months of wrangling, almost exclusively between the Republicans in the Senate and the Republicans in the House, we were marginalized. They could not agree among themselves. By the end of the last fiscal year and the beginning of this fiscal year, when those appropriation bills had to be enacted, one had been sent to the President. Do you know which one it was? It was the legislative branch appropriations bill to fund the Congress itself. Thank God President Clinton vetoed it. Imagine if we were the only ones who were funded; none of the rest of the Government but we have taken care of ourselves.

That line-item veto, which was promised in the context of so much rhetoric, is tied up in a conference between the Republicans in the Senate and the Republicans in the House. Let us move it out of conference. Send it to the President. The President could take it. Clean up the appropriation bills. We could open up the Government and get back down to the business of governing. That is what we ought to do. Instead, we are stuck with a new session of Congress that again will be the least productive, most destructive session of Congress in our Nation's history.

GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. EWING] is recognized for 5 minutes.

Mr. EWING. Mr. Speaker, I think all of us come to the well today, I hope with some reason, to discuss the Government shutdown. Yes, it is devastating and, yes, there are people who should be paid. I support paying them. Yes, we must care about those single parents and single mothers and single gentlemen who are working and have families and married couples who live on marginal incomes. That is very important to small businesses and every one who is being hurt by this.

That is all true. I hope that we will, within this week, come to some resolution. But what bothers me is that the rhetoric here is so shrill, so biting, so negative about this Congress. This House of Representatives has in fact done more of what the people sent us to do than any Congress before it. I do not care how much those who attack the reform movement by calling it revolutionaries or whatever may say. We have done what the American people sent us here to do.

The issue they would like on this side of the aisle clouds the issue. The issue is, when are we going to put America back on a sound financial basis? When are we going to balance the budget? When are we going to have meaningful welfare reform? When are we going to return power to the States and to the individuals? The debate is about basic policy, not about numbers, the debate between this Congress and its leaders and a President who does not want any of those things. So the problem is not just with the Congress; the White House has to take its share of the blame.

Let us review a minute what happened after the last shutdown. We gave the President 30 days. He traveled around the world. He never came to the table until the 15th, when we had another shutdown. So he absolutely blew 30 days when he could have worked with the leadership in this Congress to come to some agreement. Will that happen again if we start the Government up? I certainly hope not. I hope the President has learned a lesson that the American people want the basic issues, they want a balanced budget. They want welfare reform. He promised it. They want to return power to the States. The calls in my district, while they do not support hurting people who are working and not paying them, are strongly for the basic issues here. Balance the budget, welfare reform, do the things that we said we were going to do. People across the country want that. If my colleagues on the other side of the aisle think they can run a campaign next November and win on doing nothing and on blocking the reforms, I think they are sadly, sadly mistaken.

What we want is a President who will negotiate and work with the leadership to come to an agreement. I just want to refer to an article in the paper today. It just says very briefly in the Washington Post that, if the President and leaders of the Republican Congress agree on a plan to balance the budget, the benefits could mean roughly $1,000 a year for every American family. At today's interest rates, the trillion-dollar government debt that would be avoided by a balanced budget would save the taxpayers over the next 7 years $60 billion. It is worth it. It is our children's future. It is the future of this country. I hope the American people will listen to reason. I know that they believe in what we are trying to do.

□ 1515

THIS IS ABOUT REAL PEOPLE

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I agree with the last speaker, this is a great debate, this is a debate about who is important, who is not. It is a debate, I think, about the future, it is about the future we will allow all Americans to share in, hopefully. But I want to share with my colleagues a letter I received today from a mother of a 10-year-old girl. This letter is about a young girl that lives in Wilmington, my congressional district, with her mother and father. Her mother and father are musicians who have served as ambassadors for the U.S. Information Agency. On December 20 this little girl, 10 years old, traveled to Germany to visit her ailing stepmother, a stepmother who has cancer and is in treatment taking chemotherapy, but this is not where the story ends; it is really where it begins.

Let me read her mother's letter. It is self-explanatory. She writes: I hope you can help. We have a 10-year-old stranded in Germany who is supposed to return home by January 8 and whose passport expired January 2. This mother continued: She is flying Delta from Frankfort to Atlanta, and the Delta Airline international desk has told me that they will not let her board. This concerned mother goes on: The Hamburg consulate has told her father that they cannot issue a new passport due to the shutdown. Then she asks, could you please ask them to make an exception? She is an unaccompanied minor. Mr. Speaker, I enter this letter into the RECORD:

To Eva Clayton:

I have not been able to reach you by phone. I hope you can help. We have a 10 year old stranded in Germany who's supposed to return home Jan. 8th, but whose passport expired Jan. 2nd. She's flying Delta from Frankfort to Atlanta. Delta Airlines International Desk has told me they will not let her board. The Hamburg Consulate has told her father that they cannot issue a new passport due to the shut-down. Could you please ask them to make an exception since she is an unaccompanied minor? We appreciate your help! Thanks

Mr. Speaker, imagine a 10-year-old girl alone, away from her parents, away from school, in a foreign land, and she is told by her government she is not able to go home and she is not able to come to the United States to go back to school. Why? Because its government is closed.

On an average day the State Department processes some 23,000 applications for passports. On this day and each of the days this Government has been shut down no application for passports are being processed. On an average day the State Department issues some 20,000 visas to visitors who spend an average of $3,000 for a total of $60 million, but for this little girl who is 10 years old this is no average day.

They are not just numbers; they are people. When we talk about the common good for the multitude, we must remember those multitudes are made up of individual people who make up this great America.

I intend to do all in my power to help this little girl get home, but I cannot do it alone. We need reasonable people on both sides to understand what we are doing to this Government is foolishness and this needs to stop. But a simple act by this House following the responsible bipartisan act of the Senate where both Republicans and Democrats unanimously say that this Government should be open while we have this great debate. We should do that. All we need now is 20 reasonable Republicans to join with the Democrats on this side to follow the example that the Senate has done. Both Republicans and Democrats have come together to say the Government should go on while we have this great debate.

Do not hold this little girl in hostage. What will we tell her when we come home? What lessons are we teaching her as we do this? What lessons are we exemplifying to the rest of the world, that we cannot have a serious debate unless we hold people who are innocent as leverage, as hostage?

This is no way for responsible people to govern their Nation. Yes, we are not being responsible, Mr. Speaker, because indeed we are making real people suffer, real people, not just some imaginative number of the future, but real people are suffering; senior citizens are suffering, and the prospect of their Meals on Wheels not being there to feed people who desperately need those. We certainly are making people suffer who are eligible for Social Security who cannot even process their application. Why? There is no one there to take the application.

Yes, Mr. Speaker, if that is not bad enough, in this bitter cold season we do not have heat. The heat program that we had made available for what we call the Low Income Home Energy Assistance Program is no longer available.

No one has that opportunity. In the bitter cold we will say no to those people. Why? Because we want to make them sacrificial lambs.

Mr. Speaker, on this 20th day we hope again we could find 20 reasonable Republicans to join and follow the exemplary bipartisan responsible act of the Senate and put this Government back to work while we have this great debate.

BALANCING THE BUDGET IN 7 YEARS IS NEITHER RADICAL OR EXTREME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I have two things to say about the budget debate: First, the overwhelming majority of the American people do not believe it is radical or extreme, in any way, to require the Federal Government to balance its budget in 7 years; and second, if this was a Republican President in office, the national media would be pointing out every day and in fact harping on the fact that the President has still not submitted a balanced budget plan some 6 or 7 weeks after he promised to do so.

Apparently he is keeping the Government shut down because he sees partisan political advantage in doing so.

Now on the something else, also related to the budget, and that is the spending of billions and billions of our tax dollars in Rwanda, Haiti, Somalia, and now Bosnia.

Anyone who opposed all this waste has been insulted with the description of isolationist, even if that description was totally inaccurate and even if they wanted trade and friendly relations with all nations. It is just not politically correct or fashionable today to be an isolationist.

That is why I read with such great interest a syndicated column this past Tuesday by Charley Reese, which I include for the RECORD.

Mr. Reese does not live inside the beltway, and he frequently writes with such great common sense that he is about as plain spoken and politically incorrect as you can get these days.

Time will not permit me to read all of his column, but I would like to read most of it. These are words you do not often hear in Washington, at least in polite company.

The column previously referred to is as follows:

> [From The Sentinel, Jan. 2, 1996]
>
> (By Charley Reese)
>
> Those of us who oppose squandering American flesh and treasure in foreign places where we have no national interests are called isolationists by the internationalists.
>
> That's OK. It is intended as an insult, as when Alan Ladd called Jack Palance a "low-down lying Yankee dog" in Shane. We Americans understand that because the internationalists are too embarrassed (or afraid of prosecution) to tell the truth, they have no choice but to resort to name-calling and wind-bagging to rationalize these misadventures.
>
> Wind-bagging is when you toss out a lot of undefinable words and phrases such as "saving America's soul," "maintaining American leadership," "preserving stability," or "moral obligation."
>
> It would be embarrassing indeed if the internationalists were forced to explain why they have a moral obligation to intervene in a foreign civil war while they feel no moral obligation at all to tell the American people the truth, rebuild their infrastructure or balance their budget.
>
> . . . Washington said "It is our policy to steer clear of permanent alliances with any portion of the foreign world. The great rule of conduct for us, in regard to foreign nations, is in extending commercial relations to have with them as little political connection as possible."
>
> America prospered under that policy and could prosper under it again. Why do Americans have to defend 300 million Europeans from 150 million bankrupt Russians? That's the question Pat Buchanan asks, and it's a question Americans ought to ask of every internationalist politician. Why do Americans have to enforce peace in Bosnia? Why do Americans have to finance peace treaties in the Middle East? Why do Americans have to rebuild Bosnia when (a) we didn't tear it up, and (b) our own cities need rebuilding?
>
> Medal of Honor winner and Marine Gen. Smedley Butler, who became an isolationist, said, "I spent 33 years [in the Marines] * * * most of my time being a high-class muscleman for big business, for Wall Street and the bankers. In short, I was a racketeer for capitalism."
>
> What we isolationists are in favor of are: peace, friendly relations with all countries, trade, independence and respect for the independence of others, American prosperity, American liberty and American security. We are also in favor of sound war-making capability to defend America, and no place else.

GINGRICH PLAN TO HOLD HOSTAGE FEDERAL EMPLOYEES IN THE BUDGET DEBATE IS NO PROFILE IN COURAGE.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. EDWARDS] is recognized for 5 minutes.

Mr. EDWARDS. Mr. Speaker, there is a big difference between courage and kidnapping. Courage is sacrificing oneself for a cause. On the other hand, kidnapping is sacrificing someone else for a person's self-interest.

I would suggest that the Gingrich plan to use Federal employees as hostages in the budget debate is far more akin to kidnapping than to courage. It is no profile in courage to sacrifice innocent victims for someone's own cause, and that is exactly what the Speaker and his supporters in the House have done. They are getting their congressional paychecks while they are stopping innocent Federal employees from getting theirs. That is not courage, that is hypocrisy at its worst.

The issue before us is not whether we should balance the budget. I support that. That is an important cause. The issue before us is how we will balance the budget over the next 7 years, and the Gingrich Republicans have no right to use Federal employees, hundreds of thousands of them and their families, to force upon this country their own particular plan. If the Gingrich budget cannot withstand the light of day, if it cannot stand on its own in an open public debate in our democracy, then it would be morally wrong to pass that budget simply because it is the only way to free hundreds of thousands of Federal employees. Hostage taking, kidnapping, and blackmail have absolutely no place in a free society.

Mr. Speaker, I think Senator DOLE, the majority leader of the other party, a Member of the Republican Party, leader of the Senate, was right when he said enough is enough. I do not see any sense in what we have been doing. Let me repeat that. Senator DOLE said, "I don't see any sense in what we've been doing. I would hope that we would have quick action in the House. People have been gone from their jobs long enough. Enough is enough."

BOB DOLE was right. NEWT GINGRICH and his supporters in this House are wrong. We should pass a clean continuing resolution and immediately reopen the Federal Government.

We are not talking about statistics and numbers here, Mr. Speaker. We are talking about real people with real families. Let me tell you about some of those from our district who have written me:

> Dear sir, I am scheduled to be in surgery for colon cancer on the 3rd of January. Because of the government shutdown I have not been able to resolve the question of income. This thing has put my life savings in the toilet, so I don't have the money to come for the surgery. Since this thing is going to wipe out my career if I can't get some type disability, I'm going to be the only homeless person with an oxygen bottle for emphysema and a colostomy for colon cancer. I don't find much quality of life here. I have paid into Social Security since 1954. I also served in the U.S. military for 8.5 years. I find it a bad situation when I can't get any help. At 56 I'm too young to retire and too old to be retrained.

□ 1530

A veteran in my district, Mr. Speaker, who served his country in the military for 8½ years, cannot get any help for colon cancer because of the shutdown, the unnecessary, unfair shutdown of the Federal Government.

Mr. Speaker, it is fine and it is healthy and it is good for us to debate a balanced budget and how we are going to get there. We should have that debate. My feeling is whether that debate takes 2 days or 2 weeks or 2 months longer, it is better that we do it right than to do it under the blackmail threat of shutting down hundreds of thousands of Federal employees from receiving their paychecks.

Another real person with a real family in my district, who is a victim of the Gingrich strategy:

> Dear Representative EDWARDS: Both my husband and I are employed at the Central Texas Medical Center in Temple, Texas. Because we both work for the VA, an underfunded Federal agency. We will receive only one-half of our paychecks on January 2. My car is five years old. We saved $1,100 to put into a badly needed transmission. Fortunately, we have that money to get us through this pay period. It do not know what we would have done if it were not for that. I cry every night when I watch the news because I am so angry and worried.

We have another constituent that wrote, "Dear Mr. EDWARDS. I was furloughed for two weeks even though I was told purchasing agents were essential on December 28, 1995. I am a single parent, and I am not whining about this, I am very proud of it, but there is no second income in my family."

It is time to put Federal workers back to work.

ONE TRILLION DOLLARS MORE IS TOO MUCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. TIAHRT] is recognized for 5 minutes.

Mr. TIAHRT. Mr. Speaker, I think that the Dole campaign is going to be very pleased with all of the support he is getting from across the aisle in the Democrat Party. I hope they will attend the fundraisers and help Senator DOLE gain the Presidency of the United States, because I think he is a good leader, which is demonstrated right here by the support that he is getting from the Democrat party.

Although I currently disagree with the policy he has on this continuing resolution, I still see him as a fine leader, and the type of man that I want for President of the United States; and I am glad to see many of the members of the Democrat Party on the other side of the aisle join with us in their support for Majority Leader DOLE over President Clinton on this.

I want to move on to something else, though, because I am really wondering how long the President is going to tolerate what is going on. I am wondering how long Congress is going to tolerate what is going on. I am wondering how long the American people are going to tolerate what is going on, even though we are finally talking about a balanced budget.

Now, we have been talking about a balanced budget a long time here in Congress. Ever since the 104th Congress has been going on, we have been very specifically targeting a balanced budget that would take 7 years to achieve. But now we are seeing a very dramatic change. The President is talking about it; even the liberals here in Congress are talking about it. But the President still wants to spend $1 trillion more over the next 7 years than Congress does, $1 trillion.

Now, that is a lot of money. To give you some kind of an idea how much money it is, if you were to have gone in business the day after Christ rose from the dead and you lost $1 million that day and every day up until today, almost 2,000 years, you would only be about 80 percent of the way to losing $1 trillion. That is only $800 billion that you would have lost.

One trillion dollars is a lot of money, and that is what the President wants to spend over what Congress has put in their budget. Do you ever wonder why?

There are some liberal organizations the President obviously supports that do not have the support of the majority of this Congress, like the national bureaucracy for the Education Association, our current welfare bureaucracy. We here in Congress would like to send the solution or the money closer to the problems and let the States deal with it. They are doing it very well in the State of Kansas where I come from, and I have confidence in Governor Graves and Rochelle Chronister, the Secretary of Rehabilitation Services. They are doing a very good job.

What we have seen here is something very ineffective. Particularly agencies like the Department of Energy have been horribly mismanaged. Secretary O'Leary, the Secretary of the Department of Energy, has become a focal point because of her travel, but this is just the tip of the iceberg.

It started last year when we were looking at different agencies. The General Accounting Office said that the Department of Energy was ineffective as a Cabinet-level agency. Vice President GORE in his National Performance Review said that they were 40 percent ineffective in the environmental management area, and it was going to cost taxpayers $70 billion over the next 30 years unless we do something about it.

Then we found out about the public relations office. The Department of Energy hires over 500 public relations employees at a cost of about $25 million to taxpayers. Secretary O'Leary has a personal media consultant that she hires. She has even hired a private investigative firm to develop a list of unfavorable reporters and Congressmen so that she can "work on these people a little."

Let us focus a little bit on her travel, because today in the Subcommittee on General Oversight and Investigations, we found out that Secretary O'Leary has taken over 100 domestic and international trips. Now, some of this travel is needed, particularly in the domestic area, because that is where the Secretary of Energy's responsibilities lie. But the international travel, 16 trips, are outside the scope of her requirements as Secretary of the Department of Energy.

The GAO, the General Accounting Office, looked at two specific trips. One was to South Africa and one was to India. Now, this is reported in the Washington Times today. The trip to South Africa included 135 persons, 63 from the Department of Energy and 72 from the business and academic areas. It cost taxpayers about $1 million, $1,860,000, over $1 million.

The second trip to India had 37 people from the Government and 41 guests. It cost $729,000. One of the interesting things about this is that according to Chairman BARTON from Texas, the Department of Energy charged these non-DOE visitors, these guests, $2,800 for coach fare on this, but the actual cost to taxpayers was $12,860.

So who is going to make up that $10,000? Well, the taxpayers are making it up, and I think it is kind of a sad state of affairs.

Second, we found out that Secretary O'Leary has transferred $400,000 from a nuclear weapons-related account over to her travel budget so she can make these trips.

What it all boils down to, Mr. Speaker, is that we must balance the budget. We must remove Secretary O'Leary; we must eliminate the Department of Energy as a Cabinet-level agency. Let us get the Government back to work, cull the deadwood out by eliminating the Department of Energy.

FRESHMEN NOT READY TO LEAD

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WATERS] is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker, I came to the floor this afternoon to express my very, very deep concerns about what is happening here in Washington, DC. It is absolutely amazing. This is the most extraordinary occurrence that I or anybody else could possibly witness at this time.

We have right here in the Congress of the United States a group of Members, elected by the people, being led by the newest Members of Congress, the freshmen; being led by the newest group with the least experience, who have decided to shut down Government. They have decided they do not care whether or not children are hurt, families are hurt; they do not care whether or not Social Security claims can be processed; whether or not our prisons are secured with employees who are working there who should be paid. They do not care about any of that.

They have come here not understanding the seriousness of their actions, and they have decided to try and hold this Congress hostage to their demands. It is a kind of immature action; nobody expects policymakers to respond in this manner.

One could ask, well, what has happened in the past? What happens when there are disagreements? What happens when you get to the point where the

Government has run out of money and you have not resolved your differences? Well, I want you to know, until this Congress, it has always been worked out.

Even under Ronald Reagan, when there were serious differences between Republicans and Democrats, they had to hammer it out. They had to work it out. Nobody took their tent and closed it up and ran home and said, I do not care what happens. I do not care whether the services of Government are carried out or not. I do not want to play anymore.

Well, I want to tell you, I am utterly stunned and surprised that we have this group of new Members leading some of the more seasoned Members with this kind of catastrophe. It is unheard of. What are the people thinking out there, aside from those who are not getting paid, where the services are not getting delivered?

You must understand that the people are paying taxes. Nobody has stopped the people's taxes while this madness is going on. But what are they paying for? Many of them are not getting the services that the taxes should be buying them.

I wonder about my Republican friends who claim they are concerned about the best use of the taxpayers' money. I am concerned that they are doing two things, maybe more: No. 1, they are having people work, they are having people work, some of whom I suppose will get paid sometime later on. We do not know. But many of them are being asked to work without knowing whether or not they are going to get paid.

Some of them have been disadvantaged already. They have gotten partial paychecks. I am concerned about that. I am also concerned about the attitudes, this extremism.

Do you know what Pete Wilson said the other day when he was asked for some help? Pete Wilson, the Governor up in California, up in this county called Mariposa, where they depend on the tourism trade because of Yosemite, they said they had a state of emergency because their economy has fallen apart because of what these young Republican Members are doing; and so they asked Pete Wilson for some help.

Pete Wilson turned them down, said the State of California could not help them; but then he had some advice for them. The Governor of the State of California, Pete Wilson, said, go break the locks on the gates. Let them in, he said. Defy the law. Commit a criminal act, he said.

Irresponsible leadership, but of course, NEWT GINGRICH and others have said, they do not care if they close Government down. All of this irrational leadership.

Mr. MICA was just on the floor and he talked about Head Start, and it was obvious he knew very little about Head Start and how it really works. I know a lot about Head Start, and I know why it is important.

Let me just wrap up by saying that the leadership and what is going on on the Republican side of the aisle is absolutely unconscionable. They are devastating lives. I think the people understand what is going on.

BLAME GAME DOES NOT BALANCE THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. DAVIS] is recognized for 5 minutes.

Mr. DAVIS. Mr. Speaker, let me just share a little bit different perspective.

First of all, I think to hear Members from this side of the aisle get up and blame the President for the shutdown and Members on the other side get up and blame the Republican Congress, we get an understanding of why things are not working around here. It seems like nobody says they want a train wreck, but the President would love to have it down here at the Capitol steps. Some of our Members would like to have it down at 1600 Pennsylvania Avenue. In the meanwhile, nothing gets done.

Let us talk frankly about what it would take to open up this Government. Four things could happen. First of all, the President could sign the appropriations bills that we sent him. He has signed a number of those bills. He has vetoed three and sent them back. The Interior appropriations bill we tried to override today, our second option if he does not sign those bills that would put people to work and put the Government to work, which is his prerogative under the Constitution, is that we can see if we have enough votes to muster a veto override. That takes two-thirds votes.

We voted on the Interior appropriations today. I think it was a reasonable bill. I did not like all parts of it. We had rejected that bill twice on environmental grounds, tried to make it a little better each time. The President vetoed it knowing, in the meantime, that this bill would have put 133,000 people to work; it would have opened up the national parks, the Smithsonian; it would have put the U.S. Geological Survey back to work. I have 1,000 workers in Reston that are furloughed at this time, so that they could do their work.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. DAVIS. I am happy to yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, I thank the gentleman for yielding.

I just want to make a point, a point that has been missed here. I have been around here for a long time, and this body has been here for a long time. It is the President's prerogative to veto bills. This should have been worked out for your sake, and I know how special this is to you because of all of your people that are here. A clean CR is not going to stop the negotiations on the budget.

□ 1545

I just do not understand why we make the balanced budget hold these people hostage of something that is going to happen 7 years down the road.

Mr. DAVIS. Reclaiming my time, let me just say to my friend, we have had 57 continuing resolutions since 1980 between the House and Senate. Most of those were with a Democratic Congress and a Republican President.

How many of those CR's were clean CR's? Many of them were not. The Boland amendment which forbade aid to the Contras was put on a continuing resolution. We even put roads and the New Jersey Turnpike into the Federal Highway System on a continuing resolution. There is a loss of surplusage and riders in these. I am not defending, and I would like to see a clean CR. I was one of two Members on this side of the aisle who voted with you yesterday to bring up a clean CR. I am going to get to that in a minute.

But no one can sit here and say, "Gee, let's do a clean CR" when you all were on the other side and we had a Republican President you very often did not send a clean CR at the same time.

Mr. HEFNER. Will the gentleman yield?

Mr. DAVIS. Just for a second, because I want to make a few points.

Mr. HEFNER. We are talking about past history, and you folks were elected saying, "We're going to change things around here." But this is not changing things for the better. This is human misery. VA hospitals in North Carolina. These people are in dire circumstances.

Mr. DAVIS. Reclaiming my time, I do not disagree with the gentleman. I think what has happened here is a national disgrace. But to put it on one side or one party is, I think, a big mistake. I think that is part of our problem, is we end up too much time pointing fingers at each other and too little time working together and working these issues out.

Let me just get back to the Interior appropriations bill again. This bill I think had a number of good items. I think the President, part of him wanted to sign this. I know the Vice President urged him not to. We could still fix this bill. I think we have time to come back and fix this bill in a reasonable period of time and get these people back to work.

Some of the other appropriation bills that have been brought forward, I think, need a little more fixing and we need some time.

The President could have signed these bills, would have put people to work in fairness, Congress could have overridden the vetoes, the votes are not here to do that, so next comes to the continuing resolution.

Ms. ESHOO. Mr. Speaker, will the gentleman yield?

Mr. DAVIS. I would be happy to yield, but I want to make a few points, I only have 5 minutes, I say to my friend from California.

Ms. ESHOO. I thank the gentleman for yielding. The point that I want to raise, the gentleman understands the dilemma that we are in.

You just said that this is a national disgrace. Putting any fault or blame aside, can you work to find 20 votes in your caucus to open up the Government, Republican votes?

We have 198 on our side and I think that you, being as reasonable and moderate as you are, that there would be 19 others?

Mr. DAVIS. Let me say to my friend that may be able to happen in time. We will have a discharge petition. But 30 days have to run. The problem with this recess is that you do not get the legislative days run during that time. Eventually this will happen, I think, if we could get it to the floor, it or something close to it would pass.

Ms. ESHOO. But 20 votes would stop that recess, and we could open up the Government, and we could move on.

Mr. DAVIS. Well, that would do it, but it does not solve some of the other problems. A continuing resolution is not a resolution. There are still a lot of issues at play in the continuing resolution that frankly ought to be worked out.

Ms. ESHOO. Of course there are. They have to be negotiated.

Mr. DAVIS. Let me just make a couple of final points.

It also does not get us to a balanced budget which is something else that I think needs to be done that we feel very strongly.

The fourth thing that could happen is the President could put a balanced budget on the table and we would get a continuing resolution like that. I think that onus is on the President. Both sides are at play here. I think we could all do a better job.

PASSAGE OF CONTINUING RESOLUTION URGED

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I do not think that there are really any Members of this House of Representatives today that can feel very proud about having shut down the Government and causing all the pain and suffering, the many thousands of workers whose families were not able to have a Christmas or a New Year's celebration, and as they sit at home today, have no idea what the Congress is about to do with respect to their jobs. They want to go back to work. For those individuals who are working and who have been designated as essential workers, they are not being paid because their agencies have not been funded and their funds have already run out. The suffering among the workers is tremendous. I was home for a brief few days during our Christmas recess and heard from many workers.

The tragedy is that this is all absolutely unnecessary. The majority party wanted to make a point in November, and the point was that they were determined that the 7-year balanced budget was their priority and they were going to hang on to it no matter what. Even if it was necessary to close down the Government, they were determined to force the President to negotiate.

Those negotiations have taken place. They have not yet yielded the results that the majority party wants, but in point of fact these meetings have occurred. There is absolutely no reason to tie together the annual appropriations, which the Constitution says is the absolute requirement of this Congress to do, to tie it together to a 7-year plan. The 7-year plan is an entirely different, separate concept which the Republicans are saying is important because we have to have a plan in order to enable us to know what to do in the next fiscal year and the fiscal year after that and so forth until the year 2002.

But the reason that portions of the Government are shut down now is not because of the failure to have an agreement on the 7-year balanced budget. It is because of the failure of the majority party to act in accordance with law in reporting out the appropriation bills for all of the Government operations.

As a matter of fact, on October 1, which is the statutory deadline for the appropriation bills to be done, the majority had not accomplished even a single one except for the Congress. So then immediately they passed a continuing resolution, a clean resolution in which they permitted the Government to go about its business and to take care of all of the programs in effect, and that had a cutoff date of November 14.

At midnight, then, the Government was shut down because there was no further agreement to continue the functions of those agencies that had not yet had appropriation bills, which were 13. Thirteen of the appropriation bills had not cleared even by midnight of November 13.

So we had a short shutdown of 5 or 6 days during that period, when again there was a continuing resolution, this time with a club over the President's head, saying, "We are only going to agree to this continuing resolution until December 15, and we want you to agree that you will come and support the concept of a balanced budget in the year 2002," which he has done. There are negotiations going on.

This business of using terrorist tactics and holding innocent people hostage, because someone decided that their ideas about the future of this country are so important and so paramount that the suffering of the people across the country is irrelevant, to me that is an unconscionable way to perform your public responsibilities as given to us under the Constitution.

It is so simple for us to consider a continuing resolution. It has been done in the Senate. Their own Senate leader has put together a continuing resolution. Why not just pass that continuing resolution, let our workers for these remaining nine Departments go back to work and service the communities that are so desperately in need?

My community depends upon the tourist business, we depend upon the parks, we depend upon many other facilities that are operated by the Federal Government. It is tragic that these entities that are really public services are closed down and innocent people, not connected to anyone here, not connected to the Federal Government, are being caused all this harm and suffering. It is time to allow the Government to go back to work.

BALANCED BUDGET WILL RETURN FISCAL SANITY TO WASHINGTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. MCINNIS] is recognized for 5 minutes.

Mr. MCINNIS. Mr. Speaker, I think it is particularly important not to lose track of the overall focus of what we have got to do with the Government in Washington, DC. That is, we have got to bring fiscal sanity back to this city. Right now this government is adding to the debt at a rate of $30 million an hour. Thirty million an hour goes out more than comes in. The answer is not in additional taxes.

I just heard the previous speaker say we are holding the children of this country hostage, or innocent people hostage. Hostage? We are holding this entire country hostage and the next generation hostage to a deficit that has got to become controlled. There is not a family in America that runs their budget like this budget has been run for 40 years.

Sure, we have had 20 days of discomfort up here. But this country has had 40 years of discomfort. You cannot continue to use this congressional voting card, which is the most unused credit card in the history of this country, you cannot continue to accumulate deficit after deficit after deficit.

There are going to be some adjustments. There are changes that need to be made. Anytime we take business as usual in Washington, DC, and change it and make it more sane and make it more common sense, it is going to cause a disruption. Do not let that disruption divert attention away from a balanced budget. Our country needs one.

I think it is fair to address some of the hardships that some Federal employees are facing as a result of their pay being delayed. They are all going to be paid. Let there be no question about that. They will be paid. The question is the delay. And are there hardships? Certainly there are going to be some hardships.

Let me tell the Members what we did in Colorado. On New Year's Day, a local banker by the name of Bob Young, Robert Young with Alpine Banks called me at my home, and we talked and fine-tuned a program. His bank, the day after New Year's Day, announced that all Federal employees could go to the Alpine banking system in Colorado and draw interest-free an amount equal to the net amount of their last paycheck, so they will not miss any payments. Alpine Banks is committed to do this during this period of shutdown. Since then we have gotten banks in Pueblo, CO, the Minnequa Bank, and a bank in Durango, CO, the Burns Bank, and we have been in contact with many other banks to also join this program.

We want to work with those people. We want to help them with these hardships. But the minute we put this Government back to business as usual, we take the pressure off the Speaker of the House, we take the pressure off the President of the Senate and we take the pressure off the President of the United States to negotiate an agreement.

The only reason these people are negotiating right now is because of the pressure that society is putting on them, partially because the Government is closed down, but more importantly because this Government continues to spend without control.

Finally, let me say this. I have heard a lot of speakers on the other side of the aisle criticizing our attempt for a balanced budget. I hope some of the Members speak as strongly about Hazel O'Leary's disappearance of several hundred thousand dollars. They have an opportunity to come to some of these committee hearings and ask Hazel O'Leary:

How come you spent $500,000 to charter a private jet to go overseas? How come you have an advance team of 31 people? How come you have a film crew follow you all around the world?

There is a lot of waste in this budget. Use your time today that you are devoting to attacking the Republican Party, take that time and take a look at the waste that we have got in our budget. We can work on this as a team.

I am optimistic we can get an agreement. But let me say, the most crucial thing we can do in this generation is to hand the next generation a balanced budget. I urge each and every one of you to join us as a team and give America the biggest present they could have, and that is a balanced budget for the next generation.

IN MEMORY OF ANNE NOEL FAZIO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FARR] is recognized for 5 minutes.

Mr. FARR of California. Mr. Speaker, I rise on a more somber note than the debate that has been going on here today. I rise under special orders on this day, January 4, which would have been the birthday of my younger sister Nancy, had it not been for the tragic death of Nancy when she was killed visiting me when I was a Peace Corps volunteer. But I rise not so much to remember her. I did that when I was sworn into office in this Chamber just a few years ago. But I rise to talk about death, because it has come to one of our colleague's family.

☐ 1600

Today I ask this country to share my empathy with our truly distinguished colleague, VIC FAZIO. He lost his youngest daughter, Anne Noel.

Everyone knows how hard VIC works in this institution. He is one of the hardest working Members that we have and certainly one of the most devoted Members to the institution of the House of Representatives. VIC is totally dedicated. But most important, or more important than his leadership, is his family.

Today, in Sacramento, as we sit here in Washington, a memorial service is being conducted for his and Joey's daughter. She was a star. She fought off leukemia with a successful bone marrow transplant. She graduated from McClatchey High School. She earned a degree from the University of California at Davis, where she was president of her sorority.

To Anne Noel's parents, VIC and Joey, there is nothing more painful than that of the pain of losing a child. But I know from my own sister's death that you need time to grieve, and in your grief this country shares what you have so effectively done in leading this Nation ahead, and that is that this country shares your sorrow.

We send this sorrow to you as Representatives of this Nation's Government, who knows that VIC not only has led this Congress but he has been a great father who is now suffering from the most difficult pain of all, the pain of the loss of a child.

VIC, we pray for you. But most of all, we send our love.

I yield to my colleague, the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. I would like to thank my colleague, the gentleman from California [Mr. FARR], for organizing this small but very important tribute to Anne Fazio.

As my colleague has just stated, Anne was a star. All of her doctors, anyone that knew her, her friends, her extended family of friends knew what a fighter she was. She fought leukemia, and she was a real champion. There were many times where she felt, as VIC said, her father, that she had been dealt a bad deck of cards, and her father, being the fighter that he is, reminded her time and time again to look at what she had done with what was dealt to her.

She excelled at everything that she did, and we know most of all, as parents, the most difficult thing, the most unbearable thing, the most unthinkable is for a parent to have to bury their own child.

So today in this Chamber, we gather as the friends and colleagues of the gentleman from California [Mr. FAZIO]. It makes no difference whether one is a Republican or a Democrat. We reach out, and we say, as parents and as friends, we grieve with you. You have our prayers. We know that the angels have welcomed Anne to heaven, but it is up to us to do God's work and to continue on and to take care of one another as friends and extend ourselves in sympathy.

I would like to just close on this note: I cannot help but think of the writings of Milton at this time, and he wrote that, "And so she passed on, and all the trumpets sounded on the other side."

God rest her gentle young soul, and we send you our best, VIC, and when you get back here we will surround you with our friendship, with our love and our prayers.

Mr. FARR. Mr. Speaker, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank our colleague, the gentleman from California [Mr. FARR], for taking this time for us to express the condolences and the sympathy of all Members of this body to the gentleman from California [Mr. FAZIO] and his family for his tremendous loss.

I also wanted to say that our colleague, the gentlewoman from California [Ms. ESHOO], expressed so well the sentiments that we all share. She was the head of the prayer patrol for Anne in the Congress, and we were all alerted a couple of months ago that more prayers were needed, and we did not realize, though, how drastically.

I would like to say, as I say my colleagues have said it so eloquently, but I just want to say a couple of things about Anne. She was only 2 years old when VIC was elected to the Congress, and she worked as a volunteer in her father's office and became very acquainted with politics. She had an interest in public service and she was a page in the summer of 1988.

VIC and Anne's mother described her best when VIC said, "Anne had an indomitable spirit and a tremendous amount of will," a tearful VIC FAZIO said on Monday. Her mother said she was a wonderful daughter and a wonderful friend.

We all shared VIC's concern over the years when Anne was fighting leukemia, and she proved herself a trouper, a fighter, and as my two colleagues have said, a star.

Any words of consolation to someone who has lost a child are, of course, inadequate and, in fact, impossible. But I hope it is a consolation to VIC and to Joey, Carolyn Mason, Anne's mother, I hope it is a consolation to them we all learned a great deal from Anne in her courage and her strength. She was an inspiration to many people in the Congress of the United States and all who knew her, and I hope they are consoled by the fact that her life was appreciated, that she left this Earth as a teacher, as an inspiration, and that she is remembered in the prayers of all Members of the Congress of the United States.

Again, I thank our colleague, the gentleman from California [Mr. FARR], and the gentlewoman from California [Ms. ESHOO] for their words of inspiration and again extend our deepest, deepest sympathy to VIC FAZIO and his family.

EXPRESSING CONDOLENCES TO THE FAZIO FAMILY

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, first of all, let me extend to our good friend, the gentleman from California [Mr. FAZIO], and his family from the Republican side of the aisle our sincerest condolences on the death of his daughter, Anne.

I cannot imagine what it would be like to lose a daughter or a son, but I certainly do not want to experience that. So we wish VIC the very best and his family the very best, and they get all of our deepest sympathy.

TRIBUTE TO RUSSELL W. BROWN

Mr. Speaker, it is interesting, the reason I am taking this 5-minute special order is because in 1964, I met a fellow who was to become one of my dearest friends, and he died day before yesterday of cancer, and he became like a brother to me.

I remember in 1970, when I first decided to run for Congress, I talked him into getting involved in politics. He said, "Oh my gosh," he says, "I wouldn't want to do that. It takes too much time. There is so much crookedness and corruption," you know what people say. I talked him into it. His name was Russell W. Brown, incidentally. He became one of the political leaders in Indianapolis, IN, and the State of Indiana for 30 years.

I do not know what our party or the political process would have done had we not had such a person in a leadership position in Indianapolis. He was an inspiration to everybody. He spent a tremendous amount of time, as both sides of the aisle know, working for various candidates, making sure that their views were expressed and they got elected.

Those people are the unsung heroes. We get elected and we get on television and people around the country find out who we are. They may not agree with us, but at least we get some notoriety. But people like Russ Brown, who spent 15, 20, 30, 40 hours a week working on our behalf and on behalf of the country, the Nation, never getting much recognition. But they certainly deserve it. Without them, the foot soldiers, the people who are the political leaders back home, without them we would not be elected and the country would not be able to get its job done, and the Congress would not be able to get its job done.

I would just like to say today, and I guess I am kind of rambling, Mr. Speaker, I normally do not do that, I guess, I am certainly going to miss Russ. He was a wonderful man. He was a great humanitarian, a great father, a great husband, and he was one of my dearest friends, and throughout the remainder of my life, I will miss his smiling face, and his words of encouragement, and all the wonderful things he did for me and for this country.

PEOPLE ARE BEING BADLY HURT BY THE GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Mrs. THURMAN] is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, real people are being hurt and hurt badly by this Government shutdown.

I want to tell you about a lady who called this morning extremely upset and concerned about what was going to happen to her family. Her name is Rita Arrington. She is a nurse at the Veterans' Administration Hospital in Lake City, FL. She is the only breadwinner in her family because her husband is disabled. She had a child to feed and clothe. She has bills to pay just like you and me.

But for the last 20 days she has worked without pay because she is an essential Federal employee, and, get this, because of title 38, she is barred from working in a nursing home or some other facility in her off hours so that she could receive some compensation.

I have gotten many, many calls from Federal employees in my district. Many work in the area of VA medical centers. They are working without pay, without any sort of financial security. Like all of us, they do have those bills to pay, children to feed and mortgages to pay, and we sit here continuing with our partisan bickering for the 20th day in a row.

This is not what we were sent here to do. Our job is to ensure the responsible functioning of Government, and I cannot think of anything more irresponsible than to let these workers continue to work without pay for 1 more day.

Mr. Speaker, veterans in my district depend on these health care workers, and they in turn depend on us. They elected us to represent them.

Who really believes we are doing what we were sent here to do? A great nation does not act this way. We can place blame on the extremists and the liberals, but I am sick of it, and my constituents are sick of it.

We may have our philosophical differences up here. But there is no reason why our Nation's Federal workers and Americans who depend on this Government should be used as political pawns. We can continue to debate our political differences, but how dare we threaten the livelihood of those health care workers who care for men and women who, through their life service, provide us with the very security and freedom we now enjoy?

Today, the fourth continuing resolution ended, and there is currently no legislation providing funding for the VA. We must return Government to work and the people it serves.

Things have gotten so bad that Bread of the Mighty Food Bank in Gainesville is now offering food assistance to furloughed employees of the veterans' medical center in Gainesville so they do not go hungry.

It is a shame, and it is a shame brought on by this House.

Then there is the young mother from High Springs. She was receiving disability but is now attending the University of Florida under vocational rehabilitation funding. Because of the shutdown of the Government, she is unable to pay her tuition. This was to be her final semester. She was looking forward to entering the work force and becoming a productive citizen. Now she will have to attend an extra semester, delaying her ability to get a job and provide for her family.

If this is not bad enough, she has a young son who is disabled, who is also being affected. Now, because of the shutdown and lack of assistance she was receiving her son will lose the attention he was receiving from a qualified professional at home.

To those who do not believe there is a disastrous ripple effect from the shutdown, let me assure you that there is. The qualified caregiver that was helping this young woman's son is also a mother herself. She is not getting paid either. This mother also has to feed her family.

When is this going to end? I am now asking, please, from this leadership, let us present a clean CR. Let us not go a single more day advancing financial and emotional hardship on our work force. Let us face it, many have lost faith in Congress over the past 20 days. It is time, and moreover it is our responsibility to set aside our differences just for 15 minutes. That is the time it would take to vote for a clean CR and agree to put our Federal workers back to work.

SUMMARY OF 4-DAY TRIP IN GERMANY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN. Mr. Speaker, I have not yet asked permission to reduce my 1-hour special order later tonight to 5 minutes, so I will do that at this moment and take that 1-hour special order tomorrow night.

Mr. Speaker, I have just returned yesterday afternoon in time to make the attempted overriding of Mr. Clinton's pathetic vetoing of a great defense authorization bill yesterday. I came back from 4 days in Germany. If it were not for these votes yesterday, today and tomorrow, I would have pressed on to Tuzla to keep my promise that I had hoped to be with the troops Christmas, and when voting prevented that, I said I would be with them at least at their departure points over New Year's, and I was. I would like to give a full hour report on that, but I will do a 5-minute summary tonight.

First of all, on all the acrimony here in the Congress, and as someone who is expecting any day the glory of a 10th grandchild, I understand the pain of insecurity of all the Federal workers who would rather productively be on the job than wondering, even though I suspect they know in the end they will get their pay, but wondering if something can go wrong and they would not be fully recompensed for this unwanted furlough or vacation.

But, Mr. Speaker, there is suffering taking place by American citizens, some very young ones, that goes far beyond the angst and the uncertainty and the suffering of our Federal workers here, and that is those on the Federal payroll in the United States military in Germany and Hungary and in Bosnia.

Let me give you just a short sampling of what I am going to talk about tomorrow. We talked about the land mines on this floor for about a month, but particularly with some intensity the week before Christmas. John Martin Begosh, kind of an unusual, I think it is an Irish name, not exactly what you would say when you would step on a land mine, but Begosh, young John Martin, named after his dad's kid brother, who was killed in Vietnam, suffered a life changing injury.

The military tried to put their best reports on this, but by the third day when I was over there, they finally admitted severe bone loss, part of his foot gone, and his surgeon said he will be disabled for the rest of his life, and in the coming days we will know how badly disabled.

Now, we all pray that he is the exception. As I said on the House floor a couple of weeks ago, I expect very few casualties. I did not join my colleagues on both sides of the aisle predicting a nightmare. I know the efficiency of our military and how all three sides over there, Bosnian Serbs, Bosnian Moslems, and Bosnian Croats, are going to respect the power of our military.

We have something called a target acquisition radar, that when one of those evil mortars or artillery pieces that have been killing civilians fires at us, if and when they dare to, we will know the precise location of the artillery piece or the mortar before the round has barely reached what they are shooting at, and there will be unleashed upon them such accurate 155 millimeter artillery fire, we will not need air support, they will all be dead, and it will be a warning to the others you do not fool with the U.S. military.

That does not mean that the cold and landmines are not beyond every description, including my own, in this House over the last 2 months. At the railheads in Hungary, we have men and women who have been sleeping in railroad cars in filth and rats in the warehouses at these spots, and in cold that is rivaling the severest winter since what the gentleman from Florida [Mr. GIBBONS] saw with the 101st Airborne in the winter of 1944–45.

It is particularly tough on the women. For those of us in this Chamber and the other body that said that women could take any kind of combat, I brought home for tomorrow night comments from women from Stars and Stripes that say it is OK for the men to go relieve themselves in the field, but where are the toilet facilities for we women? It is a little bit different for us.

Down at Tuzla, these freezing nights and these tent facilities and sleeping in and around the vehicles was beyond their worst expectations. But can they cut it? You bet.

I had never in all of my adult life, 6 years active duty, 22 in the reserves, and 18 years, 19 years now, going out to see our troops as a U.S. Congressman, I had never seen more dedicated, gung ho, professional enlisted men and women and NCO's and an officer corps ready to do the job.

However, do they feel some hurt that the Commander in Chief is using them politically? That we do not see on the television news or in the newspaper reports. You bet they do. To a man they feel they are being used, and I will talk about that tomorrow.

WHAT IT IS LIKE TO BE IN WASHINGTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. MINGE] is recognized for 5 minutes.

Mr. MINGE. Mr. Speaker, when I go home, especially over the last Christmas break, people ask me, well, how do you like being in Congress? Is it an honor? Is it fun? Are you going to receptions? What is it like to be in Washington?

Often I respond by telling them a story about my Uncle Oly and Aunt Lena. I, like many in Minnesota, am of Norwegian ancestry. And Oly and Lena one morning were in the house and Oly got up, excused himself, went out to the outhouse, and did his business. As he pulled up his bib overalls, a couple quarters dropped out and went down the hole. Oly was disgusted. He took off his watch and he threw that down, and he took out his wallet and threw that down as well.

He went back in the house and Lena said well, "Oly, what is wrong with you? You are in such a foul mood and you don't smell so good either. What you been doing?" And finally it came out. Oly explained to her that he had lost the quarters and thrown his watch and wallet, and she said, "Oly, why did you do that? Why can you go down there?" He said, "Well, you didn't think I was going to go down after just 50 cents, did you?"

Well, there may be some humor in what Uncle Oly did, but there is little humor in what we are about here in Washington. We have all been regaled with stories about the shutdown, its impact on innocent Federal employees, about individuals that need passports to attend funerals, its impact on servicemen, national parks, veterans who are seeking guarantees for loans, businesses that are seeking guarantees from the Small Business Administration, and a vast array of others in America.

It is truly a tragic situation. And the best I can say to folks at home is it is a highly frustrating experience to serve in Congress these days. I have been here exactly 3 years, and I have had to say it has been frustrating each of these 3 years.

In the first 2 years, many of us chafed under rules that prohibited what we perceived to be a majority in Congress from considering legislation that we felt was important for the American people. Now, under the leadership of a new Speaker and a different political party, we continue to cave under the same techniques of managing the business of the House of Representatives.

I would say to my brethren on the other side of the aisle, I certainly shared with you the dismay and frustration when good proposals were held up. Certainly you must understand that the same is happening today, and that altogether too often the rules of the House are being used to keep important initiatives from consideration by the Members of the U.S. House of Representatives. This is certainly happening at this time as I speak.

This leadership is preventing what I would consider to be the majority of the Members of this body from considering a continuing resolution to put Federal employees back to work. Similarly, I expect that the discipline of each political party in this institution is preventing the majority of the Members of the House of Representatives from honestly considering a 7-year deficit reduction plan that actually would work to balance the budget and would have broad support throughout our Nation. It is tragic when the majority so manipulates the rules. I do not care if the majority is Republican or the majority is Democrat, the tragedy is the same.

I think it is important that all of us work together on a bipartisan basis to try to make this institution as effective as possible. Forget about the next election. Forget about who gets credit. Instead, focus on how do we balance the budget, what is right for America, what do the American people expect of us?

I think that if we focus on these considerations, the frustration that I and many others have felt can be overcome. But unless we do that, we, like Oly, are simply going to go back home with a foul odor, that will be immediately noticed by our friends and family and residents of our district. We certainly can handle our responsibilities in a better fashion.

REASONS FOR LACK OF PROGRESS ON BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise to take this 5-minute special order to discuss the budget and my concerns with the lack of progress and really the lack of response from the administration.

We have heard continuously from some of those Members on the minority side that this really has been caused by a group of so-called radical freshmen Republican Members. Well, I rise as a five-term Republican who over the 10 years I have been in Congress have supported and worked with my colleagues on the other side on labor issues, even opposing NAFTA when my party and this President supported NAFTA; working with Members of the other side on issues like family and medical leave; issues involving reform of Davis-Bacon that is acceptable to the labor unions and the working people of this country; and working on environmental issues and environmental legislation, opposing the riders that were attempted to be inserted in the bill. So I am not someone who rises as someone who has always been against the President. To the contrary, I have been supportive of some of the issues that this administration has supported.

But, Mr. Speaker, that is not what this debate is about. This debate really is about this President finally being called to task to live up to commitments that he has made publicly. He has gotten away with saying one thing and doing something else on numerous occasions that I cannot cite here today. But in this instance, Members on our side, even those of us who have worked with the President on key issues, are saying "We want to see this President simply come forward and do what he said he would do, and that is to provide for us a detailed seven-year plan to balance the budget."

Now, why has he not done that? It is because he is reading the political tea leaves and polls. He knows if he comes out with a 7-year plan in detail, he is either going to offend senior citizens or offend those business groups where he told them he would support a capital gains tax cut, or he is going to offend those veterans who he has told he will not have any changes in the way we fund veterans programs, or he is going to offend those defense workers by having to say we need additional cuts in defense, even though he was out in California last week and even made the case, and I cannot believe this, as the Republican who opposed the B-2 bomber, this. He even went so far as to say "Yes, we may need more than 20 B-2 bombers." Talk about ultimate irony, for this President to make that statement.

You see, if this President comes out with a detailed 7-year plan that lays out specifics like we have, he is going to take some heat, and this President does not like to take heat.

Mr. Speaker, the time for this rhetoric and demagoguery has ended. As I said earlier today, the Philadelphia Enquirer, no bastion of conservative politics in this country, said it best today in one of their lead editorials. The headline is, "Your turn, Bill. Clinton must offer the serious budget he promised."

I will insert this editorial in the RECORD, Mr. Speaker, but let me read the final paragraph of the editorial.

> Congress should pass stopgap funding as soon as the President provides the missing ingredient of serious bargaining: A credible White House plan to balance the budget in seven years.

Even the Philadelphia Enquirer has now read through the demagoguery of this President.

Now, Mr. Speaker, we hear opponents on the other side say "You are offending the American people. They do not buy what you are doing. It is wrong." That may be the case. But let me just remind them of one plain and simple fact: Since Bill Clinton took office 3 years ago, there have now been as of today 182 publicly elected officials switch parties in this country; 182, Mr. Speaker. All 182 who switched parties, from Maine to Washington State, to the southern States, were Democrats who switched to the Republican Party. All 182 publicly elected officials, including 7 Members of the U.S. Congress, have now distanced themselves from this President.

□ 1630

So my colleagues on the other side may be right. Maybe the President has it all right and in the end this game of smoke and mirrors and images and perceptions will win. I think not. I think the American people are smarter than that, and these 182 elected officials who have switched parties and joined the Republican Party agree with us that this President must finally do what he said that he wants to do, and that is give us a detailed plan. If he does that, I will join with the Philadelphia Enquirer tomorrow, or tonight, and I will vote for a CR to get the Federal employees back to work, but I want to see the President's detailed plan.

Where is it and when will we see it? Now is the time, Mr. President. Provide us your detailed plan for balancing the Federal budget.

PRIVATE BUSINESSES WOULD NOT SHUT DOWN THE WAY GOVERNMENT HAS SHUT DOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. BARRETT] is recognized for 5 minutes.

Mr. BARRETT of Wisconsin. Mr. Speaker, last year there was a popular film in our country called "Dumb and Dumber." I often wondered why they did not call it "Dumb and Dumbest." Ah, because that would convey the message a little bit better. But now I understand the reason, unfortunately, is the dumbest idea has been reserved for action taken by this Congress.

I have been in public life 12 years, and I am sad to say that this furlough is the dumbest thing I have seen government do in my 12 years in business. I have come down to this well several times to talk about the furlough, which is, in effect, paying people either to stay home or telling them that they have to work and they are not going to get paid.

I have basically issued a challenge, a little contest, if you will, because I am still looking for one business, one business in this entire country that twice in the same year would get so mad at itself that it would tell its workers go home, stay at home, and I am going to pay you. I have not got a call from a single business in this country that would do that.

I was on a talk radio show last week in my district, and I did have a caller who called in and said, "Well, I love what Speaker GINGRICH is doing and I support what he is doing." I said, "Well, let me ask you this, then. Would you, if you were using your own money, send your employees home, tell them to stay at home and that you were going to pay them?" And he hemmed and hawed a little and said, "No, I would not." I said, "Well, I find it interesting that we now have the leadership in Congress who has come here and said we are going to run Congress like a business when there is not a single business in this country that would run itself the way Congress is running itself right now." It does not make any sense at all.

Now, what should we be doing today? We are in special orders now, and the reason we are in special orders is because the Speaker and the majority will not let us even vote on a measure to get these people back to work. The Senate has passed it unanimously. The majority leader in the Senate was quoted as saying, "Enough is enough." And enough is enough. These are people who want to work, who should be working, and who should be getting paid.

Now, I hear Members from the other side come down into the well and talk about sacrifice and that there is a greater mission here and a greater good. Those are not people who talk to the people I talk to in my district, because I fielded as many calls as I could from employees.

I talked to a woman who works for the FBI in Milwaukee who commutes 100 miles a day, who has two foster children, who is living from paycheck to paycheck.

I talked to a woman who works in the U.S. attorney's office, who is being forced to work and is not being paid. There are people in our neighborhood, the husband works for the VA hospital, two small children, his wife is at home. He is required to work and is not being paid.

This morning I talked to a guard at the Oxford Federal Prison in Wisconsin. Three hundred employees are being required to work but are not being paid. I said, "Well, what type of people do you have at the Oxford Prison?" He said, "We have a lot of drug offenders. Most of the people here have violent pasts." We are asking Federal guards to guard people who have been convicted of murder and selling drugs, and we are asking them to work without pay.

Mr. Speaker, that is unconscionable. That should not happen in the United States. That should not happen in England. That should not happen in any country in this world.

Again, we hear the speakers on the other side talk about sacrifice. The gentleman from Florida earlier talked about how moved he was that he talked to an older gentleman, a senior citizen on Meals on Wheels, and that gentleman said, the senior citizen purportedly said that he was willing to give up a meal in order to get a balanced budget.

Mr. Speaker, I am not going to ask any citizen in this country to give up a meal so that we can pass a bill that has tax cuts that disproportionately benefit the wealthiest people in this country. It is wrong and we should not be doing it.

Mr. Speaker, again, the Members on the other side talk about sacrifice, and it is necessary for these employees to sacrifice. Again, I was in my district talking to employees and they asked the obvious question. "What about you, Mr. Congressman? Why are you not sacrificing?" And to be honest, my initial response to them was, I have got a wife and I have got two children to support. And they jeered. They said so do we.

I had to go home and think about that. I had to go home and think about it, even though I voted every time to get these people back to work. I had to think about the fact that they are in the same situation as I am. I have a 1- and 3-year-old at home and a wife at home. I do not want to give up my pay.

But, Mr. Speaker, I decided today that I should do what many of my colleagues have done and that is to say that I will put myself in the same position as the other Federal employees. If we are asking them to sacrifice, well, then we should sacrifice, too. And I ask my colleagues to do the same thing, and that will end this misery.

IMPASSE ON FEDERAL BUDGET AND GOVERNMENT SHUTDOWN ARE SEPARATE ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. NADLER] is recognized for 5 minutes.

Mr. NADLER. Mr. Speaker, we face today two separate controversies, two separate controversies that have been combined and confused, deliberately and improperly combined and confused.

The first controversy is the impasse on the Federal budget. This impasse involves real and serious issues. The Republicans want to balance the budget and they want to make huge cuts in Medicare and in Medicaid in order to pay for a very large tax cut benefiting mostly the wealthiest Americans. Democrats, for the most part, want to balance the budget, but they want to do it while protecting Medicare and Medicaid, college loans, education, and the environment.

These are serious differences and serious issues, and their outcome will determine the fundamental direction the country will take over the next few years, and these controversies deserve real and perhaps lengthy and extended debate. But this controversy should not lead to a shutdown of the Federal Government.

This is the second separate issue, the unnecessary, deliberate, unconscionable shutdown of the Federal Government with all the suffering and pain that that implies and that brings forth for Government employees, for private contractors, for private citizens in all walks of life that have been talked about on this floor today.

Mr. Speaker, we have had over the years many budget disagreements between the Congress and the President. Many times appropriations bills were not completed and signed into law on time. This year, because of the unnecessary delay because we wasted the first 100 days of the year on the Republicans' contract on America, and we did not start working on the appropriations bills until April instead of in January, the situation was worse than usual. But these disagreements, failure to pass the appropriations bills on time, do not normally lead to an extended shutdown of the Federal Government.

We are told by the Republicans that the President is responsible for the shutdown because he vetoed appropriations bills. Presidents Reagan and Bush vetoed appropriations bills. That did not cause extended shutdowns of the Federal Government. The normal method of avoiding a shutdown of the Federal Government is to pass a continuing resolution saying that every department of Government will continue operating on the same rate of funding as it did last year, or perhaps at 90 or 85 percent or whatever is agreed upon indefinitely while the negotiations on next year's budget proceed.

That is normally done. But the Republicans will not pass a continuing resolution, the normal method of keeping the Government in operation while the controversy over the new budget is determined. They will not pass it.

The only reason for the Government shutdown is that the Republicans, led by Speaker NEWT GINGRICH, decided months ago that they would use the threat or the reality of a Government shutdown to attempt to blackmail the President into going along with budgetary solutions that he does not approve. This is wrong.

Our Democratic system provides the proper means to work out policy and budget disagreements. The majority in Congress in both Houses passes a budget. The President signs it or he vetoes it, the various appropriations bills. Then there is an attempt to override. If they cannot override, they have further negotiations and eventually a compromise. If they cannot override the veto, if they cannot negotiate and come to a compromise, eventually they take it to the people. They say the President is unreasonable in his vetoes, let us get a new President; or the majority in Congress is unreasonable in its bills and let us get a new majority, and the American people make the ultimate decision. But while this is going on, the Government continues to operate on a continuing resolution.

This year, the Republicans say, no, we cannot pass a continuing resolution because we do not trust the President. He does not keep his word. Obviously, I do not believe this to be true, but even if it were true, it is not material to this. The Republicans say they must keep the Federal Government shut down until the President keeps his word and produces a 7-year balanced budget according to CBO figures. And if he will not do that, they will not open the Government. They will make us all suffer. They will make the American people suffer.

But the Federal Government is not a plaything or a possession of the President. The Federal Government does not belong to him. It belongs to the American people. Opening the Government is not a reward to the President for good conduct and closing it is not a punishment of the President for unacceptable conduct. Closing the Government, holding the people who need Government services, whether that be welfare checks or SSI or Medicare or passports, holding it closed is holding the American people hostage. It is not a legitimate negotiating tactic no matter what one thinks of the President's negotiating tactics. It is an abuse of power.

Let us keep the two issues separate. Let us vote on a continuing resolution to reopen the Federal Government, and then let us work out the differences on a permanent budget.

REPUBLICANS BELIEVE THEIR BUDGET TO BE PERFECT; WITHOUT ROOM FOR NEGOTIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. HEFNER] is recognized for 5 minutes.

Mr. HEFNER. Mr. Speaker, this has been a very interesting time for me, in the time I have been here, for all these years. First of all, if we buy the rhetoric from our friends in the Republican party, we have to assume that there should not be any negotiations on the budget; that the President should just sign the budget that they sent to him; that it is a perfect document, he cannot improve on it, it has all the cures for the ills that affect this country.

The President has real concerns, and so do the majority of the American people have concerns about the budget that the Republicans sent to the President of the United States, especially our senior citizens, our health delivery system, our hospitals, and I have just a whole list here from hospitals in North Carolina, veterans hospitals and private hospitals that say that this budget would be devastating to the delivery system to our senior citizens and to Medicare, not only in North Carolina but all across the country.

So we have to assume that the Republicans are saying that all we have to do, all the President has to do to put these people back to work is to sign their budget; that there is no room for negotiations. There is no room for negotiations on the taxes, there is no room for negotiations on the cuts in Medicare and Medicaid.

Throughout history, Mr.. Speaker, presidents have had the option to veto legislation, and then we try to work out the differences, but we do not shut down the Government and inconvenience millions of people.

There is one facility that is very, very special to me. There is a VA Hospital in my district, in Salisbury, NC, and when I went there over 40 years ago, one of the first places we went—I was in an entertainment group, and we went to this hospital and we entertained the veterans.

□ 1745

And to this day, I go on a regular basis to entertain the veterans and to meet with them and to listen to their problems.

I want to tell my colleagues that our veterans' hospitals are in dire circumstances today, and I talked with a number of them today. Not only is their help getting frustrated; they are not being paid, and in one instance, a man who is used to getting $500 to $600 a week, he received $141, and this is a man with a family. But it is beginning to trickle down to the care of these veterans in these hospitals.

Mr. Speaker, that is our brothers, our uncles, our parents. These are veterans that served in Korea and Vietnam and some as old as World War II, and through no fault of their own, they are being penalized by losing the services that our Federal employees provide to these veterans.

Mr. Speaker, it is just plain wrong for us to hold these Government employees hostage to debates that are going on at the White House down on Pennsylvania Avenue. There is absolutely no reason why we cannot put these people back to work. And, of course, one of the Presidential candidates says: No big deal. Who misses these Federal employees?

Mr. Speaker, I can tell you who misses them. Those senior citizens that want to file for their Social Security, they have become 62 or 65 and they want to file for their Social Security. They cannot do it. We have the people that work in the hospitals that are looking after these veterans, and some of them completely incapacitated, and those nurses' aides and nurses that are carrying around the bedpans, they either are not being paid or are being half paid.

But guess what? The people that are perpetrating this hoax on the American people, every one of them is getting a full paycheck the first of the month. We could even be voting here today on a measure that says we are going to give up some of our pay, but they will not even allow that.

So, it is not just Federal employees that are being inconvenienced; it is average hard-working American citizens that believe in Government, that have paid their taxes, and they expect the services that the Government renders to them as citizens. This is not fair. There is no reason. I challenge anybody on the other side of the aisle to come and give me a valid reason why we cannot put the Federal employees back to work and continue the negotiations down at 1600 Pennsylvania Avenue.

Now, what I say today, is it worth inconveniencing millions of Americans to get at the President of the United States? Is it worth that to my colleagues? This is just plain wrong. It is not the American way. Let us put these people back to work and make America work like it is supposed to work, and work out our differences like we always have over the past years in honest negotiations on legitimate differences in philosophy.

IN SUPPORT OF EMERGENCY STATUS FOR FEDERAL WORKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, as this debate has proceeded, I have been listening to our colleagues on both sides of the aisle talk about who is responsible for the shutdown, and I will go into that in a moment. But in the course of the debate it was interesting to hear people refer to various symbols of patriotism in our country: the American flag, the eagle, Uncle Sam. Uncle Sam, he is a symbol of the Federal Government, but he has now become our deadbeat uncle, because across the country as we all sat down to our Christmas dinners and the start of a new year, many Federal workers were deprived of their pay, even those who were working.

Even further than that, many people who depend on the Federal Government to function not only now experience a tightening of the belt, but a closing down of their businesses, whether it is a sandwich shop near a Federal building or a tourist bed-and-breakfast near

Yosemite National Park or some other national park throughout the country.

Mr. Speaker, as we convene this second session of this Congress, we should all be ashamed of the disrespect with which Congress is treating hundreds of thousands of our valued Federal employees, public servants who want to work, many who are working now, and who perform important services for the people of our Nation.

Federal workers have been caught in the middle, against their will, held hostage to the machinations of the 104th Congress. This is a personal loss for many, and it is also a loss to the American taxpayer who has invested in Federal performance. It is time to end the Federal Government shutdown and to allow 260,000 Federal workers to return to their jobs. It is self-evident, I think, Mr. Speaker, that people who work should get paid for their work. Why should that be a mystery? Why is that even an issue here?

But do not take my word for it. I think it would be important to hear the voices of some Federal employees who yesterday rallied across the country. Their cry was: We will no longer be sacrificial lambs. Some of their individual stories are so definitive, so clear about why we should end this shutdown, that I want to share some of their words with you.

Pete, who files papers in the U.S. attorney's office, told the crowd of coworkers that she brought her two children to work yesterday because she could not afford child care after her paycheck stopped. Her children are at work with her as she changes diapers while she does work for the Federal Government.

Howard exclaimed, "If you do work, you should get paid. This is a type of 20th century slavery. We're responsible for our rent and board. Nobody else is going to be paying for it. We cannot file for unemployment," this particular group could not. "We cannot file for food stamps. What can we do?"

And finally, Eula said that she can now barely afford the gas money to get her from home to work. She has a commute between Antioch and Richmond, CA. Lajuana Brown had to cancel her 2-week Christmas vacation to work, and then had to ask her mother to take care of her children because she could not afford day care.

Mr. Speaker, the stories go on and on and on. In the course of the debate, our colleagues on the Republican side of the aisle have made various comments as to where the blame lay for this shutdown. It is interesting to hear them talk, because some of the comments seem to be contradictory, if the Parliamentarian would allow such a word.

First of all, they talk about if the President had not vetoed these bills. Thank God the President vetoed these totally unacceptable bills. They contend that they support a line-item veto, except not for this President. How inconsistent of them to argue about a President vetoing a bill, supporting a line-item veto, and not giving it to President Clinton.

Mr. HEFNER. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I am pleased to yield to the gentleman from North Carolina.

Mr. HEFNER. Does my memory fail me? Did we not pass the line-item veto in the last session of Congress?

Ms. PELOSI. We did, in fact. It was one of the provisions of the contract, but not to apply to President Clinton.

Mr. HEFNER. That was not specified, that it would not apply to the President. They just have not given it to him yet.

Ms. PELOSI. They just have not given it to President Clinton, because of the delay.

They also talk about compassion. How many times have we heard our colleagues on the Republican side of the aisle say neither party has a monopoly on compassion? Well, I say to them, my Republican colleagues, that compassion without a positive initiative for change and for action is an empty emotion.

Sure, we are all compassionate, but what does that mean unless it translates into action to meet the needs of America's families, and certainly not to send them to work without paying them?

They talk about the capital gains tax and say, "Oh, President Clinton says he will support a capital gains tax." President Clinton said he would be open to some capital gains tax, not the giveaway to the rich for any turnover of any asset that our Republican colleagues are advocating.

Last of all, because I do not have any more time, I want to say the other contradiction that I hear is that they say that Congress should obey the rules that other people do. If that is the case, then Congress should not be receiving a paycheck at a time when other Federal workers are not. I call upon the Republican leadership to bring legislation to the floor to effect that. It has been proposed by our Democratic colleagues. So much to say, so little time.

PAINTED INTO A CORNER BY GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Mr. Speaker, here we are, American people, at the 4th day of January, 1996, almost 5 o'clock in the afternoon, and what are we doing? We are talking.

Mr. Speaker, in November a year ago the American people put the Republicans in charge of the U.S. Congress. They have a majority in the House and the Senate. They set the agenda. We cannot bring anything up unless they bring it up. They are meeting at 7 o'clock tonight to try figure out how to get themselves out of the predicament, how to get themselves out of corner that they painted themselves into in this ridiculous exercise.

One of the reasons I think the American people put the Republicans in charge is they thought that they could run this place like a business. Well, that turned out to be a joke. What business have we ever heard of that got mad, could not make a decision, sent its employees home and said, "Stay home, but I will pay you anyway, except the essential ones, you keep working but I am not going to pay you for the work that you have done"? I have never heard of an American business that is run that way; certainly not in my congressional district.

Mr. Speaker, then there is all this argument about the balanced budget. Well, I do not know anybody that is not for a balanced budget in this whole House of Representatives or in this whole Congress. The question is who is going to pay the cost of the balanced budget? Who is going to bear the burden of the balanced budget?

Well, the Republicans have picked out their victims. Their victims are the sick, old and young sick, the aged, the working poor, and a portion of the middle class to bear the burden. And at the same time they have granted to their rich contributors substantial tax breaks, people who do not need the tax breaks, who really have not asked for the tax breaks. I know a lot of them; they have never asked me for one. And this is the silliest way I have ever seen to run a government.

Now that covers a lot. I have been around here for 33 years and in legislative bodies for a total of 43 years, so I have seen some silly things done. But the mismanagement of NEWT GINGRICH and company, the mismanagement of our Republican colleagues of the time and of the energy and of the money of this country and of the resources of this country is a shame.

Here in January 1996, we should be making substantial plans as to how the budget will be balanced, making equitable changes. Now, this balanced budget is not a lot different than other attempts that we have made. The amount of dollars are about the same as amount of dollars that we did 4 years ago and 2 years ago, the undertakings that we are taking. But most of the balance in this so-called balanced budget operation does not come at the beginning; it comes in the year 2001 and the year 2002.

Now, we all know what is going to happen then. By that time there will be a whole new group of people in charge in this country, and most of the silly things that are being said here today will have been forgotten and most of the savings that we are talking about will have been forgotten.

I talk a lot to the elderly. I guess they picked me out for conversation because they think I am about their age and I have got some comity with them. They are worried to death about being forced into managed care where they will get a gatekeeper for their medical care instead of a physician when they call on the phone for a doctor's appointment. They are scared that managed care will mean that the insurance companies will decide whether they get a treatment or not, not their doctor.

Most of us go to a doctor because we think we need to go to a doctor. But I would rather go to a doctor that is going to be rewarded by being paid for what he does for me, not being rewarded by what he does not do for me. These are the kind of things that worry Americans.

□ 1700

A HISTORICAL PERSPECTIVE

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from Louisiana [Mr. TAUZIN] is recognized for 5 minutes.

Mr. TAUZIN. Mr. Speaker, as we meet here on the eve of a new year, as we begin 1996 with the budget still unresolved, I think it is important to speak of the situation in historical context. In the 15½ years that I have been in Congress, I only experienced about 9 months of Government that was not divided where the House and the Senate and the White House were controlled by the same party. For most of that time, we have enjoyed or suffered through divided Government in America. The White House was controlled by one party, and the Congress was generally controlled by the other party. We are in that same situation today, only a little differently.

In most of those 15 years, the Republican Party controlled the White House and the Democratic Party controlled the Congress. In the course of that 15-year period, we have had Government shutdowns. This is, I think, the fifth one we have experienced in the course of those 15 years. Most of them have been rather brief. They have been total shutdowns over a weekend or a few days, and eventually things were worked out. Unfortunately, the way things were worked out was typically business as usual. There were compromises made; there was gives and takes. There were deals cut. There was a sentiment that, well, it is better to take a bad deal and go home than to duke it out and see if we cannot resolve our budget problems and somehow eventually balance the U.S. budget.

The product of business as usual over those 15 years of budget battles that led to temporary shutdowns and eventually continuing resolutions was a deepening and a worsening U.S. public debt. It has reached a point today, now, where every young person today is likely to spend as much as 80 to 90 percent of their income in taxes to some government, State, local or Federal, during their lifetime. That is what economists tell us the debt is doing to us.

It has reached a point today where a young child born today will spend $187,000 just paying interest on the debt we have accumulated. It has reached the point today where if we do not begin solving the Medicare crisis in this country, we will have two choices 7 years from now. We will face a Medicare system completely bankrupt and we will either have no Medicare system for our elderly, or we will have to double payroll taxes on working Americans. That will be the choice 7 years from now if we do not stick around and resolve this budget debate in this, the early days of January, or, if necessary, through 1996 until we reach election day and let the voters decide who is right or wrong.

At some point Americans are going to have to make a decision. Do they really like business as usual, where deals are cut at the end of every fiscal year and we go deeper and deeper into debt or would they rather some President at some time design a balanced budget amendment based on honest numbers within a reasonable period of time that will end this fiscal insanity both for ourselves and for our children?

If you are conservative, you certainly want that done. If you are liberal and you see every year more and more of the Federal budget spent on interest on the debt instead of on programs for Americans, you ought to also want that done. We ought to agree upon that.

And so during the course of the last few months and the year, we offered an amendment to the Constitution requiring that Congress do that. We were met with objections here in the House. We succeeded in passing it in the House. We were met with objections in the other body. They did not pass it in the other body.

The objections generally ran like this. We do not need the Constitution to tell Congress to balance the budget. We can do it ourselves and we ought to do it now. That was the objection of the balanced budget amendment to the Constitution. We do not need a constitutional amendment. We can do it and we ought to do it now.

Well, why not now? Why not a budget agreement that balances the budget in 7 years on honest numbers right now?

That is what this historic fight is all about. That is why we are in this awful period of partial Government shutdown, why we have this awful debate on our hands were sometimes it gets acrimonious and personal, and it should never get to that point, but that is why we stand here in the course of these early days in January struggling with the notion of how do we negotiate eventually to a position of a balanced budget in 7 years using honest numbers without doing business as usual, without caving in to all those who want to keep on taxing and spending as we have done for generations to the point that our children now are deeply in debt and will remain in debt for the duration of their lives. How do we resolve it. We resolve it by agreeing now to a balanced budget plan.

THE SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, it may well be that in the 20th day of this crisis we are too close to it, have been too immersed in it to think clearly our way out of it. It is actually 25 days, if you consider the 5 days of the previous shutdown.

Let us look at what we say we are doing. The other side honestly admits that its purpose is to bring leverage on the President. Examining that proposition, it is clear that the other side has succeeded in bringing leverage as much as they are ever going to do.

Let me explain why. The fact is that the President has now signed on to a 7-year balanced budget. He had not done that before. Having done that, it would seem to me that the majority would acknowledge that they have accomplished what they said was their greatest goal. Moreover, the leverage has gone as far as it can go, if I may say so, because, to use the words of the gentleman from Texas, Mr. DELAY, from your side, he was talking about Mr. DOLE: The President can't cave, because to simply give in is to reinforce a part of his reputation that he is trying to live down. It is time for the majority to declare victory and let the Federal workers come back to work, because the leverage rationale has been spent. It is over. Declare victory.

Indeed, it is worse than that. The leverage has yielded a boomerang crisis, if you will, my friends, an in-your-face crisis. In the beginning the most visible victims were Federal workers, and people shrugged. They had not felt it themselves. Now we are beginning to get great sympathy for Federal workers and no wonder. When a GS-2, to cite a specific example, opens up her paycheck, as she did this week, and finds in it $4, then of course you are going to get sympathy from all across the country. She is a hapless victim. By the way, the IRS and the Social Security did take their share. They left her $4.

About half of those who do contractual work for the Federal Government are out of work. The trade-off that has now become the mantra of the other side simply does not work and is itself an outrage. Well, we may have to leave these workers at home in order to save our children. Let us not talk about trading off one group of innocent victims for another. But the boomerang crisis that we better see, my colleagues on the other side, very quickly, is a service crisis, not a worker crisis. Let me document that.

On January 2, the States lost $74 million in quarterly grants that they use to confront the crisis with abused children, and there are 2.5 million of those children. By the end of the week, 11 States and 2 of the territories, the Virgin Islands and the District of Columbia, which of course is the District and not a territory, will run out of funds for Federal unemployment insurance. Do my colleagues think they are going to get off scot-free as their constituents confront that?

Twenty-three thousand Americans per day are unable to get passports. Many of them are going abroad for business. Twenty-four thousand contract Medicare claim workers are not being paid. They will not be on the job very long. Your State is going to run out of Medicaid funds in January. Are you prepared to take the responsibility for that? One thousand workplace safety complaints per day are going unanswered. The FBI has ceased to train local law enforcement officers.

Employment discrimination complaints are no longer being investigated. Twenty thousand foreign visitors per day are unable to get visas for a loss here of $60 million per day. Do my colleagues really mean to inflict this kind of pain on their constituents and mine? I think not.

My colleagues have replaced the main course, the balanced budget, with a side dish, and that is the crisis my colleagues have left us with. Let us get back to the balanced budget. Let the workers come back to work.

TYRANNY OF THE URGENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. BARTLETT] is recognized for 5 minutes.

Mr. BARTLETT of Maryland. Mr. Speaker, I did not come to the Congress until I was 66 years old. There is some advantage in coming here at that age. If you come here younger, if you have spent much of your life here, I think that you miss some opportunities, some insights into relevance, time and perspective and things like the tyranny of the urgent.

Let me give my colleagues two examples from my past. I had the great privilege of working for 18 years in several different capacities for the military. In one of those capacities, I was working, for part of my time at least, out of the Navy Yard in Philadelphia. There we had the responsibility for two things: One was for supporting the fleet. When they had problems with their life support equipment, with oxygen equipment and so forth, we had to go out to make sure that those problems were fixed. We also had the opportunity, the responsibility there for developing new equipment that would be better, that would have less problems, and we would have to spend less of our time going out to support the fleet.

This was an excellent example of the tyranny of the urgent. When we had a call from the fleet that was an urgent problem and we had to go out to address it, the really important thing that that facility was charged with doing was developing new equipment so we would not have those problems in the future. But the tyranny of the urgent frequently got in the way of developing the new equipment.

In 1954, in another experience, I was coming back from California from teaching medical school there to teach medical school here in Howard University. I was in the middle of Missouri with my family with young children and a 1941 Cadillac and a big trailer on the back that had in it all of my worldly possessions. A tire blew out on the Cadillac and the trailer turned over. I stood on the road there in the summertime in the hot sun in Missouri, and I thought, gee, if you put yourself 10 years in the future from this and look back, this is not going to be a big deal. It was not. I did step back, and really, as I look back on it now, it was not a big deal.

Let me apply these two things to our partial shutdown of Government now. We must be very careful that we do not permit the urgent to take precedence over the important. The really important thing now is that we balance this budget. We have an urgent problem with a partial shutdown of Government. There has been enough talk from both sides as to how we got there from my perspective and I think the perspective of most Americans, the President has failed to keep his promise to submit a balanced budget.

You cannot negotiate, you cannot negotiate when there is only one budget to negotiate. He needs to submit a balanced budget. The urgent thing is somehow to get around this problem, but the way to get around that is not to have another continuing resolution that is going to take the pressure off to do the important thing. And the important thing is to balance this budget.

I was talking about the time and perspective. If we put ourselves down the road 10 years from now and look back, nobody hardly is going to remember this partial shutdown of government. But they are going to remember and they are going to thank us for holding tough and balancing the budget. We must be very sure that we have a perspective of the relevance of what we are doing. We must make very sure that we do not permit the tyranny of the urgent over the important.

Our constituents understand that. I had a letter during our first brief partial shutdown. It was the kind of letter that just about brought tears to your eye. It was a Federal worker who said he did not know he was going to get paid when he was furloughed.

□ 1715

He said he was probably going to lose $500. But that was a small enough price to pay for what this balanced budget would do for his children and his grandchildren.

Here I have some constituent opinions from phone calls from five of our constituents. We have had many, many like this. This one is from Hagerstown, MD, the Federal employee who was furloughed, but he thinks that I should stick with the Republican plan to balance the budget.

Here is another one. These are parents of, and these are from Flintstone, way out in western Maryland. They are parents of five children and grandparents of 11, and he is disabled, but they want the Congressman, their Congressman, to vote only on a balanced budget. They are proud of what we are doing for them here. They want me to hang tough.

Here is one from New Market, MD. Keep the Government closed. This is a Federal worker with 22 years of experience in the Federal Government. He says, "Don't buckle, stand fast."

Here is another one from Ellicott City, just south of Baltimore, just north of here, a furloughed Federal District employee. He wants the RGB to stay the course.

Another who congratulates on our budget stand: Do not support a continuing resolution.

Our people understand better than we do the real important thing here and the relevance of what we are doing. They want us to stand firm, stay the course, balance the budget.

IN 1 YEAR REPUBLICAN MAJORITY BRINGS CRISIS TO GOVERNMENT

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from Oregon [Ms. FURSE] is recognized for 5 minutes.

Ms. FURSE. Mr. Speaker, I think that the people who are not able to pay their rent this month or maybe the ones who are not going to make their mortgage payments are going to remember this time. As my colleagues know, a lot of speakers have talked from this side about this balanced budget. Well, I think we have to separate the balanced budget from keeping the Government open. I want to talk a little bit though about this balanced budget.

When Ronald Reagan became President of this country, the deficit was $74 billion. When President Bush left office, the deficit was $300 billion. When Bill Clinton became President, it was $300 billion, and today, thanks to the President's budget of 1993, the deficit is half, is $161 billion, half what it was then. But it is very interesting because there was not one Republican vote for that budget, that budget which has reduced the deficit by half.

OK, now they say to us, especially the new Republicans—well, they have not been here very long so I understand they are not sure of all the things that are going on, but let me tell you. They say we are going to keep this Government closed unless we have a balanced budget. Well, their memories are very short because there was a balanced budget offered on this floor, a 7-year balanced budget, a 7-year balanced budget with CBO scoring. They did not vote for it. Why? Because it did not have that $245 billion tax break for the wealthy.

So yesterday we asked if that budget could come back up, could we vote for a balanced budget, 7 years, no tax break for the wealthy. Well, the Republican leadership would not let us vote on it.

So it is not the balanced budget they care about. They want to keep this Government closed down because, like the former speaker, they do not seem to understand that individual Americans are hurting, people have to pay their rent, people have to make a mortgage payment.

Senator DOLE, who is the head of the other body, got together with the Democrats and the Republicans on the 21st, and that was just Tuesday. They passed a continuing resolution, get the Government back. We begged yesterday, please bring that continuing resolution up that the Senate has passed, let us get the Government back to work. But, no, we were not allowed to vote on that, just as we were not allowed to vote on the real balanced budget.

Now I have heard people here say this is an inconvenience, the Government shutdown. They will not remember the Government shutdown. Well, let me tell you just what is happening to seniors in Oregon, and it is happening to seniors across the country.

Meals on Wheels. We have two Meals on Wheels places in Portland. They serve seniors every day. Well, they are going to be out of business by the end of next week. Too bad, seniors, no meals for you because the Republicans say they want to balance the budget but they will not vote on a balanced budget.

There is very important research going on right now on a disease that affects seniors: Alzheimer's. Alzheimer's research has been stopped in the National Institute of Health because they say we do not care if the Government is shut down.

Medicare contractors who pay the health care claims of our elderly; they are being asked to use their own funds to operate because the Government is shut down. What a disgrace.

Federal investigators who investigate fraud that affects all of us, but particularly seniors, they are not being paid, they are not being paid.

Now what I want to say to my colleagues is that for 40 years you have tried to be in the majority. All right; now you are in the majority. But you know what? You were not able to do the simple work that was required to get the appropriation bills to the President so the Government would keep working. In 1 year this Government had been brought to a crisis. It is time to stop that, it is time to go with the Senate version, have a continuing resolution, and later today someone will come forward and suggest we all go home for a vacation. Well, I am not going to go home for vacation until the Government is back on its feet, and none of us should.

It is a shame, it is a shame.

THE PRESIDENT DID NOT KEEP HIS WORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BONO] is recognized for 5 minutes.

Mr. BONO. Mr. Speaker, unfortunately I happen to have been sued very often in my life. I dislike all of that because it just seems to take everything out of your hands, and pretty soon a judge is telling you how you have to live, and why, and what, and where. And the greatest lesson I—one of the greatest lessons I ever got was when I was sued for indentured servitude, white slavery, and it got all throughout the press, and all the press read it, and it described me as a Svengali and that I controlled this person's life. Then it got to court, and it was thrown out because it was ridiculous. But that stayed with me for many, many years, until eventually people found out the truth.

So my point is that you sit here and try to find out what all of this means and what all this dialog is about, and people tell you different stories about different situations, and they say, well, if the Republicans would just sign a CR, they would not inflict pain. Well, you know that depends on if the glass is half empty or half full.

If the President had kept his word—now understand this, which I think is far more important: Our President should keep his word. He said, "I agree to a balanced budget, scored by CBO, within 7 years, by a certain date." When that date came and went, he did not perform, and we gave him a CR, taking his word, and he violated his word. So now they are saying, well, give us another CR.

So, you know, if you get burned once, then you are a little reluctant to keep playing the same game over and over. So when you say there is pain inflicted, look at the President and ask him why he said he would do something, and we all agreed, and everybody was happy, and then refused to do it.

So you know this notion that there is just one party to blame, and that is why I go to this other story about myself, is that I did not do anything wrong, but the perception was that; and we have not done anything wrong, but they are trying to give you that perception that we do not care.

I am very sensitive to seniors, I am very sensitive to people who do not get a paycheck. I spent many months not getting a paycheck.

But that is not the point. The point is I came here, and I said to my constituents and you Americans, "You know, we must balance the budget. You don't have an imbalanced budget at home, and we have got to balance it for you." I promised to do that. So all year I have been working to balance the budget.

Now we are here, we are at this critical confrontation, Mr. Speaker, and this is why we have fought so hard over this issue, and here we are with a confrontation.

Now, does it make any sense to say, OK, here we are with this issue, now let us back all the way off and do everything back on the President's terms? Not to me it does not. Because he does not keep his word I have a very hard time trusting what he will say in the future, and so I think now we have to, of course, stand tough, but certainly we are not insensitive to this, and if there is an insensitivity, look at the person that did not keep his word.

I just want to say to you, things are not always as they appear, and rhetoric is rhetoric. Always try to find out the facts, and the facts are the President did not keep his word.

IT IS WRONG TO USE FEDERAL EMPLOYEES AS PAWNS IN THE GAME OF THE BUDGET DEBATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. HOLDEN] is recognized for 5 minutes.

Mr. HOLDEN. Mr. Speaker, I yield to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the reason that I wanted to have that minute was to give the gentleman an opportunity to discuss, just for at least a moment, his proposition that the President has not kept his word. I appreciate the civility of his comments and understand he has been an ex-mayor, he has had some legislative experience; but it is hard for me to comprehend why would he punish innocent people if somebody else does not keep their word? We are legislators. Why do we not get together then, and come up with a proposition, and we could present it to the President? I fail to understand the rationale, and I do not think the American people accept the proposition that because the President is perceived by the gentleman from California and his colleagues as not having kept his word, they are going to punish the American people.

Punishing the American people will not solve it. We are legislators. We need to solve it right here in this Chamber.

Mr. HOLDEN. Mr. Speaker, the time has come in this Chamber for action. Senator DOLE summed it up absolutely correct when he said in the other Chamber, "Enough is enough," as he guided a continuing resolution through the other Chamber that opened up the Federal Government.

We need to do the same thing in this Chamber.

I have thousands of Federal employees in my district, in the Social Security Administration, in the Veterans' Administration, at Federal prisons, at Minersville, Lewisburg, and Allenwood who are either on a furlough, or who are being forced to work extra hours, an extra shift, and not being paid. It is not right to use Federal employees as pawns in this game in this whole budget debate.

□ 1730

So I say to my colleagues, let us pass a continuing resolution and let us continue this debate on balancing the budget.

I say to my colleagues on the other side, I want to work with you. I want to work with you in balancing the budget in 7 years using CBO numbers, and we can do that. The framework for doing that is already in place. We need to continue the dialog and have a give-and-take process.

If you look at the coalition budget that was offered in this House, it balanced the budget in 7 years and had no tax cuts. I say to you that is a framework. We can work with that and we can balance the budget. You look at the budget that passed this House and we had $245 billion in tax breaks in that. To me, that is personally unacceptable; it is too large. But I am willing to go halfway and meet my friend on the other side in moving toward balancing the budget.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. HOLDEN. I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Speaker, I certainly appreciate the gentleman's attitude, and I would be open to work with you guys on that. I think a lot of people on our side of the aisle would. I also want to say that I am one of those who think that we should get the folks back working.

Let me say this: Would the President accept that coalition budget? Because one of our reluctances is that if we pass that, will the President stand behind it?

Mr. HOLDEN. I do not know if the President will accept that budget, but I can tell you that I will accept it, and there are numerous Members on our side of the aisle who have already voted for it and many more who will vote for it when it comes up again.

When you look at the differences in the budget, the budget that passed the House that the gentleman voted for had a $245 billion tax break in it. If you would reduce that, say, down to $110 or $100 billion, still giving a tax break to working families, and put that $100 or $110 billion in savings into the Medicare system where we would only be having, say, $150 or $170 billion in the slowing of growth of the Medicare Program, that is something that is acceptable to me.

I look at my district where I have 95,000 Medicare recipients and thousands more waiting to go into the Medicare Program; and I look at the hospitals in my district, and right now they are only receiving $1 for every $1 of services they are providing for Medicare patients. Under the proposed budget that the gentleman voted for, that would go down to 88 cents.

Mr. KINGSTON. If the gentleman will yield, I want you to know that I believe that there is a lot of room for discussion on that. I do not pretend to represent all Republicans on this, but I know that there are many who would like to work with you on it. Again, the concern is, could we do it as a veto-proof measure if the President will not go along with a bipartisan budget. Would you have any feel for that?

Mr. HOLDEN. Well, I would say to the gentleman, if we can put a budget on this floor that I believe in, I would vote for it and I would vote to override a veto if it was.

I cannot speak for the entire Democratic membership, but I believe that this process that is going on now where people are saying, it is going to be my way or no way at all, is not healthy for the gentleman or me or the American people. We need to get this process going, and there are points of contention that I believe can be ironed out.

Medicaid is one of the contentions that I have, the Medicaid system. I am not exactly thrilled with block-granting Medicaid, and the reason for that is Pennsylvania has the second highest senior citizen population in the country, next to Florida. Under the proposed budget that passed the House, Pennsylvania would lose $9 billion over 7 years in the Medicaid Program.

Forty-five percent of all Medicaid expenditures in the Commonwealth of Pennsylvania are for the senior citizens and nursing homes. So to lose $9 billion, half of that which goes to seniors and nursing homes would put a terrible burden on the Commonwealth.

I am not saying that would vote for a program that block-granted Medicaid, but we would have to make sure it was fair and that the Commonwealth of Pennsylvania, in my case, would be treated fairly. I am sure the gentleman would feel the same about Georgia.

If I could just sum up and thank the gentleman for the dialog and say that I believe that we can pass a balanced budget, but there are those who will not give in on the tax cut that might have to be left behind, and there are those who do not really have the priority of balancing the budget that may need to be left behind, but we can drive a budget down the middle, and that is what the American people want us to do.

KEEP WORKING TO END THE SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WOOLSEY] is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, today the West Marin Chamber of Commerce in Marin County, CA released a report showing that the communities around and near the Point Reyes National Seashore, which is in my district, have lost upward of $5 million in lost tourist revenues, to date, as a result of the Gingrich government shutdown. That is right. Due to the Gingrich shutdown, business in West Marin is down 45 percent from last year. As one of my constituents said just recently, last year was not a particularly good year.

But it is not just the businesses in West Marin who are hurting, Mr. Speaker. Americans all over the country are being denied crucial services, services that include passports, home mortgages, child support, and small business loans. That is because of the new majority's shutdown. But that is not all either, Mr. Speaker.

If the shutdown continues, if it continues much longer, 600,000 elderly Americans, many of them invalids, may not be able to participate in the popular and successful Meals on Wheels Program.

Mr. Speaker, it is clear: We are already paying the price for the new majority's radical agenda. If you think this shutdown is bad now, believe me, we are really going to be paying the price if the Republicans get their way when their crown jewel, the special interest tax breaks, and their huge education and Medicare cuts are proposed or go through.

To add insult to injury, the Gingrich Republicans are now talking about calling it quits and going home while people in my district and across this Nation continue to suffer the consequences of the shutdown.

Mr. Speaker, 198 House Democrats want to keep working, working to end the shutdown. The other body wants to keep working; for Pete's sake, BOB DOLE wants to keep working, and as he said just yesterday or earlier this week, enough is enough. But it is the Gingrich Republicans who would rather go home than get Government up and running again. It is the Gingrich Republicans who are willing to hang on to their radical agenda no matter what the impact is on American people, and it is the Gingrich Republicans who are willing to use Federal workers and Federal services, services, by the way, that have been paid for by taxpayers, to try to blackmail the budget process.

Mr. Speaker, for the people of this country, for the families and businesses in my district and across the country, for the honor of this institution, I say to the other party across the aisle here, do not even think about sending us home. We belong here; we must continue working, and we must stop this shutdown and we must do it now.

COMMUNITIES PULLING TOGETHER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nevada [Mr. ENSIGN] is recognized for 5 minutes.

Mr. ENSIGN. Mr. Speaker, I rise to pay special tribute to four banks in southern Nevada. Sunstate Bank, Pioneer Citizens Bank, American Bank of Commerce and Bank West. These four banks, Mr. Speaker, have decided to give interest-free loans to Federal workers who are either furloughed or working and not receiving their full paychecks. This is a private-sector solution happening for community banks helping local people. This is a solution that shows that not all answers have to come from the Federal level.

Mr. Speaker, the presidents of these banks, when I approached them about making these loans, these interest-free loans to Federal employees, jumped at the chance. That is the way local communities pull together. These are people living in the local community; they understand the needs of the local people, and they were willing to pull together to help these Federal employees through this difficulty that each one of them is going through at this point.

A few things that have been addressed tonight, Mr. Speaker, that I would also like to address because in this context of Federal employees being furloughed, we are talking about balancing the Federal budget: There are many, many good people on the other side of the aisle who have talked about balancing the budget and actually have brought a balanced budget to the table. It is something President Clinton himself promised to bring to the table in November, which he has failed to do up to this point. I commend the Democrats in the Congress who have been willing to follow their words with actions and actually bring a balanced budget to the table.

Now, Mr. Speaker, we all know that actions speak louder than words, and in our negotiating, we need to have people to keep their word. But let us keep the bigger picture in mind, Mr. Speaker. Let us keep the big picture of what this country is about.

For the last 26 years, Republicans and Democrats have voted for deficits now that have totaled a national debt of over $5 trillion. It is immoral to live and to pass on debt to your children and your grandchildren while you enjoy the benefits of that spending.

I just had a little girl born on December 2. Every child born in the United States last year has a $187,000 bill hanging over their heads just to pay interest on the national debt in their lifetime. They get nothing for that, just interest, because career politicians here in Washington have been unwilling to say no to special interest groups.

Mr. Speaker, I think that the freshman class came here to do something different. We were elected to say no to the big spending career politicians in Washington, and we are doing that, Mr. Speaker. Today we are faced with the opportunity, the greatest opportunity any of us could have imagined, to actually balance the Federal budget over the next 7 years. Frankly, many of us think that it is too long, 7 years is too long. Some people think that 10 years is maybe the amount of time that we should spend. Seven years I think to most Americans, they think that it is too long as well.

For the last 7 years, we spent a little over $9 trillion, total Federal spending. In the next 7 years under these Republican cuts that you hear about, we are going to spend over $12 trillion, almost $3 trillion more in Federal spending under the Republican plan, and we hear in Washington that is a cut. That is why many of us think that 7 years is actually too long.

Medicare alone, the last 7 years, we spent a little over $900 billion. The next 7 years under Medicare, Mr. Speaker, we are going to spend under the Republican plan of cuts that you hear about, over $1.6 trillion. That is over $700 billion more in the next 7 years versus the last 7 years.

Mr. Speaker, this year in the United States we spend in Medicare $4,800 per person in Medicare this year. Under the Republican plan in the year 2002, we will spend a little over $7,100 under the Republican cuts that you hear about, $4,800 to $7,100.

Under the President's plan, we would be looking at $7,200. A difference of actually $137 a month out of over $7,000 per person spending. It is a minute amount, and yet we hear how the Republicans are going to be throwing old people out in the streets, they will not be able to get quality medical care. I think that if you ask any American if they actually thought about a cut in Medicare, they would think that if you are spending $4,800 a year now, that you would actually be spending less of that in the year 2002 per person.

Mr. Speaker, let us just let the facts speak for themselves. Let us do what is right for the future of America, for my children, for your children and the future of America's children.

REPUBLICAN LEADERSHIP SHOULD KEEP ITS WORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

Mr. BISHOP. Mr. Speaker, I have heard a lot about keeping their word. I think one of the most interesting things that has happened this year is that during the first 100 days as a part of the so-called Contract With America, there was an item that some of us supported called the line-item veto.

We passed the line-item veto. It passed both Houses of the Congress and yet it has not been sent to the President for his signature. They will not send it. They will not keep their word, because had there been a line-item veto, we would not be in this shutdown that we are now in. We would be able to continue the operation of Government and the American people would no longer be suffering, and only those items in the budget where there was a bone of contention would be on the table for discussion.

Keeping their word, the Republican leadership ought to keep its word and send to the President a line-item veto and get us out of this shutdown.

There are some of us that have supported a 7-year balanced budget, some in the 103d Congress using CBO numbers, but having no tax cut.

□ 1745

We are being led to believe that the reason that the Government is shut down is because Democrats and the President will not agree to a 7-year balanced budget using CBO numbers. The real bone of contention is the tax cut, 245 billion dollars' worth for wealthy people, while cutting in half the tax breaks and adding to the taxes of the working poor, people who earn $26,000 a year or less, by repealing half of their earned income tax credit.

I must agree with Senator DOLE—enough is enough. This message comes across loud and clear from my constituents in the Second District of Georgia.

For the second time in 3 months, the U.S. Government ran out of money and nine Federal agencies serving millions of Americans shut their doors. The shutdown occurred after a short-term funding resolution expired and Republicans failed to pass a fair and equitable funding bill for the various agencies.

The cost to the taxpayers of this budget failure increases every day that the impasse continues. As the Government shutdown enters its 20th day and the cost of that shutdown to the American taxpayer is $50 million each business day, citizens from southwest Georgia are also experiencing this shutdown in other ways.

My constituents are fed up with a shutdown that stops money for the Older Americans Senior Citizens Center, a facility that has provided needed services such as meals and transportation, Meals on Wheels for many senior citizens in Macon, GA; a shutdown that stopped 40 students and teachers from Whigam Elementary School in Whigam, GA from touring the White House, the FBI, the Smithsonian Institute, and from laying a wreath at the tomb of the unknown soldier at Arlington National Cemetery after a 2-year fundraising effort on their part; a shutdown that stops access to passports for members of the African Methodist Episcopal Church who want to travel to South Africa to celebrate the 100th anniversary of the founding of their church in that country, a Mercer University student from Cordele, GA, who earned a fellowship to study this semester in England; and for a Kendrick High School student in Columbus who could not go to Japan on a nonrefundable ticket that she worked a year to purchase, all because she could not get a passport because of the shutdown; a shutdown that stops many Federal workers from paying house payments, utility bills, car notes, and from buying food and medication for family members.

Mr. Speaker, this is immoral and unconscionable. Enough is enough. It is time for Republicans to offer a funding bill, a fair and equitable funding bill that will reopen the Government and still continue the budget negotiations. Americans have been away from their jobs long enough and without services long enough.

Mr. Speaker, the House should take up and pass H.R. 1643 to end the shutdown of the Government, to return Federal workers to work and restore needed services to American citizens. Then we should pass a fair and equitable balanced budget, 7 years, using CBO numbers, without a tax cut until the budget is balanced.

CONGRESS NEEDS TO FINISH ITS WORK

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from Maryland [Mr. CARDIN] is recognized for 5 minutes.

Mr. CARDIN. Mr. Speaker, I have the opportunity to travel back to my district every day. I live close enough to home to be able to do that, and I have the chance to talk to my constituents every day and learn firsthand of the hardships that are being caused because of our failure to do our work and get our budget passed on time.

I have had a chance to talk to the people at our veterans hospital, in which supplies are dangerously low, affecting the quality of health care for our veterans; where money for transportation for rehabilitation services is not available to take care of our veterans' needs.

I received a telephone call from a constituent in Howard County, MD who has a FHA-insured mortgage and wants to participate in the mortgage assignment program but cannot find anyone at HUD to make that review because of the furloughs in that agency.

I have talked to a small business owner who trains SSA employees, whose classrooms are closed because of our inability to fund appropriations for that agency. The small business owner is in danger of laying off many of his employees and closing his operation.

This morning I had coffee with a law enforcement officer who is working without pay, whose life is on the line every day, who made some arrests yesterday. I talked to that law enforcement officer for some time. He explained to me the morale issues within his agency.

How do you explain some people working without pay, some people not working without pay, and Federal taxpayers paying their taxes and not receiving Government services? You cannot explain that to our constituents. It is unfair, it is wrong. It is unfair to Federal workers, it is unfair to Federal taxpayers.

And now we hear that the Committee on Rules has recommended a rule that will allow the Speaker to give recess authority so that we will go home with our Federal workers still on furlough, without getting our work done. That is wrong and should not be allowed.

Mr. Speaker, I have taken this time this evening to inform my colleagues of a resolution that I am filing. This resolution will prohibit us going into a recess or adjournment during any period of a lapsed appropriation for the Federal Government. We should not leave here until we have gotten our work done. It would be unconscionable for us to leave with the appropriations not available to keep Federal offices open.

I hope my colleagues will join me and cosponsor this resolution to make it clear that we will stay here until we get our work done.

Our first order should be to pass a continuing resolution. We should have done that 20 days ago. We should do that first, open up the Government offices, allow Federal taxpayers to get their services for the taxes that they have paid. That should be our first order.

After we have done that, we should negotiate in good faith, be willing to compromise for a budget that, yes, is balanced in 7 years but also protects the priorities that are important to the people of this Nation.

In doing that, I think we do have the framework to reach a bipartisan agreement on a budget. Look at the coalition budget that now is getting much praise. Many of us have been speaking for a long time in favor of that approach and have been looking for help for our colleagues in this House and the Senate. That particular budget provides the opportunity for us to balance the budget within 7 years and hold true to the priorities that are important to the American people.

But we will never get that opportunity unless we restore decent order in our community. That requires us on a bipartisan basis tonight to pass a continuing resolution so that Federal workers can work and that our taxpayers can get the services that they have paid for.

I hope that we can find that bipartisan cooperation in this House so that we can do the people's work, open Government back up and then move forward with the budget of this country.

DEMOCRATS TO CONTINUE TO FIGHT TO SUPPORT MIDDLE CLASS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. CLEMENT] is recognized for 5 minutes.

Mr. CLEMENT. Mr. Speaker, I join the gentleman from Maryland [Mr. CARDIN] in his legislation because I feel strongly we must stay here until we get the job completed. Part of that assignment is to get the Federal workers back to work because this partial shutdown surely does not make any sense at all.

As a Member of Congress, I have had the opportunity to vote in support of a balanced budget amendment and I am proud of it, and we passed it in the House of Representatives. It failed by one vote in the U.S. Senate.

Since I have been a Member of Congress, I have also had the opportunity to support and vote for a line-item veto, and why the Republicans and the Republican leadership would hold it up now simply because we have a Democratic President, and the same Republicans year after year when we had a Republican President in office wanted a line-item veto, and now when we have the opportunity, that window of opportunity to have a line-item veto, we do not have it because the Republicans have held it up.

We have not gotten much credit in the last few years for cutting the budget deficits in half, but we have accomplished that objective by working together. We have downsized the military. The cold war is over. That is a major achievement for the U.S. Congress and something we all ought to be proud of. We have downsized the Federal Government. We needed to do it. The Federal Government, all governments, need to operate more efficiently.

But I have noticed over the years, particularly the last several years, when the criticisms have come, particularly about government, I do not hear the Republicans pointing their finger at big business and some of the actions they have taken, particularly on mergers and acquisitions and laying off hundreds of thousands of people. I do not hear them saying too much about that. But when it comes to government, about the inefficiencies of government, I sure hear a lot of criticism about government, but not about big business.

Maybe the time has come to get our priorities in order. Maybe the time has come when we ought not to have so much bickering and we should have less partisanship and less acrimony in our dealings with one another. Maybe we ought to have a little more respect for one another on the floor.

I know we have got a lot of new Members. We have got 73 new Republicans since January of 1995, and I know a lot of them think we have not accomplished anything, that everything we have done in the past is wrong. Well, maybe they ought to read our history books, all the way back to June and July of 1776 when at the Continental Congress in Philadelphia our Founding Fathers had to work out their differences in order to sign a document we know of as the Declaration of Independence.

Yes, we have got a lot of friction between the parties and yes, we have a lot of friction within the parties, and we are sure seeking a lot of that now, particularly between the House and the Senate. The Senate Republicans want to put the Federal workers back to work, but not the House Republicans. They want to continue this impasse. They want to continue this gridlock.

We Democrats do want to protect Medicare. Yes, we Democrats want to protect Medicaid and education and the environment. We do not want a tax on our working people. We want to do more for our students, knowing that they need an education in order for us to have a strong middle class for the future. That is why we have been so successful in America, is because we have had a strong middle class, and I assure you the Democrats are going to continue to fight for the middle class because they are the backbone of America.

I am part of a bipartisan group that is meeting now, and we have been meeting almost every day to somehow break this gridlock and this impasse that we presently have. We are talking about policy and substance. We are willing to sacrifice our political and partisan talk for real results.

I urge all my colleagues to work together in the next few days to deliver this important gift to the American people. Let us put the Federal workers back to work, let us balance the budget within 7 years using CBO numbers. We can accomplish all those goals and objectives. But we surely should not have used Federal workers as whipping boys. It serves no useful purpose.

We have a job to accomplish. I know what I am going to do. I am not going to accept a January paycheck until other Federal workers are back to work, and I encourage others to practice the same policy. Maybe if we do not accept our paycheck, maybe we will get more accomplished quicker, faster now.

☐ 1800

THE BLANCHFILL FAMILY OF CHULA VISTA, CA: ANOTHER GINGRICH HOSTAGE

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from California [Mr. FILNER] is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, my colleagues, I want to tell you very briefly the story of yet another Gingrich hostage. Mr. GINGRICH and company are not only shutting down the Government and shutting out Federal employees, they are causing real hardship for real American families, like the Blanchfills of Chula Vista in my district in southern California.

Michael Blanchfill served his country for 20 years as a Navy medic. Several years ago, as he was about to be deployed for Desert Storm, he was diagnosed with Huntington's chorea, a fatal disease.

Michael's wife, Loretta, has been forced to quit her job as a restaurant manager to care for her stricken husband. The Blanchfill's daughters, April and Rachel, also help care for their father, who can barely walk or talk. April has been inspired by her father's illness to study medical technology at Edutec Professional College, but now her studies are threatened because of the lack of funding due to the current shutdown.

The Veterans' Administration Hospital in San Diego should provide therapy for Michael, but now no doctor is available to treat him nor will the VA supply him with a wheelchair during this shutdown, nor will the daycare for Michael be provided. And, of course, no home care will be available to permit Loretta to return to work.

So Michael Blanchfill, a Navy veteran who served his country, desperately needs his country's help. As a medic, he was never taken a prisoner, but now he is a hostage, a Gingrich hostage to extremist demands.

Mr. Speaker and Mr. GINGRICH, let us focus on the real needs of real families like the Blanchfills. Let us pass the necessary resolutions now.

LET US REOPEN THE GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. POMEROY] is recognized for 5 minutes.

Mr. POMEROY. Mr. Speaker, while I always appreciate the opportunity to participate in House debate, the format for this afternoon's participation comes not in the context of legislative activity geared at actually addressing the crisis that faces this Government today with the ongoing shutdown, day 20. No, regrettably, the only occasion for my ability to participate in debate this afternoon comes in the form of special orders, open format time for speeches, because no legislative business is presently occurring on the floor of the House.

How can this possibly be that no legislative business is occurring while the Government is shut down, and none other than the Senate majority leader, BOB DOLE, has led an effort and passed it unanimously through the Senate to reopen the Government? Senator DOLE said some very interesting things as that effort succeeded in the Senate. I am going to point to this chart, "Enough is enough. I do not see any sense in what we have been doing. I would hope that we would have quick action in the House. People have been gone from their jobs long enough."

In this morning's Washington Post, his quotes contain further elaboration, and again this is the Republican leader in the Senate talking about the shutdown, "It is not as through Clinton is wincing every day because the Government is shut down. It is not having any impact. If we had a point to make, we made it."

He goes on to say, again, Senator DOLE goes on to say, "I know it is sort of macho and all that stuff regarding the shutdown and the standoff and the crisis, but there are human beings out there who are suffering. There are not many rich people working for the Federal Government. They have mortgages to pay, they have vacation plans, they have all kinds of plans. They have illnesses."

Well, Senator DOLE is precisely correct, and this has raised holy hell with Federal workers all over the country.

But I do not want to just leave the impression that this is about the problems this irresponsible shutdown has caused Federal employees, because it has gone much, much further than that. The House Republican leaders, who have caused this shutdown, have told furloughed workers, "do not worry, you will be paid." Now, we know they have a cash flow crisis right now in the meantime, but they have been assured they will be paid for the days they are not working presently.

Now, there are a lot of other people who are not working today as a result of the shutdown who will not be paid. Every employee of a private contractor who is out of business because of this shutdown will expect no retroactive paycheck. We all know stories. I will tell you about being in Bismarck just a couple of days ago, Bismarck, ND, and there in the coffee shop was a person absolutely in a quiet room, no one there, no one there, because there were very few employees in the building. Now, that person works for a private contractor. They were there, but others have been laid off, as many, many employees of private contractors have been laid off all over the country.

There is no provision for addressing these people. They are simply out of luck.

Then we get to another very important category, veterans' health care. Imagine if you were lying in a hospital bed critically needing medical care, but also acutely aware that those providing the care were not being paid.

Now, my office checked with the Director of the VA center in Fargo, ND, and he told us that the sick count is going up; fewer and fewer employees actually coming in under these circumstances. He said they are calling in sick, and he is worrying about filling his rotations.

Imagine the concern for the veteran, the hospitalized veterans in our VA system watching this inactivity in the House today and wondering what kind of health care they will get tomorrow, whether the person providing the medical services they so desperately require, doing it without pay, will even show up tomorrow to give the care that is critically needed.

Another major area is housing. You know, many, many housing loans are supported by an FHA guarantee or a VA guarantee. These programs process every single day 2,500 mortgages for FHA and an additional 1,000 for the VA system all over the country. You have got people who have counted on moving, counted on closing real estate deals and getting into their new locations, maybe some of them have even abandoned or made plans to abandon the apartments in which they are presently residing, contemplating timely loan closure, and guess what, the Federal Government is shut down because House Republicans do not agree with BOB DOLE that we need to reopen this Government, and they are out of luck.

Another dimension, there are people struggling with bills, veterans qualifying for these low-interest veterans' loans they want to refinance. There has been a favorable turn in interest rates. They want to refinance. They are up against the wall in terms of monthly cash flow, but guess what, Government shutdown, applications stacking up, nothing being processed, no refinancing, stick with that high interest rate.

The passport dimension of this has raised heck all over the country; unemployment applications; SBA loans. The list goes on and on and on, and that is why Senator DOLE told his colleagues in the Senate, "Enough is enough."

I say to my colleagues in the House, enough is enough. Let us reopen this Government.

A BALANCED BUDGET IS MOST IMPORTANT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kansas [Mrs. MEYERS] is recognized for 5 minutes.

Mrs. MEYERS of Kansas. Mr. Speaker, I think the fact that we have closed Government down is difficult. It is very important for a number of people, but I also would like to say that the importance of getting a balanced budget in this country is even more important.

The budget that we have produced puts money back into people's pockets. It leaves choices to governments, to State and local governments and to individuals. It reduces spending and ceases the mortgaging of our children's future. It ends a number of programs that have absolutely crippled this country. It ends entitlement to programs where funding just continues to go on and on and on.

I do not know if everybody knows what an entitlement is. But an entitlement is a program where we define certain parameters in the law and then if you fit into those parameters, you are entitled to money. And we have a number of these entitlements.

We do not even appropriate specific amount of money. We just say such sums as may be necessary, and we have said to young women that we will give them $18,000 a year if all they will do is just have two children out of wedlock, and then we have promised them they are entitled to that $18,000 a year.

Some of these entitlements absolutely demand that we change them, and it is tremendously important that we do this. The President has simply not cooperated and not followed through with what he said he would do.

At this point in time, I yield to my colleague, the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. I thank the gentlewoman for yielding and wanted to make some points that we have heard a lot of speeches about let us reopen the Government.

I want to say to my friends on that side of the aisle, I think there is certainly a good argument for it. We are talking real people, real paychecks, real mortgages, and so forth. I think we need to address that.

I wish they would also have equal fervency to the debt they are passing on to children. If a baby is born today, he or she owes $187,000 as his or her part of the interest on the national debt, $187,000 above and beyond local, State, and Federal taxes.

Now, you know, you talk about compassion. What about the legacy of debt which people do not seem to be worried about passing on to kids? What we are hearing is, of course, "I supported a balanced budget." Well, they do, but not every one of them voted for it. You know, here is, we had the "yes" votes from GEREN, HALL, MONTGOMERY, and PARKER when we had the Balanced Budget Act, so from the side over there we only had four "yes" votes. That is fine.

A lot of them are saying, "Well, I support the coalition budget." I would say, if you support the coalition budget, then that is very good, too, and that is progress. But there is still a lot who do not support the Republican budget or the coalition budget and are coming down here saying, "Of course, I support a budget." Well, where is it? Hello? The budget negotiations are going on. Go ahead and put your budget in any time now.

We want to get the Government working again. We want to reopen it. But you cannot do it when you have got one side who will not come to the table. So I think it is very, very important to say, OK, you know, let us try to get beyond the Federal Government, you know, and the shutdown, and let us get back to the balancing of the budget.

We have a debt right now that is almost $5 trillion. We spend $20 billion each month in interest on the debt, and I hope that we see some of the urgency that we are seeing on, you know, reopening the Government, I hope we see the equal urgency on let us balance the budget. I think we should have both. I think we should get the Government reopened. But I think we should rush most importantly to balance the budget. I hope our friends would see that.

I know the gentleman from Texas wanted us to yield some time. I do not control the time, but if the gentlewoman would yield, what I would say is we often yield to you but do not get yielded back. So if we do, if the gentlewoman decides to yield to you, I would appreciate it if you would reciprocate back and let me have some of your time so that we can have a dialogue if that is what the gentlewoman desires.

Mrs. MEYERS of Kansas. Mr. Speaker, reclaiming my time, I would just say for a moment that I think a lot of people out there are thinking we could get the Government open again, we could get the people back to work, it is just a matter of numbers, why do they not just split the difference in what they want to do with Medicare or Medicaid?

The point that I am trying to make is that it is not just a matter of numbers. It is a fundamental, a totally fundamental difference in the way we view Government, and essentially it does not mean that either are wrong. It means that the Democrats believe in rather a larger role for the Federal Government. The Republicans believe in a more limited role for the Federal Government, and you cannot get there with all of the entitlements.

□ 1815

TIME TO PUT AMERICA BACK TO WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BENTSEN] is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, if I could yield for 30 seconds to the gentlewoman from North Carolina.

Mrs. CLAYTON. Mr. Speaker, I wanted to respond while the gentlewoman from Kansas, Mrs. MEYERS, was here, because she made a comment. I wanted to just share for the record that as we talk about young people having children, I think we would be remiss if we did not see opportunities that we have here in Congress where we can intervene, and we have not done that.

I know the gentlewoman did not mean to scapegoat innocent children who happen to be born out of wedlock. We could have an opportunity in the Medicaid discussion itself to fund prevention, but we do not do that. Currently we wait until they get pregnant, and then we are able to say, oh, look what is happening. We do not spend money to provide teenagers with family planning and to make sure we intervene in a positive way. That is something we could have the responsibility for.

I just want to put in the RECORD that the gentlewoman and I are held accountable for that.

Mrs. MEYERS of Kansas. If the gentleman would yield for 30 seconds, I would say my main concern is that programs that we initially started and have carried on, that we tried to help people, and instead they have become an incentive for people to join the welfare system. They have become too generous and they have become an entitlement, people know they are there, and they have been abusing the system. That is what I am trying to end.

Mr. BENTSEN. Mr. Speaker, reclaiming my time, if I might, I believe in the House absurdity begets absurdity. This shutdown is obviously one of the most absurd things I have seen. It clearly has accomplished nothing, although it has provided a great deal of hardship, not only for Federal employees but American taxpayers as well.

Last week the senior Senator from Texas, my colleague in the other body, Mr. GRAMM, made a comment asking if anybody noticed whether or not the Federal Government had shutdown. I would take a moment of the House to mention two people who I think did notice that the Federal Government had shutdown. One is Molly Scott, who deals with the contractors at the veterans hospital in Houston, who are not getting paid. Nor is Ms. Scott getting paid. In fact, her apartment house is about to start an eviction notice against her, and her 9-year-old disabled son can no longer go to day care because she does not have any money to pay them.

But it turns out Mr. GRAMM also noticed, because 2 days ago his campaign for the presidency was capable of picking up a check for $4 million from the Federal Elections Commission, which is a so-called entitlement under the law. So it appears that the absurdity of how this Government is being run under the Republican leadership is one where people who go out and work for a living, who have a contract with the Government to work for them, do not get paid for their time, and therefore they cannot pay their creditors; and people who are running for political office can get paid. That certainly makes no business sense, but if it is revolutionary, I think that would be correct.

Let us address a couple of questions about why we are here. This all started when this House under the Republican leadership failed to finish its business, its constitutional business, by October 1, 1995. We did not send any appropriation bills to the President by the beginning of the fiscal year. So far now, 3 months into the fiscal year, we have sent only 10 of 13.

We all know that the process of Government under the Constitution is one of give and take. The fact is that you send the bills to the President, the President can veto or sign those bills, and you work them out. It happened with Ronald Reagan when he was the President and had a Republican-controlled Senate and Democrat-controlled House, it happened with President Bush, and it has happened throughout the history of this Nation.

But to add insult to injury I think is the fact that this Republican leadership decided earlier this year that we would adjourn for the month of August when we had not finished our business. Now we are in this mess. Now they are talking about adjourning until the President gives the State of the Union address without taking care of their business.

There is just simply no excuse for that. We have heard the stories about people, like the folks like Dick Clark, who is with the University of Texas Health Science Center at the Texas Medical Center in my district, who has NIH grants to do research, and they are looking to let people go. Or the businessmen in Houston trying to sell U.S. goods and services overseas, but they cannot get passports to get out of the country to do it.

The fact of the matter is we tried to address this issue. Two weeks ago we tried to bring a compromise budget to the floor using the coalition budget scored by the CBO which actually would add less debt to the Nation and less debt to my children and your children and our grandchildren than the Republican budget, and you blocked it just like you blocked the CR.

Let us do our work. Let us put the country back to work. Let us stop this childish behavior, just like Senator DOLE has said in the Senate.

COME TO THE TABLE, MR. PRESIDENT, AND BRING A BALANCED BUDGET WITH YOU

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, I do not doubt that the American citizens are very disturbed about what they see happening in Washington. They are probably wondering, when are the leaders of Congress and the President of the United States going to get together? Is this not a negotiation just as a labor-management negotiation would be?

The fact is, it is not such a negotiation, and that is unfortunate. It should be. The congressional leaders want it to be. The congressional leaders went in with a plan, a budget that had been overwhelmingly approved in both Chambers and had been sent to the President, and which he vetoed.

The President has had no plan. The President, who has signed on the dotted line to say "yes, I believe in a seven year budget," and "yes, I want that to be scored by the Congressional Budget Office," something he had advocated in this Chamber several years ago in a State of the Union Address. But when the President left town and went abroad, his agents came up with no plan.

Finally they submitted a little plan. That little plan was $400 billion in deficit. Now, if you have a $400 billion deficit every year, you are going to add $1 trillion to the national debt essentially in 2½ years, and that will mean we add $4 trillion in a decade to what is already a $5 trillion national debt.

Now, when the President came back, quite correctly, he got away from the aides having the discussion, and meetings were held at the White House. The President participated, the Speaker of the House participated, and the majority leader of the Senate participated. That was all very well. Some days they seemed to be making a little progress. But never has the President submitted a balanced budget. And he probably never will. He has not kept his end of the bargain. He has not kept his word.

Now, in a labor negotiation with management, both sides would go in with their wish list, if you will, and there would be an honest discussion of those wish lists. There would be a discussion of the priorities, what is important to the workers, what is important to management. For the latter, it might be the loosening up of work rules. For labor, it might be additional benefits and an increase in wages.

Unfortunately, this Congress-President negotiation has not been what every labor-management negotiation in America is like. It has been one side—the congressional leadership—coming to the table prepared to bargain with a plan about which they are willing to have an argument. But the other side—the President—has no plan. The other side has no real options, no real offering, to solve the problem.

I think the American people, who are disturbed by gridlock between the executive branch and the legislative branch, want to see their leaders sit down and work it out. Yet that is not happening, and it will not happen until the President comes to the table with a plan.

Unfortunately, on the President's side, some people are still saying, "Well, why do we need a balanced budget?" Well, we need a balanced budget because, as I said earlier, we have a $5 trillion national debt, and if we do not zero out that annual deficit in the next 7 years, we will add another $1 trillion to the national debt. The average child born today, as many have said, already owes $187,000 in their lifetime to pay the interest on the debt. That lifetime payment does not reduce the national debt!

What does a balanced budget mean for the average citizen?

Let us look at a few items just as a Californian might look at them. The holder of the average California home mortgage, which, believe it or not, is about $176,000, would save almost $4,800 per year through lower mortgage interest payments, because a balanced budget by the Federal Government would give confidence to bondholders, to the stock market, and to other financial entities in our country.

How about students? I happen to be a former university president. Student loans are very important to provide educational opportunity for millions of Americans. A California student with an average California loan, which is roughly $4,300 repayable in 10 years, would save $858 in interest payments over the life of the loan. That is based on U.S. Department of Education figures.

A balanced budget for the Nation would result in almost 500,000 jobs being provided in California. The cost of borrowing by local governments would be reduced. The 12 largest cities—including my own city of Long Beach—would save $1.38 billion which could be reinvested in these 12 cities for schools, law enforcement, and public health. In other words, the average citizen would benefit.

Mr. President, get your financial plan—your budget—come to the table, and let us settle this dispute.

EFFECTS OF THE FEDERAL SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. MALONEY] is recognized for 5 minutes.

Mrs. MALONEY. Mr. Speaker, the shutdown of the Federal Government is a national disgrace. Yesterday the Senate acknowledged that enough was enough, that the point had been made, that the issue of a 7-year balanced budget was being actively negotiated, and that it was time to stop the widespread suffering caused by the Government shutdown.

But the extremist right wing in the House seems to have so much contempt for the Government and such indifference to the pain the shutdown is causing, that they will not listen to reason. They think nothing of using the Federal Government as a tool of political blackmail or extortion.

Fortunately, President Clinton has protected his priorities and not caved in to these gangster tactics. In the 104th Congress, President Clinton and congressional Democrats have defended ordinary Americans who rely on programs like Medicare, Medicaid, student loans, and student lunches. Republicans have sought to gut these programs which help millions of people. So it should come as no surprise that they seem indifferent to the plight of millions of people, both clients and Government employees, who have suffered from the Government shutdown.

I spoke to several such people Monday at the Federal Government headquarters in New York City. I met one of my constituents, Ms. Edio Rodriquez, there. She is a single mother trying to raise two children on her own. But this furloughed secretary at the Department of Environmental Protection has not been paid in several weeks. In the Rodriquez household, it was anything but a merry Christmas. The only household income is earned by one of her sons, who is also a college student. He may be forced to take next semester off because he cannot pay his student loans and support the family at the same time.

An employee of the Social Security Administration put it beautifully when she said, "I don't know the politics of the situation. They aren't clear. The humanity of the situation, or lack of it, is very clear. Working people should be paid, and people who have 23 years of service should not be told to go home and stay home against their will and without a paycheck."

The indifference of this new majority toward Federal employees is so overwhelming that I may be wasting my breath by talking about the humanity of the situation. But other Americans are being affected, too.

I met my constituent Laurine Fox, a musician who was supposed to be the guest conductor for an orchestra in Bulgaria over the holidays, but Laurine could not get a passport because politicians in Washington are bickering.

I met a woman whose elderly parents immigrated from Europe may years ago and now live in Georgia. They made a pilgrimage to New York to see their names inscribed on the wall at Ellis Island. But Ellis Island was closed, and their sentimental journey was ruined.

It is not just individuals who are being harmed. U.S. manufacturing companies, the city of New York and the U.S. Government stand to lose millions of dollars, because the shutdown is rendering ineffectual the first Hungarian Apparel and Textile Manufacturing Seminar, which is scheduled to take place next Monday in New York. The Hungarians cannot come because they cannot get visas.

Mr. Speaker, this is more than lost business opportunities; it is an international embarrassment.

Mr. Speaker, we can no longer ignore the human beings who are suffering from Washington paralysis, like the jeweler who works right across the street from the Federal Building in New York City. His business over the Christmas season was down more than 60 percent. Yet some Members of the Republican majority have said that no one has noticed the Government shutdown. To those right-wing extremists, all I can say is try telling that to the American people. This shutdown is pure malicious insanity.

Mr. Speaker, the blackmail and extortion will not work. It is time for the new majority to stop acting like gangsters and start acting like statesmen.

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TELLING HORROR STORIES AND BLAMING REPUBLICANS WILL NOT SOLVE BUDGET PROBLEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. EHLERS] is recognized for 5 minutes.

Mr. EHLERS. Mr. Speaker, this evening we are hearing a litany of comments about various problems that have arisen with the Government shutdown. I am afraid the other side of the aisle is trying to confuse the issue by citing all these examples.

There is no question about it. The Government shutdown is causing problems, but that is simply confusing the issue, as I said. Talking about ad hominem stories, in other words Government by anecdote, does not really solve the problem. Telling horror stories about some things that are not being done or services that are not being provided does not solve the problem. Just standing there and blaming the Republicans for the problem, does not solve the problem.

I think we have to go back and look at the real issues involved here, and the real issue is the incredible size of the national debt and the size of the budget deficit every year, and the amount of money that we put into paying interest every year.

Mr. Speaker, we have a national debt approaching $5 trillion. That calculates out to about $19,000 for every man, woman, and child in these United States. And when we consider the number who are working and are able to repay this debt, that balloons to approximately $30,000 per capita.

We pay interest at the rate of $1,000 per year on the national debt for every man, woman, and child in the United States; $1,000 per capita. And, once again, if one translates that into the taxpaying citizens, on average each taxpaying citizen is spending well over $1,500 or $1,600 just to pay the interest on the national debt each and every year.

The budget deficits continue, which means the debt gets bigger every year and the interest payments get bigger every year. We simply cannot continue. And that is a fact. That is the real issue here. It is not the horror stories about the Government being shut down, the issue is our national debt.

We have proposed, Mr. Speaker, that we achieve a balanced budget in 7 years using honest numbers. That is a very modest goal, but that is something that the Republicans have proposed, and that is something that the Congress has passed and sent to the President.

In November, the President promised that within 30 days he would present a balanced budget that met those criteria, balanced in 7 years using honest numbers. December 15, when his proposal was supposed to be unveiled, it did not balance. it was out of balance by a large amount, according to the Congressional Budget Office, which analyzes these things.

In the meantime, the House and the Senate passed the Balanced Budget Act of 1995. It passed on October 26. The President vetoed it. I can understand his philosophical problems with some of the issues, but I do believe he has an obligation to negotiate seriously and to present to the negotiators his version of a balanced budget. That has not come forth even up to this point.

As a result, the Government has shut down in an attempt to force the issue. It simply has not worked. He has still not presented a balanced budget. I am reaching the conclusion that the President does not want to balance the budget and he is not going to present his version of a balanced budget. I believe that is tragic given the enormity of the problem. He will not sign our balanced budget, he will not present one of his own, what do we then do?

Now, Mr. Speaker, this is a very serious problem for this Nation, and it is a very serious problem for this Congress. We are trying to address it, and perhaps we have to take another track if the President simply will not respond and will not present a balanced budget of his own. After all, the House is the body that initiates the legislation dealing with appropriations. That is prescribed in the Constitution.

Perhaps what we have to do is present to the President bite-sized budgets. Maybe we should call them mini budgets, dealing with one issue at a time and saying, Mr. President, this is all we can afford to spend on this particular item in this fiscal year and ask him to sign each of these, almost a line-item budget, if we like. And maybe if we put it in bite-sized chunks, he will be able to understand the problem, we will be able to deal with it, and we can achieve a balanced budget in that fashion.

In any event, we have to take another approach, something that he will understand given the fact that he simply will not present a balanced budget to us and will not sign the one that we have prepared.

So I urge all of us to look at this afresh, and I especially urge the President to work with us and negotiate in good faith as we try to solve this enormous national problem.

REPUBLICAN LEADERSHIP ABDICATING ITS RESPONSIBILITIES FOR GOVERNANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, let me begin by saying that partisanship has never been the major reason that I have been serving in this Congress, and I think, over the years, I have tried very hard in my career to build bridges across the aisle on all the committees I have served on and build bridges between regions and representatives from different regions of the country. But as I witness the current impasse, and have never seen anything like it in my career, I would have to say that we have a serious problem within the Republican Party.

This week we saw that the Senate, which is in Republican control, pass a bill to end the shutdown, this historic shutdown of the Federal Government. As we have seen workers temporarily laid off, without checks, across this country, the House Republicans cannot find it in either their management or their personal skills to pass the bill that was passed in the Republican Senate.

So my question this afternoon, with all due respect, is what is wrong with the Republican leadership in this Chamber that is abdicating its responsibilities for governance? I would say it is not only the budget that needs to be balanced, but, I think, it is the Republican leaders in this House that are out of balance, and it has gotten to the point where it is not just the Federal workers that are being affected, but the taxpaying public of this country that is being denied services.

Let me say in that regard, as someone who has taken a lifelong career interest in veterans affairs, that today I received a communication at my request from the Veterans Hospital in my region of the country, which has jurisdiction over the Ann Arbor Medical Center, as well as the Toledo Veterans Outpatient Clinic in my own home district, and I asked the chief of medical services there, Dr. Lloyd Jacobs, for a report on what was happening in our region of the country, and learned that the personal in that particular hospital, in our outpatient clinic as well, received paychecks with less than half of their normal amount, as only time worked before December 15 was credited for pay.

In fact, in those checks deductions were taken out in full, and that accounted for significantly less than half a paycheck in many instances.

Dr. Jacobs indicated to me that this has caused very significant hardship for people working in our clinic and hospital. For example, a clinical pharmacist, who is the sole supporter of two young children, is already having trouble meeting mortgage payments for that family. Another single mom in that hospital, with a 13-year-old child, is seriously worried about adequate food until the next paycheck. And one employee told him about the fact that she was unlikely to be able to come to work because she was having difficulty buying gas and she really did not have her full payment.

Before I recognize the esteemed member of the Committee on Veterans' Affairs here, let me just say that the doctor told me that his staff is now so demoralized, sufficiently distressed, and distracted that he has recommended, as medical center director in our region of the country, that they are going to diminish medical services to our veterans, including cutting back and stopping reconstructive vascular surgery, cardiothoracic surgery, interventional cardiology, and other risky and stressful procedures, because he is worried about the people who support him in the operating rooms concentrating on the operations they are supposed to be performing on our veterans.

He wrote me saying he hopes this is temporary and can we not do something here in Washington so that he can begin doing the job the taxpayers expect him to do, and that is to operate on the veterans in our region who are seeking medical care.

Mr. Speaker, I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I thank the gentlewoman for yielding to me. What she said is exactly true, and is happening in all our 171 veterans hospitals across the country. We are really headed for a disaster unless we come up with something to pay these people, to pay our bills on surgical equipment, medicines, and the things we have to use and do to be sure that these veterans get the proper medical care.

It is a problem. I congratulate the gentlewoman for pointing it out. We have to do something. We have to pass a continuing resolution to take care of these veterans hospitals. If we do not, we are not taking care of those that marched off and did a great job for our country and have served well. I appreciate the gentlewoman's yielding.

Ms. KAPTUR. Mr. Speaker, reclaiming my time, I would like to ask the distinguished gentleman from Mississippi, who has served in this Chamber with honor for many, many years, has he ever seen anything like this before?

Mr. MONTGOMERY. Never in my 30 years.

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for that.

All I can say is that one quality seems to be missing in this Chamber, and that is good measure, good measure, on the part of the Republican Party. And if I could plead with the Members who are here on the floor, please heal your wounds, take us away from this edge of brinkmanship. Pass the bill that the Senate has sent over here.

TRIBUTE TO 100TH BIRTHDAY OF SENATOR EVERETT DIRKSEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LAHOOD] is recognized for 5 minutes.

Mr. LAHOOD. Mr. Speaker, I yield to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Speaker, I wanted to respond quickly to my friend from Ohio, and I think it is important that we recognize that, yes, it is true nothing like this debate has taken place, and yet if our Founding Fathers were here today, they would say, wait a minute, let me get this straight, we are almost $5 trillion in debt; we spend $20 billion each month in interest on the debt; if a child is born today he or she owes $187,000 as his or her portion of the interest just on the debt, above and beyond local, State and Federal taxes? I think our Founding Fathers would be shocked and appalled that we are even negotiating a 7-year balanced budget and not an immediate balanced budget.

This is a tremendous moment in history that we have got to address, and I thank the gentleman for yielding me this time.

Mr. LAHOOD. Mr. Speaker, I rise today, and I would have done this earlier had I not been in the Chair most of the day, to insert into the RECORD an article that appeared in my hometown newspaper, the Peoria Journal Star. Today commemorates the 100th birthday of one of the greatest leaders of the U.S. Senate, Senator Everett Dirksen.

I do not think it could be really more fitting for me to be inserting this article and commemorating the 100th birthday of Senator Dirksen, because many people have used the quote that he said, "A million here, a million there. Pretty soon it adds up to real dollars." This is what we have been talking about for so long around here, the idea of a balanced budget.

Senator Dirksen lived in the district that I represent, and at one time he was the Congressman from the district that I now represent. He hailed from Pekin, IL, and when he died in 1969 was the minority leader of the Senate; and, actually, prior to being elected to the Senate, was the Congressman who became ill, retired from the House, was cured of his illness, which was an eye problem, and then returned as a U.S. Senator, and had a distinguished career serving under President Johnson, who was a very close friend of his.

Nobody knew more about trying to balance budgets, working with Members on both sides, trying to reach agreement and compromise than Senator Dirksen, and I do want to insert this article in the RECORD.

Mr. Speaker, I also want to yield to my friend from California, who was actually a staffer in the Senate during the time that Senator Dirksen was the minority leader, and I would ask if the gentleman from California [Mr. HORN] would have any comments with respect to Senator Dirksen.

☐ 1845

Mr. HORN. Just briefly, Mr. Speaker. Senator Dirksen, without question, was one of the great legislators of the twentieth century. That is why his colleagues in the Senate named one of the three buildings of the Senate after him.

I spent a good part of 1965 in his back office as assistant to the Republican whip, Senator Thomas H. Kuchel, who was his principal deputy, and there is no question the Voting Rights Act of 1965 was completely drafted in Senator Dirksen's back office by a joint bipartisan team from the Johnson administration, the Democratic majority leader, the Republican whip and the Republican leader.

When we finished one day and his chief counsel announced to the Senator we were done, he said, "Get me the President." When his secretary did, he said "Lyndon? Everett. You now have a bill that you can send to the Congress of the United States."

That was the first major legislation since before the Franklin D. Roosevelt administration completely drafted in the Senate. Senator Dirksen was also the key person on the passage of the Civil Rights Act of 1964. Without Everett Dirksen's leadership, there would have been no Civil Rights Act. We had to break a southern Democratic filibuster of 18 Senators, and it took 1 year to do it and Dirksen's leadership is what got the job done.

Earlier in the House, Dirksen proved himself to be a true legislative craftsman. More than anyone else in the House, he was responsible for passing the only reorganization act in this century pertaining to Congress. That was the Legislative Reorganization Act of 1946.

So, it is correct that my friend from Illinois honors a great legislator and a great human being.

Mr. LAHOOD. Mr. Speaker, reclaiming my time, I would also add, and I appreciate very much the gentleman from California [Mr. HORN] participating in this commemoration of the 100th birthday of Senator Everett Dirksen, who was, as I said, from Pekin, IL.

I would also add that in the last 1960s, when Senator Dirksen was the minority leader in the U.S. Senate, that was the end of the decade when we had balanced budgets around here. Since that time we have had a very difficult time balancing our budget. As I said, the quote that has been used so often I think really deserves to be attributed to Senator Dirksen. I appreciate the opportunity to commemorate his 100th birthday today.

[From the Peoria Journal Star, Jan. 4, 1996]

DIRKSEN BROUGHT SENSE OF REALITY WHEREVER HE WENT

One hundred years ago, fathers might have dreamed that a son born in a log cabin could become president. But no way could Johann Dirksen have imagined Jan. 4, 1896, that his baby boy's birthday celebrations one day would launch the social season in the nation's capitol.

Yet, Sen. Everett McKinley Dirksen's birthday bash, usually at the Mayflower hotel ballroom, was the opening "must go" event of the social season each year in Washington, D.C., even before he became minority leader of the Senate and a national figure beyond the Beltway. Everybody who was anybody, as the saying goes, attended from both political parties and from the administration and the congress.

Those glittering parties were a long way from the neighborhood in Pekin known as "Beantown." Yet, growing up in Beantown may have been an important part of "Ev" Dirksen being the toast of the town in the nation's capitol.

Actually, the residents, themselves named it that—or rather in their own language, "Bohnchefiddle." They were German immigrants who didn't indulge in euphemisms.

They had a strong sense of reality. And the reality was that rich folks had flower gardens in their yards; immigrants grew beans. They were who they were, and saw nothing wrong with it. Beantown was just their American starting place.

In fact, most residents in Pekin, and millions more across America, gardened their yards. Even a narrow small-town lot was 50 feet front, 150 deep, and provided space for people who didn't own a horse and didn't need a barn. There was space for berry bushes along the lot line, half a dozen fruit trees set wide apart, orderly squares of garden vegetables, and a grape arbor.

There was a lot more than beans, and it all required care. Many folks kept a small flock of chickens by the back porch as well. At one time, in fact, the Dirksens raised a pig.

The bigger boys spaded the gardens and raked them smooth. Before he was old enough for school, the youngest son, Ev, could help punch holes in the prepared ground with the wooden split pegs used as clothespins keeping a straight line along the board on which he knelt.

Keeping clothes as clean as possible was important when washing them was a major weekly chore. As the produce grew, ripening in sequence, much of it had to be "put up" for the winter in fruit jars and glasses, sealed with hot paraffin or special lids, after being well cooked. Cabbage was chopped and salted and then pounded and pounded until it was soaked in its own brine to be kept for winter—sauerkraut.

The Dirksen boys took part, and it was the boys who peddled surplus vegetables door to door. The basics of life to the German families were food, clothes, shelter from the cold and cleanliness. So, before he learned to read and write, Everett Dirksen became part of a family team, doing his share in providing those basics, and grew up knowing from whence came the necessities of life. Somebody had to do the work to produce it.

Their father had a stroke in 1901 when Ev, the youngest, was only 5. By the time Ev was 9, Dad was dead. The boys were raised by their mother, and the team game of survival that they played put a solid foundation under his whole life.

In those circumstances and in the absence of radio, television, telephones or computers, he found school and learning downright fun. Learning was an adventure and a kind of game. He loved reading. He loved to discover a new big word and roll it off his tongue. In books, he could explore the far reaches of this world and of the world of ideas.

Thus in his youth, and progressively thereafter, Everett Dirksen combined those wonderful opposites, the contradictions of idealist and a realist. It fit the Lincoln tradition of central Illinois.

With his older brothers grown and earning money, the family could let young Everett go off to college. He worked nights while schooling at the University of Minnesota, until World War I interrupted.

Three years of ROTC there gave him a leg up on a lieutenant's bars. In France, he was an artilleryman. His job was to ride a wicker basket under a rough, hydrogen-filled balloon, held by a cable and linked by a primitive telephone to the gun batteries, overlooking the battlefield. There, he observed the fall of the artillery shells his battery mates were firing and tell them how to adjust their fire to bring it on target.

Of course, such balloons like his were sitting ducks, even for the primitive planes of the time.

When the war ended, the army found his ability to speak German useful and kept him in Europe. He remained overseas for 18 months in all, much of the time interpreting for others or dealing directly with the local German population. He also knew Paris, Berlin, other German cities, and visited England and Ireland. In Rome, the ambassador asked him to join his staff, but Ev was homesick for Pekin.

Thus, young Lt. Dirksen returned to Pekin and Bohnchefiddle at age 24, with an extraordinary range of experiences. He was now a college man, a combat veteran and an ex-officer who had traveled, often in very sophisticated circles, in postwar Europe.

Back home, he married a Pekin girl and launched his remarkable political career as the youngest person ever elected to the Pekin City Council.

As city councilman, he was a young man dealing with a rapidly changing world. Streets needed to be paved for the growing number of those new motor cars. The fire department needed trucks to replace the horse-drawn rigs. The aging streetcar, one car running back and forth on a single track, needed replacement with bus service.

Power plant were under construction bringing electricity. The Edison resolution was on, and radio was waiting in the wings. These were not hypothetical or abstract problems to be solved abstractly for the young councilman. He was intimately involved with the reality of finance for technology and the even tougher reality of the effects and demands new technology and dramatic change made on the city workers and the public.

When he grappled with these problems as a councilman, he also worked delivering his brothers' bread to 50 small groceries scattered about town. Everybody knew his route, and at many a stop he confronted people with problems to take to their councilman. Before he went to the national macrocosm, this man had a thorough and heavy dose of the microcosm.

Thus, the nature of the man was well-founded long before he became one of that city's best-loved figures, before he crafted the Civil Rights Bill of 1964 and brought over the votes to pass it with him, before he won a Grammy for recording "Gallant Men," before he was the confidante of presidents both Republican and Democrat, and before he became a darling of the once-skeptical Washington press corps.

He brought to Washington the prestige of being the Congress' best orator, a skill founded and practiced in Pekin and which largely won for him his original seat in the House of Representatives in the first place.

He also brought the attention to detail, the realism, of Bohnchefiddle, and was, undoubtedly, the most skilled parliamentarian in the Senate of his time. He knew how the system worked in every detail, and he knew who was the person that counted, the person to talk to, not only in the Senate, but in every department of the national administration.

Finally, he made many friends and no enemies in the best tradition of the small town where he grew up, and where some of his local political foes were also lifelong personal friends.

When Everett Dirksen died, the President of the United States gave the eulogy—proclaiming that Sen. Everett McKinley Dirksen had more impact on history than many presidents.

That he was, and he didn't learn that in Washington. That was the boy from Bohnchefiddle.

SIGNIFICANT FEATURES OF THE 7-YEAR BALANCED BUDGET PLAN

The SPEAKER pro tempore (Mr. BARTLETT of Maryland). Under a previous order of the House, the gentleman from California [Mr. DELLUMS] is recognized for 5 minutes.

Mr. DELLUMS. Mr. Speaker, I would like to make a few observations. Observation No. 1 is that I believe that the struggle we are in is a very significant and fundamental one. This is not a testosterone test. It is not an ego test. It is a fundamental struggle.

Mr. Speaker, if you look at the 7-year balanced budget plan offered by my distinguished colleagues on the other side of the aisle, it contains three significant features.

No. 1, they significantly change the function, nature, and role of the Federal Government in the lives of people in this country. Nothing can be more fundamental than redefining the nature and the role of the Federal Government. I would argue that when we put down the Articles of Confederation and moved to a constitutional government, that brilliant minds thought that it was an important function, the role of the Federal Government in people's lives. To redefine that is very fundamental.

Second, my colleagues on the other side of the aisle want to significantly reduce the size of the Federal Government and, third, significantly reduce the revenues designed to carry out the business of Federal governance.

Nothing can be more fundamental than that struggle. The give and take that is necessary to resolve those fundamental problems, in this gentleman's humble opinion, cannot be dealt with in the context of an artificial crisis that wreaks havoc and brings pain and creates peril in the lives of people who offer the services and people who receive the services of the Federal Government.

We ought to dignify the significance of this fundamental struggle by moving beyond this crisis, and I would echo the sentiments of many of my colleagues who suggested we ought to pass a continuing resolution, and yet with all due respect, I think my colleagues are going in the wrong direction.

The first factor that contributed to the deficit was the $260 some odd billion tax cut to the wealthy during the Reagan era. But rather than pass a simplified progressive tax based on the notion that the people most able to pay, pay the most, what we see here is a bill that passed the House that originally had a tax cut of $305 billion. Now we are talking about a tax cut of $245 billion to the wealthy. Been there. Done that. That is a mistake.

No. 2, the rapid rise in the military budget during the Reagan era that took us from $170-some-odd-billion climbed up over $300 billion and leveled out for the 10 years of the decade of the

1980's. We find ourselves in the context of a post-cost war world where we ought to be downsizing the military budget, but what does this budget do? It added $7 billion over and above the President's request, and it adds to the military budget during a period when the United States and its allies outspend the rest of the world 4 to 1. It seems to me that that is going in the wrong direction.

The third contributing factor to the deficit was the rapid rise in health care costs. But rather than us embrace a national health care policy based upon the principles of comprehensiveness and universality, what we see here is a challenge to Medicare, a challenge to Medicaid, and no effort to bring this country to the 21st century with a coherent, rational and comprehensive approach to national health care.

Finally, Mr. Speaker, a major contributing factor to the deficit is high unemployment. Depending upon which economist we subscribe to, for each point we reduce the unemployment rate, we reduce the budget deficit by $25 to $55 billion each point we drop, but rather than embrace a policy of full employment, we embrace a policy of restricting employment, and I would suggest that jobs are not created in a vacuum, Mr. Speaker.

A society generates employment to the extent to which we are prepared to come together to solve other social problems. We address the problems of transportation in this country; you generate employment in the field of transportation. We address the issue of education in this country; we generate employment. My point is that to the extent to which we are prepared to spend resources to solve the social problems of this country, we solve that problem and we generate employment. The 7-year budget plan in my opinion goes in the wrong direction.

Mr. Speaker, I conclude by saying the process is flawed. We have created an incredible crisis here and, No. 2, on substance we are going down the wrong road that does not take us toward reduction of the deficit. Ultimately, I think it is going to contribute to it.

MR. PRESIDENT, IT IS TIME TO BALANCE THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, I came down out of my apartment this morning and picked up the Washington Post on the front porch and, as I looked through it, I turned finally to page A-11 and in the Washington Post was this article. It says, "On Balance, Budget Deal Could Offer a $1,000 Bonus" to each family in America.

Then a few minutes ago, frankly, I had not read it, but a few minutes ago I heard the gentleman from Michigan [Mr. EHLERS] talking about the effect of the balanced budget, the effect that it would have on our families by relieving a payment that they would have to make to the Federal Government each and every year to pay the interest on the national debt.

I went back and read this and it says something different, and I will tell my colleagues about it in a minute, but I think it is very important to put this in the context of what the gentleman was talking about.

See, the national debt has risen to approximately $5 trillion. Now, that for me and my colleagues, for me at least, that is an incomprehensible figure. I do not know, I cannot put $5 trillion into context. But when you look at it, as the gentleman from Michigan was, what he was saying is that if you take the $5 trillion national debt and figure out what each of our share of that is; in other words, divide $5 trillion by 260 million people which represents the number of people that live in our country, we find out that each of our share of the national debt is about $18,000.

Now, to bring that just a little closer to home, we can all relate to this. If we went down to the bank, if we went to our hometown bank and we said "I need for some purpose to borrow $18,000," the banker would say, fill out the application, and we need to make you aware, because the State and Federal laws provide that we disclose to you, that it is going to cost you an annual sum, an interest payment. And if on your $18,000 we charge you 7 percent interest, 7 percent of 18,000, if I am doing my math right, is close to $1,200 a year.

Mr. Speaker, what that means is that for each of our individual shares of the national debt, which is $18,000, just like we would have to pay the bank interest, we have to pay our share of the interest on the national debt. So, when we make out our income tax checks on April 15 of each year, somewhere between $1,100 and $1,200, which the gentleman from Michigan pointed out correctly, goes out of each of our pockets to pay the interest on this debt that we have further accumulated.

On to this article, "On Balance, the Budget Deal Could Offer a $1,000 Bonus." This is alluding to the fact that there are other savings which families will be able to reap. For example, because of lower national debt, each family will save an average of $500 a year by the year 2002.

In addition to that, because interest rates will drop according to most economists by about 2 percent, according to most estimates, that the economy will begin to grow, and economists project that additional income will be earned by families of somewhere between $400 and $600 a year. Take the lower figure. Just take the $400. Then they say in addition to that, because interest rates will be lower, our mortgages, our mortgage payments will be lower; our car payments will be lower; our student loan payments will be lower. That would amount to, on average, another $100.

So, if we add $500 in savings to $400 in savings to another $100 in savings, in addition to the check we would no longer have to write to the Federal Government of $1,100 or $1,200 a year, this article says that we would get an additional bonus of about, on average, $1,000 per family.

Mr. Speaker, this begins to make a real difference to the middle-class families that I represent. An additional couple of thousand dollars of savings a year amounts to real money. It is our job. This is what this debate has really been all about for all of these months for the last year. We have been trying to arrive at a consensus between Republicans and Democrats as to how we can balance the budget to save American families these moneys.

So, I commend this article to everyone's reading. It is on page A-11 of today's Washington Post written by Steven Pearlstein and it is news analysis. I think it is very accurate and I think it is something that we should be able to relate to on an individual basis, dealing with the national debt, how it affects each and every one of the families that I represent and that my colleagues represent.

So, Mr. Speaker, let us proceed together. We have bickered long enough about this subject. It is too important. The President knows it. He has committed to balancing the budget in 7 years using what we here in Washington call real numbers, what my constituents call numbers without smoke and mirrors, and we have also agreed to that on, I think, both sides of the aisle.

Mr. Speaker, let us proceed to do it so that American families can actually realize the bonus that is pointed out in this article.

Mr. Speaker, I submit the following newspaper article for the RECORD:

[From the Washington Post, Jan. 4, 1996]

ON BALANCE, BUDGET DEAL COULD OFFER A $1,000 BONUS

(By Steven Pearlstein)

With the budget crisis slowly suffocating Washington and mystifying the rest of the country, it may be easy to overlook the payoff if President Clinton and leaders of the Republican Congress agree on a plan that balances the budget.

The benefits could total roughly $1,000 a year for every American family, according to economists and budget analysts.

The math goes something like this: Balancing the budget stems the flow of income that now runs from future generations to our own.

At today's interest rates, the $1 trillion in government debt that would be avoided by gradually eliminating the deficit over the next seven years would save taxpayers $60 billion in interest payments every year. That works out to an average of $500 a year for every household beginning in 2002—money that could be used to reduce taxes or increase the government services they receive.

Balancing the budget also should generate extra economic growth from lower interest rates and a higher national savings rate. Even if the effect is just an additional 0.1 percent in output each year, as the Congressional Budget Office predicts, it would boost national income by one percentage point by the end of a decade—$400 for the average household.

Additionally, the CBO calculates that balancing the budget will reduce prevailing interest rates by about 1.5 percent. Some of that reduction already is reflected in market rates, but with average household indebtedness now running around $45,000, including mortgages, lower rates eventually could reduce interest payments by $675 a year per family.

But not all of those savings will make their way to our bank accounts. That's because the flip side of interest savings for borrowers is a corresponding reduction in interest income for savers. Over the course of a lifetime savers and borrowers turn out to be many of the same Americans. But even so, it's pretty safe to figure about another $100 annual bonus per family for balancing the budget.

All told, it's worth about $1,000 a year to our children and grandchildren for us to cut back on our consumption of government subsidies and services. "From an economic standpoint, everything else about this budget debate is insignificant," says William Niskanen, President Reagan's economic adviser and now chairman of the Cato Institute.

But while the future payoff is fairly clear, the process of getting there is not without pain. Nobody has yet invented a way to suck a trillion dollars out of the economy over seven years without anyone noticing. Indeed, some economists predict if spending is cut too fast, it could tip the economy into recession.

Even if the economy can withstand the shock of sharply reduced government spending, there are two groups of people for whom this budget debate has serious consequences: the poor and the elderly.

The big nut to be cracked is health care costs, which effectively represent half of the policy dispute between the president and the Republican Congress. What they're really wrestling with is how to ration medical care for the 60 million Americans who rely on government to pay for it.

Although rationing is a dirty work in politics, it goes on every day all over the United States, where more than half the working population is now enrolled in some form of managed health care plan.

The key feature of these plans is that a group of doctors and hospitals agrees to provide all medically necessary services for a fixed fee per person per year. This fixed-fee concept has helped slow the medical inflation rate to its present 4 percent. But the government's two big health care programs, Medicare and Medicaid, continue to operate largely on the blank check philosophy of health insurance, giving the poor and elderly free reign to consume whatever health services they think they need and reimbursing doctors and hospitals according to a fee schedule.

Both Clinton and Congress have effectively embraced the idea of extending the managed-care concept to Medicare and Medicaid. What the fuss is all about is how—and how fast.

The other big sticking point concerns the rest of the government's social safety net. While just about everyone concedes that welfare programs have largely failed to end poverty, few can point to alternative programs that work much better. Any reform, then, is something of a leap into the unknown, and at the heart of the budget battle is the question of exactly how big a leap to take.

It was candidate Clinton who first promised to end welfare as we know it, and now the Republican Congress has gone him one better. Its proposal would fold welfare, food stamps and a panoply of other federal programs into one, consolidated grant to be sent off to each statehouse. The Republican plan is exquisitely precise on how and when welfare mothers will be forced off the dole, but considerably more vague on exactly how these people will find jobs or how they will pay for day care and health care even if they do.

"What concerns me in all this is the treatment of the poor," says Charles Schultze of the Brookings Institution, the top economic adviser to President Carter. "For them this represents a terribly risky roll of the dice—one that I think is likely to come out wrong."

It is not only economists with Democratic leanings who worry about the budgetary impact on the poor. Listen to Herbert Stein, an analyst at the American Enterprise Institute and an economic adviser to President Nixon:

"If you cut Medicaid and welfare and food stamps, will these people descend into misery or straighten up, fly right, get a job and wind up with an apartment on Park Avenue? Frankly, I think it's a risky strategy for the very poorest people. I think many won't be able to adjust successfully."

But if doing something is risky, so is doing nothing. Even the supposedly harsh measures proposed by the Republicans will keep the federal budget in balance only for the first decade or so of the 21st century. After that, demographic forces will once again overwhelm the Treasury as the giant baby boom generation moves into its retirement years, expecting the same level of pensions and health care as the generation that preceded it. Without further increases in taxes or reductions in Social Security and Medicare benefits, the government is now projected to once again find itself drowning in red ink.

"Even if we can balance the budget in the next few years, it is really only the first step," warns Stanford University's Michael Boskin, top economist in the Bush White House. "What lies beyond the year 2002 simply dwarfs what we are dealing with here."

Put another way, if you think this budget battle is tough, wait till next time.

COUNTERING THE REPUBLICAN SPIN ON THE FEDERAL GOVERNMENT SHUTDOWN

The Speaker pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

Mr. WYNN. Mr. Speaker, today is day 20 of the Government shutdown and the spin coming from the Republican side goes something like this: Well, you know, it is not really our shutdown. It is President Clinton's shutdown.

Mr. Speaker, I want to make it very clear to the American people that nothing could be further from the truth. The President does not have the power to end this shutdown. He can take no unilateral action, because if he could, he would. But he can take no unilateral action that will end this shutdown. It is not his shutdown.

The only way he can shut it down is toe acquiesce to the Republicans' demands. It is in fact the shutdown of the Gingrich Republicans, because they have the power by virtue of being in the majority and by virtue of having the votes to pass a clean continuing resolution which could put Government employees back to work. Let there be no mistake. This is a Gingrich Republican shutdown.

Mr. Speaker, the second spin we hear is in reality it is just bickering and really both sides are at fault. That is not true. We have 198 votes to put Federal employees back to work, to pay contractors for work that they do for our country. But it is not just Democrats. In the Senate, Mr. DOLE says enough is enough. So, on the Senate side both Democrats and Republicans are willing to put Federal workers back to work, and House Democrats are ready to put Federal employees back to work.

It seems to me it is clear that this is not a matter of more partisan bickering.

□ 1900

So what is it? It is an attempt by a few self-styled Republican revolutionary hard-liners and extremists to dictate the terms of the budget debate. They are essentially saying, "If the President does not accept our budget terms, then we will keep the Government shut with all the attendant harms that go along with that."

Let me digress for a minute, because one of these revolutionaries got on the floor and talked about, "Well, gee, it is not a problem because the banks are going to provide emergency mortgage relief."

No. 1, that acknowledges that there is in fact an emergency but, No. 2, that is not what banks are for. In this country banks are supposed to enhance our economic vitality. The money they are giving out to Federal employees because of their emergency could more better be spent expanding our economy, providing small business loans, or helping new home buyers, instead of bailing out people that the Republican hard-liners put in trouble.

But let us go to the meat of the issue, the balanced budget. Again, the Republican revolutionaries get on the floor and say, "This sacrifice is worth it, because ultimately we are going to fundamentally change the way business is done in this country." That is right. More for the wealthy, less for the seniors, less for the poor, less for children.

The specifics of the budget break down this way, and this is why the President does not like it and I do not like it, either. They want to give $245 billion of tax breaks to the wealthy. They say, "Oh, no, that's not true, we just want to send money back home to the people."

Well, here are the facts. According to the Treasury Department, half of the $245 billion would go to people making over $100,000 a year. So some $120 billion plus is going to people making over $100,000 a year.

Folks, that comes to about 4 percent of the population. So it breaks down like this: 4 percent of the population is going to get half of the tax breaks in their so-called balanced budget, which amounts to about $100 billion. That is not fair.

On the other side of the coin, they want to take $270 billion out of Medicare, the program for the seniors, and about $160 billion out of Medicaid, the program for the poor and the disabled. Let us think about it. If we did not have to give the big tax break to the wealthy 4 percent, we would have to take a lot less money out of the pockets of the seniors and the poor and the disabled.

That is the meat of this debate, and this is why the President says their budget is unacceptable. If they would give up some of the tax breaks, we could have a balanced budget. There are many of us on this side of the aisle who want a balanced budget in 7 years using the so-called real numbers. We can do that. We do not need to shut down the Government and we do not need to give a big tax break to the wealthy.

Who is being cheated in all this? The taxpayer. Remember, these are not President Clinton's employees, these are not the Democrats' employees. There are our employees, they are the taxpayers' employees, and quite frankly these people are not at work, they are not doing the taxpayers' business. They are not providing Federal home loan assistance; 2,500 applications are not being processed. They are not providing renewals of vouchers for moderately priced homes.

They are not providing services to small businesses. Two hundred and sixty small business applications a day are not being processed through the SBA. Ninety small businesses a day are not being able to bid for contracts because of this Government shutdown. And on and on its goes.

Ladies and gentlemen, the balanced budget is a real issue, but the Government shutdown is a false issue created by so-called revolutionaries who somehow believe that the ends justify the means, and they do not care who is harmed in the process.

REPUBLICANS WANT A BALANCED BUDGET

The SPEAKER pro tempore (Mr. BARTLETT of Maryland). Under a previous order of the House, the gentlewoman from Wyoming [Mrs. CUBIN] is recognized for 5 minutes.

Mrs. CUBIN. Mr. Speaker, the gentleman from Maryland who just preceded me said that this impasse has occurred because of the Republican Party, the majority in Congress, wants to give tax breaks to the wealthy. That is simply not the truth.

The truth is this impasse has occurred because the majority of this Congress, both the House and the Senate, want a balanced budget in 7 years. The President signed Public Law 104–56, and I would like to read that.

It says, "The President and the Congress shall enact legislation in the first session of the 104th Congress to achieve a balanced budget not later than the fiscal year 2002 as estimated by the Congressional Budget Office."

The fact is the President does not want a balanced budget. The President's extremist liberal agenda and the extremist liberal agenda of Democrats on this side of the aisle simply cannot go forward with a balanced budget, because their agenda costs more than the money that we have coming into the Congress.

That would leave us with two alternatives. We would have to increase taxes to support that agenda that the President insists upon, and continue to go deeper and deeper into debt, thus mortgaging our children's future, selling our children out. We have all heard the saying, "Fool me once, shame on you. Fool me twice, shame on me."

The President has introduced four budgets. None of them have been balanced. The most nearly balanced was $87 billion in the red. Two of those unbalanced budgets came after he signed into law that he would balance the budget. His actions show that he is not a man that can be taken at his word. Character counts. When you say something, and then go on and sign into law something that you say you will do and then act in bad faith in these negotiations by refusing any attempt to reach a compromise, then that is character.

We are described, all of the Republican freshman, as extremist radicals. The fact is all we are asking for is a balanced budget in 7 years based on CBO numbers. That is all we are asking for. That is why that impasse is here. That is why the Government is not open. Everything else is open for negotiation. Everything. The level of tax cuts is open. Medicare is open. Welfare reform. Everything is open for negotiation. The only thing where we will not compromise is on balancing the budget, because we are committed to the future of this country. We are committed to our children and our grandchildren, and we want them to be able to have at least as good a life as we have had.

The President said he vetoed our appropriations bill because we cut Medicare too much. Let me take you back in history about 18 months ago when Hillary Clinton was proposing health care reform.

What was stated between Hillary Clinton and the President at that time was, "My opponents will say that I am cutting Medicare, but that's not true. All we want to do is to slow the growth in Medicare from 11 percent to between 6 and 7 percent."

That is what Bill Clinton and Hillary Clinton said 18 months ago. Our proposal is higher and spends more money on Medicare than their proposal said only 18 months ago.

This is a transparent excuse to have vetoed the bill. This is pure and simple not wanting to balance the budget.

We have to face that, and we have to get the President to tell the truth about what his intentions are. At least he has to put something on the table so that we will have a point to negotiate from.

I urge all Members to continue on insisting on a balanced budget and, remember, everything else is up for negotiation once the President will give us a balanced budget to work from.

BUDGET DISPUTE IS INSANITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. WATT] is recognized for 5 minutes.

Mr. WATT of North Carolina. Mr. Speaker, I had made some effort to stay out of this dispute to the extent that I could in terms of the debate, but several of my constituents have called and expressed severe concern about the direction that we are headed and concern that I had not been as vocal on this issue as they expected me to be as their Representative.

The people who called me are real citizens of this country. They are constituents of mine in my congressional district. They are a Federal prison guard who is continuing to work because he has a critical position in the prison system, and despite the fact that he continues to work, he is not now being paid on a timely basis. Although he acknowledges that he may be paid in the future, he asked me, "What should I tell my creditors in the meantime?" And I had no answer for him.

They are VA hospital employees who care for our veterans, and live in my congressional district and work at a VA hospital located in my congressional district, who continue to provide services to their patients at veterans hospitals but are not currently being paid.

They are people who had a real estate closing scheduled to close so that they could avoid a foreclosure on their house, and when they got ready to close, they were advised that the FHA had closed its doors and they could not close their loan.

They are people who had sought to go to England for a special training program, who were advised that they could not be issued a passport for this once-in-a-lifetime opportunity that they had been provided.

I had no answers for them, because I have thought that all along this dispute is absolutely insane. There is little if any connection between the continuing operation of the Federal Government and the resolution of the larger budget issue that we face.

Notwithstanding that, my Republican colleagues have succeeded in, as they always do, reducing this major dispute to a one-sentence simple-minded kind of expression—"Let's have a 7-year balanced budget."

Well, they told us that they were going to operate our Government, or try to make it operate, like the private industry operates.

Well, I do not know of any private industry that can tell me how much income they are going to have 7 years from now. I do not know of any private industry that itemizes the expenditures that they will make 7 years from now. I do not know of any individual, either in this House or outside this House, who can tell me how much income they will have, CBO numbers or otherwise, 7 years from now.

□ 1915

I do not know of any individual either in this House or outside this House that can itemize for me what expenditures they will make 7 years from now. So we have got this kind of simple-minded "there is something magic about 7 years" that my colleagues cannot live up to, and they have boxed themselves in and they are holding the American public hostage to their simple-mindedness.

So I want to call on my colleagues, in conclusion, Mr. Speaker, to, please, come to your senses. This makes no sense. Let us open the Government. Let us keep negotiating about these budget issues and get them resolved and do what the American people sent us here to do.

IT IS TIME TO STOP POLITICAL RHETORIC AND ACCEPT COMMONSENSE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. COLLINS] is recognized for 5 minutes.

Mr. COLLINS of Georgia. Mr. Speaker, in 1993, President Clinton and the Democrat-controlled 103d Congress thought they could reduce or end the Government's deficit by passage of the President's budget bill. That bill dramatically increased taxes on working Americans, but it will not end the deficit or balance the budget.

President Clinton was wrong. He has even admitted publicly he was wrong to have raised taxes. But his actions have not matched his words. President Clinton vetoed the congressionally passed Balanced Budget Act of 1995. The Balanced Budget Act of 1995 would have balanced the Federal budget in 7 years while reducing taxes on working Americans. The bill would have saved Medicare from bankruptcy and preserved this vital health care program for our Nation's senior citizens, and the bill would have reformed the welfare system that has created a generation of Americans trapped in poverty and dependent on Government handouts.

President Clinton also vetoed several appropriation bills, including the Departments of Justice, State, and Commerce, and others. The President closed the doors of many Federal Agencies and Departments. The President has idled thousands of Federal workers, and the President has inconvenienced millions of Americans who are trying to secure home mortgage loans, passports, financial aid and other important Government services.

Mr. Speaker, it is time for the President to go beyond just an admission he was wrong. It is time for the President to stop the political rhetoric and accept common sense reform.

Mr. Speaker, there is an old saying that goes like this: "A wise man will change his mind, but a fool never does." In the current debate, it remains to be seen who will or will not change their mind.

The President and the 103d Congress passed a budget bill that raised taxes on working Americans in an effort to lower the deficit and balance the budget. It did not work. That can be seen in the fact that today we are spending $500 million-a-day more than we take in in taxes and revenues. Yet the President has refused to change his mind and consider a new course, a course that will provide a balanced budget by the year 2002.

The President and the 103d Congress initiated the COPS Program. The President's program promised to lower crime rates and make our streets safer by providing Federal funds to State and local governments to hire 100,000 more police officers. Two years later, less than a third of the new police officers promised by the President are on our Nation's streets, and when the Federal funds run out, the State and local governments will have to foot the bill for these new officers. The President's plan is costly. It is another unfunded Federal mandate forced on the backs of States and local governments. This, too, is clearly a failed policy, and again the President has refused to change his mind and consider a new course.

Republicans in the Congress passed an appropriations bill for the Department of Justice. That bill provided some $2 billion in trust fund money for State and local law enforcement block grants. Those funds would have been used to employ additional law enforcement officers; those funds would have provided additional compensation, equipment, or other necessary materials related to basic law enforcement services. Those funds would have enhanced security measures in and around our schools, and those funds would have established multijurisdictional task forces, particularly in rural areas that work with Federal officials for crime prevention and control.

Mr. Speaker, in short, that bill would have done what the President's bill failed to do. The bill would have returned money and decisionmaking to local police departments. The bill would have allowed them to make decisions on how to reduce crime in their communities, but again the President has refused to change his mind over a failed policy. He vetoed that bill.

There is another old saying that you can fool some of the people some of the time but you cannot fool all of the people all of the time.

The American people are not fooled by the press conferences and political rhetoric being put forth by the President. Every day that this impasse continues, the public becomes more angry at the President and the Congress.

In December, the public was leaning towards placing blame at the feet of Congress. Now, however, the American people are dividing the blame between the President and the Congress.

Mr. Speaker, often political leaders will govern by poll numbers. The President peaked and missed his highwater mark in the polls by 3 days. With the President's failure to agree on a balanced budget concept that we as a Congress could have voted on this past Wednesday, it is now apparent to the public that the President is not sincere about balancing the budget.

This is not a situation where the President is winning or losing some political game. There are no points to be scored here. From now on, everybody loses.

Mr. Speaker, I say again, it is time for the President to stop the political rhetoric and accept commonsense reform.

THE EFFECTS OF FURLOUGHING GOVERNMENT WORKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. DEUTSCH] is recognized for 5 minutes.

Mr. DEUTSCH. Mr. Speaker, when my Republican colleagues took over the majority of this Chamber, they declared that they were going to run Congress like a business. Now, let us just think about that for a second. If we had a business where the CEO of that business and the board of directors had a disagreement and then what they decided to do was to furlough the workers and pay them, all right, think about that.

There is no business in this country where there would be a disagreement between the CEO and the board of directors and they would furlough the workers and then pay them. And if you think about this for a second, if it was a publicly traded company and they decided to do that, what would happen in the market the next day? The value of that company would be destroyed.

Well, that is where we are right now. That is what has happened, and what has happened is totally indefensible.

I spent almost 3 hours on the floor yesterday evening, really involved in a dialog and debate with my Republican colleagues, and after 3 hours I still did not get an articulate answer, because there really is not. I mean, it is as crazy as it seems to people out there in America. It is as whacked out as it seems. There is no explanation. They can try to come up with an explanation. There is no explanation, except for irresponsibility, for what is going on. And we are starting to see real people and real just outrage at some of the things.

I just got a fax from a constituent, Gregory Inch, from Hollywood, FL, and I will read part of it or just summarize part of the letter. He is a double amputee, a veteran. Let me read a little:

> In February of 1994, I was involved in an accident that resulted in amputation of both my legs above the knee. It took me and my family some time to get through the initial shock. One year later, after a lot of soul-searching, I got in touch with an organization that enabled me to attend college, the department of vocational rehabilitation. This organization helped me get back on my feet. I started Broward Community College with hopes of receiving a preengineering degree so I could transfer to Florida International University and receive my BA. On January 3, 1996, I went through the normal channels in order to continue my education, only to be informed that the Government shutdown caused the funding of the Department of Vocational Rehabilitation to stop, a shock to me and my family that almost equaled my disabling accident. Especially shocked was my wife, who has been working two jobs to pay necessary household bills while still in college. I am a registered Republican, age 27, married, a veteran, one child, who is having second thoughts on the way the government is handling the responsibility to society at large.

I could not say it better than he did.

Let me also mention another thing, a fax I got in today from my district also. I have two ports in my district. The Consumer Product Safety Commission employees who are at those ports to basically do inspections are not there, so when crayons are coming in from China into Port Everglades in Broward County or Port Miami in Miami are not inspected, the lead content is coming in without inspection. We are going to read about the disasters that occur at a future time.

I got a call today from the warden of a Federal correctional institution in my district, and the workers, the prison guards at that facility, are working, about 300 guards at that prison. They are working but not getting paid, and you can imagine the morale situation in a prison, a correctional institution where the guards are not getting paid, but in fact the prisoners are because the prison work program is getting paid. It is an unstable equilibrium.

Twenty thousand visas are given to come to the United States a day in our foreign embassies. They have not been given out for the last 20 days; 400,000 visas.

Now, I am glad that my colleague from Florida is standing because it affects his district as much as it affects mine. We have the good fortune of living in south Florida, where people from around the country and around the world visit. Every one of those people who is not getting a visa is dollars lost to our communities. The actual out-of-pocket payment that we are losing is over $40 million a day of taxpayers' money of out-of-pocket costs for taxpayers of this country. Over the 20-day period, close to a billion dollars has been lost by taxpayers in this country.

In the previous shutdown, about $750 million of outright waste, garbage, a multiplier effect of 4 or 5 times that effect has cost our economy. It really is time for us to act like adults. Adults can disagree on issues and yet they can still have discussions.

I hope my Republican colleagues join what everyone in this country out there in America wants us to do, which is to pass a CR and get the Government moving again.

REOPENING THE GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FOLEY] is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I, too, want to get this Government back working. You know, we have a lot of debate and a lot of rhetoric up here about a balanced budget. Yes, that, indeed, is one of my most important goals as a Member of the 104th Congress, to get a balanced budget, but I do not take any pride in doing it when we are talking about workers who work for this Government, who come to work to serve our veterans, who come to work to serve every average American in this country, and some Members of Congress act as if their jobs do not matter, as if they should not be paid, and we will keep this thing shut down until we get the President to blink.

Ladies and gentlemen, we know the President has had a chance to produce a budget for us that shows deficits from 1996 of $196 to $209 billion in the year 2005. That is Congressional Budget Office numbers that suggest we will never get to under the prior 10-year budget plan for deficit reduction during the Clinton presidency or anyone who follows.

The bottom line is: Why are we holding employees hostage of Government? There are people that have mortgage payments to pay, there are people that have to feed their families. So I think it is appropriate that, as we are standing on this floor tonight, Members of the Republican Conference are coming up with a strategy hopefully to reopen and put those people back to work.

I have a veterans' hospital in my location, and that veterans' hospital has people that have served this Nation in times of peace and in times of war that are desperately needing medical attention. Those very fine people that work at that facility deserve pay.

But the overriding, most important issue that remains with this Member of Congress is that the President does genuinely come forward with a proposal to balance the budget. We can disagree on spending. I am for getting rid of the B-2 bomber. I am for doing some things differently in this Congress and not spending money on pork and waste. I will put more money to Medicare to help our senior citizens.

But we have got to develop a strategy that balances the budget, and we cannot talk in fiction and we have got to deal with reality.

□ 1930

Let me just read a couple of letters I have got from people around the country.

James Lister, from Simpsonville, SC, writes:

> DEAR MR. FOLEY, It is amazing what a few courageous men and women with a dedicated leader can accomplish. There are literally millions and millions of Americans who are standing with you and what you are doing to cut the size of government and bring the spending down.
>
> The media is pouring on its worst. We know it is because you are effective.
>
> For our sake, don't stop talking, don't cave in and don't let up the pressure on for a real balanced budget.
>
> Our warmest wishes for you and your family for a joyous Christmas and a prosperous New Year!

Margaret Hurt, from California, writes:

> The freshman class are the best thing that has come to D.C. in a long time.
>
> With you guys and Newt and Rush Limbaugh I feel that the good old U.S.A. is getting a real break.
>
> Hang in there. With your enthusiasm and diligence coupled with an openness to the truth, we are going to be all right!
>
> I watched you tonight in C-SPAN, Dec. 19, and just love all of you. Keep in touch with the "people"! We love it!
>
> Tell Newt we love him, and pass the card around, please.

Donald Boelter; from Burbank, CA, writes:

> DEAR CONGRESSMAN FOLEY: It was very encouraging to watch on C-SPAN the group of Freshmen express their views on how best to bring government back to the people.

To once again give the people the right to decide how their money is spent, how their lives will be regulated and the return of responsibility into their lives.

As a young 71 year old, I saw in the gathered faces the same eagerness and resolve to face the problems that confront America today as in the resolve of American troops during the days of Bastogne.

Your's is no less a battle. Ever greater than that of 51 years ago and consequences to our beloved Nation immense.

On this Christmas eve I give thanks for all of the Freshman class and their efforts to bring back common sense to our Government.

God Bless You and Yours.

Rick Schendel, from Michigan writes:

MR. MARK FOLEY, I am a voter from Macomb county in southeast Michigan and I writing to thank you for keeping up the fight for fiscal responsibility. Unfortunately my Representative is Minority Whip and the chances of him being in favor of a balanced budget are nil. This letter might not mean much but I thought you should know than there are a lot of people out here that agree with your ideas. No one wants to hurt the elderly or throw people out on the streets, but a seven year plan to balance the budget should be relatively easy and painless to achieve. We are counting on you and your colleagues to take charge of this fight. Get us a good, fair plan with teeth in it so three or four years from now we aren't faced with another budget crisis. Again, I would like to thank you for your efforts on behalf of our generation and future generations. Keep up the good work.

Those are letters from around the country. Let me read to you one thing, "Ten Cannots," originally attributed to Lincoln but which were done by Rev. William Boetcker, a Presbyterian minister.

You cannot bring about prosperity by discouraging thrift.

You cannot help small men by tearing down big men.

You cannot strengthen the weak by weakening the strong.

You cannot lift the wage earner by pulling down the wage payer.

You cannot help the poor man by destroying the rich.

You cannot keep out of trouble by spending more than your income.

You cannot further the brotherhood of man by inciting class hatred.

You cannot establish security on borrowed money.

You cannot build character and courage by taking away men's initiative and independence.

You cannot help men permanently by doing for them what they could and should do for themselves.

EXTREMISTS ARE DRIVING THE AGENDA IN THE HOUSE

The SPEAKER pro tempore (Mr. BARTLETT of Maryland). Under a previous order of the House, the gentleman from New York [Mr. ENGEL] is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, I have a chart over here dated December 29, 1995, "Pay to the Order of Federal Employee." A Federal employee in my district who works at the Bronx Veterans Administration Medical Center in my district received a paycheck for $1.51 for her 40 hours of work. $1.51. All the deductions were taken out, but her full salary was not there because of the Government shutdown.

Let me tell you what $1.51 can buy you in New York City, in Bronx, New York, where I live. It can buy you a subway token. That costs $1.50. That can get you to work, and then you have a whole penny left over to spend as you see fit. This is the result of the House Republican Government shutdown. It is signed "U.S. House of Representatives Extremists," because that is what is happening. Extremists are driving the agenda. And it is for "Don't spend it all in one place."

What is happening in our country today, Mr. Speaker, is a disgrace and a sham. Make no mistake about it. The Republicans have shut the Government down. The House Republicans have shut the Government down. The House Republican leadership has shut the Government down by not permitting a vote on this floor to open the Government.

We tried yesterday. We could not get it on the floor, and we were ruled out of order. So if we are so concerned about the veterans and we are so concerned about the seniors and we are so concerned about the American public that is not getting its benefits, we have the ability to open the Government by passing a clean continuing resolution. That is what are have to do. They did it in the other House. Both Republicans and Democrats did it in the other House. But the House Republicans here will not allow it to come to the floor.

That would open the Government immediately. This is what has always been done in the past when there has been a dispute between the President and the Congress. Both Houses pass a continuing resolution to keep the Government open while negotiations are going on. It has always been done.

We have had a series of Republican Presidents and Democratic Congresses. This has never been done for so long a period of time, because a continuing resolution was passed. This is part of a calculated strategy to try to bring the President to his knees and to bring the country to its knees so that they can push through their radical, extreme agenda.

What is this radical, extreme agenda? It is slashing Medicaid, slashing Medicare, harming the environment, slashing education, all to give a tax break for the rich. That to me is a disgrace. A tax break for the rich, but let us hurt the senior citizens of this country. Let us hurt the children of this country. Let us hurt our environment, and let us add taxes on working families to give a tax break to the rich.

That is the extreme Republican agenda. A colleague before said there is a saying, "You can fool some of the people some of the time, but you cannot fool all the people all the time." Well, in the last election, some of the people were fooled some of the time, but when they voted for Republicans they did not know they were voting for this extreme agenda.

The Contract for America did not say hurt senior citizens by cutting their Medicare and cutting their Medicaid and hurting our kids by cutting education and killing the environment. It did not say that. But the hand has been played, and the extreme agenda is here.

Make no mistake about it, we could reopen the Government tomorrow and the American people would not suffer, if the Republicans in this House who are in the majority would vote to reopen the Government, would vote for a continuing resolution.

Now, the reason we need this continuing resolution is because they did not do their job to begin with. They did not pass the budget bills and send them to the President on time. That is why the Government has been shut down. They say well, you know, the President vetoed some of these bills. It is his prerogative as the Chief Executive to veto the bills. This is the way the Constitution says things are supposed to happen. This has always happened in this country. The President vetoes, we come back and try to override the veto or we pass another bill.

But this is part of a calculated plan to push forward an extreme agenda, and it will not work. One has nothing to do with the other. The balanced budget has nothing to do with this Government shutdown. It is two separate issues which the Republicans are linking.

So make no mistake about it, this is not about a balanced budget. This is about shutting the Government down.

I say to my Republican colleagues, please join us in voting for a clean continuing resolution to open the Government once again while negotiations are going on. The only people who are suffering are the American people, and they ought not to suffer anymore.

PRESIDENT RESPONSIBLE FOR GOVERNMENT SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I appreciate the opportunity to address my colleagues tonight on some important issues. First, I would want to take a moment if I could in looking at the perspective of where we are today.

Mr. Speaker, we have to remember on November 20 the President of the United States signed into law legislation which said that he, along with Congress, would in fact balance the budget. Unfortunately, as part of that law, he said that he would in fact do this by the end of the year. Of course, now we are into the new year; the budget has not been balanced.

The President of the United States said during his campaign three major things: I want to change welfare as we know it; I want to balance the budget; and I want tax reform for the middle class.

This House, in a bipartisan fashion, has passed such legislation. It is the President, not the Congress, that has forced the furlough of workers. In fact, the President has in fact not signed into law appropriation bills, 13 of which he received from the House; and when the balanced budget came up, it passed by 351 to 40. The President's budget, which did not balance and in fact was $265 billion out of budget, in fact that was defeated by a bipartisan 425 to 0.

So I say to the President, we certainly want to have a balanced budget and also to have the workers go back, and we will work with you to make that accomplished in a bipartisan fashion, as this Congress has worked all year.

TRIBUTE TO CLARE LINDGREN WOFFORD, A GREAT AMERICAN

Mr. Speaker, at this time, I want to take a moment for a special person in my district, Clare Lindgren Wofford, who was the wife of our former U.S. Senator, Harris Wofford, from Pennsylvania. Her untimely death occurred today.

She was a great American, a loving wife to former Senator Harris Wofford, dedicated to her husband and family. She was a leader in college education, not only in Pennsylvania but across the country; an outstanding intellect, a noted author. Clare Lindgren Wofford was assistant to the president for development at the American College in Bryn Mawr, PA; Director for the Centennial Campaign at Bryn Mawr College. She worked with her husband in partnership for education, to make sure our country was stronger and higher education was supported.

She was also Director of the Katherine Gibbs School in Philadelphia, and Director of International Seminars at the University of Pennsylvania, working in seminars for business executives, where programs involved the Japanese economy, the Chinese economy, and American business. Moreover, she was reaching out to students in internship programs and business.

Clare Lindgren Wofford was as well a former director of the Washington Council of the African-American Institute and previously a political analyst with the U.S. Department of State, and a national champion in original oratory and debate.

She is someone who has also been vice president of the Philadelphia Area Committee for UNICEF, on the board of directors on the World Affairs Council in Philadelphia, and a member of the board of trustees of Temple University in Philadelphia.

Today, we in Pennsylvania and in my district mourn Clare Lindgren Wofford as someone who is a leader in higher education and, along with the American College, the Bryn Mawr College and the residents of our district and in Pennsylvania generally, we mourn the loss of a great friend.

The most fitting tribute, Mr. Speaker, I think to the life of Clare Lindgren Wofford would be to continue to support higher education and the programs she supported, and that would be a fitting living memorial for what contributions she has made to the country.

DEDICATED FEDERAL WORKERS BEING TREATED UNFAIRLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BARCIA] is recognized for 3 minutes.

Mr. BARCIA. Mr. Speaker, the people who are being treated most unfairly in this ridiculous shutdown of Federal agencies are the dedicated workers who are showing up for work day after day without any idea of when they are getting paid.

And to make matters even worse, some of these workers stand to lose well-earned benefits because of the shutdown.

I know that people who work for the Justice Department, including members of the U.S. Marshall's office and the FBI, are at risk of losing earned vacation time. Like other Federal employees, they face a use-it-or-lose-it situation when their accumulated leave exceeds 240 hours per year.

Under current procedures, these employees will lose their excess hours if they are not used by the end of the current pay period. But these people have been deemed essential as a result of the shutdown of the Justice Department and have been prohibited from using their accumulate leave time.

While it is true that there are procedures in place for these dedicated Federal servants to apply for extra time to use this excess leave because of extraordinary circumstances, why should these individuals be compelled to make extra effort to keep the benefits they have earned and are being prohibited from using?

I firmly believe that in any future legislation to restore benefits to Federal employees affected by the shutdown, that an automatic extension for the use of this excess leave time should be included. We should not make these Justice Department workers or any similarly affected Federal employees fight to keep what they have earned, and what the budget impasse prevents them from using.

CONGRESS TO BLAME FOR FEDERAL SHUTDOWN

The SPEAKER pro tempore. Under the previous order of the House, the gentlewoman from Florida [Ms. BROWN] is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, if we do nothing else, it is our constitutional duty as Members of the U.S. Congress to pass the appropriation bills. Yet it is January 4, and we have only passed 7 of the 13 appropriation bills that are necessary to fund the Federal Government. No one is to blame except Congress; to exact, the extreme Republican Members of the House.

It is hard to me to believe that Republicans want to recess until January 23. If you ask my opinion, they have been in recess since the beginning of the 104th Congress, because in the Constitution we must pass the appropriation bills, and not in the Republicans' contract.

Mr. Speaker, at this time I yield to the distinguished gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I will be very, very brief, because I do not want to interrupt the gentlewoman's remarks. But our Republican colleague, the gentleman from Pennsylvania [Mr. FOX], who was here earlier, talked about a November 19 agreement, a continuing resolution that was in fact signed by the President and by the Speaker of the House. There were two parties to the agreement.

□ 1945

And the issue was to talk about a balanced budget in 7 years; but, also, part of that agreement was to reinforce the priorities and values of this Nation that include Medicare, Medicaid, education, the environment, and tax reform for working middle-class families.

I dare say that the President has kept his part of the bargain. It is our Republican colleagues and Republican leadership in this House who have failed to move on any reduction in their cuts to Medicare and Medicaid, education, or the environment, or to remove their tax break package, which is $245 billion, to the wealthiest Americans.

When we talk about that agreement, we need to talk about both sides who signed and discussed that agreement. And I thank my colleague for yielding to me.

Ms. BROWN of Florida. Mr. Speaker, I want to ask the gentlewoman one question. Will you clear up for the American people the question as far as the balanced budget? They keep talking about the balanced budget. Yes; we want to balance the budget, but it is a question of priorities, shared sacrifices. What are some of the other factors?

Ms. DELAURO. Well, the issue is, and my colleague is right, there is not a Member of this House who does not want to see the Congress, House and the Senate, and the President put our fiscal house in order. Everyone wants to move in that direction. The question is, as you pointed out so well, the priorities in dealing with this budget, how one gets to a balanced budget.

Now, if we want to talk about $245 billion in a tax break for the wealthiest Americans, provide them with that, and at the same time we want to cut $270 billion in Medicare, we want to cut $163 billion in Medicaid, we want to cut education programs, and the environment, and increase taxes for working middle-class families, then our priorities are wrong in terms of balancing that budget. Take that tax break package off of the table and then let us talk about balancing the budget.

Ms. BROWN of Florida. If the gentlewoman would stay with me, I would ask her, does she think this sounds a little like voodoo economics again?

Ms. DELAURO. It is really a shell game and politics at its worst in this body. The linking of the shutdown of the Government to the balanced budget, as I said, is the worst of politics because we cannot continue the budget negotiations or talk about what the American public wants to talk about in terms of Medicare and Medicaid.

We do not have to keep this Government shut down. This is holding the American public hostage and workers hostage, and it is wrong, and I believe that the public is beginning to understand what is going on. The American public said to the President of the United States, veto this budget that cuts Medicare, Medicaid, and pays for a tax break for the wealthy. Sixty percent encouraged the President to veto this budget.

Ms. BROWN of Florida. Well, I have heard three times today that you can fool some of the people some of the time. The American people need to let the Republicans know that they are not being fooled by this talk about balancing the budget while we do reverse Robin Hood, where we are robbing from the working people and poor people to give a tax break to people who do not need it, do not want it, and do not deserve it.

Ms. DELAURO. The gentlewoman from Florida is absolutely right. I applaud the work she has done on the floor of this House in order to try to bring out precisely what is going on here. Sometimes it is difficult to get the word out and to really have people understand what kind of a shell game is being played on them.

Ms. BROWN of Florida. Mr. Speaker, I thank the gentlewoman.

PRESIDENT CLINTON HAS SHRUNK GOVERNMENT AND REDUCED THE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, Members of the House, we are in a bad situation. We are in a situation that the majority leader of the U.S. Senate, a Republican, I am a Democrat, said I do not see any sense in what we have been doing. That is the Republican leader who said I do not see any sense in what we have been doing.

We are in a bad state. I am a supporter of the constitutional amendment to balance the budget. I was a supporter of the 7-year CBO-scored real balanced budget known as the coalition budget. I believe that we ought to have a balanced budget by the year 2002.

Why are we here? I came to Congress in 1981, and that is when it started, frankly. Under Ronald Reagan. Ronald Reagan had a Democratic House and a Republican Senate for three-quarters of his term, 6 years out of the 8, and during that period of time he quadrupled the national debt. Why do I say he did it? Well, we both did it, the Congress did it and the President did it.

In point of fact, Ronald Reagan asked for more spending than the Congress gave him. Hear that. Ronald Reagan asked for more spending than the Congress gave him. And, in fact, when he submitted his budgets, he built in large deficits. He projected them. George Bush did the same thing. So, collectively, we ran up a debt of over $4 trillion, now about $4.8 trillion.

Now, that is a serious matter, which is why I am for an amendment and why I want to see us balance the budget. But contrary to those who would say it is a crisis requiring the most drastic unsensible steps, this country has been in debt far above what we are in debt now, just after the Second World War, as it relates to our gross domestic product. That is the money we have to pay the debt.

This President, President Bill Clinton, took office and knew we had a problem. He put a bill on this floor in 1993, a tough bill, and for the first time since 1948, that economic program resulted in reducing the deficit each year in the 3 years that President Clinton has been President, unlike Ronald Reagan and unlike George Bush. The deficit has fallen during each of those years, from $290 billion, when he took over, to $255 billion, then to $203 billion, and now to $164 billion.

What is my point? My point is, we have not gotten there yet, but, boy, are we going in the right direction. That deficit is going down. So this is not a crisis where we see that we are out of control and we have not addressed the problem. Do we need to do more? Yes, we do and I am supporting that we do more.

The fact of the matter is some said we had to get Government under control and shrink its size. President Bill Clinton proposed that we do just that. In 3 years we have reduced the Federal level of employment by 185,000 people, smaller than under either President Reagan or President Bush.

We are going in the right direction. But in 1994, we had some revolutionaries win an election. What do revolutionaries want to do? They want to overthrow governments. In fact, Speaker GINGRICH said in June he was going to close down, shut down the Government, and that, in fact, is what he has done.

BOB DOLE said I do not see any sense in what we have been doing. Amen. BOB DOLE was right. So he passed a CR over to us, unanimously. Not partisan bickering or rancoring. They knew closing down the Government to accomplish a balanced budget did not make any sense. Why? Because they are not related. In fact, shutting down the Government exacerbates, makes worse, the debt.

LAW ENFORCEMENT PERSONNEL RISKING THEIR LIVES WITHOUT BEING PAID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. PASTOR] is recognized for 5 minutes.

Mr. PASTOR. Mr. Speaker, it is very rare that I get on the floor to address an issue, but tonight I felt that it was important for me to do such a thing for two reasons.

I found out this afternoon that along the Mexican border, the Arizona border, that we have Border Patrol agents and other law enforcement personnel who are out there enforcing the laws of this country and they are doing it and will do it without pay.

There is a case in which it is a couple, man and wife, with children, who are employees of the Border Patrol out there on the desert, protecting this country from criminal activities, apprehending people who went across the border illegally, and yet this couple finds themselves today and tomorrow that they may not have the money to pay their mortgage or to pay their bills.

At the veterans hospital in Phoenix, AZ, we have employees going to food banks in order that they can feed their children and their families. I agree, and very rarely do I agree with BOB DOLE, but enough is enough.

As the previous speaker told us, the plan to hold the Government hostage, I think, is now reversing itself and it is causing the Republican majority, who has the obligation to govern, to now scramble and pass a CR that will pay for minimum services of the Federal Government.

And the rallying cry is going to be that we cannot trust the President of the United States, President Clinton. The Republicans are going to say that he is not negotiating in good faith. He vetoed a budget that was given to him, that was passed by this House and the Senate, and he said why he vetoed it. He did not want to give a big tax break on the backs of children, students, elderly, et cetera. And for the past 40 hours, he has been and his aides have been in serious negotiation with the leadership of the Senate and the House. He will continue to do that.

What has happened is that the Republicans have held Government employees, the U.S. Government, as hostage in trying to get the President to agree to a balanced budget that he has vetoed, and told them why, and he is negotiating in good faith. But because the American people, in loud cries, are saying enough is enough, they are agreeing with the majority leader in the Senate that enough is enough; that tonight, and probably tomorrow morning, there will be resolutions before this House that will try to bring Federal employees in certain areas back to work.

What we should do is pass a clean continuing resolution, bring back the Government employees in order that all Americans get the services they deserve and the President and the leadership of the House and the Senate can continue to negotiate on what should be a proper balanced budget.

Enough is enough. We have people risking their lives enforcing the laws of this country, and yet they are not getting their proper pay and they are endangering their family, not being able to provide for mortgage payments, for food, et cetera. This is being caused by a Republican majority who told us that their main principle, or one of their main principles is upholding family values.

□ 2000

Let us protect these families, and send them back to work.

COMPROMISE AND DISCUSSION WILL LEAD TO BALANCED BUDGET

The SPEAKER pro tempore (Mr. BARTLETT of Maryland). Under a previous order of the House, the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON, is recognized for 5 minutes.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I would like to yield to my colleague, the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentlewoman for yielding. As I was saying before my time expired, Cynthia Snyder is a Republican. But that is not her major activity. She is a member of the board of directors of United We Stand. United We Stand, of course, is the organization that Ross Perot founded. He raised the budget issue to central concern of this country. I think he performed a service in doing so.

Cynthia Snyder is a concerned citizen in my district. Yes, she is a Republican, and she is with United We Stand. But let me read one paragraph of the letter she sent to the gentleman from Louisiana [Mr. LIVINGSTON], not to me, but she sent me a copy of it.

She said,

> Why can't Congress get on with their statutory and constitutional mandates to fund the government, instead of holding government employees and the public hostage to their own 7-year budget proposals? Most of us know we must curtail spending and many of us worked hard to elect deficit hawks, but does adding millions per day to the deficit by keeping the government shut down help in any way do that?

She concludes, as I said, by saying,

> Besides, I am a Republican, and you are hurting Republican chances of election to high offices by your amateurish behavior.

BOB DOLE, the majority leader, leading candidate for President of the United States in the Republican Party, said that what we are doing does not make sense. He said as previous speakers said, "Enough is enough."

I represent 56,000 Federal employees. They are not responsible for incurring the deficit, and they do not have the power to sit in this body to reduce the deficit. What they try to do is carry out the responsibilities given to them by the executive and legislative branches of Government.

Mr. Speaker, we have held them hostage. We have put families at risk. We have shut down portions of Government, stamped our feet and said, "Mr. President, if you do not do it our way, we will do it no way." Mr. Speaker, that has never before happened in history. Not since 1789 to 1994 has any group with the power to do so, but with the responsibility not to, shut down the Government for 20 days.

Have we had shutdowns before? Yes, but not until 1981, 1982, and then it was for hours, then a half a day, then 1 day over the Columbus Day holiday, the 3-day weekend. But what happened? President Reagan was President and President Bush was President during one or more of those shutdowns. There was a Democratic Congress. When the President would not agree with what we wanted, the Democratic Congress accommodated the President, because that is the constitutional system. If we cannot override a veto, we either need to compromise or not take the action. That is what our Framers contemplated. That is the appropriate way to operate a democracy.

Speaker GINGRICH said earlier this year, "I will cooperate, but I will not compromise." My friends, in a democracy I do not know how we come together to make policy without compromising. Not compromising our principles, but agreeing that there are different ways to do things, different ways to accomplish objectives, and know that in good faith, Americans acting through their elected representatives could reach those ends. Not stamp their feet. Not point a gun at the President's head and say, If you don't do it my way, I shut down the Government.

BOB DOLE said, "I don't see any sense in what we've been doing." America sees no sense in what we have been doing.

OPEN THE GOVERNMENT AND CONTINUE SERIOUS BUDGET TALKS

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY. Mr. Speaker, I thank the previous speaker, my colleague, for saying that this just does not make any sense. I was in my office this evening. I really had not planned to come down, but I was listening to so many of the speakers who kept talking about how they were shutting down the Government and waiting for the President to take action.

Mr. Speaker, it is my understanding that the President and the Speaker have been meeting around the clock. I spent a weekend just a couple of weeks ago meeting around the clock trying to work out a balanced budget. I have been in this House now about 7 years, and I have never been part of a time like this. It is really an embarrassment, and I imagine that the people who are watching are embarrassed.

We want to work together in balancing a budget, but I cannot see why closing down the Government, causing such pain to so many people, helps us accomplish that purpose. There are meetings going on.

I have been receiving calls from constituents in my district, and last night the gentleman from Georgia [Mr. KINGSTON], my friend, and I were talking about this issue, and I mentioned the fact that at the Franklin Delano Roosevelt Veterans Hospital in Montrose they were having a bake sale in order for the employees who were working there, over 1,400, to get the carfare to go to work. Many of them work from paycheck to paycheck.

Mr. Speaker, the VA Hospital in Montrose is the largest Federal agency in Westchester County. They are deeply affected by this shutdown. The 700 beds in the hospital are full of many elderly patients, including one World War I veteran about to celebrate his 100th birthday.

The hospital also cares for 75,000 veterans on an outpatient basis. Many of these are also elderly. The 1,400 dedicated employees of the Montrose Hospital received 1 week of pay for 2 weeks of work, and they do not know when they are going to get paid for the work that they are doing.

Mr. Speaker, in fact, as we know, many of the employees at the FDR Veterans Hospital are veterans themselves. So, by holding employees hostage, we are penalizing men and women who served our country along with other Federal employees.

This week, in fact, the hospital employees were forced, as I mentioned, to hold the bake sale. In talking to them again this evening, they still do not know how they are going to survive. It is hard to believe the veterans who are working in a veterans hospital have to be subject to such indignities.

They cannot get fare to go to work. They cannot pay for gas or their MetroNorth train passes. And I know it may be very difficult for some of my colleagues to believe this is the case, but it is true. There is also a food drive being started in the local community to help needy employees.

I spoke with Lisa Jackson, a registered nurse. She told us, and the local paper in fact, that so many of the employees are living paycheck to paycheck, and today I also learned that many of the hospital's vendors who are not being paid may soon be forced to stop making deliveries of important supplies. If vendors stop making deliveries to a veterans hospital, they would then have to close down portions of the hospital and some patients would have to be discharged.

Mr. Speaker, I wanted to share with you this story, because listening to speaker after speaker so sanctimoniously telling this body that they have to shut down the Government to get their way and balance the budget their way, it does not make any sense. I thought we were all adults. I am a mother of three children, and it sounds to me like children standing in a corner saying, "I am going to hold my breath and turn blue if I do not get things my way."

We should be opening the Government. Democrats signed on to a resolution to make it clear that we all support opening the Government now. What we really need is only 20 votes over there on the Republican side to join us so we can open the Government and continue the very serious discussions about balancing the budget.

As we have shared before, this is a battle, this is a serious discussion about the basic priorities of our country. The President has made it clear that he wants to balance the budget in 7 years, protecting Medicare, Medicaid, education, and the environment.

Now, there are differences of opinion. I understand there are about 80 Republicans that said they will not compromise on a tax cut of $245 billion. Well, I would hope as we conclude, my colleagues, that we can continue to talk, to share our different views, but let us open the Government now and continue serious discussions about balancing the budget.

THE SITUATION WITH OUR NATION'S BUDGET AND THE NATIONAL DEBT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for 60 minutes as the designee of the majority leader.

Mr. KINGSTON. Mr. Speaker, I have with me the gentleman from South Carolina [Mr. SANFORD]. We are going to talk tonight about the situation with our Nation's budget and our national debt. The gentleman from Pennsylvania [Mr. FOX] is also going to be speaking with me.

I think the first thing that we wanted to do, Mr. Speaker, just to get off the issue of reopening the Government, because that is very important, we are talking real people, real jobs, real mortgages, real paychecks and real grocery bills, and so forth. Speaking for myself, I want to get these folks back to work. So, I am in favor of trying to get the Government up and going again, get these folks back on the job, and yet at the same time, I do not want to back down from the 7-year balanced budget.

But having said that, I hope I can erase as many of the Democrat comments as possible. Mr. Speaker, I would yield now to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I wanted to add my comments on this. As we speak, the Republican conference is meeting for just that purpose, to try to get all the important Federal workers, all the Federal workers back to work, not only for the sake of their families and the good work they are doing, but also because we want to make sure in fact that the services they perform, passports or Social Security or veterans matters or any other agency, gets back to work and takes care of constituents and also takes care of their families.

Mr. Speaker, all we are trying to make sure of on the balanced budget is to make sure the House and Senate wants to have one; the President wants to have one; let us get together on the details and find the common ground. That is what they sent us here to do, not to have gridlock or one side finger-pointing at the other, but actually to make sure that the job is done in a sincere way.

Mr. SANFORD. Mr. Speaker, if the gentleman would yield, I think what is interesting about doing that job is that we not lose sight of the prize, and that prize is actually getting to a balanced budget in 7 years and using real numbers to get there.

Back on Monday, I spent a couple of hours in front of the Kmart in Myrtle Beach talking to folks, and what was interesting about those conversations was that people over and over and over again said, "Hold the line," because if we look at this budget, what we are looking at is $12 trillion. $12 trillion. It is called extreme.

Mr. Speaker, over the last 7 years the Federal Government spent $9.5 trillion. Over the next 7 years what is proposed is spending $12 trillion. Basically, for too long talks in Washington would go along to get along and there were plenty of slaps on the back. And now what we have said in essence is let us hold the line here. This is what we are hearing from folks at home, is that $12 trillion over the next 7 years is enough.

□ 2015

Mr. FOX of Pennsylvania. What is interesting, if the gentleman would yield, is that fact that we can balance the budget, making sure we provide vital services to our constituents while still maintaining increases for Medicare, increases for Medicaid, increases for education, increases for the environment, and increases for child care. All we want to do is eliminate the waste that has gone on for years in duplicative programs.

Mr. KINGSTON. Mr. Speaker, here is a certificate, a Federal Reserve note, that was sent to us, and I believe all Members of Congress, Democrat and Republican, got it from the Old York Foundation. What they said, this was done in the name of the late Seymour Durst. I am not familiar with him, but what he said is this is a $5 trillion note. Every Member of Congress has this $5 trillion note for a $5 trillion debt that we are passing on to our children and our children's children, and we will continue to do so if we do not do anything about it.

What the gentleman from South Carolina [Mr. SANFORD] says is that 1994 was an election not so much to throw the bums out but an election to stop politics as usual, as you have said. I think it is important for us to think about the size of our national debt and just a couple of numbers that are absolutely terrifying.

This is the number as of November, $4,984,800,213,988.31, and it increases at a rate of $2,207,000 each day, which the gentleman from Texas [Mr. THORNBERRY] says is enough to buy McDonald's Big Mac extra value meals for every person in the United States and in Mexico. He goes on to say that with the annual budget of about $4.6 trillion, we as a government spend $4.4 billion each day, each day that we are here, which the gentleman from Texas [Mr. THORNBERRY] points out that this is $50,736 each second. That is what the Federal Government spends. These numbers are important because the debate here is about Government spending. That is what we are debating. We are debating the size of government.

Mr. SANFORD. What is interesting, if the gentleman would yield, about that particular number, a carry with me a quote, it is from Sir Alex Francis

Taylor, a Scottish historian a little over 100 years ago.

His quote was a democracy cannot exist as a permanent form of government. it only exists until the voters discover that they can vote for themselves largesse from the public treasury. From that moment on the majority usually votes for the candidates promising the most benefits from the public treasury, with the result that a democracy always collapses over loose fiscal policy and is generally followed by a dictatorship. The average age of the world's great civilizations has been 200 years.

These nations have progressed through this sequence: From bondage to spiritual faith, from spiritual faith to great courage, from great courage to liberty, from liberty to abundance, from abundance to selfishness, from selfishness to complacency, from complacency to apathy, from apathy to dependency and from dependency back again into bondage.

What I think is startling about that is as you look across the time line of history, Rome, it was the largest place in the world at that time, collapsed in 476. The Byzantine Empire came on its heels and yet collapsed in 1453. The Italian Renaissance, as great as it was, came to an end in 1550. The Spanish empire controlled a quarter of the entire known world and yet came to an end around 1588 with the sinking of Spanish Armada.

The point is, you could go through a lot of parallels and in every instance each of those nations, each of those civilizations reached a crossroads in which they had to decide do we stay in this awfully comfortable cycle of upward spending and upward government consumption, or do we go back to what made us a world power in the first place. That is what those numbers I think suggest.

Mr. KINGSTON. It is always far easier to increase spending, add 3 or 4 percent, 10 percentage points each year and just keep on spending. That is why this process this year is so difficult and so long. But generally speaking, we are trying to increase the Federal budget 3 trillion new dollars over the next 7 years, and the President wants to increase it $4 trillion over the next 7 years, so we are debating $3 trillion versus $4 trillion directly in new growth. We are not cutting and we are not freezing the budget.

I yield to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. I appreciate the gentleman from Georgia [Mr. KINGSTON] taking the time to have this special order because frankly the American public will benefit, I think, from not only having a balanced budget but having the workers return to work and providing the services.

But what the benefits are, that some may not realize, and Alan Greenspan has pointed this out, by being able to have a balanced budget we will be able to reduce the expense of interest, which thereby will reduce the cost for college education, home mortgage, the expense of health care, all of those things that we have as yearly regular expenses. That is going to help working families, help senior citizens, help our children make sure they can have the American dream.

After all, every other government, whether it be State, county or local, has to balance its budget just like families do. What we are trying to do is over a period of time, working with the President, to come to an agreement whereby we can have a balanced budget and everybody has a chance to have the American dream, have their own home, and people will have a job that is of great worth.

Mr. KINGSTON. The gentleman is correct. If we realize the scope of this disaster, of a tremendously expensive debt, and then we look at the benefits of balancing the budget, to give specifics on what the gentleman from Pennsylvania [Mr. FOX] is saying, that on a 30-year home mortgage the average interest rate will drop 2.7 percent, and on a 30-year mortgage of $50,000 that means a family will save over $1,000 annually or $32,000 over the life of a loan. Car loans will drop 2 percent, which means on a $15,000 car the average family budget would save about $900 during the life of the loan. Sending children to college, the same thing.

But the other thing, though, that is very important is that businesses will expand, jobs will be created and economic opportunity and prosperity will follow.

Mr. FOX of Pennsylvania. If the gentleman will yield, what is very exciting I think for the American public is, not only will it be new jobs but it will not be Government created jobs. These will be private sector jobs that really will spin out other allied industries, creating more private sector jobs.

Back on education just for a second. I think it is also important to note that this Congress in a bipartisan fashion is moving ahead with additional programs for student loans and grants, such that legislation which many of us have cosponsored would create 100 percent tax credits for employers who provide their employees with college education, and to change the law back so that it is not considered taxable income to the employee who is receiving the educational benefit and hopefully being with a company for some time and bringing that benefit to others.

So we are looking for ways to improve the quality of life, improve education, improve the environment, improve Medicare, improve Medicaid. That can all be accomplished in this budget picture where we have already seen an increase of $71 billion in the areas I have identified.

Mr. KINGSTON. If we have established that it is disastrous to leave the debt out there, we have established there are great benefits to balancing the budget, then what is the problem? Because Speaker after Speaker from both sides of the aisle have come to the well today and said we support a balanced budget and certainly the President does.

Let me read some quotes, though, make sure that we are talking about the same President, June 4, 1992 on Larry King Live, President Clinton speaking: "I would present a 5-year plan to balance the budget."

Then on his "Putting People First" campaign brochure: "Our plan will cut the deficit in half within 4 years and assure that it continues to fall each year after that."

May 19, 1995, Bill Clinton, New Hampshire, radio interview: "I think it can be done. Well, it can, first of all it can be done in 7 years."

Later on that day, also in New Hampshire: "I think it can be done in less than 10 years. I think we can get there by a date certain." That was in May.

October 1995: "Well, I think we could reach it in 7 years. I think we could reach it in 8 years. I think we could reach it in 9 years."

The reason why I say that is not to ridicule the President. Good Lord, everyone in Congress, everyone in America says things and changes his or her mind from time to time. In this case he did it over the same interview, in a 20-minute period, but even then some people are entitled to change their mind.

But here is what George Will said, and this is his column but it was in the Savannah Morning News. It says, "Clearly the President does not want a balanced budget any more than he wants to end welfare as we know it. So he is vetoing Republican plans that would balance the budget more slowly than he as a candidate promised to." Then he goes on to say, "He said 5 years, they say 7 years, and he probably will, it will depend on who talks to him last, and he'll veto it," and he will probably, George Will is saying, he is probably going to veto our welfare reform, which we will talk about welfare reform in a minute, but there is a welfare bill on the President's desk right now and we hopefully will get his signature on it.

But what I wanted to point out is that it is time now to have a balanced budget on the table.

You two are freshmen and you have been called radicals, and yet it is interesting to me that as candidates you had a written outline of a campaign plan, as did President Clinton. As newly elected freshmen, you followed the plan, unlike newly elected President Clinton. And then you did the plan and got criticized for it, and the criticism is coming from people who did not follow their own campaign speeches to balance the budget.

So you have been here a year, you said you were going to do something, you did it, and now you are saying, "I have done it, now come on, the rest of you all," but we are not seeing it.

It is very frustrating to the process. Again, I am not trying to get into this big partisan thing. But it is so hard to negotiate when there is not a counterproposal on the table.

I yield to the gentleman from South Carolina.

Mr. SANFORD. I would think two thoughts on what the gentleman has just been saying.

One would be, there was a question as to why would the President be doing this. I think it is awfully easy inside the Beltway to lose sight of the decided benefits to balancing the budget.

JACK, I do not know if you saw the article in today's Washington Post, but there was an article talking about, it reads, "On Balance, Budget Deal Could Offer a $1,000 Bonus," and it talks about a study by several economists and it looks at the three benefits that would go with balancing the budget. One would be our children would not have to pay debt in the future because we would have not added another $1 trillion worth of Government spending, the economy would grow more, and we would see lower interest rates.

But here in the Washington Post it is talking about a $1,000 bonus per family for balancing the budget. So I would say that one of the reasons probably the White House has gone back and forth on this number is it is easy to lose sight of those future benefits.

As to your second point about being one of those radical freshman, I think it is awfully interesting to move away from the talk, because there is plenty of talk in Washington, DC, and simply look at the numbers. And how radical is this budget, because what is interesting is if you go from simply the last 7 years, the Federal Government spent $9.5 trillion, and what is proposed in this budget is spending of $12 trillion, which is roughly 2.5 percent annualized growth each year.

For instance, take some of the programs. With Medicaid, we spent $443 billion over the last 7 years, and what is proposed is to spend $791 billion over the next 7 years.

Mr. KINGSTON. If the gentleman will yield on that point because I am glad you brought up some of the specific program differences. Because one of the things that we are not debating here is what are the differences between the Democrats' plan, or lack of plan to some degree, and the Republican plan.

One of the big differences that we hear is that the Republican budget cuts Medicare. As the gentleman just pointed out, and let me get him to repeat those figures.

Mr. SANFORD. On just Medicaid. I will get to Medicare. For instance, with Medicaid we go from spending $443 billion over the last 7 years to spending $791 billion with this proposed budget over the next 7 years. With Medicare we go from spending $926 billion over the last 7 years to a proposal that suggests we spend $1.6 trillion over the next 7 years.

Mr. KINGSTON. It is interesting that the gentleman would bring that up, because here is a December 6, $1 million check and an offer made by the chairman of the Republican National Committee, Haley Barbour. What he said is if any Democrat can prove the rhetoric that Republicans are cutting Medicare, I have got a $1 million check waiting for you one block away from here at the Republican National Committee, just come show us where Medicare is being cut.

Although the rhetoric has not stopped, nobody has collected $1 million.

□ 2030

Just think about it, if you were a Democrat, if you could prove that Medicare was being cut, you would be such a hero and getting the million dollars to boot, but nobody has come to claim that check, which is almost a month old now.

Mr. SANFORD. I know my colleague from Georgia knows these numbers better than I do. When you actually look at the Medicare on a per capita basis, look at how we go from spending $4,800 per beneficiary to moving up basically at 7 percent a year to $7,100 a year in 2002, it is remarkable to see that kind of yearly growth.

Mr. ABERCROMBIE. Would the gentleman kindly yield for a moment? I certainly will not take advantage of the length of time that you have, but you did indicate that nobody has claimed it. I will be happy to try and claim the money as far as the Medicare is concerned.

But I do not want to engage in the kind of verbal jousting that I think has characterized some of the debate.

Mr. KINGSTON. If I could reclaim, and I will yield back to you, I am glad to hear that because, you know, so much of the jousting, and both sides can admit some guilt here, is totally based on fantasy and what sounds good on a 30-second sound bite rather than what is real.

Mr. ABERCROMBIE. I quite agree. So my question is a serious one on that leading to the other question about balanced budget, which I am also serious about.

I think the reason that the argument starts over Mr. Barbour's offer and then goes off into the ethereal on Medicare is that the argument is not about whether or not there is increased amount of money in the Republican proposal or in Mr. Clinton's original proposals, for that matter, but whether or not, given the expansion of the base population that will be in need of Medicare and Medicaid, whether that will be sufficient to cover the basic needs regardless of how much you are able to rein in the overall expenditures on hospitals, nursing homes, pharmaceutical needs, et cetera. That then becomes, if you will, just allow me another 10 or 15 seconds, that then becomes an argument over different economists making projections as to what the need will be vis-a-vis the population of the United States, the aging population of the United States, the requirement in social security benefits as the baby boomers come in and the number of people contributing to it goes down, et cetera, those kinds of things. That gets into the realm of sheer speculation.

Mr. KINGSTON. Reclaiming my time a second, that is a good point, and that is why our budget goes from $4,800 to $7,100 per person with anticipation of the population increase, $4,800 to $7,100, which again is not a cut.

Now, one of the questions is, OK, is that enough? Let me finish now. Is that enough? Well, I can say this, if we do not act to reform, preserve and protect Medicare, the April 3 trustees report has already told us it is going bankrupt. So while we cannot tell you with absolute certainty that going from $4,800 to $7,100 is going to be perfect, we can tell you with certainty based on the trustees report of April 3, 1995, that Medicare is going bankrupt in 7 years.

Mr. ABERCROMBIE. If you will be so kind, then why would we want to take any money out of that fund? Why would you not want to, if you are increasing the money from $4,800 to $7,100, I will not dispute that, that there is an increase in that number? I would argue that I do not believe that is going to be enough, based on our experience in Hawaii, and so on. That is my view and some others. I mean, economists have a job explaining to other people why they do not have jobs. Right. So one economist will tell you one thing, and, you know, we are victims of that as much as we are beneficiaries.

So why would you want to take any money out of Medicare at this time, $270 billion, $240 billion, whatever it is? Why would we want to take money out?

To the degree we want to count savings as a result of tightening up waste, fraud, and abuse, tightening up the amount that we are willing to pay for hospital care or doctor's fees or pharmaceutical needs, et cetera, to the degree there is a savings, let us suppose, again for honest conversation sake, that the $270 billion that is proposed for savings is actually savings, would we not want to have that savings reinvested in the system? Are you counting the $270 billion toward the $7,100?

Mr. KINGSTON. If the gentleman from South Carolina wants time, just speak up.

Mr. ABERCROMBIE. I will not take much longer. This is your time.

Mr. KINGSTON. I think these are very good questions and they are valid. As you know, Medicare inflation has been 11 percent a year. Regular medical inflation is between the 4- and 6-percent range.

What our plan does is try to slow down that increase of inflation and growth or growth due to inflation each year and get it down in the 6- to 7-percent range, which the gentleman knows is what Mrs. Clinton called for in 1993.

Mr. ABERCROMBIE. Which we have already achieved in Hawaii.

Mr. SANFORD. If the gentleman will yield, I think what is interesting about the numbers, and I mean you are looking at a 49-percent increase over 7 years, you are looking at an increase two times the rate of inflation, but you are touching one of the holy grails in politics, and I think the significance of that is that typically the way that Washington has been hear no evil, see no evil, speak no evil, as it relates to anything that might be at all controversial, and clearly Medicare is; but you have got a trustees' report that says if you do not do something you guys are going to have a real problem, that it will go bankrupt, period.

Mr. ABERCROMBIE. Then, excuse me, why would you not then want to take the $270 billion out of it? Why not apply it toward the $7,100?

Mr. KINGSTON. Reclaiming my time, let me make correct the terminology to the degree that we are not taking money out of that. What that $270 billion figure represents is the projected growth at the 11-percent inflation rate range, and for us to have private sector inflation rate in the 4-percent range and public Federal health care and Medicare at 11-percent range is totally inefficient. What we want to do, as a way to reduce that growth rate, is to increase the competition and replace that 1964 model with a 1995 model which will save and protect and preserve Medicare.

Mr. SANFORD. If I might interject just prior, I think the significance of that, though, is that you look at, I mean, Medicare right now is the equivalent of the only gas station stop on a very long and lonely stretch of interstate, and what is being proposed with this Republican plan is basically rather than that one gas station where, sure enough, you can count on getting gas but you may not get the lower price or best service, is having six or seven little gas stations so you begin to have competition, which begins the working of the marketplace which directly affects price.

Mr. ABERCROMBIE. I appreciate you yielding the final time. I think you would be able to make, not you personally, but we would be able to make this argument back and forth in a way that could resolve this issue a lot better, then, and I think would be understood more easily and accepted, perhaps more importantly, by the American people as a whole, than if we kept that argument within the Medicare-Medicaid-Social Security syndrome and got rid of the tax cuts. I think if people were not making the association between cuts and/or additions arguments that are made in Medicare and Medicaid, in the context of a tax cut, if we could remove that tax cut from the context, I think that this argument would reach a different level of not only civility but of understandability and perhaps even acceptability within the country.

Mr. KINGSTON. I appreciate the gentleman's comments. I would be quick to say, unfortunately, it is Members of your party who have linked the two even in the face of their own trustees saying that Medicare is going bankrupt in 7 years.

You know what, I was reading an article about President Clinton, who has not had an agenda this year, has finally found a cause to be, and that is the agenda of fear on the old folks, saying that Republicans are going to do all kinds of things to the elderly, as if we do not have parents, as if we do not have grandparents. And so I am glad that the gentleman is forthcoming, and I will say this, that I was asked by a reporter the other day, "Well, isn't the balanced budget going to be an election issue if you do not solve something?" And I said it is going to be an election issue whatever happens. And it was in 1994, it was in 1992, it was in 1990, and it will continue to be, as will all Federal Government spending.

Mr. ABERCROMBIE. I am very grateful for your yielding the time. I hope at some point when I am discussing the balanced budget issue, perhaps you could be on the floor, and perhaps I could yield time to you so we might further the discussion.

Mr. KINGSTON. I am always happy to yield time to the distinguished weightlifting gentleman from Hawaii.

Mr. ABERCROMBIE. Many thanks. I send you my aloha.

Mr. KINGSTON. We wanted to touch base also on this tax issue because I think that it is important to talk about it because we have heard so many times that it is a tax break for the rich.

Now, President Clinton said as much as President Clinton says anything that he supports a capital gains tax cut. Then, of course, he immediately said a disclaimer, saying, "I am not sure how much or when," or whatever kind of Clintonesque comments he would qualify something with.

But let us assume that the capital gains tax cut is OK. So what do we have now that we are giving to the middle-class taxpayers that has horrified so many of the folks on the other side of the aisle that is a tax break for the rich?

This is it, a $500-per-child tax credit. Now, who is going to get the benefit of that? Eighty-nine percent of the people who get benefit of that have a family household income of $75,000 or less.

Now, look at this, 4 percent of the people who benefit from that have an income of over $100,000. Now, there are Members of this body who like socialists more than they like successful people who have earned and lived the American dream, and I think that is too bad. We need to have successful people in our country, and we cannot constantly use them as a whipping post for all of our frustrations because maybe not everyone knows how to make that money. So 4 percent of the people who are going to get a $500-per-child tax break have an income of over $100,000, and I believe we have capped it anyhow at $110,000 down the road.

But, you know, what I am saying, that 89 percent of the people who are going to benefit have a household income of $75,000 or less. Does that sound like a tax break for the wealthy?

Mr. FOX of Pennsylvania. It does not. Further, what made the middle-class tax reform such a viable proposal, which had bipartisan support in the House and the Senate, is that it also had some other significant items that helped other individuals across the board, an adoption tax credit of $5,000 to help families adopt children. It also called for a seniors' earning limit increase. Right now seniors under 70 cannot make more than $11,280 without deductions from Social Security. Our proposal would take it up to $30,000 a year.

Mr. KINGSTON. Let me interrupt you one minute. As I recall, President Clinton increased taxes on Social Security in 1993.

Mr. FOX of Pennsylvania. That is correct.

Mr. KINGSTON. What you are saying is we are repealing the Clinton Social Security tax increase.

Mr. FOX of Pennsylvania. And as well allowing the seniors to earn more than $11,280 a year without having a bite out of social security, both.

Mr. KINGSTON. I guess since the Democrats voted for that social security tax increase, that is why they do not want to vote to repeal it?

Mr. FOX of Pennsylvania. Obviously, I could not explain that to you as to reasons of other persons. I think the proposal has a lot of merit. It also called for elder care tax cut, two new IRA's for individuals and couples, and I think, frankly, with the infusion of the capital gains tax reduction for individuals and businesses, what we are going to have here is growth of businesses, growth of savings, and growth of jobs, all of which are pro-economy, and pro-people, and so it is the populist idea that has been embraced by Republicans and Democrats alike as well as those who are financial experts on Wall Street and on Main Street.

Mr. KINGSTON. I think one thing that is interesting, as we talk taxes, two things about the administration, first, as a candidate the President promised a middle-class tax cut. That was part of his platform. That was one of the main planks of his platform as a candidate in 1992. Speaking in Houston, TX, October 17, the President said, "Many people are still mad about the 1993 budget," and they think he raised taxes too much. Now I quote, "It might surprise you to know that I think I raised them too much, too," the President said.

So, you know, here we have a candidate who said he was going to give a middle-class tax cut; then we have a President who 2 months ago said, "I think that I raised taxes too much."

Mr. FOX of Pennsylvania. That is what gives me hope that we are going to come to a settlement here. We are going to get a balanced budget. We are going to make sure programs like Medicare, Medicaid, the environment, children's programs, education, will, in fact, be there for all Americans, but not with the waste we have had over the last 20–30 years, with the unbridled spending which duplicates much of what is happening in our local districts, and none of the waste that has come from having bureaucracies upon bureaucracies to the extent that we are definitely spending too much.

□ 2045

Mr. KINGSTON. I want to talk about some of the unbridled spending after the gentleman from South Carolina.

Mr. SANFORD. Just on the subject of taxes, I hear it a lot at home. You are talking about Main Street. What is interesting is to think the National Taxpayers Union estimates that all of us spend basically the first 6 months of each year working to pay for the total cost of Federal, State, and local governments. If you actually break that down on a daily basis, it means that everybody goes to work in the morning, they spend the entire morning working for somebody else, they break for lunch, and then they get to spend the afternoon working for themselves and their families. What I am hearing from folks is that does not make common sense.

What I think to be even worse, you look at how that is going to impact children. It takes every single Federal income tax filed west of the Mississippi simply to pay the interest on the national debt. And if that was not bad enough, what is worse is how it looks for our children.

A child born in America today will pay $187,000 in taxes to pay for their share of interest on the national debt. Viewed another way, generational accounting says to keep our Government solvent, they would have to pay an 82-percent tax rate if we stayed on the course we are on. So I think when we talk about these tax rates, they are fairly alarming numbers that I think impact everybody's lives.

Mr. KINGSTON. I think it is important also to point out that in our budget process, not only do we repeal that 1993 tax increase on Social Security, but we also increase the earnings limitation. As the gentleman knows, senior citizens are only allowed to make a certain amount of money at the age of 62. This increases that threshold from $11,000 to $30,000 over a 7-year period of time so seniors can remain working, productive, and not be penalized on their Social Security that is also in the budget.

We mentioned spending. I wanted to make this point on spending. One of the programs that the President has said he is prepared to go to the mat for is his AmeriCorps Program. I know there are a lot of good things that happen through AmeriCorps. But here is a Savannah Morning News article, an editorial, about the volunteers. It says that the volunteers working for AmeriCorps are making approximately $18 an hour. It says that the program is already bigger than Peace Corps ever was, just in its first year of operation. It has become a costly Great Society program that relies too much on government and not enough on society to solve its own problems.

The General Accounting Office, which is nonpartisan, reports that the average participant in AmeriCorps is supported by $25,000 in Federal, State and local taxes. That is more than private sector jobs.

It talks about some of the good things that they do, feeding the hungry, helping the elderly and so forth. And then this article says but those AmeriCorps volunteers are paid only about $9,000 for their $1,700 of community work, with approximately $1,500 of that going to college expenses. The rest of the $25,000 goes to the bureaucracy.

This is the President's idea of efficient and effective spending? Going to the volunteer himself is $7,500, and the balance, well, minus the college tuition, is going to the bureaucrats. That is what we need to change in Washington. If it is a good program, certainly the President should want to try to reform it and change it.

Mr. SANFORD. Where I grew up back in South Carolina, volunteering was actually volunteering. Aside from having philosophical questions about being paid to volunteer, I think it goes back to what Davy Crockett said on the House floor, again more than 100 years ago, and that was this whole notion of there are a lot of good things we would like to do for other folks, but when we are spending other people's money to do so, I think which have to pause a real long time.

Mr. KINGSTON. That is exactly right. Here is another example of a good program that went bad, the Earned Income Tax Credit. Now, the Earned Income Tax Credit, the idea was to get people off of public assistance. But since they would not be making as much in the private sector immediately as they were when they were on welfare basically, then you give them a tax credit so they would have extra money for housing and food and insurance, and so forth.

I think that is very noble, and Ronald Reagan supported it, and TOM PETRI, who is one of our best members of our conference, has been a champion of that in the past.

But in 1993 that program was expanded, and expanded rapidly, and here is what some of our colleagues on the other side of the aisle are doing to capitalize on the fact this is basically free money. This is an actual mailing that went out to constituents of a Member of Congress. Listen to this.

Put some money in your pocket. The Earned Income Tax Credit. You may be eligible for as much as $2,258 tax credit. See details on back. Come clean. Your money. Did you work in '94?

What is ironic about this is you don't even have to work now under the Clinton changes, you can prefile and get your money advanced before you actually do the work. It says you are eligible if this and that. "Even if you do not owe income tax, you can get EIC. Want more information?" Call another toll-free number, the IRS.

I have deleted the Member's picture for decorum purposes, but it has a picture of the Member of Congress. It has his address, and it has his office number, and so forth.

So obviously what Members of Congress are doing with the Earned Income Tax Credit are not doing this as a champion of the poor. This is a paid brochure. It is a public money giveaway. The bottom line here is not to help the poor; the bottom line is to keep people in Congress and keep the poor dependent on them. "Hey, you want your check? Send me back to Congress." That is totally wrong and totally against the spirit of what a public assistance program is.

Mr. SANFORD. I would simply agree with the gentleman in that there are too many things with the way Washington works that do not reward savings, they do not reward investment, they do not reward hard work, and a lot of things in essence are tied to feeding people in essence with a spoon, keeping them tied to the government knot, rather than having them out there. Again, what we need to reward in American society is initiative.

Mr. KINGSTON. Here is another example of a program gone amuck. This was sent to me by Mr. E.R. Lott of Folkston, GA. It is a copy of a letter to the editor by Brenton Bradbury in Jacksonville to the Florida Times Union.

It said,

> An expensively dressed woman came into my office a few days ago to rent a house I had advertised in the paper. I took a chance and rented the house to her, despite her bad credit, because her income was good. She paid the month's rent and a security deposit, a total of $1,130 in cash.

What makes this situation remarkable is that this household's very substantial income, expected to exceed $46,000 this year, is derived entirely from the Government and welfare programs. This 36-year-old mother of four teenage children also has her elderly disabled mother living with her. One of the teenagers is retarded, one is pregnant. When I added up the various income amounts listed in the rental application, I was astounded, then angry.

I telephoned the Florida Department of Health and Rehabilitative Services and learned it is all perfectly legal. Their monthly income includes two welfare checks totaling $1,510, an Aid to Families with Dependent Children check for $214, food stamps worth $440, a Housing and Urban Development housing check for $550, Medicaid benefits worth $550 a month, and a projected $426 per month from AFDC when the daughter's new baby arrives.

He goes on to say that, "In addition, they will have a housekeeper come in twice a week at a cost of $242 a month that is paid for by the government."

It goes on and on and on. But it says their household income is $46,784.08, and it is all legal.

Then Mr. Bradbury concludes, "Ever wonder where your tax dollars are going? This is out of control. This is something that is scary."

Now, I know we could make the case and others will make the case that this women deserves every penny of it, and perhaps she needs or the baby needs some of this money. But $46,000 a year? Basically by taking advantage of government programs?

This is the real world, this is a real world case. Any Member of this House who wants a copy of that article, I will be glad to send it to them. But this is where your money is going. This is why we are trying to reform government. We are trying to do this not maliciously. We are saying, you know, you can help people, but you do not have to give it all away to do it.

Mr. SANFORD. I think this is what really gets underneath the skin of folks back home, these kinds of horror stories. I think what we also have to remember, we proposed fairly radical welfare reform, which I think is absolutely needed. But at the same time, I think what we are doing is preserving that hand-up element to welfare. In other words, when people are really down, what we have said is we are not going to abandon them.

To give you an idea of that, again, the budget is constantly talked about as being extreme, extreme, extreme. Yet, over the past 7 years, we spent $492 billion on welfare. What is proposed here with the next 7 years is $878 billion on welfare. That does not seem extreme to me. It seems to me it preserves the helping hand nature, but it ends that hand-out nature.

Mr. KINGSTON. Also, what our program does is lets States have some flexibility. I was in Savannah talking to a caseworker a month ago, and he said, you know, I could use some flexibility. If you combine the WIC program with AFDC, I will have some money and more latitude to help the people who need it, and you can get rid of some bureaucrats and I can do my job better.

I believe we need to have State flexibility, and that is what the block granting is all about. The other thing our program does is says if you are able to work, you have to work. If you are disabled, you have 435 Members of Congress who want to help you out. But if you can work, we believe it is time.

Remember, again, we have a $4 trillion debt, almost 5, and again, we are spending $50,000 per second as a Federal Government already. It is time to get these things under control.

Now, another program that the President does not want to reform, does not want to give an inch on, is the student loan program. I have a September 24 article written by Joseph Perkins, which also was in the Savannah Morning News. He talks about the White House, President Clinton's visit to Southern Illinois University. He talked to student leaders at a roundtable.

There was press there, his PR press, which we know is the network news, surrounding him to show this real live thing. But what Mr. Perkins says, unfortunately, the White House carefully screened all the students who were let in the room so the only people who got to talk to the President were the ones who were in complete agreement. He said there was one guy, a 24-year-old William Karrow, president of Southern Illinois Graduate Student Council, who had the audacity to suggest that maybe the President was picturing a distorted picture, and the White House bounced him out of the room and he was asked to leave the room.

So on the evening news, the President got the kind of coverage he was looking for, carefully selected adoring students promising that he would fight to protect their loans from the GOP.

Now, here is what Mr. Perkins says about the Republican plan. Student loans will actually increase 50 percent over the next 7 years. They will go from $24 to $36 billion. Now, in addition to that, Mr. Perkins goes on to point out that Pell grants have increased to the highest level, and he talks about the TRIO Program and the supplemental education opportunity grants going to $583 million, the TRIO Program, which is flat and goes strictly to basically disadvantaged students, $463 million.

This is what is happening with student loans. The Republican Party is not trying to rip the guts out of student loans, but the President will not even admit that there are problems with it. For example, as you know, the direct loan program lost $1.5 billion last year. We are just trying to correct it and make it more efficient. But at the same time, we are trying to increase student loans 50 percent.

Mr. SANFORD. I think what you are really getting at is the relatively gradual nature that is being proposed. Again, what we are talking about is overall Federal spending still going up by 2.4 percent each year. To give you an idea in relative terms of where that stands, take, for instance, right now our deficit is basically 2.2 percent of the whole economy. In France, it is about 2.5 percent, and in Sweden it is about 7.5 percent.

As you know, those countries have proposed cutting back on the size of their government. But what is interesting is we proposed to do this over 7 years. France has proposed to do it over 2 years. Sweden has proposed to do it over 3 years. What that means is the slowing of the rate of government that they are proposing, or the cuts in government they are proposing, are eight times as great in Sweden, and three times as great in France.

So, again, it goes back to, I think, the reasonableness nature that you were getting at.

Mr. KINGSTON. But, you know, a speaker earlier tonight, the gentleman from California [Mr. DELLUMS] raised a very good point, and his point was that this is a profound debate. I agree with him. This is a profound debate, because we are talking about two different visions of government.

Now, the gentleman from South Carolina earlier tonight talked about ancient civilizations that had fallen because of financial problems, and so forth. But the other thing that they have fallen, or the other consequence has actually been war, civil wars, internal strifes, coups, assassinations, and so forth.

I am proud we are not doing that in America. But when I draw that parallel, I am not totally off the farm here, because we are talking about a fundamental change in government. We are talking about shifting power from one group, basically a group in Washington who wants to handle and control everything, to another group outside of Washington, and those people are your neighbors, your associates at work, the folks at the grocery store, people that you see on the city streets. They are regular, normal people.

□ 2100

And what we want to do is go back to a time in America where those folks control their own destiny, their own towns, their own communities and make their own decisions.

I think there is an exciting opportunity out there to let, for example, the counties, and I represent 22 counties in the First District of Georgia, and I know the gentleman has multiple counties in South Carolina, to let our own counties control our own poverty, our own health care, our own ways of doing business. Does that mean that Government will be gone at $12 trillion over the next 7 years? There is no way.

The Federal Government is not going away, but the Federal Government is taking a step back and saying, hey, maybe there is a lot of brilliance back home.

I yield to the gentleman.

Mr. SANFORD. I think what the gentleman is getting at is balance, because I think what we both recognize is that over the years the Federal Government has done a lot of good things, whether that is with helping in cleaning up some of the rivers that were burning not that long ago, or whether it has been with educational programs, or bringing us out of the Great Depression, or bringing us through World War II. The Federal Government has done a lot of good things, but the pendulum has swung too far over here, and what I hear from back home is it has done a lot of wonderful things, but it is too far over here, because we want a little greater hand in educating our children.

We want a greater hand in how we spend the hours of our day. We want to have a little greater hand in deciding a whole host of things; and, therefore, we just have to bring the pendulum back over here a bit, so that we at the individual level or the county level or at the State level are making those decisions rather than the bureaucrat in Washington.

Mr. KINGSTON. That is right, and when the gentleman thinks about, well, the Government is getting out of this, there are 163 different job training programs. Now, if we cut 25 of them out or 20 of them out, the headline would be Republican party cuts out 20 job training programs. They will not say there are 143 of them still around. And yet, in addition, there are a lot of State programs and even local programs.

The EPA. We are getting a lot of criticism now for cutting EPA, and we have not passed that bill. These things are being negotiated. But recently I had the opportunity to talk to the National Association of State EPA counterparts. I do not know the exact name of their organization, but these were folks who were basically State EPA directors, and I thought, man, I am walking into a lion's den, but here is what I found.

No. 1, I found capable, intelligent, bright people, people who were close to the polluted river, close to the smokestack that was putting the dirty air in the atmosphere, and they were very much on top of the situation. They had a lot more hands-on experience than people in Washington.

No. 2, what I found is that they were not afraid of the EPA stepping back, because 20 years ago, or over 20 years ago now, when the EPA was started, their organizations were not in existence, and they have grown over 20 years. There is a lot that has come forward in the States in terms of environmental cleanup, in terms of health care, and in terms of poverty and so forth.

So just because the Federal Government is withdrawing its horns every so slightly in certain areas, it does not mean that there is not a presence of pollution enforcement or helping poverty programs or public assistance benefits and so forth. And yet that is what we are charged with over and over again. It is an absolute distortion of what really is going on here.

Mr. SANFORD. I would agree.

Mr. KINGSTON. Mr. Speaker, I want to conclude with this. Our vision is to have a balanced budget. We are not cutting the budget and we are not freezing it. We are increasing spending 3 trillion new dollars over the next 7 years. The President wants to increase it $4 trillion over the next 7 years. We can negotiate that. That is the American part.

Mr. SANFORD. I would say, in the midst of that debate, I have talked to folks back home, and they get awfully frustrated with the seeming fractiousness over Washington, yet what I tell folks at home is let us keep it all in perspective. We can look at a place like, for instance, Cuba, and we look at any kind of disagreement basically being squashed because there is a dictatorial rule, or we look at a host of places around the globe and we see people solving problems with guns rather than with words. And what we have going on right here, as messy as it is, I have heard that saying, that if one likes sausage, do not watch it being made. I guess the same is true with democracy. But what we have here is everybody yanking on the level of government control that was afforded them by the Founding Fathers; the Congress with its power to appropriate, and the President with his power to veto, all within the confines of a system that the Founding Fathers created. I think that is kind of exciting.

Mr. KINGSTON. That is right, and we are debating, along with the 3 trillion new dollars versus the 4 trillion new dollars, we are debating the role of government and releasing power out of the hands of Washington bureaucrats and empowering citizens, friends and neighbors, and putting it on the streets and in the cities and counties all across America.

The benefits of what we are doing, if we can balance the budget in 7 years, as Alan Greenspan said, interest rates will go down. If interest rates go down, we will have lower home mortgages, lower student loans, lower car payments, but probably most importantly is that we will have more jobs and more prosperity in the economy.

Now, this is a very difficult process. We are going to go through with it. As we started out saying earlier, we believe that it is time. It is timely to get the Federal Government employees back to work. We want to pay those folks who are working. We want to get the ones who are not working back on the job, and we think that is the right thing to do.

We want to move that issue from the table, or speaking at least for myself, so that we can get to this focus on the 7-year balanced budget. I am hearing a lot of people saying, of course, I support a balanced budget, but they did not vote for it and they have not cosponsored one. There are Democrats and Republicans who have voted for a balanced budget and have cosponsored one, but there are a lot who have not.

I do not believe a Member has the right to come to the well and say they support a budget if they do not have one at this point, because the people of America pay us $134,000 a year not just to criticize what the other side is doing but to bring our own ideas to the table. If Members have their own ideas, they can criticize mine, but if they are just sitting there criticizing without a plan of their own, maybe they should return some of their paycheck permanently.

With that, Mr. Speaker, we yield back the balance of our time.

REPUBLICANS' GOVERNMENT SHUTDOWN AFFECTS THE COUNTRY'S MOST VULNERABLE CITIZENS

The SPEAKER pro tempore (Mr. METCALF). Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 60 minutes as the designee of the minority leader.

Ms. DELAURO. Mr. Speaker, before my colleagues and I get started this evening, I would just like to make one comment about the commentary of the prior speaker having to do with the earned income tax credit, a program that, I might add, was started by President Ronald Reagan. And to refresh people's memories, he was a Republican President of the United States. President Reagan started the program to help to keep working families off of welfare.

I might also remind my colleagues of the words of another Republican, Mr. Jack Kemp, and these were his words in October of 1995, and again I quote. "I hope you guys", making reference to the Republicans, "do not go too far on removing the EITC, because that is a tax increase on low-income workers and the poor, which is unconscionable at this time."

Mr. KINGSTON. Mr. Speaker, would my friend yield for 30 seconds?

Ms. DELAURO. Mr. Speaker, I want to finish my commentary and then get into our program, so I want to finish what I am going to say here.

I might also say that it is interesting that in the tax break package that is being offered by the Republican majority in this House that there was another Ronald Reagan program called the alternate minimum tax. For those who do not know what the alternate minimum tax is, this is a tax that the richest corporations in the United States pay.

President Reagan, with very good thought and vision, put this into practice, because oftentimes the richest corporations in this country, when they took all of their deductions, would find that they had a zero tax obligation. He thought, as did others, that it would be unfair to have that occur, that the richest corporations in the country would not be paying some portion or a fair share of taxes the way that ordinary Americans pay their taxes. So he put in a 20 percent rate, and the Congress approved of a 20 percent rate on the richest corporations in the country.

Into that tax package that the Republicans are proposing, the $245 billion tax break package, the alternate minimum tax is repealed, repealed, which means that, once again, if this passes and is law, that the richest corporations in the United States will have a zero tax obligation. It is a $17 billion windfall to the richest corporations.

Mr. Speaker, I want to remind my Republican colleagues about that, and I also want to remind the listening public that what Mr. Kemp says, that tampering with the earned income tax credit, which the Republican package does in cutting the earned income tax credit, is an increase on taxes for working families at the same time as my Republican colleagues are decreasing taxes for the richest corporations in this Nation.

No wonder the public said to the President of the United States, 60 percent of the public said veto Mr. GINGRICH's budget bill and do not balance the budget on the backs of seniors and Medicare and Medicaid, and on students and education, and on working families with being unfair to them in terms of taxes.

My colleagues are here tonight so that we may have an opportunity to talk about something that is on everyone's minds, everyone's lips, and it is in all of the news. And what we have tried to do is to organize a special order tonight on behalf of the millions of senior citizens in this country and their families who are sitting at their kitchen tables tonight struggling to cope with the impact of the Government shutdown. Day No. 20.

Our seniors, including many of this Nation's veterans, live on fixed incomes. They do not have money to fall back on when their benefits are cut off. Now, these vulnerable citizens have become pawns in what is a very, very cynical political game being played by House Republicans, who are refusing to open the Federal Government, despite what they tell the public. They had the opportunity to open the Federal Government 12 times, the latest was yesterday.

Let us be clear about what is happening here. The President of the United States, the Democrats, responsible Republicans all agree that it is time to end the Government shutdown and it is time for Speaker GINGRICH and the right wing extremists in the House to stop holding America's seniors hostage to their political games. It is power politics at its worst, is what we are watching.

BOB DOLE, and I don't have the quote up here, but I will get it, BOB DOLE, the Republican majority leader of the other body, wants to reopen the Government. He said enough is enough, and he is right. He is absolutely right. He said that this has gone about as far as it can go. We need now to put people back to work.

I don't want to misquote the majority leader. This is what he says. "I don't see any sense in what we have been doing. I would hope that we would have quick action in the House. People have been gone from their jobs long enough. Enough is enough."

□ 2115

And that quote was on January 2, 1996.

Now, how are seniors affected by the shutdown of the Federal Government? That is what my colleagues and I are here to talk about tonight. In my own district, the Third District of Connecticut, the Veterans Hospital in West Haven Connecticut cannot now legally pay for anything. They must depend on vendors to continue to provide, without payment, food, hearing aids, glasses, medical supplies, ambulance services and all of the lifesaving treatments provided our Nation's veterans.

Mr. Vincent Ng, the director of VA Hospitals in Connecticut, said "We will do whatever is necessary to care for our patients. We hope our contractors will support the needs of the medical centers during this crisis situation so that we will be able to maintain our full standard of patient care."

Our Nation's veterans should not be forced into paying for the failings of this Congress. Men and women who have put their lives on the line for this Congress and for this country deserve better than that.

Mr. Speaker, it is just not the veterans who are being hurt, but those who care for them as well. One VA employee called my office today to explain that he had received a paycheck of one week's pay and two weeks' worth of deductions. He called because he does not have any money for food. We made a reference for him and we directed him to the nearest food bank, to the nearest food pantry.

He is not alone. The plight of the VA employees in my district prompted Mayor Richard Borer of West Haven, CT, to make a public plea for donations to the local food shelters to help feed workers who are now not being paid. The people who care for our veterans deserve better.

The crisis facing our elderly veterans extends to every single State in this Nation. If the Government shutdown continues, veterans benefits may run out. New claims are not being paid for VA pensions, rehabilitation counseling, education, and home loans.

Programs that provide food to the elderly are also in jeopardy if the Government shutdown continues. Funding for the Meals on Wheels Program has evaporated. To understand how many seniors rely on this service, let me again give an example of one of the Meals on Wheels providers in my district.

The New Haven Community Action Agency provides meals to 2,000 senior citizens every single day. Some 600,000 elderly Americans face the loss of Meals on Wheels, transportation, and personal care. What are we about in this Nation? What are these people doing to seniors and to veterans in this country?

The Meals on Wheels program in my State has suffered a 40 percent cut in funding because of the shutdown. It is unclear how much longer we will be able to carry the Federal Government's responsibilities to feed our elderly.

In addition, Federal funds to States for Medicaid have been severely limited. On December 27, States received only 40 percent of the estimated quarterly payment for Medicaid. Without further action, the Federal match for Medicaid and its 36 million beneficiaries of the Medicaid program, two-thirds are elderly and the disabled.

While the House Republican leadership refuses to reopen the Government, the Republican leadership in this body continue to take their paychecks. These same Republican leaders promised last year that they were going to make this Congress live under the same rules as everybody else, but today while seniors worry about the fate of elderly feeding programs, while veterans' health services are jeopardized, while seniors are suffering, the congressional paychecks just keep on coming to the leaders, to Mr. GINGRICH.

Mr. Speaker, I am returning my congressional pay back to the U.S. Treasury and will continue to do so until the Government is reopened.

If Speaker GINGRICH and the right wing extremists in the House of Representatives who are keeping this Government closed were forced to put their paychecks on the line, I think the crisis would be over in a heartbeat.

The President, Democrats, and Republicans in the U.S. Senate all want to reopen the Government and stop inflicting pain on our seniors and veterans. But a small band of extremists in this body are holding America hostage. Yesterday, when the Democrats voted to try to reopen the Government, only 2 Republicans were brave enough to join us. Only 2.

Democrats need 20 good Republicans. Twenty. Mr. Speaker, 197 Democrats are prepared to have voted to reopen this Government. We need 20 Republican votes. So, I am pleading with my colleagues on the other side of the aisle to have the courage, have the courage to do the right thing, to show their allegiance to the American people instead of their allegiance to NEWT GINGRICH. Join us to reopen the Government and restore the services that the taxpayers have paid for and are paying for every single day that this Government is shut down. We only need 20 good Republicans, 20 patriots.

The 20-day Government shutdown is affecting more and more Americans. Seniors have been hit extremely hard, and remember, most older Americans live on extremely limited monthly budgets and are not able to compensate for the loss of vital Federal benefits.

Our Nation's veterans and other senior citizens should not be asked to pay the price of the Gingrich Government shutdown.

Mr. Speaker, I now yield time to my colleagues who have joined me on the floor tonight so we can engage in a dialog and discussion on this issue. I yield to my colleague from New Jersey, Mr. FRANK PALLONE, who has been a real warrior in this effort to reopen our Government and real friend of America's senior citizens.

Mr. PALLONE. Mr. Speaker, I want to thank the gentlewoman from Connecticut [Ms. DELAURO] for yielding to me tonight, and also to praise her for the fact that she is focusing tonight on how the shutdown particularly affects senior citizens and veterans.

I think it is important that we zero in on certain groups, because I think that is what the Republican Majority has done. Last night we talked a great deal about the EPA and environment and health and safety measures that are not being taken during the shutdown because the Republican majority effectively zeroed in on environmental protection and quality of life issues and has taken it upon themselves not only to shut down EPA and other such agencies, but also to cut back on funding and cripple these agencies in the future.

I think we are seeing the same thing happen with senior citizens. This whole debate over the budget is largely a function of Medicare and Medicaid. The fact that Democrats are opposed to the idea of giving huge tax breaks to wealthy Americans and taking money away from Medicare and Medicaid in order to fund those tax breaks.

Well, senior citizens are mostly impacted by cuts in Medicare as well as Medicaid, and I think it is no surprise, therefore, that a lot of the impact of this shutdown is falling squarely on senior citizens and also on veterans.

I just wanted, if I could, to spend a couple of minutes talking about what is happening in my home State of New Jersey. New Jersey right now is facing a financial crisis because of the Federal Government shutdown. It is particularly impacting senior citizens.

In order to pay for human services in New Jersey, the State borrowed yesterday $250 million to pay for Social Security services for the poor and elderly. The interest rates on these loans will be picked up by New Jersey taxpayers, while these same taxpayers watch services deteriorate.

Mr. Speaker, this is costing us money. Our constituents are seeing less and less services and they are going to have to pay more for it. If we look at the services provided to the elderly under the Older Americans Act, they are very much threatened right now in the State of New Jersey. In Middlesex County in my district, over 11,000 seniors directly benefit from the Older American Act programs, including Meals on Wheels.

The State is seeking to provide my county Offices on Aging with just enough money to keep the Meals on Wheels and the senior nutrition programs going for the rest of this month, but all the other programs funded under the Older Americans Act are threatened. This includes home health care, visiting nurses, critical care management, friendly visits, information referral services, legal services. There is no money available for these programs, many of which are essential for seniors' well-being and avoiding institutionalization.

I know that the gentlewoman from Connecticut [Ms. DELAURO] has always stressed, as I have, preventive care. We do not have any prevention anymore during the shutdown. Another example is the loss of money for emergency housing assistance for seniors who cannot pay the rent.

We know that nationwide 10,000 Social Security workers have been laid off, putting a strain on the entire operation during what is the busiest month of the year, the beginning of the year. And it has been impossible for seniors to get through to the 800 number in the northeast region, and my office got a lot of calls complaining about this. Apparently, because of the lapse of the tax on airline tickets, the airline 800 numbers have been swamped with calls and, therefore, that blocks the use of the Social Security 800 number. It sounds like a minor impact, but it is very important.

Mr. Speaker, I called the Small Business Administration in New York-New Jersey and found it shut down completely and this affects the statewide SCORE program, in which retired businessmen provide assistance to small businesses and other businesses which help accommodate the elderly.

Mr. Speaker, I want to talk briefly about veterans. Every work day that Congress fails to provide funding to the Department of Veterans Affairs, 500 widows and other beneficiaries will not be paid the proceeds of veterans life insurance policies. There is no staff available to handle the claims because of the furloughs. Think about it. How would my colleagues like it if their spouse was unable to collect their life insurance benefits if they were to die? For this reason alone, I think the Republicans should support the continuing resolution.

As my colleague from Connecticut mentioned, employees of veterans hospitals are being forced to work without pay. I commend them for their dedication, but these employees are going to lose their motivation to work for the VA at some point. We are talking about veterans who dedicated their lives to this country. I just think it is totally outrageous.

The gentlewoman from Connecticut mentioned Medicare and Medicaid. It is reported in today's Star Ledger, which is our largest circulation daily in New Jersey, that in the State Human Services Department, the Secretary has said that the department faces the greatest potential for disruption at this point. Each day the Federal dispute goes on, the likelihood increases that a scheduled $130 million payment for Medicaid is going to be delayed and, of course, Medicaid, the majority of it, is used for medical care or nursing home care for senior citizens.

Let us look at the headlines of some of the papers about how our State, New Jersey, is really feeling the impact of this, and again the major impact or a significant part of the impact is on senior citizens and veterans. I just think it is so unfair. So many of us started this whole budget debate, if you will, and came to the floor months ago because we were concerned about the impact of these Republican cuts on Medicaid and Medicare, and now we are seeing the same senior citizens immediately affected by this Government shutdown.

I wanted to say one thing, and I will yield back, which is that I am somewhat encouraged by the fact that the gentlewoman mentioned that we only need 20 Republicans in order to get this continuing resolution passed and the Government open again. I heard that yesterday in the Republican conference there were 54 Republicans who wanted to vote for that. Really, the blame now is entirely on the Republican House leadership, on Speaker GINGRICH and the others, because they are afraid to bring this up because they know if they bring up the continuing resolution, we will get enough Republican votes to pass this with all the Democrats. Hopefully reason will prevail and if we keep this up, as the gentlewoman has so well, we are going to see some light over the next few days.

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New Jersey. I think that it is largely because it is what BOB DOLE said: "Enough is enough." And it was a bipartisan consensus in the Senate to bring people back to work, let them earn their pay, and let us then sort out what budget differences that we have.

□ 2130

I also just want to mention one point because I am so delighted that you brought it up before I yield to the gentleman from Virginia, that it is this whole notion of focusing on balanced budget is just political posturing, because the issue has been what it always has been, what are our priorities in this budget. We all want to see our fiscal house be put in order.

A $245 billion tax break for the wealthiest Americans is not putting our fiscal house in order, especially at the expense of Medicare, Medicaid, education, and the environment.

Our Republican colleagues would like to continue to mask what they are doing, and I thank the gentleman for bringing that issue up again.

I now yield to the gentleman from Virginia [Mr. MORAN], who has represented Federal employees in the very, very best manner possible.

Mr. FROST. If the gentlewoman will yield for just a moment, I have just been informed, for members of the Committee on Rules who may be watching this debate, that the Committee on Rules will meet at 10 o'clock this evening, in 30 minutes, to consider a resolution on this particular matter of the Government shutdown. We do not know all the details, but that there will be a Committee on Rules meeting at 10, and I hope that something constructive will come from that.

Ms. DELAURO. I thank the gentleman. I would encourage members of the Committee on Rules to find their way to the Committee on Rules by 10 o'clock.

Mr. MORAN. I thank the gentlewoman from Connecticut for yielding to me, but more importantly for her continuing commitment to educate not just her constituents but this great Nation on what issues are at stake here, why we have come to this crisis.

It is a contrived crisis in terms of the Government shutdown. But the American people need to understand why the President cannot in good conscience accept the Republican 7-year plan, as the gentlewoman from Connecticut and the gentleman from New Jersey have continually emphasized he cannot. I do not think any President could in good conscience, knowing that it only takes $90 billion to make the Medicare Program solvent, cut the Medicare Program by $270 billion so that you can take $180 billion and pay it out in tax cut for the most affluent Americans.

In my State of Virginia, only 3.7 percent of the entire population of the State of Virginia would get the majority of those tax breaks. Now, they may all live in my district, but the point is, even so, it is wrong, and we do not want him to accept such a substantial cut in a high-priority national program in order to make the kinds of tax cuts that put us in this situation in the first place.

If it were not for those tax cuts in 1981, we would be in a surplus today, and, in fact, we probably would not even have a Federal debt. It is the interest we are paying on the debt incurred during the Reagan administration alone, just that debt, the interest on that debt is greater than the deficit today, which means if it were not for the debt incurred primarily because of those 1981 tax cuts, we would have a surplus budget today.

So let us understand where this problem originated, and here we are, deja vu. We are going to do the same thing all over again. We are going to start out with tax cuts that are politically popular, and then, now, the Republicans are promising, "Well, we are not going to do that, just tax cuts. We are going to cut your programs." Wait and see.

The President cannot in good conscience accept such a dramatic cut in a program like Medicare when two-thirds of the cut goes into tax cuts. But it is not just dollars and cents, as the gentlewoman and gentleman have been emphasizing night after night. We know that about 60 percent of the Medicare population only cost the system about $500 a year. Ninety percent of Medicare beneficiaries cost the Medicare Program less than $1,300 a year.

The Republican plan, and they are absolutely right, it does increase each year, it starts by giving vouchers of about $4,800 a year and goes up to about $6,800. But think of this: If 90 percent of your population is only going to cost about $1,300 and you are getting a voucher of $4,800, there is a tremendous profit to be made. How? By avoiding the 10 percent who cost the system $29,000 a year.

And the reason the President cannot accept this Medicare plan is not just the cuts that go into tax breaks but it restructures the program. It tears down a fundamental concept, what we think is an American principle. It is called community rating. That is the technical term. But what it says is we are all in this together. Those 10 percent of the people that cost the system $29,000 in a year, they could be any of our parents or grandparents. We do not know who it is going to be. But if somebody has to have that help to stay alive, has to have that expensive treatment, the American people feel that it is the right thing to meet that need. That is community rating, and if somebody needs it, then the money will be there. That is what insurance is supposed to be all about.

But when you turn it over, when you privatize it, when you turn it over to managed care, what it will do is to set all of these various insurance companies who have as their motive profit, the Medicare program costs about 1.2 percent in administrative costs, and managed care companies, and many of them are wonderful, but their average profit was about 20 percent last year. Twenty percent of the premium goes into profit. They are going to go out, their bottom line being profit, and they are going to target this 90 percent of the Medicare program that will not cost them much to provide care for, and they are going to make a tremendous profit.

In fact, in the 15 States where we did test cases, very interesting, it cost the Medicare program more money because by managed care companies going in, targeting this population, making it very difficult for anybody that is really sick or infirm to go in to many of the managed care plans, they stay in fee-for-service. And they wind up segmenting the population, and that 10 percent winds up being really dependent upon public hospitals at a much greater expense. That is what is going to happen under this program.

That 10 percent is not going to get the care they need. In fact, they are going to pay astronomical costs eventually in out-of-pocket expenses for care that they desperately need. That is what it is all about.

The medical savings accounts that we hear so much about, it is touted so much, and, of course, just follow the money trail. We know why it got into the bill in the first place: because of all the substantial donations to GOPAC and so on.

But the point is that last year the principal insurance company that offers medical savings accounts, of the insurance premiums that they received, 40 percent went for profit. Only 60 percent of the premiums they received went for medical care. So now we want to turn this over to a national program where 40 percent of the premiums the American people pay are going to go into corporate profit instead of medical care? No. We cannot allow it to be done. And that is what is happening. That is why the President cannot accept it.

Just quickly on Medicaid, that may be a worse situation. In Medicaid, the Governor of Virginia was one of the Governors, Republican Governors, who wrote a letter asking that onerous provisions be removed from the Medicaid program. What were the onerous provisions? Spousal impoverishment protection and the regulations that were passed during the Reagan administration. The spousal impoverishment provision, which says that if your spouse is in a nursing home, then the State cannot go and seize your home and your automobile and all of your assets, that has been weakened by this bill.

So, now, every spouse that has a spouse in a nursing home is threatened with not being able to hold on to their home and their assets.

What President Reagan did was to protect them up to at least $14,000 of assets. Gone.

And the other thing that the Republican Governors are so insistent about they do not want the regulations that were put in in 1987 in the light of unbelievable abuses in nursing homes where people were living in squalor, where they were strapped down, where they were drugged so they could not even talk, so that you would not have to provide for them, because when you do provide for them, when you do not drug them, when you do not strap them down in bed, then it requires a lot more personnel. Personnel are expensive.

If the States are on their own, they are going to be able to fire these personnel and go back to the old days of treating people without dignity, without respect, in inhumane ways. That is what we are afraid of. That is why we do not want the President to accept what we call structural changes. They are profound changes. They are threats to the entire concept, all the values that we have established throughout our generation, for the last 50 years, based upon the principle that everyone deserves respect, dignity, everybody has an opportunity to live out their lives with some concern, some care, and their family, even if they cannot afford it, to be able to be sure that their loved one is not going to be abused. That is what we are talking about: abused, exploited, and treated without human dignity. We cannot allow this country to go back to the inhumane conditions that gave rise to these protections. That would be eviscerated in this bill. It is wrong. The President cannot in good conscience accept it.

Those are some of the reasons why we are in the situation we are in, and they are reasons why the President cannot yield. What we have to do is go back to the way we have always done things in the past, get a continuing resolution, an interim spending bill, let the Government function, try to work things out. Then, if it comes to it, let next November be a national referendum on such profound issues.

I thank the gentlewoman from Connecticut for giving me the opportunity to spend some time with you.

Ms. DELAURO. I thank the gentleman. Thank you for going through those various programs.

I yield to the gentleman from New Jersey.

Mr. PALLONE. I just wanted to add something, because I am so glad that the gentleman from Virginia [Mr. MORAN] brought up how profound the differences are in some of these budget issues, particularly Medicare and Medicaid.

I was very aggravated, if you will, last night when I listened to some of our Republican colleagues suggest that, oh, there is nothing really to this, you know, the President can just sit down and split the difference on some of the numbers in terms of Medicare and Medicaid with the Republicans and everything will be fine, and he can sign the bill and all the Government employees can go back to work.

These are profound differences. Just briefly, on the Medicaid issue, which I consider really probably the most important issue, they are talking, the Republican leadership, essentially, with this budget, is talking about destroying Medicaid as we know it. The whole basis of Medicaid is that if you are below a certain income and need health insurance, that you are guaranteed the health insurance and that you are guaranteed a certain package of health insurance that provides for health care, that is necessary for a lot of low-income people.

Again, most of the money goes to pay for senior citizens, and what they are doing here is just saying we are going to block grant, we are going to cut the amount of money available, we are going to send it to the States, and we are going to let the State decide whether or not they want to cover certain people and what kind of benefits they want to give them.

Now, we know that is going to mean a lot of seniors who are now in nursing homes are not going to be eligible for nursing home care paid for through Medicaid. We know a lot of disabled people are probably not going to be on the eligibility list.

Of course, all the other things built into the Federal program that you mentioned, the nursing home standards, the fact that they cannot go after certain spousal assets or go after the assets of children, all of these things are thrown by the wayside. So we are talking about the end of Medicaid as we know it, and unless there is some sort of Federal guarantee that the people who now receive Medicaid would continue to receive it, the President cannot possibly agree to this.

So it is not just a question of splitting the numbers. You know, the Republicans, I think are talking about cutting $185 billion in Medicaid, and the President has said, well, perhaps the program can be cut by $35 billion or so. It is not just a question of splitting the numbers. This is a profound difference.

The Republicans are trying to basically eliminate the Medicaid Program as we know it. The same is true for Medicare.

Mr. MORAN. If the gentlewoman would yield for just a moment for a response, it is also true that there will no longer be any guarantee that everyone be treated at least equally within the State. The Governor can discriminate geographically, demographically, any way they want. It really does come down to the concept of community where we all care about our neighbors versus the concept of survival of the fittest.

☐ 2145

This debate is instructive, important, and we ought to have it. Some people would say "Look, if I am young and healthy, I should not have to support old and sick people. That is not my responsibility. I am on my own."

That is a fair, legitimate point of view. And people in this country ought to make that determination, what this country is all about.

Others would say if we can afford to as a Government, then everyone has the right to live in some manner of dignity, with some basic minimal standards of respect and care, because we do not know when we are going to become impoverished, become sick, become dependent upon others.

Now, the American people ought to make these kinds of choices between the concept of community and the concept of survival of the fittest. But it ought to be done in a knowledgeable way, it ought to be a national referendum. That election is 1994, where you had less than 40 percent of the people vote, certainly was not a mandate to eviscerate, to cast aside the concept of community that has guided this country and made it the greatest country in the world at the greatest time ever to live in the United States of America. There was no mandate given to do that.

Now, if the American people want to give that kind of a mandate next November, they will have an opportunity to decide. But that is how this ought to be decided, as a national referendum, not by holding Federal employees hostage and by these kinds of tactics of terrorism that we are seeing played out on the floor of this House day after day.

Ms. DELAURO. I would just say it is a question of values, where are our American values. I think the public has a very clear idea of where those values are in looking at protecting Medicare and Medicaid, the education for our young people, our environment, and making sure that working families can see their way in this country. That is what it is about, values.

I would like to yield to my colleague, the minority whip, the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. I thank my colleague for yielding and taking this time this evening and for engaging in this debate and this dialogue.

Mr. Speaker, I want to go back, if I can, to a theme that we had been talking about and are still talking about that sometimes tends to get lost in this debate we are now engaged in with respect to the Government, and that is the whole question of what we are fighting for in this budget debate. We have talked about that this evening. But I want to reemphasize to people the Medicare piece, and why we feel so strongly about Medicare.

The Department of Labor this year did an analysis of what the income levels of our seniors were in this country. They found that 60 percent, 6-0, 60 percent of our seniors had incomes of $10,000 a year or less. That is combined Social Security and retirement income, $10,000 a year or less.

Now, what we have witnessed this year with these Medicare dismantling proposals by our colleagues, our Republican colleagues, is an additional cost out-of-pocket for these people who make $10,000 a year or less of probably close to $500.

When you add on top of that what the insurance industry plans to charge these people with respect to their Medigap insurance, you are talking another $300 to $500. We are talking about 10 percent of their income.

That is way we feel so strongly about this, because the proportion of shared burden here is not falling the way we think a community ought to deal with a question of this magnitude.

We are, as the gentleman from Virginia [Mr. MORAN] said, a country that has a sense of community, and this is really in many ways a question of is it the survival of the fittest, or are we going to act to take care of each other, to take care of our fathers and grandmothers and grandfathers and mothers who went before us. The folks now who are seniors are folks who fought, they went through the Depression, they saved this country and the western world, civilization, for democracy and freedom and justice. And here they are; they struggled all their lives, and these folks get to the point where they want to take a deep breath and try to enjoy the last remaining years, and we are sticking them, they are sticking them, excuse me, with a $1,000 bill basically.

That is what this is about in many ways. I could make the same case on Medicaid. Why are we so firm in our position with respect to Medicaid? Because 25 percent of the kids in this country get their health insurance through Medicaid. It is because so many of our seniors depend upon it for long-term care. It is because our disabled depend upon it.

Heaven knows, each one of us, someone in our family could be in that position at the drop of a hat, and they are. So when we fight for Medicaid and we fight for Medicare, we do it because it is really an important piece of community. It is an important piece of this country and what we are all about as Members of this institution, as members of our party.

So I thank the gentlewoman for taking the time this evening and for giving us an opportunity to talk about the effect on seniors. We need to get this Government back working full time. Senator DOLE was absolutely correct, enough is enough. "I do not see any sense in what we have been doing," he said. I would hope that we would have a quick action in this House of Representatives. People have been gone from their jobs long enough. Enough is enough. The majority leader said that in the Senate. We need to take him at his word.

We are going to try tomorrow to bring up a clean CR. We are going to try again to get these folks back to work, these services provided to the American people, so we can get on with these budget talks and get on with the sense of community.

Ms. DELAURO. I thank the minority whip. I think that you are right. The public wants to see us every day continue to fight on their behalf. So we now have had 12 votes on trying to reopen this Government. We ought to have as many as necessary, and have one everyday if that is what it takes to reopen this Government. I thank you all for your comments and for your unbelievable work in this area.

Mr. WISE. If the gentlewoman would yield, if I could just take 2 minutes at the most to just mention what the impact on seniors is in my state. We have done some checking, and the fact that the Government is shut down, a partial shutdown, still affects senior citizens greatly. For instance, we have done some checking and find out that the thousands of black lung recipients, these are coal miners who have worked a minimum of 20 years, but most often 30 or 40 years in the coal mines, and have received a determination they are 100 percent disabled as a result of pneumococcus, black lung, coal dust in their lungs. They wake up choking every morning black dust. The Department of Labor will not be able to make full black lung payments after next month if this Government remains shut down in the present state it is in.

We have many workers, of course, who are retired railroad workers. The Railroad Retirement Board tells us that 2,700 retirees in our State will see a 64-percent reduction in their vested dual benefits as a result of this shutdown if it is not alleviated quickly.

Medicare vendors will be affected as well. These are people providing services that Medicare recipients depend upon. They will be affected in the payment of their bills.

We have heard a lot about how Meals on Wheels are not affected by this, some saying they have been out there and said in such an area the program will go indefinitely. That is only if the local government picks up the share. In West Virginia, Meals on Wheels at the Federal level will not be able to continue after January 15. Yes; the State can pick up the difference. The problem is our State, like every other State, is trying to anticipate the cuts that are coming eventually in Medicaid and the other programs that are so important, and there is no money to go around.

So whether it is black lung, whether it is railroad retirees, whether it is Social Security recipients, Medicare vendors, all nature of senior citizens, the programs attendant to them, the fact that this Government is shut down, through no fault of their own, means they will not be getting these services.

I might point out, referring to the debate that is taking place over what the budget should be over the next 7 years, this is because of the Republican leadership's failure to let this Government function. The Senate leadership has said it should function, Republicans and Democrats. Democrats in the House said it should function. We voted 12 times to do so. I urge the Republican leadership to take this burden off our seniors while there is still time and before people begin to feel the pain.

Ms. DELAURO. I thank the gentleman from West Virginia. I am delighted to recognize and have join in this conversation the gentleman from Louisiana [Mr. FIELDS].

Mr. FIELDS of Louisiana. Mr. Speaker, I want to thank the gentlewoman for yielding. I want to commend her also for her hard work and enthusiasm and working for seniors and working for not only her constituents, but working for people all across this country. We certainly thank you for having this special order.

Let me also echo something that the gentleman from Virginia said. He talked about those people who are clothed with responsibility of regulating the Social Security have already stated that it will only need about $90 billion cut, yet Members of the other side of the aisle choose to cut it by somewhere in the neighborhood of $270 billion. So that goes to show you how far we are apart, not only Democrat-Republicans, but Republicans as relates to those individuals who are clothed with responsibility of even regulating these programs.

Also, I wanted to make mention of the fact that this is not the first time we have had a budget impasse. We have had budget impasses year after year after year. As a matter of fact, over the past 12 years, we have had 57 CR's, where we continue to operate the Government, and in the process of operating the Government we had budget negotiations. I just find it to be totally irresponsible. It is irresponsible for the Members on the other side of the aisle to hold working people in this country, Federal employees, hostage, while we try to do and complete the business of this country.

If you really look at it in the real sense, you will find it is our responsibility to run the Federal Government. We have tried, Members of this side of the aisle have tried time after time after time to try to pass CR's, to get the Government back moving, to get people back to work. We have even said listen, it is irresponsible of us as Members of Congress who are clothed with responsibility of running the Government, and half of the Government is not running, it is irresponsible of us to continue to receive pay.

So Members of this side of the aisle even went so far to say we are the last people who ought to be paid, because it is our responsibility, our fiduciary responsibility, to run this Government. If anybody should be affected by this closure, by these pay cuts, it should be us. But Members on the other side of the aisle chose not to do that.

I would hope there would be some agreement tonight in the Committee on Rules, and on tomorrow I would hope we could step on this floor and pass a CR and get this Government moving again.

The gentlewoman is right. You are talking about seniors. Seniors are affected by this. I receive calls everyday from my district. Ms. Bass, who works for the Social Security office in my district, in Louisiana, she calls every day. She had a very boring Christmas. These people live paycheck to paycheck. They do not have the luxury of having thousands upon thousands of dollars in the bank and in savings. Every nickel, every penny counts. And we ought to be ashamed of ourselves. It is all right to negotiate and it is all right to have an impasse as long as negotiations are taking place. But it is not all right to take bread off of working people's tables in this Nation.

Let me close by talking a little bit about Meals on Wheels. The gentleman who spoke before me is absolutely right. That program is affected. In my own State, they are running out of money, and January 15, the gentleman is right, the state will not have the money to subsidize this program. So a lot of seniors in my district will go without food.

These are real issues affecting real people. So I just wanted to thank the gentlewoman for taking this time and continue to fight, and I would hope that tonight some meaningful resolution will occur in the Committee on Rules and tomorrow we can get this government moving again and get people back to work.

Ms. DELAURO. Mr. Speaker, I thank the gentleman. I just want to make one point, that someone of our Republican colleagues today said on the floor that he did not hold the key to opening the Government and put the blame on the President.

Well, I would submit to my colleague and all my Republican colleagues that the voting card, which is what the people that voted us to these offices gave us, they gave us this ability, to use this card. You do not need a key, you do not need a magic bullet, you do not need anything else. You need to take this card and you need to vote "aye" to open this Government. That is what this is. That is what this is about.

□ 2200

Mr. BONIOR. Mr. Speaker, the Members of this body will have the opportunity tomorrow to take a green card, to vote "aye," and to open the Government completely. We will have that opportunity on the previous question on the rule. That will be the vote that will say to the American people who wants this Government closed and shut down and who wants it open; and who wants those services denied the American people, whether it is Head Start money, or whether it is contracting money for NASA projects, whether it is cleaning up our Superfund waste sites, all of these questions are going to be cloaked on whether a Member picks a red card or picks a green card.

That chance will occur tomorrow. We have a rule that will be coming out of the Committee on Rules very shortly on the floor and it will occur on the previous question on the rule. There are 12 Republican colleagues over here who have today said they want to support BOB DOLE, the majority leader in the Senate, in having a clean CR and putting this Government back to work and support the Democrats, and I urge the rest of them to join in doing that so we can get things back on track again.

Ms. DELAURO. We have 197 Democrats who are prepared to vote "aye" to open this Government. We need 20 good Republicans to do that.

I now would like to yield time to my colleague from New York, MAJOR OWENS, who has been a champion on education and other areas, and particularly on seniors.

Mr. OWENS. Mr. Speaker, I, too, want to thank my colleague from Connecticut for this special order and focus particularly on senior citizens.

Senior citizens in New York, senior citizens in my district, certainly are experiencing an atmosphere of terror. No matter how many times we reassure them that their Social Security checks will not be affected by the shutdown; the fact that the shutdown involves the Department of Health and Human Services, the fact that Donna Shalala has been on television talking about the kinds of things that have been happening, even though she reassures people it will not affect their Social Security checks, we keep getting the calls about the Social Security checks.

New York, of course, has to bear the burden of a mean-spirited and extreme approach at three levels. Not only do we have a shutdown in Washington, but we have a mean-spirited approach in Albany, where the Governor is trying to get ahead of the Republicans here in Congress and has started imposing new rules on nursing homes already. And a mayor who is also in sync with the cuts of Medicare and Medicaid. They are applauding.

So when we have a mayor and Governor and we have a shutdown in Washington, they live in a state of mental terror. Nobody is going to do them physical harm, and probably New York State and New York City, they are big enough to borrow the money to keep the Meals on Wheels program going and any other program going, but the state of terror is such that some people are going to have their lives shortened just from worrying themselves to death.

They are worried because the mayor has said he wants to sell hospitals. And when he cannot get buyers for the hospitals, now he is willing to lease hospitals. Recently the Governor announced he is going to close down one of the largest psychiatric centers, Kingsboro Psychiatric Center, in my district. It is a large hospital, located in a big hospital center, so people think he is going to close down Kings County Hospital, which is the biggest municipal hospital in the city.

The rumors generate and people are very much frightened when they hear Medicaid being thrown into the hopper. And if there is no Medicaid entitlement, that means they are not guaranteed nursing homes. New York State has one of the biggest Medicaid and Medicare programs in the country, and they hear on television our State being criticized for being so generous. I am not so sure we are too generous. We have some very good programs and take very good care of senior citizens. With all the generosity with respect to health care, New York State still sends to the Federal Government $18 billion more. In 1994 we sent $18 billion more to the Federal Government than we got back. Before that it was $23 billion. And for the last 20 years New York State has sent more money to the Federal Government than it has gotten back.

There are a whole wealth of States in the South and Southwest that have gotten $65 billion more in 1994 than they paid to the Federal Government, but we consistently pay more into the Federal Government than we get back. So Medicare, Medicaid, that is one of the ways our citizens get back some of their tax money.

People are terrified with the thought that all this is going to change. Because if Medicaid is no longer an entitlement, then two-thirds of our Medicaid money, which goes for nursing homes, is up for grabs. And I think this kind of special order helps to reassure them that at least Democrats here are fighting. This is a profound debate. It is also a desperate debate. We are desperately fighting to protect some very profound and concrete benefits for people who need them, and I thank the gentlewoman very much for this opportunity.

Ms. DELAURO. Mr. Speaker, I want to thank the gentleman and just say what a number of my colleagues have said, that, in fact, this is worth the fight; that there are fundamental differences about the values of this Nation and its priorities and whether we stand for Medicare and Medicaid and education and the environment and for working class families in this country, or we stand for a $245 billion tax break for the wealthiest Americans.

Let me tell my colleagues that Speaker GINGRICH, since last April, has made statements about shutting down this Government. In June, he said,

> We are going to go over to the liberal Democratic part of the Government and then say to them we could last 60 days, 90 days, 120 days, 5 years, a century. There is a lot of stuff we don't care if it is ever funded. I don't care what the price is. I don't care if we have no executive offices and no bonds for 30 days. Not this time.

That was in September. The fact of the matter is he has been fanning, inflaming, and planning for a shutdown. We have a shutdown, with unbelievable desperate effects on senior citizens in this country. We sill have an opportunity to vote tomorrow with our voting card to vote "aye" to reopen this Government. We need 20 Republicans who will, in fact, follow the lead of their districts and the people who sent them here to serve them rather than following their allegiance to NEWT GINGRICH.

That is what this is about, and the desperate effects that this shutdown has on seniors in our communities and veterans in our communities. Do not be fooled by the rhetoric of a balanced budget. It is balanced and it helps the richest people in this country and hurts seniors and veterans and students and working families.

I want to yield now to my colleague from New Jersey, Mr. PALLONE.

Mr. PALLONE. I just wanted to say that I am really pleased that the gentlewoman from Connecticut stresses the basic differences that there are here on this budget and how this is really a budget battle that concerns major differences on the issues of Medicare and Medicaid, education, and the environment.

I am so afraid that the public, in some ways, has got a distorted impression of why we feel that it is incumbent to bring up a continuing resolution to open up the Government again. Historically, in this House and in the Congress, when there have been differences over appropriations bills, differences over the budget, everyone has agreed to continue the Government, let it operate while those negotiations go on. That is all we are asking. We want the Government open while these budget negotiations go on. And I think there is a responsibility of the Republican majority to do that.

Ms. DELAURO. This argument is directed at a Democratic President.

DEBATE IS ABOUT WHETHER THE WHITE HOUSE AND CONGRESS ARE IN AGREEMENT OVER BALANCING THE BUDGET

The SPEAKER pro tempore (Mr. METCALF). Under the Speaker's announced policy of May 12, 1995, the gentleman from Connecticut [Mr. SHAYS] is recognized for 55 minutes as the designee of the majority leader.

Mr. SHAYS. Mr. Speaker, I understand I have 55 minutes and the gentleman from New York [Mr. OWENS], the gentleman after me, has 55 minutes?

The SPEAKER pro tempore. That is true.

Mr. SHAYS. Mr. Speaker, I am happy to be joined by the gentleman from Iowa [Mr. GANSKE].

Mr. Speaker, I was elected to the State House of Representatives in 1974, and it never ceased to amaze me, when I saw my colleagues in Congress having to form a budget, that they did not have to balance the budget. It never ceased to amaze me that unlike the State house, where our revenues had to equal expenditures, men and women in Congress continued to deficit spend and put us in an incredible hole of obligations.

Mr. Rabin, before he was assassinated, said that he was elected by adults to represent the children and the children's children. And this is what this issue is all about. We have Federal employees who are innocent victims, but, ultimately, they will be paid. But they have to now survive without pay. They are caught in the middle.

But this is not about Federal employees. This is not even about the disruption of services. It is about whether or not there is an agreement in Congress with the White House to finally balance our Federal budget, get our financial house in order, Save Medicare from bankruptcy and, ultimately, to change this social and corporate welfare State into what I would refer to as an opportunity society, an opportunity for all Americans.

So, Mr. Speaker, we are gathered here now in a very significant debate. I have differences with my colleagues on the other side, as I am sure others of my colleagues on this side of the aisle have. We are trying to get our financial house in order and balance our Federal budget.

We presented a budget that we worked on for 11 months. Our budget, in some cases with discretionary spending, which is the running of Government, the various departments and agencies, we made real reductions. We spent less in some programs and departments than we did in this year's budget.

We eliminate a department, we reduce the size of other departments, we consolidate agencies, and we attempt to, in a 7-year plan, balance the Federal budget.

In terms of entitlements, which are half of our Federal budget, we are looking to slow the growth of entitlements. We are not cutting them; we are spending more. I am just going to read the expenditures of five programs that our colleagues just previously made reference to. They called it cuts. Only in this place, in this city of Washington, when you spend so much more do people call it a cut.

The earned income tax credit is a credit that goes to people who do not pay taxes. It is an assistance to the working poor, and we are told that we are cutting it when we go from $19.9 billion to $25 billion in the 7th year. That is an increase of 20 percent, and yet our colleagues call it a cut.

The School Lunch Program, which they went to schools and told the children they would no longer have a school lunch program. What an outrage. That program goes from $5.1 billion to $6.8 billion.

Our Student Loan Program, we are told we are cutting the Student Loan Program, and it goes from $24.5 billion to $36.4 million, a 50-percent increase in student loans. Only in Washington when you spend 50 percent more do people call it a cut.

And then, before yielding to my colleague, the gentleman from Iowa [Mr. GANSKE], I will just make reference to two very important programs, I know to Mr. GANSKE, and certainly to me as well, because we worked on these programs very closely. Medicaid. This is health care for the poor. We go from $89 billion now to $127 billion. Only in Washington when you go from $89 billion to $127 billion do people call it a cut.

And then with Medicare, we go from $178 billion to $289 billion. I would love to just make reference to some very specific points in this program. The bottom line to this program is that when we talk about it, we are going to go on a per capita basis from $4,800, in this past year, to $7,100 in the year 2002, which is now 6 years from now. Now, that is a 45-percent increase per capita, and yet I am told that is a cut. We are allowing Medicare to increase on an annual basis of 7.2 percent, and yet I am told by my colleagues on the other side of the aisle that that is a cut.

I have a difficult time with that. It is not a cut, it is a significant increase. Admittedly, it is not a 10-percent growth, it is a 7.2-percent growth each and every year.

I know my colleague, who happens to be a doctor, is very near and dear to the concerns of Medicaid and Medicare. Medicaid is health care for the poor. And also Medicaid is nursing care for the elderly poor. Medicare, which is health care for the elderly and the disabled, these are two very important programs that we are trying to save. I would love at this time to yield to my colleague to discuss whatever he would like as it relates to these issues.

☐ 2215

Mr. GANSKE. I thank my colleague from Connecticut. It is such a pleasure to share time with him, and we can have a civilized discussion. There has been so much hot rhetoric on the floor of Congress in the last few weeks that I think it will be important tonight to cover some areas and present the facts to the public and discuss these issues in a rational way.

I think we ought to spend a little bit of time on the so-called tax cuts for the rich. I think we ought to spend some time on some of the specific items in Medicare that were discussed by the previous discussants. But I think maybe we should just start with where are we at with this budget? Why do we have furloughed Government workers?

Well, it has been about I think 7 weeks since the President signed a continuing resolution in which he promised to present Congress with a balanced budget, one that balances in 7 years by honest numbers, Congressional Budget Office numbers. It was just a few years ago that the President, right here, told Congress that he felt that the Congressional Budget Office provided the most accurate estimates for economic growth. Well, why do we have Government employees that are not working or those who are working are not getting paid in some areas? It is basically the President has not kept his promise. He has not presented or brought to the table a balanced budget that balances in 7 years utilizing the Congressional Budget Office that he said he would do.

In return for our last continuing resolution, Congress said we will consider everything, we will put everything on the table, tax cuts, health care, education, whatever your priorities are. But I tell my constituents back home that this has been very frustrating, because it is like if I go to an auto dealer, and I see a car on the lot and I really like it, I want to purchase it from that auto dealer and I say I will give you $10,000 for that car, and the auto dealer says it is not enough, and I say, well, how much do you want? And he will not tell me. He just says, spend more or pay more. You know, it is hard to make an agreement with that.

Mr. DREIER. Mr. Speaker, I would like to inquire, it was not in a DeSoto dealership, since I know that my friend drove around his district in a DeSoto automobile in the last campaign.

Mr. GANSKE. If I would help the budget negotiations, I would bring the DeSoto to Washington and drive it down to the White House.

Mr. DREIER. My friend is absolutely right that there has been very clear confusion on this issue because we saw in November, on the 20th of November, a commitment made by the President that he would come forth with a balanced budget that would use what we describe as honest numbers in Washington lingo. It is the Congressional Budget Office scoring, and he said when he stood behind where my friend is in his first State of the Union Message on February 17, 1993 that he believed the most honest numbers and responsible scoring procedure was to utilize the Congressional Budget Office, and tragically, while that indication was made when it was signed by the President November 20, and we have failed to receive that balanced budget, it has understandably created a high level of frustration, not only for those who serve in the Congress, but for those Federal workers who have been furloughed and the American people who have been anticipating a response.

Mr. GANSKE. Mr. Speaker, I think people back home get all mixed up when we are talking about CBO, Congressional Budget Office, or OMB, Office of Management and Budget. That is the administration's predictors of economics. But I try to explain it to them this way: you have to work from the same set of books using the same accounting system in order to understand where you are both at. You cannot use one type of accounting system and a different accounting system and come to an agreement. That is why it was so important and why I was hopeful for a period of time, when the President first agreed to doing this, that he would actually put his numbers there, that we would be comparing them apples to apples and not apples to oranges.

Mr. SHAYS. Mr. Speaker, if the gentleman would yield, that is the key point, that we compare the same basic accounting numbers. And Mr. DREIER is right on target, the President was right behind you saying use the Congressional Budget Office numbers. Congressional Budget Office is not bipartisan. It is not partisan, it is nonpartisan. These are not political appointees like the Office of Management and Budget.

Mr. GANSKE. The gentleman is on the Committee on the Budget, and he very well knows that when Congress passes budgets, we certainly did not get every economic prediction that we wanted to from the Congressional Budget Office.

Mr. SHAYS. Did we get any that we wanted?

Mr. GANSKE. We had to work with the assumptions that they gave us, just like we would expect the President to work with the CBO on their assumptions.

Mr. SHAYS. So it has been since November 20 and the President made it very clear that we would balance the budget using the Congressional Budget Office numbers. And what has happened since then? Has he submitted a budget? Has it been scored by the CBO? And the answer is no.

That is really the point that we find ourselves. We have been authors and we have authored since January and we have struggled and debated and made decisions on Medicare and Medicaid; on the school lunch program; yes, on taxes as well. We set out priorities, and now we want the President to tell us what his priorities are. Instead, he has been a critic on the sidelines saying what he does not like, and not an author, and we are asking him to be an author. The challenge we have right now is the Government shutdown. Why is it shut down?

Mr. DREIER. If the gentleman would yield, I think we as Republicans made a mistake. The mistake that we made was in believing that when on November 20, 1995, just about 6 weeks ago when this agreement was signed, we believed that the President would come forward and, in fact, offer this balanced budget with the honest numbers, the Congressional Budget Office scoring. Our mistake was in believing that, because tragically it has not happened. That is what has created this high level of frustration.

Mr. GANSKE. If the gentleman would yield, the President signed that continuing resolution. That was an act and that is a law. He has broken his promise on that. Because the President has not kept his promise, I think it has really created a level of frustration and distrust with Congress at this point in time.

I believe that if the President really wanted to get the workers back to work, the most constructive step that he could take would be today—I mean, he has 500 workers in the Office of Management and Budget. He has had almost 2 months.

Mr. SHAYS. And you want him to do What?

Mr. GANSKE. I think if he would finally put a plan on the table that the CBO scored as balanced, it does not matter what is in it. He can put his priorities in it. It would be a sign of good faith with Congress, if the President is truly interested in doing this.

Mr. SHAYS. If the gentleman would yield, I watched the President give his press conference yesterday and he said Republicans are trying to basically ram down our proposal, which is simply not true. Because we are not saying that he has to present our proposal. We are saying he needs to present his proposal with his priorities.

For instance, if he wants no tax cut, he can submit a budget with no tax cut. If he wants more spending on Medicare or Medicaid, he can do that. The only requirement is that it be balanced, scored by real numbers. So, that is the issue and it is simply not true.

Mr. GANSKE. If the gentleman would yield, the gentleman has pointed out before that this is hard work coming up with a 3,000-page document, as this Congress did, that balances. We went through every program. We had to make some tough decisions when we did that. We have to decrease the rate of growth in some areas. And I believe that the reason the President has not done this is because he has not been willing to make some difficult decisions. It brings into question, truly, whether the President wants to balance the budget or has the moral courage or the spine to do that.

Mr. SHAYS. Ultimately, this Government is going to be shut down until the President doe his job and provides this Congress with his balanced budget. That is a fact. It is not something that either you or I like, but we know what the cause is. This is the cause that only happens and an opportunity that only happens once in a lifetime.

For over 30 years, particularly since the end of the Vietnam war, our national debt his gone up from over $300 billion to $4.9 trillion or $4,900 billion, and that has happened in peacetime. Both the gentleman from Iowa and I and other Members, particularly on this side of the aisle, want to put an end to that. We want to end the deficits so we have lower interest rates; so our mortgages cost us less; so our car payments cost us less; and so that businessmen and women, when they want to invest in new plant and equipment to make their workers more efficient and more productive, do not have to pay so much for the cost of money to invest in new plant and equipment.

What I would like to do is I would like to get into one particular issue to illustrate what we did during the last 11 months, and that was the whole issue of Medicare. We know that Medicare is going up from $178 billion to $289 billion. first off, we know that Medicare is going bankrupt. It becomes insolvent starting this year. Less money is put in the fund than goes out the first time ever in Medicare Part A.

We know it ultimately starts to go insolvent and becomes bankrupt in the seventh year. With our Medicare plan, we are looking to spend a considerable amount more in the next 7 years than we did in the last 7. We spent in the last 7 years $926 billion. We are looking to spend $1.6 trillion. $1.6 trillion. We are going to spend $727 billion more in the next 7 years than we did in the last 7.

On a per capita basis, we are going to go from $4,800 per beneficiary to $7,100. and it is important to say "on per beneficiary," because people are saying "You are getting more people in the system." Yes, even with more people in the system, we are still going to spend 45 percent more for each of those individuals.

Mr. GANSKE. That is more than twice the projected rate of inflation. But the importance of this matter is tremendous. As a physician who has treated Medicare patients, the facts are staggering. It is an absolute fact that in 6 years there will be insufficient revenues coming into the system to cover the bills.

Now, the Health Care Financing Administration has recognized this for a number of years. What they have done through a system of price controls is gradually tightened the tourniquet. They have tightened the tourniquet on rural hospitals, on providers, and even with their price controls, they have not been able to bring down the rate of growth because they have not addressed an essential issue of overutilization.

Now, President Clinton has proposed a smaller amount of savings from Medicare, from the Medicare Program, from what we proposed. When we originally proposed our Medicare bill, our savings were projected at $270 billion. In fact, tonight on the floor this was the figure that was mentioned. It would be much more accurate to say what the current levels are, because the Congressional Budget Office has readjusted their figures, and so we are now at a level of about $205 billion in savings.

Mr. SHAYS. But still allowing, if the gentleman would yield.

Mr. GANSKE. But still allowing 7.2 percent growth each year on the average. Remember when President Clinton and Mrs. Clinton presented their plan just a year and a half ago, they proposed an increase of about 6.8 percent. At that time they said that was not a cut. But now when we have proposed spending more than they did, now, of course, this is a Draconian cut. We have got to get past this Washington language about cuts. It confuses people back in the district.

Mr. SHAYS. I would like to just emphasize this point though. The bottom line is that the White House, when they were presenting their plan on Medicare, suggested that Medicare could only grow at 6.8 percent a year; that we needed to slow the growth. That is what we are doing. Admittedly, we failed to keep it as low as the White House originally suggested and it is going to grow at 7.2 percent.

□ 2230

And now we had basically four ways to make these savings generically. One is we could change and affect beneficiaries. The second is we could change and affect providers. The third is we could raise taxes to save the Medicare trust fund part A, and that simply was ruled not an option. And the fourth is we could change the system.

I would love to get into the whole issue of how we are looking to change the system, but first before yielding I will make this point: We did not advocate making any change in copayments. We did not advocate, and do not, any change in the deduction. We do not advocate changing the beneficiary rate, the premium rate on the Medicare part B. We leave that at 31.5 percent, with the taxpayers still paying 68.5 percent.

Now, Medicare part A, which is going bankrupt is the hospital payments. Medicare part B is the services. In Medicare part B, we keep the premium, the cost to the beneficiary, at 31.5 percent.

As health care costs go up, that 31.5 percent will continue to be a higher amount, much as it has been in the last 7 years. That will be that gradual increase.

I would love to later on, but I will yield to my colleague, I will just point out that in the year 2002 the President basically would have a premium of $82.80, at 25 percent of the cost, because the President fails to slow the growth of Medicare, and at 31 percent of the cost, our charge is only $87.50. It is less than $4 and some change, the difference in the premium cost, and yet the President has called this Draconian.

The bottom line is I would love my colleague to talk about what we have done. We have not increased the copayments. We have increased deductions. We keep the beneficiary rate at 31.5 percent.

Mr. GANSKE. I think, if the gentleman would yield, there has been a lot of confusion and sort of half-truths related to the premiums. It has been reported in my local paper that this is a bad plan because premiums would double. It is a half-truth, because what was neglected to be said was over 7 years. And how much would the premiums have increased if you had done nothing to the program? Because premiums have increased in Medicare 29 out of the last 30 years, and it is my understanding that premiums have increased $14 since President Clinton became President.

You know, health care costs do keep rising, and if a Medicare recipient is paying the same percent of his part B premium, then because there is a gradual rise, just as there is a rise in the Consumer Price Index, which will increase the Medicare beneficiaries' Social Security payments over 7 years from $700 to $935, then you have to tell the whole truth. And the gentleman is exactly right. I mean, how are these savings achieved? The only thing asked of Medicare beneficiaries was that they pay the same percent of their part B premium for the next 6 years that they paid last year, no increase in deductibles, no increase in copayments.

At the same time, hospitals were asked to take a reduction. Providers were asked to take a reduction, and they agreed to do that if there were some structural changes in the program.

If you only tightened the tourniquet like the Health Care Financing Administration has done for the last 15 years, then you reach a point where, instead of just stanching the blood flow, you cut off the blood supply completely, and you will end up with gangrene.

So what we needed were some structural changes to go along with a decreased rate of growth, something that would be reasonable. But it should be pointed out that no senior citizen is going to be asked to change their current policy. They can stay exactly in the same type of Medicare program that they are right now. If they want to, there will be some options for them.

Mr. SHAYS. I would make this point, it is not like the telephone company where you found you were with AT&T, the next moment you found yourself part of MCI or another telephone service. You will stay in Medicare, the traditional fee-for-service, the Blue Cross/Blue Shield model, the 1960's version that exists today; you will stay in that program unless you proactively decide to become part of another program. And I make this point, that you, as a Member of Congress and I as a Member of Congress, who are Federal employees and get Federal health care, we get choice, and we are saying to beneficiaries that they for the first time will have choice.

They will stay in the present system unless they get a better choice, and the better choice is they may get eyeglass care, they may get dental care, they may have a health care plan that says their beneficiary cost will not be as high or that they will pay no copayment, they may get a rebate in the amount that they pay, and they will decide.

Now, let us just say they make a choice, and they did not like the service. We are allowing them for the next 24 months to go right back into that fee-for-service. So they sign up, they do not like it, they are not locked in for a year or 2 or 3. Now, after 24 months, when they make a choice, it will be on an annual basis as it is for me. As a Federal employee, once I choose a health care plan, of which I pay 28 percent, I am locked in for a year. Every year I can decide to get out at a certain point.

So we are offering choice, something that I know my constituents have asked for for a long time, but we are allowing them to stay.

I know my colleague has some more to add on this issue.

Mr. GANSKE. If the gentleman will yield further, I am appreciative of the fact that you have brought up the issue of benefits that Medicare beneficiaries can receive, because in the current program, the way Medicare is right now, there is some real unfairness in the system. There is some real inequity. This particularly affects my home State of Iowa as well as some other rural States.

Let me explain what this is. There is such a thing as the AAPCC, the annual adjusted per capita cost. This is a funding formula that Medicare uses to determine how much they will provide for benefits per beneficiary, if, for instance, they are in a managed care plan.

Mr. SHAYS. Are you saying this is based on determining health care costs county by county by county?

Mr. GANSKE. County by county. Every county in the country has a rate determined by the Health Care Financing Administration, by Medicare. Unfortunately, the difference between some counties and other counties is huge.

Let me give you an example. This chart shows that the disparity between the top 10 percent of counties in this country and the bottom half of the counties will increase if nothing is done. For instance, in my congressional district, one county is reimbursed on a monthly basis per Medicare beneficiary at about $245. There are counties in this country where the reimbursement rate is over $700.

Mr. SHAYS. Particularly in urban areas?

Mr. GANSKE. Particularly in urban areas, and this is a situation where everyone in my counties are paying exactly the same Medicare tax as everyone in the other counties that are getting more than twice as much per beneficiary. That is why, for instance, in New York City, somebody can sign up for a plan, get eyeglasses, membership in a health fitness club or some other benefit or have their premium paid that they cannot get in Adair, IA.

Mr. SHAYS. Just to clarify, that is because that beneficiary basically has $600 that they bring to a plan on a monthly basis, whereas in a county like your own, a rural county or counties like your own, it may only be $200 or $300?

Mr. GANSKE. Exactly. And that has been a flawed funding formula based on over-utilization in certain areas.

Mr. SHAYS. So what did we do about it?

Mr. GANSKE. So our plan addresses that. Our plan immediately bumped the lower counties up.

Mr. SHAYS. If the gentleman, before leaving that, just put that chart that he just took off, my understanding is the average starts somewhere between $4,000 and $5,000 on an annual basis, and the bottom 50 percent are actually below $4,000, yet just the top 10 percent are $6,000 and climbing.

Mr. GANSKE. If we look at it on an annual basis the benefit that a Medicare beneficiary would get, for instance, in Nebraska or Iowa or Oregon, it would be in this range, below $4,000 on an annual basis. In some parts of the country it is $6,000. The average is about $4,500.

But look at what happens over time as you go out to the year 2002. If nothing changes in Medicare, you can see that the difference between these two increases over time.

Let me just show you how this affects my particular State. The dark blue areas are counties that are more than 30 percent below the national average. Light blue is 20 to 30 percent. I practiced medicine for a while in the State of Oregon. Oregon has been very efficient in their health care. Look at the State of Oregon, for example; the whole western part of the State is reimbursed at levels 30 percent or more less than the average. Our plan addresses this inequity because it immediately bumps up the baseline, the minimum amount that any county could receive.

Some counties in Nebraska, for instance, receive $170 or $180 per month. That is immediately increased to $300, the next year to $350, and when you get that initial bump up to a minimum floor, then you have a differential rate of growth from those countries at the top compared to those at the bottom. The ones at the bottom will grow over the next 7 years at twice the rate as those at the top. So the ones at the top are still growing. They are still getting more each year, but the ones at the bottom are growing a little faster. And so what that means then is that over a period of time you narrow the difference between those counties that have very low reimbursement rates now and those that are very generous.

This is just one of the small details in the Medicare plan that we have passed that improves the system and will improve it for everyone across the country.

Mr. SHAYS. I would just make a point that in representing an urban area, it was hard for me to comprehend at first that there would be such a low reimbursement to rural areas, and as this gentleman and some of your colleagues from rural areas pointed out to those of us from urban areas, that we had to deal with this issue. I think we have made a very good-faith effort to try to deal with this inequity. That is one area that we looked at.

Another area I would love to focus in on before our time runs out is that health care fraud, which is pretty rampant, has been a State-by-State process. In our legislation, for the first time we make it a Federal offense to defraud both Medicare and Medicaid and CHAMPUS. CHAMPUS is the Federal program for our military and some other Federal employees. And for the first time we are making a concerted effort to deal with the State-by-State fraud and have a more greater team effort to go after this fraud.

I do not know if my colleague would like to speak to this issue as well.

Mr. GANSKE. One of the provisions in our plan says that if a Medicare beneficiary identifies an area of fraud or abuse, that they can participate in recovering some of the cost.

Mr. SHAYS. It is astounding when we find out what some of the fraud is. Some of it is perceived to be in a mistake where they were sent a $16 bill, it turned out to be $160 or $16,000, or a man being charged for giving birth to a child, just things that were so preposterous, but not, frankly, all that uncommon.

Mr. GANSKE. One of the things that is currently happening in the Medicare Program is a trend toward increased utilization or increased opportunity for health maintenance organizations. This is happening. It is going to continue to happen, whether there is any change in the Medicare Program at all. But as the gentleman knows, we were aware of this, and we put in some significantly stronger patient and consumer protections in this bill in terms of notification, in terms of making sure that senior citizens cannot be taken advantage of by certain health plans.

I mean, there are a lot of good things in this bill, not the least of which has been discussed earlier this evening by the Members of the opposition party, related to medical savings accounts. This is one of those options that a senior citizen can use if he wants to. It is not for everybody. But it is something that is reasonable for people to think about. The way that it works is this: You receive a set amount of funds from which voucher you can then purchase a high deductible insurance plan. With the difference between what the plan costs, you can then put that amount into a savings account to pay the deductible. However, what you do not use stays and grows in that account, which is your account. And if you maintain a certain balance, then you can use that for additional medical provisions, if you want to.

□ 2245

Mr. SHAYS. If my colleague would yield, I have a number of constituents who manage their own care and manage their own health. They do not smoke, they may not drink, they try to lead healthy lives. They are a tremendous savings to our country because they are in fact healthier people.

Mr. GANSKE. If the gentleman would yield, those individuals who live healthy lives would then be able to purchase plans at less cost, because they would have less risk. Therefore, their healthy behavior is rewarded. That is part of personal responsibility. I think that this is something that is not for everyone, but I believe that what it does do is to reestablish a connection between the payer and the recipient.

If somebody else pays for something, then you are never as concerned about what it costs. But if this is coming out of your account, you now have a personal financial interest in making sure that you are getting good value for your dollar, for your health care dollar. That means you are going to look at your bills.

For instance, that will mean if you are going to a family practitioner for a routine checkup, you may find that the family practitioner on one side of the street charges $20 for a visit, the family practitioner on the other side charges $25. If they give equivalent care, now you have a personal interest in being a good shopper.

I have had many Members of the opposition side say "I don't think senior citizens can do that." It is sort of like they do not think senior citizens are capable.

Let me tell you, a lot of the senior citizens I know know exactly where the grocery bargains are. They are good shoppers. They have a network. They communicate with each other when they get together for coffee as to where is the best place to go. "Did you know they are having a sale there?" That kind of information will be spread around. I have confidence in senior citizens to be able to make wise decisions for themselves.

Mr. SHAYS. My colleague, what we have been talking about is one of the many plans that are part of our Balanced Budget Act which the President vetoed. We have some major differences with the President on Medicaid and on Medicare. He has some differences on whether or not to have tax cuts and where. We do not yet see his plan, and we are waiting for his plan.

But we have been very strongly criticized by some on the other side of the aisle that talk about a "cut" to Medicare. What we have talked about is the fact Medicare is going up from $4,800 per beneficiary to $7,200. We have talked about the fact there are no copayments, no deductions, the premium stays the same.

We are going to have a higher premium for the wealthier. The most affluent will pay more on Medicare Part B, something the colleagues on the other side of the aisle advocated, but now criticize. We are slowing the growth to a significant increase of 7.2 percent. Only when you spend 7.2 percent more each year do some, and only in this city, do they call it a cut.

Now we have talked about a plan that has choice, yet you do not have to choose if you do not want. You can stay where you are. We have talked about the fact you have been trying for a number of years and have been critical, first when you were not part of Congress, to get us to address the fact that some counties do not get the kind of payment allotted for Medicare that they deserve to, and there is this extraordinary disparity, and the only way choice is ultimately going to work is increase what we do in rural areas. We dealt with that.

We have made significant changes to get at fraud, waste and abuse, and that we are allowing this choice for all our seniors.

So I am very proud of this program. I hope we do not change it much from what we have proposed. I believe we need to spend more on Medicaid than we have appropriated, but I think our Medicare numbers are pretty good. I hope when the President finally does his job and comes in with a budget, he recognizes that we have $12 trillion to spend in our overall budget in the next seven years. And it is an issue of how he wants to spend $12 trillion and how we want to spend it. If we do nothing, we will spend $13.3 trillion and continue to have deficits ad infinitum.

Mr. GANSKE. If the gentleman will yield, let us put this on a common basis and tie this back in with senior citizens, because senior citizens have children and they have grandchildren. Their grandchild who is born today inherits $187,000 worth of debt, just interest payments in his lifetime.

The facts are staggering. A 21-year-old today faces a bill of interest payments of $115,000. Senior citizens tell me, look, we are willing to do our fair share, and it is a matter of what is fair when we look at this? But this is so important, because I agree with what you said earlier. We have a chance here to do something good for the country that does not come around very often. It may be our last chance to do this.

If this balanced budget work fails, then I think the message will be to Congresses not to try it. Do not take on a difficult job. Just kind of go along until we reach a crisis.

What we are really talking about now is the ability of a democracy to look ahead and see a problem coming, of knowing that this problem is coming. But it is not quite yet the crisis that throws all the economy into disarray, where it is not quite at the point where we would see 500 or 1,000 percent inflation in one year. But we can see that coming if we do not address this issue.

So the question is, can a democracy gather itself together, do something that is not easy, when you have not got your back totally against the wall like it is going to be in about 15 years?

Mr. SHAYS. Well, I know that you are a newer Member of Congress, and I know that you decided to run because you looked at how you saw Congress operate and said how can grown men and women fail to get our financial house in order? And that is what we are about.

I have had constituents who said to me, how could you shut down the government? Well, part of the government is shut down, and the reason it is shut down is that the President has vetoed some budgets that we have given him, that he has not given us a balanced budget, and we are determined basically for the long haul to seek a balanced budget. We are not going to miss this opportunity. We are going to pursue it.

I had some Members say to me, well, the polls say the President is taking the right position and Congress is taking the wrong position. It is interesting when we get in the polls. I will make two points.

One is that the Time Magazine, when they did a poll, said that just recently in the last edition, 47 percent feel we are "cutting too much"; 46 percent said we were cutting just right on or not enough. When they learned in fact Medicare was going to grow per beneficiary 45 percent, that Medicaid was going to grow significantly, that when they learned that the Earned Income Tax Credit goes from $19 to $25 billion, the school lunch from $5 to $6.8 billion, student loan from $24 to $36 billion, a 60 percent increase, Medicare from $178 to $289 billion, when they learned that; in other words, when the pollsters go back, they realize that there is a shift. And then two to one they say we are cutting just about right or not enough, when they realize in fact we are not doing the kind of cutting that they think we are doing.

I will just make this last point, if I could. I have been asked about the polls. I have answered it this way. If Abraham Lincoln during the height of our crisis in the battle between the North and the South on whether we would be one nation, under God, indivisible, if he had taken a poll and he has responded the way the press has asked us, how can you continue when the polls say this, when Abraham Lincoln was President, it was clear that most Americans did not support the war during the first few years. They wanted the way to end, and they wanted him to settle.

But he did not listen to the poll, thank God, because if he had, we would be not one Nation under God, indivisible; we would be two nations, and we would be very much divided.

So for me the polls ultimately will happen this November, and I can say, I am very willing to sink or swim on this issue, to live or die, to be reelected or not. I am willing to face what my constituents say. If they do not feel we need to balance this Federal budget and get our financial house in order and they disapprove of the way we are proceeding, then I am out of sync with the constituents I represent. Then I do not deserve to be reelected. But for me, this is something that comes from my heart and my mind. I believe in it with all my heart and soul, and I am very willing to live with the consequences, whatever the consequences may be.

Mr. GANSKE. Mr. Speaker, if the gentleman would yield, people ask me why is Congress being so strong on this? Many of my constituents say hold the line. They understand. But others say, "Maybe a balanced budget is not so important." This is what I tell them. For the last 25 or 30 years, the average income family in this country has stagnated. I mean, you can talk to the President of the AFL–CIO. He will tell you exactly the same thing. Part of that is because in 1950, the average income family was sending 5 percent of their income to Washington for Federal taxes, and today the average income family is sending over 25 percent of their income. That means to Washington for Federal taxes alone. That is not counting State and local property taxes. So it means almost they have to work until July 4 before they can start to work for themselves each year. That is not the rich, that is an average income family.

So what we know will happen is that if we can balance the budget, when the government does not take so much of the discretionary income into itself, that leaves more out there. There are more jobs. We are talking about 5 to 6 million more new jobs in the next six years if we balance our budget. We are talking about interest rates dropping 1½ to 2 percent. For a young couple buying a $75,000 home, at 2 percent lower interest rates on their home, on their 30-year mortgage, they save $36,000. If a young person buys a car for $12,000 and their interest rates are 2 percent lower, they have just saved almost $1,000 on their car. That means if we balance the budget, family incomes will go up, there will be more jobs, the economy will grow. But let me just read to you what will happen if we do not balance the budget.

On November 2, this year, Alan Greenspan, the Federal Reserve Board Chairman said:

> If for some reason the political process fails and a balanced budget agreement is not reached, it would signal that the United States is not capable of putting its fiscal house in order, with serious adverse consequences for financial markets and economic growth.

Then he goes on to say:

> I think if you don't balance the budget, we would find that with mortgage rates higher and other related rates moving up, interest sensitive areas of the economy would begin to run into trouble.

Now, that is a remarkable statement for the Federal Reserve Board Chairman to make. That is about as strong a statement about what bad things will follow if we do not balance the budget as you will ever get from an economist.

Mr. SHAYS. And some people are not listening.

Mr. GANSKE. And some people are not listening.

Mr. SHAYS. I have had Mr. Greenspan come before my Committee on the Budget, and Mr. Greenspan was asked one time, do you think Congress will cut too much? And his answer was this: "Mr. Congressman, I don't go to sleep at night fearful that when I wake up the next morning Congress will have cut too much."

Given the battle that we have had with some of our colleagues on the other side of the aisle, I understand his lack of concern on that issue.

But we know right now that interest rates have come down in the expectation that we will win this battle to balance our Federal budget and get our financial house in order. If we fail, there is no doubt in anyone's mind what the bond market will do, what the stock market will do, and ultimately what will happen to our economy.

Mr. GANSKE. Some people will say, oh, that is just economics. But those are economics that affect real people. I have a lot of farmers in my district. They run expensive farm operations. It costs a lot to run a farm these days. Most of them do not have the kind of capital to finance, so they have to take out loans to buy their seed, their fuel, to put in the crops. I will tell you, every farmer in my district understands very well the benefits that will accrue to them if we balance the budget, and they understand full well what the bottom line will be for them if we do not balance the budget.

Mr. SHAYS. Whether it is a farmer that has to invest in new facilities or new equipment for their farming or a businessman in some of the urban areas, or businesswoman in urban areas I represent, they look at the cost of money, and then they say "If I build this new plant and equipment and hire these workers, will I get a return?" The higher the interest rates, the less building of new plant and equipment you have and the purchase of new plant and equipment.

I know we have about 4 minutes left before we conclude. I would just like to reiterate the fact that we are looking to balance our Federal budget and get our financial house in order. We are looking to save our trust funds, particularly Medicare, from insolvency and ultimate bankruptcy. And the third thing we are looking to do is to transform our care-taking social and corporate welfare state into a caring opportunity society. This is our objective.

□ 2300

We are asking the President and hoping that he keeps his word to ultimately come in with a balanced budget, scored by the Congressional Budget Office, using real numbers. We are not saying he has to agree to our tax cuts. We are not saying he has to agree to our Medicare Program, our Medicaid Program, or what we have done in discretionary spending or with food stamps or whatever else that we have set our priorities. We are saying to the President to set his priorities. Where we agree, then we can simply say there we agree; where we disagree, then we work out our differences.

I believe if the president were to submit a balanced budget, in a very short period of time we would come to an agreement. I know Mr. GANSKE, and I certainly know it for myself, we will not be happy with every part of that agreement, but we cannot be happy with every part of an agreement where we are compromising.

I think we need to ultimately find common ground. I know the gentleman has worked with other people, people on the other side of the aisle to find areas where we can agree. We are reaching out to our Democratic colleagues, because, clearly, we are Members of Congress. We are not Republicans first or Democrats first. We are Americans first, looking to get our financial house in order not in the short run but in the long run for the good of our children.

Mr. GANSKE. If the gentleman would continue to yield. Again I will bring this all the way around the circle back to the furloughed government workers. One thing should be known, and that is that, at least in my district, there is a Federal credit union that is open and available to provide interest free loans to Federal employees if things are pretty tight.

I certainly would like to get my Federal employees back to work as soon as possible. I think that I will only speak for myself, I am not speaking for the Republican conference when I say this, but if the President would truly bring to the table a balanced budget, that is certified as balanced by the Congressional Budget Office, and if there are not any funny gimmicks in it, then I personally would consider that to be a good faith effort on the part of the President.

Mr. SHAYS. And so would I.

Mr. GANSKE. And I personally think that that would be the time then that we should bring the Federal employees back.

I think it should be noted, though, that I am not saying that the President has to agree with our plan. I am not saying we have to come to agreement on that. All that I personally would ask is that the President finally honor his commitment and bring a plan, his own plan to the table, so that we could get on with the job of comparing apples to apples and oranges to oranges in this budgetary process.

It is hard to make progress unless the President makes that first step and honors the signature he put on the line.

Mr. SHAYS. The commitment that the gentleman has made is one that I share. The President submits the balanced budget, scored by the Congressional Budget Office, using real numbers, not necessarily our numbers, his numbers, his priorities, and then we know that we can go to our conference in good conscience and say that we need a temporary continuing resolution.

I want to inquire of the Chair. I know we were given 55 minutes. We are prepared to speak a little longer or we are prepared to end our discussion.

The SPEAKER pro tempore. The gentleman has 6 more minutes unless the other party shows up.

Mr. SHAYS. I understand.

Mr. Speaker, I am happy to yield back to my colleague.

Mr. GANSKE. And I would just like to point out some of the facts versus the myths that we have heard so much of over the last several weeks.

The first myth is this: Congress' budget is cutting Medicare spending.

Mr. SHAYS. Not.

Mr. GANSKE. What is the fact? What are the numbers in the last 7 years we spent? $926 billion. And we propose spending $1,600 billion in the next 7 years.

Mr. SHAYS. Sounds like a significant increase.

Mr. GANSKE. Myth: Congress' budget guts student loans. What is the fact? The fact is that in 1995 we spent $24 billion; in 1996 we spend $26 billion; in 1997, $28 billion; 1998, $30 billion; 1999, $32 billion; in the year 2000, $33 billion; the year 2001, $34 billion, and we end up spending $36 billion a year in the year 2002. Every year it increases.

Mr. SHAYS. And the total increase, if I might add, of 50 percent during that time. From $24 billion to $36 billion. Only in this city would someone call that a cut.

Mr. GANSKE. Let us talk about the next myth. The next myth is Congress' budget makes draconian cuts in welfare funding. I think I have heard that word draconian about a thousand times in the last 3 weeks. Well, how much did we spend on welfare in the last 7 years? We spent $492 billion. How much do we propose spending in the next 7 years? This will just flabbergast most of the viewers. We propose spending $838 billion.

Mr. SHAYS. I wonder if the gentleman could give me those numbers again? This is on welfare?

Mr. GANSKE. This is on welfare reform. Spending on welfare. And this is a combination of the welfare programs. And this is a combination of the welfare programs. In the last 7 years we spent $492 billion. We propose in our budget spending $878 billion. That is an increase, folks, of $386 billion in welfare spending.

Mr. SHAYS. Another myth?

Mr. GANSKE. If we go from 492 to 878, I do not know anyone in my district that calls that a decrease.

Mr. SHAYS. My colleague has pointed out a number of myths. We have presented our program. We are proud of our program. We are looking to the President to be an author and not just a critic.

We stand ready to work with the President and with our colleagues on the other side of the aisle to have a true balanced budget.

With that, Mr. Speaker, I would be more than happy to yield back the balance of our time.

THE JOURNAL

The SPEAKER pro tempore (Mr. METCALF). Pursuant to clause 5 of rule I, the pending business is the question de novo of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the Journal stands approved.

IMPACT OF BALANCING THE BUDGET ON THE LARGEST STATE OF THE UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, I want to take just a few moments, as we prepare to file a rule, which will be considered here on the floor tomorrow morning at 10 o'clock, to talk about a very important issue to me. I am privileged to represent one fifty-second of California. I am one of 52 members of the California congressional delegation, and I want to discuss the impact of our attempt to balance the budget on the largest State of the Union. It clearly would have an incredible impact.

It seems to me that we need to look at what balancing the Federal budget would do to the State of California. If the Federal budget is balanced in 7 years, $140 billion in debt, California's share of the $1.2 trillion in additional Federal borrowing, would not burden our future. Each of California's 11 million children will not see their share of the Federal debt increased by $13,000 over the next 7 years.

The balanced budget bonus of lower interest rates will create jobs, free local and State resources and increase the buying power of California families.

Now, Alan Greenspan, the Chairman of the Federal Reserve Board, has stated on several occasions recently that the 2 percent drop that we have seen in interest rates is directly related to simply the discussion, the commitment and our quest for a balanced budget. Now, lower interest rates, and by the way, there is a direct line that can be drawn if one looks at election day 1994 downward, because this question for a balanced budget has led interest rates to drop further, and I am convinced that if we actually do put into place a balanced budget that we will see a further drop, and this has been predicted by many, of a percentage point or two.

Lower interest rates will create over that 7-year period 497,000 new private sector jobs in California. The cost of borrowing by the State of California will be reduced by over $3 billion, resources that could be used to address real needs in California, which would provide a benefit of $262 in a State tax cut per household.

Now, the point being that as interest rates drop, Mr. Speaker, we clearly would see a very beneficial impact in decreased interest burden paid by our State. The cost of borrowing by local governments within California will be reduced with the 12 largest cities in California seeing a savings of $1.38 billion alone, resources that, again, could be used for education, health care, and local law enforcement.

The average California family that owns a home will save $4,757 per year through lower mortgage interest rates, freeing family income to provide for themselves a higher standard of living. A California student, with the average college loan in our State of California, would save $858 over the life of a 10-year student loan, if we were to bring about a balanced budget with those lower interest rates which would follow.

California families will obviously pay less in Federal taxes. 6,138,000 California children live in families that are eligible for the $500 per child tax credit, if we put our package through. The Republican family tax relief will reduce the taxes of California families by $21.6 billion over the next 7 years, money that is earned by parents and can be spent by the family.

Spending on priority social programs increases dramatically under our Balanced Budget Act. Total Federal spending in California would increase from $177 billion in fiscal year 1995 to $215 billion in 2002, an increase of 22 percent. Over the past 7 years, the Federal Government's spending in California was $1.11 trillion. Under the Republican balanced budget plan, total Federal spending in California will be $1.46 trillion, which is an increase of 31 percent.

Social Security payments to Californians will increase $15.9 billion over the next 7 years under our balanced budget plan, and Federal welfare spending, and that means food stamps, child care, cash welfare, child protection, school nutrition, SSI, the earned income tax credit in California, that will increase by $40 billion over the next 7 years under our plan.

Mr. Speaker, wasteful Washington mandates are lifted, giving flexibility to Sacramento and local governments to direct Federal and State resources to its highest priorities and to do this in the most efficient manner. Medicare payments to Californians, Mr. Speaker, will increase $9.2 billion over the next 7 years.

□ 2315

Medicare spending per senior will increase from $4,800 to $7,100 per beneficiary by the year 2002. California seniors will also be given a choice in the health care plan that they receive, rather than having their health care coverage dictated by Washington politicians and bureaucrats.

Mr. Speaker, Medicaid payments to California will increase by $3.4 billion over the next 7 years. The Federal Government would also reimburse to California hospitals swamped by illegal immigrants $1.6 billion of the cost of emergency health care services, which currently is a cost placed on California hospitals and the California taxpayers.

Lifting Washington mandates, increasing the cost of health care and diverting resources to lesser priorities, including mandates to provide health care to illegal immigrants and drug addicts, must be lifted as part of any plan to restrain the growth of Federal Medicaid spending in order to continue to provide equal health care to Californians who are in need.

Obviously, Mr. Speaker, in closing, it is very clear that moving ahead with our Balanced Budget Act would, in fact, dramatically increase by 22 percent overall the level of spending for California over the next 7 years. So, we have not seen these Draconian cuts which many people have labeled our Balanced Budget Act as, and, in fact, we need to move ahead as expeditiously as possible because it is clearly a win/win for the people of California.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 16 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2340

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. METCALF) at 11 o'clock and 40 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTION TO DISPOSE OF SENATE AMENDMENT TO H.R. 1643, MOST-FAVORED-NATION TREATMENT FOR BULGARIA

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 104-447) on the resolution (H. Res. 334) providing for consideration of a motion to dispose of the Senate amendment to the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LIGHTFOOT (at the request of Mr. ARMEY) for today and the balance of the week, on account of his son's surgery.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. MORAN, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. EDWARDS, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Mr. FIELDS of Louisiana, for 5 minutes, today.

Mr. FARR, for 5 minutes, today.

Mrs. THURMAN, for 5 minutes, today.

Mr. CLEMENT, for 5 minutes, today.

Mr. MINGE, for 5 minutes, today.

Mr. BARRETT of Wisconsin, for 5 minutes, today.

Mr. NADLER, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Mr. SCHUMER, for 5 minutes, today.

Mr. POMEROY, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. CARDIN, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Mr. PASTOR, for 5 minutes, today.

(The following Members (at the request of Mr. KINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. BUYER, for 5 minutes, today.

Mr. HANSEN, for 5 minutes, today.

Mr. TIAHRT, for 5 minutes, today.

Mrs. MORELLA, for 5 minutes, today.

Mr. BARR, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. MARTINI, for 5 minutes, today.

Mr. JONES, for 5 minutes, today.

Mr. FUNDERBURK, for 5 minutes, today.

Mr. EWING, for 5 minutes, today.

Mr. MCINNIS, for 5 minutes, today.

Mr. STEARNS, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BONO, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOLDEN.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. COLLINS of Georgia, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GIBBONS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DEUTSCH, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. TAUZIN, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. BARTLETT of Maryland, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. ENSIGN, for 5 minutes, today.

Mr. BISHOP, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. BENTSEN, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. LAHOOD, for 5 minutes, today.

Mr. DELLUMS, for 5 minutes, today.

Mr. SAXTON, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. CUBIN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WATT of North Carolina, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. ENGEL, for 5 minutes, today.

Mr. BARCIA, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DREIER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. TORRICELLI.

Mr. HAMILTON.

Mr. MONTGOMERY.

Mr. KLECZKA.

Mrs. COLLINS of Illinois.

Mr. COYNE in three instances.

(The following Member (at the request of Mr. KINGSTON) and to include extraneous matter:)

Ms. ROS-LEHTINEN.

(The following Members (at the request of Mr. GANSKE) to revise and extend their remarks and include extraneous material:)

Mr. EDWARDS.

Mr. WALSH.

Mr. ROTH.

Mr. NEAL of Massachusetts.

Mrs. MALONEY.

Mr. STOKES.

Mr. HAYWORTH.

Mr. HINCHEY.

Mr. TORKILDSEN.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1295. An act to amend the Trademark Act of 1946 to make certain revisions relating to the protection of famous marks.

H.R. 2203. An act to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project.

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following day present to the President, for his approval, a bill of the House of the following title:

On January 3, 1996.

H.R. 2808. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until March 31, 1996, and for other purposes.

ADJOURNMENT

Mr. DREIER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 41 minutes p.m.), the House adjourned until Friday, January 5, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1907. A letter from the Architect of the Capitol, transmitting the report of expenditures of appropriations during the period April 1, 1995, through September 30, 1995, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

1908. A letter from the Under Secretary of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred in the fiscal year 1993, operation and maintenance, Air National Guard, and fiscal year 1993, military personnel, Air National Guard, appropriations, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

1909. A letter from the Assistant Secretary for Legislative Affairs and Public Liaison, Department of the Treasury, transmitting the Department's second semiannual report to Congress, as required by section 403 of the Mexican Debt Disclosure Act of 1995, and the December monthly report to Congress, as required by section 404 of the same act, pursuant to Public Law 104–6, sections 403(a), 404(a) (109 Stat. 89, 90); to the Committee on Banking and Financial Services.

1910. A letter from the Secretary of Energy, transmitting the Department's report entitled, "Annual Report on the State Energy Conservation Program for Calendar Year 1994," pursuant to 42 U.S.C. 6325; to the Committee on Commerce.

1911. A letter from the Director, Office of Administration, Executive Office of the President, transmitting the White House personnel report for the fiscal year 1995, pursuant to 3 U.S.C. 113; to the Committee on Government Reform and Oversight.

1912. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–178, "Prohibition on Abandoned Vehicles Amendment Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1913. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–179, "Woodrow Wilson Bridge and Tunnel Compact Authorization Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1914. A letter from the Acting Secretary of State, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1915. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1916. A letter from the National Adjutant, the Disabled American Veterans, transmitting the report of the proceedings of the organization's 74th national convention, including their annual audit report of receipts and expenditures as of December 31, 1994, pursuant to 36 U.S.C. 90i and 44 U.S.C. 1332 (H. Doc. No. 104–159); to the Committee on Veterans' Affairs and ordered to be printed.

1917. A letter from the Librarian of Congress, Archivist of the United States, and the Public Printer, transmitting the final report on establishing a national policy on permanent papers, pursuant to Public Law 101–423, Section 3 (104 Stat. 913); jointly, to the Committees on Government Reform and Oversight and House Oversight.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DREIER: Committee on Rules. House Resolution 334. Resolution providing for consideration of a motion to dispose of the Senate amendment to the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria (Rept. 104–447). Referred to the House Calendar.

REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. ROBERTS. Committee on Agriculture. H.R. 2130. A bill to amend the Farm Credit Act of 1971 to improve the efficiency and operation of the Federal Agricultural Mortgage Corporation in order better to ensure that farmers, ranchers and rural home owners will have access to a stable and competitive supply of mortgage credit now and in the future; with an amendment; referred to the Committee on Banking and Financial Services for a period ending not later than March 15, 1996, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(c), rule X (Rept. 104–446 Pt. 1). Ordered to be printed.

DISCHARGED FROM CORRECTIONS CALENDAR

Under clause 5 of Rule X, the following action was taken by the Speaker:

H.R. 2685. Discharged from the Corrections Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of Rule X, the following action was taken by the Speaker:

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than January 12, 1996.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LONGLEY:

H.R. 2842. A bill to provide for interest-free loans for furloughed Federal employees; to the Committee on Government Reform and Oversight.

By Mr. STUMP (for himself, Mr. Montgomery, Mr. Everett, Mr. Evans, and Mr. Smith of New Jersey):

H.R. 2843. A bill to amend title 38, United States Code, to change the name of the Servicemen's Group Life Insurance Program to Servicemembers' Group Life Insurance, to authorize the termination of life insurance under that program when premiums are not paid, to provide for coverage under that program to be provided automatically at the maximum level unless the servicemember elects a lower level, and to make other improvements to life insurance programs administered by the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mrs. MALONEY (for herself, Mr. King, and Mr. Manton):

H.R. 2844. A bill to amend the Foreign Assistance Act of 1961 to authorize the President to issue loan guarantees for economic development and job creation activities in the Republic of Ireland and Northern Ireland; to the Committee on International Relations.

By Mrs. COLLINS of Illinois:

H.R. 2845. A bill to amend the Solid Waste Disposal Act to allow petitions to be submitted to prevent certain waste facilities from being constructed in environmentally disadvantaged communities; to the Committee on Commerce.

By Mr. COYNE:

H.R. 2846. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the cleanup of certain contaminated industrial sites and to allow the use of tax-exempt redevelopment bonds for such cleanup; to the Committee on Ways and Means.

H.R. 2847. A bill to amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds for the economic development of distressed communities; to the Committee on Ways and Means.

By Mr. McHUGH:

H.R. 2848. A bill to provide for compensation for Federal employees for emergency service performed during periods of lapsed appropriations; to the Committee on Appropriations, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McNULTY:

H.R. 2849. A bill to establish the Hudson and Mohawk Rivers National Historical Park in the State of New York, and for other purposes; to the Committee on Resources.

By Mr. STUMP (for himself and Mr. Montgomery) (both by request):

H.R. 2850. A bill to amend title 38, United States Code, to clarify the eligibility of certain minors for burial in national cemeteries; to the Committee on Veterans' Affairs.

By Mr. PETERSON of Minnesota:

H.J. Res. 156. Joint resolution making further continuing appropriations for railroad retirement benefits for fiscal year 1996, and for other purposes; to the Committee on Appropriations.

By Mr. LIVINGSTON:

H. Res. 331. Resolution to return a certain bill to the Senate; to the Committee on Appropriations.

By Mr. CARDIN (for himself, Mr. Cramer, Mr. Clement, Mr. Dellums, Mr. Hefner, Ms. Kaptur, Ms. Pelosi, Ms. Woolsey, and Mr. Wynn):

H. Res. 332. Resolution amending the Rules of the House of Representatives to prohibit a House recess or adjournment during any period of lapsed appropriations for the Federal Government; to the Committee on Rules.

By Mr. CONDIT (for himself, Mr. Peterson of Minnesota, Mr. Pete Geren of Texas, Mr. Baesler, Mr. Payne of Virginia, Mr. Holden, Mr. Minge, Mr. Brewster, Mr. Cramer, Ms. Danner, Mrs. Lincoln, Mr. Stenholm, Mr. Sisisky, Mr. Poshard, Mr. Tanner, Mr. Hall of Texas, Mr. Dooley, Mr. Roemer, Mr. Taylor of Mississippi, Mr. Browder, Mr. Orton, and Ms. Harman):

H. Res. 333. Resolution providing for the consideration of H.R. 2530, a bill to provide for deficit reduction and achieve a balanced budget by fiscal year 2002; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 528: Mr. Doyle, Mr. Richardson, Mr. Rose, Mr. Thompson, Mr. Leach, Mr. Martini, and Mr. Durbin.

H.R. 938: Mr. Parker and Mr. Taylor of Mississippi.

H.R. 1078: Mrs. Lowey and Mr. Olver.

H.R. 1127: Mr. Zimmer and Mr. Barton of Texas.

H.R. 1161: Mrs. Lowey.

H.R. 1202: Mr. Frazer, Ms. Norton, Mr. Vento, Mr. Thompson, Mrs. Kennelly, Mr. Faleomavaega, and Mr. Gilchrest.

H.R. 1500: Mrs. Kennelly, Mrs. Maloney, Mr. Menendez, and Mr. Bryant of Texas.

H.R. 1527: Mrs. Vucanovich.

H.R. 1560: Mr. Hilliard and Ms. Slaughter.

H.R. 1610: Mr. Cramer.

H.R. 1684: Mr. Yates, Mr. Skaggs, Mr. Skelton, Mr. Bevill, and Mr. Sawyer.

H.R. 1876: Ms. Eshoo, Mr. Torkildsen, and Mrs. Lowey.

H.R. 2202: Mrs. Fowler.

H.R. 2223: Mr. Hinchey, Ms. Pryce, Mr. Manton, Mr. Fawell, Mr. Sisisky, Ms. Lofgren, Mr. Franks of New Jersey, Mr. Clyburn, Mr. Klink, and Mr. Bonior.

H.R. 2240: Mr. Lantos.

H.R. 2276: Mr. Canady.

H.R. 2433: Mr. Johnston of Florida, Mr. Talent, Mr. Duncan, and Mr. Shays.

H.R. 2579: Mr. Bishop, Mr. English of Pennsylvania, and Mr. Fazio of California.

H.R. 2610: Mr. Coble.

H.R. 2651: Mr. Quinn.

H.R. 2658: Mr. Cramer, Mr. Fox, Mr. Foglietta, Mrs. Clayton, Mr. Taylor of Mississippi, Ms. Pelosi, Mr. Ortiz, Ms. Eshoo, Mr. KENNEDY of Rhode Island, Mr. RUSH, Mr. DOYLE, Mr. HYDE, Mr. FRAZER, Mr. MORAN, Mr. OBERSTAR, Mr. WAXMAN, Mr. BARRETT of Wisconsin, Mr. KILDEE, Mr. UPTON, Ms. RIVERS, and Miss COLLINS of Michigan.

H.R. 2664: Mr. ROSE.

H.R. 2671: Mr. BAESLER, Ms. DANNER, Mr. HALL of Texas, Mr. GOSS, and Mr. POSHARD.

H.R. 2677: Mr. BATEMAN and Mr. DEUTSCH.

H.R. 2685: Mr. DICKEY.

H.R. 2690: Mr. JOHNSTON of Florida.

H.R. 2707: Mr. THOMPSON.

H.R. 2727: Mr. TALENT and Mr. CHABOT.

H.R. 2828: Mr. METCALF, Mr. GOSS, Mr. ROTH, Mr. WOLF, Mr. MICA, Mrs. MORELLA, and Mrs. FOWLER.

H.R. 2837: Mr. RICHARDSON, Mr. ACKERMAN, Mr. LEACH, Mrs. MEEK of Florida, Mr. HORN, and Mr. HASTINGS of Florida.

H.R. 2841: Mr. KLECZKA, Mr. POSHARD, Mr. SAXTON, Ms. MCCARTHY, Mr. FRANK of Massachusetts, Mr. CRAMER, and Mr. SHAYS.

H.J. Res. 155: Mr. GENE GREEN of Texas, Mr. WYNN, Mrs. MINK of Hawaii, Mrs. CLAYTON, Ms. SLAUGHTER, Mr. FIELDS of Louisiana, Mr. PAYNE of New Jersey, Ms. BROWN of Florida, Mr. HASTINGS of Florida, Mr. KENNEDY of Massachusetts, Mr. LEWIS of Georgia, Mr. KENNEDY of Rhode Island, Mr. BISHOP, Ms. ROYBAL-ALLARD, Mr. CLYBURN, Mr. THOMPSON, Mr. FOGLIETTA, Mr. HILLIARD, Mr. BECERRA, Ms. DELAURO, Mr. MORAN, Mrs. SCHROEDER, Mr. VOLKMER, Mr. BARRETT of Wisconsin, Mr. POMEROY, Mr. PALLONE, Mr. MENENDEZ, Mr. EDWARDS, Mr. WISE, Mr. SCHUMER, Mr. GONZALEZ, Mr. MCNULTY, Mr. SKELTON, Mr. TAYLOR of Mississippi, Mr. NADLER, Mrs. THURMAN, Mr. SCOTT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HEFNER, Ms. RIVERS, Mr. WARD, Mr. JEFFERSON, Mr. CLEMENT, Ms. NORTON, Ms. WOOLSEY, Mr. UNDERWOOD, Mr. CONYERS, Mr. ABERCROMBIE, Mr. BENTSEN, Mr. NEAL of Massachusetts, Ms. PELOSI, and Mr. FARR.

H. Con. Res. 47: Mr. FRELINGHUYSEN.

H. Con. Res. 124: Mr. HOKE.

H. Res. 30: Mr. MCDERMOTT and Mr. JOHNSON of South Dakota.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 393: Mr. ZIMMER.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE ENVIRONMENTAL EQUAL RIGHTS ACT

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mrs. COLLINS of Illinois. Mr. Speaker, today I am introducing the Environmental Equal Rights Act to promote equity, justice, and community involvement in the selection of the location of waste facilities. My bill gets at the heart of the need to locate waste facilities in locations which minimize the total impact on the health and well-being of nearby residents from sources of contamination. It would establish a process for exercising our inherent rights respecting the development and evolution of our communities.

In the past, sites for many waste facilities have invariably been chosen for the wrong reasons. Since it is politically difficult to select any location, the choice has often come down to a question of political influence: Those with the least have lost.

The result is that too many facilities have been placed in communities populated largely by minorities and the poor. These sitings regularly occur irrespective of the suitability of the site, and of critical importance, irrespective of the degree to which the community is already exposed to the polluting facilities. It is a simple fact of life that these communities usually do not have the financial or political resources to compete on these issues with other neighborhoods. Consequently, as multiple facilities are placed in minority and poor communities, the residents of these communities face unjustifiably severe health hazards and have no vehicle with which to protect themselves from such exposures.

According to a 1992 University of Michigan study, the proportion of minorities in communities which have a commercial hazardous waste facility is about double that in communities without such facilities. The University of Michigan study found that, where two or more such facilities are located, the proportion of minorities is more than triple that of communities without a facility.

In a 1992 report, the Environmental Protection Agency corroborated the evidence of the disproportionate impact of contaminants on racial minority and low-income populations when it concluded that these groups experience higher than average exposures to selected air pollutants and hazardous waste facilities.

Currently, projected human health impacts of a new waste facility usually do not figure into the decision of whether or not to award a permit. Once again, recent studies have found that urban, minority communities are the most exposed to particulates, sulfates, and other contaminants.

The Environmental Equal Rights Act [EERA] would allow citizens of an environmentally disadvantaged community in which a waste facility has been proposed to be sited to challenge the siting. A successful challenge would prevent the issuance of a permit for construction and operation of the proposed facility.

A challenge would be based on whether the proposed facility is located within 2 miles of another waste facility, Superfund site, or facility that releases toxic contaminants; and whether it is in a community that has a higher than average percentage of low-income or minority residents. The petitioner would also have to show that the proposed facility may adversely affect the human health or the environmental quality of the community.

Mr. Speaker, the Environmental Equal Rights Act will equip environmentally disadvantaged communities with basic tools to protect their environment and the health of their residents. These tools are necessary to compensate communities that are underrepresented and have fewer resources with which to protect themselves. We should all be able to agree that underrepresentation is an unacceptable basis for exposing people to substances which can impair mental development and cause harmful health conditions. To stop short of providing these rights would perpetuate the gross injustices and exposures to risks that have become all too common.

INTRODUCTION OF THE ECONOMIC REVITALIZATION ACT

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. COYNE. Mr. Speaker, I rise today to introduce an important piece of legislation. This bill, the Economic Revitalization Act, would expand the Federal Government's role in encouraging local economic development efforts across the country.

Many communities across the country have experienced unprecedented job loss and economic dislocation in recent years. These communities are in desperate need of economic development activities that will provide new jobs and tax revenues.

Prior to my election to Congress, I served for a number of years as a member of the Pittsburgh City Council. My service on the city council provided me with substantial firsthand knowledge about the many difficult challenges facing State and local governments.

Since I left the city council to become a Member of Congress, the demands on State and local governments have increased substantially while the resources at their disposal have declined. In the last 15 years, the Federal Government has eliminated General Revenue Sharing and Urban Development Action Grants. It has also limited funding for programs like the Economic Development Administration and Community Development Block Grants.

At the same time, the Federal Government has imposed a number of unfunded mandates on State and local governments that require expensive new investments in infrastructure like water and sewage treatment facilities. Such investments have clearly improved many Americans' quality of life, but they have also consumed large portions of State and local governments' scarce capital budgets, which might otherwise have been used to foster economic development.

Something needs to be done to target Federal economic development assistance at our most troubled communities. The empowerment zone/enterprise community legislation enacted in 1993 was landmark legislation, but the law only authorized empowerment zones and enterprise communities in 104 areas around the country. There are many more communities in this country that need this kind of help. Moreover, while the EZ/EC program will provide much-needed Federal assistance to the designated EZ/EC communities, the program does not provide adequate resources even for these communities to successfully address the difficult social problems that they face.

Consequently, I introduced a bill in 1993—shortly after the enactment of the EZ/EC legislation—that would provide economic development assistance to all of the local governments across the country that qualified as distressed communities.

This legislation would establish a new type of tax-exempt private activity bond, the distressed community economic development bond. The distressed community economic development bond would be targeted at communities that have been hard hit by population loss, job loss, slow growth, or military base closings. Communities which meet the bill's criteria for designation as distressed communities could issue tax-exempt bonds to promote a wide range of economic development projects within their jurisdictions.

This legislation was not adopted in the 103d Congress, so I am introducing it again today. I believe that this legislation would provide economically hard-hit communities with the necessary means to foster economic growth and create new jobs.

I do not pretend that this initiative would solve all of the problems of our most troubled communities. It could, however, constitute part of the solution. In light of the sharp decline in Federal support for State and local governments in recent years—and the concurrent growth in federally imposed mandates on those same governments—congressional action to encourage economic development is long overdue.

I invite my colleagues to join me as cosponsors of this much-needed legislation.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

MARATHON GIRLS ARE FIELD HOCKEY CHAMPIONS AGAIN

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. WALSH. Mr. Speaker, I am asking today that my colleagues join me in saluting the Marathon High School girls field hockey team for successfully defending their New York State class D championship.

The team won its second straight championship by defeating Morrisville-Eaton in a close and hard fought contest at Skidmore College in Saratoga Springs, NY.

As last year, the community welcomed the victorious Lady Olympians as they returned. The volunteer fire department once again stirred excitement with wailing sirens and flashing lights, leading a parade through the center of the village.

I want to congratulate the team and let them know I am very proud of their performance. In marking their accomplishment, we applaud all athletic endeavors of young women everywhere and give a deserved pat on the back to the adults who have provided the guidance and example that have made these players champions.

Those are the parents, the coaches, the administrators, and the fans who have encouraged and enjoyed the play all year long.

And while they have brought fame to themselves, they have made their friends and their school, not to mention their community, proud as well.

These young people have learned what it feels like to win, but more importantly the value of camaraderie, teamwork, and discipline. They will likely remember these times the rest of their lives. They deserve to, and do have our sincere best wishes for the kind of success which only promises greater things to come.

The team consists of: Rebecca Gillette, Joanna Ryan, Amber Potter, Laurel Weiss, Kendra Shufelt, Amber Glave, Tina Owen, Samantha Strough, Bobbie Elwood, Kathy Hoyt, Jessica James, Jennie Lavens, Hilary Matson, Carla Tagliente, Katrina Roe, Darci Contri, Becky Smith, Allisa Altmann, Arlene Hallock, and Coach Karen Funk.

HONORING DR. GIL BELTAN, EDUCATOR

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Ms. ROS-LEHTINEN. Mr. Speaker, it is a great pleasure and a true honor for me to recognize the many achievements of Dr. Gil Beltran who, for over 65 years, has dedicated his life to educating children at his school in Miami. Indeed, Dr. Beltran's unyielding commitment to the education of children is nothing short of remarkable.

He founded his school, La Luz, The Light, with the mission to provide students with the foundations of academic excellence while stressing the importance of serving one's community. The school was first inaugurated at the turn of the century in Havana, Cuba, and then initiated again in Miami for the exiled Cuban-American community. Dr. Beltran's determination to educate those who yearned to be free in the United States, and to teach students the true meanings of the words "liberty" and "justice," has made him a true philanthropist of the south Florida community. One can measure the resounding success of Dr. Beltran's vision by witnessing the smiles and gratitude of the students and parents on graduation day.

Many Miami residents first learned how to read and write because of Dr. Beltran's undying vision and commitment to the youth of south Florida. It should give all a great sense of pride to honor a man whose prescience continues to set a standard of excellence for all to admire.

RINZLER AND LUNTZ ARE RIGHT ON TARGET

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mrs. MALONEY. Mr. Speaker, as the inexcusable Government shutdown drags on, Americans all over the country are justifiably furious that critical services have been halted and that hardworking Federal employees are being forced to work without pay.

In addition, many of our constituents are angry that Members of Congress continue to receive their full pay during this time of crisis. In fact, many of us have cosponsored legislation, as I have, to deny Members their pay during the budget shutdown.

Yesterday, the New York Times published an incisive op-ed piece written by two of my constituents, Carol Ann Rinzler and Perry Luntz. I commend this timely article to all of my colleagues.

[From the New York Times, Jan. 3, 1996]

CONGRESS SHOULDN'T GET PAID EITHER

(By Carol Ann Rinzler and Perry Luntz)

Almost exactly a year ago, Congress passed the Congressional Accountability Act, a much ballyhooed measure that requires the House and Senate to abide by the workplace and civil rights laws they enact for the rest of us. Alas, like so many things in life, this long-overdue legislation turns out to be less than meets the eye.

In an effort to minimize the effects of the Government shutdown on their constituents, Republicans in the House proposed last week that furloughed Federal employees go back to work without being paid, surely a new idea in free-market, conservative economics.

Afterward, someone asked Representative Tom DeLay of Texas, the House majority whip, whether he would consider giving up his own salary during the crisis. No way, said Mr. DeLay, explaining that, like every other member of Congress, he isn't a Federal employee—he is a "constitutional officer."

Well, we've reread our copy of the Constitution, and frankly the distinction seems a bit arcane to us.

True, members of Congress are specifically mentioned in the Constitution. Article I, Section 5 says that "Senators and Representatives shall receive a compensation for their services, to be ascertained by law and paid out of the Treasury of the United States." Cabinet members and Federal judges also get a mention, later on, but other workers—curators at the Smithsonian, say—do not.

But every Federal paycheck originates in an appropriation requiring money from the Treasury, whose funds come, in large part, from income taxes. That should give everyone of us the inalienable right to put in our 2 cents. Or to take it out.

Members of the House and Senate earn a base salary of $133,600 a year (those in leadership positions get more). And don't forget the generous benefit package: life insurance, health insurance, per diem travel and a nifty pension. Mr. DeLay's base salary alone costs each of America's more than 115 million individual taxpayers 1.2 cents a year.

As conscientious citizens, we have always paid our taxes, regardless of our political gripes. Even though one of us was teargassed in 1971 by an overzealous guard at the Nixon White House, protecting it from throngs of balding, middle-aged Vietnam War protesters and their children, the Internal Revenue Service got paid the following year anyway.

This time, however, we plan to draw a line in the sand. Having voted to obey its own laws, members of Congress should be man (or woman) enough to live up to that requirement. Before Tom DeLay votes for trimming Medicare, he should whistle down his own Government-financed health insurance. If he expects Federal workers to show up for free, so should he.

Until then, he can forget our helping to pay his salary. Come April 15, our joint tax return will be 2 cents short. That ought to send a message: keeping Congress in line is a hard job, but somebody has to do it.

100-YEAR ANNIVERSARY OF THE FOUNDING OF TIGERTON

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. ROTH. Mr. Speaker, I rise to wish a happy 100th birthday to the village of Tigerton, WI.

We are not only celebrating a great town—we are also celebrating the people who built a great town.

The people of Tigerton are the kind of Americans about whom Abraham Lincoln said: "We have been the recipients of the choicest bounties of Heaven."

Tigerton lies in the heart of Shawano County, a scenic region in northeast Wisconsin known far and wide for its fishing, snowmobiling, golf, swimming, boating, camping, hiking, and biking.

Tigerton's abundant forests are home to abundant deer and small game, which attract legions of hunters.

In fact, Tigerton was settled more than 100 years ago by hard-working people in the timber industry.

The Tigerton Lumber Co. was formed in 1887, and the town of Tigerton was incorporated shortly afterward in 1896.

From that time, the village of Tigerton has grown to its current population of more than 800 citizens.

The village's lumber heritage is preserved by the Tigerton Lumber Co., which is still going strong. Each year, in the last weekend of August, Tigerton Lumberjack Days are held to celebrate the town's main industry.

On Lumberjack Days, the people of Tigerton can get together and enjoy log cutting, sawing, and piling shows, as well as enjoy a corn roast, bingo, rides, music, and bow shooting.

The centennial celebration will culminate during this year's Lumberjack Days, with a parade on August 26.

The opening ceremony will be held at the Tigerton High School gymnasium on January 14. On that day, the Tigerton High School band, and civic figures from the village and the State, with the people of Tigerton to look back on the past 100 years and look forward to the next century.

Indeed, everyone in Tigerton should be very proud of their village's first 100 years.

All of us can look backward on a century of achievements large and small, of four generations of hard-working and God-fearing families.

But this centennial also marks a time to look forward to the future.

The pioneering spirit that inspired the people of Tigerton in its first century lives on today, stronger than ever.

I am confident that the people of Tigerton will make their second century a time of unbounded opportunity and success.

Tigerton and each city and town of our great country and our great State of Wisconsin is unique, but all are bound together in the love of these United States.

As the people of Tigerton commemorate this anniversary, we have a splendid opportunity to renew our commitment to preserve the spirit which has forged America into a land of wonder. I am proud to join you, the people of Tigerton, in making such a commitment on this historic occasion.

Mr. Speaker, with hearty congratulations and best wishes for continued milestones, I salute the village of Tigerton.

HONORING HENRY A. DAWSON

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. NEAL of Massachusetts. Mr. Speaker, today I would like to pay tribute to an outstanding individual from my district, Mr. Henry A. Dawson. Mr. Dawson will retire this month after 22 years of dedicated service as the executive director of the Springfield Girls Club Family Center.

A native of Rocky Mount, NC, Mr. Dawson enjoyed distinguished military and athletic careers before arriving in Springfield in 1970 to pursue a masters degree at Springfield College and to begin his tenure at the Girls Club Family Center. For the last 22 years Henry Dawson has served as the executive director of the Family Center and has touched the lives of thousands of young people in the Springfield area.

Under Mr. Dawson's direction, the Family Center established many outstanding programs. Among these projects are the Project Extra Plus and Project Extra Plus Preschool, which provided day care with a large variety of recreational activities for school-age and preschool children during nonschool hours. In addition, Mr. Dawson also established the Family Center City Camp which provided day care for 150 children during the summer months, and Camp Mishnoah, a summer resident camp that provided a quality multicultural camping experience for thousands of girls who might otherwise have been denied such an experience.

Mr. Dawson's, ability to create outstanding programs for young people is possibly surpassed only by his ability to raise the funds to keep these programs in operation. Over the years, the Family Center has experienced major funding reductions, and despite this loss, the center's budget has grown and shown an average annual excess of $37,000. This is the result of proven investment practices by Mr. Dawson that have enabled the Family Center to accumulate a respectable endowment and operate deficit free for the pass 22 years. This sound fiscal management will ensure that the Family Center will continue its outstanding work for many years to come.

On behalf of the citizens of the Second Congressional district of Massachusetts, I would like to offer a heartfelt thanks to Henry Dawson for his tireless work with young people and wish him the best as he begins his retirement. His contributions to the youth of Springfield are immeasurable and I am honored to represent such an outstanding individual. People like Henry Dawson are the reason the Boys and Girls Clubs of America have been able to make such a difference in the lives of America's youth for the past century. Thank you Henry and good luck.

CONGRATULATIONS TO THORNDALE HIGH SCHOOL STATE FOOTBALL CHAMPIONS

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. EDWARDS. Mr. Speaker, I rise today for the second time in as many years for the same reason, to recognize the Thorndale High School Bulldogs for their State football championship.

I extend my sincere congratulations to head coach Don Cowan and the Bulldogs of Thorndale, TX, who captured the 1995 Class 1A State Championship on December 23, 1995 before a crowd of 8,000 at Gordon Wood Stadium in Brownwood, TX. Defeating the Roscoe Plowboys 14 to 7, the Bulldogs extended their winning streak to 32 games. This feat places Thorndale in a select class with 4 other schools as the only teams in Texas high school football history to post back-to-back 16-win seasons.

The Bulldogs won their second consecutive State championship and third in 6 years with intense defense. Thorndale's defense, stingy all year, held its opponents to single-digit scoring in all but four of its games, six of which were shutouts. The Bulldogs' defense was so tenacious against Roscoe that it forced four interceptions and limited the Plowboys to only nine first downs, two in the second half.

I urge my colleagues to join me today in recognizing and honoring true champions—the players, coaches, students, parents, and citizens of Thorndale, TX.

IN SUPPORT OF ADVANCEMENT OF DEMOCRACY ELSEWHERE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. TORRICELLI. Mr. Speaker, President Clinton once wrote:

> . . . the best strategy to ensure and build a lasting peace is to support the advance of democracy elsewhere.

I concur with this statement, and I add that in order to establish security within our own borders, we must also ensure democracy and security within the borders of the countries close to the United States. Guatemala is one of those countries.

Mr. Speaker, the second round of elections in Guatemala are to be held on January 7, 1996. The people of Guatemala are praying for a legitimate, democratic election. One that will guarantee substantial changes from the past governments and give them hope for true democracy in their own country. If this does not come to pass, then more Guatemalans will come illegally into the United States. At this time, just in Florida alone, there are more than 50,000 Guatemalan immigrants who have come in hopes of finding the American dream of true democracy and justice, something they have been denied for years in their own country. The corruption in Guatemala must stop, and the United States is the only country that has the power to terminate such activity.

Both the President and Congress should make it a priority to see that honest, fraudulent-free elections are held there. As with the elections in Haiti and Nicaragua, the United States should send a cadre of officials to Guatemala to ensure that the voters will not be coerced in any way. The resources that we are currently utilizing to maintain illegals within our country would be better spent tending to the elimination of such corruption, which drives emigres to our soil. Additionally, we should always consider the quality of life for U.S. citizens who reside in these strained countries.

Mr. Speaker, we seek the security of our Nation and we hold dear our own ideals, but too often we disregard the ideals of others living in nations less fortunate, where corruption runs rampant. By taking precautions now, we can lighten the burdens we will have to carry later. I therefore urge President Clinton to order the State Department to monitor the upcoming election in Guatemala, so as to ensure that they are fair and democratic.

IN CELEBRATION OF ELMER AND MARY SIMONIS' 50TH ANNIVERSARY

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. KLECZKA. Mr. Speaker, today I rise to congratulate Elmer and Mary Simonis in celebrating their golden wedding anniversary. For 50 years, Elmer and Mary have demonstrated true devotion and commitment to each other, their family, and their community.

Throughout his career, Elmer's work with the space program led to his involvement in producing the guidance systems for our moon shots. He also spent time assembling the moon buggy. Mary kept busy with the children's Parent-Teacher Association, Brownies, and Girl Scouts. And, she still found time to work as a nurse's aid in a local hospital.

Together they have resided for 21 years on Grove Street in Muskego, WI. Here they raised three lovely daughters, Mary, Donna, and Annette. Growing up, the girls had wonderful role models in parents who were active in various school and church functions. Now, the Simonis' love extends further to their nine beautiful grandchildren.

As we begin 1996, it is with great pleasure that I extend my warmest wishes for a wonderful 50th anniversary and many more happy returns to Elmer and Mary Simonis.

TRIBUTE TO PAT ZICARELLI

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Pat Zicarelli, who is the outgoing president of the San Fernando Valley Association of Realtors. Under Pat's aggressive leadership, the association expanded membership services, became deeply involved in community affairs, and raised significant funds for the Make-a-Wish Foundation. With his energy and enthusiasm, Pat was an excellent leader for the association. His successor will find him a tough act to follow.

Pat has a 20-year history of participation in civic, community, and business affairs, in the San Fernando Valley. Indeed, his resume is crowded with credits. To cite a few of many examples: Pat is serving a second term as president of the Tarzana Chamber of Commerce, has been an executive business fundraiser for the Muscular Dystrophy Association, has worked with local crime watch programs, and for 2 years was on the board of directors of the Miss California USA Pageant.

Not surprisingly, Pat has been the recipient of numerous awards through the years. In 1982, he was named Realtor-Associate of the Year by the San Fernando Valley Association of Realtors; in 1992 Assemblyman Richard Katz selected Pat to receive the San Fernando Valley Small Business Owner of the Year Award. Pat was also given the Outstanding Person of the Year Award by the Tarzana Chamber of Commerce.

As president of the Valley Association of Realtors, Pat championed the adaptation of new technologies. Always on top of the latest innovations, Pat improved and expanded CRIS–NET, which is widely recognized as one of the industry's most advanced real estate information systems. He has positioned the association to be a key player in the information age.

I ask my colleagues to join me in saluting Pat Zicarelli, who has just concluded a successful tenure as president of the San Fernando Valley Association of Realtors. His commitment to business and dedication to his community are an example for us all.

BUDGET IMPASSE DERAILS BENEFITS FOR RAILROAD RETIREES

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. KLINK. Mr. Speaker, Emperor Nero fiddled while his capital, Rome, burned to the ground.

Now the Imperial Republican-controlled Congress here in Washington would rather keep the Federal Government shut down than do the people's business. Their actions are driving Federal workers and Federal contractors to the brink of financial disaster.

Besides the Federal workers and Federal suppliers, there are other victims of the Federal shutdown: the retired railroad workers and their families.

While Speaker GINGRICH and other House Republicans rang in the New Year by celebrating with friends and family more than 170,000 railroad retirees had their monthly pension checks severely cut.

Had the Republican leadership done its job on time, these railroad retirees would be receiving their vested dual benefits checks that average $130 per month. That means that more than 13,000 beneficiaries in Pennsylvania and others across the Nation will receive only partial annuity checks.

For some railroad retirees their Medicare part B premiums will consume their entire benefit checks. The bill that contains the funding for these railroad retirees has not even been brought to the Senate floor.

To add insult to injury, Speaker GINGRICH has announced his intentions to recess the House until January 23. This makes no sense.

Railroad retirees spent their entire careers keeping our trains operating on time. This is no time to forget railroad retirees and their families. Keep the Congress at work and restore full benefits to these railroad retirees.

INTRODUCTION OF THE BROWNFIELDS REDEVELOPMENT ACT

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. COYNE. Mr. Speaker, environmental cleanup and economic redevelopment of old, abandoned industrial sites is a critical issue for cities across America. These unproductive, often polluted sites are called brownfields.

There are over 400,000 brownfield sites scattered across the United States. Over the last decades, these brownfield sites have become not only public health and pollution problems, but also serious impediments to the economic health of the surrounding communities. Because the risk of assuming financial liability for a brownfield site is so great, potential purchasers and lenders have shied away from redevelopment of such properties. The result has been the loss of job opportunities and tax revenue in many communities, blighted neighborhoods, and the expensive, unnecessary, and wasteful construction of infrastructure like roads and sewers at new "greenfield" sites in nearby communities.

Affordable financing is one of the major stumbling blocks in the cleanup and reuse of brownfield sites. The Brownfields Redevelopment Act, which I am introducing today, seeks to address and ease the financial impediments to brownfield redevelopment through two separate provisions. First, the Brownfields Redevelopment Act would create a substantial tax incentive for private sector brownfield cleanups. In many cases, companies which are in the process of building new facilities might prefer to build these facilities on brownfield sites, where the necessary public infrastructure—roads and sewers, for example—is already in place and where a ready supply of prospective employees live nearby. However, the cost of environmental remediation and the risk of future financial liability has too often caused companies to shy away from such otherwise desirable locations. Cleaning up hazardous waste sites is an expensive, risky, and often time-consuming process. To provide an incentive for brownfield cleanup and redevelopment, the Brownfields Redevelopment Act would create a tax credit for private sector environmental remediation.

Specifically, this bill would provide a 50-percent tax credit for environmental remediation expenses incurred in completing a cleanup plan approved by the EPA or a designated State agency. In order to target this tax credit at the most potentially productive sites, the tax credit would be restricted to those sites that meet the following four criteria: the site has had no productive use for at least 1 year; the site would be unlikely to undergo redevelopment without tax credit assistance; the site has a strong likelihood of creating jobs and expanding the tax base after redevelopment; and the planned environmental remediation and redevelopment would be completed in a reasonably short period of time. The tax credit would also be available only to "innocent owners" of polluted property. It is my hope that such a tax credit will stimulate increased brownfield cleanup and redevelopment all across the country.

If this credit is successful in encouraging brownfield cleanup and redevelopment, it will bring jobs and revitalization to thousands of communities across the country. I believe that the benefits such redevelopment would provide by revitalizing our central cities would far outweigh the cost of the credit. Moreover, the costs of allowing these sites to remain vacant and contaminated are—while less obvious—quite substantial.

The second provision of the Brownfield Redevelopment Act would modify the Internal Revenue Code's existing qualified redevelopment bond [QRB] provisions to specify that environmental remediation was an allowable use of such bonds. The interest paid on qualified redevelopment bonds—bonds which are used for financing redevelopment in designated blighted areas—is tax-exempt. As a result, municipalities that issue such bonds can pay lower interest rates when they borrow money for redevelopment projects. In effect, the Federal Government subsidizes local governments' redevelopment activities through this Tax Code provision. Although brownfield sites are clearly blighted areas, environmental remediation is not specifically identified in the Tax Code as an allowable use of qualified redevelopment Bond proceeds. To address this oversight, the Brownfields Redevelopment Act would add environmental remediation to the list of activities that qualify for the use of the proceeds from the sale of qualified redevelopment bonds. This change would allow local governments to borrow money for brownfield cleanup at slightly less than market rates.

The bill would also waive a number of existing QRB restrictions when the bonds were issued for environmental remediation activities. Most importantly, the Brownfields Redevelopment Act would waive a section of the current law that requires that designated blighted areas be at least 100 acres in size. The great majority of brownfield sites desperately in need of redevelopment are much smaller than 100 acres. Many, in fact, are only a few acres. Consequently, this and similar requirements would be modified under the Brownfields Redevelopment Act to address the special conditions that are often associated with brownfield sites.

The QRB provisions of the Brownfield Redevelopment Act would be nearly revenue-neutral. While thousands of brownfield sites would be eligible for redevelopment using tax-exempt QRB's, the volume of qualified redevelopment bonds issued would be constrained by the existing State bond volume caps established under section 146 of the Internal Revenue Code. Local governments wishing to issue qualified redevelopment bonds for brownfield sites would have to compete with other issuers for authority to issue private activity bonds under the State volume cap.

Mr. Speaker, vacant, polluted brownfield sites have become a serious problem for our country. They have blighted many of our communities in both financial and environmental terms, and they have contributed to urban sprawl. Restoring and redeveloping our country's brownfield sites will be a difficult task—it will take the cooperation of both the public and private sectors. The financial assistance provided in this bill would be a valuable tool in the environmental and economic redevelopment of America. I urge my colleagues to join me as cosponsors of this legislation.

BOSNIA AND THE FUTURE OF NATO

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. HAMILTON. Mr. Speaker, the new Secretary General of NATO, Javier Solana, wrote a piece in the Washington Post on December 24, 1995, entitled "In Bosnia, a Defining Moment." I was impressed with his analysis, particularly concerning the cooperation of 16 non-NATO nations with the 16 Members of NATO in support of the Bosnia Implementation Force. As the Secretary General states "[W]e have the opportunity not only to end the war in Bosnia but to lay the foundations for an enduring structure of peace across a now-undivided and democratic Europe."

I comment the article to the attention of my colleagues. The text follows:

[From the Washington Post; Dec. 24, 1995]

(By Javier Solana)

IN BOSNIA, A DEFINING MOMENT

Much of the debate that preceded last week's deployment of a NATO-led peace implementation force into Bosnia centered on whether the stakes involved justified sending the young men and women of this alliance into harm's way. On this point, the response of our 16 member nations has been clear: We simply had to act in order to bring the worst conflict in Europe since World War II to a definitive halt.

The alternative would not only have been to condemn the people of Bosnia to further suffering but to risk seeing the conflict spread and perhaps confront us with the need to intervene in a shooting war on a much larger scale. Because NATO nations on both sides of the Atlantic remember all too well the price paid in 1914 and 1939 because of Western blunders and blindness, they were determined not to miss this opportunity to stop a war in the heart of Europe when it was in their power to do so.

What has received less attention in the international Force (IFOR) debate are the profound implications for NATO of this operation, which is the first ground force "out-of-area" deployment in our 46-year history. For those who until recently considered the organization a Cold War relic, the coalition that our supreme allied commander Europe, Gen. George A. Joulwan, is assembling must seem astonishing indeed.

Thus far, 16 non-NATO nations have joined the 16 allies in "Operation Joint Endeavor." These include many of our former adversaries from Central and Eastern Europe who now wish to join NATO, neutral countries such as Sweden and Finland, non-European nations such as Egypt and Pakistan and, most notably, Russia. Still other nations, such as Austria and Switzerland, have broken with tradition and taboo to cooperate with NATO to facilitate the largest and most complex movement of forces by land, sea and air in Europe in 50 years.

Clearly, something is happening in Europe today that transcends the Bosnian situation. Underlying the desire of so many nations to contribute to this NATO-led operation is a consciousness that a defining moment in the post-Cold War security order has arrived. This is not a moment or an opportunity that has come about by accident. NATO has worked quietly but intensively over the past two years to prepare the new democracies in our Partnership for Peace program for such joint operations, just as we have endeavored to build a truly cooperative relationship with the Russian Federation.

Thus in Bosnia we have an opportunity not only to end a war in the Balkans but to lay the foundations for an enduring structure of peace across a now-undivided and democratic Europe.

I am keenly aware that it is one thing to proclaim such a lofty ideal and quite another for our troops to face the grim reality of a Balkan winter under trying and dangerous circumstances. Throughout history, it has been ever thus—it has been to the lonely foot soldier to realize the visions of leaders and politicians.

But thanks to their capacity to learn from the mistakes of the first half of this century, two generations of Europeans and North Americans have not had to ask their sons and daughters to sacrifice themselves in another world war. They have not had to do so—and current and future generations will not have to do so—largely because NATO exists to keep the peace.

Now that a new NATO is moving boldly to meet the post-Cold War security challenges of a new Europe, our thoughts should go to our young soldiers of peace who will spend their Christmas truly spreading the season's message of hope to their fellow man.

H.R. 2843, VETERANS' INSURANCE REFORM ACT OF 1995

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. STUMP. Mr. Speaker, today I am introducing legislation which will update and make changes to two of the VA insurance programs—the Servicemen's Group Life Insurance [SGI] and the Veterans' Group Life Insurance [VGLI]. My distinguished colleagues, SONNY MONTGOMERY, TERRY EVERETT, LANE EVANS, and CHRIS SMITH, join me in introducing this bill.

The SGLI Program provides group life insurance coverage to persons on active duty in the military service, Ready Reservists, members of the uniformed services, cadets and midshipmen of the four service academies and members of the Reserve Office Training Corps. Although it is a program of the Department of Veterans Affairs, this program is actually administered by the Prudential Insurance Co.

The VGLI Program is a program of post-separation insurance which provides for the conversion of servicemen's group life insurance to a 5-year term policy. Like Servicemen's Group, Veterans' Group is supervised by the Department of Veterans Affairs but administered by the Office of Servicemen's Group Life Insurance.

This bill would make quite a few changes, including setting the automatic coverage under SGLI at $200,000 from the current $100,000; allowing the Secretary the authority to terminate an individual's insurance if premiums are not paid within 60 days; and renaming the Servicemen's Group Life Insurance Program to Servicemember's Group Life Insurance.

Additional provisions include merging the Retired Reserve Servicemembers' Group Life

Insurance and Veterans' Group Life Insurance Programs; extending VGLI lifetime coverage to members of the Ready Reserve of a uniformed service; providing for an individual, upon separation from the military, to change to the SGLI Program or choose as commercial policy; and eliminating the 5-year VGLI renewal period.

Mr. Speaker, we already know that these are great insurance programs and are very popular with veterans and active duty personnel. The changes offered in this legislation will improve the programs for current policy holders and future participants.

I urge my colleagues to join me in supporting this legislation.

A CHAMPION OF ECONOMIC JUSTICE

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. McDERMOTT. Mr. Speaker, I rise today to pay tribute to former Seattle Councilman Sam Smith who passed away November 16, 1995. Sam Smith was born July 21, 1922, on a farm just outside of Gibsland, LA. He entered the U.S. Army in 1942, was assigned to a post in Seattle, and achieved the rank of warrant officer. After World War II, he married his high school sweetheart, Marion, and together they raised six children. Sam earned a degree in social science from Seattle University in 1951, and a degree in economics from the University of Washington in 1952. He entered politics in 1956, and was elected to the Washington State Legislature in 1958, representing the 37th Legislative District of Washington for five terms until 1967. Sam then was elected to the Seattle City Council. He was the council's first black member, and he served on the council for 24 years.

What made Sam Smith one of the finest elected officials to hold office in Seattle? Was it his insistence that he answer his own telephone with the familiar and friendly, "This is Sam"? Or his warm smile and greeting of "Hi, neighbor" to all he encountered on his regular strolls through the neighborhoods of Seattle? Was it his keen political skills that found answers to problems when others could not? Or was it his unique ability to bring opposing sides together to find common ground?

Yes, Sam Smith will be remembered for the way he answered his phone, greeted people on the streets, found answers and not excuses. However, he also is remembered as a champion of economic justice. Sam Smith addressed issues in a direct, thoughtful, and dedicated manner, at a time in our country's history when talk of fair housing and fair employment opportunities for minorities and the working poor too often was met with ignorance and indifference. He is remembered as someone who lifted as he climbed. Sam Smith was among the fathers of the robust diversity that distinguishes Seattle politics nationally. Many city, county, and State public officials attribute their opportunities to Sam and the avenues he opened for them.

Mr. Speaker, the city of Seattle mourns the loss of Sam Smith, someone who dedicated his life to public service, who greeted one and all with warmth and respect, and who, above all, cared about his neighbors.

IN HONOR OF COL. BILLY CLYDE STEED

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. MONTGOMERY. Mr. Speaker, I take this opportunity to recognize a fellow Mississippian, Col. Billy Clyde Steed, who is retiring this month after 40 years of service in the U.S. Marine Corps. I wanted to share with my colleagues the highlights of Colonel Steed's outstanding career of service to his country.

He enlisted in the Marine Corps in January 1956. After completion of recruit training, he reported to the 2d Marine Division and was assigned to the 8th Marine Regiment. He was later assigned to the amphibious reconnaissance company.

In 1958, he was ordered to Marine Barracks, 8th & I, and remained there until 1962. From 1962 to 1964, he was stationed at the Marine Corps Recruit Depot, San Diego, as a drill instructor. Colonel Steed was then transferred to the 1st Marine Division and served with 3d Battalion, 7th Marines. The 3d Battalion, 7th Marines, deployed to Okinawa and was redesignated as 1st Battalion, 3d Marines, and deployed to Vietnam in January 1965. During this period, he served as a squad leader, platoon sergeant, and platoon commander.

Returning to the United States in 1965, he was again assigned to Marine Corps Recruit Depot, San Diego, as an instructor at the Drill Instructor School.

Commissioned a second lieutenant on September 30, 1966, he was ordered to the 2d Marine Division and attended the Aerial Observer School. During his tour with the 2d Marine Division he served as an instructor at the Aerial Observer School, executive officer for L Company, 3d Battalion, 6th Marines, and commanding officer, Headquarters Company, Headquarters Battalion, 2d Marine Division. On December 30, 1967, he was promoted to 1st lieutenant. In 1968, he joined the 3d Battalion, 27th Marines, and deployed to the Republic of Vietnam, serving as a platoon commander, executive officer, and later as commander, I Company.

When the 27th Marines returned to the United States, he remained in Vietnam and was assigned to the 1st Marine Division Aerial Observer Section. Upon returning to the United States in 1969, he was assigned to the G–4, Camp Pendleton, CA.

In March 1970, he was promoted to Captain. From 1970 to 1971, he served with the Shore Party Battalion, 5th Marine Division, as a company commander and operations officer.

Graduating from the Amphibious Warfare School in 1971, he was assigned as a company commander at Officer Candidate School.

Again ordered to the Republic of Vietnam in December 1972, he served as an aerial observer with Air Naval Gunfire Liaison Company. Following the cease fire, he transferred to the Landing Support Group, 3d Force Service Regiment, Nam Phong, Thailand, and served as the operations officer.

In 1974, he returned to the United States and was assigned as the I–I, E Company, 2d Battalion, 23d Marines, Concord, CA.

He was promoted to major in June 1977. He was next ordered to the 1st Marine Brigade in Hawaii and served as Weapons Company Commander, the executive officer for 2d Battalion, 3d Marines, the regimental S–4, and the operations officer for the 31st Marine Amphibious Unit.

Graduating from the Armed Forces Staff College in 1981, he was assigned as the Chief Aerial Observer, VMO–2, Camp Pendleton, CA. In July 1982, he was promoted to lieutenant colonel and assigned to the air-ground exchange program where he served as G–3 Plans and Deputy G–4, 3d Marine Aircraft Wing.

In 1984 he was assigned to the 1st Marines as the regimental executive officer. During April 1985, Colonel Steed assumed command of the 1st Battalion, 9th Marines. In 1987 he was assigned as Assistant Chief of Staff, G–7, for preparedness and Special Operations Training Group of I Marine Expeditionary Force until August 1988. On August 29, 1988, Colonel Steed assumed command of the 25th Marines. On October 1, 1988, he was promoted to Colonel.

On December 15, 1990, Colonel Steed was assigned as the MARCENT/I MEF G–3 (Operations Officer) during Desert Shield/Desert Storm. During that operation, Colonel Steed served as the operations officer for the largest U.S. Marine Corps combat operation since the Vietnam conflict.

Returning to the United States in April 1991, Colonel Steed served as the G–3 Operations Officer for I MEF during the largest employment of U.S. Marine Corps Forces in counterdrug interdiction efforts in history. He was responsible for the deployment of over 10,000 marines and sailors in support of Joint Task Force-6 over a 2-year period. He later assumed the duties as Chief of Staff for I MEF, where he deployed to Somalia in November 1992. He later served as the Special Military Assistant to Adm. Jonathan Howe, USN (Retired), the Special U.S. Representative to Humanitarian and United Nations Operations in that besieged country. Following his return to the United States, he was summoned back to Somalia to work with the United Nations.

Colonel Steed is currently the director of expeditionary warfare and special operations training at the Naval Amphibious Base, Coronado, CA.

Colonel Steed's personal decorations include: the Legion of Merit, the Bronze Star with Combat "V," the Air Medal (Individual Award), 17 Strike Flight Awards with Combat "V," the Navy Commendation Medal with Combat "V" with two gold stars and the Purple Heart with on gold star.

THE OBSERVER ANNUAL AWARD DINNER

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. COYNE. Mr. Speaker, I rise today to pay tribute to a number of Pittsburgh groups and residents who will be honored next week at the annual dinner hosted by the Observer newspaper.

Each year the Observer presents a number of awards for outstanding community service. It also selects an individual for its Humanitarian Service Award, and it confers Man and Woman of the Year Awards. I would like to recognize this year's award recipients here today.

The recipients of the Awards for Outstanding Service are listed below:

Mr. Arnold Horovitz, Esq. and Kenneth Stiles, Esq., who are being honored for their efforts to enforce zoning code provisions in a number of city neighborhoods.

The Elliott-West Athletic Association, which is being honored for 30 years of service to young people in Pittsburgh's West End, and for a number of other public service efforts, including its efforts to maintain Herschel Field.

The Pittsburgh Habitat for Humanity, which is being honored for its volunteers' efforts to provide affordable housing for low-income residents of the city of Pittsburgh.

The Hill District Community Development Corporation, which is being honored for its work in creating the Crawford Square housing development—a successful mixed income, mixed use market rate urban residential community.

The Lambda Foundation and the Pittsburgh Tavern Guild, which are being jointly honored for their philanthropic activities benefiting organizations and agencies that provide social, educational, and health-related services to members of Pittsburgh's gay and lesbian community.

The Lawrenceville Development Corp., which is being honored for its work to revitalize the historic Doughboy Square are of Lawrenceville, and for the construction and successful marketing of the Doughboy Square Townhomes—the largest new-construction housing development undertaken in Lawrenceville in the past 30 years.

The Manchester Citizens Corp., which is being honored for its continuing work to revitalize Manchester, its youth employment programs, and for the creation of a comprehensive neighborhood revitalization plan that resulted in a successful application for a HUD HOPE VI grant.

Mr. Nate Geller, of Highland Park, who is being honored for his long-term commitment to Pittsburgh's young people through his efforts as a volunteer baseball coach, basketball coach, and soccer coach, and for his volunteer work for the Sister Cities organizations as an organizer of the 1995 visit here by the Russian Junior Olympic Baseball Team.

The Northside Leadership Conference and the Spring Garden Neighborhood Council, which are being honored jointly for successfully developing and marketing the Vosscamp Villas townhomes on Vosscamp Street in Spring Garden.

The Overbrook Community Council and the West End-Elliott Joint Project, which are being honored jointly for their efforts to secure government action on a comprehensive flood control project along Saw Mill Run, a stream in Pittsburgh's southern and western neighborhoods.

The Pittsburgh Downtown Partnership, which is being honored for its volunteer effort to enhance the image of the downtown Pittsburgh business district through beautification and clean-up projects, public safety advocacy, retail management seminars, and marketing and promotional activities—including Sparkle Season, a successful Christmas shopping marketing program designed to attract shoppers back to the downtown business district.

Pittsburgh Cares, which is being honored for its efforts to recruit and coordinate volunteers, including corporately sponsored groups, for numerous and wide-ranging community service projects benefiting individuals, nonprofit organizations, and neighborhoods throughout the city of Pittsburgh.

The Overbrook Teen Council, which is being honored for its many community service efforts, including service to senior citizens, young people, and the community at large, and for its efforts in support of a comprehensive flood control project along Saw Mill Run.

Preservation Pittsburgh, which is being honored for the second year in a row for its efforts to preserve—and encourage the restoration of—important buildings and landmarks in the city. Its most notable projects this year consisted of the Mary Schenley and Westinghouse fountains in Oakland's Schenley Park.

Mr. Randy Gilson, a resident of the Mexican War Streets, for his leadership in beautification efforts on Pittsburgh's Northside, including the creation of more than 40 community gardens and parklets, largely at his own expense.

The South Side Local Development Co., which is being honored for its successful 10-year effort to revitalize the Carson Street shopping district, its community planning and housing development efforts, and for its advocacy efforts on behalf of Monongahela riverfront development and enforcement of local zoning ordinances.

The Squirrel Hill Urban Coalition, which is being honored for its role in creating the Squirrel Hill Citizens Patrol, an all-volunteer public safety organization that patrols neighborhood streets and reports illegal and suspicious activity to local police authorities.

This year, the Observer's Humanitarian Award goes to Mr. Stanley Frankowski, who is being honored for his fundraising activities on behalf of people in need of organ transplants, and for undertaking a public relations and legal campaign that convinced a major health maintenance organization to agree to pay for a liver transplant that they had previously denied, thus extending and probably saving the life of one of his employees.

The Observer has chosen Mr. Randy Gilson as this year's Man of the Year. Mr. Gilson was chosen because of his strong leadership and his commitment to public service, and because he provides an excellent role model for other city residents—and, in particular, for young people living in Northside neighborhoods.

The Observer has chosen Ms. Rebecca White as its Woman of the Year. Ms. White is being honored for providing retail consulting services to neighborhoods and organizations in the city of Pittsburgh, as well as for working diligently as a volunteer with numerous community and business groups. She is also being honored for her contributions to the renovation and rehabilitation of Lawrenceville business district in the years since 1988.

Finally, I also want to commend Michael Romanello and the Observer newspaper for organizing this dinner to recognize those individuals and organizations who embody the spirit of Pittsburgh in their service to their community. I also want to thank the paper for the high-quality service that it has provided to many of Pittsburgh's communities. The Observer provides many neighborhoods with timely information on important local affairs and issues. This paper has helped to bring many of our communities together and to give voice to their concerns.

All of these individuals and organizations have made significant contributions to the people and communities of Pittsburgh. Without generous volunteers like these, the qualify of life in our city would be much lower. They deserve our thanks and commendation. I salute their selfless service.

MONSIGNOR HARRY J. BYRNE, J.C.D. ON THE 50TH ANNIVERSARY OF HIS PRIESTLY ORDINATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mrs. MALONEY. Mr. Speaker, I rise today to bring to the attention of my colleagues the achievements of Msgr. Harry J. Byrne, pastor of Epiphany Parish, on this happy occasion—the 50th anniversary of his priestly ordination. Monsignor Byrne has played an extraordinary role in my community, both in civic and in spiritual matters.

The Monsignor entered St. Joseph's Seminary in 1940, was ordained on December 1, 1945, and later went on to complete a doctoral degree in Canon Law at the Catholic University of America, in our Nation's capital.

After holding varied positions with the Archdiocesan Chancery, Monsignor Byrne was appointed Chancellor in 1968. Through his work with the Archdioces, he was part of an enormously successful project under which $300 million low and moderate income housing units were constructed.

Later, as a public appointee of Mayor Edward I. Koch to the Rent Guidelines Board, he was actively involved in a host of issues concerning affordable housing and housing rights.

Many New Yorkers are indebted to Monsignor Byrne for his tireless efforts on behalf of tenants who undoubtedly gained because of his fair and just voice on the Rent Guidelines Board.

In 1982, Monsignor Byrne was appointed pastor of Epiphany Parish, where his dedication and devotion have earned him the praise of all who have had the good fortune to work with him. During his tenure at Epiphany Parish, Monsignor Byrne has been a creative and innovative leader. Among the important changes he has initiated are the early introduction of altar girls, the establishment of a restricted endowment fund, and the expansion of the Epiphany School. The Monsignor's efforts do not stop at the church doors. He volunteers in the community as well, serving as vice president of the local Ronald McDonald House.

Monsignor Byrne is a very special friend of mine who has given a great deal to his community through his work in religious realm as well as his involvement in housing issues and other volunteer activities.

So I ask my colleagues to join me in congratulating Monsignor Byrne on his extraordinary achievements and in wishing him well in his next 50 years of service to God and to his community.

A STAMP TO HONOR GOV. GEORGE CLINTON

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. HINCHEY. Mr. Speaker, a renewed effort is underway in New York State urging the U.S. Postal Service to issue a postage stamp in memory of U.S. Vice President and Governor of New York, George Clinton.

George Clinton was the "George Washington" of New York. The State's first Governor, he had a pivotal role in the transition of New York to a State from a colony. As a patriot, citizen-soldier, and military strategist, he helped write an important chapter in the American way for independence.

Few realize today that George Clinton was a monumental public figure and statesman who went on to serve terms as Vice President under Thomas Jefferson and James Madison. He is the only Vice President in U.S. history to serve in that position under two separate administrations.

The Militia Association of New York, a defense advocacy group representing over 2,000 New York Army and Air National Guard and State militia component officers, and many other New Yorkers, are asking the U.S. Postal Service to issue the stamp on July 26, 1999, on the occasion of the 260th birthday of Governor Clinton. Mr. Speaker, I urge my colleagues and fellow citizens to join us in this worthwhile effort.

NOTING THE PASSING OF MRS. RUBIE J. McCULLOUGH

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. STOKES. Mr. Speaker, it is with great sadness that I announce the passing of Mrs. Rubie Jones McCullough on December 27, 1995. I joined members of the McCullough family, Rubie's many friends, and members of the Greater Cleveland community, in celebrating the life of Rubie McCullough at homegoing services on January 2, 1996. The passing of this dedicated individual brings to a close a life committed to serving others. I rise in order to share with my colleagues some information regarding this distinguished individual.

Rubie was born in Enfield, NC, on July 16, 1918, to the late Arthur and Corrina Jones. She received her education in North Carolina, including a degree in teaching business administration from North Carolina Central University. Early in her career, she taught school in North Carolina. Rubie McCullough came to Cleveland in 1945, where she began a 23-year association with the Phillis Wheatley Association. The organization benefited from her strong leadership and commitment to serving others. It was also during this period that Rubie met and married her loving partner and companion, William (Ted) McCullough.

Mr. Speaker, in 1968, Rubie McCullough undertook one of her greatest challenges. In response to the community's need for youth services, including tutoring and counseling programs, she founded the Harvard Community Services Center. Over the years, with the support of the business and civic community, the center expanded to include senior services and programs to assist families. Mrs. McCullough served as executive director of the Harvard Community Services Center from its inception until her retirement in 1989. Rubie McCullough also maintained her strong commitment to education. Cuyahoga Community College prospered under her leadership of the board of trustees for 21 years. She approached the assignment with the highest level of commitment and dedication.

During her lifetime, Rubie J. McCullough earned the respect and admiration of her colleagues and others throughout the community. She was a social activist whose stature rests upon a lifetime of commitment to service, social justice, equality and opportunity for all people. Rubie was the recipient of numerous awards and honors which recognized her commitment and dedication to service.

Mr. Speaker, her obituary stated that Rubie McCullough was, "a wife, mother, grandmother, sister and friend, whose life mirrored service, commitment and dedication to God and mankind." These words describe an individual who was a close friend and supporter. Those of us who were the beneficiaries of her unselfish devotion will miss our colleague and confidant. She was a woman of intellect and dignity, and she was very special to all who knew her.

I take this opportunity to express my sympathy to Rubie's loving husband of 47 years, William (Ted) McCullough, her son William C. McCullough, Jr., and her daughter-in-law, Carolyne. I also extend deepest sympathy to Rubie's sister, Lucinda Jones Smith, her brother, Charles Jones, and her grandchildren; William C. III, David, Stacey, and Morgan McCullough. She also leaves to mourn a number of nieces and nephews, many other relatives and a host of loving friends. God has called Rubie McCullough home to rest, but she will always be in our hearts.

CONGRESSIONAL RESPONSIBILITY ACT OF 1995

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 4, 1996

Mr. HAYWORTH. Mr. Speaker, I rise today to urge my colleagues to support H.R. 2727, the Congressional Responsibility Act of 1955.

The Congressional Responsibility Act corrects a serious violation of the Constitution: Article I, section 1 states that "All legislative powers herein granted shall be vested in a Congress." The section, moreover, makes clear that this legislative power includes the power to regulate. Congress, however, routinely delegates this authority to unelected bureaucrats. The Congressional Responsibility Act will stop delegation by requiring Congress to approve Federal regulations.

Americans are disillusioned with Government. They believe, in particular, that Congress, designed to be the most accountable branch of Government, has grown increasingly unresponsive and unaccountable.

As usual, the American people are correct. Government is less accountable than it was the first 150 years of the Republic. Beginning in the late 1930's, the Federal Government retreated from the fundamental constitutional principle that vests lawmaking power solely with the people's elected representatives.

An elemental principle of representative government is political accountability: The public's right to hold elected officials responsible for the laws imposed upon them. This is especially important today, as government has assumed an increasingly larger role in the lives of Americans. But good government suffers, liberty diminishes, and bad laws proliferate when the link between voter and elected official is severed.

The Framers of our Constitution understood this danger and wisely followed John Locke's admonition that "the legislative cannot transfer the power of making law to any other hands."

In practice, however, Congress routinely delegates its lawmaking duties to politically unaccountable bureaucrats who craft regulations with the full force of law. From clean air to savings and loans, past Congresses have ceded responsibility for lawmaking to bureaucratic fiat. Delegation gives life to bad laws. Such laws would not stand a chance in bright, open sunshine, but they can slip by in the dark, without widespread support or deliberation.

For example, in 1972, the Clean Water Act granted the Corps of Engineers authority to regulate areas adjacent to, or connected to, navigable waters. Over time, however, Federal regulations have been extended to include even isolated wetlands with no connection to navigable waterways. This is clearly a case of regulations going far beyond the scope of statutory language; in fact, the word "wetlands" does not appear in the 1972 Clean Water Act.

This law, which was originally created to prohibit the discharge of pollutants into water. It was used, however, used to prosecute John Pozsgai of Morrisville, PA. Pozsgai cleaned up a 14-acre dump site he purchased to expand his truck repair business. Although Federal regulators may have been happy to see the junk hauled away, when Pozsgai leveled about 5 acres with clean fill dirt, the EPA took him to court because it said the dump he cleaned up was really a valuable wetland. He was fined $5,000 and sentenced to 3 years in jail. Pozsgai's only crime: dumping dirt without permission.

Delegation also permits Congress to grant favors without imposing costs and to exercise selective power without taking responsibility for its consequences. Like budget deficits, Congress is able to reap the benefits of its largess, but avoid blame for its costs. Moreover, delegation allows powerful special interests to expand substantial resources in private to benefit the few at the expense of the many. With delegation, Congress can be everything to all people, but, ultimately, it is the people who lose.

The Congressional Responsibility Act corrects these abuses by requiring agency regulations to be presented to Congress for a vote, either under expedited procedures or through the normal legislative process. The bill provides that Federal regulations will not take effect unless passed by a majority of Representatives and Senators and signed by the President—or a veto is overridden. This concept was offered by Justice Stephen Breyer—before his appointment to the Supreme Court—as a method to satisfy "* * * the literal wording of the Constitution's bicameral and presentation clauses * * *"

This reform is ideologically neutral and nonpartisan. Concerns about delegation have been voiced by people from across the political spectrum, including Judge Robert Bork and ACLU president, Nadine Strossen. I hope that my colleagues who are committed to restoring the public's right to hold its elected officials responsible for their actions will support this important legislation.

SENATE—*Friday, January 5, 1996*

(Legislative day of Wednesday, January 3, 1996)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, in the welter of human words, our souls cry out, "Is there any word from the Lord?"

We wonder what You have to say about our present crisis. In our deepest hearts we know all too well. You call all of us to absolute honesty with You and with each other, and to mean what we say and to do what we promise. So often we speak across the cavern of contentious conflict, but do not listen to each other. You command all of us to humble ourselves and repent of the use of coercion because we have failed effectively to communicate our perception of truth or convince each other of the theories and programs we hold so dear. We meet, but sometimes there is not a meeting of minds because often our desire is to defeat those we consider to be the opposition and to rally the approval of our constituencies. Our attention to the polls keeps us poles apart. Pious attitudes mask petulant agendas.

O God, we all are accountable to You. We give up the human power struggle so that we may receive Your power to humbly move forward toward workable solutions. In the name of our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, leaders' time has been reserved.

Mr. President, today we will be awaiting a possible House action on maybe one or two measures on returning Federal workers and also paying Federal workers who have not been paid.

We do not expect rollcall votes to occur during today's session. We do not know precisely what the form of the legislation will be when it comes from the House. We hope to be able to pass it by unanimous consent. So if anybody wants to object, they ought to be letting us know early because we will have to give 24-hour notice to get our colleagues back here sometime tomorrow for that vote.

I know that some indicated that they would have objected to the last UC while they were hundreds of miles away. So I want to be sure those people who may be out and around the country today understand that there may be another request for a unanimous consent, and if they wish to object, they had better hustle back here and do so.

I hope, with the House apparently trying to come together on a couple of proposals that would enable Federal workers to return to work with pay, that we would not engage in rhetoric here today that might discourage positive action by the House.

So it would be my hope that we would dwell on other matters, if necessary, and let the Senate then stand in recess subject to the call of the Chair awaiting House action. I do not think it is going to help anything if some of our colleagues on the other side of the aisle find it necessary to beat up House Republicans. It will only make it more difficult, and it should make it more difficult, frankly. So I hope we can avoid that rhetoric today.

ORDER FOR RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. DOLE. Mr. President, I ask unanimous consent that following statements by the Senator from New Mexico, who is here, and the Senator from Virginia, that the Senate stand in recess subject to the call of the Chair.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WARNER addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from Virginia is recognized.

SENATOR DOLE'S LEADERSHIP

Mr. WARNER. Mr. President, I again wish to thank the distinguished majority leader for his leadership throughout this situation. I find a ray of encouragement here that Federal workers can return to work with pay.

I want to state for the record that the majority leader has stood steadfast on seeing that Federal workers who have been furloughed, and otherwise their pay stopped, will receive this pay.

It is an obligation of the United States of America and all citizens to see that those who have contracted with our Federal Government to be gainfully employed be compensated because they are in no way—absolutely no way—at fault on this situation.

THE RIPPLE EFFECT

Mr. WARNER. Also, Mr. President, I wish to inform my colleagues that throughout my State, and in many other parts of the United States, this problem is now working its way by ripple effect into the private sector such that many, many gainfully employed persons in an infrastructure supporting not only the Government but other private sector support are beginning to feel most severely this situation.

This morning on television here in the Nation's Capital was a picture of an entrepreneur who runs a small business—simply a bakery—which provides food for individuals, and they had to furlough three-quarters of their work force today. But that is by the tens of thousands throughout Virginia in the private sector.

The tragedy, Mr. President, is that there is no back pay coming to those private sector employees who are being laid off as a consequence of this partial shutdown of the U.S. Government.

So I extend to my colleagues here in the U.S. Senate a most fervent plea that they allow the Senate leadership, most particularly the majority leader, to pass today those matters that will be coming from the House by a voice vote such that they can become law after the President's signature.

It is my fervent hope that the President will recognize the problems throughout this Nation today and that he will come forward with a balanced budget, as is his obligation, so that we can quickly come to closure on this matter.

I yield the floor.

Mr. BINGAMAN addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from New Mexico.

Mr. BINGAMAN. Mr. President, before the Senator from Virginia leaves the floor, I wanted to just ask in a very straightforward way if he had any more information than I have been able to get about what might be in the bill which would be coming to the Senate from the House of Representatives on several different issues. And I would ask the President pro tempore at this time if the Senator from Virginia would be able to respond to my question on this issue.

Mr. WARNER. Mr. President, the answer to that rests in a meeting that is

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

now taking place by the Speaker of the House together with the Republican colleagues. I would not want to venture any speculation as to what might emerge. I think the reports today in the press are reasonably accurate as to the framework of what would come about by this.

So I have been in consultation with the Republican Members of the greater metropolitan area of Washington, primarily Congressmen DAVIS and WOLF and Congresswoman MORELLA, this morning. As yet, I would not want to try to speculate as to the final action.

I know essentially it is in two parts. One is to try to restore the Government across the board in terms of people returning to their work with pay for the future and backpay, and then the possibility of coupling another provision which would be contingent on the President of the United States being forthcoming with a balanced budget, which has always been the bottom line. It seems to me that it is a very reasonable request by the Republican leadership of the House and the Senate.

Mr. BINGAMAN. Mr. President, I appreciate that response.

I guess what caused me to come to the floor today was an article which came out in our paper in New Mexico today saying that "The Federal budget deadlock has caused depleted drug cupboards at the Veterans Administration hospital in Albuquerque. The hospital's procurement division has warned pharmacists that drug stocks soon will be exhausted."

Then they go on to say, "What is the Government thinking about these people who fought for their country?"

I was wondering if the funding in the bill that would come from the House would provide money to the Veterans' Administration to buy drugs for the VA hospital in our State. I have a one-page summary of what might be passed by the House. It says here veterans' compensation, pensions, and education programs would be covered. But it does not say anything about the VA hospital functions and the expenses for drugs for veterans. I do not know if the Senator from Virginia has any information on that.

Mr. WARNER. Mr. President, at this time I do not have the specific answer to my distinguished colleague, who, by the way, serves with me on the Senate Armed Services Committee, and I, like the Senator from New Mexico and, indeed, the Presiding Officer, feel very strongly about this Nation's obligation to its veterans. I will try to get a very prompt answer.

Mr. BINGAMAN. Mr. President, if the Senator would be able to get answers to two other questions, I will just pose those and then yield the floor.

One pertains to our Department of Labor in New Mexico. This is another article that was in our papers there. It says that the Department of Labor employs State workers but they use Federal funds to pay their salaries. I gather that is a normal practice all around the country in the Department of Labor. They operate the unemployment compensation program and a variety of programs there, and the State workers are paid with Federal funds.

Does the bill which is being considered in the House contemplate that there would be funds to pay the State workers who are paid with Federal funds as well as the Federal workers, or does the Senator from Virginia know?

Mr. WARNER. Mr. President, I do not have the specific answer. I will get it and provide it to the Senator. But I hope that this measure would cure that situation because a great many State workers are dependent on some Federal source as a means of being able to continue with the performance of their duties.

Mr. BINGAMAN. I thank the Senator very much.

There is a similar article about the Bureau of Indian Affairs activities in our State and how that agency has had trouble buying food, heating oil, trucks, and other equipment in order to perform their responsibilities on the reservations.

I hope we can get information as to whether or not those items would be covered by this kind of a bill which is coming to us.

I say to my colleagues, the information that I have been given is that there would not be funds made available for anything other than the salaries of the Federal workers. Obviously, that becomes a problem if your job as a Federal worker requires you to drive a vehicle and you have to have funds to buy gasoline for that vehicle.

The other issue on which I hope we can get an answer relates to an article I saw that the Government shutdown has delayed the construction of a fence at the United States-Mexican border. I had the occasion a few weeks ago when I was in Dona Ana County in my State near El Paso to get a tour of the area for the planned construction of a fence that would go along the southern part of the Anapra area between the United States and Mexico. This is a priority for the law enforcement officers of that region. It is a law enforcement issue. They feel the incidence of crime across the border has increased very dramatically and they need to get this fence up. The article I saw indicated that because contract officers responsible for obtaining building materials have been furloughed, work on that project has had to stop.

I hope very much that when we get the bill from the House of Representatives it will contain funds, authorization and appropriation of funds, for those items as well. So I will not delay the Senate further at this point, Mr. President. I do think that there are a great many activities going unattended, a great many needs going unaddressed which I hope this House action today will correct.

Again, I have spoken several times on the Senate floor this week commending the majority leader and other Senators, all Senators, Republican and Democratic Senators, for the continuing resolution that was passed earlier this week and sent to the House. In my opinion, that was the correct and responsible way for us to proceed. It demonstrated and reflected the recognition that the Congress as well as the President have a shared responsibility to maintain a functioning Government. I think that is the essential issue: Do we agree that we in Congress share in that responsibility to maintain a functioning Government? I feel very strongly that we do. I think all Senators indicated their belief that we do by agreeing to that continuing resolution. I hope the action by the House reflects the same recognition of that responsibility.

Mr. President, I yield the floor.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDING OFFICER (Mr. WARNER). Under the previous order, the Senate stands in recess subject to the call of the Chair.

Thereupon, at 11:15 a.m., the Senate recessed subject to the call of the Chair.

The Senate reassembled at 4:07 p.m. when called to order by the Presiding Officer (Mr. WARNER).

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we are waiting on the Senate side for, I think, three bills to come over from the House which would in effect put Federal workers back to work, and which is targeted, to a certain extent—two of the bills cover many of the agencies that the Presiding Officer has been concerned about as has this Senator and others on both sides of the aisle. Then there is the third bill which would be the one with the CR until the January 26 date, if the President submits a balanced budget as scored by the Congressional Budget Office.

As I understand, they passed one. They are now on the second. It may be another hour, 2 hours, 2½ hours.

RECESS

Mr. DOLE. For the benefit of staff who must sit here, I move the Senate stand in recess until 6:30 p.m.

The motion was agreed to, and the Senate, at 4:08 p.m., recessed until 6:29 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. STEVENS).

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

RECESS

Mr. CRAIG. Mr. President, on behalf of the majority leader, I ask unanimous consent that the Senate now stand in recess until the hour of 7:30 p.m.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, reserving the right to object—I will not object—could the distinguished Senator give us some idea of what the schedule will be for the rest of the evening?

Mr. CRAIG. Mr. President, it is my understanding that when the majority leader and the minority leader return from the White House, where they are now meeting with the President, the Senate will reconvene at 7:30 in an effort to bring up the resolutions that have now been passed by the House.

Mr. FORD. We still have some others that are yet to be passed that we are to receive tonight, I understand.

Mr. CRAIG. I understand that is the case. It is our belief that they will attempt to handle the business at that time under unanimous consent.

Mr. FORD. As I understand it, will they be coupled together en bloc, or will we be able to work on them one at a time?

Mr. CRAIG. I am advised that it is the intent of the leader to attempt to do the two pay bills, or spending bills, if you will, en bloc.

Mr. FORD. That is the one that directs the President for a continuing resolution if he lays down a budget that is certified by the Congressional Budget Office and the Speaker of the House.

Mr. CRAIG. I believe that to be the case.

Mr. FORD. I thank the Senator. I have no objection.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, could I inquire of the distinguished acting majority leader: We will have a period of time in which to examine these?

Mr. CRAIG. That is certainly the intent of leadership. The two continuing resolutions have passed the House. They are now in the Senate and can be examined at this time, as I understand it, while the Senate will stand in recess for the next hour.

Mr. WARNER. Mr. President, I have not had the opportunity to examine those. I wanted to make sure.

Mr. CRAIG. I think all Senators who are present would want to examine those before they are considered.

Mr. WARNER. Mr. President, I thank the distinguished Senator.

The PRESIDING OFFICER. Is their objection to the request?

There being no objection, the Senate, at 6:31 p.m. recessed until 7:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. STEVENS).

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate be allowed to proceed in morning business until the return of our leaders.

The PRESIDING OFFICER. Is there any objection? Without objection, it is so ordered.

THE BUDGET DILEMMA

Mr. CRAIG. Mr. President, it is my understanding, and I think the understanding of most of the Senators present, that the majority leader and the minority leader are at the White House at this moment once again meeting with the President as we try to unravel and resolve the budget issue that we are now in that has brought a portion of our Government to a standstill.

I, like many of my colleagues, am tremendously frustrated by the process of the last several weeks which has failed to produce a resolution that appeared to be a resolution committed to by the White House some weeks ago, that we would negotiate on the terms of a 7-year balanced budget reviewed by CBO figures. That simply has not materialized. And, of course, over the course of the last several weeks, with well over 200,000 Federal employees unemployed by failure to act, it is now time for the Congress to move to the issue of those Federal employees and resolve it.

As many of us know, the House earlier today passed a resolution that would allow those employees to come back to work for a period of time which results hopefully in the ability then of the Congress to move toward a balanced budget and resolve that issue and for us to be able to conclude the budget and get on with the business of operating this Government as I think the American people expect us to do.

I find it ironic that we are yet fumbling with the issue of a budget when we are nearing a statutory deadline that the President must agree to for the submission of a 1997 budget.

Here we are having failed to complete a 1996 budget that is balanced, that honors the commitment that we believe we hold with the American people to produce a balanced budget over the course of the next 7 years, and it will be on February 5, exactly 1 month from today, that the President by law is responsible for submitting the 1997 balanced budget, a product of the 1974 Budget Act.

Why are we in this dilemma at this moment? I think, except for the HHS, Education appropriations bill that my colleagues on the other side of the aisle have refused to allow us to debate and to bring to a vote and to send to the President, the Congress has done its homework. It has done what it is responsible for doing under the Constitution in submitting to the President the appropriate appropriations bills.

The President's only action has been to veto, veto, veto the bills that would have kept the veterans' hospitals fully up and running, that would have kept the veterans' programs alive and operative; instead of being subject to the criticism we now hear, that the pharmaceutical shelves at some of our veterans' hospitals may be growing empty if we fail to act responsibly in a short period of time.

The President's actions, if he had not vetoed, would have kept the national parks and the forests and the museums opened and would have funded the Department of Justice and given law enforcement block grants to the States, would have allowed numerous agencies to continue and to complete their obligations to small business contractors and suppliers and provide passport services, and so on and so forth.

That is exactly what has happened. We have watched this President as he has vetoed these bills in an attempt to use rhetoric to place the burden on the shoulders of the U.S. Congress.

I ask unanimous consent, Mr. President, to have printed in the RECORD a dialog that occurred on CNN last night between Judy Woodruff, the anchor, and Brooks Jackson, a special assignment correspondent, that I thought would be appropriate to be in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE SHUTDOWN STATISTICS MISS THE MARK

JUDY WOODRUFF, Anchor. If you are not one of the Federal workers staying home and worrying about bills, just how harmful are the effects of the partial government shutdown?

Our Brooks Jackson has some eye opening details.

BROOKS JACKSON, Special Assignment Correspondent. The shutdown—President Clinton calls it an unnatural disaster, but how bad is it? Let's check some facts.

The president ticked off some dire sounding consequences.

Pres. BILL CLINTON: This week, the Meals on Wheels Program for senior citizens will run out of money.

BROOK JACKSON: Federal money, yes, but in fact meals are still being delivered to seniors almost everywhere, paid for by state money or vendors extending credit.

Pres. BILL CLINTON: Yesterday, the Environmental Protection Agency shut down toxic waste clean-ups at 32 sites across America.

BROOKS JACKSON: This time Clinton underestimated. In fact, more than 450 clean-ups, including this one in Virginia are being halted. But there are 1,283 clean-up sites and work is continuing at many, maybe more than half, including the roughly 100 sites that pose any immediate threat.

Pres. BILL CLINTON: Funds to pay for drugs, food and supplies at veterans' hospitals run out today.

BROOKS JACKSON: Funds ran out but not the food. Patients in veterans hospitals are still being fed, still getting medication. The Veterans Administration says patients are unaffected and vendors are still working figuring they'll get paid eventually.

Pres. BILL CLINTON: Ten states have run out of the funding they use to run our unemployment insurance program and 15 more will soon do so.

BROOKS JACKSON: But, in fact, not a single jobless person has yet missed an unemployment check. The Labor Department confirms. Kansas did shut its offices briefly, but then came up with state money to continue benefits as other states are doing. Clinton was just wrong on one point.

Pres. BILL CLINTON: Half the Head Start Programs in the country will run out of money within the month.

BROOKS JACKSON: In fact, Head Start officials say only 200 programs will lose funding at the end of the month out of a total of more than 1,400, so it's way less than half. The Justice Department got one of its facts wrong too.

JAMIE GORELICK, Deputy Attorney General: There are companies that provide credit cards for gasoline, are starting not to honor those credit cards.

BROOKS JACKSON: Turns out, Federal drug agents in South Florida tried to use a card that expired in 1995—nothing to do with the budget fight. The White House said the Federal Emergency Management Agency might be unable to recall some furloughed workers if an earthquake hit.

MIKE McCURRY, White House Press Secy.: —some of those employees because they can't pay their bills and don't have phone service.

BROOKS JACKSON: FEMA says phone service has been cut off for about half a dozen Washington employees, but admits their bill paying problems probably began long before the budget deadlock.

Of course, a longer deadlock will produce more serious consequences, but for now, the shutdown looks less like a national disaster than it does a political fiasco.

Brooks Jackson, CNN, Washington.

Mr. CRAIG. It is an interesting dialog, Mr. President, because it confirms some of the things that I have been talking about and that have concerned a lot of Members of this Congress as to the rhetoric of the White House and what to believe over the course of the last good many weeks, when the President has seemed to be a constantly changing and moving target on the issue of the budget, to agree some weeks ago to a 7-year, CBO-targeted budget, now not to want to present it or not to appear to be interested in presenting it.

The dialog that the anchor at CNN last night went through with Brooks Jackson was interesting in the sense that it said the President said this, but in fact this is the case, the President said that, but in fact something else is the case. I think it goes along to show that the shifting sands at the White House are extremely difficult for this Congress to work with at this moment to try to resolve these kinds of issues. I thought it would be important that that become a part of the record because simply they have not, in my opinion, kept their word.

So it is important tonight for the Congress to intervene, as we are now doing. I use the word "intervene" to pull, if you will, these Federal employees off the hostage roster and put them back to work doing what they are responsible for doing and bringing them back into the real world because they have been in limbo, and that has created great frustration. And it should not be allowed to happen.

I am one for some weeks that has been critical of using our Federal employees as hostages, if you will, or pawns in this budget battle that we are in, and that, Mr. President, in no way lessens my interest or the interest of this Congress in achieving a balanced budget.

I have been an advocate for well over a decade that the Congress face the reality of their spending habits and balance the budget. I have pushed for a balanced budget amendment, and of course we know the history of that whole debate here in the House and in the Senate for the last good number of years.

But without question, the battle that we are engaged in is extremely fundamental. It is not business as usual, as some news reporters and observers of the Congress would argue that it is. We have not phonied the numbers. We have not used smoke and mirrors, because if we had, we would not be in session right now, we would be in adjournment, and we would have told the American people that the work of the Government was done and that the 1996 budget was in place, and that all was well with the world.

That simply has not been the case. And it should not be the case. We are dealing with real figures right now, trying to downsize the overall growth of Government or the rate of growth. And you, Mr. President, have been directly involved, as have others of our colleagues, in trying to face the reality of these tough choices. Now we are just simply trying to get the White House to face the reality of tough choices. And they have simply passed on occasion after occasion to do that.

What we are trying to say at this moment, and what I am pleased the House has been willing to say, is let us at least take the Federal employees out of this battle and set them to the side, allow them to do the work they were charged with doing. I hope we can get that done.

Now, that was the first CR that was passed. I hope that we would be able to consider a second resolution or continuing resolution that was passed by the House today. That would allow all of the Government to open up for at least a period of time through January 26. The reason I say that is important is because while we are allowing, I hope, the Federal employees to go back to work, we may not necessarily be giving them the tools to do their work.

Of course, that would be a bit of a hollow argument that we are allowing Government to continue to operate and turning as it should without giving them the total tools to do so. The House recognized that, but they have put a requirement on the President. That requirement is that the President send forth a balanced budget, scored by CBO, and that budget be in balance in the 7-year timeframe that the Republican Congress has asked and required by their actions, and that the same funding levels of the CR that expired on December 15, funds required at 75 percent of fiscal year 1995 levels, would operate the significantly impacted programs.

I hope that we can look at that continuing resolution tonight and that our colleagues on the other side of the aisle would agree with us on that. Then we could clearly say Government is fully back in operation, while we work with the White House to resolve this issue by the 26th of January.

Mr. President, those are key and important issues critical to all of us, but more importantly critical to our country. I think that the American people expect us to be able to operate the Government in a responsible way, but they have said very clearly that part of our responsibility is to bring this Government in balance, that a near $5 trillion debt and a $200 billion-plus deficit as far as the eye can see are no longer acceptable, that while we must be concerned about programs that fund the present, we must also reflect our concern by our actions on programs that impact the future of our country.

That, of course, is what we attempt to do tonight. So, Mr. President, I hope that within minutes our leadership will be in place and we can consider these important CR's to move the Government forward, to allow the Federal employees out of hostage, if you will, and back to work by Monday morning.

I think it is important for our country that we do so. But while we do it, let us not lose focus on the reason we are here; and that is that the White House has flatly refused to produce a balanced budget. That is now their obligation to do so. We have done so. We have done so in a responsible manner. It may not be a balanced budget that all of us agreed to, but it was one that clearly for the first time in decades demonstrates the priorities of Government under the kind of spending limitations that we believe are clearly necessary to get our debt and our deficit under control.

I hope the Senate will act responsibly tonight, as I believe the House has done this afternoon. With those comments, I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

FUNDING THE OPERATION OF THE GOVERNMENT

Mr. FORD. Mr. President, I was interested in listening to my good friend from Idaho. And, you know, the devil is in the fine print. I have heard that earlier in my life: The devil is in the fine print. You can talk about the CR that comes over here. That is the continuing resolution that pays employees. I hope that we will put Federal employees back to work. Well, that is fine. I want them to go back to work, too.

I do not think anybody likes to pay people for not working. That was what the majority leader said the other day, that he grew up in Kansas, and he felt like if you worked you got paid, if you did not work, you did not get paid. So I support his position.

But in this continuing resolution that is coming over here we are going to pay the employees retroactively, and we are going to pay them for coming to the office. But we are not funding the necessary ingredients for them to work.

They talked about the DEA agent. They had a drug bust, and he wanted to go. They needed him—several of them. They did not have any money to buy gasoline to put in the car under this continuing resolution. That does not make sense to this country, boy, that you say, "Go back to work. We're going to pay you, but you can't do anything."

Look at the schedule of the leadership in the next 25 days: Iowa, New Hampshire, Minnesota, Texas, Florida, all over the country. I do not think that is working here, trying to work out the budget.

Let us just be sure that the American people understand what this continuing resolution does. It sends Government employees back to the office. It pays them retroactively, to sit there and do nothing. Employees cannot make a long-distance phone call, cannot buy gasoline for a car, cannot do the things that the American people would like for them to do, that they have been shortchanged in the last 21 days. In my opinion, I have never heard so much of a continuation of the same thing, same thing, same thing.

I watched the House as they spoke this afternoon, and all the President has to do is agree to a 7-year balanced budget with CBO figures and everything will be all right. Well, the President has agreed to a 7-year budget, balanced budget in 7 years. He has agreed to that. No. 2, he has agreed to CBO figures. There is no problem with that.

Now, what is the problem? The problem is, how do you get there?

My Republican friends want to cut or reduce—however you want to say it—Medicare by $270 billion. We think that is wrong. They want to reduce Medicare, want to reduce education, want to reduce the environment. To do what? To get to the point of giving a $245 billion tax cut. That is the whole fight—to give a $245 billion tax cut.

Now, who is going to get it? If you owe taxes, as I understand it, and you have children under 18, you can get a credit. But if you do not owe any taxes, you do not get any refundable tax. Therefore, you do not get anything. If you make too much money—hopefully, we will give some kind of tax break to those under $100,000. We stood here on the floor not too long ago and asked if you would put a limit in the bill giving a tax break to those that made a million or less. We even lost that.

Now, when you send the budget to the President, when he has agreed to balance the budget in 7 years, to be using CBO figures, but to get to a $245 billion tax cut, you put 80 percent of the cuts on 20 percent of our population, the lowest 20 percent, and you give 80 percent of the help to the upper 20 percent of income, Mr. President, as we say down in my part of the country, something about that "ain't" right.

I want to tell you, the so-called middle income—I know a family where the man worked for the railroad. He retired. They shifted that to a Social Security payment rather than a railroad retirement payment. He had a few thousand dollars in the bank, had a house with no mortgage on it, and Social Security checks coming for he and his wife. He thought he was in pretty decent shape. Lo and behold, he and his wife both had to go to a nursing home. They had too much money to draw Medicaid. So they kept paying and kept paying and kept paying, and finally they had nothing left. Nothing. They had to go on Medicaid.

Now, in this budget that the Republicans are attempting to pass and say the President ought to accept, it says to their children, "You use up all your money to pay for mom and dad before we trigger in Medicaid." A lot of people around this country, Mr. President, that are making $35,000 to $45,000 a year, they have children, they are trying to educate them and all that, and lo and behold, their parents are in the nursing home, they are drawing Medicaid, they get the Social Security check. You take about all of it, with the exception of $10 a week for personal items, which is all the individual has left out of the Social Security check. You say to them that your kids have to pay, and they are trying to educate their children, trying to make ends meet, trying to pay a mortgage on the house and all that—the Republican budget did that. To get to what? For a $245 billion tax cut that will go to the upper 20 percent of income.

If that is the kind of budget that you want the President to sign, then I hope he never does, because there are too many people out there that would be hurt by this type of budget.

I represent Kentucky, born and bred there, and proud of it. We had a Senator that came here that made quite a mark. His name was Henry Clay. Henry Clay was called "the Great Compromiser." He knew how to compromise. But Henry Clay said that compromise was negotiated hurt—negotiated hurt. If you are going to hurt a little bit, let everybody have a little bit of hurt instead of some having a whole lot and others not having any. Negotiated hurt—let everybody hurt a little bit. I do not think you would have any objection to that.

Just take the farmers in the next 5 years. The Senator from Idaho understands farming very well. But the President has offered a $4 billion cut and the Republican budget takes about $14 billion. Just take $10 million off of the tax cut, you still have $235 billion; instead of taking a $270 billion reduction in Medicare, just take the $89 billion that the President offered.

Talk about real numbers, let us put real numbers in front of real faces and real places. That is how you are going to understand the numbers. It is all numbers. It is all dollars. What will you do to the individuals and the families, the young and the elderly, by just looking at numbers? There are faces and places behind those numbers, and we have to have that part of the discussion when we come to talking about the budget.

When you talk about real numbers, let us talk about real people. Let us talk about real places. Let us talk about real hurt. Let us talk about being fair. Let us talk about being compassionate. That is the kind of country we are. That is the reason we are strong. We reach out not only to our own but to others. That has made us the leader of the world.

To come in here and say we are going to say to the President that we will give him a clean CR when he sends us a budget that is certified balanced by CBO and signed off by the Speaker of the House, I know what Senator DOLE would say if he was President of the United States, and a Democrat Speaker over there—I know what he would tell him. I think you do, too.

So let us look at the budget that the Republicans gave us. If you were not using Social Security, you would be $106 billion short—$106 billion short—in the year 2002. But when you dig in and use the Social Security numbers, you get down to—I do not want to answer any questions.

Mr. CRAIG. Will the Senator yield?

Mr. FORD. Happy to yield for a question.

Mr. CRAIG. The question is, have not the Democrats used the Social Security trust fund figures in numbers just the way the Republicans are currently using them? We learned——

Mr. FORD. Not for the last 12 years.

Mr. CRAIG. Yes, you have, Senator.

Mr. FORD. The President of the United States signed—the President is responsible for that.

The PRESIDING OFFICER. The Senators will address through the Chair.

Mr. FORD. It is awful hard to address through the Chair.

Here on December 15—Mr. President, we talk about never wanting to offer anything. What bothers me is that on December 15, the President offered some numbers based on a budget he had submitted previously. He eased toward the Republican side on December 15; the Republicans eased toward the President on December 15. They moved closer to each other on discretionary cuts, on Medicare, on Medicaid, on welfare and EITC. I thought that was negotiation. That was on December 15.

Mr. President, we have agreed to a 7-year balanced budget. We have agreed to the CBO certification. Now let us get down to trying to figure out how we help our young kids and give them an education.

They talk about increasing the Pell grants. Sure they did, but they forget to tell you they cut off the bottom half. It is the way you use the words. So you increase Pell grants by $100, but you cut off from $600 down. A lot of people get by on $600. That is all they need. That is all they should be given. But if they do not need more than that, they do not get anything. They want to get an education; just need a few dollars.

So this is the kind of budget that the President of the United States has said no to, has said no to.

So, I hope we will just leave this rhetoric behind us and look at where we need to work, and that is Medicare, that is Medicaid, that is education, that is the environment; and that we put a face on it instead of the numbers and we put a place instead of the numbers. And once we decide the faces we want to help and the places we want to secure, then we can put the numbers with them. I think then we will have a budget.

But the President, in my judgment, is trying to protect those people who are being hurt so severely by the Republicans saying "We won't give." It is not here, it is over on the other end of the Capitol Building, but "We won't give unless we get the $245 billion tax cut." In April the Speaker of the House said, "We're going to shut Government down." Lo and behold, it did. But we have had bills vetoed before under Republican Presidents and we have offered a continuing resolution, we have continued Government while we sat down and negotiated those things that were objectionable to the Republican Presidents and we finally arrived at something that could be sent to the President that we agreed upon and he could sign. That is where we ought to be now.

I yield the floor.

The PRESIDING OFFICER. The distinguished President pro tempore, the Senator from South Carolina.

Mr. THURMOND. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Senate is in morning business. There is no pending business at this time.

THE CONTINUING RESOLUTION

Mr. THURMOND. Mr. President, I rise today in support of H.R. 1643, which will return all Federal Government employees to the workplace, and restore their paychecks. This bill will also reopen many important Government services which were closed due to President Clinton's veto of various appropriation bills.

It is regrettable that the President has permitted the budget situation to deteriorate. Let me remind my colleagues that this Congress enacted a balanced budget plan which the President also vetoed. At that point, he assumed an obligation to provide the Congress with his budget proposal. Yet despite his many promises to do so, and the statutory requirement of November 20, 1995, President Clinton has failed to submit a real balanced budget.

Mr. President, for years I have made speeches in this great Chamber, and cast my vote in support of a balanced budget. I have introduced balanced budget amendments in numerous sessions of Congress, including the 104th Congress. On July 12, 1982, a balanced budget amendment was brought to the floor. As chairman of the Judiciary Committee, I was pleased to sponsor and guide that important measure to passage. On August 4, 1982, 69 Senators voted in favor of the resolution. While a majority supported it in the House, it failed to receive the necessary two-thirds vote. In March 1986, the Senate voted on another balanced budget amendment. It was unfortunate that the Resolution failed by one vote. Last session, the balanced budget amendment again failed by one vote. However, I am confident that we will yet pass the balanced budget amendment during the 104th Congress and call on the President to support that effort.

With or without a constitutional amendment, this Congress will enact a budget which protects the security, health and safety of our Nation, provides quality Government services, and eliminates harmful deficits.

Mr. President, this bill brings employees back to work with back pay. It also provides targeted appropriations, through the end of fiscal year 1996, for critical Government services. Enactment of this measure will remove the issue of the Federal Government shutdown and allow us to focus on the larger objective of the balanced budget agreement.

Mr. President, in closing, I commend the majority leader, Senator DOLE, and Senator DOMENICI, the chairman of the Budget Committee, for their leadership and continuing efforts to resolve this important issue. I call on the President to keep his promise, to stop the gimmicks, and do the right thing for the future of our great Nation.

The PRESIDING OFFICER. The Senator from Virginia.

COMMUNICATIONS FROM CONSTITUENTS

Mr. WARNER. Mr. President, the Senate hopefully will be hearing from the distinguished majority leader and Democratic leader, as they are now returning from the White House. I am continuing to review the actions taken by the House. I am hopeful that these actions will reach a compromise, a position whereby the Government can return to provide the services to the people of this Nation. But I am going to withhold my approval until I read each word and study every comma and period in it. I am still working through that. But I felt at this time it would be appropriate for me to have printed in the RECORD a number of communications, just a sampling of the communications that I have received throughout this day in my office, together with, I think, some very fine editorial review by the newspapers in my State.

I will first include a letter written by a Mr. Paul T. Gernhardt, who writes:

> I know you and your staff are quite busy so I will keep this short and to the point. I am not at all pleased with your handling of the budget process. You are not helping anyone's cause and are directly responsible for a great deal of unnecessary harm. People are beginning to lose their businesses, homes, and financial standing as you squabble between yourselves. As a business owner I just cannot understand your actions—there is no justification whatsoever.
>
> As "constitutional officers" you have certain privileges, benefits, and opportunities (including protecting your own pay). However, you also have obligations. These include conducting the business of government in a professional and competent manner. At this point you are not fulfilling the responsibilities you agreed to assume. One of your primary duties is to pass a budget. This is not something that came up suddenly—waiting until well past the last moment solely for political gains is undignified and unprofessional.

I have to accept my share, as a Member of this body, of such criticism. I still believe, however, that this debate has focused the Nation's attention on the need to get a balanced budget within a period of 7 years using certain criteria, namely the Congressional Budget Office figures in which the Congress of the United States places, I might say, a great deal of faith and credit. I am hopeful the final drafts, of what may be acted upon here momentarily, will make specific reference to that need, that the President should be forthcoming with such a budget using the 7-year criteria as well as CBO figures.

I hope we can resolve this tragic situation which has impacted my State, the Commonwealth of Virginia, as severely certainly as any other State, and in my judgment probably more severely than any other State in the Union, given the fact that we are privileged—and I say that—we are privileged to provide a home for so many Federal employees, a working place and an infrastructure to accommodate their needs, not only here in the northern Virginia area but, indeed, throughout the Tidewater of Virginia where we have the largest naval base in the world, one of the largest Air Force bases, several of the large Army bases, and, indeed, the industrial base which supports so much of our national defense.

As I have said here day after day on the floor, we are not only addressing the tragic plight of certain Government employees who have been furloughed, or others who are working but without pay. Also, the infrastructure that serves these Government employees—and vice versa, they serve the infrastructure, it works both ways—has been severely crippled. It has a ripple effect all throughout my State.

To compound the tragedy of the private sector, many of these employees being laid off in the private sector do not have any certainty that their loss of pay and benefits or other job security will ever be the subject of restitution.

Throughout this controversy I have worked with the distinguished majority leader. He has provided a letter to this Senator, as well as other Members of the House delegation from the greater metropolitan area of Washington, assuring us that he would fight very hard to see that all Federal pay is received eventually. As a matter of fact, S. 1508, the legislation which I cosponsored with Senator DOLE and the Presiding Officer, the senior Senator from Alaska, so provides specifically.

So, Mr. President, I really take very seriously these many communications. I myself have gone to our phones and received a number of the calls from my constituents, coming in from all over the State.

Let me mention another organization called Resource Applications, Inc. This is dated January 3, 1996.

> DEAR SENATOR WARNER: As the partial shutdown continues into its third week, the economic damage is spreading fast, and the situation is becoming painful. The Government shutdown is having a ripple effect on people and is devastating their lives. Yesterday, the U.S. Environmental Protection Agency (EPA) sent home 2,400 of its Superfund workers and stopped work at over 600 sites across the Nation, throwing tens of thousands of contract employees out of work.

The letter goes on to explain the impact on his particular firm, Resource Applications, Inc. It says:

> As President of RAI, an environmental firm, I am like a father figure for our employees; they look to me for job security. With the majority of RAI's business with EPA, I am seriously concerned about the financial welfare of more than 100 people and their families. While I agree with your stand on issues that are morally and ethically good for our people, particularly the elderly, and the integrity of the environment, I want to tell you, the situation is becoming very difficult for the working people. An early resolution of the budget impasse and Government shutdown issues would be in the best interest of the country.

Yesterday, I had the head of the Environmental Protection Agency in to see me on wide range of issues, Carol Browner. I serve on the committee which has oversight for that Agency, and I had to bring to her attention, among other issues, the fact that our State very proudly has a large manufacturing plant operated by the Ford Motor Company. They are turning out a brand-new pickup truck which is eagerly being awaited all across the United States. As a matter of fact, I purchased my pickup truck from the same plant in Norfolk in 1989. It has been very useful to me on my farm, and I have enjoyed it, and I am going to keep driving it. But I must say I am quite envious of this new model. But, Mr. President, the new model cannot go into circulation for the reason that the Environmental Protection Agency has not had the staff with which to make the proper certifications as to the fact that this truck, this particular new model, can meet the environmental standards. That is an important thing to do—to have the truck meet those standards before it goes on the road.

So that is just another example of the many problems that the State of Virginia is facing.

I ask unanimous consent that an editorial from the Roanoke Times of today be printed in the RECORD, a very balanced analysis of the problem.

And, again, it concludes with the last paragraph:

> Dole was right, however, in judging the shutdown a poor means of exacting concessions. The House should end it today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> [From the Roanoke Times, Jan. 5, 1996]
>
> TIME TO END THE SHUTDOWN
>
> Political fault-lines underlying the partial shutdown of government shifted and rose closer to the surface this week, as the shutdown's effects began rippling more ominously across the land.
>
> As if to confirm his reputation as one of Washington's grown-ups, Majority Leader Bob Dole on Tuesday pushed legislation through the Senate that would have reopened the government until Jan. 12, while Congress and the White House continued their budget talks.
>
> The Senate reasonably, overwhelmingly approved the measure. Yet, egged on by a GOP vanguard of freshman militants, the House on Wednesday turned it down.
>
> Now there's word the GOP leadership is changing its tune, and none too soon.
>
> Keep in mind: Federal employees who were furloughed, as well as those working without pay, in the end will be paid. In the claimed pursuit of austerity, the shutdown is costing taxpayers, on top of other costs, huge sums to pay employees for work they weren't allowed to do.
>
> Give credit, therefore, to Reps. Rick Boucher and L.F. Payne for their vote Wednesday to end the partial shutdown. Rep. Bob Goodlatte unfortunately joined with the GOP's House majority, initially refusing to consider the Senate-passed measure.
>
> "Bob Dole made a huge miscalculation," grumbled one of the GOP tough guys, John Shadegg of Arizona. The partial shutdown, he and other House Republicans argued, is their best leverage for getting the White House to accept the basics of their balanced-budget plan. Shadegg called Dole's support for ending the shutdown "an act of betrayal."
>
> But if Dole betrayed his party's zealots, he hardly betrayed his country—or his chances for the presidency. On Thursday, House leaders were conceding theirs was the miscalculation.
>
> The shutdown has gone on long enough. Indeed, it is more likely getting in the way of, than moving along, the budget talks. Clinton might have discerned a self-serving political interest in continuing the standoff rather than try to end it.
>
> "It is wrong * * * to shut the government down while we negotiate, under the illusion that somehow that will affect the decisions that I would make on specific issues." Clinton said. He's right.
>
> It is wrong to hold Americans hostage to budget bargaining and partisan charade; Meals on Wheel clients, nursing-home residents. Head Start youngsters, vendors waiting to be paid, citizens wanting to visit national parks or to travel overseas, Americans depending on unemployment assistance or water-quality monitoring—not to mention 760,000 unpaid federal workers.
>
> Congress has proposed measures that Clinton is right to veto—mean-spirited, counterproductive measures. But House Republicans are right when they criticize the president for failing to specify how he would balance the budget in seven years, given a common set of fiscal assumptions.
>
> To bargain in good faith—while still sticking to principles that, in most cases rightly, he says he'll stand by—Clinton needs to be more forthcoming.
>
> Dole was right, however, in judging the shutdown a poor means of exacting concessions. The House should end it today.

Mr. WARNER. Mr. President, let us hope that the relevant document delivered to the desk in the Senate by the Clerk of the House of Representatives contains the legislative initiatives that will enable us to resolve this.

Mr. President, seeing the distinguished majority leader, I yield the floor.

AGRICULTURE POLICY

Mr. DOLE. Mr. President, for the past several weeks, America has focused its attention on the budget talks in Washington, and on the Government workers who have been hostages in this debate.

However, one of the faces not shown on the evening news as a hostage in these talks is that of the American farmer.

As I travel around rural America, farmers remind me that they are taxpayers too. And as taxpayers, farmers want a balanced budget.

Rural America realizes what this balanced budget means for them. For agriculture alone, spending on interest with a balanced budget is projected to decline by $15 billion over 7 years. And for a lot of family farmers who struggle to make ends meet, the money saved by reduced interest payments could make the difference between success and failure.

In addition, the Balanced Budget Act would provide much needed tax relief to millions of rural Americans; including an increase in expensing limits, death tax relief, an increased deductibility for the health insurance cost of the self employed, a capital gains tax cut, and operation of a medical savings account.

Mr. President, along with putting America on course to a balanced budget, there is something else that Congress must do to be fair to America's farmers.

I believe we have an obligation to announce by the end of February, if not sooner, the details of a farm bill so farmers can prepare this year's crop. Kansas farmers have already planted their winter wheat without knowing any program details.

In my view, Mr. President, Congress has three options from which we can choose.

Option No. 1 is to do nothing, and to simply let the 1990 farm bill expire, which would mean that permanent law would be in effect.

Anyone who knows anything about permanent law realizes such action would be bad for farmers and bad for America. Farm prices would reach parity levels which to many may sound attractive. However, the long-term ramifications to the marketplace and U.S. Treasury would be significant. Farmers would produce for the Government and not the marketplace.

Option No. 2 is to pass an extension of the 1990 farm bill. This in my view, would also be the wrong road to take.

Those who are advocating this choice are unwilling to modernize American agricultural policy as we prepare to move into the next century. The world population will grow by 50 percent by 2025. We must provide American agriculture with the tools to unleash our Nation's productive capacity to meet a growing world demand. An extension of current farm policy without addressing changes that have occurred and continue to occur, is unacceptable to a majority of farmers in this country.

If we are going to have an extension, it has to be at least for a couple of years. You have to give farmers flexibility, and you have to remove production controls.

Option No. 3—which is the correct choice—is to adopt the farm bill proposals contained in the Balanced Budget Act.

One year ago, I spoke to the American Farm Bureau Federation's annual meeting in St. Louis. While there, I outlined some of my goals for the 1995 farm bill. These goals included providing farmers with full planting flexibility, elimination of set-asides, program simplicity, and a farm policy that transitions farmers into the next century without disrupting the farm economy or land values. All of these goals are reached in the language contained in the Balanced Budget Act.

Unfortunately, that act was vetoed and we must now address how to best proceed. I am hopeful that provisions contained in the Balanced Budget Act can be retained and can be passed before the end of February.

Mr. President, American agriculture does not operate in a vacuum. Rural Americans share the Republican conviction that Congress must balance the budget. Rural Americans realize that there are important policies outside the farm bill that greatly affect their bottom lines. Republicans are actively working to provide the needed relief that rural Americans are asking for. And we will not stop.

Mr. President, there are those who claim there has been no public input into the agricultural provisions included in the Balanced Budget Act.

I disagree. Last year, the Senate and House Agriculture Committees held 33 hearings on the 1995 farm bill with over 350 witnesses. In my view, the public input has been significant.

I also hear some colleagues talk about the need for a vote on the Senate democratic proposal which would reduce the agriculture savings and provide and increase in marketing loans.

I would simply point out that Senator HARKIN offered this amendment during Senate consideration of the reconciliation bill. The vote failed 31 to 68 with 15 Democrats voting with Republicans to defeat the amendment.

The fact is that we have debated farm policy. And adopting the agriculture provisions contained in the Balanced Budget Act is right for our farmers and the right path for America.

Mr. President, I point out to my colleagues that the suggestion has been made that maybe there is an alternative plan. We had a vote on that plan, offered by Senator HARKIN. We voted 68 to 31 in opposition to that proposal.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER (Mr. WARNER). The minority leader.

Mr. DASCHLE. Mr. President, I did not have the opportunity to hear everything that the majority leader said. I understand he spoke about agriculture.

Let me just say that I do not know what the solution is, but I think the majority leader and I both agree that we have to do something. We have a lot of farmers who have already planted everything that they are going to plant for their winter wheat, for their crops. That will be ready for harvest by spring or late spring. We have to do something. If we cannot do it in 1 year, maybe a 2-year extension is something that we ought to look at. But I do not think that doing nothing ought to be an option that either party agrees to.

While there is very little support on the other side of the aisle for the so-called marketing loan concept, that marketing loan would allow farmers to be given at least the confidence that they are going to have a plan out there that is market-sensitive; that costs less for the Government; that provides us with the kind of opportunity in the farm program that many farmers feel they need. Virtually every national farm organization has said they support it.

So I hope we can work something out. I know that in working with majority leader in good faith, we can find a way to resolve what may now appear to be some very difficult challenges in agreeing on a farm policy. But we have to do it. I hope we can do it as early as next week. We cannot wait much longer.

Again, while I did not hear what the majority leader said, I am sure he shares the need to be as expeditious as possible in finding some resolution.

I yield the floor.

Mr. DOLE. Mr. President, let me indicate to my colleague that is sort of what I pointed out. There are, as I see it, three options. We talked about it to some extent today at the White House. But I appreciate that.

Of course, we need to do something because, as the minority leader indicated, our winter wheat farmers have already planted their wheat. They do not know what the program is going to be. They are taking a chance, as they do from time to time.

HOPEFUL SIGNS BETWEEN SYRIA AND ISRAEL

Mr. PELL. Mr. President, I wish to offer my strong support for the administration's recent, extraordinary efforts to broker a peace treaty between Israel and Syria.

I cannot overemphasize the importance of bringing Israel and Syria into a peaceful, normal relationship. Their conflict is virtually the last remaining obstacle to a comprehensive peace in the Middle East. If Syria and Israel are able to overcome their differences, sign an agreement, and establish diplomatic relations, it is nearly certain that other Arab states—Lebanon, Morocco, Tunisia, and Gulf countries—would soon follow suit. From that point forward, the region's prospects for political, economic, and social advancement would become almost limitless.

It is a sad irony that the peace talks being held in Wye, Maryland arose out of the tragic assassination of Israeli Prime Minister Yitzhak Rabin. If the Wye talks succeed in producing an agreement, it will surely add yet another dimension to the Prime Minister's legacy as a peacemaker. I only lament the fact that the price would have been so dear.

It is too early to tell what result these talks may have, but already there have been suggestions from the participants that they are operating in an unprecedented environment of comity, seriousness, and creativity. While a positive atmosphere does guarantee success on the important questions of substance, it does lend hope to those who watched the failure of the previous, stale rounds of discussions.

In the next few weeks, it is expected that the Syrian and Israeli delegations will consult with their governments, Secretary of State Christopher will shuttle to the capitals of the Middle East, and the talks will reconvene. At the same time, everyone associated with the talks knows that the Israeli and American electoral cycles afford precious little time for a deal to be concluded. Under these circumstances—a high level of activity, a small window of opportunity, and a new spirit of cooperation—progress is likely to occur quickly or not at all.

Secretary of State Christopher and his Middle East peace team clearly understand their opportunities and their limitations, and have made every effort to steer Israel and Syria in the proper direction. While ultimately it remains the decision of the parties themselves to make peace, there is indeed a place for American leadership and engagement. Secretary Christopher, Ambassador Dennis Ross, and their colleagues at the State Department deserve the Nation's highest respect and gratitude for the energy, devotion, and intellect they have brought to the peace table.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, as of the close of business January 4, the Federal debt stood at $4,988,799,676,202.14, about $12 billion shy of the $5 trillion mark, which the Federal debt will exceed in a few months.

On a per capita basis, every man, woman, and child in America owes $18,937.57 as his or her share of that debt.

THE DEATH OF ADM. ARLEIGH A. BURKE, U.S. NAVY

Mr. THURMOND. Mr. President, on Thursday, January 4, 1996, the Nation paid its final tribute to a naval hero and patriot whose profound influence spanned more than 70 years and who laid down the blueprint of today's balanced fleet almost 40 years ago. I want to take this opportunity to honor the truly vital contributions made by that man, Adm. Arleigh A. Burke, who died on January 1, 1996, at the age of 94. He was buried on the grounds of the U.S. Naval Academy in Annapolis, MD where he graduated in 1923. At sea and on land he was among the finest leaders that our country has produced. He stood watch on active service to our country for more than 40 years, rising from a meager farm at the foot of the Colorado Rockies to serve as Chief of Naval Operations for an unprecedented 6 years during the bleakest days of the cold war.

Admiral Burke defined himself by an unwavering commitment to making the most of every opportunity presented and giving the best he had to every challenge that confronted him. When reminded of his earliest days of commissioned service, leading cleaning teams through the bilges of the USS *Arizona* (BB 39), he once observed, "You have only one job. Very seldom do you get the job you want. Do the best you can with the job you have. If it isn't very important, do it better. When you do a job well, it makes itself important." This straightforward approach to life, combined with an unwavering commitment to those with whom he served, produced an exceptional naval officer and leader who, in the words of our current Chief of Naval Operations, Adm. Mike Boorda, "—defined what it is to be a naval officer: relentless in combat, resourceful in command, and revered by his crews." He was a man who received all the honors a grateful nation could bestow during his lifetime, yet chose for his burial marker the simple phrase "Sailor" to capture the sum and substance of his life.

As commander of Destroyer Squadron 23, "The Little Beavers", during World War II, he carried the fight to the Japanese navy night after night in the Solomon Islands, earned the nickname "31 Knot Burke" from Admiral Halsey, and did as much as any man to turn the tide of battle against an Imperial Japanese Fleet that was flushed by an unbroken series of victories. Over a sustained campaign of 4 months, his squadron turned the tide of battle in the Solomons at Empress Augusta Bay, off Cape St. George. In "The Slot" and in 22 desperate engagements they produced a rich harvest of sunken ships and downed aircraft.

As commander of the "Little Beavers," Admiral Burke showed a remarkable ability to absorb the lessons of experience and then distill them into battle orders and combat tactics that inspired his men and took maximum advantage of every weapon at his disposal. He taught his squadron to fight at night, to fight with stealth through the use of torpedoes over guns, to strike quickly with maximum power, and to seize the initiative in battle and never let it go. He instructed his commanders concisely that, "The difference between a good officer and a poor one is about 10 seconds" and set their priorities clearly, "If it helps kill the enemy it is important. If it will not help kill the enemy it is not important."

Serving on the Chief of Naval Operations staff after World War II, Arleigh Burke played an extraordinary and vital part in clearly explaining the pivotal role the Navy could have in preserving national security during the cold war. He was not a controversial man by nature, but he never shunned it when the needs of the Navy and our country made their demands. During a postwar period of intense and bitter interservice rivalry that almost cost him his career, Arleigh Burke was a clear voice of logic and sanity in stating the case for a Navy that time and again responded to emerging cold war crises worldwide.

It was my great privilege to have served as a member of the Armed Services Committee and worked with Admiral Burke during his tenure as Chief of Naval Operations. I speak from first hand experience when I reflect on the vision, forcefulness, intellect, and leadership that he brought to bear on his duties. From his razor sharp mind came the concepts of a balanced multimission Navy that could deal with crises on short notice yet stay for the long haul when needed, antisubmarine warfare and tactics as a top priority, the tremendous potential of nuclear power for naval ships, *Polaris* missiles at sea as an essential element of nuclear deterrence, and an unwavering commitment to "training as we'll fight and fighting to win."

Many able naval leaders have served our country well since Admiral Burke retired in 1961. I have worked with them all. They have been men of great talent and commitment, but they have all had the advantage of following a course that was clearly charted for them by Arleigh Burke, combat hero of World War II, a great naval leader of the cold war, a man who stepped down willingly when offered a remarkable fourth term as CNO to make way for younger men. He was a "sailor's sailor."

The Navy shares my admiration. It honored him in his lifetime by naming the most powerful class of surface combatant in the world, the *Arleigh Burke* class destroyer, for him. His legacy to the crew of the first ship was the simple observation, "This ship was built to fight, you had better know how."

I want to express my condolences to Mrs. Roberta Burke, Admiral Burke's widow and wife of 72 years. She cherished and sustained her husband in peace and war, a "Sailor's Wife". She has set a standard of service and commitment for thousands of naval families who must daily endure the stress of family separation that accompanies service at sea. Without the sacrifices that Mrs. Burke and many other spouses have shouldered, our Navy could not have been the force for freedom that has helped guard this country and support our allies for so many years.

I had the privilege of working with Arleigh Burke for several years. I came to admire him immensely. I always knew where he stood and what he stood for. I was struck anew by his simple eloquence when I read the following words in his funeral pamphlet: "Life has been good to me. I didn't die young. I wasn't killed in the war. I did most everything I wanted to do, and some things I didn't want to do. I had a job I liked and a woman I loved. Couldn't ask for more than that." Such a powerful summation of an extraordinary life.

Mr. President, I thank my colleagues for the time and I yield the floor.

VICTOR RIESEL AND WALTER SHERIDAN—"IN DEFENSE OF HONEST LABOR"

Mr. KENNEDY. Mr. President, the New York Times Magazine began a tradition a year ago of devoting its year-end issue to essays on the lives of some of the most interesting people who died during the year. The December 31, 1995 issue of the magazine contained reflections on 51 men and women who died last year. I commend all of these essays to my colleagues for their eloquence, grace, and insight. They make excellent and inspiring reading.

One of the essays, by Pete Hamil, paid tribute to Victor Riesel and Walter Sheridan for their leadership on behalf of American workers and the integrity of the American labor movement. Walter Sheridan worked with my brother Robert Kennedy in the Justice Department in the 1960's, and later spent many years on the staff of the Senate Labor and Human Resources Committee as one of the finest investigators the Senate has ever had. I believe the essay will be of interest to all of us in Congress who knew Walter, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, Dec. 31, 1995]

IN DEFENSE OF HONEST LABOR

(By Pete Hamill)

They spent many years fighting the same fight; trying to give the American worker a fair shake and keep the unions clean. 1913-1995 Victor Riesel, in his newspaper column that run for more than 40 years and on his radio show, fearlessly exposed labor corruption (and paid dearly for it). 1925–1995 Walter J. Sheridan, as a government investigator with Robert Kennedy in the Senate and in the Justice Department, helped send Jimmy Hoffa to prison. In the end, neither Riesel nor Sheridan was able to stem the downward slide of the labor movement, but it can't be said that they didn't try.

When they died within days of each other in January, Victor Riesel and Walter Sheridan seemed like figures from a lost America. In their separate ways, they were shaped by that brief, romantic time when millions of Americans still believed that the labor movement would serve as the cement of the social contract.

The theory was relatively simple. Unions—not government—would establish hard limits on the powerful. Braided together into a mighty national force, unions would guarantee lives of security, decency and personal pride to ordinary citizens. Unions would provide a sense of community. And unions would be the ethical watch-dogs of the society, casting cold eyes on slippery politicians and predatory businessmen. Those ambitions were paid for with the blood of union members, from Ludlow, Colo., to Flint, Mich., and in hundreds of other places where a picket line was seen as a moral necessity.

By the time Riesel and Sheridan followed their separate trails into our social history, the union movement was a sewer. They knew it better than almost all others, for Riesel and Sheridan were among the few Americans who carried torches into that sewer and came back to tell us what they had seen.

Riesel was better known than Sheridan because for most of his adult life he was a labor columnist, first at The New York Post, where he began in 1942, and after 1948 at The New York Daily Mirror, with syndication in some 300 newspapers. It is one measure of how much our society has changed that even the job description "labor columnist" sounds as rare now as that of blacksmith.

Riesel came to his life's work with superb credentials. He was born in 1913 on Manhattan's Lower East Side, that nursery of union organizers, artists, prize-fighters and hoodlums. His father was a union activist whose work carried the family on the familiar journey to the more serene precincts of the Bronx when Victor was 13. He graduated from Morris High School just as the Great Depression was beginning and immediately went to work. Over the next decade, he managed to earn a bachelor's degree in the night school of the City College of New York, while working in hat factories and lace-makers' lofts and steel mills. He learned journalism on college and union newspapers.

As Riesel was starting his labor column, when American industry was gorged with wartime profits, the hoodlums were everywhere. Lepke Buchalter and Gurrah Shapiro had corrupted and terrorized the garment industry. The leaders of the waterfront unions were brutal and cynical in their alliances with the men who controlled the East Coast ports. Other unions were run as businesses by faceless men protected from scrutiny by the death of union democracy. Union treasuries were looted; pension funds were eaten by the mob. Dissidents had their heads broken or were dropped in swamps in New Jersey. In the postwar boom, union leaders began buying yachts. They played a lot of golf. They had become an oligarchy, as remote from the rank and file as the men who ran the great corporations. Riesel went after them in his column and on his radio program and would eventually pay a severe price.

If Riesel was formed by the Depression, Walter Sheridan's character was shaped by World War II. he was born in 1925 in Utica, N.Y. His father ran a small hotel called the Monclair and a restaurant named Sheridan's, and though the Sheridans were far from rich, the Depression did not force them into soup kitchens. At the Utica Free Academy, a public high school, Walter was senior class president and quarterback of the football team. He joined the Navy, quickly volunteered for the submarine service and was on board the U.S.S. Pargo in the Sea of Japan on the day the war ended.

After the war, he came to New York City and enrolled at Fordham on the G.I. Bill. In 1948, while a student, he married Nancy Tuttle; they had met in high school in Utica (and would go on to have 5 children and 14 grandchildren). After graduation in 1950, Sheridan briefly tried law school in Albany, then decided to enter the Federal Bureau of Investigation, where he would spend four disillusioning years. The F.B.I. was then in the iron control of J. Edgar Hoover, whose anti-Communist obsessions, private intelligence files and bureaucratic genius made him as permanent, a fixture in Washington as the average union leader was in Bayonne. I once spent an hour with Sheridan during Robert F. Kennedy's 1968 campaign and asked him casually why he'd left the F.B.I.

"Because Hoover was more interested in guys who were Communists for 15 minutes in 1931," Sheridan said quietly, "than he was in guys who were stealing New Jersey."

After resigning from the F.B.I., Sheridan joined the National Security Agency, where he refined his skills as an investigator. These included a willingness to endure tedium, a stoical tenacity when faced with dry holes or disappointment and, above all, an ability to gaze at often purposefully obscure documents and discover a story line. Most great investigators have two other qualities: a passion for anonymity and a belief in the righteousness of the enterprise. Sheridan, by all accounts, was a great investigator.

In 1957, his life was permanently changed when he was recruited by Robert Kennedy to join the staff of the Senate Select Committee on Improper Activities in the Labor or Management Field, better known as the McClellan Committee. The chairman was Senator John McClellan, a Democrat from Arkansas. John F. Kennedy was a member of the committee, and Robert Kennedy was the chief counsel. Sheridan established almost instant rapport with Bobby. They laughed when they discovered they were born on the same day—Nov. 20, 1925. Kennedy quickly recognized in Sheridan characteristics he admired in others who joined his team: tenacity, courage, a respect for detail and hard work and an absence of self-importance.

The basic task of the committee was to dig into the mob takeover of the unions. It quickly began to focus on the complex, gifted and corrupt Jimmy Hoffa and the Teamsters, which, with almost two million members, was the nation's largest and richest union. The hearings had been called, in part, because of widespread national revulsion the year before at what had been done to Victor Riesel.

On April 5, 1956, on his late-night radio show, Riesel attacked racketeering in Local 138 of the International Union of Operating Engineers, based in Long Island. He singled out William C. DeKoning Sr., recently released from prison after doing time for extortion, and his son, William C. DeKoning

Jr., who had inherited the presidency of the local when his father was sent to jail. Riesel had also attacked Hoffa, who was maneuvering from his Middle Western base to take over the national leadership of the Teamsters.

After the broadcast, Riesel went to Lindy's, the most famous of the late-night Broadway restaurants of the era. He stepped outside at 3 a.m., was fingered by a shadowy figure and then a young man stepped up and hurled sulfuric acid into Riesel's face. He was permanently blinded.

The police learned that the acid thrower was a 22-year-old apprentice hoodlum named Abraham Telvi, who disappeared for a while. They arrested a second-level labor hoodlum—and Hoffa crony—named John DioGuardia (better known as Johnny Dio) and charged him with ordering the attack. But witnesses suddenly developed amnesia and Johnny Dio went free. When Telvi, who had been paid $1,175 by middlemen to do the job, understood the importance of his victim, he demanded more money. He was murdered on July 28 on the Lower East Side, not far from where Riesel grew up.

There is no record of Riesel and Sheridan working together, but in Sheridan's 1972 book, "The Fall and Rise of Jimmy Hoffa," he relates a tale told to him by an honest teamster named Sam Baron, who was in a hotel room with Hoffa one night in 1956:

Hoffa went into another room to take a phone call and then came back into the room where Baron * * * and others were gathered. According to Baron, Hoffa walked up to him and poked his finger in his chest, saying, "Hey, Baron, a friend of yours got it this morning."

"What do you mean?" Baron asked.

"That son of a bitch Victor Riesel. He just had some acid thrown on him. It's too bad he didn't have it thrown on the goddamn hands he types with."

Despite his blindness, Riesel continued writing his syndicated column until his retirement in 1990. Sheridan, who moved to the Justice Department when Robert Kennedy became Attorney General, continued pursuing Jimmy Hoffa, and the Teamsters leader finally went to prison in 1967. He served 58 months before being released by Richard Nixon. None of this was simple. The "Get Hoffa" squad, commanded by Sheridan, often seemed obsessive; even some liberals objected to its relentlessness. But Sheridan always denied that he and Kennedy were engaged in a vendetta. "For Kennedy to have done less than he did," he wrote in his book, "would have been a violation of his own public trust and a dereliction of duty."

By the time Sheridan wrote those words, John and Robert Kennedy had been murdered. A few years later, on July 30, 1975, Jimmy Hoffa went to meet a guy in a restaurant outside Detroit and was never seen again. The labor movement hasn't vanished, of course, but by any measurement, it is greatly diminished. Not even the most giddy union idealist offers hope that it can become in the future what it should have been before the hoodlums cut into its heart. We do know this: Victor Riesel and Walter Sheridan spent years of their lives trying to save the labor movement from the enemy within, trying to help thousands of people who would never know their names.

Pete Hamill's journalism career began in 1960 at The New York Post, a union shop. "Piecework," a collection of his articles, is being published this month.

TRIBUTE TO THE LATE MARSHALL B. WILLIAMS

Mr. THURMOND. Mr. President, last week, as most people visited family and friends, enjoying the especially festive days between Christmas and New Year's, hundreds of South Carolinians, including myself, were saddened to learn of the death of a truly remarkable and legendary person—Marshall B. Williams. For almost 50 years, this man faithfully served the people of the Palmetto State as a member of the South Carolina House of Representatives and the South Carolina Senate. His easy going style and desire to build consensus among his colleagues made him an especially effective legislator and helped to ensure his re-election year after year. As a matter of fact, his longevity in the South Carolina Senate earned him the distinction of not only serving as that body's President pro tempore, but the Nation's longest serving State official.

While I have known the Williams family much of my life, I did not really come to know Marshall until 1928 when he visited his sister who lived in Ridge Spring, SC. About 20 years later, in 1947, we both found ourselves serving in State government. I had just been elected as Governor of South Carolina and Marshall was in his first term as a member of the House, being close in age as well as single, we quickly became good friends. It was a friendship that I valued and one which literally lasted a lifetime.

Marshall was born of a different era and was the product of the values and traditions of the Old South, where manners and civility were stressed, and kindness was not an aberration. Such characteristics personified Marshall throughout his personal and public lives, he treated everyone with whom he came in contact with respectfully and kindly. His geniality and desire to build alliances and friendships earned him the respect and admiration of the men and women with whom he served, his constituents, and citizens throughout South Carolina. It also helped him to become an effective and strong leader within the South Carolina State House, where he chaired some of the most important and influential committees in the Senate. He was a figure who commanded deference and respect, both because of his position and seniority, and also because he accorded others those same courtesies.

With his bow tie and gentle manners, someone who passed Marshall on the street might confuse him for a professor or a retired accountant rather than a strong and capable political leader. During his tenure in the South Carolina Legislature, Marshall helped to create an era of unprecedented growth and change for our State, helping South Carolina become one of the leading centers for commerce and industry in the Southeast. It takes an especially unique man to be born in an era when most of the citizens of our State had little formal education and earned their living by farming, and in later years have the vision to help prepare South Carolina to compete in the high-technology global marketplace of the 21st century. It was the work of a handful of leaders—of which Marshall Williams was one—in the public and private sectors, that prepared South Carolina to meet the challenges of the future and Marshall can be proud of the legacy he left.

Mr. President, this past Saturday over 1,000 people gathered in Marshall's hometown of Orangeburg, SC, to pay their last respects to this man. I was among those who had the honor of eulogizing him and I began my remarks by noting that "A giant has fallen". This truly describes Senator Marshall Williams, he did so much for the State and Nation that created him. I know that his wife Margaret, and his children, his grandchildren, and a large circle of friends will miss Marshall a great deal, and I certainly join them in their mourning for this very special man. He touched the lives of thousands through his work and efforts, and South Carolina will never be the same place as a result of his passing.

THE IMPACT OF THE GOVERNMENT SHUTDOWN

Mr. KENNEDY. Mr. President, the irresponsible Government shutdown has brought havoc to the lives of millions of working Americans.

For the past 3 weeks, House Republicans held the Government hostage in an effort to force harsh and excessive cuts in Medicare, education, the environment, and other vital programs in order to pay for their lavish tax breaks for the wealthy.

From coast to coast, the repercussions from the shutdown were felt not only by Federal workers but by contractors who depend on the Government for their income, and by large numbers of other citizens and firms who depend on the Government for their livelihood.

Massachusetts was hit hard by the shutdown. Over 15,000 of the State's 32,000 Federal employees had either been furloughed or were working without pay since December 15.

The various stop-gap funding bills the Senate is now adopting will ease some, but far from all, of these problems. It will pay Federal workers through January 26 and permit a number of essential programs to resume. But many other important Federal services, which families have already paid for with their hard-earned tax dollars, will not to be funded under today's stop-gap bills.

The stop-gap bills still provide no funding for Head Start, which serves 2,000 children in Massachusetts. Nor does it provide assistance to low-income families to insulate their homes. The Foster Grandparents Program, community health centers, the Ryan White AIDS Program, and clean water inspection will also continue to go unfunded.

At the same time, the stop-gap bills will send thousands of Federal workers back to work—without the funding to administer these programs. Republicans talk about making work pay, but under their stop-gap funding bills, far too many Federal employees will be forced to sit idle at their desks while taxpayers demand these important services.

Republicans claim that they want to reduce the deficit and balance the budget, but the Office of Management and Budget has found that over the 3 weeks the Government has been closed, the Federal Treasury has lost $945 million—or $45 million a day. If that's not inefficient, I don't know what is.

Instead of these defective stop-gap bills, we should have passed an honest bill to reopen the Government while the budget negotiations continue. Responsible Republican leaders have tried in good faith to end this irresponsible shutdown, and I wish they had been more successful.

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I am going to ask about three unanimous-consent requests. I will state them first and then if there are any objections, they can be heard.

MESSAGE FROM THE HOUSE ON H.R. 1643

I ask unanimous consent that the Chair lay before the Senate a message from the House on H.R. 1643, extending certain programs for the remainder of the fiscal year, and deems all Federal employees essential and pays those employees; that the Senate immediately concur in the House amendments, the motion to reconsider be laid upon the table, all without any intervening action or debate.

The message from the House is as follows:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 1643) entitled "An Act to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria", with the following amendments:

In lieu of the matter inserted by said amendment, insert:

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995:

All nutrition services for the elderly under the account heading "Aging services programs" under the Administration on Aging in the Department of Health and Human Services;

All grants to States for child welfare services, authorized by title IV, part B, subpart 1, of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All Federal Parent Locator Service activities, as authorized by section 453 of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All State unemployment insurance administration activities under the account heading "State unemployment insurance and employment service operations" under the Employment and Training Administration in the Department of Labor;

All general welfare assistance payments and foster care payments, as authorized by law, funded under the account heading "Operation of Indian programs" under the Bureau of Indian Affairs in the Department of the Interior;

All projects and activities funded under the account heading "Family support payments to States" under the Administration For Children and Families in the Department of Health and Human Services;

All projects and activities funded under the account heading "Payments to States for foster care and adoption assistance" under the Administration For Children and Families in the Department of Health and Human Services;

All administrative activities necessary to carry out the projects and activities in the preceeding two paragraphs;

All projects and activities funded under the account headings "Dual benefits payments account", "Limitation on administration" and "Limitation on railroad unemployment insurance administration fund" under the Railroad Retirement Board;

All projects and activities necessary to accommodate visitors and to provide for visitor services in the National Park System, the National Wildlife Refuges, the National Forests, the facilities operated by the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center for the Performing Arts, and the United States Holocaust Memorial; and

All projects and activities necessary to process visas and passports and to provide for American citizen services, notwithstanding section 15 of the State Department Basic Authorities Act of 1956: Provided, That whenever the amount which would be made available or the authority which would be granted under an Act which included funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, except for the projects and activities under the headings "Family support payments to States" and "Payments to States for foster care and adoption assistance", for which date shall be March 15, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 110. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on December 16, 1995.

SEC. 111. Notwithstanding any other provision of this Act, except section 106, funds appropriated under section 101 for the payment of vested dual benefits under the Railroad Retirement Act shall be made available so as to fully fund the payments made on January 1, 1996, and the payments to be made within the period covered by this Act including those payments to be made on the first day of each month within the period covered by this Act. In addition to the funds appropriated under section 101 of this Act, $12,800,000 is appropriated to restore full funding for payments made for the period prior to January 1, 1996.

SEC. 112. Notwithstanding any other provision of this Act, except section 106, the authorities provided under subsection (a) of section 140 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236) shall remain in effect during the period of this Act, notwithstanding paragraph (3) of said subsection.

TITLE II

VETERANS AFFAIRS

The following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 201. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERANS' BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.—(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payment as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payment of such benefits are available (other than pursuant to subsection (b)).

SEC. 202. Section 201 shall cease to be effective on September 30, 1996.

SEC. 203. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on January 4, 1996.

TITLE III

The following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 301. Such amounts as may be necessary under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1995 for paying salaries of Federal employees excepted from the provisions of the Antideficiency Act (31 U.S.C. 1341 et seq.) who are continuing projects and activities conducted in fiscal year 1995 who work during periods when there is otherwise no funding authority for their salaries.

SEC. 302. Appropriations made by section 301 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 303. No appropriation or funds made available or authority granted pursuant to section 301 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 304. No provision which is included in the appropriations Act enumerated in section 301 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 305. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 306. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 26, 1996, whichever first occurs.

SEC. 307. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 308. No provision in the appropriations Act for the fiscal year 1996 referred to in section 301 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 306(c) of this Act.

SEC. 309. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 310. ALL FEDERAL EMPLOYEES DEEMED TO BE EXCEPTED EMPLOYEES.—(a) IN GENERAL.—Section 1342 of title 31, United States Code, is amended for the period December 15, 1995 through January 26, 1996—

(1) by inserting after the first sentence "All officers and employees of the United States Government or the District of Columbia government shall be deemed to be performing services relating to emergencies involving the safety of human life or the protection of property."; and

(2) by striking out the last sentence.

SEC. 311. EXCEPTED EMPLOYEES UNDER NORMAL LEAVE POLICY.—Federal employees considered excepted from furlough during any period in which there is a lapse in appropriations with respect to the agency activity in which the employee is engaged shall not be considered to be furloughed when on leave and shall be subject to the same leave regulations as if no lapse in appropriations had occurred.

SEC. 312. ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.—Notwithstanding any other provisions of law, beginning on January 2, 1996, any Federal employee who is excepted from furlough and is not being paid due to a lapse in appropriations shall be deemed to be totally separated from Federal service and eligible for unemployment compensation benefits under subchapter I of chapter 85 of title 5 of the United States Code with no waiting period for such eligibility to accrue.

SEC. 313. For the purposes of this title, Federal employees returning to work under the provisions of section 310 shall be deemed to have returned to work at the first regularly scheduled opportunity after December 15, 1995.

SEC. 314. Appropriations made pursuant to section 301 are made notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 701 of the United States Information and Educational Exchange Act of 1948, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), section 53 of the Arms Control and Disarmament Act, and section 10 of Public Law 91–672.

TITLE IV

The following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 401. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this Act) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996:

Provided, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted

by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: Provided, That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 411 or 412 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 402. Appropriations made by section 401 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 403. No appropriation or funds made available or authority granted pursuant to section 401 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 404. No provision which is included in the appropriations Act enumerated in section 401 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this Act.

SEC. 405. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

SEC. 406. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 407. Notwithstanding any other provision of this title of this Act, except section 406, none of the funds appropriated under this title of this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 408. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 409. No provision in the appropriations Act for the fiscal year 1996 referred to in section 401 of this title of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 406(c) of this Act.

SEC. 410. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 411. Notwithstanding any other provision of this title of this Act, except section 406, whenever the Act listed in section 401 as passed by both the House and Senate as of the date of enactment of this Act does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate for operations for an ongoing project or activity provided by section 401 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 401 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366. For the purposes of this title of this Act the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 412. Notwithstanding any other provision of this title of this Act, except section 406, whenever the rate for operations for any continuing project or activity provided by section 401 or section 411 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366.

SEC. 413. Notwithstanding any other provision of this title of this Act, except sections 406, 411, and 412, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this Act that would impinge on final funding prerogatives.

SEC. 414. This title of this Act shall be implemented so that only the most limited funding action of that permitted in this title of this Act shall be taken in order to provide for continuation of projects and activities.

SEC. 415. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100–202, shall not apply for this title of this Act.

SEC. 416. Notwithstanding any other provision of this title of this Act, except section 406, none of the funds appropriated under this title of this Act shall be used to implement or enforce any system or registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this Act otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

TITLE V

CLARIFICATION OF CERTAIN REIMBURSEMENTS

SEC. 501. CLARIFICATION OF REIMBURSEMENT TO STATES FOR FEDERALLY FUNDED EMPLOYEES.—(a) If a State used State funds to continue carrying out a Federal program or furloughed State employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government—

(1) such furloughed employees shall be compensated at their standard rate of compensation for such period;

(2) the State shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such furloughed employees, together with interest thereon due under section 6503(d) of title 31, United States Code; and

(3) the State may use funds available to the State under such Federal program to reimburse such State, together with interest thereon due under section 6503(d) of title 31, United States Code.

(b) For purposes of this subsection, the term "State" shall have the meaning as such term is defined under the applicable Federal program under subsection (a).

(c) The authority under this section applies with respect to any period in fiscal year 1996 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in subsection (a) with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts.

HOUSE CONCURRENT RESOLUTION 131

Mr. DOLE. I ask unanimous consent that the Senate now turn to House Concurrent Resolution 131, directing the House to enroll and send to the President House Joint Resolution 134, after he has submitted a certified balanced budget using CBO numbers; that the concurrent resolution be immediately agreed to and the motion to reconsider be laid upon the table, all without any intervening action or debate.

HOUSE JOINT RESOLUTION 134

And I further ask unanimous consent that once the Senate receives the message from the House on House Joint Resolution 134, the House-initiated continuing resolution, conditioned on the President submitting a balanced budget, the Senate be deemed to have concurred in the House amendment and the motion to reconsider be laid upon the table, all without any intervening action or debate.

H.R. 1358

And finally, I ask unanimous consent that if the Senate receives the message from the House on H.R. 1358, containing additional programs not identified in H.R. 1643, the Senate be deemed to have concurred in the House amendment, and the motion to reconsider be laid on the table, all without any intervening action or debate, on the condition that the House amendment is identical to the text I now send to the desk. And I ask unanimous consent that it be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

TITLE I

At the end of the amendment add the following:

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995:

All allowances paid under section 5(b) of the Peace Corps Act, 22 U.S.C. section 2504, notwithstanding section 10 of Public Law 91–672, at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–295) on the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (H.R. 1868), as passed by the House of Representatives on October 31, 1995;

All activities, including administrative expenses, necessary to process single-family mortgage loans and refinancing for low-income and moderate-income families funded under the Federal Housing Administration's "FHA-mutual mortgage insurance program account" and "FHA-general and special risk program account" in the Department of Housing and Urban Development at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995;

All projects and activities directly related to the security of United States diplomatic posts and facilities abroad, notwithstanding section 15 of the State Department Basic Authorities Act of 1956 at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996 (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

Activities funded under the account heading "Emergency food and shelter program" in the Federal Emergency Management Agency: *Provided*, That, notwithstanding any other provision of this Act, the amount made available by this Act shall not exceed $46,000,000: *Provided further*, That not to exceed three and one-half percentum of the amount made available shall be for administrative costs;

All retirement pay and medical benefits for Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependent's Medical Care Act (10 U.S.C. ch. 55) and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)); at a rate for operations, notwithstanding any other provision of this Act, provided for in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1996 (H.R. 2127), as passed the House of Representatives on August 4, 1995;

All projects and activities of the Federal Bureau of Investigation, Drug Enforcement Administration, Interagency Crime and Drug Enforcement, Federal Prison System, U.S. Attorneys, U.S. Marshals Service, Federal Prisoner Detention, Fees and Expenses of Witnesses, Immigration and Naturalization Service, and the Executive Office for Immigration Review, necessary for the investigation and prosecution of criminal and civil offenses; national security; the apprehension, detention and removal of illegal and criminal aliens; the incarceration, detention, and movement of federal prisoners and detainees; and the protection of the Federal judiciary at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996 (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities of the Judiciary to the extent and in the manner and at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996 (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities necessary to provide for the expenses of State surveys and certifications under the account heading "Program Management" under the Health Care Financing Administration in the Department of Health and Human Services;

Trade adjustment assistance benefits and North American Free Trade Act benefits funded under the account heading "Federal Unemployment Benefits and Allowances" under the Employment and Training Administration in the Department of Labor;

Payments to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds under the account heading "Payments to Health Care Trust Funds" under the Health Care Financing Administration in the Department of Health and Human Services;

All projects and activities necessary to provide for the expenses of Medicare contractors under title XVIII of the Social Security Act under the account heading "Program Management" under the Health Care Financing Administration in the Department of Health and Human Services;

All projects and activities funded under the account heading "Grants to States for Medicaid" under the Health Care Financing Administration in the Department of Health and Human Services;

All projects and activities of the National Institutes of Health in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, provided for in the Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1996, (H.R. 2127), as passed the House of Representatives on August 4, 1995;

All projects and activities necessary to carry out the Section 7(a) General Business Loan Guaranty program and the Section 504 Certified Development Company program, as authorized by law, under the Small Business Administration at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities funded under the account heading "Surety Bond Guarantees Revolving Fund" under the Small Business Administration at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities necessary to accommodate visitors and to provide for visitors services on the public lands managed by the Bureau of Land Management at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996, (H.R. 1977), as passed by the House of Representatives on December 13, 1995;

All projects and activities funded under the account heading "Disease Control, Research, and Training" under the Centers for Disease Control and Prevention in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, not to exceed an annual rate for new obligational authority of $2,114,693,000;

All Self-Determination and Self-Governance projects and activities of tribes or tribal organizations (as that term is defined in Public Law 93–638) that are authorized by Public Law 93–638 under the account heading "Operation of Indian Programs" under the Bureau of Indian Affairs in the Department of the Interior or under the account heading "Indian Health Services" under the Indian Health Service in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996, (H.R. 1977), as passed by the House of Representatives on December 13, 1995;

All projects and activities necessary to provide for the expenses of the Kendall Demonstration Elementary School and the Model Secondary School for the Deaf under the account heading "Gallaudet University" in the Department of Education;

Payments for benefits and interest on advances, together with expenses of operation and administration, under the account hearing "Black Lung Disability Trust Fund" under the Employment Standards Administration in the Department of Labor; and

Payments for benefits, together with expenses of operation and administration, under the account heading "Special Benefits for Disabled Coal Miners" in the Social Security Administration: *Provided*, That whenever the amount which would be made available or the authority which would be granted under an Act which included funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 110. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on December 16, 1995.

TITLE II

SEC. 201. YAVAPAI-PRESCOTT INDIAN TRIBE WATER RIGHTS SETTLEMENT ACT OF 1994.

(a) EXTENSION.—Section 112(b) of the Yavapai-Prescott Indian Tribe Water Rights Settlement Act of 1994 (108 Stat. 4532) is amended by striking "December 31, 1995" and inserting "June 30, 1996".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of December 31, 1995, and with the consent of Prescott, Arizona, the contract referred to in such section 112(b) is revived.

SEC. 202. SAN CARLOS APACHE TRIBE WATER RIGHTS SETTLEMENT ACT OF 1992.

(a) EXTENSION.—Section 3711(b)(1) of the San Carlos Apache Tribe Water Rights Settlement Act of 1992 (title XXXVIII of Public Law 102-575) is amended by striking "December 31, 1995" and inserting "December 31, 1996".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect as of December 31, 1995.

(2) LAPSED PROVISIONS OF LAW AND CONTRACTS.—The provisions of subsections (c) and (d) of section 3704, subsections (a) and (b) of section 3705, section 3706, subsections (a)(2), (c), (d), and (f) of section 3707, subsections (b) and (c) of section 3708, and subsections (a), (b), (c), (d), (e), (g), (h), (j), and (l) of section 3710 of such Act, together with each contract entered into pursuant to any such section or subsection (with the consent of the non-Federal parties thereto), shall be effective on and after the date of enactment of this Act, subject to the December 31, 1966, deadline specified in such section 3711(b)(1), as amended by subsection (a) of this section.

The PRESIDING OFFICER. Is there objection to the request by the majority leader?

SENATE CONCURRENT RESOLUTION 38

Mr. DASCHLE. Reserving the right to object, I have a fourth resolution I ask to be considered as part of this series, en bloc. I will simply read the resolution.

The President and the Congress shall enact legislation in the 2nd session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office, and the President and the Congress agree that the balanced budget must protect future generations, ensure Medicare solvency, reform welfare, and provide adequate funding for Medicaid, education, agriculture, national defense, veterans, and the environment. Further, the balanced budget shall adopt tax policies to help working families and stimulate future economic growth.

The balanced budget agreement shall be estimated by the Congressional Budget Office based on its most recent current economic and technical assumptions, following a thorough consultation and review with the Office of Management and Budget, and other government and private experts.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Let me indicate we hotlined this on this side. As far as I know nobody has indicated any objection. I wanted to be sure we did that because after the action we took last week I know the Senator from Texas, Senator GRAMM, said he would have objected had he been here. I understand the Senator from Oklahoma, Senator INHOFE, and the Senator from Georgia, Senator COVERDELL, made the same indication. I am not certain about the Senator from Mississippi, Senator LOTT.

But everybody has been notified. If they want to make any objection now, wherever you are, now is the time to be heard.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request by the majority leader?

Mr. FORD. Mr. President, reserving the right to object, I need some explanation because of the resolution. Am I correct in my understanding that the so-called clean CR that has the proviso that says that when the President sends or submits a balanced budget in 7 years with CBO figures and is certified by the Speaker, then the clean CR would be released, that that legislation stays here and does not go to the White House until such time as the President submits that budget?

Mr. DOLE. The Senator is correct.

Mr. FORD. So therefore that piece of your unanimous-consent agreement will not go to the President, but it will stay here?

Mr. DOLE. Yes.

Mr. FORD. I thank the leader. I will not object.

• Mr. BOND. Mr. President, I rise in strong support of this latest version of a continuing resolution, and I commend the Majority Leader for his diligence in trying to bring an end to the budget impasse.

It's long past time to send government workers back to work, and ensure they receive full pay on time. We can wait no longer for the President to make good on his promise to submit a 7-year balanced budget. It's clear he never intended to honor this commitment. But we simply cannot hold our Nation's elderly, who depend on Meals on Wheels; our veterans, who depend on their monthly benefit check; those who need passports to travel; children, who depend on federal assistance; or federal workers, to name a few, hostage to the President's refusal to carry through on his commitment.

As chairman of the VA, HUD, and Independent Agencies Appropriations Subcommittee, my patience with this administration has completely expired. The White House has shown no willingness to negotiate in good faith to resolve their concerns with the VA-HUD bill. While I have expressed my willingness time and again to negotiate a compromise, the White House does not seem to understand the art of compromise.

Last month, OMB prepared a list totaling $1.9 billion which at the time represented the administration's list of what they wanted in additional spending for the VA-HUD bill. Earlier this week, I saw a new list which OMB had prepared, which had grown to almost $2.5 billion. Mr. President, this doesn't represent a good faith attempt to resolve the current budget crisis! The size of the list is going in the wrong direction!!

Let me highlight just a few items on the administration's so-called "wish list" for the VA-HUD Subcommittee which would make the bill "acceptable" to the President.

The list contains several pork barrel projects, including $62 million for the first phases of two brand new VA hospitals—at a time when the veteran population is declining, VA's existing 173 hospitals are underutilized, and GAO says these facilities are not needed.

The list includes $50 million for a new $280 million EPA laboratory, a project we just cannot afford at this time.

The list includes $1 million for the obsolete Office of Consumer Affairs, when we have 2 other consumer agencies which can take over OCA's activities at far less expense. While the President has said he's for streamlining and eliminating duplication, when the time comes to actually do it, he refuses.

For EPA's environmental technology initiative, the White House says we must put in another $62 million—despite the fact that this program has been a complete waste of taxpayer dollars and there is nothing to show for the millions we've already spent over the past 2 years.

For Boston Harbor, the White House says we need another $75 million, in addition to the $25 million included in the VA-HUD bill and on top of the $530 million already appropriated over the past several years for this pork barrel project. I say to the President, enough is enough! It's time to get real and begin good faith negotiations.

While my frustration with this administration is mounting even as I speak, I do not believe it's right to allow the American people, who depend on services provided by their Federal government, to be the victims of the President's intransigence.

Therefore, I support passage of this continuing resolution, returning workers to their jobs, and providing full year spending authority for such critical activities as veterans benefits, Meals on Wheels, child welfare programs, passport and visa services, and locally financed operations of the District of Columbia.

As chairman of the VA-HUD subcommittee, I'm particularly pleased that this continuing resolution will enable the Department of Veterans Affairs to provide payments to needy and disabled veterans in a timely manner. It will enable VA to pay its hospital workers—who have been working without pay for the past 3 weeks—and pay those who supply medicine, food, and other critical supplies to its hospitals. This is extremely important and I strongly support the inclusion of this provision in the continuing resolution.

Let me make clear that while I support this measure, it is in no way a solution to the budget stalemate. There are many, many activities which will not be carried out even if this legislation is enacted. For example, while VA can begin processing new claims again, VA will not be able to make payments to new beneficiaries. EPA Superfund cleanup contractors will not get paid. FEMA's emergency food and shelter program will not receive funds—meaning that hundreds of people who find themselves in need of temporary housing assistance will not get help. And States will not receive grants to run their environmental protection programs or for the construction of wastewater treatment plants.

Mr. President, this measure also will not address a major problem with contractor provided services, particularly those provided by small businesses which typically have limited financial resources with which to weather-out delays in payments. This is a very large problem because over the last decade the Federal Government has emphasized contracting out of activities which could be more efficiently carried out by the private sector. Many activities which formerly were conducted by Federal employees have been converted over to the private sector. The employees of these contractors have been furloughed just like the Federal Government counterparts, but under the terms of this bill, they won't be returning to work. And, even when they do return to work, it won't be with the assurances of reimbursement that Federal employees are being given for their lost pay.

As Chairman of the Small Business Committee, I am particularly concerned over the adverse impact this budget impasse is having on cash poor small business contractors. These businesses cannot draw readily upon preexisting lines of credit or cash reserves that large corporations usually have available. So even where the Federal Government has determined that a function carried out by a contractor is critical or related to health and safety, the Government's inability to make timely payments jeopardizes the very existence of these small businesses.

While the VA-HUD bill Congress passed in December would have funded every one of these activities, the President decided the bill was not good enough and he vetoed it. He vetoed it because we could not breech the budget constraints and appropriate another $2 billion. If he had signed it, he could have sought supplemental funds in negotiations with the Congress and all of the hardships his veto caused could have been avoided.

But we are left with no choice but to enact this stop-gap measure. I urge the President and his advisors and all those involved in negotiations on the budget, to work in good faith to come to an agreement as soon as possible.

In conclusion, I again commend the Majority Leader for his hard work on this matter, and I urge its expeditious adoption.●

The PRESIDING OFFICER. Is there objection to the unanimous-consent request by the majority leader as amended by the minority leader?

Hearing none, without objection, it is so ordered.

So the motion to concur in the amendment of the House to H.R. 1643 was agreed to.

So the concurrent resolution (S. Con. Res. 131) was agreed to.

So the concurrent resolution (S. Con. Res. 38) was agreed to, as follows:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That the President and the Congress shall enact legislation in the 2nd session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office, and the President and the Congress agree that the balanced budget must protect future generations, ensure Medicare solvency, reform welfare, and provide adequate funding for Medicaid, education, agriculture, national defense, veterans, and the environment. Further, the balanced budget shall adopt tax policies to help working families and stimulate future economic growth.

The balanced budget agreement shall be estimated by the Congressional Budget Office based on its most recent current economic and technical assumptions, following a thorough consultation and review with the Office of Management and Budget, and other government and private experts.

Mr. DOLE. That takes care of the Senator's request?

Mr. DASCHLE. Yes.

Mr. DOLE. I think the Senator from Alaska wants to comment, too. I think the Senator from Oregon, Senator HATFIELD, the chairman of the Appropriations Committee, has some concern about this process. In fact, I think the Senator from Alaska talked to the Senator from Oregon. But let us proceed. We need to work on some of these things.

Has anybody determined, once they look through the list—NIH will be approved for an entire year, in fact, a number for an entire year, some March 15. That takes those provisions out of other bills that may be pending or may have been vetoed. I think it does present some difficulty for the appropriators, particularly those who might be conferees when they try to salvage the rest of those proposals and get them passed. I will be happy to yield to the Senator from Alaska for further comments. I know he talked to Senator HATFIELD.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the Chair.

It is my understanding that this bill is now for the full year for all of the subjects mentioned.

Mr. DOLE. In the second, yes.

Mr. STEVENS. The difficulty is—I have not spoken directly with the Senator from Oregon, but he has sent to me his concerns as chairman of the Appropriations Committee that what this does is it pulls out of some bills, as the leader said, provisions that may disturb really the synergy of the whole bills when we come back and try to get them finally adopted and sent to the President.

So he does really express great reservation to the procedure that is being used. So he wants me to indicate that the Appropriations Committee on this side will not pursue this procedure again.

Mr. DOLE. I do not disagree, obviously, with the Senator from Alaska or the Senator from Oregon. I think in the event we should reach an agreement with the President on a balanced budget we can take care of all the appropriations bills that are still around here, but otherwise it is going to present a real problem. But I would just say the House insisted that they be for 1 year or they not be included at all. So you had to make a judgment because some of these are very sensitive programs, very important programs.

So we yielded to the wishes of the House appropriators in this case. But I understand the Senator's concern.

Mr. STEVENS. Mr. President, just one comment further. It is my understanding that the figure is the House figure on those disputed items which are in conference with the Senate. That is the Senator from Oregon's real objection to this procedure.

Mr. DOLE. Some are the House figures and some are the conference figures. But the Labor-HHS, since that has not been completed that is the House figure in Labor-HHS.

Mr. STEVENS. Right.

Mr. DOLE. Let me thank all my colleagues. The House is still debating what we have completed. But we are going to—in case there should be any amendment, the Democratic leader and I agreed we would be here tomorrow so we could concur on any additional amendment, if we agree on it, concur in that amendment, because we want to be certain on Monday the money is available for whatever may be in that text that I sent up.

I do not think there will be any amendments adopted on the House side, but if so that will be taken care of tomorrow. And we will condition coming in tomorrow on whether or not there are any amendments added. If there are no amendments added, we will not be in session tomorrow, we will not be in session Sunday, we will come in about 2 or 3 o'clock on Monday, probably about 3 o'clock Monday.

I want to thank all my colleagues for their cooperation. In my view, we have a resolution now of a very thorny problem and one that unfairly punished a lot of good people, Federal employees in particular who were being paid for not working, not because they do not want to work—they were willing to work—but they could not go to work. And this will see that they are paid.

In addition, we have provided money for a number of programs, as pointed out in the two sort of targeted appropriations bills that we passed this evening. Of course, the President now, if he decides to lay down a balanced budget, scored by CBO, over a 7-year period, then everything is going to be open until January 26.

I think by that time we will either have reached the budget agreement or not. That gives us 3 weeks in which to do that. And I hope that if we cannot come to some agreement that we are not going to go through this process again with a Government shutdown or partial shutdown. I know that the Speaker is working on some language that in the event this should happen again that I think every Federal worker would be deemed essential so they would still be coming to work, and some other provisions they are working on on the House side so there would not be a repeat of the 21- or 22-day shutdown, following the earlier 7-day Government shutdown or partial shutdown.

So I want to thank the Democratic leader. And I want to thank my colleague from Virginia who has been on the floor all week long, and others who have an interest in this matter, as we all do. I think now that we have completed action we can tell everyone to go back to work.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I share the satisfaction expressed by the majority leader about the opportunity now to send Federal workers back to work with pay, apparently now giving them also the authority and funding to do at least some of the things that they are being paid for. But I share the reservations expressed by the Senator from Alaska and the Senator from Oregon. This is not the way to run a Government.

The majority leader had it right on January 2. On January 2 this body passed a clean continuing resolution that did all that we should do. Now we are picking and choosing. Now we are picking winners and losers. Now we are still leaving unfunded a lot of very important programs including Head Start, JOBS, cops on the beat, virtually all the programs at the Commerce Department, NASA operations, the social services block grants, Violence Against Women grants, entire divisions of the Department of Justice—including the criminal, civil rights, and environmental divisions, among others—all Environmental Protection Agency contractor operations, low-income housing vouchers, and vocational rehabilitation. Many more agencies and activities, very important functions of Government, are still left without any funding, still left without any standing as we enter this new session of Congress in this new calendar year. American taxpayers have paid for these services, yet they will not be receiving them.

So no one should be misled. We have not solved everything here. We have solved only part of the problem. As I have said all day, we have come to the agreement that something is better than nothing. And nothing is what we would have had if nothing passed tonight. And so I am somewhat encouraged that we made some progress in all of this, although I wish we had done again tonight what we did on January 2—pass a clean continuing resolution to reopen the entire government and restore some normalcy to our governmental processes.

As for the 7-year budget issue, the reason we added the fourth measure to this en bloc unanimous consent request agreement is that the commitment to a 7-year balanced budget, Mr. President, was only half of the agreement Democrats and Republicans both made last November.

The other half of the agreement was that we were going to protect priorities. We all agreed we would negotiate toward a balanced budget if we could agree to one within a 7-year period of time, scored by CBO once finalized—after there was consultation with the Office of Management and Budget. But what we also agreed to was that we would protect those priorities that Democrats and some Republicans have indicated are very important if we are going to achieve a balanced budget: all the priorities I read earlier.

Those priorities include Medicare and making sure that people have every confidence that in the Medicare Program they are going to be protected. They include Medicaid and education and the environment. They include agriculture and veterans affairs—priorities that we feel every bit as strongly about as we feel the need to balance the budget in 7 years. We are unwilling to use those pools of resources to pay for tax cuts for those who do not need them.

So we felt the need to recommit ourselves and our colleagues to those priorities that we all agreed to last November.

Mr. President, I know others want to speak. Let me just close by reading a letter that I got from Amanda Munroe a couple of days ago. Amanda Munroe is a sixth grader from Sturgis, SD. She wrote a letter that is as poignant and as straight to the point as anything I have read. It is probably appropriate tonight that it be read and shared with my colleagues:

> I am 12 years old and in the 6th grade at Sturgis Williams Middle School. My mom and dad both work at Fort Meade Veterans Medical Center. Many kids at Sturgis Williams Middle School have parents that work at Fort Meade.
>
> In school I learned that the Government is of the people, for the people, and by the people. I thought the Government was supposed to make choices that help the Nation. The furlough does not only hurt Federal workers, it hurts the children also. I thought the children were the future.
>
> I think that the Democrats and the Republicans should each give a little and pass the budget. It would make the future of Federal workers and their children much brighter.
>
> Thanks for being the grinch that stole our Christmas.

There are a lot of children and others out there who did not have a very rosy Christmas as a result of an extraordinary experience they have had to endure. Let us hope it is now over. Let us hope at long last Federal workers can go back to work, pay their bills, run the Government and do the things that we have asked them to do. We will all be better for it. I yield the floor.

Mr. WARNER. Mr. President, I first want to express my great respect and appreciation for the majority leader of the U.S. Senate. In the 200-plus years that this institution has been serving the public of this great Nation, I doubt if there has been a chapter with parallel and complexity and such seriousness as the one we witnessed here of recent days.

The leadership exhibited by Senator DOLE throughout has earned him an indelible place in the history of this institution and in that category so named as a profile in courage for what he has done.

I join with Senator DOLE in his expression of appreciation to the minority leader and his leadership, together with the minority whip and his leadership. I have had the privilege here of being on the floor throughout the week with the distinguished Senator from Kentucky, and while we may have had differences of views, we have tried our very best to maintain a bipartisan approach to the solution, and I think that was achieved.

I also want to pay special recognition to Members of Congress from the greater Metropolitan Washington area: Congressman DAVIS, Congressman GILCHREST, Congressman WOLF, Congresswoman MORELLA. We have been meeting regularly, together with Congressman BATEMAN, who represents another section of the State of Virginia, to try and provide the leadership of the Senate and the House with our best judgment as to how this matter may be resolved.

I also wish to thank the Presiding Officer, the senior Senator from Alaska, a known expert on the complexity of appropriation measures. We counseled together throughout the evening on various aspects of the legislative messages coming from the House, and, indeed, I think through his wisdom, one or two problems were corrected at the last minute. I wish to commend him for the service he has rendered the Senate in that capacity this evening. Time is short and there was a need to move forward on this.

I know there are other Senators anxious to speak. I shall yield the floor. Again, my expression of appreciation to all the colleagues who worked together as a team, together with a very competent staff of this institution to make this possible and to put back to work these individuals who were caught in the crossfire, in a very unfair manner, caught in a crossfire—not only those who are Government employees, but indeed the ripple effect throughout our State and other parts of the United States which involved either directly or indirectly many members of the private sector.

I hope we have learned by this experience, Mr. President, we have learned a lesson such as it will not be repeated again in the future. I yield the floor.

Mr. HEFLIN. Mr. President, I join in the remarks of Senator WARNER relative to the majority leader and minority leader and the minority whip, Senator FORD, and the person who has been serving somewhat of a similar capacity, Senator WARNER, on the floor, as well as other leaders, including the chairman of the Budget Committee in the Senate.

I think the Senate, basically, has endeavored to act very reasonably in approaching this issue pertaining to the shutdown of the Government, getting the Federal employees back on the job. I think Senator DOLE's speech on "enough is enough" was a remarkable speech and a remarkably courageous statement.

I think in the Senate we have shown that we can get together, be reasonable, work out these matters. We have differences as to what a balanced budget over 7 years should be comprised of, and a lot of differences. Nevertheless, there is a spirit here of cooperation in endeavoring to try to work together, to try to solve the problems that confront the Nation at this particular time.

I was really concerned about the bills that were coming over from the House relative to it, because in effect they were authorizing the employees to go back to work but in effect restricting what they could do by the use of funds. I sort of referred it to one of my friends as, you are sending them back to work, but you are putting them in a thumb-twiddling situation where they just have to sit around and twiddle their thumbs and they cannot do anything because of the restrictions. That still applies to a large number of the agencies and departments that are not covered. I am delighted that there is this second targeted appropriations continuing resolution and it takes care of a number of very important agencies and departments in Government.

During the day when we first started out, this was omitted, and I began to talk to a great number of people pertaining to a number that I felt were essential, that they ought to be continued, such as the National Institutes of Health. I talked to the Director of the National Institutes of Health during the day. Of course, there were real problems there that they would have on continuation of research, vital research, and the grants. He told me they had something like over a 3-month period, around 4,000 applications that they had to process.

There is also a very unusual program where people with rare diseases come within the ambit of the National Institutes of Health and are able to be treated, and they are given special treatment and special drugs. It has saved the lives of numerous individuals, and this would have had to be shut down.

The Center for Communicable Diseases and the Centers for Disease Control were in a situation where Senator NUNN made a very telling speech and very informative speech about yesterday. To me, it was essential that we continue to operate at full force and with full effectiveness the Centers for Disease Control. Monitoring flu, you never know exactly what is going to happen. There are diseases that occur and epidemics that could take place. This is extremely important.

To me, another very essential aspect was the conduct of the courts of the land. Our judiciary needed to be protected. I did some investigations and under the proposals that would have occurred until this last second targeted appropriations bill has now been approved by this body and will be brought up before the House later—and, of course, if they pass it, it will be deemed to have been adopted by the Senate under our resolution. There are an average of 4,500 individuals charged with Federal felonies each month. If the criminal trials are not held, public safety will be jeopardized, because under the Speedy Trial Act, criminal trials must be held within 70 days from the date the defendant is indicted or arrested, or charges are dismissed and the defendants will be released back into the community.

As evidenced by the bombing at Oklahoma City, and in recent instances in Chicago involving the murder of a court security officer, an attempted mail bombing, the safety of judges and judicial employees is also at great risk.

The lack of Federal funds to pay the contractors who operate the screening equipment and assist the U.S. marshals in providing security in Federal courthouses would result in undetected guns, explosives, and other weapons getting into courtrooms. Judges, especially those in high-risk areas, will not jeopardize the safety of court personnel, jurors, witnesses, and the public by holding trial in the absence of proper security. This could result in the possible dismissal of cases and release of defendants back into the community.

And then jury trials: No funds would have been available to pay jurors in civil and criminal trials. As a result, courts will be faced with the choice of either delaying important trials or compelling citizens to serve under the threat of imprisonment or fine without any promise of timely pay. Trials would be canceled or delayed because 60 percent of the court reporting and half of all of the court interpreting is performed by outside contractors. Court-appointed private attorneys, who represent almost half of all criminal defendants, would not be paid, jeopardizing the holding of criminal trials for their clients. This would lead to possible dismissal of cases and release of defendants back into the community.

Public safety throughout the country would be seriously impaired due to a lack of Federal funds to pay for drug testing, drug and mental health treatment, halfway house placement, home confinement monitoring, community supervision by judicial employees of 114,000 convicted criminals, the majority of whom have served sentences of incarceration, and those charged with Federal crimes and so on. I could go on. Even in the bankruptcy court there are matters that would have to be looked at, and this would cause problems relative to this.

I am delighted to see that the Department of Justice crime programs—the FBI, DEA, prisons, U.S. marshals, U.S. attorneys, U.S. Marshal Service, organized crime, and drug enforcement—are taken care of in regards to that. But there are other areas in the Department of Justice that are not taken care of.

So, I think we still have to look at this, in this situation of where people go back to work, but then, in effect, they are so restricted they cannot carry out their duties, raises the question of how rational and how wise such a measure is. Nevertheless, it is better than what we have had.

Again, I thank the leadership of the Senate for their work relative to this and in the reasonable approach they have used. Hopefully, some of that reasonable approach has rubbed off on the House of Representatives.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, I believe late on a Friday evening, with very few of the public listening or watching, the Congress of the United States is about to accomplish an extraordinary feat. We have passed, or are about to pass automatically, a series of resolutions which will solve the immediate crisis before us, a crisis in the day-to-day administration of many of the agencies of our Federal Government. It is that crisis, of course, which has occupied the minds and hearts and the time of many Members of Congress, of almost all of our Federal employees, and of much of the administration over the course of the last several weeks. And it is an accomplishment in itself, given the controversial nature of the issues before us.

From the perspective, from the point of view of the long-range interests of the people of the United States, however, that accomplishment pales by comparison with the near commitment we now have to a proposed balanced budget from the President of the United States, a goal we have sought unanimously on this side of the aisle, a goal sought by many on the other side of the aisle, for an extended period of time, for at least all of calendar year 1995. It is a goal which was, of course, not attained by the original budget the President of the United States submitted to Congress, by the revisions last summer, or by any of the further revisions which have taken place during the course of this debate during the fall and winter of 1995 and in 1996.

Now, however, the full restoration of the administration of various departments of the United States depends upon the submission by the President of the United States of just such a balanced budget. These proposals do not require any particular content in that balanced budget, but they do require, and I believe will obtain, a set of proposals from the President which can be compared at that point by Members of Congress, by the news media, and by the people of the United States, with the various proposals the Republicans have made, including the Balanced Budget Act of 1995 recently vetoed by the President of the United States.

Just why it has taken this extended period of time, why the President has so resisted meeting us on common ground, a common ground from which we all hope a valuable compromise can be reached, is difficult to understand. Clearly Members of the Democratic Party can meet the challenge of proposing a balanced budget using honest figures which presumably meets each of the priorities on which they place so much weight with respect to health care, the environment, education, and the like. Conservative Democrats in the House produced such a budget many weeks ago. The leadership of the Democratic Party here in the Senate made such a proposal before the Christmas recess.

Now, much of the debate has revolved around the insistence of Republicans on a balanced budget using figures provided by the Congressional Budget Office. The overwhelming attention of the White House and of many of its supporters has been toward a list, included in the last balanced budget requirement, respecting adequate funding for Medicare, Medicaid, education, the national defense, and a number of other activities of the Federal Government.

But there is a very real distinction between those two parts of that November resolution. The determination of whether or not a proposed budget, whatever its specific content, is in fact balanced under the projections of the Congressional Budget Office is a pure question of fact. Either it is or it is not.

The Congressional Budget Office, basing its judgment on certain assumptions, makes a series of mathematical calculations and tells us whether, in its view, in the year 2002, the budget will be balanced. The answer is yes or no. There is, given the nature of the requirement, no valid difference of opinion as to whether or not a particular budget is balanced. The Balanced Budget Act of 1995 included such a balance. Later proposals by the Senator from New Mexico, the chairman of the Budget Committee, are balanced in that fashion.

The so-called bipartisan proposal set forth by Senators CHAFEE and BREAUX and a number of others reaches such a balance. The Democratic leadership proposal reaches that balance, as does conservative Democrats' budget in the House of Representatives. Whether or not a particular budget adequately funds Medicare, Medicaid, education, the national defense, or does the right thing with respect to taxes, with respect to working Americans, however, is a question of opinion. It is the view of this Senator and the view of the Senator from New Mexico that each of those goals was and is appropriately met by the Balanced Budget Act of 1995.

Members on the other side of the aisle and the President do not agree. Presumably, they feel that each of those goals is met by the Democratic leadership budget proposal. They feel, evidently, that it deals appropriately with the tax burden on middle-class working Americans, even though that proposal increases taxes overall in order to reach balance. I disagree with that proposition as they disagree with my views on various spending programs. But these are matters of opinion; these are matters which obviously are subject to compromise.

What we have gained at this point is the implicit agreement that the President of the United States, now for the first time, will join the conservative colleagues in his party in the House, his leadership in the Senate, and make his proposal, presumably with specific policy judgments with respect to each of these spending items—to the national defense, to our tax structure —that will meet the objective requirements of the Congressional Budget Office.

Only when we have these figures is there any real chance that we will succeed in reaching a middle ground that will objectively lead to a balanced budget by the year 2002 and subjectively, presumably in the minds of those Members of Congress who vote for it in both parties and the President who signs it, meet these other policy objectives as well.

So, Mr. President, I am not here to apologize and say that this is the best job we could do. I find it at least slightly amusing that we are accepting lock, stock, and barrel what the House of Representatives has proposed with respect to the specific language in these various resolutions. But, on the other hand, I think it is safe to say that we probably would not have reached this conclusion this quickly had it not been for the actions earlier this week and late last week by the distinguished majority leader in saying that we had to get out of the dilemma in which we found ourselves.

It does seem to me, however, that given the nature of the immediate crisis we face, as well as our overall goals of balancing the budget, that we have not done a slap-dash job, we have not done a second, or third-best job. We have done the job right. We will have solved the immediate crisis, and we will have made a gigantic step toward that magnificent goal of balancing our budget; of ending the practice of spending money today on things that we want and sending the bills to our children and grandchildren; of giving them higher incomes, as now is almost a common opinion of economists throughout the United States, by lowering the burden of debt which they will be required to carry; by making their futures brighter and making their futures brighter our own as well.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—MESSAGE FROM THE HOUSE

The PRESIDING OFFICER. If the Senator from New Mexico will forbear for a moment, the Chair wishes to announce that under the order of September 6, 1995, the Senate, having received a message from the House on S. 1124, therefore disagrees with the House amendment, agrees to a conference with the House, and the Chair appoints the following conferees which the clerk will state.

The Presiding Officer (Mr. WARNER) appointed Mr. THURMOND, Mr. WARNER, Mr. COHEN, Mr. LOTT, Mr. NUNN, Mr. EXON, and Mr. LEVIN conferees on the part of the Senate.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

A CLEAN CONTINUING RESOLUTION AND BALANCED BUDGET ACT

Mr. DOMENICI. Mr. President, we are here tonight to talk about two important issues—one is the short-term outlook for the operation of the Federal Government, and the other is the long-term economic future of the Nation.

The Senate is now considering a continuing appropriations resolution [CR] that will reopen the Federal Government and put our Federal employees back to work with pay. This CR will operate the Federal Government for 3 weeks through January 26 and give the congressional leadership and the President the opportunity to again try to agree on a balanced budget plan.

This CR has a reasonable requirement that the President should now present a budget plan that reaches balance over 7 years using CBO estimates. The President committed to this goal when he signed the continuing resolution last November (H.J. Res. 122 Public Law 104-56), but he has yet to submit a balanced budget by CBO scoring.

CHRONOLOGY FOR BBA

Mr. President, the President submitted his fiscal year 1996 budget to Congress on February 6. At the same time, the new Republican Congress was undertaking the long overdue task of balancing the Federal budget.

Congress has worked for over a year now, Mr. President, to bring that goal to a reality. The Senate Budget Committee, which I chair, held 22 hearings on the budget through early August.

The Senate Budget Committee held 4 days of markup and considered 36 amendments in fashioning the balanced budget resolution. The Senate debated the budget resolution for the full 50 hours over 6 days during which time 76 amendments were offered.

To carry out the reconciliation instructions of the budget resolution to develop the Balanced Budget Act, 11 Senate committees drafted legislation. The reconciliation bill was considered by the Senate for 45 hours over 3 days, during which 66 amendments were offered.

After a conference on this significant legislation, the House and Senate approved the conference agreement on the Balanced Budget Act before Thanksgiving, and the President came back and vetoed the bill on December 6.

BBA NEGOTIATIONS

Mr. President, I am not one to give up on a difficult task, and the President's veto did not deter me. Since the veto, I have met with White House officials and congressional leaders to try to find common ground on a Balanced Budget Act.

I am not alone in this effort. Republicans have been willing to move toward the President's position on many major issues. In a proposal Republicans made to the President, we proposed providing another: $24 billion to medicare; $16 billion to medicaid; $12 billion to welfare-related programs, including the EITC; and $25 billion in funding for education, the environment, and other domestic priorities.

In total, Republicans offered to add back $95 billion to move toward meeting some of the President's concerns about the Balanced Budget Act.

Republicans have also made it clear that all issues are on the table for the negotiations. We have had discussions with the White House on the tax cuts included in the Republican BBA.

MEDICARE

Medicare spending in the Republican Balanced Budget Act grows at an average rate of 7.4 percent a year over the next 7 years, that's well more than twice the rate of inflation. Just 2 years ago, the President said that if you slow the growth of Medicare to twice the rate of inflation, you are not cutting Medicare.

Our Medicare savings are down from $226 billion over 7 years under CBO's reestimate of the BBA to $202 billion in our latest negotiations with the President. We would spend $1.7 trillion over the next 7 years on Medicare under this proposal.

In addition, the President expressed concern about the Medicare part B premium, and we have offered him a compromise on that issue.

Our goal is to make the entire Medicare Program sustainable in the long run, and Republicans believe our plan makes a significant start on this path. Under our plan, the Medicare part A trust fund would be solvent past the year 2017. Our plan would also slow the growth of part B spending to move it toward a sustainable path.

In all of these negotiations we have indicated our willingness to further discuss with the President the changes we propose to make to the Medicare Program to ensure its solvency.

MEDICAID

Medicaid under the Balanced Budget Act that the President vetoed, would grow at an average annual rate of 5.2 percent over the next 7 years. This translates into Federal spending of $700 billion over the next 7 years. When you add in State spending, that doubles to $1.4 trillion.

I think the issue in Medicaid is not the level of savings or the growth rate of Medicaid spending, but how much flexibility we are going to give the States to innovate within their own Medicaid programs.

The President says we are cutting Medicaid, but he ignores the fact that spending for Medicaid will go up each and every year under our budget plan.

The President has expressed concern about the need for Medicaid funding to adjust for changes in population and for economic fluctuations. I think the President has a good point, and I think it is worth looking at modifications to our Medicaid plan that can meet these needs.

WELFARE REFORM

On welfare-related programs, Republican's have added back $10 billion plus another $2 billion for the EITC.

For welfare programs, as for Medicaid, the President wants to keep more control here in Washington; we want to give that power back to the States and allow them to meet the real needs of their citizens by designing their own welfare and Medicaid plans.

OTHER BUDGET PLANS

In addition to the modified Republican BBA, the House Coalition, Blue Dogs Group, has offered its own balanced budget proposal, which meets the CBO test.

Senate Democrats have offered their own BBA—DASCHLE, SIMON, and CONRAD—as has the Bipartisan Senate Group—CHAFEE, BREAUX, and others—that all reach balance under CBO scoring—see attached table.

In addition 2 days ago, Senator MOYNIHAN offered his own balanced budget proposal, which would also get us to a balanced Federal budget.

Mr. President, the only party that has not met this challenge is the President of the United States.

It is now time for him to come forward, to present a balanced budget plan under CBO's scoring, to sign this continuing resolution to reopen the entire Federal Government, and join Congress in serious negotiations to balance the Federal budget for the Nation's future economic well-being.

FISCAL DIVIDEND

A balanced Federal budget is good for the country. In CBO's December update of the budget and economic outlook, CBO finds lower interest rates and more robust economic growth generated by a balanced budget yielding $282 billion in deficit reduction over and above specific policy savings.

Additional deficit reduction is generated because: real GDP will grow 0.1 percent per year faster than it would absent a balanced budget; corporate profits will reach 8.2 percent of GDP by 2002 compared to 7.1 percent without balancing the budget; short-term interest rates on Treasury bills will drop from a 1995 level of 5.5 percent to a 2002 level of 3.9 percent. Under the status quo, they would be 5.1 percent in 2002; and long-term interest rates on Treasury notes will fall from a 1995 level of 6.7 percent to a level of 5.5 percent. Without a balanced budget, the rate will remain at 6.7 percent.

Mr. President, this is only a broad brush of the CBO update, however, the new assessment represents a $112 billion increase over the $170 billion fiscal dividend included in the balanced budget resolution.

A balanced budget is good for all Americans. It will provide lower interest rates for home mortgages, college loans, car loans, and so forth, an increase in savings rates spurring real, job-producing investment, increased productivity, higher standards of living, a lower national debt and therefore lower Government interest costs, and less reliance on foreign borrowing.

It is time for Congress and the President to renew efforts to reach agreement on a balanced Federal budget by the year 2002 under CBO's scoring.

I ask unanimous consent that two tables and an explanation of how American families benefit from a balanced budget be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHANGES TO BALANCED BUDGET ACT OF 1995[1]—GOP OFFER NO. 1

[In billions of dollars]

	1996	1997	1998	1999	2000	2001	2002	Total
December BBA reestimate	151	159	127	97	73	34	−3	
Changes to BBA:								
Nondefense discretionary	4	6	5	5	5			25
Medicare	3	6	5	4	3	3		24
Medicaid		2	5	4	4	1		16
Child care, social services, foster care, children's SSI, family support, and child nutrition	[3]	1	2	2	2	2	2	10
EITC	[3]	[3]	[3]	[3]	[3]	[3]	[3]	2
Technical changes[2]	−2	1	1	1	[3]	−1	−2	−2
Revenues	6	−6	[3]	−1	−1	−2	−2	−5
Subtotal policy changes	12	10	18	16	14	3	−1	71
Debt service	[3]	1	2	3	3	4	4	17
Resulting deficits	164	170	146	115	90	41	−0	

[1] As reestimated by CBO, December 12, 1995.

[2] Corrections of drafting errors, timing changes in FCC spectrum auction, foster care, and graduate medical education provisions.

[3] Less than $0.5 billion.

Note: Details may not add to totals due to rounding. Revenue increase shown as negative because it reduces the deficit.

Prepared by SBC/HBC Majority Staff, Dec. 15, 1995. Based on CBO estimates.

SEVEN-YEAR DEFICIT REDUCTION ALTERNATIVES—CBO ESTIMATES

[Deficit impact, 7-year totals, in billions of dollars]

	BBA I (HR 2491)	BBA 1 modified (12/15/95)	Clinton (12/15/95)	Coalition (12/19/95)	Senate Democrats (12/20/05)	Senate bipartisan (12/21/95)
Discretionary:						
Freeze	−258	−258	−258	−258	−258	−258
Additional	−151	−126	−1	−69	−39	−10
Subtotal discretionary	−409	−384	−259	−327	−297	−268
Mandatory:						
Medicare [1]	−226	−201	−97	−157	−90	−154
Medicaid	−133	−116	−38	−85	−51	−62
Welfare programs [2]	−87	−78	−38	−38	−44	−58
Other mandatory:						
Farm	−5	−5	−2	−4		NA
Student loans	−5	−5	−4			NA
Civil Service [3]	−10	−10	−2		−10	NA
Spectrum	−15	−15	−21	−21	−21	NA
Veterans	−7	−7	−4	−5	−7	NA
CPI change				−29	−12	−63
GME/health care	14	14	26			
Other	−12	−12	−1	−18	−3	−52
Subtotal other	−39	−39	−8	−77	−52	−115

SEVEN-YEAR DEFICIT REDUCTION ALTERNATIVES—CBO ESTIMATES—Continued

[Deficit impact, 7-year totals, in billions of dollars]

	BBA I (HR 2491)	BBA 1 modified (12/15/95)	Clinton (12/15/95)	Coalition (12/19/95)	Senate Democrats (12/20/05)	Senate bipartisan (12/21/95)
Subtotal mandatory	−484	−434	−176	−357	−237	−389
Revenues [4], [5]	222	217	70	−60	−56	58
Debt service	−80	−63	−47	−99	−69	−62
Total	−750	−663	−412	−843	−659	−661

[1] Coalition budget medicare savings include $127.3 billion in outlay reductions and $25.4 billion in revenue increases.

[2] Excludes EITC revenues. BBA I Modified shows preliminary CBO cost estimate of the conference agreement on H.R. 4. Clin * * * include medicaid impact (no estimate available).

[3] BBA I Modified and Senate Democrat include $3.5 billion in revenue increases.

[4] Includes EITC revenues for all plans. Excludes BBA I Modified and Senate Democrat civil service revenues. Excludes Coali * * * Includes Coaltion welfare reform revenues ($5.7 billion). Includes increased revenues from CPI change for Coalition ($21 bil * * * ($7 billion) and Senate Bipartisan ($47 billion).

[5] Clinton includes proposal to "trigger-off" tax cuts if balanced budget targets are not being met. JCT estimates savings of $29 b * * * $45 billion.

Note: Pereliminary CBO estimates—subject to change. Revenue reduction shown as positive because it increases the deficit. Details may not add to totals due to rounding. NA indicates not available or no agreement.

Prepared by SBC Majority Staff, Jan. 5, 1996.

HOW AMERICAN FAMILIES BENEFIT FROM A BALANCED BUDGET

Balancing the budget will provide direct and tangible benefits for American families—benefits they will be able to feel in their pocketbooks.

Economists agree that balancing the federal budget will lead to: Higher standards of living; Faster real economic growth; Drop in interest rates, including those that families pay on home for home mortgages, car loans, and student loans; An increase in savings rates, spurring real, job-producing investment; An increase in productivity; Lower national debt, therefore lower government interest costs; and Less reliance on foreign borrowing (more American ownership of assets).

Home mortgages

Mortgage rates will drop from 8.2 percent, to 5.5 percent (according to the National Association of Realtors using projections by DRI/McGraw-Hill).

A family buying a home in 1995 with a $100,000 loan and refinancing in 2002, when the budget is balanced, will save $2,576 a year.

A family who buys a home in 2002 will save $2,162 a year because of the lower interest rates. Over the 30-year life of the mortgage, the savings will total $64,860.

The value of existing home will grow by about 8 percent.

Household net worth will expand by $1.1 Trillion. The increased home values will not make homes less affordable because financing costs for a home will decline by 15 percent.

Demand for homes will increase. Families will "trade up" so existing home sales will rise by 11 percent by 2002. Construction will increase as new housing starts grow by 65,000 units.

Auto loans

Car loan payments decline by $180 annually, for a total savings of $900 for a typical loan (assuming a 2-percentage point drop in interest rates on a five year, $15,000 auto loan at 9.75 percent).

College loans

College loan payments will drop by $216 annually, for a total of $2,617 for a typical loan (assuming an $11,000 loan paid over 10 years starting at 8 percent).

Savings for these three loans total $2,558 annually (Car—$180, Student—$216, Mortgage—$2,162).

Interest rates

Federal funds rate lowered from baseline estimate of 5.2 percent in 2002 to 3.5 percent in that year. Thirty year treasury bond rates reduced from 7.2 percent to 4.5 percent in 2002.

National debt

In the current services baseline, outstanding national debt rises to $7.5 trillion by 2002, with an annual debt servicing cost of $290 billion. Budget Resolution would reduce total debt to $6.5 trillion in 2002, with a debt service cost of $182 billion. The savings in interest does half the work of balancing the budget, which means the Congress only has to do the other half.

The economy

Inflation is essentially unchanged. Real gross Domestic Product will increase relative to baseline by almost $100 billion per year by 2005. Balancing the budget by 2002 has a positive impact on the overall economy and the housing market. Eliminating deficits allows interest rates to decline and redirects the economy from government spending and consumption toward savings and private investment.

Mr. DOMENICI. Mr. President, the hour is late. Much has been accomplished today.

I want to extend my congratulations to the distinguished majority leader, Senator DOLE. The day before yesterday, all was not so pleasant for there were many who were second-guessing our majority leader who used the phrase "enough is enough," and proceeded to send to the House a targeted appropriations bill which broke the ice and which brings us here tonight.

As I see it, we are now given 21 days without the problem of the Federal Government workers being out of work and unpaid—21 days, if the President of the United States will submit his first balanced budget using the Congressional Budget Office estimates. If he does that, all of Government will be open for 21 days, which means for the next 3 weeks congressional leaders from both sides—the executive branch, the President, and others—can meet day and night if they like, as long and as hard as they want to work, and Government will be open. The people of the United States can focus on what we are doing in our efforts to get a balanced budget instead of on the current problems which, day by day, grow worse for many innocent people, including many Federal workers who are hostage to this crisis.

I personally believe, as one who is in the middle of all of these negotiations, that we can accomplish much more with the pressure of day-to-day problems of our Government being part closed, part furloughed and part working behind us. I believe we have an opportunity to use our good judgment to see if we can really come to an agreement with the Executive Branch and the Democrats on a balanced budget.

Mr. President, I have outlined the history of how we got to where we are tonight. I want to summarize a little bit of it.

First of all, after months of work, scores of hearings, scores upon scores of amendments on the floor of the Senate, both on a resolution and on a bill, we sent the President a balanced budget. He vetoed it. The full impact of what happened on that ominous day of veto was lost because we were already in the crisis of Government being half shutdown, half furloughed, and the attention of the American people taken away from that by the more daily crisis of our Government in crisis, our day-to-day Government operations in crisis. But when that budget was vetoed, we worked very hard to get the people back to work, and we passed a continuing resolution.

That continuing resolution we thought said that the President would produce a balanced budget using the Congressional Budget Office conservative numbers. But the President and his people construed it differently, and construed it to mean that finally and ultimately when we were all finished we would use the Congressional Budget Office. In that resolution, the Democratic leaders and the President said there is another part to it—that continuing resolution, that short appropriations for the continuation of Government—there is another portion of it that says you have to look at, or take another look at, education, the environment, Medicaid, Medicare, and myriad things amounting to about 10 specific items.

Mr. President, again, Republicans—and I was one that took the lead—did not want to give up on the balanced budget that was vetoed. So what we did was to ask the Congressional Budget Office at the particular time of year that they are supposed to look again at budgets to take another look.

Mr. President, they said the balanced budget has done such a good job that there is actually a surplus of $135 billion that you did not expect you were going to have because of changing economics and estimates. In response to that continuing resolution, we made another offer to the President of the United States. It got lost in the myriad of noises because the Government was in chaos.

What did we do with that? We took that $135 billion surplus and said, "Mr. President, we take you at your word. You want us to change some of our balanced budget, and we changed it, Mr. President." In fact, we put in sufficient money to take care of the education concerns of the President, and that should no longer be an issue. It is still being touted, but we have already submitted an offer that puts back the money for education, for the environment, and for other appropriated accounts. We already did that. We put back $5 billion in outlays in the year 1996, which is more than has been sought for those particular programs and others. And then, Mr. President, we said, let us look back through our proposals and use some of that $135 billion to change the situation where it would move more in the direction of the President.

We put $25 billion into Medicare, $16 billion into Medicaid, $12 billion into related welfare programs, including EITC, $25 billion was the funding for education and environment, and other domestic programs. What was left of that $135 billion we put on the deficit, and we said, here is a new proposal.

Again, there are not 10 people that know that occurred, but it did occur. So we did relate totally and respond totally to our commitment under the continuing resolution that we would do better in these areas and at the same time have a balanced budget.

Mr. FORD. Mr. President, will the Senator yield for a question, a serious question?

Mr. DOMENICI. Sure. I am only going to be 5 more minutes. Is that your question?

Mr. FORD. No. It is my understanding that when you related to figures that you reduced the amount of reduction using $135 billion, that the White House on December 15th moved toward your figures—moved toward your figures on discretionary, moved toward your figures on Medicare, moved towards your figures on Medicaid, did not move toward your figures on earned income tax credit—you did come down $12 billion on that over the 7 years. I kind of thought that both sides were beginning to work together.

Mr. DOMENICI. I am not arguing about whether we did or did not.

Mr. FORD. I am not arguing with you either. But I want to be clear. I worked Saturday. I worked Sunday. I put in what I thought were long, hard days, and we moved toward you. And I congratulate you, you were moving toward us. I just thought we were on the right track rather than getting into the mess that Senator HATFIELD and others think we are in as it relates to appropriations bills.

Am I correct in my statement?

Mr. DOMENICI. No, the Senator is not correct.

Mr. FORD. What is wrong with it then, if I might ask?

Mr. DOMENICI. Whatever you submitted—and I do not have the numbers here, but the one missing part of it was you never got to a balanced budget. Whatever you submitted, you did not get to a balanced budget.

Mr. FORD. The Senator does not have one now either unless you use Social Security.

Mr. DOMENICI. Wait a minute now. I am not going to yield any longer. I yielded for a question.

Mr. FORD. That will be fine. But you are out here saying a lot of things.

Mr. DOMENICI. No, I am not.

Mr. FORD. I apologize; the Senator is saying a lot of things that I disagree with.

Mr. DOMENICI. Fine.

Mr. FORD. I do not want to leave it without having some opportunity to defend our side of the aisle.

Mr. DOMENICI. To my knowledge, the Senate will be open here for a few more minutes.

Mr. FORD. I am going to take time.

Mr. DOMENICI. I welcome the Senator's remarks. I really do. I just want to finish my thoughts because I wanted to get to a very simple point, that we have modified our proposal and we are still in balance under that proposal. And as my friend, Senator GORTON, who occupies the Chair now, clearly said, not only did we resubmit another balanced budget using the Congressional Budget Office, but the blue dogs in the House—that is a group of Democrats—have submitted one that gets to balance. A group of Senators, 20 in number, 10 from each side, has submitted the framework for one that is in balance using the Congressional Budget Office. Senator MOYNIHAN within the last 3 days has submitted one. And frankly, I think the House did us all a service when they sent us a continuing resolution that will open all of Government if just one simple thing is done, and that is if the President will join this litany of different institutions within our framework that have produced a balanced budget using CBO. If he will join us, then all of Government is opened and funded at reasonably good levels for 21 days from today.

Now, having said that, I wish to make sure that everybody understands I am not trying to say everything my way. I will state it as I view it and the Democrats can state it as they want to. But when they submitted a counterproposal, they did not move an inch on Medicare, an inch on Medicaid, in December from their June proposal.

That is the statement that I will stand by, and if the Senator can dig up a budget and say that that is not the case, then I will be glad to revoke this.

Now, I am here because I still believe the American people should know that this is not a mere philosophical difference between Democrats and Republicans. This is an issue of whether we want to make America a better place in the future by balancing our budget sooner rather than later. It is a question of whether we want interest rates to come down and stay down, save millions and millions of dollars for average Americans in houses they buy and mortgage, in cars they buy and mortgage, in school tuition where they borrow money, in every aspect of America's life, to make it easier and better and make America grow stronger through the private-sector growth that a balanced budget will permit us to accomplish.

That is what this whole debate is about. And frankly, tonight I am grateful to our leader, Senator DOLE, to Speaker NEWT GINGRICH, who apparently had to argue loud and strong in the House to get these resolutions passed and get them to us here tonight, to rid us of the confusion of a half-open, half-closed American Government. I believe we have a real chance.

I do not know how close we are, Mr. President, and to those who are listening, I do not know how close we are to getting a balanced budget, but I tell you, everybody has to give. Everybody has to give. And I believe we are prepared to give. I will state once again that we already put $95 billion more on the spending side into the budget that the President vetoed—that is over 7 years—in areas that the President was concerned about. That has already been done as another marker of our good faith, of our movement in the direction that we have been asked to move in. Now, in the next week, 10 days, we will see if there is additional movement both ways. I hope there is.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Virginia.

Mr. WARNER. Mr. President, before the distinguished Senator from New Mexico leaves the floor, I would like to express my views, and I think I express them for Senators on both sides of the aisle, not only to the Senator but the Senator from Nebraska, the ranking member on the committee, Senator EXON, for their leadership in this crisis. I have been privileged to be in a number of meetings with the Senator, the majority leader, the Speaker of the House, and others, Mr. KASICH, his counterpart in the House, and I wish to commend the Senator.

Mr. DOMENICI. I thank the Senator very much.

Mr. WARNER. When the history of this unusual chapter in the 206-year life of the Senate, indeed, the Congress is written, there will be a prominent place for the Senator despite his humility.

Mr. DOMENICI. I thank the Senator.

Mr. FORD. Mr. President, may I join in. I do not want to leave the impression that I do not feel the same way about the Senator from New Mexico that the Senator from Virginia feels toward him——

Mr. DOMENICI. I thank the Senator.

Mr. FORD. Personally, his effort, the long hours and how hard he works. It is just like the distinguished Senator in the chair has indicated: We have a difference, and we need to let everything else go on while we settle that difference. And I thought—and I still sincerely believe it—that there was an offer to move toward you. The Senator says no. I say yes. And that seems to be the budget problem here.

But I do want people to know I like him personally. He is my friend. He works hard, and we are very close to being together. So I did not want the Senator to leave and the people viewing to think we had anything personal.

Mr. DOMENICI. I thank the Senator.

Mr. FORD. It was just a disagreement on how we are going to get to the balanced budget. I thank the Chair and the Senator for giving me an opportunity.

Mr. DOMENICI. Mr. President, I say to the Senator, the feeling is mutual. I thank the Senator for his kind words, and I extend the same to him. Thank you very much.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I also wish to include Congressman ARMEY, who was in most of the meetings in which I joined.

ARMED SERVICES AUTHORIZATION

Mr. WARNER. Now, Mr. President, I wish to also pay special recognition to the distinguished senior Senator from South Carolina, the President pro tempore of the Senate, Senator THURMOND.

Just minutes ago, when I had the opportunity to be the Presiding Officer, the Chair announced the appointment of conferees upon the receipt of the message from the House, conferees to resume negotiations between the Senate and the House for hopefully the adoption of the authorization bill for the armed services of the United States. Senator THURMOND, together with Senator NUNN, has worked tirelessly to put together an excellent bill. It was vetoed, and I shall not review the reasons. The President had his reasons, many of which I continue, not all, to disagree.

Nevertheless, that is history. It is behind us. The veto message is back. The veto message was carefully considered by Senator THURMOND, Senator NUNN, myself, and other members of the committee here yesterday and again today. Staffs are now diligently working on an agenda to be considered by the conferees, and I am very optimistic that we can produce a conference report which will be accepted by the Senate as well as the House and eventually the President.

Again, I wish to commend the leadership of the distinguished senior Senator from South Carolina and, indeed, the ranking member, the Senator from Georgia [Mr. NUNN], in bringing this matter back up, such that the second conference can hopefully produce a bill that will be accepted by the Congress and the President. It is essential to the Armed Forces of the United States.

There are key provisions in this bill, not the least of which are pay raises, well deserved by the men and women of the Armed Forces, key provisions relating to new programs which are essential for the modernization. And I want to express special tribute to the Secretary of Defense and members of his staff for informally working with the staffs of members of the Armed Services Committee of the Senate, for the majority and minority, in giving us guidance on how this conference report can embrace the views of both the President and the Congress such that it will become law.

Mr. President, I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

USING SOCIAL SECURITY FUNDS TO BALANCE THE BUDGET

Mr. FORD. Every once in a while you worry about whether you remember things right or not, and so you have to go back and check on it to be sure.

The distinguished Senator from Idaho and I were debating. I was speaking, and I said something about this budget that the Republicans had offered was not balanced in the year 2002 by $108 billion unless you used Social Security. And he asked me, had not Democrats used that before, and I told him I had not known that, but for 12 years we had Republicans who were President and they signed or vetoed legislation.

So now I have a little information I wish to put into the RECORD, or at least read into the RECORD, Mr. President. In response to Senator CRAIG on the use of Social Security trust funds, and more importantly for future reference I think, the following points I think are relevant.

It is the law—and let me underscore that now—it is the law. Both the Social Security law—it is attached to title XLII, section 911—and the Budget Act, title II, section 3631, mandate—and I underscore mandate—that "the social security surplus shall not be counted in budget deficit calculations by the Congress."

That is why the budget resolution passed earlier this year showed a deficit. You talk about honest figures. I have heard honest figures held out in front of me until it dripped. That meant my figures were dishonest. I do not particularly like that. But it showed a deficit of more than $100 billion under the Republican plan.

The Senate Democrats did—and I want to underscore did—offer a budget plan to balance the budget without using the Social Security Trust Funds, and not one that the Republicans supported. It was a 9-year budget, Mr. President, but we did not use the Social Security funds.

Just take a look at the budgets submitted by Presidents Bush and Reagan, all calculated with on-budget and off-budget deficits. We will not have an honest balanced budget until the on-budget deficit is zero. So the budget that we are being told about here tonight is not an on-budget deficit, so therefore it is not a balanced budget in the year 2002 without using $108 billion of Social Security surplus.

Let me read the Budgetary treatment of trust fund operations. That is under Section 911(a)(1).

> The receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund and the taxes imposed under section 1401, 3101, and 3111 of Title 26 shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (Budget outlays) of the United States Government.

Under our budget act—I want to read that. I will just read one paragraph into the RECORD.

> The concurrent resolution shall not include the outlays and revenue totals of the old age survivors, and disability insurance program established under title II of the Social Security Act [42 U.S.C.A. Sec. 401 et seq.] or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or any other surplus or deficit totals required by this subchapter.

Let me make one more point. The conference report on the budget that people have been beating their chest about around here tonight that is a balanced budget, the concurrent resolution on the budget for fiscal year 1996 and the conference report—all my colleagues have to do is just look on page 3.

Look on page 3 and see how you get a balanced budget. In the year 2002, the year it is supposed to be balanced, you are using $108,400,000,000 out of Social Security Trust Funds in order to balance that budget. I have heard enough about "honest figures, honest figures."

The CBO is just as honest as they can be, I am sure. But OMB is too. I think about the private people out there that give industry an analysis of the future.

Are those dishonest figures? I do not think so. I think they are honest people giving their honest best projection.

So, Mr. President, I wanted in the RECORD tonight that we have been hearing a lot about the balanced budget, but on budget the Republican budget is not balanced. The on-budget deficit must be zero to have a balanced budget, and not use $108,400,000,000 out of the Social Security Trust Funds to balance the budget in the year 2002.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

ORDER OF PROCEDURE

Mr. WARNER. Seeing no other Senator seeking recognition, I will now proceed on behalf of the distinguished majority leader to make the following announcements.

MORNING BUSINESS

Mr. WARNER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on January 5, 1996, during the recess of the Senate, received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria, with amendments, in which it requests the concurrence of the Senate.

MESSAGES FROM THE HOUSE

At 7:03 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agreed to the following concurrent resolution, in which it requests the concurrence of the Senate.

H. Con. Res. 131. Concurrent Resolution establishing procedures making the transmission of the continuing resolution (H.J. Res. 134) to the President contingent upon the submission by the President of a 7-year balanced budget using updated economic and technical assumptions of the Congressional Budget Office.

At 8:14 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1606) to designate the United States Post Office building located at 24 Corliss Street, Providence, RI, as the "Harry Kizirian Post Office Building."

The message also announced that the House insists upon its amendments to the bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. SPENCE, Mr. STUMP, Mr. HUNTER, Mr. BATEMAN, Mr. WELDON of Pennsylvania, Mr. DELLUMS, Mr. MONTGOMERY, and Mr. SPRATT as the managers of the conference on the part of the House.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1771. A communication from the Executive Secretary of the Barry M. Goldwater Scholarship and Excellence In Education Foundation, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1772. A communication from the Executive Secretary of the Barry M. Goldwater Scholarship and Excellence In Education Foundation, transmitting, pursuant to law, the 1995 annual report in compliance with the Inspector General Act; to the Committee on Governmental Affairs.

EC–1773. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the semiannual report of the Office of the Inspector General for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1774. A communication from the Director of the Federal Mediation and Conciliation Service, transmitting, pursuant to law, the 1995 annual report in compliance with the Inspector General Act; to the Committee on Governmental Affairs.

EC–1775. A communication from the President of the Inter-American Foundation, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1776. A communication from the Executive Director of the Japan-United States Friendship Commission, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Governmental Affairs.

EC–1777. A communication from the Executive Director of the Japan-United States Friendship Commission, transmitting, pursuant to law, the 1995 annual report in compliance with the Inspector General Act; to the Committee on Governmental Affairs.

EC–1778. A communication from the President of the National Endowment for Democracy, transmitting, pursuant to law, the annual report in compliance with the Inspector General Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC–1779. A communication from the Chairman of the National Science Board, transmitting, pursuant to law, the report under the Inspector General Act for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1780. A communication from the Executive Director of the Office of Navajo and Hopi Indian Relocation, transmitting, pursuant to law, the annual report in compliance with the Inspector General Act for 1995; to the Committee on Governmental Affairs.

EC–1781. A communication from the Executive Director of the Office of Navajo and Hopi Indian Relocation, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1782. A communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the semiannual report of the Office of the Inspector General for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1783. A communication from the Executive Director of the State Justice Institute, transmitting, pursuant to law, the annual report in compliance with the Inspector General Act for 1995; to the Committee on Governmental Affairs.

EC–1784. A communication from the Chairman of the Commodity Futures Trading Commission, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1785. A communication from the Chairman of the Consumer Products Safety Commission, transmitting, pursuant to law, the annual report on the administration of the government in the Sunshine Act for calendar year 1994; to the Committee on Governmental Affairs.

EC–1786. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1787. A communication from the Office of the Public Printer, Government Printing Office, transmitting, pursuant to law, the semiannual report of the Inspector General for the period from April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1788. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the semiannual report of the Office of the Inspector General for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1789. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semiannual report of the Inspector General for the period from April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1790. A communication from the Deputy and Acting CEO of the Resolution Trust Corporation and the Chairman of the Thrift Depositor Oversight Protection Board, transmitting, pursuant to law, the semiannual report of the Inspector General for the period from April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1791. A communication from the Acting Chairman of the Thrift Depositor Protection

Oversight Board, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC-1792. A communication from the Inspector General of the Railroad Retirement Board, transmitting, pursuant to law, the semiannual report on activities and accomplishments for the period April 1 through September 30, 1995; to the Committee on Labor and Human Resources.

EC-1793. A communication from the Director of the Office of Management and Budget, the Executive Office of the President, transmitting, pursuant to law, the report on appropriations legislation within five days of enactment; to the Committee on the Budget.

EC-1794. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report entitled, "Ability of Crewmembers to Take Emergency Actions"; to the Committee on Environment and Public Works.

EC-1795. A communication from the Librarian of Congress, the Archivist of the United States, and the Public Printer, transmitting jointly, pursuant to law, the final report to establish a National Policy on Permanent Papers; to the Committee on Governmental Affairs.

EC-1796. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of the list of General Accounting Office reports and testimony for November 1995; to the Committee on Governmental Affairs.

EC-1797. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC-1798. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC-1799. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, the annual report under the Inspector General Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC-1800. A communication from the Assistant Attorney General (Legislative Affairs), transmitting, a draft of proposed legislation entitled, "Restoration of False Statement Penalties Act of 1995"; to the Committee on the Judiciary.

EC-1801. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report of the United States Government for fiscal year 1995; to the Committee on Finance.

REPORTS OF COMMITTEE

The following reports of committee were submitted:

By Mr. MURKOWSKI from the Committee on Energy and Natural Resources:

Report to accompany the bill (H.R. 1296) to provide for the Administration of certain Presidio properties at minimal cost to the Federal taxpayer (Rept. No. 104-202).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 629. A bill to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado (Rept. No. 104-203).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROBB:

S. 1516. A bill making appropriations to the Department of Health and Human Services for retirement pay and medical benefits for commissioned officers of the Public Health Service for the fiscal year ending September 30, 1996; to the Committee on Appropriations.

S. 1517. A bill to make appropriations for the Black Lung Disability Trust Fund for fiscal year 1996; to the Committee on Appropriations.

By Mr. BROWN (for himself and Mr. REID):

S. 1518. A bill to eliminate the Board of Tea Experts by prohibiting funding for the Board and by repealing the Tea Importation Act of 1987; read the first time.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DASCHLE:

S. Con. Res. 38. A concurrent resolution restating the commitment to a seven year balanced budget; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBB:

S. 1516. A bill making appropriations to the Department of Health and Human Services for retirement pay and medical benefits for commissioned officers of the Public Health Service for the fiscal year ending September 30, 1996; to the Committee on Appropriations.

RETIRED COMMISSIONED OFFICERS OF THE PUBLIC HEALTH SERVICE LEGISLATION

• Mr. ROBB. Mr. President, I introduce legislation which would fund retirement and medical benefits through September 30, 1996 for the retired commissioned officers of the Public Health Service.

I do not know whether many of my colleagues know this, Mr. President, but retired PHS commissioned officers have not received their retirement pay since our first continuing resolution expired on December 15, 1995. While retired members of the Federal Civil Service have thankfully been able to receive their retirement checks during this time period, the benefits of retired PHS commissioned officers come through a direct appropriation contained in the Labor/HHS appropriations bill, a bill which we all know has not yet been approved by this body.

The roughly 3,600 beneficiaries of this program should not be victims of our budget battles, Mr. President. They served their country for many years and their country has made a commitment to them. This bill will allow us to meet the commitment.•

By Mr. ROBB:

S. 1517. A bill to make appropriations for the Black Lung Disability Trust Fund for fiscal year 1996; to the Committee on Appropriations.

THE BLACK LUNG DISABILITY PROGRAM LEGISLATION

• Mr. ROBB. Mr. President, I introduce legislation which would fund the Black Lung Disability Program administered by the Department of Labor through September 30, 1996, and the Black Lung Program administered by the Social Security Administration through the first quarter of fiscal year 1997.

I was deeply disappointed that the limited continuing resolution approved by the House of Representatives earlier today did not include the Black Lung Programs. They should have been included, Mr. President, but they were not. When an effort was made to add funding authority for black lung beneficiaries during floor consideration of the House bill, that amendment was objected to by the other side of the aisle.

Mr. President, I've been told by the Department of Labor that unless a continuing resolution which contains black lung funding is approved by January 12, 1996, the January 15 monthly payments to beneficiaries would not be issued. It is my understanding that the Social Security Administration needs a continuing resolution which contains black lung funding to issue its February monthly payments as well.

Mr. President, as I introduce this bill, I know that efforts are underway to bring a third continuing resolution to the House floor—and I sincerely hope that the Black Lung Programs are included in that measure. If that is the case, this legislation will be unnecessary.

These programs are vitally important to thousands of disabled miners and their families and survivors in my State of Virginia and many other coal producing States. I hope we receive a continuing resolution from the House later this evening which will allow us to uphold our historic commitment to victims of black lung and their families and survivors.•

ADDITIONAL COSPONSORS

S. 837

At the request of Mr. WARNER, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from New Hampshire [Mr. GREGG], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 837, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of James Madison.

S. 1058

At the request of Mr. WELLSTONE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1058, a bill to provide a comprehensive program of support for victims of torture.

S. 1178

At the request of Mr. CHAFEE, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1178, a bill to amend title XVIII of the Social Security Act to provide for coverage of colorectal screening under part B of the Medicare Program.

S. 1419

At the request of Mrs. KASSEBAUM, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1419, a bill to impose sanctions against Nigeria.

S. 1484

At the request of Mr. NICKLES, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 1484, a bill to enforce the public debt limit and to protect the Social Security trust funds and other Federal trust funds and accounts invested in public debt obligations.

SENATE CONCURRENT RESOLUTION 38—RESTATING THE COMMITMENT TO A 7-YEAR BALANCED BUDGET

Mr. DASCHLE submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 38

Resolved by the Senate (the House of Representatives concurring), That The President and the Congress shall enact legislation in the 2nd session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office, and the President and the Congress agree that the balanced budget must protect future generations, ensure Medicare solvency, reform welfare, and provide adequate funding for Medicaid, education agriculture, national defense, veterans, and the environment. Further, the balanced budget shall adopt tax policies to help working families and stimulate future economic growth.

The balanced budget agreement shall be estimated by the Congressional Budget Office based on its most recent current economic and technical assumptions, following a thorough consultation and review with the Office of Management and Budget, and other government and private experts.

AMENDMENT SUBMITTED

THE VA AUTHORITY EXTENSION ACT OF 1996

SIMPSON AMENDMENT NO. 3116

Mr. WARNER (for Mr. SIMPSON) proposed an amendment to the bill (S. 991) to amend title 38, United States Code, and other statutes, to extend VA's authority to operate various programs, collect copayments associated with provision of medical benefits, and obtain reimbursement from insurance companies for care furnished; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. EXTENSION OF EXPIRING AUTHORITIES.

(a) AUTHORITY TO PROVIDE PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO TOXIC SUBSTANCES.—(1) Effective June 29, 1995, section 1710(e)(3) of title 38, United States Code, is amended by striking out "after June 30, 1995," and all that follows through "December 31, 1995" and inserting in lieu thereof "after December 31, 1996".

(2) Section 1712(a)(1)(D) of such title is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 1996,".

(b) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(c) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of such title is amended by striking out "September 30, 1995," and inserting in lieu thereof "December 31, 1997,".

(d) NEGOTIATED INTEREST RATES.—Section 3703(c)(4)(D) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(e) MORTGAGES FOR ENERGY EFFICIENT IMPROVEMENTS.—Section 3710(d)(7) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(f) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h)(2) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1996".

(g) AUTHORITY OF LENDERS OF AUTOMATICALLY GUARANTEED LOANS TO REVIEW APPRAISALS.—Section 3731(f)(3) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(h) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(i) USE OF DATA ON COMPENSATION FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—Effective March 31, 1995, section 7451(d)(3)(C)(iii) of such title is amended by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1997".

(j) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(k) ENHANCED-USE LEASES OF REAL PROPERTY.—Section 8169 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(*l*) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "December 31, 1997".

(m) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102-54 (38 U.S.C. 1718 note) is amended by striking out "fiscal years 1991 through 1995" and inserting in lieu thereof "the period beginning on October 1, 1991, and ending on December 31, 1997,".

(n) AUTHORITY TO MAKE GRANTS FOR ASSISTANCE IN FURNISHING SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—(1) Section 3(a) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102-590; 106 Stat. 5136; 38 U.S.C. 7721 note) is amended by striking out "fiscal years 1993, 1994, and 1995," and inserting in lieu thereof "fiscal years 1993 through 1997,".

(2) Section 12 of such Act (106 Stat. 5142) is amended by striking out "each of the fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "each of fiscal years 1993 through 1997".

(o) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(D) $10,000,000 for fiscal year 1996.

"(E) $10,000,000 for fiscal year 1997.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1997".

(p) EFFECTIVE DATE.—Except as provided in subsections (a)(1) and (i), the amendments made by this section shall take effect on October 1, 1995.

(q) RATIFICATION OF ACTIONS.—The following actions are hereby ratified:

(1) The furnishing by the Secretary of Veterans Affairs of care and services by virtue of section 1710(a)(1)(G) of title 38, United States Code, during the period beginning on July 1, 1995, and ending on the date of the enactment of this Act.

(2) The furnishing by the Secretary of services in noninstitutional settings by virtue of section 1720C of such title during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(3) The use by any director of a Department of Veterans Affairs health-care facility of data on rates of compensation paid to certified nurse anesthetists in a labor market area under section 7451(d)(3)(C) of such title during the period beginning on April 1, 1995, and ending on the date of the enactment of this Act.

(4) The furnishing by the Secretary of care for homeless chronically mentally ill and other veterans by virtue of section 115 of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(5) The furnishing by the Secretary of work therapy and therapeutic transitional housing by virtue of section 7 of Public Law 102-54 (38 U.S.C. 1718 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(6) Grants made by the Secretary to furnish services to veterans under section 3 of the Homeless Veterans Comprehensive Services Programs Act of 1992 (38 U.S.C. 7721 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

Amend the title to read as follows: "To amend title 38, United States Code, to extend the authority of the Secretary of Veterans Affairs to carry out certain programs and activities, and for other purposes.".

ADDITIONAL STATEMENTS

THE CENTENNIAL OF EVERETT McKINLEY DIRKSEN'S BIRTH

• Mr. SIMON. Mr. President, this week marks the 100th anniversary of the birth of one of the greatest leaders ever to have served in this body, the late Senator from Illinois and former Republican leader of the Senate, Everett McKinley Dirksen.

Everett Dirksen was born on January 4, 1896. He brought the small town values and the sense of civility of his native Pekin to his work in the Senate, where he combined these qualities with some of the finest oratorical and parliamentary skills that have been displayed on this floor in his or any era.

The Senate has honored his memory by naming one of its office buildings for him, and the Dirksen Congressional Center in Pekin continues his tradition of public service with its many ongoing research and in-service activities.

I call the attention of my colleagues to an insightful article about the Dirksen legacy, written by retired editor Charles Dancey of the Peoria Journal Star, and I ask that the article be printed at this point in the RECORD.

The article follows:

[From the Peoria Journal Star, Jan. 4, 1996]

DIRKSEN BROUGHT SENSE OF REALITY WHEREVER HE WENT

(By Charles Dancey)

One hundred years ago, fathers might have dreamed that a son born in a log cabin could become president. But no way could Johann Dirksen have imagined Jan. 4, 1896, that his baby boy's birthday celebrations one day would launch the social season in the nation's capital.

Yet, Sen. Everett McKinley Dirksen's birthday bash, usually at the Mayflower hotel ballroom, was the opening "must go" event of the social season each year in Washington, D.C., even before he became minority leader of the Senate and a national figure beyond the Beltway. Everybody who was anybody, as the saying goes, attended from both political parties and from the administration and the congress.

Those glittering parties were a long way from the neighborhood in Pekin known as "Beantown." Yet, growing up in Beantown may have been an important part of "Ev" Dirksen being the toast of the town in the nation's capital.

Actually, the residents, themselves named it that—or rather in their own language, "Bohnchefiddle." They were German immigrants who didn't indulge in euphemisms. They had a strong sense of reality. And the reality was that rich folks had flower gardens in their yards; immigrants grew beans. They were who they were, and saw nothing wrong with it. Beantown was just their American starting place.

In fact, most residents in Pekin, and millions more across America, gardened their yards. Even a narrow small-town lot was 50 feet front, 150 deep, and provided space for people who didn't own a horse and didn't need a barn. There was space for berry bushes along the lot line, half a dozen fruit trees set wide apart, orderly squares of garden vegetables, and a grape arbor.

There was a lot more than beans, and it all required care. Many folks kept a small flock of chickens by the back porch as well. At one time, in fact, the Dirksens raised a pig.

The bigger boys spaded the gardens and raked them smooth. Before he was old enough for school, the youngest son, Ev, could help punch holes in the prepared ground with the wooden split pegs used as clothespins keeping a straight line along the board on which he knelt.

Keeping clothes as clean as possible was important when washing them was a major weekly chore. As the produce grew, ripening in sequence, much of it had to be "put up" for the winter in fruit jars and glasses, sealed with hot paraffin or special lids, after being well cooked. Cabbage was chopped and salted and then pounded and pounded until it was soaked in its own brine to be kept for winter—sauerkraut.

The Dirksen boys took part, and it was the boys who peddled surplus vegetables door to door. The basics of life to the German families were food, clothes, shelter from the cold and cleanliness. So, before he learned to read and write, Everett Dirksen became part of a family team, doing his share in providing those basics, and grew up knowing from whence came the necessities of life. Somebody had to do the work to produce it.

Their father had a stroke in 1901 when Ev, the youngest, was only 5. By the time Ev was 9, Dad was dead. The boys were raised by their mother, and the team game of survival that they played put a solid foundation under his whole life.

In those circumstances and in the absence of radio, television, telephones or computers, he found school and learning downright fun. Learning was an adventure and a kind of game. He loved reading. He loved to discover a new big word and roll it off his tongue. In books, he could explore the far reaches of this world and of the world of ideas.

Thus in his youth, and progressively thereafter, Everett Dirksen combined those wonderful opposites, the contradictions of idealist and a realist. It fit the Lincoln tradition of central Illinois.

With his older brothers grown and earning money, the family could let young Everett go off to college. He worked nights while schooling at the University of Minnesota, until World War I interrupted.

Three years of ROTC there gave him a leg up on a lieutenant's bars. In France, he was an artillery man. His job was to ride a wicker basket under a rough, hydrogen-filled balloon, held by a cable and linked by a primitive telephone to the gun batteries, overlooking the battlefield. There he observed the fall of the artillery shells his battery mates were firing and tell them how to adjust there fire to bring it on target.

Of course, such balloons like his were sitting ducks, even for the primitive planes of the time.

When the war ended, the army found his ability to speak German useful and kept him in Europe. He remained overseas for 18 months in all much of the time interpreting for others, or dealing directly with the local German population. He also knew Paris, Berlin, other German cities, and visited England and Ireland. In Rome, the ambassador asked him to join his staff, but Ev was homesick for Pekin.

Thus, young Lt. Dirksen returned to Pekin and Bohnchefiddle at age 24, with an extraordinary range of experiences. He was now a college man, a combat veteran and an ex-officer who had traveled, often in very sophisticated circles, in postwar Europe.

Back home, he married a Pekin girl and launched his remarkable political career as the youngest person ever elected to the Pekin City Council.

As city councilman, he was a young man dealing with a rapidly changing world. Streets needed to be paved for the growing numbers of those new motor cars. The fire department needed trucks to replace the horse-drawn rigs. The aging streetcars, one car running back and forth on a single track, needed replacement with bus service.

Power plants were under construction, bringing electricity. The Edison revolution was on, and radio was waiting in the wings. These were not hypothetical or abstract problems to be solved abstractly for the young councilman. He was intimately involved with the reality of finance for technology and the even tougher reality of the effects and demands new technology and dramatic change made on the city workers, and the public.

When he grappled with these problems as a councilman, he also worked delivering his brothers' bread to 50 small groceries scattered about town. Everybody knew his route, and at many a stop he confronted people with problems to take to their councilman. Before he went to the national macrocosm, this man had a thorough and heavy dose of the microcosm.

Thus, the nature of the man was well-founded long before he became one of that city's best-loved figures, before he created the Civil Rights Bill of 1964 and brought over the votes to pass it with him, before he won a Grammy for recording "Gallant Men," before he was the confident of presidents both Republican and Democrat, and before he became a darling of the once-skeptical Washington press corps.

He brought to Washington the prestige of being the Congress' best orator, a skill founded and practiced in Pekin and which largely won for him his original seat in the House of Representatives in the first place.

He also brought the attention to detail, the realism, of Bohnchefiddle, and was, undoubtedly, the most skilled parliamentarian in the Senate of his time. He knew how the system worked in every detail, and he knew who was the person that counted, the person to talk to, not only in the Senate but in every department of the national administration.

Finally, he made many friends and no enemies in the best tradition of the small town where he grew up, and where some of his local political foes were also lifelong personal friends.

When Everett Dirksen died, the president of the United States gave the eulogy—proclaiming that Sen. Everett McKinley Dirksen had more impact on history than many presidents.

That he was, and he didn't learn that in Washington. That was the boy from Bohnchefiddle.•

ADMIRAL ARLEIGH A. BURKE

• Mr. MOYNIHAN. Mr. President, our Nation has lost one of its most distinguished Naval heros, Adm. Arleigh A. Burke. Had World War II continued beyond September 2, 1945, I might have served in the Pacific under "31 knot Burke," as he was nicknamed for his exploits against the Japanese. Admiral Burke was awarded 13 decorations, including the Distinguished Service Medal, the Navy Cross, the Legion of

Merit, the Silver Star, and our Nation's highest civilian honor, the Medal of Freedom. In 1991, for the first time in Navy history, the man for whom a ship—U.S.S. *Arleigh Burke*—was named was on hand to see her commissioned.

Mr. President, I ask that the obituary of Arleigh A. Burke from the New York Times of January 2, 1996, be included in the RECORD.

The obituary follows:

[From the New York Times, Jan. 2, 1996]

ARLEIGH A. BURKE DIES AT 94; NAVAL HERO OF WORLD WAR II

(By Robert D. McFadden)

Adm. Arleigh A. Burke, a battle-decorated Chief of Naval Operations whose combat exploits against Japanese naval forces in the South Pacific made him the Navy's most celebrated destroyer squadron commander of World War II, died yesterday at Bethesda Naval Hospital in Bethesda, Md. He was 94 and lived in Fairfax, Va.

Admiral Burke, who retired in 1961 after 42 years in the Navy, including a record six-year tenure as the Chief of Naval Operations in the Administration of President Dwight D. Eisenhower, died of complications of pneumonia, said a Navy spokesman, Lieut. Comdr. Ed Austin.

In a career that took him from Annapolis to Washington via the high seas, Admiral Burke, a stocky pipe smoker with an easy smile, served in battleships and aircraft carriers, was a member of the United Nations truce negotiations team in the Korean War and in Washington became a strong advocate of a powerful nuclear fleet for the Navy, including its missile-launching Polaris submarines.

But he was best known as "31 Knot Burke," a nickname supplied by Admiral William F. Halsey, for his exploits as the commander of Squadron 23, a pack of eight destroyers that staged high-speed torpedo attacks that devastated enemy warships in the Solomon Islands in late 1943 and early 1944.

"Stand aside! Stand aside! I'm coming through at 31 knots," Mr. Burke, then a Captain, radioed darkened American troop transports as his squadron, named Little Beavers for a comic-strip character, steamed up the slot at boiler-bursting speed to attack a Japanese task force off Bougainville on the night of Nov. 1, 1943.

In a widely heralded action, the squadron covered the landing of thousands of American troops while attacking enemy vessels and aircraft. When the battle of Empress Augusta Bay ended the next day, the Japanese toll was horrendous. A cruiser and four destroyers lay on the bottom, and two cruisers and a pair of destroyers had limped away heavily damaged.

Later that month, the squadron engaged another Japanese task force off Cape St. George, New Ireland, and sank three destroyers without taking a hit. In 22 engagements from November 1943 to February 1944, the Navy said, Capt. Burke's squadron was credited with sinking one cruiser, nine destroyers, one submarine and nine smaller ships, as well as downing approximately 30 aircraft.

Later, Mr. Burke became a chief of staff to Vice Adm. Marc A. Mitscher, whose carrier task forces attacked the Japanese at Iwo Jima, Okinawa and Tokyo. Mr. Burke was aboard the flagship Bunker Hill and later the Enterprise when they were hit by Japanese suicide planes off Okinawa.

In 1949, during interservice disputes that followed the unification of the armed forces, Mr. Burke fell into disfavor with some officials of the Truman Administration by heading a group of high Navy officers that campaigned for supercarriers and against a strategic reliance on the Air Force's B-36 bombers.

His role in what was called the Admiral's revolt seemed to scuttle his chances for promotion. But his name went back on the lists a year later, when he became a rear admiral, and in 1951, he became a member of the allied cease-fire commission in Korea for six months.

In 1955, he was selected by Eisenhower over 92 more senior officers to be Chief of Naval Operations. In that post, he advocated a balanced and versatile fleet, new antisubmarine technology, the development of Polaris submarines and other nuclear systems, and new aircraft designs. He served three two-year terms, but insisted on retiring in 1961, when President John F. Kennedy offered him a fourth term.

Arleigh Albert Burke was born on a farm near Boulder, Colo., on Oct. 19, 1901. his parents were of Swedish and Pennsylvania Dutch stock, his paternal grandfather having changed the name from Bjorkegren. He graduated from the United States Naval Academy in 1923, and after five years of sea duty, earned a degree in chemical engineering at the University of Michigan in 1931.

He was an inspector at a naval gun factory in Washington when World War II broke out. He immediately applied for sea duty, but his application was not granted until 1943, when he was sent to command destroyers in the Solomons. For his ensuing exploits, he was awarded 13 decorations, including the Distinguished Service Medal, the Navy Cross, the Legion of Merit and the Silver Star.

In January 1977, he was awarded the nation's highest civilian honor, the Medal of Freedom, by President Gerald R. Ford. In 1984, the Navy named a class of missile-launching destroyers for him. And in 1991, it launched the U.S.S. Arleigh Burke, an $864 million destroyer, and for the first time in Navy history, the man for whom a ship was named was on hand to see her commissioned.

Mr. Burke is survived by his wife, the former Roberta (Bobbi) Gorsuch, to whom he was married for 72 years.●

LANDMINES: A DEADLY PERIL TO ALL THE WORLD'S CREATURES

● Mr. LEAHY. Mr. President, I have often spoken of the danger landmines pose to civilians and combatants around the world. There are an estimated 100 million of these hidden killers in over 60 countries, each one waiting to explode from the pressure of a footstep.

The State Department estimates that 26,000 people are killed or maimed by landmines annually. That is 72 people each day, or one every 22 minutes. The overwhelming majority are innocent civilians, who if they are lucky enough to survive face a lifetime of physical and psychological trauma. American service men and women are also the victims of these indiscriminate killers. It is no surprise that the first American casualty in Bosnia was from a landmine. There are 3 to 5 million landmines there, hidden under snow and mud. After our troops leave, millions will remain for years, taking their toll among the civilian population. Few people know that landmines caused a third of the American deaths in Vietnam, a quarter of the American deaths in the Persian Gulf war, and over a quarter of American deaths in Somalia.

Landmines are a global humanitarian catastrophe, but humans are not the only victims. Any living creature, wild or domestic, that weighs as much as a small dog, is a potential landmine victim. There have been many instances when a family lost its only means of livelihood when a cow or water buffalo stepped on a landmine, but there are undoubtedly countless other instances of wild animals that have died from mines. Virtually any animal that triggers a mine suffers terrible injuries and dies from loss of blood.

Mr. President, this may seem unimportant, but it is not. Landmines are insidious because they indiscriminately kill and maim the innocent, and that includes animals as well as people. There have even been reports that the Pentagon is considering using sheep to clear mines, by sending them into minefields to trigger the mines. Not only would this fail to detonate all the mines, but anyone who has seen the horrifying injuries landmines cause would be repulsed by the sacrifice of defenseless animals that way.

Mr. President, landmines are causing a humanitarian catastrophe. Even if not a single new mine were laid the 100 million unexploded mines in the ground would go on killing for decades. We must do all we can to locate and remove them. I have sponsored legislation to appropriate funds to improve the technology for doing that, and to help support mine clearing efforts around the world. Those funds are being used. It is not enough, not nearly enough, but it is a start.

To those who care about innocent life, whether human or non-human, landmines are a scourge that must be rid from the world. Ultimately, the only way to do that is to ban them altogether.●

A SPECIAL HOLIDAY SEASON IN NEW YORK

● Mr. D'AMATO. Mr. President, I rise today to celebrate the true spirit of the holiday season and pay special tribute to Trans World Airlines (TWA) for its generosity in helping to make Christmas a truly special time for one of my constituents, Mr. Mouris Astafanous.

To have a chance of survival, doctors told Mr. Astafanous that he would need a bone marrow transplant. Tests had indicated that his sister, Ms. Wedad Astafanous of Cairo, Egypt, met the incredible 20,000 to 1 odds of finding a perfect match. However, State Department red tape prevented Ms. Astafanous from flying to America to help her brother. Because of these bureacratic hurdles, Ms. Astafanous was being denied the opportunity to help save her brother's life. At the request of the Astafanous family, I contacted the American Amdassador in Cairo who guaranteed his personal assistance in helping Wedad, and less than 24 hours later, she was granted the necessary visa.

Once a visa was secured, it was necessary to obtain an airline ticket for the trip to New York. TWA responded to my request for help in this situation. TWA CEO and president, Jeff Erickson, ensured that Ms. Astafanous' travel plans were arranged in a proper and timely manner. TWA then flew Ms. Astafanous from Egypt to New York so that she would be able to give her critically ill brother one of the greatest gifts of all, the gift of hope. Mr. Erickson's actions, along with the cooperation of TWA employees, have helped to provide the support the Astafanous family needs in this critical time.

Ms. Astafanous arrived in New York on the morning of Christmas Eve and immediately went to her brother's hospital bedside for a joyous reunion. Mouris' spirits have been immeasurably lifted by the arrival of his sister as have the spirits of all who have been touched by this wonderful family. I have had the honor of meeting Mouris and the entire Astafanous family. They are a family of great strength and courage. My prayers, and I am sure the prayers of all my colleagues, are with Mouris Astafanous, his sister Wedad, and the entire Astafanous family.

Thank you, Mr. President.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

TRIBUTE TO MR. DAVID COLE

• Mr. PRYOR. Mr. President, I rise today to commend Mr. David Cole for his outstanding 34-year career with the Immigration and Naturalization Service.

Mr. Cole is currently Officer in Charge at the I&NS office in Memphis. I was recently informed that he will be retiring very soon. In fact, I believe his retirement party is set for January 13. I wanted to take this opportunity to thank David Cole for the outstanding work he has done in this difficult and often frustrating profession.

Unfortunately, Mr. President, the public discourse on immigration and immigrants is largely negative. We do not hear enough about the success stories that occur everyday as a result of the hard work of people like David Cole.

David Aaron Cole began duty as an Immigration Patrol Inspector on August 15, 1961, at Laredo, TX. Following several years of front-line work, Mr. Cole was promoted and transferred to Boston, MA, as a records and information specialist. In 1970, he assumed the post of officer in charge at Memphis, where he has worked to the present day.

Although the Memphis office does not directly serve Arkansas, I know that David Cole's work has impacted my State. Mr. Cole has helped hundreds of impoverished immigrants get their new lives off to a postive start. I would guess that a good number of those immigrants eventually made their way to Arkansas, where they have been productive members of my State.

Mr. President, the mission of the I&NS is not just enforcement, it is not just about keeping people out of the country. It is also about helping the legal immigrants who come here to assimilate into American society. David Cole has always understood that mission, and we will certainly miss his work at the Immigration and Naturalization Service. I know all my colleagues join me in wishing Mr. Cole the best of luck in the future.•

HARRY KIZIRIAN POST OFFICE BUILDING DESIGNATION ACT OF 1996

Mr. WARNER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 1606, a bill to designate the U.S. Post Office building located at 24 Corliss Street, Providence, RI, as the "Harry Kizirian Post Office Building."

The President Office laid before the Senate the following message from the House of Representatives:

Resolved: That the House disagree to the amendments of the Senate to the bill (H.R. 1606) entitled "An Act to designate the United States Post Office building located at 24 Corliss Street, Providence, Rhode Island, as the 'Harry Kizirian Post Office Building'".

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate recede from its amendments and the motion to reconsider be laid on table.

The PRESIDING OFFICER. Without objection, it is so ordered.

DAVID J. WHEELER FEDERAL BUILDING

Mr. WARNER. Mr. President, I ask unanimous consent that the Environment and Public Works Committee be discharged from the further consideration of H.R. 2061, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2061), to designate the Federal building located at 1550 Dewey Avenue, Baker City, Oregon, as the "David J. Wheeler Federal Building."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WARNER. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements on the bill be placed in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2061) was read the third time and passed.

VETERANS' MEDICAL BENEFITS

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate now turn to consideration of calendar 264, S. 991.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. EXTENSION OF EXPIRING AUTHORITIES.

(a) AUTHORITY TO PROVIDE PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO TOXIC SUBSTANCES.—(1)(A) Effective June 29, 1995, section 1710(e)(3) of title 38, United States Code, is amended by striking out "after June 30, 1995," and all that follows through "December 31, 1995" and inserting in lieu thereof "after December 31, 1996".

(B) Any hospital or nursing home care or medical services furnished by the Secretary of Veterans Affairs by virtue of section 1710(a)(1)(G) of title 38, United States Code, during the period beginning on June 30, 1995, and ending on the date of the enactment of this Act is hereby ratified.

(2) Section 1712(a)(1)(D) of such title is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 1996,".

(b) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(c) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of such title is amended by striking out "September 30, 1995," and inserting in lieu thereof "December 31, 1996,".

(d) DEMONSTRATION PROJECT TO GUARANTEE ADJUSTABLE RATE MORTGAGES.—Section 3707(a) of such title is amended by striking out "fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "fiscal years 1993 through 1997".

(e) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(f) USE OF DATA ON COMPENSATION FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—(1) Effective March 31, 1995, section 7451(d)(3)(C)(iii) of such title is amended by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1999".

(2) The use of any director of a Department of Veterans Affairs health-care facility of data on rates of compensation paid to certified nurse anesthetists in a labor market area under section 7451(d)(3)(C) of title 38, United States Code, during the period beginning on April 1, 1995, and

ending on the date of the enactment of this Act is hereby ratified.

(g) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1996".

(h) ENHANCED-USE LEASES OF REAL PROPERTY.—Section 8169 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(i) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "December 31, 1997".

(j) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102-54 (38 U.S.C. 1718 note) is amended by striking out "fiscal years 1961 through 1995" and inserting in lieu thereof "the period beginning on October 1, 1991, and ending on December 31, 1997,".

(k) AUTHORITY TO MAKE GRANTS FOR ASSISTANCE IN FURNISHING SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—(1) Section 3(a) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102-590; 106 Stat. 5136; 38 U.S.C. 7721 note) is amended by striking out "fiscal years 1993, 1994, and 1995," and inserting in lieu thereof "fiscal years 1993 through 1997,".

(2) Section 12 of such Act (106 Stat. 5142) is amended by striking out "each of the fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "each of fiscal years 1993 through 1997".

(l) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(D) $10,000,000 for fiscal year 1996.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1996".

(m) EFFECTIVE DATE.—Except as provided in subsections (a)(1) and (f)(1), the amendments made by this section shall take effect on October 1, 1995.

Mr. SIMPSON. Mr. President, I am pleased to rise to comment briefly today, as chairman of the Veterans' Affairs Committee, on an important and, I think, non-controversial piece of legislation to extend the effective dates of certain legal authorities under which the Department of Veterans Affairs [VA] operates. Several of these authorities have expired recently. Except as I will discuss in a moment, each of these "extender" provisions was approved by the Veterans' Affairs Committee, by a unanimous voice vote, when the Committee marked up S. 991 on September 20, 1995, and ordered that that bill be favorably reported without written report.

In explaining this bill, Mr. President, let me first itemize the provisions of the bill as reported by the Veterans' Affairs Committee on September 20, 1995. Then I will explain the amendments to those provisions contained within a substitute amendment which I have offered today with the concurrence of the committee's ranking minority member, Senator JAY ROCKEFELLER. To summarize, I introduced S. 991 as a "by request" bill on behalf of the administration on June 29, 1995. It was reported in amended form by the Veterans' Affairs Committee on September 20, 1995. The bill would be further amended today—to incorporate, for example, extender provisions contained in legislation introduced in the other body—in order to facilitate the other body's approval of this legislation before the current year ends.

As for the bill as approved by the Veterans' Committee on September 20, the first section of that bill would extend through next year extant legal authorities which grant to so-called "environmental veterans"—specifically, those who were exposed to ionizing radiation during service; those who served in the Republic of Vietnam and who are, therefore, presumed to have been exposed to dioxin; and those who served in the Persian Gulf war and who are thought, therefore, to have been exposed to toxic substances and other environmental hazards—to priority access to VA hospital care services. That section would also extend through this year a similar "priority access" provision applicable to outpatient care services that applies to Persian Gulf veterans due to the apparently extraordinary—and, to date, still inadequately understood—maladies suffered by those veterans.

The Veterans' Affairs Committee intends to hold extensive hearings in 1996 on an issue that is commonly referred to as "eligibility reform," that is, the proposed recodification—and, we hope, simplification if possible—of very complex rules which presently govern which veterans shall have priority access to which categories of health care services. A number of eligibility reform proposals have been advanced—by the other body; by the VA; and by Veterans Service Organizations—all of which would, in some way, effect the relative priority given now to "environmental veterans" who have priority access to VA health care services under the rules we would extend today.

My thinking on the question of moving now to change substantively the eligibility rules for "environmental veterans"—an action which the other body would apparently like to take now in isolation from other eligibility reform issues—is this: the committee will be looking into this question, and related questions, in considerable depth in 1996 when it takes up the broader issue of eligibility reform. That being the case, it is appropriate for us now to extend for one year the current rules as they are currently in force until we have a chance to study the House proposal to scale back special eligibility rules for some, or all, "environmental veterans." That study will be part of the analysis which we will undertake on the entire gamut of health care eligibility issues.

While I think it is appropriate to defer consideration of environmental veterans' eligibility rules for a period, I also think it would be wholly inappropriate for the Congress now to allow some or all of these priority access rules to "die a quiet death" by simply declining to consider extending them further. Allowing these special access rules to expire—or making significant amendments to them—may be appropriate actions for the Congress to take. But they will not be appropriate until the Senate Veterans Affairs Committee has given such proposals the serious and thoughtful consideration they merit.

The Senate Committee will arrive at its own judgments on eligibility reform matters after it holds hearings, builds a record, and debates the issues. It will not take up such issues prematurely. And it will not take up such issues prematurely. And it will not take them up on a piecemeal basis. There will be time in 1996 to study the current rules governing access to VA health care by Persian Gulf, Vietnam and radiation-exposed veterans. In the interim, we should extend the current standards until such time as that study can take place.

The other provisions of law which we would extend today are far less controversial than those pertaining to the relative access of some classes of veterans to health care services. This bill would also, for example, extend VA's legal authority to contract for drug and alcohol abuse treatment services. It would, in addition, extend a number of legal authorities under which VA either itself provides, or contracts for others to provide, health care and other services to homeless veterans. It would extend VA's current pilot program on noninstitutional alternatives to nursing home care. Finally, it would extend: VA's Health Professional Scholarship Program; VA's authority to use local pay surveys to determine the appropriate level of locality pay for VA nurse anesthetists; and VA's authority to enter into certain property leasing transactions.

As I have noted, Mr. President, these provisions are relatively non-controversial. All on the Committee were willing, at minimum, to allow the programs authorized by these provisions of law to continue—at least for a period while they are subjected to further analysis. The Senate Committee is unwilling at this time to "kill" any such provision of law, through inaction, as opposed to making an affirmative determination that the program ought to be terminated.

There has been, however, one unanticipated exception to the "rule" that the Veterans Committee would not terminate programs or benefits by declining to extend legal authorities previously enacted. That exception is the extension of VA authority to guarantee adjustable rate home mortgage loans (so-called "ARMs") which was approved by the Committee at markup but which would be excised from the bill under the amendment that I offer today.

The Congress approved a 3-year "demonstration project" in 1992 which authorized VA, for the first time, to include adjustable rate mortgages in its home loan guaranty program. It appears that the program has been a success, and I had hoped, therefore, to extend it. As distinguished from the other body, however—which proposed to make VA's authority to guarantee ARMs permanent—I had proposed when I introduced S. 991 to extend the ARM "demonstration project" for 2 more years before considering giving it permanent status so that the committee might have an opportunity to view the performance of such loans over a wider range of interest rates. The Veterans' Committee concurred with that judgment when it approved such a 2-year extension on September 20.

When the committee acted, however, it was relying on a preliminary, informal cost estimate provided by the Congressional Budget Office [CBO]. That informal cost estimate indicated, in effect, that adjustable rate mortgages—at least the relatively conservative adjustable rate mortgages guaranteed by VA—are not significantly more likely than fixed rate mortgages to go into default and that, therefore, an extension in VA's authority to guarantee such loans would not subject the Government to significantly higher exposure to loss—and, in turn, costs—than fixed rate home loans.

CBO, however, reconsidered its preliminary, informal view on the potential cost of VA guarantees of adjustable rate mortgage loans. By letter issued on October 25, 1995—which I request, Mr. President, be made part of this RECORD in its entirety—CBO concluded as follows:

> Adjustable-rate mortgages involve a greater subsidy cost to the federal government than fixed rate mortgages (FPMs) because they have a higher likelihood of default. ARMs are more risky than FPMs, not only because interest rates can rise, but because home buyers with a given amount of income usually can qualify to borrow more money with an ARM than with a FPM, thereby becoming more financially leveraged. Thus, borrowers with the greatest risk can opt for an ARM over a FPM. This greater risk results in higher delinquency and foreclosure rates.

Based on this analysis, Mr. President, CBO estimated that an extension of VA's authority to guarantee ARMs would cost VA $36 million in fiscal year 1996 and $33 million in fiscal year 1997.

I was surprised, Mr. President, to learn of this cost estimate from CBO, especially since CBO did not so "cost" the legislation that enacted the ARM guarantee "demonstration project" just 3 years ago. As I understand it, VA guaranteed ARMs have more conservative underwriting standards than other ARMs. In addition, the monthly payments to be made by borrowers using VA guaranteed adjustable rate financing fluctuate less than payments under other ARMs since annual interest rate increases on VA-guaranteed ARMs are "capped" at 1 percent, rather than at 2 percent as is common practice. In light of these distinctions, the Veterans Affairs Committee has operated under the belief that VA guarantee ARMs would "perform" better than other ARM's—and that the Government, therefore, would not be exposed to inordinate loss. We had hoped to extend this "demonstration project" to see, through a review of VA's actual loss data, if that belief was well grounded.

Be that as it may, Mr. President, CBO's cost estimate makes such an extension impossible for all practical purposes. If this legislation were to propose an extension in this "demonstration project," it would also have to propose money-saving legislation to "offset" the costs which CBO estimates would be incurred if the ARM extension were to be enacted. The committee has no such legislation to propose at this time; all cost-saving measures the committee was able to approve are already contained in the Veterans' Committee's portion of the budget reconciliation Balanced Budget Act now before the Congress. Accordingly, the chairman's amendment which I have proposed today would remove the ARM extender from S. 991.

There is another aspect of my substitute amendment that merits explanation. As I have discussed, the substitute would remove one home loan provision—the one which would have extended VA's ARM authority—but one which would have extended VA's ARM authority—but it would also add to the bill four other home loan-related authorities. These provisions are drawn from legislation introduced in the other body. They are not controversial.

First, my amendment would extend for a 2 year period VA's authority to guarantee home loans having interest rates negotiated by the borrower with the lender. Until 1992, VA established, by administrative action, maximum permissible mortgage interest rates to be allowed on VA guaranteed mortgages are a given point in time. VA attempted to "track" market-set interest rates, but despite its best efforts, there often were differentials between market rates and VA-set rates, if only due to delays in administrative action.

Such differentials did not necessarily result in veteran-borrowers getting a "good deal." More typically, when VA ceilings were set below prevailing rates, the "spread" was offset by the charging of so-called "points." Those points were assessed to the seller—not the veteran-borrower—but again, that did not mean that the veteran got a "good deal." Sellers' points were typically recovered by sellers through increases in the selling prices of homes. In short, they were "passed through" to the veteran-buyer; veteran-buyers gained no advantage, typically, even though the interest rates they were being charged appeared to be "below market." Rather, they paid for the interest rate differential "up front" through higher purchase prices. My amendment's extension of the allowance of market-set interest rates—as is the result when rates are negotiated by the borrower in today's competitive marketplace—eliminates such distortions.

My amendment, in addition, would extend VA authority to guarantee "energy efficient" mortgages. Most would agree that improvements to homes to achieve energy efficiency are desirable. Since 1992, VA has permitted the costs incurred in adding such improvements to a home—which improvements can, and often do, enhance the value of a property in the marketplace—to be "rolled in" to the mortgage loan-financed costs of the home. This program appears to have had some social utility, and insofar as the committee has been able to determine, it has not resulted in losses to the Government. Therefore, I propose today that this program be extended for 2 more years.

My amendment would, in addition, extend for 2 years VA's authority to allow lenders access to appraisals on the properties they finance. This provision, of course, is only reasonable; there is no reason for lenders not to have access to such information.

All three of these extenders—an extension in VA's authority to guarantee marketplace-set interest rate loans; an extension in VA's authority to guarantee "energy efficient" mortgages; and an extension in VA's allowance of access to property appraisals by lenders—seem, perhaps, to be "no brainers" to use a current vernacular. They are extensions of law, however, that rely on analysis that the Senate Committee has not had opportunity to evaluate. In addition, they are "extenders" which VA-proposed legislations—S. 991 as introduced by me on June 29, 1995, on the administration's behalf—did not request. I expect that the committee will study these provisions over the next 2 years. At that time, I expect that the committee will be in better position to consider permanent authorizations. In the meantime, I would suggest that these measures, which CBO has concluded would have no significant budgetary impact when it "costed" them for the other body, ought to be extended for 2 years.

My proposed amendment would also extend, for a 1-year period, VA's "enhanced loan asset sale authority." This authority—which, in summary, facilitates the marketing of instruments by which sales of foreclosed VA-owned properties are financed—has already been approved by the committee, and the Congress, as part of the Balanced Budget Act. This provision, which will save the Government $35 million over a 7-year period, will expire at the end of the year. We surely hope that the Balanced Budget Act will be approved before then, and that that legislation will affect an extension in this authority. Because, however, a lapse in such authority would be disruptive to VA's efforts to "bundle" and sell its mortgage-backed securities, my amendment would extend that authority through this legislation while the Congress considers further changes in the Balanced Budget Act.

Finally, Mr. President, my amendment would modify four of the expiration time frames approved by the Senate Committee when it considered this legislation in September. It would propose to extend through 1997—rather than through 1996, as approved by the committee—VA's pilot program for noninstitutional alternatives to nursing home care. It would extend VA's authority to survey local communities for appropriate comparability pay data for nurse anesthetists through 1997 rather than through 1999. It would extend VA's Health professional Scholarship Program through 1997 rather than through 1996. And it would extend the McKinney Act's Homeless Veterans' Reintegration Project through 1997 rather than through 1996.

The purpose of these modifications, Mr. President, is to conform our bill more closely to the time frames approved by the other body and, thereby, to promote the prospects for agreement. I might also note that the fourth of these time frame modifications—the expansion of the McKinney Act's Homeless Veterans' Reintegration Project extension from 1 year to 2 years—is a matter that I know is one of deep personal concern to my good friend, the Senator from Minnesota.

In closing, Mr. President, let me say that I hope the Senate will approve S. 991 as favorably reported by the Veterans' Affairs Committee on September 20, 1995, and as further amended today. Let me say, as well, that I hope the other body will approve it expeditiously. It is good, sound legislation; there should be no controversy on it. Other matters can be resolved in this new year—and they will be resolved—so long as all who are concerned about the needs of the Nation's veterans continue to approach this serious business in the cooperative spirit that has been so productive in the past.

Mr. President, I appreciate the time that has been afforded me.

I ask unanimous consent a CBO cost estimate and an October 25, 1995, cover letter from June O'Neill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 25, 1995.

Hon. ALAN K. SIMPSON,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office (CBO) has reviewed S. 991, a bill to amend title 38, United States Code, and other statutes to extend VA's authority to operate certain programs, collect copayments associated with provision of medical benefits, and obtain reimbursements from insurance companies for care furnished, as ordered reported by the Senate Committee on Veterans' Affairs on September 20, 1995.

The bill would affect direct spending and thus would be subject to pay-as-you go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985. The bill would not affect the budgets of state of local governments.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 991.

2. Bill title: A bill to amend title 38, United States Code, and other statutes to extend VA's authority to operate certain programs, collect copayments associated with provisions of medical benefits, and obtain reimbursements from insurance companies for care furnished.

3. Bill status: As ordered reported by the Senate Committee on Veterans' Affairs on September 20, 1995.

4. Bill purpose: The bill would extend certain expiring authorities of the Department of Veterans Affairs. Contrary to the title of the bill, it would not affect copayments or reimbursements from insurance companies.

5. Estimated cost to the Federal Government: The following table summarizes the estimated budgetary impact of S. 991.

[By fiscal years in millions of dollars]

	1995	1996	1997	1998	1999	2000
DIRECT SPENDING						
Spending Under Current Law:						
Estimated budget authority	37	0	0	0	0	0
Estimated outlays	37	0	0	0	0	0
Proposed Changes:						
Estimated budget authority	0	36	33	0	0	0
Estimated outlays	0	36	33	0	0	0
Spending Under S. 991:						
Estimated budget authority	37	36	33	0	0	0
Estimated outlays	37	36	33	0	0	0
SPENDING SUBJECT TO APPROPRIATIONS ACTION						
Spending Under Current Law:						
Budget authority [1,2]	177	25	0	0	0	0
Estimated outlays	190	46	2	0	0	0
Proposed Changes:						
Estimated authorization level	0	144	79	13	0	0
Estimated outlays	0	117	93	26	0	0
Spending Under S. 991:						
Estimated authorization level [1,2]	177	168	79	13	0	0
Estimated outlays	190	163	95	26	0	0

[1] The 1995 figure is the amount already appropriated.

[2] Amounts for fiscal years 1996 through 2000 are authorizations subject to appropriations action.

6. Basis of estimate: The estimate assumes enactment of the bill and appropriation of the authorized amounts for each fiscal year. CBO used historic spending rates for estimating outlays. The following section-by-section cost analysis addresses only those sections of the bill that would have a significant budgetary impact.

DIRECT SPENDING

Section 1(d) would give VA authority to guarantee adjustable-rate mortgages (ARMs) through 1997; previous authority expired on September 30, 1995. CBO estimates that this extension would cost $36 million in 1996 and $33 million in 1997.

Adjustable-rate mortgages involve a greater subsidy cost to the federal government than fixed-rate mortgages (FRMs) because they have a higher likelihood of default. ARMs are more risky than FRMs, not only because interest rates can rise, but because home buyers with a given amount of income can usually qualify to borrow more money with an ARM than with a FRM, thereby becoming more financially leveraged. Thus, the borrowers with the greatest risk can opt for an ARM over a FRM. This greater risk results in higher delinquency and foreclosure rates.

CBO bases its esimate on recent loan delinquencies reported by the Federal National Mortgage Association (Fannie Mae), the federal agency that has the most experience tracking the performance of adjustable-rate mortgages. Although data regarding the rate at which Fannie Mae forecloses on mortgages are not available, the delinquency rate for the ARMs Fannie Mae had purchased has been almost 2.5 times that of fixed-rate mortgages over the past 12 months. Because of VA's supplemental servicing program, the easy conversion option to a fixed-rate program, and the lower cap on annual interest rate increases (1 percent compared to 2 percent for Fannie Mae), the difference in foreclosure rates between VA ARMs and FRMs is likely to be less than the difference in delinquency rates between Fannie Mae ARMs and FRMs. CBO estimates that VA ARMs have a foreclosure rate 1.75 times the rate for VA FRMs. We also assume that the percentage of ARMS guaranteed by VA would be the same as it was in 1994, about 12 percent of all VA originations. Based on a baseline foreclosure rate of 10.3 percent for FRMs for 1996, the estimated foreclosure rate for VA ARMs would be 18 percent. Thus, the subsidy cost for VA ARM loans would be about $36 million in 1996 and $33 million in 1997 based on annual loan volumes of 27,000 and 23,000 in 1996 and 1997, respectively.

VA has had the authority to guarantee ARMs only since 1993, and as a result, the available data are not very useful for projecting defaults. Recent data from the Federal Housing Administration (FHA), the model for the VA ARM program, shows that the ARMs it guarantees have foreclosure rates similar to those of FRMs it guarantees. Nevertheless, there is strong reason to believe that this is a short-term phenomenon and that FHA ARMs, like Fannie Mae ARMs, will prove to have higher foreclosure rates than FRMs. First, the data from FHA are too sparse to use for estimating relative foreclosure rates. FHA has been guaranteeing ARMs for ten years but only in the last few years have these loans made up a significant portion of FHA's originations. Second, during this period, mortgage rates have been quite low by historical standards.

SPENDING SUBJECT TO APPROPRIATIONS ACTION

This bill contains several provisions that would be subject to appropriations action.

Medical Treatment for Persian Gulf Veterans. Section 1(a) would extend from December 31, 1995, to December 31, 1996, VA's authority to provide medical treatment to veterans who may have been exposed to toxic substances while serving in the Persian Gulf War. Since 1992, about 180,000 veterans have sought outpatient care for ailments believed to have resulted from exposure to toxic substances while serving in the Gulf War.

Based on estimates from VA, the cost of treating and testing these veterans would be $60 million for the final nine months of fiscal year 1996 and $20 million for the first three months of 1997.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	60	20	0	0	0
Estimated outlays	52	28	0	0	0

Drug and Alcohol Abuse and Dependence. For about 15 years VA has been authorized to contract with third parties to treat veterans suffering from alcohol and drug abuse. Section 9(b) would extend authority to provide contract care from December 31, 1995 to December 331, 1997. At the discretion of the Secretary of Veterans Affairs, VA would be able to contract with halfway houses and other community-based organizations to provide short-term care and therapeutic services to veterans with alcohol and drug dependencies. In 1994, VA spent almost $9 million on contracts with organizations that helped veterans suffering from substance abuse. Under this section, VA would spend over $6 million in the last three quarters of 1996 and help more than 6,000 veterans during the entire fiscal year.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	7	9	2	0	0
Estimated outlays	6	9	4	0	0

Noninstitutional Alternatives to Nursing Home Care. Section 1(c) would extend until December 31, 1996, a pilot program on nursing homes that allows the Secretary of Veterans Affairs to pay for alternatives to nursing home care. At present, VA can contract with private and community providers of non-institutional nursing home care to provide homemaker and home health services to eligible veterans. Certain criteria must be met by veterans in order to qualify for the program. In general, veterans with a service-connected rating of more than 50 percent and veterans needing nursing home care for service-connected disabilities have priority in receiving this care. Participants must be at least 75 years old and meet other specific requirements pertaining to health and ability to live independently. The cost of non-institutional care cannot exceed 65 percent of what it costs VA to provide each individual nursing care at its facilities ($32,371 in 1994).

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	18	5	0	0	0
Estimated outlays	16	7	0	0	0

In 1994, VA spent almost $10 million and provided noninstitutional care to 1,500 veterans. The number of veterans participating in the program is expected to grow to 2,700 in 1996 and would cost $18 million for that year.

Health Professional Scholarship Program. In 1994, VA awarded scholarships to 374 VA nurses and other health professionals. These competitive scholarships allowed VA health care professionals to enroll in a full-time course of study leading to either an associate, baccalaureate, or master's degree. Award winners receive payments for tuition, educational expenses, and a monthly stipend—all tax free. The program helps VA recruit and retain nurses and other health care professionals, particularly for health care disciplines in which VA is experiencing recruitment difficulties. In return for the award, recipients incur a service obligation of two years to the VA.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	8	3	0	0	0
Estimated outlays	8	3	0	0	0

Section 1(g) would extend the authorization of the program from December 31, 1995, to December 31, 1996. For 1996, the cost of the program would be almost $8 million for the last nine months of the year. VA anticipates that this amount of funding would pay for 427 awards.

Enhanced-Use Leases of Real Property. Section 1(h) would extend for two years the authorization for VA to use enhanced-use leases of real property and would result in no significant costs. Enhanced-use leases of real property allow VA to enter into contracts with private companies to develop or employ underutilized land or other assets under the control of VA. In most instances, VA would allow a private developer to build on property owned by VA, and in return the developer would allow VA partial use of the newly developed facility at below market price. In the past, VA has contracted for child care centers and cafeterias where VA received below market prices for its employees who use the facility.

With the exception of leases made to provide child-care services, no more than 20 enhanced-use leases may be entered into at any one time. Current law permits VA to make payments only for those enhanced-use leases that provide space or services for which funds have been appropriated in advance.

Community-Based Residential Care for Chronically Mentally Ill Veterans. In 1994, VA spent just over $24.5 million to provide 9,000 Homeless Chronically Mentally Ill (HCMI) veterans community-based residential care. The HCMI program began in 1987 and has been reauthorized periodically. The program operates out of 71 VA facilities and targets homeless veterans with psychiatric or drug abuse problems. VA estimates that the number of homeless veterans on any given night varies from 150,000 to 250,000. Case workers seek out these veterans at homeless shelters or on the street and help them find appropriate health care and social services. These veterans are usually placed in community programs under contract with VA. The average cost of providing this service was $39 per day per veteran in 1994. The average stay was 71 days.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	28	29	8	0	0
Estimated outlays	25	28	11	0	0

VA anticipates that in 1996 it would be able to help almost 9,700 of the several hundred thousand homeless veterans at a cost of over $28 million. Section 1(i) would extend this program through December 1997.

Compensated Work Therapy and Therapeutic Transitional Housing (CWT). Section 1(j) would continue a demonstration program aimed at helping eligible veterans with severe mental illness and drug and alcohol problems return to mainstream society. The program offers veterans treatment while employed in the CWT program. This program differs from therapy programs because veterans pay rent to offset the cost of acquiring and maintaining the property in which they reside. VA has purchased 46 residences which will have 404 beds when fully operational. An additional four residences with a total of 60 beds are planned. Expansion beyond 50 residences would require a change in current law. To serve 316 veterans in 1994, VA spent about $3 million.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	4	4	1	0	0
Estimated outlays	3	4	1	0	0

Grants for Assistance in Furnishing Services and Assistance to Homeless Veterans. Section 1(k) expands VA's authority to work with community and public groups to provide services to homeless veterans. This program provides seven comprehensive homeless shelters, authorizes placement of counselors in 12 homeless shelters, allows for grants to public and community organizations to provide transitional assistance to veterans, and authorizes VA to make per diem payments to organizations eligible to receive grants. This program would be authorized until December 31, 1997. Reauthorization of the program is needed only to continue the homeless grant and per diem programs.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Estimated authorization level	9	9	2	0	0
Estimated outlays	7	9	4	0	0

In 1994, $8 million was appropriated for this program, $5.6 million of which was used for the grant program. The number of veterans affected by the program is uncertain, and VA is developing a plan to evaluate its effectiveness. CBO estimates the cost of the program in 1996 would be about $9 million.

Homeless Veterans Reintegration Projects. Section 1(l) would authorize appropriations for Homeless Veterans Reintegration Projects. The provision specifies an authorization level of $10 million in 1996.

[By fiscal years, in millions of dollars]

	1996	1997	1998	1999	2000
Authorization level	10	0	0	0	0
Estimated outlays	1	4	5	0	0

7. Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. The bill would have the following pay-as-you-go impact:

[By fiscal years, in millions of dollars]

	1996	1997	1998
Change in outlays	36	33	0
Change in receipts	(1)	(1)	(1)

[1] Not applicable.

8. Estimated cost to State and local governments: None

9. Estimate Comparison: None

10. Previous CBO estimate: On October 5, 1995, CBO prepared a cost estimate for H.R. 2289 as ordered reported by the House Committee on Veterans' Affairs (HVAC) on September 20, 1995. The estimate included the cost of extending permanently the VA ARM program and extending for three years the homeless veterans job training program. CBO's cost estimate for H.R. 2353 as ordered reported by HVAC on September 20, 1995, included estimates for several other provisions that are also part of S. 991.

11. Estimate prepared by: Michael Groarke.

12. Estimate approved by: Paul N. Van de Water, Assistant Director, for Budget Analysis.

Mr. ROCKEFELLER. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I urge the Senate to give its unanimous support to the pending measure, S. 991, legislation that would extend a variety of veterans programs and authorities that have expired. The proposed extensions are relatively short-term ones—1 or 2 years—to ensure that the program or authority remains in place while the committee takes the opportunity to review the various issues in more detail.

Consideration of this measure was sought late last month so that it might have been enacted before a number of the programs and authorities actually expired, but we were blocked from acting at that time by an objection unrelated to any provision in the bill. I truly regret that the Senate was delayed in considering this measure, but am pleased that we are now about to act on it. My sincere hope is that our colleagues in the House will take it up as soon as possible so as to remove any question about the programs and authorities covered by this legislation.

Mr. President, this measure was ordered reported, without written report, by the Veterans' Affairs Committee on September 20, 1995, and comes before the Senate today with an amendment offered by the committee chairman, Senator SIMPSON. The chairman's amendment, which I support, deletes one provision from the bill as ordered reported—relating to VA's authority to guarantee home loans involving adjustable rate mortgages—because of unanticipated costs being attributed to the enactment of that provision by the Congressional Budget Office. In addition, his amendment adds four additional extension provisions—all relating to VA's home loan guaranty program—that came to the committee's attention after the committee meeting in September.

There is no objection as far as I know to any of the provisions in the bill as it will be amended, and I urge its swift enactment so that it can reach the House as soon as possible for action in that Chamber.

SUMMARY OF PROVISIONS

Mr. President, the bill, as amended, contains 16 provisions which would provide for the following extensions of programs and authorities:

First, extend until December 31, 1996, the special eligibility for VA inpatient care which is accorded to certain veterans—those exposed to ionizing radiation from nuclear weapons tests or the occupation of Japan following World War II; Vietnam veterans exposed to herbicides during their service; and Persian Gulf war veterans exposed to environmental hazards during their service. Any care furnished to veterans exposed to radiation or herbicides pursuant to this authority between its expiration on June 30 of this year and the date of enactment of this measure would be ratified.

Second, extend until December 31, 1996, the special eligibility for VA outpatient care accorded to Persian Gulf war veterans.

Third, extend until December 31, 1997, VA's authority to contract for community-based drug and alcohol care.

Fourth, extend until December 31, 1997, VA's pilot program of non-institutional alternatives to nursing home care.

Fifth, extend until December 31, 1997, VA's authority to guarantee loans which bear an interest rate negotiated between the veteran and the lender.

Sixth, extend until December 31, 1997, VA's authority to guarantee loans that include costs related to making energy efficiency improvements to the dwelling that is the object of the loan.

Seventh, extend until December 31, 1996, VA's enhanced loan asset sale authority pursuant to which VA guarantees the timely payment of principal and interest to purchasers of real estate mortgage investment conduits.

Eighth, extend until December 31, 1997, VA's authority to permit a lender who is authorized to make loans which are automatically guaranteed to review appraisals.

Ninth, extend until December 31, 1997, VA's authority to enter into agreements with nonprofit organizations and State and local governments whereby such entities acquire real property, or the use of such property, from VA in order to furnish services to homeless veterans.

Tenth, extend until December 31, 1997, VA's authority to use data on compensation paid to nurse anesthetists who work on a contract basis for non-VA entities in determining appropriate locality pay for nurse anesthetists who work for VA.

Eleventh, extend until December 31, 1997, VA's Health Professional Scholarship Program.

Twelfth, extend until December 31, 1997, VA's authority to enter into enhanced-use leases with non-VA entities.

Thirteenth, extend until December 31, 1997, VA's program of community-based residential care for homeless chronically mentally ill veterans.

Fourteenth, extend until December 31, 1997, VA's authority to carry out a demonstration program of compensated work therapy and therapeutic transitional housing.

Fifteenth, extend until September 30, 1997, VA's authority to make grants to entities for the purpose of furnishing services and assistance to homeless veterans.

Sixteenth, extend until September 30, 1997, the Department of Labor's homeless veterans' reintegration projects and authorize appropriations of $10 million for this program.

CONCLUSION

Mr. President, this legislation would extend a number of important authorities and programs, and I urge all of my Senate colleagues to support it. As I noted at the outset, our consideration of this bill was delayed because of unrelated concerns and it is vital that we act as quickly as possible to reauthorize the various programs and authorities.

Mr. President, I express my appreciation to the chairman of our committee, Mr. SIMPSON, and all other members of the committee, for their work on this measure. I look forward to working with my colleagues in the Senate, as well as members of the House Committee on Veterans' Affairs, on its enactment.

Mr. President, I urge the Senate to give its unanimous approval to this measure.

Mr. WARNER. Mr. President, I ask unanimous consent that the amendment I now send to the desk be agreed to, the committee substitute, as amended be agreed to, the motion to reconsider be laid on the table, and the bill then be read a third time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3116) was agreed to as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. EXTENSION OF EXPIRING AUTHORITIES.

(a) AUTHORITY TO PROVIDE PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO TOXIC SUBSTANCES.—(1) Effective June 29, 1995, section 1710(e)(3) of title 38, United States Code, is amended by striking out "after June 30, 1995," and all that follows through "December 31, 1995" and inserting in lieu thereof "after December 31, 1996".

(2) Section 1712(a)(1)(D) of such title is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 1996,".

(b) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(c) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of such title is amended by striking out "September 30, 1995," and inserting in lieu thereof "December 31, 1997,".

(d) NEGOTIATED INTEREST RATES.—Section 3703(c)(4)(D) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(e) MORTGAGES FOR ENERGY EFFICIENT IMPROVEMENTS.—Section 3710(d)(7) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(f) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h)(2) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1996".

(g) AUTHORITY OF LENDERS OF AUTOMATICALLY GUARANTEED LOANS TO REVIEW APPRAISALS.—Section 3731(f)(3) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(h) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(i) USE OF DATA ON COMPENSATION FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—Effective March 31, 1995, section 7451(d)(3)(C)(iii) of such title is amended by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1997".

(j) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(k) ENHANCED-USE LEASES OF REAL PROPERTY.—Section 8169 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(*l*) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "December 31, 1997".

(m) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102–54 (38 U.S.C. 1718 note) is amended by striking out "fiscal years 1991 through 1995" and inserting in lieu thereof "the period beginning on October 1, 1991, and ending on December 31, 1997,".

(n) AUTHORITY TO MAKE GRANTS FOR ASSISTANCE IN FURNISHING SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—(1) Section 3(a) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102–590; 106 Stat. 5136; 38 U.S.C. 7721 note) is amended by striking out "fiscal years 1993, 1994, and 1995," and inserting in lieu thereof "fiscal years 1993 through 1997,".

(2) Section 12 of such Act (106 Stat. 5142) is amended by striking out "each of the fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "each of fiscal years 1993 through 1997".

(o) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(D) $10,000,000 for fiscal year 1996.

"(E) $10,000,000 for fiscal year 1997.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1997".

(p) EFFECTIVE DATE.—Except as provided in subsections (a)(1) and (i), the amendments made by this section shall take effect on October 1, 1995.

(q) RATIFICATION OF ACTIONS.—The following actions are hereby ratified:

(1) The furnishing by the Secretary of Veterans Affairs of care and services by virtue of section 1710(a)(1)(G) of title 38, United States Code, during the period beginning on July 1, 1995, and ending on the date of the enactment of this Act.

(2) The furnishing by the Secretary of services in noninstitutional settings by virtue of section 1720C of such title during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(3) The use by any director of a Department of Veterans Affairs health-care facility of data on rates of compensation paid to certified nurse anesthetists in a labor market area under section 7451(d)(3)(C) of such title during the period beginning on April 1, 1995, and ending on the date of the enactment of this Act.

(4) The furnishing by the Secretary of care for homeless chronically mentally ill and other veterans by virtue of section 115 of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(5) The furnishing by the Secretary of work therapy and therapeutic transitional housing by virtue of section 7 of Public Law 102–54 (38 U.S.C. 1718 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(6) Grants made by the Secretary to furnish services to veterans under section 3 of the Homeless Veterans Comprehensive Services Programs Act of 1992 (38 U.S.C. 7721 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. WARNER. Mr. President, I now ask unanimous consent that the Veterans' Affairs Committee be discharged from further consideration of H.R. 2353, that the Senate proceed to its immediate consideration, that all after the enacting clause be stricken, and the text of S. 991, as amended, be inserted in lieu thereof, that the bill as thus amended be passed, and the motion to reconsider be laid upon the table, and S. 991 be then returned to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2353), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 2353) entitled "An Act to amend title 38, United States Code, to extend certain expiring authorities of the Department of Veterans Affairs relating to delivery of health and medical care, and for other purposes.", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. EXTENSION OF EXPIRING AUTHORITIES.

(a) AUTHORITY TO PROVIDE PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO TOXIC SUBSTANCES.—(1) Effective June 29, 1995, section 1710(e)(3) of title 38, United States Code, is amended by striking out "after June 30, 1995," and all that follows through "December 31, 1995" and inserting in lieu thereof "after December 31, 1996".

(2) Section 1712(a)(1)(D) of such title is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 1996,".

(b) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(c) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of such title is amended by striking out "September 30, 1995," and inserting in lieu thereof "December 31, 1997,".

(d) NEGOTIATED INTEREST RATES.—Section 3703(c)(4)(D) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(e) MORTGAGES FOR ENERGY EFFICIENT IMPROVEMENTS.—Section 3710(d)(7) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(f) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h)(2) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1996".

(g) AUTHORITY OF LENDERS OF AUTOMATICALLY GUARANTEED LOANS TO REVIEW APPRAISALS.—Section 3731(f)(3) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(h) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(i) USE OF DATA ON COMPENSATION FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—Effective March 31, 1995, section 7451(d)(3)(C)(iii) of such title is amended by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1997".

(j) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(k) ENHANCED-USE LEASES OF REAL PROPERTY.—Section 8169 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(l) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "December 31, 1997".

(m) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102–54 (38 U.S.C. 1718 note) is amended by striking out "fiscal years 1991 through 1995" and inserting in lieu thereof "the period beginning on October 1, 1991, and ending on December 31, 1997,".

(n) AUTHORITY TO MAKE GRANTS FOR ASSISTANCE IN FURNISHING SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—(1) Section 3(a) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102–590; 106 Stat. 5136; 38 U.S.C. 7721 note) is amended by striking out "fiscal years 1993, 1994, and 1995," and inserting in lieu thereof "fiscal years 1993 through 1997,".

(2) Section 12 of such Act (106 Stat. 5142) is amended by striking out "each of the fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "each of fiscal years 1993 through 1997".

(o) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(D) $10,000,000 for fiscal year 1996.

"(E) $10,000,000 for fiscal year 1997.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1997".

(p) EFFECTIVE DATE.—Except as provided in subsections (a)(1) and (i), the amendments made by this section shall take effect on October 1, 1995.

(q) RATIFICATION OF ACTIONS.—The following actions are hereby ratified:

(1) The furnishing by the Secretary of Veterans Affairs of care and services by virtue of section 1710(a)(1)(G) of title 38, United States Code, during the period beginning on July 1, 1995, and ending on the date of the enactment of this Act.

(2) The furnishing by the Secretary of services in noninstitutional settings by virtue of section 1720C of such title during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(3) The use by any director of a Department of Veterans Affairs health-care facility of data on rates of compensation paid to certified nurse anesthetists in a labor market area under section 7451(d)(3)(C) of such title during the period

beginning on April 1, 1995, and ending on the date of the enactment of this Act.

(4) The furnishing by the Secretary of care for homeless chronically mentally ill and other veterans by virtue of section 115 of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(5) The furnishing by the Secretary of work therapy and therapeutic transitional housing by virtue of section 7 of Public Law 102–54 (38 U.S.C. 1718 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(6) Grants made by the Secretary to furnish services to veterans under section 3 of the Homeless Veterans Comprehensive Services Programs Act of 1992 (38 U.S.C. 7721 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

The title was amended so as to read: "To amend title 38, United States Code, to extend the authority of the Secretary of Veterans Affairs to carry out certain programs and activities, and for other purposes.".

MEASURE READ FOR THE FIRST TIME—S. 1518

Mr. WARNER. Mr. President, I understand that S. 1518 introduced today by Senator BROWN is at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1518) to eliminate the Board of Tea Experts by prohibiting funding for the Board and by repealing the Tea Importation Act of 1897.

Mr. WARNER. I now ask for its second reading.

Mr. FORD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be read for the second time on the next legislative day.

Mr. WARNER. I thank the Chair.

AUTHORITY TO SIGN DULY ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. WARNER. I ask unanimous consent that the Senator from Virginia Mr. [WARNER], be allowed to sign duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, JANUARY 8, 1996

Mr. WARNER. I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 3 p.m. on Monday, January 8; that immediately following the prayer, the Journal of proceedings be deemed approved to date; no resolutions come over under the rule; the call of the calendar be dispensed with; the morning hour be deemed to have expired; the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 3:30 p.m., with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WARNER. For the information of all Senators, rollcall votes are not expected to occur during Monday's session of the Senate. The Senate could, however, turn to any executive or calendar items cleared for action.

ADJOURNMENT UNTIL MONDAY, JANUARY 8, 1996, AT 3 P.M.

Mr. WARNER. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

Thereupon, the Senate, at 9:45 p.m., adjourned until Monday, January 8, 1996, at 3 p.m.

HOUSE OF REPRESENTATIVES—*Friday, January 5, 1996*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. BUNNING of Kentucky].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 5, 1996.

I hereby designate the Honorable JIM BUNNING to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray to You, O God, for justice, but we also accept our responsibility to do the works of justice; we pray to You, O God, for the vision of righteousness, but we know You expect us to walk the road of righteousness; we pray to You, O God, for the blessing of peace, but we accept our obligation to walk the paths of peace. Remind us, gracious God, not to forfeit our accountability or cover our omissions, but let us use the abilities that You have given us in ways that support the common good and strengthen the bonds which bind us together. O gracious God, we thank You for the visions of justice, righteousness, and peace, even as we pray for strength to do our duty to You and to our country. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 2 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1100

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. BUNNING of Kentucky] at 11 a.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will recognize ten 1-minutes from each side.

HAZEL O'LEARY'S TRAVEL EXPERTISE

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, I think now we can see why Mrs. Clinton apparently wanted to get rid of the White House travel agency; they have a travel expert in the Secretary of Energy, Ms. O'Leary. Listen to these great winter fares: India, $729,000; Pakistan, for a mere half million dollars; China, $845,000; and the new low winter discount, South Africa for $560,000. No wonder the White House does not need a travel agency. These are great rates.

I understand, Mr. Speaker and Members of Congress, if you like to travel with your family, your friends, your staff, your associates, the persons you stand next to in the grocery store line, anybody you happen to see on the street, bring them all. They have a fleet of airplanes that used to belong to Madonna or somebody like that, and they can let you fly in comfort with an airplane with stand-up bars, beds, piped-in Barbra Streisand music and everything else in the world. It is a wonderful thing to be doing while the Federal employees are shut out of work because we pay $20 billion each month on interest on the national debt.

Mr. Speaker, this is a national scandal. I would say it is time to do the right thing. Resign, Ms. O'Leary; let the taxpayers have a break.

INTO THE REALM OF THE UNBELIEVABLE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I continue to be amazed by what I hear from the Republican side. I think truly they have gone over to become a bunch of kooks this morning. I heard that they are finally going to bring up a continuing resolution to send the Government workers back to work and to pay them, but I understand they are not going to be able to do their work. They are not going to be spending money or appropriating money so they can actually do their job.

They will be on the job. They will be paid, but they will not be able to perform their job. Then I heard another kooky thing this morning. They are suggesting that the Secretary of the Treasury be impeached because he is trying to avoid a Government default. Truly now, I realize that the Republican side, the Republican leadership has really gone over into the realm of the unbelievable. They are acting like a bunch of crazies who want to impeach the Secretary of the Treasury because he wants to avoid a default, who want to send the Government workers back to work and get paid but they are not allowed to perform their jobs.

HAZEL O'LEARY'S JUNKETS

(Mr. ZIMMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZIMMER. Mr. Speaker, the recent General Accounting Office revelations on Hazel O'Leary's junkets show that her performance is even worse than we had imagined. There are hundreds of thousands of dollars that are completely unaccounted for of the expenditures that she made in her trips overseas.

She spent more days out of the country than in the country, including a trip to South Africa for $663,000 with 63 staffers using Madonna's airplane; India for $730,000 with 37 staffers; Pakistan, $500,000; China, $845,000; Vienna, three times to beautiful Vienna, one time with an entourage so large that a diplomat from the United States wired back to the State Department that the size of her entourage exceeded critical thermonuculear mass.

Moscow, four times, London, Brussels, Florence, Hong Kong, Prague,

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Costa Rica, the Ivory Coast. Mr. Speaker, it is time for Hazel O'Leary to go. She must resign or be fired.

TOP 10 REASONS FOR REPUBLICAN GOVERNMENT SHUTDOWN

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, from the home office in Bronx, NY, the top 10 reasons why House Republicans shut the Government down: No. 10, they are not essential. No. 9, they never liked the Washington Monument anyway. No. 8, if Medicare can wither on the vine, why should not Federal workers? No. 7, furloughed employees will have more time to read Time magazine's Man of the Year story. No. 6, it does not matter whether people work or not; Republicans have been gutting worker protection laws all year long. No. 5, the CR to reopen the Government will contain a clause allowing the Speaker to leave the President's plane by the front door. No. 4, Republicans say furloughed workers will not dare to bitch when we give a tax break to the rich. No. 3, the EPA will not be able to monitor the hot air coming from the freshman House Republican caucus. No. 2, Republicans are writing a new poem entitled, "If Government Can Be Shut, Then Medicare Can Be Cut."

And the No. 1 reason why House Republicans have shut the Government down: To give more time for furloughed workers to return those unwanted Christmas gifts.

GOVERNMENT SHUTDOWN

(Mr. LEWIS of Kentucky asked and was given permission to address the House for 1 minute.)

Mr. LEWIS of Kentucky. Mr. Speaker, what is the truth about the Government shutdown? The truth is this. The radical liberal left of the House of Representatives have been obstructionists for many, many years and they are continuing it this year, and in this coming year.

Mr. Clinton, in his second so-called budget, wanted to slow the rate of growth in Medicare, bring about tax relief. That was greeted with, my goodness, this is terrible, this is awful, from our friends across the aisle.

I wonder when the President talked about extreme Republican freshmen if he should not have looked at himself when he was talking about the tail wagging the dog. Is he afraid he might lose his base if he presents a balanced budget and puts the Government back to work?

JAPAN HAS A NEW PRIME MINISTER

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, while the American Government is shut down, Japan has a new Prime Minister. The new Prime Minister was their Trade Minister, Mr. Hashimoto. The new Trade Minister is the Prime Minister for one major reason: Mr. Hashimoto beat back American demands to open up Japanese markets. The Japanese people say Mr. Hashimoto fights for Japanese workers. Mr. Hashimoto takes care of Japan. Mr. Hashimoto will not cave in to America.

My colleagues, Mr. Hashimoto's rise to power says it all. In Japan, elected leaders are expected and rewarded for taking care of Japan. Maybe in America we should follow suit. Think about it.

WHAT IS TRULY HAPPENING

(Mr. COOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, yesterday the Democratic Party could have put back to work 133,000 public employees in what is called the Interior appropriations bill. We are trying on this side of the aisle to remedy some of the problems that this country faces and putting the Government back to work and providing services for the American people.

We were not able to do that, and yet we are being criticized as the obstructionists in this process. We are not the only obstructionists. We are trying everything possible to put this Government back to work within the balanced budget that we have presented to the President. But instead we are being criticized for doing our work by the other side, who will not even come across and help us put these people back to work.

I think that it is about time we look at the issue. Stop listening to the big lies and start realizing what is truly happening here.

PUT THE GOVERNMENT BACK IN OPERATION

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, lunacy still prevails in the House of Representatives under Speaker NEWT GINGRICH. Since December 15, we have had Federal employees locked out, cannot go to work. We have Federal employees that are working but are not going to get paid.

Now the Republican lunatics are now going to propose that we let the Federal workers go to work, that is fine, get paid, that is fine, but they cannot do anything because they are not going to fund the functions that they are to perform. Lunacy still prevails.

Now, it is interesting to me that just last night the Speaker said, "As a former Army brat, I believe it is morally wrong and indefensible to have Federal workers in the crossfire." Yet he has refused to permit a clean resolution to continue the operation of the Federal Government to come forward.

We, on this side, have repeatedly, since December 15, asked to take up a clean resolution. Let us put the Government back in operation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would caution those who are giving 1-minutes not to use words that might be taken down. "Lunacy" and "lunatics," in addressing any Members on the floor of the House, are not permissible words.

THE HARD NUMBERS

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, $5 trillion of debt, $200 billion deficits, $187,000 in interest debt for a child born today. These are the hard numbers—the facts that back up the need for a balanced budget. I could stand here all day and talk numbers. But, the fact is, Mr. Speaker, balancing the budget is not about numbers—it is about people. People like our children and grandchildren that will bear the burden of today's fiscal irresponsibility. It is about letting taxpayers keep more of their hard-earned money. It is about who can spend money better, the Federal Government or the American family. It is about lower interest rates so families can afford to buy a home and live the American dream. Mr. Speaker, the Republican Congress is serious about balancing the budget—the President needs to start doing what he said he would do, and work with this Congress to give the American people what they deserve—a balanced budget.

IN SUPPORT OF HOUSE JOINT RESOLUTION 155, A CLEAN CONTINUING RESOLUTION

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Ms. JACKSON-LEE. Mr. Speaker, it is obvious that we have an extreme disagreement about this budgeting process. Many of us disagree that we should take $245 billion as a tax cut to give to those making over $200,000. That is a fair debate, Mr. Speaker. But what we should not be doing is holding hostage public servants who need to provide services for Americans.

I agree with the Speaker of the House that it is morally wrong and indefensible to have Federal workers in the crossfire. Again, Mr. Speaker, I agree with that. This is why House Joint Resolution 155, a clean continuing resolution that I introduced with over 40 original cosponsors will open this Government entirely for the veterans, for those receiving Social Security, for those receiving Meals on Wheels, for the NASA employees preparing now to launch another *Challenger*, for passports for businesses in Houston, TX, who are being blocked by not being able to do their business, and the missionaries that cannot go and do missionary work.

Mr. Speaker, pass a clean continuing resolution that will open this Government today, House Joint Resolution 155.

IN SUPPORT OF A BALANCED BUDGET

(Mr. FRISA asked and was given permission to address the House for 1 minute.)

Mr. FRISA. Mr. Speaker, I am proud to stand tall in this Congress as a freshman Republican, because for the first time in more than a lifetime Congress has done its job. We have done the hard work to balance our budget with no gimmicks and no tricks.

But our big spending President refuses to do his job. He talks. He ducks. He zigs. He zags. He flips and he flops. But the one thing the President will not do is his job. That is to present the balanced budget.

I think the American people, Mr. Speaker, should call the White House at 202-456-1414. Ask the President where is his balanced budget. America demands it for our children and our grandchildren. It is about time the President rolled up his sleeves and did the hard work for America.

TAX DOLLARS NOT AT WORK

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, today is day 21 of the Government shutdown. Again, your tax dollars are not at work. But it does appear that the haze may be lifting a bit on the Republican side. Even these self-styled revolutionaries seem to have figured out that Government operations are essential and that we should not be abusing the taxpayers' employees by having them out of work.

□ 1115

The only problem is, while they are proposing to send them back to work with pay, they are not proposing to fund the operations and functions that they perform. It seems highly questionable. Let us take a look.

Toxic waste inspections that preserve our clean water cannot be performed, health inspections may not be able to be performed. Occupational safety inspections may not be performed, and trade operations at the Department of Commerce may not be performed, these trade operations which create jobs.

So, although the haze may be lifting a little bit, there is still a lot of confusion because the employees are at work, but they cannot do their jobs.

IT IS TIME TO GET THE FEDERAL WORKERS BACK TO WORK

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, I was moved today to hear the comments of a young man from Baltimore at a rally outside here, a Federal employee talking about the hardships that this furlough has placed on him and his young family, and I place the following in the CONGRESSIONAL RECORD:

> Like the rest of you who are here today, I am a furloughed Federal Government employee . . . and I am essential.
>
> I work for the Health Care Financing Administration in Baltimore, Maryland. At HCFA, I work to assure that all Medicare and Medicaid beneficiaries receive quality health care. While my fellow furlough workers and I are not at work, millions of beneficiaries run the risk of not receiving quality health care. This is an extremely serious matter.
>
> I am here today to explain to President Clinton, Bob Dole, Newt Gingrich, Dick Armey and other House Republicans what it means to be on furlough while the Government continues to be shut down.
>
> I am not alone. My situation is not unique. This past summer I got engaged to be married. My fiance is a full time graduate student. We knew this year was going to be tough managing on one income. Not this tough. The rent is still due on the 1st of the month. Creditors want their payments. Tuition needs to be paid. Our lives will go on, but not without some serious pain.
>
> The furlough not only has affected my state of finances, but also my state of mind. First, our political leaders declare us "not essential"—an ultimate slap in the face. Then they allow this Government Shutdown to continue through Christmas and New Years—Happy Holidays everyone. Lastly, we have been told that we will receive back pay. This, however, does not keep the creditors at bay.
>
> We deserve the respect we are entitled to. We serve because we want to serve. We work for the Federal Government because we want to help the public. Are the negotiators really helping the public? I think not.
>
> Here we are standing in front of the U.S. Capitol. A symbol of Democracy. An institution where leaders debate over differences in ideology. In the past, these debates have ended in compromise. Compromise is the name of the game. If an individual decides to come to Washington, DC to serve, he or she must understand the importance of compromise. I urge the negotiators to reach a compromise on the budget so we can put this behind us.
>
> As a result of the budget impasse, federal workers are being used as pawns. But the real loser is the American Public.
>
> Enough is enough. Again, we urge you, send us back to work.

Also, Mr. Speaker, I would like to say that it is time to get the hostages off the plane. It is time to get the Federal workers back to work. They have been unintended victims of this. We are on the verge of at least paying them for the time that some of them have missed, and some of them have been working and not been paid, and now it is time to get the rest of them back to work and performing the duties of Government.

I favor a clean continuing resolution, but, if we cannot get that, I am for taking whatever steps we can toward moving this Government to open again.

My message to both the President and the congressional leaders is let us negotiate this out, and to the President it is let us see what his balanced budget is. We know he does not like what his balanced budget is. We know he does not like what has come from this side. I would like to see what he proposes in comparison.

I hope that they will work this out in the very near future. We are going to give them until January 26 to work this out.

ARE THERE NOT JUST 21 RESPONSIBLE REPUBLICANS?

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Capital crisis, shutdown II, day 21, and we are looking for just 21 responsible Republicans, just 21 Republicans who have the common sense and courage to put country above party conference, just 21 Republicans who have the heart to help moms and dads and families in distress, just 21 Republicans who will have the honesty to recognize the destructiveness of the course set by the Republican leadership driven by its most extreme faction, just 21 Republicans who can publicly act on the convictions they have privately acknowledged.

Are there not just 21 Republicans in the House of Representatives who will follow the leadership of Senator DOLE, who aspires to lead the country? What mob psychology prevails to prevent just 21 Republicans from doing what is right, just 21 Republicans to say, with BOB DOLE, enough is enough?

WE DO NOT NEED 21 REPUBLICANS, WE NEED 1 PRESIDENT TO OFFER A BALANCED BUDGET

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, we do not need 21 Republicans. We need one President, just one President that will offer this country a balanced budget. That is all it takes, just one President to keep his word to offer a balanced budget, and we will get on with the process, the Government will run, and we will get this thing solved.

As my colleagues know, the fact is the President signed into law a continuing resolution. That continuing resolution committed that we would have by January 3 of this year a bipartisan balanced budget agreement. The President has not even submitted a balanced budget proposal.

People wonder why negotiations are not going anywhere. How can they go anywhere? We do not have anything to negotiate. We have no idea where the President stands on taxes. We have no idea where the President stands on domestic spending. We have no idea how the President suggests we ought to achieve a balanced budget. He says he is for one, and that is good, so let us see it.

Mr. Speaker, my colleagues do not need 21 Republicans. They need one President to offer a balanced budget.

SUPPORT THE CLEAN CR

(Mr. OLVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLVER. Mr. Speaker, enough is enough. The extremists among the House Republicans are finally realizing the public's opposition to their hostage-taking tactics. So why are they still playing games?

Mr. Speaker, the other body, the Senate, has already passed a clean continuing resolution, and there are moderate Republican House Members who agree with letting the entire Government operate this month while negotiations continue. The House Republican leaders should get the message and stop wasting taxpayer dollars.

I am adding my name to the clean CR introduced by the gentlewoman from Texas [Ms. JACKSON-LEE] which allows all Federal employees to do their jobs while they get paid. Every Member of this House should support a full restoration of Government services and end this pointless gridlock.

CRISIS CREATES SOME OPPORTUNITIES

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, what an incredible irony, this budget crisis that we are facing and have been going through for the past several weeks. The irony is that we have found that devolution is working because this crisis has created an opportunity for it. We saw the President in his news conference the other night talk about the pain that will be created, has been created, with this Government shutdown, the Meals on Wheels Program in jeopardy, unemployment benefits not being paid, Medicare recipients not being reimbursed, Medicare providers not being reimbursed.

Mr. Speaker, the fact of the matter is that was nothing more than a sky-is-falling speech that the President gave.

This morning on National Public Radio a very interesting piece was provided in which they went around the country and talked in a number of States with those involved with the Meals on Wheels Program, Medicare providers, those who were dealing with the unemployment benefits issue, and State and local governments are in many instances, not all, but in many instances, picking up the responsibility there. So we have, in fact, got a tremendous opportunity to deal responsibly with this issue, and devolution is going to work.

LISTEN TO WHAT YOUR LEADERS ARE SAYING

(Mr. DEUTSCH asked and was given permission to address the House for 1 minute.)

Mr. DEUTSCH. Mr. Speaker, I come over to the Republican side of the aisle today to speak and to quote Republican leaders.

From BOB DOLE:

> Enough is enough. I do not see any sense in what we are doing. I would hope that we would have a quick action in the House. People have been gone from their jobs long enough. Enough is enough.

In addition, I quote another great Republican leader, NEWT GINGRICH:

> As a former Army brat I believe it is morally wrong and indefensible that Federal workers are in the cross-fire.

The reckless Republican right have left their leaders. I say to my colleagues on the Republican side, "Please, come to your senses. Act like adults. It is indefensible what is going on, and it cannot be defended."

For those who saw "Nightline" last night, shame, shame, shame for those who were trying to defend this position. It is impossible. My colleagues should look at what their leaders are saying.

I say to the reckless right, "Please, for the good of the country, listen to your leaders. End this shutdown today, this afternoon, now."

A CONTINUING RESOLUTION IS NOT THE ANSWER

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, the gentleman from Maryland [Mr. HOYER] has asked for 21 responsible Members of the Republican Party in the House of Representatives to come forward. There will be 236 responsible Members of the Republican Party coming forward today, and we will indeed provide the quick action and the morally responsible position that has been referred to by previous speakers.

It is the lost liberal left and the President in the White House who is listening to them that has caused this problem.

Mr. Speaker, we have had 40 years of business as usual, our social contracts are in disarray, our quality of life is down in this country, we are $5 trillion poorer because these social programs do not work, and the best that the other side can come up with is more business as usual, a continuing resolution is the answer. It is not the answer.

The answer is to do what we are trying to do; that is, a balanced budget in 7 years with real numbers, and to get the President of the United States to live up to his pledge to do it.

A VERY EXPENSIVE THEATER TICKET FOR THE TAXPAYERS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute.)

Mrs. SCHROEDER. Mr. Speaker, as one who is prepared to leave this body, with my quasi-emeritus status let me say I think this institution is in one "mell of a hess" today. It is in terrible shape. We have Democrats coming down and citing their agreement with the Republican leaders, and we see the reckless right on their side having abandoned their leaders. We are having to cite their leaders, and they are running from their leaders.

What is going on? Mr. Speaker, we have now spent over $1.5 billion on this shutdown, this little political theater. That is a very expensive theater ticket. Taxpayers ought to be very angry about that.

But this is not enough for the reckless right. Now they want to impeach Secretary Rubin. They want to impeach Secretary Rubin because he has been trying to pay the bills and not totally default.

It is not like this Government does not look foolish enough. They want it to look even more foolish.

I encourage them to listen to their own leadership and stop this political theater now.

LAYING ON THE TABLE HOUSE RESOLUTION 310, EXPEDITING COMMITTEE HEARINGS DURING REMAINDER OF FIRST SESSION OF THE 104TH CONGRESS

Mr. DREIER. Mr. Speaker, I ask unanimous consent that House Resolution 310, a resolution expediting the commencement of committee hearings during the remainder of the first session of the 104th Congress, be laid on the table.

The SPEAKER pro tempore (Mr. BUNNING). Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. SCHROEDER. Reserving the right to object, Mr. Speaker, could the gentleman from California explain what this is?

Mr. DREIER. Mr. Speaker, the Chair has already ruled.

The SPEAKER pro tempore. Yes, the Chair has already stated "without objection" on this request. The gentlewoman from Colorado [Mrs. SCHROEDER] was not on her feet.

DISPOSING OF SENATE AMENDMENT TO H.R. 1643, EXTENSION OF MOST-FAVORED-NATION TREATMENT FOR BULGARIA

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 334 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 334

Resolved, That upon adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria, with the Senate amendment thereto, and to consider in the House the motion printed in the report of the Committee on Rules accompanying this resolution. The Senate amendment and the motion shall be considered as read. All points of order against the motion are waived. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from South Boston, MA [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, this rule provides for taking from the Speaker's table H.R. 1643, with the Senate amendment, and consideration in the House of the motion printed in the Committee on Rules report accompanying this resolution. The Senate amendment and the motion in the committee report shall be considered as read, and all points of order against the motion are waived.

The rule provides for 1 hour of general debate on the motion, equally divided by the chairman and ranking minority member of the Committee on Appropriations. The rule further provides that the previous question is considered as ordered on the motion to final adoption without intervening motion or demand for division of the question.

□ 1130

Mr. Speaker, from the 1st day of the 104th Congress a year ago yesterday, the new majority in the House has maintained that balancing the Federal budget in 7 years is our top priority. To fail in this effort is to let down America's families, especially our Nation's children They are the ones that will pay the bill for continuing the tax, spend, and deficit policies that Washington insiders have maintained for decades. The bill just for interest payments on our debt is approaching $187,000 in lifetime tax payments per American child. That is why we must change the direction of this Government.

Mr. Speaker, the President and Congress made a commitment on November 20 of last year to enact a 7-year balanced budget using honest economic assumptions. The balanced budget was to reform welfare and provide a tax cut that lets families keep more of the money they earn. The balanced budget was to provide an economic stimulus to finally get family incomes moving upward, something that the Clinton administration unfortunately has failed to do.

Finally, the balanced budget was to increase spending on health care, education, and veterans, while maintaining a vibrant national defense.

Mr. Speaker, the majority in this House made one major mistake in our efforts to reach a balanced budget agreement to save the future for our children. That mistake, Mr. Speaker, was believing the President of the United States. We believed the President when he said he would balance the budget in 5 years. We believed him when he said he would support a 7-year balanced budget. We even believed the President meant it when he signed the last continuing resolution saying that a 7-year balanced budget would be enacted by the 1st session of the 104th Congress.

At this point, Mr. Speaker, it is clear that the President is very committed. He is committed to saving Washington, not to saving Medicare. He is committed to balancing his poll numbers, not to balancing the budget. He is so committed to business as usual that he was willing to see Federal workers thrown out on the street, rather that putting a balanced budget on the negotiating table.

Mr. Speaker, one thing should be very clear at this point: Those of us committed to balancing the budget will not go along with business a usual. This Congress and this country are well into uncharted territory in this budget showdown because there is finally a majority in Congress that will say "no" to Washington's deficits and Washington's spending. We are not willing to just declare victory and draw up a phony budget that will result in the same type of debt and waste in 2002 that we have today. The President has refused to lead, choosing cheap political rhetoric over a balanced budget. Therefore, Congress has taken the lead. The President has refused to lead to find common ground on appropriations bills so that Federal workers can be paid. Therefore, we are leading with a bill to put Federal workers back on the job with pay through January 26.

Mr. Speaker, we must be clear. This is not a business-as-usual continuing resolution. This bill will only fund targeted Federal programs which enjoy a bipartisan consensus of support. The bill funds some of those programs through March 15; others, through the end of the fiscal year.

If the President would really like to satisfactorily see all Federal programs funded, he should offer his version of a 7-year balanced budget using honest numbers.

Mr. Speaker, over the past several days, while negotiations have been going on, I have had a little time, because I have not been in the midst of those negotiations. I have been spending some of that time rereading the Federalist Papers. I am more committed than ever to the belief that the Congress does not work for the Government. The Congress is here to serve the American people.

How would James Madison, Alexander Hamilton, and John Jay react to a Congress so beholden to Government programs that its primary duty was to ensure that Government is free to spend taxpayer money? Madison believed that the primary role of Congress was to serve the people by ensuring a just society that protects individual liberty. Our debt-ridden status quo Government is not living up to that mission.

Mr. Speaker, our first duty is to deliver a balanced budget to America's children. The President was prepared to sacrifice Federal workers to maintain the bureaucracy that he values more than the people who serve in it. While we will balance the budget, we will do it without causing undue pain to Federal employees and those who receive necessary Federal services.

Mr. Speaker, I urge my colleagues in a bipartisan way to support this rule, and I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we are considering is a small step in the right direction.

The American people are sick and tired of seeing their Government services held hostage because Speaker

GINGRICH disagrees with the President. The U.S. Government has been closed for 21 days. Of 2 million civilian Federal employees, 280,000 have been sent home, and 480,000 are working, but not getting paid. That means a total of 38 percent of the Federal work force is not getting a paycheck.

This shutdown has gone on entirely too long. It is hurting a lot of people, and without this bill it would only get worse.

Without this bill, in the next 2 weeks, Meals on Wheels in 12 States would stop, and senior citizens who rely on Meals on Wheels to help them live on their own, will be forced to head for a nursing home, or worse.

Next week, Massachusetts Unemployment Offices would close, and families who are temporarily out of work would have no way to buy food, heat their homes, or pay their rent. Our national forests, museums, and parks would remain closed to tourists who had their hearts set on their vacations. And small businesses near our national parks would continue to lose $14 million every day the Government is closed.

These people did nothing wrong. They expect Government services, they earned Government services, and under no circumstances should they have to pay the price for this political blackmail.

With this bill, those people will no longer be sacrificed on the alter of politics.

But others will, what about them?

This month, 49,000 families may be evicted from their homes because their housing vouchers are not getting renewed. And what about student loans and small business loans?

Why are we opening the Government piece by piece? These games are serving no purpose, in fact, they are hurting people. Let us do a clean continuing resolution, get the Government open, and get on with real legislation.

Although this bill is better than nothing, Mr. Speaker, it will have ridiculous consequences.

Under this absurd bill, all Federal employees are to report back to work, but only some of them are authorized to actually do work. In other words, if you work in the Passport Office, you go to work, and do your job. If you work in the Housing Office, you go to work and sit there.

What on Earth is that? This sounds like a Rube Goldberg situation. Tell me: Who is working, and who is really working?

Mr. Speaker, this is ludicrous. Let us get the entire Government open, let us get all the Federal employees back to work, let us get this country running again. As the Senate majority leader said, "Enough is enough."

Mr. Speaker, I urge my colleagues to defeat the previous question in order to end the shutdown once and for all. If we defeat the previous question, in about 6 hours we could open the entire Federal Government. We would allow time for negotiations by keeping the Government open at least until January 26.

Mr. Speaker, let us give the American people their Government back.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield such time as he may consume to the gentleman from Glens Falls, NY [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, the only ludicrous thing around here is this unconscionable, irresponsible Congress that has piled $5 trillion in debt on my children and my grandchildren, and I resent it. One thing is for sure, we are putting an end to it this year. This Congress is going to force this President to accept a balanced budget, no matter what. In saying that, Mr. Speaker, I want to thank my good friend, the vice chairman of the Committee on Rules for yielding me the time this morning. I rise, as Members can tell, in the strongest possible support for this rule and this bill.

Mr. Speaker, we are obviously at a difficult and a very critical juncture in our efforts to complete work on the important budgetary decisions for our country, our Government, and our Nation; namely, the remaining appropriation bills and the 7-year Balanced Budget Act. There is still no agreement between the Congress and the President over this 7-year balanced budget that I have just been talking about.

The President has vetoed several of our regular appropriation bills and thereby blocked the reopening of Government. That is the Veterans' Administration, the Department of Housing, the Environmental Protection Agency. It is all of these agencies that are not functioning because this President has vetoed these appropriation bills.

Mr. Speaker, back on November 20 the President signed into law a commitment by this Congress and this President to enact a 7-year balanced budget using no smoke and mirrors, but using the impartial Congressional Budget Office estimates. That legal deadline expired 2 days ago at noon on January 3. Late in November we sent the President the balanced budget that we Republicans, by law, submitted. It was properly certified by the impartial Congressional Budget Office. Yet, on December 6, the President vetoed that bill. There was no movement from the White House to reach a compromise balanced budget before the continuing resolution expired on December 15.

As near as I can tell, there has been very little movement since that time, by the White House, to even submit a CBO-certified balanced budget that we have asked for every single day since December 15. We have offered to put everything on the table in those negotiations, it does not matter whether it is Medicare, Medicaid, welfare reform, the Defense bill, the tax provisions. We are willing to negotiate anything, as long as we get figures to negotiate from. The White House table is not on the level because it still tilts toward a deficit of around $100 billion in the seventh year. That is a far cry from the balanced budget the President is committed to giving us.

Mr. Speaker, I regret that so much attention has been diverted by the consequent shutdown of parts of the Government, because it has blurred our focus on the really big picture, the picture that the American people want us to focus on. We might all do well to paraphrase that sign on the wall of candidate Bill Clinton. Do Members remember what that sign was in his campaign headquarters? That sign said: "It's the economy, stupid." Now that we have all committed by law to a 7-year balanced budget, I would suggest that there is a new sign on the walls of this Capitol and the White House that reads: "It's not the Government, stupid, it's the future;" or, you could change the sign to read: "It's not the Government, stupid, it's our children and our grandchildren."

That is what the historic debate today is really all about, the future of our country, of our economy, and the lives and the livelihood of our children and our grandchildren who are saddled with this mountain of debt that we have been piling on ourselves for years now, turning us into no more than a Third World debtor Nation. That is so, so, sad.

Today, however, provides us that opportunity to get back to what that big picture is all about, and put it back in focus by putting Government workers back to work with pay, if they want to work, and by funding some of the essential services that are so vital to the American people, such as the elderly, the poor, the children, veterans, visitors to our parks, and those who need to travel abroad.

But let me emphasize, Mr. Speaker, we are not reopening the Government by our actions today, so do not think that we are, since this amendment will not provide for across-the-board funding for all of the programs, the grants, loans, and other matters for which appropriations have not been enacted. We may have that opportunity for a limited and conditional short-term continuing resolution in a subsequent piece of legislation that we could consider yet today.

As a matter of fact, when this debate is over on this rule, I believe we will go to the Committee on Rules and we will bring that rule to the floor. But it would be contingent, if we do that, just so there is no misunderstanding, on real progress in the current stalled balanced budget negotiations. It would make that short-term CR contingent on the President coming to the same table we have been sitting at by presenting his own CBO-scored 7-year balanced budget. That would be significant progress to get those negotiations moving again. We were already burned once by a previous unconditioned congressional resolution that proved to be no incentive for the administration to get down to serious business.

□ 1145

We will not be burned a second time, I assure you.

So in conclusion, Mr. Speaker, I would advise my colleagues to come over here, support this rule and the motion it makes in order. As our minority colleagues on the Committee on Rules admitted, this is a step in the right direction. At midnight last night, my good friend JOE MOAKLEY admitted to this, and he was going to come here and support the rule and support this bill before us.

For this bill to succeed, however, we will need a second step in our direction from the other end of Pennsylvania Avenue, over there; that is the only way we can eventually meet in the middle on a mutually agreed-upon 7-year balanced budget that will benefit all Americans across the board.

We fully intend to stay the course on that glide path to a balanced budget. As I said, we are not about to be burned twice. We will put this conditional continuing resolution on the floor. If the President gives us a balanced budget so that we can compare figures to figures, then this full Government will start to function as early as Monday morning. That is what this is all about.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentlewoman from Colorado, my good friend who is retiring from this body and who has been such a valuable Member for so many years.

Mrs. SCHROEDER. I wanted to ask the distinguished gentleman from New York why the Democrats were not allowed a motion to recommit in this bill so that we could offer a full and clean resolution to open up the Government rather than this muddled one. I do not remember that happening in ages, and I am really surprised the gentleman from New York denied us that opportunity.

Mr. SOLOMON. I would say to the gentlewoman, because this is not a resolution, it is not a bill. This is an amendment to a Senate amendment which does not allow for a motion to recommit.

But you do have the right to pursue a previous question fight, as you know.

Mrs. SCHROEDER. So clearly we have to defeat the previous question. That is the only way we get an option to be able to bring to this floor a resolution to open Government once and for all; is that right?

Mr. SOLOMON. Mr. Speaker, I would suggest a bipartisan effort that we not do that, because this bill is already agreed to in the Senate by Senator DASCHLE, the Senate leader over in the other body.

We want to move this; we want to make sure that the Federal workers are paid for their back wages and that they are called back to work. The way to do it is with this legislation. I thank the gentlewoman.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to my classmate, the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman very much for yielding me this time.

I must say I am very troubled that we do not have the opportunity under this rule to be able to move to recommit the bill and do a clean continuing resolution to open the Government. I really see this body moving from extremism to fanaticism, and that troubles me. We have had 14 votes so far, the way I count it, to open this Government, and we will soon have the 15th on the previous question. I think people should be aware of that.

You do not need keys to unlock this Government, you need a voting card; and all you have to do is vote right on the 15th vote, even though we have not on the last 14, and we can get this Government open and we will stop looking so silly.

There are many things that have been said that I would like to respond to. I think that this targeted solution that we have, which I will certainly vote for if that is the only one we get, but it is going to look very foolish. What we are going to be doing is paying people to go to work, but there will not be any work for them to do, because there will be no programs for them to administer or anything else. So really we have not gotten where we want to be.

Furthermore, for the private sector, for the private contractors, for the small businessmen who are waiting for SBA loans, for all of that, they are going to still be shut out, and I would think since they are the real taxpayers out there, they are going to get a little tired of being denied these services from the Government.

So I would hope we could have a clean CR.

I also want to say, as one who voted for prior budgets that no one on that side of the aisle voted for, when we took over, when President Clinton took over, this deficit was at $300 billion a year, and he brought it down to $161 billion a year through only votes on this side of the aisle. We are attempting, and we have a balanced budget amendment that we can do in 7 years, but the question is, who pays, and whether or not you give huge tax credits on the rich.

That is what this is about. It is not about whether we have one; it is, who pays for it.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking minority member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, if there is no better option available, I will certainly vote for this first proposition. But I have to make clear that this proposition would lead one to believe that last night in the Republican caucus, Goofy and Mickey Mouse got married. I mean, this is going to leave such an incredibly ludicrous situation on our hands.

What it means is that the zealots in the Republican caucus are sounding retreat, but they are still shooting hostages as they withdraw. Because this proposal that they are bringing to us will deal with the needs of Government employees, they will take care of the Washington problem, but it will not deal with the rights of the taxpayers.

Taxpayers have a right to have their Government fully open; they have a right to receive all of the services for which they have already paid taxes; and this proposition will not do it. This proposition will mean, for instance, that there will still be 20,000 Pell grants per day that will not be processed. It will mean that States will still be left holding the bag for $7 billion a month in Medicaid costs. It will mean that there will be 2,000 NIH research grants which will not be renewed, including 400 cancer grants.

It will mean that there will be 300 Head Start projects with 200,000 kids that will be out of luck because those projects will not be able to be funded under the terms of this very limited Government opening. It will mean that NASA contractors will still be left high and dry. It will mean that we will be paying Government workers to do some work, but they will be limited in what work they can do; and we will still not be paying contractors who are doing much of the work that Government contracts with them to do.

That will have an immense long-term cost to the taxpayer, because anybody who does business with the Government as a contractor, the next time around when they sign a contract, will charge much higher prices so that they do not wind up taking the kind of financial bath that they are taking so long as we have this continued partial shutdown.

So I will simply say that I urge Members to vote against the previous question so that we can offer a substitute which would open up Government in its entirety, so that we do not only just deal with the problems of Government workers, but also provide taxpayers with the full range of services to which they have already been entitled by virtue of the fact they have already paid taxes to achieve those services.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. FROST], a very important member of the Committee on Rules.

Mr. FROST. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this proposition before us, which we will all support because it is the lesser of the evils, and it is because we have to do something. This proposition reminds everyone of a Rube Goldberg cartoon; you may have seen those where they have contraptions and they have levers and they have something down here.

Let us be very clear what we are doing here, or what the Republican majority is doing here. Certain programs will run until September 30. Certain other programs will run until March 15, and then Federal workers will come in and be able to sit in their chairs on all programs until January 26, but they will not be able to do anything if they do not happen to work for one of those programs that runs until September 30 or one of those programs that runs until March 15.

This is a monstrosity created by a Republican caucus in chaos. We should defeat the previous question and substitute a rational approach that puts everybody back to work and funds all programs in a clean CR.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, under the rather fitting title of providing for the consideration of most-favored-nation treatment for Bulgaria, we are about to pass legislation to do something, not much, but a little, about the problems of the shutdown of the Government that has been brought about by my Republican colleagues over here. What we are doing, however, is doing it under a closed rule.

The Republican Members have very carefully seen to it that the Committee on Rules again denies this House an opportunity to take care of the Government employees and to take care of the people who are paying taxes to provide for Government services which are authorized by this body and by the Senate.

What we are seeing here is that a closed rule is going to deny us the means to really get the Government up and going.

If I were to come in here on my own and walk down to the well and offer a piece of legislation like this which says that we are going to let some Federal employees work and get paid for doing nothing, and some get paid for doing a little bit or doing almost nothing, and to allow contractors not to do the job, and to continue a situation where, for example, in my district, the F–100 Ford truck cannot be certified by EPA, and that we are going to pay people for doing nothing, they would say, DINGELL, you are out of your cotton-picking mind. This is nothing more or less than a replay of welfare.

What we are doing is setting up a situation, quite shamefacedly and improperly under the title of "Consideration of Most-Favored-Nation Treatment for Bulgaria," to have us move forward to set up people who are not going to produce and who are going to continue to cost us somewhere between $40 and $60 million a day for unproductive work, building an ongoing backlog of work that is not being done to address the real problems that people are having in this country.

I say that this is an embarrassment, and I do not blame my Republican colleagues for misnaming it.

Now, I intend to vote for the proposal. I intend to vote against this rule, because the rule is a disgrace, and I intend to vote to defeat the previous question, as it well should be, so that we can get a decent proposal before this body.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, James Madison regularly talked about the importance of individual liberty, and quite frankly, we have seen the reach of the Federal Government in this crisis that we are facing right now.

The fact that the F–100 truck cannot be certified, the fact that the Disney-Cap City's merger cannot go through demonstrates how far-reaching the Federal Government is, and our goal of trying to reduce the size and scope is obviously a positive one.

Mr. Speaker, I yield 4½ minutes to the gentleman from Sanibel, FL [Mr. GOSS], my very good friend and the distinguished chairman of the Subcommittee on Legislative and Budget Process.

Mr. GOSS. Mr. Speaker, I would like to thank my friend from greater downtown Metropolitan San Dimas, CA, for yielding me this very generous allotment of time; and I rise in support of his rule.

Mr. Speaker, I know that Americans are very frustrated with the twists and turns the balanced budget debate has taken in these past weeks, and I know that there have been very real sacrifices out there made by some Federal employees, their families, some entrepreneurs whose livelihood depends on the operation of the Federal agencies that are currently impacted, and some inconvenience to citizens and tourists alike who want to use facilities.

I think that the bill that this rule makes in order will largely address these problems and ensure appropriate Government services are provided, a quick response that was asked for earlier today on this floor by Members of the other party.

We all wish for a speedy resolution of the specific impasse that we have here so that we can get back to the work and concentrate on the main effort. The main effort is to get the President of the United States on a glidepath toward a true, 7-year balanced budget and a more efficient, less intrusive Federal Government.

Along with that wish goes the resolve that many of us feel, the moral imperative; and it is a moral imperative noted by Americans across the country, not, repeat not, to squander this opportunity to bring balance to our budget for the first time in three decades and to get our spending under control.

□ 1200

Mr. Speaker, during the long debate over the last few months, some of us have asked why can we not simply restore business as usual and worry about balancing the budget some other time. In fact I have heard some of those voices here today. In the short term this probably would smooth out a few wrinkles, but the long-term implications are devastating.

It is precisely this inclination to put off the tough arguments, to postpone the really difficult decisions and to sidestep the most grueling choices that have brought us to the point where we are in this country today fiscally. We know that there is never a right time to effect major change. There are never comfortable ways to fundamentally alter the status quo, when almost all agree the status quo is broken.

It is an inherently anxious and uncomfortable business that we are engaged in here. But responsible people all know that it has to be done and, if we allow this opportunity to pass by, it is going to be gone forever. The next 40 years, with the same failure rate in society and the same cost of trillions brought to us by the Democrats over the past 40 years is not a pretty picture, and it certainly is not a worthy goal for the United States of America as we start the next century.

I am sorry to say that this administration, for all its public statement about wanting a balanced budget, allowed an entire month to pass from mid-November to mid-December without a workable or even serious balanced budget presentation. The President's vetoes on three major spending bills at the outset of the current shutdown ensured that tens of thousands of government employees would be in limbo during the holiday season.

Frankly, it is the view of many that some in the administration have sought to use Federal employees and their families as sacrificial public relations pawns to delay committing to the terms of a real enforceable balanced budget plan. Cynically, these same victims who are Americans and taxpayers have been used as fodder in a barrage of scare stories by the White House and its tax and spend allies here on the Hill.

Mr. Speaker, we do live in extremely uncertain times. We have troops in

Bosnia doing the hard work of peace under extraordinarily difficult circumstances. In the private sector we read now that we have some 40,000 employees of a major company who are faced with losing their jobs due to corporate downsizing. We have Federal employees worried about when they will get paid and when this shutdown will end. We have millions of American children facing a future of extraordinary debt because of years of lousy liberal tax and spend leadership accepting the easy way out on the question of our budget.

I hear some today calling for more of that. I know that real people are suffering real consequences of this struggle. But I also know that real people will suffer greater consequences if we fail to succeed in this effort. This rule allows consideration of a targeted bill to put thousands of Federal workers back to work and to get paid and ensures the continuation of a handful of vital government services. But as important as those goals are, they will be lost unless the President comes to the table with a serious balanced budget proposal so that we can take further steps to get the Government back on the track. I suppose also at stake is whether the President will keep his word. He has promised the voters a balanced budget. He has promised us a balanced budget. Now is the time.

Mr. DREIER. Mr. Speaker, may I inquire of the Chair how much time remains on both sides?

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from California [Mr. DREIER] has 10 minutes remaining, and the gentleman from Massachusetts [Mr. MOAKLEY] has 18 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I want to congratulate the American citizens and taxpayer who have been ringing the phones off the hooks of a lot of Members of Congress who believe it is ridiculous to keep this Government shut down over this dispute.

Now, just so everyone understands, people are being paid not to work. Now they get to go to work but they cannot do their work. At least that is partial victory. This puts Federal workers back at work getting paid so they can make their car payments, heating bills, their mortgage payments, tuition payments, buy some groceries. But why not the whole Government? Why not put the whole Government back to work and let them actually do their job?

Yes, this does cover railroad retirement. Yes, it covers Meals on Wheels, passport services, veterans benefits. That is the good news. But what about the areas that it does not cover? Federal workers who will not be able to do the toxic waste cleanups, the environmental inspections, who will not be able to make the small business loans, issue the export licenses, or pay vendors who provide Federal services.

What about the West Virginia Legislature which has to meet next week? What kind of budget does it put forward with this kind of resolution? What it means is it is going to have to guess and make supplemental State appropriations to cover what the Federal Government should be covering.

Yes, I am going to vote for this because it is a partial opening. In fact, this is a half Congress, is it not, because we had half of a Government shutdown and now we are going to open it up half again. We are just going halfway. Why not give the American taxpayers who are paying the full amount of their taxes, why not give them a full Government back? That is what this resolution ought to be. Defeat the previous question and we will get the full Government back up and running.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I have to say this is the kookiest proposal I have ever heard. I have to oppose the rule. I was in my district last week, and I went to an EPA lab where they are in charge of Superfund cleanup and it has all been shut down. There was no one in the office.

Under this proposal, all the employees would go back to the EPA office in Edison, NJ, but they would not be allowed to do any work. They would not be allowed to answer inquiries because they would not have an appropriation to deal with the Superfund. The contractors who would do the Superfund work would not be able to actually go on the job and do the cleanup. The people that have to do inspection or enforcement want an appropriation for the gas for their cars so they could go out and look at the site.

It is the craziest, I call it the kookiest thing I have ever heard. I cannot believe that the Republican leadership is now asking us that this is our only alternative. I will vote for it because I want to see the workers go back. But I think that we should bring up a clean CR, a continuing resolution, and we should not be held hostage to this attitude now, which is approaching fanaticism on the Republican side.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. CLYBURN].

Mr. CLYBURN. Mr. Speaker, I want to congratulate those Members of the Republican Party for their foresight and fortitude in coming forward at this time with this CR, but it is more like a partial plan rather than a full plan. Of course, there are times when a half a loaf is better than no loaf at all. However, there are times when going halfway can be very, very dangerous, especially for those people who go to work every day.

What we are doing this with is allowing people to go back to work, yet we are leaving them exposed to hazardous conditions because we are not allowing the EPA to its work. We are saying to people who are exposed to safety problems on highway contracts that you can work but the OSHA people will not be allowed to check for safety standards.

I believe that what we are doing here is in fact exposing working people to some untenable situations. So I would say that what we ought to be doing is looking at how we cannot just go halfway but go all the way in making sure that people do not only work but are safe when they carry out their duties and responsibilities.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this legislation is both good news and bad news. The good news is that the Republicans have finally decided to stop holding three-quarters of a million American Federal workers as hostage. In Vermont we have close to 2,000 Federal workers who are working today but are not getting paid. These people have mortgages to pay. They have children to feed. They have financial obligations to meet. It is immoral. It is wrong to hold them and every other Federal Worker who is furloughed and not being paid as hostage.

It is also wrong to hold millions of Americans who need passports, who need environmental protection, who need Meals on Wheels, who need all of the services that this Government should be providing as hostage, who have paid for these services but are not getting them.

The bad news is that, while Federal workers will be paid, many of them will not be given the resources that they need to do their jobs properly. That is insane. Why do we give people the money to go to work but then not allow them the resources to properly fulfill their function?

Mr. Speaker, the truth of the matter is that this is not a debate about a 7-year balanced budget. If our Republican friends were serious about balancing the budget in 7 years, which I think can be done, they would not be spending $50 billion more on defense spending despite the end of the cold war. They would not be spending more money on the CIA despite the end of the cold war. They would not be giving huge tax breaks to the rich when the richest people in America today are richer than they have ever been before.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, we now learn that the Republicans have a bill to pay Federal employees, bring them back to work but not fund their agencies. In other words, what the Republican majority wants is to have Government workers all dressed up with somewhere to go but nothing to do. They are going to pay Government workers to go to work and then do nothing.

The American people should demand to know who came up with this idiotic idea. It is the stupidest thing I have ever seen Congress do, and Congress has done some pretty dumb things. Get this: National parks will be open; rangers will be paid, but they will not be given gas money to patrol the parks. EPA will employ their workers but will not be able to restart cleaning toxic waste dumps. The Small Business Administration will be running. They will not be giving out loans.

I have a better idea. Let us pay NEWT GINGRICH and the Republican freshmen and then not let them do anything. This would truly be a great accomplishment.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Columbus, OH [Ms. PRYCE], my very able Committee on Rules colleague.

Ms. PRYCE. Mr. Speaker, today it is time to finally ease the pain of our Federal employees and to quit blurring the picture. The focus needs to be on the President's failure to negotiate in good faith and not on the unfortunate people that he has put in the middle of this. I deeply regret that our Federal workers have been placed in the middle of this debate, and I know that they have experienced hardship and uncertainty over the last 21 days.

I understand their frustration and anger over a situation over which they have no control. They do not deserve it. Mr. Speaker, today we are acting in good faith, and it is time for the President to do the same. Franklin Roosevelt once said it is the duty of the President to propose and the duty of the Congress to dispose.

The President needs to propose a balanced budget, just as he agreed to, just as he signed into law weeks ago that he would do, and he needs to do it now. We cannot negotiate if one side will not even give us their position. That is what is happening at the White House day after day as our people go down there to try to balance the budget. The President will not tell them where he is coming from.

I urge my colleagues to support this rule. It is what our colleagues on the other side of the aisle have been asking for for weeks. I urge the White House to join in and finally offer a balanced budget that will leave nothing left to be said. They will get their CR, the full CR. Everything will be up and running. So I encourage my colleagues, tell the President to do the right thing finally. Give us a balanced budget.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, we do have a dispute, not about whether to balance the budget but how and by what specifics. But what the Republican Party has decided to do is to punish the American people because they do not like the way the President wants to balance the budget.

The problem is that the American people in fact do not like what they are doing. So we get one more ludicrous version of an effort to get themselves out of the hole they dug. Basically this is a resolution that says stop me before I shut the Government down again.

□ 1215

Except, Mr. Speaker, they do it incompetently.

We had expected, many of us, a certain degree of fanaticism from the new Republican majority. I had not expected to see a somewhat new phenomenon, incompetent fanaticism, dysfunctional extremism. They want to do drastic things, but they do not know how to make it work, and the proof of that is that what they have come forward with is so repugnant that their own majority would not support it except under coercion.

And let us be very clear. They have brought forward a parliamentary procedure that will prevent any reasonable amendment. Therefore the key vote on this will be the motion of the previous question.

Some of the Republicans over there who are unhappy at laboring under the yoke of this ideological incompetence will tell their constituents that they wish they did not have to support this, that they would like to have voted to open the Government. Understand, however, that when they vote for the previous question on this rule, they will be acting in total variance with that statement. Any Member who says that he or she wanted to open the Government, but voted for this previous question, has in fact misrepresented what the situation is.

It was made clear by the chairman of the Committee on Rules, Mr. Speaker, the only opportunity people will have to fully open the Government, let the Government function, will be to vote for amendments, which means defeating the previous question, and those Republicans who are telling their constituents one thing and vote another way will be held accountable in November.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my friend, the gentleman from Albuquerque, NM [Mr. SCHIFF].

Mr. SCHIFF. Mr. Speaker, I rise in support of the rule and in support of the bill and, as well, in support of the rule and the bill in the next to be offered. I want to say first that I believe that these proposals will help Federal employees earn the pay that they should earn for being employees. In fact, this proposal goes even further than Senator DOLE's proposal, in that this will pay Federal employees through January 26, not just through January 12, and give a longer period of time where I hope constructive negotiations will occur.

It has to be pointed out that Federal employees and others have been victims in the impasse between the Congress and the President. They have not done anything to deserve it. They were caught in the middle.

It should be emphasized that it is the responsibility of both sides that caused a partial Government shutdown. The President's vetoing three appropriations bills and the Democrats threatening a filibuster in the other body to stop a fourth appropriations bill are just as much a part of the responsibility of the Government shutdown as anything the Republican side of the Congress has done.

If both sides are responsible for the shutdown, then both sides now must get together and end it.

Our side is offering a compromise. We are offering to put Federal employees back to work.

As pointed out, this does not include, in most cases, the operating funds of the agencies for travel and so forth. That will be delivered as soon as the President of the United States compromises by offering a balanced budget proposal. This request on our part is just for the President to do what he agreed to do in November when both sides agreed to reach a balanced budget with the same framework, which is 7 years, using the Congressional Budget Office for economic projections.

The Republicans have offered such a budget. I do not agree with all of its provisions, but it meets that framework. A number of Democrats in the House have offered such a budget, a number of Democrats in the other body have offered such a budget. Only the President of the United States refuses to offer a balanced budget, and, when he does so, the whole Government will open.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. GENE GREEN].

Mr. GENE GREEN of Texas. Mr. Speaker, I think it is appropriate I follow my colleague, the gentleman from New Mexico [Mr. SCHIFF], when he talks about the President not submitting this CBO 7-year, and I have heard that now for a month. But the Republican side has not submitted a 7-year CBO budget that protects Medicare, protects Medicaid, and protects education.

Now negotiations are a two-way street. We have heard for a month that the President has not done something. Well, neither have they.

I am going to support this CR today, and this rule, but it only recognizes part of the problem. Federal employees go back to work to process passports, pay for senior citizen nutrition, open the national parks, and veterans' compensation. I am glad they finally recognized the need to do that, but we still do not have—the EPA will not be able to clean up Superfund. Medicaid grants to our States, since they want to block grant to the States, but yet they are not even giving what money is supposed to be there now, and also law enforcement functions.

They continue to talk about the need to have a balanced budget, but they are not willing to pay Government contractors, people who are now contracting with the Government to—this resolution does not help those Government contractors.

We need to go much further, but this is better than nothing.

Mr. DREIER. Mr. Speaker, I yield 30 seconds to the gentleman from Albuquerque, NM, Mr. SCHIFF, to respond to the statement of the gentleman from Texas, Mr. GENE GREEN.

Mr. SCHIFF. Mr. Speaker, since the gentleman from Texas mentioned my name, I want to say that the Republican side believes that it has provided sufficient funds for Medicare. We believe that the Medicare level of funding we proposed is exactly what the President proposed last year in his health care reform proposal.

The point is, until we get the President's specific numbers, Mr. Speaker, we will never know how much he thinks is sufficient funding for Medicare and other programs and how it differs from ours, and that is our point.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding me some time.

Mr. Speaker, I think it is important for my colleague, the gentleman from New Mexico [Mr. SCHIFF], to understand of course that while it is easy to sit here and just say it is the President's fault, where have all my colleagues been? We are 9 weeks into the next fiscal year, half of the time the Government has been shut down, and our colleagues have not passed all their appropriations bills. Is there a problem that they cannot govern?

And yet today, and I am going to include in the RECORD today an article in the Washington Post where House Republicans say "turned up the pressure on the Clinton administration by threatening impeachment of the Secretary of Treasury." Why? Because he wants to avoid America's default? Boy, that is really bad, is it not? A member of the administration does not want America to default.

In addition, I will tell my colleagues something: You better start paying attention to where this country is headed with all of this turning up the pressure. It is time you start paying attention to putting America first and the people that are out there wanting the services of Government first. You know it is not just the Federal workers we're talking about here. We're talking about Americans who pay their taxes getting services for the dollar paid in taxes.

The article referred to is as follows:

[From the Washington Post, Jan. 5, 1996]

REPUBLICANS THREATEN TO IMPEACH RUBIN IF HE BORROWS AGAIN TO AVOID DEFAULT

(By Steven Pearlstein)

House Republicans yesterday turned up the pressure on the Clinton administration by suggesting they might initiate impeachment proceedings against Treasury Secretary Robert E. Rubin if he continued to ignore the will of Congress by borrowing more money for the Treasury.

Reps. Gerald Solomon (R-N.Y.) and Christopher Cox (R-Calif.) raised the impeachment specter after Rubin met for 90 minutes with key legislators at the Capitol to discuss the impasse over increasing the $4.9 trillion ceiling on federal debt. Raising the debt ceiling is mired in the larger battle over balancing the federal budget.

"Those of us who are concerned with the constitutionality of Secretary Rubin's behavior will be watching him closely and will support impeachment proceedings should he continue to bypass the Constitution," said Solomon, chairman of the House Rules Committee.

Minutes after Solomon's comments moved on news services, prices for U.S. Treasury bonds took a sharp dive, losing about 1 percent of their value. The effect was to raise yields on the benchmark 30-year bond to 6.03 percent from 5.95 percent late Wednesday. Some stock market analysts also attributed a portion of the 20.23-point slide in the Dow Jones industrial average to the impeachment threat.

Solomon and other Republicans were enraged late last year when Rubin, in an effort to avert a first-ever default on U.S. government obligations, invoked his authority under the law to replace government securities held in two federal employee retirement accounts with IOUs. Rubin then issued new debt to pay off bondholders when their Treasury bonds came due.

Yesterday Rubin told House members that he was considering taking additional steps to avoid default. He said his legal advisers are exploring similar options should the debt ceiling be unchanged when the Treasury faces its next cash crunch in mid-February.

At the meeting, Cox said he warned Rubin that if he tried again to avert default, "it would set in motion a series of hearings and inquiries that would be dedicated to a political resolution of this matter."

A "political resolution," Cox explained, might include removing a Cabinet member from office, but quickly added that any talk of impeachment was still "premature."

Howard Schloss, a spokesman for Rubin, dismissed the Republican threats yesterday as a "political ploy" designed to take the public attention off the Republican-engineered partial shutdown of the federal government. And other Republicans quickly moved to try to downplay the constitutional confrontation.

The chairman of the House Appropriations Committee, Rep. Robert Livingston (R-La.), said of the impeachment threat, "It's not in my curriculum," the Associated Press reported. And Rep. Henry Hyde (R-Ill.), chairman of the House Judiciary Committee, which would consider any impeachment resolution, studiously declined comment.

According to House officials, only one Cabinet member, William Belknap, secretary of war in the Grant administration, has ever been impeached by the House. Belknap was later acquitted by the Senate.

Republicans, backed by a legal opinion prepared by former Republican attorneys general William Barr and Edwin Meese, argue that the Constitution vests Congress with the sole authority to decide how much debt the government can take on. When Rubin exchanged federal debt for non-interest-bearing IOUs in two federal employee retirement funds last November, he effectively usurped the power of Congress, they said.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding this time.

I have tried to lower my voice in the context of this debate because I am having trouble understanding what my Republican colleagues are trying to accomplish here. I do not know how they rationally justify shutting down the Government during the negotiation, either partially or fully.

I think what we have is a bad case of incompetence on the part of our new governing majority in the Congress, and I often wonder when I talk to my constituents, if I were running this Government and I ran it the way this Congress has run the Congress for the last session, the first session of this Congress, what they would call me. I can only call them incompetent. I wonder what they would call me if I ran this Government the way they are running this Congress.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, Members, sometimes admitting to making a mistake is difficult, and I think this legislation is evidence of that, that our colleagues on the Republican side have made a mistake. Senator DOLE showed that they made a mistake the other day, and they are trying to come back to some sanity, and they have not quite gotten there.

This bill is good for the employees because it honors the contract we had. They are going to get paid for the time they worked. But it is a raw deal for the taxpayer. Twelve thousand NASA contractors are not going to get paid in the Johnson Space Center. Small businesses are not going to get their loans. Three thousand NIH grants will not be renewed, including 400 cancer grants. Baylor College of Medicine at the Texas Medical Center, 327 grants and contracts are going to be terminated, $78 million at risk. Real employees are going to be laid off. Homeowners who rely on the Federal Home Administration for FHA loans are not going to get their loans processed, and that is going to ripple through the whole real estate economy.

Let us defeat the previous question. Let us do what Senator DOLE asked. Let us put the Government back to work. Let us give the taxpayers a good deal, and let our colleagues just admit they made a mistake.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from East Petersburg, PA [Mr. WALKER], the chairman of the Committee on Science.

Mr. WALKER. Mr. Speaker, every time we have one of these debates and they turn into an orgy of name-calling, one wonders whether we are in the House of Representatives or out in la-la land somewhere, but the fact is the descriptions I have heard on the House floor today of what is going on here do remind me of being out in la-la land.

First of all, we have a resolution that is coming to us under this rule. Under this rule we would, in fact, pay the Federal employees, and we would, in fact, put some programs back into action through a process of targeted appropriations. That is a step in the direction that we think we need to go in terms of opening the Federal Government on terms that can be sustained into the future.

Second, there will be another resolution to come that will be a continuing resolution that will open all of the Government up until January 26. For all of these speeches that we have heard about not having the Government up and running, we will do it until January 26 provided that the President submits a balanced budget.

Now realize that many of the people who talk about clean continuing resolutions are really talking about a dirty deal for the American people. Mr. Speaker, they want a dirty deal in large part because they want to keep everything running just as it has been running before. Clean continuing resolutions mean that we just take Government as it has been practiced for the last 40 years and extend it out into the future. The American people are saying no to that. The American people want a balanced budget.

So what we have said is, "You can get your continuing resolution if, in fact, what you will do is give us our balanced budget," and then I hear some people on that side of the aisle suggest, well, the President should not have to actually have to put a balanced budget down. Why, that would mean hard choices. Well, guess what? Doing the right thing often means hard choices.

It is time, my colleagues, to do the right thing here. Let us have a continuing resolution, but we ought to tie it to a balanced budget because that is what the American people have demanded. We think that is the right direction to go. Let us do this targeted appropriation that actually pays the workers, but understand a vote against the previous question is a vote against paying the Federal workers, a vote against the previous question is a vote against targeted appropriations.

□ 1230

Mr. MOAKLEY. Mr. Speaker I yield 1 minute to the gentleman from Maryland [Mr. HOYER], ranking member on the Committee on Appropriations.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the previous speaker in my opinion is absolutely 180 degrees wrong. A vote for the previous question, if we could get 21 Republicans to join BOB DOLE, who seeks, of course, to lead all the Republicans and our country, just 21 voting against the previous question, we will offer a clean continuing resolution, yes, to open the Government.

Why do we want to open the Government? So that we will not continue to pursue a morally indefensible policy, the gentleman from Georgia, NEWT GINGRICH, January, this year, of continuing to use Federal employees as the pawn, as the hostage, as the bludgeon to force the President to do something. That is not what our democracy is about. Our democracy is about pursuing constitutional ways and means to pass legislation and make policy.

Mr. Speaker, let us join together, extricate the Federal employees from this fight, which as the Speaker says is morally indefensible, and go on with doing what I think we need to do, a balanced budget, but with good personnel policies.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would remind my friend that, of course, the legislation we are moving ahead will in fact take Federal workers out of the crossfire and provide them with payment.

Mr. Speaker, I yield 30 seconds to my friend, the gentleman from Del Mar, CA [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, all Government will be open if the President agrees to follow his word and give us a balanced budget. That was due 2 days ago. The President signed a bill with his name on it. He has not done it yet. So it should not be too hard by January 26 to do that. All Government will be open. What less could you ask for, for the President to keep his word, for a change.

If we take a look, in 12 of the 13 bills, my colleagues on the other side want to spend, want to spend, want to spend. In 1966, you want a Democrat President? You are going to increase spending and you are going to increase taxes.

Mr. MOAKLEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to oppose the rule, because I wish this legislation would open the Government entirely, like House Joint Resolution 155, that I introduced, a clean continuing resolution that would entirely open this Government. This rule does not allow us to amend to provide a vote on a clean continuing resolution to open the Government so it can provide full service to the American people.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, this continuing resolution is a Band-Aid. It is not even half a loaf. We are creating a wounded, hobbled government that is still going to hurt a lot of people. It is like telling the Atlanta Braves to go out and win the World Series again, but "without your pitching staff."

Mr. Speaker, the biggest tragedy here is that Indian Health Service hospitals are going to suffer enormously. This bill will not provide funds to heat Indian schools, Indian jails, Indian cells. Next week, while this body is in recess, the Shiprock Hospital in New Mexico, a Navajo hospital, is going to run out of IV bags, gauze, and bandages. This hospital serves 4,800 patients, and they are not going to be able to order supplies. My hospital is just one of hundreds of Indian Health Service hospitals throughout the country, serving 1 million people that are going to face these shortages. There are Navajos and native Americans in wheelchairs that are going to be turned down. Let us reject this rule and deal with this issue honorably and compassionately.

Mr. Speaker, I cannot support this rule because my constituents are without health care and food and this bill does not help them.

The Indian Hospital in Shiprock, NM, which serves 4,800 patients cannot order supplies needed to keep people alive.

The hospital is running out of carbon dioxide which is essential in operating rooms and intensive care units.

Next week while this body is in recess the hospital will run out of IV bags, gauze, and bandages.

Before the Congress returns the hospital will have to turn away wheelchair bound patients with spinal injuries because the hospital does not have the supplies to help them.

And my hospital is just one of hundreds of IHS hospitals throughout the country that face these shortages. IHS hospitals provide health care to over 1 million people.

Forty young people in my district in an alcohol rehab program do not have food supplies to last until next week.

I cannot support this rule because it does not allow me to make a difference for millions of people in need.

Althought the leadership chose to include funding for Indians, it is only limited to general assistance and foster care payments for American Indians and Alaska Natives remains in the balance.

The Albuquerque area clinics are now able to only treat Indians facing imminent, serious threats to their health.

In Lawton, OK, the IHS hospital has had to begin turning away transfer patients from other service areas.

Indian hospitals across the Nation remain crippled by the fact that they are running on reserves, having had to cut back on community and prevent programs, being unable to purchase new drugs, blood, and plasma. Even the purchase of heating fuel is threatened.

The House continuing resolution does not provide any funding for heating fuels for Indian schools, for Indian police or jails—the Hopi Tribe and Fort Peck Tribe have begun releasing nonthreatening prisoners—or for 638 self-governance contract employees.

The bottom line, Mr. Speaker, is that we need to pass a clean CR which would fund these vital programs which affect the lives, health, and safety of Indian children and families.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, for those who are listening in this Chamber and in America, let us think about what this proposal does. We have gone from the absurd to the ridiculous. We have had a situation that really has been indefensible. Finally, my Republican colleagues, the radical right, are starting to follow their leadership a little bit, that they had an indefensible position where we furloughed workers but we decided to pay them at the same time.

Now what this resolution does is, we are bringing the workers back, but we are telling them, "There is nothing to do," because you do not have to be an MIT economist to understand, as the gentleman from New Mexico [Mr. RICHARDSON] pointed out, you cannot run a hospital without an IV, you cannot be a DEA agent without gasoline for your car. It really is as crazy as it sounds, the proposal. Just as reasoned Americans changed the radical right, they are going to change the radical right on this proposal, too. I would ask people out there to call their Members, 202-224-3121, and let them know.

Mr. MOAKLEY. Mr. Speaker, it gives me great pleasure to yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, in all of this discussion and debate about who goes to work, who does not go to work, who gets paid, who does not get paid, who will have the tools and the gasoline and the wherewithal to do their work, I am reminded of the comment once made by my fellow Missourian, Mark Twain: "The more you explain it to me, the more I don't understand it."

It was Lyndon Johnson who liked to use the phrase "Let us come and reason together." If we did that as a body collectively, this Nation would be far better off. It would drive us irresistibly to two conclusions: No. 1, we would adopt what the Senate has done, under the leadership of Senator DOLE, from my neighboring Kansas; it would also cause us to look seriously at the Democratic conservative coalition proposal that got a substantial number of votes on this floor.

Thre is an answer to this impasse: reason. Adults, people of good will, can reach those decisions. That is what we should do.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to my friend, the gentleman from Glens Falls, NY [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, it is said to see us stand up here and just keep throwing spears back and forth. Mr. Speaker, there is a headline here in one of the papers this morning that says, "House GOP Backs Off Shutdown." Truly, what Speaker GINGRICH has done, believing in this statement right here, he has bent over backwards for the last 48 hours, working with a diverse group of Republicans and conservative Democrats, to try to come to a compromise to see if we cannot get this Government functioning and get on the road to a balanced budget. That is coming from the bottom of his heart when he made this statement.

Mr. Speaker, here we have a bill before us today which is going to provide for nutrition programs for Meals on Wheels, child welfare programs, administration of unemployment insurance, so terribly important, passport visas, veterans compensation. This is what this bill is all about.

But I hear talk about defeating the previous question. I can assure Members that with Speaker GINGRICH for the last 48 hours literally banging people on the head to get them to come to a consensus to bring this bill together, to put these people back to work, you are jeopardizing it with talking about defeating the previous question. If you defeat the previous question. If you defeat the previous question, I am going to tell you, we might have trouble putting our consensus back together, and this whole thing could fall apart. That is not what you want, that is not what I want, and it certainly is not what Speaker GINGRICH wants. I urge Members to pass the previous question. Let us get on with the rule, and let us pass this vital piece of legislation.

Mr. MOAKLEY. Mr. Speaker, I include for the RECORD the amendment I would offer if the previous question is defeated.

The text of the amendment is as follows:

AMENDMENT TEXT FOR THE PREVIOUS QUESTION

In the resolution strike, "the motion printed in the report of the Committee on Rules accompanying this resolution" and insert in lieu thereof, "a motion to concur in the Senate amendment with an amendment consisting of the text printed in section 2 of this resolution."

At the end of the resolution add the following new section:

"Section 2. Title I Section 106(c) of Public Law 104-56 is amended by striking "December 15, 1995" and inserting "January 26, 1996"."

TITLE II

VETERANS AFFAIRS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipt, and funds, for the several departments, agencies, corporations and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 201. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERANS' BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.

(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payment as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payments of such benefits are available (other than pursuant to subsection (b)).

SEC. 202. Section 201 shall cease to be effective on September 30, 1996.

SEC. 203. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on January 4, 1996.

TITLE III

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 301. Such amounts as may be necessary under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1995 for paying salaries of Federal employees during periods when there is otherwise no funding authority for their salaries. Any period in which there is a lapse in appropriations with respect to the agency activity in which the employee is engaged shall not be considered to be furloughed when on leave and shall be subject to the same leave regulations as if no lapse in appropriations had occurred.

SEC. 312. ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.—Notwithstanding any other provisions of law, beginning on January 2, 1996, any Federal employee who is excepted from furlough and is not being paid due to a lapse in appropriations shall be deemed to be totally separated from Federal service and eligible for unemployment compensation benefits under subchapter I of chapter 85 of title 5 of the United States Code with no waiting period for such eligibility to accrue.

SEC. 313. For the purposes of this title, Federal employees returning to work under the provisions of section 310 shall be deemed to have returned to work at the first regularly scheduled opportunity after December 15, 1995.

SEC. 314. Appropriations made pursuant to section 301 are made notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 701 of the United States Information and Educational Exchange Act of 1948, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), section 53 of the Arms Control and Disarmament Act, and section 10 of Public Law 91–672.

TITLE IV

That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 401. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this Act) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996: *Provided*, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided*, That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 411 or 412 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

CLARIFICATION OF CERTAIN REIMBURSEMENTS

SEC. 501. CLARIFICATION OF REIMBURSEMENT TO STATES FOR FEDERALLY FUNDED EMPLOYEES.

(a) If a State used State funds to continue carrying out a Federal program or furloughed State employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government—

(1) such furloughed employees shall be compensated at their standard rate of compensation for such period;

(2) the State shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such furloughed employees, together with interest thereon due under section 6503(d) of title 31, United States Code; and

(3) the State may use funds available to the State under such Federal program to reimburse such State, together with interest thereon due under section 6503(d) of title 31, United States Code; and

(b) For purposes of this subsection, the term "State" shall have the meaning as such term is defined under the applicable Federal program under subsection (a).

(c) The authority under this section applies with respect to any period in fiscal year 1996 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in subsection (a) with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts.

(2) Amend the title so as to read: "Making appropriations for certain activities for the fiscal year 1996, and for other purposes".

Mr. Speaker, I yield my remaining time to the gentleman from West Virginia [Mr. MOLLOHAN].

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from West Virginia [Mr. MOLLOHAN] is recognized for 1 minute.

Mr. MOLLOHAN. Mr. Speaker, I rise in opposition to the rule. Here we are in day 21 of what can best be described as a hostage situation. I wish someone from the other side of the aisle could stand up and explain the thinking behind all this, because frankly I do not understand what kind of games are really being played here. The situation is irrational. It is wasteful. Worst of all, it is hurting people; Federal workers and their families for sure, but citizens, senior citizens, underprivileged children, the disabled, and countless others who need Government services and depend on them for their basic needs.

May I give the Members an example? Just today I heard from an out-of-work coal miner in my district. He was supposed to begin school to get a fresh start, but he cannot. Why? Because the Republican majority in this Congress is holding up the funds for his retraining. He is being held hostage, and so are countless other Americans.

Now we are about to consider some kind of a continuing resolution, and if it comes to a vote, then sure, I will support it because it releases some of the hostages, but shame on those who will not release all of the hostages. Mr. Speaker, there is a better way. Let us pass a clean CR.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the columnist Charles Krauthammer wrote an interesting piece the other day in which he made it clear that if this were business as usual, we would see a package agreed to with phony numbers, phony assumptions, and all; but, quite frankly, this is not business as usual. Unfortunately, we are in a position where many of my colleagues on the other side are, unfortunately, representing the party of government. We, on the other hand, epitomize the party of the people. We are the party that is trying to do what it is that the American people sent us here to do, and that is balance the Federal budget.

We are all concerned about the fact that the Federal Government is shut down. That is the reason we have come up with this package, which does ensure that Federal employees are not caught in the crossfire. We hope that business as usual will come to an end. We found, unfortunately, that this problem has created a clear understanding of the fact that the Federal Government's reach is way too far. A truck cannot be certified by the EPA, a private sector business merger cannot go through, because the Federal Government is closed down.

We need to reduce the size and scope of Government. We need to balance the budget for our children and their children. Let us move ahead, pass this responsible package which will pay those Federal workers.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 187, not voting 18, as follows:

[Roll No. 6]

YEAS—228

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass

Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myrick
Nethercutt
Neumann
Ney
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—187

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stenholm
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—18

Bryant (TX)
Chapman
Fazio
Fields (TX)
Flake
Greenwood
Hayes
Lightfoot
Myers
Norwood
Quillen
Rose
Stark
Stockman
Studds
Torricelli
Wilson
Wyden

□ 1301

Mr. PETE GEREN of Texas and Mr. FORD changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FLAKE. Mr. Speaker, due to an unavoidable detainment earlier today I was unable to cast my vote on rollcalls 6 and 7. Had I been present I would have voted on rollcall vote No. 7, a "yes"; rollcall vote No. 6, a "no."

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REQUEST TO MODIFY MOTION OFFERED BY MR. LIVINGSTON

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the rule just passed be amended to read as follows: "It shall be"——

Mr. DREIER. I object.

Mr. OBEY. Can I read it first, Mr. Speaker?

Mr. DREIER. I heard the unanimous-consent request, and I objected.

The SPEAKER pro tempore. The gentleman from Wisconsin will proceed.

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the rule just passed be amended to read as follows: "It shall also be in order to consider an amendment by the minority leader or his designee adding at the end of H.J. Res. 334 a new title II, consisting of the text of H.J. Res. 131"——

Mr. DREIER. Mr. Speaker, I object.

Mr. OBEY. "Continuing funding for many critical Federal departments through January 26, 1996, and authorizing——

The SPEAKER pro tempore. The gentleman will suspend.

Mr. DREIER. Mr. Speaker, I object.

Mr. OBEY. "A 2.4-percent pay raise for the Armed Forces of the United States."

The SPEAKER pro tempore. The gentleman will suspend.

Mr. DREIER. Now that he has completed, I object.

The SPEAKER pro tempore. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. OBEY. Are we at the point in the procedures of this House where Members are gagged before they can even bring a question to the Chair? Are we really at that point, Mr. Speaker?

The SPEAKER pro tempore. If the gentleman will suspend, the Chair will give the gentleman an answer.

The Chair was trying to get order, and the gentleman kept reading, and the Chair would have gotten order, and that is the regular order of the House. The objections would have been heard after the gentleman had finished stating the request. That is the normal order of the House.

Mr. OBEY. I hope the gentleman from California will respect that.

Mr. LIVINGSTON. Mr. Speaker, pursuant to House Resolution 334, I call up the bill (H.R. 1643) to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria, with a Senate amendment thereto.

The Clerk read the title of the bill.

MOTION OFFERED BY MR. LIVINGSTON

Mr. LIVINGSTON. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the Senate amendment and the motion.

The text of the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. TEMPORARY EXTENSION OF THE CONTINUING RESOLUTION.

(a) IN GENERAL.—Section 106(c) of Public Law 104-56 is amended by striking "December 15, 1995" and inserting "January 12, 1996".

(b) EFFECTIVE PERIOD.—The amendment made by subsection (a) shall be considered to have taken effect on December 16, 1995.

SEC. 2. ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.

Beginning on January 2, 1996, any Federal employee who is excepted from furlough and is not being paid due to a lapse in appropriations shall be eligible for unemployment compensation benefits with no waiting period for such eligibility to accrue. With respect to any person who is eligible for such benefits by reason of the preceding sentence, any such benefits received shall be subject to repayment in the same manner and to the same extent when eligibility by reason of the preceding sentence ceases as if such cessation were an end to the period of unemployment.

The text of the motion is as follows:

Mr. LIVINGSTON (or his designee) moves that the House concur in the Senate amendment with an amendment, as follows:

(1) In lieu of the matter proposed by said amendment, insert:

TITLE I

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995:

All nutrition services for the elderly under the account heading "Aging services programs" under the Administration on Aging in the Department of Health and Human Services;

All grants to States for child welfare services, authorized by title IV, part B, subpart 1, of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All Federal Parent Locator Service activities, as authorized by section 453 of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All State unemployment insurance administration activities under the account heading "State unemployment insurance and employment service operations" under the Employment and Training Administration in the Department of Labor;

All general welfare assistance payments and foster care payments, as authorized by law, funded under the account heading "Operation of Indian programs" under the Bureau of Indian Affairs in the Department of the Interior;

All projects and activities funded under the account heading "Family support payments to States" under the Administration For Children and Families in the Department of Health and Human Services;

All projects and activities funded under the account heading "Payments to States for foster care and adoption assistance" under the Administration For Children and Families in the Department of Health and Human Services;

All administrative activities necessary to carry out the projects and activities in the preceding two paragraphs;

All projects and activities funded under the account headings "Dual benefits payments account", "Limitation on administration" and "Limitation on railroad unemployment insurance administration fund" under the Railroad Retirement Board;

All projects and activities necessary to accommodate visitors and to provide for visitor services in the National Park System, the National Wildlife Refuges, the National Forests, the facilities operated by the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center for the Performing Arts, and the United States Holocaust Memorial; and

All projects and activities necessary to process VISAS and passports and to provide for American citizen services, notwithstanding section 15 of the State Department Basic Authorities Act of 1956: *Provided*, That whenever the amount which would be made available or the authority which would be granted under an Act which included funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, except for the projects and activities under the headings "Family support payments to States" and "Payments to States for foster care and adoption assistance", for which date shall be March 15, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 110. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on December 16, 1995.

SEC. 111. Notwithstanding any other provision of this Act, except section 106, funds appropriated under section 101 for the payment of vested dual benefits under the Railroad Retirement Act shall be made available so as to fully fund the payments made on January 1, 1996, and the payments to be made within the period covered by this Act including those payments to be made on the first day of each month within the period covered by this Act. In addition to the funds appropriated under section 101 of this Act, $12,800,000 is appropriated to restore full funding for payments made for the period prior to January 1, 1996.

SEC. 112. Notwithstanding any other provision of this Act, except section 106, the authorities provided under subsection (a) of section 140 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236) shall remain in effect during the period of this Act, notwithstanding paragraph (3) of said subsection.

TITLE II

VETERANS AFFAIRS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 201. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERANS' BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.—

(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payments as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payment of such benefits are available (other than pursuant to subsection (b)).

SEC. 202. Section 201 shall cease to be effective on September 30, 1996.

SEC. 203. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on January 4, 1996.

TITLE III

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 301. Such amounts as may be necessary under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1995 for paying salaries of Federal employees excepted from the provisions of the Antideficiency Act (31 U.S.C. 1341 et seq) who are continuing projects and activities conducted in fiscal year 1995 who work during periods when there is otherwise no funding authority for their salaries.

SEC. 302. Appropriations made by section 301 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 303. No appropriation or funds made available or authority granted pursuant to section 301 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 304. No provision which is included in the appropriations Act enumerated in section 301 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 305. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 306. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of the Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 26, 1996, whichever first occurs.

SEC. 307. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 308. No provision in the appropriations Act for the fiscal year 1996 referred to in section 301 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 306(c) of this Act.

SEC. 309. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 310. ALL FEDERAL EMPLOYEES DEEMED TO BE EXCEPTED EMPLOYEES.—

(a) IN GENERAL.—Section 1342 of title 31, United States Code, is amended for the period December 15, 1995 through January 26, 1996—

(1) by inserting after the first sentence "All officers and employees of the United States Government or the District of Columbia government shall be deemed to be performing services relating to emergencies involving the safety of human life or the protection of property."; and

(2) by striking out the last sentence.

SEC. 311. EXCEPTED EMPLOYEES UNDER NORMAL LEAVE POLICY.—Federal employees considered excepted from furlough during any period in which there is a lapse in appropriations with respect to the agency activity in which the employee is engaged shall not be considered to be furloughed when on leave and shall be subject to the same leave regulations as if no lapse in appropriations had occurred.

SEC. 312. ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.—Notwithstanding any other provisions of law, beginning on January 2, 1996, any federal employee who is excepted from furlough and is not being paid due to a lapse in appropriations shall be deemed to be totally separated from Federal service and eligible for unemployment compensation benefits under subchapter I of chapter 85 of title 5 of the United States Code with no waiting period for such eligibility to accrue.

SEC. 313. For the purposes of this title, Federal employees returning to work under the provisions of section 310 shall be deemed to have returned to work at the first regularly scheduled opportunity after December 15, 1995.

SEC. 314. Appropriations made pursuant to section 301 are made notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 701 of the United States Information and Educational Exchange Act of 1948, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236), section 53 of the Arms Control and Disarmament Act, and section 10 of Public Law 91-672.

TITLE IV

That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 401. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this Act) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996:

Provided, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided*, That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 411 or 412 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 402. Appropriations made by section 401 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 403. No appropriation or funds made available or authority granted pursuant to section 401 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 404. No provision which is included in the appropriations Act enumerated in section 401 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this Act.

SEC. 405. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

SEC. 406. Unless otherwise provide for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 407. Notwithstanding any other provision of this title of this Act, except section 406, none of the funds appropriated under this title of this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 408. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 409. No provision in the appropriations Act for the fiscal year 1996 referred to in section 401 of this title of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 406(c) of this Act.

SEC. 410. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 411. Notwithstanding any other provision of this title of this Act, except section 406, whenever the Act listed in section 401 as passed by both the House and Senate as of the date of enactment of this Act does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate for operations for an ongoing project or activity provided by section 401 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 401 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366. For the purposes of this title of this Act the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 412. Notwithstanding any other provision of this title of this Act, except section 406, whenever the rate for operations for any continuing project or activity provided by section 401 or section 411 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366.

SEC. 413. Notwithstanding any other provision of this title of this Act, except sections 406, 411, and 412, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this Act that would impinge on final funding prerogatives.

SEC. 414. This title of this Act shall be implemented so that only the most limited funding action of that permitted in this title of this Act shall be taken in order to provide for continuation of projects and activities.

SEC. 415. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100-202, shall not apply for this title of this Act.

SEC. 416. Notwithstanding any other provision of this title of this Act, except section 406, none of the funds appropriated under this title of this Act shall be used to implement or enforce any system or registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this Act otherwise be used to implement or enforce D.C. Act 9-188, signed by the Mayor of the District of Columbia on April 15, 1992.

TITLE V

CLARIFICATION OF CERTAIN REIMBURSEMENTS

SEC. 501. CLARIFICATION OF REIMBURSEMENT TO STATES FOR FEDERALLY FUNDED EMPLOYEES.—

(a) If a State used State funds to continue carrying out a Federal program or furloughed State employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government—

(1) such furloughed employees shall be compensated at their standard rate of compensation for such period;

(2) the State shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such furloughed employees, together with interest thereon due under section 6503(d) of title 31, United States Code; and

(3) the State may use funds available to the State under such Federal program to reimburse such State, together with interest thereon due under section 6503(d) of title 31, United States Code.

(b) For purposes of this subsection, the term "State" shall have the meaning as such term is defined under the applicable Federal program under subsection (a).

(c) The authority under this section applies with respect to any period in fiscal year 1996 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in subsection (a) with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts.

(2) Amend the title so as to read: "Making appropriations for certain activities for the fiscal year 1996, and for other purposes."

The SPEAKER pro tempore. Pursuant to House Resolution 334, the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. LIVINGSTON].

REQUEST TO MODIFY MOTION OFFERED BY MR. LIVINGSTON

Mr. OBEY. Mr. Speaker, I ask unanimous consent to modify the motion at the desk to include the following amendment at the appropriate place: In section 101, insert "all authorized projects and activities and programs of the Department of Veterans' Affairs not otherwise provided for in this act."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. LIVINGSTON. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO MODIFY MOTION OFFERED BY MR. LIVINGSTON

Mr. MOLLOHAN. Mr. Speaker, I ask unanimous consent to modify the motion at the desk to include the following amendment: "At the appropriate place under section 101, insert the following new citation: Black lung benefits administered by the Department of Labor and the Social Security Administration and the related administrative costs."

Mr. LIVINGSTON. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO MODIFY MOTION OFFERED BY MR. LIVINGSTON

Mrs. THURMAN. Mr. Speaker, I ask unanimous consent to modify the motion at the desk to include the following amendment: "At the appropriate place under section 101, insert the following new citation: Rehabilitation services administered by the Department of Education."

Mr. LIVINGSTON. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the motion to dispose of the Senate amendment to H.R. 1643, now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. OBEY. Mr. Speaker, I have another unanimous-consent request.

Mr. LIVINGSTON. Mr. Speaker, who is recognized for the purposes of time?

The SPEAKER pro tempore. The gentleman from Louisiana has the time.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring to floor a motion to dispose of the Senate amendment to H.R. 1643.

This bill originated in the House as a grant of most-favored-nation status to Bulgaria. The Senate amended this bill by striking all of the text of the House-passed version and inserting a provision that would extend the expired continuing resolution until January 12.

The motion that I am offering today would strike the Senate-proposed provision and insert instead a targeted appropriations bill. Most of the targeted activities are the same ones the Senate proposed in another bill it originated, S. 1508.

Mr. Speaker, the targeted appropriations bill we have offered today would provide funding until September 30, 1996, for the following activities: nutrition programs for the elderly, which includes the Meals on Wheels Program, which serves 600,000 elderly; child welfare programs that provide assistance in 2,500,000 child maltreatment cases and the Federal Parent Locator service, affecting 20,000 child support cases; administration of unemployment insurance; general assistance payments affecting 53,000 native American families and foster care payments affecting 3,000 native American children; railroad retirement payments for 170,000 retired railroad workers; visitor services in the National Park System and the wildlife refuges, affecting 383,000 visitors per day, in the 155 national forests, and in the national museums, affecting 102,000 visitors per day; passports, visa, and American citizen services abroad to enable processing 23,000 passports and 20,000 visas per day; veterans compensation, pensions for over 2,500,000 veterans, and educational program payments for 170,000 GI bill students; and the operation of the District of Columbia using its own revenues.

□ 1315

The bill provides two other targeted appropriations until March 15, 1996. They are aid to families with dependent children, affecting 13 million recipients and foster care and adoption services.

Mr. Speaker, in addition to these targeted appropriations, this bill declares any Federal worker who has been furloughed to be an excepted employee, and when these workers return to their jobs they, and all the currently excepted employees, would be paid and would receive back pay from December 16, 1995. This provision would be effective until January 26, 1996.

Now, Mr. Speaker, these are the major provisions of this targeted appropriations bill. Other more minor provisions cover authorization of payments to States for furloughed State employees whose salaries are reimbursed by the Federal Government, and authorizations dealing with the leave policy of Federal employees and eligibility for unemployment compensation.

Adopting this motion, which provides a targeted appropriations bill, will provide funding for some of the most important of our governmental services that have been shut down since the last continuing resolution expired and will eliminate most of the inequity problems this situation created for our Federal workers. We need to pay the people who have been working, and we need to pay the others who want to come back to work. This bill will do exactly that.

Mr. Speaker, this bill will rectify some major problems of the current partial shutdown of the Government.

Mr. Speaker, we should pass this bill while the bigger negotiations continue that will lead to the reopening of the entire Government. It is not a total answer to the situation we are in, but it is a step forward. I strenuously urge the adoption of this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, as everyone in this House knows, the gentleman from Louisiana and I are very good friends, although he made the mistake of joining the wrong political party, and I think if our friendship can withstand these differences, it will be quite a testimony to the possibilities in life.

But let me simply say that I think we are at a very serious point in the history of this institution. We have seen for the last month an incredibly silly situation in which Government workers were first paid for work that they were forbidden to do, and now they are forbidden to be paid for work which they are being required to do. I have had a situation in my own district where a very large number of people who are not Government employees have had their lives severely messed up by this silly situation.

Mr. Speaker, I have such affected persons in Superior. I have a student at the University of Wisconsin in Superior who is Finnish. He is from Finland. He is a member of the university hockey team. He cannot get his entry visa into the United States because the Government is shut down. People like Tyler Radenz in my district, George Rohmeyer of Marshfield, Carrie Linder of Ashland, David Weber of Wausau, Carolyn Hern of Dedolth, Buckley Gilk of Merrill, Robert Vandeslice of Sheldon, Klaus Kroner of Stevens Point. These are real live human beings, with real names and real problems, and all of those problems have been caused by the Congress of the United States.

I think we need to make certain people understand why we are in this situation, so let me go back to basics. The fiscal year began on October 1. By October 1, this Congress had not passed a single appropriation bill of the 13 bills before us, so a continuing resolution was required in order to keep the government open. One short continuing resolution was passed.

But since then the situation has been quite different. Since then a number of appropriation bills have been passed. Six of them are still not passed. Three of them have been vetoed. Three have not even gotten to the President.

We have been told time and time again by our friends on the Republican side of the aisle that the reason the Government is shut down is because the President vetoed appropriation bills. That is simply not the case. We have had Presidents veto appropriation bills throughout the entire history of this Congress.

Since the Civiletti memo, which first required the shutdown of Government when appropriation bills were not passed in a timely fashion, and that was in 1981, we have had only 8 working days in 14 years during which the Government has been shut down. Yet today we have gone an enormous amount of time with chaos, not just for Government employees, but for the taxpayers who we are supposed to be serving as well, and that is not because the President vetoed appropriation bills. The President, when he vetoed those three appropriation bills, asked the Congress to keep the Government open while those differences between the Congress and the President were resolved.

Mr. Speaker, 70 percent of the dollars in dispute on appropriation bills, 70 percent are contained in appropriation bills which have yet to reach the White House desk. The District of Columbia appropriations bill, the foreign operations bill, and the Labor, Health, Education, and social services bill, none of those bills has gotten to the President because of disputes within the Congress itself.

So let us not hear any more nonsense about the President shutting down the Government, because that is exactly what it is. That assertion is nonsense. The Government is shut down because this country was told since April by the Speaker of this House, Mr. GINGRICH, and a good many others in the Republican leadership, that they intended at the end of the fiscal year to shut down the Government unless they got the President to buy into their budget deal. So that is why the Government is shut down today.

Now we have had some new developments. We had Senator DOLE, the leading Republican candidate for President, who decided to break with the Republicans in the House, and he offered a proposal to keep the Government open. I applaud him for that. That is exactly what we ought to do.

First the Republican House caucus resisted that. Now, belatedly, they have decided to have a partial Government opening. But the problem is that the way they intend to reopen these parts of the Government will deal with some of the problems of Government workers, but they will not deal with the problems of taxpayers, who still will not get the full array of services to which they are entitled.

As I said earlier, Pell grants will be held up; 400 cancer research grants are being held up; 300 Head Start programs are going to be squeezed; we are not going to be seeing contractors with the Government paid for the services they are providing. That is irresponsible, and it will be a very expensive decision long term, because contractors will demand higher reimbursement in the future, having seen the mess that has been created by the majority party.

Then, the worst of all offenses, in my view, is that yesterday one Member of this House, a distinguished committee chairman, threatened to try to impeach the Secretary of the Treasury if he did everything possible to keep Government open, as he has been trying to do since this impasse first began. As a result of that threat, the stock market went down, the bond market sagged, and I would submit to you that means that millions of Americans have lost some of their own wealth, the value of some of their own hard-earned savings, including a lot of pensioners, because of some of the irresponsible and extreme comments coming at us from the majority side of the aisle.

I think the time has come for this Congress not just to provide this limited opening up of Government services, but to open up the Government to provide the full range of services to which the taxpayers are entitled. That is what we wanted to do on the previous motion.

Mr. Speaker, I would urge Members to vote for this resolution, but I would also urge the majority to bring forward another resolution which fully opens up Government, because if you do not do that, what you are simply doing is engaging in a political retreat, but still shooting American taxpaying hostages as we go.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. OBEY. Mr. Speaker, the gentleman should get time from his own side.

Mr. LIVINGSTON. Mr. Speaker, I am most pleased to yield 6 minutes to the distinguished majority whip, the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I appreciate the gentleman yielding me time.

Why I was asking the gentleman from Wisconsin to yield is the gentleman from Wisconsin is trying to rewrite history. The gentleman's claim that the reason that the appropriations bills are not passed is because the Republicans have not passed them and sent them to the President. The gentleman is correct that three of the bills were vetoed by the President. What he fails to show you on his chart, the biggest part of that pie, the red part, is the Labor-HHS appropriations bill being held up in the Senate by liberal Democrats. We could pass that bill today if the liberal Democrats would stop their filibuster.

So I come to this floor in support of this legislation that takes a dramatic step toward fiscal responsibility, while freeing the Federal workers from the perils of the President's poisoned veto pen and his lack of memory of commitments that he has made.

This bill marks the beginning; this bill is the first day of the rest of the year. Let me explain. I am convinced that the President does not want a balanced budget. For 46 days the President could negotiate a balanced budget, and he has chosen not only not to negotiate, but the President has not even chosen to uphold the law that he signed on November 20 that expired last Wednesday. So I am convinced that there is not going to be a balanced budget. So what do we do for the rest of the year? We do what we were sent here to do, and that is to pass appropriation bills and send them to the President.

Now, this President wants more spending. That is why he does not want a balanced budget, because the minute he lays a 7-year balanced budget on the table he has just cut $1 trillion of spending over the next 7 years, and the liberals are fighting that with every fiber of their soul. They want to continue to spend the American family's money, they want to continue to raise the debt on the American family. That is what this is all about.

So, we have found another way of funding these agencies, a very creative way. This is not giving in. This is not moving toward the President. This is what we were sent here to do. We are going to do a targeted appropriations, and we are going to fund those agencies that we want to fund. We are not going to fund those agencies that we do not want to fund.

Now, I was asked, well, then why are you only paying the Federal employees to January 26? The reason I do not want to pay them for the rest of the year is I could guarantee, if this process continues, there are going to be some Federal employees sometime around January 26 or around February that are going to get notices that they better go look for another job because their agency or their program is not going to be funded.

That is why we only paid them to January 26. That is where we are today. And I might say, later on this afternoon we are going to pass a CR triggered by the President.

□ 1330

Finally, if he just will lay out a 7-year balanced budget, honestly scored by CBO using honest numbers, he can open the Government and give those workers that my colleagues say have nothing to do, something to do, because he could open the Government until January 26. It is in the President's hands to give these people, especially the furloughed workers, something to do to earn their pay. The President could just simply do it by honoring his promises that actually started in his campaign.

To those who question our resolve about getting to a balanced budget, let me just say that the Republicans will never surrender in our efforts to get a balanced budget, but we will not keep Federal employees on the firing line when it is Bill Clinton who should be fired for not coming up with a real budget using honest numbers.

This legislation is a very important step to getting to that balanced budget. After all, we will not make targeted appropriations for programs that waste taxpayers' money for no reason. Do not expect Republicans to make targeted appropriations for Ron Brown's Commerce Department or Hazel O'Leary's Energy Department, or other wasteful Government agencies.

We, in the House, are now in control. Members, we do not have to consult with the Senate, we do not have to consult with the Democrats. If we do not like an agency, we just do not have to bring it up here to vote on it and it is unfunded. It will not be funded.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Speaker, do I understand the gentleman to say that the second resolution that will come up this afternoon will, in effect, say we will fund the entire Government; that all the President has to do is file his balanced budget amendment; is that correct?

Mr. DELAY. Mr. Speaker, the gentleman is correct; all the President has to do is keep his promise, or at least obey the law that he signed.

Mr. ROGERS. And if the gentleman will continue to yield, if the President files a 7-year balanced budget amendment, just files it, we do not have to act upon it, just file it, we will open up the entire Government?

Mr. DELAY. That is right. It has to be certified by CBO as being honest.

Mr. ROGERS. Mr. Speaker, I think the gentleman has done a wonderful job and I commend him for it.

Mr. DELAY. Mr. Speaker, I thank the chairman, and reclaiming my time, let me just finish by saying that the American people have seen the future of Government that is partially closed, and many have found that it works just fine.

We will get to a balanced budget by weeding out wasteful and inefficient Washington spending, and this is a good way to start that process. So I urge all of my colleagues to support this very historic legislation.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. BONIOR], the distinguished Democratic whip.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding time to me.

Since my friend from Texas mentioned the issue of travel in his remarks, let me raise a question to the distinguished gentleman from Louisiana. The gentleman opened his remarks on this debate by saying that this resolution that we have before us right now would open up the most important Government services that have been shut down in this Government, and he listed them; named them.

He also mentioned in that list all projects and activities necessary to process visas, passports, and to provide for American citizens' services. Now, American citizens' services abroad can very well mean and, in fact, does mean providing for taking care of legislators, Federal legislators, who travel abroad.

REQUEST TO AMEND MOTION OFFERED BY MR. LIVINGSTON

Mr. BONIOR. Mr. Speaker, I ask unanimous consent that this resolution be amended to prevent congressional travel abroad.

Mr. ROGERS. Mr. Speaker, I reserve the right to object.

The SPEAKER pro tempore. Will the gentleman from Louisiana yield for that purpose?

Mr. LIVINGSTON. Mr. Speaker, reserving the right to object, I would say to the gentleman that the gentleman might have a valid point and this may be an issue we have to take up later on, but it is not the purpose of this legislation.

Further reserving the right to object, I yield to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Speaker, would the gentleman in the well be willing to include the White House travel office in that proposal?

Mr. LIVINGSTON. Mr. Speaker, further reserving the right to object, I do not think the gentleman included the Secretary of Energy's incredibly wasteful travels around the world, but because that may be a good subject for this House to resolve in the coming days and weeks, I would put that one on the table.

Mr. Speaker, I object at this time.

The SPEAKER pro tempore. Objection is heard.

Mr. BONIOR. Mr. Speaker, I expected there would be objection, but that just shows my colleagues where we are with this debate. Here we have a situation where we have really a half-baked resolution before us. To show Members how insane it is, we are opening up some areas of the Government, but we still have a resolution that does not address the issues of contractors who process Medicare claims. It will affect over 24,000 private sector jobs and millions of Medicare claims.

We have no funds for small business loans, meaning that 260 small businesses are losing tens of millions of dollars a day, no funds for cleaning up the poisonous waste that is affecting our neighborhoods and our lands and our industrial sites around America. Thousands of people are going to be laid off because they cannot do those jobs.

Funds for home loans, people who have saved and scrimped to put the money together to get a home loan to make the American dream of ownership real for their families are being denied, and here we are going to allow Members of Congress to travel all over the world? And when I asked for a unanimous consent that they be excluded until we get this resolution problem with the budget taken care of there was objection.

So I say to my colleagues, we are at this impasse, an unprecedented impasse. We have been through 220 years of government, 10 wars, a Civil War, they came in here and burned this building down and went over to the White House and burned the White House down, and we have never had the Government shut down longer than we have right now. And after 21 days, even though my colleagues over here have not seen the light yet, they are starting to feel the heat, and part of the heat is keeping us here, doing our work, not globe trotting around the world while this crisis is before the American people.

Now, my friend from Louisiana said, well, maybe another time we will do this. There is going to be a third continuing resolution today, maybe we can include that. That is another time. Maybe we can include that in that continuing resolution. So I urge my colleagues, as half baked as this is, we need to support the resolution, but believe me, we have a long way to go before we can get this thing straightened out.

Mr. LIVINGSTON. Mr. Speaker, I yield myself 1 minute, and would say to the previous speaker that he has raised a good point. In fact, there have been Republicans and Democrats who have abused the travel rules. Personally, I think that we ought to take the travel abuse question before the standing committees, and thoroughly review the criteria under which travel is abused, not only in the House of Representatives and the other body but throughout the executive branch.

This is a real and critical issue, and, in fact, I am going to invite my friend from Florida [Mr. YOUNG], to conduct hearings on the use of military aircraft for the purpose of travel by the executive branch and the legislative branch that does not benefit the taxpaying citizen.

Good and valuable travel is worthwhile and helps the relationship of this country to other countries around the world, but certainly we have seen evidence that there has been abuses. We have to look at the matter more closely.

Mr. Speaker, I yield 2 minutes and 30 seconds to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding time to me.

Every day I have said during this shutdown, let our people go back to work. This resolution that we have before us is going to do that. It is not the answer to the entire situation of the shutdown, but it is a major and very important first step.

Some 760,000 Federal employees throughout the country, whether they are working or not working, whether they are accepted or not accepted, have not been receiving a salary. Like all of us, they have mortgages, rent, utilities, tuition, other living expenses that they have to pay and the check has not come in.

This measure is going to do that. It is not only going to pay them, it is going to let them go back to work, because we do not believe that anybody who works for the Federal Government is not essential. They are there because they are essential.

This is going to have targeted appropriations; targeted appropriations for the elderly, for the children, for child support enforcement, passports and visas, for administration of unemployment offices, for museums and parks, a long litany of the emergency situations where we do need to have funding. AFDC would be funded through March, the rest would be funded and be assured of that through the entire fiscal year, September 30.

I think this is important. Now, we need more than that, I agree. We need to have our Federal contractors know that they can be involved with the Federal Government for those contracts. We need to make sure that those grants that NIH has are going to be able to be allocated where they belong, the National Science Foundation, and that will come with the next resolution that we are going to pass.

Now we can say to the President, "Mr. President, just submit what you said you would submit, a balanced budget scored by CBO in 7 years." If I were he, I would submit one. I would probably submit it with no tax cuts in it. Let him do it. As soon as he does that, that triggers off the entire Federal Government fully operating in conjunction with the private sector and all the services.

Please vote for this and encourage the President to come up with a balanced budget in 7 years scored by CBO.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, today we will consider legislation that represents a retreat by the extremist wing of the Gingrich Republicans. Their agenda was to punish old people, punish children, punish veterans, and others by holding this Government hostage. Today, after relentless and rightful pounding public pressure, they are sounding retreat and some Federal workers will go back to work.

This is a curious piece of legislation. The Republicans' strange strategy of shutting down the Government has been followed by an even stranger strategy of bringing employees back to work but not giving them the operating funds to do their jobs. They are going to pay Federal employees now to do nothing. Once again, the American people and the American taxpayers lose.

□ 1345

My Republican colleagues' strategy to link the budget to shutting down the Government failed, and now, quite frankly, they are scrambling. It failed because the values of these extreme Republicans do not represent the values of the American people, neither on a shutdown of the Government nor on the issue of the balanced budget.

The American people believe that we must balance the budget, but only if we protect Medicare and Medicaid, education and the environment, and not provide one of the biggest tax breaks in this Government's history to the wealthiest Americans.

In November, the Congress voted and the President agreed to a continuing resolution that would balance the budget by protecting America's values and America's priorities, including Medicare, Medicaid, education, and the environment. We need to honor that agreement.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Speaker, I rise in support of the resolution. Mr. Speaker, we have all heard the awesome crash when an irresistible force hits an immovable object. Maybe in the last week we have gotten some insight into that particular explosion. We have seen the crash between a 30-year culture of deficit spending and the resolve of a nation to have some sense of fiscal responsibility.

To my great regret, we have seen Federal employees and others squeezed between the forces of the past and those of a frugal future. For those of us who support a balanced budget, perhaps we were naive to think that the tradition of deficits would die quietly and easily, but today we have to govern. We have to recognize that the White House in all likelihood will probably not come to the table with a balanced budget any time soon, and we must put the Federal employees back to work.

As George Will has pointed out, Britain's parliamentary system does not lend itself to train wrecks; we do not see this kind of showdown in Cuba; but the Founding Fathers vested Congress and this particular House with the power of the purse and the power of debate. The President, our Founding Fathers gave, apparently, which seems obvious now, the power to be an obstructionist.

Unlike previous Congresses who chose to blame the President with the fiscal deficit, we have accepted the responsibility and the people have given us this idea to balance the budget. It is a superior idea, for today we will end the shutdown as prudent government requires, but the fight for a balanced budget will not stop here and it will ultimately succeed.

As has been pointed out before, history knows no force more powerful than an idea, and the idea to balance the Federal budget; its time has come.

Mr. Speaker, I urge support for this resolution.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I am going to support this resolution because it is what I call a one-third measure. Not a half measure, it does not go that far, but a one-third measure.

My friend, the gentleman from Maryland [Mr. GILCHREST] who preceded me, is a gentleman for whom I have a great deal of respect and even more than that, affection, but I would remind the gentleman that when he talks about the President of the United States being an obstructionist, I would remind him in 1980, the entire debt of this Nation was $945 billion. It grew by $3.5 trillion over the next 12 years under President Reagan and President Bush. Were they not obstructionists? Did they not care about this deficit? They could have stopped it, as the gentleman claims the President is stopping this process.

Mr. Speaker, the fact of the matter is, we work together on policies to try to move this Government forward. The gentleman from Texas [Mr. DELAY], the whip, and so many of the Republicans have been talking about the President not meeting his obligation under the law. This is the law. It says nothing, nothing in section 203 about the President putting a balanced budget on the table. Nothing, my friends.

Read it. Stop misleading the American public and intimating that the President has not told the truth or has not met his commitments. In fact, this President has spent more time negotiating with the Republican leadership in the Senate and the House than any President in history. Apparently, Senator DOLE thought it was negotiation in good faith, because he unanimously led a unanimous consent for a continuing resolution to put Government workers back to work and to put Government back to service for the American public.

My friends, we will pass this resolution, this bill. In my opinion, it is flawed at best; but it is necessary, and I will support it. But let us tell the truth.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume just to say that I am reminded that Bush and Reagan had Democrat Houses of Representatives.

Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Speaker, I am glad that the gentleman from Michigan who spoke a few minutes ago brought up the travel situation, because Hazel O'Leary, the Democrat, the Clinton appointee, the Secretary of Energy, spent $500,000 going to Pakistan, $729,000 going to India, $663,000 going to South Africa, not to mention trips, trips, trips, Vienna, Paris, Moscow, all over the world.

Mr. Speaker, I think it is incredible that the Democrat Party is not outraged and demanding her resignation so that we can go on to try to balance the budget and get a firm grip on the situation right now, so that we can cut down on the deficit.

It is absolutely absurd for her to be spending money like that when Federal employees are out of work because President Clinton will not negotiate, will not come to the table.

The gentleman talked about history. I think it is important to bring history into it. Yet, when we talk about our Founding Fathers, we should always be reminded that they did not have a $5 trillion deficit. They would be alarmed to know that we spend $20 billion each month in interest on the national debt.

Mr. Speaker, I think we need to pass this. We need to get the Government working again and we need to balance the budget.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Speaker, I am new to Congress, but when I reread the Constitution last night, I reminded myself again that the Constitution provides for systems of checks and balances, vetoes and veto overrides. Nowhere is there a provision to shut down the Government when we do not succeed in getting our own way.

But as the majority whip, the gentleman from Texas [Mr. DELAY] said: "We are only going to vote today on what the Republicans want to do." I think it is important that the gentleman said that. We are only going to allow those agencies to go back to work that the gentleman from Texas and the Republicans like.

One of the questions I have, although I will vote for this because I want the retirees from the railroads to get their money, is what happens to startup industries in Silicon Valley? If a startup industry wants to go public after next week, because the Securities and Exchange Commission is running out of money, this company, even after 18 months of work, will not be able to do so. It may be that we do not think that the Securities and Exchange Commission should be involved in this process at all, but we should not leave these companies hanging out to dry. We should be grown-ups, like Senator DOLE.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today in support of the Livingston motion, the Back to Work bill. This legislation will, for the first time in this Congress, bring furloughed Federal employees back to work with pay; and those employees who have been working, make sure they are also paid.

It also has a very important additional element. It will make sure that there will be full funding through September 30, 1996, for the following agencies: the Nutritional Services for the Elderly, Federal Parent Locator Service, the State Administration of Unemployment Benefits, general assistance and foster care payments for Native Americans, grants to States for child welfare services, railroad retirement benefits, Visitors Services for the National Parks System, the National Wildlife Refuges, and National Forests, the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center, and the Holocaust Museum.

In addition, the issuance of passports and visas, the consular services for American citizens abroad, veterans' benefits and payments to the VA contractors for medical services, and, of course, the District of Columbia for their funds.

This legislation is the right move and a bipartisan Congress should in fact adopt it. I expect that once we adopt it, the Senate will follow suit and hopefully the President will sign it into law. But at the same time we will also hopefully pass, this afternoon, legislation which will finally fund all government operations, only after Congress receives notice from the Congressional Budget Office that they have certified the President has submitted an honest 7-year balanced budget.

Mr. Speaker, the country wants a balanced budget, and they want it for the reason that we can reduce for the first time the overburdening cost of carrying a deficit too large, too expensive, and one that has cost every single man, woman, and child more than the Defense Department's annual budget.

Mr. Speaker, I ask my colleagues, therefore, to join me in supporting this legislation which will make sure that we have our balanced budget, but we also make sure that our Federal workers who are providing constituent services and who want to support their families get back to work and are paid.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from Rhode Island [Mr. KENNEDY].

Mr. KENNEDY of Rhode Island. Mr. Speaker, this bill is better than nothing, but for the 2,000 Almacs employees who just got their pink slips on September 15, this bill means nothing to them.

There was a glimmer of hope, because the President and the Department of Labor promised them $2 million, one-third of which was going to go to them immediately to help get them the new jobs. For Richard and Robert LaBreche, they went to the competitor and the competitor would only pay them $4.75 an hour. That is not enough for them to make ends meet. They were used to getting $30,000 a year.

Mr. Speaker, they could get those new jobs if they got the retraining dollars they needed, but this bill does not open up the whole Government and that is what is wrong with it. We should open up the whole Government and let all the people get the representation that they are paying for as taxpayers of this country.

Mr. LIVINGSTON. Mr. Speaker, I yield myself 1 minute to respond to the gentleman that just spoke in the well.

Mr. Speaker, I would point out to the gentleman that after this bill is through, we are going to come up with a bill that will allow the President of the United States to put the entire Government back to work, completely, unequivocally, and without exception, at least until January 26.

Mr. Speaker, all the President has to do to trigger this bill is put a balanced budget on the table, which is scored by CBO as being honest and legitimate, that balances the budget by the year 2002.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, this is important legislation, it is creative legislation, but it is made necessary by the unusual circumstances in which we find ourselves.

Mr. Speaker, it is a fact that the Federal employees are innocent victims, caught in a crossfire between the White House and Congress. It is not only unfair, but really immoral to deprive them of their salaries. they are in this situation through no fault of their own and any remedy righting the situation requires that they get paid.

So that is what this effort accomplishes and it is very worthwhile. More than that, it is an effort to bring the President to the table, living up to his word when he signed a bill on November 20 promising to produce a balanced budget scored by the Congressional Budget Office with honest numbers. He has yet to do that, and that is the real sticking point.

I have heard people on the other side criticize us for not doing our job, for not coming forth with the appropriations bills. But, of course, we have. It is the Senate, the other body, rather, that has strange and peculiar rules that permit filibuster, and that has halted in its tracks the appropriation for Health and Human Services.

Mr. KENNEDY of Rhode Island. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Speaker, would the chairman of the Committee on the Judiciary tell this House whether in the Constitution it has shutdown as an alternative form of forcing a dialog between the executive branch and the legislative branch? Because I understood the Constitution to read that the President would have the power to veto, and in that instance the Congress and the President would get together and negotiate. The gentleman from Illinois is making a good point that the House is in between.

Mr. HYDE. Mr. Speaker, reclaiming my time, the gentleman has consumed all my time. I am sure that was not his nefarious purpose. I am out of time; otherwise, I would have a very learned answer for the gentleman.

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Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Speaker, first of all, there is a document back here that says the President and the Congress shall enact. It does not say that he is going to bring forth. But I am more concerned about the continuing resolution that is before us.

Just a few minutes ago, I offered a unanimous consent to put back in rehabilitation services because we have a major problem out there, folks. I have to tell Members, I got a letter from my community college, this is happening all over the State of Florida, it is happening all across this country, where in fact our departments of labor no longer can finance their agreement to provide these dollars for students to go back to school. They are walking into classes and being told that there is no money available to them. Here is a woman, shutdown effects rehabilitation. A woman who had been in a coma. She came out of the coma. She has gone back trying to get services so that she can be a productive citizen, so she can pay taxes to this country. She wants to be a good person. She is being denied this by this Government.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. DAVIS].

Mr. DAVIS. Mr. Speaker, I thank the distinguished chairman of the Committee on Appropriations for yielding time to me.

I would like to ask a couple of questions. We have, in addition to the Federal employees who have been furloughed and unpaid since December 15, in my district thousands of Federal contractors, a majority of whom have been working with fiscal year 1995 money, and their employees have been unpaid by the Federal Government because their contracting officers have not been able to work, according to EPA, and the contracting officers, technical representatives, and those who oversee these contracts. Under this these people would be put back on the work, those key contracting officers.

Does the gentleman see any reason why the fiscal year 1995 money then could not be spent to these contractors at that point?

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I know the gentleman understands that all Federal employees are now going to be paid because of the gentleman's valiant efforts. There seems, to this gentleman, to be no impediment toward using fiscal year 1995 money in its entirety to pay whatever contractors are out there who are eligible to receive those funds.

Mr. DAVIS. Mr. Speaker, would it not seem to the gentleman reasonable that the administration, we would hope the administration would do everything possible at that point to utilize these contracts in the interest of the Government?

Mr. LIVINGSTON. Mr. Speaker, if the gentleman will continue to yield, unless the administration has political reasons for acting in such a manner, I would think there would be no reason for them not to pay those contractors.

Mr. DAVIS. Mr. Speaker, I thank the gentleman.

Let me finally say that I will support this, the bill before us today. It is not everything I had hoped for, as a representative of many Federal employees who have been furloughed and not paid during this time period, but it is a step in the right direction.

We have really let the hostages off the plane today. Now the budget battle can be engaged between the President and Congress. I hope that leaders from both sides will sit together, act like grownups, and work out these agreements and we will not have to go through this again.

This has been a long and difficult period for Federal employees. I want to personally thank those who have stayed in there, working over Christmas vacation, working through the new year, many of them being unpaid while we here have not been able to do our job in agreeing with the President. I think the Federal employees during this period have been the unsung heroes of this and the only people who can hold their heads high while Congress and the President have dithered.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I am glad that the national embarrassment of this Government shutdown is at least coming to an end temporarily. Throughout the shutdown I have been arguing for no budget, no pay. It was a simple concept. If Members of Congress did not do their duty and keep the Government running, Members of Congress would not receive their paychecks.

That did not sit very well with some of the Republican leaders, and it has never been brought to the floor. And that is unfortunate. But today I have a compromise proposal for the gentleman from Louisiana [Mr. LIVINGSTON]. I would like to suggest that we say in the future that the very last appropriations bill which can be sent by this Congress to the President is the legislative appropriations bill. After we have done all the other appropriations bills, we will take care of ourselves.

The concept is simple. We do not get dessert until we have cleaned our plates. And when Members of Congress realize that they cannot play with the lives of innocent Federal employees unless they risk their own staff and their own time here in Congress, I think they will take it more seriously. Let us hope this embarrassment is not just over temporarily. Let us hope it is over permanently. But let us get down to a balanced budget but not on the backs of innocent people.

Mr. LIVINGSTON. Mr. Speaker, how much time remains on both sides?

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from Louisiana [Mr. LIVINGSTON] has 6 minutes remaining, and the gentleman from Wisconsin [Mr. OBEY] has 10 minutes remaining.

Mr. LIVINGSTON. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I just would like to make a couple of points here.

I am glad to see that we are finally moving in the right direction. This absolutely does not do a whole heck of a lot, but it gets people back on the payroll. I am hearing so much from many from this side of the aisle about a balanced budget, that the President is not bringing forward a balanced budget. I did a little research. The last Republican President to offer a balanced budget was Richard Nixon. There were two budgets offered by Ronald Reagan.

There were two votes taken on budgets by Ronald Reagan, neither one of which was balanced. One of them got one vote, Jack Kemp gave it one vote; and the other got 37 votes. So to say it is an obligation of the President of the United States to offer a balanced budget and hold the President hostage and these people hostages because the President will not present a balanced budget.

I would like to know what compromises the Republicans have made on the budget that passed here and was legitimately vetoed. We do not know what concessions they have made. They have not come by. They have not come back with a budget that is balanced in 7 years and scored by CBO and done the protection that the President insisted on. So I think it is a little bit unusual to demand that the President offer a balanced budget before we can negotiate to put all these people back to work. It is a little bit, I would say, in my opinion, it is a little bit hypocritical to blame the President of the United States for us not doing our job and sending these appropriations bills to us, at least 2 months overdue and then even objected to from the majority of this body.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, as I said earlier this morning, Mr. Speaker, I wanted us to approach this in a bipartisan manner. I was before the Committee on Rules last evening at about 10:30 to offer to them House Joint Resolution 155, a resolution that would comply with the intent of this Congress to put Federal workers back to work on behalf of the American people but in fact give them the resources to do their job.

With this present legislation on the floor of the House, we still will have—come Monday or whenever this Government opens—Federal mortgages and housing vouchers will be halted. Contractors handling Medicare claims will still not be paid. Federal funds to States for Medicaid will still be limited. Grants for State JOBS programs and social services will still not be issued. Assistance to small businesses, the very backbone of America, small businesses that in fact provide the opportunity for people to work, will not be able to get SBA guaranteed loans.

We can do this together, Mr. Speaker, if we pass a continuing resolution to fund the entire Government, a clean CR, House Joint Resolution 155. This is not a good piece of legislation. It does not help workers do the job for America.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Speaker, I rise in opposition.

Sometimes we look at all of this and we wonder where these numbers come from, a 7-year balanced budget. What is magic about the 26th of January? Why does this only go to the 26th of January? Is it tied to the State of the Union Message?

I would suggest that this is a resolution to allow the Speaker to go on a fundraising trip across this country. He will be in Seattle on the 10th of January. I do not know where else he is going to be, but this is simply to get people out of town so they can raise money for the next election. It is not to deal with the problems of this country.

Mr. Speaker, I rise in strong opposition to the Republican plan to partially reopen the Government and will not be a part of their cynical political game to hold the Federal Government hostage until they can pass their extreme and irresponsible agenda.

The House Republicans are offering two separate bills today. They want to partially reopen the Government by paying some Federal employees to go back to work, but without giving them the resources to serve the American people. For example, they want to send the Small Business Administration employees back to work, but will prohibit them from disbursing loans. They want to send Environmental Protection Agency employees back to their offices, but not allow them to make sure that the Nation's waterways remain clean. Everywhere you look, the lights will be on, but no one will be allowed to serve and the public's business will go undone.

All Federal workers should be allowed to go back to work immediately, with full pay, but, in my view it is absurd and foolish to put Federal employees back to work without giving them the resources to serve the people who rely on them.

The second part of the Republican strategy seeks to blackmail the President by holding Federal employees and the services they provide hostage until he agrees with their extreme political agenda. This legislation states that Congress will pass a clean continuing resolution, one that would both put Federal employees back to work and allow them to adequately serve the American people, if and only if the President supports their economic agenda of destroying the safety net and giving a huge tax cut to America's wealthiest.

I will not vote for legislation which seeks to blackmail the President and engages in a blatant attempt to supersede the powers given to Congress by the U.S. Constitution.

Mr. Speaker, we could avoid passing this ruinous legislation altogether, if the House Republican leadership would be willing to join their Senate colleagues in passing a clean continuing resolution—with no strings attached. In doing so, they could easily reopen the Government without holding the American people who rely on it for needed services hostage.

Unfortunately, Mr. Speaker, they are unwilling to even allow the Senate-passed continuing resolution to come to a vote.

Let's get America back on track, let's pass a clean continuing resolution. Most importantly though, let's not put Federal employees back to work without allowing them to do their job.

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I think the previous speaker has just summed up what is at hand here or what is afoot, is a better way to put it. What this simply is is a very strange and goofy way to provide an opportunity for Members of Congress to get out of town for the next 2 weeks, put Government people back on the payroll, but limit what they can do.

It solves the problems of Government workers who are not getting paid, but it leaves an awful lot of problems for taxpayers who are still not getting served. That is a fundamental problem. If that is as far as the majority party will go, then we have no choice but to support it because it is a partial opening up of the Government.

I wanted to point out another interesting bit of strangeness. The Prompt Payment Act requires that the Government pay its bills within 30 days. If no payments are made, the Government is required by law to pay interest on those outstanding obligations at a rate of 6 percent. That means that, because these obligations are piling up, we are going to have to pay added interest, added interest at a time of such a large debt, because of the stubbornness of Members in this House who insist on putting their ideology ahead of our obligation to serve all of the taxpayers whether they be Republican, Democrat, Independent, or anything else.

I would urge Members to vote for this resolution, but would urge the majority party to bring a resolution before this House that truly opens up all of Government so that we can provide all of the services that we are obligated to provide.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from New York [Mr. FORBES], a member of the Committee on Appropriations.

Mr. FORBES. Mr. Speaker, I rise in support of the resolution and this effort before us today.

Mr. Speaker, this is about the President keeping a promise that he made, a promise that he made on November 20 to the American people that he was going to participate, participate in creating balanced budget over the next 7 years, a balanced budget that would be with honest numbers, no more smoke and mirrors. That is really what we have before us. Is this opportunity to unite as Americans in favor of a balanced budget, something my friends in the minority have long expressed support for, something the President of the United States has long expressed support for.

Going back to 1992, when he was a candidate for the Presidency of the United States, he said he wanted a balanced budget. We have pleaded with him, we have begged him. We have spent 20 hours in concert with the President of the United States, 20 hours of face-to-face negotiations begging and pleading, Mr. President, bring us the balanced budget. Here is the blank slate, Mr. President. Tell us how you want to balance the budget and we will be with you.

We have an opportunity today to give the President again another opportunity to fully open up the Government, move forward on a balanced budget and let us get Americans back to work.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. YOUNG], the distinguished chairman of the Subcommittee on National Security of the Committee on Appropriations.

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Mr. YOUNG of Florida. Mr. Speaker, I detect a breath of bipartisanship as we approach a vote on this important piece of legislation, not a heavy breeze, or not a big wind, but at least a breath of bipartisanship, and that is what it is going to take to get our job done. We need to pass this legislation, which I strongly support, and allow the people, who are not responsible at all for the dilemma that we find ourselves in, to get back to work and to get paid.

There have been a lot of delays. The gentleman from Wisconsin [Mr. OBEY], our friend, has presented charts so many times indicating the delays and the bills that did not get to the President. The fact is all but three of the appropriations bills got to the President, and he vetoed four of them.

But that is not the issue today. The idea is not who do we blame, but how do we get most of the job resolved, and that is what we are going to do by passage of this legislation today.

In addition I wanted to say to my dear friend, the gentleman from Michigan [Mr. BONIOR], who raised a very good point about the use of Federal funds for travel, that I plan to pursue this issue. During the early consideration of the defense appropriations bill I announced to the House that we intended to find out how much money was being spent for the use of military aircraft for nonmilitary travel by all branches of Government.

We would have already had those hearings, except for the delays that were caused by the many issues preoccupying the President and Congress. But all of that is in the past now, Mr. BONIOR. We are going to have those hearings that the gentleman is interested in.

But I would like to close on this thought. The bipartisanship that we feel today would serve this Nation and this Congress well if we could remember that here in this hallowed Chamber is where we do the people's business, and if we would take our political activities and our campaigning for the next election back to the precincts and our districts where they belong, then the people's business would be better served.

Mr. OBEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I would like to take this opportunity to express my support for the effort to reopen the Government. The shutdown is costing taxpayers $50 million a day. The total cost of the 21-day shutdown, by far the longest in history, now exceeds $600 million. Democratic appropriations members have made over 30 attempts to reopen the Government without restrictions while budget negotiations continue. However, all of these attempts have been blocked by the Republican majority.

I have also been opposed to all motions to adjourn and/or recess before the Congress has passed all of its appropriations bills. The Gingrich revolution has not allowed the necessary work of the Congress to be completed. We should not go home until our work here is completed.

I have been a member of the Appropriations Committee when the Democrats held the majority in the House and we served under a Republican President. During this period, the Republican President vetoed appropriations bills many times. However, the Democratic majority allowed the Government to continue operations while the parties settled their differences. In fact, while President Reagan was in office, the Government functioned under a continuing resolution that lasted for 1 year.

By October 1, not 1 of the 13 appropriations bills had been passed by this Congress. Today, six appropriations bills have not become law. Instead of working out the differences and passing this critical legislation, the Republicans have staged this showdown between Congress and the President. In every instance in the past where Congress failed to pass one or two appropriations bills, the majority has passed a continuing resolution to allow those agencies to be funded at no increased level of spending. It is simply wrong to hold millions of Federal workers and Americans who rely on the Government services to the whim of this majority.

Today, the Republicans are offering a targeted continuing resolution. I am in opposition to this targeted approach. While this approach represents progress toward ending the Gingrich Republican shutdown, it still does not cover critical needs such as Federal Medicaid matching funds, payments to Medicare contractors, small business loans, worker protection, environmental protection, and Superfund cleanup.

Under this bill, some workers would be provided pay until January 26, others until March 15, and still others until September 30. This chaotic approach is ludicrous. The Republicans are already allowing people to stay home from work and get paid, now they are allowing people to go back to work but not to perform all of their duties. Why not give the American taxpayers the full value of their Government? Why approve only a restricted temporary Government?

The Republican effort to tie budget negotiations to appropriations funding is one I disagree with. This tactic is economically and morally wrong. The President of the United States has the power, under the Constitution, to veto any legislation he feels is not in the best interest of the country. The Congress has the ability to either override the veto or negotiate with the administration. Congress does not have the constitutional right to hold Federal workers hostage because the President has acted in opposition to their efforts.

This bill is the result of the fanaticism by a minority of Republicans. There are enough votes in the House to open the Government without these ridiculous restrictions. However, because the Republican freshmen have been opposed to compromise, the leadership has not allowed a clean continuing resolution to be voted on.

Although I am opposed to the limited nature of this bill, it is the only effort the splintered Republican majority is able to offer and I will support it as a better alternative over the current shutdown.

Mr. OBEY. Mr. Speaker, I yield our remaining 5 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished Democrat leader.

Mr. GEPHARDT. Mr. Speaker, it is with great reluctance and disappointment that I rise in support of this legislation. I have been disappointed by suggestions by those on the other side of the aisle that the President of the United States has somehow broken a promise or gone back on his word. I think that assertion is absolutely wrong.

If we look back at the agreement and the original continuing resolution, the President did not agree to put down a 7-year budget scored by CBO by a certain time, no more than the Republican side agreed that they would put down a budget that he would score as being sufficient for his priorities of saving Medicare and Medicaid and not giving tax cuts to the wealthy paid for by the cuts in Medicare and Medicaid. The agreement was that when a negotiation yielded a hoped-for settlement or agreement, that that agreement would balance the budget in 7 years. The President has kept that agreement, not just the letter of that agreement, but the spirit of that agreement.

When we go from working in the Congress, as we do under the Constitution, to either override a veto or to pass another bill, we move into a different realm. That realm is now a room in the White House. It is a negotiation in private to try to reach an agreement that is good for the country. I have been in the meetings. I find it abhorrent for people to say that he is not acting in good faith. That is not what I have seen and heard.

I participated in the summit in 1990 with President Bush. The negotiators spent all of about an hour with President Bush in 1990. I am not complaining. We talked with Richard Darman who was his representative in the negotiation.

In this negotiation, which has been going on for days, this President has sat in the room for at least 40 hours, face-to-face with the Speaker of the House and the Senate majority leader, and he is painstakingly working the details to find an agreement that, yes, will balance the budget in 7 years, by CBO judgment, but which will also meet his requirements of saving Medicare and Medicaid, saving education and the environment, and not slashing those programs to pay for tax cuts for the wealthiest Americans.

Now because somehow the President has not passed somebody's sincerity test, and for what reason I cannot tell my colleagues, we now have before us a measure which makes no sense. Who can explain to anybody why we are going to bring people back to work and pay them, in some cases for doing nothing? Last week we paid people to stay at home; next week I guess we are going to pay them to do nothing. We ought to put another proviso in this to provide people crossword puzzles so they will have something to do in the office. This makes no earthly sense.

I beg the majority to come to their senses. They have achieved what they wanted to achieve. This President is negotiating in good faith.

In the name of sense and decency, let these negotiations go on, and let us get an honest compromise and a balanced budget that recognizes the priorities of the American people.

Mr. LIVINGSTON. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, decency, common sense, good-faith, all of those great words are nice but here is the agreement, in case we forget. But here is the resolution that passed the House of Representatives and the Senate and went to the President and he agreed to it. The wording in the law is as follows: "The President and the Congress shall enact legislation in the first session of the 104th Congress to achieve a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office," et cetera, et cetera, et cetera.

I will say that the words are very clear in that law and the President is in violation of this agreement.

Now where, Mr. President, is the balanced budget to be achieved in the next 7 years? The President has not produced it, and, when he does, according to the next piece of legislation that will clear this House of Representatives today, the Government will go back to work as planned on a normal basis. Until then, Mr. President, we are going to continue to be faced with a problem. The President wants the status quo. He wants to continue to fund the big bureaucracies. He wants to take the taxpayers' money and he wants to spend it as normal. We do not. We want to cut Government. We want to slice back the role of the Federal bureaucracy that the Democrats have created over the last 40 years.

And there it is the current situation, Mr. Speaker and my friends and colleagues. Let us put Government back to work temporarily, right now, until January 26.

But the crisis is not over. The President must fulfill his responsibilities under this agreement to balance the budget in 7 years. If he does not, the crisis will go on because we are indeed committed to save this country, to save the economic future of our children and our grandchildren by putting the country back on a firm and normal fiscal track so that we pay our bills, and we save this Nation from economic catastrophe.

Mr. COSTELLO. Mr. Speaker, I rise today in support of a balanced budget. In fact, I have consistently cosponsored and voted for a balanced budget amendment. However, I continue to be disappointed that we are in a stalemate about how to reach this goal.

The Federal Government has been shut down for 21 days. This shutdown—the longest in history—has cost the taxpayers in excess of $600 million to date. Over 200,000 Federal workers have gone without pay since December 16. They, like other Americans, have mortgages, car payments, utility bills, and mouths to feed. In addition, millions of Americans depend on a variety of Government services that they have already paid for. Americans have needs that are not being met because the Republicans in the House refuse to agree on a compromise balanced budget.

Today, the House will pass a resolution to provide funding for selected Government functions, including the Meals on Wheels Program; visitor services in the National Parks; passport and visa services; railroad retirement payments and unemployment insurance. While this is a small step in the right direction for our Nation, I am gravely concerned because this targeted approach does not cover other critical needs such as payments to Medicare contractors, Federal Medicaid matching funds, small business loans, worker protection, environmental protection, and Superfund cleanup. It could also lead to the ludicrous situation of paying Federal workers to do nothing.

President Clinton and the majority leader in the Senate were right weeks ago when they agreed to separate the issues of funding the Government this year and finalizing a 7-year plan to balance the Federal budget. We should pass a clean continuing resolution to fund all operations of the Government, including small businesses that rely on Government contracts. Then we must focus on the people's business to get the budget balanced in 7 years.

We operate in a democracy, not a dictatorship. People have paid in advance for Government services, they are not receiving. It is time to sit down and work out a 7-year balanced budget without denying the people Government services.

Mr. GILMAN. Mr. Speaker, though I do have some concerns with this measure, as a Member that represents over 4,000 Federal workers I will vote for this bill in attempt to end the plight currently plaguing my constituents.

I am heartened at the fact that with the passage of this measure we will end the current practice of punishing Federal workers because the President is unable to offer a 7-year balanced budget with real numbers. I believe strongly in our efforts to sign into law a 7-year balanced budget with real numbers, but believe it can be accomplished through tough negotiations, and not by punishing our Federal workers.

I do wish that Congress could offer a clean continuing resolution which would allow contractors with the Government to obtain the payment needed to continue performing the vital services they offer throughout our local communities.

It is important that we in the Congress bear in mind that those Federal workers currently furloughed want to work. They have not been furloughed because of bad performance, but because they have been pawns in the budget impasse.

Let me be clear. I believe strongly in the need for a balanced budget with real numbers, and I am encouraged that Congress is serious about achieving this goal. Accordingly, tough negotiations must continue between the President and the Congress. We must achieve a balanced budget.

But I believe there is no reason why these tough negotiations cannot continue while Federal employees are on the job doing the work for which they are being paid.

I ask my colleagues to support this measure and get our Federal employees back to work.

Mrs. COLLINS of Illinois. Mr. Speaker, during my tenure in Congress I have been witness to a whole lot of things, but I have never seen such a despicable display of political gamesmanship and purely partisan, selfish maneuvering as is coming from the Gingrich Republicans these days. While I reluctantly support the very limited continuing appropriations bill we are considering today, I am appalled at the tactics that have been employed by the GOP over the last 21 days to hold the Federal Government and the American people hostage to their extreme ideological agenda.

Despite the fact that the majority leader in the other body, Senator DOLE, said a few days ago, "Enough is enough," and rightly called on the House to pass a clean continuing resolution to reopen the entire Government, the Gingrich groupies continue to play games. While H.R. 1643 will reopen the Government for selected Federal activities, it remains an inadequate measure in that it leaves many critical Federal responsibilities unmet. In addition, while it properly returns our dedicated Federal employees to work with full pay, it neglects to fund many of the programs which they are charged to administer. In other words, it takes some of the political heat off the Republicans, without providing a real solution to the crisis we face.

For instance, the legislation before us fails to reinstate much-needed Federal Medicaid matching funds, payments to Medicare contractors, dollars for EPA toxic waste cleanup, student loans, HUD home loans, small business loans, Centers for Disease Control flu-tracking and public health oversight activities, and the Federal Emergency Management Agency's food and shelter program, just to name a few.

My constituents are fed up with the lack of respect shown by the Republican majority of this Congress for their needs and concerns. They are fed up with the shutdown of services vital to the proper functioning of their communities. They are fed up with the arrogance of the GOP Members that proclaim "It's my way or no way at all."

Mr. Speaker, the House Republicans at every turn of these budget negotiations have simply refused to carry out their constitutional responsibilities to govern. It is unbelievable, it is childish, it is dangerous, and it is wrong. Believe me when I say that the American people realize this and the American people will act accordingly to make their displeasure known.

Mr. STEARNS. Mr. Speaker, we are all concerned about our Federal workers and the need to find a way to end this shutdown.

While no one wants to see this situation continue, there is an even more overwhelming concern that is being voiced by the majority of the Members in the House. Their greatest fear is that if we comply with requests to pass a continuing resolution [CR] to get us through this month then the President will renege on his promise once again.

As we all know, in an effort to work in a bipartisan manner, back in November we passed a CR that would run through December 15. We did this in good faith. What happened to the promise made by the President to produce a balanced budget in 7 years using congressional budget numbers? We are still waiting that document to be put on the table. You know, Mr. Speaker, it makes it tremendously difficult to negotiate when only one side has produced the necessary budget that meets all the requirements that were previously set down by the President in his State of the Union Address in January of 1993.

What caused this shutdown? Quite simply, the President vetoed appropriations bills that currently force this partial shutdown. The agencies that have not yet had funds appropriated for 1996 are the State Department, Justice Department, Commerce Department, Interior Department, Small Business Administration, Veterans Affairs Department, Forest Service, Housing and Urban Development Department, and the Environmental Protection Agency.

People need to realize that most of the Federal Government would be open today if the President had either signed a balanced budget or signed the funding bills for the affected agencies. We are willing to work out a compromise with the President, but he has to tell us what he wants. So far, he has simply vetoed every bill that has hit his desk. That's not leadership, it's gridlock.

Mr. Speaker, 40 years ago there was no national debt to speak of, and Americans paid only 3 percent of their income to the Federal Government. Today, we have a $5 trillion national debt, and the average American family pays a full 25 percent of its income to the Federal Government. Taxes at all levels of government now consume 40 percent of the average family's income—more than they spend on food, clothing, and shelter combined.

The fiscal year 1996 appropriations process is proof of our commitment to balance the budget through thoughtful and sound spending. The representatives of the people of America have some very difficult spending.

We have had to make cuts in many important programs; we have been forced to prioritize our spending—just as American families have been doing for years. We have done this because we are interested in the future of our country. We have put aside partisanship and self-interest so that our country will not buckle under the burden of its debt, so that our children may have a future.

I find it not only frustrating but also terribly disheartening that the President has chosen to veto a majority of the appropriations bills we have sent to him. He says that the appropriations bills don't provide enough money. The President feels that the Government does not spend enough money. Mr. President, we have a $5 trillion debt. This President has made it clear that his administration's goals are quite different from the vast majority of the American people.

These Presidential vetoes make it abundantly clear that he is committed to more of the tax-and-spend policies that have nearly ruined our country financially; the bills he vetoes have caused the shutdown of portions of the Federal Government, thus punishing his own employees simply because he refuses to adhere to the promise he made to produce a 7 year balanced budget using Congressional Budget Office [CBO] numbers. Congress has done what it had to do. We have proven our commitment to reduce Federal spending and to make the Government more efficient. Apparently, the President has a different agenda.

Why is a 7-year balanced budget so important? Many leading economists believe that a balanced budget would result in a drop in interest rates of up to 2 percent. For a 30-year, $75,000 mortgage, that's $37,000 saved over the life of the loan. Americans will have more take home pay because our budget includes a $500 per-child tax credit. We also have true welfare reform which is a No. 1 priority for most Americans.

What happens if we don't achieve our goal of a balanced budget in 7 years? Five years from now all Federal revenues will go to just five programs—health care entitlements, federal retirement, Social Security, and interest on the debt. Our children will be faced with lifetime tax rates of 80 percent just to pay interest on the debt. That's why it is so important that we stick to our principles. Our country needs to go in a new direction. We must cut taxes and cut spending. We must think of our children and their children. Currently, future generations will have to deal with a soaring debt and outrageously high taxes. Is this the legacy we want to leave them? I do not think so. I believe we will work out an agreement with the President. I pray that we do so for all those federal employees who have been asked to bear the brunt of this budget impasse.

Mr. Speaker, I would also like to ask my colleagues to please give consideration to cosponsoring legislation I have introduced, H.R. 2828. This bill provides for the comparable treatment of Federal employees, Members of Congress, and the President during a period in which there is a Federal Government shutdown. Let's put our paychecks where our values are and disavow special treatment.

Mr. VENTO. Mr. Speaker, the shutdown of the Government has affected Americans all across the country. The Federal government should be predictable and certain, but due to the inaction of this House under GOP leadership, the extreme accusations by some Republicans of an incompetent Federal Government are being made a self-fulfilling prophecy by these same Republicans.

As just one good example, I have received dozens of calls from railroad retirees in Minnesota who live on fixed incomes and have had their retirement benefits cut because of the shutdown! In fact, the Railroad Retirement Board has had to cut January vested dual benefit payments by 64% for 160,000 railroad retirees across the Nation. This means that retirees who earned their pensions through many years of hard work and who live on fixed incomes are having trouble meeting their rent payments. And of course there are no assurances that they will receive any of their benefits in the future if this shutdown continues.

The sad reality here is that these retirees are being denied the benefits they earned as the Republicans play political games and shutdown the Government and shut out Federal workers. This Congress ought to do its job and act today on a real continuing resolution to keep the full Government running—and provide the 160,000 railroad retirees with their earned benefits.

This isn't about who is for a balanced budget, rather it's how to balance the budget. Nor is this shutdown about political honesty, in fact the more some boast of their monopoly on truth and honesty, the more firm you should hold on to your wallet. We are thirteen weeks into the fiscal year and have had four weeks of Federal Government shutdown because of GOP straw man arguments about economic forecasts and games to seek political advantage. This resolution finally provides some relief but leaves many programs, and most importantly the people we serve, in a lurch. Ironically, it pays Federal workers but ties their hands so they can't do their jobs. As Mark Twain stated, "The more you explain it to me the more I don't understand it".

Mr. Speaker, it isn't the Federal Government that's incompetent, rather it is the Republican-led, know-it-all, arrogant Congress, which after a year can't have its actions blamed on inexperience. No, the problem is indifference and political one-ups-manship. Enough is enough. Free the hostages and let the railroad retirees have their pensions. Put the American people's Federal Government back to work—the full Government, not this half-baked GOP political fig leaf designed more for political relief and which will just result in more shutdown threats and Federal Government uncertainty.

Mr. PAYNE of Virginia. Mr. Speaker, I am going to join reluctantly in voting for this measure. It will send our Federal employees back to work and restore normal operations to our national parks, Meals on Wheels, the passport office, and several other vital programs. We will end for now this cruel game that has made innocent Federal workers pawns in a political dispute over which they have no control.

As Senate Majority Leader DOLE said Wednesday: "Enough is enough." And this measure is better than nothing.

But let there be no mistake, Mr. Speaker: This legislation is the most bizarre measure that I have seen in 8 years as a Member of Congress.

With it, we'll send HUD's employees back to work, but they won't be able to perform all of the duties and services that they're charged with.

Everyone would be back on the job at the Education Department, but there would be no new student loans.

And for the many Federal contractors who have been burned badly by this Government shutdown, this measure offers no relief. Medicare contractors, NASA contractors, and even those who supply food to Federal prisons will be among those who will continue to be harmed by the games that some people are playing in Washington.

Mr. Speaker, 1 year and 1 day ago, the Republican majority came to power pledging to run government like a business.

Well before coming to Congress I built and operated businesses. And I have employed hundreds of people. And let me tell you something: This is not how you run a business.

You don't send people to work and deprive them of the money or material they need to do their jobs and still expect to be successful.

We need a clean continuing resolution to put the Government back to work, and then let's spend our time and energy balancing the budget in 7 years. That's what we were sent here to do.

The SPEAKER pro tempore. All time has expired.

Pursuant to House Resolution 334, the previous question is ordered.

The question is on the motion offered by the gentleman from Louisiana [Mr. LIVINGSTON].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 401, nays 17, not voting 15, as follows:

[Roll No. 7]

YEAS—401

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers

Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fields (LA)
Filner
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stokes
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—17

Barr
Barton
Chabot
Chenoweth
Dickey
Ganske
Gibbons
Graham
Hastings (FL)
Hoekstra
Hostettler
Largent
Sanford
Shadegg
Smith (WA)
Souder
Tiahrt

NOT VOTING—15

Bryant (TX)
Chapman
Fazio
Fields (TX)
Flake
Hayes
Lightfoot
Myers
Quillen
Rose
Stark
Stockman
Studds
Wilson
Wyden

☐ 1443

Mr. FROST changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "a bill making appropriations for certain activities for the fiscal year 1996, and for other purposes".

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. LIGHTFOOT. Mr. Speaker, due to my son's hospitalization I was unable to be present and voting on January 5, 1996.

Had I been present I would have voted in favor of H.R. 1643.

☐ 1445

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. OBEY. Mr. Speaker, I ask unanimous consent to call up for immediate consideration House Joint Resolution 131, continuing funding for many critical Federal departments through January 29, 1996, authorizing a 2.4-percent pay raise for the Armed Forces of the United States, and waiving all points of order against such an amendment.

Mr. SOLOMON. Mr. Speaker, I object.

The SPEAKER pro tempore (Mr. HASTERT). Under the guidelines consistently issued by the successive Speakers and recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentleman's request until it has been cleared by the bipartisan floor and committee leaderships.

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. OBEY. Mr. Speaker, I have been authorized by the minority party leadership on this side of the aisle to make such a request. When will someone be authorized on the majority side to make such a request?

The SPEAKER pro tempore. That is not a parliamentary inquiry at this point.

FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Ms. JACKSON-LEE. Mr. Speaker, in light of the previous vote, I ask unanimous consent to bring up House Joint Resolution 155, a clean continuing resolution that funds this Government as amended through January 26, supported by over 45 Members of this House, which will allow workers in the Federal Government to perform at their fullest services and to ensure that the Government is operating during the budget negotiations.

Mr. DREIER. Regular order.

The SPEAKER pro tempore. Under the guidelines consistently issued by successive Speakers and recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentlewoman's request until it has been cleared by the bipartisan floor and committee leaderships.

PARLIAMENTARY INQUIRY

Ms. JACKSON-LEE. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state it.

Ms. JACKSON-LEE. The inquiry is, as my colleagues stated, when would we be able to hear from the other side?

Mr. SOLOMON. Mr. Speaker, regular order.

The SPEAKER pro tempore. That is not a parliamentary inquiry.

REPORT ON RESOLUTION PROVIDING FOR DISPOSITION OF SENATE AMENDMENT TO HOUSE JOINT RESOLUTION 134, FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104-448) on the resolution (H. Res. 336) providing for the disposition of the Senate amendment to the joint resolution (H.J. Res. 134) making further continuing appropriations for fiscal year 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

AUTHORIZING SPEAKER TO DECLARE RECESSES FROM JANUARY 5, 1996, THROUGH JANUARY 23, 1996, AND WAIVING REQUIREMENTS OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY COMMITTEE ON RULES

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 330 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 330

Resolved, That (a) the Speaker may declare recesses subject to the call of the Chair on the calendar days of Friday, January 5, 1996, through Tuesday, January 9, 1996. A recess declared pursuant to this subsection may not extend beyond the calendar day of Tuesday, January 9, 1996.

(b) The Speaker may declare recesses subject to the call of the Chair on the calendar days of Tuesday, January 9, 1996, through Friday, January 12, 1996. A recess declared pursuant to this subsection may not extend beyond the calendar day of Friday, January 12, 1996.

(c) The Speaker may declare recesses subject to the call of the Chair on the calendar days of Friday, January 12, 1996, through Tuesday, January 16, 1996. A recess declared pursuant to this subsection may not extend beyond the calendar day of Tuesday, January 16, 1996.

(d) The Speaker may declare recesses subject to the call of the Chair on the calendar days of Tuesday, January 16, 1996, through Friday, January 19, 1996. A recess declared pursuant to this subsection may not extend beyond the calendar day of Friday, January 19, 1996.

(e) The Speaker may declare recesses subject to the call of the Chair on the calendar days of Friday, January 19, 1996, through Tuesday, January 23, 1996. A recess declared pursuant to this subsection may not extend beyond the calendar day of Tuesday, January 23, 1996.

SEC. 2. The requirement of clause 4(b) of rule XI for a two-thirds vote to consider a report from Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported from that committee before the calendar day of Wednesday, January 24, 1996, and providing for consideration or disposition of any of the following measures:

(1) A bill making general appropriations for the fiscal year ending September 30, 1996, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(2) A bill or joint resolution that includes provisions making further continuing appropriations for the fiscal year 1996, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(3) A bill or joint resolution that includes provisions increasing or waiving (for a temporary period or otherwise) the public debt limit under section 3101(b) of title 31, United States Code, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(4) A bill to provide for a balanced budget by 2002, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

The SPEAKER pro tempore (Mr. KINGSTON). The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

Ms. PRYCE. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished ranking member of the Committee on Rules, the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 330 is a two-part resolution. First, it allows the Speaker of the House to declare recesses subject to the call of the Chair on the calendar days of Friday January 5, 1996, through Tuesday, January 9, 1996, and for 3-day periods thereafter until Tuesday, January 23, 1996.

Second, this resolution waives clause 4(b) of rule XI, which requires a two-thirds vote to consider a rule on the same-day it is reported from the Rules Committee, against certain resolutions reported by the Committee on Rules before calendar day Wednesday, January 24, 1996.

This resolution covers special rules that provide for the consideration or disposition of specific budget legislation, including fiscal year 1996 appropriations, continuing resolutions, public debt limit increases or waivers, and a 7-year balanced budget bill. The resolution also covers amendments, conference reports, or amendments reported in disagreement from a conference on such legislation.

Mr. Speaker, this resolution is primarily focused on moving toward a speedy solution to the budget dilemma that confronts this body, by facilitating the same-day consideration of urgent budget legislation that will reopen the entire Federal Government or provide a new 7-year balanced budget plan. When Congress and the administration come to agreement on these issues, the House will be able to act immediately to end the budget crisis.

However, in the absence of legislative activity that moves us toward these goals, this resolution provides the Speaker the ability to declare recesses while the budget negotiations between our leadership and the White House continue.

By recessing rather than adjourning, the House will effectively be on standby, ready to return should the White House come to meet its responsibility and submit legislation, as promised, that achieves a balanced budget and puts the Government back into full operation.

Further, should the President do his duty and the House does return ready for action, these urgent budget measures can be considered under an expedited process.

Mr. Speaker, with this resolution, the House is not abdicating its responsibilities. In fact, the House has worked very hard, with a great deal of success, to fulfill its duties. As a result, about 75 percent of the Government is on the job, serving the taxpayers.

Three other appropriations bills, which would have put a large number of the remaining Federal employees back to work, were passed by Congress, but vetoed by the President. Had the President signed these bills, 95 percent Federal employees would have been working and receiving their paycheck.

Two other appropriations bills are pending action in the other body, and the last spending bill is still in conference.

Under this resolution, as soon as these appropriations bills are ready for consideration, the House may give them immediate attention under an expedited process.

And, the House just voted to fund some of the most important Government functions, so that meals for seniors, child welfare programs, unemployment benefits, AFDC, passports, and veterans programs would not be denied. Further, we just voted to ensure that Federal employees are no longer held hostage by the President's inaction and receive their pay.

The resolution now before us will allow the House to take the next step and reopen the entire Federal Government once the President produces his balanced budget, under a process that allows immediate action.

Mr. Speaker, responsibility can also be demonstrated by keeping one's promises. The Republican Majority has worked diligently over the past year to keep its promise to the American people by crafting and passing a Balanced Budget Act which eliminates the deficit in 7 years. However, these efforts may mean little if a balanced budget is not enacted into law.

The President has made a similar promise, numerous times, and most recently in writing. he signed into law a promise to Congress and the American people that he will enact a budget that reaches balance by the year 2002, using the Congressional Budget Office's numbers.

Currently, Congress, Federal workers, and the American people are waiting for the President to keep his word and fulfill his end of the bargain. Frankly, his failure to do so is unacceptable.

When the President finally gives us his budget from which to begin to negotiate, the terms of this resolution would permit the House to come back into session to respond quickly and appropriately.

Mr. Speaker, the budget impasse facing this House and the Nation is serious, and clearly, the shutdown of the

Government is undesirable, but the future of our country is at stake. My colleagues who are committed to a balanced budget are not trying to ignore the situation at hand. Instead, those of us who are truly committed to a balanced budget are taking bold steps to confront the real financial crisis that faces our Nation, because it is responsible and it is right and we are so close and this is our last best chance.

This resolution will allow us to continue to work toward the goal of fiscal responsibility in a practical manner. House Resolution 330 is appropriate in light of these unique circumstances. It is a tool we need to keep the budget negotiations on line. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my colleague from Ohio for yielding me the customary half hour and I yield myself such time as I may consume.

Mr. Speaker, the rule we are considering today is completely irresponsible.

The United States Government has been closed for 21 days. Of 2 million civilian Federal employees, 280,000 have been sent home and 480,000 are working but not getting paid. A total of 38 percent of the Federal work force is not getting a paycheck.

Thanks to the targeted appropriations bill we did earlier, those people will be able to go back to work and even get their paychecks, but, many of them will not be able to actually do their work because the Republican leadership won't let them.

Many Federal programs are still not funded and thousands of Americans are still not getting the services they expect and the services they earned.

Medicare contractors which employ 24,000 people will not get paid, States will run out of Medicaid matching funds to pay for poor children's health care, small businesses won't get loans; workplace safety and health complaints will not be inspected, and EPA is still unfunded which means superfund sites are not cleaned and environmental hazards are not investigated.

And what's the response of the people who closed the Government in the first place?

Mr. Speaker, the Republican majority is responding by going home.

For those who wonder why on earth anyone would do this, it's because Republicans want the President to do something he won't do. They want President Clinton to agree to their idea of cutting Medicare to pay for tax breaks for the rich. Until he does they are going to hold the entire country hostage.

Mr. Speaker, this 21-day shutdown tantrum is the most arrogant abuse of power I have seen in a very long time and I do not understand it.

I do not understand how Speaker GINGRICH can send his Republicans home while so many people are suffering. And make no mistake about it, the responsibility for this shutdown lies squarely in the lap of Speaker GINGRICH.

Mr. Speaker, this shutdown is serious and it is hurting a lot of people this month, 49,000 families may be evicted from their homes because their housing vouchers are not getting renewed.

Mr. Speaker, these people did nothing wrong. They expected Government services, they earned Government services, and under no circumstances should they have to pay the price for this political blackmail.

And to make matters worse, a majority of House Members want to open the Government, but the Republican leadership won't let us.

Some say this fight is about philosophy. They say that Republicans have closed the Government because they have philosophical differences with the President.

I guess I do not know very much about philosophy because I can not look some of these people in the eye and tell them there is a good reason for their frustration.

The people who think this philosophical difference is worth the pain it is causing are in the minority. Wednesday, a Republican Member said, "GOP leaders know they would lose a vote on the floor."

Mr. Speaker, this 21-day shutdown is cruel and unnecessary. It would end if it were brought to a vote. I urge my colleagues to defeat this rule, Speaker GINGRICH should keep Congress in town until the Government is completely open again.

With respect to the two-thirds waiver, I would say to my colleagues that they have managed to bring up a rule meant for last minute, emergency bills on just the second day of the session, at least we waited until the end.

□ 1500

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I just turned in my prepared remarks. I was going to make an appeal to try to shorten the debate on not only this very important resolution but the one that is going to come up right after that. We have been working very closely with the other side of the aisle, we have been working very closely with the other body, with the leader of the Democratic Party in the other body, and we have had a lot of cooperation.

Then I hear my good friend, JOE MOAKLEY, the ranking member of the Committee on Rules, stand up here and go through a charade that we went through several weeks ago at Christmastime.

Mr. HEFLEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I will be glad to yield to my good friend from North Carolina, a good Congressman.

Mr. HEFLEY. Mr. Speaker, I would be curious to know if the gentleman listened to the political statement that his party made prior to yielding to the gentleman from Massachusetts? There was a political statement made over here, so let us——

Mr. SOLOMON. I have been listening very, very carefully, and what I am doing now is just trying to get us all to come to reason here, because this rule that the gentleman from Massachusetts [Mr. MOAKLEY] has just asked you to vote against is an expedited procedure rule.

What it does, it allows us anytime in the next 21 days, before the President's State of the Union Message, before we actually take up other legislation, it allows us to act in an expeditious manner on issues of terrible importance. It allows us to take up any amendments in disagreement that might come about from the other body through conference reports. It allows us to take up any of the vetoed bills for the Department of Veterans' Affairs and housing, the Environmental Protection Agency; it allows us to take up the Commerce–Justice–State bill; it allows us to take up the Interior bill that the President vetoed that is keeping the parks closed.

That is really what this is all about. But more important than that, it allows Members to take up this afternoon, before going home for the weekend, a continuing resolution that members of the minority have been asking for. It is a clean resolution for another 21 days.

What does that mean? That means that those of us who are going to stay around here for the next 21 days are going to be negotiating with the President, trying to bring about a compromise that will bring us a balanced budget in 7 years. That is really what this is all about.

So to stand here and say well, let us defeat this rule and let us be around here next week, you know, many of us are going to be around here all next week, but it is time now for us to pass this. We have assurances from the other body that they are going to accept by unanimous consent the bill we just debated that puts all of the Federal workers back to work, that pays them for their past wages, that is going to pay them for their future wages if they continue to work. That is what that bill did.

The next bill that will come up, if we pass this rule, is going to allow for a clean continuing resolution. That is what the President wanted.

If he does that, and if he gives us his budget that balances the budget in 7 years, we are going to see what his cuts in Medicare are, and if he is cutting $100 billion and we are cutting the increase by $180 billion, then we have got something to work between, between $100 and $180 billion. If he is calling for tax cuts and we are calling for tax cuts, let us see what the differences in the dollar amounts are.

That is what this resolution does. It is an expedited procedure. Every one of you should vote for it. We ought to cut out this political dart-throwing, and let us get down and get the Government back working, and let us get the balanced budget. That is what the American people want.

What do you think of that? Let us do it.

Mr. Speaker and Members, the resolution before the House will provide us with the scheduling flexibility necessary to complete the ongoing budget negotiations in a timely and orderly fashion.

It is important to note, as the gentlelady from Ohio explained, that this resolution not only authorizes additional recess authority to the Speaker but it provides expedited procedures for the consideration of a bill to balance the budget by 2002 or a bill including further continuing appropriations.

This resolution is in fact a resolution to allow us to continue our work in an expeditious manner.

As we are in the midst of only a partial government shutdown, let me take a moment to recap the status of the appropriations process. There is no need to assign blame for this partial shutdown. The facts will speak for themselves.

To date, seven appropriations bills have been enacted into law. One conference report is pending in the Senate and one bill is still in conference.

The bill that funds the Departments of Labor and Health and Human Services has passed the House but is facing a filibuster in the other body by the Democrat minority.

Three other bills, funding a huge percentage of the Federal Government, were vetoed by the President one week before Christmas. The President had an opportunity to open the bulk of the Cabinet departments and agencies now closed by signing those bills.

Three days after this partial shutdown began, President Clinton vetoed the Veterans and HUD and independent agencies appropriations bill, citing excessive cuts to the EPA.

Most accounts in that bill were cut to pay for an increase in the Veterans' hospital account. We have told the White House, in a good faith negotiation, to take money from any other parts of the bill except veterans, if the President insists on increasing funds for EPA, but he has refused to do so.

If the President had signed this bill, all of the workers in VA hospitals, Department of Housing, EPA, and a host of other agencies would be back on the job and earning their salary.

Also on December 18, the President had another opportunity to open many government offices for work. Instead, he chose to veto the Interior appropriations bill on the grounds that the cuts were too severe.

We told the White House, in another honest negotiation, to shift the money around to reflect their priorities without increasing the total dollars, but they refused to do it.

If the President signed this legislation, this bill, would have allowed countless Americans to enjoy our parks and museums.

On December 19, four days into the partial Government shutdown, the President closed four Cabinet departments and several agencies by vetoing the Commerce, Justice, State appropriations bill.

How could the President close the Justice and State departments, many Americans are wondering?

As with other bills he vetoed, the President objected to cuts in the bill designed to balance the budget overall. We told the White House that add-backs would be acceptable, if—and only if—the President specified where the cuts should come from, elsewhere in the bill.

Again, he refused. If the President had signed this bill, these Federal workers would be on the job earning their pay and the needless hassles in getting a passport would not exist.

We sent the President a clean CR, on November 20, with a simple paragraph attached committing the President and the Congress to enacting a bill that would balance the budget by 2002 scored by the CBO.

To this day, the White House has not presented such a document to the Congress.

Over the last few days, I have noticed the Democrat rhetoric obscuring the precise nature of the President's commitment in November.

Let me call Members' attention to House Joint Resolution 122, which passed the House on November 20, 1995 by an overwhelming vote of 421 to 4.

This legislation contained a temporary spending measure to keep the Government open and committed the President and the Congress to a 7-year balanced budget scored by the CBO.

The President signed this measure into law on November 20, 1995. So there is no confusion—this is Public Law 104–56.

Mr. Speaker, we are a society of laws, and our adherence to the rule of law has set our Nation apart in history. I urge the President to comply with the law he helped enact.

Over the last several days, we heard from some of our Democrat colleagues that we ought to resolve this partial Government shutdown immediately and deal with our philosophical differences over entitlement spending later.

The unspoken implication in this Democrat argument is—balancing the budget in 7 years is not all that important. We can deal with that pesky deficit sometime later. Balancing the budget is a goal that can wait for an undefined, later date.

Mr. Speaker, that is the kind of logic that has created the fiscal mess we are in today. This crisis cannot wait any longer.

The fact that public officials behaved irresponsibly in the past is not a compelling reason why we should do so today.

Mr. Speaker, since we have already passed a targeted appropriations bill funding selective programs to demonstrate our good faith, we are prepared to pass a continuing resolution conditioned on the President delivering a 7-year balanced budget scored by the CBO and delivered to this Congress. He can do this in a matter of hours or just minutes if he accepts the proposal.

I urge support for this resolution, so that we can continue this process of balancing the budget in 7 years.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking minority member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, this resolution might as well be entitled the congressional R&R resolution of 1996. That is what it really is.

The sad thing about this process is that an immense amount of energy on both sides of the aisle, on both sides of the Capitol, have been invested in trying to restart the Government every 2 or 3 weeks rather than in trying to find real solutions to real problems that affect real people in each of our own districts back home. And now we are asked to do it again.

What this resolution really says is that the Congress will be allowed to get out of town, until the 25th, and the Government will be reopened partially during that time period. Then the day after Congress gets back to town, the Government shuts down again, at least those portions that have been opened up by the resolution that just passed.

That is clearly not a process designed to relieve the problems faced by taxpayers, or to relieve the problems faced by consumers of Government services. That is simply a process designed to relieve the pressure on Members of Congress to stay here and do their duty and seek resolution of these major issues. That is the problem.

I would respectfully suggest to the House that we ought to vote "no" on this resolution, and I believe that the congressional leadership and all of the rest of us ought to remain in town, working on these problems, until they are resolved, and the Government should be maintained in an open rather than closed status while we are going through that process.

All this is simply a device by which Members can either go to their districts or take a little vacation. Someone even said the Speaker is planning a fundraising trip. This simply lets him get out of town while the Government is temporarily opened for the convenience not of the public we are supposed to serve but of the Members of Congress. That is a lousy standard and I think we ought to turn this resolution down.

Ms. PRYCE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER. Mr. Speaker, I thank the gentlewoman from Columbus, OH, for yielding me this time.

Mr. Speaker, when I was managing the last rule that we brought up, I closed by referring to an editorial that was written by Charles Krauthammer. I went upstairs and I actually got a copy of that editorial.

Mr. Speaker, it was on New Year's Day, and Mr. Krauthammer wrote that:

> The grossest misperception about the great budget deadlock is the widespread notion, fed by the media, that this is just business as usual. In fact, it is the opposite. If this were business as usual, the Republicans would have found a nice, cozy compromise using phony numbers and meaningless projections, claimed victory and gone home happy.

Not only is this not business as usual, we left business as usual behind months ago. We are well into uncharted territory in this budget confrontation.

In the past, when there were budget disagreements, it would take a weekend of keeping tourists out of the Washington Monument to convince Congress and the President that they should find a way to get the Government going again. Unfortunately, this business-as-usual get-it-done-tomorrow attitude has left this country crippled by a massive $5 trillion Federal debt.

This debt is an anchor around our economy, stifling living standards, reducing our economic competitiveness, and making interest payments the second largest budget item for the Federal Government.

Congress is now run by a breed of elected officials that are committed, above all, to do what they said they would do when they ran for office. I must admit, this is a very new concept, especially in Washington. I can understand how many Americans could be confused by a Congress run by people who insist on meeting the commitments they made to the voters.

Americans, unfortunately, have come to expect politicans that promise a balanced budget when they run for office, and offer more debt once in office. They have seen Presidential candidates promise a middle-class tax cut while running for office, only to offer a tax increase once in office. It is understandable that people want to see Congress deliver on promises. They want "promises made, promises kept."

This Congress, Mr. Speaker, will do just that. Balancing the budget in 7 years is our promise. We will not settle for the business as usual of phony balanced budgets which have been offered by the President, he is 4-for-4, the most recent one has an $87 billion deficit in the last, the 7th year, 2002. We will use every tool that we possibly can to achieve a balanced budget. We must do this for our Nation's children.

Mr. Speaker, I urge my colleagues to support this rule and move ahead so that we will, in fact, be able to bring about the kind of resolution that can keep the Government going and at the same time keep our eye on the ball, and, that is, balancing the Federal budget.

□ 1515

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I would take issue with the gentleman from California who said that the people that are now running this House are doing what the American people were told. The American people were not told that we were going to have a balanced budget at the expense of our elderly, our most vulnerable people in the country. You did not tell the American people we were going to cut Medicare and Medicaid. You did not tell the American people you were going to cut all the agencies that supervise our clean drinking water, the food we eat. That is not what you told the American people.

You talked about line-item veto, which you have yet to give the President of the United States, which you passed in this House.

You blame all the problems for this impasse on the President of the United States, and every Republican since I was here since Richard Nixon, and Richard Nixon was the last Republican to offer a balanced budget on the floor of the House of Representatives. So I take issue with the gentleman from California.

The group running this place now did not promise the American people that, "If you will elect us, we are going to cut your Medicare, we are going to cut the Medicaid, and we are going to give a big tax cut to the wealthiest people in this country." That is not what you promised the American people, and the American people know it.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, and Members, I cannot believe what I am hearing. My mother would say to the Republicans this morning, "You have the nerves of the brass monkey."

How dare you come here at a time when we are in a crisis, when Federal workers have been furloughed for 21 days, when Americans are being denied services, they cannot get passports, when the parks are closed down, when small business contractors cannot get paid, when FHA loans cannot be expedited? How dare you come before the American public and say give NEWT GINGRICH the authority to recess us, to simply let us go home, to let us go about our business, to let us go on vacation, for some of you to be able to go on foreign trips, just stop the work of Congress because you find that it is in your best interests to let this crisis drag on?

Well, I ask my colleagues not to support this. We need a clean, clear continuing resolution, the vehicle by which we continue to fund Government while we are in the process of debating which way Government.

This is not about a little dispute. This is about fundamental change. This is about which way American Government. This is about whether or not there is going to be a safety net for the average American worker out there. This is about whether or not we are going to give substantial tax breaks to the rich. This is no child's play.

We cannot make mockery of this process by simply coming here and asking for an expedited procedure to recess. No, I say to the gentleman from New York [Mr. SOLOMON], we will not support you. No, we will not take your argument that says let us just do this little thing, go on home and leave it to us. We are not going to "leave it to us." You have shown that you are not responsible. You have shown that you are willing to be led by the newest Republican Members in this House, who know nothing, who have no experience, and who do not care what happens to Government.

It is absolutely unconscionable that you should come here and ask us to simply go on recess, to simply forget about those who are hurting out there, to simply not understand the fright and the pain that Americans are experiencing. No, we will not go home. No, we are not going to give you this vote. No, we are not going to join in any little conspiracy with you to do in the American people at a time when they need our support and our understanding more than ever.

Mr. Speaker, I ask Members to vote it down, not in a little way but in a big way, in a huge way. Let them know we are not playing this silly game.

Ms. PRYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the chairman.

Mr. SOLOMON. Mr. Speaker, I just cannot believe what I just heard, for a Member of Congress to stand up and say that the new Members of this body, these freshmen Members from the Democrat and Republican Parties, do not know anything.

These Members of Congress just came from outside the beltway. They are affected like the rest of us, with this inside-the-beltway jargon. They know more about what is going on back home than all of us put together.

Mr. BILBRAY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from California, one of those freshmen, an outstanding Member from California, who has brought his experience in local government and in the private sector to this body, and what a difference it has made.

Mr. BILBRAY. Mr. Speaker, as one of the freshmen who was proud to be sworn in this year, I do have to ask the gentlewoman from California to recognize that the experience that this Member brings to this House is 20 years of representing the public directly.

In 1976, when Jimmy Carter was elected, I was elected to represent the people of the city of Imperial Beach. I was elected to be mayor. I was elected to be a county supervisor of 2.6 million people. I have some experience.

But most importantly in this is every one of those 20 years, Mr. Speaker, I, as an elected official, and the body I served on did something that California, the State of the gentlewoman from California, demanded; we passed a balanced budget for our government agency every one of those 20 years. And so when a Member stands up here and says somehow because we have not been on this House floor for more than 12 months we are inexperienced, the experience that this Member brings is 20 years of balanced budgets.

I wish this House had 20 years of experience balancing the budget.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I will finish my statement.

I have just talked to the gentleman from California [Mr. BILBRAY], as I have done, I think, with every single freshman from both sides of the aisle over the last 10 or 11 months.

Let me tell you what they are talking about. Here is the most serious problem facing this Government today, and that most serious problem is these deficits that are literally drowning this Nation in a sea of read ink.

I want you to just draw a pie. The pie is the budget of this Government. It is $1.5 trillion. Today the interest, just the debt service on paying the interest of the debt that is held mostly by foreign nations in this world of ours, now totals $250 billion a year, and that is with interest rates as low as they are today and inflation as low as it is today.

Let me tell you something, if we continued along this same path, the path that President Clinton gave us when he was first elected when his 5-year projection would have added another trillion dollars to the $5 trillion debt, do you know what the slice of the pie just to pay the interest on that debt would be today? It would not be $250 billion, it would be approaching $350 billion.

Let us go back about 15 years ago when, because of deficit spending and irresponsible Government spending in this Congress, inflation had just skyrocketed to 13 percent. Do you know what the interest would be then? Instead of $250 or $350 billion, it would be over $500 billion. What is compassionate about that?

If you truly want to help people in this country, who truly need help, you cannot do it by continuing this sea of red ink, because every year that the interest, the debt service, gets larger, that means less money to truly take care of those people that cannot take care of themselves. That is what this whole debate is about here today, and that is why we have to balance the budget.

Mr. MOAKLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Speaking as another freshman who has not talked with the good chairman of the Committee on Rules, let me say he does not speak for this freshman. My constituents told me when I was back in my district where I came from, the private sector, not from government like the other freshman who spoke, they told me we should stay here and work.

My children go on recess at school. We are paid to stay here and work. If it means working to balance the budget, then we ought to stay here.

Let us vote down this ridiculous bill. The freshmen know better on both sides of the aisle.

Mr. MOAKLEY. Mr. Speaker, I yield 30 seconds to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Speaker, as another freshman who has not yet spoken to the chairman of the Committee on Rules, I would like to note that I served in county government. The gentleman from California [Mr. BILBRAY] and I were both on boards of supervisors, and I balanced 14 budgets.

One of the things we would never have done in my former job in local government was to leave town until the job was done.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, this resolution must be defeated. It is a resolution that allows Congress to go into recess for 21 days with the Government partially shut down.

For the last 21 days the Federal Government has not been paying some Federal workers to work and not paying other Federal workers not to work, while all the time promising to pay both groups for working and not working.

The GOP has come up with a brilliant new idea: "We will pay Federal workers to come to work but do not actually let them work." That is what we are doing here today. We are paying workers not to work. That is what the so-called back-to-work resolution that the Republicans have put out here on the floor is. It is an oxymoron. It is a contradiction in terms, like jumbo shrimp or carnivorous vegetarian or moderate freshman Republican. There is no such thing.

Now, just what are these Federal workers supposed to do when they come back to their offices for the next 21 days? Play solitaire? Watch "Oprah" in the office?

Well, I can tell you some of the things they will not be doing: Contractors will not be funding the processing of Medicare claims for our seniors. Funds will not be provided to State Medicaid programs. EPA will not be able to investigate midnight dumpers. OSHA will not be able to investigate workplace safety problems.

You know, in "Alice in Wonderland," the Red Queen said, "When I use a word, it means whatever I want it to mean. What matters is who is master."

The GOP reopening the Government means keeping it partially closed.

There is a better alternative. We should pass a clean continuing resolution for the next 21 days, but, no, the Republicans say, "We will not do that unless Bill Clinton agrees to submit a plan using CBO numbers for the next 7 years to balance the budget." However, the Republicans signed that very same contract back in November, promising they would submit a plan that would protect Medicare, protect education, protect the environment, and give back their crown jewel, their 245 billion dollars' worth of tax giveaways to the rich. They have refused thus far to give back their crown jewel of tax breaks for the rich, and as a result they are in violation of the contract last November.

So, the hostage again continues to be the Federal Government, their employees, and those who benefit from the services, Medicare, Medicaid, and those that need protection, and the environment of our country.

Vote "no" on this recess. Let us stay here and work to keep our whole Government open.

Ms. PRYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just so the record is protected, let me read from the CONGRESSIONAL RECORD: "* * * and the crown jewel is not given back but it is protected with the President's approval, and that is to adopt tax policies to help working families and to stimulate future economic growth." That was what the Republicans signed, and that is what the President signed as well. We are still waiting for the President. We have been waiting for 50 days now, and we would like to see where he wants to start these negotiations.

☐ 1530

It is very hard to negotiate in a vacuum. If you do not know where one side of the process stands, you cannot get anywhere. So, Mr. Speaker, we would implore the other side of the aisle to lean on President Clinton to get that to us so that we can have a clean CR. That is exactly what this vehicle will provide for. They will have the clean CR that they so desperately want, that we would all like to see, if the President submits that budget with our crown jewel intact.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I think it is appropriate that all of us, in trying to come together on seeking resolution to the situation in which we find ourselves, try to not rewrite history, try to recall what the agreement was back in November. My colleague, the gentleman from Massachusetts, [Mr. MARKEY], just made the point very clearly, I thought, that not only did the President agree to use CBO numbers and seek a 7-year balanced budget, but the Congress also agreed—do not look away, I would ask the majority party to try to remember this. We also agreed that what we would do is we would see to it that we protected those matters that the President had at the forefront in believing that it was his responsibility to protect Medicare, Medicaid, education, and the environment. We did all agree to that. The majority party agreed to that.

So I think it is rather odd that everybody would say it is all the President's fault. You know, I have been around here the whole time, too. I have not yet seen the Republican Congress produce a new budget that does those things. Where is it? Have you presented that budget? Is it on the table? One that protects Medicare and Medicaid?

I heard the chairman of the Committee on Rules just a minute ago say, well, the President can put it on the table, and if he is going to spend $180 billion and we are going to spend $100 billion, we can compromise to $140 billion.

Wait a minute. Hold the phone. That puts the budget $40 billion out of kilter, does it not, if we are using the President's budget? Of course it does. Where are you going to get the $40 billion? You have not said where yet, have you? It is because you have not done you job.

Mr. Speaker, I am a little tired of sitting around here in the minority watching the majority saying, oh, this is all a White House problem. You have not met your obligation yet, and you know you have not. You have not put a budget on the table that respects what you said you would do last November. You are going to protect Medicare, you are going to protect Medicaid, you are not going to cut education, you are going to see to it we are going to continue to have school lunches for children in America. You have not done that, and I know why you have not, because you cannot do it and be honest with the American people.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I just wanted to follow up on the "Alice in Wonderland" analogy that the gentleman from Massachusetts made before, because that is what I feel like I am hearing today. I have the utmost respect for the gentlewoman from Ohio, the gentleman from New York on the Committee on Rules, the chairman of the Committee on Rules, but this suggestion that somehow this resolution here is here in order to bring up legislation rather than to just allow the Congress and the House to go home is just nonsense.

The majority and the Committee on Rules have the prerogative at any point to bring up legislation next week, to bring up appropriations bills, to bring up budget bills, authorization bills, of any kind they please. The only reason why this resolution is before us today is because they want to go home.

There is a lot of business that has to be done here. The last time a resolution like this came up we went home for about a 10-day holiday between Christmas and New Year's. They are not going to come back in 3 days and look at what is going on and then come back 3 days later. They are just going to go home for 3 weeks. They are going to give the impression to the public that somehow they can bring up legislation next week or 2 or 3 days from now. That is not what this is all about. Everyone knows that informally everyone has been told this a 3-week opportunity to go home.

Again, the Government is going to be shut down. The Federal workers are going to go back to work, but they are not going to have any work to do in many cases. The other CR that is going to come up later that deals with the balanced budget and opens up the Government again if the President agrees to certain terms, every one knows if that is passed here it is going to die in the Senate or not be passed into law.

It is just a farce. That is what this is all about. We have major disagreements here on Medicaid, on Medicare, on the environment. The Democrats want to preserve those programs. We need to sit down over the next few weeks with the Republicans and work out the differences so we can preserve Medicare, preserve Medicaid, preserve environment and educational programs that are important to Americans. This is not the time to go home.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I can understand why all the Members of this body would like to go on recess. It has been along, frustrating year. Virtually nothing has been accomplished, with all the rhetoric and all, lots of attention. But we ought not go home until we do our job.

The fact is that while Federal employees are no longer held hostage, they are still going to be held under house arrest. They will be paid, they will have their own personal needs taken care of, but they are locked in their offices. They cannot perform their work, because the money necessary to perform the work of the Federal Government is not provided for in this legislation.

So we have not done our job. That was our job, to provide the money, in addition to authorizing the programs, and we have not done our job. Until we do, we have no business going home.

The last time that the Republican majority overrode the will of the Democratic minority and vetoed to go home for the holidays, we created a situation where we will now, as a result of the last bill that was just passed, pay $1.75 billion to Federal employees for not performing any work. They did not want that. They wanted to be doing their job. But $1.75 billion will be paid out to civil servants who are miserable, who are frustrated, who want to serve the public, who chose a career in civil service, and now we think we can buy them off, essentially bribe them apparently to keep quiet. We will give you pay, but just go sit in your office. We do not want you performing your job.

We ought not do that. We have no business going home until we have done our job. Vote against the resolution.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I can understand why my Republican colleagues are embarrassed to speak on a resolution of this character, because what it is going to do is it is going to pay billions of dollars to people who ain't going to be able to do nothing to serve the public interest or carry out the functions of the Government.

The issue here is very simple: This is a go-home-or-go-traveling resolution. People who on this side are going to vote for this are going to be able to go home and tell the people what a great job they did for the people, or be off to some warm and happy place where they can enjoy themselves fully.

But make no mistake; the Government is not going to function when we pass this legislation. The Government is simply going to have a Speaker who is going to have authority to put everything over, while nothing happens in the Government. We are going to pay a lot of people, and we are going to pay a lot of people to do nothing. Toxic waste cleanup is not going forward; student loans are not going to be there for our young people; Housing and Urban Development programs, including home purchase loans, are not going to be available; Peace Corps is not going to be funded; Centers for Disease Control is not going to have the money to address the flu outbreak in the Midwest; and the food and shelter program of FEMA is not going to be funded.

This is a phoney program. Vote against it.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, let us call this resolution for what it is: It is a cynical resolution to allow the Republican Congress to take a vacation; nothing more, nothing less. The Republicans shut the Government down, everybody knows it. No amount of political spin can change it. They are suffering politically for it.

The Speaker tried to relieve the pressure by trying to think about a clean continuing resolution, but last night there was a rebellion in his conference amongst House freshmen Republicans. They will not have any part of it. They are on a crusade, an extreme crusade, but a crusade, so the Government is shut down.

This is to relieve them of that pressure, so there is a resolution to take the political pressure off them. It is a cynical move. Everybody knows we are not coming back until the 23d. The American public will not be fooled by this.

Congress should stay here and do its job. We should pass an absolutely clean continuing resolution to keep the Government open. This is the way it has always been done. The Republicans want to kill Medicare and Medicaid; the Democrats want to protect it. It should not be "our way or no way." Let us stay here and do our job.

Ms. PRYCE. Mr. speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, I was not planning on joining this debate today, but I got a phone call in the Cloakroom about 2 hours ago, and my only daughter-in-law, I have 3 married daughters, a married son, and a single son, and my one son who is married, a beautiful daughter-in-law, they have two children, and she just called me from her place of employment in Virginia and said that she is starting to go into labor. That will be grandchild number 10 today, or in the wee hours of tomorrow morning. The third child, it will probably be today.

This is really what this debate is all about. We talk about it on both sides of the aisle, that we are trying to make this a better country for our grandchildren. Our debt is so enormous, we are really talking about great-grandchildren being saddled with this massive, crushing debt.

If you look at the big picture of what 7 years is really all about, this sounds almost too simple to be believed, but it is true. My friends on the other side of the aisle want to spend $13 trillion, or at least their leader, Bill Clinton, wants to spend $13 trillion. What do we plan on spending on this side of the aisle over the next 7 years? We plan on spending $12 trillion; $12 trillion here, $13 trillion there.

Now, everybody agrees that there is too large a Government and to much spending and too many failed programs, and we are stuck here because the man down at 1600 Pennsylvania Avenue, who indicates when he is on the road that he wants to spend only the $12 trillion, but he will not tell that to this party across the country. He plays games and wants to have it both ways.

Now, my pal, the gentleman from Virginia [Mr. MORAN], and he is my Congressman when I need snow removed around here, is he suggesting that we withhold that $1.5 billion and not give it to these Federal workers? I do not think he is suggesting that. So he is going to be part of what he calls a bribe. That is not the way to refer to that money.

Mr. Speaker, what are we saying about these workers, some of whom have not been at the job for several weeks? That they are not smart enough to go in and take care of all the administrative burden that they missed over the last 2 weeks, or they cannot catch up on some administrative burden to come?

Look, it has been a given since day one in this debate that no civil servant was going to be denied a nickel of their pay once we resolved this battle in this House. Now, some Federal workers were anxious to get on television, the more nervous types. We all have different personalities. I know some others went on a skiing vacation, a vacation that is not going to come out of their vacation time; maybe a tougher person, more trusting in both parties that we were going to keep our word to pay them their backpay.

But I will tell you this, the dominant media culture, which is liberal from top to bottom, has a profile very similar to one we know in this city: Dodge the draft; adultery does not count; abortion is superior to any other decision in life, homosexuality is superior to a normal marriage; and graft does not count if it is in politics. This dominant media culture does not want change. They might want a balanced budget by raising enormous sums of taxes, but they don't want change. The media love Clinton and hate Republicans who seek limited government, lower taxes, morality, and a better America.

□ 1545

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, I listened very carefully to my friend and colleague, the chairman of the Committee on Rules, here a few minutes ago, and I want to try to be helpful to him in his pursuits here. He is a good fellow, he works hard, and I think he even means well, but the fact of the matter is what he is asking us to do would be simply wrong.

He is asking us to invest in the Speaker of the House extraordinary powers to recess this House for the next 3 weeks. Now, that would be fine if we could rely upon the Speaker to do the right thing in the first place, which, of course, he has not done. We have not done what we are supposed to do, which is pass a budget.

We shut the Government down and have not been able to pass a resolution which will keep the Government going effectively. The one that has passed only does it piecemeal, part of the way. Things like FHA mortgages are not being processed, small business loans are not being processed, the environment is not being protected or cleaned up. People's health, safety and welfare are being put in jeopardy as a result of the failure of this Government to come to grips with its responsibility.

We want to balance the budget, too, just as much as the Republicans do. As a matter of fact, we have brought the budget closer into balance than it has been in a long, long time. In the last 3 years, the budget deficit has come down by about $160 billion. That is five times more than what the Republican budget resolution would achieve over the course of the next 3 years.

We want to balance the budget, we just do not want to do it the way they want to do it. What do they want to do? They want to take health care away from elderly people and from the disabled. They want to make it difficult for people to get an education. They want to take education away from children. They want to make it tougher for students to go to college or to stay in college. They want the environment to be degraded. They do not want to protect the environment. We disagree with them on all of these things.

It is not that we do not want to balance the budget, we want to do it in a different way. We want to do it in a way that protects the elderly, that protects the infirmed and the disabled. We want to do it in a way that ensures that people have educational opportunity so that they can make something of themselves. We want to do it in a way that protects the quality of the natural environment so that people's health and safety are protected as well.

So, therefore, we cannot join them in giving this extraordinary power to the Speaker. We are going to vote no on this resolution.

Ms. PRYCE. Mr. Speaker, I yield myself such time as I may consume to say that I am sure the gentleman unintentionally misspoke when he said we have not passed a budget, because this body has passed a budget, and the other body has passed a budget. We sent that budget to the President, and the President chose to veto that budget and he has yet to produce one in its stead.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Speaker, I just listened to the comments of Grandfather DORNAN from

California, and I thought it might be appropriate for Grandfather BARTLETT to make a comment or two.

My friend from California is exactly right, that is what this debate is about. I have 10 children, and we now have 10 grandchildren, and will have several more. Ten years from now, as America looks back at this time, almost nobody will remember that we had a partial government shutdown, but everybody in America is going to remember whether or not we balanced this budget. This is what it is all about, balancing the budget.

The measure before us now is a procedural mechanism to expedite this process. America wants us to balance the budget in overwhelming majority. Let us pass this and get on with the process.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank my friend and colleague, the gentleman from Massachusetts [Mr. MOAKLEY], for yielding time to me.

I am sort of new to this grandfather role that my previous colleagues referred to, but I want to assure my friends that I am very proud of my new grandson, but I am very concerned about the direction that we are going with regards to this rule that is being offered.

I have to agree with my colleagues that we need to get back home and be with the people. We have had a busy year in 1995 and not had enough time to do that. Obviously, many of our Members want to visit in other places in the world and get that type of experience that is vital for the decisions that we must make, but I do not think we should do either under the action being proposed.

This rule really is a rule for crisis, yet this crisis that we have here today is a self-inflicted crisis. It is the wrong solution. What this rule is an attempt to do is to provide for the expedited procedure where we will not even examine bills in the concurrent resolution that is going to come before the House today which, I might add, is a very defective measure and process. It is an excuse.

Basically, the reason that we acted on the previous emergency Federal Congressional Resolution, the CR, to put the employees back to work and fund some high-profile programs and as my colleagues have commented and then tied their Federal workers' hands so they cannot do their work, which makes no sense at all, the reason that was enacted was so that we could act on this crisis rule and then there would be this 3 week hiatus.

Incidentally, I would point out to my colleagues that the previous CR for putting Federal workers back to work in those selected programs is about the same length as this particular rule. So the whole modus operandi here in terms of handing this to the Speaker, is to get the Members out of town, to postpone making decisions and to postpone the work we should be doing on the budget.

And where are we today? I think a little review of the agenda is in order. We are 13 weeks into the fiscal year and the Government has been down for 4 of those 13 weeks. Over 30 percent of the time the Government has been in shutdown or partial shutdown this fiscal year under the Republican leadership in this Congress, which has failed to enact the necessary spending bills for this fiscal year. Failed to enact them. Three of them have not even been presented to the President.

Of course, we get a lot of excuses about that and the straw man arguments about the balanced budget, but those are arguments that should be met and resolved at the negotiating table and reasonable compromise attained.

The Republican Congress has tried repeatedly to make a virtue of shutting down the Government and claiming piously their 7-year balanced budget plan as a heat shield. But the issue isn't a balanced budget—the issue is how do we, the total Federal Government, achieve such goal. For a real agreement rather than a political posture. Neither Democrats or Republicans have a monopoly on precise or correct economic forecasts. This rule simply is an excuse and an attempt in the end to dump the funding problem, and there will be funding problems for numerous Federal programs on the Senate or the President. Let's defeat this rule and work.

Ms. PRYCE. Mr. Speaker, I yield 4 minutes to the gentleman from the State of California [Mr. BONO], a distinguished freshman Member.

Mr. BONO. Mr. Speaker, I am truly fascinated and I enjoy being here because it is such a thrilling education, and a big part of this education is how people can take basic truths or just basics and twist them and turn them to give impressions that have nothing to do with the issue.

I just heard a statement that the Republicans have shut down the Federal Government under the Republican leadership. It was shut down under the leadership of the President of the United States.

Now, how complicated is this issue? Let me tell my colleagues how complicated this issue is. Why did all this start? It started because we had a position that we should balance the budget. Now, we could lie to the American public and tell them not to worry about it, that they will keep getting their money and they should not worry about it; they will get it forever. But, see, it runs out in 14 years. Everybody admits that. So that is like saying, well, yeah, everything is going to crash, but we should not worry about it.

We are taking all this heat because we are saying to the American people, please be aware that the country is going to crash in 14 years. There will be no money if we operate status quo. It is that simple.

We are saying, well, one way to start handling these problems is to balance the budget. Now, the President says, all right. We will balance, says the President. I sat here and I saw him say we will balance the budget and it should be CBO scored. Well, then we cut a deal, shake hands and wait for the CBO score that the President said he would commit to. The date that he said he would commit to it is gone. He has not committed to it.

Now, what have we done again? We have now again said, okay, let us do this all over again. Mr. President, give us a CBO scored balanced budget in 7 years and we will open up the whole deal. Now, that rests on his shoulders. So what I am saying to my colleagues is, put the appropriation of these problems where they belong. They belong on the President's shoulders.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. BONO. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I appreciate the gentleman yielding, but in my statement, which the gentleman referred to, I said we failed to enact, which, of course, requires the President's signature on appropriations bills. Furthermore, we have not sent 3 of the 13 appropriation bills to the President.

So it is our responsibility, in terms of acting on this, to make certain that these bills, not for 14 years but for this year, in 1996, are enacted.

Mr. BONO. Mr. Speaker, reclaiming my time, I thank the gentleman. I appreciate that. I enjoy those lessons because I learn how to expand language to where we lose communication with the issue, and that was an experience of that.

I am not going to lie to the American public. If we do not address the problem of what is going to happen in 14 years right now, this country will crash, and that is the reality of the situation. We have to do that jointly and we cannot fool the public. It is wonderful to let our numbers go up and say, look, whatever people want, they can get, and they should not worry about it, but we cannot do that.

So I hope this time the same simple message will get to the President and he will submit a balanced budget scored by CBO in 7 years. It is that simple and that would be the end of all of this tribulation.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I rise to say, don't be fooled, taxpayers don't be fooled. The Gingrich shutdown is still alive and well. The list of unmet needs goes on and on. And, to add insult to injury, the Gingrich Republicans now want to skip town and leave the American people with the bill.

Mr. Speaker, 198 House Democrats want to keep working to end this shutdown. The other body wants to keep working. For Pete's sake, even BOB DOLE wants to keep working.

There can be no doubt in anyone's mind that it's the Gingrich Republicans who would rather go home than get this Government up and running again.

Mr. Speaker, for the people of this country and for the honor of this institution, don't even think about sending us home. Our No. 1 job right now is to end this shutdown as soon as possible. I urge my colleagues to oppose this foolish resolution.

Ms. PRYCE. Mr. Speaker, I yield myself such time as I may consume to say that this body has done its part and will do its part later on this afternoon to end this shutdown, the Senate has pledged to do its part later on this afternoon to end this shutdown, and then America must look to the President to see if he does his part to end this shutdown.

Mr. Speaker, I reserve the balance of my time.

☐ 1600

Mr. MOAKLEY. Mr. Speaker, will you kindly inform the parties as to the time remaining.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Massachusetts [Mr. MOAKLEY] has 3 minutes remaining, and the gentlewoman from Ohio [Ms. PRYCE] has 2½ minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Speaker, I rise today to remind everyone who is listening what is being discussed when we discuss this budget impasse.

Mr. Speaker, what is being discussed is not whether we have a balanced budget in 7 years; it is how we balance the budget. Can we balance it with no tax break, half of which goes to the top 12 percent of income tax earners? Yes, that is how we can balance it, and in 7 years.

In fact, 68 of us who are moderate Democrats in this body have voted for a 7-year balanced budget. Yes, my colleagues heard me correctly, 7 years balanced, but with no tax break. The reason is that tax break money is used to soften the impact on our seniors, on our poor children, on our environmental standards, and on our educational commitments.

We need to make sure that we keep these things in mind as we consider these budget issues. But more than anything else, we need not to do it on the backs of the very people who are going to suffer if we do not get on with this job.

Ms. PRYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to remind my colleagues on both sides of the aisle that if we think today's budget decisions are difficult, we just have to wait until our Nation sees the year 2030. If we do nothing, either all Federal taxes would have to be increased by 85 percent or all Federal spending programs would have to be cut by 50 percent.

Mr. Speaker, this is our last, best chance. We must balance the budget, and the President must do his part.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Ms. JACKSON-LEE].

The SPEAKER pro tempore. The gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 2 minutes.

Ms. JACKSON-LEE. Mr. Speaker, I appreciate the work of the gentlewoman from Ohio [Ms. PRYCE]. She knows that we were together last evening at the Rules Committee meeting trying to come together in a bipartisan manner to really respond to the needs of the American people, and that is to open the Government fully, not because of any self-serving interests but really to put good public servants back to work fro the American people. I know that the American people do not believe that. But so that we can actually do the job that the taxpayers want public servants to do.

Mr. Speaker, I believe that we have not come to do that today, and it is important to clarify what we are doing right now; why I am in the well of the House right now. This is not a balanced budget vote; this is a go home vote. This is to give to the Speaker of the House the power to play a hide-and-seek game. That is, to hide away the negotiations of the budgeting process so that we will not be able to speak on behalf of those needing Medicare and Medicaid and a clean environment.

Mr. Speaker, I believe it is important that their Congress be engaged in this process. With this martial law, the Speaker of the House is asking for a recess and is saying "I will call you back when I want to think about calling you back."

We are being put in a position as the U.S. Congress to abdicate our responsibilities of give and take in the budgeting process. For those who would think that the President of the United States shut this Government down, we have had on many occasions cleared continuing resolutions placed before the Speaker and he has refused to allow this Congress to vote on it.

Who has ever seen, as documented by the press, not by any Members in this well, an animated and engaged President in the midst of budget negotiations trying to be in front of the bulldozer that is running over student loans, of running over HUD loans, or running over small business assistance loans.

It is important that we face the reality, Mr. Speaker. We must not go home, and we must insist that we fully work. NASA employees, who will be called upon to do another launch next week. They must be able to work fully with the ability to use all resources so we can ensure the complete safety of their launch.

Ms. PRYCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is difficult to predict what will happen between the leadership of the Congress and the White House. The purpose of this resolution is to give the House some flexibility in responding to whatever progress is made over the next few weeks and to respond quickly.

It is hard to accept change. It is hard to depart from the status quo. It is hard to keep promises. But I will say again, this is our last, best chance to balance the budget of our country for our children's future.

Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Florida [Mr. GOSS], a valued member of the Committee on Rules.

Mr. GOSS. Mr. Speaker, I only wanted to point out that this really is not a vote about going home. This is a vote about opening up Government. This is the vote that gives us the key to getting to that clean, clear, continuing resolution that I keep hearing about from the other side. This is the vote that smooths the pathway to get us to that chance.

So, Mr. Speaker, those who vote "no" on this procedural vote are voting to keep the Government closed and are voting to keep those employees coming to their desks and not having the money to do their jobs, and having that scenario of "the sky is falling" that has been so graphically painted by so many Members on the other side.

So, if Members care about efficient government, if they care about having the opportunity to open it up to get the funds, the services flowing, the people back to work, then they must vote "yes" on this procedural vote so we can get to the next piece of business before this body, which is, indeed, a continuing resolution that does, I hope, get us to a balanced budget with the President of the United States aboard as a player.

Ms. PRYCE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

PARLIAMENTARY INQUIRY

Mr. HEFNER. Mr. Speaker, I have a parliamentary inquiry. Is it appropriate to ask for a parliamentary inquiry at this time before the vote?

The SPEAKER pro tempore. The gentlewoman from Ohio [Ms. PRYCE] has already moved the previous question.

Mr. HEFNER. Mr. Speaker, I was on my feet. I just want to make a parliamentary inquiry. Is that out of order?

The SPEAKER pro tempore. The gentleman will state it.

Mr. HEFNER. Mr. Speaker, before we vote, it has not been explained to me, if this passes, then every 3 days at the end of a recess does there have to be a pro forma session for the Speaker to declare the next 3 days, or whatever, in recess? Does there have to be a pro forma?

The SPEAKER pro tempore. The Chair will not interpret the resolution while it is pending and must let the text of the resolution be interpreted by Members of the House.

Mr. HEFNER. Mr. Speaker, is that not a proper parliamentary inquiry? What is the proper parliamentary inquiry then to find out how I want to vote?

The SPEAKER pro tempore. The Chair cannot interpret the pending resolution. The resolution is before the House.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 224, nays 190, not voting 19, as follows:

[Roll No. 8]

YEAS—224

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chambliss
Chenoweth
Christensen
Clinger
Coble
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—190

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Chabot
Clay
Clement
Clyburn
Coburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Ganske
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stenholm
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—19

Bryant (TX)
Chapman
Chrysler
Clayton
Fazio
Fields (TX)
Hayes
Johnston
Lightfoot
Livingston
Montgomery
Myers
Quillen
Rose
Stark
Stockman
Studds
Wilson
Wyden

Mr. KLECZKA and Mr. TAYLOR of Mississippi changed their vote from "yea" to "nay."

Mrs. ROUKEMA and Mr. TIAHRT changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1630

PROVIDING FOR DISPOSITION OF SENATE AMENDMENT TO HOUSE JOINT RESOLUTION 134, MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 336 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 336

Resolved, That upon adoption of this resolution the House shall be considered to have taken from the Speaker's table the joint resolution (H.J. Res. 134) making further continuing appropriations for the fiscal year 1996, and for other purposes, with the Senate amendment thereto, and to have concurred in the Senate amendment with an amendment consisting of the text printed in the report of the Committee on Rules accompanying this resolution.

SEC. 2. House Concurrent Resolution 131 is hereby adopted.

SEC. 3. The Clerk shall not transmit to the Senate a message regarding H.J. Res. 134 until the House has received a message that the Senate has agreed to House Concurrent Resolution 131 as adopted by the House.

The text of the Senate amendment and the motion are as follows:

Senate amendment:

Strike out all after the resolving clause and insert:

TITLE I

AID TO FAMILIES WITH DEPENDENT CHILDREN AND FOSTER CARE AND ADOPTION ASSISTANCE

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1995:

All projects and activities funded under the account heading "Family support payments to States" under the Administration For Children and Families in the Department of Health and Human Services;

All projects and activities funded under the account heading "Payments to States for foster care and adoption assistance" under the Administration For Children and Families in the Department of Health and Human Services;

Such amounts as may be necessary for the medicaid program under title XIX of the Social Security Act for the second quarter of fiscal year 1996; and

All administrative activities necessary to carry out the projects and activities in the preceding three paragraphs:

Provided, That whenever the amount which would be made available or the authority which would be granted under an Act which including funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution.

SEC. 105. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 106. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 3, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this joint resolution.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

TITLE II

DISTRICT OF COLUMBIA

That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 201. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this joint resolution) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996;

Provided, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: Provided, That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this joint resolution, the pertinent project or activity shall not be continued except as provided for in section 211 or 212 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 202. Appropriations made by section 201 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 203. No appropriation or funds made available or authority granted pursuant to section 201 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 204. No provision which is included in the appropriations Act enumerated in section 201 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this joint resolution.

SEC. 205. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this joint resolution.

SEC. 206. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 3, 1996, whichever first occurs.

SEC. 207. Notwithstanding any other provision of this title of this joint resolution, except section 206, none of the funds appropriated under this title of this joint resolution shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 208. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 209. No provision in the appropriations Act for the fiscal year 1996 referred to in section 201 of this title of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 206(c) of this joint resolution.

SEC. 210. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set *forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.*

SEC. 211. Notwithstanding any other provision of this title of this joint resolution, except section 206, whenever the Act listed in section 201 as passed by both the House and Senate as of the date of enactment of this joint resolution, does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate for operations for an ongoing project or activity provided by section 201 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 201 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366. For the purposes of this title of this joint resolution, the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 212. Notwithstanding any other provision of this title of this joint resolution, except section 206, whenever the rate for operations for any continuing project or activity provided by section 201 or section 211 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366.

SEC. 213. Notwithstanding any other provision of this title of this joint resolution, except sections 206, 211, and 212, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this resolution that would impinge on final funding prerogatives.

SEC. 214. This title of this joint resolution shall be implemented so that only the most limited funding action of that permitted in this title of this resolution shall be taken in order to provide for continuation of projects and activities.

SEC. 215. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100–202, shall not apply for this title of this joint resolution.

SEC. 216. Notwithstanding any other provision of this title of this joint resolution, except section 206, none of the funds appropriated under this title of this joint resolution shall be used to implement or enforce any system of registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this joint resolution otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

TITLE III

VETERANS' BENEFITS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 301. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERANS' BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.

(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payment as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payment of such benefits are available (other than pursuant to subsection (b)).

SEC. 302. EXPIRATION DATE.

Section 301 shall expire on January 3, 1996.

Motion offered by Mr. Livingston:

Mr. Livingston moves that the House concur in the Senate amendment with an amendment, as follows:

(1) In lieu of the matter proposed by said amendment, insert:

TITLE I

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995:

All nutrition services for the elderly under the account heading "Aging services programs" under the Administration on Aging in the Department of Health and Human Services;

All grants to States for child welfare services, authorized by title IV, part B, subpart 1, of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All Federal Parent Locator Service activities, as authorized by section 453 of the Social Security Act, under the account heading "Children and families services programs" under the Administration for Children and Families in the Department of Health and Human Services;

All State unemployment insurance administration activities under the account heading "State unemployment insurance and employment service operations" under the Employment and Training Administration in the Department of Labor;

All general welfare assistance payments and foster care payments, as authorized by law, funded under the account heading "Operation of Indian programs" under the Bureau of Indian Affairs in the Department of the Interior;

All projects and activities funded under the account heading "Family support payments to States" under the Administration For Children and Families in the Department of Health and Human Services;

All projects and activities funded under the account heading "Payments to States for foster care and adoption assistance" under the Administration For Children and Families in the Department of Health and Human Services;

All administrative activities necessary to carry out the projects and activities in the preceding two paragraphs;

All projects and activities funded under the account headings "Dual benefits payments account", "Limitation on administration" and "Limitation on railroad unemployment insurance administration fund" under the Railroad Retirement Board;

All projects and activities necessary to accommodate visitors and to provide for visitor services in the National Park System, the National Wildlife Refuges, the National Forests, the facilities operated by the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center for the Performing Arts, and the United States Holocaust Memorial; and

All projects and activities necessary to process visas and passports and to provide for American citizen services, notwithstanding section 15 of the State Department Basic Authorities Act of 1956: *Provided*, That whenever the amount which would be made available or the authority which would be granted under an Act which included funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriation Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provide in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, except for the projects and activities under the headings "Family support payments to States" and "Payments to States for foster care and adoption assistance", for which date shall be March 15, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorization or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 110. For the purposes of this title of this Act, the time covered by the title of this Act shall be considered to have begun on December 16, 1995.

SEC. 111. Notwithstanding any other provision of this Act, except section 106, funds appropriated under section 101 for the payment of vested dual benefits under the Railroad Retirement Act shall be made available so as to fully fund the payments made on January 1, 1996, and the payments to be made within the period covered by this Act including those payments to be made on the first day of each month within the period covered by this Act. In addition to the funds appropriated under section 101 of this Act, $12,800,000 is appropriated to restore full funding for payments made for the period prior to January 1, 1996.

SEC. 112. Notwithstanding any other provision of this Act, except section 106, the authorities provided under subsection (a) of section 140 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236) shall remain in effect during the period of this Act, notwithstanding paragraph (3) of said subsection.

TITLE II

VETERANS AFFAIRS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 201. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERANS' BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.

(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payment as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payment of such benefits are available (other than pursuant to subsection (b)).

SEC. 202. Section 201 shall cease to be effective on September 30, 1996.

SEC. 203. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on January 4, 1996.

TITLE III

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 301. Such amounts as may be necessary under the authority and conditions provided in applicable appropriations Acts for the fiscal year 1995 for paying salaries of Federal employees excepted from the provisions of the Antideficiency Act (31 U.S.C. 1341 et seq.) who are continuing projects and activities conducted in fiscal year 1995 who work during periods when there is otherwise no funding authority for their salaries.

SEC. 302. Appropriations made by section 301 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 303. No appropriation or funds made available or authority granted pursuant to section 301 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 304. No provision which is included in the appropriations Act enumerated in section 301 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 305. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 306. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 26, 1996, whichever first occurs.

SEC. 307. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 308. No provision in the appropriations Act for the fiscal year 1996 referred to in section 301 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 306(c) of this Act.

SEC. 309. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 310. ALL FEDERAL EMPLOYEES DEEMED TO BE EXCEPTED EMPLOYEES.

(a) IN GENERAL.—Section 1342 of title 31, United States Code, is amended for the period December 15, 1995 through January 26, 1996—

(1) by inserting after the first sentence "All officers and employees of the United

States Government or the District of Columbia government shall be deemed to be performing services relating to emergencies involving the safety of human life or the protection of property."; and

(2) by striking out the last sentence.

SEC. 311. EXCEPTED EMPLOYEES UNDER NORMAL LEAVE POLICY.—Federal employees considered excepted from furlough during any period in which there is a lapse in appropriations with respect to the agency activity in which the employee is engaged shall not be considered to be furloughed when on leave and shall be subject to the same leave regulations as if no lapse in appropriations had occurred.

SEC. 312. ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.—Notwithstanding any other provisions of law, beginning on January 2, 1996, any Federal employee who is excepted from furlough and is not being paid due to a lapse in appropriations shall be deemed to be totally separated from Federal service and eligible for unemployment compensation benefits under subchapter I of chapter 85 of title 5 of the United States Code with no waiting period for such eligibility to accrue.

SEC. 313. For the purposes of this title, Federal employees returning to work under the provisions of section 310 shall be deemed to have returned to work at the first regularly scheduled opportunity after December 15, 1995.

SEC. 314. Appropriations made pursuant to section 301 are made notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 701 of the United States Information and Educational Exchange Act of 1948, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), section 53 of the Arms Control and Disarmament Act, and section 10 of Public Law 91–672.

TITLE IV

That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 401. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this Act) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996: *Provided*, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided*, That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 411 or 412 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 402. Appropriations made by section 401 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 403. No appropriation or funds made available or authority granted pursuant to section 401 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 404. No provision which is included in the appropriations Act enumerated in section 401 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this Act.

SEC. 405. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

SEC. 406. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 407. Notwithstanding any other provision of this title of this Act, except section 406, none of the funds appropriated under this title of this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 408. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 409. No provision in the appropriations Act for the fiscal year 1996 referred to in section 401 of this title of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 406(c) of this Act.

SEC. 410. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations of submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 411. Notwithstanding any other provision of this title of this Act, except section 406, whenever the Act listed in section 401 as passed by both the House and Senate as of the date of enactment of this Act does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate for operations for an ongoing project or activity provided by section 401 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 401 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366. For the purposes of this title of this Act the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 412. Notwithstanding any other provision of this title of this Act, except section 406, whenever the rate for operations for any continuing project or activity provided by section 401 or section 411 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366.

SEC. 413. Notwithstanding any other provision of this title of this Act, except sections 406, 411, and 412, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this Act that would impinge on final funding prerogatives.

SEC. 414. This title of this Act shall be implemented so that only the most limited funding action of that permitted in this title of this Act shall be taken in order to provide for continuation of projects and activities.

SEC. 415. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100–202, shall not apply for this title of this Act.

SEC. 416. Notwithstanding any other provision of this title of this Act, except section 406, none of the funds appropriated under this title of this Act shall be used to implement or enforce any system or registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this Act otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

TITLE V

CLARIFICATION OF CERTAIN REIMBURSEMENTS

SEC. 501. CLARIFICATION OF REIMBURSEMENT TO STATES FOR FEDERALLY FUNDED EMPLOYEES.

(a) If a State used State funds to continue carrying out a Federal program or furloughed State employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government—

(1) such furloughed employees shall be compensated at their standard rate of compensation for such period;

(2) the State shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such furloughed employees, together with interest thereon due under section 6503(d) of title 31, United States Code; and

(3) the State may use funds available to the State under such Federal program to reimburse such State, together with interest thereon due under section 6503(d) of title 31, United States Code.

(b) For purposes of this subsection, the term "State" shall have the meaning as such term is defined under the applicable Federal program under subsection (a).

(c) The authority under this section applies with respect to any period in fiscal year 1996 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in subsection (a) with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts.

(2) Amend the title so as to read: "Making appropriations for certain activities for the fiscal year 1996, and for other purposes".

The text of House Concurrent Resolution 131 is as follows:

H. CON. RES. 131

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. NOTIFICATION OF COMPLIANCE.

The Committee on House Oversight (pursuant to clause 4(d)(1) of rule X of the Rules of the House of Representatives) shall not present to the President the joint resolution (H.J. Res. 134) making further continuing appropriations for the fiscal year 1996, and for other purposes, until the Speaker of the House notifies that committee that the requirements of this concurrent resolution have been met.

SEC. 2. PRESIDENT'S SUBMISSION OF 7-YEAR BALANCED BUDGET.

The Speaker shall submit to the Committee on House Oversight the notification described in section 1 only if the following conditions have been satisfied:

(1) The President has submitted to the Congress a plan to achieve a balanced total budget not later than fiscal year 2002, which includes the following:

(A) The proposed text of a budget plan for fiscal year 1996 and each fiscal year thereafter through fiscal year 2002 that includes total new budget authority and budget outlays, total Federal revenues, and new budget authority and budget outlays for each major functional category, including a breakdown between discretionary and mandatory spending within each such category.

(B) The proposed text of legislation to implement the budget described in subparagraph (A).

(C) A detailed summary setting forth the policies underlying the budget described in subparagraph (A) and the proposed legislation described in subparagraph (B).

(2) The Director of the Congressional Budget Office has certified in writing to the Speaker of the House and the President pro tempore of the Senate that the plan described in paragraph (1) achieves a balanced total budget not later than fiscal year 2002, as estimated by the Director using the economic and technical assumptions specified in or consistent with the Congressional Budget Office Memorandum entitled "The Economic and Budget Outlook: December 1995 Update".

SEC. 3. SUBMISSION OF COPY OF CONCURRENT RESOLUTION TO PRESIDENT.

Upon the adoption of this concurrent resolution, the Clerk of the House of Representatives shall transmit a copy to the President.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I might consume. During consideration of the resolution all time yielded is for debate purposes only.

Mr. Speaker, this rule makes in order the adoption by the House of an amendment to the Senate amendment to House Joint Resolution 134, a continuing appropriations resolution for fiscal year 1996.

House Joint Resolution 134 was initially passed by the House back on December 20. It dealt with emergency appropriations for veterans' benefits. The resolution was passed by the Senate with an amendment on December 22.

However, those veterans benefits were provided for in another continuing resolution which this House adopted on December 22.

The House amendment which this rule would self-execute to adoption would simply provide for a governmentwide continuing appropriation through January 26, 1996.

The rule further provides for the self-executed adoption of House Concurrent Resolution 131 introduced by the chairman of the Budget Committee.

The concurrent resolution provides that the continuing resolution shall not be transmitted to the President for his signature until the Speaker notifies the Committee on House Oversight that the President has submitted to the Congress a 7-year balanced budget as certified by the Congressional Budget Office.

Mr. Speaker, the President could reopen the rest of this Government today or tomorrow simply by sending us that 7-year balanced budget that he and the Congress committed by law to enacting at the end of the first session of this Congress—last Wednesday.

I regret that there has not been substantial movement in that direction by the President since he signed that balanced budget pledge into law last November 20.

It was therefore decided by our leadership and conference to provide the President with an incentive to finally produce what he is legally obliged to produce. That incentive is to reopen the entire Government through January 26 if he takes this good-faith step in the direction of a balanced budget.

Once the Congress and President are negotiating from the same numbers, it should be much easier for those talks to reach a final agreement on a balanced budget.

We have been reaching out to the President not once but twice today to signal our good faith and willingness to get down to serious negotiations. We have already voted to put Federal workers back to work with pay and fund certain emergency programs. And now we are offering a reopening of the rest of the Government.

The ball is now in the President's court. He can reopen the Government. It won't require any heavy lifting since there are already several balanced budget proposals in writing by members of his own party. He need only bring one of them, send it to us, get it certified by CBO, and the Government is reopened. It is just that simple.

Then, over the next few days the President and Congress can get down to the real unfinished business from last year of giving the American people the best gift we could—a brighter future for them and their children and grandchildren by balancing our Nation's budget.

Mr. Speaker, I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding me the customary 30 minutes of debate time.

Mr. Speaker, we are pleased that the Republican leadership is finally willing to allow the House to consider legislation which would reopen all the Federal agencies that have been shut down and keep them open until January 26. The continuing resolution that would be passed by adoption of this rule is certainly far more rational and sensible than the targeted continuing resolution that the House passed earlier today.

However, we oppose this self-executing rule because it prohibits the House from considering any alternative version of the legislation, including the alternative that we continue to believe is the best way to end the Government shutdown, a continuing resolution that has no conditions attached.

Under the terms of this rule, Mr. Speaker, the continuing resolution which would reopen the Government would be sent to the Senate only after the Senate also agrees to requiring the President to submit a plan that balances the budget in 7 years as is scored by the Congressional Budget Office. In other words, after adopting this continuing resolution it would stay here, in the House of Representatives, until the Senate agrees to the terms of this plan.

Requiring the President to submit a balanced budget plan would most certainly delay ending the shutdown because of the time it would necessarily take for the White House to develop a plan and for CBO to analyze it.

Our distinguished chairman of the Committee on Rules, the gentleman from New York [Mr. SOLOMON], has suggested that this measure would allow the Government to be reopened perhaps as soon as Monday morning, but that is probably a far too optimistic view.

Many of us on this side of the aisle, I would guess the majority of us, would very much like to see an agreement on balancing the budget in 7 years. A number of us voted for a plan, the so-called coalition budget that would, in fact, provide for a balanced budget in 7 years. However, we think that requiring the President to submit a balanced budget proposal is completely unnecessary and demeaning. Not only is President Clinton fully committed to reaching agreement on a plan to balance the budget in 7 years, but he has also personally spent approximately 40 hours himself at the negotiating table pursuing that goal. By all accounts the President is working extremely hard to resolve the differences with Congress over the budget, and it is insulting to him and to the majority of Americans who support his position on this matter to demand that he do more than he is already doing simply as a price for reopening the Government.

Mr. Speaker, it appears that finally nearly all of us are in agreement that the Government shutdown should end. Let us just do it. Let us stop the terrible and absurd waste of taxpayers' money and lost government services that has resulted from the shutdown, a shutdown that is costing $50 million, or thereabouts, each business day and causing an incalculable amount of hardship and disruption, and let us stop it as soon as possible.

Mr. Speaker, I urge my colleagues to defeat the previous question. If the previous question is defeated, we shall offer an amendment. The amendment would send the clean continuing resolution to the President immediately, stopping the delay mechanism in the concurrent resolution unless House Republicans live up to their part of the deal and lay on the table a 7-year balanced budget that protects Medicare and Medicaid, education, agriculture, national defense, and veterans. The last continuing resolution made a commitment to enact a balanced budget that provides adequate funding for all of those programs. Now the majority are adding a new requirement, that the President must put forth a proposal that meets the conditions for the measure to be enacted.

Mr. Speaker, we say to our colleagues on the majority side,

> If you now would require the President to submit a proposal in advance, it is only fair that you submit something in advance that lives up to the agreed-upon goals.

The budget the President vetoed is woefully inadequate. The budget submitted was vetoed precisely because it did not achieve the goals and protect the programs the House Republicans committed to achieve and protect. The effect of this new section is to provide for the immediate transmission of a clean continuing resolution unless the House Republicans can submit a new budget that does, in fact, meet those goals.

This amendment would put the budget negotiations on terms that are fair. The majority would have to decide either allow the continuing resolution to go forward without delay or delay it until both the President and the majority submit a balanced budget that meets the terms of the budget negotiations that have already been agreed to.

Mr. Speaker, I reserve the balance of my time.

□ 1645

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from northern Virginia [Mr. DAVIS], an outstanding Member of this body from close by.

Mr. DAVIS. Mr. Speaker, I appreciate the gentleman yielding time to me.

Mr. Speaker, let me first of all say I am grateful we have gone part of the way to opening up the Government. I want to go the full way. I believe we ought to have a clean resolution. Barring that, I think this is a very good step in that direction.

Let me just say, all we are saying here, as I understand it, there would not have to be any unnecessary delays because there are a number of balanced budget provisions that have been put out there by Democratic Members of the House and Senate: the Blue Dog budget here in the House, the Senate Democrats. If the President adopted any of those, which have already been scored by CBO, we could open the Government by Monday. I would ask the gentleman from New York, am I right?

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. DAVIS. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, the gentleman is absolutely correct. There are now 21 days provided by this legislation. If the President were to submit any one of those budgets, the full Government would be functioning 10 minutes from now.

Mr. DAVIS. Mr. Speaker, this does not require the President, as I understand it, to support any tax cut. He could have full funding for Medicare. He could add money to Medicare over and above what the law allows, add more money to the environment, add more money to education. I guess the bottom line is it just requires the numbers to add up by the year 2002. Is that correct?

Mr. SOLOMON. Mr. Speaker, the gentleman is absolutely correct.

Mr. DAVIS. My friend, the gentleman from California [Mr. BEILENSON], who I think is a very able man, has mentioned that this would be demeaning to the President to ask him to submit a balanced budget. I do not think it is demeaning at all. He campaigned on it. We have submitted our balanced budget. He has found tremendous fault with that, which is his prerogative, but we need to have a dialog. It is very difficult to engage in discourse, dialogue, and negotiation when the goalposts keep getting moved back every time we get close. That is our great frustration. If we could have the president to submit his budget, we submit ours, and then we could move, I think that would help and further the negotiation.

I would just say to my friend, the gentleman from New York, there is nothing really to prevent the government from opening fully on Monday if this were to pass, if the President were to embrace already one of the plans that has been submitted by different Democratic groups in the Congress.

Mr. SOLOMON. If the gentleman will continue to yield, that is correct, Mr. Speaker. I am told that the Congressional Budget Office could, even with a whole new proposal by the President, score it within 10 hours, and certainly if it is one that has already been scored they could do it in a matter of minutes.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], our distinguished ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, as we have heard many times today, a large portion of the Government has now been closed for 21 days. We have just passed a resolution which partially opens some of those agencies and partially provides some of the services those agencies are supposed to be providing.

Now we have before us a second proposition which says that the Government will open fully between now and the end of January only if the President submits a new budget which is balanced in 7 years, as scored by the Congressional Budget Office. The justification of our Republican friends for that position is that they claim that the President agreed to do that when he signed the previous continuing resolution.

That is not what the President agreed to do. The President and the Congress both agreed to enact a resolution which balanced the budget in 7 years, as scored by CBO, provided that it met certain other tests. This is the text of the agreement reached in the last budget resolution. It says: "The

President and the Congress shall enact legislation in the first session of the 104th Congress," and that is already by the boards on both sides, "to achieve a balanced budget no later than fiscal year 2002, as estimated by the Congressional Budget Office."

However, what this resolution would do is knock out the rest of the agreement. The rest of the agreement says that that 7-year balanced budget amendment scored by CBO must adequately protect Medicare, must adequately protect Medicaid, must adequately protect education, must adequately protect the environment, must adequately protect veterans services, and several other items.

They assert on the Republican side of the aisle that the President has an obligation to offer as part of his negotiating position what he agreed to sign onto as a final proposition. OK, let us take you at your word. If you say that he has an obligation to do that, then all we want you to do is to buy into our motion which we would offer if we can defeat the previous question on the rule. We want you to buy into the idea that you have a concurrent obligation to meet the same test, because a lot of us on this side of the aisle are tired of seeing you on your side of the aisle each day want to grade the President's performance that day, when you will not be prepared to take the same test you are asking him to take. All we want you to do is to say, "OK, what is sauce for the goose is sauce for the gander."

If the President is going to be required to submit a 7-year balanced budget which meets the test of this agreement, then so are you. You keep asking, "Where is the President's 7-year balanced budget?" We ask, "Where is yours? Where is your 7-year balanced budget that meets these tests?" You have submitted no budget so far that adequately protects Medicare, that adequately protects States on Medicaid, that adequately funds investments in education and the environment, and adequately protects all veterans services.

You have not submitted any budget that meets that test, so all we are saying is if you want the President to meet his half of that test, you meet yours. You can vote for that by voting down the previous question so we can offer our resolution.

Mr. SABO. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Speaker, one of the interesting things in the Republican budget is the change of capital gains. Forgetting the merits, somehow it costs $9 billion in the year 2001, costs nothing in the year 2002, when we are supposed to be in balance, and then costs $10 billion in 2003. Is that not sort of a little weird, strange arithmetic in 2002?

Mr. OBEY. Mr. Speaker, it is the same kind of wackiness, it seems to me, that has caused us to miss budget targets each year since Ronald Reagan promised that if we just passed his budget, which we did, the budget would be balanced in 4 years.

Mr. SABO. I thank the gentleman.

Mr. OBEY. Mr. Speaker, I would urge the House to vote against the previous question on the rule so we can have an approach to this which requires the same thing of the Republican majority that they want to require of the President of the United States.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute and 30 seconds to the gentleman from Georgia, Mr. JOHN LINDER, a distinguished member of the Committee on Rules, on the capital gains tax cut.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, we just heard the colloquy on this side of the aisle regarding capital gains, and the gentleman wonders how it could have a $9 billion number 1 year, none the next year, and a $10 billion the next year.

I do not know how CBO scores this, but no matter how it scores it, it is wrong, because reducing capital gains every time we did it has increased revenues. When Jimmy Carter cut the capital gains tax in 1977 there were $50 million in venture capital pools. The revenues from the capital gains category increased in every succeeding year until 1986, when the venture capital pools had more than $5 billion in them. That, frankly, is what funded the increase in jobs during the Reagan revolution.

When you raised the revenues in the capital gains category, immediately the revenue fell off the table because it is too expensive to transact business when the Government takes its large share out. We know there is somewhere between $6 trillion and $9 trillion in this country being held by mom and pop stores and farmers, and just people who would like to sell their assets. There are $6 to $9 trillion being held captive by the high cost of government that would become transactions that would increase revenues dramatically in the capital gains category, so the scoring system used by the CBO, the system is wrong, and we would have more revenues than we ever dreamed. This happened twice in the last 30 years. It will happen again. I thank the gentleman for yielding time to me.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, it is curious that suddenly we are at the end of the day and we are going to be gone until the 23d. I had some questions about why are we going to be gone until the 23d. I think I have the answer. I would like to share with the House the Speaker's fundraising schedule for the next 2 weeks.

On January 9 he will be in Colorado Springs, CO. On January 9, he will be in Bloomington, MN. On January 10, he will be in Boise, and then Indiana. On January 10 he will be in Seattle, WA. On January 11 he will be in Baskerfield, CA. On January 12 he will be in Napa, CA. On January 15 he will be in Detroit, where people are being charged $10,000 to have their picture taken with the Speaker. He will also be in Dallas, TX, on January 15.

On January 17 he will be in Fort Wayne, IN. On January 17 he will be in Evanston, IN. On January 19 he will be in Knoxville, TN. On January 19 he will be in Memphis, TN.

There have been some questions about good-faith negotiating and wanting to keep the President negotiating. It is going to be very difficult, I would think, for the Speaker to negotiate with the President while he is traveling around the country raising money for Republican Members of Congress and for the Republican National Campaign Committee. I know these are all tentative dates and something might change in the schedule, but these have appeared in the press and there have been discussions of these. The Speaker certainly has a very busy schedule raising money in the next 2 weeks.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman from Texas [Mr. FROST] for advising us on the Speaker's schedule. I know there are a great many people in this country who are going to be interested in attending some of those events.

Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Colorado [Mr. MCINNIS], a member of our committee.

Mr. MCINNIS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I wonder where the gentleman from Texas [Mr. FROST] is going to be, chairman of the DCCC, what kind of fundraising he has been attending in the last couple of months.

Mr. Speaker, I think that the people in this Chamber should be aware of the fact that the gentleman from Texas is head of the DCCC, and certainly he is out there doing fundraising under his duties as well. That is the issue here. The issue is we have to get to a balanced budget. Quit trying to divert on some of this sidelight stuff, unless you want to implicate yourself.

Mr. BEILENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, in response to the gentleman, I am not one of the designated negotiators. I have not been designated by the Democratic side to negotiate the budget. The Speaker is one of the designated negotiators. Therefore, I would expect him to be here.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the gentleman from

Massachusetts [Mr. MOAKLEY], our distinguished ranking member of the Committee on Rules.

Mr. MOAKLEY. Mr. Speaker, I thank my colleague from California for yielding time to me.

Mr. Speaker, this rule is typical of the politics-as-usual we're getting so used to these days.

Today, on the 21st day of the Federal Government shutdown, we are looking at another attempt to back the President into a corner, to force him to cut Medicare to pay for tax cuts, and he won't do it.

He won't get tripped up by the strings attached to this continuing resolution and my Republican colleagues shouldn't even be bringing it up.

As we are speaking, the Rules Committee is meeting to consider the third continuing resolution to come before the House today. They say three's a charm but from what I hear, Mr. Speaker, they still haven't got it right.

This third continuing resolution opens up a few more Government services, services that should not have been stopped in the first place, but it does not go all the way.

My Republican colleagues say they want to run the Government like a business. This business is making the former Soviet postal service look good. Republicans are sending people back to work. And they are paying people to go back to work, which they certainly should do, and which they should have done 3 weeks ago. But they still won't let everyone do their work.

They are willing to pay for meals for senior citizens, but will not provide for their delivery. They will give us meals but no wheels and, Mr. Speaker, that's not enough, the Government should be completely opened, and it should be completely opened now.

It's time to do a clean continuing resolution. It's time to reopen the Government, send everyone back to work, pay them, and let them do their Jobs. At the rate we're going, the rate of a few programs a day, it will take about 3 weeks before the Government reopens, and, Mr. Speaker, the American people want it open now.

My colleagues say they want the President to yield to their demands, they want him to propose cuts in Medicare just as they have. But they will not agree to his request to protect Medicare.

Mr. Speaker, I urge my colleagues to defeat the previous question. We need a balanced budget but not at the expense of Medicare, education, and the environment.

□ 1700

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

I would like to point out that Senator DOMENICI just called and said when the Congressional Budget Office rescored our figures, they came up with $135 billion, which added back to the very things our good friend, Mr. OBEY, was asking for: the environment, education, Medicare, Medicaid.

Mr. Speaker, I yield 2 minutes to the gentleman from New York, my good friend [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

I rise today in strong support of this continuing resolution that requires the President to submit a CBO-scored balanced budget within 7 years. My friends, doublespeak in our Nation's Capital is alive and well. We are expected to believe that the President now has to rush around to put the numbers together for a balanced budget. Well, my friends, the President's campaign pledge was to have a balanced budget in 5 years; not in 7 years, not in 8 years, not in 10 years, but in 5 years.

My friends, let us get it straight. When the President signed the continuing resolution in November, he signed a legal commitment to send Congress a 7-year balanced budget, but 7 weeks have passed and we are still waiting for him to live up to his promise.

In the past, the President has repeatedly said he supports a balanced budget. He said he would support one in 10 years, 8 years, 9 years, 7 years and everything in between. But now it is time to recognize the reality that in spite of all of the President's public rhetoric, he does not now, probably never has, and most likely never will support a balanced budget. So we have to operate in that reality.

We in Congress need to use the tools available to us under the Constitution to help the President honor his commitment to the American people and obey the law that he signed on November 20.

Earlier today we voted to bring unpaid Federal employees back to work and to provide them with their back pay. We also helped to fund through September 30 essential programs for seniors, veterans, the needy, unemployed, as well as visa, passport and consular services for American citizens abroad. By passing this continuing resolution before us now, we will also fulfill our responsibility to reopen the Government through January 26.

Mr. Speaker, we are acting in good faith to reopen the Government, but we only ask that the President keep his word and submit a balanced budget to the Congress, even using his own program priorities. The idea that somehow we have to be mindreaders of the President and honor his own priorities is absolutely absurd. Now it is up to the President to fulfill his moral commitment and send us a balanced budget.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, the Kendall School which is the predecessor of Gallaudet University for the Deaf, has been fully funded by the Federal Government since 1858. But because we did not do our job today, it will close down, and those deaf children in kindergarten through elementary school and high school will have to be sent home because we did not do our job.

The East Coast Migrant Head Start Program just called the office. Those children who are infants and small children, who have to be in school because both of their parents are working out in the fields, that program will be closed down because it is fully funded by the Federal Government. What are those children going to do? What are their parents going to do who have to be working in the fields?

We have not done our job, so we have to have a continuing resolution, a full continuing resolution.

Obviously, it should not be tied to a 7-year balanced budget plan. The majority leader of the Senate, Senator DOLE understood that. All we had to do was take his bill and everything would be all set now; we would have done our job. But because we have extremists who say our way or no way, we have not done our jobs. We have no business recessing until we do it.

Now, I am going to vote for this resolution, and the reason is that I do not think it is such a problem to have a 7-year balanced budget, even using CBO numbers, because that is not the problem. I think the President is going to submit a balanced 7-year plan with CBO numbers. But it is not going to be one that the Republican side will accept, because it will not gut the Medicare Program, it will not dismantle the Medicaid Program. It will not cut student loans.

Mr. LINDER. Mr. Speaker, will the gentleman yield for an honest question?

Mr. MORAN. If you will give me an extra 30 seconds to make my point, I would be happy to. I will continue, because there may be other points that the gentleman may wish to respond to.

I understand what the gentleman is going to say, that you do not have to accept it, and that is why I am going to vote for the resolution, because that is not the problem. When the President submits it, he is not going to sacrifice Medicare and Medicaid and student loans and environmental regulation, because you do not have to; because you do not have to cut taxes by $245 billion or $200 billion or even $100 billion, and we should not.

Businesses do not pay out dividends when they are operating at a loss, and we should not cut taxes when we are operating at a deficit. If we are at a surplus and we can afford to, we can go ahead and do it. We cannot now. That is why we are in the situation we are in now.

It was President Reagan's tax cut in 1981 that created the debt that we are burdened with. That is why we are here, we are stuck, why the Government is shut down. If it was not for the interest on the debt that was accumulated by the 1981 tax cut, we would be in a surplus today.

Mr. LINDER. Mr. Speaker, will the gentleman yield?

Mr. MORAN. I yield to the gentleman from Georgia.

Mr. LINDER. Mr. Speaker, first, I would like to point out that the revenues to the Treasury doubled between 1980 and 1990. Tax cuts doubled revenues; that can add to debt.

Let me just say about the President's budget, the gentleman says it was one that the Republicans could not agree with. That is not the point. It is one that we want to negotiate.

That is what we have not had. We do not know where he stands, because we have never seen a budget that he has put on the table, a balanced budget in 7 years, with his priorities. All we want to do is say, you can open the Government tomorrow, Mr. President; just put your priorities on the table. We will then negotiate within those parameters. That is all.

Mr. MORAN. I understand that, I say to the gentleman that I do not think that is the problem. That is why I am going to vote for this resolution, because the issue is not a 7-year balanced budget; the issue is how you get there, whether you cut taxes when you cannot afford to, and what we do to people dependent upon Medicare and Medicaid and student loans. That is the issue. We ought to clarify the issue.

I think that issue ought to be a national referendum. But in terms of submitting the budget, I think that will be done, I think it should be done, and I think that the Democrats will support that.

Mr. SABO. Mr. Speaker, will the gentleman yield?

Mr. MORAN. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Speaker, I would say to my friend from Virginia, there was some reference to what was promised in 1981 and what happened. The promise was that by 1984 the budget would be in balance. Instead, there was a deficit of $175 billion. Reagan projected that revenues would be 19.3 percent of the gross national product by 1984; they were actually 18 percent because of the tax cut.

Mr. MORAN. Mr. Speaker, I thank the gentleman very much. In fact, President Reagan, rightfully so, said that any President who cannot submit a balanced budget ought to be impeached, and he never submitted a balanced budget.

The problem with this plan that we have before us is that it increases the deficit in the first year. In the first 3 years there is virtually no reduction in the deficit. The last 3 years, we reduce it every year. So we cannot support one that is fiscally responsible, but we ought to have a balanced budget that is fiscally responsible.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. GOODLATTE], someone who is probably more responsible for forcing the President to bring a balanced budget to this body than anyone I know, and we really appreciate the efforts of the gentleman.

Mr. GOODLATTE. Mr. Speaker, I thank the chairman for his kind remarks and for yielding me this time.

Mr. Speaker, this is an effort on our part to open the Government back up to show the President and the American people that we are doing everything possible to negotiate in good faith, while moving forward on our commitment to finally balance the Federal budget. It is always easier to criticize a proposal, to complain without offering a positive solution.

We, on the other hand, have worked very hard over the last 2 days in fashioning this positive solution to get the Government back to work and to balance our budget. That is what my goal has been as I have worked to find a solution; that is what we are going to do here today. Now it is time for the President to fulfill his responsibility.

Mr. Speaker, all that we ask is that President Clinton meet himself halfway. He signed into law back in November an agreement that by the end of the first session of the 104th Congress, 2 days ago, we would have a balanced budget using CBO scoring. All we ask of him today is that he put down his marker, that he tell us where his balanced budget with CBO scoring is. Let us see what his priorities are.

We cannot settle this until we have the ability to compromise. You cannot compromise when the other side does not have a position to compromise with. So we are asking him to put it on the table and then we can work this out and work out the priorities.

The President said when he ran that he could balance the budget in 5 years. He said during this crisis that we could balance the budget in 7 years. All we ask is that the President meet himself halfway by putting his version of that on the table so that we can move this negotiating process forward and fully reopen the government.

I am pleased that we have already voted to put Government workers back to work. Now let us reopen the Government fully once the President does what his responsibility is: Put your budget on the table.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

I guess my question is, did you all put on blinders over there on the Republican side of the aisle? Do you stick your head in the sand? You stop reading when you want to stop reading, right? The agreement says, in full, the only underlined part that I got from you all was the President, according to the gentleman from Virginia, has to meet himself halfway. That is it.

Is that it? Some negotiation. I thought that the Congress, the Republican-led Congress of the United States was supposed to be at the table presenting its budget that did the following. It is in the agreement you signed, is it not?

It did the following: It is going to protect Medicare, Medicaid, education, the environment, veterans.

Your budget was woefully inadequate. It did not do that and that is why it got vetoed. You know that and I know that. Do not for 1 minute come up here and tell us that only one person at the table has to meet somebody halfway. That is not how it works.

I do not know in Virginia where you have been. I do not know if you have served on a legislature or not or been in any other governmental body, or been in any business that required compromise, but usually compromise is when both people sit down and agree to meet.

The President has spent fully 40 hours in negotiations with the Republican leadership of the House and the Senate. That is right. That is what has happened. Some of us were around here when President Bush met with Members of the Congress, and believe me, it did not probably exceed 40 minutes. It was not any 40 hours; it was about 40 minutes.

So I want to tell my colleagues right now, this President of the United States is seeking a balanced budget. In fact, his first budget reduced the deficit by $700 billion. Nobody wants to talk about that over there on your side, do they? You think this is a one-way street. I am astounded that you stop reading the agreement when you want to stop reading it. That is not the way to do business.

Mr. GOODLATTE. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Virginia.

Mr. GOODLATTE. I thank the gentleman for yielding.

The fact of the matter is, we have a specific budget on the table that you can look to.

Mr. COLEMAN. No, sir; I am going to reclaim my time. Let me reclaim my time for this reason: Your budget did not protect Medicare and Medicaid, the seniors, and the veterans. It did not. That is why it got vetoed. It was absolutely slashing the budget for those people.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume, just to point out to the previous speaker that we have bent over backward to try to be fair to this President. We have told him that if he will present a 7-year balanced budget, scored by CBO, we are not going to dictate to him whether he has so many dollars for Medicare, education or the environment, for defense or anything else. We simply want him to put a balanced budget on the table so that we have dollars and cents in each function that we can compare, so that we can sit down and begin serious negotiations. That is what this debate is all about here today.

Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. ROTH], a great fan of the Green Bay Packers.

Mr. ROTH. Mr. Speaker, I thank my friend for yielding me this time.

Mr. Speaker, at some point we have to stop shouting at each other and get down to business. I think this is a good bill, because it is a win/win bill. You can say you won something; we on our side can say that we have balanced the budget, and we have.

Now, the President has said that he is for a balanced budget, and we did submit a balanced budget to the President, and he vetoed it. Historically, the President has always presented a budget to the Congress.

□ 1715

All we are asking the President to do is to walk his talk. He has made a commitment. Let him come forward with his budget.

The President vetoed the first balanced budget that we sent to him in 26 years. Now, no business, no family can operate in the red for 26 years like our Government has. Think about it. We pay $20 billion a month, $20 billion a month to the bondholders. Do we want to sell our children into financial bondage. I do not think so.

That is why this bill before us is a good bill. I have heard some of the people on the other side of the aisle say they are going to vote for this bill. I think it is a good positive step. We must start, Republican and Democrat, to come together. Remember, two mountains can never come together but two people always can. I think we can come together.

I would like to see the President come forward with his balanced budget. We cannot have everything. We cannot have everything on our side. You quite frankly cannot have everything on your side. Every time we make a good faith proposal, you keep moving the goal posts. Like my good friend from New York had mentioned, the Green Bay Packers. Well, I hope the Packers win tomorrow, but if 49'ers keep moving the goal posts, keep changing the rules to suit the 49'ers the Packers can't win. And so, too, here.

We have got to have the same rules, my friends. We cannot have one rule for one side and another rule for the other side. This is a good bill. Vote for it. Do this for your kids and for the future of America.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. I thank the gentleman for yielding me the time.

Mr. Speaker, if we are going to have an agreement—and I very much want an agreement, I believe the President has demonstrated that he very much wants an agreement, given the amount of time he has spent trying to reach one—if we are going to get to an agreement, it is going to take good faith and compromise on all sides.

I support a 7-year balanced budget. I voted for the coalition proposal. I expect that is roughly where we are likely to end up in all of this. But if that is what we want, this bill is not the way to get there. Why not? Because it simply does not demonstrate the kind of good faith that is going to be required if a negotiation will succeed.

A little while ago one of the reporters asked me this question: "Is this simply a way to box the President in?" That is it. That is exactly what it is. As many have pointed out, there were two conditions in the November CR that were to have been met: one, a 7-year balanced budget scored by CBO; second, paying greater respect to Medicare, Medicaid, veterans, education, the environment, and so on.

Either both of these conditions have to be met ahead of time, before negotiations begin, or neither of them need to be met ahead of time. You cannot have it both ways. You cannot say one must be met before we start negotiations but we will only meet our side of the deal later on. It is misleading and I think disingenuous to suggest that the President has not honored the terms in the November agreement and will not honor his promise.

If the President has to table the 7-year balanced budget scored by CBO before we can make any progress, then so must the Republicans table a new budget that addresses the questions of Medicare, Medicaid, education and the environment. If you claim that you are obliged to meet your part of the November bargain only at the end of the negotiation, then that is when the President needs to meet his part of the November agreement. You cannot have it both ways.

This bill, because it tries to have it in a one-sided way, will hurt, not help, this process. We should defeat the previous question.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Mexico [Mr. SCHIFF].

Mr. SCHIFF. I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the resolution and of the bill. I want to address first the charge that has been made on the House floor that the Republicans are asking the President to agree to cuts in Medicare or to some specific tax policy. It is absolutely not true. We are asking the President to abide by the agreement that he made with the Congress in November, which is to put out a balanced budget in a 7-year timeframe, using the Congressional Budget Office economic projections for such things as government revenue and inflationary impact on programs.

The possibilities from that point are limitless. The President can put the spending priorities on any program he wants. He can propose tax reduction, he can propose tax increases or he can propose no change whatsoever in the U.S. tax policy, as long as it meets the criteria of 7 years and Congressional Budget Office scoring.

The House reaffirmed its commitment to using the Congressional Budget Office recently with 341 votes, and I hope all 341 of those Members, Republicans and Democrats alike, will support this resolution.

I want to address the second point, that there is another part of the agreement, and that part of the agreement that there be adequate funding for certain programs. That is a correct statement. The problem is, what is adequate funding for those programs?

There are several budgets already in existence that meet the 7-year Congressional Budget Office requirement. The Republicans have offered a budget. A number of Democrats have offered a budget on the House floor. A number of Democrats have offered a balanced budget in the other body.

Which one of those budgets, if any, does the President believe meets the requirement of adequate funding for programs? If none of them do, here is the opportunity for the President to offer a balanced budget proposal that shows us, with exact figures, how much spending there should be for certain programs for him to call it adequate.

Without those figures on the floor, it is impossible to negotiate any further, because it is impossible to determine what figures are the exact amount of adequate funding.

The reasons negotiations have not been successful between the White House and the President is that the Republican leadership has put out a budget. I do not agree with all its provisions but they have done so. The President has not put out a budget.

Once both sides have put out a budget that says we believe that this is how we meet the priority in funding and under the 7-year Congressional Budget Office economic projections, then the American people can decide whose priorities they prefer. Until that happens, negotiations can go on forever and they will never be productive.

Therefore, I urge passage of this resolution, passage of the bill, and I respectfully urge the President of the United States to present his budget so we can see his priorities.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, in all this quibbling that is going on about what was the language in the November 20 resolution, whether it was 7 years, CBO, or whether you should pay attention to the protection of the programs such as Medicare and Medicaid, I am struck by misdirection. Because if the goal here is to punish the President for not coming forward, it seems to me the wrong people are getting punished.

If you want to punish the President, the way to do that is to say that half the Head Start children are not going to be able to go to Head Start? If you want to punish the President you instead deny small businesses loan guarantees, $40 million a day? You want to punish the President, so you go ahead and make it rough on Federal workers after January 26? You want to punish the President, so you deny Medicare vendors getting paid denying services to senior citizens? This is a pretty tough crowd if that is the way you think you punish the President.

The fact of the matter is it is like a carrot and a stick. This is the first organization I have ever seen, the carrot and the stick, the old thing where you have got the horse out in front of the wagon, you hold the carrot in front of the horse, then you have got people on the wagon trying to get the horse to move forward. In this crowd if the carrot does not work they turn around and shoot all the passengers on the wagon.

The fact is, let us do this out of mutual respect. The thing to do is go back into negotiations. I am a bit offended when I hear the President has not negotiated in good faith.

I was here in 1990 when President Bush and Republicans and Democrats had the budget summit, many, many days. This President has spent 40 hours meeting with Republican leaders at the White House. If President Bush measured his time in minutes meeting with those conferees, I will be very, very surprised. Forty hours. Second, if there is no Presidential budget, then what was it we voted on the floor about 2 weeks ago in which the Republican leadership took great glee in putting on the floor and having everybody vote against it, calling it the President's budget? What is it that is being discussed in these 40 hours of negotiations? I hear figures coming back, somebody has come down on Medicare, somebody has come down on taxes, so clearly negotiations are taking place.

Mr. Speaker, the American people are smart enough to know whether there are good-faith negotiations, they are smart enough to measure the result. Do not punish the American people for the frustrations that may be on both sides.

Mr. SOLOMON. Mr. Speaker, I yield 2½ minutes to one of the real leaders of this House, the gentleman from Texas [Mr. DELAY], the whip for the majority. We would be interested in what he has to say.

Mr. DELAY. I thank the chairman and I appreciate the good work that he and his committee do, under terribly tough circumstances.

Mr. Speaker, I rise in support of this conditional continuing resolution. Republicans call this a conditional CR because it goes into effect based upon one simple condition, that the President present a certified budget that reaches balance in 7 years. I call this legislation the trust-but-really-verify temporary spending resolution.

We have tried other approaches before, as the people know, and those approaches have failed to dislodge this President from his defense of the status quo. All we are asking is for Bill Clinton to give fiscal responsibility a chance. But we have heard through the grapevine that the President will work to oppose this bill based on his opposition to a real balanced budget. If the President actively opposes this CR, he presents the American people a vivid contrast between his words and his deeds.

He of course has mouthed with numbing regularity his support for the goal of a balanced budget. But he has worked to kill every balanced budget initiative, including the balanced budget amendment to the Constitution and the coalition balanced budget with every ounce of his being.

President Clinton may think he can fool all the people all the time but if he fails to fulfill the conditions of this continuing resolution, he will finally be unmasked as the big-spending liberal that he really is.

The President has the ability to either put up a balanced budget or shut down the Federal Government once again.

I just urge my colleagues to give the President a chance to expose his true intentions. Pass this conditional CR and let us see if the President will ever present a real balanced budget.

Mr. GOSS. Mr. Speaker, I am happy to yield 1 minute to the distinguished gentleman from the home of the Independence Bowl, Shreveport, LA [Mr. MCCRERY], of the Committee on Ways and Means.

Mr. MCCRERY. I thank the gentleman for yielding me the time.

Mr. Speaker, it is hard to negotiate when one of the parties will not put on the table an opening offer.

Therefore, this House tonight will pass a resolution which will implicitly ask the question that the press and the media in this country should have been asking for the last several weeks:

Mr. President, where is your balanced budget?

Mr. President, where is your balanced budget?

Mr. President, where is your balanced budget?

Mr. President, where is your balanced budget?

Mr. President, where is your balanced budget?

Mr. BEILENSON. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. "Where is your balanced budget?" That is a nice speech, Mr. Speaker. It should make the news tonight.

Mr. Speaker, I just want to make one point. My friend from Texas in his closing remarks, he said the President puts a budget on the table and we can negotiate but what we are hearing coming out of negotiations, the conditions are set down that the Speaker has said that he will not let a budget come to the floor here that cannot get 218 Republican votes.

□ 1730

The majority leader says that there is no budget going to pass this House if the taxes are changed. So some negotiations you have got there.

And the gentleman from Texas says, "Mr. President, if you do not do what we want to do on our terms, we will shut the country down again." So what we are going to do, what we have here, you are going to have a recess where the gentleman from Georgia [Mr. GINGRICH] can go raise a lot of money and we are going to have the people dispersing, going on trips and what have you, and saying we have put the ball in the President's court, and then, "If you don't do it like we want it, we will shut the Government down and put people out of work and inconvenience the American public," and "that ain't right."

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. WALKER], vice chairman of the Committee on the Budget and chairman of the Committee on Science.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

Back in November the President made a promise in law that he would produce a balanced budget, he would enact a balanced budget by January 3. That was a guarantee that we thought he meant. Maybe we were wrong. Maybe he did not really mean it. Maybe he thought that negotiations would suffice for producing a balanced budget, that maybe there were all kinds of confusions that resulted from this.

One of the confusions there should not be is nobody has ever suggested that the President needed to produce a balanced budget on our terms. All we have ever asked the President to do is produce a balanced budget that fits his terms. We want his balanced budget. We are willing to negotiate with him based upon what we say should be in a balanced budget and what he says is in a balanced budget. But you cannot negotiate with nothing.

We are asking the President in this CR to put forward his balanced budget.

As soon as his balanced budget, scored by CBO, is certified at the desk, he will get a continuing resolution to do what he says is important, and that is to put the full operation of the Federal Government back in place until January 26.

If the President signed that law making a promise that he would produce a balanced budget, there should be absolutely no problem with him signing this CR and sending us his balanced budget. No problem at all. Why would there be a problem? All we are saying to him is, "Do what you told us you would do 45 days ago," and then the Government can be reopened, all the programs can be functioning, and there is no problem.

But if the President does not send a balanced budget and does not bring the Government back up, we will know that what he signed in November was simply a charade, that he had no intention of producing a balanced budget, that he has no intention in the future of producing a balanced budget.

If you vote against this rule and vote against this item, what you are saying is we have no intention of producing a balanced budget.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, I think everyone knows that this particular resolution is going absolutely nowhere. It will go to the Senate, and they will never consider it.

But I think we ought to tell the truth about what we are talking about. Balancing the budget in 7 years requires the reduction of expenditures of about $750 billion, a doable amount. Where we really disagree is the method in which that money is subtracted from the budget.

The Republicans' priorities, as I read them, put the balance of the budget burden upon the elderly sick, the young sick, the elderly in general, upon the working poor, and to a certain extent upon middle-class America. The thing that is causing all of this trouble but no one will really admit is the proposal to reduce taxes by $250 billion on the Republican side, and the President's mistake of reducing taxes about $100 billion. That makes the balancing of the budget extremely cruel. You have got to do some things that you would not do if you were operating in a normal environment.

So both sides ought to throw on the floor and put behind them the reduction of taxes during this period of time. It is a shame that we are in this environment.

I do not think we ought to go home. I think we ought to stay here and continue working on the substance of all of this.

Mr. SOLOMON. Mr. Speaker, I yield 1½ minutes to the gentleman from San Diego, CA [Mr. CUNNINGHAM], a truly great American who has served in our Armed Forces.

Mr. CUNNINGHAM. Mr. Speaker, my colleagues on the other side of the aisle said that the contract was signed by both, and there are some things that we need to attend to in Medicare and education and so on.

Let me cover the education facts. As a subcommittee chairman on education, I think there is a difference on what is really good. We increased student loans by 50 percent. We increased Pell grants to the highest level ever.

But what we did not protect is your precious bureaucracy that only allows 23 cents on a dollar to get down into the classroom because of that bureaucracy.

We eliminated the President's direct student loan program, that, according to GAO, cost a billion dollars more must to administer, and those fees are not even calculated on what it cost to receive those monies. You want the power here. We have eliminated the bureaucracy and the power.

Goals 2000, you say, "Well, look, you cut Goals 2000." On a Federal level where you have Federal control instead of the State, yes, we did. Goals 2000, there are 45 instances that say State will, and you have got to have groups and members in different groups that put together the requirements. It is only voluntary if you do not want the money.

But yet we send the money directly back to the State, and if a State wants to do Goals 2000, they can.

The Department of Education, $32 billion in its budget, and the President's direct loan program would make it the largest lending institution, if he had this way, in the United States. That is wrong. We have protected education.

Your welfare system has failed education.

Mr. BEILENSON. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank the gentleman for yielding this time to me.

Let me just say that I am going to vote against this rule and against this resolution because I consider this to be political chicanery of the worst kind, an arrogant attempt to tell the President, "Play by my rules or we won't play at all." That is what the majority party is doing. It is an attempt to trap the President, to rape the President, to say again, "If we think that you are doing what we deem you ought to be doing, then we will open the Government, but if we do not, then we will keep it shut."

You know, my colleagues, it took 12 years of Reagan and Bush budgets to get us into this mess of deficits, and it is going to take 7 years to get us out of it.

The President agreed to support a 7-year balanced budget as an end product of the negotiations. But the Republicans also agreed to protect Medicare and Medicaid and education and the environment, things that we believe are dead in their budget. Their budget kills Medicare and kills Medicaid and kills the environment and hurts working families and kills education.

We have not seen them change their budget. That was supposed to be part of their end of the deal.

So this is simply trying to change the rules. It is an attempt to shift the dialog because the Republicans are taking a beating for shutting the Government down, and so they need to try to shift the dialog, and by trying to shift it, they are saying to the President, "We demand that you produce a balanced budget according to our rules, not as you agreed to the end game." We ought not to play by these games or by these rules.

This is only going to come out of both sides getting together, working together for a compromise.

Reject this nonsense, this chicanery.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. ROGERS]. The State of Kentucky has a lot of outstanding Congressmen, as you know, sir, but the gentleman from Kentucky [Mr. ROGERS] is one who is very outstanding, our good friend from Somerset, KY, a member of the Committee on Appropriations, doing an outstanding job.

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, we have had enough of the blame game on who is to blame for shutting down the Government. You say it is our fault. We say it is your fault, the President's fault.

This resolution settles it all. This is the end game here. What this resolution says is regardless of who caused the shutdown, we are prepared to end it, Mr. President. All we want to do, as we have been doing for months now, is just put your offer on the table. How can you make a deal for a piece of land if you go to the owner and say, "I am willing to pay you $1,000 an acre," and he says, "I want to sell it to you," and you say, "How much do you want for it," and he says, "I am not going to tell you." How can you negotiate if you cannot get the other party to put some offer on the table?

All this resolution does, Mr. Speaker, is to say we are willing to open up the entire Government, business as usual, provided, Mr. President, you tell us what your balanced budget proposal is. It does not matter how you come up with it so long as it balances in 7 years using CBO numbers. Then we can negotiate.

As it stands now, we simply cannot negotiate with you. You will not tell us what you want for your acre of land.

So this resolution is calculated to finally decide who is at fault with keeping the Government shut down. We are saying open it up entirely, and all you have got to do to do that, Mr. President, is just lay on the table your proposal for a balanced budget in 7 years so that we can negotiate in good faith. We are asking for good faith, Mr. President, and this is the only way we know how to do it.

If there is a better way, please tell us and we will try to do that.

Mr. BEILENSON. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, my colleagues, I am concerned that we are again dealing in a vacuum with numbers only. We are not attaching faces and places. The debate and the obsession about what the President did or did not do is leaving out what we should be discussing.

I am going to attach one name to this discussion. Her name is Elisa Izquierdo, a little girl that died in New York for lack of attention, that what we do here could take away from other children, and I quote from an article that I am putting at this point in the RECORD, "How Cold Is America Prepared To Be? How much can you take from children who have so little?"

We should attach names, faces and places and get over this obsession of what the President did or did not do.

Mr. Speaker, concerning the debate on what we do as a Congress to protect the children of our country we share with you an article by Jonathan Kozol. I would like to strongly recommend the last paragraph which reads as follows:

> Like most Americans, I do not tend to think of a society that has been good to me and to my parents as "evil." But when he said that "somebody has power," it was difficult to disagree. It is possible that icy equanimity and a self-pacifying form of moral abdication by the powerful will take more lives in the long run than any single drug-addicted and disordered parent. Elisa Izquierdo's mother killed only one child. The seemingly anesthetized behavior of the U.S. Congress may kill thousands. Now we are told we must 'get tougher' with the poor. How much tougher can we get with children who already have so little? How cold is America prepared to be?

Mr. Speaker, I am enclosing the article at this point, as follows:

[From the Time magazine, Dec. 11, 1995]

SPARE US THE CHEAP GRACE

(By Jonathan Kozol)

It is hard to say what was more shocking about the death of Elisa Izquierdo—the endless savagery inflicted on her body and mind, or the stubborn inaction of the New York City agencies that were repeatedly informed of her peril. But while the murder of Elisa by her mother is appalling, it is hardly unexpected. In the death zones of America's postmodern ghetto, stripped of jobs and human services and sanitation, plagued by AIDS, tuberculosis, pediatric asthma and endemic clinical depression, largely abandoned by American physicians and devoid of the psychiatric services familiar in most middle-class communities, deaths like these are part of a predictable scenario.

After the headlines of recrimination and pretended shock wear off, we go back to our ordinary lives. Before long, we forget the victims' names. They weren't our children or the children of our neighbors. We do not need to mourn them for too long. But do we have the right to mourn at all? What does it mean when those whom we elect to public office cut back elemental services of life protection for poor children and then show up at the victim's funeral to pay condolence to the relatives and friends? At what point do those of us who have the power to prevent these deaths forfeit the entitlement of mourners?

It is not as if we do not know what might have saved some of these children's lives. We know that intervention programs work when well-trained social workers have a lot of time to dedicate to each and every child. We know that crisis hot lines work best when half of their employees do not burn out and quit each year, and that social workers do a better job when records are computerized instead of being piled up, lost and forgotten on the floor of a back room. We know that when a drug-addicted mother asks for help, as many mothers do, it is essential to provide the help she needs without delay, not after a waiting period of six months to a year, as is common in poor urban neighborhoods.

All these remedies are expensive, and we would demand them if our own children's lives were at stake. And yet we don't demand them for poor children. We wring our hands about the tabloid stories. We castigate the mother. We condemn the social worker. We churn out the familiar criticisms of "bureaucracy" but do not volunteer to use our cleverness to change it. Then the next time an election comes, we vote against the taxes that might make prevention programs possible, while favoring increased expenditures for prisons to incarcerate the children who survive the worst that we have done to them and grow up to be dangerous adults.

What makes this moral contradiction possible?

Can it be, despite our frequent protestations to the contrary, that our society does not particularly value the essential human worth of certain groups of children? Virtually all the victims we are speaking of are very poor black and Hispanic children. We have been told that our economy no longer has much need for people of their caste and color. Best-selling authors have, in recent years, assured us of their limited intelligence and low degree of "civilization development." As a woman in Arizona said in regard to immigrant kids from Mexico, "I didn't breed them. I don't want to feed them"—a sentiment also heard in reference to black children on talk-radio stations in New York and other cities. "Put them over there," a black teenager told me once, speaking of the way he felt that he and other blacks were viewed by our society. "Pack them tight. Don't think about them. Keep your hands clean. Maybe they'll kill each other off."

I do not know how many people in our nation would confess such contemplations, which offend the elemental mandates of our cultural beliefs and our religions. No matter how severely some among us may condemn the parents of the poor, it has been an axiom of faith in the U.S. that once a child is born, all condemnations are to be set aside. If we now have chosen to betray this faith, what consequences will this have for our collective spirit, for our soul as a society?

There is an agreeable illusion, evidenced in much of the commentary about Elisa, that those of us who witness the abuse of innocence—so long as we are standing at a certain distance—need not feel complicit in these tragedies. But this is the kind of ethical exemption that Dietrich Bonhoeffer called "cheap grace." Knowledge carries with it certain theological imperatives. The more we know, the harder it becomes to grant ourselves exemption. "Evil exists," a student in the South Bronx told me in the course of a long conversation about ethics and religion in the fall of 1993. "Somebody has power. Pretending that they don't so they don't need to use it to help people—that is my idea of evil."

Like most Americans, I do not tend to think of a society that has been good to me and to my parents as "evil." But when he said that "somebody has power," it was difficult to disagree. It is possible that icy equanimity and a self-pacifying form of moral abdication by the powerful will take more lives in the long run than any single drug-addicted and disordered parent. Elisa Izquierdo's mother killed only one child. The seemingly anesthetized behavior of the U.S. Congress may kill thousands. Now we are told we must "get tougher" with the poor. How much tougher can we get with children who already have so little? How cold is America prepared to be?

Mr. BEILENSON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in closing, let me simply urge my colleagues to vote "no" on the previous question.

If the previous question is defeated, we shall offer an amendment that would send a clean continuing resolution to the President immediately, stopping the delaying mechanism in the concurrent resolution unless House Republicans live up to their part of the deal and lay on the table a 7-year balanced budget that actually protects Medicare, Medicaid, education, agriculture, national defense, veterans and others. The amendment would put the budget negotiations on terms we believe are fair.

The majority would have to decide either to let the continuing resolution go forward without delay or delay it until both the President and majority submit a balanced budget that meets the terms of the budget negotiations that have already been agreed to.

Mr. Speaker, in ending, I am inserting at this point in the RECORD the amendment I intent to offer if the previous question is defeated.

The proposed amendment is as follows:

AMENDMENT TO THE RULE ON H.J. RES. 134

In section 2 of the resolution, after "House Concurrent Resolution 131", insert ", as modified by the amendment in section 4 of this resolution,".

At the end of the resolution add the following:

"SEC. 4. At the end of the concurrent resolution self-executed by section 3 of this resolution, add the following new section:

"SEC. —. The preceding sections delaying the transmission of the joint resolution shall have no effect and the joint resolution shall be promptly transmitted to the President unless the Majority Leader, on behalf of all House Republicans, causes to be printed in the CONGRESSIONAL RECORD a new seven-year balanced budget in accordance with the strictures set forth in section 203 of Public Law 104-56 such that the Republican budget achieves "a balanced budget not later than fiscal year 2002 as estimated by the Congressional Budget Office and, unlike the reconciliation measure vetoed by the President, H.R. 2491, "protects future generations, ensures Medicare solvency, reforms welfare and provides adequate funding for Medicaid, education, agriculture, national defense, veterans, and the environment * * * [and] adopts tax policies to help working families and to stimulate future economic growth.".""

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have spent a lot of time, both sides, throwing arrows at each other, blaming each other.

Let me quote from an editorial which is not Republican or Democrat. It is a liberal newspaper, usually. It is the Philadelphia Inquirer. The headline on this editorial says, "Your Turn, Bill. Clinton Must Offer the Serious Budget He Promised."

☐ 1745

The text of the editorial goes on to say, "The country is still waiting for Mr. Clinton's plan."

The last paragraph of this editorial says, "Congress should pass stopgap funding as soon as the President provides the missing ingredient of serious bargaining: A credible White House plan to balance the budget in seven years."

Mr. Speaker, that is exactly what we are doing. The last paragraph of this editorial from a liberal newspaper in Philadelphia. We are offering a clean resolution, which is what everyone has been asking for.

This clean resolution puts all of the Government back to work, all of the employees, all of the functions of Government, but it holds that bill here at the desk until the President does what the last paragraph of this editorial says, until the President gives us a balanced budget certified to be balanced by the Congressional Budget Office in 7 years. It is as simple as that.

Our Speaker GINGRICH has bent over backwards trying to cooperate with the President. So has Senator DOLE. Yet no progress has been made. This gives all of them 21 more days without any problem in between to allow them to sit down, give each other their figures, and let us get down to some serious negotiations and do what the American people want.

Every day we stand here, the interest to pay on that national debt goes up $667 million. That is so uncompassionate. Think what we could do for people with $667 million a day extra if we did not have this deficit.

I ask Members to come and vote for the previous question, and then vote for this bill. I believe that Senator DASCHLE in the other body is going to accept this and send it on to the President. Let us not try to stop him from doing that.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BEILENSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 226, nays 183, not voting 24, as follows:

[Roll No. 9]

YEAS—226

Allard
Archer
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—183

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stenholm
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—24

Armey
Baker (LA)
Berman
Bryant (TX)
Chapman
Chrysler
Clayton
Fazio
Fields (TX)
Hayes
Johnston
Lightfoot
Lofgren
Montgomery
Myers
Quillen
Rose
Scarborough
Stark
Stockman
Studds
Thornton
Wilson
Wyden

☐ 1806

The Clerk announced the following pair:

On the vote:

Mr. Armey for, with Mr. Johnston of Florida against.

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to section 2 of House Resolution 336, House Concurrent Resolution 131 is considered adopted.

PERSONAL EXPLANATION

Mrs. CLAYTON. Mr. Speaker, During rollcall vote Nos. 8 and 9 on H. Res. 330 and H. Res. 336 I was unavoidably detained. Had I been present I would have voted "No" on each.

ELECTION OF MEMBER TO COMMITTEE ON BANKING AND FINANCIAL SERVICES

Mrs. KENNELLY. Mr. Speaker, by direction of the Democratic caucus I offer a privileged resolution (H. Res. 337) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 337

Resolved, That the following named Member be, and is hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Banking and Financial Services: Jesse Jackson, Jr. of Illinois.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. DELLUMS. Mr. Speaker, reserving the right to object, I would like to ask the distinguished gentleman from South Carolina, is the unanimous-consent request that the gentleman is engaging in an effort to expedite going to conference on the DOD authorization bill as a result of the sustaining of the veto by the President?

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Speaker, let me say, first of all, that I appreciate the gentleman's cooperation over the past several days in working to move this process forward. I also appreciate the leadership on both sides of the aisle making this possible.

Mr. DELLUMS. Mr. Speaker, reclaiming my time for a moment, I understand that the gentleman is beginning to move into a colloquy that we have agreed upon regarding the pay raise and the housing allowance of our military personnel, but I am simply asking the question prior to that.

Is the effort on the part of the distinguished gentleman from South Carolina to simply bring a Senate bill forward that would be an appropriate vehicle to expedite going to conference?

Mr. SPENCE. The gentleman is correct.

Mr. DELLUMS. Mr. Speaker, I just wanted my colleagues to understand that this is purely a procedural matter.

Further reserving the right to object, as many of my colleagues are aware, in the context of the DOD authorization bill conference report, it allowed for a 2.4-percent cost of living increase to our military personnel and a 5.2-percent housing allowance increase.

□ 1815

Because of the action taken in the body, we were not able to allow that cost of living increase and that housing allowance increase to go forward in the month of January. Therefore, I would like to enter into the following colloquy with the gentleman from South Carolina.

Mr. Speaker, I certainly wish to enter into the process of trying to come back to this body with a conference report that can be signed into law as expeditiously as possible, and I put both my word and my reputation on the line in that respect. But I would like to ask the gentleman from South Carolina [Mr. SPENCE] that in the event that the process in some way is slowed down, that the gentleman could give this gentleman and my colleagues on this side of the aisle his word that if we have not reached agreement on the fiscal year 1996 defense authorization conference by the end of the month so that the full 2.4 percent cost of living increase and the 5.2 percent for basic allowance for quarters could be allowed to our service personnel for February 1996, that the majority leadership will agree to bring appropriate legislation to the floor in time to ensure that the military will receive these increases in February.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. DELLUMS. Mr. Speaker, I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Speaker, let me say first of all that I appreciate the gentleman from California [Mr. DELLUMS] and his cooperation in the past few days in moving this process forward.

I also want to express my appreciation to the leadership on both sides of the aisle for making this process possible, or this procedure. I also want to express my appreciation to the minority members on our committee who have helped to bring this bill forward in committee and in conference to this place that we find ourselves in tonight.

Mr. Speaker, there is no disagreement between us on the importance of ensuring that the troops and their families receive their full pay raise and their full BAQ housing allowances. Based on the President's December 28 Executive Order, the troops are currently receiving a 2.0-percent pay raise and a 2.0-percent increase in their housing allowance.

Mr. Speaker, I believe that the appropriate vehicle for legislation authorizing a military pay raise is the Defense authorization bill. We attempted to override the President's veto earlier this week, and did not succeed. Therefore, we are here tonight trying to appoint conferees to a new conference in order to hopefully resolve our differences and to send a revised bill, including the pay and housing allowances, back down to the President as soon as possible.

I would commit to the gentleman from California, and to all of my colleagues, that if all efforts to reach an agreement on a revised conference report have not succeeded by end of this month, I will work with him and all others to pass legislation for the full pay raise and housing allowance as expeditiously as possible, either as a free-standing bill or in some other fast-moving vehicle. It would be my intention that any such legislation would provide the full pay raise and BAQ housing allowance retroactive to January 1, 1996.

Mr. DELLUMS. Mr. Speaker, reclaiming my time and further reserving my right to object, I would like to first thank my distinguished colleague for a very straightforward response to the question that this gentleman raised. I appreciate both the gentleman's integrity and veracity on this issue.

Given the assurances that have been laid down clearly by my distinguished colleague, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. HEFLEY. Mr. Speaker, reserving the right to object, I do not intend to object, but under the reservation, I would hope that we are not going to open up the entire defense bill in this new conference. There are a relative few sections that there is a complaint about: ballistic missiles, U.N. control, relative small number of issues that there is a complaint about.

Mr. Speaker, I am particularly concerned, of course, about the military construction section, because this is the section where we make gigantic strides in trying to improve the housing and living conditions of our troops. There was no objection to that. The gentleman from California [Mr. DELLUMS], the ranking member of the committee, and I have talked about this on numerous occasions. The gentleman has no objection to that.

This is the area that I am most interested in, but there are other areas that there were no objections, that the committee was in strong support of. So, I would hope with this reduced number of conferees that we have going to this conference, and I think that is a good idea, but I would hope, Mr. Speaker, that we would not open up the entire bill and start over again. An enormous amount of time and effort and energy was put into getting where we are now. I would hope that we would focus on the areas that we need to.

Mr. SPENCE. Mr. Speaker, if the gentleman would yield, we intend in the conference to do just those things to prevent another veto, and it would not get down to housing, I am sure, because the President in his message to us did not say anything to us about the housing that we passed.

Mr. HEFLEY. Mr. Speaker, I thank the gentleman for his response. I appreciate that.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Authorization Act for Fiscal Year 1996".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical demilitarization program.
Sec. 108. Defense health program.

Subtitle B—Army Programs

Sec. 111. AH-64D Longbow Apache attack helicopter.
Sec. 112. OH-58D AHIP Scout helicopter.
Sec. 113. Hydra 70 rocket.
Sec. 114. Report on AH-64D engine upgrades.

Subtitle C—Navy Programs

Sec. 121. Seawolf and new attack submarine programs.
Sec. 122. Repeal of prohibition on backfit of Trident submarines.
Sec. 123. Arleigh Burke class destroyer program.
Sec. 124. Split funding for construction of naval vessels.
Sec. 125. Seawolf submarine program.
Sec. 126. Crash attenuating seats acquisition program.

Subtitle D—Other Programs

Sec. 131. Tier II predator unmanned aerial vehicle program.
Sec. 132. Pioneer unmanned aerial vehicle program.
Sec. 133. Joint Primary Aircraft Training System program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic research and exploratory development.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. A/F117X long-range, medium attack aircraft.
Sec. 212. Navy mine countermeasures program.
Sec. 213. Marine Corps shore fire support.
Sec. 214. Space and missile tracking system program.
Sec. 215. Precision guided munitions.
Sec. 216. Defense Nuclear Agency programs.
Sec. 217. Counterproliferation support program.
Sec. 218. Nonlethal weapons program.
Sec. 219. Federally funded research and development centers.
Sec. 220. States eligible for assistance under Defense Experimental Program To Stimulate Competitive Research.
Sec. 221. National defense technology and industrial base, defense reinvestment, and conversion.
Sec. 222. Revisions of Manufacturing Science and Technology Program.
Sec. 223. Preparedness of the Department of Defense to respond to military and civil defense emergencies resulting from a chemical, biological, radiological, or nuclear attack.
Sec. 224. Joint Seismic Program and Global Seismic Network.
Sec. 225. Depressed altitude guided gun round system.
Sec. 226. Army echelon above corps communications.
Sec. 227. Testing of theater missile defense interceptors.

Subtitle C—Missile Defense

Sec. 231. Short title.
Sec. 232. Findings.
Sec. 233. Missile defense policy.
Sec. 234. Theater missile defense architecture.
Sec. 235. National missile defense system architecture.
Sec. 236. Cruise missile defense initiative.
Sec. 237. Policy regarding the ABM Treaty.
Sec. 238. Prohibition on funds to implement an international agreement concerning theater missile defense systems.
Sec. 239. Ballistic Missile Defense program elements.
Sec. 240. ABM Treaty defined.
Sec. 241. Repeal of missile defense provisions.
Sec. 242. Sense of Senate on the Director of Operational Test and Evaluation.
Sec. 243. Ballistic Missile Defense Technology Center.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Increase in funding for the Civil Air Patrol.

Subtitle B—Depot-Level Maintenance and Repair

Sec. 311. Policy regarding performance of depot-level maintenance and repair for the Department of Defense.
Sec. 312. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.

Subtitle C—Environmental Provisions

Sec. 321. Revision of requirements for agreements for services under environmental restoration program.
Sec. 322. Discharges from vessels of the Armed Forces.
Sec. 323. Revision of authorities relating to restoration advisory boards.

Subtitle D—Civilian Employees

Sec. 331. Minimum number of military reserve technicians.
Sec. 332. Exemption of Department of Defense from personnel ceilings for civilian personnel.
Sec. 333. Wearing of uniform by National Guard technicians.
Sec. 334. Extension of temporary authority to pay civilian employees with respect to the evacuation from Guantanamo, Cuba.
Sec. 335. Sharing of personnel of Department of Defense domestic dependent schools and Defense Dependents' Education System.
Sec. 336. Revision of authority for appointments of involuntarily separated military reserve technicians.
Sec. 337. Cost of continuing health insurance coverage for employees voluntarily separated from positions to be eliminated in a reduction in force.
Sec. 338. Elimination of 120-day limitation on details of certain employees.
Sec. 339. Repeal of requirement for part-time career opportunity employment reports.
Sec. 340. Authority of civilian employees of Department of Defense to participate voluntarily in reductions in force.
Sec. 341. Authority to pay severance payments in lump sums.
Sec. 342. Holidays for employees whose basic workweek is other than Monday through Friday.
Sec. 343. Coverage of nonappropriated fund employees under authority for flexible and compressed work schedules.

Subtitle E—Defense Financial Management

Sec. 351. Financial management training.
Sec. 352. Limitation on opening of new centers for Defense Finance and Accounting Service.

Subtitle F—Miscellaneous Assistance

Sec. 361. Department of Defense funding for National Guard participation in joint disaster and emergency assistance exercises.

Sec. 362. Office of Civil-Military Programs.
Sec. 363. Revision of authority for Civil-Military Cooperative Action Program.
Sec. 364. Office of Humanitarian and Refugee Affairs.
Sec. 365. Overseas humanitarian, disaster, and civic AID programs.

Subtitle G—Operation of Morale, Welfare, and Recreation Activities

Sec. 371. Disposition of excess morale, welfare, and recreation funds.
Sec. 372. Elimination of certain restrictions on purchases and sales of items by exchange stores and other morale, welfare, and recreation facilities.
Sec. 373. Repeal of requirement to convert ships' stores to nonappropriated fund instrumentalities.

Subtitle H—Other Matters

Sec. 381. National Defense Sealift Fund: availability for the National Defense Reserve Fleet.
Sec. 382. Availability of recovered losses resulting from contractor fraud.
Sec. 383. Permanent authority for use of proceeds from the sale of certain lost, abandoned, or unclaimed property.
Sec. 384. Sale of military clothing and subsistence and other supplies of the Navy and Marine Corps.
Sec. 385. Conversion of Civilian Marksmanship Program to non-appropriated fund instrumentality and activities under program.
Sec. 386. Report on efforts to contract out certain functions of Department of Defense.
Sec. 387. Impact aid.
Sec. 388. Funding for troops to teachers program and troops to cops program.
Sec. 389. Authorizing the amounts requested in the budget for Junior ROTC.
Sec. 390. Report on private performance of certain functions performed by military aircraft.
Sec. 391. Allegany Ballistics Laboratory.
Sec. 392. Encouragement of use of leasing authority.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Temporary variation in DOPMA authorized end strength limitations for active duty Air Force and Navy officers in certain grades.
Sec. 403. Certain general and flag officers awaiting retirement not to be counted.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. Increase in number of members in certain grades authorized to serve on active duty in support of the reserves.
Sec. 414. Reserves on active duty in support of Cooperative Threat Reduction programs not to be counted.
Sec. 415. Reserves on active duty for military-to-military contacts and comparable activities not to be counted.

Subtitle C—Military Training Student Loads

Sec. 421. Authorization of training student loads.

Subtitle D—Authorization of Appropriations

Sec. 431. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Joint officer management.
Sec. 502. Revision of service obligation for graduates of the service academies.
Sec. 503. Qualifications for appointment as Surgeon General of an armed force.
Sec. 504. Deputy Judge Advocate General of the Air Force.
Sec. 505. Retiring general and flag officers: applicability of uniform criteria and procedures for retiring in highest grade in which served.
Sec. 506. Extension of certain reserve officer management authorities.
Sec. 507. Restrictions on wearing insignia for higher grade before promotion.
Sec. 508. Director of admissions, United States Military Academy: retirement for years of service.

Subtitle B—Matters Relating to Reserve Components

Sec. 511. Mobilization income insurance program for members of Ready Reserve.
Sec. 512. Eligibility of dentists to receive assistance under the financial assistance program for health care professionals in reserve components.
Sec. 513. Leave for members of reserve components performing public safety duty.

Subtitle C—Uniform Code of Military Justice

Sec. 521. References to Uniform Code of Military Justice.
Sec. 522. Definitions.
Sec. 523. Article 32 investigations.
Sec. 524. Refusal to testify before court-martial.
Sec. 525. Commitment of accused to treatment facility by reason of lack of mental capacity or mental responsibility.
Sec. 526. Forfeiture of pay and allowances and reduction in grade.
Sec. 527. Deferment of confinement.
Sec. 528. Submission of matters to the convening authority for consideration.
Sec. 529. Proceedings in revision.
Sec. 530. Appeal by the United States.
Sec. 531. Flight from apprehension.
Sec. 532. Carnal knowledge.
Sec. 533. Time after accession for initial instruction in the Uniform Code of Military Justice.
Sec. 534. Technical amendment.
Sec. 535. Permanent authority concerning temporary vacancies on the Court of Appeals for the Armed Forces.
Sec. 536. Advisory panel on UCMJ jurisdiction over civilians accompanying the Armed Forces in time of armed conflict.

Subtitle D—Decorations and Awards

Sec. 541. Award of Purple Heart to certain former prisoners of war.
Sec. 542. Meritorious and valorous service during Vietnam era: review and awards.
Sec. 543. Military intelligence personnel prevented by secrecy from being considered for decorations and awards.
Sec. 544. Review regarding awards of Distinguished-Service Cross to Asian-Americans and Pacific Islanders for certain World War II service.

Subtitle E—Other Matters

Sec. 551. Determination of whereabouts and status of missing persons.
Sec. 552. Service not creditable for periods of unavailability or incapacity due to misconduct.
Sec. 553. Separation in cases involving extended confinement.
Sec. 554. Duration of field training or practice cruise required under the Senior Reserve Officers' Training Corps program.
Sec. 555. Correction of military records.
Sec. 556. Limitation on reductions in medical personnel.
Sec. 557. Repeal of requirement for athletic director and nonappropriated fund account for the athletics programs at the service academies.
Sec. 558. Prohibition on use of funds for service academy preparatory school test program.
Sec. 559. Centralized judicial review of Department of Defense personnel actions.
Sec. 560. Delay in reorganization of Army ROTC regional headquarters structure.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1996.
Sec. 602. Election of basic allowance for quarters instead of assignment to inadequate quarters.
Sec. 603. Payment of basic allowance for quarters to members of the uniformed services in pay grade E-6 who are assigned to sea duty.
Sec. 604. Limitation on reduction of variable housing allowance for certain members.
Sec. 605. Clarification of limitation on eligibility for family separation allowance.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Extension of certain bonuses for reserve forces.
Sec. 612. Extension of certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Extension of authority relating to payment of other bonuses and special pays.
Sec. 614. Hazardous duty incentive pay for warrant officers and enlisted members serving as air weapons controllers.
Sec. 615. Aviation career incentive pay.
Sec. 616. Clarification of authority to provide special pay for nurses.
Sec. 617. Continuous entitlement to career sea pay for crew members of ships designated as tenders.
Sec. 618. Increase in maximum rate of special duty assignment pay for enlisted members serving as recruiters.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Calculation on basis of mileage tables of Secretary of Defense: repeal of requirement.
Sec. 622. Departure allowances.
Sec. 623. Dislocation allowance for moves resulting from a base closure or realignment.
Sec. 624. Transportation of nondependent child from sponsor's station overseas after loss of dependent status while overseas.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 631. Use of commissary stores by members of the Ready Reserve.
Sec. 632. Use of commissary stores by retired Reserves under age 60 and their survivors.
Sec. 633. Use of morale, welfare, and recreation facilities by members of reserve components and dependents: clarification of entitlement.

Subtitle E—Other Matters

Sec. 641. Cost-of-living increases for retired pay.
Sec. 642. Eligibility for retired pay for nonregular service denied for members receiving certain sentences in courts-martial.
Sec. 643. Recoupment of administrative expenses in garnishment actions.
Sec. 644. Automatic maximum coverage under Servicemen's Group Life Insurance.
Sec. 645. Termination of Servicemen's Group Life Insurance for members of the Ready Reserve who fail to pay premiums.
Sec. 646. Report on extending to junior noncommissioned officers privileges provided for senior noncommissioned officers.
Sec. 647. Payment to survivors of deceased members of the uniformed services for all leave accrued.
Sec. 648. Annuities for certain military surviving spouses.
Sec. 649. Transitional compensation for dependents of members of the Armed Forces separated for dependent abuse.

TITLE VII—HEALTH CARE

Subtitle A—Health Care Services

Sec. 701. Medical care for surviving dependents of retired Reserves who die before age 60.
Sec. 702. Dental insurance for members of the Selected Reserve.
Sec. 703. Modification of requirements regarding routine physical examinations and immunizations under CHAMPUS.
Sec. 704. Permanent authority to carry out specialized treatment facility program.
Sec. 705. Waiver of medicare part B late enrollment penalty and establishment of special enrollment period for certain military retirees and dependents.

Subtitle B—TRICARE Program

Sec. 711. Definition of TRICARE program and other terms.
Sec. 712. Provision of TRICARE uniform benefits by uniformed services treatment facilities.
Sec. 713. Sense of Senate on access of medicare eligible beneficiaries of CHAMPUS to health care under TRICARE.
Sec. 714. Pilot program of individualized residential mental health services.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Delay of termination of status of certain facilities as uniformed services treatment facilities.
Sec. 722. Applicability of Federal Acquisition Regulation to participation agreements with uniformed services treatment facilities.
Sec. 723. Applicability of CHAMPUS payment rules in certain cases.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Investment incentive for managed health care in medical treatment facilities.
Sec. 732. Revision and codification of limitations on physician payments under CHAMPUS.
Sec. 733. Personal services contracts for medical treatment facilities of the Coast Guard.
Sec. 734. Disclosure of information in medicare and medicaid coverage data bank to improve collection from responsible parties for health care services furnished under CHAMPUS.

Subtitle E—Other Matters

Sec. 741. TriService nursing research.
Sec. 742. Fisher House trust funds.
Sec. 743. Applicability of limitation on prices of pharmaceuticals procured for Coast Guard.
Sec. 744. Report on effect of closure of Fitzsimons Army Medical Center, Colorado, on provision of care to military personnel and dependents experiencing health difficulties associated with Persian Gulf Syndrome.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Reform

Sec. 801. Waivers from cancellation of funds.
Sec. 802. Procurement notice posting thresholds and subcontracts for ocean transportation services.
Sec. 803. Prompt resolution of audit recommendations.
Sec. 804. Test program for negotiation of comprehensive subcontracting plans.
Sec. 805. Naval salvage facilities.
Sec. 806. Authority to delegate contracting authority.
Sec. 807. Coordination and communication of defense research activities.
Sec. 808. Procurement of items for experimental or test purposes.
Sec. 809. Quality control in procurements of critical aircraft and ship spare parts.
Sec. 810. Use of funds for acquisition of designs, processes, technical data, and computer software.
Sec. 811. Independent cost estimates for major defense acquisition programs.
Sec. 812. Fees for certain testing services.
Sec. 813. Construction, repair, alteration, furnishing, and equipping of naval vessels.
Sec. 814. Civil Reserve Air Fleet.
Sec. 815. Cost and pricing data.
Sec. 816. Procurement notice technical amendments.
Sec. 817. Repeal of duplicative authority for simplified acquisition purchases.
Sec. 818. Micro-purchases without competitive quotations.
Sec. 819. Restriction on reimbursement of costs.

Subtitle B—Other Matters

Sec. 821. Procurement technical assistance programs.
Sec. 822. Treatment of Department of Defense cable television franchise agreements.
Sec. 823. Preservation of ammunition industrial base.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Sec. 901. Redesignation of the position of Assistant to the Secretary of Defense for Atomic Energy.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Disbursing and certifying officials.
Sec. 1003. Defense modernization account.
Sec. 1004. Authorization of prior emergency supplemental appropriations for fiscal year 1995.
Sec. 1005. Limitation on use of authority to pay for emergency and extraordinary expenses.
Sec. 1006. Transfer authority regarding funds available for foreign currency fluctuations.
Sec. 1007. Report on budget submission regarding reserve components.

Subtitle B—Naval Vessels

Sec. 1011. Iowa class battleships.
Sec. 1012. Transfer of naval vessels to certain foreign countries.
Sec. 1013. Naming amphibious ships.

Subtitle C—Counter-Drug Activities

Sec. 1021. Revision and clarification of authority for Federal support of drug interdiction and counter-drug activities of the National Guard.
Sec. 1022. National Drug Intelligence Center.
Sec. 1023. Assistance to Customs Service.

Subtitle D—Department of Defense Education Programs

Sec. 1031. Continuation of the Uniformed Services University of the Health Sciences.
Sec. 1032. Additional graduate schools and programs at the Uniformed Services University of the Health Sciences.
Sec. 1033. Funding for basic adult education programs for military personnel and dependents outside the United States.
Sec. 1034. Scope of education programs of Community College of the Air Force.
Sec. 1035. Date for annual report on Selected Reserve Educational Assistance Program.
Sec. 1036. Establishment of Junior ROTC units in Indian reservation schools.

Subtitle E—Cooperative Threat Reduction With States of the Former Soviet Union

Sec. 1041. Cooperative Threat Reduction programs defined.
Sec. 1042. Funding matters.
Sec. 1043. Limitation relating to offensive biological warfare program of Russia.
Sec. 1044. Limitation on use of funds for cooperative threat reduction.

Subtitle F—Matters Relating to Other Nations

Sec. 1051. Cooperative research and development agreements with NATO organizations.

Sec. 1052. National security implications of United States export control policy.
Sec. 1053. Defense export loan guarantees.
Sec. 1054. Landmine clearing assistance program.
Sec. 1055. Strategic cooperation between the United States and Israel.
Sec. 1056. Support services for the Navy at the Port of Haifa, Israel.
Sec. 1057. Prohibition on assistance to terrorist countries.
Sec. 1058. International military education and training.
Sec. 1059. Repeal of limitation regarding American diplomatic facilities in Germany.
Sec. 1060. Implementation of arms control agreements.
Sec. 1061. Sense of Congress on limiting the placing of United States forces under United Nations command or control.
Sec. 1062. Sense of Senate on protection of United States from ballistic missile attack.
Sec. 1063. Iran and Iraq arms nonproliferation.
Sec. 1064. Reports on arms export control and military assistance.

Subtitle G—Repeal of Certain Reporting Requirements

Sec. 1071. Reports required by title 10, United States Code.
Sec. 1072. Reports required by title 37, United States Code, and related provisions of defense authorization Acts.
Sec. 1073. Reports required by other defense authorization and appropriations Acts.
Sec. 1074. Reports required by other national security laws.
Sec. 1075. Reports required by other provisions of the United States Code.
Sec. 1076. Reports required by other provisions of law.
Sec. 1077. Reports required by Joint Committee on Printing.

Subtitle H—Other Matters

Sec. 1081. Global positioning system.
Sec. 1082. Limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1083. National Guard civilian youth opportunities pilot program.
Sec. 1084. Report on Department of Defense boards and commissions.
Sec. 1085. Revision of authority for providing Army support for the National Science Center for Communications and Electronics.
Sec. 1086. Authority to suspend or terminate collection actions against deceased members.
Sec. 1087. Damage or loss to personal property due to emergency evacuation or extraordinary circumstances.
Sec. 1088. Check cashing and exchange transactions for dependents of United States Government personnel.
Sec. 1089. Travel of disabled veterans on military aircraft.
Sec. 1090. Transportation of crippled children in Pacific Rim region to Hawaii for medical care.
Sec. 1091. Student information for recruiting purposes.
Sec. 1092. State recognition of military advance medical directives.
Sec. 1093. Report on personnel requirements for control of transfer of certain weapons.
Sec. 1094. Sense of Senate regarding Ethics Committee investigation.
Sec. 1095. Sense of Senate regarding Federal spending.
Sec. 1096. Associate Director of Central Intelligence for Military Support.
Sec. 1097. Review of national policy on protecting the national information infrastructure against strategic attacks.
Sec. 1098. Judicial assistance to the International Tribunal for Yugoslavia and to the International Tribunal for Rwanda.
Sec. 1099. Landmine use moratorium.
Sec. 1099A. Extension of pilot outreach program.
Sec. 1099B. Sense of Senate on Midway Islands.
Sec. 1099C. Study on chemical weapons stockpile.
Sec. 1099D. Designation of National Maritime Center.
Sec. 1099E. Operational Support Airlift Aircraft Fleet.
Sec. 1099F. Sense of the Senate on Chemical Weapons Convention and START II Treaty ratification.

TITLE XI—TECHNICAL AND CLERICAL AMENDMENTS

Sec. 1101. Amendments related to Reserve Officer Personnel Management Act.
Sec. 1102. Amendments related to Federal Acquisition Streamlining Act of 1994.
Sec. 1103. Amendments to reflect name change of Committee on Armed Services of the House of Representatives.
Sec. 1104. Miscellaneous amendments to title 10, United States Code.
Sec. 1105. Miscellaneous amendments to annual defense authorization Acts.
Sec. 1106. Miscellaneous amendments to Federal acquisition laws.
Sec. 1107. Miscellaneous amendments to other laws.
Sec. 1108. Coordination with other amendments.

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Army as follows:

(1) For aircraft, $1,396,451,000.

(2) For missiles, $894,430,000.

(3) For weapons and tracked combat vehicles, $1,547,964,000.

(4) For ammunition, $1,120,115,000.

(5) For other procurement, $2,771,101,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Navy as follows:

(1) For aircraft, $4,916,588,000.

(2) For weapons, including missiles and torpedoes, $1,771,421,000.

(3) For shipbuilding and conversion, $7,111,935,000.

(4) For other procurement, $2,471,861,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Marine Corps in the amount of $683,416,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Air Force as follows:

(1) For aircraft, $6,318,586,000.

(2) For missiles, $3,597,499,000.

(3) For other procurement, $6,546,001,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1996 for Defense-wide procurement in the amount of $2,118,324,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $209,400,000.

(2) For the Air National Guard, $137,000,000.

(3) For the Army Reserve, $62,000,000.

(4) For the Naval Reserve, $74,000,000.

(5) For the Air Force Reserve, $240,000,000.

(6) For the Marine Corps Reserve, $55,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Inspector General of the Department of Defense in the amount of $1,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1996 the amount of $671,698,000 for—

(1) the destruction of lethal chemical weapons and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

(2) the destruction of chemical warfare material of the United States that is not covered by section 1412 of such Act.

SEC. 108. DEFENSE HEALTH PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $288,033,000.

Subtitle B—Army Programs

SEC. 111. AH-64D LONGBOW APACHE ATTACK HELICOPTER.

The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for procurement of AH-64D Longbow Apache attack helicopters.

SEC. 112. OH-58D AHIP SCOUT HELICOPTER.

The prohibition in section 133(a)(2) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1383) does not apply to the obligation of funds in amounts not to exceed $125,000,000 for the procurement of not more than 20 OH-58D AHIP Scout aircraft from funds appropriated for fiscal year 1996 pursuant to section 101.

SEC. 113. HYDRA 70 ROCKET.

(a) LIMITATION.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1996 may not be obligated to procure Hydra 70 rockets until the Secretary of the Army submits to Congress a document that contains the certifications described in subsection (b)(1) together with a discussion of the matter described in subsection (b)(2).

(b) CONTENT OF SUBMISSION.—(1) A document submitted under subsection (a) satisfies the certification requirements of that subsection if it contains the certifications of the Secretary that—

(A) the specific technical cause of Hydra 70 Rocket failures has been identified;

(B) the technical corrections necessary for eliminating premature detonations of such rockets have been validated;

(C) the total cost of making the necessary corrections on all Hydra 70 rockets that are in the Army inventory or are being procured under any contract in effect on the date of the enactment of this Act does not exceed the amount equal to 15 percent of the nonrecurring costs that would be incurred by the Army for acquisition of improved rockets, including commercially developed nondevelopmental systems, to replace the Hydra 70 rockets; and

(D) a nondevelopmental composite rocket system has been fully reviewed for, or has received operational and platform certifications for, full qualification of an alternative composite rocket motor and propellant.

(2) The document shall also contain a discussion of whether the existence of the system referred to in the certification under paragraph (1)(D) will result in—

(A) early and continued availability of training rockets to meet the requirements of the Army for such rockets; and

(B) the attainment of competition in future procurements of training rockets to meet such requirements.

(c) WAIVER AUTHORITY.—The Secretary of Defense may waive the requirement in subsection (a) for the Secretary to submit the document described in that subsection before procuring Hydra 70 rockets if the Secretary determines that a delay in procuring the rockets pending compliance with the requirement would result in a significant risk to the national security of the United States. Any such waiver may not take effect until the Secretary submits to Congress a notification of that determination together with the reasons for the determination.

SEC. 114. REPORT ON AH-64D ENGINE UPGRADES.

No later than February 1, 1996, the Secretary of the Army shall submit to Congress a report on plans to procure T700-701C engine upgrade kits for Army AH-64D helicopters. The report shall include—

(1) a plan to provide for the upgrade of all Army AH-64D helicopters with T700-701C engine kits commencing in fiscal year 1996.

(2) detailed timeline and funding requirements for the engine upgrade program described in paragraph (1).

Subtitle C—Navy Programs

SEC. 121. SEAWOLF AND NEW ATTACK SUBMARINE PROGRAMS.

(a) FUNDING.—(1) Of the amount authorized to be appropriated under section 102(a)(3)—

(A) $1,507,477,000 shall be available for the final Seawolf attack submarine (SSN-23); and

(B) $814,498,000 shall be available for design and advance procurement in fiscal year 1996 for the lead submarine and the second submarine under the New Attack Submarine program, of which—

(i) $10,000,000 shall be available only for participation of Newport News Shipbuilding in the New Attack Submarine design; and

(ii) $100,000,000 shall be available only for advance procurement and design of the second submarine under the New Attack Submarine program.

(2) Of amounts authorized under any provision of law to be appropriated for procurement for the Navy for fiscal year 1997 for shipbuilding and conversion, $802,000,000 shall be available for design and advance procurement in fiscal year 1997 for the lead submarine and the second submarine under the New Attack Submarine program, of which—

(A) $75,000,000 shall be available only for participation by Newport News Shipbuilding in the New Attack Submarine design; and

(B) $427,000,000 shall be available only for advance procurement and design of the second submarine under the New Attack Submarine program.

(3) Of the amount authorized to be appropriated under section 201(2), $455,398,000 shall be available for research, development, test, and evaluation for the New Attack Submarine program.

(b) COMPETITION REQUIRED.—Funds referred to in subsection (c) may not be obligated until the Secretary of the Navy certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that—

(1) the Secretary has restructured the New Attack Submarine program in accordance with this section so as to provide for—

(A) procurement of the lead vessel under the New Attack Submarine program from the Electric Boat Division beginning in fiscal year 1998, if the price offered by Electric Boat Division is determined by the Secretary as being fair and reasonable;

(B) procurement of the second vessel under the New Attack Submarine program from Newport News Shipbuilding beginning in fiscal year 1999, if the price offered by Newport News Shipbuilding is determined by the Secretary as being fair and reasonable; and

(C) procurement of other vessels under the New Attack Submarine program under one or more contracts that are entered into after competition between potential competitors (as defined in subsection (i)) in which the Secretary shall solicit competitive proposals and award the contract or contracts on the basis of price; and

(2) the Secretary has directed, as set forth in detail in such certification, that no action prohibited in subsection (d) will be taken to impair the design, engineering, construction, and maintenance competencies of either Electric Boat Division or Newport News Shipbuilding to construct the New Attack Submarine.

(c) COVERED FUNDS.—The funds referred to in subsection (b) are as follows:

(1) Funds available to the Navy for any fiscal year after fiscal year 1995 for procurement of the final Seawolf attack submarine (SSN-23) pursuant to this Act or any Act enacted after the date of the enactment of this Act.

(2) Funds available to the Navy for any such fiscal year for research, development, test, and evaluation or for procurement (including design and advance procurement) for the New Attack Submarine program pursuant to this Act or any Act enacted after the date of the enactment of this Act.

(d) LIMITATION ON CERTAIN ACTIONS.—In order to ensure that Electric Boat Division and Newport News Shipbuilding retain the technical competencies to construct the New Attack Submarine, the following actions are prohibited:

(1) A termination of or failure to extend, except by reason of a breach of contract by the contractor or an insufficiency of appropriations—

(A) the existing Planning Yard contract for the Trident class submarines; or

(B) the existing Planning Yard contract for the SSN-688 Los Angeles class submarines.

(2) A termination of any existing Lead Design Yard contract for the SSN-21 Seawolf class submarines or for the SSN-688 Los Angeles class submarines, except by reason of a breach of contract by the contractor or an insufficiency of appropriations.

(3) A failure of, or refusal by, the Department of the Navy to permit both Electric Boat Division and Newport News Shipbuilding to have access to sufficient information concerning the design of the New Attack Submarine to ensure that each is capable of constructing the New Attack Submarine.

(e) LIMITATION ON EXPENDITURE OF FUNDS FOR SEAWOLF PROGRAM.—Of the funds referred to in subsection (c)(1)—

(1) not more than $700,000,000 may be expended in fiscal year 1996;

(2) not more than an additional $200,000,000 may be expended in fiscal year 1997;

(3) not more than an additional $200,000,000 may be expended in fiscal year 1998; and

(4) not more than an additional $407,477,000 may be expended in fiscal year 1999.

(f) LIMITATION ON EXPENDITURE OF FUNDS FOR NEW ATTACK SUBMARINE PROGRAM.—Funds referred to in subsection (c)(2) that are available for the lead and second vessels under the New Attack Submarine program may not be expended during fiscal year 1996 for the lead vessel under that program (other than for class design) unless funds are obligated or expended during such fiscal year for a contract in support of procurement of the second vessel under the program.

(g) REPORTS REQUIRED.—Not later than November 1, 1995, and every six months thereafter through November 1, 1998, the Secretary of the Navy shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth the obligations and expenditures of funds for—

(1) the procurement of the final Seawolf attack submarine (SSN-23); and

(2) research, development, test, and evaluation or for procurement (including design and advance procurement) for the lead and second vessels under the New Attack Submarine program.

(h) REFERENCES TO CONTRACTORS.—For purposes of this section—

(1) the contractor referred to as "Electric Boat Division" is General Dynamics Corporation Electric Boat Division; and

(2) the contractor referred to as "Newport News Shipbuilding" is Newport News Shipbuilding and Drydock Company.

(i) DEFINITIONS.—In this section:

(1) The term "potential competitor" means any source to which the Secretary of the Navy has awarded, within 10 years before the date of the enactment of this Act, a contract or contracts to construct one or more nuclear attack submarines.

(2) The term "New Attack Submarine" means any submarine planned or programmed by the Navy as a class of submarines the lead ship of which is planned by the Navy, as of the date of the enactment of this Act, for procurement in fiscal year 1998.

SEC. 122. REPEAL OF PROHIBITION ON BACKFIT OF TRIDENT SUBMARINES.

Section 124 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2683) is repealed.

SEC. 123. ARLEIGH BURKE CLASS DESTROYER PROGRAM.

(a) FIRST INCREMENT FUNDING.—Of the amount authorized to be appropriated under section 102(a)(3), $650,000,000 shall be available in accordance with section 7315 of title 10, United States Code (as added by section 124), as the first increment of funding for two Arleigh Burke class destroyers.

(b) FINAL INCREMENT FUNDING.—It is the sense of Congress that the Secretary of the Navy should plan for and request the final increment of funding for the two destroyers for fiscal year 1997 in accordance with section 7315 of title 10, United States Code (as added by section 124).

SEC. 124. SPLIT FUNDING FOR CONSTRUCTION OF NAVAL VESSELS.

(a) IN GENERAL.—Chapter 633 of title 10, United States Code is amended by adding at the end the following:

"§ 7315. Planning for funding construction

"(a) PLANNING FOR SPLIT FUNDING.—The Secretary of Defense may provide in the future-years defense program for split funding of construction of new naval vessels satisfying the requirements of subsection (d).

"(b) SPLIT FUNDING REQUESTS.—In the case of construction of a new naval vessel satisfying the requirements of subsection (d), the Secretary of the Navy shall—

"(1) determine the total amount that is necessary for construction of the vessel, including an allowance for future inflation; and

"(2) request funding for construction of the vessel in two substantially equal increments.

"(c) CONTRACT AUTHORIZED UPON FUNDING OF FIRST INCREMENT.—(1) The Secretary of the Navy may enter into a contract for the construction of a new naval vessel upon appropriation of a first increment of funding for construction of the vessel.

"(2) A contract entered into in accordance with paragraph (1) shall include a liquidated damages clause for any termination of the contract for the convenience of the Government that occurs before the remainder of the amount necessary for full funding of the contract is appropriated.

"(d) APPLICABILITY.—This section applies to construction of a naval vessel—

"(1) that is in a class of vessels for which the design is mature and there is sufficient construction experience for the costs of construction to be well understood and predictable; and

"(2) for which—

"(A) provision is made in the future-years defense program; or

"(B) the Chairman of the Joint Chiefs of Staff, in consultation with the Secretary of the Navy, has otherwise determined that there is a valid military requirement.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 633 of such title is amended by adding at the end the following:

"7315. Planning for funding construction.".

SEC. 125. SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the SSN–21, SSN–22, and SSN–23 Seawolf class submarines may not exceed $7,223,659,000.

(b) AUTOMATIC INCREASE OF LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (a) is increased after fiscal year 1995 by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarines referred to in such subsection.

(2) The amounts of increases in costs attributable to economic inflation after fiscal year 1995.

(3) The amounts of increases in costs attributable to compliance with changes in Federal, State, or local laws enacted after fiscal year 1995.

SEC. 126. CRASH ATTENUATING SEATS ACQUISITION PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary of the Navy may establish a program to procure for, and install in, H–53E military transport helicopters commercially developed, energy absorbing, crash attenuating seats that the Secretary determines are consistent with military specifications for seats for such helicopters.

(b) FUNDING.—To the extent provided in appropriations Acts, of the unobligated balance of amounts appropriated for the Legacy Resource Management Program pursuant to the authorization of appropriations in section 301(5) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2706), not more than $10,000,000 shall be available to the Secretary of the Navy, by transfer to the appropriate accounts, for carrying out the program authorized in subsection (a).

Subtitle D—Other Programs

SEC. 131. TIER II PREDATOR UNMANNED AERIAL VEHICLE PROGRAM.

Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1996 for procurement or for research, development, test, and evaluation may not be obligated or expended for the Tier II Predator unmanned aerial vehicle program.

SEC. 132. PIONEER UNMANNED AERIAL VEHICLE PROGRAM.

Not more than ⅙ of the amount appropriated pursuant to this Act for the activities and operations of the Unmanned Aerial Vehicle Joint Program Office (UAV–JPO), and none of the unobligated balances of funds appropriated for fiscal years before fiscal year 1996 for the activities and operations of such office, may be obligated until the Secretary of the Navy certifies to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the nine Pioneer Unmanned Aerial Vehicle systems have been equipped with the Common Automatic Landing and Recovery System (CARS).

SEC. 133. JOINT PRIMARY AIRCRAFT TRAINING SYSTEM PROGRAM.

Of the amount authorized to be appropriated under section 103(1), $54,968,000 shall be available for the Joint Primary Aircraft Training System program for procurement of up to eight aircraft.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,845,097,000.

(2) For the Navy, $8,624,230,000.

(3) For the Air Force, $13,087,389,000.

(4) For Defense-wide activities, $9,533,148,000, of which—

(A) $239,341,000 is authorized for the activities of the Director, Test and Evaluation;

(B) $22,587,000 is authorized for the Director of Operational Test and Evaluation; and

(C) $475,470,000 is authorized for Other Theater Missile Defense, of which up to $25,000,000 may be made available for the operation of the Battlefield Integration Center.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1996.—Of the amounts authorized to be appropriated by section 201, $4,076,580,000 shall be available for basic research and exploratory development projects.

(b) BASIC RESEARCH AND EXPLORATORY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research and exploratory development" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. A/F117X LONG-RANGE, MEDIUM ATTACK AIRCRAFT.

Of the amount authorized to be appropriated by section 201(2) for the Joint Advanced Strike Technology program—

(1) $25,000,000 shall be available for the conduct, during fiscal year 1996, of a 6-month program definition phase for the A/F117X, an F–117 fighter aircraft modified for use by the Navy as a long-range, medium attack aircraft; and

(2) $150,000,000 shall be available for engineering and manufacturing development of the A/F117X aircraft, except that none of such amount may be obligated until the Secretary of the Navy, after considering the results of the program definition phase, approves proceeding into engineering and manufacturing development of the A/F117X aircraft.

SEC. 212. NAVY MINE COUNTERMEASURES PROGRAM.

Section 216(a) of the National Defense, Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1317) is amended—

(1) by striking out "Director, Defense Research and Engineering" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(2) by striking out "fiscal years 1995 through 1999" and inserting in lieu thereof "fiscal years 1997 through 1999".

SEC. 213. MARINE CORPS SHORE FIRE SUPPORT.

Of the amount appropriated pursuant to section 201(2) for the Tomahawk Baseline Improvement Program, not more than 50 percent of that amount may be obligated until the Secretary of the Navy certifies to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Secretary has structured, and planned for full funding of, a program leading to a live-fire test of an Army Extended Range Multiple Launch Rocket from an Army Multiple Launch Rocket Launcher on a Navy ship before October 1, 1997.

SEC. 214. SPACE AND MISSILE TRACKING SYSTEM PROGRAM.

(a) DEVELOPMENT AND DEPLOYMENT PLAN.—The Secretary of the Air Force shall structure the development schedule for the Space and Missile Tracking System so as to achieve a first launch of a user operation evaluation system (UOES) satellite in fiscal year 2001, and to attain initial operational capability (IOC) of a full constellation of user operation evaluation systems and objective system satellites in fiscal year 2003.

(b) MANAGEMENT OVERSIGHT.—In exercising the responsibility for the Space and Missile Tracking System program, the Secretary of the Air Force shall first obtain the concurrence of the Director of the Ballistic Missile Defense Organization before implementing any decision that would have any of the following results regarding the program:

(1) A reduction in funds available for obligation or expenditure for the program for a fiscal year below the amount specifically authorized and appropriated for the program for that fiscal year.

(2) An increase in the total program cost.

(3) A delay in a previously established development or deployment schedule.

(4) A modification in the performance parameters or specifications.

(c) AUTHORIZATION.—Of the amount authorized to be appropriated under section 201(3) for fiscal year 1996, $249,824,000 shall be available for the Space and Missile Tracking System (SMTS) program.

SEC. 215. PRECISION GUIDED MUNITIONS.

(a) ANALYSIS REQUIRED.—The Secretary of Defense shall perform an analysis of the full range of precision guided munitions in production and in research, development, test, and evaluation in order to determine the following:

(1) The numbers and types of precision guided munitions that are needed to provide a complementary capability against each target class.

(2) The feasibility of carrying out joint development and procurement of additional munition types by more than one of the Armed Forces.

(3) The feasibility of integrating a particular precision guided munition on multiple service platforms.

(4) The economy and effectiveness of continuing acquisition of—

(A) interim precision guided munitions; or

(B) precision guided munitions that, as a result of being procured in decreasing numbers to meet decreasing quantity requirements, have increased in cost per unit by more than 50 percent over the cost per unit for such munitions as of December 1, 1991.

(b) REPORT.—(1) Not later than February 1, 1996, the Secretary shall submit to Congress a report on the findings and other results of the analysis.

(2) The report shall include a detailed discussion of the process by which the Department of Defense—

(A) approves the development of new precision guided munitions;

(B) avoids duplication and redundancy in the precision guided munitions programs of the Army, Navy, Air Force, and Marine Corps;

(C) ensures rationality in the relationship between the funding plans for precision guided munitions modernization for fiscal years following fiscal year 1996 and the costs of such modernization for those fiscal years; and

(D) identifies by name and function each person responsible for approving each new precision guided munition for initial low-rate production.

(c) FUNDING LIMITATION.—Funds authorized to be appropriated by this Act may not be expended for research, development, test, and evaluation or procurement of interim precision guided munitions until the Secretary of Defense submits the report under subsection (b).

(d) INTERIM PRECISION GUIDED MUNITION DEFINED.—For purposes of paragraph (1), a precision guided munition is an interim precision guided munition if the munition is being procured in fiscal year 1996, but funding is not proposed for additional procurement of the munition in the fiscal years after fiscal year 1996 in the future years defense program submitted to Congress in 1995 under section 221(a) of title 10, United States Code.

SEC. 216. DEFENSE NUCLEAR AGENCY PROGRAMS.

(a) AGENCY FUNDING.—Of the amounts authorized to be appropriated to the Department of Defense in section 201, $252,900,000 shall be available for the Defense Nuclear Agency.

(b) TUNNEL CHARACTERIZATION AND NEUTRALIZATION PROGRAM.—Of the amount available under subsection (a), $3,000,000 shall be available for a tunnel characterization and neutralization program to be managed by the Defense Nuclear Agency as part of the counterproliferation activities of the Department of Defense.

(c) LONG-TERM RADIATION TOLERANT MICROELECTRONICS PROGRAM.—(1) Of the amount available under subsection (a), $6,000,000 shall be available for the establishment of a long-term radiation tolerant microelectronics program to be managed by the Defense Nuclear Agency for the purposes of—

(A) providing for the development of affordable and effective hardening technologies and for incorporation of such technologies into systems;

(B) sustaining the supporting industrial base; and

(C) ensuring that a use of a nuclear weapon in regional threat scenarios does not interrupt or defeat the continued operability of systems of the Armed Forces exposed to the combined effects of radiation emitted by the weapon.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on how the long-term radiation tolerant microelectronics program is to be conducted and funded in the fiscal years after fiscal year 1996 that are covered by the future-years defense program submitted to Congress in 1995.

SEC. 217. COUNTERPROLIFERATION SUPPORT PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Defense under section 201(4), $144,500,000 shall be available for the Counterproliferation Support Program, of which—

(1) $30,000,000 shall be available for a tactical antisatellite technologies program; and

(2) $6,300,000 shall be available for research and development of technologies for Special Operations Command (SOCOM) counterproliferation activities.

(b) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1003, upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1996 to counterproliferation programs, projects, and activities identified as areas for progress by the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this subsection may not exceed $50,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

SEC. 218. NONLETHAL WEAPONS PROGRAM.

(a) ESTABLISHMENT OF PROGRAM OFFICE.—The Secretary of Defense shall establish in the Office of the Under Secretary of Defense for Acquisition and Technology a Program Office for Nonlethal Systems and Technologies to conduct research, development, testing, and evaluation of nonlethal weapons applicable to forces engaged in both traditional and nontraditional military operations.

(b) FUNDING.—Of the amount authorized to be appropriated under section 201(4), $37,200,000 shall be available for the Program Office for Nonlethal Systems and Technologies.

SEC. 219. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) CENTERS COVERED.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1996 pursuant to an authorization of appropriations in section 201 may be obligated to procure work from a federally funded research and development center only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing—

(A) the name of each federally funded research and development center from which work is proposed to be procured for the Department of Defense for fiscal year 1996; and

(B) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1996.

(2) The total of the proposed funding levels set forth in the report for all federally funded research and development centers may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1996 may be obligated to procure work from a federally funded research and development center until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated by section 201, not more than a total of $1,162,650,000 may be obligated to procure services from the federally funded research and development centers named in the report required by subsection (b).

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to a federally funded research and development center. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of that determination and the reasons for the determination.

(f) UNDISTRIBUTED REDUCTION.—The total amount authorized to be appropriated for research, development, test, and evaluation in section 201 is hereby reduced by $90,000,000.

SEC. 220. STATES ELIGIBLE FOR ASSISTANCE UNDER DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Subparagraph (A) of section 257(d)(2) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2705; 10 U.S.C. 2358 note) is amended to read as follows:

"(A) the amount of all Department of Defense obligations for science and engineering research and development that were in effect with institutions of higher education in the State for the fiscal year preceding the fiscal year for which the designation is effective or for the last fiscal year for which statistics are available is less than the amount determined by multiplying 60 percent times 1/50 of the total amount of all Department of Defense obligations for science and engineering research and development that were in effect with institutions of higher education in the United States for such preceding or last fiscal year, as the case may be (to be determined in consultation with the Secretary of Defense);".

SEC. 221. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE, DEFENSE REINVESTMENT, AND CONVERSION.

(a) REPEAL OF CERTAIN AUTHORITIES AND REQUIREMENTS.—Chapter 148 of title 10, United States Code, is amended—

(1) in section 2491—

(A) by striking out paragraphs (12), (13), (14), and (15); and

(B) by redesignating paragraph (16) as paragraph (12);

(2) in section 2501—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b); and

(3) by striking out sections 2512, 2513, 2516, 2520, 2523, and 2524.

(b) CRITERIA FOR SELECTION OF DEFENSE ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.—Subsection (d) of section 2522 of such title is amended to read as follows:

"(d) SELECTION CRITERIA.—The criteria for the selection of proposed partnerships for establishment under this section shall be the criteria specified in section 2511(f) of this title.".

(c) CONFORMING AMENDMENTS.—(1) Section 2516(b) of such title is amended—

(A) by inserting "and" at the end of paragraph (2);

(B) by striking out "; and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(C) by striking out paragraph (4).

(2) Section 2524 of such title is amended—

(A) in subsection (a), by striking out "and the defense reinvestment, diversification, and conversion program objectives set forth in section 2501(b) of this title"; and

(B) in subsection (f), by striking out "and the reinvestment, diversification, and conversion program objectives set forth in section 2501(b) of this title".

(d) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of subchapter III of chapter 148 of title 10, United States Code, is amended by striking out the items relating to sections 2512, 2513, 2516, and 2520.

(2) The table of sections at the beginning of subchapter IV of such chapter is amended by striking out the items relating to sections 2523 and 2524.

SEC. 222. REVISIONS OF MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

(a) PARTICIPATION OF DOD LABORATORIES IN ESTABLISHMENT OF PROGRAM.—Subsection (a) of section 2525 of title 10, United States Code, is amended by inserting after the first sentence the following: "The Secretary shall use the manufacturing science and technology joint planning process of the directors of the Department of Defense laboratories in establishing the program.".

(b) PARTICIPATION OF EQUIPMENT MANUFACTURERS IN PROJECTS.—Subsection (c) of such section is amended—

(1) by inserting "(1)" after "(c) EXECUTION.—"; and

(2) by adding at the end the following:

"(2) The Secretary shall seek, to the extent practicable, the participation of manufacturers of manufacturing equipment in the projects under the program.".

SEC. 223. PREPAREDNESS OF THE DEPARTMENT OF DEFENSE TO RESPOND TO MILITARY AND CIVIL DEFENSE EMERGENCIES RESULTING FROM A CHEMICAL, BIOLOGICAL, RADIOLOGICAL, OR NUCLEAR ATTACK.

(a) REPORT.—Not later than February 28, 1996, the Secretary of Defense and the Secretary of Energy, in consultation with the Director of the Federal Emergency Management Agency, shall jointly submit to Congress a report on the plans and programs of the Department of Defense to prepare for and respond to military and civil defense emergencies resulting from a chemical, biological, radiological, or nuclear attack on the United States.

(b) CONTENT OF REPORT.—The report shall contain the following:

(1) A discussion of—

(A) the consequences of an attack for which the Department of Defense has a responsibility to provide a primary response; and

(B) the plans and programs for preparing for and providing that response.

(2) A discussion of—

(A) the consequences of an attack for which the Department of Defense has a responsibility to provide a supporting response; and

(B) the plans and programs for preparing for and providing that response.

(3) Any actions and recommended legislation that the Secretary considers necessary for improving the preparedness of the Department of Defense to respond effectively to the consequences of a chemical, biological, radiological, or nuclear attack on the United States.

SEC. 224. JOINT SEISMIC PROGRAM AND GLOBAL SEISMIC NETWORK.

To the extent provided in appropriations Acts, $9,500,000 of the unobligated balance of funds available to the Air Force for research, development, test, and evaluation for fiscal year 1995 shall be available for continuation of the Joint Seismic Program and Global Seismic Network.

SEC. 225. DEPRESSED ALTITUDE GUIDED GUN ROUND SYSTEM.

Of the amount authorized to be appropriated under section 201(1), $5,000,000 is authorized to be appropriated for continued development of the depressed altitude guided gun round system.

SEC. 226. ARMY ECHELON ABOVE CORPS COMMUNICATIONS.

Of the amount authorized to be appropriated under section 201(3), $40,000,000 is hereby transferred to the authorization of appropriations under section 101(5) for procurement of communications equipment for Army echelons above corps.

SEC. 227. TESTING OF THEATER MISSILE DEFENSE INTERCEPTORS.

(a) The Secretary of Defense may not approve a theater missile defense interceptor program proceeding beyond the low-rate initial production acquisition stage until the Secretary certifies to the congressional defense committees that such program has successfully completed initial operational test and evaluation, and is found to be a suitable and effective system.

(b) In order to be certified under subsection (a) as having been successfully completed, the initial operational test and evaluation conducted with respect to an interceptor program must have included flight tests—

(1) that were conducted with multiple interceptors and multiple targets in the presence of realistic countermeasures; and

(2) the results of which demonstrate the achievement by the interceptors of the baseline performance thresholds.

(c) For purposes of this section, the baseline performance thresholds with respect to a program are the weapons systems performance thresholds specified in the baseline description for the system established (pursuant to section 2435(a)(1) of title 10, United States Code) before the program entered the engineering and manufacturing development stage.

(d) The number of flight tests described in subsection (b) that are required in order to make the certification under subsection (a) shall be a number determined by the Director of Operational Test and Evaluation to be sufficient for the purposes of this section.

(e) The Secretary may augment flight testing to demonstrate weapons system performance goals for purposes of the certification under subsection (a) through the use of modeling and simulation that is validated by ground and flight testing.

(f) The Director of Operational Test and Evaluation and Ballistic Missile Defense Organization shall include in their annual reports to Congress plans to adequately test theater missile defense interceptor programs throughout the acquisition process. As these theater missile defense systems progress through the acquisition process, the Director of Operational Test and Evaluation and Ballistic Missile Defense Organization shall include in their annual reports to Congress an assessment of how these programs satisfy planned test objectives.

Subtitle C—Missile Defense

SEC. 231. SHORT TITLE.

This subtitle may be cited as the "Missile Defense Act of 1995".

SEC. 232. FINDINGS.

Congress makes the following findings:

(1) The threat that is posed to the national security of the United States by the proliferation of ballistic and cruise missiles is significant and growing, both quantitatively and qualitatively.

(2) The deployment of effective Theater Missile Defense systems can deny potential adversaries the option of escalating a conflict by threatening or attacking United States forces, coalition partners of the United States, or allies of the United States with ballistic missiles armed with weapons of mass destruction to offset the operational and technical advantages of the United States and its coalition partners and allies.

(3) The intelligence community of the United States has estimated that (A) the missile proliferation trend is toward longer range and more sophisticated ballistic missiles, (B) North Korea may deploy an intercontinental ballistic missile capable of reaching Alaska or beyond within 5 years,

and (C) although a new indigenously developed ballistic missile threat to the continental United States is not forecast within the next 10 years there is a danger that determined countries will acquire intercontinental ballistic missiles in the near future and with little warning by means other than indigenous development.

(4) The deployment by the United States and its allies of effective defenses against ballistic missiles of all ranges, as well as against cruise missiles, can reduce the incentives for countries to acquire such missiles or to augment existing missile capabilities.

(5) The Cold War distinction between strategic ballistic missiles and nonstrategic ballistic missiles and, therefore, the ABM Treaty's distinction between strategic defense and nonstrategic defense, has changed because of technological advancements and should be reviewed.

(6) The concept of mutual assured destruction, which was one of the major philosophical rationales for the ABM Treaty, is now questionable as a basis for stability in a multipolar world in which the United States and the states of the former Soviet Union are seeking to normalize relations and eliminate Cold War attitudes and arrangements.

(7) Theater and national missile defenses can contribute to the maintenance of stability as missile threats proliferate and as the United States and the former Soviet Union significantly reduce the number of strategic nuclear forces in their respective inventories.

(8) Although technology control regimes and other forms of international arms control can contribute to nonproliferation, such measures alone are inadequate for dealing with missile proliferation, and should not be viewed as alternatives to missile defenses and other active and passive defenses.

(9) Due to limitations in the ABM Treaty which preclude deployment of more than 100 ground-based ABM interceptors at a single site, the United States is currently prohibited from deploying a national missile defense system capable of defending the continental United States, Alaska, and Hawaii against even the most limited ballistic missile attacks.

SEC. 233. MISSILE DEFENSE POLICY.

It is the policy of the United States to—

(1) deploy as soon as possible affordable and operationally effective theater missile defenses capable of countering existing and emerging theater ballistic missiles;

(2)(A) develop for deployment a multiple-site national missile defense system that: (i) is affordable and operationally effective against limited, accidental, and unauthorized ballistic missile attacks on the territory of the United States, and (ii) can be augmented over time as the threat changes to provide a layered defense against limited, accidental, or unauthorized ballistic missile threats;

(B) initiate negotiations with the Russian Federation as necessary to provide for the national missile defense systems specified in section 235; and

(C) consider, if those negotiations fail, the option of withdrawing from the ABM Treaty in accordance with the provisions of Article XV of the Treaty, subject to consultations between the President and the Senate;

(3) ensure congressional review, prior to a decision to deploy the system developed for deployment under paragraph (2), of: (A) the affordability and operational effectiveness of such a system; (B) the threat to be countered by such a system; and (C) ABM Treaty considerations with respect to such a system.

(4) improve existing cruise missile defenses and deploy as soon as practical defenses that are affordable and operationally effective against advanced cruise missiles;

(5) pursue a focused research and development program to provide follow-on ballistic missile defense options;

(6) employ streamlined acquisition procedures to lower the cost and accelerate the pace of developing and deploying theater missile defenses, cruise missile defenses, and national missile defenses;

(7) seek a cooperative transition to a regime that does not feature mutual assured destruction and an offense-only form of deterrence as the basis for strategic stability; and

(8) carry out the policies, programs, and requirements of subtitle C of title II of this Act through processes specified within, or consistent with, the ABM Treaty, which anticipates the need and provides the means for amendment to the Treaty.

SEC. 234. THEATER MISSILE DEFENSE ARCHITECTURE.

(a) ESTABLISHMENT OF CORE PROGRAM.—To implement the policy established in section 233, the Secretary of Defense shall establish a top priority core theater missile defense program consisting of the following systems:

(1) The Patriot PAC-3 system, with a first unit equipped (FUE) in fiscal year 1998.

(2) The Navy Lower Tier (Area) system, with a user operational evaluation system (UOES) capability in fiscal year 1997 and an initial operational capability (IOC) in fiscal year 1999.

(3) The Theater High-Altitude Area Defense (THAAD) system, with a user operational evaluation system (UOES) capability in fiscal year 1997 and an initial operational capability (IOC) no later than fiscal year 2002.

(4) The Navy Upper Tier (Theater Wide) system, with a user operational evaluation system (UOES) capability in fiscal year 1999 and an initial operational capability (IOC) in fiscal year 2001.

(b) INTEROPERABILITY AND SUPPORT OF CORE SYSTEMS.—To maximize effectiveness and flexibility, the Secretary of Defense shall ensure that core theater missile defense systems are interoperable and fully capable of exploiting external sensor and battle management support from systems such as the Navy's Cooperative Engagement Capability (CEC), the Army's Battlefield Integration Center (BIC), air and space-based sensors including, in particular, the Space and Missile Tracking System (SMTS).

(c) TERMINATION OF PROGRAMS.—The Secretary of Defense shall terminate the Boost Phase Interceptor (BPI) program.

(d) FOLLOW-ON SYSTEMS.—(1) The Secretary of Defense shall develop an affordable development plan for follow-on theater missile defense systems which leverages existing systems, technologies, and programs, and focuses investments to satisfy military requirements not met by the core program.

(2) Before adding new theater missile defense systems to the core program from among the follow-on activities, the Secretary of Defense shall submit to the congressional defense committees a report describing—

(A) the requirements for the program and the specific threats to be countered;

(B) how the new program will relate to, support, and leverage off existing core programs;

(C) the planned acquisition strategy; and

(D) a preliminary estimate of total program cost and budgetary impact.

(e) REPORT.—(1) Not later than the date on which the President submits the budget for fiscal year 1997 under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a report detailing the Secretary's plans for implementing the guidance specified in this section.

(2) For each deployment date for each system described in subsection (a), the report required by paragraph (1) of this subsection shall include the funding required for research, development, testing, evaluation, and deployment for each fiscal year beginning with fiscal year 1997 through the end of the fiscal year in which deployment is projected under subsection (a).

SEC. 235. NATIONAL MISSILE DEFENSE SYSTEM ARCHITECTURE.

(a) IN GENERAL.—To implement the policy established in section 233, the Secretary of Defense shall develop an affordable and operationally effective national missile defense system to counter a limited, accidental, or unauthorized ballistic missile attack, and which is capable of attaining initial operational capability (IOC) by the end of 2003. Such system shall include the following:

(1) Ground-based interceptors capable of being deployed at multiple sites, the locations and numbers of which are to be determined so as to optimize the defensive coverage of the continental United States, Alaska, and Hawaii against limited, accidental, or unauthorized ballistic missile attacks.

(2) Fixed ground-based radars and space-based sensors, including the Space and Missile Tracking system, the mix, siting and numbers of which are to be determined so as to optimize sensor support and minimize total system cost.

(3) Battle management, command, control, and communications (BM/C3).

(b) INTERIM OPERATIONAL CAPABILITY.—To provide a hedge against the emergence of near-term ballistic missile threats against the United States and to support the development and deployment of the objective system specified in subsection (a), the Secretary of Defense shall develop an interim national missile defense plan that would give the United States the ability to field a limited operational capability by the end of 1999 if required by the threat. In developing this plan the Secretary shall make use of—

(1) developmental, or user operational evaluation system (UOES) interceptors, radars, and battle management, command, control, and communications (BM/C3), to the extent that such use directly supports, and does not significantly increase the cost of, the objective system specified in subsection (a);

(2) one or more of the sites that will be used as deployment locations for the objective system specified in subsection (a);

(3) upgraded early warning radars; and

(4) space-based sensors.

(c) USE OF STREAMLINED ACQUISITION PROCEDURES.—The Secretary of Defense shall prescribe and use streamlined acquisition procedures to—

(1) reduce the cost and increase the efficiency of developing the national missile defense system specified in subsection (a); and

(2) ensure that any interim national missile defense capabilities developed pursuant to subsection (b) are operationally effective and on a path to fulfill the technical requirements and schedule of the objective system.

(d) ADDITIONAL COST SAVING MEASURES.—In addition to the procedures prescribed pursuant to subsection (c), the Secretary of Defense shall employ cost saving measures that do not decrease the operational effectiveness of the systems specified in subsections (a) and (b), and which do not pose unacceptable technical risk. The cost saving measures should include the following:

(1) The use of existing facilities and infrastructure.

(2) The use, where appropriate, of existing or upgraded systems and technologies, except that Minuteman boosters may not be used as part of a National Missile Defense architecture.

(3) Development of systems and components that do not rely on a large and permanent infrastructure and are easily transported, emplaced, and moved.

(e) REPORT ON PLAN FOR DEPLOYMENT.—Not later than the date on which the President submits the budget for fiscal year 1997 under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a report containing the following matters:

(1) The Secretary's plan for carrying out this section.

(2) For each deployment date in subsections (a) and (b), the report shall include the funding required for research, development, testing, evaluation, and deployment for each fiscal year beginning with fiscal year 1997 through the end of the fiscal year in which deployment is projected under subsection (a) or (b). The report shall also describe the specific threat to be countered and provide the Secretary's assessment as to whether deployment is affordable and operationally effective.

(3) An analysis of options for supplementing or modifying the national missile defense architecture specified in subsection (a) before attaining initial operational capability, or evolving such architecture in a building block manner after attaining initial operational capability, to improve the cost-effectiveness or the operational effectiveness of such system by adding one or a combination of the following:

(A) Additional ground-based interceptors at existing or new sites.

(B) Sea-based missile defense systems.

(C) Space-based kinetic energy interceptors.

(D) Space-based directed energy systems.

SEC. 236. CRUISE MISSILE DEFENSE INITIATIVE.

(a) IN GENERAL.—The Secretary of Defense shall undertake an initiative to coordinate and strengthen the cruise missile defense programs, projects, and activities of the military departments, the Advanced Research Projects Agency and the Ballistic Missile Defense Organization to ensure that the United States develops and deploys affordable and operationally effective defenses against existing and future cruise missile threats.

(b) ACTIONS OF THE SECRETARY OF DEFENSE.—In carrying out subsection (a), the Secretary of Defense shall ensure that—

(1) to the extent practicable, the ballistic missile defense and cruise missile defense efforts of the Department of Defense are coordinated and mutually reinforcing;

(2) existing air defense systems are adequately upgraded to provide an affordable and operationally effective defense against existing and near-term cruise missile threats; and

(3) the Department of Defense undertakes a high priority and well coordinated technology development program to support the future deployment of systems that are affordable and operationally effective against advanced cruise missiles, including cruise missiles with low observable features.

(c) IMPLEMENTATION PLAN.—Not later than the date on which the President submits the budget for fiscal year 1997 under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a detailed plan, in unclassified and classified forms, as necessary, for carrying out this section. The plan shall include an assessment of—

(1) the systems that currently have cruise missile defense capabilities, and existing programs to improve these capabilities;

(2) the technologies that could be deployed in the near- to mid-term to provide significant advances over existing cruise missile defense capabilities, and the investments that would be required to ready the technologies for deployment;

(3) the cost and operational tradeoffs, if any, between upgrading existing air and missile defense systems and accelerating follow-on systems with significantly improved capabilities against advanced cruise missiles; and

(4) the organizational and management changes that would strengthen and further coordinate the cruise missile defense efforts of the Department of Defense, including the disadvantages, if any, of implementing such changes.

SEC. 237. POLICY REGARDING THE ABM TREATY.

(a) Congress makes the following findings:

(1) Article XIII of the ABM Treaty envisions "possible changes in the strategic situation which have a bearing on the provisions of this treaty".

(2) Articles XIII and XIV of the ABM Treaty establish means for the Parties to amend the Treaty, and the Parties have employed these means to amend the Treaty.

(3) Article XV of the ABM Treaty establishes the means for a party to withdraw from the Treaty, upon 6 months notice, "if it decides that extraordinary events related to the subject matter of this treaty have jeopardized its supreme interests".

(4) The policies, programs, and requirements of subtitle C of title II of this Act can be accomplished through processes specified within, or consistent with, the ABM Treaty, which anticipates the need and provides the means for amendment to the Treaty.

(b) SENSE OF CONGRESS.—In light of the findings and policies provided in this subtitle, it is the sense of Congress that—

(1) Given the fundamental responsibility of the Government of the United States to protect the security of the United States, the increasingly serious threat posed to the United States by the proliferation of weapons of mass destruction and ballistic missile technology, and the effect this threat could have on the options of the United States to act in a time of crisis—

(A) it is in the vital national security interest of the United States to defend itself from the threat of a limited, accidental, or unauthorized ballistic missile attack, whatever its source; and

(B) the deployment of a national missile defense system, in accord with section 233, to protect the territory of the United States against a limited, accidental, or unauthorized missile attack can strengthen strategic stability and deterrence; and

(2)(A) the Senate should undertake a comprehensive review of the continuing value and validity of the ABM Treaty with the intent of providing additional policy guidance on the future of the ABM Treaty during the second session of the One Hundred Fourth Congress; and

(B) upon completion of the review, the Committee on Foreign Relations, in consultation with the Committee on Armed Services and other appropriate committees, should report its findings to the Senate.

SEC. 238. PROHIBITION ON FUNDS TO IMPLEMENT AN INTERNATIONAL AGREEMENT CONCERNING THEATER MISSILE DEFENSE SYSTEMS.

(a) FINDINGS.—Congress makes the following findings:

(1) Section 234 of the National Defense Authorization Act for Fiscal Year 1994 provides that the ABM Treaty does not apply to or limit research, development, testing, or deployment of missile defense systems, system upgrades, or system components that are designed to counter modern theater ballistic missiles, regardless of the capabilities of such missiles, unless those systems, system upgrades, or system components are tested against or have demonstrated capabilities to counter modern strategic ballistic missiles.

(2) Section 232 of the National Defense Authorization Act for Fiscal Year 1995 provides that the United States shall not be bound by any international agreement that would substantially modify the ABM Treaty unless the agreement is entered into pursuant to the treaty making power of the President under the Constitution.

(3) the demarcation standard described in subsection (b)(1) is based upon current technology.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) unless a missile defense system, system upgrade, or system component, including one that exploits data from space-based or other external sensors, is flight tested against a ballistic missile target that exceeds a range of 3,500 kilometers or a velocity of 5 kilometers per second, such missile defense system, system upgrade, or system component has not been tested in an ABM mode nor deemed to have been given capabilities to counter strategic ballistic missiles, and

(2) any international agreement that would limit the research, development, testing, or deployment of missile defense systems, system upgrades, or system components that are designed to counter modern theater ballistic missiles in a manner that would be more restrictive than the criteria in paragraph (1) should be entered into only pursuant to the treaty making powers of the President under the Constitution.

(c) PROHIBITION ON FUNDING.—Funds appropriated or otherwise made available to the Department of Defense for fiscal year 1996 may not be obligated or expended to implement an agreement with any of the independent states of the former Soviet Union entered into after January 1, 1995 that would establish a demarcation between theater missile defense systems and anti-ballistic missile systems for purposes of the ABM Treaty or that would restrict the performance, operation, or deployment of United States theater missile defense systems except: (1) to the extent provided in an Act enacted subsequent to this Act; (2) to implement that portion of any such agreement that implements the criteria in subsection (b)(1); or (3) to implement any such agreement that is entered into pursuant to the treaty making power of the President under the Constitution.

SEC. 239. BALLISTIC MISSILE DEFENSE PROGRAM ELEMENTS.

(a) ELEMENTS SPECIFIED.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year after fiscal year 1996 (as submitted in the budget of the President under section 1105(a) of title 31, United States Code), the amount requested for activities of the Ballistic Missile Defense Organization shall be set forth in accordance with the following program elements:

(1) The Patriot system.

(2) The Navy Lower Tier (Area) system.

(3) The Theater High-Altitude Area Defense (THAAD) system.

(4) The Navy Upper Tier (Theater Wide) system.

(5) Other Theater Missile Defense Activities.

(6) National Missile Defense.

(7) Follow-On and Support Technologies.

(b) TREATMENT OF NON-CORE TMD IN OTHER THEATER MISSILE DEFENSE ACTIVITIES ELEMENT.—Funding for theater missile defense programs, projects, and activities, other than core theater missile defense programs, shall be covered in the "Other Theater Missile Defense Activities" program element.

(c) TREATMENT OF CORE THEATER MISSILE DEFENSE PROGRAMS.—Funding for core theater missile defense programs specified in section 234, shall be covered in individual, dedicated program elements and shall be available only for activities covered by those program elements.

(d) BM/C3I PROGRAMS.—Funding for programs, projects, and activities involving battle management, command, control, communications, and intelligence (BM/C3I) shall be covered in the "Other Theater Missile Defense Activities" program element or the "National Missile Defense" program element, as determined on the basis of the primary objectives involved.

(e) MANAGEMENT AND SUPPORT.—Each program element shall include requests for the amounts necessary for the management and support of the programs, projects, and activities contained in that program element.

SEC. 240. ABM TREATY DEFINED.

For purposes of this subtitle, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed at Moscow on May 26, 1972, and includes the Protocols to that Treaty, signed at Moscow on July 3, 1974.

SEC. 241. REPEAL OF MISSILE DEFENSE PROVISIONS.

The following provisions of law are repealed:

(1) The Missile Defense Act of 1991 (part C of title II of Public Law 102–190; 10 U.S.C. 2431 note).

(2) Section 237 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160).

(3) Section 242 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160).

(4) Section 222 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 613; 10 U.S.C. 2431 note).

(5) Section 225 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 614).

(6) Section 226 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1057; 10 U.S.C. 2431 note).

(7) Section 8123 of the Department of Defense Appropriations Act, 1989 (Public Law 100–463; 102 Stat. 2270–40).

(8) Section 8133 of the Department of Defense Appropriations Act, 1992 (Public Law 102–172; 105 Stat. 1211).

(9) Section 234 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1595; 10 U.S.C. 2431 note).

(10) Section 235 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2701; 10 U.S.C. 221 note).

SEC. 242. SENSE OF SENATE ON THE DIRECTOR OF OPERATIONAL TEST AND EVALUATION.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Office of the Director of Operational Test and Evaluation of the Department of Defense was created by Congress to provide an independent validation and verification on the suitability and effectiveness of new weapons, and to ensure that the United States military departments acquire weapons that are proven in an operational environment before they are produced and used in combat.

(2) The office is currently making significant contributions to the process by which the Department of Defense acquires new weapons by providing vital insights on operational weapons tests to be used in this acquisition process.

(3) The office provides vital services to Congress in providing an independent certification on the performance of new weapons that have been operationally tested.

(4) A provision of H.R.1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes", agreed to by the House of Representatives on June 15, 1995, contains a provision that could substantially diminish the authority and responsibilities of the office and perhaps cause the elimination of the office and its functions.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the authority and responsibilities of the Office of the Director of Operational Test and Evaluation of the Department of Defense should not be diminished or eliminated; and

(2) the conferees on H.R.1530, an Act entitled "An Act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes" should not propose to Congress a conference report on that Act that would either diminish or eliminate the Office of the Director of Operational Test and Evaluation or its functions.

SEC. 243. BALLISTIC MISSILE DEFENSE TECHNOLOGY CENTER.

(a) ESTABLISHMENT.—The Director of the Ballistic Missile Defense Organization shall establish a Ballistic Missile Defense Technology Center within the Space and Strategic Defense Command of the Army.

(b) MISSION.—The missions of the Center are as follows:

(1) To maximize common application of ballistic missile defense component technology programs, target test programs, functional analysis and phenomenology investigations.

(2) To store data from the missile defense technology programs of the Armed Forces using computer facilities of the Missile Defense Data Center.

(c) TECHNOLOGY PROGRAM COORDINATION WITH CENTER.—The Secretary of Defense, acting through the Director of the Ballistic Missile Defense Organization, shall require the head of each element or activity of the Department of Defense beginning a new missile defense program referred to in subsection (b)(1) to first coordinate the program with the Ballistic Missile Defense Technology Center in order to prevent duplication of effort.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $18,073,206,000.

(2) For the Navy, $21,343,960,000.

(3) For the Marine Corps, $2,405,711,000.

(4) For the Air Force, $18,224,893,000.

(5) For Defense-wide activities, $10,021,162,000.

(6) For the Army Reserve, $1,062,591,000.

(7) For the Naval Reserve, $840,842,000.

(8) For the Marine Corps Reserve, $90,283,000.

(9) For the Air Force Reserve, $1,482,947,000.

(10) For the Army National Guard, $2,304,108,000.

(11) For the Air National Guard, $2,734,221,000.

(12) For the Defense Inspector General, $138,226,000.

(13) For the United States Court of Appeals for the Armed Forces, $6,521,000.

(14) For Environmental Restoration, Defense, $1,601,800,000.

(15) For Drug Interdiction and Counter-drug Activities, Defense-wide, $680,432,000.

(16) For Medical Programs, Defense, $9,943,825,000.

(17) For support for the 1996 Summer Olympics, $15,000,000.

(18) For Cooperative Threat Reduction programs, $365,000,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $60,000,000.

The amount authorized to be appropriated by section 301(5) is hereby reduced by $40,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $878,700,000.

(2) For the National Defense Sealift Fund, $1,084,220,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

(a) AUTHORIZATION OF APPROPRIATIONS TO TRUST FUND.—There is hereby authorized to be appropriated to the Armed Forces Retirement Home Trust Fund the sum of $45,000,000, to remain available until expended.

(b) AUTHORIZATION OF APPROPRIATIONS FROM TRUST FUND.—There is hereby authorized to be appropriated for fiscal year 1996 from the Armed Forces Retirement Home Trust Fund the sum of $59,120,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1996 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) Treatment of Transfers.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) Relationship to Other Transfer Authority.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. INCREASE IN FUNDING FOR THE CIVIL AIR PATROL.

(a) Increase.—(1) The amount of funds authorized to be appropriated by this Act for operation and maintenance of the Air Force for the Civil Air Patrol Corporation is hereby increased by $5,000,000.

(2) The amount authorized to be appropriated for operation and maintenance for the Civil Air Patrol Corporation under paragraph (1) is in addition to any other funds authorized to be appropriated under this Act for that purpose.

(b) Offsetting Reduction.—The amount authorized to be appropriated under this Act for Air Force support of the Civil Air Patrol is hereby reduced by $2,900,000. The amount of the reduction shall be allocated among funds authorized to be appropriated for Air Force personnel supporting the Civil Air Patrol and for Air Force operation and maintenance support for the Civil Air Patrol.

Subtitle B—Depot-Level Maintenance and Repair

SEC. 311. POLICY REGARDING PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR FOR THE DEPARTMENT OF DEFENSE.

(a) Requirement for Policy.—Not later than March 31, 1996, the Secretary of Defense shall develop and report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a comprehensive policy on the performance of depot-level maintenance and repair for the Department of Defense.

(b) Primary Objective of Policy.—In developing the policy, it shall be the primary objective of the Secretary to ensure a ready and controlled source of technical competence and repair and maintenance capabilities necessary for national security across a full range of current and projected training and operational requirements, including requirements in peacetime, contingency operations, mobilization, and other emergencies.

(c) Content of Policy.—The policy shall—

(1) define, in terms of the requirements of the Department of Defense for performance of maintenance and repair, the purpose for having public depots for performing those functions;

(2) provide for performance of core depot-level maintenance and repair capabilities in facilities owned and operated by the United States;

(3) provide for the core capabilities to include sufficient skilled personnel, equipment, and facilities to achieve the objective set forth in subsection (b);

(4) address environmental liability;

(5) in the case of depot-level maintenance and repair workloads in excess of the workload required to be performed by Department of Defense depots, provide for competition for those workloads between public and private entities when there is sufficient potential for realizing cost savings based on adequate private sector competition and technical capabilities;

(6) provide for selection on the basis of merit whenever the workload of a Department of Defense depot is changed;

(7) provide transition provisions appropriate for persons in the Department of Defense depot-level workforce; and

(8) address issues concerning exchange of technical data between the Federal Government and the private sector, environmental liability, efficient and effective performance of depot functions, and adverse effects of the policy on the Federal Government work force.

(d) Consideration.—In developing the policy, the Secretary shall take into consideration the capabilities of the public depots and the capabilities of businesses in the private sector to perform the maintenance and repair work required by the Department of Defense.

(e) Repeal of 60/40 Requirement and Requirement Relating to Competition.—(1) Sections 2466 and 2469 of title 10, United States Code, are repealed.

(2) The table of sections at the beginning of chapter 146 of such title is amended by striking out the items relating to sections 2466 and 2469.

(3) The amendments made by paragraphs (1) and (2) shall take effect on the date (after the date of the enactment of this Act) on which legislation is enacted that contains a provision that specifically states one of the following:

(A) "The policy on the performance of depot-level maintenance and repair for the Department of Defense that was submitted by the Secretary of Defense to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives pursuant to section 311 of the National Defense Authorization Act for Fiscal Year 1996 is approved."; or

(B) "The policy on the performance of depot-level maintenance and repair for the Department of Defense that was submitted by the Secretary of Defense to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives pursuant to section 311 of the National Defense Authorization Act for Fiscal Year 1996 is approved with the following modifications:" (with the modifications being stated in matter appearing after the colon).

(f) Review by the General Accounting Office.—(1) The Secretary shall make available to the Comptroller General of the United States all information used by the Department in developing the policy under subsections (a) through (d) of this section.

(2) Not later than 45 days after the Secretary submits to Congress the report required by subsection (a), the Comptroller General shall transmit to Congress a report containing a detailed analysis of the Secretary's proposed policy as reported under subsection (a).

SEC. 312. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1684), as amended by section 370(b) of Public Law 103–160 (107 Stat. 1634) and section 386(b) of Public Law 103–337 (108 Stat. 2742), is further amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

Subtitle C—Environmental Provisions

SEC. 321. REVISION OF REQUIREMENTS FOR AGREEMENTS FOR SERVICES UNDER ENVIRONMENTAL RESTORATION PROGRAM.

(a) Requirements.—(1) Section 2701(d) of title 10, United States Code, is amended to read as follows:

"(d) Services of Other Agencies.—

"(1) In General.—Subject to paragraph (2), the Secretary may enter into agreements on a reimbursable or other basis with any other Federal agency, or with any State or local government agency, to obtain the services of the agency to assist the Secretary in carrying out any of the Secretary's responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any off-site contamination resulting from the release of a hazardous substance or waste at a facility under the Secretary's jurisdiction.

"(2) Limitation on Reimbursable Agreements.—An agreement with an agency under paragraph (1) may provide for reimbursement of the agency only for technical or scientific services obtained from the agency.".

(2)(A) Except as provided in subparagraph (B), the total amount of funds available for reimbursements under agreements entered into under section 2710(d) of title 10, United States Code, as amended by paragraph (1), in fiscal year 1996 may not exceed $5,000,000.

(B) The Secretary of Defense may pay in fiscal year 1996 an amount for reimbursements under agreements referred to in subparagraph (A) in excess of the amount specified in that subparagraph for that fiscal year if—

(i) the Secretary certifies to Congress that the payment of the amount under this subparagraph is essential for the management of the Defense Environmental Restoration Program under chapter 160 of title 10, United States Code; and

(ii) a period of 60 days has expired after the date on which the certification is received by Congress.

(b) Report on Services Obtained.—The Secretary of Defense shall include in the report submitted to Congress with respect to fiscal year 1998 under section 2706(a) of title 10, United States Code, information on the services, if any, obtained by the Secretary during fiscal year 1996 pursuant to each agreement on a reimbursable basis entered into with a State or local government agency under section 2701(d) of title 10, United States Code, as amended by subsection (a). The information shall include a description of the services obtained under each agreement and the amount of the reimbursement provided for the services.

SEC. 322. DISCHARGES FROM VESSELS OF THE ARMED FORCES.

(a) Purposes.—The purposes of this section are to—

(1) enhance the operational flexibility of vessels of the Armed Forces domestically and internationally;

(2) stimulate the development of innovative vessel pollution control technology; and

(3) advance the development by the United States Navy of environmentally sound ships.

(b) Uniform National Discharge Standards Development.—Section 312 of the Federal Water Pollution Control Act (33 U.S.C. 1322) is amended by adding at the end the following:

"(n) UNIFORM NATIONAL DISCHARGE STANDARDS FOR VESSELS OF THE ARMED FORCES.—

"(1) APPLICABILITY.—This subsection shall apply to vessels of the Armed Forces and discharges, other than sewage, incidental to the normal operation of a vessel of the Armed Forces, unless the Secretary of Defense finds that compliance with this subsection would not be in the national security interests of the United States.

"(2) DETERMINATION OF DISCHARGES REQUIRED TO BE CONTROLLED BY MARINE POLLUTION CONTROL DEVICES.—

"(A) IN GENERAL.—The Administrator and the Secretary of Defense, after consultation with the Secretary of the department in which the Coast Guard is operating, the Secretary of Commerce, and interested States, shall jointly determine the discharges incidental to the normal operation of a vessel of the Armed Forces for which it is reasonable and practicable to require use of a marine pollution control device to mitigate adverse impacts on the marine environment. Notwithstanding subsection (a)(1) of section 553 of title 5, United States Code, the Administrator and the Secretary of Defense shall promulgate the determinations in accordance with the section.

"(B) CONSIDERATIONS.—In making a determination under subparagraph (A), the Administrator and the Secretary of Defense shall take into consideration—

"(i) the nature of the discharge;

"(ii) the environmental effects of the discharge;

"(iii) the practicability of using the marine pollution control device;

"(iv) the effect that installation or use of the marine pollution control device would have on the operation or operational capability of the vessel;

"(v) applicable United States law;

"(vi) applicable international standards; and

"(vii) the economic costs of the installation and use of the marine pollution control device.

"(3) PERFORMANCE STANDARDS FOR MARINE POLLUTION CONTROL DEVICES.—

"(A) IN GENERAL.—For each discharge for which a marine pollution control device is determined to be required under paragraph (2), the Administrator and the Secretary of Defense, in consultation with the Secretary of the department in which the Coast Guard is operating, the Secretary of State, the Secretary of Commerce, other interested Federal agencies, and interested States, shall jointly promulgate Federal standards of performance for each marine pollution control device required with respect to the discharge. Notwithstanding subsection (a)(1) of section 553 of title 5, United States Code, the Administrator and the Secretary of Defense shall promulgate the standards in accordance with the section.

"(B) CONSIDERATIONS.—In promulgating standards under this paragraph, the Administrator and the Secretary of Defense shall take into consideration the matters set forth in paragraph (2)(B).

"(C) CLASSES, TYPES, AND SIZES OF VESSELS.—The standards promulgated under this paragraph may—

"(i) distinguish among classes, types, and sizes of vessels;

"(ii) distinguish between new and existing vessels; and

"(iii) provide for a waiver of the applicability of the standards as necessary or appropriate to a particular class, type, age, or size of vessel.

"(4) REGULATIONS FOR USE OF MARINE POLLUTION CONTROL DEVICES.—The Secretary of Defense, after consultation with the Administrator and the Secretary of the department in which the Coast Guard is operating, shall promulgate such regulations governing the design, construction, installation, and use of marine pollution control devices on board vessels of the Armed Forces as are necessary to achieve the standards promulgated under paragraph (3).

"(5) DEADLINES; EFFECTIVE DATE.—

"(A) DETERMINATIONS.—The Administrator and the Secretary of Defense shall—

"(i) make the initial determinations under paragraph (2) not later than 2 years after the date of enactment of this subsection; and

"(ii) every 5 years—

"(I) review the determinations; and

"(II) if necessary, revise the determinations based on significant new information.

"(B) STANDARDS.—The Administrator and the Secretary of Defense shall—

"(i) promulgate standards of performance for a marine pollution control device under paragraph (3) not later than 2 years after the date of a determination under paragraph (2) that the marine pollution control device is required; and

"(ii) every 5 years—

"(I) review the standards; and

"(II) if necessary, revise the standards, consistent with paragraph (3)(B) and based on significant new information.

"(C) REGULATIONS.—The Secretary of Defense shall promulgate regulations with respect to a marine pollution control device under paragraph (4) as soon as practicable after the Administrator and the Secretary of Defense promulgate standards with respect to the device under paragraph (3), but not later than 1 year after the Administrator and the Secretary of Defense promulgate the standards. The regulations promulgated by the Secretary of Defense under paragraph (4) shall become effective upon promulgation unless another effective date is specified in the regulations.

"(D) PETITION FOR REVIEW.—The Governor of any State may submit a petition requesting that the Secretary of Defense and the Administrator review a determination under paragraph (2) or a standard under paragraph (3), if there is significant new information, not considered previously, that could reasonably result in a change to the particular determination or standard after consideration of the matters set forth in paragraph (2)(B). The petition shall be accompanied by the scientific and technical information on which the petition is based. The Administrator and the Secretary of Defense shall grant or deny the petition not later than 2 years after the date of receipt of the petition.

"(6) EFFECT ON OTHER LAWS.—

"(A) PROHIBITION ON REGULATION BY STATES OR POLITICAL SUBDIVISIONS OF STATES.—Beginning on the effective date of—

"(i) a determination under paragraph (2) that it is not reasonable and practicable to require use of a marine pollution control device regarding a particular discharge incidental to the normal operation of a vessel of the Armed Forces; or

"(ii) regulations promulgated by the Secretary of Defense under paragraph (4);

except as provided in paragraph (7), neither a State nor a political subdivision of a State may adopt or enforce any statute or regulation of the State or political subdivision with respect to the discharge or the design, construction, installation, or use of any marine pollution control device required to control the discharge.

"(B) FEDERAL LAWS.—This subsection shall not affect the application of section 311 to discharges incidental to the normal operation of a vessel.

"(7) ESTABLISHMENT OF STATE NO-DISCHARGE ZONES.—

"(A) STATE PROHIBITION.—

"(i) IN GENERAL.—After the effective date of—

"(I) a determination under paragraph (2) that it is not reasonable and practicable to require use of a marine pollution control device regarding a particular discharge incidental to the normal operation of a vessel of the Armed Forces; or

"(II) regulations promulgated by the Secretary of Defense under paragraph (4);

if a State determines that the protection and enhancement of the quality of some or all of the waters within the State require greater environmental protection, the State may prohibit 1 or more discharges incidental to the normal operation of a vessel, whether treated or not treated, into the waters. No prohibition shall apply until the Administrator makes the determinations described in subclauses (II) and (III) of subparagraph (B)(i).

"(ii) DOCUMENTATION.—To the extent that a prohibition under this paragraph would apply to vessels of the Armed Forces and not to other types of vessels, the State shall document the technical or environmental basis for the distinction.

"(B) PROHIBITION BY THE ADMINISTRATOR.—

"(i) IN GENERAL.—Upon application of a State, the Administrator shall by regulation prohibit the discharge from a vessel of 1 or more discharges incidental to the normal operation of a vessel, whether treated or not treated, into the waters covered by the application if the Administrator determines that—

"(I) the protection and enhancement of the quality of the specified waters within the State require a prohibition of the discharge into the waters;

"(II) adequate facilities for the safe and sanitary removal of the discharge incidental to the normal operation of a vessel are reasonably available for the waters to which the prohibition would apply; and

"(III) the prohibition will not have the effect of discriminating against a vessel of the Armed Forces by reason of the ownership or operation by the Federal Government, or the military function, of the vessel.

"(ii) APPROVAL OR DISAPPROVAL.—The Administrator shall approve or disapprove an application submitted under clause (i) not later than 90 days after the date on which the application is submitted to the Administrator. Notwithstanding clause (i)(II), the Administrator shall not disapprove an application for the sole reason that there are not adequate facilities to remove any discharge incidental to the normal operation of a vessel from vessels of the Armed Forces.

"(C) APPLICABILITY TO FOREIGN FLAGGED VESSELS.—A prohibition under this paragraph—

"(i) shall not impose any design, construction, manning, or equipment standard on a foreign flagged vessel engaged in innocent passage unless the prohibition implements a generally accepted international rule or standard; and

"(ii) that relates to the prevention, reduction, and control of pollution shall not apply to a foreign flagged vessel engaged in transit passage unless the prohibition implements an applicable international regulation regarding the discharge of oil, oily waste, or any other noxious substance into the waters.

"(8) PROHIBITION RELATING TO VESSELS OF THE ARMED FORCES.—After the effective date of the regulations promulgated by the Secretary of Defense under paragraph (4), it shall be unlawful for any vessel of the Armed Forces subject to the regulations to—

"(A) operate in the navigable waters of the United States or the waters of the contiguous zone, if the vessel is not equipped with any required marine pollution control device meeting standards established under this subsection; or

"(B) discharge overboard any discharge incidental to the normal operation of a vessel in waters with respect to which a prohibition on the discharge has been established under paragraph (7).

"(9) ENFORCEMENT.—This subsection shall be enforceable, as provided in subsections (j) and (k), against any agency of the United States responsible for vessels of the Armed Forces notwithstanding any immunity asserted by the agency.".

(c) CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 312(a) of the Federal Water Pollution Control Act (33 U.S.C. 1322(a)) is amended—

(A) in paragraph (8)—

(i) by striking "or"; and

(ii) by inserting "or agency of the United States" after "association,";

(B) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(12) 'discharge incidental to the normal operation of a vessel'—

"(A) means a discharge, including—

"(i) graywater, bilge water, cooling water, weather deck runoff, ballast water, oil water separator effluent, and any other pollutant discharge from the operation of a marine propulsion system, shipboard maneuvering system, crew habitability system, or installed major equipment, such as an aircraft carrier elevator or a catapult, or from a protective, preservative, or absorptive application to the hull of the vessel; and

"(ii) a discharge in connection with the testing, maintenance, and repair of a system described in clause (i) whenever the vessel is waterborne; and

"(B) does not include—

"(i) a discharge of rubbish, trash, garbage, or other such material discharged overboard;

"(ii) an air emission resulting from the operation of a vessel propulsion system, motor driven equipment, or incinerator; or

"(iii) a discharge that is not covered by part 122.3 of title 40, Code of Federal Regulations (as in effect on the date of enactment of subsection (n));

"(13) 'marine pollution control device' means any equipment or management practice, for installation or use on board a vessel of the Armed Forces, that is—

"(A) designed to receive, retain, treat, control, or discharge a discharge incidental to the normal operation of a vessel; and

"(B) determined by the Administrator and the Secretary of Defense to be the most effective equipment or management practice to reduce the environmental impacts of the discharge consistent with the considerations set forth in subsection (n)(2)(B); and

"(14) 'vessel of the Armed Forces' means—

"(A) any vessel owned or operated by the Department of Defense, other than a time or voyage chartered vessel; and

"(B) any vessel owned or operated by the Department of Transportation that is designated by the Secretary of the department in which the Coast Guard is operating as a vessel equivalent to a vessel described in subparagraph (A).".

(2) ENFORCEMENT.—The first sentence of section 312(j) of the Federal Water Pollution Control Act (33 U.S.C. 1322(j)) is amended—

(A) by striking "of this section or" and inserting a comma; and

(B) by striking "of this section shall" and inserting ", or subsection (n)(8) shall".

(3) OTHER DEFINITIONS.—Subparagraph (A) of the second sentence of section 502(6) of the Federal Water Pollution Control Act (33 U.S.C. 1362(6)) is amended by striking "'sewage from vessels'" and inserting "sewage from vessels or a discharge incidental to the normal operation of a vessel of the Armed Forces".

(d) COOPERATION IN STANDARDS DEVELOPMENT.—The Administrator of the Environmental Protection Agency and the Secretary of Defense may, by mutual agreement, with or without reimbursement, provide for the use of information, reports, personnel, or other resources of the Environmental Protection Agency or the Department of Defense to carry out section 312(n) of the Federal Water Pollution Control Act (as added by subsection (b)), including the use of the resources to—

(1) determine—

(A) the nature and environmental effect of discharges incidental to the normal operation of a vessel of the Armed Forces;

(B) the practicability of using marine pollution control devices on vessels of the Armed Forces; and

(C) the effect that installation or use of marine pollution control devices on vessels of the Armed Forces would have on the operation or operational capability of the vessels; and

(2) establish performance standards for marine pollution control devices on vessels of the Armed Forces.

SEC. 323. REVISION OF AUTHORITIES RELATING TO RESTORATION ADVISORY BOARDS.

(a) REGULATIONS.—Paragraph (2) of subsection (d) of section 2705 of title 10, United States Code, is amended to read as follows:

"(2)(A) The Secretary shall prescribe regulations regarding the establishment of restoration advisory boards pursuant to this subsection.

"(B) The regulations shall set forth the following matters:

"(i) The functions of the boards.

"(ii) Funding for the boards.

"(iii) Accountability of the boards for expenditures of funds.

"(iv) The routine administrative expenses that may be paid pursuant to paragraph (3).

"(C) The issuance of regulations under subparagraph (A) shall not be a precondition to the establishment of restoration advisory boards under this subsection.".

(b) FUNDING FOR ADMINISTRATIVE EXPENSES.—Paragraph (3) of such subsection is amended to read as follows:

"(3) The Secretary may authorize the commander of an installation to pay routine administrative expenses of a restoration advisory board established for that installation. Such payments shall be made from funds available under subsection (g).".

(c) TECHNICAL ASSISTANCE.—Such section is further amended by striking out subsection (e) and inserting in lieu thereof the following new subsection (e):

"(e) TECHNICAL ASSISTANCE.—(1) The Secretary may authorize the commander of an installation, upon the request of the technical review committee or restoration advisory board for the installation, to obtain for the committee or advisory board, as the case may be, from private sector sources technical assistance for interpreting scientific and engineering issues with regard to the nature of environmental hazards at the installation and the restoration activities proposed for or conducted at the installation. The commander of an installation shall use funds made available under subsection (g) for obtaining assistance under this paragraph.

"(2) The commander of an installation may obtain technical assistance under paragraph (1) for a technical review committee or restoration advisory board only if—

"(A) the technical review committee or restoration advisory board demonstrates that the Federal, State, and local agencies responsible for overseeing environmental restoration at the installation, and available Department of Defense personnel, do not have the technical expertise necessary for achieving the objective for which the technical assistance is to be obtained;

"(B) the technical assistance is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration activities at the installation; and

"(C) the technical assistance is likely to contribute to community acceptance of environmental restoration activities at the installation.".

(d) FUNDING.—(1) Such section is further amended by adding at the end the following:

"(g) FUNDING.—The Secretary shall, to the extent provided in appropriations Acts, make funds available under subsections (d)(3) and (e)(1) using funds in the following accounts:

"(1) In the case of a military installation not approved for closure pursuant to a base closure law, the Defense Environmental Restoration Account established under section 2703(a) of this title.

"(2) In the case of an installation approved for closure pursuant to such a law, the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).".

(2)(A) Subject to subparagraph (B), the total amount of funds made available under section 2705(g) of title 10, United States Code, as added by paragraph (1), for fiscal year 1996 may not exceed $4,000,000.

(B) Amounts may not be made available under subsection (g) of such section 2705 after March 1, 1996, unless the Secretary of Defense prescribes the regulations required under subsection (d) of such section, as amended by subsection (a).

(e) DEFINITION.—Such section is further amended by adding at the end the following:

"(h) DEFINITION.—In this section, the term 'base closure law' means the following:

"(1) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(2) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(3) Section 2687 of this title.".

(f) REPORTS ON ACTIVITIES OF TECHNICAL REVIEW COMMITTEES AND RESTORATION ADVISORY BOARDS.—Section 2706(a)(2) of title 10, United States Code, is amended by adding at the end the following:

"(J) A statement of the activities, if any, of the technical review committee or restoration advisory board established for the installation under section 2705 of this title during the preceding fiscal year.".

Subtitle D—Civilian Employees

SEC. 331. MINIMUM NUMBER OF MILITARY RESERVE TECHNICIANS.

For each of fiscal years 1996 and 1997, the minimum number of personnel employed as military reserve technicians (as defined in section 8401(30) of title 5, United States Code) for reserve components as of the last day of such fiscal year shall be as follows:

(1) For the Army National Guard, 25,750.

(2) For the Army Reserve, 7,000.

(3) For the Air National Guard, 23,250.

(4) For the Air Force Reserve, 10,000.

SEC. 332. EXEMPTION OF DEPARTMENT OF DEFENSE FROM PERSONNEL CEILINGS FOR CIVILIAN PERSONNEL.

Section 129 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "man-year constraint or limitation" and inserting in lieu thereof "constraint or limitation in terms of man years, end strength, full-time equivalent (FTE) employees, or maximum number of employees"; and

(2) in subsection (b)(2), by striking out "any end-strength" and inserting in lieu thereof "any constraint or limitation in terms of man years, end strength, full-time equivalent (FTE) employees, or maximum number of employees".

SEC. 333. WEARING OF UNIFORM BY NATIONAL GUARD TECHNICIANS.

(a) REQUIREMENT.—Section 709(b) of title 32, United States Code, is amended to read as follows:

"(b) Except as prescribed by the Secretary concerned, a technician employed under subsection (a) shall, while so employed—

"(1) be a member of the National Guard;

"(2) hold the military grade specified by the Secretary concerned for that position; and

"(3) wear the uniform appropriate for the member's grade and component of the armed forces while performing duties as a technician.".

(b) UNIFORM ALLOWANCES FOR OFFICERS.—Section 417 of title 37, United States Code, is amended by adding at the end the following:

"(d)(1) For purposes of sections 415 and 416 of this title, a period for which an officer of an armed force, while employed as a National Guard technician, is required to wear a uniform under section 709(b) of title 32 shall be treated as a period of active duty (other than for training).

"(2) A uniform allowance may not be paid, and uniforms may not be furnished, to an officer under section 1593 of title 10 or section 5901 of title 5 for a period of employment referred to in paragraph (1) for which an officer is paid a uniform allowance under section 415 or 416 of this title.".

(c) CLOTHING OR ALLOWANCES FOR ENLISTED MEMBERS.—Section 418 of title 37, United States Code, is amended—

(1) by inserting "(a)" before "The President"; and

(2) by adding at the end the following:

"(b) In determining the quantity and kind of clothing or allowances to be furnished pursuant to regulations prescribed under this section to persons employed as National Guard technicians under section 709 of title 32, the President shall take into account the requirement under subsection (b) of such section for such persons to wear a uniform.

"(c) A uniform allowance may not be paid, and uniforms may not be furnished, under section 1593 of title 10 or section 5901 of title 5 to a person referred to in subsection (b) for a period of employment referred to in that subsection for which a uniform allowance is paid under section 415 or 416 of this title.".

SEC. 334. EXTENSION OF TEMPORARY AUTHORITY TO PAY CIVILIAN EMPLOYEES WITH RESPECT TO THE EVACUATION FROM GUANTANAMO, CUBA.

(a) EXTENSION FOR 120 DAYS.—The authority provided in section 103 of Public Law 104-6 (109 Stat.79) shall be effective until the end of January 31, 1996.

(b) MONTHLY REPORT.—On the first day of each month, the Secretary of the Navy shall transmit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report regarding the employees being paid pursuant to section 103 of Public Law 104-6. The report shall include the number of the employees, their positions of employment, the number and location of the employees' dependents, and the actions that the Secretary is taking to eliminate the conditions making the payments necessary.

SEC. 335. SHARING OF PERSONNEL OF DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOLS AND DEFENSE DEPENDENTS' EDUCATION SYSTEM.

Section 2164(e) of title 10, United States Code, is amended by adding at the end the following:

"(4)(A) The Secretary may, without regard to the provisions of any law relating to the number, classification, or compensation of employees—

"(i) transfer civilian employees in schools established under this section to schools in the defense dependents' education system in order to provide the services referred to in subparagraph (B) to such system; and

"(ii) transfer employees in such system to such schools in order to provide such services to such schools.

"(B) The services referred to in subparagraph (A) are the following:

"(i) Administrative services.

"(ii) Logistical services.

"(iii) Personnel services.

"(iv) Such other services as the Secretary considers appropriate.

"(C) Transfers under this paragraph shall extend for such periods as the Secretary considers appropriate. The Secretary shall provide appropriate compensation for employees so transferred.

"(D) The Secretary may provide that the transfer of any employee under this paragraph occur without reimbursement of the school or system concerned.

"(E) In this paragraph, the term 'defense dependents' education system' means the program established and operated under section 1402(a) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 921(a)).".

SEC. 336. REVISION OF AUTHORITY FOR APPOINTMENTS OF INVOLUNTARILY SEPARATED MILITARY RESERVE TECHNICIANS.

(a) REVISION OF AUTHORITY.—Section 3329 of title 5, United States Code, as added by section 544 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2415), is amended—

(1) in subsection (b), by striking out "be offered" and inserting in lieu thereof "be provided placement consideration in a position described in subsection (c) through a priority placement program of the Department of Defense"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c)(1) The position to be offered a former military technician under subsection (b) shall be a position—

"(A) in either the competitive service or the excepted service;

"(B) within the Department of Defense; and

"(C) in which the person is qualified to serve, taking into consideration whether the employee in that position is required to be a member of a reserve component of the armed forces as a condition of employment.

"(2) To the maximum extent practicable, the position shall also be in a pay grade or other pay classification sufficient to ensure that the rate of basic pay of the former military technician, upon appointment to the position, is not less than the rate of basic pay last received by the former military technician for technician service before separation.".

(b) TECHNICAL AND CLERICAL AMENDMENTS.—(1) The section 3329 of title 5, United States Code, that was added by section 4431 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2719) is redesignated as section 3330 of such title.

(2) The table of sections at the beginning of chapter 33 of such title is amended by striking out the item relating to section 3329, as added by section 4431(b) of such Act (106 Stat. 2720), and inserting in lieu thereof the following new item:

"3330. Government-wide list of vacant positions.".

SEC. 337. COST OF CONTINUING HEALTH INSURANCE COVERAGE FOR EMPLOYEES VOLUNTARILY SEPARATED FROM POSITIONS TO BE ELIMINATED IN A REDUCTION IN FORCE.

Section 8905a(d)(4) of title 5, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking out "from a position" and inserting in lieu thereof "or voluntary separation from a surplus position"; and

(B) by striking out "force—" and inserting in lieu thereof "force or a closure or realignment of a military installation pursuant to a base closure law—"; and

(2) by adding at the end the following new subparagraph:

"(C) In this paragraph:

"(i) The term 'surplus position' means a position that, as determined under regulations prescribed by the Secretary of Defense, is identified during planning for a reduction in force as being no longer required and is designated for elimination during the reduction in force.

"(ii) The term 'base closure law' means the following:

"(I) Section 2687 of title 10.

"(II) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(III) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(iii) The term 'military installation'—

"(I) in the case of an installation covered by section 2687 of title 10, has the meaning given such term in subsection (e)(1) of such section;

"(II) in the case of an installation covered by the Act referred to in subclause (II) of clause (ii), has the meaning given such term in section 209(6) of such Act;

"(III) in the case of an installation covered by the Act referred to in subclause (III) of that clause, has the meaning given such term in section 2910(4) of such Act.".

SEC. 338. ELIMINATION OF 120-DAY LIMITATION ON DETAILS OF CERTAIN EMPLOYEES.

Subsection (b) of section 3341 of title 5, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2) Details of employees of the Department of Defense under subsection (a) of this section may be made only by written order of the Secretary of the military department concerned (or by the Secretary of Defense, in the case of an employee of the Department of Defense who is not an employee of a military department) or a designee of the Secretary. Paragraph (1) does not apply to the Department of Defense.".

SEC. 339. REPEAL OF REQUIREMENT FOR PART-TIME CAREER OPPORTUNITY EMPLOYMENT REPORTS.

Section 3407 of title 5, United States Code, is amended by adding at the end the following:

"(c) This section does not apply to the Department of Defense.".

SEC. 340. AUTHORITY OF CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE TO PARTICIPATE VOLUNTARILY IN REDUCTIONS IN FORCE.

Section 3502 of title 5, United States Code, is amended by adding at the end the following:

"(f)(1) The Secretary of Defense or the Secretary of a military department may—

"(A) release in a reduction in force an employee who volunteers for the release even though the employee is not otherwise subject to release in the reduction in force under the criteria applicable under the other provisions of this section; and

"(B) for each employee voluntarily released in the reduction in force under subparagraph (A), retain an employee who would otherwise be released in the reduction in force under such criteria.

"(2) A voluntary release of an employee in a reduction in force pursuant to paragraph (1) shall be treated as an involuntary release in the reduction in force.

"(3) The regulations prescribed under this section shall incorporate the authority provided in this subsection.

"(4) The authority under paragraph (1) may not be exercised after September 30, 1996.".

SEC. 341. AUTHORITY TO PAY SEVERANCE PAYMENTS IN LUMP SUMS.

Section 5595 of title 5, United States Code, is amended by adding at the end the following:

"(i)(1) In the case of an employee of the Department of Defense who is entitled to severance pay under this section, the Secretary of Defense or the Secretary of the military department concerned may, upon application by the employee, pay the total amount of the severance pay to the employee in one lump sum.

"(2)(A) If an employee paid severance pay in a lump sum under this subsection is reemployed by the Government of the United States or the government of the District of Columbia at such time that, had the employee been paid severance pay in regular pay periods under subsection (b), the payments of such pay would have been discontinued under subsection (d) upon such reemployment, the employee shall refund to the Department of Defense (for the military department that formerly employed the employee, if applicable) an amount equal to the amount of severance pay to which the employee was entitled under this section that would not have been paid to the employee under subsection (d) by reason of such reemployment.

"(B) The period of service represented by an amount of severance pay refunded by an employee under subparagraph (A) shall be considered service for which severance pay has not been received by the employee under this section.

"(C) Amounts refunded to an agency under this paragraph shall be credited to the appropriation available for the pay of employees of the agency for the fiscal year in which received. Amounts so credited shall be merged with, and shall be available for the same purposes and the same period as, the other funds in that appropriation.

"(3) This subsection applies with respect to severance payable under this section for separations taking effect on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996 and before October 1, 1999.".

SEC. 342. HOLIDAYS FOR EMPLOYEES WHOSE BASIC WORKWEEK IS OTHER THAN MONDAY THROUGH FRIDAY.

Section 6103(b) of title 5, United States Code, is amended—

(1) in paragraph (2), by striking out "Instead" and inserting in lieu thereof "Except as provided in paragraph (3), instead"; and

(2) by adding at the end the following:

"(3)(A) In the case of an employee of a military department or any other employee of the Department of Defense, subject to the discretion of the Secretary concerned, instead of a holiday that occurs on a regular weekly non-workday of an employee whose basic workweek is other than Monday through Friday, the legal holiday for the employee is—

"(i) the workday of the employee immediately before the regular weekly non-workday; or

"(ii) if the holiday occurs on a regular weekly non-workday administratively scheduled for the employee instead of Sunday, the next immediately following workday of the employee.

"(B) For purposes of subparagraph (A), the term 'Secretary concerned' has the meaning given that term in subparagraphs (A), (B), and (C) of section 101(a)(9) of title 10 and includes the Secretary of Defense with respect to an employee of the Department of Defense who is not an employee of a military department.".

SEC. 343. COVERAGE OF NONAPPROPRIATED FUND EMPLOYEES UNDER AUTHORITY FOR FLEXIBLE AND COMPRESSED WORK SCHEDULES.

Paragraph (2) of section 6121 of title 5, United States Code, is amended to read as follows:

"(2) 'employee' has the meaning given the term in subsection (a) of section 2105 of this title, except that such term also includes an employee described in subsection (c) of that section;".

Subtitle E—Defense Financial Management

SEC. 351. FINANCIAL MANAGEMENT TRAINING.

(a) LIMITATION.—Funds authorized by this Act to be appropriated for the Department of Defense may not be obligated for a capital lease for the establishment of a Department of Defense financial management training center before the date that is 90 days after the date on which the Secretary of Defense submits, in accordance with subsection (b), a certification of the need for such a center and a report on financial management training for Department of Defense personnel.

(b) CERTIFICATION AND REPORT.—(1) Before obligating funds for a Department of Defense financial management training center, the Secretary of Defense shall—

(A) certify to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the need for such a center; and

(B) submit to such committees, with the certification, a report on financial management training for Department of Defense personnel.

(2) Any report under paragraph (1) shall contain the following:

(A) The Secretary's analysis of the requirements for providing financial management training for employees of the Department of Defense.

(B) The alternatives considered by the Secretary for meeting those requirements.

(C) A detailed plan for meeting those requirements.

(D) A financial analysis of the estimated short-term and long-term costs of carrying out the plan.

(E) If, after the analysis referred to in subparagraph (A) and after considering alternatives as described in subparagraph (B), the Secretary determines to meet the requirements through a financial management training center—

(i) the determination of the Secretary regarding the location for the university; and

(ii) a description of the process used by the Secretary for selecting that location.

SEC. 352. LIMITATION ON OPENING OF NEW CENTERS FOR DEFENSE FINANCE AND ACCOUNTING SERVICE.

(a) LIMITATION.—During fiscal year 1996, the Secretary of Defense may not establish any center for the Defense Finance and Accounting Service that is not operating on the date of the enactment of this Act.

(b) EXCEPTION.—If the Secretary submits to Congress not later than March 31, 1996, a report containing a discussion of the need for establishing a new center prohibited by subsection (a), the prohibition in such subsection shall not apply to the center effective 30 days after the date on which Congress receives the report.

(c) REEXAMINATION OF NEED REQUIRED.—Before submitting a report regarding a new center that the Secretary planned before the date of the enactment of this Act to establish on or after that date, the Secretary shall reconsider the need for establishing that center.

Subtitle F—Miscellaneous Assistance

SEC. 361. DEPARTMENT OF DEFENSE FUNDING FOR NATIONAL GUARD PARTICIPATION IN JOINT DISASTER AND EMERGENCY ASSISTANCE EXERCISES.

Section 503(a) of title 32, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) Paragraph (1) includes authority to provide for participation of the National Guard in conjunction with the Army or the Air Force, or both, in joint exercises for instruction to prepare the National Guard for response to civil emergencies and disasters.".

SEC. 362. OFFICE OF CIVIL-MILITARY PROGRAMS.

None of the funds authorized to be appropriated by this or any other Act may be obligated or expended for the Office of Civil-Military Programs within the Office of the Assistant Secretary of Defense for Reserve Affairs.

SEC. 363. REVISION OF AUTHORITY FOR CIVIL-MILITARY COOPERATIVE ACTION PROGRAM.

(a) RESERVE COMPONENTS TO BE USED FOR COOPERATIVE ACTION.—Section 410 of title 10, United States Code, is amended in the second sentence of subsection (a) by inserting "of the reserve components and of the combat support and combat service support elements of the regular components" after "resources".

(b) PROGRAM OBJECTIVES.—Subsection (b) of such section is amended by striking out paragraphs (1), (2), (3), (4), (5), and (6) and inserting in lieu thereof the following:

"(1) To enhance individual and unit training and morale in the armed forces.

"(2) To encourage cooperation between civilian and military sectors of society.".

(c) REGULATIONS.—Subsection (d) of such section is amended by striking out paragraphs (5) and (6) and inserting in lieu thereof the following:

"(5) Procedures to ensure that Department of Defense resources are not applied exclusively to the program.

"(6) A requirement that a commander of a unit of the armed forces involved in providing assistance certify that the assistance is consistent with the military missions of the unit.".

SEC. 364. OFFICE OF HUMANITARIAN AND REFUGEE AFFAIRS.

None of the funds authorized to be appropriated by this or any other Act may be obligated or expended for the Office of Humanitarian and Refugee Affairs within the Office of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

SEC. 365. OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID PROGRAMS.

(a) GAO REPORT.—Not later than December 15, 1995, the Comptroller General of the United States shall provide to the congressional defense committees a report on—

(1) existing funding mechanisms available to cover the costs associated with the Overseas Humanitarian, Disaster, and Civic Assistance activities through funds provided to the Department of State or the Agency for International Development, and

(2) if such mechanisms do not exist, actions necessary to institute such mechanisms, including any changes in existing law or regulations.

Subtitle G—Operation of Morale, Welfare, and Recreation Activities

SEC. 371. DISPOSITION OF EXCESS MORALE, WELFARE, AND RECREATION FUNDS.

Section 2219 of title 10, United States Code, is amended—

(1) in the first sentence, by striking out "a military department" and inserting in lieu thereof "an armed force";

(2) in the second sentence—

(A) by striking out ", department-wide"; and

(B) by striking out "of the military department" and inserting in lieu thereof "for that armed force"; and

(3) by adding at the end the following: "This section does not apply to the Coast Guard.".

SEC. 372. ELIMINATION OF CERTAIN RESTRICTIONS ON PURCHASES AND SALES OF ITEMS BY EXCHANGE STORES AND OTHER MORALE, WELFARE, AND RECREATION FACILITIES.

(a) RESTRICTIONS ELIMINATED.—(1) Subchapter II of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2255. Military exchange stores and other morale, welfare, and recreation facilities: sale of items

"(a) AUTHORITY.—The MWR retail facilities may sell items in accordance with regulations prescribed by the Secretary of Defense.

"(b) CERTAIN RESTRICTIONS PROHIBITED.—The regulations may not include any of the following restrictions on the sale of items:

"(1) A restriction on the prices of items offered for sale, including any requirement to establish prices on the basis of a specific relationship between the prices charged for the merchandise and the cost of the merchandise to the MWR retail facilities concerned.

"(2) A restriction on price of purchase of an item.

"(3) A restriction on the categories of items that may be offered for sale.

"(4) A restriction on the size of items that may be offered for sale.

"(5) A restriction on the basis of—

"(A) whether the item was manufactured, produced, or mined in the United States; or

"(B) the extent to which the merchandise contains components or materials manufactured, produced, or mined in the United States.

"(c) MWR RETAIL FACILITY DEFINED.—In this section, the term 'MWR retail facilities' means exchange stores and other revenue generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the armed forces.".

(2) The table of sections at the beginning of subchapter II of chapter 134 of such title is amended by adding at the end the following:

"2255. Military exchange stores and other morale, welfare, and recreation facilities: sale of items.".

(b) REPORT.—Not later than June 1, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that identifies each restriction in effect immediately before the date of the enactment of this Act that is terminated or made inapplicable by section 2255 of title 10, United States Code (as added by subsection (a)), to exchange stores and other revenue generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the Armed Forces.

SEC. 373. REPEAL OF REQUIREMENT TO CONVERT SHIPS' STORES TO NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) REPEAL.—Section 371 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1634; 10 U.S.C. 7604 note) is amended by striking out subsections (a), (b), and (d).

(b) REPEAL OF RELATED CODIFIED PROVISIONS.—Section 7604 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "(a) IN GENERAL.—"; and

(2) by striking out subsections (b) and (c).

Subtitle H—Other Matters

SEC. 381. NATIONAL DEFENSE SEALIFT FUND: AVAILABILITY FOR THE NATIONAL DEFENSE RESERVE FLEET.

Section 2218 of title 10, United States Code is amended—

(1) in subsection (c)(1)—

(A) by striking out "and" at the end of subparagraph (C);

(B) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(E) expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744)."; and

(2) in subsection (i), by striking out "Nothing" and inserting in lieu thereof "Except as provided in subsection (c)(1)(E), nothing".

SEC. 382. AVAILABILITY OF RECOVERED LOSSES RESULTING FROM CONTRACTOR FRAUD.

(a) DEPARTMENT OF DEFENSE TO RECEIVE 3 PERCENT.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2250. Recoveries of losses and expenses resulting from contractor fraud

"(a) RETENTION OF PART OF RECOVERY.—(1) Notwithstanding any other provision of law, a portion of the amount recovered by the Government in a fiscal year for losses and expenses incurred by the Department of Defense as a result of contractor fraud at military installations shall be credited to appropriations accounts of the Department of Defense for that fiscal year in accordance with allocations made pursuant to subsection (b).

"(2) The total amount credited to appropriations accounts for a fiscal year pursuant to paragraph (1) shall be the lesser of—

"(A) the amount equal to three percent of the amount referred to in such paragraph that is recovered in that fiscal year; or

"(B) $500,000.

"(b) ALLOCATION OF RECOVERED FUNDS.—The Secretary of Defense shall allocate amounts recovered in a contractor fraud case through the Secretary of the military department concerned to each installation that incurred a loss or expense as a result of the fraud.

"(c) USE BY MILITARY DEPARTMENTS.—The Secretary of a military department receiving an allocation under subsection (b) in a fiscal year with respect to a contractor fraud case—

"(1) shall credit (for use by each installation concerned) the amount equal to the costs incurred by the military department in carrying out or supporting an investigation or litigation of the contractor fraud case to appropriations accounts of the department for such fiscal year that are used for paying the costs of carrying out or supporting investigations or litigation of contractor fraud cases; and

"(2) may credit to any appropriation account of the department for that fiscal year (for use by each installation concerned) the amount, if any, that exceeds the amount credited to appropriations accounts under paragraph (1).

"(d) RECOVERIES INCLUDED.—(1) Subject to paragraph (2)(B), subsection (a) applies to amounts recovered in civil or administrative actions (including settlements) as actual damages, restitution, and investigative costs.

"(2) Subsection (a) does not apply to—

"(A) criminal fines, forfeitures, civil penalties, and damages in excess of actual damages; or

"(B) recoveries of losses or expenses incurred by working-capital funds managed through the Defense Business Operations Fund.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following:

"2248. Recoveries of losses and expenses resulting from contractor fraud.".

SEC. 383. PERMANENT AUTHORITY FOR USE OF PROCEEDS FROM THE SALE OF CERTAIN LOST, ABANDONED, OR UNCLAIMED PROPERTY.

(a) PERMANENT AUTHORITY.—Section 2575 of title 10 is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) In the case of property found on a military installation, the proceeds from the sale of the property under this section shall be credited to the operation and maintenance account of that installation and used—

"(A) to reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

"(B) if all such costs are reimbursed, to support morale, welfare, and recreation activities under the jurisdiction of the armed forces conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the armed forces at that installation.

"(2) The net proceeds from the sale of other property under this section shall be covered into the Treasury as miscellaneous receipts."; and

(2) by adding at the end the following:

"(d)(1) The owner (or heirs, next of kin, or legal representative of the owner) of personal property the proceeds of which are credited to a military installation under subsection (b)(1) may file a claim with the Secretary of Defense for the amount equal to the proceeds (less costs referred to in subparagraph (A) of such subsection). Amounts to pay the claim shall be drawn from the morale, welfare, and recreation account for the installation that received the proceeds.

"(2) The owner (or heirs, next of kin, or legal representative of the owner) may file a claim with the General Accounting Office for proceeds covered into the Treasury under subsection (b)(2).

"(3) Unless a claim is filed under this subsection within 5 years after the date of the disposal of the property to which the claim relates, the claim may not be considered by a court, the Secretary of Defense (in the case of a claim filed under paragraph (1)), or the General Accounting Office (in the case of a claim filed under paragraph (2)).".

(b) REPEAL OF AUTHORITY FOR DEMONSTRATION PROGRAM.—Section 343 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1343) is repealed.

SEC. 384. SALE OF MILITARY CLOTHING AND SUBSISTENCE AND OTHER SUPPLIES OF THE NAVY AND MARINE CORPS.

(a) IN GENERAL.—Chapter 651 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7606. Subsistence and other supplies: members of armed forces; veterans; executive or military departments and employees; prices

"(a) The Secretary of the Navy shall procure and sell, for cash or credit—

"(1) articles designated by the Secretary to members of the Navy and Marine Corps; and

"(2) items of individual clothing and equipment to members of the Navy and Marine Corps, under such restrictions as the Secretary may prescribe.

An account of sales on credit shall be kept and the amount due reported to the Secretary. Except for articles and items acquired through the use of working capital funds under section 2208 of this title, sales of articles shall be at cost, and sales of individual clothing and equipment shall be at average current prices, including overhead, as determined by the Secretary.

"(b) The Secretary shall sell subsistence supplies to members of other armed forces at the prices at which like property is sold to members of the Navy and Marine Corps.

"(c) The Secretary may sell serviceable supplies, other than subsistence supplies, to members of other armed forces for the buyers' use in the service. The prices at which the supplies are sold shall be the same prices at which like property is sold to members of the Navy and Marine Corps.

"(d) A person who has been discharged honorably or under honorable conditions from the Army, Navy, Air Force or Marine Corps and who is receiving care and medical treatment from the Public Health Service or the Department of Veterans Affairs may buy subsistence supplies and other supplies, except articles of uniform, at the prices at which like property is sold to members of the Navy and Marine Corps.

"(e) Under such conditions as the Secretary may prescribe, exterior articles of uniform may be sold to a person who has been discharged from the Navy or Marine Corps honorably or under honorable conditions, at the prices at which like articles are sold to members of the Navy or Marine Corps. This subsection does not modify sections 772 or 773 of this title.

"(f) Payment for subsistence supplies sold under this section shall be made in cash.

"(g)(1) The Secretary may provide for the procurement and sale of stores designated by the Secretary to such civilian officers and employees of the United States, and such other persons, as the Secretary considers proper—

"(A) at military installations outside the United States; and

"(B) subject to paragraph (2), at military installations inside the United States where the Secretary determines that it is impracticable for those civilian officers, employees, and persons to obtain such stores from commercial enterprises without impairing the efficient operation of military activities.

"(2) Sales to civilian officers and employees inside the United States may be made under paragraph (1) only to those residing within military installations.

"(h) Appropriations for subsistence of the Navy or Marine Corps may be applied to the purchase of subsistence supplies for sale to members of the Navy and Marine Corps on active duty for the use of themselves and their families.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 651 of such title is amended by adding at the end the following:

"7606. Subsistence and other supplies: members of armed forces; veterans; executive or military departments and employees; prices.".

SEC. 385. CONVERSION OF CIVILIAN MARKSMANSHIP PROGRAM TO NONAPPROPRIATED FUND INSTRUMENTALITY AND ACTIVITIES UNDER PROGRAM.

(a) CONVERSION.—Section 4307 of title 10, United States Code, is amended to read as follows:

"§ 4307. Promotion of rifle practice and firearms safety: administration

"(a) NONAPPROPRIATED FUND INSTRUMENTALITY.—On and after October 1, 1995, the Civilian Marksmanship Program shall be operated as a nonappropriated fund instrumentality of the United States within the Department of Defense for the benefit of members of the armed forces and for the promotion of rifle practice and firearms safety among civilians.

"(b) ADVISORY COMMITTEE.—(1) The Civilian Marksmanship Program shall be under the general supervision of an Advisory Committee for the Promotion of Rifle Practice and Firearms Safety, which shall replace the National Board for the Promotion of Rifle Practice. The Advisory Committee shall be appointed by the Secretary of the Army.

"(2) Members of the Advisory Committee shall serve without compensation, except that members shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of Advisory Committee services.

"(c) DIRECTOR.—The Secretary of the Army shall appoint a person to serve as Director of the Civilian Marksmanship Program.

"(d) FUNDING.—(1) The Advisory Committee and the Director may solicit, accept, hold, use, and dispose of, in furtherance of the activities of the Civilian Marksmanship Program, donations of money, property, and services received by gift, devise, bequest, or otherwise. Donations may be accepted notwithstanding any legal restrictions otherwise arising from procurement relationships of the donors with the United States.

"(2) All amounts collected under the Civilian Marksmanship Program, including the proceeds from the sale of arms, ammunition, targets, and other supplies and appliances under section 4308 of this title, shall be credited to the Civilian Marksmanship Program and shall be available to carry out the Civilian Marksmanship Program. Amounts collected by, and available to, the National Board for the Promotion of Rifle Practice before the date of the enactment of this section from sales programs and from fees in connection with competitions sponsored by that Board shall be transferred to the nonappropriated funds account established for the Civilian Marksmanship Program and shall be available to carry out the Civilian Marksmanship Program.

"(3) Funds held on behalf of the Civilian Marksmanship Program shall not be construed to be Government or public funds or appropriated funds and shall not be available to support other nonappropriated fund instrumentalities of the Department of Defense. Expenditures on behalf of the Civilian Marksmanship Program, including compensation and benefits for civilian employees, may not exceed $5,000,000 during any fiscal year. The approval of the Advisory Committee shall be required for any expenditure in excess of $50,000. Notwithstanding any other provision of law, funds held on behalf of the Civilian Marksmanship Program shall remain available until expended.

"(e) INAPPLICABILITY OF ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) does not apply to the Advisory Committee.

"(f) DEFINITIONS.—In this section and sections 4308 through 4313 of this title:

"(1) The term 'Civilian Marksmanship Program' means the rifle practice and firearms safety program carried out under section 4308 of this title and includes the National Matches and small-arms firing schools referred to in section 4312 of this title.

"(2) The term 'Advisory Committee' means the Advisory Committee for the Promotion of Rifle Practice and Firearms Safety.

"(3) The term 'Director' means the Director of the Civilian Marksmanship Program.".

(b) ACTIVITIES.—Section 4308 of such title is amended to read as follows:

"§ 4308. Promotion of rifle practice and firearms safety: activities

"(a) INSTRUCTION, SAFETY, AND COMPETITION PROGRAMS.—(1) The Civilian Marksmanship Program shall provide for—

"(A) the operation and maintenance of indoor and outdoor rifle ranges and their accessories and appliances;

"(B) the instruction of citizens of the United States in marksmanship, and the employment of necessary instructors for that purpose;

"(C) the promotion of safe and responsible practice in the use of rifled arms and the maintenance and management of matches or competitions in the use of those arms; and

"(D) the award to competitors of trophies, prizes, badges, and other insignia.

"(2) In carrying out this subsection, the Civilian Marksmanship Program shall give priority to activities that benefit firearms safety training and competition for youth and reach as many youth participants as possible.

"(3) Before a person may participate in any activity sponsored or supported by the Civilian Marksmanship Program under this subsection, the person shall be required to certify that the person has not violated any Federal or State firearms laws.

"(b) SALE AND ISSUANCE OF ARMS AND AMMUNITION.—(1) The Civilian Marksmanship Program may issue, without cost, the arms, ammunition (including caliber .22 and caliber .30 ammunition), targets, and other supplies and appliances necessary for activities conducted under subsection (a). Issuance shall be made only to gun clubs under the direction of the Director of the program that provide training in the use of rifled arms to youth, the Junior Reserve Officers' Training Corps, the Boy Scouts of America, 4-H Clubs, Future Farmers of America, and other youth-oriented organizations for training and competition.

"(2) The Director of the Civilian Marksmanship Program may sell at fair market value caliber .30 rifles and accoutrements, caliber .22 rifles, and air rifles, and ammunition for such rifles, to gun clubs that are under the direction of the Director and provide training in the use of rifled arms. In lieu of sales, the Director may loan such rifles to such gun clubs.

"(3) The Director of the Civilian Marksmanship Program may sell at fair market value small arms, ammunition, targets, and other supplies and appliances necessary for target practice to citizens of the United States over 18 years of age who are members of a gun club under the direction of the Director.

"(4) Before conveying any weapon or ammunition to a person, whether by sale or lease, the Director shall provide for a criminal records check of the person with appropriate Federal and State law enforcement agencies.

"(c) OTHER AUTHORITIES.—The Director shall provide for—

"(1) the procurement of necessary supplies, appliances, trophies, prizes, badges, and other insignia, clerical and other services, and labor to carry out the Civilian Marksmanship Program; and

"(2) the transportation of employees, instructors, and civilians to give or to receive instruction or to assist or engage in practice in the use of rifled arms, and the transportation and subsistence, or an allowance instead of subsistence, of members of teams authorized by the Advisory Committee to participate in matches or competitions in the use of rifled arms.

"(d) FEES.—The Director, in consultation with the Advisory Committee, may impose reasonable fees for persons and gun clubs participating in any program or competition conducted under the Civilian Marksmanship Program for the promotion of rifle practice and firearms safety among civilians.

"(e) RECEIPT OF EXCESS ARMS AND AMMUNITION.—(1) The Secretary of the Army shall reserve for the Civilian Marksmanship Program all remaining M-1 Garand rifles, accoutrements, and ammunition for such rifles, still held by the Army. After the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996, the Secretary of the Army shall cease demilitarization of remaining M-1 Garand rifles in the Army inventory unless such rifles are determined to be irreparable.

"(2) Transfers under this subsection shall be made without cost to the Civilian Marksmanship Program, except for the costs of transportation for the transferred small arms and ammunition.

"(f) PARTICIPATION CONDITIONS.—(1) All participants in the Civilian Marksmanship Program and activities sponsored or supported by the Advisory Committee shall be required, as a condition of participation, to sign affidavits stating that—

"(A) they have never been convicted of a firearms violation under State or Federal law; and

"(B) they are not members of any organization which advocates the violent overthrow of the United States Government.

"(2) Any person found to have violated this subsection shall be ineligible to participate in the Civilian Marksmanship Program and future activities.".

(c) PARTICIPATION OF MEMBERS OF THE ARMED FORCES IN INSTRUCTION AND COMPETITION.—Section 4310 of such title is amended to read as follows:

"§ 4310. Rifle instruction and competitions: participation of members

"The commander of a major command of the armed forces may pay the personnel costs and travel and per diem expenses of members of an active or reserve component of the armed forces who participate in a competition sponsored by the Civilian Marksmanship Program or who provide instruction or other services in support of the Civilian Marksmanship Program.".

(d) CONFORMING AMENDMENTS.—(1) Section 4312(a) of such title is amended by striking out "as prescribed by the Secretary of the Army" and inserting in lieu thereof "as part of the Civilian Marksmanship Program".

(2) Section 4313 of such title is amended—

(A) in subsection (a), by striking out "Secretary of the Army" both places it appears and inserting in lieu thereof "Advisory Committee"; and

(B) in subsection (b), by striking out "Appropriated funds available for the Civilian Marksmanship Program (as defined in section 4308(e) of this title) may" and inserting in lieu thereof "Nonappropriated funds available to the Civilian Marksmanship Program shall".

(e) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 401 of such title is amended by striking out the items relating to sections 4307, 4308, 4309, and 4310 and inserting in lieu thereof the following new items:

"4307. Promotion of rifle practice and firearms safety: administration.
"4308. Promotion of rifle practice and firearms safety: activities.
"4309. Rifle ranges: availability for use by members and civilians.
"4310. Rifle instruction and competitions: participation of members.".

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1995.

SEC. 386. REPORT ON EFFORTS TO CONTRACT OUT CERTAIN FUNCTIONS OF DEPARTMENT OF DEFENSE.

Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report describing the advantages and disadvantages of using contractor personnel, rather than civilian employees of the Department of Defense, to perform functions of the Department that are not essential to the warfighting mission of the Armed Forces. The report shall specify all legislative and regulatory impediments to contracting those functions for private performance.

SEC. 387. IMPACT AID.

(a) SPECIAL RULE FOR 1994 PAYMENTS.—The Secretary of Education shall not consider any payment to a local educational agency by the Department of Defense, that is available to such agency for current expenditures and used for capital expenses, as funds available to such agency for purposes of making a determination for fiscal year 1994 under section 3(d)(2)(B)(i) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on September 30, 1994).

(b) PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.—Subsection (f) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) is amended—

(1) in paragraph (2)—

(A) in the matter preceding clause (i) of subparagraph (A), by striking "only if such agency" and inserting "if such agency is eligible for a supplementary payment in accordance with subparagraph (B) or such agency"; and

(B) by adding at the end the following new subparagraph:

"(C) A local educational agency shall only be eligible to receive additional assistance under this subsection if the Secretary determines that—

"(i) such agency is exercising due diligence in availing itself of State and other financial assistance; and

"(ii) the eligibility of such agency under State law for State aid with respect to the free public education of children described in subsection (a)(1) and the amount of such aid are determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount of such aid, with respect to the free public education of other children in the State."; and

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by inserting "(other than any amount received under paragraph (2)(B))" after "subsection";

(ii) in subclause (I) of clause (i), by striking "or the average per-pupil expenditure of all the States";

(iii) by amending clause (ii) to read as follows:

"(ii) The Secretary shall next multiply the amount determined under clause (i) by the total number of students in average daily attendance at the schools of the local educational agency."; and

(iv) by amending clause (iii) to read as follows:

"(iii) The Secretary shall next subtract from the amount determined under clause (ii) all funds available to the local educational agency for current expenditures, but shall not so subtract funds provided—

"(I) under this Act; or

"(II) by any department or agency of the Federal Government (other than the Department) that are used for capital expenses."; and

(B) by amending subparagraph (B) to read as follows:

"(B) SPECIAL RULE.—With respect to payments under this subsection for a fiscal year for a local educational agency described in clause (ii) or (iii) of paragraph (2)(A), the maximum amount of payments under this subsection shall be equal to—

"(i) the product of—

"(I) the average per-pupil expenditure in all States multiplied by 0.7, except that such amount may not exceed 125 percent of the average per-pupil expenditure in all local educational agencies in the State; multiplied by

"(II) the number of students described in subparagraph (A) or (B) of subsection (a)(1) for such agency; minus

"(ii) the amount of payments such agency receives under subsections (b) and (d) for such year.".

(c) CURRENT YEAR DATA.—Paragraph (4) of section 8003(f) of such Act (20 U.S.C. 7703(f)) is amended to read as follows:

"(4) CURRENT YEAR DATA.—For purposes of providing assistance under this subsection the Secretary—

"(A) shall use student and revenue data from the fiscal year for which the local educational agency is applying for assistance under this subsection; and

"(B) shall derive the per pupil expenditure amount for such year for the local educational agency's comparable school districts by increasing or decreasing the per pupil expenditure data for the second fiscal year preceding the fiscal year for which the determination is made by the same percentage increase or decrease reflected between the per pupil expenditure data for the fourth fiscal year preceding the fiscal year for which the determination is made and the per pupil expenditure data for such second year.".

SEC. 388. FUNDING FOR TROOPS TO TEACHERS PROGRAM AND TROOPS TO COPS PROGRAM.

(a) FUNDING.—Of the amount authorized to be appropriated under section 431—

(1) $42,000,000 shall be available for the Troops-to-Teachers program; and

(2) $10,000,000 shall be available for the Troops-to-Cops program.

(b) DEFINITION.—In this section:

(1) The term "Troops-to-Cops program" means the program of assistance to separated members and former members of the Armed Forces to obtain employment with law enforcement agencies established, or carried out, under section 1152 of title 10, United States Code.

(2) The term "Troops-to-Teachers program" means the program of assistance to separated members of the Armed Forces to obtain certification and employment as teachers or employment as teachers' aides established under section 1151 of such title.

SEC. 389. AUTHORIZING THE AMOUNTS REQUESTED IN THE BUDGET FOR JUNIOR ROTC.

(a) There is hereby authorized to be appropriated $12,295,000 to fully fund the budget request for the Junior Reserve Officer Training Corps programs of the Army, Navy, Air Force, and Marine Corps. Such amount is in addition to the amount otherwise available for such programs under section 301.

(b) The amount authorized to be appropriated by section 101(4) is hereby reduced by $12,295,000.

SEC. 390. REPORT ON PRIVATE PERFORMANCE OF CERTAIN FUNCTIONS PERFORMED BY MILITARY AIRCRAFT.

(a) REPORT REQUIRED.—Not later than May 1, 1996, the Secretary of Defense shall submit to Congress a report on the feasibility, including the costs and benefits, of using private sources for satisfying, in whole or in part, the requirements of the Department of Defense for VIP transportation by air, airlift for other personnel and for cargo, in-flight refueling of aircraft, and performance of such other military aircraft functions as the Secretary considers appropriate to discuss in the report.

(b) CONTENT OF REPORT.—The report shall include a discussion of the following:

(1) Contracting for the performance of the functions referred to in subsection (a).

(2) Converting to private ownership and operation the Department of Defense VIP air fleets, personnel and cargo aircraft, and inflight refueling aircraft, and other Department of Defense aircraft.

(3) The wartime requirements for the various VIP and transport fleets.

(4) The assumptions used in the cost-benefit analysis.

(5) The effect on military personnel and facilities of using private sources, as described in paragraphs (1) and (2), for the purposes described in subsection (a).

SEC. 391. ALLEGANY BALLISTICS LABORATORY.

Of the amount authorized to be appropriated under section 301(2), $2,000,000 shall be available for the Allegany Ballistics Laboratory for essential safety functions.

SEC. 392. ENCOURAGEMENT OF USE OF LEASING AUTHORITY.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2316 the following new section:

"§ 2317. Equipment Leasing

"The Secretary of Defense is authorized to use leasing in the acquisition of commercial vehicles when such leasing is practicable and efficient.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2317. Equipment leasing.".

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall submit a report to the congressional defense committees setting forth changes in legislation that would be required to facilitate the use of leases by the Department of Defense in the acquisition of equipment.

(c) PILOT PROGRAM.—The Secretary of the Army may conduct a pilot program for leasing of commercial utility cargo vehicles as follows:

(1) Existing commercial utility cargo vehicles may be traded in for credit against new replacement commercial utility cargo vehicle lease costs;

(2) Quantities of commercial utility cargo vehicles to be traded in and their value to be credited shall be subject to negotiation between the parties;

(3) New commercial utility cargo vehicle lease agreements may be executed with or without options to purchase at the end of each lease period;

(4) New commercial utility cargo vehicle lease periods may not exceed five years;

(5) Such leasing pilot program shall consist of replacing no more than forty percent of the validated requirement for commercial utility cargo vehicles, but may include an option or options for the remaining validated requirement which may be executed subject to the requirements of subsection (c)(7);

(6) The Army shall enter into such pilot program only if the Secretary—

(A) awards such program in accordance with the provisions of section 2304 of title 10, United States Code;

(B) has notified the congressional defense committees of his plans to execute the pilot program;

(C) has provided a report detailing the expected savings in operating and support costs from retiring older commercial utility cargo vehicles compared to the expected costs of leasing newer commercial utility cargo vehicles; and

(D) has allowed 30 calendar days to elapse after such notification.

(7) One year after the date of execution of an initial leasing contract, the Secretary of the Army shall submit a report setting forth the status of the pilot program. Such report shall be based upon at least six months of operating experience. The Secretary may exercise an option or options for subsequent commercial utility cargo vehicles only after he has allowed 60 calendar days to elapse after submitting this report.

(8) EXPIRATION OF AUTHORITY.—No lease of commercial utility cargo vehicles may be entered into under the pilot program after September 30, 2000.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) FISCAL YEAR 1996.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1996, as follows:

(1) The Army, 495,000, of which not more than 81,300 may be commissioned officers.

(2) The Navy, 428,340, of which not more than 58,870 may be commissioned officers.

(3) The Marine Corps, 174,000, of which not more than 17,978 may be commissioned officers.

(4) The Air Force, 388,200, of which not more than 75,928 may be commissioned officers.

(b) FISCAL YEAR 1997.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1997, as follows:

(1) The Army, 495,000, of which not more than 80,312 may be commissioned officers.

(2) The Navy, 409,740, of which not more than 56,615 may be commissioned officers.

(3) The Marine Corps, 174,000, of which not more than 17,978 may be commissioned officers.

(4) The Air Force, 385,400, of which not more than 76,494 may be commissioned officers.

SEC. 402. TEMPORARY VARIATION IN DOPMA AUTHORIZED END STRENGTH LIMITATIONS FOR ACTIVE DUTY AIR FORCE AND NAVY OFFICERS IN CERTAIN GRADES.

(a) AIR FORCE OFFICERS.—(1) In the administration of the limitation under section 523(a)(1) of title 10, United States Code, for fiscal years 1996 and 1997, the numbers applicable to officers of the Air Force serving on active duty in the grades of major, lieutenant colonel, and colonel shall be the numbers set forth for that fiscal year in paragraph (2) (rather than the numbers determined in accordance with the table in that section).

(2) The numbers referred to in paragraph (1) are as follows:

Fiscal year	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant colonel	Colonel
1996	15,566	9,876	3,609
1997	15,645	9,913	3,627

(b) NAVY OFFICERS.—(1) In the administration of the limitation under section 523(a)(2) of title 10, United States Code, for fiscal years 1996 and 1997, the numbers applicable to officers of the Navy serving on active duty in the grades of lieutenant commander, commander, and captain shall be the numbers set forth for that fiscal year in paragraph (2) (rather than the numbers determined in accordance with the table in that section).

(2) The numbers referred to in paragraph (1) are as follows:

Fiscal year	Number of officers who may be serving on active duty in the grade of:		
	Lieutenant commander	Commander	Captain
1996	11,924	7,390	3,234
1997	11,732	7,297	3,188

SEC. 403. CERTAIN GENERAL AND FLAG OFFICERS AWAITING RETIREMENT NOT TO BE COUNTED.

(a) DISTRIBUTION OF OFFICERS ON ACTIVE DUTY IN GENERAL AND FLAG OFFICER GRADES.—Section 525 of title 10, United States Code, is amended by adding at the end the following:

"(d) An officer continuing to hold the grade of general or admiral under section 601(b)(4) of this title after relief from the position of Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps shall not be counted for purposes of this section.".

(b) NUMBER OF OFFICERS ON ACTIVE DUTY IN GRADE OF GENERAL OR ADMIRAL.—Section 528(b) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2) An officer continuing to hold the grade of general or admiral under section 601(b)(4) of this title after relief from the position of Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps shall not be counted for purposes of this section.".

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1996.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1996, as follows:

(1) The Army National Guard of the United States, 373,000.

(2) The Army Reserve, 230,000.

(3) The Naval Reserve, 98,894.

(4) The Marine Corps Reserve, 42,274.

(5) The Air National Guard of the United States, 112,707.

(6) The Air Force Reserve, 73,969.

(7) The Coast Guard Reserve, 8,000.

(b) FISCAL YEAR 1997.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1997, as follows:

(1) The Army National Guard of the United States, 367,000.

(2) The Army Reserve, 215,000.

(3) The Naval Reserve, 96,694.

(4) The Marine Corps Reserve, 42,682.

(5) The Air National Guard of the United States, 107,151.

(6) The Air Force Reserve, 73,160.

(7) The Coast Guard Reserve, 8,000.

(c) WAIVER AUTHORITY.—The Secretary of Defense may vary the end strength authorized by subsection (a) or subsection (b) by not more than 2 percent.

(d) ADJUSTMENTS.—The end strengths prescribed by subsection (a) or (b) for the Selected Reserve of any reserve component for a fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) FISCAL YEAR 1996.—Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1996, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 23,390.

(2) The Army Reserve, 11,575.

(3) The Naval Reserve, 17,587.

(4) The Marine Corps Reserve, 2,559.

(5) The Air National Guard of the United States, 10,066.

(6) The Air Force Reserve, 628.

(b) FISCAL YEAR 1997.—Within the end strengths prescribed in section 411(b), the reserve components of the Armed Forces are authorized, as of September 30, 1997, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 23,040.

(2) The Army Reserve, 11,550.

(3) The Naval Reserve, 17,171.

(4) The Marine Corps Reserve, 2,976.

(5) The Air National Guard of the United States, 9,824.

(6) The Air Force Reserve, 625.

SEC. 413. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO SERVE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) OFFICERS.—The table at the end of section 12011(a) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	643	140
Lieutenant Colonel or Commander	1,524	520	672	90
Colonel or Navy Captain	412	188	274	30".

(b) SENIOR ENLISTED MEMBERS.—The table at the end of section 12012(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	603	202	366	20
E–8	2,585	429	890	94".

SEC. 414. RESERVES ON ACTIVE DUTY IN SUPPORT OF COOPERATIVE THREAT REDUCTION PROGRAMS NOT TO BE COUNTED.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following:

"(8) Members of the Selected Reserve of the Ready Reserve on active duty for more that 180 days to support programs described in section 1203(b) of the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160; 107 Stat. 1778; 22 U.S.C. 5952(b)).".

SEC. 415. RESERVES ON ACTIVE DUTY FOR MILITARY-TO-MILITARY CONTACTS AND COMPARABLE ACTIVITIES NOT TO BE COUNTED.

Section 168 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) ACTIVE DUTY END STRENGTHS.—(1) A member of a reserve component referred to in paragraph (2) shall not be counted for purposes of the following personnel strength limitations:

"(A) The end strength for active-duty personnel authorized pursuant to section 115(a)(1) of this title for the fiscal year in which the member carries out the activities referred to in paragraph (2).

"(B) The authorized daily average for members in pay grades E–8 and E–9 under section 517 of this title for the calendar year in which the member carries out such activities.

"(C) The authorized strengths for commissioned officers under section 523 of this title for the fiscal year in which the member carries out such activities.

"(2) A member of a reserve component referred to in paragraph (1) is any member on active duty under an order to active duty for 180 days or more who is engaged in activities authorized under this section.".

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) FISCAL YEAR 1996.—For fiscal year 1996, the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 75,013.

(2) The Navy, 44,238.

(3) The Marine Corps, 26,095.

(4) The Air Force, 33,232.

(b) FISCAL YEAR 1997.—For fiscal year 1997, the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 79,275.

(2) The Navy, 44,121.

(3) The Marine Corps, 27,255.

(4) The Air Force, 35,522.

(c) SCOPE.—The average military training student load authorized for an armed force for a fiscal year under subsection (a) or (b) applies to the active and reserve components of that armed force for that fiscal year.

(d) ADJUSTMENTS.—The average military training student load authorized for a fiscal year in subsection (a) or (b) shall be adjusted consistent with the end strengths authorized for that fiscal year in subtitles A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1996 a total of $68,896,863,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1996.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. JOINT OFFICER MANAGEMENT.

(a) CRITICAL JOINT DUTY ASSIGNMENT POSITIONS.—Section 661(d)(2)(A) of title 10, United

States Code, is amended by striking out "1,000" and inserting in lieu thereof "500".

(b) ADDITIONAL QUALIFYING JOINT SERVICE.—Section 664 of such title is amended by adding at the end the following:

"(i) JOINT DUTY CREDIT FOR CERTAIN JOINT TASK FORCE ASSIGNMENTS.—(1) The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, may credit an officer with having completed a full tour of duty in a joint duty assignment upon the officer's completion of service described in paragraph (2) or may grant credit for such service for purposes of determining the cumulative service of the officer in joint duty assignments. The credit for such service may be granted without regard to the length of the service (except as provided in regulations pursuant to subparagraphs (A) and (B) of paragraph (4)) and without regard to whether the assignment in which the service was performed is a joint duty assignment as defined in regulations pursuant to section 668 of this title.

"(2) Service performed by an officer in a temporary assignment on a joint task force or a multinational force headquarters staff may be considered for credit under paragraph (1) if—

"(A) the Secretary of Defense determines that the service in that assignment provided significant experience in joint matters;

"(B) any portion of the service in that assignment was performed on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996; and

"(C) the officer is recommended for such credit by the Chief of Staff of the Army (for an officer in the Army), the Chief of Naval Operations (for an officer in the Navy), the Chief of Staff of the Air Force (for an officer in the Air Force), or the Commandant of the Marine Corps (for an officer in the Marine Corps).

"(3) Credit shall be granted under paragraph (1) on a case-by-case basis.

"(4) The Secretary of Defense shall prescribe uniform criteria for determining whether to grant an officer credit under paragraph (1). The criteria shall include the following:

"(A) For an officer to be credited as having completed a full tour of duty in a joint duty assignment, the officer accumulated at least 24 months of service in a temporary assignment referred to in paragraph (2).

"(B) For an officer to be credited with service in a joint duty assignment for purposes of determining cumulative service in joint duty assignments, the officer accumulated at least 30 consecutive days of service or 60 days of total service in a temporary assignment referred to in paragraph (2).

"(C) The service was performed in support of a mission that was directed by the President or was assigned by the President to United States forces in the joint task force or multinational force involved.

"(D) The joint task force or multinational force involved was constituted or designated by the Secretary of Defense, by a commander of a combatant command or of another force, or by a multinational or United Nations command authority.

"(E) The joint task force or multinational force involved conducted military combat or combat-related operations or military operations other than war in a unified action under joint, multinational, or United Nations command and control.

"(5) Officers for whom joint duty credit is granted pursuant to this subsection shall not be taken into account for the purposes of section 661(d)(1) of this title, subsections (a)(3) and (b) of section 662 of this title, section 664(a) of this title, or paragraph (7), (8), (9), (11), or (12) of section 667 of this title.

"(6) In the case of an officer credited with having completed a full tour of duty in a joint duty assignment pursuant to this subsection, the Secretary of Defense may waive the requirement in paragraph (1)(B) of section 661(c) of this title that the tour of duty in a joint duty assignment be performed after the officer completes a program of education referred to in paragraph (1)(A) of that section.".

(c) INFORMATION IN ANNUAL REPORT.—Section 667 of such title is amended—

(1) by redesignating paragraph (18) as paragraph (19); and

(2) by inserting after paragraph (17) the following new paragraph (18):

"(18) The number of officers granted credit for service in joint duty assignments under section 664(i) of this title and—

"(A) of those officers—

"(i) the number of officers credited with having completed a tour of duty in a joint duty assignment; and

"(ii) the number of officers granted credit for purposes of determining cumulative service in joint duty assignments; and

"(B) the identity of each operation for which an officer has been granted credit pursuant to section 664(i) of this title and a brief description of the mission of the operation.".

(d) GENERAL AND FLAG OFFICER EXEMPTION FROM WAIVER LIMITS.—Section 661(c)(3)(D) of such title is amended by inserting ", other than for general or flag officers," in the third sentence after "during any fiscal year".

(e) LENGTH OF SECOND JOINT TOUR.—Section 664 of such title is amended—

(1) in subsection (e)(2), by inserting after subparagraph (B) the following:

"(C) Service described in subsection (f)(6), except that no more than 10 percent of all joint duty assignments shown on the list published pursuant to section 668(b)(2)(A) of this title may be so excluded in any year."; and

(2) in subsection (f)—

(A) by striking out "or" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(6) a second joint duty assignment that is less than the period required under subsection (a), but not less than 2 years, without regard to whether a waiver was granted for such assignment under subsection (b).".

SEC. 502. REVISION OF SERVICE OBLIGATION FOR GRADUATES OF THE SERVICE ACADEMIES.

(a) MILITARY ACADEMY.—Section 4348(a)(2)(B) of such title is amended by striking out "six years" and inserting in lieu thereof "five years".

(b) NAVAL ACADEMY.—Section 6959(a)(2)(B) of such title is amended by striking out "six years" and inserting in lieu thereof "five years".

(c) AIR FORCE ACADEMY.—Section 9348(a)(2)(B) of such title is amended by striking out "six years" and inserting in lieu thereof "five years".

(d) REQUIREMENT FOR REVIEW AND REPORT.—Not later than April 1, 1996, the Secretary of Defense shall—

(1) review the effects that each of various periods of obligated active duty service for graduates of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy would have on the number and quality of the eligible and qualified applicants seeking appointment to such academies; and

(2) submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the Secretary's findings together with any recommended legislation regarding the minimum periods of obligated active duty service for graduates of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

(e) EFFECTIVE DATE.—(1) The amendments made by this section shall apply to persons who are first admitted to military service academies after December 31, 1991.

(2) Section 511(e) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1439; 10 U.S.C. 2114 note) is amended—

(A) by striking out "amendments made by this section" and inserting in lieu thereof "amendment made by subsection (a)"; and

(B) by striking out "or one of the service academies".

SEC. 503. QUALIFICATIONS FOR APPOINTMENT AS SURGEON GENERAL OF AN ARMED FORCE.

(a) SURGEON GENERAL OF THE ARMY.—Section 3036 of title 10, United States Code, is amended—

(1) in subsection (b), by inserting after the third sentence the following: "The Surgeon General shall be appointed as prescribed in subsection (f)."; and

(2) by adding at the end the following new subsection (f):

"(f) The President shall appoint the Surgeon General from among commissioned officers in any corps of the Army Medical Department who are educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, and osteopathy, nurses, and clinical psychologists.".

(b) SURGEON GENERAL OF THE NAVY.—Section 5137 of title 10, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking out "in the Medical Corps" and inserting in lieu thereof "who are educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, and osteopathy, nurses, and clinical psychologists"; and

(2) in subsection (b), by striking out "in the Medical Corps" and inserting in lieu thereof "who is qualified to be the Chief of the Bureau of Medicine and Surgery".

(c) SURGEON GENERAL OF THE AIR FORCE.—The first sentence of section 8036 of title 10, United States Code, is amended by striking out "designated as medical officers under section 8067(a) of this title" and inserting in lieu thereof "educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, and osteopathy, nurses, and clinical psychologists".

SEC. 504. DEPUTY JUDGE ADVOCATE GENERAL OF THE AIR FORCE.

(a) TENURE AND GRADE OF DEPUTY JUDGE ADVOCATE GENERAL.—Section 8037(d)(1) of such title is amended—

(1) by striking out "two years" in the second sentence and inserting in lieu thereof "four years", and

(2) by striking out the last sentence and inserting in lieu thereof the following: "An officer appointed as Deputy Judge Advocate General who holds a lower regular grade shall be appointed in the regular grade of major general.".

(b) SAVINGS PROVISION.—The amendments made by this section shall not apply to a person serving pursuant to appointment in the position of Deputy Judge Advocate General of the Air Force while such person is serving the term for which the person was appointed to such position before the date of the enactment of this Act and any extension of such term.

SEC. 505. RETIRING GENERAL AND FLAG OFFICERS: APPLICABILITY OF UNIFORM CRITERIA AND PROCEDURES FOR RETIRING IN HIGHEST GRADE IN WHICH SERVED.

(a) APPLICABILITY OF TIME-IN-GRADE REQUIREMENTS.—Section 1370 of title 10, United States Code, is amended—

(1) in subsection (a)(2)(A), by striking out "and below lieutenant general or vice admiral"; and

(2) in the first sentence of subsection (d)(2)(B), as added by section 1641 of the Reserve Officer Personnel Management Act (title XVI of Public Law 103-337; 108 Stat. 2968), by striking out "and below lieutenant general or vice admiral".

(b) RETIREMENT IN HIGHEST GRADE UPON CERTIFICATION OF SATISFACTORY SERVICE.—Section 1370(c) of title 10, United States Code, is amended—

(1) by striking out "Upon retirement an officer" and inserting in lieu thereof "An officer"; and

(2) by striking out "may, in the discretion" and all that follows and inserting in lieu thereof "may be retired in the higher grade under subsection (a) only after the Secretary of Defense certifies in writing to the President and the Senate that the officer served on active duty satisfactorily in that grade. The 3-year time-in-grade requirement in paragraph (2)(A) of subsection (a) may not be reduced or waived under such subsection in the case of such an officer while the officer is under investigation for alleged misconduct or while disposition of an adverse personnel action is pending against the officer for alleged misconduct.".

(c) CONFORMING AMENDMENTS.—Sections 3962(a), 5034, and 8962(a) of title 10, United States Code, are repealed.

(d) TECHNICAL AND CLERICAL AMENDMENTS.—(1) Sections 3962(b) and 8962(b) of such title are amended by striking out "(b) Upon" and inserting in lieu thereof "Upon".

(2) The table of sections at the beginning of chapter 505 of such title is amended by striking out the item relating to section 5034.

(e) EFFECTIVE DATE FOR AMENDMENTS TO PROVISION TAKING EFFECT IN 1996.—The amendment made by subsection (a)(2) shall take effect on October 1, 1996, immediately after subsection (d) of section 1370 of title 10, United States Code, takes effect under section 1691(b)(1) of the Reserve Officer Personnel Management Act (108 Stat. 3026).

SEC. 506. EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT AUTHORITIES.

(a) GRADE DETERMINATION AUTHORITY FOR CERTAIN RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(b) PROMOTION AUTHORITY FOR CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of title 10, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (10 U.S.C. 3360) is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

SEC. 507. RESTRICTIONS ON WEARING INSIGNIA FOR HIGHER GRADE BEFORE PROMOTION.

(a) ACTIVE-DUTY LIST.—(1) Subchapter II of chapter 36 of title 10, United States Code, is amended by inserting after section 624 the following:

"§624a. Restrictions on frocking

"(a) RESTRICTIONS.—An officer may not be frocked to a grade unless—

"(1) the Senate has confirmed by advice and consent a nomination of the officer for promotion to that grade; and

"(2) the officer is serving in, or has been ordered to, a position for which that grade is authorized.

"(b) BENEFITS NOT TO ACCRUE.—(1) An officer frocked to a grade may not, on the basis of the frocking—

"(A) be paid the rate of pay provided for an officer in that grade having the same number of years of service as the frocked officer; or

"(B) assume any legal authority associated with that grade.

"(2) The period for which an officer is frocked to a grade may not be taken into account for any of the following purposes:

"(A) Seniority in that grade.

"(B) Time of service in that grade.

"(c) NUMBERS OF ACTIVE-DUTY LIST OFFICERS FROCKED TO GRADE O-7.—The number of officers on the active-duty list who are authorized by frocking to wear the insignia for the grade of brigadier general or, in the Navy, rear admiral (lower half) may not exceed 35.

"(d) NUMBERS OF ACTIVE-DUTY LIST OFFICERS FROCKED TO GRADES O-4, O-5, AND O-6.—The number of officers of an armed force on the active-duty list who are authorized by frocking to wear the insignia for a grade to which a limitation on total number applies under section 523(a) of this title for a fiscal year may not exceed one percent of the total number provided for the officers in that grade in that armed force in the administration of the limitation under such section 523(a) for such fiscal year.

"(e) DEFINITION.—In this section, the term 'frock', with respect to an officer, means to authorize the officer to wear the insignia of a higher grade before being promoted to that grade.".

(2) The table of sections at the beginning of subchapter II of chapter 36 of such title is amended by inserting after the item relating to section 624 the following:

"624a. Restrictions on frocking.".

(b) TEMPORARY VARIATION OF LIMITATIONS ON NUMBERS OF FROCKED OFFICERS.—(1) In the administration of section 624a(c) of title 10, United States Code (as added by subsection (a)), for fiscal years 1996 and 1997, the maximum number applicable to officers on the active-duty list who are authorized by frocking to wear the insignia for the grade of brigadier general or, in the Navy, rear admiral (lower half) is as follows:

(A) During fiscal year 1996, 75 officers.

(B) During fiscal year 1997, 55 officers.

(2) In the administration of section 624a(d) of title 10, United States Code (as added by subsection (a)), for fiscal year 1996, the percent limitation applied under that section shall be two percent instead of one percent.

(c) DEFINITION.—In this section, the term 'frock', with respect to an officer, means to authorize the officer to wear the insignia of a higher grade before being promoted to that grade.

SEC. 508. DIRECTOR OF ADMISSIONS, UNITED STATES MILITARY ACADEMY: RETIREMENT FOR YEARS OF SERVICE.

(a) AUTHORITY TO DIRECT RETIREMENT.—Section 3920 of title 10, United States Code, is amended to read as follows:

"§3920. More than thirty years: permanent professors and the Director of Admissions of United States Military Academy

"(a) AUTHORITY TO DIRECT RETIREMENT.—The Secretary of the Army may retire any of the personnel of the United States Military Academy described in subsection (b) who has more than 30 years of service as a commissioned officer.

"(b) APPLICABILITY.—The authority under subsection (a) may be exercised in the case of the following personnel:

"(1) A permanent professor.

"(2) The Director of Admissions.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 367 of such title is amended to read as follows:

"3920. More than thirty years: permanent professors and the Director of Admissions of United States Military Academy.".

Subtitle B—Matters Relating to Reserve Components

SEC. 511. MOBILIZATION INCOME INSURANCE PROGRAM FOR MEMBERS OF READY RESERVE.

(a) ESTABLISHMENT OF PROGRAM.—(1) Subtitle E of title 10, United States Code, is amended by inserting after chapter 1213 the following new chapter:

"CHAPTER 1214—READY RESERVE INCOME INSURANCE

"Sec.

"12521. Definitions.

"12522. Establishment of insurance program.

"12523. Risk insured.

"12524. Enrollment and election of benefits.

"12525. Benefit amounts.

"12526. Premiums.

"12527. Payment of premiums.

"12528. Department of Defense Ready Reserve Income Insurance Fund.

"12529. Board of Actuaries.

"12530. Payment of benefits.

"12531. Purchase of insurance.

"12532. Termination for nonpayment of premiums; forfeiture.

"§12521. Definitions

"In this chapter:

"(1) The term 'insurance program' means the Department of Defense Ready Reserve Income Insurance Program established under section 12522 of this title.

"(2) The term 'covered service' means active duty performed by a member of a reserve component under an order to active duty for a period of more than 30 days which specifies that the member's service—

"(A) is in support of an operational mission for which members of the reserve components have been ordered to active duty without their consent; or

"(B) is in support of forces activated during a period of war declared by Congress or a period of national emergency declared by the President or Congress.

"(3) The term 'insured member' means a member of the Ready Reserve who is enrolled for coverage under the insurance program in accordance with section 12524 of this title.

"(4) The term 'Secretary' means the Secretary of Defense.

"(5) The term 'Department' means the Department of Defense.

"(6) The term 'Board of Actuaries' means the Department of Defense Education Benefits Board of Actuaries referred to in section 2006(e)(1) of this title.

"(7) The term 'Fund' means the Department of Defense Ready Reserve Income Insurance Fund established by section 12528(a) of this title.

"§ 12522. Establishment of insurance program

"(a) Establishment.—The Secretary shall establish for members of the Ready Reserve an insurance program to be known as the 'Department of Defense Ready Reserve Income Insurance Program'.

"(b) Administration.—The insurance program shall be administered by the Secretary. The Secretary may prescribe in regulations such rules, procedures, and policies as the Secretary considers necessary or appropriate to carry out the insurance program.

"§ 12523. Risk insured

"(a) In General.—The insurance program shall insure members of the Ready Reserve against the risk of being ordered into covered service.

"(b) Entitlement to Benefits.—(1) An insured member ordered into covered service shall be entitled to payment of a benefit for each month (and fraction thereof) of covered service that exceeds 30 days of covered service, except that no member may be paid under the insurance program for more than 12 months of covered service served during any period of 18 consecutive months.

"(2) Payment shall be based solely on the insured status of a member and on the period of covered service served by the member. Proof of loss of income or of expenses incurred as a result of covered service may not be required.

"§ 12524. Enrollment and election of benefits

"(a) Enrollment.—(1) Except as provided in subsection (f), upon first becoming a member of the Ready Reserve, a member shall be automatically enrolled for coverage under the insurance program. An automatic enrollment of a member shall be void if within 30 days after first becoming a member of the Ready Reserve the member declines insurance under the program in accordance with the regulations prescribed by the Secretary.

"(2) Promptly after the insurance program is established, the Secretary shall offer to members of the reserve components who are then members of the Ready Reserve (other than members ineligible under subsection (f)) an opportunity to enroll for coverage under the insurance program. A member who fails to enroll within 30 days after being offered the opportunity shall be considered as having declined to be insured under the program.

"(3) A member of the Ready Reserve ineligible to enroll under subsection (f) shall be afforded an opportunity to enroll upon being released from active duty if the member has not previously had the opportunity to be enrolled under paragraph (1) or (2). A member who fails to enroll within 30 days after being afforded that opportunity shall be considered as having declined to be insured under the program.

"(b) Election of Benefit Amount.—The amount of a member's monthly benefit under an enrollment shall be the basic benefit under subsection (a) of section 12525 of this title unless the member elects a different benefit under subsection (b) of such section within 30 days after first becoming a member of the Ready Reserve or within 30 days after being offered the opportunity to enroll, as the case may be.

"(c) Elections Irrevocable.—(1) An election to decline insurance pursuant to paragraph (1) or (2) of subsection (a) is irrevocable.

"(2) Subject to subsection (d), the amount of coverage may not be changed after enrollment.

"(d) Election To Terminate.—A member may terminate an enrollment at any time.

"(e) Information To Be Furnished.—The Secretary shall ensure that members referred to in subsection (a) are given a written explanation of the insurance program and are advised that they have the right to decline to be insured and, if not declined, to elect coverage for a reduced benefit or an enhanced benefit under subsection (b).

"(f) Members Ineligible To Enroll.—Members of the Ready Reserve serving on active duty (or full-time National Guard duty) are not eligible to enroll for coverage under the insurance program. The Secretary may define any additional category of members of the Ready Reserve to be excluded from eligibility to purchase insurance under this chapter.

"§ 12525. Benefit amounts

"(a) Basic Benefit.—The basic benefit for an insured member under the insurance program is $1,000 per month (as adjusted under subsection (d)).

"(b) Reduced and Enhanced Benefits.—Under the regulations prescribed by the Secretary, a person enrolled for coverage under the insurance program may elect—

"(1) a reduced coverage benefit equal to one-half the amount of the basic benefit; or

"(2) an enhanced benefit in the amount of $1,500, $2,000, $2,500, $3,000, $3,500, $4,000, $4,500, or $5,000 per month (as adjusted under subsection (d)).

"(c) Amount for Partial Month.—The amount of insurance payable to an insured member for any period of covered service that is less than one month shall be determined by multiplying 1/30 of the monthly benefit rate for the member by the number of days of the covered service served by the member during such period.

"(d) Adjustment of Amounts.—(1) The Secretary shall determine annually the effect of inflation on benefits and shall adjust the amounts set forth in subsections (a) and (b)(2) to maintain the constant dollar value of the benefit.

"(2) If the amount of a benefit as adjusted under paragraph (1) is not evenly divisible by $10, the amount shall be rounded to the nearest multiple of $10, except that an amount evenly divisible by $5 but not by $10 shall be rounded to the next lower amount that is evenly divisible by $10.

"§ 12526. Premiums

"(a) Establishment of Rates.—(1) The Secretary, in consultation with the Board of Actuaries, shall prescribe the premium rates for insurance under the insurance program.

"(2) The Secretary shall prescribe a fixed premium rate for each $1,000 of monthly insurance benefit. The premium amount shall be equal to the share of the cost attributable to insuring the member and shall be the same for all members of the Ready Reserve who are insured under the insurance program for the same benefit amount. The Secretary shall prescribe the rate on the basis of the best available estimate of risk and financial exposure, levels of subscription by members, and other relevant factors.

"(b) Level Premiums.—The premium rate prescribed for the first year of insurance coverage of an insured member shall be continued without change for subsequent years of insurance coverage, except that the Secretary, after consultation with the Board of Actuaries, may adjust the premium rate in order to fund inflation-adjusted benefit increases on an actuarially sound basis.

"§ 12527. Payment of premiums

"(a) Methods of Payment.—(1) The monthly premium for coverage of a member under the insurance program shall be deducted and withheld from the insured member's basic pay for inactive duty training each month.

"(2) An insured member who does not receive pay on a monthly basis shall pay the Secretary directly the premium amount applicable for the level of benefits for which the member is insured.

"(b) Advance Pay for Premium.—The Secretary concerned may advance to an insured member the amount equal to the first insurance premium payment due under this chapter. The advance may be paid out of appropriations for military pay. An advance to a member shall be collected from the member either by deducting and withholding the amount from basic pay payable for the member or by collecting it from the member directly. No disbursing or certifying officer shall be responsible for any loss resulting from an advance under this subsection.

"(c) Premiums To Be Deposited in Fund.—Premium amounts deducted and withheld from the basic pay of insured members and premium amounts paid directly to the Secretary shall be credited to the Fund.

"§ 12528. Department of Defense Ready Reserve Income Insurance Fund

"(a) Establishment.—There is established on the books of the Treasury a fund to be known as the 'Department of Defense Ready Reserve Income Insurance Fund', which shall be administered by the Secretary of the Treasury. The Fund shall be used for the accumulation of funds in order to finance the liabilities of the insurance program on an actuarially sound basis.

"(b) Assets of Fund.—There shall be deposited into the Fund the following:

"(1) Premiums paid under section 12527 of this title.

"(2) Any amount appropriated to the Fund.

"(3) Any return on investment of the assets of the Fund.

"(c) Availability.—Amounts in the Fund shall be available for paying insurance benefits under the insurance program.

"(d) Investment of Assets of Fund.—The Secretary of the Treasury shall invest such portion of the Fund as is not in the judgment of the Secretary of Defense required to meet current liabilities. Such investments shall be in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary of Defense, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to the Fund.

"(e) Annual Accounting.—At the beginning of each fiscal year, the Secretary, in consultation with the Board of Actuaries and the Secretary of the Treasury, shall determine the following:

"(1) The projected amount of the premiums to be collected, investment earnings to be received, and any transfers or appropriations to be made for the Fund for that fiscal year.

"(2) The amount for that fiscal year of any cumulative unfunded liability (including any negative amount or any gain to the Fund) resulting from payments of benefits.

"(3) The amount for that fiscal year (including any negative amount) of any cumulative actuarial gain or loss to the Fund.

"§ 12529. Board of Actuaries

"(a) ACTUARIAL RESPONSIBILITY.—The Board of Actuaries shall have the actuarial responsibility for the insurance program.

"(b) VALUATIONS AND PREMIUM RECOMMENDATIONS.—The Board of Actuaries shall carry out periodic actuarial valuations of the benefits under the insurance program and determine a premium rate methodology for the Secretary to use in setting premium rates for the insurance program. The Board shall conduct the first valuation and determine a premium rate methodology not later than six months after the insurance program is established.

"(c) EFFECTS OF CHANGED BENEFITS.—If at the time of any actuarial valuation under subsection (b) there has been a change in benefits under the insurance program that has been made since the last such valuation and such change in benefits increases or decreases the present value of amounts payable from the Fund, the Board of Actuaries shall determine a premium rate methodology, and recommend to the Secretary a premium schedule, for the liquidation of any liability (or actuarial gain to the Fund) resulting from such change and any previous such changes so that the present value of the sum of the scheduled premium payments (or reduction in payments that would otherwise be made) equals the cumulative increase (or decrease) in the present value of such benefits.

"(d) ACTUARIAL GAINS OR LOSSES.—If at the time of any such valuation the Board of Actuaries determines that there has been an actuarial gain or loss to the Fund as a result of changes in actuarial assumptions since the last valuation or as a result of any differences, between actual and expected experience since the last valuation, the Board shall recommend to the Secretary a premium rate schedule for the amortization of the cumulative gain or loss to the Fund resulting from such changes in assumptions and any previous such changes in assumptions or from the differences in actual and expected experience, respectively, through an increase or decrease in the payments that would otherwise be made to the Fund.

"(e) INSUFFICIENT ASSETS.—If at any time liabilities of the Fund exceed assets of the Fund as a result of members of the Ready Reserve being ordered to active duty as described in section 12521(2) of this title, and funds are unavailable to pay benefits completely, the Secretary shall request the President to submit to Congress a request for a special appropriation to cover the unfunded liability. If appropriations are not made to cover an unfunded liability in any fiscal year, the Secretary shall reduce the amount of the benefits paid under the insurance program to a total amount that does not exceed the assets of the Fund expected to accrue by the end of such fiscal year. Benefits that cannot be paid because of such a reduction shall be deferred and may be paid only after and to the extent that additional funds become available.

"(f) DEFINITION OF PRESENT VALUE.—The Board of Actuaries shall define the term 'present value' for purposes of this subsection.

"§ 12530. Payment of benefits

"(a) COMMENCEMENT OF PAYMENT.—An insured member who serves in excess of 30 days of covered service shall be paid the amount to which such member is entitled on a monthly basis beginning not later than one month after the 30th day of covered service.

"(b) METHOD OF PAYMENT.—The Secretary shall prescribe in the regulations the manner in which payments shall be made to the member or to a person designated in accordance with subsection (c).

"(c) DESIGNATED RECIPIENTS.—(1) A member may designate in writing another person (including a spouse, parent, or other person with an insurable interest, as determined in accordance with the regulations prescribed by the Secretary) to receive payments of insurance benefits under the insurance program.

"(2) A member may direct that payments of insurance benefits for a person designated under paragraph (1) be deposited with a bank or other financial institution to the credit of the designated person.

"(d) RECIPIENTS IN EVENT OF DEATH OF INSURED MEMBER.—Any insurance payable under the insurance program on account of a deceased member's period of covered service shall be paid, upon the establishment of a valid claim, to the beneficiary or beneficiaries which the deceased member designated in writing. If no such designation has been made, the amount shall be payable in accordance with the laws of the State of the member's domicile.

"§ 12531. Purchase of insurance

"(a) PURCHASE AUTHORIZED.—The Secretary may, instead of or in addition to underwriting the insurance program through the Fund, purchase from one or more insurance companies a policy or policies of group insurance in order to provide the benefits required under this chapter. The Secretary may waive any requirement for full and open competition in order to purchase an insurance policy under this subsection.

"(b) ELIGIBLE INSURERS.—In order to be eligible to sell insurance to the Secretary for purposes of subsection (a), an insurance company shall—

"(1) be licensed to issue insurance in each of the 50 States and in the District of Columbia; and

"(2) as of the most recent December 31 for which information is available to the Secretary, have in effect at least one percent of the total amount of insurance that all such insurance companies have in effect in the United States.

"(c) ADMINISTRATIVE PROVISIONS.—(1) An insurance company that issues a policy for purposes of subsection (a) shall establish an administrative office at a place and under a name designated by the Secretary.

"(2) For the purposes of carrying out this chapter, the Secretary may use the facilities and services of any insurance company issuing any policy for purposes of subsection (a), may designate one such company as the representative of the other companies for such purposes, and may contract to pay a reasonable fee to the designated company for its services.

"(d) REINSURANCE.—The Secretary shall arrange with each insurance company issuing any policy for purposes of subsection (a) to reinsure, under conditions approved by the Secretary, portions of the total amount of the insurance under such policy or policies with such other insurance companies (which meet qualifying criteria prescribed by the Secretary) as may elect to participate in such reinsurance.

"(e) TERMINATION.—The Secretary may at any time terminate any policy purchased under this section.

"§ 12532. Termination for nonpayment of premiums; forfeiture

"(a) TERMINATION FOR NONPAYMENT.—The coverage of a member under the insurance program shall terminate without prior notice upon a failure of the member to make required monthly payments of premiums for two consecutive months. The Secretary may provide in the regulations for reinstatement of insurance coverage terminated under this subsection.

"(b) FORFEITURE.—Any person convicted of mutiny, treason, spying, or desertion, or who refuses to perform service in the armed forces or refuses to wear the uniform of any of the armed forces shall forfeit all rights to insurance under this chapter.".

(2) The tables of chapters at the beginning of subtitle E, and at the beginning of part II of subtitle E, of title 10, United States Code, are amended by inserting after the item relating to chapter 1213 the following new item:

"1214. Ready Reserve Income Insurance .... 12521".

(b) EFFECTIVE DATE.—The insurance program provided for in chapter 1214 of title 10, United States Code, as added by subsection (a), and the requirement for deductions and contributions for that program shall take effect on September 30, 1996, or on any earlier date declared by the Secretary and published in the Federal Register.

SEC. 512. ELIGIBILITY OF DENTISTS TO RECEIVE ASSISTANCE UNDER THE FINANCIAL ASSISTANCE PROGRAM FOR HEALTH CARE PROFESSIONALS IN RESERVE COMPONENTS.

Section 16201(b) of title 10, United States Code, is amended—

(1) by striking out "(b) PHYSICIANS IN CRITICAL SPECIALTIES.—" and inserting in lieu thereof "(b) PHYSICIANS AND DENTISTS IN CRITICAL SPECIALTIES.—";

(2) in paragraph (1)—

(A) by inserting "or dental school" in subparagraph (A) after "medical school";

(B) by inserting "or as a dental officer" in subparagraph (B) after "medical officer"; and

(C) by striking out "physicians in a medical specialty designated" and inserting in lieu thereof "physicians or dentists in a medical specialty or dental specialty, respectively, that is designated"; and

(3) in paragraph (2)(B), by inserting "or dental officer" after "medical officer".

SEC. 513. LEAVE FOR MEMBERS OF RESERVE COMPONENTS PERFORMING PUBLIC SAFETY DUTY.

(a) ELECTION OF LEAVE TO BE CHARGED.—Subsection (b) of section 6323 of title 5, United States Code, is amended by adding at the end the following: "Upon the request of an employee, the period for which an employee is absent to perform service described in paragraph (2) may be charged to the employee's accrued annual leave or to compensatory time available to the employee instead of being charged as leave to which the employee is entitled under this subsection. The period of absence may not be charged to sick leave.".

(b) PAY FOR PERIOD OF ABSENCE.—Section 5519 of such title is amended by striking out "entitled to leave" and inserting in lieu thereof "granted military leave".

Subtitle C—Uniform Code of Military Justice

SEC. 521. REFERENCES TO UNIFORM CODE OF MILITARY JUSTICE.

Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).

SEC. 522. DEFINITIONS.

Section 801 (article 1) is amended by inserting after paragraph (14) the following new paragraphs:

"(15) The term 'classified information' means any information or material that has been determined by an official of the United States pursuant to law, an Executive order, or regulation to require protection against unauthorized disclosure for reasons of national security, and any restricted data, as defined in section 11(y) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

"(16) The term 'national security' means the national defense and foreign relations of the United States.".

SEC. 523. ARTICLE 32 INVESTIGATIONS.

Section 832 (article 32) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) If evidence adduced in an investigation under this article indicates that the accused committed an uncharged offense, the investigating officer is authorized to investigate the subject matter of such offense without the accused having first been charged with the offense. If the accused was present at such investigation, was informed of the nature of each uncharged offense investigated, and was afforded the opportunities for representation, cross-examination, and presentation prescribed in subsection (b), no further investigation of such offense or offenses is necessary under this article.".

SEC. 524. REFUSAL TO TESTIFY BEFORE COURT-MARTIAL.

Section 847(b) (article 47(b)) is amended—

(1) by inserting "indictment or" in the first sentence after "shall be tried on"; and

(2) in the second sentence, by striking out "shall be" and all that follows and inserting in lieu thereof "shall be fined or imprisoned, or both, at the court's discretion.".

SEC. 525. COMMITMENT OF ACCUSED TO TREATMENT FACILITY BY REASON OF LACK OF MENTAL CAPACITY OR MENTAL RESPONSIBILITY.

(a) APPLICABLE PROCEDURES.—(1) Chapter 47 is amended by inserting after section 850a (article 50a) the following:

"§850b. Art. 50b. Lack of mental capacity or mental responsibility: commitment of accused for examination and treatment

"(a) PERSONS INCOMPETENT TO STAND TRIAL.—(1) In the case of a person determined under this chapter to be presently suffering from a mental disease or defect rendering the person mentally incompetent to the extent that the person is unable to understand the nature of the proceedings against that person or to conduct or cooperate intelligently in the defense of the case, the general court-martial convening authority for that person shall commit the person to the custody of the Attorney General.

"(2) The Attorney General shall take action in accordance with section 4241(d) of title 18.

"(3) If at the end of the period for hospitalization provided for in section 4241(d) of title 18, it is determined that the committed person's mental condition has not so improved as to permit the trial to proceed, action shall be taken in accordance with section 4246 of such title.

"(4)(A) When the director of a facility in which a person is hospitalized pursuant to paragraph (2) determines that the person has recovered to such an extent that the person is able to understand the nature of the proceedings against the person and to conduct or cooperate intelligently in the defense of the case, the director shall promptly transmit a notification of that determination to the Attorney General and to the general court-martial convening authority for the person. The director shall send a copy of the notification to the person's counsel.

"(B) Upon receipt of a notification, the general court-martial convening authority shall promptly take custody of the person unless the person covered by the notification is no longer subject to this chapter. If the person is no longer subject to this chapter, the Attorney General shall take any action within the authority of the Attorney General that the Attorney General considers appropriate regarding the person.

"(C) The director of the facility may retain custody of the person for not more than 30 days after transmitting the notifications required by subparagraph (A).

"(5) In the application of section 4246 of title 18 to a case under this subsection, references to the court that ordered the commitment of a person, and to the clerk of such court, shall be deemed to refer to the general court-martial convening authority for that person. However, if the person is no longer subject to this chapter at a time relevant to the application of such section to the person, the United States district court for the district where the person is hospitalized or otherwise may be found shall be considered as the court that ordered the commitment of the person.

"(b) PERSONS FOUND NOT GUILTY BY REASON OF LACK OF MENTAL RESPONSIBILITY.—(1) If a person is found by a court-martial not guilty only by reason of lack of mental responsibility, the person shall be committed to a suitable facility until the person is eligible for release in accordance with this section.

"(2) The court-martial shall conduct a hearing on the mental condition in accordance with subsection (c) of section 4243 of title 18. Subsections (b) and (d) of that section shall apply with respect to the hearing.

"(3) A report of the results of the hearing shall be made to the general court-martial convening authority for the person.

"(4) If the court-martial fails to find by the standard specified in subsection (d) of section 4243 of title 18 that the person's release would not create a substantial risk of bodily injury to another person or serious damage of property of another due to a present mental disease or defect—

"(A) the general court-martial convening authority may commit the person to the custody of the Attorney General; and

"(B) the Attorney General shall take action in accordance with subsection (e) of section 4243 of title 18.

"(5) Subsections (f), (g), and (h) of section 4243 of title 18 shall apply in the case of a person hospitalized pursuant to paragraph (4)(B), except that the United States district court for the district where the person is hospitalized shall be considered as the court that ordered the person's commitment.

"(c) GENERAL PROVISIONS.—(1) Except as otherwise provided in this subsection and subsection (d)(1), the provisions of section 4247 of title 18 apply in the administration of this section.

"(2) In the application of section 4247(d) of title 18 to hearings conducted by a court-martial under this section or by (or by order of) a general court-martial convening authority under this section, the reference in that section to section 3006A of such title does not apply.

"(d) APPLICABILITY.—(1) The provisions of chapter 313 of title 18 referred to in this section apply according to the provisions of this section notwithstanding section 4247(j) of title 18.

"(2) If the status of a person as described in section 802 of this title (article 2) terminates while the person is, pursuant to this section, in the custody of the Attorney General, hospitalized, or on conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment, the provisions of this section establishing requirements and procedures regarding a person no longer subject to this chapter shall continue to apply to that person notwithstanding the change of status.".

(2) The table of sections at the beginning of subchapter VII of such chapter is amended by inserting after the item relating to section 850a (article 50a) the following:

"850b. 50b. Lack of mental capacity or mental responsibility: commitment of accused for examination and treatment.".

(b) CONFORMING AMENDMENT.—Section 802 of title 10, United States Code (article 2 of the Uniform Code of Military Justice), is amended by adding at the end the following:

"(e) The provisions of this section are subject to section 850b(d)(2) of this title (article 50b(d)(2)).".

(c) EFFECTIVE DATE.—Section 850b of title 10, United States Code (article 50b of the Uniform Code of Military Justice), as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act and shall apply with respect to charges referred to courts-martial on or after that effective date.

SEC. 526. FORFEITURE OF PAY AND ALLOWANCES AND REDUCTION IN GRADE.

(a) EFFECTIVE DATE OF PUNISHMENTS.—Section 857(a) (article 57(a)) is amended to read as follows:

"(a)(1) Any forfeiture of pay, forfeiture of allowances, or reduction in grade included in a sentence of a court-martial takes effect on the earlier of—

"(A) the date that is 14 days after the date on which the sentence is adjudged; or

"(B) the date on which the sentence is approved by the convening authority.

"(2) On application by an accused, the convening authority may defer any forfeiture of pay, forfeiture of allowances, or reduction in grade that would otherwise become effective under paragraph (1)(A) until the date on which the sentence is approved by the convening authority. The deferment may be rescinded at any time by the convening authority.

"(3) A forfeiture of pay or allowances shall be collected from pay accruing on and after the date on which the sentence takes effect under paragraph (1). Periods during which a sentence to forfeiture of pay or forfeiture of allowances is suspended or deferred shall be excluded in computing the duration of the forfeiture.

"(4) In this subsection, the term 'convening authority', with respect to a sentence of a court-martial, means any person authorized to act on the sentence under section 860 of this title (article 60).".

(b) EFFECT OF PUNITIVE SEPARATION OR CONFINEMENT FOR ONE YEAR OR MORE.—(1) Subchapter VIII is amended by inserting after section 858a (article 58a) the following new section (article):

"§858b. Art. 58b. Sentences: forfeiture of pay and allowances

"(a) A sentence adjudged by a court-martial that includes confinement for one year or more, death, dishonorable discharge, bad-conduct discharge, or dismissal shall result in the forfeiture of all pay and allowances due that member during any period of confinement or parole. The forfeiture required by this section shall take effect on the date determined under section 857(a) of this title (article 57(a)) and may be deferred in accordance with that section.

"(b) In a case involving an accused who has dependents, the convening authority or other person acting under section 860 of this title (article 60) may waive any or all of the forfeitures of pay and allowances required by subsection (a) for a period not to exceed six months. Any amount of pay or allowances that, except for a waiver under this subsection, would be forfeited shall be paid, as the convening authority or other person taking action directs, to the dependents of the accused.

"(c) If the sentence of a member who forfeits pay and allowances under subsection (a) is set aside or disapproved or, as finally approved, does not provide for a punishment referred to in subsection (a), the member shall be paid the pay and allowances which the member would have been paid, except for the forfeiture, for the period during which the forfeiture was in effect.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter VIII of such chapter is amended by adding at the end the following new item:

"858b. 58b. Sentences: forfeiture of pay and allowances.".

(c) APPLICABILITY.—The amendments made by this section shall apply to a case in which a sentence is adjudged by a court-martial on or after the first day of the first month that begins at least 30 days after the date of the enactment of this Act.

SEC. 527. DEFERMENT OF CONFINEMENT.

Section 857 (article 57) is amended by striking out subsection (e) and inserting in lieu thereof the following:

"(e)(1) When an accused in the custody of a State or foreign country is returned temporarily to military authorities for trial by court-martial and is later returned to that State or foreign country under the authority of a mutual agreement or treaty, the convening authority of the court-martial may defer the service of the sentence to confinement without the consent of the accused. The deferment shall terminate when the accused is released permanently to military authorities by the State or foreign country having custody of the accused.

"(2) In this subsection, the term 'State' includes the District of Columbia and any commonwealth, territory, or possession of the United States.

"(f) While a review of a case under section 867(a)(2) of this title (article 67(a)(2)) is pending, the Secretary concerned or, when designated by the Secretary, an Under Secretary, an Assistant Secretary, the Judge Advocate General, or a commanding officer may defer further service of a sentence to confinement which has been ordered executed in such case.".

SEC. 528. SUBMISSION OF MATTERS TO THE CONVENING AUTHORITY FOR CONSIDERATION.

Section 860(b)(1) (article 60(b)(1)) is amended by inserting after the first sentence the following: "Any such submission shall be in writing.".

SEC. 529. PROCEEDINGS IN REVISION.

Section 860(e)(2) (article 60(e)(2)) is amended by striking out the first sentence and inserting in lieu thereof the following: "A proceeding in revision may be ordered before authentication of the record of trial in order to correct a clerical mistake in a judgment, order, or other part of the record or any error in the record arising from oversight or omission.".

SEC. 530. APPEAL BY THE UNITED STATES.

Section 862(a)(1) (article 62(a)(1)) is amended to read as follows:

"(a)(1)(A) In a trial by court-martial in which a military judge presides and in which a punitive discharge may be adjudged, the United States may appeal the following:

"(i) An order or ruling of the military judge which terminates the proceedings with respect to a charge or specification.

"(ii) An order or ruling which excludes evidence that is substantial proof of a fact material in the proceeding.

"(iii) An order or ruling which directs the disclosure of classified information.

"(iv) An order or ruling which imposes sanctions for nondisclosure of classified information.

"(v) A refusal of the military judge to issue a protective order sought by the United States to prevent the disclosure of classified information.

"(vi) A refusal by the military judge to enforce an order described in clause (v) that has previously been issued by appropriate authority.

"(B) The United States may not appeal an order or ruling that is or that amounts to, a finding of not guilty with respect to the charge or specification.".

SEC. 531. FLIGHT FROM APPREHENSION.

(a) IN GENERAL.—Section 895 (article 95) is amended to read as follows:

"§ 895. Art. 95. Resistance, flight, breach of arrest, and escape

"Any person subject to this chapter who—

"(1) resists apprehension;

"(2) flees from apprehension;

"(3) breaks arrest; or

"(4) escapes from custody or confinement; shall be punished as a court-martial may direct.".

(b) CLERICAL AMENDMENT.—The item relating to section 895 (article 95) in the table of sections at the beginning of subchapter X is amended to read as follows:

"895. Art. 95. Resistance, flight, breach of arrest, and escape.".

SEC. 532. CARNAL KNOWLEDGE.

(a) GENDER NEUTRALITY.—Subsection (b) of section 920 (article 120) is amended to read as follows:

"(b) Any person subject to this chapter who, under circumstances not amounting to rape, commits an act of sexual intercourse with a person—

"(1) who is not that person's spouse; and

"(2) who has not attained the age of sixteen years;

is guilty of carnal knowledge and shall be punished as a court-martial may direct.".

(b) MISTAKE OF FACT.—Such section (article) is further amended by adding at the end the following new subsection:

"(d)(1) In a prosecution under subsection (b), it is an affirmative defense that—

"(A) the person with whom the accused committed the act of sexual intercourse had at the time of the alleged offense attained the age of twelve years; and

"(B) the accused reasonably believed that that person had at the time of the alleged offense attained the age of sixteen years.

"(2) The accused has the burden of proving a defense under paragraph (1) by a preponderance of the evidence.".

SEC. 533. TIME AFTER ACCESSION FOR INITIAL INSTRUCTION IN THE UNIFORM CODE OF MILITARY JUSTICE.

Section 937(a)(1) (article 137(a)(1)) is amended by striking out "within six days" and inserting in lieu thereof "within fourteen days".

SEC. 534. TECHNICAL AMENDMENT.

Section 866(f) (article 66(f)) is amended by striking out "Courts of Military Review" both places it appears and inserting in lieu thereof "Courts of Criminal Appeals".

SEC. 535. PERMANENT AUTHORITY CONCERNING TEMPORARY VACANCIES ON THE COURT OF APPEALS FOR THE ARMED FORCES.

Section 1301 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1569; 10 U.S.C. 942 note) is amended by striking out subsection (i).

SEC. 536. ADVISORY PANEL ON UCMJ JURISDICTION OVER CIVILIANS ACCOMPANYING THE ARMED FORCES IN TIME OF ARMED CONFLICT.

(a) ESTABLISHMENT.—Not later than December 15, 1996, the Secretary of Defense and the Attorney General shall jointly establish an advisory panel to review and make recommendations on jurisdiction over civilians accompanying the Armed Forces in time of armed conflict.

(b) MEMBERSHIP.—The panel shall be composed of at least 5 individuals, including experts in military law, international law, and federal civilian criminal law. In making appointments to the panel, the Secretary and the Attorney General shall ensure that the members of the panel reflect diverse experiences in the conduct of prosecution and defense functions.

(c) DUTIES.—The panel shall—

(1) review historical experiences and current practices concerning the employment, training, discipline, and functions of civilians accompanying the Armed Forces in the field;

(2) make specific recommendations (in accordance with subsection (d)) concerning—

(A) establishing court-martial jurisdiction over civilians accompanying the Armed Forces in the field during time of armed conflict not involving a war declared by Congress;

(B) revisions to the jurisdiction of the Article III courts over such persons; and

(C) establishment of Article I courts to exercise jurisdiction over such persons; and

(3) make such additional recommendations (in accordance with subsection (d)) as the panel considers appropriate as a result of the review.

(d) REPORT.—(1) Not later than December 15, 1996, the advisory panel shall transmit a report on the findings and recommendations of the panel to the Secretary of Defense and the Attorney General.

(2) Not later than January 15, 1997, the Secretary of Defense and the Attorney General shall jointly transmit the report of the advisory panel to Congress. The Secretary and the Attorney General may include in the transmittal any joint comments on the report that they consider appropriate, and either such official may include in the transmittal any separate comments on the report that such official considers appropriate.

(e) DEFINITIONS.—In this section:

(1) The term "Article I court" means a court established under Article I of the Constitution.

(2) The term "Article III court" means a court established under Article III of the Constitution.

(f) TERMINATION OF PANEL.—The panel shall terminate 30 days after the date of submission of the report to the Secretary of Defense and the Attorney General under subsection (d).

Subtitle D—Decorations and Awards

SEC. 541. AWARD OF PURPLE HEART TO CERTAIN FORMER PRISONERS OF WAR.

(a) AUTHORITY TO MAKE AWARD.—The President may award the Purple Heart to a person who, while serving in the Armed Forces of the United States before April 25, 1962—

(1) was taken prisoner or held captive—

(A) in an action against an enemy of the United States;

(B) in military operations involving conflict with an opposing foreign force;

(C) during service with friendly forces engaged in an armed conflict against an opposing armed force in which the United States was not a belligerent party;

(D) as the result of an action of any such enemy or opposing armed force; or

(E) as the result of an act of any foreign hostile force; and

(2) was wounded while being taken prisoner or held captive.

(b) STANDARDS.—An award of the Purple Heart may be made under subsection (a) only in accordance with the standards in effect on the date of the enactment of this Act for the award of the Purple Heart to a member of the Armed Forces who, on or after April 25, 1962, has been taken prisoner and held captive under circumstances described in that subsection.

(c) EXCEPTION FOR AIDING THE ENEMY.—An award of a Purple Heart may not be made under this section to any person convicted by a court of competent jurisdiction of rendering assistance to any enemy of the United States.

(d) COVERED WOUNDS.—A wound determined by the Secretary of Veterans Affairs as being a service-connected injury arising from being taken prisoner or held captive under circumstances described in subsection (a) satisfies the condition set forth in paragraph (2) of that subsection.

(e) RELATIONSHIP TO OTHER AUTHORITY TO AWARD THE PURPLE HEART.—The authority under this section is in addition to any other authority of the President to award the Purple Heart.

SEC. 542. MERITORIOUS AND VALOROUS SERVICE DURING VIETNAM ERA: REVIEW AND AWARDS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Ia Drang Valley (Pleiku) campaign, carried out by the Armed Forces of the United States in the Ia Drang Valley of Vietnam from October 23, 1965, to November 26, 1965, is illustrative of the many battles which pitted forces of the United States against North Vietnamese Army regulars and Viet Cong in vicious fighting in which many members of the Armed Forces displayed extraordinary heroism, sacrifice, and bravery which has not yet been officially recognized through award of appropriate decorations.

(2) Accounts of these battles published since the war ended authoritatively document repeated acts of extraordinary heroism, sacrifice, and bravery on the part of many members of the Armed Forces who were engaged in these battles, many of whom have never been officially recognized for those acts.

(3) In some of the battles United States military units suffered substantial losses, in some cases a majority of the strength of the units.

(4) The incidence of heavy casualties throughout the war inhibited the timely collection of comprehensive and detailed information to support recommendations for awards for the acts of heroism, sacrifice, and bravery performed.

(5) Requests to the Secretaries of the military departments for review of award recommendations for those acts have been denied because of restrictions in law and regulations that require timely filing of recommendations and documented justification.

(6) Acts of heroism, sacrifice, and bravery performed in combat by members of the Armed Forces of the United States deserve appropriate and timely recognition by the people of the United States.

(7) It is appropriate to recognize military personnel for acts of extraordinary heroism, sacrifice, or bravery that are belatedly, but properly, documented by persons who witnessed those acts.

(b) WAIVER OF RESTRICTIONS ON AWARDS.—(1) Notwithstanding any other provision of law, the Secretary of Defense or the Secretary of the military department concerned may award or upgrade a decoration to any person for an act, an achievement, or service that the person performed in a campaign while serving on active duty during the Vietnam era.

(2) Paragraph (1) applies to any decoration (including any device in lieu of a decoration) that, during or after the Vietnam era and before the date of the enactment of this Act, was authorized by law or under regulations of the Department of Defense or the military department concerned to be awarded to a person for an act, an achievement, or service performed by that person while serving on active duty.

(c) REVIEW OF AWARD RECOMMENDATIONS.—(1) The Secretary of each military department shall review all recommendations for awards for acts, achievements, or service described in subsection (b)(1) that have been received by the Secretary during the period of the review.

(2) The Secretaries shall begin the review within 30 days after the date of the enactment of this Act and shall complete the review within one year after such date.

(3) The Secretary may use the same process for carrying out the review as the Secretary uses for reviewing other recommendations for awarding decorations to members of the armed force or armed forces under the Secretary's jurisdiction for acts, achievements, or service.

(4)(A) Upon completing the review, the Secretary shall submit a report on the review to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(B) The report shall contain the following information on each recommendation for award reviewed:

(i) A summary of the recommendation.

(ii) The findings resulting from the review.

(iii) The final action taken on the recommendation.

(d) DEFINITIONS.—In this section:

(1) The term "Vietnam era" has the meaning given that term in section 101(29) of title 38, United States Code.

(2) The term "active duty" has the meaning given such term in section 101(d)(1) of title 10, United States Code.

SEC. 543. MILITARY INTELLIGENCE PERSONNEL PREVENTED BY SECRECY FROM BEING CONSIDERED FOR DECORATIONS AND AWARDS.

(a) WAIVER ON RESTRICTIONS OF AWARDS.—(1) Notwithstanding any other provision of law, the President, the Secretary of Defense, or the Secretary of the military department concerned may award a decoration to any person for an act, achievement, or service that the person performed in carrying out military intelligence duties during the period January 1, 1940, through December 31, 1990.

(2) Paragraph (1) applies to any decoration (including any device in lieu of a decoration) that, during or after the period described in paragraph (1) and before the date of the enactment of this Act, was authorized by law or under the regulations of the Department of Defense or the military department concerned to be awarded to a person for an act, achievement, or service performed by that person while serving on active duty.

(b) REVIEW OF AWARD RECOMMENDATIONS.—(1) The Secretary of each military department shall review all recommendations for awards of decorations for acts, achievements, or service described in subsection (a)(1) that have been received by the Secretary during the period of the review.

(2) The Secretary shall begin the review within 30 days after the date of the enactment of this Act and shall complete the review within one year after such date.

(3) The Secretary may use the same process for carrying out the review as the Secretary uses for reviewing other recommendations for awarding decorations to members of the armed force or armed forces under the Secretary's jurisdiction for acts, achievements, or service.

(4) The Secretary may reject a recommendation if the Secretary determines that there is a justifiable basis for concluding that the recommendation is specious.

(5) The Secretary shall take reasonable actions to publicize widely the opportunity to recommend awards of decorations under this section.

(6)(A) Upon completing the review, the Secretary shall submit a report on the review to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(B) The report shall contain the following information on each recommendation for an award reviewed:

(i) A summary of the recommendation.

(ii) The findings resulting from the review.

(iii) The final action taken on the recommendation.

(iv) Administrative or legislative recommendations to improve award procedures with respect to military intelligence personnel.

(c) DEFINITION.—In this section, the term "active duty" has the meaning given such term in section 101(d)(1) of title 10, United States Code.

SEC. 544. REVIEW REGARDING AWARDS OF DISTINGUISHED-SERVICE CROSS TO ASIAN-AMERICANS AND PACIFIC ISLANDERS FOR CERTAIN WORLD WAR II SERVICE.

(a) REVIEW REQUIRED.—The Secretary of the Army shall—

(1) review the records relating to the award of the Distinguished-Service Cross to Asian-Americans and Native American Pacific Islanders for service as members of the Army during World War II in order to determine whether the award should be upgraded to the Medal of Honor; and

(2) submit to the President a recommendation that the President award a Medal of Honor to each such person for whom the Secretary determines an upgrade to be appropriate.

(b) WAIVER OF TIME LIMITATIONS.—The President is authorized to award a Medal of Honor to any person referred to in subsection (a) in accordance with a recommendation of the Secretary of the Army submitted under that subsection. The following restrictions do not apply in the case of any such person:

(1) Sections 3744 and 8744 of title 10, United States Code.

(2) Any regulation or other administrative restriction on—

(A) the time for awarding a Medal of Honor; or

(B) the awarding of a Medal of Honor for service for which a Distinguished-Service Cross has been awarded.

(c) DEFINITIONS.—In this section:

(1) The term "Native American Pacific Islander" means a Native Hawaiian and any other Native American Pacific Islander within the meaning of the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.).

(2) The term "World War II" has the meaning given that term in section 101(8) of title 38, United States Code.

Subtitle E—Other Matters

SEC. 551. DETERMINATION OF WHEREABOUTS AND STATUS OF MISSING PERSONS.

(a) PURPOSE.—The purpose of this section is to ensure that any member of the Armed Forces is accounted for by the United States (by the return of such person alive, by the return of the remains of such person, or by the decision that credible evidence exists to support another determination of the status of such person) and, as a general rule, is not declared dead solely because of the passage of time.

(b) IN GENERAL.—(1) Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 75 the following new chapter:

"CHAPTER 76—MISSING PERSONS

"Sec.
"1501. System for accounting for missing persons.
"1502. Missing persons: initial report.
"1503. Actions of Secretary concerned; initial board inquiry.
"1504. Subsequent board of inquiry.
"1505. Further review.
"1506. Personnel files.
"1507. Recommendation of status of death.
"1508. Return alive of person declared missing or dead.
"1509. Effect on State law.
"1510. Definitions.

"§1501. System for accounting for missing persons

"(a) OFFICE FOR MISSING PERSONNEL.—(1) The Secretary of Defense shall establish within the Office of the Secretary of Defense an office to have responsibility for Department of Defense policy relating to missing persons. Subject to the authority, direction, and control of the Secretary of Defense, the responsibilities of the office shall include—

"(A) policy, control, and oversight within the Department of Defense of the entire process for investigation and recovery related to missing persons; and

"(B) coordination for the Department of Defense with other departments and agencies of the United States on all matters concerning missing persons.

"(2) In carrying out the responsibilities of the office established under this subsection, the head of the office shall coordinate the efforts of that office with those of other departments and agencies and other elements of the Department of Defense for such purposes and shall be responsible for the coordination for such purposes within the Department of Defense among the military departments, the Joint Staff, and the commanders of the combatant commands.

"(3) The office shall establish policies, which shall apply uniformly throughout the Department of Defense, for personnel recovery.

"(4) The office shall establish procedures to be followed by Department of Defense boards of inquiry, and by officials reviewing the reports of such boards, under this chapter.

"(b) SEARCH AND RESCUE.—Notwithstanding subsection (a), responsibility for search and rescue policies within the Department of Defense shall be established by the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

"(c) UNIFORM DoD PROCEDURES.—(1) The Secretary of Defense shall prescribe procedures, to apply uniformly throughout the Department of Defense, for—

"(A) the determination of the status of persons described in subsection (e); and

"(B) for the systematic, comprehensive, and timely collection, analysis, review, dissemination, and periodic update of information related to such persons.

"(2) Such procedures may provide for the delegation by the Secretary of Defense of any responsibility of the Secretary under this chapter to the Secretary of a military department.

"(3) Such procedures shall be prescribed in a single directive applicable to all elements of the Department of Defense, other than the elements carrying out activities relating to search and rescue.

"(4) As part of such procedures, the Secretary may provide for the extension, on a case by-case basis, of any time limit specified in section 1503 or 1504 of this title. Any such extension may not be for a period in excess of the period with respect to which the extension is provided. Subsequent extensions may be provided on the same basis.

"(d) COAST GUARD.—(1) The Secretary of Transportation shall designate an officer of the Department of Transportation to have responsibility within the Department of Transportation for matters relating to missing persons who are Coast Guard personnel.

"(2) The Secretary of Transportation shall prescribe procedures for the determination of the status of persons described in subsection (e) who are personnel of the Coast Guard and for the collection, analysis, review, and update of information on such persons. To the maximum extent practicable, the procedures prescribed under this paragraph shall be similar to the procedures prescribed by the Secretary of Defense under subsection (c).

"(e) COVERED PERSONS.—Section 1502 of this title applies in the case of any member of the armed forces on active duty who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.

"(f) PRIMARY NEXT OF KIN.—The individual who is primary next of kin of any person prescribed in subsection (e) may for purposes of this chapter designate another individual to act on behalf of that individual as primary next of kin. The Secretary concerned shall treat an individual so designated as if the individual designated were the primary next of kin for purposes of this chapter. A designation under this subsection may be revoked at any time by the person who made the designation.

"(g) TERMINATION OF APPLICABILITY OF PROCEDURES WHEN MISSING PERSON IS ACCOUNTED FOR.—The provisions of this chapter relating to boards of inquiry and to the actions by the Secretary concerned on the reports of those boards shall cease to apply in the case of a missing person upon the person becoming accounted for or otherwise being determined to be in a status other than missing.

"§1502. Missing persons: initial report

"(a) PRELIMINARY ASSESSMENT AND RECOMMENDATION BY COMMANDER.—After receiving information that the whereabouts or status of a person described in section 1501(e) of this title is uncertain and that the absence of the person may be involuntary, the commander of the unit, facility, or area to or in which the person is assigned shall make a preliminary assessment of the circumstances. If, as a result of that assessment, the commander concludes that the person is missing, the commander shall—

"(1) recommend that the person be placed in a missing status; and

"(2) transmit that recommendation to the Secretary of Defense or the Secretary having jurisdiction over the missing person in accordance with procedures prescribed under section 1501 of this title.

"(b) FORWARDING OF RECORDS.—The commander making the initial assessment shall (in accordance with procedures prescribed under section 1501 of this title) safeguard and forward for official use any information relating to the whereabouts or status of a missing person that result from the preliminary assessment or from actions taken to locate the person.

"§1503. Actions of Secretary concerned; initial board inquiry

"(a) DETERMINATION BY SECRETARY.—(1) Upon receiving a recommendation on the status of a person under section 1502(a)(2) of this title, the Secretary receiving the recommendation shall review the recommendation.

"(2) After reviewing the recommendation on the status of a person, the Secretary shall—

"(A) make a determination whether the person shall be declared missing; or

"(B) if the Secretary determines that a status other than missing may be warranted for the person, appoint a board under this section to carry out an inquiry into the whereabouts or status of the person.

"(b) INQUIRIES INVOLVING MORE THAN ONE MISSING PERSON.—If it appears to the Secretary who appoints a board under this section that the absence or missing status of two or more persons is factually related, the Secretary may appoint a single board under this section to conduct the inquiry into the whereabouts or status of such persons.

"(c) COMPOSITION.—(1) A board appointed under this section to inquire into the whereabouts or status of a person shall consist of at least one military officer who has experience with and understanding of military operations or activities similar to the operation or activity in which the person disappeared.

"(2) An individual may be appointed as a member of a board under this section only if the individual has a security clearance that affords the individual access to all information relating to the whereabouts and status of the missing persons covered by the inquiry.

"(3) The Secretary who appoints a board under this subsection shall, for purposes of providing legal counsel to the board, assign to the board a judge advocate, or appoint to the board an attorney, who has expertise in the law relating to missing persons, the determination of death of such persons, and the rights of family members and dependents of such persons.

"(d) DUTIES OF BOARD.—A board appointed to conduct an inquiry into the whereabouts or status of a missing person under this section shall—

"(1) collect, develop, and investigate all facts and evidence relating to the disappearance, whereabouts, or status of the person;

"(2) collect appropriate documentation of the facts and evidence covered by the investigation;

"(3) analyze the facts and evidence, make findings based on that analysis, and draw conclusions as to the current whereabouts and status of the person; and

"(4) with respect to each person covered by the inquiry, recommend to the Secretary who appointed the board that—

"(A) the person be placed in a missing status; or

"(B) the person be declared to have deserted, to be absent without leave, or to be dead.

"(e) BOARD PROCEEDINGS.—During the proceedings of an inquiry under this section, a board shall—

"(1) collect, record, and safeguard all facts, documents, statements, photographs, tapes, messages, maps, sketches, reports, and other information (whether classified or unclassified) relating to the whereabouts or status of each person covered by the inquiry;

"(2) gather information relating to actions taken to find the person, including any evidence of the whereabouts or status of the person arising from such actions; and

"(3) maintain a record of its proceedings.

"(f) ACCESS TO PROCEEDINGS.—The proceedings of a board during an inquiry under this section shall be closed to the public (including, with respect to the person covered by the inquiry, the primary next of kin, other members of the immediate family, and any other previously designated person of the person).

"(g) RECOMMENDATION ON STATUS OF MISSING PERSONS.—(1) Upon completion of its inquiry, a board appointed under this section shall make a recommendation to the Secretary who appointed the board as to the appropriate determination of the current whereabouts or status of each person whose whereabouts and status were covered by the inquiry.

"(2)(A) A board may not recommend under paragraph (1) that a person be declared dead unless the board determines that the evidence before it established conclusive proof of the death of the person.

"(B) In this paragraph, the term 'conclusive proof of death' means credible evidence establishing that death is the only credible explanation for the absence of the person.

"(h) REPORT.—(1) A board appointed under this section shall submit to the Secretary who appointed the board a report on the inquiry carried out by the board. The report shall include—

"(A) a discussion of the facts and evidence considered by the board in the inquiry;

"(B) the recommendation of the board under subsection (g) with respect to each person covered by the report; and

"(C) disclosure of whether classified documents and information were reviewed by the board or were otherwise used by the board in forming recommendations under subparagraph (B).

"(2) A board shall submit a report under this subsection with respect to the inquiry carried out by the board not later than 30 days after the date of the appointment of the board to carry out the inquiry.

"(3) A report submitted under this subsection with respect to a missing person may not be made public until one year after the date on which the report is submitted, and not without the approval of the primary next of kin of the person.

"(i) DETERMINATION BY SECRETARY.—(1) Not later than 30 days after the receipt of a report from a board under subsection (j), the Secretary receiving the report shall review the report.

"(2) In reviewing a report under paragraph (1) the Secretary shall determine whether or not the report is complete and free of administrative error. If the Secretary determines that the report is incomplete, or that the report is not free of administrative error, the Secretary may return the report to the board for further action on the report by the board.

"(3) Upon a determination by the Secretary that a report reviewed under this subsection is complete and free of administrative error, the Secretary shall make a determination concerning the status of each person covered by the report, including whether the person shall—

"(A) be declared missing;

"(B) be declared to have deserted;

"(C) be declared to be absent without leave; or

"(D) be declared to be dead.

"(j) REPORT TO FAMILY MEMBERS AND OTHER INTERESTED PERSONS.—Not later than 30 days after the date on which the Secretary concerned makes a determination of the status of a person under subsection (a)(2) or (i), the Secretary shall take reasonable actions to—

"(1) provide to the primary next of kin, the other members of the immediate family, and any other previously designated person of the person—

"(A) an unclassified summary of the unit commander's report with respect to the person under section 1502(a) of this title; and

"(B) if a board was appointed to carry out an inquiry into the person under this section, the report of the board (including the names of the members of the board) under subsection (h); and

"(2) inform each individual referred to in paragraph (1) that the United States will conduct a subsequent inquiry into the whereabouts or status of the person on or about one year after the date of the first official notice of the disappearance of the person, unless information becomes available sooner that may result in a change in status of the person.

"(k) TREATMENT OF DETERMINATION.—Any determination of the status of a missing person under subsection (a)(2) or (i) shall be treated as the determination of the status of the person by all departments and agencies of the United States.

"§ 1504. Subsequent board of inquiry

"(a) ADDITIONAL BOARD.—If information that may result in a change of status of a person covered by a determination under subsection (a)(2) or (i) of section 1503 of this title becomes available within one year after the date of the transmission of a report with respect to the person under section 1502(a)(2) of this title, the Secretary concerned shall appoint a board under this section to conduct an inquiry into the information.

"(b) DATE OF APPOINTMENT.—The Secretary concerned shall appoint a board under this section to conduct an inquiry into the whereabouts and status of a missing person on or about one year after the date of the transmission of a report concerning the person under section 1502(a)(2) of this title.

"(c) COMBINED INQUIRIES.—If it appears to the Secretary concerned that the absence or status of two or more persons is factually related, the Secretary may appoint one board under this section to conduct the inquiry into the whereabouts or status of such persons.

"(d) COMPOSITION.—(1) Subject to paragraphs (2) and (3), a board appointed under this section shall consist of not less than three officers having the grade of major or lieutenant commander or above.

"(2) The Secretary concerned shall designate one member of a board appointed under this section as president of the board. The president of the board shall have a security clearance that affords the president access to all information relating to the whereabouts and status of each person covered by the inquiry.

"(3) One member of each board appointed under this subsection shall be an individual who—

"(A) has a occupational specialty similar to that of one or more of the persons covered by the inquiry; and

"(B) has an understanding of and expertise in the type of official activities that one or more such persons were engaged in at the time such person or persons disappeared.

"(4) The Secretary who appoints a board under this subsection shall, for purposes of providing legal counsel to the board, assign to the board a judge advocate, or appoint to the board an attorney, who has expertise in the law relating to missing persons, the determination of death of such persons, and the rights of family members and dependents of such persons.

"(e) DUTIES OF BOARD.—A board appointed under this section to conduct an inquiry into the whereabouts or status of a person shall—

"(1) review the report with respect to the person transmitted under section 1502(a)(2) of this title, and the report, if any, submitted under subsection (h) of section 1503 of this title by the board appointed to conduct inquiry into the status of the person under such section 1503;

"(2) collect and evaluate any document, fact, or other evidence with respect to the whereabouts or status of the person that has become available since the determination of the status of the person under section 1503 of this title;

"(3) draw conclusions as to the whereabouts or status of the person;

"(4) determine on the basis of the activities under paragraphs (1) and (2) whether the status of the person should be continued or changed; and

"(5) submit to the Secretary concerned a report describing the findings and conclusions of the board, together with a recommendation for a determination by the Secretary concerning the whereabouts or status of the person.

"(f) ATTENDANCE OF FAMILY MEMBERS AND CERTAIN OTHER INTERESTED PERSONS AT PROCEEDINGS.—(1) With respect to any person covered by a inquiry under this section, the primary next of kin, other members of the immediate family, and any other previously designated person of the person may attend the proceedings of the board during the inquiry.

"(2) The Secretary concerned shall take reasonable actions to notify each individual referred to in paragraph (1) of the opportunity to attend the proceedings of a board. Such notice shall be provided not less than 60 days before the first meeting of the board.

"(3) An individual who receives notice under paragraph (2) shall notify the Secretary of the intent, if any, of that individual to attend the proceedings of the board not later than 21 days after the date on which the individual receives the notice.

"(4) Each individual who notifies the Secretary under paragraph (3) of the individual's intent to attend the proceedings of the board—

"(A) in the case of a individual who is the primary next of kin or other member of the immediate family of a missing person whose status is a subject of the inquiry and whose receipt of the pay or allowances (including allotments) of the person could be reduced or terminated as a result of a revision in the status of the person, may attend the proceedings of the board with private counsel;

"(B) shall have access to the personnel file of the missing person, to unclassified reports, if any, of the board appointed under section 1503 of this title to conduct the inquiry into the whereabouts and status of the person, and to any other unclassified information or documents relating to the whereabouts and status of the person;

"(C) shall be afforded the opportunity to present information at the proceedings of the board that such individual considers to be relevant to those proceedings; and

"(D) subject to paragraph (5), shall be given the opportunity to submit in writing an objection to any recommendation of the board under subsection (h) as to the status of the missing person.

"(5)(A) Individuals who wish to file objections under paragraph (4)(D) to any recommendation of the board shall—

"(i) submit a letter of intent to the president of the board not later than 2 days after the date on which the recommendations are made; and

"(ii) submit to the president of the board the objections in writing not later than 15 days after the date on which the recommendations are made.

"(B) The president of a board shall include any objections to a recommendation of the board that are submitted to the president of the board under subparagraph (A) in the report of the board containing the recommendation under subsection (h).

"(6) An individual referred to in paragraph (1) who attends the proceedings of a board under this subsection shall not be entitled to reimbursement by the United States for any costs (including travel, lodging, meals, local transportation, legal fees, transcription costs, witness expenses, and other expenses) incurred by that individual in attending such proceedings.

"(g) AVAILABILITY OF INFORMATION TO BOARDS.—(1) In conducting proceedings in an inquiry under this section, a board may secure directly from any department or agency of the United States any information that the board considers necessary in order to conduct the proceedings.

"(2) Upon written request from the president of a board, the head of a department or agency of the United States shall release information covered by the request to the board. In releasing such information, the head of the department or agency shall—

"(A) declassify to an appropriate degree classified information; or

"(B) release the information in a manner not requiring the removal of markings indicating the classified nature of the information.

"(3)(A) If a request for information under paragraph (2) covers classified information that cannot be declassified, cannot be removed before release from the information covered by the request, or cannot be summarized in a manner that prevents the release of classified information, the classified information shall be made available only to the president of the board making the request.

"(B) The president of a board shall close to persons who do not have appropriate security clearances the proceeding of the board at which classified information is discussed. Participants at a proceeding of a board at which classified information is discussed shall comply with all applicable laws and regulations relating to the disclosure of classified information. The Secretary concerned shall assist the president of a board in ensuring that classified information is not compromised through board proceedings.

"(h) RECOMMENDATION ON STATUS.—(1) Upon completion of an inquiry under this subsection, a board shall make a recommendation as to the current whereabouts or status of each missing person covered by the inquiry.

"(2) A board may not recommend under paragraph (1) that a person be declared dead unless—

"(A) proof of death is established by the board; or

"(B) in making the recommendation, the board complies with section 1507 of this title.

"(i) REPORT.—A board appointed under this section shall submit to the Secretary concerned a report on the inquiry carried out by the board, together with the evidence considered by the board during the inquiry. The report may include a classified annex.

"(j) ACTIONS BY SECRETARY CONCERNED.—(1) Not later than 30 days after the receipt of a report from a board under subsection (i), the Secretary shall review—

"(A) the report; and

"(B) the objections, if any, to the report submitted to the president of the board under subsection (f)(5).

"(2) In reviewing a report under paragraph (1) (including the objections described in subparagraph (B) of that paragraph), the Secretary concerned shall determine whether or not the report is complete and free of administrative error. If the Secretary determines that the report is incomplete, or that the report is not free of administrative error, the Secretary may return the report to the board for further action on the report by the board.

"(3) Upon a determination by the Secretary that a report reviewed under this subsection is complete and free of administrative error, the Secretary shall make a determination concerning the status of each person covered by the report.

"(k) REPORT TO FAMILY MEMBERS AND OTHER INTERESTED PERSONS.—Not later than 60 days after the date on which the Secretary concerned makes a determination with respect to a missing person under subsection (j), the Secretary shall—

"(1) provide an unclassified summary of the report reviewed by the Secretary in making the determination to the primary next of kin, the other members of the immediate family, and any other previously designated person of the person; and

"(2) in the case of a person who continues to be in a missing status, inform each individual referred to in paragraph (1) that the United States will conduct subsequent inquiries into the whereabouts or status of the person upon obtaining credible information that may result in a change in the status of the person.

"(l) TREATMENT OF DETERMINATION.—Any determination of the status of a missing person under subsection (j) shall supersede the determination of the status of the person under section 1503 of this title and shall be treated as the determination of the status of the person by all departments and agencies of the United States.

"§ 1505. Further review

"(a) SUBSEQUENT REVIEW.—(1) The Secretary concerned shall conduct subsequent inquiries into the whereabouts or status of any person determined by the Secretary under section 1504 of this title to be in a missing status.

"(2) The Secretary concerned shall appoint a board to conduct an inquiry with respect to a person under this subsection upon obtaining credible information that may result in a change of status of the person.

"(b) CONDUCT OF PROCEEDINGS.—The appointment of, and activities before, a board appointed under this section shall be governed by the provisions of section 1504 of this title with respect to a board appointed under that section.

"§ 1506. Personnel files

"(a) INFORMATION IN FILES.—Except as provided in subsections (b), (c), and (d), the Secretary of the department having jurisdiction over a missing person at the time of the person's disappearance shall, to the maximum extent practicable, ensure that the personnel file of the person contains all information in the possession of the United States relating to the disappearance and whereabouts or status of the person.

"(b) CLASSIFIED INFORMATION.—(1) The Secretary concerned may withhold classified information from a personnel file under this section.

"(2) If the Secretary concerned withholds classified information from a personnel file, the Secretary shall ensure that the file contains the following:

"(A) A notice that the withheld information exists.

"(B) A notice of the date of the most recent review of the classification of the withheld information.

"(c) PROTECTION OF PRIVACY.—The Secretary concerned shall maintain personnel files under this section, and shall permit disclosure of or access to such files, in accordance with the provisions of section 552a of title 5 and with other applicable laws and regulations pertaining to the privacy of the persons covered by the files.

"(d) PRIVILEGED INFORMATION.—The Secretary concerned shall withhold reports obtained as privileged information from the personnel files under this section. If the Secretary withholds a report from a personnel file under this subsection, the Secretary shall ensure that the file contains a notice that the withheld information exists.

"(e) WRONGFUL WITHHOLDING.—Except as otherwise provided by law, any person who knowingly and willfully withholds from the personnel file of a missing person any information relating to the disappearance or whereabouts or status of a missing person shall be fined as provided in title 18 or imprisoned not more than one year, or both.

"(f) AVAILABILITY OF INFORMATION.—The Secretary concerned shall, upon request, make available the contents of the personnel file of a missing person to the primary next of kin, the other members of the immediate family, or any other previously designated person of the person.

"§ 1507. Recommendation of status of death

"(a) REQUIREMENTS RELATING TO RECOMMENDATION.—A board appointed under section 1504 or 1505 of this title may not recommend that a person be declared dead unless—

"(1) credible evidence exists to suggest that the person is dead;

"(2) the United States possesses no credible evidence that suggests that the person is alive;

"(3) representatives of the United States have made a complete search of the area where the person was last seen (unless, after making a good faith effort to obtain access to such area, such representatives are not granted such access); and

"(4) representatives of the United States have examined the records of the government or entity having control over the area where the person was last seen (unless, after making a good faith effort to obtain access to such records, such representatives are not granted such access).

"(b) SUBMITTAL OF INFORMATION ON DEATH.—If a board appointed under section 1504 or 1505 of this title makes a recommendation that a missing person be declared dead, the board shall, to the maximum extent practicable, include in the report of the board with respect to the person under such section the following:

"(1) A detailed description of the location where the death occurred.

"(2) A statement of the date on which the death occurred.

"(3) A description of the location of the body, if recovered.

"(4) If the body has been recovered and is not identifiable through visual means, a certification by a practitioner of an appropriate forensic science that the body recovered is that of the missing person.

"§ 1508. Return alive of person declared missing or dead

"(a) PAY AND ALLOWANCES.—Any person (except for a person subsequently determined to have been absent without leave or a deserter) in a missing status or declared dead under the Missing Persons Act of 1942 (56 Stat. 143) or chapter 10 of title 37 or by a board appointed under this chapter who is found alive and returned to the control of the United States shall be paid for the full time of the absence of the person while given that status or declared dead under the law and regulations relating to the pay and allowances of persons returning from a missing status.

"(b) EFFECT ON GRATUITIES PAID AS A RESULT OF STATUS.—Subsection (a) shall not be interpreted to invalidate or otherwise affect the receipt by any person of a death gratuity or other payment from the United States on behalf of a person referred to in subsection (a) before the date of the enactment of this chapter.

"§ 1509. Effect on State law

"Nothing in this chapter shall be construed to invalidate or limit the power of any State court or administrative entity, or the power of any court or administrative entity of any political subdivision thereof, to find or declare a person dead for purposes of such State or political subdivision.

"§ 1510. Definitions

"In this chapter:

"(1) The term 'missing person' means a member of the armed forces on active duty who is in a missing status.

"(2) The term 'missing status' means the status of a missing person who is determined to be absent in a category of—

"(A) missing;

"(B) missing in action;

"(C) interned in a foreign country;

"(D) captured;

"(E) beleaguered;

"(F) besieged; or

"(G) detained.

"(3) The term 'accounted for', with respect to a person in a missing status, means that—

"(A) the person is returned to United States control alive;

"(B) the remains of the person are identified by competent authority; or

"(C) credible evidence exists to support another determination of the person's status.

"(4) The term 'primary next of kin', in the case of a missing person, means the individual authorized to direct disposition of the remains of the person under section 1482(c) of this title.

"(5) The term 'member of the immediate family', in the case of a missing person, means the following:

"(A) The spouse of the person.

"(B) A natural child, adopted child, step child, or illegitimate child (if acknowledged by the person or parenthood has been established by a court of competent jurisdiction) of the person, except that if such child has not attained the age of 18 years, the term means a surviving parent or legal guardian of such child.

"(C) A biological parent of the person, unless legal custody of the person by the parent has been previously terminated by reason of a court decree or otherwise under law and not restored.

"(D) A brother or sister of the person, if such brother or sister has attained the age of 18 years.

"(E) Any other blood relative or adoptive relative of the person, if such relative was given sole legal custody of the person by a court decree or otherwise under law before the person attained the age of 18 years and such custody was not subsequently terminated before that time.

"(6) The term 'previously designated person', in the case of a missing person, means an individual designated by the person under section 655 of this title for purposes of this chapter.

"(7) The term 'classified information' means any information determined as such under applicable laws and regulations of the United States.

"(8) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"(9) The term 'Secretary concerned' includes the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Department of the Navy.

"(10) The term 'armed forces' includes Coast Guard personnel operating in conjunction with, in support of, or under the command of a unified combatant command (as that term is used in section 6 of this title).".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of title 10, United States Code, are amended by inserting after the item relating to chapter 75 the following new item:

"76. Missing Persons .... 1501".

(c) CONFORMING AMENDMENTS.—Chapter 10 of title 37, United States Code, is amended as follows:

(1) Section 555 is amended—

(A) in subsection (a), by striking out "when a member" and inserting in lieu thereof "except as provided in subsection (d), when a member"; and

(B) by adding at the end the following new subsection:

"(d) This section does not apply in a case to which section 1502 of title 10 applies.".

(2) Section 552 is amended—

(A) in subsection (a), by striking out "for all purposes," in the second sentence of the matter following paragraph (2) and all that follows through the end of the sentence and inserting in lieu thereof "for all purposes.";

(B) in subsection (b), by inserting "or under chapter 76 of title 10" before the period at the end; and

(C) in subsection (e), by inserting "or under chapter 76 of title 10" after "section 555 of this title" after "section 555 of this title".

(3) Section 553 is amended—

(A) in subsection (f), by striking out "the date the Secretary concerned receives evidence that" and inserting in lieu thereof "the date on which, in a case covered by section 555 of this title, the Secretary concerned receives evidence, or, in a case covered by chapter 76 of title 10, the Secretary concerned determines pursuant to that chapter that"; and

(B) in subsection (g), by inserting "or under chapter 76 of title 10" after section 555 of this title".

(4) Section 556 is amended—

(A) in subsection (a), by inserting after paragraph (7) the following: "Paragraphs (1), (5), (6), and (7) shall only apply with respect to a case to which section 555 of this title applies.";

(B) in subsection (b), by inserting ", in a case to which section 555 of this title applies," after "When the Secretary concerned"; and

(C) In subsection (h)—

(i) in the first sentence, by striking out "status" and inserting in lieu thereof "pay"; and

(ii) in the second sentence, by inserting "in a case to which section 555 of this title applies" after "under this section".

(d) DESIGNATION OF INDIVIDUALS HAVING INTEREST IN STATUS OF SERVICE MEMBERS.—(1) Chapter 37 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 655. Designation of persons having interest in status of a missing member

"(a) The Secretary concerned shall, upon the enlistment or appointment of a person in the armed forces, require that the person specify in writing the person or persons, if any, other than that person's primary next of kin or immediate family, to whom information on the whereabouts or status of the member shall be provided if such whereabouts or status are investigated under chapter 76 of this title. The Secretary shall periodically, and whenever the member is deployed as part of a contingency operation or in other circumstances specified by the Secretary, require that such designation be reconfirmed, or modified, by the member.

"(b) The Secretary concerned shall, upon the request of a member, permit the member to revise the person or persons specified by the member under subsection (a) at any time. Any such revision shall be in writing.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"655. Designation of persons having interest in status of a missing member.".

(e) ACCOUNTING FOR CIVILIAN EMPLOYEE AND CONTRACTORS OF THE UNITED STATES.—(1) The Secretary of State shall carry out a comprehensive study of the Missing Persons Act of 1942 (56 Stat. 143), and any other laws and regulations establishing procedures for the accounting for of civilian employees of the United States or contractors of the United States who serve with or accompany the Armed Forces in the field. The purpose of the study is to determine the means, if any, by which such procedures may be improved.

(2) The Secretary of State shall carry out the study required under paragraph (1) in

consultation with the Secretary of Defense, the Secretary of Transportation, the Director of Central Intelligence, and the heads of such other departments and agencies of the Federal Government as the President shall designate for that purpose.

(3) In carrying out the study, the Secretary of State shall examine the procedures undertaken when a civilian employee referred to in paragraph (1) becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for, including procedures for—

(A) search and rescue for the employee;

(B) determining the status of the employee;

(C) reviewing and changing the status of the employee;

(D) determining the rights and benefits accorded to the family of the employee; and

(E) maintaining and providing appropriate access to the records of the employee and the investigation into the status of the employee.

(4) Not later than one year after the date of the enactment of this Act, the Secretary of State shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the study carried out by the Secretary under this subsection. The report shall include the recommendations, if any, of the Secretary for legislation to improve the procedures covered by the study.

SEC. 552. SERVICE NOT CREDITABLE FOR PERIODS OF UNAVAILABILITY OR INCAPACITY DUE TO MISCONDUCT.

(a) ENLISTED SERVICE CREDIT.—Section 972 of title 10, United States Code, is amended—

(1) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) is confined by military or civilian authorities for more than one day in connection with a trial, whether before, during, or after the trial; or"; and

(2) by redesignating paragraph (5) paragraph (4).

(b) OFFICER SERVICE CREDIT.—Chapter 49 of title 10, United States Code, is amended by inserting after section 972 the following new section:

"§ 972a. Officers: service not creditable

"(a) IN GENERAL.—Except as provided in subsection (b), an officer of an armed force may not receive credit for service in the armed forces for any purpose for a period for which the officer—

"(1) deserts;

"(2) is absent from the officer's organization, station, or duty for more than one day without proper authority, as determined by competent authority;

"(3) is confined by military or civilian authorities for more than one day in connection with a trial, whether before, during, or after the trial; or

"(4) is unable for more than one day, as determined by competent authority, to perform the officer's duties because of intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from the officer's misconduct.

"(b) INAPPLICABILITY TO COMPUTATION OF BASIC PAY.—Subsection (a) does not apply to a determination of the amount of basic pay of the officer under section 205 of title 37.".

(c) ARMY COMPUTATION OF YEARS OF SERVICE.—Section 3926 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) A period for which service credit is denied under section 972a(a) of this title may not be counted for purposes of computing years of service under this section.".

(d) NAVY COMPUTATION OF YEARS OF SERVICE.—Chapter 571 of title 10, United States Code, is amended by inserting after section 6327 the following new section:

"§ 6328. Computation of years of service: service not creditable

"(a) ENLISTED MEMBERS.—Years of service computed under this chapter may not include a period of unavailability or incapacity to perform duties that is required under section 972 of this title to be made up by performance of service for an additional period.

"(b) OFFICERS.—A period for which service credit is denied under section 972a(a) of this title may not be counted for purposes of computing years of service under this chapter.".

(e) AIR FORCE COMPUTATION OF YEARS OF SERVICE.—Section 8926 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) A period for which service credit is denied under section 972a(a) of this title may not be counted for purposes of computing years of service under this section.".

(f) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 49 of title 10, United States Code, is amended by inserting after the item relating to section 972 the following:

"972a. Officers: service not creditable.".

(2) The table of sections at the beginning of chapter 571 of title 10, United States Code, is amended by inserting after the item relating to section 6327 the following new item:

"6328. Computation of years of service: service not creditable.".

(g) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by this section shall take effect on October 1, 1995, and shall apply to occurrences on or after that date of unavailability or incapacity to perform duties as described in section 972 or 972a of title 10, United States Code, as the case may be.

SEC. 553. SEPARATION IN CASES INVOLVING EXTENDED CONFINEMENT.

(a) SEPARATION.—(1)(A) Chapter 59 of title 10, United States Code, is amended by adding at the end the following:

"§ 1178. Persons under confinement for one year or more

"Except as otherwise provided in regulations prescribed by the Secretary of Defense, a person sentenced by a court-martial to a period of confinement for one year or more may be separated from the person's armed force at any time after the sentence to confinement has become final under chapter 47 of this title and the person has served in confinement for a period of one year.".

(B) The table of sections at the beginning of chapter 59 of such title is amended by inserting at the end thereof the following new item:

"1178. Persons under confinement for one year or more.".

(2)(A) Chapter 1221 of title 10, United States Code, is amended by adding at the end the following:

"§ 12687. Persons under confinement for one year or more

"Except as otherwise provided in regulations prescribed by the Secretary of Defense, a Reserve sentenced by a court-martial to a period of confinement for one year or more may be separated from the person's armed force at any time after the sentence to confinement has become final under chapter 47 of this title and the person has served in confinement for a period of one year.".

(B) The table of sections at the beginning of chapter 1221 of such title is amended by inserting at the end thereof the following new item:

"12687. Persons under confinement for one year or more.".

(b) DROP FROM ROLLS.—(1) Section 1161(b) of title 10, United States Code, is amended by striking out "or (2)" and inserting in lieu thereof "(2) who may be separated under section 1178 of this title by reason of a sentence to confinement adjudged by a court-martial, or (3)".

(2) Section 12684 of such title is amended—

(A) by striking out "or" at the end of paragraph (1);

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following new paragraph (2):

"(2) who may be separated under section 12687 of this title by reason of a sentence to confinement adjudged by a court-martial; or".

SEC. 554. DURATION OF FIELD TRAINING OR PRACTICE CRUISE REQUIRED UNDER THE SENIOR RESERVE OFFICERS' TRAINING CORPS PROGRAM.

Section 2104(b)(6)(A)(ii) of title 10, United States Code, is amended by striking out "not less than six weeks' duration" and inserting in lieu thereof "a duration".

SEC. 555. CORRECTION OF MILITARY RECORDS.

(a) REVIEW OF PROCEDURES.—The Secretary of each military department shall review the system and procedures used by the Secretary in the exercise of authority under section 1552 of title 10, United States Code, in order to identify potential improvements that could be made in the process for correcting military records to ensure fairness, equity, and, consistent with appropriate service to applicants, maximum efficiency.

(b) ISSUES REVIEWED.—In conducting the review, the Secretary shall consider the following issues:

(1) The composition of the board for correction of military records and of the support staff for the board.

(2) Timeliness of final action.

(3) Independence of deliberations by the civilian board for the correction of military records.

(4) The authority of the Secretary to modify the recommendations of the board.

(5) Burden of proof and other evidentiary standards.

(6) Alternative methods for correcting military records.

(c) REPORT.—(1) Not later than April 1, 1996, the Secretary of each military department shall submit a report on the results of the Secretary's review under this section to the Secretary of Defense. The report shall contain the recommendations of the Secretary of the military department for improving the process for correcting military records in order to achieve the objectives referred to in subsection (a).

(2) The Secretary of Defense shall immediately transmit a copy of the report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

SEC. 556. LIMITATION ON REDUCTIONS IN MEDICAL PERSONNEL.

(a) LIMITATION ON REDUCTIONS.—Unless the Secretary of Defense makes the certification described in subsection (b) for a fiscal year, the Secretary may not reduce the number of medical personnel of the Department of Defense—

(1) in fiscal year 1996, to a number that is less than—

(A) 95 percent of the number of such personnel at the end of fiscal year 1994; or

(B) 90 percent of the number of such personnel at the end of fiscal year 1993; and

(2) in any fiscal year beginning after September 30, 1996, to a number that is less than—

(A) 95 percent of the number of such personnel at the end of the immediately preceding fiscal year; or

(B) 90 percent of the number of such personnel at the end of the third fiscal year preceding the fiscal year.

(b) CERTIFICATION.—The Secretary may make a reduction described in subsection (a) if the Secretary certifies to Congress that—

(1) the number of medical personnel of the Department that is being reduced is excess to the current and projected needs of the military departments; and

(2) such reduction will not result in an increase in the cost of health care services provided under the Civilian Health and Medical Program of the Uniformed Services.

(c) REPORT ON PLANNED REDUCTIONS.—Not later than March 1, 1996, the Assistant Secretary of Defense having responsibility for health affairs, in consultation with Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Air Force, shall submit to the congressional defense committees a plan for the reduction of the number of medical personnel of the Department of Defense over the 5-year period beginning on October 1, 1996.

(d) REPEAL OF OBSOLETE PROVISIONS OF LAW.—(1) Section 711 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 115 note) is repealed.

(2) Section 718 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1404; 10 U.S.C. 115 note) is amended by striking out subsection (b).

(3) Section 518 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2407) is repealed.

(e) DEFINITION.—For purposes of this section, the term "medical personnel" has the meaning given such term in section 115a(g)(2) of title 10, United States Code, except that such term includes civilian personnel of the Department of Defense assigned to military medical facilities.

SEC. 557. REPEAL OF REQUIREMENT FOR ATHLETIC DIRECTOR AND NONAPPROPRIATED FUND ACCOUNT FOR THE ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Section 4357 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 403 of such title is amended by striking out the item relating to section 4357.

(b) UNITED STATES NAVAL ACADEMY.—Section 556 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2774) is amended by striking out subsections (b), (d), and (e).

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Section 9356 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 903 of such title is amended by striking out the item relating to section 9356.

SEC. 558. PROHIBITION ON USE OF FUNDS FOR SERVICE ACADEMY PREPARATORY SCHOOL TEST PROGRAM.

Notwithstanding any other provision of law, none of the funds authorized to be appropriated by this Act, or otherwise made available, to the Department of Defense may be obligated to carry out a test program for determining the cost effectiveness of transferring to the private sector the mission of operating one or more preparatory schools for the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

SEC. 559. CENTRALIZED JUDICIAL REVIEW OF DEPARTMENT OF DEFENSE PERSONNEL ACTIONS.

(a) ESTABLISHMENT.—The Secretary of Defense and the Attorney General shall jointly establish an advisory panel on centralized review of Department of Defense administrative personnel actions.

(b) MEMBERSHIP.—(1) The panel shall be composed of five members appointed as follows:

(A) One member appointed by the Chief Justice of the United States.

(B) Three members appointed by the Secretary of Defense.

(C) One member appointed by the Attorney General.

(2) The Secretary of Defense shall designate one of the members appointed under paragraph (1)(B) to serve as chairman of the panel.

(3) All members shall be appointed not later than 30 days after the date of the enactment of this Act.

(4) The panel shall meet at the call of the chairman. The panel shall hold its first meeting not later than 30 days after the date on which all members have been appointed.

(c) DUTIES.—The panel shall review, and provide findings and recommendations in accordance with subsection (d) regarding, the following matters:

(1) Whether the existing practices with regard to judicial review of administrative personnel actions of the Department of Defense are appropriate and adequate.

(2) Whether a centralized judicial review of administrative personnel actions should be established.

(3) Whether the United States Court of Appeals for the Armed Forces should conduct such reviews.

(d) REPORT.—(1) Not later than December 15, 1996, the panel shall submit a report on the findings and recommendations of the panel to the Secretary of Defense and the Attorney General.

(2) Not later than January 1, 1997, the Secretary of Defense and the Attorney General shall jointly transmit the panel's report to Congress. The Secretary and the Attorney General may include in the transmittal any joint comments on the report that they consider appropriate, and either such official may include in the transmittal any separate comments on the report that such official considers appropriate.

(e) TERMINATION OF PANEL.—The panel shall terminate 30 days after the date of submission of the report to the Secretary of Defense and the Attorney General under subsection (d).

SEC. 560. DELAY IN REORGANIZATION OF ARMY ROTC REGIONAL HEADQUARTERS STRUCTURE.

(a) DELAY.—The Secretary of the Army may not take any action to reorganize the regional headquarters and basic camp structure of the Reserve Officers Training Corps program of the Army until six months after the date on which the report required by subsection (d) is submitted.

(b) COST-BENEFIT ANALYSIS.—The Secretary of the Army shall conduct a comparative cost-benefit analysis of various options for the reorganization of the regional headquarters and basic camp structure of the Army ROTC program. As part of such analysis, the Secretary shall measure each reorganization option considered against a common set of criteria.

(c) SELECTION OF REORGANIZATION OPTION FOR IMPLEMENTATION.—Based on the findings resulting from the cost-benefit analysis under subsection (b) and such other factors as the Secretary considers appropriate, the Secretary shall select one reorganization option for implementation. The Secretary may select an option for implementation only if the Secretary finds that the cost-benefit analysis and other factors considered clearly demonstrate that such option, better than any other option considered—

(1) provides the structure to meet projected mission requirements;

(2) achieves the most significant personnel and cost savings;

(3) uses existing basic and advanced camp facilities to the maximum extent possible;

(4) minimizes additional military construction costs; and

(5) makes maximum use of the reserve components to support basic and advanced camp operations, thereby minimizing the effect of those operations on active duty units.

(d) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report describing the reorganization option selected under subsection (c). The report shall include the results of the cost-benefit analysis under subsection (b) and a detailed rationale for the reorganization option selected.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1996.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1996 shall not be made.

(b) INCREASE IN BASIC PAY AND BAS.—Effective on January 1, 1996, the rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 2.4 percent.

(c) INCREASE IN BAQ.—Effective on January 1, 1996, the rates of basic allowance for quarters of members of the uniformed services are increased by 5.2 percent.

SEC. 602. ELECTION OF BASIC ALLOWANCE FOR QUARTERS INSTEAD OF ASSIGNMENT TO INADEQUATE QUARTERS.

(a) ELECTION AUTHORIZED.—Section 403(b) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(b)";

(2) by designating the second sentence as paragraph (2) and, as so designated, by striking out "However, subject" and inserting in lieu thereof "Subject"; and

(3) by adding at the end the following:

"(3) A member without dependents who is in pay grade E–6 and who is assigned to quarters of the United States that do not meet the minimum adequacy standards established by the Department of Defense for members in such pay grade, or to a housing facility under the jurisdiction of a uniformed service that does not meet such standards, may elect not to occupy such quarters or facility and instead to receive the basic allowance for quarters prescribed for his pay grade by this section.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1996.

SEC. 603. PAYMENT OF BASIC ALLOWANCE FOR QUARTERS TO MEMBERS OF THE UNIFORMED SERVICES IN PAY GRADE E-6 WHO ARE ASSIGNED TO SEA DUTY.

(a) PAYMENT AUTHORIZED.—Section 403(c)(2) of title 37, United States Code, is amended—

(1) in the first sentence, by striking out "E–7" and inserting in lieu thereof "E–6"; and

(2) in the second sentence, by striking out "E–6" and inserting in lieu thereof "E–5".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1996.

SEC. 604. LIMITATION ON REDUCTION OF VARIABLE HOUSING ALLOWANCE FOR CERTAIN MEMBERS.

(a) LIMITATION ON REDUCTION IN VHA.—Subsection (c)(3) of section 403a of title 37, United States Code, is amended by adding at the end the following new sentence: "However, on and after January 1, 1996, the monthly amount of a variable housing allowance under this section for a member of a uniformed service with respect to an area may not be reduced so long as the member retains uninterrupted eligibility to receive a variable housing allowance within that area and the member's certified housing costs are not reduced, as indicated by certifications provided by the member under subsection (b)(4).".

(b) EFFECT ON TOTAL AMOUNT AVAILABLE FOR VHA.—Subsection (d)(3) of such section is amended by inserting after the first sentence the following new sentence: "In addition, the total amount determined under paragraph (1) shall be adjusted to ensure that sufficient amounts are available to allow payment of any additional amounts of variable housing allowance necessary as a result of the requirements of the second sentence of subsection (c)(3).".

(c) REPORT ON IMPLEMENTATION.—Not later than June 1, 1996, the Secretary of Defense shall submit to Congress a report describing the procedures to be used to implement the amendments made by this section and the costs of such amendments.

SEC. 605. CLARIFICATION OF LIMITATION ON ELIGIBILITY FOR FAMILY SEPARATION ALLOWANCE.

Section 427(b)(4) of title 37, United States Code, is amended by inserting "paragraph (1)(A) of" after "not entitled to an allowance under" in the first sentence.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(c) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(e) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1996," and inserting in lieu thereof "September 30, 1997".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(c) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(d) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(e) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997".

(f) SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVES.—Section 613(d) of the National Defense Authorization Act, Fiscal Year 1989 (37 U.S.C. 302 note) is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(g) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(h) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(i) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997".

SEC. 614. HAZARDOUS DUTY INCENTIVE PAY FOR WARRANT OFFICERS AND ENLISTED MEMBERS SERVING AS AIR WEAPONS CONTROLLERS.

Section 301 of title 37, United States Code, is amended—

(1) in subsection (a)(11), by striking out "an officer (other than a warrant officer)" and inserting in lieu thereof "a member of a uniformed service"; and

(2) in subsection (c)(2)—

(A) by striking out "an officer" each place it appears and inserting in lieu thereof "a member";

(B) in subparagraph (A), by striking out the table and inserting in lieu thereof the following:

"Pay grade	Years of service as an air weapons controller						
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
"O–7 and above	$200	$200	$200	$200	$200	$200	$200
"O–6	225	250	300	325	350	350	350
"O–5	200	250	300	325	350	350	350
"O–4	175	225	275	300	350	350	350
"O–3	125	156	188	206	350	350	350
"O–2	125	156	188	206	250	300	300
"O–1	125	156	188	206	250	250	250
"W–4	200	225	275	300	325	325	325
"W–3	175	225	275	300	325	325	325
"W–2	150	200	250	275	325	325	325
"W–1	100	125	150	175	325	325	325
"E–9	200	225	250	275	300	300	300
"E–8	200	225	250	275	300	300	300
"E–7	175	200	225	250	275	275	275
"E–6	156	175	200	225	250	250	250
"E–5	125	156	175	188	200	200	200
"E–4 and below	125	156	175	188	200	200	200

	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 25
"O–7 and above	$200	$200	$200	$200	$200	$200	$200	$110
"O–6	350	350	350	350	300	250	250	225

"Pay grade	Years of service as an air weapons controller							
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	
"O–5	350	350	350	350	300	250	250	225
"O–4	350	350	350	350	300	250	250	225
"O–3	350	350	350	300	275	250	225	200
"O–2	300	300	300	275	245	210	200	180
"O–1	250	250	250	245	210	200	180	150
"W–4	325	325	325	325	276	250	225	200
"W–3	325	325	325	325	325	250	225	200
"W–2	325	325	325	325	275	250	225	200
"W–1	325	325	325	325	275	250	225	200
"E–9	300	300	300	300	275	230	200	200
"E–8	300	300	300	300	265	230	200	200
"E–7	300	300	300	300	265	230	200	200
"E–6	300	300	300	300	265	230	200	200
"E–5	250	250	250	250	225	200	175	150
"E–4 and below	200	200	200	200	175	150	125	125";

and

(C) in subparagraph (B), by striking out "the officer" each place it appears and inserting in lieu thereof "the member".

SEC. 615. AVIATION CAREER INCENTIVE PAY.

(a) YEARS OF OPERATIONAL FLYING DUTIES REQUIRED.—Paragraph (4) of section 301a(a) of title 37, United States Code, is amended in the first sentence by striking out "9" and inserting in lieu thereof "8".

(b) EXERCISE OF WAIVER AUTHORITY.—Paragraph (5) of such section is amended by inserting after the second sentence the following new sentence: "The Secretary concerned may not delegate the authority in the preceding sentence to permit the payment of incentive pay under this subsection.".

SEC. 616. CLARIFICATION OF AUTHORITY TO PROVIDE SPECIAL PAY FOR NURSES.

Section 302c(d)(1) of title 37, United States Code, is amended—

(1) by striking out "or an officer" and inserting in lieu thereof "an officer"; and

(2) by inserting before the semicolon the following: ", an officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse".

SEC. 617. CONTINUOUS ENTITLEMENT TO CAREER SEA PAY FOR CREW MEMBERS OF SHIPS DESIGNATED AS TENDERS.

Section 305a(d)(1) of title 37, United States Code, is amended by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) while permanently or temporarily assigned to a ship, ship-based staff, or ship-based aviation unit and—

"(i) while serving on a ship the primary mission of which is accomplished while under way;

"(ii) while serving as a member of the off-crew of a two-crewed submarine; or

"(iii) while serving as a member of a tender-class ship (with the hull classification of submarine or destroyer); or".

SEC. 618. INCREASE IN MAXIMUM RATE OF SPECIAL DUTY ASSIGNMENT PAY FOR ENLISTED MEMBERS SERVING AS RECRUITERS.

(a) SPECIAL MAXIMUM RATE FOR RECRUITERS.—Section 307(a) of title 37, United States Code, is amended by adding at the end the following new sentence: "In the case of a member who is serving as a military recruiter and is eligible for special duty assignment pay under this subsection by reason of such duty, the Secretary concerned may increase the monthly rate of special duty assignment pay for the member to not more than $375.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1996.

Subtitle C—Travel and Transportation Allowances

SEC. 621. CALCULATION ON BASIS OF MILEAGE TABLES OF SECRETARY OF DEFENSE: REPEAL OF REQUIREMENT.

Section 404(d)(1)(A) of title 37, United States Code, is amended by striking out ", based on distances established over the shortest usually traveled route, under mileage tables prepared under the direction of the Secretary of Defense".

SEC. 622. DEPARTURE ALLOWANCES.

(a) ELIGIBILITY WHEN EVACUATION AUTHORIZED BUT NOT ORDERED.—Section 405a(a) of title 37, United States Code, is amended by striking out "ordered" each place it appears and inserting in lieu thereof "authorized or ordered".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by subsection (a) shall take effect on October 1, 1995, and shall apply to persons authorized or ordered to depart as described in section 405a(a) of title 37, United States Code, on or after such date.

SEC. 623. DISLOCATION ALLOWANCE FOR MOVES RESULTING FROM A BASE CLOSURE OR REALIGNMENT.

Section 407(a) of title 37, United States Code, is amended by—

(1) by striking out "or" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following:

"(5) the member is ordered to move in connection with the closure or realignment of a military installation and, as a result, the member's dependents actually move or, in the case of a member without dependents, the member actually moves.".

SEC. 624. TRANSPORTATION OF NONDEPENDENT CHILD FROM SPONSOR'S STATION OVERSEAS AFTER LOSS OF DEPENDENT STATUS WHILE OVERSEAS.

Section 406(h)(1) of title 37, United States Code, is amended by striking out the last sentence and inserting in lieu thereof the following new sentence: "If a member receives for an unmarried child of the member transportation in kind to the member's station outside the United States or in Hawaii or Alaska, reimbursement therefor, or a monetary allowance in place thereof and, while the member is serving at that station, the child ceases to be a dependent of the member by reason of ceasing to satisfy an age requirement in section 401(a)(2) of this title or ceasing to be enrolled in an institution of higher education as described in subparagraph (C) of such section, the child shall be treated as a dependent of the member for purposes of this subsection.".

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 631. USE OF COMMISSARY STORES BY MEMBERS OF THE READY RESERVE.

(a) PERIOD OF USE.—Section 1063 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by inserting "for a period of one year on the same basis as members on active duty" before the period at the end of the first sentence; and

(B) by striking out the second sentence;

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 1063. Commissary stores: use by members of the Ready Reserve".

(2) The item relating to such section in the table of sections at the beginning of chapter 54 of title 10, United States Code, is amended to read as follows:

"1063. Commissary stores: use by members of the Ready Reserve.".

SEC. 632. USE OF COMMISSARY STORES BY RETIRED RESERVES UNDER AGE 60 AND THEIR SURVIVORS.

(a) ELIGIBILITY.—Section 1064 of title 10, United States Code, is amended to read as follows:

"§ 1064. Commissary stores: use by retired Reserves under age 60 and their survivors

"(a) RETIRED RESERVES UNDER AGE 60.—Members of the reserve components under 60 years of age who, but for age, would be eligible for retired pay under chapter 1223 of this title (or under chapter 67 of this title as in effect before December 1, 1994) shall be authorized to use commissary stores of the Department of Defense on the same basis as members and former members of the armed forces who have retired entitled to retired or retainer pay under chapter 367, 571, or 867 of this title.

"(b) SURVIVORS.—If a person authorized to use commissary stores under subsection (a) dies before attaining 60 years of age, the surviving dependents of the deceased person shall be authorized to use commissary stores of the Department of Defense on the same basis as the surviving dependents of persons who die after being retired entitled to retired or retainer pay under chapter 367, 571, or 867 of this title.

"(c) USE SUBJECT TO REGULATIONS.—Use of commissary stores under this section is subject to regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 54 of title 10, United States Code, is amended to read as follows:

"1064. Commissary stores: use by retired Reserves under age 60 and their survivors.".

SEC. 633. USE OF MORALE, WELFARE, AND RECREATION FACILITIES BY MEMBERS OF RESERVE COMPONENTS AND DEPENDENTS: CLARIFICATION OF ENTITLEMENT.

Section 1065 of title 10, United States Code, is amended to read as follows:

"§1065. Use of certain morale, welfare, and recreation facilities by members of reserve components and dependents

"(a) MEMBERS OF THE SELECTED RESERVE.—Members of the Selected Reserve in good standing (as determined by the Secretary concerned) shall be permitted to use MWR retail facilities on the same basis as members on active duty.

"(b) MEMBERS OF READY RESERVE NOT IN SELECTED RESERVE.—Subject to such regulations as the Secretary of Defense may prescribe, members of the Ready Reserve (other than members of the Selected Reserve) may be permitted to use MWR retail facilities on the same basis as members serving on active duty.

"(c) RETIREES UNDER AGE 60.—Members of the reserve components under 60 years of age who, but for age, would be eligible for retired pay under chapter 1223 of this title (or under chapter 67 of this title as in effect before December 1, 1994) shall be permitted to use MWR retail facilities on the same basis as members and former members of the armed forces who have retired entitled to retired or retainer pay under chapter 367, 571, or 867 of this title.

"(d) DEPENDENTS.—(1) Dependents of members referred to in subsection (a) shall be permitted to use MWR retail facilities on the same basis as dependents of members on active duty.

"(2) Dependents of members referred to in subsection (c) shall be permitted to use MWR retail facilities on the same basis as dependents of members and former members of the armed forces who have retired entitled to retired or retainer pay under chapter 367, 571, or 867 of this title.

"(e) MWR RETAIL FACILITY DEFINED.—In this section, the term 'MWR retail facilities' means exchange stores and other revenue generating facilities operated by non-appropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the armed forces.".

Subtitle E—Other Matters

SEC. 641. COST-OF-LIVING INCREASES FOR RETIRED PAY.

(a) MODIFICATION OF DELAYS.—Clause (ii) of section 1401a(b)(2)(B) of title 10, United States Code, is amended—

(1) by striking out "1994, 1995, 1996, or 1997" and inserting in lieu thereof "1994 or 1995"; and

(2) by striking out "September" and inserting in lieu thereof "March".

(b) CONFORMING AMENDMENT.—The captions for such section 1401a(2)(B) and for clause (ii) of such section are amended by striking out "THROUGH 1998" and inserting in lieu thereof "THROUGH 1996".

(c) REPEAL OF SUPERSEDED PROVISION.—Section 8114A of Public Law 103–335 (108 Stat. 2648) is repealed.

SEC. 642. ELIGIBILITY FOR RETIRED PAY FOR NON-REGULAR SERVICE DENIED FOR MEMBERS RECEIVING CERTAIN SENTENCES IN COURTS-MARTIAL.

Section 12731 of title 10, United States Code, is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) A person who is convicted of an offense under the Uniform Code of Military Justice (chapter 47 of this title), and whose executed sentence includes death, a dishonorable discharge, a bad conduct discharge, or (in the case of an officer) a dismissal is not eligible for retired pay under this chapter.".

SEC. 643. RECOUPMENT OF ADMINISTRATIVE EXPENSES IN GARNISHMENT ACTIONS.

(a) IN GENERAL.—Subsection (j) of section 5520a of title 5, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph (2):

"(2) Such regulations shall provide that an agency's administrative costs in executing legal process to which the agency is subject under this section shall be deducted from the amount withheld from the pay of the employee concerned pursuant to the legal process.".

(b) INVOLUNTARY ALLOTMENTS OF PAY OF MEMBERS OF THE UNIFORMED SERVICES.—Subsection (k) of such section is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) Regulations under this subsection may also provide that the administrative costs in establishing and maintaining an involuntary allotment be deducted from the amount withheld from the pay of the member of the uniformed services concerned pursuant to such regulations.".

(c) DISPOSITION OF AMOUNTS WITHHELD FOR ADMINISTRATIVE EXPENSES.—Such section is further amended by adding at the end the following:

"(l) The amount of an agency's administrative costs deducted under regulations prescribed pursuant to subsection (j)(2) or (k)(2) shall be credited to the appropriation, fund, or account from which such administrative costs were paid.".

SEC. 644. AUTOMATIC MAXIMUM COVERAGE UNDER SERVICEMEN'S GROUP LIFE INSURANCE.

Section 1967 of title 38, United States Code, is amended—

(1) in subsections (a) and (c), by striking out "$100,000" each place it appears and inserting in lieu thereof in each instance "$200,000";

(2) by striking out subsection (e); and

(3) by redesignating subsection (f) as subsection (e).

SEC. 645. TERMINATION OF SERVICEMEN'S GROUP LIFE INSURANCE FOR MEMBERS OF THE READY RESERVE WHO FAIL TO PAY PREMIUMS.

Section 1968(a)(4) of title 38, United States Code, is amended—

(1) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(2) by adding at the end the following:

"except that, if the member fails to make a direct remittance of a premium for the insurance to the Secretary when required to do so, the insurance shall cease with respect to the member 120 days after the date on which the Secretary transmits a notification of the termination by mail addressed to the member at the member's last known address, unless the Secretary accepts from the member full payment of the premiums in arrears within such 120-day period.".

SEC. 646. REPORT ON EXTENDING TO JUNIOR NONCOMMISSIONED OFFICERS PRIVILEGES PROVIDED FOR SENIOR NONCOMMISSIONED OFFICERS.

(a) REPORT REQUIRED.—Not later than February 1, 1996, the Secretary of Defense shall submit to Congress a report containing the determinations of the Secretary regarding whether, in order to improve the working conditions of noncommissioned officers in pay grades E–5 and E–6, any of the privileges afforded noncommissioned officers in any of the pay grades above E–6 should be extended to noncommissioned officers in pay grades E–5 and E–6.

(b) SPECIFIC RECOMMENDATION REGARDING ELECTION OF BAS.—The Secretary shall include in the report a determination on whether noncommissioned officers in pay grades E–5 and E–6 should be afforded the same privilege as noncommissioned officers in pay grades above E–6 to elect to mess separately and receive the basic allowance for subsistence.

(c) ADDITIONAL MATTERS.—The report shall also contain a discussion of the following matters:

(1) The potential costs of extending additional privileges to noncommissioned officers in pay grades E–5 and E–6.

(2) The effects on readiness that would result from extending the additional privileges.

(3) The options for extending the privileges on an incremental basis over an extended period.

(d) RECOMMENDED LEGISLATION.—The Secretary shall include in the report any recommended legislation that the Secretary considers necessary in order to authorize extension of a privilege as determined appropriate under subsection (a).

SEC. 647. PAYMENT TO SURVIVORS OF DECEASED MEMBERS OF THE UNIFORMED SERVICES FOR ALL LEAVE ACCRUED.

(a) INAPPLICABILITY OF 60-DAY LIMITATION.—Section 501(d) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking out the third sentence; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The limitations in the second sentence of subsection (b)(3), subsection (f), and the second sentence of subsection (g) shall not apply with respect to a payment made under this subsection.".

(b) CONFORMING AMENDMENT.—Section 501(f) of such title is amended by striking out ", (d)," in the first sentence.

SEC. 648. ANNUITIES FOR CERTAIN MILITARY SURVIVING SPOUSES.

(a) STUDY REQUIRED.—(1) The Secretary of Defense shall conduct a study to determine the quantitative results (described in subsection (b)) of enactment and exercise of authority for the Secretary of the military department concerned to pay an annuity to the qualified surviving spouse of each member of the Armed Forces who—

(A) died before March 21, 1974, and was entitled to retired or retainer pay on the date of death; or

(B) was a member of a reserve component of the Armed Forces during the period beginning on September 21, 1972, and ending on October 1, 1978, and at the time of his death would have been entitled to retired pay under chapter 67 of title 10, United States Code (as in effect before December 1, 1994), but for the fact that he was under 60 years of age.

(2) A qualified surviving spouse for purposes of paragraph (1) is a surviving spouse who has not remarried and who is not eligible for an annuity under section 4 of Public Law 92–425 (10 U.S.C. 1448 note).

(b) REQUIRED DETERMINATIONS.—By means of the study required under subsection (a), the Secretary shall determine the following matters:

(1) The number of unremarried surviving spouses of deceased members and deceased former members of the Armed Forces referred to in subparagraph (A) of subsection (a)(1) who would be eligible for an annuity under authority described in such subsection.

(2) The number of unremarried surviving spouses of deceased members and deceased former members of reserve components of the Armed Forces referred to in subparagraph (B) of subsection (a)(1) who would be eligible for an annuity under authority described in such subsection.

(3) The number of persons in each group of unremarried former spouses described in paragraphs (1) and (2) who are receiving a widow's insurance benefit or a widower's insurance benefit under title II of the Social Security Act on the basis of employment of a deceased member or deceased former member referred to in subsection (a)(1).

(c) REPORT.—(1) Not later than March 1, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the study.

(2) The Secretary shall include in the report a recommendation on the amount of the annuity that should be authorized to be paid under any authority described in subsection (a)(1) together with a recommendation on whether the annuity should be adjusted annually to offset increases in the cost of living.

SEC. 649. TRANSITIONAL COMPENSATION FOR DEPENDENTS OF MEMBERS OF THE ARMED FORCES SEPARATED FOR DEPENDENT ABUSE.

(a) CLARIFICATION OF ENTITLEMENT.—Section 1059(d) of title 10, United States Code, is amended by striking out "of a separation from active duty as" in the first sentence.

(b) EFFECTIVE DATE FOR PROGRAM AUTHORITY.—Section 554(b)(1) of the National Defense Authorization Act for Fiscal Year 1994 (107 Stat. 1666; 10 U.S.C. 1059 note) is amended by striking out "the date of the enactment of this Act—" and inserting in lieu thereof "April 1, 1994—".

TITLE VII—HEALTH CARE

Subtitle A—Health Care Services

SEC. 701. MEDICAL CARE FOR SURVIVING DEPENDENTS OF RETIRED RESERVES WHO DIE BEFORE AGE 60.

Section 1076(b) of title 10, United States Code, is amended—

(1) in clause (2)—

(A) by striking out "death (A) would" and inserting in lieu thereof "death would"; and

(B) by striking out ", and (B) had elected to participate in the Survivor Benefit Plan established under subchapter II of chapter 73 of this title"; and

(2) in the second sentence, by striking out "without regard to subclause (B) of such clause".

SEC. 702. DENTAL INSURANCE FOR MEMBERS OF THE SELECTED RESERVE.

(a) PROGRAM AUTHORIZATION.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076a the following new section:

"§ 1076b. Selected Reserve dental insurance

"(a) AUTHORITY TO ESTABLISH PLAN.—The Secretary of Defense shall establish a dental insurance plan for members of the Selected Reserve of the Ready Reserve. The plan shall provide for voluntary enrollment and for premium sharing between the Department of Defense and the members enrolled in the plan. The plan shall be administered under regulations prescribed by the Secretary of Defense.

"(b) PREMIUM SHARING.—(1) A member enrolling in the dental insurance plan shall pay a share of the premium charged for the insurance coverage. The member's share may not exceed $25 per month.

"(2) The Secretary of Defense may reduce the monthly premium required to be paid by enlisted members under paragraph (1) if the Secretary determines that the reduction is appropriate in order to assist enlisted members to participate in the dental insurance plan.

"(3) A member's share of the premium for coverage by the dental insurance plan shall be deducted and withheld from the basic pay payable to the member for inactive duty training and from the basic pay payable to the member for active duty.

"(4) The Secretary of Defense shall pay the portion of the premium charged for coverage of a member under the dental insurance plan that exceeds the amount paid by the member.

"(c) BENEFITS AVAILABLE UNDER THE PLAN.—The dental insurance plan shall provide benefits for basic dental care and treatment, including diagnostic services, preventative services, basic restorative services, and emergency oral examinations.

"(d) TERMINATION OF COVERAGE.—The coverage of a member by the dental insurance plan shall terminate on the last day of the month in which the member is discharged, transfers to the Individual Ready Reserve, Standby Reserve, or Retired Reserve, or is ordered to active duty for a period of more than 30 days.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076a the following:

"1076b. Selected Reserve dental insurance.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Of the funds authorized to be appropriated under section 301(16), $9,000,000 shall be available to pay the Department of Defense share of the premium required for members covered by the dental insurance plan established pursuant to section 1076b of title 10, United States Code, as added by subsection (a).

SEC. 703. MODIFICATION OF REQUIREMENTS REGARDING ROUTINE PHYSICAL EXAMINATIONS AND IMMUNIZATIONS UNDER CHAMPUS.

Section 1079(a) of title 10, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) consistent with such regulations as the Secretary of Defense may prescribe regarding the content of health promotion and disease prevention visits, the schedule of pap smears and mammograms, and the types and schedule of immunizations—

"(A) for dependents under 6 years of age, both health promotion and disease prevention visits and immunizations may be provided; and

"(B) for dependents 6 years of age or older, health promotion and disease prevention visits may be provided in connection with immunizations or with diagnostic or preventive pap smears and mammograms;".

SEC. 704. PERMANENT AUTHORITY TO CARRY OUT SPECIALIZED TREATMENT FACILITY PROGRAM.

Section 1105 of title 10, United States Code, is amended by striking out subsection (h).

SEC. 705. WAIVER OF MEDICARE PART B LATE ENROLLMENT PENALTY AND ESTABLISHMENT OF SPECIAL ENROLLMENT PERIOD FOR CERTAIN MILITARY RETIREES AND DEPENDENTS.

Section 1837 of the Social Security Act (42 U.S.C. 1395p) is amended by adding at the end the following new subsection:

"(j)(1) The Secretary shall make special provisions for the enrollment of an individual who is a covered beneficiary under chapter 55 of title 10, United States Code, and who is affected adversely by the closure of a military medical treatment facility of the Department of Defense pursuant to a closure or realignment of a military installation.

"(2) The special enrollment provisions required by paragraph (1) shall be established in regulations issued by the Secretary. The regulations shall—

"(A) identify individuals covered by paragraph (1) in accordance with regulations providing for such identification that are prescribed by the Secretary of Defense;

"(B) provide for a special enrollment period of at least 90 days to be scheduled at some time proximate to the date on which the military medical treatment facility involved is scheduled to be closed; and

"(C) provide that, with respect to individuals who enroll pursuant to paragraph (1), the increase in premiums under section 1839(b) due to late enrollment under this part shall not apply.

"(3) For purposes of this subsection—

"(A) the term 'covered beneficiary' has the meaning given such term in section 1072(5) of title 10, United States Code;

"(B) the term 'military medical treatment facility' means a facility of a uniformed service referred to in section 1074(a) of title 10, United States Code, in which health care is provided; and

"(C) the terms 'military installation' and 'realignment' have the meanings given such terms—

"(i) in section 209 of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note), in the case of a closure or realignment under title II of such Act;

"(ii) in section 2910 of the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), in the case of a closure or realignment under such Act; or

"(iii) in subsection (e) of section 2687 of title 10, United States Code, in the case of a closure or realignment under such section.".

Subtitle B—TRICARE Program

SEC. 711. DEFINITION OF TRICARE PROGRAM AND OTHER TERMS.

In this subtitle:

(1) The term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

(2) The term "covered beneficiary" means a beneficiary under chapter 55 of title 10, United States Code, including a beneficiary under section 1074(a) of such title.

(3) The term "Uniformed Services Treatment Facility" means a facility deemed to be a facility of the uniformed services by virtue of section 911(a) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(a)).

(4) The term "administering Secretaries" has the meaning given such term in section 1072(3) of title 10, United States Code.

SEC. 712. PROVISION OF TRICARE UNIFORM BENEFITS BY UNIFORMED SERVICES TREATMENT FACILITIES.

(a) REQUIREMENT.—Subject to subsection (b), upon the implementation of the TRICARE program in the catchment area served by a Uniformed Services Treatment Facility, the facility shall provide to the covered beneficiaries enrolled in a health care plan of such facility the same health care benefits (subject to the same conditions and limitations) as are available to covered beneficiaries in that area under the TRICARE program.

(b) EFFECT ON CURRENT ENROLLEES.—(1) A covered beneficiary who has been continuously enrolled on and after October 1, 1995, in a health care plan offered by a Uniformed Services Treatment Facility pursuant to a contract between the Secretary of Defense and the facility may elect to continue to receive health care benefits in accordance with the plan instead of benefits in accordance with subsection (a).

(2) The Uniform Services Treatment Facility concerned shall continue to provide benefits to a covered beneficiary in accordance with an election of benefits by that beneficiary under paragraph (1). The requirement to do so shall terminate on the effective date of any contract between the Secretary of Defense and the facility that—

(A) is entered into on or after the date of the election; and

(B) requires the health care plan offered by the facility for covered beneficiaries to provide health care benefits in accordance with subsection (a).

SEC. 713. SENSE OF SENATE ON ACCESS OF MEDICARE ELIGIBLE BENEFICIARIES OF CHAMPUS TO HEALTH CARE UNDER TRICARE.

It is the sense of the Senate—

(1) that the Secretary of Defense should develop a program to ensure that covered beneficiaries who are eligible for medicare under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and who reside in a region in which the TRICARE program has been implemented have adequate access to health care services after the implementation of the TRICARE program in that region; and

(2) to support strongly, as a means of ensuring such access, the reimbursement of the Department of Defense by the Secretary of Health and Human Services for health care services provided such beneficiaries at the medical treatment facilities of the Department of Defense.

SEC. 714. PILOT PROGRAM OF INDIVIDUALIZED RESIDENTIAL MENTAL HEALTH SERVICES.

(a) PROGRAM REQUIRED.—During fiscal year 1996, the Secretary of Defense, in consultation with the other administering Secretaries, shall carry out a pilot program for providing wraparound services to covered beneficiaries who are children in need of mental health services. The Secretary shall carry out the pilot program in one region in which the TRICARE program has been implemented as of the beginning of such fiscal year.

(b) WRAPAROUND SERVICES DEFINED.—For purposes of this section, wraparound services are individualized mental health services that a provider provides, principally in a residential setting but also with follow-up services, in return for payment on a case rate basis. For payment of the case rate for a patient, the provider incurs the risk that it will be necessary for the provider to provide the patient with additional mental health services intermittently or on a longer term basis after completion of the services provided on a residential basis under a treatment plan.

(c) PILOT PROGRAM AGREEMENT.—Under the pilot program the Secretary of Defense shall enter into an agreement with a provider of mental health services that requires the provider—

(1) to provide wraparound services to covered beneficiaries referred to in subsection (a);

(2) to continue to provide such services to each beneficiary as needed during the period of the agreement even if the patient relocates outside the TRICARE program region involved (but inside the United States) during that period; and

(3) to accept as payment for such services an amount not in excess of the amount of the standard CHAMPUS residential treatment clinic benefit payable with respect to the covered beneficiary concerned (as determined in accordance with section 8.1 of chapter 3 of volume II of the CHAMPUS policy manual).

(d) REPORT.—Not later than March 1, 1997, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the program carried out under this section. The report shall contain—

(1) an assessment of the effectiveness of the program; and

(2) the Secretary's views regarding whether the program should be implemented in all regions where the TRICARE program is carried out.

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. DELAY OF TERMINATION OF STATUS OF CERTAIN FACILITIES AS UNIFORMED SERVICES TREATMENT FACILITIES.

Section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)) is amended by striking out "December 31, 1996" in the first sentence and inserting in lieu thereof "September 30, 1997".

SEC. 722. APPLICABILITY OF FEDERAL ACQUISITION REGULATION TO PARTICIPATION AGREEMENTS WITH UNIFORMED SERVICES TREATMENT FACILITIES.

Section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1587) is amended—

(1) in the second sentence of paragraph (1), by striking out "A participation agreement" and inserting in lieu thereof "Except as provided in paragraph (4), a participation agreement";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) APPLICABILITY OF FEDERAL ACQUISITION REGULATION.—On and after the date of enactment of the National Defense Authorization Act for Fiscal Year 1996, the Federal Acquisition Regulation issued pursuant to section 25(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)) shall apply to any action to modify an existing participation agreement and to any action by the Secretary of Defense and a Uniformed Services Treatment Facility to enter into a new participation agreement.".

SEC. 723. APPLICABILITY OF CHAMPUS PAYMENT RULES IN CERTAIN CASES.

Section 1074 of title 10, United States Code, is amended by adding at the end the following:

"(d)(1) The Secretary of Defense, after consultation with the other administering Secretaries, may by regulation require a private CHAMPUS provider to apply the CHAMPUS payment rules (subject to any modifications considered appropriate by the Secretary) in imposing charges for health care that the provider provides outside the catchment area of a Uniformed Services Treatment Facility to a member of the uniformed services who is enrolled in a health care plan of the Uniformed Services Treatment Facility.

"(2) In this subsection:

"(A) The term 'private CHAMPUS provider' means a private facility or health care provider that is a health care provider under the Civilian Health and Medical Program of the Uniformed Services.

"(B) The term 'CHAMPUS payment rules' means the payment rules referred to in subsection (c).

"(C) The term 'Uniformed Services Treatment Facility' means a facility deemed to be a facility of the uniformed services under section 911(a) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(a)).".

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. INVESTMENT INCENTIVE FOR MANAGED HEALTH CARE IN MEDICAL TREATMENT FACILITIES.

(a) AVAILABILITY OF 3 PERCENT OF APPROPRIATIONS FOR TWO FISCAL YEARS.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1071 the following new section:

"§ 1071a. Availability of appropriations

"Of the total amount authorized to be appropriated for a fiscal year for programs and activities carried out under this chapter, the amount equal to three percent of such total amount is authorized to be appropriated to remain available until the end of the following fiscal year.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 55 of title 10, United States Code, is amended by inserting after the item relating to section 1071 the following:

"1071a. Availability of appropriations.".

SEC. 732. REVISION AND CODIFICATION OF LIMITATIONS ON PHYSICIAN PAYMENTS UNDER CHAMPUS.

(a) IN GENERAL.—Section 1079(h) of title 10, United States Code, is amended to read as follows:

"(h)(1) Subject to paragraph (2), payment for a charge for services by an individual health care professional (or other noninstitutional health care provider) for which a claim is submitted under a plan contracted for under subsection (a) shall be limited to the lesser of—

"(A) the amount equivalent to the 80th percentile of billed charges, as determined by the Secretary of Defense in consultation with the other administering Secretaries, for similar services in the same locality during a 12-month base period that the Secretary shall define and may adjust as frequently as the Secretary considers appropriate; or

"(B) the amount payable for charges for such services (or similar services) under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) as determined in accordance with the reimbursement rules applicable to payments for medical and other health services under that title.

"(2) The amount to be paid to an individual health care professional (or other noninstitutional health care provider) shall be determined under regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries. Such regulations—

"(A) may provide for such exceptions from the limitation on payments set forth in paragraph (1) as the Secretary determines necessary to ensure that covered beneficiaries have adequate access to health care services, including payment of amounts greater than the amounts otherwise payable under that paragraph when enrollees in managed care programs obtain covered emergency services from nonparticipating providers; and

"(B) shall establish limitations (similar to those established under title XVIII of the Social Security Act) on beneficiary liability for charges of an individual health care professional (or other noninstitutional health care provider).".

(b) TRANSITION.—In prescribing regulations under paragraph (2) of section 1079(h) of title 10, United States Code, as amended by subsection (a), the Secretary of Defense shall provide—

(1) for a period of transition between the payment methodology in effect under section 1079(h) of such title, as such section was in effect on the day before the date of the enactment of this Act, and the payment methodology under section 1079(h) of such title, as so amended; and

(2) that the amount payable under such section 1079(h), as so amended, for a charge for a service under a claim submitted during the period may not be less than 85 percent of the maximum amount that was payable under such section 1079(h), in effect on the day before the date of the enactment of this Act, for charges for the same service during the 1-year period (or a period of other duration that the Secretary considers appropriate) ending on the day before such date.

SEC. 733. PERSONAL SERVICES CONTRACTS FOR MEDICAL TREATMENT FACILITIES OF THE COAST GUARD.

(a) CONTRACTING AUTHORITY.—Section 1091(a) of title 10, United States Code, is amended—

(1) by inserting after "Secretary of Defense" the following: ", with respect to medical treatment facilities of the Department of Defense, and the Secretary of Transportation, with respect to medical treatment facilities of the Coast Guard when the Coast Guard is not operating as a service in the Navy,"; and

(2) by striking out "medical treatment facilities of the Department of Defense" and inserting in lieu thereof "such facilities".

(b) RATIFICATION OF EXISTING CONTRACTS.—Any exercise of authority under section 1091 of title 10, United States Code, to enter into a personal services contract on behalf of the Coast Guard before the effective date of the amendments made by subsection (a) is hereby ratified.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the earlier of the date of the enactment of this Act or October 1, 1995.

SEC. 734. DISCLOSURE OF INFORMATION IN MEDICARE AND MEDICAID COVERAGE DATA BANK TO IMPROVE COLLECTION FROM RESPONSIBLE PARTIES FOR HEALTH CARE SERVICES FURNISHED UNDER CHAMPUS.

(a) PURPOSE OF DATA BANK.—Subsection (a) of section 1144 of the Social Security Act (42 U.S.C. 1320b–14) is amended—

(1) by striking out "and" at the end of the paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and"; and

(3) by adding at the end the following:

"(3) assist in the identification of, and collection from, third parties responsible for the reimbursement of the costs incurred by the United States for health care services furnished to individuals who are covered beneficiaries under chapter 55 of title 10, United States Code, upon request by the administering Secretaries.".

(b) AUTHORITY TO DISCLOSE INFORMATION.—Subsection (b)(2) of such section is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and"; and

(3) by adding at the end the following:

"(C) (subject to the restriction in subsection (c)(7) of this section) to disclose any other information in the Data Bank to the administering Secretaries for purposes described in subsection (a)(3) of this section.".

(c) DEFINITION.—Subsection (f) of such section is amended by adding at the end the following:

"(5) ADMINISTERING SECRETARIES.—The term 'administering Secretaries' shall have the meaning given to such term by section 1072(3) of title 10, United States Code.".

Subtitle E—Other Matters

SEC. 741. TRISERVICE NURSING RESEARCH.

(a) PROGRAM AUTHORIZED.—Chapter 104 of title 10, United States Code, is amended by adding at the end the following:

"§2116. Research on the furnishing of care and services by nurses of the armed forces

"(a) PROGRAM AUTHORIZED.—The Board of Regents of the University may establish at the University a program of research on the furnishing of care and services by nurses in the Armed Forces (hereafter in this section referred to as 'military nursing research'). A program carried out under this section shall be known as the 'TriService Nursing Research Program'.

"(b) TRISERVICE RESEARCH GROUP.—(1) The TriService Nursing Research Program shall be administered by a TriService Nursing Research Group composed of Army, Navy, and Air Force nurses who are involved in military nursing research and are designated by the Secretary concerned to serve as members of the group.

"(2) The TriService Nursing Research Group shall—

"(A) develop for the Department of Defense recommended guidelines for requesting, reviewing, and funding proposed military nursing research projects; and

"(B) make available to Army, Navy, and Air Force nurses and Department of Defense officials concerned with military nursing research—

"(i) information about nursing research projects that are being developed or carried out in the Army, Navy, and Air Force; and

"(ii) expertise and information beneficial to the encouragement of meaningful nursing research.

"(c) RESEARCH TOPICS.—For purposes of this section, military nursing research includes research on the following issues:

"(1) Issues regarding how to improve the results of nursing care and services provided in the armed forces in time of peace.

"(2) Issues regarding how to improve the results of nursing care and services provided in the armed forces in time of war.

"(3) Issues regarding how to prevent complications associated with battle injuries.

"(4) Issues regarding how to prevent complications associated with the transporting of patients in the military medical evacuation system.

"(5) Issues regarding how to improve methods of training nursing personnel.

"(6) Clinical nursing issues, including such issues as prevention and treatment of child abuse and spouse abuse.

"(7) Women's health issues.

"(8) Wellness issues.

"(9) Preventive medicine issues.

"(10) Home care management issues.

"(11) Case management issues.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 104 of such title is amended by adding at the end the following:

"2116. Research on the furnishing of care and services by nurses of the armed forces.".

SEC. 742. FISHER HOUSE TRUST FUNDS.

(a) ESTABLISHMENT.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following:

"§2221. Fisher House trust funds

"(a) ESTABLISHMENT.—The following trust funds are established on the books of the Treasury:

"(1) The Fisher House Trust Fund, Department of the Army.

"(2) The Fisher House Trust Fund, Department of the Air Force.

"(b) INVESTMENT.—Funds in the trust funds may be invested in securities of the United States. Earnings and gains realized from the investment of funds in a trust fund shall be credited to the trust fund.

"(c) USE OF FUNDS.—(1) Amounts in the Fisher House Trust Fund, Department of the Army, that are attributable to earnings or gains realized from investments shall be available for operation and maintenance of Fisher houses that are located in proximity to medical treatment facilities of the Army.

"(2) Amounts in the Fisher House Trust Fund, Department of the Air Force, that are attributable to earnings or gains realized from investments shall be available for operation and maintenance of Fisher houses that are located in proximity to medical treatment facilities of the Air Force.

"(3) The use of funds under this section is subject to the requirements of section 1321(b)(2) of title 31.

"(d) FISHER HOUSES DEFINED.—For purposes of this section, Fisher houses are housing facilities that are located in proximity to medical treatment facilities of the Army or Air Force and are available for residential use on a temporary basis by patients at such facilities, members of the family of such patients, and others providing the equivalent of familial support for such patients.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"2221. Fisher House trust funds.".

(b) CORPUS OF TRUST FUNDS.—(1) The Secretary of the Treasury shall—

(A) close the accounts established with the funds that were required by section 8019 of Public Law 102–172 (105 Stat. 1175) and section 9023 of Public Law 102–396 (106 Stat. 1905) to be transferred to an appropriated trust fund; and

(B) transfer the amounts in such accounts to the Fisher House Trust Fund, Department of the Army, established by subsection (a)(1) of section 2221 of title 10, United States Code, as added by subsection (a).

(2) The Secretary of the Air Force shall transfer to the Fisher House Trust Fund, Department of the Air Force, established by subsection (a)(2) of section 2221 of title 10, United States Code (as added by section (a)), all amounts in the accounts for Air Force installations and other facilities that, as of the date of the enactment of this Act, are available for operation and maintenance of Fisher

houses (as defined in subsection (c) of such section 2221).

(c) CONFORMING AMENDMENTS.—Section 1321 of title 31, United States Code, is amended—

(1) by adding at the end of subsection (a) the following:

"(92) Fisher House Trust Fund, Department of the Army.

"(93) Fisher House Trust Fund, Department of the Air Force."; and

(2) in subsection (b)—

(A) by inserting "(1)" after "(b)";

(B) in the second sentence, by striking out "Amounts accruing to these funds (except to the trust fund 'Armed Forces Retirement Home Trust Fund')" and inserting in lieu thereof "Except as provided in paragraph (2), amounts accruing to these funds";

(C) by striking out the third sentence; and

(D) by adding at the end the following:

"(2) Expenditures from the following trust funds shall be made only under annual appropriations and only if the appropriations are specifically authorized by law:

"(A) Armed Forces Retirement Home Trust Fund.

"(B) Fisher House Trust Fund, Department of the Army.

"(C) Fisher House Trust Fund, Department of the Air Force.".

(d) REPEAL OF SUPERSEDED PROVISIONS.—The following provisions of law are repealed:

(1) Section 8019 of Public Law 102–172 (105 Stat. 1175).

(2) Section 9023 of Public Law 102–396 (106 Stat. 1905).

(3) Section 8019 of Public Law 103–139 (107 Stat. 1441).

(4) Section 8017 of Public Law 103–335 (108 Stat. 2620; 10 U.S.C. 1074 note).

SEC. 743. APPLICABILITY OF LIMITATION ON PRICES OF PHARMACEUTICALS PROCURED FOR COAST GUARD.

Section 8126(b) of title 38, United States Code, is amended by adding at the end the following:

"(4) The Coast Guard.".

SEC. 744. REPORT ON EFFECT OF CLOSURE OF FITZSIMONS ARMY MEDICAL CENTER, COLORADO, ON PROVISION OF CARE TO MILITARY PERSONNEL AND DEPENDENTS EXPERIENCING HEALTH DIFFICULTIES ASSOCIATED WITH PERSIAN GULF SYNDROME.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that—

(1) assesses the effects of the closure of Fitzsimons Army Medical Center, Colorado, on the capability of the Department of Defense to provide appropriate and adequate health care to members and former members of the Armed Forces and their dependents who suffer from undiagnosed illnesses (or combination of illnesses) as a result of service in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War; and

(2) describes the plans of the Secretary of Defense and the Secretary of the Army to ensure that adequate and appropriate health care is available to such members, former members, and their dependents for such illnesses.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Reform

SEC. 801. WAIVERS FROM CANCELLATION OF FUNDS.

Notwithstanding section 1552(a) of title 31, United States Code, funds appropriated for any fiscal year after fiscal year 1995 that are administratively reserved or committed for satellite on-orbit incentive fees shall remain available for obligation and expenditure until the fee is earned, but only if and to the extent that section 1512 of title 31, United States Code, the Impoundment Control Act (2 U.S.C. 681 et seq.), and other applicable provisions of law are complied with in the reservation and commitment of funds for that purpose

SEC. 802. PROCUREMENT NOTICE POSTING THRESHOLDS AND SUBCONTRACTS FOR OCEAN TRANSPORTATION SERVICES.

(a) PROCUREMENT NOTICE POSTING THRESHOLDS.—Section 18(a)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(1)(B)) is amended—

(1) by striking out "subsection (f)—" and all that follows through the end of the subparagraph and inserting in lieu thereof "subsection (b); and"; and

(2) by inserting after "property or services" the following: for a price expected to exceed $10,000, but not to exceed $25,000,".

(b) SUBCONTRACTS FOR OCEAN TRANSPORTATION SERVICES.—Notwithstanding any other provision of law, neither section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)) nor section 2631 of title 10, United States Code, shall be included prior to May 1, 1996 on any list promulgated under section 34(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 430(b)).

SEC. 803. PROMPT RESOLUTION OF AUDIT RECOMMENDATIONS.

Section 6009 of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3367, October 14, 1994) is amended to read as follows:

"SEC. 6009. PROMPT MANAGEMENT DECISIONS AND IMPLEMENTATION OF AUDIT RECOMMENDATIONS.

"(a) MANAGEMENT DECISIONS.—(1) The head of a Federal agency shall make management decisions on all findings and recommendations set forth in an audit report of the inspector general of the agency within a maximum of six months after the issuance of the report.

"(2) The head of a Federal agency shall make management decisions on all findings and recommendations set forth in an audit report of any auditor from outside the Federal Government within a maximum of six months after the date on which the head of the agency receives the report.

"(b) COMPLETIONS OF ACTIONS.—The head of a Federal agency shall complete final action on each management decision required with regard to a recommendation in an inspector general's report under subsection (a)(1) within 12 months after the date of the inspector general's report. If the head of the agency fails to complete final action with regard to a management decision within the 12-month period, the inspector general concerned shall identify the matter in each of the inspector general's semiannual reports pursuant to section 5(a)(3) of the Inspector General Act of 1978 (5 U.S.C. App.) until final action on the management decision is completed.".

SEC. 804. TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SUBCONTRACTING PLANS.

(a) REVISION OF AUTHORITY.—Subsection (a) of section 834 of National Defense Authorization Act for Fiscal Years 1990 and 1991 (15 U.S.C. 637 note) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Secretary of Defense shall establish a test program under which contracting activities in the military departments and the Defense Agencies are authorized to undertake one or more demonstration projects to determine whether the negotiation and administration of comprehensive subcontracting plans will reduce administrative burdens on contractors while enhancing opportunities provided under Department of Defense contracts for small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals. In selecting the contracting activities to undertake demonstration projects, the Secretary shall take such action as is necessary to ensure that a broad range of the supplies and services acquired by the Department of Defense are included in the test program.".

(b) COVERED CONTRACTORS.—Subsection (b) of such section is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) A Department of Defense contractor referred to in paragraph (1) is, with respect to a comprehensive subcontracting plan negotiated in any fiscal year, a business concern that, during the immediately preceding fiscal year, furnished the Department of Defense with supplies or services (including professional services, research and development services, and construction services) pursuant to at least three Department of Defense contracts having an aggregate value of at least $5,000,000.".

(c) TECHNICAL AMENDMENTS.—Such section is amended—

(1) by striking out subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

SEC. 805. NAVAL SALVAGE FACILITIES.

Chapter 637 of title 10, United States Code, is amended to read as follows:

"CHAPTER 637—SALVAGE FACILITIES

"Sec.
"7361. Authority to provide for necessary salvage facilities.
"7362. Acquisition and transfer of vessels and equipment.
"7363. Settlement of claims.
"7364. Disposition of receipts.

"§ 7361. Authority to provide for necessary salvage facilities

"(a) AUTHORITY.—The Secretary of the Navy may contract or otherwise provide for necessary salvage facilities for public and private vessels.

"(b) COORDINATION WITH SECRETARY OF TRANSPORTATION.—The Secretary shall submit to the Secretary of Transportation for comment each proposed salvage contract that affects the interests of the Department of Transportation.

"(c) LIMITATION.—The Secretary of the Navy may enter into a contract under subsection (a) only if the Secretary determines that available commercial salvage facilities are inadequate to meet the Navy's requirements and provides public notice of the intent to enter into such a contract.

"§ 7362. Acquisition and transfer of vessels and equipment

"(a) AUTHORITY.—The Secretary of the Navy may acquire or transfer such vessels and equipment for operation by private salvage companies as the Secretary considers necessary.

"(b) AGREEMENT ON USE.—A private recipient of any salvage vessel or gear shall agree in writing that such vessel or gear will be used to support organized offshore salvage facilities for as many years as the Secretary shall consider appropriate.

"§ 7363. Settlement of claims

"The Secretary of the Navy, or the Secretary's designee, may settle and receive payment for any claim by the United States for salvage services rendered by the Department of the Navy.

"§ 7364. Disposition of receipts

"Amounts received under this chapter shall be credited to appropriations for maintaining naval salvage facilities. However, any amount received in excess of naval salvage costs incurred by the Navy in that fiscal year shall be deposited into the general fund of the Treasury.".

SEC. 806. AUTHORITY TO DELEGATE CONTRACTING AUTHORITY.

(a) REPEAL OF DUPLICATIVE AUTHORITY AND RESTRICTION.—Section 2356 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 139 of title 10, United States Code, is amended by striking out the item relating to section 2356.

SEC. 807. COORDINATION AND COMMUNICATION OF DEFENSE RESEARCH ACTIVITIES.

Section 2364 of title 10, United States Code, is amended—

(1) in subsection (b)(5), by striking out "milestone O, milestone I, and milestone II" and inserting in lieu thereof "acquisition program"; and

(2) in subsection (c), by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) The term 'acquisition program decision' has the meaning prescribed by the Secretary of Defense in regulations.".

SEC. 808. PROCUREMENT OF ITEMS FOR EXPERIMENTAL OR TEST PURPOSES.

Section 2373(b) of title 10, United States Code, is amended by inserting "only" after "applies".

SEC. 809. QUALITY CONTROL IN PROCUREMENTS OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS.

(a) REPEAL.—Section 2383 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2383.

SEC. 810. USE OF FUNDS FOR ACQUISITION OF DESIGNS, PROCESSES, TECHNICAL DATA, AND COMPUTER SOFTWARE.

Section 2386(3) of title 10, United States Code, is amended to read as follows:

"(3) Design and process data, technical data, and computer software.".

SEC. 811. INDEPENDENT COST ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

Section 2434(b)(1)(A) of title 10, United States Code, is amended to read as follows:

"(A) be prepared—

"(i) by an office or other entity that is not under the supervision, direction, or control of the military department, Defense Agency, or other component of the Department of Defense that is directly responsible for carrying out the development or acquisition of the program; or

"(ii) if the decision authority for the program has been delegated to an official of a military department, Defense Agency, or other component of the Department of Defense, by an office or other entity that is not directly responsible for carrying out the development or acquisition of the program; and".

SEC. 812. FEES FOR CERTAIN TESTING SERVICES.

Section 2539b(c) of title 10, United States Code, is amended by inserting "and indirect" after "recoup the direct".

SEC. 813. CONSTRUCTION, REPAIR, ALTERATION, FURNISHING, AND EQUIPPING OF NAVAL VESSELS.

(a) INAPPLICABILITY OF CERTAIN LAWS.—Chapter 633 of title 10, United States Code, is amended by inserting after section 7297 the following:

"§ 7299. Contracts: applicability of Walsh-Healey Act

"Each contract for the construction, alteration, furnishing, or equipping of a naval vessel is subject to the Walsh-Healey Act (41 U.S.C. 35 et seq.) unless the President determines that this requirement is not in the interest of national defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7297 the following:

"7299. Contracts: applicability of Walsh-Healey Act.".

SEC. 814. CIVIL RESERVE AIR FLEET.

Section 9512 of title 10, United States Code, is amended by striking out "full Civil Reserve Air Fleet" both places it appears in subsections (b)(2) and (e) and inserting in lieu thereof "Civil Reserve Air Fleet".

SEC. 815. COST AND PRICING DATA.

(a) ARMED SERVICES PROCUREMENTS.—Section 2306a(d)(2)(A)(i) of title 10, United States Code, is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(2)(A)(i) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)(2)(A)(i)) is amended by striking out "and the procurement is not covered by an exception in subsection (b)," and inserting in lieu thereof "and the offeror or contractor requests to be exempted from the requirement for submission of cost or pricing data pursuant to this subsection,".

SEC. 816. PROCUREMENT NOTICE TECHNICAL AMENDMENTS.

Section 18(c)(1)(E) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(1)(E)) is amended by inserting after "requirements contract" the following: ", a task order contract, or a delivery order contract".

SEC. 817. REPEAL OF DUPLICATIVE AUTHORITY FOR SIMPLIFIED ACQUISITION PURCHASES.

Section 31 of the Office of Federal Procurement Policy Act (41 U.S.C. 427) is amended—

(1) by striking out subsections (a), (b), and (c);

(2) by redesignating subsections (d), (e), and (f) as (a), (b), and (c), respectively;

(3) in subsection (b), as so redesignated, by striking out "provided in the Federal Acquisition Regulation pursuant to this section" each place it appears and inserting in lieu thereof "contained in the Federal Acquisition Regulation"; and

(4) by adding at the end the following:

"(d) PROCEDURES DEFINED.—The simplified acquisition procedures referred to in this section are the simplified acquisition procedures that are provided in the Federal Acquisition Regulation pursuant to section 2304(g) of title 10, United States Code, and section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)).".

SEC. 818. MICRO-PURCHASES WITHOUT COMPETITIVE QUOTATIONS.

Section 32(d) of the Office of Federal Procurement Policy Act (41 U.S.C. 428) is amended by striking out "the contracting officer" and inserting in lieu thereof "an employee of an executive agency or a member of the Armed Forces of the United States authorized to do so".

SEC. 819. RESTRICTION ON REIMBURSEMENT OF COSTS.

(a) None of the funds authorized to be appropriated in this Act for fiscal year 1996 may be obligated for payment on new contracts on which allowable costs charged to the Government include payments for individual compensation (including bonuses and other incentives) at a rate in excess of $250,000.

(b) It is the sense of the Senate that the Congress should consider extending the restriction described in section (a) permanently.

Subtitle B—Other Matters

SEC. 821. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1996 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 822. TREATMENT OF DEPARTMENT OF DEFENSE CABLE TELEVISION FRANCHISE AGREEMENTS.

For purposes of part 49 of the Federal Acquisition Regulation, a cable television franchise agreement of the Department of Defense shall be considered a contract for telecommunications services.

SEC. 823. PRESERVATION OF AMMUNITION INDUSTRIAL BASE.

(a) REVIEW OF AMMUNITION PROCUREMENT AND MANAGEMENT PROGRAMS.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall commence a review of the ammunition procurement and management programs of the Department of Defense, including the planning for, budgeting for, administration, and carrying out of such programs.

(2) The review under paragraph (1) shall include an assessment of the following matters:

(A) The practicability and desirability of using centralized procurement practices to procure all ammunition required by the Armed Forces.

(B) The capability of the ammunition production facilities of the United States to meet the ammunition requirements of the Armed Forces.

(C) The practicability and desirability of privatizing such ammunition production facilities.

(D) The practicability and desirability of using integrated budget planning among the Armed Forces for the procurement of ammunition.

(E) The practicability and desirability of establishing an advocate within the Department of Defense for ammunition industrial base matters who shall be responsible for—

(i) establishing the quantity and price of ammunition procured by the Armed Forces; and

(ii) establishing and implementing policy to ensure the continuing viability of the ammunition industrial base in the United States.

(F) The practicability and desirability of providing information on the ammunition procurement practices of the Armed Forces to Congress through a single source.

(b) REPORT.—Not later than April 1, 1996, the Secretary shall submit to the congressional defense committees a report containing the following:

(1) The results of the review carried out under subsection (a).

(2) A discussion of the methodologies used in carrying out the review.

(3) An assessment of various methods of ensuring the continuing viability of the ammunition industrial base of the United States.

(4) Recommendations of means (including legislation) of implementing such methods in order to ensure such viability.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. REDESIGNATION OF THE POSITION OF ASSISTANT TO THE SECRETARY OF DEFENSE FOR ATOMIC ENERGY.

(a) IN GENERAL.—(1) Section 142 of title 10, United States Code, is amended—

(A) by striking out the section heading and inserting in lieu thereof the following:

"§ 142. Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs";

(B) in subsection (a), by striking out "Assistant to the Secretary of Defense for Atomic Energy" and inserting in lieu thereof "Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs"; and

(C) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Assistant to the Secretary shall—

"(1) advise the Secretary of Defense on nuclear energy, nuclear weapons, and chemical and biological defense;

"(2) serve as the Staff Director of the Nuclear Weapons Council established by section 179 of this title; and

"(3) perform such additional duties as the Secretary may prescribe.".

(2) The table of sections at the beginning of chapter 4 of such title is amended by striking out the item relating to section 142 and inserting in lieu thereof the following:

"142. Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs.".

(b) CONFORMING AMENDMENTS.—(1) Section 179(c)(2) of title 10, United States Code, is amended by striking out "The Assistant to the Secretary of Defense for Atomic Energy" and inserting in lieu thereof "The Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs.".

(2) Section 5316 of title 5, United States Code, is amended by striking out "The Assistant to the Secretary of Defense for Atomic Energy, Department of Defense." and inserting in lieu thereof the following:

"Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs, Department of Defense.".

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1996 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. DISBURSING AND CERTIFYING OFFICIALS.

(a) DISBURSING OFFICIALS.—(1) Section 3321(c) of title 31, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The Department of Defense.".

(2) Section 2773 of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by striking out "With the approval of the Secretary of a military department when the Secretary considers it necessary, a disbursing official of the military department" and inserting in lieu thereof "Subject to paragraph (3), a disbursing official of the Department of Defense"; and

(ii) by adding at the end the following new paragraph:

"(3) A disbursing official may make a designation under paragraph (1) only with the approval of the Secretary of Defense or, in the case of a disbursing official of a military department, the Secretary of that military department."; and

(B) in subsection (b)(1), by striking out "any military department" and inserting in lieu thereof "the Department of Defense".

(b) DESIGNATION OF MEMBERS OF THE ARMED FORCES TO HAVE AUTHORITY TO CERTIFY VOUCHERS.—Section 3325(b) of title 31, United States Code, is amended to read as follows:

"(b) In addition to officers and employees referred to in subsection (a)(1)(B) of this section as having authorization to certify vouchers, members of the armed forces under the jurisdiction of the Secretary of Defense may certify vouchers when authorized, in writing, by the Secretary to do so.".

(c) CONFORMING AMENDMENTS.—(1) Section 1012 of title 37, United States Code, is amended by striking out "Secretary concerned" both places it appears and inserting in lieu thereof "Secretary of Defense".

(2) Section 1007(a) of title 37, United States Code, is amended by striking out "Secretary concerned" and inserting in lieu thereof "Secretary of Defense, or upon the denial of relief of an officer pursuant to section 3527 of title 31".

(3)(A) Section 7863 of title 10, United States Code, is amended—

(i) in the first sentence, by striking out "disbursements of public moneys or" and "the money was paid or"; and

(ii) in the second sentence, by striking out "disbursement or".

(B)(i) The heading of such section is amended to read as follows:

"§ 7863. Disposal of public stores by order of commanding officer".

(ii) The item relating to such section in the table of sections at the beginning of chapter 661 of such title is amended to read as follows:

"7863. Disposal of public stores by order of commanding officer.".

(4) Section 3527(b)(1) of title 31, United States Code, is amended—

(A) by striking out "a disbursing official of the armed forces" and inserting in lieu thereof "an official of the armed forces referred to in subsection (a)";

(B) by striking out "records," and inserting in lieu thereof "records, or a payment described in section 3528(a)(4)(A) of this title,";

(C) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), and realigning such clauses four ems from the left margin;

(D) by inserting before clause (i), as redesignated by subparagraph (C), the following:

"(A) in the case of a physical loss or deficiency—";

(E) in clause (iii), as redesignated by subparagraph (C), by striking out the period at the end and inserting in lieu thereof "; or"; and

(F) by adding at the end the following:

"(B) in the case of a payment described in section 3528(a)(4)(A) of this title, the Secretary of Defense or the appropriate Secretary of the military department of the Department of Defense, after taking a diligent collection action, finds that the criteria of section 3528(b)(1) of this title are satisfied.".

SEC. 1003. DEFENSE MODERNIZATION ACCOUNT.

(a) ESTABLISHMENT AND USE.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following:

"§ 2221. Defense Modernization Account

"(a) ESTABLISHMENT.—There is established in the Treasury a special account to be known as the 'Defense Modernization Account'.

"(b) CREDITS TO ACCOUNT.—(1) Under regulations prescribed by the Secretary of Defense, and upon a determination by the Secretary concerned of the availability and source of excess funds as described in subparagraph (A) or (B), the Secretary may transfer to the Defense Modernization Account during any fiscal year—

"(A) any amount of unexpired funds available to the Secretary for procurements that, as a result of economies, efficiencies, and other savings achieved in the procurements, are excess to the funding requirements of the procurements; and

"(B) any amount of unexpired funds available to the Secretary for support of installations and facilities that, as a result of economies, efficiencies, and other savings, are excess to the funding requirements for support of installations and facilities.

"(2) Funds referred to in paragraph (1) may not be transferred to the Defense Modernization Account by a Secretary concerned if—

"(A) the funds are necessary for programs, projects, and activities that, as determined by the Secretary, have a higher priority than the purposes for which the funds would be available if transferred to that account; or

"(B) the balance of funds in the account, after transfer of funds to the account would exceed $1,000,000,000.

"(3) Amounts credited to the Defense Modernization Account shall remain available for transfer until the end of the third fiscal year that follows the fiscal year in which the amounts are credited to the account.

"(4) The period of availability of funds for expenditure provided for in sections 1551 and 1552 of title 31 shall not be extended by transfer into the Defense Modernization Account.

"(c) ATTRIBUTION OF FUNDS.—The funds transferred to the Defense Modernization Account by a military department, Defense Agency, or other element of the Department of Defense shall be available in accordance with subsections (f) and (g) only for that military department, Defense Agency, or element.

"(d) USE OF FUNDS.—Funds available from the Defense Modernization Account pursuant to subsection (f) or (g) may be used only for the following purposes:

"(1) For increasing, subject to subsection (e), the quantity of items and services procured under a procurement program in order to achieve a more efficient production or delivery rate.

"(2) For research, development, test and evaluation and procurement necessary for modernization of an existing system or of a system being procured under an ongoing procurement program.

"(e) LIMITATIONS.—(1) Funds from the Defense Modernization Account may not be used to increase the quantity of an item or services procured under a particular procurement program to the extent that doing so would—

"(A) result in procurement of a total quantity of items or services in excess of—

"(i) a specific limitation provided in law on the quantity of the items or services that may be procured; or

"(ii) the requirement for the items or services as approved by the Joint Requirements Oversight Council and reported to Congress by the Secretary of Defense; or

"(B) result in an obligation or expenditure of funds in excess of a specific limitation provided in law on the amount that may be obligated or expended, respectively, for the procurement program.

"(2) Funds from the Defense Modernization Account may not be used for a purpose or program for which Congress has not authorized appropriations.

"(3) Funds may not be transferred from the Defense Modernization Account in any year for the purpose of—

"(A) making any expenditure for which there is no corresponding obligation; or

"(B) making any expenditure that would satisfy an unliquidated or unrecorded obligation arising in a prior fiscal year.

"(f) TRANSFER OF FUNDS.—(1) Funds in the Defense Modernization Account may be transferred in any fiscal year to appropriations available for use for purposes set forth in subsection (d).

"(2) Before funds in the Defense Modernization Account are transferred under paragraph (1), the Secretary concerned shall transmit to the congressional defense committees a notification of the amount and purpose of the proposed transfer.

"(3) The total amount of the transfers from the Defense Modernization Account may not exceed $500,000,000 in any fiscal year.

"(g) AVAILABILITY OF FUNDS FOR APPROPRIATION.—Funds in the Defense Modernization Account may be appropriated for purposes set forth in subsection (d) to the extent provided in Acts authorizing appropriations for the Department of the Defense.

"(h) SECRETARY TO ACT THROUGH COMPTROLLER.—In exercising authority under this section, the Secretary of Defense shall act through the Under Secretary of Defense (Comptroller), who shall be authorized to implement this section through the issuance of any necessary regulations, policies, and procedures after consultation with the General Counsel and Inspector General of the Department of Defense.

"(i) QUARTERLY REPORT.—Not later than 15 days after the end of each calendar quarter, the Secretary of Defense shall submit to the appropriate committees of Congress a report setting forth the amount and source of each credit to the Defense Modernization Account during the quarter and the amount and purpose of each transfer from the account during the quarter.

"(j) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' includes the Secretary of Defense.

"(2) The term 'unexpired funds' means funds appropriated for a definite period that remain available for obligation.

"(3) The term 'congressional defense committees' means—

"(A) the Committees on Armed Services and Appropriations of the Senate; and

"(B) the Committees on National Security and Appropriations of the House of Representatives.

"(4) The term 'appropriate committees of Congress' means—

"(A) the congressional defense committees;

"(B) the Committee on Governmental Affairs of the Senate; and

"(C) the Committee on Government Reform and Oversight of the House of Representatives.

"(k) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.".

(2) The table of sections at the beginning of chapter 131 of such title is amended by adding at the end the following:

"2221. Defense Modernization Account.".

(b) EFFECTIVE DATE.—Section 2221 of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 1995, and shall apply only to funds appropriated for fiscal years beginning on or after that date.

(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—(1) The authority under section 2221(b) of title 10, United States Code (as added by subsection (a)), to transfer funds into the Defense Modernization Account shall terminate on October 1, 2003.

(2) Three years after the termination of transfer authority under paragraph (1), the Defense Modernization Account shall be closed and the remaining balance in the account shall be canceled and thereafter shall not be available for any purpose.

(3)(A) The Comptroller General of the United States shall conduct two reviews of the administration of the Defense Modernization Account. In each review, the Comptroller General shall assess the operations and benefits of the account.

(B) Not later than March 1, 2000, the Comptroller General shall—

(i) complete the first review; and

(ii) submit to the appropriate committees of Congress an initial report on the administration and benefits of the Defense Modernization Account.

(C) Not later than March 1, 2003, the Comptroller General shall—

(i) complete the second review; and

(ii) submit to the appropriate committees of Congress a final report on the administration and benefits of the Defense Modernization Account.

(D) Each report shall include any recommended legislation regarding the account that the Comptroller General considers appropriate.

(E) In this paragraph, the term "appropriate committees of Congress" has the meaning given such term in section 2221(j)(4) of title 10, United States Code, as added by subsection (a).

SEC. 1004. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1995.

(a) ADJUSTMENT TO PREVIOUS AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 1995 in the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in title I of the Emergency Supplemental Appropriations and Rescissions for the Department of Defense to Preserve and Enhance Military Readiness Act of 1995 (Public Law 104–6).

(b) NEW AUTHORIZATION.—The appropriation provided in section 104 of such Act is hereby authorized.

SEC. 1005. LIMITATION ON USE OF AUTHORITY TO PAY FOR EMERGENCY AND EXTRAORDINARY EXPENSES.

Section 127 of title 10, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

"(c)(1) Funds may not be obligated or expended in an amount in excess of $500,000 under the authority of subsection (a) or (b) until the Secretary of Defense has notified the Committees on Armed Services and Appropriations of the Senate and the Committees on National Security and Appropriations of the House of Representatives of the intent to obligate or expend the funds, and—

"(A) in the case of an obligation or expenditure in excess of $1,000,000, 15 days have elapsed since the date of the notification; or

"(B) in the case of an obligation or expenditure in excess of $500,000, but not in excess of $1,000,000, 5 days have elapsed since the date of the notification.

"(2) Subparagraph (A) or (B) of paragraph (1) shall not apply to an obligation or expenditure of funds otherwise covered by such subparagraph if the Secretary of Defense determines that the national security objectives of the United States will be compromised by the application of the subparagraph to the obligation or expenditure. If the Secretary makes a determination with respect to an expenditure under the preceding sentence, the Secretary shall notify the committees referred to in paragraph (1) not later than the later of—

"(A) 30 days after the date of the expenditure; or

"(B) the date on which the activity for which the expenditure is made is completed.

"(3) A notification under this subsection shall include the amount to be obligated or expended, as the case may be, and the purpose of the obligation or expenditure.".

SEC. 1006. TRANSFER AUTHORITY REGARDING FUNDS AVAILABLE FOR FOREIGN CURRENCY FLUCTUATIONS.

(a) Transfers to Military Personnel Accounts Authorized.—Section 2779 of title 10, United States Code, is amended by adding at the end the following:

"(c) Transfers to Military Personnel Accounts.—(1) The Secretary of Defense may transfer funds to military personnel appropriations for a fiscal year out of funds available to the Department of Defense for that fiscal year under the appropriation 'Foreign Currency Fluctuations, Defense'.

"(2) This subsection applies with respect to appropriations for fiscal years beginning after September 30, 1995.".

(b) Revision and Codification of Authority for Transfers to Foreign Currency Fluctuations Account.—Section 2779 of such title, as amended by subsection (a), is further amended by adding at the end the following:

"(d) Transfers to Foreign Currency Fluctuations Account.—(1) The Secretary of Defense may transfer to the appropriation 'Foreign Currency Fluctuations, Defense' unobligated amounts of funds appropriated for operation and maintenance and unobligated amounts of funds appropriated for military personnel.

"(2) Any transfer from an appropriation under paragraph (1) shall be made not later than the end of the second fiscal year following the fiscal year for which the appropriation is provided.

"(3) Any transfer made pursuant to the authority provided in this subsection shall be limited so that the amount in the appropriation 'Foreign Currency Fluctuations, Defense' does not exceed $970,000,000 at the time such transfer is made.

"(4) This subsection applies with respect to appropriations for fiscal years beginning after September 30, 1995.".

(c) Conditions of Availability for Transferred Funds.—Section 2779 of such title, as amended by subsection (b), is further amended by adding at the end the following:

"(e) Conditions of Availability for Transferred Funds.—Amounts transferred under subsection (c) or (d) shall be merged with and be available for the same purposes and for the same period as the appropriations to which transferred.".

(d) Conforming and Technical Amendments.—(1) Section 767A of Public Law 96–527 (94 Stat. 3093) is repealed.

(2) Section 791 of the Department of Defense Appropriation Act, 1983 (enacted in section 101(c) of Public Law 97–377; 96 Stat. 1865) is repealed.

(3) Section 2779 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "(a)(1)" and inserting in lieu thereof "(a) Transfers Back to Foreign Currency Fluctuations Appropriation.—(1) "; and

(B) in subsection (b), by striking out "(b)(1)" and inserting in lieu thereof "(b) Funding for Losses in Military Construction and Family Housing.—(1)".

SEC. 1007. REPORT ON BUDGET SUBMISSION REGARDING RESERVE COMPONENTS.

(a) Special Report.—The Secretary of Defense shall submit to the congressional defense committees, at the same time that the President submits the budget for fiscal year 1997 under section 1105(a) of title 31, United States Code, a special report on funding for the reserve components of the Armed Forces.

(b) Content.—The report shall contain the following:

(1) The actions taken by the Department of Defense to enhance the Army National Guard, the Air National Guard, and each of the other reserve components.

(2) A separate listing, with respect to the Army National Guard, the Air National Guard, and each of the other reserve components, of each of the following:

(A) The specific amount requested for each major weapon system.

(B) The specific amount requested for each item of equipment.

(C) The specific amount requested for each military construction project, together with the location of each such project.

(3) If the total amount reported in accordance with paragraph (2) is less than $1,080,000,000, an additional separate listing described in paragraph (2) in a total amount equal to $1,080,000,000.

Subtitle B—Naval Vessels

SEC. 1011. IOWA CLASS BATTLESHIPS.

(a) Return to Naval Vessel Register.—The Secretary of the Navy shall list on the Naval Vessel Register, and maintain on such register, at least two of the Iowa class battleships that were stricken from the register in February 1995.

(b) Selection of Ships.—The Secretary shall select for listing on the register under subsection (a) the Iowa class battleships that are in the best material condition. In determining which battleships are in the best material condition, the Secretary shall take into consideration the findings of the Board of Inspection and Survey of the Navy, the extent to which each battleship has been modernized during the last period of active service of the battleship, and the military utility of each battleship after the modernization.

(c) Support.—The Secretary shall retain the existing logistical support necessary for support of at least two operational Iowa class battleships in active service, including technical manuals, repair and replacement parts, and ordnance.

(d) Replacement Capability.—The requirements of this section shall cease to be effective 60 days after the Secretary certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Navy has within the fleet an operational surface fire support capability that equals or exceeds the fire support capability that the Iowa class battleships listed on the Naval Vessel Register pursuant to subsection (a) would, if in active service, be able to provide for Marine Corps amphibious assaults and operations ashore.

SEC. 1012. TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) Authority.—The Secretary of the Navy is authorized to transfer—

(1) to the Government of Bahrain the Oliver Hazard Perry class guided missile frigate Jack Williams (FFG 24);

(2) to the Government of Egypt the Oliver Hazard Perry class frigates Duncan (FFG 10) and Copeland (FFG 25);

(3) to the Government of Oman the Oliver Hazard Perry class guided missile frigate Mahlon S. Tisdale (FFG 27);

(4) to the Government of Turkey the Oliver Hazard Perry class frigates Clifton Sprague (FFG 16), Antrim (FFG 20), and Flatley (FFG 21); and

(5) to the Government of the United Arab Emirates the Oliver Hazard Perry class guided missile frigate Gallery (FFG 26).

(b) Forms of Transfer.—(1) A transfer under paragraph (1), (2), (3), or (4) of subsection (a) shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(2) A transfer under paragraph (5) of subsection (a) shall be on a lease basis under section 61 of the Arms Export Control Act (22 U.S.C. 2796).

(c) Costs of Transfers.—Any expense incurred by the United States in connection with a transfer authorized by subsection (a) shall be charged to the recipient.

(d) Expiration of Authority.—The authority to transfer a vessel under subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act, except that a lease entered into during that period under subsection (b)(2) may be renewed.

SEC. 1013. NAMING AMPHIBIOUS SHIPS.

(a) Findings.—The Senate finds that:

(1) This year is the fiftieth anniversary of the battle of Iwo Jima, one of the great victories in all of the Marine Corps' illustrious history.

(2) The Navy has recently retired the ship that honored that battle, the U.S.S. IWO JIMA (LPH–2), the first ship in a class of amphibious assault ships.

(3) This Act authorizes the LHD–7, the final ship of the Wasp class of amphibious assault ships that will replace the Iwo Jima class of ships.

(4) The Navy is planning to start building a new class of amphibious transport docks, now called the LPD–17 class. This Act also authorizes funds that will lead to procurement of these vessels.

(5) There has been some confusion in the rationale behind naming new naval vessels with traditional naming conventions frequently violated.

(6) Although there have been good and sufficient reasons to depart from naming conventions in the past, the rationale for such departures has not always been clear.

(b) Sense of the Senate.—In light of these findings, expressed in subsection (a), it is the sense of the Senate that the Secretary of the Navy should:

(1) Name the LHD–7 the U.S.S. IWO JIMA.

(2) Name the LPD–17 and all future ships of the LPD–17 class after famous Marine Corps battles or famous Marine Corps heroes.

Subtitle C—Counter-Drug Activities

SEC. 1021. REVISION AND CLARIFICATION OF AUTHORITY FOR FEDERAL SUPPORT OF DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES OF THE NATIONAL GUARD.

(a) Funding Assistance.—Subsection (a) of section 112 of title 32, United States Code, is amended—

(1) by striking out "submits a plan to the Secretary under subsection (b)" in the matter above paragraph (1) and inserting in lieu thereof "submits to the Secretary a State drug interdiction and counter-drug activities plan satisfying the requirements of subsection (c)";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses, as authorized by State law, of personnel of the National Guard of that State used, while not in Federal service, for the purpose of drug interdiction and counter-drug activities;

"(2) the operation and maintenance of the equipment and facilities of the National Guard of that State used for the purpose of drug interdiction and counter-drug activities; and".

(b) Use of Personnel Performing Full-Time National Guard Duty.—Section 112 of such title is amended—

(1) by striking out subsection (e);

(2) by redesignating subsections (b), (c), (d), and (f) as subsections (c), (d), (f), and (g), respectively; and

(3) by inserting after subsection (a) the following new subsection (b):

"(b) USE OF PERSONNEL PERFORMING FULL TIME NATIONAL GUARD DUTY.—(1) Subject to subsection (e), personnel of the National Guard of a State may be ordered to perform full-time National Guard duty under section 502(f) of this title for the purpose of carrying out drug interdiction and counter-drug activities.

"(2) Under regulations prescribed by the Secretary of Defense, the Governor of a State may, in accordance with the State drug interdiction and counter-drug activities plan referred to in subsection (c), request that personnel of the National Guard of the State be ordered to perform full-time National Guard duty under section 502(f) of this title for the purpose of carrying out drug interdiction and counter-drug activities.".

(c) STATE PLAN.—Subsection (c) of such section, as redesignated by subsection (b)(2), is amended—

(1) in the matter above paragraph (1), by striking out "A plan" and inserting in lieu thereof "A State drug interdiction and counter-drug activities plan";

(2) by striking out "and" at the end of paragraph (2); and

(3) in paragraph (3)—

(A) by striking out "annual training" and inserting in lieu thereof "training";

(B) by striking out the period at the end and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following:

"(4) include a certification by the Attorney General of the State (or, in the case of a State with no position of Attorney General, a civilian official of the State equivalent to a State attorney general) that the use of the National Guard of the State for the activities proposed under the plan is authorized by, and is consistent with, State law; and

"(5) certify that the Governor of the State or a civilian law enforcement official of the State designated by the Governor has determined that any activities included in the plan that are carried out in conjunction with Federal law enforcement agencies serve a State law enforcement purpose.".

(d) EXAMINATION OF STATE PLAN.—Subsection (d) of such section, as redesignated by subsection (b)(2), is amended—

(1) in paragraph (1)—

(A) by inserting after "Before funds are provided to the Governor of a State under this section" the following: "and before members of the National Guard of that State are ordered to full-time National Guard duty as authorized in subsection (b)(1)"; and

(B) by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)"; and

(2) in paragraph (3)—

(A) by striking out "subsection (b)" in subparagraph (A) and inserting in lieu thereof "subsection (c)"; and

(B) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) pursuant to the plan submitted for a previous fiscal year, funds were provided to the State in accordance with subsection (a) or personnel of the National Guard of the State were ordered to perform full-time National Guard duty in accordance with subsection (b).".

(e) END STRENGTH LIMITATION.—Such section is amended by inserting after subsection (d), as redesignated by subsection (b)(2), the following new subsection (e):

"(e) END STRENGTH LIMITATION.—(1) Except as provided in paragraph (2), at the end of a fiscal year there may not be more than 4000 members of the National Guard—

"(A) on full-time National Guard duty under section 502(f) of this title to perform drug interdiction or counter-drug activities pursuant to an order to duty for a period of more than 180 days; or

"(B) on duty under State authority to perform drug interdiction or counter-drug activities pursuant to an order to duty for a period of more than 180 days with State pay and allowances being reimbursed with funds provided under subsection (a)(1).

"(2) The Secretary of Defense may increase the end strength authorized under paragraph (1) by not more than 20 percent for any fiscal year if the Secretary determines that such an increase is necessary in the national security interests of the United States.".

(f) DEFINITIONS.—Subsection (g) of such section, as redesignated by subsection (b)(2), is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The term 'drug interdiction and counter-drug activities', with respect to the National Guard of a State, means the use of National Guard personnel in drug interdiction and counter-drug law enforcement activities authorized by the law of the State and requested by the Governor of the State.".

SEC. 1022. NATIONAL DRUG INTELLIGENCE CENTER.

(a) LIMITATION ON USE OF FUNDS.—Except as provided in subsection (b), funds appropriated or otherwise made available for the Department of Defense pursuant to this or any other Act may not be obligated or expended for the National Drug Intelligence Center, Johnstown, Pennsylvania.

(b) EXCEPTION.—If the Attorney General operates the National Drug Intelligence Center using funds available for the Department of Justice, the Secretary of Defense may continue to provide Department of Defense intelligence personnel to support intelligence activities at the Center. The number of such personnel providing support to the Center after the date of the enactment of this Act may not exceed the number of the Department of Defense intelligence personnel who are supporting intelligence activities at the Center on the day before such date.

SEC. 1023. ASSISTANCE TO CUSTOMS SERVICE.

(a) NONINTRUSIVE INSPECTION SYSTEMS.—The Secretary of Defense shall, using funds available pursuant to subsection (b), either—

(1) procure nonintrusive inspection systems and transfer the systems to the United States Customs Service; or

(2) transfer the funds to the Secretary of the Treasury for use to procure nonintrusive inspection systems for the United States Customs Service.

(b) FUNDING.—Of the amounts authorized to be appropriated under section 301(15), $25,000,000 shall be available for carrying out subsection (a).

Subtitle D—Department of Defense Education Programs

SEC. 1031. CONTINUATION OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) POLICY.—Congress reaffirms—

(1) the prohibition set forth in subsection (a) of section 922 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2829; 10 U.S.C. 2112 note) regarding closure of the Uniformed Services University of the Health Sciences; and

(2) the expression of the sense of Congress set forth in subsection (b) of such section regarding the budgetary commitment to continuation of the university.

(b) PERSONNEL STRENGTH.—During the 5-year period beginning on October 1, 1995, the personnel staffing levels for the Uniformed Services University of the Health Services may not be reduced below the personnel staffing levels for the university as of October 1, 1993.

SEC. 1032. ADDITIONAL GRADUATE SCHOOLS AND PROGRAMS AT THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

Section 2113 of title 10, United States Code, is amended by striking out subsection (h) and inserting in lieu thereof the following:

"(h) The Board may establish the following educational programs:

"(1) Postdoctoral, postgraduate, and technological institutes.

"(2) A graduate school of nursing.

"(3) Other schools or programs that the Board determines necessary in order to operate the University in a cost-effective manner.".

SEC. 1033. FUNDING FOR BASIC ADULT EDUCATION PROGRAMS FOR MILITARY PERSONNEL AND DEPENDENTS OUTSIDE THE UNITED STATES.

Of the amounts authorized to be appropriated pursuant to section 301, $600,000 shall be available to carry out adult education programs, consistent with the Adult Education Act (20 U.S.C. 1201 et seq.), for—

(1) members of the Armed Forces who are serving in locations that are outside the United States and not described in subsection (b) of such section 313; and

(2) the dependents of such members.

SEC. 1034. SCOPE OF EDUCATION PROGRAMS OF COMMUNITY COLLEGE OF THE AIR FORCE.

Section 9315(a)(1) of title 10, United States Code, is amended by striking out "for enlisted members of the armed forces" and inserting in lieu thereof "for enlisted members of the Air Force".

SEC. 1035. DATE FOR ANNUAL REPORT ON SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM.

Section 16137 of title 10, United States Code, is amended by striking out "December 15 of each year" and inserting in lieu thereof "March 1 of each year".

SEC. 1036. ESTABLISHMENT OF JUNIOR R.O.T.C. UNITS IN INDIAN RESERVATION SCHOOLS.

It is the sense of Congress that the Secretary of Defense should ensure that secondary educational institutions on Indian reservations are afforded a full opportunity along with other secondary educational institutions to be selected as locations for establishment of new Junior Reserve Officers' Training Corps units.

Subtitle E—Cooperative Threat Reduction With States of the Former Soviet Union

SEC. 1041. COOPERATIVE THREAT REDUCTION PROGRAMS DEFINED.

For purposes of this subtitle, Cooperative Threat Reduction programs are the programs described in section 1203(b) of the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160; 107 Stat. 1778; 22 U.S.C. 5952(b)).

SEC. 1042. FUNDING MATTERS.

(a) LIMITATION.—Funds authorized to be appropriated under section 301(18) may not be obligated for any program established primarily to assist nuclear weapons scientists in States of the former Soviet Union until 30 days after the date on which the Secretary of Defense certifies in writing to Congress that the funds to be obligated will not be used to contribute to the modernization of the strategic nuclear forces of such States or for research, development, or production of weapons of mass destruction.

(b) REIMBURSEMENT OF PAY ACCOUNTS.—Funds authorized to be appropriated under section 301(18) may be transferred to military personnel accounts for reimbursement of those accounts for the pay and allowances paid to reserve component personnel for service while engaged in any activity under a Cooperative Threat Reduction program.

SEC. 1043. LIMITATION RELATING TO OFFENSIVE BIOLOGICAL WARFARE PROGRAM OF RUSSIA.

(a) FINDINGS.—Congress makes the following findings:

(1) Even though the President of Russia and other senior leaders of the Russian government have committed Russia to comply with the Biological Weapons Convention, a June 1995 United States Government report asserts that official United States concern remains about the Russian biological warfare program.

(2) In reviewing the President's budget request for fiscal year 1996 for Cooperative Threat Reduction, and consistent with the finding in section 1207(a)(5) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2884), the Senate has taken into consideration the questions and concerns about Russia's biological warfare program and Russia's compliance with the obligations under the Biological Weapons Convention.

(b) LIMITATION ON USE OF FUNDS FOR COOPERATIVE THREAT REDUCTION.—Of the amount available under section 301(18) for Cooperative Threat Reduction programs, $50,000,000 shall be reserved and not obligated until the President certifies to Congress that Russia is in compliance with the obligations under the Biological Weapons Convention.

SEC. 1044. LIMITATION ON USE OF FUNDS FOR COOPERATIVE THREAT REDUCTION.

(a) LIMITATION.—Of the funds appropriated or otherwise made available for fiscal year 1996 under the heading "FORMER SOVIET UNION THREAT REDUCTION" for dismantlement and destruction of chemical weapons, not more than $52,000,000 may be obligated or expended for that purpose until the President certifies to Congress the following:

(1) That the United States and Russia have completed a joint laboratory study evaluating the proposal of Russia to neutralize its chemical weapons and the United States agrees with the proposal.

(2) That Russia is in the process of preparing, with the assistance of the United States (if necessary), a comprehensive plan to manage the dismantlement and destruction of the Russia chemical weapons stockpile.

(3) That the United States and Russia are committed to resolving outstanding issues under the 1989 Wyoming Memorandum of Understanding and the 1990 Bilateral Destruction Agreement.

(b) DEFINITIONS.—In this section:

(1) The term "1989 Wyoming Memorandum of Understanding" means the Memorandum of Understanding between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on September 23, 1989.

(2) The term "1990 Bilateral Destruction Agreement" means the Agreement between the United States of America and the Union of Soviet Socialist Republics on destruction and non-production of chemical weapons and on measures to facilitate the multilateral convention on banning chemical weapons signed on June 1, 1990.

Subtitle F—Matters Relating to Other Nations

SEC. 1051. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS WITH NATO ORGANIZATIONS.

Section 2350b(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "or a NATO organization" after "a participant (other than the United States)"; and

(2) in paragraph (2), by inserting "or a NATO organization" after "a cooperative project".

SEC. 1052. NATIONAL SECURITY IMPLICATIONS OF UNITED STATES EXPORT CONTROL POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) Export controls remain an important element of the national security policy of the United States.

(2) It is in the national interest that United States export control policy prevent the transfer, to potential adversaries or combatants of the United States, of technology that threatens the national security or defense of the United States.

(3) It is in the national interest that the United States monitor aggressively the export of technology in order to prevent its diversion to potential adversaries or combatants of the United States.

(4) The Department of Defense relies increasingly on commercial and dual-use technologies, products, and processes to support United States military capabilities and economic strength.

(5) The Department of Defense evaluates license applications for the export of commodities whose export is controlled for national security reasons if such commodities are exported to certain countries, but the Department does not evaluate license applications for the export of such commodities if such commodities are exported to other countries.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the maintenance of the military advantage of the United States depends on effective export controls on dual-use items and technologies that are critical to the military capabilities of the Armed Forces;

(2) the Government should identify the dual-use items and technologies that are critical to the military capabilities of the Armed Forces, including the military use made of such items and technologies, and should reevaluate the export control policy of the United States in light of such identification; and

(3) the Government should utilize unilateral export controls on dual-use items and technologies that are critical to the military capabilities of the Armed Forces (regardless of the availability of such items or technologies overseas) with respect to the countries that—

(A) pose a threat to the national security interests of the United States; and

(B) are not members in good standing of bilateral or multilateral agreements to which the United States is a party on the use of such items and technologies.

(c) REPORT REQUIRED.—(1) Not later than December 1, 1995, the Secretary of Defense shall submit to the Committees on Armed Services and on Foreign Relations of the Senate and the Committees on National Security and on International Relations of the House of Representatives a report on the effect of the export control policy of the United States on the national security interests of the United States.

(2) The report shall include the following:

(A) A list setting forth each country determined to be a rogue nation or potential adversary or combatant of the United States.

(B) For each country so listed, a list of—

(i) the categories of items that should be prohibited for export to the country;

(ii) the categories of items that should be exported to the country only under an individual license with conditions; and

(iii) the categories of items that may be exported to the country under a general distribution license.

(C) For each category of items listed under clauses (ii) and (iii) of subparagraph (B)—

(i) a statement whether export controls on the category of items are to be imposed under a multilateral international agreement or a unilateral decision of the United States; and

(ii) a justification for the decision not to prohibit the export of the items to the country.

(D) A description of United States policy on sharing satellite imagery that has military significance and a discussion of the criteria for determining the imagery that has that significance.

(E) A description of the relationship between United States policy on the export of space launch vehicle technology and the Missile Technology Control Regime.

(F) An assessment of United States efforts to support the inclusion of additional countries in the Missile Technology Control Regime.

(G) An assessment of the on-going efforts made by potential participant countries in the Missile Technology Control Regime to meet the guidelines established by the Missile Technology Control Regime.

(H) A brief discussion of the history of the space launch vehicle programs of other countries, including a discussion of the military origins and purposes of such programs and the current level of military involvement in such programs.

(3) The Secretary shall submit the report in unclassified form but may include a classified annex.

(4) In this subsection, the term "Missile Technology Control Regime" means the policy statement between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-relevant transfers based on the Missile Technology Control Regime Annex, and any amendments thereto.

(d) DEPARTMENT OF DEFENSE REVIEW OF EXPORT LICENSES FOR CERTAIN BIOLOGICAL PATHOGENS.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall, in consultation with appropriate elements of the intelligence community, review each application that is submitted to the Secretary of Commerce for an individual validated license for the export of a class 2, class 3, or class 4 biological pathogen to a country known or suspected to have an offensive biological weapons program. The purpose of the review is to determine if the export of the pathogen pursuant to the license would be contrary to the national security interests of the United States.

(2) The Secretary of Defense, in consultation with the Secretary of State and the intelligence community, shall periodically inform the Secretary of Commerce as to the countries known or suspected to have an offensive biological weapons program.

(3) In order to facilitate the review of an application for an export license by appropriate elements of the intelligence committee under paragraph (1), the Secretary of Defense shall submit a copy of the application to such appropriate elements.

(4) The Secretary of Defense shall carry out the review of an application under this subsection not later than 30 days after the date on which the Secretary of Commerce forwards a copy of the application to the Secretary of Defense for review.

(5) Upon completion of the review of an application for an export license under this subsection, the Secretary of Defense shall notify the Secretary of Commerce if the export of a biological pathogen pursuant to the license would be contrary to the national security interests of the United States.

(6) Notwithstanding any other provision of law, upon receipt of a notification with respect to an application for an export license under paragraph (5), the Secretary of Commerce shall deny the application.

(7) In this subsection:

(A) The term "class 2, class 3, or class 4 biological pathogen" means any biological pathogen characterized as a class 2, class 3, or class 4 biological pathogen by the Centers for Disease Control.

(B) The term "intelligence community" has the meaning given such term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4).

SEC. 1053. DEFENSE EXPORT LOAN GUARANTEES.

(a) ESTABLISHMENT OF PROGRAM.—(1) Chapter 148 of title 10, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER VI—DEFENSE EXPORT LOAN GUARANTEES

"Sec.
"2540. Establishment of loan guarantee program.
"2540a. Transferability.
"2540b. Limitations.
"2540c. Fees charged and collected.
"2540d. Definitions.

"§ 2540. Establishment of loan guarantee program

"(a) ESTABLISHMENT.—In order to meet the national security objectives in section 2501(a) of this title, the Secretary of Defense shall establish a program under which the Secretary may issue guarantees assuring a lender against losses of principal or interest, or both principal and interest, arising out of the financing of the sale or long-term lease of defense articles, defense services, or design and construction services to a country referred to in subsection (b).

"(b) COVERED COUNTRIES.—The authority under subsection (a) applies with respect to the following countries:

"(1) A member nation of the North Atlantic Treaty Organization (NATO).

"(2) A country designated as of March 31, 1995, as a major non-NATO ally pursuant to section 2350a(i)(3) of this title.

"(3) A country in Central Europe that, as determined by the Secretary of State—

"(A) has changed its form of national government from a nondemocratic form of government to a democratic form of government since October 1, 1989; or

"(B) is in the processing of changing its form of national government from a nondemocratic form of government to a democratic form of government.

"(4) A noncommunist country that was a member nation of the Asia Pacific Economic Cooperation (APEC) as of October 31, 1993.

"(c) AUTHORITY SUBJECT TO PROVISIONS OF APPROPRIATIONS.—The Secretary may guarantee a loan under this subchapter only as provided in appropriations Acts.

"§ 2540a. Transferability

"A guarantee issued under this subchapter shall be fully and freely transferable.

"§ 2540b. Limitations

"(a) TERMS AND CONDITIONS OF LOAN GUARANTEES.—In issuing a guarantee under this subchapter for a medium-term or long-term loan, the Secretary may not offer terms and conditions more beneficial than those that would be provided to the recipient by the Export-Import Bank of the United States under similar circumstances in conjunction with the provision of guarantees for nondefense articles and services.

"(b) LOSSES ARISING FROM FRAUD OR MISREPRESENTATION.—No payment may be made under a guarantee issued under this subchapter for a loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"(c) NO RIGHT OF ACCELERATION.—The Secretary of Defense may not accelerate any guaranteed loan or increment, and may not pay any amount, in respect of a guarantee issued under this subchapter, other than in accordance with the original payment terms of the loan.

"§ 2540c. Fees charged and collected

"(a) IN GENERAL.—The Secretary of Defense shall charge a fee (known as 'exposure fee') for each guarantee issued under this subchapter.

"(b) AMOUNT.—To the extent that the cost of the loan guarantees under this subchapter is not otherwise provided for in appropriations Acts, the fee imposed under this section with respect to a loan guarantee shall be fixed in an amount determined by the Secretary to be sufficient to meet potential liabilities of the United States under the loan guarantee.

"(c) PAYMENT TERMS.—The fee for each guarantee shall become due as the guarantee is issued. In the case of a guarantee for a loan which is disbursed incrementally, and for which the guarantee is correspondingly issued incrementally as portions of the loan are disbursed, the fee shall be paid incrementally in proportion to the amount of the guarantee that is issued.

"§ 2540d. Definitions

"In this subchapter:

"(1) The terms 'defense article', 'defense services', and 'design and construction services' have the meanings given those terms in section 47 of the Arms Export Control Act (22 U.S.C. 2794).

"(2) The term 'cost', with respect to a loan guarantee, has the meaning given that term in section 502 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 661a).".

(2) The table of subchapters at the beginning of such chapter is amended by adding at the end the following new item:

"VI. Defense Export Loan Guarantees .... 2540".

(b) REPORT.—(1) Not later than two years after the date of the enactment of this Act, the President shall submit to Congress a report on the loan guarantee program established pursuant to section 2540 of title 10, United States Code, as added by subsection (a).

(2) The report shall include—

(A) an analysis of the costs and benefits of the loan guarantee program; and

(B) any recommendations for modification of the program that the President considers appropriate, including—

(i) any recommended addition to the list of countries for which a guarantee may be issued under the program; and

(ii) any proposed legislation necessary to authorize a recommended modification.

SEC. 1054. LANDMINE CLEARING ASSISTANCE PROGRAM.

(a) REVISION OF AUTHORITY.—Section 1413 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2913; 10 U.S.C. 401 note) is amended by adding at the end the following:

"(f) SPECIAL REQUIREMENTS FOR FISCAL YEAR 1996.—Funds available for fiscal year 1996 for the program under subsection (a) may not be obligated for involvement of members of the Armed Forces in an activity under the program until the date that is 30 days after the date on which the Secretary of Defense certifies to Congress, in writing, that the involvement of such personnel in the activity satisfies military training requirements for such personnel.

"(g) TERMINATION OF AUTHORITY.—The Secretary of Defense may not provide assistance under subsection (a) after September 30, 1996.".

(b) REVISION OF DEFINITION OF LANDMINE.—Section 1423(d)(3) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1831) is amended by striking out "by remote control or".

(c) FISCAL YEAR 1996 FUNDING.—Of the amount authorized to be appropriated by section 301 for Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) programs of the Department of Defense, not more than $20,000,000 shall be available for the program of assistance under section 1413 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2913; 10 U.S.C. 401 note).

SEC. 1055. STRATEGIC COOPERATION BETWEEN THE UNITED STATES AND ISRAEL.

(a) FINDINGS.—Congress makes the following findings:

(1) The President and Congress have repeatedly declared the long-standing United States commitment to maintaining the qualitative superiority of the Israel Defense Forces over any combination of potential adversaries.

(2) Congress continues to recognize the many benefits to the United States from its strategic relationship with Israel, including that of enhanced regional stability and technical cooperation.

(3) Despite the historic peace effort in which Israel and its neighbors are engaged, Israel continues to face severe potential threats to its national security that are compounded by terrorism and by the proliferation of weapons of mass destruction and ballistic missiles.

(4) Congress supports enhanced United States cooperation with Israel in all fields and, especially, in finding new ways to deter or counter mutual threats.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should ensure that any conventional defense system or technology offered by the United States for sale to any member nation of the North Atlantic Treaty Organization (NATO) or to any major non-NATO ally is concurrently made available for purchase by Israel unless the President determines that it would not be in the national security interests of the United States to do so; and

(2) the President should make available to Israel, within existing technology transfer

laws, regulations, and policies, advanced United States technology necessary for achieving continued progress in cooperative United States-Israel research and development of theater missile defenses.

SEC. 1056. SUPPORT SERVICES FOR THE NAVY AT THE PORT OF HAIFA, ISRAEL.

It is the sense of Congress that the Secretary of the Navy should promptly undertake such actions as are necessary—

(1) to improve the services available to the Navy at the Port of Haifa, Israel; and

(2) to ensure that the continuing increase in commercial activities at the Port of Haifa does not adversely affect the availability to the Navy of the services required by the Navy at the port.

SEC. 1057. PROHIBITION ON ASSISTANCE TO TERRORIST COUNTRIES.

(a) PROHIBITION.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following:

"§ 2249a. Prohibition on assistance to terrorist countries

"(a) PROHIBITION.—Funds available to the Department of Defense may not be obligated or expended to provide financial assistance to—

"(1) any country with respect to which the Secretary of State has made a determination under section 6(j)(1)(A) of the Export Administration Act of 1979 (50 App. 2405(j));

"(2) any country identified in the latest report submitted to Congress under section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f), as providing significant support for international terrorism; or

"(3) any other country that, as determined by the President—

"(A) grants sanctuary from prosecution to any individual or group that has committed an act of international terrorism; or

"(B) otherwise supports international terrorism.

"(b) WAIVER.—(1) The President may waive the application of subsection (a) to a country if the President determines that it is in the national security interests of the United States to do so or that the waiver should be granted for humanitarian reasons.

"(2) The President shall—

"(A) notify the Committees on Armed Services and Foreign Relations of the Senate and the Committees on National Security and on International Relations of the House of Representatives at least 15 days before the waiver takes effect; and

"(B) publish a notice of the waiver in the Federal Register.

"(c) DEFINITION.—In this section, the term 'international terrorism' has the meaning given that term in section 140(d) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(d)).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following:

"2249a. Prohibition on assistance to terrorist countries.".

SEC. 1058. INTERNATIONAL MILITARY EDUCATION AND TRAINING.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is in the national security interest of the United States to promote military professionalism (including an understanding of and respect for the proper role of the military in a civilian-led democratic society), the effective management of defense resources, the recognition of internationally recognized human rights, and an effective military justice system within the armed forces of allies of the United States and of countries friendly to the United States;

(2) it is in the national security interest of the United States to foster rapport, understanding, and cooperation between the Armed Forces of the United States and the armed forces of allies of the United States and of countries friendly to the United States;

(3) the international military education and training program is a low-cost method of promoting military professionalism within the armed forces of allies of the United States and of countries friendly to the United States and fostering better relations between the Armed Forces of the United States and those armed forces;

(4) the dissolution of the Soviet Union and the Warsaw Pact alliance and the spread of democracy in the Western Hemisphere have created an opportunity to promote the military professionalism of the armed forces of the affected nations;

(5) funding for the international military education and training program of the United States has decreased dramatically in recent years;

(6) the decrease in funding for the international military education and training program has resulted in a major decrease in the participation of personnel from Asia, Latin America, and Africa in the program;

(7) the Chairman of the Joint Chiefs of Staff and the commanders in chief of the regional combatant commands have consistently testified before congressional committees that the international military education and training program fosters cooperation with and improves military management, civilian control over the military forces, and respect for human rights within foreign military forces; and

(8) the delegation by the President to the Secretary of Defense of authority to perform functions relating to the international military education and training program is appropriate and should be continued.

(b) ACTIVITIES AUTHORIZED.—(1) Part I of subtitle A of title 10, United States Code, is amended by adding at the end the following:

"CHAPTER 23—CONTACTS UNDER PROGRAMS IN SUPPORT OF FOREIGN MILITARY FORCES

"Sec.
"461. Military-to-military contacts and comparable activities.
"462. International military education and training.

"§ 462. International military education and training

"(a) PROGRAM AUTHORITY.—Subject to the provisions of chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.), the Secretary of Defense, upon the recommendation of a commander of a combatant command, or, with respect to a geographic area or areas not within the area of responsibility of a commander of a combatant command, upon the recommendation of the Chairman of the Joint Chiefs of Staff, may pay a portion of the costs of providing international military education and training to military personnel of foreign countries and to civilian personnel of foreign countries who perform national defense functions.

"(b) RELATIONSHIP TO OTHER FUNDING.—Any amount provided pursuant to subsection (a) shall be in addition to amounts otherwise available for international military education and training for that fiscal year.".

(2) Section 168 of title 10, United States Code, is redesignated as section 461, is transferred to chapter 23 (as added by paragraph (1)), and is inserted after the table of sections at the beginning of such chapter.

(3)(A) The tables of chapters at the beginning of subtitle A of such title and the beginning of part I of such subtitle are amended by inserting after the item relating to chapter 22 the following:

"23. Contacts Under Programs in Support of Foreign Military Forces .... 461".

(B) The table of sections at the beginning of chapter 6 of title 10, United States Code, is amended by striking out the item relating to section 168.

(c) FISCAL YEAR 1996 FUNDING.—Of the amount authorized to be appropriated under section 301(5), $20,000,000 shall be available to the Secretary of Defense for the purposes of carrying out activities under section 462 of title 10, United States Code, as added by subsection (b).

(d) RELATIONSHIP TO AUTHORITY OF SECRETARY OF STATE.—Nothing in this section or section 462 of title 10, United States Code (as added by subsection (b)(1)), shall impair the authority or ability of the Secretary of State to coordinate policy regarding international military education and training programs.

SEC. 1059. REPEAL OF LIMITATION REGARDING AMERICAN DIPLOMATIC FACILITIES IN GERMANY.

Section 1432 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1833) is repealed.

SEC. 1060. IMPLEMENTATION OF ARMS CONTROL AGREEMENTS.

(a) FUNDING.—Of the amounts authorized to be appropriated under sections 102, 103, 104, 201, and 301, $228,900,000 shall be available for implementing arms control agreements to which the United States is a party.

(b) LIMITATION.—(1) Except as provided in paragraph (2), none of the funds authorized to be appropriated under subsection (a) for the costs of implementing an arms control agreement may be used to reimburse expenses incurred by any other party to the agreement for which, without regard to any executive agreement or any policy not part of an arms control agreement—

(A) the other party is responsible under the terms of the arms control agreement; and

(B) the United States has no responsibility under the agreement.

(2) The limitation in paragraph (1) does not apply to a use of funds to fulfill a policy of the United States to reimburse expenses incurred by another party to an arms control agreement if—

(A) the policy does not modify any obligation imposed by the arms control agreement;

(B) the President—

(i) issued or approved the policy before the date of the enactment of this Act; or

(ii) has entered into an agreement on the policy with the government of another country or has approved an agreement on the policy entered into by an official of the United States and the government of another country; and

(C) the President has notified the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives of the policy or the policy agreement (as the case may be), in writing, at least 30 days before the date on which the President issued or approved the policy or has entered into or approved the policy agreement.

(c) DEFINITIONS.—In this section:

(1) The term "arms control agreement" means an arms control treaty or other form of international arms control agreement.

(2) The term "executive agreement" is an international agreement entered into by the President that is not authorized by statute or approved by the Senate under Article II, section 2, clause 2 of the Constitution.

SEC. 1061. SENSE OF CONGRESS ON LIMITING THE PLACING OF UNITED STATES FORCES UNDER UNITED NATIONS COMMAND OR CONTROL.

(a) FINDINGS.—Congress finds that—

(1) the President has made United Nations peace operations a major component of the foreign and security policies of the United States;

(2) the President has committed United States military personnel under United Nations operational control to missions in Haiti, Croatia, and Macedonia that could endanger those personnel;

(3) the President has committed the United States to deploy as many as 25,000 military personnel to Bosnia-Herzegovina as peacekeepers under United Nations command and control in the event that the parties to that conflict reach a peace agreement;

(4) although the President has insisted that he will retain command of United States forces at all times, in the past this has meant administrative control of United States forces only, while operational control has been ceded to United Nations commanders, some of whom were foreign nationals;

(5) the experience of United States forces participating in combined United States-United Nations operations in Somalia, and in combined United Nations-NATO operations in the former Yugoslavia, demonstrate that prerequisites for effective military operations such as unity of command and clarity of mission have not been met by United Nations command and control arrangements; and

(6) despite the many deficiencies in the conduct of United Nations peace operations, there may be occasions when it is in the national security interests of the United States to participate in such operations.

(b) POLICY.—It is the sense of Congress that—

(1) the President should consult closely with Congress regarding any United Nations peace operation that could involve United States combat forces, and that such consultations should continue throughout the duration of such activities;

(2) the President should consult with Congress prior to a vote within the United Nations Security Council on any resolution which would authorize, extend, or revise the mandates for such activities;

(3) in view of the complexity of United Nations peace operations and the difficulty of achieving unity of command and expeditious decisionmaking, the United States should participate in such operations only when it is clearly in the national security interest to do so;

(4) United States combat forces should be under the operational control of qualified commanders and should have clear and effective command and control arrangements and rules of engagement (which do not restrict their self-defense in any way) and clear and unambiguous mission statements; and

(5) none of the Armed Forces of the United States should be under the operational control of foreign nationals in United Nations peace enforcement operations except in the most extraordinary circumstances.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "United Nations peace enforcement operations" means any international peace enforcement or similar activity that is authorized by the United Nations Security Council under chapter VII of the Charter of the United Nations; and

(2) the term "United Nations peace operations" means any international peacekeeping, peacemaking, peace enforcement, or similar activity that is authorized by the United Nations Security Council under chapter VI or VII of the Charter of the United Nations.

SEC. 1062. SENSE OF SENATE ON PROTECTION OF UNITED STATES FROM BALLISTIC MISSILE ATTACK.

(a) FINDINGS.—The Senate makes the following findings:

(1) The proliferation of weapons of mass destruction and ballistic missiles presents a threat to the entire World.

(2) This threat was recognized by Secretary of Defense William J. Perry in February 1995 in the Annual Report to the President and the Congress which states that "[b]eyond the five declared nuclear weapons states, at least 20 other nations have acquired or are attempting to acquire weapons of mass destruction—nuclear, biological, or chemical weapons—and the means to deliver them. In fact, in most areas where United States forces could potentially be engaged on a large scale, many of the most likely adversaries already possess chemical and biological weapons. Moreover, some of these same states appear determined to acquire nuclear weapons.".

(3) At a summit in Moscow in May 1995, President Clinton and President Yeltsin commented on this threat in a Joint Statement which recognizes " . . . the threat posed by worldwide proliferation of missiles and missile technology and the necessity of counteracting this threat . . . ".

(4) At least 25 countries may be developing weapons of mass destruction and the delivery systems for such weapons.

(5) At least 24 countries have chemical weapons programs in various stages of research and development.

(6) Approximately 10 countries are believed to have biological weapons programs in various stages of development.

(7) At least 10 countries are reportedly interested in the development of nuclear weapons.

(8) Several countries recognize that weapons of mass destruction and missiles increase their ability to deter, coerce, or otherwise threaten the United States. Saddam Hussein recognized this when he stated, on May 8, 1990, that "[o]ur missiles cannot reach Washington. If they could reach Washington, we would strike it if the need arose.".

(9) International regimes like the Non-Proliferation Treaty, the Biological Weapons Convention, and the Missile Technology Control Regime, while effective, cannot by themselves halt the spread of weapons and technology. On January 10, 1995, Director of Central Intelligence, James Woolsey, said with regard to Russia that " . . . we are particularly concerned with the safety of nuclear, chemical, and biological materials as well as highly enriched uranium or plutonium, although I want to stress that this is a global problem. For example, highly enriched uranium was recently stolen from South Africa, and last month Czech authorities recovered three kilograms of 87.8 percent-enriched HEU in the Czech Republic—the largest seizure of near-weapons grade material to date outside the Former Soviet Union.".

(10) The possession of weapons of mass destruction and missiles by developing countries threatens our friends, allies, and forces abroad and will ultimately threaten the United States directly. On August 11, 1994, Deputy Secretary of Defense John Deutch said that "[i]f the North Koreans field the Taepo Dong 2 missile, Guam, Alaska, and parts of Hawaii would potentially be at risk.".

(11) The end of the Cold War has changed the strategic environment facing and between the United States and Russia. That the Clinton Administration believes the environment to have changed was made clear by Secretary of Defense William J. Perry on September 20, 1994, when he stated that "[w]e now have the opportunity to create a new relationship, based not on MAD, not on Mutual Assured Destruction, but rather on another acronym, MAS, or Mutual Assured Safety.".

(12) The United States and Russia have the opportunity to create a relationship based on trust rather than fear.

(b) SENSE OF SENATE.—It is the sense of the Senate that all Americans should be protected from accidental, intentional, or limited ballistic missile attack. It is the further sense of the Senate that front-line troops of the United States Armed Forces should be protected from missile attacks.

(c) FUNDING FOR CORPS SAM AND BOOST-PHASE INTERCEPTOR PROGRAMS.—

(1) Notwithstanding any other provision in this Act, of the funds authorized to be appropriated by section 201(4), $35,000,000 shall be available for the Corps SAM/MEADS program.

(2) With a portion of the funds authorized in paragraph (1) for the Corps SAM/MEADS program, the Secretary of Defense shall conduct a study to determine whether a Theater Missile Defense system derived from Patriot technologies could fulfill the Corps SAM/MEADS requirements at a lower estimated life-cycle cost than is estimated for the cost of the United States portion of the Corps SAM/MEADS program.

(3) The Secretary shall provide a report on the study required under paragraph (2) to the congressional defense committees not later than March 1, 1996.

(4) Of the funds authorized to be appropriated by section 201(4), not more than $3,403,413,000 shall be available for missile defense programs within the Ballistic Missile Defense Organization.

(d) OBLIGATION OF FUNDS.—Of the amounts referred to in section (c)(1), $10,000,000 may not be obligated until the report referred to in subsection (c)(2) is submitted to the congressional defense committees.

SEC. 1063. IRAN AND IRAQ ARMS NONPROLIFERATION.

(a) SANCTIONS AGAINST TRANSFERS OF PERSONS.—Section 1604(a) of the Iran-Iraq Arms Non-Proliferation Act of 1992 (title XVI of Public Law 102-484; 50 U.S.C. 1701 note) is amended by inserting "to acquire chemical, biological, or nuclear weapons or" before "to acquire".

(b) SANCTIONS AGAINST TRANSFERS OF FOREIGN COUNTRIES.—Section 1605(a) of such Act is amended by inserting "to acquire chemical, biological, or nuclear weapons or" before "to acquire".

(c) CLARIFICATION OF UNITED STATES ASSISTANCE.—Subparagraph (A) of section 1608(7) of such Act is amended to read as follows:

"(A) any assistance under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), other than urgent humanitarian assistance or medicine;".

SEC. 1064. REPORTS ON ARMS EXPORT CONTROL AND MILITARY ASSISTANCE.

(a) Reports by Secretary of State.—Not later than 180 days after the date of the enactment of this Act and every year thereafter until 1998, the Secretary of State shall submit to Congress a report setting forth—

(1) an organizational plan to include those firms on the Department of State licensing watch-lists that—

(A) engage in the exportation of potentially sensitive or dual-use technologies; and

(B) have been identified or tracked by similar systems maintained by the Department of Defense, Department of Commerce, or the United States Customs Service; and

(2) further measures to be taken to strengthen United States export-control mechanisms.

(b) Reports by Inspector General.—(1) Not later than 180 days after the date of the enactment of this Act and 1 year thereafter, the Inspector General of the Department of State and the Foreign Service shall submit to Congress a report on the evaluation by the Inspector General of the effectiveness of the watch-list screening process at the Department of State during the preceding year. The report shall be submitted in both a classified and unclassified version.

(2) Each report under paragraph (1) shall—

(A) set forth the number of licenses granted to parties on the watch-list;

(B) set forth the number of end-use checks performed by the Department;

(C) assess the screening process used by the Department in granting a license when an applicant is on a watch-list; and

(D) assess the extent to which the watch-list contains all relevant information and parties required by statute or regulation.

(c) Annual Military Assistance Report.—The Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after section 654 the following new section:

"SEC. 655 ANNUAL MILITARY ASSISTANCE REPORT.

"(a) In General.—Not later than February 1 of 1996 and 1997, the President shall transmit to Congress an annual report for the fiscal year ending the previous September 30, showing the aggregate dollar value and quantity of defense articles (including excess defense articles) and defense services, and of military education and training, furnished by the United States to each foreign country and international organization, by category, specifying whether they were furnished by grant under chapter 2 or chapter 5 of part II of this Act or by sale under chapter 2 of the Arms Control Export Control Act or authorized by commercial sale license under section 38 of that Act.

"(b) Additional Contents of Reports.—Each report shall also include the total amount of military items of non-United States manufacture being imported into the United States. The report should contain the country of origin, the type of item being imported, and the total amount of items.".

Subtitle G—Repeal of Certain Reporting Requirements

SEC. 1071. REPORTS REQUIRED BY TITLE 10, UNITED STATES CODE.

(a) Annual Report on Relocation Assistance Programs.—Section 1056 of title 10, United States Code, is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsection (g) as subsection (f).

(b) Notice of Salary Increases for Foreign National Employees.—Section 1584 of such title is amended—

(1) by striking out subsection (b); and

(2) in subsection (a), by striking out "(a) Waiver of Employment Restrictions for Certain Personnel.—".

(c) Notice of Involuntary Reductions of Civilian Positions.—Section 1597 of such title is amended by striking out subsection (e).

(d) Notification of Requirement for Award of Contracts To Comply With Cooperative Agreements.—Section 2350b(d) of such title is amended—

(1) by striking out paragraph (1);

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(3) in paragraph (1), as so redesignated, by striking out "shall also notify" and inserting in lieu thereof "shall notify".

(e) Notice Regarding Contracts Performed for Periods Exceeding 10 Years.—(1) Section 2352 of such title is repealed.

(2) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2352.

(f) Annual Report on Biological Defense Research Program.—(1) Section 2370 of such title is repealed.

(2) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2370.

(g) Annual Report on Military Base Reuse Studies and Planning Assistance.—Section 2391 of such title is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(h) Compilation of Reports Filed by Employees or Former Employees of Defense Contractors.—Section 2397 of such title is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(i) Report on Low-Rate Production Under Naval Vessel and Military Satellite Programs.—Section 2400(c) of such title is amended—

(1) by striking out paragraph (2); and

(2) in paragraph (1)—

(A) by striking out "(1)"; and

(B) by redesignating clauses (A) and (B) as clauses (1) and (2), respectively.

(j) Report on Waivers of Prohibition on Employment of Felons.—Section 2408(a)(3) of such title is amended by striking out the second sentence.

(k) Report on Determination Not To Debar for Fraudulent Use of Labels.—Section 2410f(a) of such title is amended by striking out the second sentence.

(l) Annual Report on Waivers of Prohibition Relating to Secondary Arab Boycott.—Section 2410i(c) of such title is amended by striking out the second sentence.

(m) Report on Adjustment of Amounts Defining Major Defense Acquisition Programs.—Section 2430(b) of such title is amended by striking out the second sentence.

(n) Budget Documents on Weapons Development and Procurement Schedules.—(1) Section 2431 of such title is repealed.

(2) The table of sections at the beginning of chapter 144 of such title is amended by striking out the item relating to section 2431.

(o) Notice of Waiver of Limitation on Performance of Depot-Level Maintenance.—Section 2466(c) of such title is amended by striking out "and notifies Congress regarding the reasons for the waiver".

(p) Annual Report on Information on Foreign-Controlled Contractors.—Section 2537 of such title is amended—

(1) by striking out subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

(q) Annual Report on Real Property Transactions.—Section 2662 of such title is amended—

(1) by striking out subsection (b); and

(2) by redesignating subsections (c), (d), (e), and (f) as subsections (b), (c), (d), and (e), respectively.

(r) Notifications and Reports on Architectural and Engineering Services and Construction Design.—Section 2807 of such title is amended—

(1) by striking out subsections (b) and (c); and

(2) by redesignating subsection (d) as subsection (c).

(s) Report on Construction Projects for Environmental Response Actions.—Section 2810 of such title is amended—

(1) in subsection (a), by striking out "Subject to subsection (b), the Secretary" and inserting in lieu thereof "The Secretary";

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

(t) Notice of Military Construction Contracts on Guam.—Section 2864(b) of such title is amended by striking out "after the 21-day period" and all that follows through the period at the end and inserting in lieu thereof a period.

(u) Annual Report on Energy Savings at Military Installations.—Section 2865 of such title is amended by striking out subsection (f).

SEC. 1072. REPORTS REQUIRED BY TITLE 37, UNITED STATES CODE, AND RELATED PROVISIONS OF DEFENSE AUTHORIZATION ACTS.

(a) Annual Report on Travel and Transportation Allowances for Dependents.—Section 406 of title 37, United States Code, is amended by striking out subsection (i).

(b) Report on Annual Review of Pay and Allowances.—Section 1008(a) of such title is amended by striking out the second sentence.

(c) Report on Quadrennial Review of Adjustments in Compensation.—Section 1009(f) of such title is amended by striking out "of this title," and all that follows through the period at the end and inserting in lieu thereof "of this title.".

(d) Public Law 101–189 Requirement for Report Regarding Special Pay for Army, Navy, and Air Force Psychologists.—Section 704 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1471; 37 U.S.C. 302c note) is amended by striking out subsection (d).

(e) Public Law 101–510 Requirement for Report Regarding Special Pay for Nurse Anesthetists.—Section 614 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1577; 37 U.S.C. 302e note) is amended by striking out subsection (c).

SEC. 1073. REPORTS REQUIRED BY OTHER DEFENSE AUTHORIZATION AND APPROPRIATIONS ACTS.

(a) Public Law 98–94 Requirement for Annual Report on CHAMPUS and USTF Medical Care.—Section 1252 of the Department of Defense Authorization Act, 1984 (Public Law 98–94; 42 U.S.C. 248d) is amended by striking out subsection (d).

(b) Public Law 99–661 Requirement for Report on Funding for Nicaraguan Democratic Resistance.—Section 1351 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99–661; 100 Stat. 3995; 10 U.S.C. 114 note) is amended—

(1) by striking out subsection (b); and

(2) in subsection (a), by striking out "(a) Limitation.—".

(c) Public Law 100–180 Requirement for Selected Acquisition Reports for ATB, ACM, and ATA Programs.—Section 127 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (10 U.S.C. 2432 note) is repealed.

(d) Public Law 101–189 Requirement for Notification of Closure of Military Child Development Centers.—Section 1505(f) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1594; 10 U.S.C. 113 note) is amended by striking out paragraph (3).

(e) Public Law 101–510 Requirement for Annual Report on Overseas Military Facility Investment Recovery Account.—Section 2921 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

(f) Public Law 102–190 Requirement for Science, Mathematics, and Engineering Education Master Plan.—Section 829 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1444; 10 U.S.C. 2192 note) is repealed.

(g) Public Law 102–484 Requirement for Report Relating to Use of Class I Ozone-Depleting Substances in Military Procurements.—Section 326(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2368; 10 U.S.C. 301 note) is amended by striking out paragraphs (4) and (5).

(h) Public Law 103–139 Requirement for Report Regarding Heating Facility Modernization at Kaiserslautern.—Section 8008 of the Department of Defense Appropriations Act, 1994 (Public Law 103–139; 107 Stat. 1438), is amended by inserting "but without regard to the notification requirement in subsection (b)(2) of such section," after "section 2690 of title 10, United States Code,".

SEC. 1074. REPORTS REQUIRED BY OTHER NATIONAL SECURITY LAWS.

(a) Arms Export Control Act Requirement for Quarterly Report on Price and Availability Estimates.—Section 28 of the Arms Export Control Act (22 U.S.C. 2768) is repealed.

(b) National Security Agency Act of 1959 Requirement for Annual Report on NSA Executive Personnel.—Section 12(a) of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by striking out paragraph (5).

(c) Public Law 85–804 Requirement for Report on Omission of Contract Clause Under Special National Defense Contracting Authority.—Section 3(b) of the Act of August 28, 1958 (50 U.S.C. 1433(b)), is amended by striking out the matter following paragraph (2).

SEC. 1075. REPORTS REQUIRED BY OTHER PROVISIONS OF THE UNITED STATES CODE.

Section 1352(f) of title 31, United States Code, is amended—

(1) by inserting "(1)" after "(f)";

(2) by striking out the second sentence; and

(3) by adding at the end the following:

"(2) Subsections (a)(6) and (d) do not apply to the Department of Defense.".

SEC. 1076. REPORTS REQUIRED BY OTHER PROVISIONS OF LAW.

(a) Panama Canal Act of 1979 Requirement for Annual Report Regarding United States Treaty Rights and Obligations.—Section 3301 of the Panama Canal Act of 1979 (22 U.S.C. 3871) is repealed.

(b) Public Law 91–611 Requirement for Annual Report on Water Resources Project Agreements.—Section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b) is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(c) Public Law 94–587 Requirement for Annual Report on Construction of Tennessee-Tombigbee Waterway.—Section 185 of the Water Resources Development Act of 1976 (Public Law 94–587; 33 U.S.C. 544c) is amended by striking out the second sentence.

(d) Public Law 100–333 Requirement for Annual Report on Monitoring of Navy Home Port Waters.—Section 7 of the Organotin Antifouling Paint Control Act of 1988 (Public Law 100–333; 33 U.S.C. 2406) is amended—

(1) by striking out subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

SEC. 1077. REPORTS REQUIRED BY JOINT COMMITTEE ON PRINTING.

Requirements for submission of the following reports imposed in the exercise of authority under section 103 of title 44, United States Code, do not apply to the Department of Defense:

(1) A notice of intent to apply new printing processes.

(2) A report on equipment acquisition or transfer.

(3) A printing plant report.

(4) A report on stored equipment.

(5) A report on jobs which exceed Joint Committee on Printing duplicating limitations.

(6) A notice of intent to contract for printing services.

(7) Research and development plans.

(8) A report on commercial printing.

(9) A report on collator acquisition.

(10) An annual plant inventory.

(11) An annual map or chart plant report.

(12) A report on activation or moving a printing plant.

(13) An equipment installation notice.

(14) A report on excess equipment.

Subtitle H—Other Matters

SEC. 1081. GLOBAL POSITIONING SYSTEM.

The Secretary of Defense shall turn off the selective availability feature of the global positioning system by May 1, 1996, unless the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan that—

(1) provides for development and acquisition of—

(A) effective capabilities to deny hostile military forces the ability to use the global positioning system without hindering the ability of United States military forces and civil users to exploit the system; and

(B) global positioning system receivers and other techniques for weapons and weapon systems that provide substantially improved resistance to jamming and other forms of electronic interference or disruption; and

(2) includes a specific date by which the Secretary of Defense intends to complete the acquisition of the capabilities described in paragraph (1).

SEC. 1082. LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

(a) Sense of Congress.—It is the sense of Congress that, unless and until the START II Treaty enters into force, the Secretary of Defense should not take any action to retire or dismantle, or to prepare to retire or dismantle, any of the following strategic nuclear delivery systems:

(1) B-52H bomber aircraft.

(2) Trident ballistic missile submarines.

(3) Minuteman III intercontinental ballistic missiles.

(4) Peacekeeper intercontinental ballistic missiles.

(b) Limitation on Use of Funds.—Funds available to the Department of Defense may not be obligated or expended during fiscal year 1996 for retiring or dismantling, or for preparing to retire or dismantle, any of the strategic nuclear delivery systems specified in subsection (a).

SEC. 1083. NATIONAL GUARD CIVILIAN YOUTH OPPORTUNITIES PILOT PROGRAM.

Section 1091(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 32 U.S.C. 501 note) is amended by striking out "through 1995" and inserting in lieu thereof "through 1997".

SEC. 1084. REPORT ON DEPARTMENT OF DEFENSE BOARDS AND COMMISSIONS.

(a) Report on Boards and Commissions Receiving Department Support.—Not later than April 1, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing the following:

(1) A list of the boards and commissions described in subsection (b) that received support (including funds, equipment, materiel, or other assets, or personnel) from the Department of Defense in last full fiscal year preceding the date of the report.

(2) A list of the boards and commissions referred to in paragraph (1) that are determined by the Secretary to merit continued support from the Department.

(3) A description, for each board and commission listed under paragraph (2), of—

(A) the purpose of the board or commission;

(B) the nature and cost of the support provided by the Department to the board or commission in the last full fiscal year preceding the date of the report;

(C) the nature and duration of the support that the Secretary proposes to provide to the board or commission;

(D) the anticipated cost to the Department of providing such support; and

(E) a justification of the determination that the board or commission merits the support of the Department.

(4) A list of the boards and commissions referred to in paragraph (1) that are determined by the Secretary not to merit continued support from the Department.

(5) A description, for each board and commission listed under paragraph (4), of—

(A) the purpose of the board or commission;

(B) the nature and cost of the support provided by the Department to the board or commission in the last full fiscal year preceding the date of the report; and

(C) a justification of the determination that the board or commission does not merit the support of the Department.

(b) Covered Boards.—Subsection (a)(1) applies to the boards and commissions, including boards and commissions authorized by law, operating within or for the Department of Defense that—

(1) provide only policy-making assistance or advisory services for the Department; or

(2) carry out activities that are not routine activities, on-going activities, or activities necessary to the routine, on-going operations of the Department.

SEC. 1085. REVISION OF AUTHORITY FOR PROVIDING ARMY SUPPORT FOR THE NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS.

(a) PURPOSE.—Subsection (b)(2) of section 1459 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 763) is amended by striking out "to make available" and all that follows and inserting in lieu thereof "to provide for the management, operation, and maintenance of those areas in the national science center that are designated for use by the Army and to provide incidental support for the operation of general use areas of the center.".

(b) AUTHORITY FOR SUPPORT.—Subsection (c) of such section is amended to read as follows:

"(c) NATIONAL SCIENCE CENTER.—(1) The Secretary may manage, operate, and maintain facilities at the center under terms and conditions prescribed by the Secretary for the purpose of conducting educational outreach programs in accordance with chapter 111 of title 10, United States Code.

"(2) The Foundation, or NSC Discovery Center, Incorporated, shall submit to the Secretary for review and approval all matters pertaining to the acquisition, design, renovation, equipping, and furnishing of the center, including all plans, specifications, contracts, sites, and materials for the center.".

(c) AUTHORITY FOR ACCEPTANCE OF GIFTS AND FUNDRAISING.—Subsection (d) of such section is amended to read as follows:

"(d) GIFTS AND FUNDRAISING.—(1) Subject to paragraph (3), the Secretary may accept a conditional donation of money or property that is made for the benefit of, or in connection with, the center.

"(2) Notwithstanding any other provision of law, the Secretary may endorse, promote, and assist the efforts of the Foundation and NSC Discovery Center, Incorporated, to obtain—

"(A) funds for the management, operation, and maintenance of the center; and

"(B) donations of exhibits, equipment, and other property for use in the center.

"(3) The Secretary may not accept a donation under this subsection that is made subject to—

"(A) any condition that is inconsistent with an applicable law or regulation; or

"(B) except to the extent provided in appropriations Acts, any condition that would necessitate an expenditure of appropriated funds.

"(4) The Secretary shall prescribe in regulations the criteria to be used in determining whether to accept a donation. The Secretary shall include criteria to ensure that acceptance of a donation does not establish an unfavorable appearance regarding the fairness and objectivity with which the Secretary or any other officer or employee of the Department of Defense performs official responsibilities and does not compromise or appear to compromise the integrity of a Government program or any official involved in that program.".

(d) AUTHORIZED USES.—Such section is amended—

(1) by striking out subsection (f);

(2) by redesignating subsection (g) as subsection (f); and

(3) in subsection (f), as redesignated by paragraph (2), by inserting "areas designated for Army use in" after "The Secretary may make".

(e) ALTERNATIVE OF ADDITIONAL DEVELOPMENT AND MANAGEMENT.—Such section, as amended by subsection (d), is further amended by adding at the end the following:

"(g) ALTERNATIVE OR ADDITIONAL DEVELOPMENT AND MANAGEMENT OF THE CENTER.—(1) The Secretary may enter into an agreement with NSC Discovery Center, Incorporated, a nonprofit corporation of the State of Georgia, to develop, manage, and maintain a national science center under this section. In entering into an agreement with NSC Discovery Center, Incorporated, the Secretary may agree to any term or condition to which the Secretary is authorized under this section to agree for purposes of entering into an agreement with the Foundation.

"(2) The Secretary may exercise the authority under paragraph (1) in addition to, or instead of, exercising the authority provided under this section to enter into an agreement with the Foundation.".

SEC. 1086. AUTHORITY TO SUSPEND OR TERMINATE COLLECTION ACTIONS AGAINST DECEASED MEMBERS.

Section 3711 of title 31, United States Code, is amended by adding at the end the following:

"(g)(1) The Secretary of Defense may suspend or terminate an action by the Department of Defense under this section to collect a claim against the estate of a person who died while serving on active duty as a member of the armed forces if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.

"(2) For purposes of this subsection, the terms 'armed forces' and 'active duty' have the meanings given such terms in section 101 of title 10.".

SEC. 1087. DAMAGE OR LOSS TO PERSONAL PROPERTY DUE TO EMERGENCY EVACUATION OR EXTRAORDINARY CIRCUMSTANCES.

(a) SETTLEMENT OF CLAIMS OF PERSONNEL.—Section 3721(b)(1) of title 31, United States Code, is amended by inserting after the first sentence the following: "If, however, the claim arose from an emergency evacuation or from extraordinary circumstances, the amount settled and paid under the authority of the preceding sentence may exceed $40,000, but may not exceed $100,000.".

(b) RETROACTIVE EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of June 1, 1991, and shall apply with respect to claims arising on or after that date.

SEC. 1088. CHECK CASHING AND EXCHANGE TRANSACTIONS FOR DEPENDENTS OF UNITED STATES GOVERNMENT PERSONNEL.

(a) AUTHORITY TO CARRY OUT TRANSACTIONS.—Subsection (b) of section 3342 of title 31, United States Code, is amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) a dependent of personnel of the Government, but only—

"(A) at a United States installation at which adequate banking facilities are not available; and

"(B) in the case of negotiation of negotiable instruments, if the dependent's sponsor authorizes, in writing, the presentation of negotiable instruments to the disbursing official for negotiation.".

(b) PAY OFFSET.—Subsection (c) of such section is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) The amount of any deficiency resulting from cashing a check for a dependent under subsection (b)(3), including any charges assessed against the disbursing official by a financial institution for insufficient funds to pay the check, may be offset from the pay of the dependent's sponsor.".

(c) DEFINITIONS.—Such section is further amended by adding at the end the following:

"(e) The Secretary of Defense shall define in regulations the terms 'dependent' and 'sponsor' for the purposes of this section. In the regulations, the term 'dependent', with respect to a member of a uniformed service, shall have the meaning given that term in section 401 of title 37.".

SEC. 1089. TRAVEL OF DISABLED VETERANS ON MILITARY AIRCRAFT.

(a) LIMITED ENTITLEMENT.—Chapter 157 of title 10, United States Code, is amended by inserting after section 2641 the following new section:

"§ 2641a. Travel of disabled veterans on military aircraft

"(a) LIMITED ENTITLEMENT.—A veteran entitled under laws administered by the Secretary of Veterans Affairs to receive compensation for a service-connected disability rated as total by the Secretary is entitled, in the same manner and to the same extent as retired members of the armed forces, to transportation (on a space-available basis) on unscheduled military flights within the continental United States and on scheduled overseas flights operated by the Military Airlift Command.

"(b) DEFINITIONS.—In this section, the terms 'veteran', 'compensation', and 'service-connected' have the meanings given such terms in section 101 of title 38.".

(b) CLERICAL AMENDMENT.—The table of sections, at the beginning of such chapter, is amended by inserting after the item relating to section 2641 the following new item:

"2641a. Travel of disabled veterans on military aircraft.".

SEC. 1090. TRANSPORTATION OF CRIPPLED CHILDREN IN PACIFIC RIM REGION TO HAWAII FOR MEDICAL CARE.

(a) TRANSPORTATION AUTHORIZED.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2643. Transportation of crippled children in Pacific Rim region to Hawaii for medical care

"(a) TRANSPORTATION AUTHORIZED.—Subject to subsection (c), the Secretary of Defense may provide persons eligible under subsection (b) with round trip transportation in an aircraft of the Department of Defense, on a space-available basis, between an airport in the Pacific Rim region and the State of Hawaii. No charge may be imposed for transportation provided under this section.

"(b) PERSONS COVERED.—Persons eligible to be provided transportation under this section are as follows:

"(1) A child under 18 years of age who (A) resides in the Pacific Rim region, (B) is a crippled child in need of specialized medical care for the child's condition as a crippled child, which may include any associated or related condition, (C) upon arrival in Hawaii, is to be admitted to receive such medical care, at no cost to the patient, at a medical facility in Honolulu, Hawaii, that specializes in providing such medical care, and (D) is unable to afford the costs of transportation to Hawaii.

"(2) One adult attendant accompanying a child transported under this section.

"(c) CONDITIONS.—The Secretary may provide transportation under subsection (a) only if the Secretary determines that—

"(1) it is not inconsistent with the foreign policy of the United States to do so;

"(2) the transportation is for humanitarian purposes;

"(3) the health of the child to be transported is sufficient for the child to endure safely the stress of travel for the necessary distance in the Department of Defense aircraft involved;

"(4) all authorizations, permits, and other documents necessary for admission of the child at the medical treatment facility referred to in subsection (b)(1)(C) are in order;

"(5) all necessary passports and visas necessary for departure from the residences of the persons to be transported and from the airport of departure, for entry into the United States, for reentry into the country of departure, and for return to the persons' residences are in proper order; and

"(6) arrangements have been made to ensure that—

"(A) the persons to be transported will board the aircraft on the schedule established by the Secretary; and

"(B) the persons—

"(i) will be met and escorted to the medical treatment facility by appropriate personnel of the facility upon the arrival of the aircraft in Hawaii; and

"(ii) will be returned to the airport in Hawaii for transportation (on the schedule established by the Secretary) back to the country of departure.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2643. Transportation of crippled children in Pacific Rim region to Hawaii for medical care.".

SEC. 1091. STUDENT INFORMATION FOR RECRUITING PURPOSES.

(a) Sense of Senate.—It is the sense of the Senate that—

(1) educational institutions, including secondary schools, should not have a policy of denying, or otherwise effectively preventing, the Secretary of Defense from obtaining for military recruiting purposes—

(A) entry to any campus or access to students on any campus equal to that of other employers; or

(B) access to directory information pertaining to students (other than in a case in which an objection has been raised as described in paragraph (2));

(2) an educational institution that releases directory information should—

(A) give public notice of the categories of such information to be released; and

(B) allow a reasonable period after such notice has been given for a student or (in the case of an individual younger than 18 years of age) a parent to inform the institution that any or all of such information should not be released without obtaining prior consent from the student or the parent, as the case may be; and

(3) the Secretary of Defense should prescribe regulations that contain procedures for determining if and when an educational institution has denied or prevented access to students or information as described in paragraph (1).

(b) Definitions.—In this section:

(1) The term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and (if available) the most recent previous educational program enrolled in by the student.

(2) The term "student" means an individual enrolled in any program of education who is 17 years of age or older.

SEC. 1092. STATE RECOGNITION OF MILITARY ADVANCE MEDICAL DIRECTIVES.

(a) In General.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1044b the following new section:

"§ 1044c. Advance medical directives of armed forces personnel and dependents: requirement for recognition by States

"(a) Instruments To Be Given Legal Effect Without Regard to State Law.—An advance medical directive executed by a person eligible for legal assistance—

"(1) is exempt from any requirement of form, substance, formality, or recording that is provided for advance medical directives under the laws of a State; and

"(2) shall be given the same legal effect as an advance medical directive prepared and executed in accordance with the laws of the State concerned.

"(b) Advance Medical Directives Covered.—For purposes of this section, an advance medical directive is any written declaration that—

"(1) sets forth directions regarding the provision, withdrawal, or withholding of life-prolonging procedures, including hydration and sustenance, for the declarant whenever the declarant has a terminal physical condition or is in a persistent vegetative state; or

"(2) authorizes another person to make health care decisions for the declarant, under circumstances stated in the declaration, whenever the declarant is incapable of making informed health care decisions.

"(c) Statement To Be Included.—(1) Under regulations prescribed by the Secretary concerned, each advance medical directive prepared by an attorney authorized to provide legal assistance shall contain a statement that sets forth the provisions of subsection (a).

"(2) Paragraph (1) shall not be construed to make inapplicable the provisions of subsection (a) to an advance medical directive that does not include a statement described in that paragraph.

"(d) States Not Recognizing Advance Medical Directives.—Subsection (a) does not make an advance medical directive enforceable in a State that does not otherwise recognize and enforce advance medical directives under the laws of the State.

"(e) Definitions.—In this section:

"(1) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and a possession of the United States.

"(2) The term 'person eligible for legal assistance' means a person who is eligible for legal assistance under section 1044 of this title.

"(3) The term 'legal assistance' means legal services authorized under section 1044 of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1044b the following:

"1044c. Advance medical directives of armed forces personnel and dependents: requirement for recognition by States.".

(b) Effective Date.—Section 1044c of title 10, United States Code, shall take effect on the date of the enactment of this Act and shall apply to advance medical directives referred to in such section that are executed before, on, or after that date.

SEC. 1093. REPORT ON PERSONNEL REQUIREMENTS FOR CONTROL OF TRANSFER OF CERTAIN WEAPONS.

Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense and the Secretary of Energy shall submit to the committees of Congress referred to in subsection (c) of section 1154 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1761) the report required under subsection (a) of that section. The Secretary of Defense and the Secretary of Energy shall include with the report an explanation of the failure of such Secretaries to submit the report in accordance with such subsection (a) and with all other previous requirements for the submittal of the report.

SEC. 1094. SENSE OF SENATE REGARDING ETHICS COMMITTEE INVESTIGATION.

(a) The Senate finds that—

(1) the Senate Select Committee on Ethics has a thirty-one year tradition of handling investigations of official misconduct in a bipartisan, fair and professional manner;

(2) the Ethics Committee, to ensure fairness to all parties in any investigation, must conduct its responsibilities strictly according to established procedure and free from outside interference;

(3) the rights of all parties to bring an ethics complaint against a member, officer, or employee of the Senate are protected by the official rules and precedents of the Senate and the Ethics Committee;

(4) any Senator responding to a complaint before the Ethics Committee deserves a fair and non-partisan hearing according to the rules of the Ethics Committee;

(5) the rights of all parties in an investigation—both the individuals who bring a complaint or testify against a Senator, and any Senator charged with an ethics violation—can only be protected by strict adherence to the established rules and procedures of the ethics process;

(6) the integrity of the Senate and the integrity of the Ethics Committee rest on the continued adherence to precedents and rules, derived from the Constitution; and,

(7) the Senate as a whole has never intervened in any ongoing Senate Ethics Committee investigation, and has considered matters before that Committee only after the Committee has submitted a report and recommendations to the Senate;

(b) Therefore, it is the Sense of the Senate that the Select committee on Ethics should not, in the case of Senator Robert Packwood of Oregon, deviate from its customary and standard procedure, and should, prior to the Senate's final resolution of the case, follow whatever procedures it deems necessary and appropriate to provide a full and complete public record of the relevant evidence in this case.

SEC. 1095. SENSE OF SENATE REGARDING FEDERAL SPENDING.

It is the sense of the Senate that in pursuit of a balanced Federal budget, Congress should exercise fiscal restraint, particularly in authorizing spending not requested by the Executive Branch and in proposing new programs.

SEC. 1096. ASSOCIATE DIRECTOR OF CENTRAL INTELLIGENCE FOR MILITARY SUPPORT.

Section 102 of the National Security Act of 1947 (50 U.S.C. 403) is amended by adding at the end the following:

"(e) In the event that neither the Director nor Deputy Director of Central Intelligence is a commissioned officer of the Armed Forces, a commissioned officer of the Armed

Forces appointed to the position of Associate Director of Central Intelligence for Military Support, while serving in such position, shall not be counted against the numbers and percentages of commissioned officers of the rank and grade of such officer authorized for the armed force of which such officer is a member.".

SEC. 1097. REVIEW OF NATIONAL POLICY ON PROTECTING THE NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACKS.

Not later than 120 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth the following:

(1) The national policy and architecture governing the plans for establishing procedures, capabilities, systems, and processes necessary to perform indications, warning, and assessment functions regarding strategic attacks by foreign nations, groups, or individuals, or any other entity against the national information infrastructure.

(2) The future of the National Communications System (NCS), which has performed the central role in ensuring national security and emergency preparedness communications for essential United States Government and private sector users, including, specifically, a discussion of—

(A) whether there is a Federal interest in expanding or modernizing the National Communications System in light of the changing strategic national security environment and the revolution in information technologies; and

(B) the best use of the National Communications System and the assets and experience it represents as an integral part of a larger national strategy to protect the United States against a strategic attack on the national information infrastructure.

SEC. 1098. JUDICIAL ASSISTANCE TO THE INTERNATIONAL TRIBUNAL FOR YUGOSLAVIA AND TO THE INTERNATIONAL TRIBUNAL FOR RWANDA.

(a) SURRENDER OF PERSONS.—

(1) APPLICATION OF UNITED STATES EXTRADITION LAWS.—Except as provided in paragraphs (2) and (3), the provisions of chapter 209 of title 18, United States Code, relating to the extradition of persons to a foreign country pursuant to a treaty or convention for extradition between the United States and a foreign government, shall apply in the same manner and extent to the surrender of persons, including United States citizens, to—

(A) the International Tribunal for Yugoslavia, pursuant to the Agreement Between the United States and the International Tribunal for Yugoslavia; and

(B) the International Tribunal for Rwanda, pursuant to the Agreement Between the United States and the International Tribunal for Rwanda.

(2) EVIDENCE ON HEARINGS.—For purposes of applying section 3190 of title 18, United States Code, in accordance with paragraph (1), the certification referred to in the section may be made by the principal diplomatic or consular officer of the United States resident in such foreign countries where the International Tribunal for Yugoslavia or the International Tribunal for Rwanda may be permanently or temporarily situated.

(3) PAYMENT OF FEES AND COSTS.—(A) The provisions of the Agreement Between the United States and the International Tribunal for Yugoslavia and of the Agreement Between the United States and the International Tribunal for Rwanda shall apply in lieu of the provisions of section 3195 of title 18, United States Code, with respect to the payment of expenses arising from the surrender by the United States of a person to the International Tribunal for Yugoslavia or the International Tribunal for Rwanda, respectively, or from any proceedings in the United States relating to such surrender.

(B) The authority of subparagraph (A) may be exercised only to the extent and in the amounts provided in advance in appropriations Acts.

(4) NONAPPLICABILITY OF THE FEDERAL RULES.—The Federal Rules of Evidence and the Federal Rules of Criminal Procedure do not apply to proceedings for the surrender of persons to the International Tribunal for Yugoslavia or the International Tribunal for Rwanda.

(b) ASSISTANCE TO FOREIGN AND INTERNATIONAL TRIBUNALS AND TO LITIGANTS BEFORE SUCH TRIBUNALS.—Section 1782(a) of title 28, United States Code, is amended by inserting in the first sentence after "foreign or international tribunal" the following: ", including criminal investigations conducted prior to formal accusation".

(c) DEFINITIONS.—As used in this section:

(1) INTERNATIONAL TRIBUNAL FOR YUGOSLAVIA.—The term "International Tribunal for Yugoslavia" means the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law in the Territory of the Former Yugoslavia, as established by United Nations Security Council Resolution 827 of May 25, 1993.

(2) INTERNATIONAL TRIBUNAL FOR RWANDA.—The term "International Tribunal for Rwanda" means the International Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighboring States, as established by United Nations Security Council Resolution 955 of November 8, 1994.

(3) AGREEMENT BETWEEN THE UNITED STATES AND THE INTERNATIONAL TRIBUNAL FOR YUGOSLAVIA.—The term "Agreement Between the United States and the International Tribunal for Yugoslavia" means the Agreement on Surrender of Persons Between the Government of the United States and the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Law in the Territory of the Former Yugoslavia, signed at The Hague, October 5, 1994.

(4) AGREEMENT BETWEEN THE UNITED STATES AND THE INTERNATIONAL TRIBUNAL FOR RWANDA.—The term "Agreement between the United States and the International Tribunal for Rwanda" means the Agreement on Surrender of Persons Between the Government of the United States and the International Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighboring States, signed at The Hague, January 24, 1995.

SEC. 1099. LANDMINE USE MORATORIUM.

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 26, 1994, the President declared that it is a goal of the United States to eventually eliminate antipersonnel landmines.

(2) On December 15, 1994, the United Nations General Assembly adopted a resolution sponsored by the United States which called for international efforts to eliminate antipersonnel landmines.

(3) According to the Department of State, there are an estimated 80,000,000 to 110,000,000 unexploded landmines in 62 countries.

(4) Antipersonnel landmines are routinely used against civilian populations and kill and maim an estimated 70 people each day, or 26,000 people each year.

(5) The Secretary of State has noted that landmines are "slow-motion weapons of mass destruction".

(6) There are hundreds of varieties of antipersonnel landmines, from a simple type available at a cost of only two dollars to the more complex self-destructing type, and all landmines of whatever variety kill and maim civilians, as well as combatants, indiscriminately.

(b) CONVENTIONAL WEAPONS CONVENTION REVIEW.—It is the sense of Congress that, at the United Nations conference to review the 1980 Conventional Weapons Convention, including Protocol II on landmines, that is to be held from September 25 to October 13, 1995, the President should actively support proposals to modify Protocol II that would implement as rapidly as possible the United States goal of eventually eliminating antipersonnel landmines.

(c) MORATORIUM ON USE OF ANTIPERSONNEL LANDMINES.—

(1) UNITED STATES MORATORIUM.—(A) For a period of one year beginning three years after the date of the enactment of this Act, the United States shall not use antipersonnel landmines except along internationally recognized national borders or in demilitarized zones within a perimeter marked area that is monitored by military personnel and protected by adequate means to ensure the exclusion of civilians.

(B) If the President determines, before the end of the period of the United States moratorium under subparagraph (A), that the governments of other nations are implementing moratoria on use of antipersonnel landmines similar to the United States moratorium, the President may extend the period of the United States moratorium for such additional period as the President considers appropriate.

(2) OTHER NATIONS.—It is the sense of Congress that the President should actively encourage the governments of other nations to join the United States in solving the global landmine crisis by implementing moratoria on use of antipersonnel landmines similar to the United States moratorium as a step toward the elimination of antipersonnel landmines.

(d) ANTIPERSONNEL LANDMINE EXPORTS.—It is the sense of Congress that, consistent with the United States moratorium on exports of antipersonnel landmines and in order to further discourage the global proliferation of antipersonnel landmines, the United States Government should not sell, license for export, or otherwise transfer defense articles and services to any foreign government which, as determined by the President, sells, exports, or otherwise transfers antipersonnel landmines.

(e) DEFINITIONS.—

For purposes of this Act:

(1) ANTIPERSONNEL LANDMINE.—The term "antipersonnel landmine" means any munition placed under, on, or near the ground or other surface area, delivered by artillery, rocket, mortar, or similar means, or dropped from an aircraft and which is designed, constructed, or adapted to be detonated or exploded by the presence, proximity, or contact of a person.

(2) 1980 CONVENTIONAL WEAPONS CONVENTION.—The term "1980 Conventional Weapons Convention" means the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed To Be Excessively Injurious or To Have Indiscriminate Effects, together with the protocols relating thereto, done at Geneva on October 10, 1980.

SEC. 1099A. EXTENSION OF PILOT OUTREACH PROGRAM.

Section 1045(d) of the National Defense Authorization Act for Fiscal Year 1993 is amended by striking out "three" and inserting "five" in lieu thereof.

SEC. 1099B. SENSE OF SENATE ON MIDWAY ISLANDS.

(a) FINDINGS.—The Senate makes the following findings:

(1) September 2, 1995, marks the 50th anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to erect a memorial to the Battle of Midway that is suitable to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the Midway Islands and the surrounding seas deserve to be memorialized;

(2) the historic structures related to the Battle of Midway should be maintained, in accordance with the National Historic Preservation Act, and subject to the availability of appropriations for that purpose.

(3) appropriate access to the Midway Islands by survivors of the Battle of Midway, their families, and other visitors should be provided in a manner that ensures the public health and safety on the Midway Islands and the conservation and natural resources of those islands in accordance with existing Federal law.

SEC. 1099C. STUDY ON CHEMICAL WEAPONS STOCKPILE.

(a) STUDY.—(1) The Secretary of Defense shall conduct a study to assess the risk associated with the transportation of the unitary stockpile, any portion of the stockpile to include drained agents from munitions and munitions, from one location to another within the continental United States. Also, the Secretary shall include a study of the assistance available to communities in the vicinity if the Department of Defense facilities co-located with continuing chemical stockpile and chemical demilitarization operations which facilities are subject to closure, realignment, or reutilization.

(2) The review shall include an analysis of—

(A) the results of the physical and chemical integrity report conducted by the Army on existing stockpile;

(B) a determination of the viability of transportation of any portion of the stockpile, to include drained agent from munitions and the munitions;

(C) the safety, cost-effectiveness, and public acceptability of transporting the stockpile, in its current configuration, or in alternative configurations;

(D) the economic effects of closure, realignment, or reutilization of the facilities referred to in paragraph (1) on the communities referred to in that paragraph; and

(E) the unique problems that such communities face with respect to the reuse of such facilities as a result of the operations referred to in paragraph (1).

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study carried out under subsection (a). The report shall include recommendations of the Secretary on methods for ensuring the expeditious and cost-effective transfer or lease of facilities referred to in paragraph (1) of subsection (a) to communities referred to in paragraph (1) for reuse by such communities.

SEC. 1099D. DESIGNATION OF NATIONAL MARITIME CENTER.

(a) DESIGNATION OF NATIONAL MARITIME CENTER.—The NAUTICUS building, located at one Waterside Drive, Norfolk, Virginia, shall be known and designated as the "National Maritime Center".

(b) REFERENCE TO NATIONAL MARITIME CENTER.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in subsection (a) shall be deemed to be a reference to the "National Maritime Center".

SEC. 1099E. OPERATIONAL SUPPORT AIRLIFT AIRCRAFT FLEET.

(a) SUBMITTAL OF JCS REPORT ON AIRCRAFT.—Not later than February 1, 1996, the Secretary of Defense shall submit to Congress the report on aircraft designated as Operational Support Airlift Aircraft that is currently in preparation by the Joint Chiefs of Staff.

(b) CONTENT OF REPORT.—(1) The report shall contain findings and recommendations regarding the following:

(A) Modernization and safety requirements for the Operational Support Airlift Aircraft fleet.

(B) Standardization plans and requirements of that fleet.

(C) The disposition of aircraft considered excess to that fleet in light of the requirements set forth under subparagraph (A).

(D) The need for helicopter support in the National Capital Region.

(E) The acceptable uses of helicopter support in the National Capital Region.

(2) In preparing the report, the Joint Chiefs of Staff shall take into account the recommendation of the Commission on Roles and Missions of the Armed Forces to reduce the size of the Operational Support Airlift Aircraft fleet.

(c) REGULATIONS.—(1) Upon completion of the report referred to in subsection (a), the Secretary shall prescribe regulations, consistent with the findings and recommendations set forth in the report, for the operation, maintenance, disposition, and use of aircraft designated as Operational Support Airlift Aircraft.

(2) The regulations shall, to the maximum extent practicable, provide for, and encourage the use of, commercial airlines in lieu of the use of aircraft designated as Operational Support Airlift Aircraft.

(3) The regulations shall apply uniformly throughout the Department of Defense.

(4) The regulations should not require exclusive use of the aircraft designated as Operational Support Airlift Aircraft for any particular class of government personnel.

(d) REDUCTIONS IN FLYING HOURS.—(1) The Secretary shall ensure that the number of hours flown in fiscal year 1996 by aircraft designated as Operational Support Airlift Aircraft does not exceed the number equal to 85 percent of the number of hours flown in fiscal year 1995 by such aircraft.

(2) The Secretary should ensure that the number of hours flown in fiscal year 1996 for helicopter support in the National Capital Region does not exceed the number equal to 85 percent of the number of hours flown in fiscal year 1995 for such helicopter support.

(e) RESTRICTION ON AVAILABILITY OF FUNDS.—Of the funds authorized to be appropriated under title III for the operation and use of aircraft designated as Operational Support Airlift Aircraft, not more than 50 percent of such funds shall be available for that purpose until the submittal of the report referred to in subsection (a).

SEC. 1099F. SENSE OF THE SENATE ON CHEMICAL WEAPONS CONVENTION AND START II TREATY RATIFICATION.

(a) FINDINGS.—The Senate makes the following findings:

(1) Proliferation of chemical or nuclear weapons materials poses a danger to United States national security, and the threat or use of such materials by terrorists would directly threaten United States citizens at home and abroad.

(2) The Chemical Weapons Convention negotiated and signed by President Bush would make it more difficult for would-be proliferators, including terrorists, to acquire or use chemical weapons, if ratified and fully implemented as signed, by all signatories.

(3) The START II Treaty negotiated and signed by President Bush would help reduce the danger of potential proliferators, including terrorists, acquiring nuclear warheads and materials, and would contribute to United States-Russian bilateral efforts to secure and dismantle nuclear warheads, if ratified and fully implemented as signed by both parties.

(4) It is in the national security interest of the United States to take effective steps to make it harder for proliferators or would-be terrorists to obtain chemical or nuclear materials for use in weapons.

(5) The President has urged prompt Senate action on, and advice and consent to ratification of, the START II Treaty and the Chemical Weapons Convention.

(6) The Chairman of the Joint Chiefs of Staff has testified to Congress that ratification and full implementation of both treaties by all parties is in the United States national interest, and has strongly urged prompt Senate advice and consent to their ratification.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States and all other parties to the START II and Chemical Weapons Convention should promptly ratify and fully implement, as negotiated, both treaties.

TITLE XI—TECHNICAL AND CLERICAL AMENDMENTS

SEC. 1101. AMENDMENTS RELATED TO RESERVE OFFICER PERSONNEL MANAGEMENT ACT.

(a) PUBLIC LAW 103-337.—The Reserve Officer Personnel Management Act (title XVI of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337)) is amended as follows:

(1) Section 1624 (108 Stat. 2961) is amended—

(A) by striking out "641" and all that follows through "(2)" and inserting in lieu thereof "620 is amended"; and

(B) by redesignating as subsection (d) the subsection added by the amendment made by that section.

(2) Section 1625 (108 Stat. 2962) is amended by striking out "Section 689" and inserting in lieu thereof "Section 12320".

(3) Section 1626(1) (108 Stat. 2962) is amended by striking out "(W–5)" in the second quoted matter therein and inserting in lieu thereof ", W–5,".

(4) Section 1627 (108 Stat. 2962) is amended by striking out "Section 1005(b)" and inserting in lieu thereof "Section 12645(b)".

(5) Section 1631 (108 Stat. 2964) is amended—

(A) in subsection (a), by striking out "Section 510" and inserting in lieu thereof "Section 12102"; and

(B) in subsection (b), by striking out "Section 591" and inserting in lieu thereof "Section 12201".

(6) Section 1632 (108 Stat. 2965) is amended by striking out "Section 593(a)" and inserting in lieu thereof "Section 12203(a)".

(7) Section 1635(a) (108 Stat. 2968) is amended by striking out "section 1291" and inserting in lieu thereof "section 1691(b)".

(8) Section 1671 (108 Stat. 3013) is amended—

(A) in subsection (b)(3), by striking out "512, and 517" and inserting in lieu thereof "and 512"; and

(B) in subsection (c)(2), by striking out the comma after "861" in the first quoted matter therein.

(9) Section 1684(b) (108 Stat. 3024) is amended by striking out "section 14110(d)" and inserting in lieu thereof "section 14111(c)".

(b) SUBTITLE E OF TITLE 10.—Subtitle E of title 10, United States Code, is amended as follows:

(1) The tables of chapters preceding part I and at the beginning of part IV are amended by striking out "Repayments" in the item relating to chapter 1609 and inserting in lieu thereof "Repayment Programs".

(2)(A) The heading for section 10103 is amended to read as follows:

"§ 10103. Basic policy for order into Federal service".

(B) The item relating to section 10103 in the table of sections at the beginning of chapter 1003 is amended to read as follows:

"10103. Basic policy for order into Federal service.".

(3) The table of sections at the beginning of chapter 1005 is amended by striking out the third word in the item relating to section 10142.

(4) The table of sections at the beginning of chapter 1007 is amended—

(A) by striking out the third word in the item relating to section 10205; and

(B) by capitalizing the initial letter of the sixth word in the item relating to section 10211.

(5) The table of sections at the beginning of chapter 1011 is amended by inserting "Sec." at the top of the column of section numbers.

(6) Section 10507 is amended—

(A) by striking out "section 124402(b)" and inserting in lieu thereof "section 12402(b)"; and

(B) by striking out "Air Forces" and inserting in lieu thereof "Air Force".

(7)(A) Section 10508 is repealed.

(B) The table of sections at the beginning of chapter 1011 is amended by striking out the item relating to section 10508.

(8) Section 10542 is amended by striking out subsection (d).

(9) Section 12004(a) is amended by striking out "active-status" and inserting in lieu thereof "active status".

(10) Section 12012 is amended by inserting "**the**" in the section heading before the penultimate word.

(11)(A) The heading for section 12201 is amended to read as follows:

"§ 12201. Reserve officers: qualifications for appointment".

(B) The item relating to section 12201 in the table of sections at the beginning of chapter 1205 is amended to read as follows:

"12201. Reserve officers: qualifications for appointment.".

(12) The heading for section 12209 is amended to read as follows:

"§ 12209. Officer candidates: enlisted Reserves".

(13) The heading for section 12210 is amended to read as follows:

"§ 12210. Attending Physician to the Congress: reserve grade while so serving".

(14) Section 12213(a) is amended by striking out "section 593" and inserting in lieu thereof "section 12203".

(15) The table of sections at the beginning of chapter 1207 is amended by striking out "promotions" in the item relating to section 12243 and inserting in lieu thereof "promotion".

(16) The table of sections at the beginning of chapter 1209 is amended—

(A) in the item relating to section 12304, by striking out the colon and inserting in lieu thereof a semicolon; and

(B) in the item relating to section 12308, by striking out the second, third, and fourth words.

(17) Section 12307 is amended by striking out "Ready Reserve" in the second sentence and inserting in lieu thereof "Retired Reserve".

(18) The heading of section 12401 is amended by striking out the seventh word.

(19) Section 12407(b) is amended—

(A) by striking out "of those jurisdictions" and inserting in lieu thereof "State"; and

(B) by striking out "jurisdictions" and inserting in lieu thereof "States"

(20) Section 12731(f) is amended by striking out "the date of the enactment of this subsection" and inserting in lieu thereof "October 5, 1994,".

(21) Section 12731a(c)(3) is amended by inserting a comma after "Defense Conversion".

(22) Section 14003 is amended by inserting "**lists**" in the section heading immediately before the colon.

(23) The table of sections at the beginning of chapter 1403 is amended by striking out "selection board" in the item relating to section 14105 and inserting in lieu thereof "promotion board".

(24) The table of sections at the beginning of chapter 1405 is amended—

(A) in the item relating to section 14307, by striking out "Numbers" and inserting in lieu thereof "Number";

(B) in the item relating to section 14309, by striking out the colon and inserting in lieu thereof a semicolon; and

(C) in the item relating to section 14314, by capitalizing the initial letter of the antepenultimate word.

(25) Section 14315(a) is amended by striking out "a Reserve officer" and inserting in lieu thereof "a reserve officer".

(26) 14317(e) is amended—

(A) by inserting "OFFICERS ORDERED TO ACTIVE DUTY IN TIME OF WAR OR NATIONAL EMERGENCY.—" after "(e)"; and

(B) by striking out "section 10213 or 644" and inserting in lieu thereof "section 123 or 10213".

(27) The table of sections at the beginning of chapter 1407 is amended—

(A) in the item relating to section 14506, by inserting "reserve" after "Marine Corps and"; and

(B) in the item relating to section 14507, by inserting "reserve" after "Removal from the"; and

(C) in the item relating to section 14509, by inserting "in grades" after "reserve officers".

(28) Section 14501(a) is amended by inserting "OFFICERS BELOW THE GRADE OF COLONEL OR NAVY CAPTAIN.—" after "(a)".

(29) The heading for section 14506 is amended by inserting a comma after "**Air Force**".

(30) Section 14508 is amended by striking out "this" after "from an active status under" in subsections (c) and (d).

(31) Section 14515 is amended by striking out "inactive status" and inserting in lieu thereof "inactive-status".

(32) Section 14903(b) is amended by striking out "chapter" and inserting in lieu thereof "title".

(33) The table of sections at the beginning of chapter 1606 is amended in the item relating to section 16133 by striking out "limitations" and inserting in lieu thereof "limitation".

(34) Section 16132(c) is amended by striking out "section" and inserting in lieu thereof "sections".

(35) Section 16135(b)(1)(A) is amended by striking out "section 2131(a)" and inserting in lieu thereof "sections 16131(a)".

(36) Section 18236(b)(1) is amended by striking out "section 2233(e)" and inserting in lieu thereof "section 18233(e)".

(37) Section 18237 is amended—

(A) in subsection (a), by striking out "section 2233(a)(1)" and inserting in lieu thereof "section 18233(a)(1)"; and

(B) in subsection (b), by striking out "section 2233(a)" and inserting in lieu thereof "section 18233(a)".

(c) OTHER PROVISIONS OF TITLE 10.—Effective as of December 1, 1994 (except as otherwise expressly provided), and as if included as amendments made by the Reserve Officer Personnel Management Act (title XVI of Public Law 103–360) as originally enacted, title 10, United States Code, is amended as follows:

(1) Section 101(d)(6)(B)(i) is amended by striking out "section 175" and inserting in lieu thereof "section 10301".

(2) Section 114(b) is amended by striking out "chapter 133" and inserting in lieu thereof "chapter 1803".

(3) Section 115(d) is amended—

(A) in paragraph (1), by striking out "section 673" and inserting in lieu thereof "section 12302";

(B) in paragraph (2), by striking out "section 673b" and inserting in lieu thereof "section 12304"; and

(C) in paragraph (3), by striking out "section 3500 or 8500" and inserting in lieu thereof "section 12406".

(4) Section 123(a) is amended—

(A) by striking out "281, 592, 1002, 1005, 1006, 1007, 1374, 3217, 3218, 3219, 3220,", "5414, 5457, 5458,", and "8217, 8218, 8219,"; and

(B) by striking out "and 8855" and inserting in lieu thereof "8855, 10214, 12003, 12004, 12005, 12007, 12202, 12213, 12642, 12645, 12646, 12647, 12771, 12772, and 12773".

(5) Section 582(1) is amended by striking out "section 672(d)" in subparagraph (B) and

"section 673b" in subparagraph (D) and inserting in lieu thereof "section 12301(d)" and "section 12304", respectively.

(6) Section 641(1)(B) is amended by striking out "10501" and inserting in lieu thereof "10502, 10505, 10506(a), 10506(b), 10507".

(7) The table of sections at the beginning of chapter 39 is amended by striking out the items relating to sections 687 and 690.

(8) Sections 1053(a)(1), 1064, and 1065(a) are amended by striking out "chapter 67" and inserting in lieu thereof "chapter 1223".

(9) Section 1063(a)(1) is amended by striking out "section 1332(a)(2)" and inserting in lieu thereof "section 12732(a)(2)".

(10) Section 1074b(b)(2) is amended by striking out "section 673c" and inserting in lieu thereof "section 12305".

(11) Section 1076(b)(2)(A) is amended by striking out "before the effective date of the Reserve Officer Personnel Management Act" and inserting in lieu thereof "before December 1, 1994".

(12) Section 1176(b) is amended by striking out "section 1332" in the matter preceding paragraph (1) and in paragraph (2) and inserting in lieu thereof "section 12732".

(13) Section 1208(b) is amended by striking out "section 1333" and inserting in lieu thereof "section 12733".

(14) Section 1209 is amended by striking out "section 1332", "section 1335", and "chapter 71" and inserting in lieu thereof "section 12732", "section 12735", and "section 12739", respectively.

(15) Section 1407 is amended—

(A) in subsection (c)(1) and (d)(1), by striking out "section 1331" and inserting in lieu thereof "section 12731"; and

(B) in the heading for paragraph (1) of subsection (d), by striking out "CHAPTER 67" and inserting in lieu thereof "CHAPTER 1223".

(16) Section 1408(a)(5) is amended by striking out "section 1331" and inserting in lieu thereof "section 12731"

(17) Section 1431(a)(1) is amended by striking out "section 1376(a)" and inserting in lieu thereof "section 12774(a)".

(18) Section 1463(a)(2) is amended by striking out "chapter 67" and inserting in lieu thereof "chapter 1223".

(19) Section 1482(f)(2) is amended by inserting "section" before "12731 of this title".

(20) The table of sections at the beginning of chapter 533 is amended by striking out the item relating to section 5454.

(21) Section 2006(b)(1) is amended by striking out "chapter 106 of this title" and inserting in lieu thereof "chapter 1606 of this title".

(22) Section 2121(c) is amended by striking out "section 3353, 5600, or 8353" and inserting in lieu thereof "section 12207", effective on the effective date specified in section 1691(b)(1) of Public Law 103–337.

(23) Section 2130a(b)(3) is amended by striking out "section 591" and inserting in lieu thereof "section 12201".

(24) The table of sections at the beginning of chapter 337 is amended by striking out the items relating to section 3351 and 3352.

(25) Sections 3850, 6389(c), 6391(c), and 8850 are amended by striking out "section 1332" and inserting in lieu thereof "section 12732".

(26) Section 5600 is repealed, effective on the effective date specified in section 1691(b)(1) of Public Law 103–337.

(27) Section 5892 is amended by striking out "section 5457 or section 5458" and inserting in lieu thereof "section 12004 or section 12005".

(28) Section 6410(a) is amended by striking out "section 1005" and inserting in lieu thereof "section 12645".

(29) The table of sections at the beginning of chapter 837 is amended by striking out the items relating to section 8351 and 8352.

(30) Section 8360(b) is amended by striking out "section 1002" and inserting in lieu thereof "section 12642".

(31) Section 8380 is amended by striking out "section 524" in subsections (a) and (b) and inserting in lieu thereof "section 12011".

(32) Sections 8819(a), 8846(a), and 8846(b) are amended by striking out "section 1005 and 1006" and inserting in lieu thereof "sections 12645 and 12646".

(33) Section 8819 is amended by striking out "section 1005" and "section 1006" and inserting in lieu thereof "section 12645" and "section 12646", respectively.

(d) CROSS REFERENCES IN OTHER DEFENSE LAWS.—

(1) Section 337(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2717) is amended by inserting before the period at the end the following: "or who after November 30, 1994, transferred to the Retired Reserve under section 10154(2) of title 10, United States Code, without having completed the years of service required under section 12731(a)(2) of such title for eligibility for retired pay under chapter 1223 of such title".

(2) Section 525 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (P.L. 102–190, 105 Stat. 1363) is amended by striking out "section 690" and inserting in lieu thereof "section 12321".

(3) Subtitle B of title XLIV of the National Defense Authorization Act for Fiscal Year 1993 (P.L. 102–484; 10 U.S.C. 12681 note) is amended—

(A) in section 4415, by striking out "section 1331a" and inserting in lieu thereof "section 12731a";

(B) in subsection 4416—

(i) in subsection (a), by striking out "section 1331" and inserting in lieu thereof "section 12731";

(ii) in subsection (b)—

(I) by inserting "or section 12732" in paragraph (1) after "under that section"; and

(II) by inserting "or 12731(a)" in paragraph (2) after "section 1331(a)";

(iii) in subsection (e)(2), by striking out "section 1332" and inserting in lieu thereof "section 12732"; and

(iv) in subsection (g), by striking out "section 1331a" and inserting in lieu thereof "section 12731a"; and

(C) in section 4418—

(i) in subsection (a), by striking out "section 1332" and inserting in lieu thereof "section 12732"; and

(ii) in subsection (b)(1)(A), by striking out "section 1333" and inserting in lieu thereof "section 12733".

(4) Title 37, United States Code, is amended—

(A) in section 302f(b), by striking out "section 673c of title 10" in paragraphs (2) and (3)(A) and inserting in lieu thereof "section 12305 of title 10"; and

(B) in section 433(a), by striking out "section 687 of title 10" and inserting in lieu thereof "section 12319 of title 10".

(e) CROSS REFERENCES IN OTHER LAWS.—

(1) Title 14, United States Code, is amended—

(A) in section 705(f), by striking out "600 of title 10" and inserting in lieu thereof "12209 of title 10"; and

(B) in section 741(c), by striking out "section 1006 of title 10" and inserting in lieu thereof "section 12646 of title 10".

(2) Title 38, United States Code, is amended—

(A) in section 3011(d)(3), by striking out "section 672, 673, 673b, 674, or 675 of title 10" and inserting in lieu thereof "section 12301, 12302, 12304, 12306, or 12307 of title 10";

(B) in sections 3012(b)(1)(B)(iii) and 3701(b)(5)(B), by striking out "section 268(b) of title 10" and inserting in lieu thereof "section 10143(a) of title 10";

(C) in section 3501(a)(3)(C), by striking out "section 511(d) of title 10" and inserting in lieu thereof "section 12103(d) of title 10"; and

(D) in section 4211(4)(C), by striking out "section 672(a), (d), or (g), 673, or 673b of title 10" and inserting in lieu thereof "section 12301(a), (d), or (g), 12302, or 12304 of title 10".

(3) Section 702(a)(1) of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 592(a)(1)) is amended—

(A) by striking out "section 672 (a) or (g), 673, 673b, 674, 675, or 688 of title 10" and inserting in lieu thereof "section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12307 of title 10"; and

(B) by striking out "section 672(d) of such title" and inserting in lieu thereof "section 12301(d) of such title".

(4) Section 463A of the Higher Education Act of 1965 (20 U.S.C. 1087cc–1) is amended in subsection (a)(10) by striking out "(10 U.S.C. 2172)" and inserting in lieu thereof "(10 U.S.C. 16302)".

(5) Section 179 of the National and Community Service Act of 1990 (42 U.S.C. 12639) is amended in subsection (a)(2)(C) by striking out "section 216(a) of title 5" and inserting in lieu thereof "section 10101 of title 10".

(f) EFFECTIVE DATES.—

(1) Section 1636 of the Reserve Officer Personnel Management Act shall take effect on the date of the enactment of this Act.

(2) The amendments made by sections 1672(a), 1673(a) (with respect to chapters 541 and 549), 1673(b)(2), 1673(b)(4), 1674(a), and 1674(b)(7) shall take effect on the effective date specified in section 1691(b)(1) of the Reserve Officer Personnel Management Act (notwithstanding section 1691(a) of such Act).

(3) The amendments made by this section shall take effect as if included in the Reserve Officer Personnel Management Act as enacted on October 5, 1994.

SEC. 1102. AMENDMENTS RELATED TO FEDERAL ACQUISITION STREAMLINING ACT OF 1994.

(a) PUBLIC LAW 103–355.—Effective as of October 13, 1994, and as if included therein as enacted, the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3243 et seq.) is amended as follows:

(1) Section 1202(a) (108 Stat. 3274) is amended by striking out the closing quotation marks and second period at the end of paragraph (2)(B) of the subsection inserted by the amendment made by that section.

(2) Section 1251(b) (108 Stat. 3284) is amended by striking out "Office of Federal Procurement Policy Act" and inserting in lieu thereof "Federal Property and Administrative Services Act of 1949".

(3) Section 2051(e) (108 Stat. 3304) is amended by striking out the closing quotation marks and second period at the end of subsection (f)(3) in the matter inserted by the amendment made by that section.

(4) Section 2101(a)(6)(B)(ii) (108 Stat. 3308) is amended by replacing "regulation" with "regulations" in the first quoted matter.

(5) The heading of section 2352(b) (108 Stat. 3322) is amended by striking out "PROCEDURES TO SMALL BUSINESS GOVERNMENT CONTRACTORS.—" and inserting in lieu thereof "PROCEDURES.—".

(6) Section 3022 (108 Stat. 3333) is amended by striking out "each place" and all that follows through the end of the section and inserting in lieu thereof "in paragraph (1) and ", rent," after "sell" in paragraph (2).".

(7) Section 5092(b) (108 Stat. 3362) is amended by inserting "of paragraph (2)" after "second sentence".

(8) Section 6005(a) (108 Stat. 3364) is amended by striking out the closing quotation marks and second period at the end of subsection (e)(2) of the matter inserted by the amendment made by that section.

(9) Section 10005(f)(4) (108 Stat. 3409) is amended in the second matter in quotation marks by striking out "'Sec. 5. This Act" and inserting in lieu thereof "'Sec. 7. This title".

(b) Title 10, United States Code.—Title 10, United States Code, is amended as follows:

(1) Section 2220(b) is amended by striking out "the date of the enactment of the Federal Acquisition Streamlining Act of 1994" and inserting in lieu thereof "October 13, 1994".

(2)(A) The section 2247 added by section 7202(a)(1) of Public Law 103-355 (108 Stat. 3379) is redesignated as section 2249.

(B) The item relating to that section in the table of sections at the beginning of subchapter I of chapter 134 is revised to conform to the redesignation made by subparagraph (A).

(3) Section 2302(3)(K) is amended by adding a period at the end.

(4) Section 2304(h) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Walsh-Healey Act (41 U.S.C. 35 et seq.).".

(5)(A) The section 2304a added by section 848(a)(1) of Public Law 103–160 (107 Stat. 1724) is redesignated as section 2304e.

(B) The item relating to that section in the table of sections at the beginning of chapter 137 is revised to conform to the redesignation made by subparagraph (A).

(6) Section 2306a is amended—

(A) in subsection (d)(2)(A)(ii), by inserting "to" after "The information referred";

(B) in subsection (e)(4)(B)(ii), by striking out the second comma after "parties"; and

(C) in subsection (i)(3), by inserting "(41 U.S.C. 403(12))" before the period at the end.

(7) Section 2323 is amended—

(A) in subsection (a)(1)(C), by inserting a closing parenthesis after "1135d–5(3))" and after "1059c(b)(1))";

(B) in subsection (a)(3), by inserting a closing parenthesis after "421(c))";

(C) in subsection (b), by inserting "(1)" after "Amount.—"; and

(D) in subsection (i)(3), by adding at the end a subparagraph (D) identical to the subparagraph (D) set forth in the amendment made by section 811(e) of Public Law 103–160 (107 Stat. 1702).

(8) Section 2324 is amended—

(A) in subsection (e)(2)(C)—

(i) by striking out "awarding the contract" at the end of the first sentence; and

(ii) by striking out "title III" and all that follows through "Act)" and inserting in lieu thereof "the Buy American Act (41 U.S.C. 10b–1)"; and

(B) in subsection (h)(2), by inserting "the head of the agency or" after "in the case of any contract if".

(9) Section 2350b is amended—

(A) in subsection (c)(1)—

(i) by striking out "specifically—" and inserting in lieu thereof "specifically prescribes—"; and

(ii) by striking out "prescribe" in each of subparagraphs (A), (B), (C), and (D); and

(B) in subsection (d)(1), by striking out "subcontract to be" and inserting in lieu thereof "subcontract be".

(10) Section 2356(a) is amended by striking out "2354, or 2355" and inserting "or 2354".

(11) Section 2372(i)(1) is amended by striking out "section 2324(m)" and inserting in lieu thereof "section 2324(l)".

(12) Section 2384(b) is amended—

(A) in paragraph (2)—

(i) by striking "items, as" and inserting in lieu thereof "items (as"; and

(ii) by inserting a closing parenthesis after "403(12))"; and

(B) in paragraph (3), by inserting a closing parenthesis after "403(11))".

(13) Section 2397(a)(1) is amended—

(A) by inserting "as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))" after "threshold"; and

(B) by striking out "section 4(12) of the Office of Federal Procurement Policy Act" and inserting in lieu thereof "section 4(12) of such Act".

(14) Section 2397b(f) is amended by inserting a period at the end of paragraph (2)(B)(iii).

(15) Section 2400(a)(5) is amended by striking out "the preceding sentence" and inserting in lieu thereof "this paragraph".

(16) Section 2405 is amended—

(A) in paragraphs (1) and (2) of subsection (a), by striking out "the date of the enactment of the Federal Acquisition Streamlining Act of 1994" and inserting in lieu thereof "October 13, 1994"; and

(B) in subsection (c)(3)—

(i) by striking out "the later of—" and all that follows through "(B)"; and

(ii) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively, and realigning those subparagraphs accordingly.

(17) Section 2410d(b) is amended by striking out paragraph (3).

(18) Section 2424(c) is amended—

(A) by inserting "Exception for Soft Drinks.—" after "(c)"; and

(B) by striking out "drink" the first and third places it appears in the second sentence and inserting in lieu thereof "beverage".

(19) Section 2431 is amended—

(A) in subsection (b)—

(i) by striking out "Any report" in the first sentence and inserting in lieu thereof "Any documents"; and

(ii) by striking out "the report" in paragraph (3) and inserting in lieu thereof "the documents"; and

(B) in subsection (c), by striking "reporting" and inserting in lieu thereof "documentation".

(20) Section 2533(a) is amended by striking out "title III of the Act" and all that follows through "such Act" and inserting in lieu thereof "the Buy American Act (41 U.S.C. 10a)) whether application of such Act".

(21) Section 2662(b) is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

(22) Section 2701(i)(1) is amended—

(A) by striking out "Act of August 24, 1935 (40 U.S.C. 270a–270d), commonly referred to as the 'Miller Act'," and inserting in lieu thereof "Miller Act (40 U.S.C. 270a et seq.)"; and

(B) by striking out "such Act of August 24, 1935" and inserting in lieu thereof "the Miller Act".

(c) Small Business Act.—The Small Business Act (15 U.S.C. 632 et seq.) is amended as follows:

(1) Section 8(d) (15 U.S.C. 637(d)) is amended—

(A) in paragraph (1), by striking out the second comma after "small business concerns" the first place it appears; and

(B) in paragraph (6)(C), by striking out "and small business concerns owned and controlled by the socially and economically disadvantaged individuals" and inserting in lieu thereof ", small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women".

(2) Section 8(f) (15 U.S.C. 637(f)) is amended by inserting "and" after the semicolon at the end of paragraph (5).

(3) Section 15(g)(2) (15 U.S.C. 644(g)(2)) is amended by striking out the second comma after the first appearance of "small business concerns".

(d) Title 31, United States Code.—Section 3551 of title 31, United States Code, is amended—

(1) by striking out "subchapter—" and inserting in lieu thereof "subchapter:"; and

(2) in paragraph (2), by striking out "or proposed contract" and inserting in lieu thereof "or a solicitation or other request for offers".

(e) Federal Property and Administrative Services Act of 1949.—The Federal Property and Administrative Services Act of 1949 is amended as follows:

(1) The table of contents in section 1 (40 U.S.C. 471 prec.) is amended—

(A) by striking out the item relating to section 104;

(B) by striking out the item relating to section 201 and inserting in lieu thereof the following:

"Sec. 201. Procurements, warehousing, and related activities.";

(C) by inserting after the item relating to section 315 the following new item:

"Sec. 316. Merit-based award of grants for research and development.";

(D) by striking out the item relating to section 603 and inserting in lieu thereof the following:

"Sec. 603. Authorizations for appropriations and transfer authority."; and

(E) by inserting after the item relating to section 605 the following new item:

"Sec. 606. Sex discrimination.".

(2) Section 111(b)(3) (40 U.S.C. 759(b)(3)) is amended by striking out the second period at the end of the third sentence.

(3) Section 111(f)(9) (40 U.S.C. 759(f)(9)) is amended in subparagraph (B) by striking out "or proposed contract" and inserting in lieu thereof "or a solicitation or other request for offers".

(4) The heading for paragraph (1) of section 304A(c) is amended by changing each letter that is capitalized (other than the first letter of the first word) to lower case.

(5) The heading for section 314A (41 U.S.C. 41 U.S.C. 264a) is amended to read as follows:

"SEC. 314A. DEFINITIONS RELATING TO PROCUREMENT OF COMMERCIAL ITEMS.".

(6) The heading for section 316 (41 U.S.C. 266) is amended by inserting at the end a period.

(f) Walsh-Healey Act.—

(1) The Walsh-Healey Act (41 U.S.C. 35 et seq.) is amended—

(A) by transferring the second section 11 (as added by section 7201(4) of Public Law 103–355) so as to appear after section 10; and

(B) by redesignating the three sections following such section 11 (as so transferred) as sections 12, 13, and 14.

(2) Such Act is further amended in section 10(c) by striking out the comma after "'locality'".

(g) ANTI-KICKBACK ACT OF 1986.—Section 7 of the Anti-Kickback Act of 1986 (41 U.S.C. 57) is amended by striking out the second period at the end of subsection (d).

(h) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended as follows:

(1) Section 6 (41 U.S.C. 405) is amended by transferring paragraph (12) of subsection (d) (as such paragraph was redesignated by section 5091(2) of the Federal Acquisition Streamlining Act of 1994 (P.L. 103–355; 108 Stat. 3361) to the end of that subsection.

(2) Section 18(b) (41 U.S.C. 416(b)) is amended by inserting "and" after the semicolon at the end of paragraph (5).

(3) Section 26(f)(3) (41 U.S.C. 422(f)(3) is amended in the first sentence by striking out "Not later than 180 days after the date of enactment of this section, the Administrator" and inserting in lieu thereof "The Administrator".

(i) OTHER LAWS.—

(1) The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended as follows:

(A) Section 126(c) (107 Stat. 1567) is amended by striking out "section 2401 of title 10, United States Code, or section 9081 of the Department of Defense Appropriations Act, 1990 (10 U.S.C. 2401 note)." and inserting in lieu thereof "section 2401 or 2401a of title 10, United States Code.".

(B) Section 127 (107 Stat. 1568) is amended—

(i) in subsection (a), by striking out "section 2401 of title 10, United States Code, or section 9081 of the Department of Defense Appropriations Act, 1990 (10 U.S.C. 2401 note)." and inserting in lieu thereof "section 2401 or 2401a of title 10, United States Code."; and

(ii) in subsection (e), by striking out "section 9081 of the Department of Defense Appropriations Act, 1990 (10 U.S.C. 2401 note)." and inserting in lieu thereof "section 2401a of title 10, United States Code.".

(2) The National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) is amended by striking out section 824.

(3) The National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180) is amended by striking out section 825 (10 U.S.C. 2432 note).

(4) Section 3737(g) of the Revised Statutes (41 U.S.C. 15(g)) is amended by striking out "rights of obligations" and inserting in lieu thereof "rights or obligations".

(5) The section of the Revised Statutes (41 U.S.C. 22) amended by section 6004 of Public Law 103–355 (108 Stat. 3364) is amended by striking out "No member" and inserting in lieu thereof "SEC. 3741. No Member".

(6) Section 5152(a)(1) of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701(a)(1)) is amended by striking out "as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403)" and inserting in lieu thereof "(as defined in section 4(12) of such Act (41 U.S.C. 403(12)))".

SEC. 1103. AMENDMENTS TO REFLECT NAME CHANGE OF COMMITTEE ON ARMED SERVICES OF THE HOUSE OF REPRESENTATIVES.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Sections 503(b)(5), 520a(d), 526(d)(1), 619a(h)(2), 806a(b), 838(b)(7), 946(c)(1)(A), 1098(b)(2), 2313(b)(4), 2361(c)(1), 2371(h), 2391(c), 2430(b), 2432(b)(3)(B), 2432(c)(2), 2432(h)(1), 2667(d)(3), 2672a(b), 2687(b)(1), 2891(a), 4342(g), 7307(b)(1)(A), and 9342(g) are amended by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(2) Sections 178(c)(1)(A), 942(e)(5), 2350f(c), 2864(b), 7426(e), 7431(a), 7431(b)(1), 7431(c), 7438(b), 12302(b), 18235(a), and 18236(a) are amended by striking out "Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(3) Section 113(j)(1) is amended by striking out "Committees on Armed Services and Committees on Appropriations of the Senate and" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(4) Section 119(g) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) the Committee on Armed Services and the Committee on Appropriations, and the Defense Subcommittee of the Committee on Appropriations, of the Senate; and

"(2) the Committee on National Security and the Committee on Appropriations, and the National Security Subcommittee of the Committee on Appropriations, of the House of Representatives.".

(5) Section 127(c) is amended by striking out "Committees on Armed Services and Appropriations of the Senate and" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of".

(6) Section 135(e) is amended—

(A) by inserting "(1)" after "(e)";

(B) by striking out "the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives are each" and inserting in lieu thereof "each congressional committee specified in paragraph (2) is"; and

(C) by adding at the end the following:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(7) Section 179(e) is amended by striking out "to the Committees on Armed Services and Appropriations of the Senate and" and inserting in lieu thereof "to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(8) Sections 401(d) and 402(d) are amended by striking out "submit to the" and all that follows through "Foreign Affairs" and inserting in lieu thereof "submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations".

(9) Sections 1584(b), 2367(d)(2), and 2464(b)(3)(A) are amended by striking out "the Committees on Armed Services and the Committees on Appropriations of the Senate and" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(10) Sections 2306b(g), 2801(c)(4), and 18233a(a)(1) are amended by striking out "the Committees on Armed Services and on Appropriations of the Senate and" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(11) Section 1599(e)(2) is amended—

(A) in subparagraph (A), by striking out "The Committees on Armed Services and Appropriations" and inserting in lieu thereof "The Committee on National Security, the Committee on Appropriations,"; and

(B) in subparagraph (B), by striking out "The Committees on Armed Services and Appropriations" and inserting in lieu thereof "The Committee on Armed Services, the Committee on Appropriations,".

(12) Sections 1605(c), 4355(a)(3), 6968(a)(3), and 9355(a)(3) are amended by striking out "Armed Services" and inserting in lieu thereof "National Security".

(13) Section 1060(d) is amended by striking out "Committee on Armed Services and the Committee on Foreign Affairs" and inserting in lieu thereof "Committee on National Security and the Committee on International Relations".

(14) Section 2215 is amended—

(A) by inserting "(a) CERTIFICATION REQUIRED.—" at the beginning of the text of the section;

(B) by striking out "to the Committees" and all that follows through "House of Representatives" and inserting in lieu thereof "to the congressional committees specified in subsection (b)"; and

(C) by adding at the end the following:

"(b) CONGRESSIONAL COMMITTEES.—The committees referred to in subsection (a) are—

"(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(15) Section 2218 is amended—

(A) in subsection (j), by striking out "the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives" and inserting in lieu thereof "the congressional defense committees"; and

(B) by adding at the end of subsection (k) the following new paragraph:

"(4) The term 'congressional defense committees' means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(16) Section 2342(b) is amended—

(A) in the matter preceding paragraph (1), by striking out "section—" and inserting in lieu thereof "section unless—";

(B) in paragraph (1), by striking out "unless"; and

(C) in paragraph (2), by striking out "notifies the" and all that follows through "House of Representatives" and inserting in lieu thereof "the Secretary submits to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives notice of the intended designation".

(17) Section 2350a(f)(2) is amended by striking out "submit to the Committees" and all that follows through "House of Representatives" and inserting in lieu thereof "submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives".

(18) Section 2366 is amended—

(A) in subsection (d), by striking out "the Committees on Armed Services and on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "the congressional defense committees"; and

(B) by adding at the end of subsection (e) the following new paragraph:

"(7) The term 'congressional defense committees' means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(19) Section 2399(h)(2) is amended by striking out "means" and all the follows and inserting in lieu thereof the following: "means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(20) Section 2401(b)(1) is amended—

(A) in subparagraph (B), by striking out "the Committees on Armed Services and on Appropriations of the Senate and" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committees on Appropriations of the"; and

(B) in subparagraph (C), by striking out "the Committees on Armed Services and on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "those committees".

(21) Section 2403(e) is amended—

(A) by inserting "(1)" before "Before making";

(B) by striking out "shall notify the Committees on Armed Services and on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "shall submit to the congressional committees specified in paragraph (2) notice"; and

(C) by adding at the end the following new paragraph:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(22) Section 2515(d) is amended—

(A) by striking out "REPORTING" and all that follows through "same time" and inserting in lieu thereof "ANNUAL REPORT.—(1) The Secretary of Defense shall submit to the congressional committees specified in paragraph (2) an annual report on the activities of the Office. The report shall be submitted each year at the same time"; and

(B) by adding at the end the following new paragraph:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(23) Section 2551 is amended—

(A) in subsection (e)(1), by striking out "the Committees on Armed Services" and all that follows through "House of Representatives" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives"; and

(B) in subsection (f)—

(i) by inserting "(1)" before "In any case";

(ii) by striking out "Committees on Appropriations" and all that follows through "House of Representatives" the second place it appears and inserting in lieu thereof "congressional committees specified in paragraph (2)"; and

(iii) by adding at the end the following:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security, the Committee on International Relations, and the Committee on Appropriations of the House of Representatives.".

(24) Section 2662 is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking out "the Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(ii) in the matter following paragraph (6), by striking out "to be submitted to the Committees on Armed Services of the Senate and House of Representatives";

(B) in subsection (b), by striking out "shall report annually to the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "shall submit annually to the congressional committees named in subsection (a) a report";

(C) in subsection (e), by striking out "the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "the congressional committees named in subsection (a)"; and

(D) in subsection (f), by striking out "the Committees on Armed Services of the Senate and the House of Representatives shall" and inserting in lieu thereof "the congressional committees named in subsection (a) shall".

(25) Section 2674(a) is amended—

(A) in paragraph (2), by striking out "Committees on Armed Services of the Senate and the House of Representatives, the Committee on Environment and Public Works of the Senate, and the Committee on Public Works and Transportation of the House of Representatives" and inserting in lieu thereof "congressional committees specified in paragraph (3)"; and

(B) by adding at the end the following new paragraph:

"(3) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Environment and Public Works of the Senate; and

"(B) the Committee on National Security and the Committee on Transportation and Infrastructure of the House of Representatives.".

(26) Section 2813(c) is amended by striking out "Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "appropriate committees of Congress".

(27) Sections 2825(b)(1) and 2832(b)(2) are amended by striking out "Committees on Armed Services and the Committees on Appropriations of the Senate and of the House of Representatives" and inserting in lieu thereof "appropriate committees of Congress".

(28) Section 2865(e)(2) and 2866(c)(2) are amended by striking out "Committees on Armed Services and Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "appropriate committees of Congress".

(29)(A) Section 7434 of such title is amended to read as follows:

"§ 7434. Annual report to congressional committees

"Not later than October 31 of each year, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the production from the naval petroleum reserves during the preceding calendar year.".

(B) The item relating to such section in the table of contents at the beginning of chapter 641 is amended to read as follows:

"7434. Annual report to congressional committees.".

(b) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended—

(1) in sections 301b(i)(2) and 406(i), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(2) in section 431(d), by striking out "Armed Services" the first place it appears and inserting in lieu thereof "National Security".

(c) ANNUAL DEFENSE AUTHORIZATION ACTS.—

(1) The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended in sections 2922(b) and 2925(b) (10 U.S.C. 2687 note) by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(2) The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended—

(A) in section 326(a)(5) (10 U.S.C. 2301 note) and section 1304(a) (10 U.S.C. 113 note), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(B) in section 1505(e)(2)(B) (22 U.S.C. 5859a), by striking out "the Committee on Armed Services, the Committee on Appropriations, the Committee on Foreign Affairs, and the Committee on Energy and Commerce" and inserting in lieu thereof "the Committee on National Security, the Committee on Appropriations, the Committee on International Relations, and the Committee on Commerce".

(3) Section 1097(a)(1) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 22 U.S.C. 2751 note) is amended by striking out "the Committees on Armed Services and Foreign Affairs" and inserting in lieu thereof "the Committee on National Security and the Committee on International Relations".

(4) The National Defense Authorization Act for Fiscal Year 1991 (P.L. 101–510) is amended as follows:

(A) Section 402(a) and section 1208(b)(3) (10 U.S.C. 1701 note) are amended by striking out "Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(B) Section 1403(a) (50 U.S.C. 404b(a)) is amended—

(i) by striking out "the Committees on" and all that follows through "each year" and inserting in lieu thereof "the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate and the Committee on National Security, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives each year".

(C) Section 1457(a) (50 U.S.C. 404c(a)) is amended by striking out "the Committees on Armed Services and on Foreign Affairs of the House of Representatives and the Committees on Armed Services and" and inserting in lieu thereof "the Committee on National Security and the Committee on International Relations of the House of Representatives and the Committee on Armed Services and the Committee on".

(D) Section 2921 (10 U.S.C. 2687 note) is amended—

(i) in subsection (e)(3)(A), by striking out "the Committee on Armed Services, the Committee on Appropriations, and the Defense Subcommittees" and inserting in lieu thereof "the Committee on National Security, the Committee on Appropriations, and the National Security Subcommittee"; and

(ii) in subsection (g)(2), by striking out "the Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(5) Section 613(h)(1) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 37 U.S.C. 302 note), is amended by striking out "the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(6) Section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521), is amended in subsections (b)(4) and (k)(2), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(7) Section 1002(d) of the Department of Defense Authorization Act, 1985 (Public Law 98–525; 22 U.S.C. 1928 note), is amended by striking out "the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate, the Committee on National Security of the House of Representatives".

(8) Section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d), is amended—

(A) in subsection (d), by striking out "Committees on Appropriations and on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Appropriations and the Committee on Armed Services of the Senate and the Committee on Appropriations and the Committee on National Security of the House of Representatives"; and

(B) in subsection (e), by striking out "Committees on Appropriations and on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "congressional committees specified in subsection (d)".

(d) BASE CLOSURE LAW.—The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended as follows:

(1) Sections 2902(e)(2)(B)(ii) and 2908(b) are amended by striking out "Armed Services" the first place it appears and inserting in lieu thereof "National Security".

(2) Section 2910(2) is amended by striking out "the Committees on Armed Services and the Committees on Appropriations of the Senate and of the House of Representatives" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives".

(e) NATIONAL DEFENSE STOCKPILE.—The Strategic and Critical Materials Stock Piling Act is amended—

(1) in section 6(d) (50 U.S.C. 98e(d))—

(A) in paragraph (1), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(B) in paragraph (2), by striking out "the Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "such congressional committees"; and

(2) in section 7(b) (50 U.S.C. 98f(b)), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(f) OTHER DEFENSE-RELATED PROVISIONS.—

(1) Section 8125(g)(2) of the Department of Defense Appropriations Act, 1989 (Public Law 100–463; 10 U.S.C. 113 note), is amended by striking out "Committees on Appropriations and Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Appropriations and the Committees on Armed Services of the Senate and the Committee on Appropriations and the Committees on National Security of the House of Representatives".

(2) Section 1505(f)(3) of the Military Child Care Act of 1989 (title XV of Public Law 101–189; 10 U.S.C. 113 note) is amended by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(3) Section 9047A of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 10 U.S.C. 2687 note), is amended by striking out "the Committees on Appropriations and Armed Services of the House of Representatives and the Senate" and inserting in lieu thereof "the Committee on Appropriations and the Committee on Armed Services of the Senate and the Committee on Appropriations and the Committee on National Security of the House of Representatives".

(4) Section 3059(c)(1) of the Defense Drug Interdiction Assistance Act (subtitle A of title III of Public Law 99–570; 10 U.S.C. 9441 note) is amended by striking out "Committees on Appropriations and on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives".

(5) Section 7606(b) of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 10 U.S.C. 9441 note) is amended by striking out "Committees on Appropriations and the Committee on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives".

(6) Section 104(d)(5) of the National Security Act of 1947 (50 U.S.C. 403–4(d)(5)) is amended by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(7) Section 8 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) in subsection (b)(3), by striking out "Committees on Armed Services and Government Operations" and inserting in lieu thereof "Committee on National Security and the Committee on Government Reform and Oversight";

(B) in subsection (b)(4), by striking out "Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives" and inserting in lieu thereof "congressional committees specified in paragraph (3)";

(C) in subsection (f)(1), by striking out "Committees on Armed Services and Government Operations" and inserting in lieu thereof "Committee on National Security and the Committee on Government Reform and Oversight"; and

(D) in subsection (f)(2), by striking out "Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives" and inserting in lieu thereof "congressional committees specified in paragraph (1)".

(8) Section 204(h)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(3)) is amended by striking out "Committees on Armed Services of the Senate and of the House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

SEC. 1104. MISCELLANEOUS AMENDMENTS TO TITLE 10, UNITED STATES CODE.

(a) SUBTITLE A.—Subtitle A of title 10, United States Code, is amended as follows:

(1) Section 113(i)(2)(B) is amended by striking out "the five years covered" and all that follows through "section 114(g)" and inserting in lieu thereof "the period covered by the

future-years defense program submitted to Congress during that year pursuant to section 221".

(2) Section 136(c) is amended by striking out "Comptroller" and inserting in lieu thereof "Under Secretary of Defense (Comptroller)".

(3) Section 227(3)(D) is amended by striking out "for".

(4) Effective October 1, 1995, section 526 is amended—

(A) in subsection (a), by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following:

"(1) For the Army, 302.

"(2) For the Navy, 216.

"(3) For the Air Force, 279.";

(B) by striking out subsection (b);

(C) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d);

(D) in subsection (b), as so redesignated, by striking out "that are applicable on and after October 1, 1995"; and

(E) in paragraph (2)(B) of subsection (c), as redesignated by subparagraph (C), is amended—

(i) by striking out "the" after "in the";

(ii) by inserting "to" after "reserve component, or"; and

(iii) by inserting "than" after "in a grade other".

(5) Effective October 1, 1995, section 528(a) is amended by striking out "after September 30, 1995,"

(6) Section 573(a)(2) is amended by striking out "active duty list" and inserting in lieu thereof "active-duty list".

(7) Section 661(d)(2) is amended—

(A) in subparagraph (B), by striking out "Until January 1, 1994" and all that follows through "each position so designated" and inserting in lieu thereof "Each position designated by the Secretary under subparagraph (A)";

(B) in subparagraph (C), by striking out "the second sentence of"; and

(C) by striking out subparagraph (D).

(8) Section 706(c)(1) is amended by striking out "section 4301 of title 38" and inserting in lieu thereof "chapter 43 of title 38".

(9) Section 1059 is amended by striking out "subsection (j)" in subsections (c)(2) and (g)(3) and inserting in lieu thereof "subsection (k)".

(10) Section 1060a(f)(2)(B) is amended by striking out "(as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)))" and inserting in lieu thereof ", as determined in accordance with the Immigration and Nationality Act (8 U.S.C. 1101 et seq.)".

(11) Section 1151 is amended—

(A) in subsection (b), by striking out "(20 U.S.C. 2701 et seq.)" in paragraphs (2)(A) and (3)(A) and inserting in lieu thereof "(20 U.S.C. 6301 et seq.)"; and

(B) in subsection (e)(1)(B), by striking out "not later than one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995" and inserting in lieu thereof "not later than October 5, 1995".

(12) Section 1152(g)(2) is amended by striking out "not later than 180 days after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995" and inserting in lieu thereof "not later than April 3, 1994,".

(13) Section 1177(b)(2) is amended by striking out "provison of law" and inserting in lieu thereof "provision of law".

(14) The heading for chapter 67 is amended by striking out "**NONREGULAR**" and inserting in lieu thereof "**NON-REGULAR**".

(15) Section 1598(a)(2)(A) is amended by striking out "2701" and inserting in lieu thereof "6301".

(16) Section 1745(a) is amended by striking out "section 4107(d)" both places it appears and inserting in lieu thereof "section 4107(b)".

(17) Section 1746(a) is amended—

(A) by striking out "(1)" before "The Secretary of Defense"; and

(B) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(18) Section 2006(b)(2)(B)(ii) is amended by striking out "section 1412 of such title" and inserting in lieu thereof "section 3012 of such title".

(19) Section 2011(a) is amended by striking out "TO" and inserting in lieu thereof "To".

(20) Section 2194(e) is amended by striking out "(20 U.S.C. 2891(12))" and inserting in lieu thereof "(20 U.S.C. 8801)".

(21) Sections 2217(b) and 2220(a)(2) are amended by striking out "Comptroller of the Department of Defense" and inserting in lieu thereof "Under Secretary of Defense (Comptroller)".

(22) Section 2401(c)(2) is amended by striking out "pursuant to" and all that follows through "September 24, 1983,".

(23) Section 2410f(b) is amended by striking out "For purposes of" and inserting in lieu thereof "In".

(24) Section 2410j(a)(2)(A) is amended by striking out "2701" and inserting in lieu thereof "6301".

(25) Section 2457(e) is amended by striking out "title III of the Act of March 3, 1933 (41 U.S.C. 10a)," and inserting in lieu thereof "the Buy American Act (41 U.S.C. 10a)".

(26) Section 2465(b)(3) is amended by striking out "under contract" and all that follows through the period and inserting in lieu thereof "under contract on September 24, 1983.".

(27) Section 2471(b) is amended—

(A) in paragraph (2), by inserting "by" after "as determined"; and

(B) in paragraph (3), by inserting "of" after "arising out".

(28) Section 2524(e)(4)(B) is amended by inserting a comma before "with respect to".

(29) The heading of section 2525 is amended by capitalizing the initial letter of the second, fourth, and fifth words.

(30) Chapter 152 is amended by striking out the table of subchapters at the beginning and the headings for subchapters I and II.

(31) Section 2534(c) is amended by capitalizing the initial letter of the third and fourth words of the subsection heading.

(32) Section 2705(d)(2) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "October 5, 1994".

(33) The table of sections at the beginning of subchapter I of chapter 169 is amended by adding a period at the end of the item relating to section 2811.

(b) OTHER SUBTITLES.—Subtitles B, C, and D of title 10, United States Code, are amended as follows:

(1) Sections 3022(a)(1), 5025(a)(1), and 8022(a)(1) are amended by striking out "Comptroller of the Department of Defense" and inserting in lieu thereof "Under Secretary of Defense (Comptroller)".

(2) Section 6241 is amended by inserting "or" at the end of paragraph (2).

(3) Section 6333(a) is amended by striking out the first period after "section 1405" in formula C in the table under the column designated "Column 2".

(4) The item relating to section 7428 in the table of sections at the beginning of chapter 641 is amended by striking out "Agreement" and inserting in lieu thereof "Agreements".

(5) The item relating to section 7577 in the table of sections at the beginning of chapter 649 is amended by striking out "Officers" and inserting in lieu thereof "officers".

(6) The center heading for part IV in the table of chapters at the beginning of subtitle D is amended by inserting a comma after "SUPPLY".

SEC. 1105. MISCELLANEOUS AMENDMENTS TO ANNUAL DEFENSE AUTHORIZATION ACTS.

(a) PUBLIC LAW 103-337.—Effective as of October 5, 1994, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337) is amended as follows:

(1) Section 322(1) (108 Stat. 2711) is amended by striking out "SERVICE" in both sets of quoted matter and inserting in lieu thereof "SERVICES".

(2) Section 531(g)(2) (108 Stat. 2758) is amended by inserting "item relating to section 1034 in the" after "The".

(3) Section 541(c)(1) is amended—

(A) in subparagraph (B), by inserting a comma after "chief warrant officer"; and

(B) in the matter after subparagraph (C), by striking out "this".

(4) Section 721(f)(2) (108 Stat. 2806) is amended by striking out "revaluated" and inserting in lieu thereof "reevaluated".

(5) Section 722(d)(2) (108 Stat. 2808) is amended by striking out "National Academy of Science" and inserting in lieu thereof "National Academy of Sciences".

(6) Section 904(d) (108 Stat. 2827) is amended by striking out "subsection (c)" the first place it appears and inserting in lieu thereof "subsection (b)".

(7) Section 1202 (108 Stat. 2882) is amended—

(A) by striking out "(title XII of Public Law 103-60" and inserting in lieu thereof "(title XII of Public Law 103-160"; and

(B) in paragraph (2), by inserting "in the first sentence" before "and inserting in lieu thereof".

(8) Section 1312(a)(2) (108 Stat. 2894) is amended by striking out "adding at the end" and inserting in lieu thereof "inserting after the item relating to section 123a".

(9) Section 2813(c) (108 Stat. 3055) is amended by striking out "above paragraph (1)" both places it appears and inserting in lieu thereof "preceding subparagraph (A)".

(b) PUBLIC LAW 103-160.—The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) is amended in section 1603(d) (22 U.S.C. 2751 note)—

(1) in the matter preceding paragraph (1), by striking out the second comma after "Not later than April 30 of each year";

(2) in paragraph (4), by striking out "contributes" and inserting in lieu thereof "contribute"; and

(3) in paragraph (5), by striking out "is" and inserting in lieu thereof "are".

(c) PUBLIC LAW 102-484.—The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) is amended as follows:

(1) Section 326(a)(5) (106 Stat. 2370; 10 U.S.C. 2301 note) is amended by inserting "report" after "each".

(2) Section 4403(a) (10 U.S.C. 1293 note) is amended by striking out "through 1995" and inserting in lieu thereof "through fiscal year 1999".

(d) PUBLIC LAW 102-190.—Section 1097(d) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1490) is amended by striking out "the Federal Republic of Germany, France" and inserting in lieu thereof "France, Germany".

SEC. 1106. MISCELLANEOUS AMENDMENTS TO FEDERAL ACQUISITION LAWS.

(a) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended as follows:

(1) Section 6(b) (41 U.S.C. 405(b)) is amended by striking out the second comma after "under subsection (a)" in the first sentence.

(2) Section 18(a) (41 U.S.C. 416(a)) is amended in paragraph (1)(B) by striking out "described in subsection (f)" and inserting in lieu thereof "described in subsection (b)".

(3) Section 25(b)(2) (41 U.S.C. 421(b)(2)) is amended by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology".

(b) OTHER LAWS.—

(1) Section 11(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking out the second comma after "Community Service".

(2) Section 908(e) of the Defense Acquisition Improvement Act of 1986 (10 U.S.C. 2326 note) is amended by striking out "section 2325(g)" and inserting in lieu thereof "section 2326(g)".

(3) Effective as of August 9, 1989, and as if included therein as enacted, Public Law 101–73 is amended in section 501(b)(1)(A) (103 Stat. 393) by striking out "be," and inserting in lieu thereof "be;" in the second quoted matter therein.

(4) Section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)) is amended by striking out the second comma after "quarters".

(5) Section 2 of the Contract Disputes Act of 1978 (41 U.S.C. 601) is amended in paragraphs (3), (5), (6), and (7), by striking out "The" and inserting in lieu thereof "the".

(6) Section 13 of the Contract Disputes Act of 1978 (41 U.S.C. 612) is amended—

(A) in subsection (a), by striking out "section 1302 of the Act of July 27, 1956, (70 Stat. 694, as amended; 31 U.S.C. 724a)" and inserting in lieu thereof "section 1304 of title 31, United States Code"; and

(B) in subsection (c), by striking out "section 1302 of the Act of July 27, 1956, (70 Stat. 694, as amended; 31 U.S.C. 724a)" and inserting in lieu thereof "section 1304 of title 31, United States Code,".

SEC. 1107. MISCELLANEOUS AMENDMENTS TO OTHER LAWS.

(a) OFFICER PERSONNEL ACT OF 1947.—Section 437 of the Officer Personnel Act of 1947 is repealed.

(b) TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended—

(1) in section 8171—

(A) in subsection (a), by striking out "903(3)" and inserting in lieu thereof "903(a)";

(B) in subsection (c)(1), by inserting "section" before "39(b)"; and

(C) in subsection (d), by striking out "(33 U.S.C. 18 and 21, respectively)" and inserting in lieu thereof "(33 U.S.C. 918 and 921)";

(2) in sections 8172 and 8173, by striking out "(33 U.S.C. 2(2))" and inserting in lieu thereof "(33 U.S.C. 902(2))"; and

(3) in section 8339(d)(7), by striking out "Court of Military Appeals" and inserting in lieu thereof "Court of Appeals for the Armed Forces".

(c) PUBLIC LAW 90–485.—Effective as of August 13, 1968, and as if included therein as originally enacted, section 1(6) of Public Law 90–485 (82 Stat. 753) is amended—

(1) by striking out the close quotation marks after the end of clause (4) of the matter inserted by the amendment made by that section; and

(2) by adding close quotation marks at the end.

(d) TITLE 37, UNITED STATES CODE.—Section 406(b)(1)(E) of title 37, United States Code, is amended by striking out "of this paragraph".

(e) BASE CLOSURE ACT.—Section 2910 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) by redesignating the second paragraph (10), as added by section 2(b) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103–421; 108 Stat. 4352), as paragraph (11); and

(2) in paragraph (11), as so redesignated, by striking out "section 501(h)(4)" and "11411(h)(4)" and inserting in lieu thereof "501(i)(4)" and "11411(i)(4)", respectively.

(f) PUBLIC LAW 103–421.—Section 2(e)(5) of Public Law 103–421 (108 Stat. 4354) is amended—

(1) by striking out "(A)" after "(5)"; and

(2) by striking out "clause" in subparagraph (B)(iv) and inserting in lieu thereof "clauses".

SEC. 1108. COORDINATION WITH OTHER AMENDMENTS.

For purposes of applying amendments made by provisions of this Act other than provisions of this title, this title shall be treated as having been enacted immediately before the other provisions of this Act.

MOTION OFFERED BY MR. SPENCE

The Clerk read as follows:

Mr. SPENCE moves to strike all after the enacting clause of S. 1124 and insert in lieu thereof the text of H.R. 1530 as reported by the committee of conference on December 13, 1995, contained in House Report 104–406.

(For text of H.R. 1530 see proceeding of the House of December 13, 1995 at page 36385.)

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. SPENCE] is recognized for 1 hour.

Mr. SPENCE. Mr. Speaker, I yield back 30 minutes of time, and yield 15 minutes to the gentleman from California [Mr. DELLUMS] and ask unanimous consent that the gentleman be allowed to control that time.

The SPEAKER pro tempore. Is the there objection to the request of the gentleman from South Carolina?

There is no objection.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON of Pennsylvania. Mr. Speaker, I thank the gentleman from South Carolina [Mr. SPENCE], our distinguished chairman, for yielding, and I thank the distinguished gentleman from California [Mr. DELLUMS], ranking member, for his cooperation in this effort to reopen the conference to attempt to come to some agreement on some very important items that we, as authorizers, feel have to be addressed in this session of the Congress.

Mr. Speaker, while all of us are aware that there were areas of passionate disagreement in the final context of the bill that was on this floor not many days ago, there is also a lot more area where there is agreement. All of us on the authorization committee, and I think all of us in this body, understand the importance of passing an authorization bill to authorize and set the parameters for those programs that are going to be funded through the appropriation process.

Mr. Speaker, it would be a terrible tragedy not to implement the acquisition reform items that are in this bill. It would be a terrible tragedy not to pass the pay raise, and to deal with the Guard and Reserve issues that were supported by Members of both sides of the aisle.

Even in the area of such contentious issues as missile defense there are areas where we agree, where we can come together and try to find some middle ground. We in this conference may continue to disagree in this area, but we will commit ourselves to work together and try to get a bill out that not only can this body support, but the other body will support and that this President can sign into law so that we can, in fact, complete our process as required under the Constitution and the rules of this Congress whereby the authorizers set the overall parameters for defense spending.

Mr. Speaker, I applaud the leadership on both sides of the aisle for this commitment. As I have told our chairman, I am prepared to work night and day until we reach an agreement for a defense bill that we all can agree on.

I would ask our colleagues to work with us in this process and to understand that there are many more areas of agreement than there are areas of disagreement. Even though we may have to do some compromissing here, that does not mean that we will not be back for another battle another day in this area on those issues that we could not get in this particular authorization bill.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I thank the gentleman from California, my good friend, former chairman of this committee.

Mr. Speaker, we have troops in Bosnia. We have troops on the way to Bosnia. The least we can do is to pass this authorization bill to go to conference, because there are so many, many items in this bill that are noncontroversial that will help the troops, that will help their families, that will give them better living conditions, that will help retrain them in the military, and will also give them that very necessary money for training.

Mr. Speaker, if we do not pass an authorization bill, it will be something that has not happened for decades, over 2 decades in this body. We cannot let this body, or the other body, not pass an authorization bill which means so much to those men and women, whether they be aboard ship, in airplanes, or on the ground in Bosnia.

Mr. Speaker, I support this motion, and I compliment the gentleman from South Carolina [Mr. SPENCE], the gentleman from California [Mr. DELLUMS], my friend, and the effort that they have put into this. I especially appreciate the discussion that my friend from California had regarding the housing allowance and the pay raise that the troops are so greatly entitled to.

Mr. Speaker, I urge the adoption of this motion.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I have served on two committees that I though were probably the most bipartisan committees in this body. One of those is one of the committees that we did away with under Chairman JONES and Chairman STUDDS, the Committee on the Merchant Marine and Fisheries, in which the two groups, the two different parties came together and I think fought for what was important to the American people.

The second of those committees is the Committee on National Security. Even though the previous chairman, the gentleman from California [Mr. DELLUMS] and I have disagreed on issues, he has always been fair, except maybe on one small area that we had some conflict on. But I think the reason for that is that the members of that committee are there to help the men and women that we support, and I think that is why we passed this bill out 46 to 3. I do not know of very many committees that you could get that kind of support on both sides of the aisle to do.

□ 1830

Another area, the night we had the resolution on Bosnia, I said, please, the resolution basically in my opinion did not mean very much. What to follow is as far as how we support the troops.

How do we do that? We do it with training so that they have the skills to use the equipment that we want to give them, which is better equipment than what they could potentially face. Even more important than that, if you go off to war, you want to know that your family is taken care of.

Those are important. It is not only important for the combat but it is important for the retention of those people in quality.

For those reasons, I ask that my colleagues support the following resolution, and ask that in the end result the conference will take a look at only the areas of disagreement because I think they can be worked out.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman from California for yielding me the time.

Mr. Speaker, I want to thank the chairman of the committee and the gentleman from California for their colloquy because it said what we really want every single person in uniform to understand. There is absolutely no dispute about their getting their 2.4 percent pay raise. There is no dispute about the retroactivity of that. None. By either side of this aisle. Nor is there any dispute about their getting their increased housing allowance which we know they desperately need. What we want to do is make sure absolutely no one is putting any stress on any member of our military. They have got enough stress on them as it is without their being worried about their housing.

Basically I want to thank the chairman and the ranking member for making it very clear. Those issues are nonpartisan, those issues are bipartisan, those issues I think are unanimous in this body, and that we do not want one person in uniform or one person in uniform's dependent going to bed tonight worried about those. Those are going to be bankable one way or another. I think that is what we heard in that colloquy. I am very pleased about that, and I thank both the gentleman from South Carolina and the gentleman from California for their patience with me and many others who were trying to work this out.

Mr. SPENCE. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. HUNTER], the chairman of the Subcommittee on Military Procurement.

Mr. HUNTER. I thank the gentleman for yielding me the time.

Mr. Speaker, let me thank the ranking member, the gentleman from California [Mr. DELLUMS], for his cooperation in this effort to have another shot at the authorization bill, and also the gentleman from Missouri [Mr. SKELTON]. Let me just tell my colleagues that when we put this bill together and when we do anything with respect to armed services, as the gentleman from California, Mr. CUNNINGHAM has said, we have as many meetings in the Democrat offices—in this case in IKE SKELTON's office—on our procurement subcommittee as we have in my office in trying to ascertain, after the hearings are over, what our military needs to protect the country are.

Obviously the White House has some very specific objections—a laundry list, if you will—of very specific objections to this bill and we have to work around those objections. The gentleman from California [Mr. DELLUMS] has laid them out fairly thoroughly in the debate that we had in the effort to override the President's veto.

Let me just say in a couple of areas that the gentleman from Colorado [Mr. HEFLEY] is right and the gentlewoman from Colorado [Mrs. SCHROEDER] is right. We have the pay raise, which is absolutely important to our people. We have the increased housing allowance. We have a number of other quality of life issues that we need to get passed. We owe them to our people in uniform. That is the real vote to support the troops in Bosnia, is to support their families and support their standard of living, and Members can do that by helping us get this bill back the second time around.

With respect to missile defense, the President has some problems with the missile defense provisions that we placed in the bill the first time around. We need to work on those provisions, to try to accommodate the White House.

On the other hand, let me just remind my colleagues that we live in an age of missiles. Immediately after Desert Storm, this House rose as a body and established that we should have a defense, a national defense against ballistic missiles. We were sensitive to it because we saw the Scuds coming in and hitting our troops in Saudi Arabia and causing the greatest distress that was caused in that war with respect to American personnel.

So we rose as a body. The Senate rose as a body and in 1991 we said we are going to have a missile defense by 1996. It is now 1996 and we have nothing. A few months after the war was over, we forgot about it and we went on with business as usual. We need to remind this President that this is a very, very sensitive and very, very serious area that we must address.

So as we move into these negotiations, I know it is going to be important that we have the cooperation—and I know we will have it, and I know he has pledged to do it and he is a fair individual—of the ranking member of the full committee, the gentleman from California [Mr. DELLUMS], working along with his other members to see to it that the administration communicates with us in a very clear and concise way, and that they remember that even the President of the United States has an interest in missile defense. He has got troops in theaters all over the world now, and some of those troops are going to be exposed at least to short-range ballistic missiles and to date, ladies and gentlemen, we have no effective defense against incoming ballistic missiles shot at our troops in theater or shot at any of the United States.

Second, the U.N. command and control is going to be an area of consternation, I think, in this second attempt that we are going to have to pass the bill, and I know it is an area the President has problems with. The gentleman from California [Mr. DELLUMS] has talked about that.

But under the leadership of our chairman, the gentleman from South Carolina [Mr. SPENCE], I think we laid out some very commonsense constraints that every family that has a young man or woman in uniform is interested in getting passed. That is, to see to it that there is a clear chain of command and accountability from every young person in uniform to their commander. I would simply say let us work in conference. We look to the White House to be cooperative with us and I hope it can get through the second time.

Mr. DELLUMS. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, let me just first respond to my colleague by saying these matters will be debated in the context of this now second opportunity to bring a conference report to the floor. But I would just like to establish a factual situation.

For several years now, we have spent at least $400 million per year doing research on a national missile defense system. The last time I looked, $400 million was not a small amount of money. We have been spending between $2.6 and $2.8 billion per year on theater missile defense, a total of approximately $3.2 billion. Now we are talking about big money.

So to assert in some way that this country is impotent in its research effort dealing with the issue of missile defense, either at the theater missile level or at the national missile level, is to fly in the face of the reality.

Having said that, I would like to make the next observation. As the gentleman from California pointed out, we now have a second opportunity to deal with this conference. It seems to me that we are looking at simple mathematics here.

If you pass a conference report that is acceptable to the President in a divided government, you need 218 votes. If you attempt to pass a conference report that is not acceptable to the administration in a divided government, you need 290 votes. You do not have to be too bright to realize that if you do not have 290 votes, the better part of valor is to attempt to pass a bill with 218 votes.

You do not have 290 votes. You demonstrated the other day that you do not have 290 votes to override the President's veto. Therefore, I hope that we enter into these negotiations in good faith, to address the myriad concerns and certainly the principal concerns that were articulated by the administration in their veto message sustained by my colleagues in the Congress. If we do that, we only need 218 votes to send the bill over.

Now the President had great concerns about ballistic missile defense/ABM treaty. We could debate that for a while, as I understand that we are a filler for some other bill, so we are doing a little dance for 30 minutes until some other legislation comes. I understand that. We could debate that matter here but we have debated that ad infinitum.

It seems to me now the decision is the mathematics of passing legislation. Two hundred ninety votes, that is impossible at this point in this climate. Two hundred eighteen votes. So I hope we come together, address these issues of the constitutional concerns of the President, the ballistic missile/ABM treaty concerns, and bring a bill back here that does indeed embrace those good things but it takes out the things that were expensive, unnecessary, potentially dangerous.

Now I am real happy because I wanted to yield to the gentleman the other day and I did not have too much time. I now yield to the gentleman from Pennsylvania.

Mr. WELDON of Pennsylvania. I thank my friend and colleague for yielding.

Mr. Speaker, I would just add we did make an attempt, although it may have been a last minute attempt, to broker a deal with the White House and with the Senate Democrats on missile defense, and thought we were moving in that direction. The meeting we had with Bob Bell where we attempted to and in fact agreed to 12 specific changes, as I mentioned to my colleague, we thought was moving us in that direction. Evidently we did not move far enough.

So I would just hope that, as our friend and colleague the gentleman from California [Mr. HUNTER] mentioned, that the White House would engage us directly in this process so that we get clear signals in terms of what is acceptable and not acceptable, because we thought we were doing that in the negotiation on missile defense that led up to that bill that finally came to the House floor which the President threatened to veto.

Mr. DELLUMS. I appreciate that.

Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield myself 45 seconds to introduce the next person to whom I want to yield time.

The gentleman from Florida [Mr. YOUNG] is the chairman of the Subcommittee on National Security of the Committee on Appropriations. He is one of the strongest Members of this body of defense issues. He has been down the line, we have worked together in the very beginning of Congress to bring this bill to Congress and to bring his bill to the Congress. His bill was enacted into law when the President let it go into effect without his signature, but in any event Mr. YOUNG knows what we are talking about.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for the very unexpected and very flattering comments that he made. He is correct, he and I started along with the gentleman from California [Mr. DELLUMS] a number of years ago working on national defense issues in this Congress.

Mr. Speaker, I rise to mention briefly a situation that exists and to compliment the Committee on National Security for something they did about it. The cost of living adjustments for retired military come at a different time in the year than the cost of living adjustments for retired civilian Federal employees. We would like to have equity and have both COLA's come at the same time.

We thought we did that in the reconciliation bill, the Balanced Budget Act of 1995, but for some reason it was dropped out. At that time I introduced along with 320 of our colleagues, introduced H.R. 2664 that would correct this inequity. When the Committee on National Security went to conference with the conferees from the other body, they dealt with this issue and they made this issue work. I would just compliment them for the good job they did in bringing about equity in the COLA issues and urge them to stand fast as they go back to conference to keep this issue before the conference and keep it in the bill that finally goes back to the President, so that we do not have to gear up H.R. 2664 again.

But with 320 cosponsors, I think we can do that easily, Mr. Speaker. Again I compliment the members of the Committee on National Security for the good job they did in conference in trying to represent the viewpoint of the House for a strong national defense.

☐ 1845

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from California [Mr. FARR].

Mr. FARR. Mr. Speaker, I thank the gentleman for yielding me this time.

I have four points I would like to make. First, I would like to associate myself with the remarks of the distinguished chairman of the Armed Services Appropriations Subcommittee, Defense Appropriations Committee, on the COLA equity issue. I agree it is totally essential that we bring that COLA equity to the military retirees.

Second, I strongly support the effort in a bipartisan way to bring this bill to fruition so we can continue to support military education in this country. With the downsizing of the military, we, indeed, must support our military schools and open opportunities that these schools are experiencing, like naval postgraduate school and the seaman-to-admiral program and the Defense Language Institute, which is doing a lot to help our troops in Bosnia and in Serbia to understand the Croatian and Serbian languages and help our troops with the translation that is going on with the 29 other countries that are now serving along with the NATO forces in Bosnia.

Third, I would like to point out that this is a bill that really assists with the base closure issues that was not all in Milcon, the authorizations for bases to do what they have to do with base closures, which is the largest base closure list we have ever had in this country, which is addressed in this legislation.

Let us bring assurance to the veterans who had the gulf war syndrome. Last night a lot of news was indicating that perhaps there is not a specific individual syndrome, but in this authorization is the money available to continue to assist those veterans with that disease. And I appreciate the bipartisan effort to bring this to fruition in the bill.

Lastly, let us support those troops in Bosnia. They are doing a good job with the NATO forces there. I think that this is a bill that can show that we support the troops 100 percent.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. CLINGER], chairman of the Committee on Government Reform and Oversight.

Mr. CLINGER. Mr. Speaker, I thank the chairman for yielding this time to me.

I want to commend him and the gentleman from California [Mr. DELLUMS] and all of the members of the Committee on National Security for giving us this opportunity to revisit this very, very important bill, the Defense authorization matter.

I will point out that there are many items in this measure that have been approached in a very bipartisan way, on both sides of the aisle, and, indeed, with the administration.

One of the ones that I would point to as having very strong support is on the acquisition reforms included in this measure. It is the most significant of the acquisition-procurement process in this country in a generation.

Mr. Speaker, it would be a shame if we were to lose this very vital element, which the administration, the President, strongly supports.

If we have one opportunity in this Congress to make substantial savings in the way this Government goes about buying goods and services, it is with the enactment of this bill. It is estimated that we spend not just in defense but across the board about 20 percent too much for both goods and services for everything the Federal Government buys. Enactment of the reforms that are included in this very important measure will enable us to basically save about 20 percent across the board.

There is no other measure that I know of that has the promise of giving us those kinds of savings in this Congress.

So I commend everybody who is associated with this chance to revisit and develop and come forward with a good Defense authorization bill.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, I thank the gentleman for yielding this time to me.

I think this is a good time for us to go back and regroup. As one of the earlier speakers has said, we agree on many, many more things in this bill than we disagree on.

We need to take advantage of this opportunity to go back and correct those disagreements and keep it capsulized into that area of disagreement and not open this thing all the way back up, and just focus on those thing and bring it back, bring it back so that all of us, this entire House, can feel good about voting for this conference report. That is what our mission is.

We, again, have to focus on national security, and I say this, national security, not Republican security or Democratic security. It is time for us to make this a nonpartisan focus to make sure that we have equipped and have taken care of the quality-of-life factors for our military people in the U.S. armed services, and we do it as professionally, as adequately as we can possibly do that and do that on a bipartisan basis.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, I heard that Mr. Clinton will sign this bill as is if BILL DORNAN will just resign from the House. I am not ready to go that far. See his agents here?

Let me follow the theme here this evening and mention some positive things, not just about this legislation where we all agree, as my friend from Florida said, the last speaker, there is so much good in this bill, but at least for my own chairmanship on the Subcommittee on Military Personnel, I have never had better members of the former majority, the current minority, to work with.

I have taken to calling the gentleman from Virginia [Mr. PICKETT] my vice chairman. I think that if we did that around here the way they do in some State legislatures, that it would restore a little comity and dignity to the House. Sitting to his left is the gentleman from Mississippi [Mr. MONTGOMERY], General MONTGOMERY, who has been one of the most distinguished people to ever serve in this Chamber, post-World War II, because was busy during World War II, and to his left is the gentleman from Missouri [Mr. SKELTON]. He is now an esteemed B-2 pilot, as I am one myself, and going right down the line, even those that philosophically disagreed with some of the things that we tried to enact into law and still believe will become law in that military subcommittee.

When I talk to the gentleman from Pennsylvania, Mr. WELDON, and to the distinguished gentleman from Colorado, Mr. HEFLEY, what a delight to have him at my arm sitting there on the full committee; when I talk to the gentleman from California, Mr. HUNTER, one of my closest friends in the House, and when I talk to the gentleman from Virginia, Mr. BATEMAN, they tell me that their experience as the five marshals under Sheriff FLOYD SPENCE is exactly the same terrific cooperation and work between all the members of the Committee on National Security.

Sometimes it gets a little hot in full committee, but there is not a time when there is a vote call that we are on elevators together that we are not all considering one another as friends.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. DORNAN. I yield to the gentleman from California.

After saying all of those things about the gentleman, I did not know he was on the floor. I saw somebody from San Diego dab a corner of their eye with a hanky, they hold you in some high esteem.

Mr. HUNTER. Mr. Speaker, I want to thank the gentleman for the great work that he did as chairman of personnel. You know, I think all of us owe a real debt to our chairman, the gentleman from South Carolina [Mr. SPENCE], a person totally without guile, a straightforward guy who really presided over some pretty contentious sessions of the Committee on National Security and put this bill together and brought it around, at least for the first run, with his colleague from South Carolina, the chairman of the committee in the other body. He really pulled us all together, and I think did a great job as the first Republican chairman of the Committee on National Security since Dewey Short of Missouri in, what, 1953.

Mr. DORNAN. Well, every time one of us compliments our chairman, I notice that our distinguished colleague from California gets a wistful look to ask how he did during his 2 years. If I get additional time, would you like to say something about the gentleman from California [Mr. DELLUMS]?

Mr. DELLUMS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I appreciate the comity of the last several moments. I appreciate the cooperative language. I appreciate the cooperative efforts that have come forward in the last 25 minutes.

The reality is that we are here because this effort unfortunately has been less than bipartisan. I hope that on this second effort that we will truly be bipartisan because when you, Mr. Speaker, assert your prerogatives as Speaker to appoint conferees, you will appoint both Republicans and Democrats, not just Republicans, not just Democrats, but both parties, and my hope is that the reality of the appointment of members of both parties is not lost on anyone in these Chambers.

It would seem to me if we do go forward in this second effort in a true spirit of bipartisanship, where the handful of Members charged with this awesome responsibility are bringing back a conference report that is acceptable to this body and acceptable to the administration, that we would do it together in a room where Members will face each other and will address these lofty and significant and important questions.

I would suggest that the extent to which this is a bipartisan effort that this gentleman and others who will be appointed as conferees are legitimately part of the dynamics of the give-and-take of the trying to address the myriad difficulties that gave rise to the veto in the first place, that we will, indeed, come back with an effort that is worthy of bipartisan support.

But I simply underscore that, not to take away nor to detract from the comity and the civility that has taken place in the last 30 minutes. There has been too little of that in these Chambers. There has been too little of serious and significant grappling with the critical issues of our time that, Mr. Speaker, I am sure you and I would agree from time to time dwarf us as individuals. The issues of life and death that we confront are awesome, and when we have to put on top of that the stress and the pain of personal difficulties, anger, hostility and discourse that has sometimes characterized the business of this Chamber, it only makes the job worse.

I would simply suggest that the awesome nature of the responsibilities we have are stressful enough, so I hope that the kind of comity that we struck here in terms of our ability to respect each other carries over into 1996. This Chamber needs it. This country needs it. The world needs it.

I do not think the major and massive issues of our time can be confronted with the kind of sharp rhetoric and hostility that has characterized the efforts of these Chambers. So I hope that this will be characteristic. And I am trying to use up all of my 5 minutes in order to give everyone an opportunity.

I think I have done about as able a job as I can, and I would like to thank my distinguished colleague for his cooperation.

Mr. Speaker, I yield back the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield myself the balance of my time.

I would like to just point out, reiterate what the gentleman from California just said.

Remarks being made tonight on this floor by Members on both sides of the aisle point out the fact that this body can act in a bipartisan way. In recent days we have not had too much of this kind of talk. I think it resonates well with the ears of people and in the eyes of people who are looking in and listening tonight.

I would like to reiterate what I said before: We have worked in a bipartisan way on this committee. The bill was reported out by a vote of 38 to 3, and we have been bipartisan in our efforts since that time, and I thank all for their cooperation on the other side of the aisle.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on the motion offered by the gentleman from South Carolina [Mr. SPENCE].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read:

> An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

A motion to reconsider was laid upon the table.

APPOINTMENT OF CONFEREES ON S. 1124, DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with House amendments thereto, insist on the House amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

The Chair hears none and, without objection, appoints the following conferees:

From the Committee on National Security, for consideration of the Senate bill and the House amendment, and modifications committed to conference: Messrs. SPENCE, STUMP, HUNTER, BATEMAN, WELDON of Pennsylvania, DELLUMS, MONTGOMERY, and SPRATT.

There was no objection.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON S. 1124, DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996 WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. SPENCE. Mr. Speaker, pursuant to clause 6(a) of House rule XXVIII, I move that conference committee meetings on the Senate bill, S. 1124, be closed to the public at such times as classified national security information is under consideration, provided, however, that any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina [Mr. SPENCE].

On this motion, the vote must be taken by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 398, nays 1, not voting 34, as follows:

[Roll No. 10]

YEAS—398

Abercrombie
Ackerman
Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey

Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shays
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—1

DeFazio

NOT VOTING—34

Armey
Baker (LA)
Berman
Bryant (TX)
Burr
Chapman
Chrysler
Fazio
Fields (TX)
Fowler
Ganske
Hayes
Johnston
Lantos
Lightfoot
Lofgren
Montgomery
Morella
Myers
Packard
Quillen
Ros-Lehtinen
Rose
Shaw
Skaggs
Smith (WA)
Stark
Stockman
Studds
Taylor (NC)
Thornton
Williams
Wilson
Wyden

□ 1928

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HARRY KIZIRIAN POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1606), to designate the U.S. Post Office building located at 24 Corliss Street, Providence, RI, as the "Harry Kizirian Post Office Building", with Senate amendments thereto, and disagree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Senate amendments:

Page 2, after line 11 insert:

SEC. 3. SALARY ADJUSTMENTS FOR THE BOARD OF GOVERNORS OF THE UNITED STATES POSTAL SERVICE.

(a) IN GENERAL.—Section 202(a) of title 39, United States Code, is amended—

(1) by inserting "(1)" after "(a)";

(2) by striking out the fifth and sixth sentences; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) Each Governor shall receive—

"(i) a salary of $30,000 a year as adjusted by subparagraph (C);

"(ii) $300 a day for not more than 42 days each year, for each day such Governor—

"(I) attends a meeting of the Board of Governors; or

"(II) performs the official business of the Board as approved by the Chairman; and

"(III) reimbursement for travel and reasonable expenses incurred in attending meetings and performing the official business of the Board.

"(B) Nothing in subparagraph (A) shall be construed to limit the number of days of meetings each year to 42 days.

"(C) Effective on the first day of the first applicable pay period beginning on or after the date on which an adjustment takes effect under section 5303 of title 5 in the rates of pay under the General Schedule, the salary of each Governor shall be adjusted by the percentage equal to the percentage adjustment in such General Schedule rates of pay.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first applicable pay period beginning on or after the date of the enactment of this Act.

Mr. MCHUGH (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Miss COLLINS of Michigan. Mr. Speaker, reserving the right to object, I do not plan to object.

Mr. Speaker, I rise in support of the legislation naming a Post Office building in Providence, RI, after Harry Kizirian. As a former postal employee, I commend Mr. Kizirian for his 25 years of service with the U.S. Postal Service. He retired from the Postal Service as the postmaster from Rhode Island. He is to be duly recognized for his exceptional service and I thank the sponsor of H.R. 1606, the gentleman from Rhode Island [Mr. REED] for bestowing such an honor on his constituent.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Speaker, I want to first thank the gentleman from New York [Mr. MCHUGH], the chairman, and the gentlewoman from Illinois [Mrs. COLLINS] for their graciousness in bringing this to the floor tonight.

Mr. Speaker, I say to all of my colleagues this is an entirely suitable honor for an extraordinary gentleman. Not only was he a postmaster and a postal worker for 25 years, but at the age of 17, he left high school, joined the Marine Corps, and won the Navy Cross for extraordinary heroism on Okinawa.

Mr. Speaker, his whole life is about serving others and it is a suitable recognition for his life and his achievements. I thank all of the Members that made this possible this evening.

Miss COLLINS of Michigan, Mr. Speaker, further reserving the right to object, I yield to the distinguished gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. Mr. Speaker, in the interest of time, I will submit my full statement for the RECORD.

Mr. Speaker, let me briefly say in response to the comments by the gentleman from Rhode Island and the comments of the gentlewoman from Michigan how much I appreciate their efforts. The Senate had a very, I think, meritorious proposal as amended to this bill, but one that just is not appropriate for consideration at this time. It is certainly our intent in the Subcommittee on Postal Service to reinvolve that issue. I am pleased that the Senate has agreed to consider the House bill with their amendments deleted.

Mr. Speaker, the salary of the Board of Governors was set at $10,000 per annum in 1970. This was when the Postmaster General, who is also a member of the Board of Governors, received a salary of $60,000. Today, the Postmaster General receives $148,000 but the Governors' salaries have remained at $10,000. The amendment would provide a salary of $30,000 a year with a provision for annual adjustments based on that awarded to General Schedule employees, and a per diem of $300 a day for not more than 42 days each year to Governors who attend meetings of the Board of Governors or perform the official business of the board as approved by the Chairman. The amendment also provides for the reimbursement for travel and reasonable expenses incurred in attending meetings and performing the official business of the Board.

Mr. Speaker, and the distinguished gentlewoman from Michigan, as chairman of the Subcommittee on the Postal Service, my request to delete the Senate amendment is twofold. First, it is our intent to expedite the passage of H.R. 1606, honoring Harry Kizirian.

This would be achieved by deleting the amendment and sending the already passed House bill back to the Senate which would reconsider the measure and send it to the President for signature. Consideration of the amended bill would require the whole House voting on the amendment and delay the enactment of the measure.

Second, Mr. Speaker, the Senate amendment is substantive; members may need additional time to consider it. The Subcommittee on the Postal Service and the Committee on Government Reform and Oversight will revisit these important Senate amendments at a later time.

I hope that this explanation clarifies the reason that the amendment should be deleted at this time. The minority has informed they have no objection to this request and I thank the gentlelady for yielding her time for this explanation.

Miss COLLINS of Michigan. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from New York.

There was no objection.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. At this time the Chair will entertain 1-minutes until further business comes before the House.

STOP PUNISHING FEDERAL EMPLOYEES

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Mr. Speaker, we have made a little progress here today. We can balance the budget of the Federal Government in 7 years; we can bring fiscal responsibility to Washington, DC. I myself have drawn up a detailed budget. It is going to require some tough choices.

But, Mr. Speaker, we are going to have to abandon goodies like huge tax cuts. We are going to have to go after corporate welfare and subsidies. We are going to have to reduce agriculture subsidies. We are going to have to go after the sacrosanct Pentagon and eliminate useless weapons like the B-2 bomber and star wars.

There are a number of other places where tough choices are going to have to be made. But in order to get there, we do not need to punish Federal employees and their families. We should stop doing that.

Mr. Speaker, we have made some progress on that today with a temporary resolution to put people back to work. There is a question of whether or not those employees, when they go back to their places of work, are going to have the resources they need to do their jobs. That may be resolved later this evening.

So, perhaps in addition to stopping the punishment of employees, we can stop the punishment of taxpayers. Put the Government back to work and Congress and the White House can get down to its job of balancing the budget.

THE EMPEROR HAS NO CLOTHES

(Mr. WELDON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to point out a very, very important fact I think every American should be aware of. We passed a continuing resolution today that simply says all the President of the United States has to do is submit a budget that is balanced in 7 years as scored by the CBO, the Government will open up.

But shamefully the President, before the ink was even dry on that bill, announced that he would not do it. The emperor has no clothes. We now know that the President does not want to balance the budget. There is no pretense. There is no disguising it. He has admitted to the public that he does not want to balance the budget and that he will not balance the budget.

What we are about doing is getting this Government opened up and running, despite a President who is determined to do everything in his power to make sure that we do not balance the budget.

What the President is doing, in my opinion is wrong. I ask all my colleagues to work with us on both sides of the aisle to try to get this Nation back up and running.

REPUBLICANS SHOULD ESCHEW ATTACKS ON SECRETARY OF THE TREASURY

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, I understand that the Republicans are frustrated. Watching the "Gong Show" they have been putting on today underlines that. But scapegoating when frustrated is not appropriate behavior.

Mr. Speaker, this attack that is now coming on Secretary of the Treasury Rubin, and the preposterous suggestion that he might be impeached, has served no purpose except to cause serious problems in the bond market, because some of those people think that people on the other side might actually be serious, not having had firsthand exposure to them.

Robert Rubin is guilty of doing his job superbly. He had a hearing before the House Committee on Banking. When the Republicans talked to him and asked him questions, they were not able to come forward with a single suggestion of anything that he had done inappropriately. I asked Republicans and their only objection was that we did not have their version of a balanced budget.

Mr. Speaker, threatening to impeach an outstanding public official because they disagree with his having freed a hostage they have taken is one of the tactics that the Republicans ought to eschew. Why do they not go back to their fifth, sixth, and seventh CR instead?

WE NEED TO BALANCE THE BUDGET IN 7 YEARS

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute.)

Mr. HAYWORTH. Mr. Speaker, it is always refreshing to hear the comments of my good friend from Massachusetts, and to hear the frustration on that side of the aisle, especially when it comes to the Secretary of the Treasury and his effort to dillydally around with the debt limit, the debt ceiling, being so in love with the notion of keeping the Government operating that he would take pension funds to pay it; an oath of fealty to keeping the Government running instead of being true to the American people.

Mr. Speaker, neither side has all the answers, but the fact remains that we must remain true to our country, to our Constitution, and to generations yet unborn by at long last passing a budget that comes into balance in 7 years, using honest numbers.

Let us get past frustration and let us see productivity and once again we reach out our hand to the minority party. Join with us and govern this Nation.

CONCERNING THE DEBT CEILING

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, I would like to take up where the gentleman from Massachusetts [Mr. FRANK] left off concerning the debt ceiling.

Mr. Speaker, do we never learn? We are going through an exercise now concerning the continuing resolution. Across these United States the people do not know about a continuing resolution. What they see is that we stopped the Government. The people were told either to be idle or to come to work and not get paid.

Mr. Speaker, today we have got it half right. We are having the people come back to work, but we are not giving them the tools of the trade. Let us not get involved with the debt ceiling in this kind of carryings on. The debt ceiling has to do with what the United States of America owes. Money owed is money that should be paid. It is money already spent. It is the full faith and credit of the United States of America.

Mr. Speaker, let us next week pass a debt ceiling so that we can go on with getting the budget balanced in 7 years. We mixed apples and oranges with the budget negotiations with the continuing resolution. Let us please not allow the debt ceiling and this type of carryings on.

THE WAY TO OPEN THE GOVERNMENT

(Mr. MANZULLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANZULLO. Mr. Speaker, the House has passed several measures today. Let me concentrate on one that is very, very simple. It extends to the President an opportunity to do something historic. We are saying very simply: If by January 26 the President of the United States submits a balanced budget in 7 years, scored by the neutral Congressional Budget Office, then we will agree to open up the entire Government 100 percent.

Mr. Speaker, that means at that point that both parties have their budget on the table or in the process of negotiating. That is the bottom line. That is how simple it is. That is how to reduce a day of very complicated transactions into one line. Give us a balanced budget agreement or proposal scored by the neutral Congressional Budget Office and we will agree to open up the Government.

WORKING WITHOUT PAY AND BEING PAID NOT TO WORK

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, in an extraordinary change of policy, my Republican colleagues have changed our policy with regard to payment of our Federal employees. For the last 3 weeks American workers who work for the Federal Government had been working without pay. For the next 3 weeks under the resolutions that we have adopted today, Americans who work for the Federal Government will be paid without working.

Mr. Speaker, this is an extraordinary change, and neither of the two sets of circumstances are desirable from the standpoint of any kind of common sense. My suggestion to my Republican colleagues is let us get together. Let us work the issues out. Let us have some honest discussion. Let us not play games. Let us do the business of the country. That is what we are here for.

Mr. Speaker, I would remind my Republican colleagues, they are the majority, it is their duty to rule and to govern. It is their duty to run the place. To complain constantly about the President refusing to submit budgets ill becomes them, ill befits this institution, and does little except to bring all of us into a state of disrepute and degradation.

Mr. Speaker, I would urge my colleagues to function as a majority responsibly should.

NATIONAL COMMISSION TO STUDY IMPACT OF GAMBLING

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, what we did today was good and appropriate. It kept the commitment and the word that the leadership and others in Congress made, and that was that Federal employees would not lose any salary, and they have not lost any salary and they will return to work and that will be good. I thank the Members on both sides of the aisle that brought that about. We thank the leadership because it is very, very positive.

One other thing I want to announce, and hopefully we can work together on this, when we come back we will be bringing up legislation which will set up a national commission to investigate the impact that gambling is having in the country. Twenty years ago only two States had gambling. Now, 48 States have some sort of gambling and 24 have riverboat and casino gambling.

Mr. Speaker, it will be a national commission of nine men and women who have no bias on this issue, who will look to see what the impact of gambling has been on the country. Has it been good or bad? Has there been corruption involved in it? Has there been involvement with regard to political contributions? What has the impact been on other businesses? What has the impact been on addiction?

Hopefully, with what we did in the bipartisan manner today putting Federal employees back to work and paying them, we will pass this bill shortly when we come back.

CLOSING GOVERNMENT IS AN EMBARRASSMENT

(Mr. MINGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINGE. Mr. Speaker, we have been treated to an exercise in petty brinkmanship in this institution. It ill becomes the Congress of the United States of America and certainly has disappointed and embarrassed all of the residents of our great Nation.

Mr. Speaker, in visiting with county commissioners in my home State, I certainly have become aware that they are keenly embarrassed. They say that if any county government had to shut its doors because the county commissioners could not agree on a budget, that they essentially would be forced to resign by the public pressure in that community.

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What are we doing? We are sitting here in Washington. We are not resolving this problem. Instead we are engaging in party bickering, and we have one side that is refusing to let the other side even vote on a resolution to put the Government back to work. Instead we are bouncing continuing resolutions back and forth between the House and the Senate.

Let us get together, let us pass the resolution that was introduced on the Senate side and put America back to work.

PRIVATE SECTOR RISES TO OCCASION IN SHUTDOWN

(Mr. TORKILDSEN asked and was given permission to address the House for 1 minute.)

Mr. TORKILDSEN. Mr. Speaker, today we did an important thing. We allowed Federal employees to go back to work and provide services that the taxpayers have been paying for. But I want to point out something else. We have people in the private sector who have also risen to the occasion. Several banks in my district, Fleet Bank, Bank of Boston, were willing to extend no-interest loans to those employees who may not have been able to draw a paycheck.

I know our colleague, the gentlewoman from New York [Mrs. KELLY], had arranged an agreement for five community banks in her district to do the same thing.

While there is a temptation to do a lot of blaming and a lot of name calling, I would ask everyone to resist and instead let us say thank you to those people in the private sector who stepped forward and said, "Let us do what we can to help," whether it be offering a no-interest loan, whether it be delaying payments on bills that are owed, realizing that there is a crisis out there that was not of many people's making.

In the meantime, now that we have a pay bill for 3 weeks, let us all come together to work out a balanced budget, a truly balanced budget. It has been stated time and time again that is what the President wants. Now is his opportunity to bring one forward.

EXAMINING THE SPEAKER'S UPCOMING TRAVEL SCHEDULE

(Mr. SANDERS asked and was given permission to address the House for 1 minute.)

Mr. SANDERS. Mr. Speaker, if we want to understand why in this country the richest people are becoming richer while most working people are seeing a decline in their standard of living, if we want to understand why the Contract With America provides for huge tax breaks for the wealthiest people and the largest corporations while it cuts back massively on programs for the elderly, working people, and low-income people, we might want to examine NEWT GINGRICH's travel schedule for the coming week.

Mr. GINGRICH will be in Seattle, WA, where he will have dinner with his colleagues and his friends for the Washington State Republican Party for $1,000 each. He will be in Dallas, TX, for a dinner for only $10,000 apiece. He will be in Dearborn, MI, for another private fireside reception at $10,000.

Who goes to these events? Most people that I know do not spend $1,000 for a dinner.

KINGSTON CRITICIZES EXCESSIVE TRAVEL OF ENERGY SECRETARY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, I am glad that the Member from the other side brought up travel. Let us talk about travel.

When the Speaker goes on a trip, he is paying for it with his own campaign money. But when your Democrat Secretary of Energy goes on a trip, for example, $660,000 to South Africa, $500,000 to Pakistan, $845,000 to China, $50,000 on the weekly shuttle to Vienna, Moscow, or Paris, or the low-discount rate to India at a mere $729,000. You want to talk travel?

Why do we not start with the Secretary of Energy? Because I think it is timely when you are laying off Federal employees because your President will not sign a budget, he vetoes appropriations bills, when his Secretary of Energy could just about single-handedly balance the Federal budget by just cutting out her travel expenses for 1 month.

COOPERATION URGED IN BALANCING BUDGET

(Mr. BALDACCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALDACCI. Mr. Speaker, I think the important thing is that we still retain some civility and some comity and not allow ourselves to denigrate the situation, because the American public demands that we represent all the people. I think that we try to dig down deep and get inside and try to represent all the people, not just the Democrats or Republicans or Independents but to represent all the people.

I supported a balanced budget in 7 years that was scored by CBO but it did not have the tax breaks that were put forward by the majority because we decided to put the money back into Medicare, back into Medicaid, student loans, and the environment.

I would like to work together with the majority to fashion a balanced budget over 7 years scored by CBO so that we can all be proud of that and work together in that regard, and I think that we can do that.

I reach my hand out to do that with my friends on the other side.

FAILED SYSTEM RESULTS IN LITTLE GIRL'S DEATH

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. DE LA GARZA. Mr. Speaker, this participation may well seem out of order for all that we have done today and all the finger-pointing and accusations.

I rise to speak about a little girl who was killed by her own mother in New York City. Her name is Elisa Izquierdo. The fact is that the system failed and that we failed.

There is a paper that I would share with Members later, but it finally ends,

> Elisa Izquierdo's mother killed only one child. The seemingly anesthetized behavior of the U.S. Congress may kill thousands. Now we are told we must get tougher with the poor. How much tougher can we get with children who already have so little? How cold is America prepared to be?

The paper referred to follows:

[From Time, Dec. 11, 1995]

SPARE US THE CHEAP GRACE

(By Jonathan Kozol)

It is hard to say what was more shocking about the death of Elisa Izquierdo—the endless savagery inflicted on her body and mind, or the stubborn inaction of the New York City agencies that were repeatedly informed of her peril. But while the murder of Elisa by her mother is appalling, it is hardly unexpected. In the death zones of America's postmodern ghetto, stripped of jobs and human services and sanitation, plagued by AIDS, tuberculosis, pediatric asthma and endemic clinical depression, largely abandoned by American physicians and devoid of the psychiatric services familiar in most middle-class communities, deaths like these are part of a predictable scenario.

After the headlines of recrimination and pretended shock wear off, we go back to our ordinary lives. Before long, we forget the victims' names. They weren't our children or the children of our neighbors. We do not need to mourn them for too long. But do we have the right to mourn at all? What does it mean when those whom we elect to public office cut back elemental services of life protection for poor children and then show up at the victim's funeral to pay condolence to the relatives and friends? At what point do those of us who have the power to prevent these deaths forfeit the entitlement of mourners?

It is not as if we do not know what might have saved some of these children's lives. We know that intervention programs work when well-trained social workers have a lot of time to dedicate to each and every child. We know that crisis hot lines work best when half of their employees do not burn out and quit each year, and that social workers do a better job when records are computerized instead of being piled up, lost and forgotten on the floor of a back room. We know that when a drug-addicted mother asks for help, as many mothers do, it is essential to provide the help she needs without delay, not after a waiting period of six months to a year, as is common in poor urban neighborhoods.

All these remedies are expensive, and we would demand them if our own children's lives were at stake. And yet we don't demand them for poor children. We wring our hands about the tabloid stories. We castigate the mother. We condemn the social worker. We churn out the familiar criticisms of "bureaucracy" but do not volunteer to use our cleverness to change it. Then the next time an election comes, we vote against the taxes that might make prevention programs possible, while favoring increased expenditures for prisons to incarcerate the children who survive the worst that we have done to them and grow up to be dangerous adults.

What makes this moral contradiction possible?

Can it be, despite our frequent protestations to the contrary, that our society does not particularly value the essential human worth of certain groups of children? Virtually all the victims we are speaking of are very poor black and Hispanic children. We have been told that our economy no longer has much need for people of their caste and color. Best-selling authors have, in recent years, assured us for their limited intelligence and low degree of "civilizational development." As a woman in Arizona said in regard to immigrant kids from Mexico, "I didn't breed them. I don't want to feed them"—a sentiment also heard in reference to Black children on talk-radio stations in New York and other cities. "Put them over there," a Black teenager told me once, speaking of the way he felt that he and other blacks were viewed by our society. "Pack them tight. Don't think about them. Keep your hands clean. Maybe they'll kill each other off."

I do not know how many people in our nation would confess such contemplations, which offend the elemental mandates of our cultural beliefs and our religions. No matter how severely some among us may condemn the parents of the poor, it has been in axiom of faith in the U.S. that once a child is born, all condemnations are to be set aside. If we now have chosen to betray this faith, what consequences will this have for our collective spirit, for our soul as a society?

There is an agreeable illusion, evidenced in much of the commentary about Elisa, that those of us who witness the abuse of innocence—so long as we are standing at a certain distance—need not feel complicit in these tragedies. But this is the kind of ethical exemption that Dietrich Bonhoeffer called "cheap grace." Knowledge carries with it certain theological imperatives. The more we know, the harder it becomes to grant ourselves exemption. "Evil exists," a student in the South Bronx told me in the course of a long conversation about ethics and religion in the fall of 1993. "Somebody has power. Pretending that they don't so they don't need to use it to help people—that is my idea of evil."

Like most Americans, I do not tend to think of society that has been good to me and to my parents as "evil." But when he said that "somebody has power," it was difficult to disagree. It is possible that icy equanimity and a self-pacifying form of moral abdication by the powerful will take more lives in the long run than any single drug-addicted and disordered parent. Elisa Izquierdo's mother killed only one child. The seemingly anesthetized behavior of the U.S. Congress may kill thousands. Now we are told we must "get tougher" with the poor. How much tougher can we get with children who already have so little? How cold is America prepared to be?

AIYEE, KREPLACH

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, what we are doing right now reminds me of the story of the little boy in Lithuania who hated kreplach. No matter how many times his mother made it, he just hated it.

Finally his mother decided that she would just take kreplach apart and show him that all the parts of it were not bad.

She took out the sausage and fed him the sausage. "Don't you like sausage?" He said yes.

She took out some onions and sliced them up. "Don't you like onions?" Yes.

She took out some carrots, gave him some carrots, he said "yes."

She gave him some broccoli, he ate the broccoli, not too bad.

Then she put it all together, stirred it together, put it on the plate, and the boy said, "Aiyee, kreplach."

So the Republicans start off the day and they say, "We don't like the Government."

We take it apart. We say, "How about small business assistance?" They say, "We like that."

"How about nursing home protection?"

"Well, we like that."

"How about a little extra money for crime protection?"

"Well, we like that."

"How about some money for NIH?"

"Well, let's put that back in."

But we stir it all together, we put it together, we say, "It's the government." They go, "Aiyee, kreplach."

Let us hope when we bring it back out here on the floor in one big package, we could get out of here tonight without all your members shouting, "Aiyee, kreplach."

NATIONAL DEBATE ON GOVERNMENT'S DIRECTION IS HEALTHY

(Mr. WHITFIELD asked and was given permission to address the House for 1 minute.)

Mr. WHITFIELD. Mr. Speaker, it is difficult to follow such an accomplished speaker as the gentleman from Massachusetts, but I rise this evening to say that I am not really appalled at any of the discussion that has taken place on the floor of this House throughout this year. There has been a lot of acrimony on both parties' parts. But the purpose that we are here, and it is not surprising, that when one party has controlled the Government for 40 years and we are trying to move in a new direction, it is not surprising that there is going to be heated debate and there is going to be intense disagreement on where we are going.

That is the purpose of this House, and that is the purpose of a democracy, to have a national debate about the changes that we need to make.

I am delighted to be a part of this discussion. I think that it is healthy that we have this intense disagreement, because we can either continue down the path we have been moving of a large Government with higher taxes and more Government programs, or we can move in a direction of a more limited Government with less taxes and a more reasonable approach to Government.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. EMERSON). The Chair had previously announced that 1-minutes would be entertained until business presented itself. Business now presents itself, so we will suspend 1-minutes and may at some point come back to them.

REPORT ON RESOLUTION PROVIDING FOR DISPOSITION OF SENATE AMENDMENT TO H.R. 1358, CONVEYANCE OF NATIONAL MARINE FISHERIES SERVICE LABORATORY AT GLOUCESTER, MA

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 104–449) on the resolution (H. Res. 338) providing for the disposition of the Senate amendment to the bill (H.R. 1358) to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, MA, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR DISPOSITION OF SENATE AMENDMENT TO H.R. 1358, CONVEYANCE OF NATIONAL MARINE FISHERIES SERVICE LABORATORY AT GLOUCESTER, MA

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 338 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 338

Resolved, That upon adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill (H.R. 1358) to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, Massachusetts, with the Senate amendment thereto, and to have concurred in the Senate amendment with an amendment consisting of the text printed in the report of the Committee on Rules accompanying this resolution.

The text of the Senate amendment and the House amendment to the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. CONVEYANCES.

(a) NATIONAL MARINE FISHERIES SERVICE LABORATORY AT GLOUCESTER, MASSACHUSETTS.—

(1) IN GENERAL.—The Secretary of Commerce shall convey to the Commonwealth of Massachusetts, all right, title, and interest of the United States in and to the property comprising the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, Massachusetts.

(2) TERMS.—A conveyance of property under paragraph (1) shall be made—

(A) without payment of consideration; and

(B) subject to the terms and conditions specified under paragraphs (3) and (4).

(3) CONDITIONS FOR TRANSFER.—

(A) IN GENERAL.—As a condition of any conveyance of property under this subsection, the Commonwealth of Massachusetts shall assume full responsibility for maintenance of the property for as long as the Commonwealth retains the right and title to that property.

(B) CONTINUED USE OF PROPERTY BY NMFS.—The Secretary may enter into a memorandum of understanding with the Commonwealth of Massachusetts under which the National Marine Fisheries Service is authorized to occupy existing laboratory space on the property conveyed under this subsection, if—

(i) the term of the memorandum of understanding is for a period of not longer than 5 years beginning on the date of enactment of this Act; and

(ii) the square footage of the space to be occupied by the National Marine Fisheries Service does not conflict with the needs of, and is agreeable to, the Commonwealth of Massachusetts.

(4) REVERSIONARY INTEREST.—All right, title, and interest in and to all property conveyed under this subsection shall revert to the United States on the date on which the Commonwealth of Massachusetts uses any of the property for any purpose other than the Commonwealth of Massachusetts Division of Marine Fisheries resource management program.

(5) RESTRICTION.—Amounts provided by the South Essex Sewage District may not be used by the Commonwealth of Massachusetts to transfer existing activities to, or conduct activities at, property conveyed under this section.

(b) PIER IN CHARLESTON, SOUTH CAROLINA.—Section 22(a) of the Marine Mammal Protection Act Amendments of 1994 (Public Law 103–238; 108 Stat. 561) is amended—

(1) by inserting "(1)" before "Not"; and

(2) by adding at the end thereof the following:

"(2) Not later than December 31, 1996, the Secretary of the Navy may convey, without payment or other consideration, to the Secretary of Commerce, all right, title, and interest to the property comprising that portion of the Naval Base, Charleston, South Carolina, bounded by Hobson Avenue, the Cooper River, the landward extension of the property line located 70 feet northwest of and parallel to the centerline of Pier Q, and the northwest property line of the parking area associated with Pier R. The property shall include Pier Q, all towers and outbuildings on that property, and walkways and parking areas associated with those buildings and Pier Q.".

SEC. 2. FISHERIES RESEARCH FACILITIES.

(a) FORT JOHNSON.—The Secretary of Commerce, through the Under Secretary of Commerce for Oceans and Atmosphere, is authorized to construct on land to be leased from the State of South Carolina, a facility at Fort Johnson, South Carolina, provided that the annual cost of leasing the required lands does not exceed one dollar.

(b) AUKE CAPE.—The Secretary of Commerce, through the Under Secretary of Commerce for Oceans and Atmosphere, is authorized to construct a facility on Auke Cape near Juneau, Alaska, to provide consolidated office and laboratory space for National Oceanic and Atmospheric Administration personnel in Juneau, provided that the property for such facility is transferred to the National Oceanic and Atmospheric Administration from the United States Coast Guard or the City of Juneau.

(c) COMPLETION DATE FOR FUNDED WORK.—The Secretary of Commerce shall complete the architectural and engineering work for the facilities described in subsections (a) and (b) by not later than May 1, 1996, using funds that have been previously appropriated for that work.

(d) AVAILABILITY OF APPROPRIATIONS.—The authorizations contained in subsections (a) and (b) are subject to the availability of appropriations provided for the purpose stated in this section.

SEC. 3. PRIBILOF ISLANDS.

(a) IN GENERAL.—The Secretary of Commerce shall, subject to the availability of appropriations provided for the purposes of this section, clean up landfills, wastes, dumps, debris, storage tanks, property, hazardous or unsafe conditions, and contaminants, including petroleum products and their derivatives, left by the National Oceanic and Atmospheric Administration on lands which it and its predecessor agencies abandoned, quitclaimed, or otherwise transferred or are obligated to transfer, to local entities or residents on the Pribilof Islands, Alaska, pursuant to the Fur Seal Act of 1966 (16 U.S.C. 1151 et seq.), as amended, or other applicable law.

(b) OBLIGATIONS OF SECRETARY.—In carrying out cleanup activities under subsection (a), the Secretary of Commerce shall—

(1) to the maximum extent practicable, execute agreements with the State of Alaska, and affected local governments, entities, and residents eligible to receive conveyance of lands under the Fur Seal Act of 1966 (16 U.S.C. 1161 et seq.) or other applicable law;

(2) manage such activities with the minimum possible overhead, delay, and duplication of State and local planning and design work;

(3) receive approval from the State of Alaska for agreements described in paragraph (1) where such activities are required by State law;

(4) receive approval from affected local entities or residents before conducting such activities on their property; and

(5) not seek or require financial contributions by or from local entities or landowners.

(c) RESOLUTION OF FEDERAL RESPONSIBILITIES.—(1) Within 9 months after the date of enactment of this section, and after consultation with the Secretary of the Interior, the State of Alaska, and local entities and residents of the Pribilof Islands, the Secretary of Commerce shall submit to the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Resources of the House of Representatives, a report proposing necessary actions by the Secretary of Commerce and Congress to resolve all claims with respect to, and permit the final implementation, fulfillment and completion of—

(A) title II of the Fur Seal Act Amendments of 1983 (16 U.S.C. 1161 et seq.);

(B) the land conveyance entitlements of local entities and residents of the Pribilof Islands under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(C) the provisions of this section; and

(D) any other matters which the Secretary deems appropriate.

(2) The report required under paragraph (1) shall include the estimated costs of all actions, and shall contain the statements of the Secretary of Commerce, the Secretary of the Interior, any statement submitted by the State of Alaska, and any statements of claims or recommendations submitted by local entities and residents of the Pribilof Islands.

(d) USE OF LOCAL ENTITIES.—Notwithstanding any other law to the contrary, the Secretary of Commerce shall, to the maximum extent practicable, carry out activities under subsection (a) and fulfill other obligations under Federal and State law relating to the Pribilof Islands, through grants or other agreements with local entities and residents of the Pribilof Islands, unless specialized skills are needed for an activity, and the Secretary specifies in writing that such skills are not available through local entities and residents of the Pribilof Islands.

(e) DEFINITION.—For the purposes of this section, the term "clean up" means the planning and execution of remediation actions for lands described in subsection (a) and the redevelopment of landfills to meet statutory requirements.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated not to exceed $10,000,000 in each of fiscal years 1996, 1997, and 1998 for the purposes of carrying out this section.

The text of the amendment considered as adopted is as follows:

At the end of the Senate amendment, add the following:

TITLE I

The following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995:

All allowances paid under section 5(b) of the Peace Corps Act, 22 U.S.C. section 2504, notwithstanding section 10 of Public Law 91–672, at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–295) on the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996, (H.R. 1868), as passed by the House of Representatives on October 31, 1995;

All activities, including administrative expenses, necessary to process single-family mortgage loans and refinancing for low-income and moderate-income families funded under the Federal Housing Administration's "FHA-mutual mortgage insurance program account" and "FHA-general and special risk program account" in the Department of Housing and Urban Development at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996, (H.R. 2099), as passed by the House of Representatives on December 7, 1995;

All projects and activities directly related to the security of United States diplomatic posts and facilities abroad, notwithstanding section 15 of the State Department Basic Authorities Act of 1956 at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

Activities funded under the account heading "Emergency food and shelter program" in the Federal Emergency Management Agency: *Provided*, That, notwithstanding any other provision of this Act, the amount made available by this Act shall not exceed $46,000,000: *Provided further*, That not to exceed three and one-half percentum of the amount made available shall be for administrative costs;

All retirement pay and medical benefits for Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependent's Medical Care Act (10 U.S.C. ch. 55) and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)); at a rate for operations, notwithstanding any other provision of this Act, provided for in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1996 (H.R. 2127), as passed the House of Representatives on August 4, 1995;

All projects and activities of the Federal Bureau of Investigation, Drug Enforcement

Administration, Interagency Crime and Drug Enforcement, Federal Prison System, U.S. Attorneys, U.S. Marshals Service, Federal Prisoner Detention, Fees and Expenses of Witnesses, Immigration and Naturalization Service, and the Executive Office for Immigration Review, necessary for the investigation and prosecution of criminal and civil offenses; national security; the apprehension, detention and removal of illegal and criminal aliens; the incarceration, detention, and movement of federal prisoners and detainees; and the protection of the Federal judiciary at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities of the Judiciary to the extent and in the manner and at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-378) on the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities necessary to provide for the expenses of State surveys and certifications under the account heading "Program Management" under the Health Care Financing Administration in the Department of Health and Human Services;

Trade adjustment assistance benefits and North American Free Trade Act benefits funded under the account heading "Federal Unemployment Benefits and Allowances" under the Employment and Training Administration in the Department of Labor;

Payments to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds under the account heading "Payments to Health Care Trust Funds" under the Health Care Financing Administration in the Department of Health and Human Services;

All projects and activities necessary to provide for the expenses of Medicare contractors under title XVIII of the Social Security Act under the account heading "Program Management" under the Health Care Financing Administration in the Department of Health and Human Services;

All projects and activities funded under the account heading "Grants to States for Medicaid" under the Health Care Financing Administration in the Department of Health and Human Services;

All projects and activities of the National Institutes of Health in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, provided for in the Departments of Labor, Health, and Human Services, and Education, and Related Agencies Appropriations Act, 1996, (H.R. 2127), as passed the House of Representatives on August 4, 1995;

All projects and activities necessary to carry out the Section 7(a) General Business Loan Guaranty program and the Section 504 Certified Development Company program, as authorized by law, under the Small Business Administration at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities funded under the account heading "Surety Bond Guarantees Revolving Fund" under the Small Business Administration at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-378) on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, (H.R. 2076), as passed by the House of Representatives on December 6, 1995;

All projects and activities necessary to accommodate visitors and to provide for visitors services on the public lands managed by the Bureau of Land Management at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-402) on the Department of the Interior and Related Agencies Appropriations Act, 1996, (H.R. 1977), as passed by the House of Representatives on December 13, 1995;

All projects and activities funded under the account heading "Disease Control, Research, and Training" under the Centers for Disease Control and Prevention in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, not to exceed an annual rate for new obligational authority of $2,114,693,000;

All Self-Determination and Self-Governance projects and activities of tribes or tribal organizations (as that term is defined in Public Law 93-638) that are authorized by Public Law 93-638 under the account heading "Operation of Indian Programs" under the Bureau of Indian Affairs in the Department of the Interior or under the account heading "Indian Health Services" under the Indian Health Service in the Department of Health and Human Services at a rate for operations, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104-402) on the Department of the Interior and Related Agencies Appropriations Act, 1996, (H.R. 1977), as passed by the House of Representatives on December 13, 1995;

All projects and activities necessary to provide for the expenses of the Kendall Demonstration Elementary School and the Model Secondary School for the Deaf under the account heading "Gallaudet University" in the Department of Education;

Payments for benefits and interest on advances, together with expenses of operation and administration, under the account heading "Black Lung Disability Trust Fund" under the Employment Standards Administration in the Department of Labor; and

Payments for benefits, together with expenses of operation and administration, under the account heading "Special Benefits for Disabled Coal Miners" in the Social Security Administration; *Provided*, That whenever the amount which would be made available or the authority which would be granted under an Act which included funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this Act.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 110. For the purposes of this title of this Act, the time covered by this title of this Act shall be considered to have begun on December 16, 1995.

TITLE II

SECTION 201. YAVAPAI-PRESCOTT INDIAN TRIBE WATER RIGHTS SETTLEMENT ACT OF 1994.

(a) EXTENSION.—Section 112(b) of the Yavapai-Prescott Indian Tribe Water Rights Settlement Act of 1994 (108 Stat. 4532) is amended by striking "December 31, 1995" and inserting "June 30, 1996".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of December 31, 1995, and with the consent of Prescott, Arizona, the contract referred to in such section 112(b) is revived.

SEC. 202. SAN CARLOS APACHE TRIBE WATER RIGHTS SETTLEMENT ACT OF 1992.

(a) EXTENSION.—Section 3711(b)(1) of the San Carlos Apache Tribe Water Rights Settlement Act of 1992 (title XXXVII of Public Law 102–575) is amended by striking "December 31, 1995" and inserting "December 31, 1996".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect as of December 31, 1995.

(2) LAPSED PROVISIONS OF LAW AND CONTRACTS.—The provisions of subsections (c) and (d) of section 3704, subsections (a) and (b) of section 3705, section 3706, subsections (a)(2), (c), (d), and (f) of section 3707, subsections (b) and (c) of section 3708, and subsections (a), (b), (c), (d), (e), (g), (h), (j), and (l) of section 3710 of such Act, together with each contract entered into pursuant to any such section or subsection (with the consent of the Non-Federal parties thereto), shall be effective on and after the date of enactment of this Act, subject to the December 31, 1966, deadline specified in such section 3711(b)(1), as amended by subsection (a) of this section.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Dallas, TX [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all times yielded is for the purpose of debate only.

Mr. Speaker, this rule makes in order the adoption by the House of an amendment to the Senate amendment to H.R. 1358, a bill relating to the transfer to the Commonwealth of Massachusetts of a National Marine Fisheries Service laboratory in Gloucester, MA.

Mr. Speaker, if there is one thing clear from the events of the past weeks it is that this battle to balance the Federal budget is not, I repeat is not, Washington business as usual. Never before have portions of the Federal Government been shut down for weeks at a time. This is uncharted territory.

Why are we at this point? For the first time since the creation of the Federal welfare state in the late 1960's and early 1970's there is a majority in the House of Representatives that wants a smaller, not a bigger Federal Government. For the first time in a generation there is a majority in Congress that is just not willing to accept budget deficits that mortgage the future of our children.

This is new. This change has not worked its way down to the other end of Pennsylvania Avenue. The President ran for office promising a balanced budget. To this day, he has failed to deliver. The President ran for office promising a tax cut for middle-income Americans. Instead, he raised taxes and vetoed the balanced budget passed by Congress that cut taxes on middle-income families with children.

Mr. Speaker, I must admit that we are surprised by the commitment of the President to avoid balancing the budget. We probably should not have been surprised. He is clearly the leader of the Party of Government. The liberal Democrats built the government that today eats up nearly 40 percent of the economic production of our Nation. Even more, they extended the reach of Federal Government regulators into every corner of our society and our economy.

They created the regulatory net that is now revealed, during this moment of confrontation, to block Ford Motor Co. from releasing a new pick-up truck model without the approval of a government agency. It means that Disney and Capital Cities ABC cannot conduct a merger in the private sector without the Government's OK.

Mr. Speaker, the Federal Government is not just too expensive. The Federal Government is not just mortgaging the future of our children with massive deficits. The Federal Government is too big and too intrusive.

The Party of Government is no longer in control of Congress. Now, the Party of the People is in control. Therefore, faced with an unprecedented budget battle, we are not just going to roll over and fund every corner of the Federal behemoth. Instead, we are going to go agency by agency, function by function, to try to get the most important aspects of the Federal Government working. We do not oppose government, but we have a problem with government that is just too big and too expensive.

This rule will move some of the Government programs that enjoy broad bipartisan support out of the House and to the Senate. Yes, it is an expedited process. However, we have never been in this kind of situation before. We have never had a Congress that just said "no" to the deficit drug. We have also never had a President so committed to not balancing the budget. In this situation, we are going to move forward with essential items quickly.

Mr. Speaker, the Party of Government may be mad at this process because they do not want to admit that some functions of the Federal Government are essential, while some are the product of liberal over-reaching. However, most Americans know that this is exactly the case.

I urge my colleagues to support this rule.

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Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, earlier today when the House considered H.R. 1634, I commented that the proposal presented to the House by the Republican leadership resembled nothing more than an elaborate Goldberg contraption. The Republicans found all sorts of bells and whistles and levers and gears and created some sort of machinery that was intended to send some Federal workers back to work.

Yet, here we are again, Mr. Speaker. This new Rube Goldberg contraption adds enough news gears and levers to this morning's contraption so that all the bells and whistles will sound a little louder and when they ring and chime, it will appear to the American people that the Republican majority is indeed acting responsibly and really opening the Government. The Republican gizmo passed by the House earlier today funded those programs which, while they remained unfunded, have caused the Republican majority no end of public criticism. This new gimmick just adds to the list—a reelection wish list no doubt for many. The new gimmick does not, however, solve the problem.

Mr. Speaker, it is obvious that it does not sit well with the public that in order to ensure protection of a tax cut aimed primarily at the wealthiest of all Americans, that the Republican majority in Congress might be willing to let the Meals on Wheels program run out of money and let perhaps thousands of elderly Americans go hungry.

It is obvious that it does not sit well with the American public to see the real crown jewels of this country—our national parks and not the tax cuts of the contract—remain closed to visitors all in the name of a plan to balance the budget which would salvage environmental protection in this country. It does not sit well with American businessmen and American tourists who need or want to travel abroad that they are unable to obtain passports in order for the Republican majority to hold the foreign aid program of this country hostage.

So, in the face of the drubbing they have been taking from the public what have my Republican friends done? They first drew up a continuing appropriation which they termed a "targeted appropriation". But, now it seems that the target was not large enough to satisfy even their own Members. And so, Mr. Speaker, now we must consider yet another targeted appropriation.

Yet, Mr. Speaker the House has had plenty of opportunities in the past 4 days to clean continuing resolution which would not only allow all Federal workers to go back to their desks, but allow them to do their jobs. Mr. Speaker, adding a new gear here, or another funnel there, is no way to run our Government. What we need to do is pass a real clean CR, not the sham resolution we passed just a short while ago. Consequently, I will oppose ordering the previous question so that the House may have the opportunity to pass appropriations for those Government agencies, departments, and programs which were not considered vital enough to be included in this new Republican gimmick.

Mr. Speaker, we are not here to play games, yet this is all the Republicans seem to want to do. We are here to do the Nation's business, not play a giant game of Monopoly. If we are really serious about the Nation's business, why is it necessary for us to consider "targeted appropriations" ad infinitum? Frankly, Mr. Speaker, the old business as usual is starting to look pretty good to the American people. At least when we had business as usual around here, the American people were taken seriously, not treated like game pieces to be brought and sold in order to fulfill an ideological agenda.

Mr. Speaker, it would be so sensible to just pass a clean continuing resolution. I do not believe there is a Member of this body who does not understand that the balanced budget argument is not about when, but about how. And, while the Speaker raises money around this great country of ours in the next 3 weeks, instead of staying here in Washington to negotiate the how of a balanced budget, let's let the Government do its job for the taxpayers of this country. This new resolution doesn't finish our job, Mr. Speaker.

But, the real outrage here, Mr. Speaker, is that there is no opportunity afforded the minority to amend this resolution—either by amendment or by a motion to recommit. Given the gravity of this situation, Mr. Speaker, it is unconscionable that the minority has been denied a voice on the floor of the House. It is an outrage that we are being treated in this manner. Never, and I mean never, Mr. Speaker, did I as a member of the majority ever purposely seek to deny the minority any role at all in the legislative process. Yet, that is what is happening here tonight. That we have been denied three times today the opportunity to offer alternatives to the Republican proposals is a disgrace to this institution and to the democratic ideals on which it is founded.

Mr. Speaker, let us stop playing games. Let us stop building Republican gimmicks and start fixing the problem. I urge Members to oppose the previous question so that we can do our job and go home tonight.

Mr. Speaker, I gave a short speech in which I recited the various places the Speaker was going in the next 2 weeks rather than staying here to negotiate with the President, and I have had a number of questions about that since I made those remarks, and I would like to provide some additional details, if I may, why the Speaker will not be here negotiating with the President and why we need a continuing resolution.

On January 9, the Speaker will go to Colorado Springs, CO, for a 7 p.m. reception and dinner in the Colorado Hall, the Broadmoor Hotel, $150 to get in; January 9, Bloomington, MN, at 4 p.m., there will be a reception at the Radisson South Hotel in Bloomington. Sponsors are charged $50,000; if you pay $10,000, you get to go to the reception and have the opportunity to speak with the Speaker; if you pay $1,000, get general admission; if you pay $500, you get to sit in another room and watch the whole thing on television, and if you pay $100, you get to go to a rally afterwards.

Mr. SOLOMON. Regular order. What has this to do with the bill?

Mr. FROST. It has everything to do with the need for a continuing resolution. The Speaker is not going to be here to negotiate.

The SPEAKER pro tempore (Mr. EMERSON). The gentleman will suspend. The House will be in order. The gentleman from Texas [Mr. FROST] is recognized.

Mr. FROST. Mr. Speaker, January 10, the Speaker will go to Boise, ID, to the convention center at $1,000 a couple, and they get a picture, $100 general admission. Also, January 10, the Speaker will go to Seattle, WA, 7 p.m. reception, 8 p.m. dinner, Weston Hotel, $1,000 includes dinner and reception, $250, just dinner.

January 11, the Speaker will go to Napa, CA, 11 a.m., luncheon at the Silverado Country Club, $200 per person; January 11, Bakersfield, CA, 8 p.m. dinner, Civic Auditorium, sponsor, $1,000, host, $500, table seat at dinner, $25, seat with buffet dinner, $15; January 12, Walnut Creek, CA, 7:30 a.m., breakfast at the Civic Arts Center, $250; January 15, Dallas, TX, the city I represent, Prestonwood Country Club reception, 5 to 6:30, dinner for $10,000 for a sponsor; January 16, Dearborn, MI, $10,000 a person, private fireside reception and a picture with the Speaker, $1,000 per person just for the reception; January 17, Evansville, IN, Convention Center Gold Room, 7:30 a.m., breakfast $125, $1,000 for a picture with the Speaker; January 17, Fort Wayne, IN, $100 event; January 19, Memphis, TN, luncheon, $1,000 for a picture with the Speaker, $500 to attend.

Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], the distinguished ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I have served in this House a good many years. I am proud of that fact.

But I am absolutely appalled and chagrined at the incredible abuse of the legislative process which is occurring here tonight. This is, I think, perhaps the most destructive action I have ever seen any Members of this institution take.

We are supposed to cast informed votes. There is no Member of this House, including the main sponsor of this proposal, who can tell you what it is you are going to be voting on tonight.

What has happened is that, in my view, I have never seen more irresponsible, more reckless, more anarchic conduct than I have seen displayed on this proposal.

Eight hours ago you rammed through this House a proposal which partially opened the Government so that taxpayers could get at least some of the services for which they have already paid. Then the phones started ringing. Member "X," Member "Y" and Member "Z" said, "Man, I am getting heat. You didn't cover this program. You didn't cover that program. You didn't cover that program." So you started putting together a laundry list of proposals to fix what it is you did just 8 hours ago.

Now, that laundry list has grown into a phone book, and you are taking a whole list of programs and you are providing for some funding levels for them, I guess mostly at the conference level, but there is not a single Member here who has any table showing what program level or what programs will be funded at what levels. We cannot compare them to conference, to the House-passed bill, the Senate-passed bill. We cannot compare them to last year or to the Administration request.

We have no idea what programs are being left out, and yet you are going to vote for this turkey so you can go home. That is, in my view, an incredibly destructive act for which I think we all ought to be ashamed.

I wonder how many Members of this House know, for instance, that the abortion limitations which we had in the bills this year are being removed under this proposal? I wonder; yes, they are; oh, yes, they are. If you do not believe me, check. . .Well, you had better check again.

Then let me suggest, I wonder how many of you know that there will be no funding whatsoever for Israel under this proposal come January.

There will be no funds allowed. I wonder how many of you understand what is happening to foster care activities for children, for food and other contractor-provided services at the Indian Health Service, for 300 Head Start grants around the country, for contract payments for NASA operations, for

EPA Superfund cleanup activities, for FEMA disaster relief payments, Community Development block grant funds. Veterans benefits for claims filed after December 15, 1995 will not be processed under this proposal. You are going to discriminate between veterans who were on the rolls before December 15 and those who were not.

□ 2015

So I think this is an absolute joke. So what we are going to do is to ask, since we were not even allowed the courtesy of proposing an alternative, what I am simply going to ask Members of the House to do is to oppose the previous question so that we can at least pay for programs which are not covered by this package, at least provide funding levels at 90 percent of last year's level, so that when you go home, you do not have to explain why you left programs A, B, Y, J, and Q off the list, and why you funded the others.

I do not even vouch for the wisdom of doing that, because I cannot vouch for the wisdom of continuing the funding levels for the programs designated in this bill at the levels at which they are designated. But because we have had no opportunity to look at that, we have no choice but to accept that sight unseen. But I would urge you, if you have any respect at all for this House, to insist on defeating the previous question on the rule so we can provide some degree of rationality to this process tonight.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a sad commentary that our colleagues who represent the party of government cannot realize that some programs of the Federal Government are essential and many are nonessential, and we are moving ahead with the essential ones.

Mr. Speaker, I yield such time as he may consume to the shy and retiring gentleman from Metairie, LA [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I thank my friend from California for yielding time to me.

Mr. Speaker, I was going to lead off with a travelogue of the President of the United States, but I think no one might have cared. Then, second, I was going to give a travelogue of the Secretary of Energy and realized we did not have time. So I thought that it was important to discuss this bill and not anybody else's travelogues.

Mr. Speaker, it is important also to understand that throughout this very long first year of this change in direction of government for the first time in 60 years, we have passed seven appropriations bills, which encompass about two-thirds of the funding of all government activities. The remaining one-third of the funding of government activities are covered by the remaining 6 appropriations bills. Three of them were vetoed by the President and three of them, admittedly, have not made their way through the processes. It is unfortunate, but they are working their way through.

Along the way, while we were all discussing the appropriations bills, we forgot one thing: The House and the Senate and the President of the United States came to an agreement that we should stop doing business as usual as we have for 60 years, increasing spending, regulation, taxing, big government, and centralization of government in Washington. We agreed that we should reverse the tide, and put this country strongly on a footing toward a balanced budget between now and the year 2002, as scored by the Congressional Budget Office.

Mr. Speaker, the President of the United States agreed to that by virtue of the joint resolution we passed on November 20. But unfortunately, while we put our balanced budget plan on the table and passed it through the House and Senate, one that did really get the country on even footing, the President has never presented his. He has promised it, but he has never done it.

That is what brings us here today, Mr. Speaker. Yes, the remaining one-third of government has not been adequately funded. Yes, this is a piecemeal process that causes us to pick and choose certain items and rush them through without dealing with the rest of the process. It is unfortunate.

But we have begun. We have begun to tell the President of the United States that business as usual, that promising the people everything and delivering absolutely nothing, is over, absolutely over. And, yes, it was unfortunate many Federal employees were held out of work and those that worked did not get paid, but we resolved that today. We put Federal employees back to work. We paid them for their lost pay, and we are going to pay them prospectively through January 26.

Mr. Speaker, we also passed targeted appropriations for several activities, including Meals on Wheels and child welfare, veterans benefits, and others. Then we followed up that bill with another bill that was reported out of the Committee on Rules. The gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules, and the gentleman from California [Mr. DREIER], and all of the other members of the Committee on Rules, reported to this floor just a few hours ago which has passed a bill that says to the President of the United States, Mr. President, if you fulfill your promise to give us that balanced budget that you have been promising for so long but never delivered, we will put Government back to work in its entirety, in its entirety, through January 26, and by that time we will get all the rest of it done.

But he has not yet done it. There is a trigger. That bill is very, very important, because it almost makes, at least for the next few weeks, what we are about to do here superfluous.

But, we are saying in this bill we will here take a number of activities in other bills not yet enacted, a number of other functions of government that have not yet been funded, that are vital and critical to the United States of America, and add them with the earlier targeted list passed earlier this morning, so that they will be funded throughout the rest of this fiscal year.

Mr. Speaker, I have to ask the House's indulgence, because I want to make sure that everyone knows. The activities in this bill include funding for the black lung program; the Medicare contract employees program; Medicare claims processing; surveys of certification for nursing homes; Medicaid payments to States; funding for Gallaudet, elementary and secondary schools; National Institutes of Health; Centers for Disease Control; retirement pay for Public Health Service commissioned officers, and trade adjustment benefits.

Now, all of those items fall within the Labor-HHS bill. There has been criticism because that bill has not gotten all the way through Congress. But, Mr. Speaker, let me remind you, at the risk of being held out of order, that the other body, led by the Democrats in the other body, the minority party, has filibustered that bill. This House passed that bill in early August of this last year. That bill got filibustered and is filibustered to this very day by the Democrats in the Senate. It is being held hostage. All of the great programs funded under that bill are being held hostage. So it is incumbent upon us to come forward and say there are important programs in that bill that are not funded, and we will fund them.

At what level, the gentleman says? He says he does not know at what level. I will tell the gentleman. On NIH it is funded at the House-passed bill level. This is the same for the retirement pay for Public Health Service officers. On all the rest, it is the lower of the amount in the House-passed bill or the last year's bill whichever is lower.

This bill also provides funding, because they are important programs, for the Bureau of Indian Affairs tribal organization contracts, Bureau of Land Management visitor services on public lands, the Peace Corps, the State Department diplomatic security efforts abroad, parts of the Small Business Administration financing, the Federal Housing Administration loan processing, the FEMA emergency food and shelter programs, the Department of Justice Federal employee crime programs, all of the crime programs, including those done by the FBI, the DEA, the Bureau of Prisons, U.S. Attorneys and Marshalls Service and Organized Crime and Drug Enforcement programs, as well as most of the Department of Justice itself, including the support of prisoners, fees and expenses of witnesses, Immigration and Naturalization Service, and Executive Office for Immigration Review. It also provides funding for the Judiciary, the courts. So we know what these targeted functions are.

Is this an exclusive list? Is this all there is going to be? Of course not. But what this says is there will be a new day, Mr. President. It is telling the President of the United States that no longer will we continue to accept the status quo. We will no longer continue to fund the bureaucracy as he protects it.

We will start picking and choosing those programs which are important to the American people, and we will fund them. But anything else that is left on the table, if it is important, we will get to it. If it is not important, it might never be funded at all.

Now, Mr. Speaker, I have to tell you this is certainly a revolutionary thought and a revolutionary approach to government that has never existed in the last 60 years, but it is an important change for the American people.

It is important for the American people to understand, Mr. Speaker, that we are not tolerating what the President so vehemently wants to protect, which is the status quo, big government bureaucracy, high taxes, and the ability to manipulate people all over America and ask them to pay for that manipulation.

We are changing the course of America with this bill, Mr. Speaker, and I urge the adoption of this resolution.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I would like to point out to my friend and colleague from my neighboring district that as scored in real numbers by the CBO, the budget introduced by the gentleman from Ohio [Mr. KASICH] increases the annual operating deficit of this country to $270 billion. If we are really serious about reducing the annual operating deficit, bring the coalition budget, which would save this Nation $33 billion over your budget in the first 2 years, and $53 billion over your budget in the first 3 years, to the floor for a vote.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I just want to correct one statement made by my good friend from Louisiana. The Labor-HHS bill in the Senate has not been subject to a filibuster. In fact, it has never been brought up on the floor. It has never been debated on the floor. There were numerous unanimous-consent requests made to bring that bill up, which were objected to by Members of both parties.

The real reason it has taken so long to move that bill is because that bill was so extreme in nature when it left the House that Members of both parties in the other body were so embarrassed by it they did not want to touch it with a 10-foot pole.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Wilmette, IL [Mr. PORTER], the chairman of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. PORTER. Mr. Speaker, one of the highest priorities for funding for our Federal Government is biomedical research carried out by the National Institutes of Health. The basic research conducted with NIH grants at academic and research institutions all across this country are the envy of the entire world. We are the world's leader in basic research.

The basic research supports the biotechnology and pharmaceutical industries of our country, which also lead the world. They mean economic growth, high-technology, well-paying jobs, and a favorable balance of trade. The basic research can only be done by government, because there is no immediate profit motive involved. The result of this research is longer and better lives for the American people and for all the people of this world.

Mr. Speaker, the funding for NIH for the entire fiscal year is included in this resolution, and the funding that passed by the House of Representatives at the end of July. The House passed level represents a 5.7-percent increase over the last fiscal year. This level is in this resolution.

In addition, there is funding for the Centers for Disease Control and Prevention. That means funding for childhood vaccinations, for infectious disease prevention, and for breast and cervical cancer screening, at a level, I might say, Mr. Speaker, higher than last year's level.

Regarding NIH, we have left all matters other than the overall funding level for NIH to be resolved through negotiations with the Senate. The Speaker has been very, very strongly supportive of the increase for NIH at almost 6 percent and for the funding for CDC.

I would commend this bill to the Members of the House, I would commend it to the Senate and hope they pass it as well, and that the President adds his signature. It funds many important priorities for our country.

Mr. Speaker, I submit the following chart for the RECORD.

Centers for Disease Control and Prevention

[In thousands of dollars]

	2d targeted appropriation bill
Preventive Health Services Block Grant	145,418
Prevention Centers	8,099
Childhood immunization	470,497
AIDS	589,962
Tuberculosis	119,582
Sexually Transmitted Diseases	108,242
Chronic and Environmental Disease Prevention	147,439
Breast and Cervical Cancer Screening	125,000
Infectious Disease	65,057
Lead Poisoning Prevention	36,409
Injury Control	43,679
NIOSH	133,859
Epidemic Services	73,325
National Center for Health Statistics:	
Program Operations	40,063
1% evaluation funds (NA)	40,063
Subtotal: Health Statistics	80,126
Buildings and Facilities	4,353
Program Management	3,067
Undistributed administrative reduction	(31,000)
Subtotal: Centers for Disease Control	2,083,051
Crime Bill Activities:	
Rape Prevention and Education	28,542
Domestic Violence Community Demonstrations	3,000
Crime Victim Study	100
Subtotal: Crime Bill activities	31,642
Total: Disease Control	2,114,693

□ 2030

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I thank the gentleman for yielding time to me, and my question really would go to the chairman of the Subcommittee on Commerce, Justice, State, and Judiciary of the Committee on Appropriations. My concern is that we have heard a number of reports about our prison system, indeed the Federal correctional facility in my congressional district.

Inquiry was made concerning the ability of providing food to prisoners, which, of course, is of great concern to many of the men and women who work for us in the Federal prison system, and particularly because it may, indeed, be one of those contracted-out types of situations.

I am not sure of that specifically in my district, but I would inquire, if I could, of the chairman from Kentucky if he has any insight with respect to the prison system.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Speaker, I would tell the gentleman that the legislation provides for the payment of all activities related to the Federal prisons. So if it is a contracted-out supplier of food, that will be paid. If it is done by employees of the Bureau of Prisons, that would be paid. So it taken care of in this legislation.

Mr. COLEMAN. In this particular CR?

Mr. ROGERS. Yes.

Mr. COLEMAN. Mr. Speaker, I thank the gentleman very much for his time.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. ROGERS], my friend and Chairman of the Subcommittee on Commerce, State, Justice and Judiciary.

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, as the gentleman from Louisiana [Mr. LIVINGSTON] has pointed out, this resolution says, in effect, there are certain things that we need to fund irrespective of whatever else happens in the fight with the White House on a balanced budget.

We are saying in this resolution the fight against crime and the fight against illegal immigration are above and beyond the political debate that is going on in balancing the budget. So consequently, in this bill there is complete funding for the fight against crime at the conference level of the appropriations bill that has passed the House and Senate conference and gone to the White House and been vetoed.

Those activities that are funded in this bill at the full level for the rest of the year include:

Funding for all activities of the Federal judiciary. We simply cannot let the courts lapse. We have to pay them.

Funding for the law enforcement agencies at Justice, for the following purposes: investigation and prosecution of criminal and civil offenses; national security; apprehension, detention, and removal of illegal and criminal aliens; the incarceration, detention, and movement of Federal prisoners and detainees; and the protection of the Federal judiciary. The law enforcement agencies funded at the conference level include the FBI, the Drug Enforcement Administration, Federal prisons and prisoner detention, U.S. attorneys, U.S. marshals, and prisoner detention, U.S. attorneys, U.S. marshals, and the Immigration and Naturalization Service, including the Border Patrol.

Finally, funding to provide security of our embassies and our diplomatic missions overseas and of the facilities there, to protect our people overseas.

I think we can all agree on both sides of the aisle we need to fund these activities irrespective of any other fights that we have. I would hope that we would have unanimity in support of this portion of the bill, which, by the way, is a significant portion of the entire bill.

Mr. FROST. Mr. Speaker, I yield 2½ minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, somebody said that everything had been said but everybody has not said it yet. I just could not let this pass without a couple of comments, especially to my distinguished leader of the Committee on Appropriations, talking about how terrible it was that that old terrible Senate would get over there and filibuster a bill.

One of the Presidential candidates that is out there running is bragging about how last year he spent a whole year killing the President's heath care plan, and a lot of that so-called health care plan is in the Republican budget.

When we are being told in the negotiations, and I just watched on television when the chairman of the Republican Committee on the Budget said he would like to work with Democrats and come up with maybe 100 Democrats and 100 or so Republicans and put together a budget, and then the majority leader on the House floor says we do not have to negotiate with the Senate, we do not have to negotiate with the White House, we do not even have to negotiate with the Democrats. We can handle this thing because we are running this place.

And my colleagues on the other side talk about a President that is not cooperating with trying to put together a budget?

The gentleman from California, he said we are trying to do the things for the people of this country, and the thing that we are so concerned about is the average people of this country, the people that have to depend on some government services for their existence, the senior citizens. Gentlemen, your record is not real good when the majority leader in the Senate, Senator DOLE, was bragging that 35 years ago he was fighting tooth and nail to kill Medicare. The Speaker of the House, Mr. GINGRICH, says I hope that Medicare withers and dies on the vine. The new majority's record is not good.

The very first budget that Ronald Reagan sent to this House, that David Stockman brought to this House, called for eliminating the $125 minimum Social Security payment to the oldest, sickest senior citizens in this country, and that is a fact.

So the Republicans' record is not good on doing programs for our senior citizens, for Social Security. They never have supported the education for the loans for our students. Their record is not good. So when we talk about things that we are negotiating for budgets, the President is concerned about the overall welfare of the American citizen. I would not blame him for caving in.

We are standing for the average working American. We stand for the senior citizens, the Social Security recipients, the students, and the people that have to have some assistance from their Federal Government.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to say that it is a sad commentary that my friends in the party of government view the average American as being dependent on government.

Mr. Speaker, I yield 1 minute to the gentleman from Scottsdale, AZ [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I thank my friend from California for yielding time to me.

I listened again with great interest to my good friend from North Carolina, whom I enjoyed many times on television with his beautiful singing voice. But tonight, here in the well of the House, he is singing a bit off key, especially when he quoted the Speaker of the House and some statement about withering on the vine. Once again, the complete record shows that the Speaker was talking about the Health Care Financing Administration, not the Medicare Program. I will be happy to supply the gentleman with the complete quote.

But moving on to the broader context, since our friends on the other side talk so much about reinventing government, we will borrow that phrase and say we are going to reinvent government right here and right now, not with a Rube-Goldbergesque contraption, but with simple commonsense funding of necessary programs.

Mr. Speaker, I want to go on record thanking the chairman of the Committee on Appropriations for recognizing the needs of native Americans and taking care of projects that both parties concur are important. So, once again, amidst some of the ying and yang that takes place here on the floor, I hope that we can have give and take and calm minds and calm voices may prevail and we can enact these programs.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Speaker, I am glad that this is before us. I wish we had a full continuing resolution so that the President and the Speaker and the majority leader and minority leader could have their negotiations and come up with a balanced budget in 7 years with CBO, which everybody has agreed to, while the Government continued doing its functions. But, no, we are only doing this through this continuing resolution for certain activities which are more important than others.

Well, the Republican Party, Mr. Speaker, is showing us what it considers unimportant. The environment. We are not touching the EPA. Their employees are funded through January 26. So we are saying, despite all the hypocrisy, they do not care about the environment, about clean water, clean air.

Superfund. It is not included here. It is not as important as trade adjustment benefits, for example. OSHA. Fifty thousand working people in this country die or are severely injured in industrial accidents every year. In 13

States OSHA programs are done by contract. Nothing here for them, for those 13 States, because we do not care, obviously. It is not that important. It is one of those things that is not important that the gentleman from Louisiana [Mr. LIVINGSTON] refers to, about whether working people have a safe working environment.

On page 3 of the rule we have the authority to process single-family mortgage loans. Single family is written in because somebody thought, obviously, single-family homes are important but multifamily homes that we have in our cities, garden apartments, apartment buildings, that is not important because people living in cities, who might vote Democratic, maybe, on average, live in multifamily homes.

So let us be hypocritical, we will fund our single-family homes and not their apartment buildings and garden apartments. That is not important. That is political.

Mr. Speaker, what shows the total hypocrisy of this is that the other CR we passed a little while ago that says if the President proposes a budget satisfactory to the majority party, we will have a CR for 2 weeks.

Mr. DREIER. Mr. Speaker, I yield 1 minute and 30 seconds to the gentlewoman from Overland Park, KS [Mrs. MEYERS], chair of the Small Business Committee.

Mrs. MEYERS of Kansas. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of this resolution, and ask unanimous consent to revise and extend my remarks.

Mr. Speaker, I support this resolution and I urge my colleagues who are concerned about the impact of the partial government shutdown on small business to support it. This resolution contains important language which will allow the Small Business Administration's two major loan guarantee programs to resume. The 7(a) and 504 loan programs are vital to meeting the long-term capital needs of small business in this country.

Since the President vetoed the Commerce, Justice, State appropriations bill, loan applications have been "sitting in the pipeline," many approved, but not funded. The SBA doesn't directly fund these loans, but they can't even provide the guarantee so that private banks can make the loans. These loans translate into start-ups, small business expansion, and job creation.

Mr. Speaker, the 7(a) and 504 loan guarantee programs are two of the few things the government provides that are helpful to small business. I am very pleased that small business long-term capital needs will be restored under this resolution, and I urge its adoption.

Mr. FROST. Mr. Speaker, could I inquire of the time remaining on each side?

The SPEAKER pro tempore (Mr. EMERSON). The gentleman from Texas [Mr. FROST] has 9½ minutes remaining, and the gentleman from California [Mr. DREIER] has 9½ minutes remaining.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I was elected to this body in 1992, and I was told that I would be serving with some of the most committed and brilliant people in America working for the interest of our country. I have been on the losing end of a lot of votes since I have been in this body, but this is the very first day I have ever been in this body where I have been absolutely embarrassed.

This is no way to run a government. The Republicans gave us one-tenth of a loaf this morning. My mama always said take one-tenth rather than nothing. That is fine. They gave us two-tenths today. They gave us Meals on Wheels this morning, now they are giving us the wheels to serve those meals tonight.

Next week they will be back with a whole new list of items. This is no way to run a government and the American people will ask the Republicans to answer to them for it.

□ 2045

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to my friend that the way to run the government is to balance the Federal budget.

Mr. Speaker, I yield 1½ minutes to the gentleman from Huntington Beach, California [Mr. ROHRABACHER], my dear friend and our surfer.

Mr. ROHRABACHER. Mr. Speaker, I do not think there is any doubt about it. We all agree that this is no way to run a government. The way to run a government is to set forth a plan, say this is our plan for government, and then negotiate with someone who disagrees and find an area of compromise. That is what the Founding Fathers had in mind. The reason it is not working right now is that the President of the United States has not done his job.

We have done our job over here; he has not done his job over there. That is why this is not any way to run a government. That is why everything is messed up, seems to be going in circles, and things are not working now. He has not done his job.

Our Founding Fathers thought the President of the United States would do his job because he would be responsible. Instead, we have a President that continues to promise everything to everybody because he must love everybody, because he is promising everything to everybody.

Mr. Speaker, I am trying to suggest today that I think the American people can see through that. They know if the President is unwilling to prioritize in the budget, that when he tells them that he is on their side when he is opposed to something in the Republican budget, he may not be telling the truth because he is unwilling to put his ideas forth as juxtaposed against other spending ideas.

Mr. Speaker, we are this close, we are this close, at any moment, to making the system work. All it means is that the President of the United States has to reach out and say, "I have decided to do my part of the job," and then things would be working. All of the criticism that my colleagues on the other side of the aisle have not aimed at us, although they try to make it seem like it is aimed at us. It is aimed at the President of the United States, who has not done his job.

Mr. Speaker, I believe that the American people, when they sit there hearing him criticize our budget, are too smart to be taken in thinking that he cares about them. If he cared about the American people, he would present us his budget and the American people understand that.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I wanted to follow up on what the gentleman from New York [Mr. NADLER] said before. I listened to what the gentleman from Louisiana [Mr. LIVINGSTON], the chairman, said about how we are picking and choosing items here tonight. Then I listened to what the gentleman from California said about how we are not going to deal with regulatory issues; that perhaps they are not essential; we are only dealing with the essential issues here tonight.

Mr. Speaker, it is abundantly clear that the list does not include any Federal Agency that deals with quality of life issues, whether it is the environment, whether it is safety, whether it is consumer protection. All those things are completely eliminated and they are not going to be funded, and the people are going to be sitting in their offices in the EPA and not doing a thing.

Mr. Speaker, I know that it was said before that we are only going to deal with the issues that both sides can agree on, so I suppose that means that the Republican party, or at least the Republican leadership, does not care about the EPA; does not care about consumer protection; does not care about OSHA; does not care for a very simple reason, I believe, which is that basically the corporate interests here are going to have a field day.

Mr. Speaker, the polluters are going to be out there polluting and the people in the corporations that do not want to take care of worker safety, they are not going to have to worry about it. Those out there who do not care about the consumers are not going to have to worry about it. It is special interests. Nothing is being done to go after the corporations and the special interests and the polluters. They will remain unregulated. They will be able to ply their trade and we are not going to include any money to go ahead and deal with those enforcement and those investigation issues that affect the quality of life of many Americans.

Mr. Speaker, I am glad that the Republican leadership has finally revealed itself and what it is all about in the quality of life issues.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to respond to my friend.

Mr. Speaker, the fact of the matter is we sent to the President the appropriations bill that deals with every single one of those items, and what did the President do? He vetoed it.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. BONO] who has become most prominent as the mayor of Palm Springs.

Mr. BONO. Mr. Speaker, one thing that is terribly interesting to me since I have come here is debates. I am fascinated by them. When I watch them, I want to pull everybody back over and say, "Wait, the issue was over here. Now it gets all over there, and the basic point is gone. The basic point is what we are talking about. And the reason I am a Republican, my father is a Democrat, my mom was a Democrat, I was raised a Democrat, the reason I am a Republican is because I like the idea that your word is important. I like that.

This is how our party operates. So, I know that if I shake hands with the gentleman from California [Mr. DREIER] I have got a deal on whatever we shook hands on. I know if I shake hands with the gentleman from Louisiana [Mr. LIVINGSTON] we have cut a deal. However, I do not think that exists totally in this entire body.

What we did was we went to the President, this is why we are fighting. We went to the President and the President said, all right, I have got a deal for you. I will consent to a budget in 7 years, scored by CBO. He got a deal. And by a certain date. Then the date came up and he said, just kidding. Just kidding. And then they say, we want a clean CBO. I hate to be a bad guy when somebody just kicked me in the head, and then say "you rat." And I feel like I have been kicked in the head. Just kidding. I mean, would you tell your kids, "Kids, Santa said I am going to get it for you," and then there is nothing under the tree? And then Christmas comes and there is nothing there and you say, "Kids, just kidding. Santa Claus was kidding around when he told you that."

It does not happen. There is a word, and that is why I belong to this party. The whole issue here is because we got duped, and so we do not want to get duped again. So we have our guard up.

Now they are saying we did not fund this, we did not fund that, we did not do this, we did not do that. No, we cannot. There is no trust now to operate that way any longer.

Mr. Speaker, if the President will stop kidding, I think we would get along very well. I hope some day he stops.

Mr. WATT of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. BONO. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Speaker, I just want the gentleman to know that there are a lot of people on this side who agree that you have been kicked in the head.

Mr. BONO. Thank you. Thank you. I suppose I am supposed to be insulted, but by the gentleman from North Carolina [Mr. WATT] I am not.

Let me further say one more thing. The Speaker never, I wish I could count the times you said the Speaker said let Medicare wither on the vine. He never said let Medicare wither on the vine. That is not true.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from Arkansas [Mrs. LINCOLN].

Mrs. LINCOLN. Mr. Speaker, the gentleman from California was not here in the last session, and quite frankly I agree with my colleague, the gentleman from Massachusetts [Mr. MARKEY]. But in Arkansas we say, if it looks like a duck and it walks like a duck, it must be a duck.

The fact is this is business as usual. We are passing something in the dead of the night with everything but the kitchen sink in it, which helps on target shots, special people's interest. That is not the changes that the American people are wanting to see.

With all due respect to the gentleman from Kentucky, the chairman of the Subcommittee on Commerce, Justice, State, and Judiciary, this is about balancing the budget, but there is a right way and a wrong way to do everything. The fact is in this package you have got, you are spending $10 million more to locate Border Patrol training facilities that are going to slow up from 6 months to a year those Border Patrol agents that could be out there protecting our border States. It is business as usual, and it is a sad day for the American people.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Albuquerque, NM [Mr. SCHIFF], the chairman of the Subcommittee on Basic Research.

Mr. SCHIFF. Mr. Speaker, two of our Democratic colleagues in a row said they do not like the priority with which the appropriations is being presented here this evening. I want to say that the President of the United States has it in his power as a result of our previous vote to open up the entire Government by doing just one thing, offering his version of a balanced budget. That is all he has to do.

Mr. Speaker, I have to respectfully correct one of my Democratic colleagues who said we were requesting that the President present a budget acceptable to us. That is not true. We are requesting that the President abide by the agreement he made with Congress, which is to present a budget which is balanced within 7 years using the economic projections of the Congressional Budget Office.

After that, the President can establish the spending priorities any way he chooses. After that the President can set any tax policy that he chooses; less taxes, no taxes, no change in the Tax Code. If the President would just do what he agreed to do in November, all of the agencies discussed on the other side will be opened.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, as one who has prided himself for all my 19 years here of having what I consider a 100-percent pro-life record, I am dismayed and amazed that the gentleman from Louisiana [Mr. LIVINGSTON] would bring to this floor a bill that will permit and require States, under present court decisions, to fund Medicaid abortions. That is what this bill does for all of 1996, for rape, incest, and life of the mother. This is a pro-abortion bill.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, it is simply not true. It funds Medicaid under the same terms and conditions that existed last year, and we did not do it that way last year.

Mr. VOLKMER. Mr. Speaker, reclaiming my time, the gentleman did. That is the point. He does not know what he did.

Mr. Speaker, the courts have decided, under the 1995 law, the States are required to fund the Medicaid abortions for those provisions. That is the status of it right now. In the 1996 law that we passed in this House, we said that the States do not have to do that. This is going backwards. This is saying that the States will still, my State, which is a pro-life State, will still have to do abortions for these provisions. Anybody that votes for this cannot be pro-life.

Mr. FROST. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Texas.

Mr. FROST. Mr. Speaker, the gentleman may know, he is my friend, we happen to differ on this issue. I am pro-choice. However, I agree with the gentleman. This is a pro-choice bill. The gentleman has correctly analyzed the legislation. It is pro-choice.

Mr. VOLKMER. Mr. Speaker, reclaiming my time, I thank the gentleman.

PERMISSION TO INSERT EXTRANEOUS MATERIAL IN THE RECORD

Mr. DREIER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PORTER] be allowed to insert tabular and extraneous material in the RECORD following the point at which he spoke.

The SPEAKER pro tempore (Mr. EMERSON). Is there objection to the request of the gentleman from California?

Mr. OBEY. Mr. Speaker, reserving the right to object, I would like to ask for a better understanding of what the gentleman is asking to have inserted.

We have been asking for tables of funding levels all night long and have not gotten anything. Are we now going to pretend, by inserting something in the RECORD, that Members knew what they were doing when they, in fact, did not?

Mr. DREIER. Mr. Speaker, would the gentleman yield?

Mr. OBEY. Surely.

Mr. DREIER. Mr. Speaker, what this is, is material that I am told was provided to the minority side about 20 minutes ago that the chairman of the subcommittee wishes to have printed in the CONGRESSIONAL RECORD following his statement.

Mr. OBEY. Mr. Speaker, further continuing to reserve my right to object, this applies only for the Centers for Disease Control; is that correct?

Mr. DREIER. Mr. Speaker, the gentleman is correct.

Mr. OBEY. Mr. Speaker, further continuing to reserve my right to object, so we are still not going to note what the tabular material would be for any of the other programs funded in this bill?

Mr. DREIER. Mr. Speaker, if the gentleman would continue to yield, no other material is going to be inserted in the RECORD other than this material that the gentleman from Illinois, my friend, has handed me.

Mr. OBEY. Mr. Speaker, I withdraw my reservation of objection, with the expression that I think that the kind of material which has been provided halfway in the debate for one agency is the kind of material that should have been on the floor for every agency being funded in this bill before we vote blind here tonight.

Mr. DREIER. Mr. Speaker, I thank my friend for not objecting.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I would inquire of the time remaining of each side.

The SPEAKER pro tempore. The gentleman from Texas [Mr. FROST] has 3½ minutes remaining, and the gentleman from California [Mr. DREIER] has 3¾ minutes remaining.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

□ 2100

Mr. BENTSEN. Mr. Speaker, I thank the gentleman for yielding this time to me.

I guess this legislation is some form of hostage taking, and what we are doing is we are going to release some hostages like the NIH, and that is good because places like UT Health Sciences Centers at the Texas Medical Center were getting ready to lay researchers off. On the other hand, we are going to continue to hold hostages like NASA.

Let me tell you about the Johnson Space Center. At the Johnson Space Center we are going to bring back 1,500 Federal employees who have been furloughed. We are going to start laying off 12,000 contract employees, private employees, privatization, those people in the private sector who are working on the space shuttle and who are working on the space station, and we are going to raise the cost of the space shuttle and the cost of the space station.

Now, someone here said this is common-sense Government. I do not know what is common sense about bringing on the Federal employees who are not running the program and paying them to do nothing and then laying off 12,000 employees in the greater Houston area and raising the cost of the space station and raising the cost of the space shuttle. There is nothing common sense about that. It is just plain stupid.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Speaker, the continuing resolution before us is a classic example of attempting to be too cute by half.

You know, as a general guiding principle, doing the right thing is the right thing to do, and Senator DOLE, in calling for reopening Government, clearly struck the right note. That was the right thing to do.

Trying to do it piecemeal is a half-baked way of accomplishing with some grace, apparently, the same result that Senator DOLE called for, but to have one continuing resolution listing several items of Government pass this House, only a few hours later back passing more functions of Government, to apparently alleviate the embarrassment from having those items shut down has left this House, I think, facing a complete debacle in this procedure.

The American people deserve more than too cute by half. They deserve to have the Government reopened while we continue the talks leading to a balanced budget.

Mr. DREIER. Mr. Speaker, I yield 1 minute to my friend, the gentleman from Metairie, LA [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, as a pro-life Member, I have to say that I have to address the concerns expressed by the gentleman from Missouri a few minutes ago.

The fact is that this bill does extend the terms and conditions for Medicare-Medicaid funding from last year. But the Labor, Health bill has yet to work its way through the Congress. It has passed the House with the terms and conditions that meet the objections and needs of the pro-life community. It will come out of the Senate, and we will still have to deal with it. When we deal with it, we will address the concerns of the pro-life community.

The provisions we agree to will supercede the provisions in this bill. For the meantime, if we do not pass this bill, Medicare payments by the end of this month will not be made; Medicaid payments by the end of this month will not be made.

It is important we pass this bill under the terms and conditions of last year. Otherwise those people will not get these benefits.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to defeat the previous question. If the previous question is defeated, I will offer an amendment. My amendment adds to the provisions of the bill to provide funding through the fiscal year for programs and activities not otherwise funded. All activities would be funded at the lower of House-passed, Senate-passed or last year's level, though nothing would be funded at less than 90 percent of last year's level. Mr. Speaker, this is exactly the same rate as in the first continuing resolution this Congress passed.

Mr. Speaker, this is the last opportunity to avoid the folly. Mr. Speaker, only by defeating the previous question can we let Federal workers actually work-under the Republican plan, we pay these people to show up but insist they do not work. That is a waste of taxpayer dollars.

Mr. Speaker, I am inserting in the RECORD at this point the amendment I will offer if the previous question is defeated:

AMENDMENT TO THE RESOLUTION

Strike the period in the last line and add the following: ", as modified by the amendment printed in section 2 of this resolution."

At the end of the resolution, add the following new section:

"SEC. 2. At the end of the bill, add the following:

"TITLE III

Such amounts as may be necessary to continue through September 30, 1996 any other program, project, or activity carried out in fiscal year 1995 not provided for in Title I of this Act or any other appropriations Act for fiscal year 1996, at a rate for operations and under the terms and conditions provided for in Public Law 104-31."

Mr. Speaker, I yield the balance of my time to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I simply want to make certain that the comments of the gentleman from Louisiana [Mr. LIVINGSTON] did not confuse the facts.

What this language does on abortion is to remove all of the limitations above last year's law, which the majority party insisted in putting into the Labor, HEW bill when that bill was before us. I am not going to argue about whether that is wise or not.

But I would observe that if you vote for this tonight, you are voting to remove the limitations which you insisted on placing in that legislation just a few months ago.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have, I believe, 3¾ minutes remaining, and I do not plan to use that time because we want to get these essential Government programs open as quickly as possible.

With that, I urge an "aye" vote on this.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. EMERSON). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 204, nays 167, not voting 62, as follows:

[Roll No. 11]

YEAS—204

Allard
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Bryant (TN)
Bunn
Bunning
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Flanagan
Foley
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Johnson (CT)
Johnson, Sam
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quinn
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Tauzin
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—167

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bevill
Bishop
Bonior
Borski
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Dixon
Dooley
Dornan
Doyle
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fields (LA)
Foglietta
Forbes
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Istook
Jackson (IL)
Jefferson
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Lantos
Levin
Lewis (GA)
Lincoln
Lowey
Luther
Maloney
Markey
Martinez
Mascara
McCarthy
McDermott
McHale
McKinney
McNulty
Meek
Menendez
Mfume
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Roybal-Allard
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Spratt
Stenholm
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thurman
Torres
Torricelli
Towns
Traficant
Vento
Visclosky
Volkmer
Ward
Watt (NC)
Wise
Woolsey
Wynn

NOT VOTING—62

Baker (LA)
Berman
Bilbray
Bilirakis
Brownback
Bryant (TX)
Burr
Burton
Chapman
Chrysler
Clinger
Diaz-Balart
Dickey
Dicks
Doggett
Durbin
Ewing
Fawell
Fazio
Fields (TX)
Filner
Flake
Fowler
Ganske
Green
Hayes
Jackson-Lee (TX)
Jacobs
Johnston
LaFalce
Lightfoot
Lipinski
Lofgren
Manton
Matsui
Meehan
Miller (CA)
Montgomery
Morella
Myers
Neal
Packard
Pickett
Quillen
Radanovich
Ros-Lehtinen
Rose
Rush
Shaw
Stark
Stockman
Studds
Taylor (NC)
Thornton
Velazquez
Waters
Waxman
Wicker
Williams
Wilson
Wyden
Yates

□ 2123

So the previous question was ordered.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. FOWLER. Mr. Speaker, on rollcall No. 11, I was absent. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Ms. JACKSON-LEE of Texas. Mr. Speaker, during rollcall vote No. 11 on House Resolution 338 I was not present because of district business and district meetings. Had I been present I would voted "nay."

The SPEAKER pro tempore (Mr. EMERSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FROST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 344, noes 24, not voting 65, as follows:

[Roll No. 12]

AYES—344

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Bevill
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bunn
Bunning
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers

Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Farr
Fattah
Fields (LA)
Flanagan
Foglietta
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manzullo
Markey
Martinez
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shays
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stokes
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Torkildsen
Torricelli
Towns
Traficant
Upton
Vento
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—24

Barr
Barton
Chabot
Chenoweth
de la Garza
Dornan
Funderburk
Graham
Hilleary
Hoekstra
Hostettler
Istook
Jones
Largent
McIntosh
Orton
Sanford
Scarborough
Shadegg
Smith (NJ)
Smith (WA)
Souder
Tiahrt
Volkmer

NOT VOTING—65

Baker (LA)
Beilenson
Berman
Bilbray
Bilirakis
Brownback
Bryant (TX)
Burr
Burton
Chapman
Chrysler
Clinger
Diaz-Balart
Dickey
Dicks
Doggett
Durbin
Ewing
Fawell
Fazio
Fields (TX)
Filner
Flake
Fowler
Ganske
Green
Hayes
Jackson-Lee (TX)
Jacobs
Johnston
LaFalce
Lewis (CA)
Lightfoot
Lipinski
Lofgren
Manton
Matsui
Meehan
Miller (CA)
Montgomery
Morella
Myers
Neal
Packard
Pickett
Quillen
Ros-Lehtinen
Rose
Rush
Shaw
Shuster
Stark
Stockman
Studds
Taylor (NC)
Thornton
Torres
Velazquez
Waters
Waxman
Wicker
Williams
Wilson
Wyden
Yates

□ 2140

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. JACKSON-LEE of Texas. Mr. Speaker, during rollcall vote No. 12 on House Resolution 338 I was not present because of District business and District meetings. Had I been present I would have voted "yes".

PERSONAL EXPLANATION

Mr. FILNER. Mr. Speaker, I regret that I was unable to be present for two recent rollcall votes. Had I about been present on rollcall vote No. 11, I would have voted "no." On rollcall vote No. 12, I would have voted "yes."

DESIGNATION OF HON. BILL EMERSON TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH JANUARY 23, 1996

The SPEAKER pro tempore (Mr. EMERSON) laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 5, 1996.

I hereby designate the Honorable BILL EMERSON to act as Speaker pro tempore to sign enrolled bills and joint resolutions through January 23, 1996.

NEWT GINGRICH,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

PERMISSION FOR ALL MEMBERS TO REVISE AND EXTEND ON LEGISLATIVE DAY TODAY

Mr. HAYWORTH. Mr. Speaker, I ask unanimous consent that for the legislative day today, all Members be permitted to extend their remarks and to include extraneous material in that section of the RECORD entitled "Extensions of Remarks".

The SPEAKER pro tempore (Mr. EMERSON). Is there objection to the request of the gentleman from Arizona?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate disagrees to the amendments of the House of Representatives to the bill (S. 1124) "An Act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.", agrees to a conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THURMOND, Mr. WARNER, Mr. COHEN, Mr. LOTT, Mr. NUNN, Mr. EXON, and Mr. LEVIN, be the conferees on the part of the Senate.

□ 2145

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HASTERT). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WHITE HOUSE TRAVEL OFFICE SCANDAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROHRABACHER] is recognized for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, the first scandal of the Clinton administration was brought on in May of 1993 by the precipitous firing of Billy Dale and six other long-time employees of the White House travel office.

Having worked in the White House for 7 years, I was fully aware of the personal tragedy this dismissal represented. Billy Dale and the career civil servants that were sacked by the new White House regime were hard-working professionals who labored for Republicans and Democrats, never taking sides in politics, but only concerned about making the White House run as efficiently as possible.

But they were in the way. A relative of the President needed a job, and who cares about if the rules get bent or if some little guy has to be stepped upon? Furthermore, one of the President's big contributors owned a travel agency and wanted the business.

Bill Dale and those faithful Federal employees were not just fired. They were ambushed, assaulted, beaten up and left bleeding in the alley. They came to work one day and were simply told after decades of service to get out.

This callous and probably illegal termination of loyal employees immediately created a stir. After it was learned that the President's relative and a campaign contributor would be the beneficiaries of this act, it created an uproar. That only made things worse. Dale had to be personally attacked then to protect the administration from criticism.

A vulnerability was found and apparently over the many years and decades of Dale's service, he had become complacent about keeping the formal records of petty cash and tips in the office that he oversaw.

To put this in perspective, Hazel O'Leary spends hundreds of thousands of taxpayer dollars gallivanting all over the planet, from plush hotel to plush hotel, but it is the little guy, Billy Dale, that gets investigated.

In as shameful an act and political a prosecution as I have ever seen, he was charged with criminal violations, embezzlement. This was, as is clear now, a blatant, ugly assault on a public employee by a power elite trying to protect themselves.

The FBI and the prosecutors went along. Why? Well, it not only reflects viciousness and callousness, but this also reflects an unprofessional and questionable use of law enforcement. So why did they go along?

Well, when the situation played itself out, Dale not only lost his job, but it cost his life savings to defend himself. He lost everything. Those involved with this travesty, this injustice, should be ashamed. It took a jury here in Washington, DC, all of 2 hours to determine that Dale was innocent of all the charges brought against him. The President did not even have the decency to apologize for what he did to Dale.

Whose mean-spirited idea, whose stupid idea was this in the first place?

□ 2200

Why did the FBI and the Department of Justice and the White House staff go along with it?

Well, these are good questions. Early on, fingers pointed to the First Lady, but the charge was denied over and over and over again. Well, at last, evidence is beginning to surface. A memo written at the time by White House chief administrator David Watkins says and describes First Lady Hillary Rodham Clinton as being the driving force behind this heinous attack against Billy Dale. No one was willing to stand up against her.

The shenanigans of the Clinton White House are beginning to make the court of MacBeth look tame in comparison. This certainly makes Nancy Reagan's coveting of dresses and dishes a quaint memory of tainted innocence.

The First Lady and the President are responsible for their actions. The American people deserve the facts, and the press, in this former reporter's opinion, has not been informing the American people as to the nature of those who hold power.

Well, now it is going to become clear to the American people they cannot cover it up any more, as the front page headline of the New York Post says, "Hillary Did It." Well, whether it is Whitewater or the Vincent Foster suicide or the scandalous coverup of illegal activities, of the illegal activities of the health care task force or this Travelgate affair, America needs to get to the bottom of these matters. We need to know the facts so that we can know who is governing this country and what they stand for.

If the little guy who keeps this Government going is stepped upon and abused like this, America will not be the same country. We must stand up for America and our ideals.

IN SUPPORT OF THE COALITION BUDGET

The SPEAKER pro tempore (Mr. HASTERT). Under a previous order of the House, the gentleman from Mississippi [Mr. TAYLOR] is recognized for 5 minutes.

Mr. TAYLOR of Mississippi. Mr. Speaker, I apologize to the staff, who I know I am keeping late. I hope what I say is worth hearing to the American people.

If you have been listening to the budget debate, you have heard Member after Member talk about reducing the deficit, and it is not so, folks, and the Congressional Budget Office has scored the plan put forward by the gentleman from Ohio [Mr. KASICH] for next year, the only year that this Congress could really vote on, because we are only elected for 2 years at a time.

The truth of the matter is that the budget by the gentleman from Ohio [Mr. KASICH], as introduced, would increase the annual operating deficit of this Nation from $236 to $270 billion, and hidden in there is the theft of about $100 billion from the trust funds that people pay into when you pay your FICA taxes, your social security taxes. That is not a plan to balance the budget. You do not balance the budget by taking your first step backwards.

There is a plan to balance the budget. It was put together by a group of people, mostly conservative Democrats, but some of them are now Republicans. It is called the Coalition budget. When compared to the Kasich budget, it would save this Nation $33 billion in the first 2 years and $53 billion in the first 3 years, the years that really count, the years where you can presume Members of Congress who are now Members of Congress will be around to live by it to make sure it works rather than saying someone 7 years from now is going to do what this Congress would not do.

Unfortunately, Speaker GINGRICH has now twice ruled that the Members of this body cannot even vote on this measure. But there is something that can be done about it. There is a discharge petition where Members of this body, if 218 Members of this body will go down and sign it, then we can vote on the Coalition budget. We can get to a balanced budget quicker. We can do it with less pain and less borrowing, and to tell you the effect of the borrowing is every 2 minutes in this Nation we have to go out and borrow a million dollars just to pay the interest on the national debt, every 2 minutes, $1 million in interest payments on the national debt.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Missouri.

Mr. SKELTON. As a supporter of the Democratic Coalition conservation budget, there were an awful lot of people that did vote for it, and it is looking better and better every day.

I would like for you to explain what you touched on a moment ago about the larger deficit on the operating expenses, please.

Mr. TAYLOR of Mississippi. Well, again, the American people, and I do not think the press explains this very well, there are two things we are dealing with. No. 1 is the accumulated debt over many years, where the Nation spent more money than it collected in taxes. That is $5 trillion. Until we will get to the balanced budget, every year they are spending more money than they are collecting in taxes, and that is the annual operating deficit. The annual operating deficit under the Kasich budget, as approved by the majority of the Republicans in the House, will borrow $270 billion for this fiscal year.

Mr. SKELTON. In other words, it is going to cost the Americans more?

Mr. TAYLOR of Mississippi. It will cost the Americans more. And they keep saying they have a 7-year plan to balance the budget, but the first step is a step backward, not a step toward balancing the budget, a step toward larger deficit.

Mr. SKELTON. The budget I voted for, the Democratic Coalition budget, does not do that? Is that correct?

Mr. TAYLOR of Mississippi. The Coalition budget is a step in the right direction. It would not borrow as much. Both of them, unfortunately, borrow money for the first year. It borrows less money, and cumulatively it borrows less, $50 billion less than the Republican plan.

TRIBUTE TO BRETT FAVRE

On a much lighter note, I am going to brag on a fine young man from the State of Mississippi, from a community that I doubt is even on the map, who last week was voted the most valuable player in the NFL, a young man by the name of Brett Favre, who is the most deserving of that of any American I can think of. His mom and dad are public school teachers back in south Mississippi. His dad was his high school football coach.

He went on and played for the University of Southern Mississippi. By sheer hard work and determination, he has been recognized as the finest football player in the United States of America. It could not happen to a nicer family. It could not happen to a nicer guy.

Congratulations, Brett Favre.

A DIFFERENT PERSPECTIVE ABOUT BALANCING THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. KIM] is recognized for 5 minutes.

Mr. KIM. Mr. Speaker, in California time right now it is 7 o'clock, and I hope that many people from my district will turn on their TV and watch me tonight. I think people are tired of listening to all of this bashing each other about balancing the budget. I want to talk about some different perspective about this balancing the budget.

The Government waste, that is what I would like to talk about tonight, the waste and fraud is everywhere, Medicare, Medicaid; you are talking about waste and fraud. It is unbelievable. Food stamps, my golly, they are buying at a discount rate, turning around and selling it, buying drugs. It is total wasting, all kinds of fraud going on.

The EITC, that is supposed to help people who have children, dependents. Now what happens? They changed the law back in 1987. Now anybody can receive a cash payment from the Government, even prison inmates. Waste and fraud, just beyond control. Welfare, we all know that.

Housing, my golly, we have got housing projects put together by a Federal agency. It is unbelievable. All the housing is empty right now and defaulted. It is just unbelievable waste and fraud going on.

We have more than 9,000 Federal programs overlapping each other. Nobody knows who is doing what. Each time there is a problem, we allocate the money and set up another agency to take care of this certain sector of the people, and this is going on, I do not know how many years, last 40 years. "You have got the problem? Come and see us, we have got a program for you."

Let me give you one bizarre story I read this morning in the Washington Post, Washington Times, and U.S.A. Today about the Department of Energy. It is a frightening story which I would like to share with you tonight and with the people of California.

DOE, Department of Energy, was founded back in 1977 by Mr. Carter during this energy crisis. This is a temporary agency. Their job is to manage oil control, oil price control, and rationing; second responsibility is to find the energy alternative to oil, imported oil, because we are afraid that someday oil-producing nations will control us. That is all it is. It is a domestic issue. They have got to stay and do energy research and oil price control. That is what their job is.

Today they have got 20,000 employees. They should have been gone a long time ago, 20,000 employees. What are they doing? Seventy percent of their money goes into weapons testing. Can you imagine, weapons testing? That should be done by DOD, Defense Department. Only 16 percent of the money goes to R&D, development of energy. I mean, this is just really ridiculous.

But let me tell you a real horror story. The agency Secretary, supposed to be in charge of the entire Department of Energy, she spent 130 days overseas, took 16 overseas trips, higher than any other Cabinet official except the Secretary of State. Let me tell you a typical example of a trip she took, recent trip to South Africa. The agency Secretary took 51 staff members and 68 guests, 119 people. They chartered a luxury jet, which is often chartered by Madonna. It has a wet bar and all this. It cost the taxpayers $560,000.

Next trip, to India, she took 63 staff members and 72 guests, mostly from environmental groups. It cost taxpayers $720,000.

Next trip, to China, cost you and I $845,000.

Trip to Pakistan was $500,000.

Adding this together, 4 out of 16 trips cost taxpayers $2.6 million. My God, is that not something?

But two trips alone, India and South Africa, they have 1,600 pages of expenses and a quarter million dollars missing. They could not find where they spent it.

Now, this is the kind of stuff going on. This is the typical example of Government waste and fraud before our eyes, and here we are talking balancing the budget.

The question is: Why is it? Why spend so much money, 130 days and 16 trips? why is that? Well, they said, "We are going to get some contracts." Today's paper says that is not true. They did not get any contracts whatsoever.

It is really embarrassing, and I think if she curtails the trips, we could balance the budget easily.

THE BUDGET DEFICIT AFFECTS REAL HUMAN BEINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN. Mr. Speaker, I hope more than the citizens of Missouri stay tuned to the proceedings of this House tonight via the courtesy of C-SPAN, Mr. Speaker, to hear the gentleman from Missouri [Mr. HANCOCK] give what will probably be one of the more enlightening 30-minute special orders on taxation destroying this country and what we are doing here.

First of all, Mr. Speaker, I just called my home, and my daughter-in-law is still waiting patiently for the baby that we thought was coming a few hours ago, not here yet. If she makes it past midnight, it will be on the birthday of her daughter, Haley. That is No. 10 for my Sally and me. I really believe with all my heart, Mr. Speaker, that that is what we are fighting for here, for my three beautiful Griffin grandchildren out in California, Kevin, Colin, and Erin. Their mom is Robin. They married a Griffin. I call them my in team here and in California; No. 3 will join Haley and Robert K. Dornan III. Then there is my youngest daughter, with beautiful Liam Christopher Dornan Penn, the only redhead in the gang of 10. Four of my five were redheads. He is something really special.

Then there is, what have I got, 1, 2, 3, 4, then there is the original 3, the Colbins live out here in Virginia, Ricky, my first grandson, Tara, my first granddaughter, both of them soccer stars, Anna, another soccer star coming up, all of them exceptional students. These are names and faces of human beings that, pardon me for using an overworked word, I have bonded with all of them. They know me almost as well as they know their parents. They think their grandmother, my Sally, is the most world-class person to ever love a grandchild. They are real human beings. They are real human beings, and I cannot put an insufferable $5 trillion, soon to be $6 trillion debt before we begin to reverse this, on their back.

□ 2215

I said earlier that the whole debate here in its simplest terms is we won the day on the 7 years. It will be a 7-year balanced budget plan, no matter what Clinton and the gang at the White House does. But we should not be passing out medals on our side because this side wants to spend $13 trillion. They cannot throw off that tax-and-spend mindset that was locked in during Franklin Delano Roosevelt's days. He is not a hero of mine, the way he is of our hard-charging Speaker. He began this lunge towards socialism, and on this side we do not want to spend $13 trillion over the next 7 years. We want to spend $12 trillion.

Do you see what we are fighting here about, all the citizens in America, Mr. Speaker, that follow the proceedings of this House? $13 trillion, $12 trillion. $12 trillion is a bloody disgrace. It is too much government.

Although my heart goes out to any Government worker who is proud of their job, selected to be a civil servant, and feels they are contributing to a better life in this country, and wants to be on their job, and there was never a doubt for an instant they would not be paid. It was all this dislocation of steady money coming in, and mortgage payments. And I understand that, I am making mortgage payments and a car payment. I understand that the banks will not wait. We have taken care of that here today.

But remember this: All this angst about civil servants, and I turned on the network news tonight and here is this psychiatrist saying the civil servants are underdoing trauma, psychological disorder, they are going to need counseling, and some of them will have to be put under a suicide watch. Then they showed clothes testing at a burning manikin, and somebody came right out and said that the Republican part of this House, usually they like to focus in on the 73 freshmen, as though they are aliens that came to this place, they are going to cause children to die.

So for the next 2 minutes let me tell you what I saw in Germany and in Hungary over the last 4 days at the railheads: People on the Federal payroll, and not all of them so young, men and women, who are going to Bosnia and an uncertain mission. They are freezing. And one of the greatest writers, and I will put his articles in about the land mines, Col. David Hackworth, the highest decorated living American, as good a writer as he is, he did not have it correct here.

He talks about the land mines, and then he says they are going to ship their equipment down there, hunker down, ride down and meet up with their equipment.

They are not. These young men and women stay with their vehicles, their Bradleys, their Abrams tanks, their Humvee vehicles, and I never saw so many complicated armored systems as in this 1st Armored Division, whose beautiful pin I am wearing, Old Ironsides. They stay with their equipment, fingers cold, lashing it down, riding on the trains. The women rightfully complaining about no porta-potties, talking about how the men have a different way to go out in the field.

Mr. Speaker, let me put about six articles in the Record here that I was going to use in my special order. Think about these young men and women during the break.

[From the Army Times, Jan. 1, 1996]

Going to Bosnia a Good Way to See Danger, Grow Old Fast

(By David H. Hackworth)

Tuzla, Bosnia.—This place ain't exactly happy valley. After months of catching Serb cannon fire and hard fighting in the nearby mountains, things are grim. The war has left this city of about 110,000—mainly Muslims—bent, broken and bleak.

Even though the guns are now silent, few people smile. Most act like they had too much local plum brandy the night before and are wearing a head-throbbing hangover. All are waiting for the Yanks to kick-start them out of their misery and into the good life provided by Marshall Plan-type underwriting.

But the "Amerikinci" are slow in coming. So far, only a few dozen aircraft have landed at the airbase that sits just south of the city. These planes are bringing in the vital technicians who will lay the logistic base to support our 20,000 U.S. troopers.

The warriors will not come by air. They'll ship their heavy stuff by rail from Germany to Hungary. After the peace accord is signed, they'll marry up with their gear and roll in over 120 miles of rugged road—locked, cocked and ready.

Once on the ground, America's Task Force Eagle will be the Tuzla high sheriff, with the mission of keeping the Serbs and Muslims from going back to blowing each other away.

It's too early to tell if this can be done without a few High Noons. I have a gut feeling that the main Bosnian combatants will cool it and wait out NATO's one-year say. One Muslim says that if his folks "are not armed," the war will start again just as soon as NATO leaves, and his side will lose.

The way it looks now, except for hit-and-run attacks by small bands of crazies, the big killers will be the mines, the bad roads and the many drunken Bosnian drivers.

No one knows how many mines are scattered across this savaged land. United Nations reports say there are over eight million mines and booby-traps in Bosnia alone.

I spent two days with a Swedish mine-clearing team working 10 miles out of Tuzla clearing a field of widow-making anti-personnel mines, a dangerous and painstaking duty.

With the care of brain surgeons, eight men clear about 20 square yards on a good day. One man works about one square yard at a time.

First he sweeps with the mine detector.

Then he gets down on his knees and cuts all the vegetation with his clippers and gingerly probes every inch of dirt with a two-foot ice pick or bayonet, looking for the plastic mines the detector doesn't pick up.

When these brave men find a mine, they carefully dig around and under it to make sure it's not booby-trapped. Then they disarm it. Not work for the fainthearted. Each man is a hand-picked volunteer.

Their captain, Thomas Stenberg, says, "They must have the right attitude." Boy, do they ever, and they don't even get extra pay!

The roads here are narrow, muddy roller coaster. In many places, the mines have not been cleared on the sides of the road.

Two weeks ago, a civilian tractor hit a mine where Stenberg's team is working, killing four people. Their clothes are still hanging in the bushes where the blast blew them.

Bosnian drivers are always in a hurry. They haven't gotten the word about drinking and driving, either, so too many blaze along these death roads ripped out of their gourds.

I'm not sure troops will accomplish much during their one-year tour here, other than facing a lot of danger and growing old fast.

I'll bet this futile mission would be scratched if Clinton and the Capitol Hill gang sending them came in with the advance party and worked the trenches and roads for 30 days.

As a matter of fact, I think you could eliminate war entirely if the Doles and Clintons led the first wave.

Mr. DORNAN. Mr. Speaker, here is a particularly thoughtful statement by Col. David Hackworth:

The brass decided early on that the best way to prepare for the coming mission is relentless training. Task Force Eagle has spent months rehearsing the details of this plan—even down to the level of briefings to journalist. "I war-gamed what questions the press would ask, wrote them down, took them to the division public-affairs officer and we went over them," says Lieutenant Colonel Kooyman. Leave nothing to chance, and avoid a failure like Somalia.

That's the idea, anyhow. The old army way of doing things—"stay loose and expect the unexpected"—won't hack it in Maj. Gen. William Nash's outfit. But I'm not sure what this kind of zero-defect mentality will do to soldiers in the First Armored. Murphy's law applied to combat says that nothing ever goes according to plan. My gut tells me these men may be trained in a way that could hurt them on a future hot battlefield where they'll have to think on their feet—where they can't pull out the plan and consult Annex A. A CO's worst nightmare is to watch his warriors lose their hard-gotten fighting skills in peace enforcement missions like Bosnia. But this may be the price of post-cold-war soldiering.

And how about this analysis of the vicious cold our men and women will face.

[From the USA Today, Jan. 2, 1996]

For Troops, Beat the Cold—Army Taking Extreme Measures

(By Jack Kelley)

Posavina Corridor, Bosnia-Herzegovina.—They jump up and down, skip back and forth, shadow box with the wind.

They are U.S. soldiers trying to stay warm in this region of Bosnia about 30 miles north of Tuzla. Part of a 60,000-soldier NATO team sent to enforce a negotiated peace in Bosnia, they are finding that weather is the greatest obstacle to a mission accomplished.

"Bosnia adds new meaning to the word 'cold,'" says Pvt. Michael Ready, 23, of Chicago. He apologizes for not enunciating his words, explaining that his mouth is too cold to speak.

"This feels like one of those bad Chicago cold spells," he manages to say. "The kind we get once in a hundred years. But here it's happening every day."

Winter storms closed down Tuzla air base for four days, delaying the arrival of thousands of troops. Snow is masking dangerous land mines. The cold is causing concern about hypothermia.

How cold is it? It is not the coldest winter in Bosnia's history. But it is the kind of raw, wet cold that makes ice form around the rim of the eye- and mouth-holes of wool caps.

In December, Bosnia got up to 12 inches of snow. The temperature barely topped 20 degrees during the day; winds made it seem like 5 degrees below zero. At night, temperatures dipped to minus 20.

And the worst may be yet to come: TV Tuzla, the main government-run television station, is forecasting a colder than normal winter. It says wind-chill temperatures will hit below zero at least one day almost very week.

"The weather has become our No. 1 enemy," says Pvt. Adam Seegraves, 25, of Riverside, Calif. "Our tents are frozen. We've been living in the Humvee (military vehicle) for two days.

"You start asking, 'What am I doing here?'"

The U.S. military has not encountered such cold since the Korean War, when many casualties were blamed on the bitter winters. The temperature often fell to 35 below, exacerbated by a wind unbroken by a stark landscape.

About 7,000 troops were out of action because of frostbite or stomach ailments.

U.S. Army officials, who insist that the weather has had only a minor effect on their four week-old mission, are quietly ordering new measures to avoid cold-weather injuries.

Among them:

Rotating soldiers at checkpoints every thirty minutes instead of every hour.

Installing kerosene heaters in nearly all tents and underground bunkers.

Serving two hot meals a day instead of one and boosting calorie counts from 2,000 to 3,000 a meal.

Issuing a second pair of cold-weather boots so soldiers can dry out the first pair while wearing the second.

Ordering soldiers to oil their weapons and other equipment to prevent them from rusting.

"We're constantly checking the soldiers for cold," says Sgt. Robert Butcher, 30, of Clarksburg, W.VA. "It outweighs all other missions. The weather can wipe out a considerable amount of troops."

In the Army, cold-weather injuries are considered a command failure.

As a result, soldiers have been issued waterproof coats, pants, and boots and even body suits made with 1½ inches of insulation.

Still soldiers complain that their large rubber boots, jokingly called Mickey Mouse boots, do not live up to expectations. Manufacturers say the boots are made to withstand temperatures to minus 140 degrees.

Many soldiers have begun taking matters into their own hands. They've written home asking family members to send boots, extra socks, long underwear and hot chocolate.

While on guard duty or patrol, they're standing on sand bags or wooden planks to keep their toes from going numb. At the risk of being punished for breaking regulations, they are filling their water canteens with hot coffee or soup. Some are even sneaking into officers' quarters at night to use heated restrooms instead of outside latrines.

At least one soldier is bringing her kerosene heater into the latrine with her.

"The main game here is survival," says Pvt. Cindy Cunningham, 20, of Oklahoma City, her breath causing a cloud of vapor. "This feels like the North Pole."

Despite the complaints, no one has been seriously injured by the cold. There have been a few close calls.

Last week, troops underestimated the cold when they began a three-day mission to rescue a U.S. helicopter. The chopper, which had mechanical problems, had made an emergency landing near the Serb-controlled city of Banja Luka. One soldier almost died after being outdoors for three days in below-freezing temperatures.

But Serb residents came to the troops' rescue, giving them coffee, soup, and wood to build fires. They even allowed the troops to sleep in their barns.

The weather also is affecting mine-clearing operations, says U.S. Maj. Gen. William Nash. Nearly all the estimated 6 million mines in Bosnia are buried beneath the snow, officials say.

"We just can't see what we're doing." Nash sighs.

The result is danger:

During the weekend, Spec. Martin John Begosh, 24, of Rockville, Md., became the first known casualty of the Bosnian peacekeeping mission when his Humvee hit a snowcovered mine. Begosh, who suffered leg injuries, is in stable condition.

Last week, soldiers at the Tuzla air base unknowingly set up their tent 8 feet away from a mine. Several walked within inches of the mine for two days before it was discovered and destroyed.

Military officials also are encountering another unexpected problem. Nearly a dozen soldiers who neglected to turn off their kerosene heaters at night before falling asleep have set their tents on fire.

Some, dismayed at the whining, insist that their colleagues need to toughen up.

They point out that temperatures soared to nearly 60 degrees last month and that many soldiers walked around in T-shirts and short pants.

"The kids from Georgia and Alabama aren't used to this snow, but most guys aren't complaining," says Air Force pilot Capt. Dennis Davoren, 30, of Chicago. "As long as you're busy, you don't think about the cold."

In preparation for the Bosnia mission, many soldiers trained for two weeks in the icy Austrian Alps. They seem eager to beat the cold.

"There's no reason for a soldier out here to be getting cold," says Sgt. Michael Campbell, 28, of Benson, N.C., on guard duty in a driving snow storm outside Tuzla air base. "We trained. We conditioned ourselves. If we hadn't, it would have broken us down.

"Most people can handle this."

But try telling that to Bosnian, Serb and Croat Soldiers who found it so cold here that they stopped fighting in the winter months during their four-year war.

"You Americans must respect the weather," says Serb commander Mladen Vujicic, his face red with cold at a nearby checkpoint. "The American soldier should fear it more than us. You cannot beat it."

TV Tuzla is already predicting that one of every two of Tuzla's 160,000 residents, and some NATO peacekeeping troops, will catch a flu or virus this winter.

Residents are even using a slang word to describe the weather: hafifno, which roughly translates into an English four-letter word. U.S. troops are doing the same.

"It's going to be a long winter," says Sgt. Jason Borgeson, 23, of Windsor, Conn., on guard duty here.

"We'll be fighting an enemy we can't control."

Mr. DORNAN. And then, Mr. Speaker, the horror of millions of land mines. Please read this from the truth seeking Washington Times.

[From the Washington Times, Jan. 3, 1996]

THE HORROR OF THE LAND MINES

(By Tom Evans)

American troops in Bosnia will face land mines. The folks at home who are sending the troops ought to be sure they understand what that means. Unfortunately, we as a nation have had all too much experience.

Thirty years ago the Viet Cong frequently buried mines in populated areas where American troops walked. Troops were often funneled into columns by narrow rice paddy dikes and trails.

The most commonly used enemy mine in my battalion's area of operations was called the "Bouncing Betty." It bounced waist-high before exploding. To teen-age American Marines and soldiers it was the most demoralizing type of mine. And it was American-made. We had supplied them to our allies, the South Vietnamese army, but the Viet Cong captured them. American Marines were forever bitter toward their allies for that.

In the area we called the "Street Without Joy," a few miles northwest of the imperial capital city of Hue, mine detectors were rarely used on operations until somebody stepped on a mine. We assumed it was because the patrol just moved too slowly behind an engineer sweeping the long-handled dish along the ground. In fact, there as a joke in the Marine infantry. Question: What's the best mine detector the Marine Corps has? Answer: The Model PFC, one each.

The first American I saw killed stepped on a "Bouncing Betty" mine. He was Bernard Fall, a civilian author and one of the foremost Western authorities on Vietnam at that time. Almost 20 years later I found a photo in the National Archives of Fall taken moments after he died in February 1967. The picture, taken by a combat photographer, would never have been taken of a serviceman, but Fall was a civilian. The picture was so terribly graphic that it was marked "Not To Be Released For Publication." Since it was declassified by the time I saw it, I planned to order a copy and someday show my then-1-year-old son what war really looked like. But I never did.

Unfortunately, I witnessed other mine incidents also. Some of the victims lived, at least for a while. There were three sounds we came to dread: the "ca-rumph!" sound of the mine explosion; the call "Corpsman [or medic] up!"; and if the young, shocked Marine was still alive, sometimes "Mother!" or "Mama!"

Recently I attended my Vietnam battalion's reunion. Some of us discussed the terror of walking down a path that might be mined. Usually the earth is an infantryman's friend. He digs a fighting hole—the deeper he digs, the safer he is. But with mines, the earth is the enemy.

A machine gunner in our unit stepped up onto a rice paddy dike on a bounding-type mine and froze when he heard the click. An engineer disarmed the mine underneath his foot, and Reader's Digest wrote up his story. But his story of survival was one in a million.

Also, there is no enemy to fire back at when a mine explodes. The nearest villagers might suffer the infantrymen's wrath.

When we send troops into Bosnia and say they will be exposed to land mines, we should know what they are getting into.

CARE NEEDED IN EDITING SUBMITTED EDITORIALS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Missouri [Mr. HANCOCK] is recognized for 60 minutes as the designee of the majority leader.

Mr. HANCOCK. Mr. Speaker, I apologize to the staff that is having to stay here this late hour. However, I feel that this subject I want to talk about is of the utmost importance. It is something that has been bothering me for quite some time. In fact, before I came into the Congress, I had been in the Congress now about 7 years, I said 7 years ago when I first was elected that I believed in the principles of limited terms, and I would only serve in the Congress for a maximum of four terms, and then I would go back home and live under the laws we passed. I am doing that. This is the first time in 7 years that I have ever asked for time to make a special order.

Mr. Speaker, I believe in the Bill of Rights. I think that our Founding Fathers got some divine guidance when they drafted the Constitution of the United States and when they put the Bill of Rights in.

The first amendment talks about the freedom of speech and the freedom of the press. I fully support that. I do not think that anybody would question that one of the great things about this country is that we are able to speak, to exercise our judgment, to possibly be wrong in our opinions. But as long as we basically are telling the truth and as long as we truly believe in what we are saying, then we have those rights.

Mr. Speaker, I am going to guess that there are other Members of Congress that have had a little difficulty on what they feel possibly is misrepresentation, that they were quoted out of context, that there were statements made or repeated that can be misleading.

Where I have got the problem is a few weeks ago, in fact on December 28, I had requested the Springfield newspaper, Springfield, MO, the News Leader, part of USA Today's organization, if in fact they would agree to publish an editorial which I wrote entitled "The truth about the GOP plan to balance the budget," by U.S. representative MEL HANCOCK.

This is the truth as I know it. Before I came into Congress, I could say, well, it is the truth. Now that I am in the Congress, well, I have to say it is the truth as I know it.

They agreed to publish the editorial. The same editorial was submitted to practically all of the weekly papers in my district, and those papers reproduced the editorial word for word, no editing. The Springfield newspaper edited my editorial without contacting me in any way whatsoever. They substantially changed what the editorial had to say. I appreciate the fact that they did agree to publish the editorial, but I feel that since they did edit it, that they should have at least put a disclaimer acknowledging the fact that they edited the editorial. I am sure that there are other Members of Congress that have had the same thing happen to them.

So what I want to do this evening is I am going to go over in detail what the editorial said and what they decided to change.

Mr. EMERSON. Mr. Speaker, if the gentleman would yield, I thank the distinguished gentleman from the seventh district of Missouri for yielding, and I commend him on the valuable service that he is performing here. I think the gentleman is being mild in his approach, and I think what you are talking about is something that is of concern to all of us. I have had it happen before where things were taken out of context, and the ultimate meaning was changed. We all believe in the first amendment, but that is just not fair when they do that to you.

But I want to say this about the gentleman from Missouri. I have served here throughout his entire tenure in the House of Representatives, and if there is one thing for which the gentleman from southwest Missouri is noted, it is his integrity and the fact that he endeavors to hit the nail on the head with every act that he commits. It is not always popular, but he does try to be accurate and correct and proper and appropriate. I do not believe there is anyone in this House who would challenge the integrity of the gentleman from Missouri.

I just want to thank the gentleman for what he is doing here and say I think in the political arena, we all from time to time get carried away with rhetoric, and sometimes actions are committed that maybe are later regretted, and perhaps that happens in the media business. They get caught up in the politics of certain situations, and being mortals, as people in the media are, sometimes probably get into that political syndrome and forget that they have under the Constitution, under the first amendment, a very, very high responsibility to fairness.

So I commend the gentleman for what he is doing.

Mr. HANCOCK. I thank you very much. I appreciate the kind words. I felt like when I was elected to the Congress I came up here with a good reputation. I plan on leaving the Congress at the end of this term with a good reputation. After all, that is really all you have to leave, is a good reputation.

Mr. EMERSON. If the gentleman would yield further, I would venture here to say I think the gentleman will leave the Congress with his reputation fully intact.

Mr. HANCOCK. I thank the gentleman very much. I appreciate the comment.

Let me go over in detail what happened. The first sentence said, "It is a mixed bag for Republicans in Congress these days." The "in Congress" was edited to where it reads "It is a mixed bag for Republicans these days."

Well, it is. Maybe that is minor, but what I was talking about on the truth about the GOP plan to balance the budget is that it is a mixed bag for Republicans in Congress these days.

I will go ahead. "On the one hand, we are thrilled so far with our legislative progress on important issues. The Republican House and Senate overwhelmingly passed a plan that will balance the Federal budget in 7 years, save the Medicare program from certain bankruptcy, while actually spending more on benefits to seniors and give $245 billion in well deserved tax relief to the American people. On the other hand, despite this truly historic record of accomplishment."

They edited "despite this truly historic record of accomplishment." That is my opinion. They evidently did not agree.

"Congressional Republicans are taking a beating in the polls and in the national news media. President Clinton and his Democrat allies in Congress have done an effective job of turning public opinion in their favor, thanks in part to the collaboration of their liberal friends in the national media."

They edited "thanks in part to the collaboration of their liberal friends in the national media."

"In the end, it is our responsibility to make sure that people understand what we are doing on their behalf, and to that end I would like to clear up some widespread misconceptions."

Despite the impression you may have been given, that was edited out.

"The Republican plan to balance the budget does not savagely cut vital programs like Medicare, Medicaid, food stamps, school lunches and student loans. Every one of these programs will actually enjoy a hefty spending increase. Spending on Medicare will increase under the Republican plan 6.4 percent a year." I understand that is actually 7.2, more than any other Government program and at twice the rate of inflation.

"The amount we spend on each Medicare recipient will go up by $2,300, from $4,800 to $7,100."

They edited out "from $4,800." That is probably a minor edit.

"There will be no increase in deductibles or copayments, and the premiums will increase at the same rate as they have for 30 years. What is more, seniors will have more health care choices, which may mean lower costs for them on Medicare. And, most importantly, because of our reforms, the Medicare program will not go bankrupt in 2002."

They edited out "and most importantly, because of our reforms," and with their editorial license, made me say, "the Medicare program will not go bankrupt in 2002." Well, it will without the reforms.

"What about other programs? Under the Republican plan, Medicaid spending goes up from $433 billion over the last seven years to $733 billion over the next seven years, an increase of $330 billion."

They took that out.

□ 2230

Food stamp funding, they took out an increase of $330 billion. Food stamp funding goes up from $3.4 billion to $4.2 billion, an increase of $800 million. That was out, an increase of $800 million.

School lunch program funding goes up from $4.5 billion to $5.6 billion, an increase of $1.1 billion. That increase of $1.1 billion was edited out.

As for student loans, let me stop here just a second. There are, I think, six colleges in Springfield, MO: Southwest

Missouri State University, Drury College, Evangel College, and several bible colleges. As for student loans, while our plan does save $10 billion over the next 7 years on that program, the only change we have made is to require students to make interest payments on their loans during the 6-month grace period following graduation. Not regular loan payments, mind you, just interest payments.

At the same time, under the GOP plan, 700,000 more students will be eligible for aid next year alone. They will still receive the same Federal guarantee which makes such loans possible. The taxpayers will still subsidize the loans by paying interest while student borrowers are in school and the interest rates on the loans are likely to go down. That was edited out, they will still receive the same Federal guarantee, on down to where interest rates are likely to go down.

Republicans achieve a balanced budget, but do not cut vital programs. We simply hold the line on large spending increases. That sentence, we simply hold the line on large spending increases, was edited out. We slow the growth of Government spending enough for already growing revenues to catch up. Only a handful of boondoggle programs, and here again it is judgmental, like the National Endowment for the Arts, the Corporation for Public Broadcasting, and the AmeriCorps-paid volunteer program are actually cut. In truth, we could and should have gone much further.

The other misconception promoted by President Clinton is that the tax cuts in the Republican plan only benefit the rich. In fact, the tax cuts in the Republican plan will benefit working families, senior citizens, farmers and small business owners; practically our entire society. Decide for yourself. That was edited out, decide for yourself.

Consider the following provisions: A $500 per child family tax credit, repeal of the 1993 tax hike on Social Security benefits, lifting of the Social Security earnings limit on seniors, a $500 elder care tax credit to help families take care of elderly parents and grandparents, a $5,000 tax credit to help families defray the legal expense of an adoption, a doubling of the depreciation allowance for growing small businesses, and an allowance for individuals to save up to $2,000 a year for education, medical expenses, first-time home purchases or retirements.

One provision cited by liberals as a benefit to the rich is a 50 percent reduction in the capital gains tax, the tax on the profit from the sale of property. However, according to IRS figures, 77 percent of those who would benefit make $75,000 a year or less, helping anyone with a farm, a small business, real estate, or long-term investment, such as a retirement savings.

The more people know the facts about the Republican plan to balance the budget, the more they seem to support it. The problem is very little of the truth has made it through the filter of the White House spin doctors. That was edited out. The problem is very little of the truth has made it through the filter of the White House spin doctors.

While Republicans in Congress need to do a better job of communicating our plans to the American people, they can definitely count on us and conservative Democrats to stand firm in our commitment to balance the budget in 7 years or less and deliver long overdue tax relief to the American people.

That is the entire editorial. As I mentioned, it was published by a lot of the newspapers word for word.

I wrote a letter dated December 28 in which I said, "While I am grateful the News Leader published my editorial on December 28, 'GOP Plan Protects Vital Programs', you edited it quite a bit, deleting some important points." I will say that I hope that this next sentence is factual. "I am certain this was done because of space restrictions and not to prevent me from correcting media misrepresentations about the Republican plan to balance the budget. Some changes were minor but the information on Medicare and capital gains taxes is important."

I will go ahead and read the entire letter into the RECORD. "The published version of my editorial reads the Medicare Program will not go bankrupt in 2002. That is not correct. Unless something is done to reform Medicare now, the program most certainly will go bankrupt in 2002, depriving 34 million citizens of tax supported health care."

"What I said in the submitted version of my editorial was, 'And most importantly because of our reforms, the Medicare program will not go bankrupt in 2002.' Because of our reforms. There is an important difference. Without Republican reforms, Medicare will go bankrupt. With them, it will be saved."

"So far the President has refused to produce an alternative plan that will save Medicare. In my submitted editorial I also addressed capital gains tax cuts, the linchpin of President Clinton's argument that our plan benefits only the rich. I wrote: 'One provision cited by liberals as a benefit to the rich is a 50 percent reduction in the capital gains tax, a tax on profits from the sale of property. However, according to IRS figures, 77 percent of those that would benefit make $75,000 a year or less, helping anyone with a farm, small business, real estate or long-term investment, such as retirement savings.'

"Again, thank you for publishing most of my original editorial and allowing me to share these additional points with your readers."

I was hoping that they publish this letter. As of to date it has not been published.

Anybody can be wrong in their judgment. They can be wrong in their opinion. But I truly believe that any time the fourth estate decides to take it upon themselves to edit pieces that they have the option of not publishing at all, if they are going to edit, I feel they have the obligation to go back to the person that wrote it. If they are not going to do that, then I think they should put a notice on the letter to the editor, the op ed piece or what have you, that it has been edited. I think it is only fair.

I know I have had lots of people write letters to the editor and send me a copy of it. Then when I read it in the paper, it is not even close to what they wrote, but yet there is nothing in that paper that says that it has been edited.

I am sure that almost every Member of Congress and a lot of people understand exactly what I am talking about, and I would ask the editors, the publishers of newspapers, on their own, to make it a policy that they never edit on anything that is submitted to them; that they never edit without going back to the person that wrote it, give them a chance to either correct it or at least, if they do edit it, to do like most books will say if a book is edited. It will say on that book, edited by some individual.

I think it is only fair. I think that failure to do that, actually, denies, in effect, the citizen's right of the first amendment, which is the right of free speech. I feel that the No. 1 thing that makes the difference of where we are in this day and age is that we have almost instant communication through the television, radio, and daily newspaper. Without that, 200 years ago I do not know whether this country or any other country could withstand the things that are going on now because their citizens would not have been informed that it very well could be too late.

I think we are dependent upon instant communication and communicating with our citizens, informing them. Disagree with the opinion, that is fine. Do not publish it, but do not edit it. Because, in effect, that writer is denied his or her right of free speech.

Naturally, I guess somebody that wanted to be a little facetious could say, well, buy your own newspaper. Well, maybe. I think we have an obligation, and I would hope that we could get a voluntary commitment, because without a voluntary commitment, I think that even though I am one that says we ought to repeal a lot of laws instead of passing a lot of laws, I would have to recommend and introduce legislation that would require by law what we just talked about; either do not publish it, notify the writer that it has been edited and get their approval first, or put a disclaimer on it.

I think that is only fair and I think that supports the first amendment rights of individual citizens, and I think that it is essential that we are able to communicate and inform the people that are counting on the media to tell them the truth. That is all I am asking.

Mr. Speaker, I apologize again to the staff for having to stay while I talked about what I think is one of the most serious things that can happen. If we cannot count on our media to be accurate, this country has got serious troubles.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MATSUI (at the request of Mr. GEPHARDT), for after 7 p.m. tonight, on account of family medical reasons.

Mrs. MORELLA (at the request of Mr. ARMEY), for after 6 p.m. today, on account of a family emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MINGE) to revise and extend their remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

Mr. FIELDS of Louisiana, for 5 minutes, today.

Mr. MILLER of California, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

(The following Members (at the request of Mr. HAYWORTH) to revise and extend their remarks and include extraneous material:)

Mr. HAYWORTH, for 5 minutes, today.

Mr. BUYER, for 5 minutes, today.

Mr. ROHRABACHER, for 5 minutes, today.

Mr. KIM, for 5 minutes, today.

Mr. LEWIS of Kentucky, for 5 minutes, today.

Mr. TIAHRT, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which were thereupon signed by the Speaker:

H.R. 1643. An act making appropriations for certain activities for the fiscal year 1996, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On January 4:

H.R. 2203. An act to reauthorize the tied aid credit program of the Export-Import Bank of the United States, and to allow the Export-Import Bank to conduct a demonstration project.

H.R. 1295. An act to amend the Trademark Act of 1946 to make certain revisions relating to the protection of famous marks.

H.J. Res. 153. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

RECESS

The SPEAKER pro tempore (Mr. HASTERT). Pursuant to subsection (a) of the first section of House Resolution 330, the House will stand in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 43 minutes p.m.), the House stood in recess subject to the call of the Chair.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1918. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning cooperation with France, Germany, and Italy in the project definitions and validation phase of development of MEADS, a mobile surface-to-air missile system, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1919. A letter from the Executive Director, Japan-United States Friendship Commission, transmitting the Commission's annual report for fiscal year 1995, pursuant to 22 U.S.C. 2904(b); to the Committee on International Relations.

1920. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2000 resulting from passage of H.R. 1878 and H.R. 2539, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Reform and Oversight.

1921. A letter from the Secretary, American Battle Monuments Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1922. A letter from the Archivist of the United States, National Archives, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1923. A letter from the Chairman, Nuclear Waste Technical Review Board, transmitting the semiannual report on activities of the inspector general for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1924. A letter from the Chairman, Nuclear Waste Technical Review Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1925. A letter from the Director, Office of Personnel Management, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1926. A letter from the Chairman, Railroad Retirement Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1927. A letter from the Chairman, Securities and Exchange Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1928. A letter from the Assistant Attorney General, Department of Justice, transmitting a copy of the Bureau of Justice Assistance report entitled "Fiscal Year 1994 Annual Report to Congress," pursuant to 42 U.S.C. 3711 et seq.; to the Committee on the Judiciary.

1929. A letter from the Clerk, U.S. Court of Federal Claims, transmitting the court's report for the year ended September 30, 1995, pursuant to 28 U.S.C. 791(c); to the Committee on the Judiciary.

1930. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 96-7: Presidential Certification to Suspend Sanctions Imposed on the Federal Republic of Yugoslavia (Serbia and Montenegro); jointly, to the Committees on National Security, International Relations, Banking and Financial Services, and Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules. House Resolution 336. Resolution providing for the disposition of the Senate amendment to the joint resolution (H.J. Res. 134) making further continuing appropriations for fiscal year 1996, and for other purposes (Rept. 104-448). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 338. Resolution providing for the disposition of the Senate amendment to the bill (H.R. 1358) to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, MA (Rept. 104-449). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STUMP (for himself and Mr. BUYER):

H.R. 2851. A bill to amend title 38, United States Code, to provide for approval of enrollment in courses offered at certain branches or extensions of proprietary profit institutions of higher learning in operation for more than 2 years; to the Committee on Veterans' Affairs.

By Mr. TEJEDA (for himself, Mr. GONZALEZ, Mr. BONILLA, and Mr. SMITH of Texas):

H.R. 2852. A bill to amend title 10, United States Code, to repeal certain limitations on the operation of Department of Defense depots; to the Committee on National Security.

By Mr. CRANE (for himself and Mr. RANGEL):

H.R. 2853. A bill to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria; to the Committee on Ways and Means.

By Mr. ROBERTS (for himself, Mr. EMERSON, Mr. ALLARD, Mr. BARRETT of Nebraska, Mr. EWING, Mr. COMBEST, Mr. BOEHNER, Mr. CHAMBLISS, and Mr. NETHERCUTT):

H.R. 2854. A bill to modify the operation of certain agricultural programs; to the Committee on Agriculture, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRANKS of New Jersey (for himself, Mr. MARTINI, and Mr. GREENWOOD):

H.R. 2855. A bill to provide that the President, Vice President, members of the President's Cabinet, and Members of Congress shall not be paid during a Federal Government shutdown; to the Committee on Government Reform and Oversight, and in addition to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MILLER of California (for himself, Mr. TORRICELLI, Mr. TOWNS, Ms. MCKINNEY, Ms. FURSE, Mr. FALEOMAVAEGA, Ms. RIVERS, Mr. MORAN, Mr. WAXMAN, Mr. TORRES, Mr. MANTON, Mrs. MINK of Hawaii, Mr. JOHNSTON of Florida, Mrs. MORELLA, Mr. EVANS, Ms. PELOSI, Mr. DELLUMS, Mr. LEWIS of Georgia, Mr. BROWN of California, Mr. BEILENSON, Mr. YATES, and Ms. ESHOO):

H.R. 2856. A bill to amend the Marine Mammal Protection Act of 1972 to uphold the integrity of the U.S. tuna labeling program, support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes; to the Committee on Resources, and in addition to the Committees on Commerce, International Relations, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MINK of Hawaii (for herself, Mr. ABERCROMBIE, Mr. MILLER of California, Ms. PELOSI, Ms. JACKSON-LEE, Mr. MORAN, Mr. HOYER, and Mr. DELLUMS):

H.R. 2857. A bill to provide for relief to Federal employees, Federal contractors, and employees of Federal contractors for expenses incurred as a result of nonpayment of basic pay or impediments against contract performance arising from lapses in appropriations; to the Committee on Government Reform and Oversight.

By Mr. SMITH of New Jersey:

H.R. 2858. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide that any survivor annuity for a child that terminates by reason of such child marrying shall resume, absent any other disqualifying event or condition, if and when that marriage ends; to the Committee on Government Reform and Oversight.

By Mr. TATE:

H.R. 2859. A bill to authorize the Secretary of the Army to exchange a certain parcel of real property at Fort Lewis, WA; to the Committee on National Security.

By Mr. WHITFIELD:

H.R. 2860. A bill to repeal restrictive provisions of Federal law relating to colored margarine; to the Committee on Commerce.

By Mr. DREIER (for himself, Mr. TAUZIN, and Mr. ZIMMER):

H.R. 2861. A bill to amend the Internal Revenue Code of 1986 to exclude long-term capital gains from gross income; to the Committee on Ways and Means.

By Mr. KASICH:

H. Con. Res. 131. Concurrent resolution establishing procedures making the transmission of the continuing resolution (H.J. Res. 134) to the President contingent upon the submission by the President of a 7-year balanced budget using updated economic and technical assumptions of the Congressional Budget Office; to the Committee on Rules.

By Ms. DUNN of Washington:

H. Con. Res. 132. Concurrent resolution relating to the extradition of Martin Pang from Brazil to the United States; to the Committee on International Relations.

By Mr. ROTH:

H. Res. 335. Resolution to congratulate the Green Bay Packers of the National Football League on winning its first National Football Conference [NFC] Central Division title in 23 years and to commend Quarterback Brett Favre for being recognized as the National Football League's Most Valuable Player; to the Committee on Government Reform and Oversight.

By Mrs. KENNELLY:

H. Res. 337. Resolution electing Jesse L. Jackson, Jr., of Illinois to the Committee on Banking and Financial Services; considered and agreed to.

By Mr. TAYLOR of Mississippi (for himself, Mr. MONTGOMERY, Mr. PARKER, Mr. THOMPSON, Mr. WICKER, Mr. WATTS of Oklahoma, and Mr. LARGENT):

H. Res. 339. Resolution to congratulate Brett Favre, a native of Fenton, MS, for winning the 1995 National Football League Most Valuable Player Award; to the Committee on Government Reform and Oversight.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

185. By the SPEAKER: Memorial of the General Assembly of the State of California, relative to the release of Jimmy Tran from prison in Vietnam; to the Committee on International Relations.

186. Also, memorial of the General Assembly of the State of California, relative to human rights violations and political oppression in Vietnam; to the Committee on International Relations.

187. Also, memorial of the Legislature of the Virgin Islands, relative to adoption of the Florida Senate Resolution relating to the Republic of China on Taiwan; to the Committee on International Relations.

188. Also, memorial of the General Assembly of the State of California, relative to cultural antiquities; to the Committee on International Relations.

189. Also, memorial of the General Assembly of the State of California, relative to dedication of a Pearl Harbor Memorial in Washington, DC; to the Committee on Resources.

190. Also, memorial of the General Assembly of the State of California, relative to the involvement of the U.S. Army Corps of Engineers in flood control projects within the State; to the Committee on Transportation and Infrastructure.

191. Also, memorial of the General Assembly of the State of California, relative to Social Security; to the Committee on Ways and Means.

192. Also, memorial of the General Assembly of the State of California, relative to child support enforcement; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. FRANKS of New Jersey and Mr. BLUTE.

H.R. 305: Ms. HARMAN.

H.R. 497: Mrs. FOWLER.

H.R. 573: Mr. GENE GREEN of Texas.

H.R. 580: Mr. TRAFICANT.

H.R. 619: Mr. COYNE.

H.R. 620: Mr. COYNE.

H.R. 991: Mr. JOHNSON of South Dakota.

H.R. 1160: Ms. MCKINNEY.

H.R. 1305: Mr. FATTAH AND Mr. OLVER.

H.R. 1552: Mr. VENTO, Mr. SCHIFF, and Ms. HARMAN.

H.R. 1619: Mr. BREWSTER and Mr. HUTCHINSON.

H.R. 2008: Mr. COYNE.

H.R. 2011: Ms. SLAUGHTER and Mr. WATT of North Carolina.

H.R. 2143: Mr. COYNE.

H.R. 2202: Mr. FRAZER.

H.R. 2246: Ms. VELÁZQUEZ and Ms. LOFGREN.

H.R. 2458: Mr. SISISKY, Ms. LOFGREN, Mr. LOBIONDO, Mrs. LOWEY, and Mr. SHAYS.

H.R. 2472: Mr. FRAZER, Mrs. SLAUGHTER, Mr. PASTOR, Ms. BROWN of Florida, and Mr. VISCLOSKY.

H.R. 2557: Mr. THORNBERRY, Mr. CONDIT, Mr. HASTINGS of Washington, and Mr. ZIMMER.

H.R. 2579: Ms. HARMAN, Mr. SCOTT, Mr. SOUDER, Mr. WAMP, Mr. PAYNE of New Jersey, Mr. MILLER of California, and Mr. WAXMAN.

H.R. 2639: Mr. BARRETT of Wisconsin and Mr. WYNN.

H.R. 2651: Mr. CRAMER, Mr. MICA, Mr. BURTON of Indiana, Mr. POSHARD, Mr. FATTAH, Ms. ROS-LEHTINEN, Mr. HOLDEN, and Mr. HILLIARD.

H.R. 2652: Mr. JOHNSON of South Dakota, Mrs. LOWEY, Mr. NADLER, Mr. WYDEN, Mr. SABO, Mrs. MORELLA, Mr. LEWIS of Georgia, Mr. KLINK, Mr. SHAYS, Ms. FURSE, and Mr. COYNE.

H.R. 2655: Mr. MANTON.

H.R. 2658: Mr. DAVIS, Mr. HOLDEN, Mr. LANTOS, Ms. LOFGREN, Mr. PAYNE of Virginia, Mr. SANDERS, Mr. WYNN, Mr. OWENS, and Mr. MINGE.

H.R. 2664: Mr. WELLER.

H.R. 2671: Mr. SHAYS, Mr. WYNN, Mr. PAYNE of Virginia, and Mr. UPTON.

H.R. 2690: Mr. MCDERMOTT, Mr. GONZALEZ, and Mr. OXLEY.

H.R. 2691: Mr. PAYNE of New Jersey, Ms. LOFGREN, and Ms. JACKSON-LEE.

H.R. 2700: Mr. Bonilla, Mr. Doggett, Mr. Laughlin, Mr. Combest, Mr. DeLay, Ms. Eddie Bernice Johnson of Texas, Ms. Jackson-Lee, Mr. Fields of Texas, and Mr. Archer.

H.R. 2716: Mr. Rangel.

H.R. 2731: Mr. Bono.

H.R. 2745: Mr. Farr, Mr. Conyers, Mr. Jacobs, and Mr. Cardin.

H.R. 2757: Mrs. Smith of Washington.

H.R. 2785: Mr. Farr, Mr. Frazer, Mr. Baldacci, Mr. Watt of North Carolina, Mr. Studds, and Mr. Ward.

H.R. 2803: Mr. Rogers and Mr. Conyers.

H.R. 2828: Mr. Davis.

H.R. 2837: Mrs. Collins of Illinois, Mr. Deutsch, Mr. Bateman, Mr. Lipinski, Mr. Pastor, and Mr. Gonzalez.

H.R. 2839: Mr. Filner and Mr. Fox.

H.R. 2848: Mr. Solomon and Mr. LaTourette.

H.J. Res. 89: Mr. Martini and Mr. Gene Green of Texas.

H.J. Res. 155: Mr. Engel, Mr. Rangel, Mr. Olver, Mr. Hinchey, Mr. Vento, Mr. Pastor, and Ms. McCarthy.

H. Con. Res. 130: Mr. Montgomery.

PETITIONS, ETC.

Under clause 1 of rule XXII,

51. The SPEAKER presented a petition of the Board of Commissioners of Cook County, IL, relative to support for the retention of section 936 in its present form under the U.S. Internal Revenue Code; which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

A TRIBUTE TO THE 1995 MIAMI NORTHWESTERN H.S. STATE CHAMPIONSHIP FOOTBALL TEAM

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mrs. MEEK of Florida. Mr. Speaker, Northwestern University isn't the only educational institution by that name making waves in the world of sports. On December 16, 1995 the Miami Northwestern High School Bulls football team captured Florida's class 6–A state football championship, igniting a burst of pride and jubilation throughout all of Liberty City—one of Miami's oldest and most storied black communities.

Northwestern is the first of Dade's seven predominately black high schools to win a state football championship and the 11th Dade County high school to win a state football championship since 1963—the first year of state playoffs. Northwestern's victory is its first state football championship since 1964 when it won the last of Florida's black high school championships in what was then segregated leagues.

In the east, high school football is a cultural exercise. On the west coast it is a tourist attraction. In the Midwest, it is cannibalism. But in the South, it is religion, and game day is the holy day.

Sports has a way of bringing people and communities together like few events. Some 25,000 fans turned out for the regional football championship game between Northwestern and Carol City High School, and about 6,000 Bulls fans travelled the 250 miles from Miami to Daytona to cheer the Bulls on to victory. This victory, like no other, has pulled this community together, bringing generations of Northwestern, Carol City and Central High School graduates from the 1960s to the 1990s together in support of a single cause—community.

In addition to the proven excellence of its athletic program, Miami Northwestern High School consistently leads the state of Florida in sending its players to college. I am proud to join with our entire community in congratulating Miami Northwestern High School for a job well done.

TRIBUTE IN HONOR OF JERRY GHERMAN OF SAN ANTONIO, TX

HON. FRANK TEJEDA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. TEJEDA. Mr. Speaker, I am proud to recognize a distinguished resident of the city of San Antonio, TX. Mr. Jerry Gherman of San Antonio was recognized last night with a dinner for a lifetime of outstanding achievements on behalf of the people of San Antonio, of the State of Texas, and of the United States.

Jerry Gherman has served this city as a fireman for 30 years. It takes discipline, compassion, and courage to fight fires, and Jerry Gherman has those qualities in abundance. But fighting fires was only the start for Jerry, because he was involved in every great matter of public life. And Jerry performs every task with the energy, skill, and dedication that characterizes him.

Jerry started out by serving this Nation in the U.S. Navy. He remains active in veterans affairs as a member of the Non-Commissioned Officers Association and the American Legion. He worked for his fellow firefighters and workers everywhere as legislative director of the San Antonio Professional Firefighters Association. Over his long career in labor, he served as chairman of the committee on political education and both first and second vice president of the San Antonio Central Labor Council of the AFL-CIO.

Throughout his career, Jerry has been outspoken about his beliefs and worked hard to make them into reality. He has worked in many political campaigns in San Antonio, the State of Texas, and the Nation. But he does not just walk away after the campaign: Jerry remains involved, working hard with the city council and the State legislature to improve conditions and benefits for his fellow firefighters. Jerry was also instrumental in helping fire departments across the State, serving on the Texas Commission of fire commission's allocation advisory committee.

But on top of his hard work at the San Antonio Fire Department, and his dedication to his fellow workers, Jerry has always been deeply concerned and active in education and in helping young people. He has served as coordinator of Cub Scout Troop 360, and has compiled over 10 years of service as a coach for the Catholic Youth Organization. He was a member of the Holy Name Elementary School Board and as a member of the San Antonio Archdiocesan School Board, in each case donating 6 years of service. He is also a member of the board of St. Gerard's Catholic High School, where, in addition, he coached the girls' softball team. In addition, he is a member of the Holy Name Catholic Church Men's Club.

Over the past 30 years Jerry Gherman has truly compiled a record of achievement and involvement in the life of his community, his State, and his Nation, which is worthy of recognition by this Congress. In addition to his public life, Jerry has shown this community a beautiful example of someone who does not let involvement in work, politics, and community affairs interfere with his dedication to his family. No matter how busy, Jerry has always been a caring husband to his wife Linda Gherman, and a devoted father to his children, Ron Robin, and Ryan Gherman.

In all, Jerry Gherman is a remarkable American. He is truly an example to all of us, accomplishing the things that we of this Nation hold in greatest esteem: He served in our country in uniform, he works to save lives, he has a vision of what his fellow workers need and has fought with skill and passion to make their lives better, he gives generously of his experience and time to the young people of his community and to the church of his beliefs, and he has supported and loved his family throughout a very active and committed life. I am proud to call Jerry Gherman a friend and it is an honor to ask that this Congress recognize him as the great and generous man that he is.

JIM LACY'S RETIREMENT: A LOSS FOR OUR STUDENTS

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. ROGERS. Mr. Speaker, I rise today to honor a great friend, teacher, and leader for our children and community in Wolfe County, KY.

For almost 30 years, Jim Lacy has served the students and families of Wolfe County as a teacher, administrator, and county superintendent.

As a teacher for more than 24 years, he taught almost every class and knew every student. He also served as the high school's basketball and baseball coach, teaching our children not only the value of education, but of physical fitness, competition, and sportsmanship.

After 2 years as the principal of the Wolfe County Middle School, Jim was hired by the board of education to become superintendent of schools.

During his 4 years of service, he has been a strong supporter of our schools and the need for constantly improving our education system.

In addition to educating our children, Jim also worked closely with the Kentucky State Conservation Service to help our communities. He has served as an excellent representative in visits to Washington, DC, Frankfort, and other States as an advocate for eastern Kentucky.

Jim Lacy is a leader. He has molded our children as a role model and example of leadership for a long time. And now, as he teaches and leads a second generation of students—the children of his former students—Jim Lacy will always stand out because of his commitment to excellence.

Many of his students have enjoyed their time with Jim Lacy. For his loyal service, we are all grateful.

Good luck, Jim, and may your retirement be long and enjoyable.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TRIBUTE TO GEORGE W. LITTLE, BUSINESS, COMMUNITY, AND CIVIC LEADER

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. FUNDERBURK. Mr. Speaker, it is a pleasure to recognize the major accomplishments of Moore County civic and political leader, George W. Little. Few people have as long a list of business, civic, and political activities or of recognitions and awards.

Mr. Little grew up in Southern Pines, NC where he attended public school. Following that he attended the University of North Carolina at Chapel Hill. He is married to Teena S. Little who is a State Senator. His three children are Cynthia Little Frazier, Lindsay Evans Little, and George Wesley Little, Jr. George Little is a member of Brownson Memorial Presbyterian Church in Southern Pines.

Mr. Little is a leading insurance consultant and broker who also served as Secretary of the North Carolina Department of Natural and Economic Resources. In business activities he is a member of Carolina Telephone and Telegraph Board of Directors; the Sanford Association of Life Underwriters; the Pinehurst Area Convention and Visitors Bureau; and the North Carolina Board of Economic Development [vice chairman].

George Little is truly a community leader in civic activities. He serves as a member of the Sandhills area Chamber of Commerce, the Sandhills Kiwanis Club, and the Southern Pines Elks Lodge. Most notably for over two decades, he has served as the Chairman of the Board of Trustees of Sandhills Community College, one of North Carolina's finest. And reflecting his statewide leadership role in community college education, he is chairman of the North Carolina Association of Community College Trustees Executive Committee.

His past civic, business, and political activities are far too numerous to mention. In Republican politics he has been a kingmaker for some 25 years. For example, he has served as Moore County GOP Chairman for several terms, as the North Carolina GOP Finance Chairman, as a member of the North Carolina GOP Executive and Central Committees; and as a Delegate to the Republican National Convention. And he has served as finance and/or political member of many GOP Lieutenant Governor, Governor, and Presidential campaigns.

Some of George Little's most notable awards and recognition were: Honorary Associate in Humanities Degree from Sandhills Community College; National Sales Achievement Awards; North Carolina Jaycees Outstanding State Chairman Award; North Carolina Outstanding Sound Citizens Award; and Outstanding Young Man of the Year of Southern Pines. Additionally his benevolent and humanitarian activities are especially laudable and noteworthy.

In summary, George W. Little merits our thanks and tribute for the outstanding contributions he has made to his community, county, and State. I am pleased to extend personal thanks to a longtime friend and fellow Sandhills native.

COMMEMORATING THE 150TH ANNIVERSARY OF THE CITY OF MILWAUKEE

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. KLECZKA. Mr. Speaker, I rise today to recognize the 150th anniversary of the founding of the city of Milwaukee.

I am proud to be among those who call this beautiful city home. Milwaukee has long been graced with a natural environment that is second to none. Our city is blessed with beautiful parks, a preserved and protected lakefront, and architecture that preserves the richness of our past while looking toward the future.

Long recognized as the workshop of the world, Milwaukee is home to shops and factories that are known worldwide for their craftsmanship and quality. The pride and skill of Milwaukee's working men and women proudly shines through in products which are shipped and sold throughout the world.

Known as much for clean government as for its clean streets, Milwaukee has maintained a tradition of progressive civic leadership throughout its history. With a commitment to a superb quality of life for all citizens, Milwaukee's city government has consistently worked to create and maintain a thriving local economy, safe streets and neighborhoods, and decent and affordable housing for all.

Milwaukee is also rightfully proud of its outstanding institutions of higher learning and of its vibrant and diverse cultural activities. Our city is clearly a great place to live. I ask my colleagues to join me in wishing the citizens of Milwaukee a happy 150th anniversary.

RESOLUTION COMMENDING GREEN BAY PACKERS AND QUARTERBACK BRETT FAVRE FOR THEIR WINNING WAYS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. ROTH. Mr. Speaker, it is with great pride that I introduce a resolution congratulating the Green Bay Packers football team and its remarkable quarterback, Brett Favre, for their outstanding performances this year.

The Packers, the only League team owned by a municipality, the City of Green Bay, WI, has won its first National Football Conference Central Division title in 23 years.

The team has battled its way into the divisional playoffs, and now face the Super Bowl Champion San Francisco 49-ers.

The Packers' quarterback, Brett Favre, has just been recognized as the most valuable player in the entire National Football League [NFL].

Indeed, Mr. Chairman, Brett Favre received 78 percent of the votes cast in bestowing this honor, a margin of enviable magnitude.

My resolution commends the Packers as a team, its coaches, its athletes, its staff, and its loyal fans for the season's hard-fought victories.

It commends Brett Favre for his incredible individual accomplishments.

These include a Conference record 38 touchdown passes during the regular season.

Brett Favre threw three more touchdown passes in Sunday's 37–20 first-round playoff victory over the Atlanta Falcons.

He has started in 61 consecutive football games, the longest streak among active NFL quarterbacks.

Finally, the resolution recognizes the team's commitment to achieving and demonstrating athletic excellence in the best traditions of the State of Wisconsin and of the Nation.

I urge the House to join me in giving special recognition to this exceptionally talented team and its admirable quarterback. They have proven themselves leaders and top performers in every capacity through one of the most competitive professional football seasons in history.

I ask that the article about the team and Mr. Favre and his award that appeared in the Green Bay Press-Gazette on January 2, 1996, be printed in the RECORD.

FAVRE ON HONOR: IT'S SALUTE TO TEAM

(By Chris Havel)

Brett Favre bounded into his Ashwaubenon home dying to share the news.

The Green Bay Packers' quarterback had just learned he was voted the National Football League's Most Valuable Player for the 1995 season.

"He was just like a kid winning his first trophy ever," said Deanna Tynes, Favre's longtime girlfriend. "He said, 'Do you know how big this is?' I said, 'Yes, I do.' He said, 'No, you don't. You can't, because I don't know.' "

Winning the MVP award is one thing. Comprehending it is another.

That was on Saturday.

The Associated Press, which conducted the balloting in which Favre earned 69 of 88 votes from a national media panel, told him during an advance interview two days before the award was released.

On Monday, Favre seemed just as excited as if he'd heard it the first time.

"This is great," he said.

The 26-year-old admitted his NFC record 38 touchdown passes and NFL-leading 4,413 yards passing obviously played a big role in his winning the award. But no greater a role than the Packers' 11–5 record and Central Division title.

"The numbers are hard to ignore, but if we had gone 2–14 everyone would have said, 'So what?' " he said. "I can't say enough about what this award means for me and my team. You can't win something like this unless you win and be successful. That's a salute to all my teammates."

The award was especially impressive in that it came in the same season San Francisco's Jerry Rice and Dallas' Emmitt Smith set NFL records for receiving yards (1,848) and touchdowns (25), respectively.

This is heady stuff.

The people closest to Favre know it. They also know it won't go to his head.

"The only way he has changed is that he has grown up a lot," said Tynes, who laughs at the notion that Favre is a "big ego" guy. "He's still a kid at heart. He'll always be that way. More than anything, he loves to play football and he loves to win. That's just the way he is."

MATURITY CITED

Bryant Medders who played with Favre at Southern Mississippi and is a close friend, said Favre's maturity—both physically and mentally—is striking.

"He never knew where the weight room was at Southern Miss," Medders said. "Now on Tuesdays (the Packers' day off) he goes in and rides the bike and does the treadmill. I thought, 'That doesn't sound like Brett,' But it is now."

Steve Mariucci, the Packers' quarterbacks coach, also has seen the changes.

"Brett's image used to be the. . . . Well, you know. Now his image and persona is that he's an intelligent quarterback. Heads-up. Gutsy. He's playing the position very well and very smart," said Mariucci. "He's playing a little bit beyond the scheme of our system at times with his improvising and making good things happen. He's keeping the negatives to a minimum."

Clearly, Favre is a serious NFL quarterback. Yet he remains his fun-loving self.

Medders got a dose of it a few years back when he came to Green Bay for the Packers' December game against the Rams. Favre told Medders to be sure to bundle up because of the sub-zero temperatures.

"So we step out of the apartment on our way to the game and what does he do? He comes up behind me and stuffs two handfuls of snow right down the back of my shirt," said Medders, laughing. "That started my day out right."

"He's the biggest prankster there is," said Clark Henegan, a college buddy of Favre's who moved to Green Bay and is his personal assistant. "If you're not careful, he'll pull your pants down on the tee box. Trust me."

Favre actually pulled just such a prank on Mariucci at practice.

"The worst part was they had it on film," said Mariucci. "That's just how he is. He's the funniest human being I have ever been around. To be witty, you have to be intelligent, and he's very witty. Not that I ever want him to do that again."

The fact that Favre would even consider such a practical joke on his position coach is testament to the closeness they share.

'MUTUAL RESPECT'

We have a great mutual respect and when I say 'we' I mean all the quarterbacks," said Mariucci. "It's a constant Barnum & Bailey, but when it's time to go, we go. We get after it and there's no fooling around."

Medders thinks Favre is just beginning to blossom.

"Now that he has received some respect from peers and around the nation, it'll actually make him more confident," said Medders, who lives in Birmingham, Ala. "I think it will make him better. It'll bring him out more."

Favre's rock-solid performance in the Packers' 37–20 victory over Atlanta in Sunday's NFC wild-card game makes a convincing argument. Knowing he has been selected as the NFL's MVP didn't affect his approach or his performance.

He completed 24 of 35 passes for 199 yards and three touchdowns.

"There was no pressure on me," Favre said. "I didn't feel like I had to do anything spectacular and I didn't. I don't have to put up big numbers for us to win. Edgar Bennett had 108 yards. We won. That's what we would like to do."

On some teams, the presence of an MVP quarterback might breed jealousy.

In Green Bay, Favre believes it'll breed confidence going into Saturday's NFC Divisional Playoff against defending Super Bowl champion San Francisco.

"Our players can say, 'Hey, if a Packer can win this award, then we're getting a little notoriety and people are starting to recognize us," he said.

"We're 11–5. We won our division. We're pretty good. I hope every player feels like we can go out to San Francisco and win."

DEPORTATION OF FOREIGNERS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. DIXON. Mr. Speaker, I want to take the opportunity to call the attention of my colleagues to the following editorial which appeared in the Los Angeles Times of Tuesday, January 2, 1996. The Times cites encouraging progress by the U.S. Immigration and Naturalization Service [INS] in the deportation of foreigners who are in this country illegally. Obviously, illegal immigration is an issue of great importance to the Los Angeles area as well as the entire State of California, and I commend the INS for its recent successes in efforts to confront this pressing problem.

ENCOURAGING PROGRESS ON DEPORTATIONS

STATISTICS SUPPORT THE STEADY, MEASURED APPROACH OF THE INS

The U.S. Immigration and Naturalization Service says a record number of foreigners, 51,600, were deported in 1995 for being in the United States illegally. While those deportations represent only a tiny dent in America's illegal immigration problems, the number does illustrate that the Clinton administration is moving in the right direction on control of the nation's borders.

Experts who track immigration trends can only guess at how many illegal immigrants are living in the country. A rough consensus currently is between 2 million and 3 million. But the INS knows exactly how many it formally deports each year, and the 1995 figure is 15% more than in 1994 and up nearly 75% from 1990. So the INS has shown progress, indicating that its measured approach, pressed methodically despite a prevailing anti-immigrant hysteria, is effective.

Clearly Congress' decision to increase the amount of money spent on border enforcement has paid off. That should provide more political support for the INS spending bill now pending in Congress, which calls for a $128.7-million increase in enforcement funds. In terms of manpower, that means an additional 1,400 INS officers, mostly detention and deportation officers.

Another wise decision that INS Commissioner Doris Meissner made was to invest in a computerized identification system for INS border inspectors at busy ports of entry like San Ysidro, south of San Diego, and El Paso.

But the most important change in INS procedures was Meissner's decision to expand and accelerate the procedure for holding formal deportation hearings for foreigners who had served time on criminal convictions. Most of the 1995 deportees, 62% of the total, were criminals expelled after completing their sentences.

In the past, these foreigners were sent to federal detention centers to await deportation hearings. Or, if there was no room in the centers, they would simply be set free and ordered to return voluntarily for the hearings. Obviously many did not show up. Under the new INS policy an INS judge goes to the prison, hears the prisoner's case for remaining in the United States and makes a decision on the spot. Those rejected are taken directly to an airport and put on the next plane to their country of origin.

With Congress immersed in a new debate about immigration reform, members should acknowledge the INS successes before they try to reinvent the wheel. Washington needs a steady, credible immigration policy, not a hysterical response to demagogues demanding rash, unproven policies.

A TRIBUTE TO ALEC COURTELIS

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. DIAZ-BALART. Mr. Speaker, it is with heavy heart that I rise to mark the passing of a truly honorable American, Alec P. Courtelis, a dear friend who recently lost his battle with cancer after a brave 2 year struggle. My thoughts and prayers are with his family during this difficult time.

The productive life of Alec Courtelis is the personification of the American dream. Alec was born in Egypt, and realizing that educational opportunities in his native land were limited, he came to the United States as a foreign student to attend the University of Miami in Coral Gables, FL. War in the Middle East broke out soon after Alec's arrival in the United States, preventing his father from being able to fully support Alec's higher education. Rather than return to Egypt, after getting approval from the immigration authorities, Alec held several jobs to pay for his education, including construction worker, parking lot attendant, testing laboratory inspector, dishwasher, and short order cook.

While at the University of Miami, Alec met his wife, Louise Hufstader. After earning a degree in civil engineering, Alec joined Juriet & Associates, Inc., a soils engineering and community development consulting firm, gaining valuable experience. Six years later, Alec formed his own real estate development company, the Courtelis Co.

Alec followed the Courtelis philosophy ". . . to dedicate yourself to the principles of creativity, hard work, persistence and honesty . . . success will surely follow," and his company has grown to become a leader in major real estate developments over the past 30 years.

To show his appreciation to the country that had given him so much, Alec became a civic leader, dedicating his time and resources to the field of education, serving on the Board of Regents for Florida's State University system, the Armand Hammer United World College of the America West and the International Board of the United World Colleges.

Alec was a recipient of both the Horatio Alger Award and the Ellis Island Medal of Honor, and was cochairman of We Will Rebuild, a prominent civic organization which assisted in the rebuilding effort in Dade County after the devastation caused by Hurricane Andrew.

In addition to his many accomplishments, Alec Courtelis will perhaps be best remembered for his valiant fight against pancreatic cancer, which he refused to let weaken his will. Instead of the 3 months which doctors had diagnosed that he had to live, Alec combined chemotherapy with mind over matter to fight the disease for 2 full years, inspiring other cancer patients in the process. Alec will be greatly missed, but never forgotten.

TRIBUTE TO DOROTHY E. JOHNSON

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. MARTINI. Mr. Speaker, I rise today to pay tribute to a woman from the 8th Congressional District of New Jersey who has devoted her life and career to the Township of Bloomfield. Her name is Dorothy E. Johnson.

This month, Dorothy will be honored by her friends and coworkers on the occasion of her retirement from the Bloomfield Public Library after 25 years of service. Dorothy's presence at the library will be sorely missed. While others may be able to perform her job, it is unlikely that her spirit and dedication could be surpassed.

In addition to her duties as the library director, she is an active member of the Bloomfield community where she has lived most of her life. She has served as president of the Bloomfield Safety Council, Matron of Eastern Star Chapter #76, and represented her profession as a delegate to many conferences and conventions.

Mr. Speaker, I know that you will join me in wishing Dorothy Johnson a happy and healthy retirement and the best of luck in all her future endeavors.

AMERICA WORKS—NOTWITHSTANDING THE SHUTDOWN

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mrs. CLAYTON. Mr. Speaker, I want to share with my colleagues a happy ending to what was an unfortunate situation for a 10-year-old girl. The Government shutdown threatened to cause this little girl to be stranded in Germany, missing school, until the resolution of the budget dispute.

At the start of her Christmas break, December 20, she traveled as an unaccompanied minor, from Wilmington, NC, to Germany, to visit her father and ailing stepmother, who is hospitalized with cancer.

Her passport expired on January 2, 1996, and the Consulate in Hamburg, Germany, informed her father that the passport could not be renewed because of the shutdown. The airlines, in turn, informed him that Government directives prevented them from allowing the child to board the plane with an expired passport.

Imagine, Mr. Speaker, the mother's distress and more importantly, the girl's distress—being away from home, missing school, and having to pass her time in a foreign land. If ever a face should be placed on the tragedy of this Government shutdown, hers is the face. What a sad lesson in civics for this 10-year-old schoolgirl, faced with the harsh reality that she could not return home because of the shutdown of the U.S. Government.

But, with the help of Mr. Woody Olmsted, an outstanding Federal Government employee at the Immigration and Naturalization Service; Mr. Bill McKillop, who works at the American Consulate in Frankfurt, Germany; Bob Fritz, Office of American Citizen Services, State Department; Ms. Lisa Piccione, manager of Government Affairs at Delta Airlines; and Mr. Dick Doubrava, who works for Delta Airlines in Atlanta, GA, we were able to ensure that this young girl is able to return to school and home. This is an outstanding example of a public-private partnership, working through a problem. And, even more notably, it is an outstanding example of dedicated public servants, serving and helping citizens of the United States.

America works, notwithstanding the shutdown, and Federal employees are dedicated, even when they are not being paid.

FULLY REOPEN THE GOVERNMENT

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Ms. WOOLSEY. Mr. Speaker, it's to the Democratic credit that the Gingrich Republicans finally realized that their shutdown is hurting Americans. But, by no means, is the Gingrich shutdown over.

Although I would like to be voting on legislation that puts the entire Government back to work, I will support this plan because it puts Federal workers back to work and provides for some crucial services like our national parks, passport, veterans benefits, and AFDC.

The American people must know, however, that while this legislation puts Federal employees back on the payroll, it does not provide the operating funds for many of them to do their job. For instance, there are still no operating funds for many services including Medicare claims processing, toxic waste cleanup, home purchase loans and refinancing, and small business loans.

Mr. Speaker, House Democrats want to fully reopen the Government. The other body wants to fully reopen the Government. Let's not be fooled by the Gingrich Republicans. This legislation is nothing more than a band-aid. The job of getting this entire Government up and running again still lies ahead of us.

ELEVEN THOUSAND INDIAN WOMEN MURDERED FOR THEIR DOWRIES EVERY YEAR

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mrs. SCHROEDER. Mr. Speaker, in many parts of India, a bride's family pays a substantial sum in dowry to the groom's family to take on the burden of a bride. However, when the dowry isn't enough, the groom's family demands additional gifts. If these demands are not met, the bride is often beaten or even killed. This practice is called bride burning.

Initially, dowry was a voluntary gift from the bride's family limited to household items, like kitchen implements and linens. Now the groom's family demands a large dowry upon marriage and later demands additional gifts of money, electronics, or cars.

While the National Crimes Bureau of India reported 5,199 dowry deaths in 1994, unreported estimates run as high as 11,000 to 15,000 Indian women murdered annually. In many cases, the family will pour kerosene over the bride and then kick her over a stove in the floor, setting her sari on fire. These deaths are then reported as kitchen accidents, not murders.

In 1961, the Indian Government enacted the Dowry Prohibition Act, and in 1986 made dowry death a crime. However, this law is riddled with loopholes which allow the majority of the perpetrators to be acquitted, leaving them free to remarry and start the vicious cycle again.

I would like to insert into the RECORD an article from the Harvard Magazine that highlights this horrible practice. I urge the Indian Government to enforce its laws on dowry death and stop this abominable human rights violation.

INDIA'S BURNING BRIDES

(By Kathleen Koman)

In November 1993, Sangeeta Agarwal, a young scientist with a doctorate in solid-state physics, was married in an elaborate Hindu ceremony. Five months later she was found strangled in her in-laws' house in Kanpur, India. Her husband, an accountant, is awaiting trial for her death. What went wrong? "I've been struggling with that question," said the victim's uncle, Sataya Agarwal, "and the one word that comes to mind is greed." He said that although his niece's in-laws received a substantial dowry at the wedding, they wanted more. The husband and his family expected a share of Sangeeta's pre-marriage earnings, and also demanded a car. Then they figured that if she were to die, they could also collect money from her life insurance, said Agarwal, "and I think that's what put them over the edge."

In many parts of India, grooms' families demand dowry and, if it is absent or insufficient, they may beat the bride and even strangle, poison, or burn her to death. Typically, they douse the woman with kerosene and push her over a small stove on the floor, igniting her sari. Later, in their statement to the police, the in-laws claim that the bride's death was a kitchen accident. The National Crimes Bureau of India reported 5,817 dowry deaths in 1993 and 5,199 in 1994. In reality, 11,000 to 15,000 women die each year because of dowry disputes, according to Rani Jethmalani, an attorney at the Supreme Court of India.

Jethmalani and Agarwal spoke at the First International Conference on Dowry and Bride-Burning in India, held this fall at Harvard Law School and sponsored in part by Harvard's Committee on South Asian Studies. In his opening remarks, Michael Witzel, Wales professor of Sanskrit, emphasized the need to draw world attention to dowry-related violence, and to explore the legal, social, religious, and historical aspects of the problem.

Dowry existed in the Vedic period (beginning about 1500 B.C.), said Witzel, but then it was a voluntary gift limited to household goods such as linens, pots, and pans. Women had to obey their husbands and their fathers-in-law, but they were inviolable; bride-burning was unheard of.

Today, the groom's family demands dowry at the time of marriage and coerces the bride's family into giving additional money and items like jewelry and electronic goods long after the wedding. Recent studies suggest that this custom is spreading throughout Indian society. But it remains most prevalent in the well-educated, middle-class Hindu population. "The self-respect of the groom's family depends on attracting as large a dowry as possible," explained Julia Leslie, senior lecturer in Hindu studies at the University of London. "Even more disturbing is the balance of power implied by dowry. Both families seem to agree that it is necessary to pay the groom's family to take on the burden of the bride."

Bride-burning is not a crime committed solely by men against women. In many cases, the mother-in-law, who may herself have suffered dowry abuse when she was young, is the perpetrator.

Himendra B. Thakur, who founded the International Society Against Dowry and Bride-Burning in India, argued that bride-burning will cease if the young women of India refuse to marry as soon as the groom's family ask for dowry, or if the women leave the marital home at the first sign of abuse. But members of the audience noted that the women's parents often refuse to take them back, and they lack alternatives such as jobs and shelter.

Conference participants listed practical steps aimed at eradicating dowry and bride-burning. They include constructing residential training centers and apartment complexes for young women, forming support groups for students and parents opposed to the dowry system, and creating loan funds for students to eliminate some of the financial pressures that underlie the practice. Thakur, who wrote the 1991 book *Don't Burn My Mother!*, a fictional account of dowry death, said that novels, newspaper advertisements, and movies must be used "to convince the bride that instead of the option to marry with dowry and die, it is far better to remain unmarried and alive."

THE (INEFFECTUAL) LAW

The Indian government enacted the Dowry Prohibition Act in 1961, and in 1986 amended the penal code to introduce a new offense, now known as dowry death. But this legislation contains glaring loopholes and, because of lax enforcement, the majority of those accused of bride-burning are acquitted. Many remarry and obtain a second dowry with no apparent difficulty. And their mothers are free to torment the new bride. "What does it say about Indian society when families line up to offer their daughters to a man who has murdered his bride over a small refrigerator or television or scooter?" asked attorney Rani Jethmalani at the conference on dowry and bride-burning.

UTAH'S CENTENNIAL

HON. ENID G. WALDHOLTZ

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mrs. WALDHOLTZ. Mr. Speaker, yesterday marked the 100-year anniversary of the day that Utah became the 45th State to join the Union. On January 4, 1896, President Grover Cleveland signed the document that granted Utah statehood, ending a nearly 50-year struggle and six failed attempts by Utahans to become one of the United States of America.

When the State of Deseret, as it was formerly know, achieved statehood, the Union gained some of the most beautiful, varied landscape and spectacular scenery in the United States. From the rugged mountains of the High Uintas, to the fantastic display of rock architecture in the high deserts, Utah has always attracted those who appreciate its unique beauty and splendor. But, its not only Utah's great beauty that distinguishes our State, it's the people—they are friendly and warm, and, as the State nickname as the Beehive State accurately describes, they are industrious, hard working, and enterprising.

In our 100 years, Utahans have made the State prosper and grow, creating a successful metropolitan area while, at the same time, retaining its warmhearted, hometown feel, making it one of the most liveable States in the Union. As a Utahan, I am proud to join with the people of Utah in celebrating our 100-year anniversary of statehood. We have truly made the desert bloom, and Utahans and the entire country can take pride in the beauty and accomplishments of our 45th State.

CLINTON'S BUDGET

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. BEREUTER. Mr. Speaker, this member commends to his colleagues an editorial which appeared in the Omaha World-Herald on January 5, 1996.

BUDGET BALL IS IN CLINTON'S COURT, AND PUBLIC KNOWS IT'S HIS PLAY

Finally the public seems to be beginning to see through President Clinton's rhetoric on the federal budget impasse.

For too long, public opinion polls indicated that Clinton was being rewarded for refusing to negotiate with congressional Republicans over a seven-year balanced budget agreement. In a Nov. 19 ABC News poll, for example, 49 percent of the respondents approved of the way Clinton was handling the budget dispute, while 42 percent disapproved.

In the most recent poll, however, the president's approval rating on the handling of the budget had dropped to 39 percent. His disapproval rating had risen to 56 percent. Fewer respondents blamed Congress—51 percent in November, 44 percent this week.

In November, 45 percent supported the statement that Clinton was "honestly trying to resolve the budget issue," while 52 percent said he was "just playing politics." This week, 33 percent still viewed him as a sincere budget negotiator, while 66 percent said he was playing politics.

Congressional Republicans have given significant ground in an effort to reach a budget compromise. Clinton has given them no credit for this movement, instead battering them with emotional claims that their budget would cause serious harm to the poor, the weak and the underprivileged.

House Majority Leader Dick Armey of Texas has called attention to congressional Republicans' significant concessions. At one time, he said, they had pushed for $101 billion in savings on welfare programs over the seven years. Now they are willing to settle for $65 billion. Originally, they targeted 300 government agencies for elimination. Now the goal is about 30.

A major element of the GOP budget plan was a $354 billion tax cut. Armey noted that Republicans have allowed the tax cut to be scaled back to $245 billion.

Pete du Pont, a former Republican presidential candidate, has pointed out that the House Republicans—the same people painted by Clinton as zealous, unbending revolutionaries—have already given up more than half of their pro-growth tax cuts. He said that in all likelihood they will give up half again to get a budget deal.

That's something you don't hear when Clinton tromps into the White House press briefing room to trash the Gingrich Republicans. And it's not something the television networks point out when they fill their newscasts with sobbing federal workers who can't pay their rent.

Armey demonstrated that congressional Republicans have made "a good-sized mountain" of concessions. Still, the president lays the full blame for the government's being without a budget and partially shut down at the feet of House Republicans. He whines that he is being blackmailed by intransigent Republicans in the House who place politics ahead of the national interest.

The government is shut down because the president vetoed a budget bill that included the funds to pay the federal workers now on furlough. Clinton is pressing Republicans to approve another continuing resolution to fund the government through Jan. 12. They've already been there, done that. The national interest, not to mention our children's security, would be best served by enactment of a balanced budget—not another stopgap spending measure. To resolve the impasse, it will take a president who quits posturing and makes concessions of a magnitude similar to those made by congressional Republicans.

REMEMBERING GEN. DAN GRAHAM

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. WOLF. Mr. Speaker, this past New Year's Eve, America lost a true patriot. Gen. Dan Graham, the father of SDI, the Strategic Defense Initiative, passed away that day. I want to share with our colleagues a column in today's Washington Times by Paul Weyrich which tells about the life of Dan Graham and his mission for a strong defense to protect the national security of the United States.

THE MISSION OF A TRUE PATRIOT

(By Paul M. Weyrich)

About six weeks ago, I received a newly published book with a personal note from the author hoping that I would find it useful. I read through the book and dropped the author a note suggesting that he appear on my program, "Direct Line," to discuss the book. I received no reply and yesterday I found out why. Gen. Dan Graham passed away on New Year's eve.

None of his friends, even those who had worked closely with him over the years, knew just how critically ill Gen. Graham was in recent weeks. We had known for some time that he was suffering from cancer and for the past few months that he was unlikely to recover. But Dan Graham was never one to whine or complain. In fact, the only time I ever saw Dan Graham truly upset was at the funeral of his first wife, to whom he had been married most of his adult lifetime, and who was the mother of their two sons and five daughters. This nation owes Gen. Graham a great debt of gratitude.

I had gotten to know Gen. Graham more than 20 years ago. He was chief of Defense Intelligence during the Ford administration. The Democratic Senate, then controlled by nearly a two-thirds margin, forced him into premature retirement because he wasn't politically correct on Vietnam. He was never bitter, even though he had every reason to be. He continued his work for a strong defense on the outside, just as he had done so ably from the inside for more than 30 years in the Army.

It was in the early 1980s that Gen. Graham began to talk about new breakthroughs in technology. The breakthroughs would permit an effective missile defense system to be constructed to defend this country from a massive attack from the Soviet Union or from a surprise attack from some rogue leader. We were going to build a primitive version of such a system in the early 1970s, but President Nixon bargained that right away.

I know almost nothing about technology and certainly had no knowledge about this sort of development, but Gen. Graham gave me the full briefing anyway and then asked for my help to find a home for his project, called "High Frontier." I called Ed Feulner, the president of the Heritage Foundation, and explained that Gen. Graham was assembling a group of scientific experts who intended to advocate a new type of missile defense system. Ed quickly agreed that Heritage would welcome the project as part of its public policy activities, and thus was born what we now call SDI, the Strategic Defense Initiative.

Gen. Graham soon found a willing listener in one President Ronald Reagan, who in 1983 delivered a nationwide televised address that shook the leaders of the Kremlin. Mr. Reagan committed the United States to research and deploy a defensive missile system. Critics, in an effort to kill the project, quickly labeled it "Star Wars." But given the popularity of George Lucas' trilogy, that label only enhanced it.

Despite near crippling opposition from the Democratic Congress, SDI made significant advantages under the Reagan administration, to the point where Soviet leaders were convinced that the United States was serious about deploying it. Some Soviet military leaders with whom I spoke early in this decade said that this shift in U.S. strategy was a contributing factor to the demise of the Soviet Union. SDI received only lip service from President Bush, despite the fact that Russian President Boris Yeltsin, in his first appearance as the leader of that nation, urged the United States and Russia to work together to develop SDI for the good of all mankind. Bush advisors were not enthusiastic about SDI because deployment would have required a change in the so-called MAD strategy, Mutual Assured Destruction, to which the United States has clung for decades. Still, SDI limped along and made modest progress.

When Bill Clinton took office, he all but killed SDI. The Republican controlled Congress, just a few weeks ago, passed a defense authorization bill that would have required deployment of a modified missile defense system by the year 2000. That was Gen. Graham's finest hour and thank God he lived to see it.

Unfortunately, President Clinton vetoed the bill precisely because he said it would have required the construction of that missile defense system, which he did not want. So despite a decade and a half of work by Gen. Graham, this country remains unprotected from a missile attack. Still, the issue won't go away.

There would have been no issue at all, and the technology developments which have resulted in drastically reducing the cost of an SDI system would not have occurred at all, but for the dogged determination of Daniel Graham. In literally thousands of meetings, public and private, Gen. Graham pushed this idea. It was Gen. Graham who convened a special meeting at my office to encourage opposition to John Tower as Secretary of Defense under then President-elect Bush on the grounds that Sen. Tower was an opponent of SDI. In Secretary Dick Cheney, Graham found someone much more to his liking.

All of this aside, Dan Graham was a decent, religious, family man who had an endearing sense of humor and was terrific at getting people, even opponents, to work together. He could be tough as nails if he opposed you on policy grounds, but Dan Graham was never mean-spirited. He always handled opposition with great dignity, which was part of his military training.

This nation owes Dan Graham a great deal. And one day soon, we will have a system to protect us against some fanatic or deranged leader who wants to blow up part of America to make a point. When that day comes, and it almost came a few weeks ago, it will be because of the good work of this one time deputy director of the CIA. All of us who love America will miss this true patriot.

A TRIBUTE TO AN AMERICAN PATRIOT: BENJAMIN DONALD ROBINSON, JR.

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. FUNDERBURK. Mr. Speaker, I want to pay special tribute to Mr. Benjamin D. Robinson, Jr., who was one of the greatest Americans I have known. He was a constitutionalist and an Americanist and he believed that we only have a short time to save this country—this Republic—and turn things around before it is too late.

I would not be in Congress today if it were not for Ben Robinson. He helped me get elected in many ways—financial contributions, FFC caps and signs, information, and most importantly, his visits, encouragement, advice, and counsel.

Ben Robinson loved children and young people and understood that the future of this country rested with them. He set up educational scholarships and provided literature for them.

Ben hoped that my election and that of others like me could help turn the tide toward constitutional government. He hoped and dreamed and acted tirelessly to do his part with no compromise on his principles. No one did more than Ben.

Betty and I and our daughter Deana loved Ben Robinson. His kindness, his consideration, his optimism, his love for his wife and his family was truly special.

We are grateful that we got to know Ben Robinson for as long as we did and consider ourselves blessed because we did. I thank God for Ben Robinson and only hope that I can live up to his expectations while I am in Congress. I don't represent St. Augustine's district in Florida, but I will always be Ben Robinson's Congressman.

Ben Robinson, a potato farmer in Florida, was a great American success story. He lived out the American dream, showing that one can accomplish with hard work, discipline, sacrifice, and faith in God. He was conservative and a patriot who knew the importance of history.

Ben Robinson was a gentle man with an unmatched vitality for life and for the truth. The world is a much better place because of this great American. Ben Robinson was my good friend and his spirit will walk with in the halls of Congress. I was honored that he participated in the swearing-in events for me in Washington last January. Today, on this first anniversary of Ben Robinson's death, we thank God for his fine example. I send my love, respect, and gratitude to his wife and lifetime partner, Mrs. Dorothy Robinson, and to his wonderful family. Thank you, Ben. We miss you. Thank you, Mr. Speaker.

TRIBUTE TO FRANK PRINDLE

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. KING. Mr. Speaker, today I pay tribute to a great American, a great Army officer, a great Hoosier, and a great soldier. Last month Frank Prindle completed over 21 years of dedicated service to our country. As a soldier, leader, and finally as a trusted member of the Army's Office of Congressional Liaison, House Division, he has provided dedicated and distinguished service.

Today as we honor his retirement, we reflect on the outstanding career which Frank started in 1970 when he entered the U.S. Military Academy at West Point and where he was commissioned as a second lieutenant in Signal Branch in 1974. Over the course of the past two decades he served in a variety of exceptionally challenging troop and staff assignments in the United States, Canada, Germany, and Korea. His positions of leadership include signal platoon leader, aviation service platoon leader, aviation company commander, and battalion operations officer during an exchange tour with the Canadian Armed Forces.

As a staff officer he saw duty in many tough and challenging positions, validating the confidence the Army placed in his demonstrated abilities. After serving in the field with many aviation units, Frank Prindle demonstrated his superb organizational skills while serving as the senior service college education officer, the aviation branch assignments officer for majors and as the executive officer to the Director of Officer Personnel Management Division, U.S. Army Military Personnel Command. His selection as a Congressional Fellow in 1991 further demonstrated the high regard which Prindle is held by the leadership of the Army. This 1-year tour led to his final assignment as a Congressional Liaison Officer for the Secretary of the Army, House Liaison Division.

During Frank Prindle's tour in Army Legislative Liaison, he guided the Army's relationship with a wide variety of committees and individual Members of Congress. His ability to remain calm and focused during a period of tremendous change was demonstrated continually in his dealings with both Members of Congress, professional staff, and personal staff. Through Frank Prindle's involvement with the Veteran Affairs Committees, he ensured that the programs put in place during the downsizing of the Armed Forces continued to benefit the soldiers.

Frank Prindle's career reflects a commitment to our Nation, characterized by dedicated selfless service, love for the Army and a commitment to excellence. Lt. Col. Frank L. Prindle's performance, over two decades of service, personifies the traits of courage, competency, and integrity that our Nation has come to expect from its Army officers. On behalf of the Congress of the United States and the people of this great Nation, I offer our heartfelt appreciation and best wishes for a soldier who served his country so admirably.

LAND EXCHANGE

HON. RANDY TATE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. TATE. Mr. Speaker, today I am introducing a piece of legislation that would facilitate a land exchange between Fort Lewis Military Reservation and the Weyerhaeuser Real Estate Company [WRECO], located in Pierce County, WA, and in my congressional district. The land exchange allows the Army and WRECO to exchange parcels of land to the benefit of each party. The Army wishes to obtain ownership of a small parcel that provides access to a sewer treatment plant, and WRECO wishes to obtain ownership of an abandoned road right-of-way. Although total acreage of the lands under consideration is less than 2 acres, legislation to facilitate the exchange became necessary because the value of the property now exceeds the requirements of minor land acquisition rules that allow for administrative exchanges.

This provision I am introducing today has passed the Senate, and a similar provision passed the House as an amendment to H.R. 1530, the Defense authorization bill. However, as you know the authorization bill has been vetoed. The land exchange amendment is supported by the Army, and is noncontroversial. I am including a copy of a letter I received from Paul W. Johnson, Deputy Assistant Secretary of the Army in support of the exchange. Swift passage of this legislation would be a fine example of Congress' ability to move unnecessary regulatory barriers—allowing responsible, noncontroversial projects to proceed.

I hope my colleagues will agree, and support this legislation.

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, June 6, 1995.

Hon. RANDY TATE,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN TATE: This letter is to reaffirm the Army's support and approval for the proposed land exchange involving the Weyerhaeuser Real Estate Company (WRECO), Pierce County and the United States.

The Army has been working with and will continue to work with Weyerhaeuser and local Pierce County officials to further this mutually beneficial arrangement.

Sincerely,

PAUL W. JOHNSON,
Deputy Assistant Secretary of the Army.

CIRCLE OF ELDERLY CARE

HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. HOKE of Ohio. Mr. Speaker, I would like to bring to the attention of my colleagues an exciting new program that has been established in northeast Ohio.

The Circle of Elderly care represents an innovative, model program of private and public community-based enterprises working together for our senior citizens. After two years of developing this program, Bertha (Betty) Villanueva, an owner of Indian Hills Senior Community, Inc., one of the largest privately owned, low income, senior community living complexes in the United States, has accomplished a creative and successful working network of programs and services for senior citizens to benefit from available local community resources.

Mrs.Villanueva identified the need for a comprehensive program of services to suit the unique needs of our senior citizens, such as medical, social and transportation services. She then initiated efforts to bring together public and private entities to develop a network of quality services for senior citizens. The result is the Circle of Elderly Care.

At the center of the CIRCLE is Indian Hills Senior Community, located in Euclid, Ohio (a suburb of Cleveland) consisting of 37 acres of land, and an unsubsidized apartment complex which includes 10 residential buildings. Its 1,574 units are designed for senior citizens (55 and over) who can live independently. Not only does Indian Hills provide housing to its residents, but also a broad spectrum of services including health, security, transportation, social and entertainment services. The Indian Hills complex also includes Silverpointe, located in one of the Indian Hills buildings, which is an assisted-living facility, with three levels of assisted care available, thus providing residential alternatives for those senior citizens who cannot live totally independent. Across the street from the Indian Hills residential complex is Indian Hills Plaza which consists of several retail stores, including one of the largest drug store chains, a restaurant, medical center, ambulance service and senior day care, all of which are completely accessible to Indian Hills residents.

Now, due to Mrs. Villanueva's efforts, over a dozen different entities participate in the Circle of Elderly Care including:

CITY OF EUCLID

The City of Euclid has sponsored a seniors' program for its residents including a program at the Emeritus House, a multi-purpose senior center located in the center of the Indian Hills apartment complex. The program includes daily lunches and meals for the homebound (sponsored through the Western Reserve Area on Aging pursuant to the Older Americans Act), recreational programs, free transportation to stores, doctors, etc., social activities, income tax preparation assistance and a senior employment program (sponsored through AARP), among others. These services are offered at no charge to Indian Hills residents.

INDIAN HILLS NURSING CENTER

The Indian Hills Nursing Center is a nursing home managed by Integrated Health Services, Inc. and is located across the street from the Indian Hills complex. It provides short and long-term care for senior citizens, and works with Indian Hills to assist Indian Hills' residents requiring a stay at the Center to return to independent living at Indian Hills, or assisted-living at Silverpointe. For example, Indian Hills will hold an apartment open if a resident needs a short stay in the Center.

AETNA SENIOR CHOICE, AN AETNA HEALTH PLAN

Aetna Senior Choice, a heath maintenance organization, offers an alternative to Medicare and has a specific representative designated to Medicare and has a specific representative designated to work with Indian Hills residents. This plan offers seniors no monthly premiums, 100 percent hospitalization coverage, no deductibles or co-insurance, 100 percent payment for well services, and a $5.00 physician in-office co-payment.

HEALTHWAYS, FAMILY MEDICAL CENTERS

HealthWays is a for-profit medical center affiliated with Aetna, located in the Indian Hills Plaza which provides 24-hour emergency care, outpatient surgery, and comprehensive medical care services offering a team approach to health care. Not only does it accept the Aetna Senior Choice Plan, but all other insurance as well including Medicare, and is conveniently accessed by the Indian Hills residents.

UNIVERSITY HOSPITALS OF CLEVELAND

This world-renowned medical facility has designated geriatric social workers to assist Indian Hills residents requiring medical treatment at University Hospitals. If an Indian Hills resident is treated at the University Hospitals emergency room, a University Hospitals social worker will contact the Indian Hills nurse to coordinate the resident's return from the hospital to his or her residence at Indian Hills along with follow-up services. Additionally, University Hospitals provides on-site seminars to Indian Hills residents on seniors issues and provides various testing such as blood pressure screenings, etc.

BENJAMIN ROSE INSTITUTE

The Benjamin Rose Institute is a nationally recognized non-profit, Medicare/Medicaid certified agency providing services to senior citizens on a sliding fee scale. BRI works with Indian Hills to provide home health care for its residents and also provides social services, counselling and mental health services to enable senior citizens to maintain their self-sufficiency and independence. BRI has an office located at Indian Hills staffed by social workers.

MT. SINAI HEALTH CARE SYSTEM

This nationally recognized medical facility (named the number one hospital by Cleveland Health Quality Choice) works with Indian Hills to provide on-site lectures by physicians on geriatric related issues, and various medical screenings. A specific emergency room physician has been designated at Mt. Sinai to treat all Indian Hills residents to foster close contact between Mt. Sinai as the medical provider, and Indian Hills as the residence of the patient.

VISITING NURSE ASSOCIATION OF CLEVELAND

The Visiting Nurse Association of Cleveland is a non-profit agency providing home health care to residents of Indian Hills. The VNA has a social worker at Indian Hills two days a week to assist in coordinating home health care, mental health, social services and rehabilitation therapies. This social worker serves as the primary coordinator for Indian Hills residents with all of the other programs described here.

TRI-CITY AMBULANCE, INC.

This for-profit entity is located at Indian Hills Plaza and provides 24-hour emergency medical transportation staffed by licensed Emergency Medical Technicians and Paramedics. In addition, it has a wheelchair van service which offers transportation to Indian Hills residents for dialysis and other medical needs, and it offers Indian Hills residents a reduced price for its transportation services.

LAURELWOOD HOSPITAL

This non-profit psychiatric hospital provides in-patient care and outpatient counseling to senior citizens. Laurelwood Hospital has opened an office on Indian Hills' premises which is staffed by two geriatric psychiatrists. The psychiatrists provide psychiatric treatment for Indian Hills residents whether at the resident's apartment, or in the office, thereby providing complete accessibility to the senior citizens of Indian Hills.

CUYAHOGA COUNTY DEPARTMENT OF SENIOR AND ADULT SERVICES

This Medicare/Medicaid certified program sponsored by Cuyahoga County, Ohio, provides adult protective services, and skilled home health care services including nursing, physical and speech therapy and nutrition counselling. The County has designated a specific person to coordinate its available services with Indian Hills residents.

OTHER MEDICAL SERVICES

Indian Hills also has a dental office on the premises staffed by a dentist offering free dental exams, apartment calls and a discount to Indian Hills' residents. Additionally, it has a podiatrist with an office onsite offering discounted podiatry services to Indian Hills residents at their apartment or the office.

AMERICAN RED CROSS

The American Red Cross provides CPR and first aid training, disaster planning and blood pressure screenings on-site for Indian Hills' residents.

This comprehensive model of care reflects the innovative networking of community agencies/services working towards a common goal—to give our senior citizens a choice of affordable, quality services and the ability to retain their dignity and independence. The Circle of Elderly Care, with Indian Hills as its focal point is a novel and workable concept utilizing available community resources to serve our senior citizens.

I urge all my colleagues to give this information wide dissemination in their own districts.

Thank you, Mr. Speaker.

TONY LAKE ANOTHER UNSUNG HERO

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. RICHARDSON. Mr. Speaker, the unsung hero in the Bosnia success of the Clinton administration is National Security Adviser, Anthony Lake. While very-deserved credit should go to Secretary of State Christopher and Assistant Secretary Richard Holbrooke, it was Lake's initiative and policy direction in August that got the ball rolling. Specifically, Tony Lake organized and chaired a series of high-level meetings at which United States-Bosnia policy was formulated and refined.

In August, at the President's behest, he traveled to Europe to present the new U.S. diplomatic initiative to our allies and the Russians. He was successful in bringing the allies and contact group members on board with this initiative.

He was in daily contact with the U.S. negotiating team, led by Ambassador Holbrooke, whose subsequent shuttle diplomacy effort produced a ceasefire, agreement on basic principals of a settlement, and the beginning of proximity talks in Dayton.

He chaired regular high-level meetings to ensure high-level guidance to the process and keep it on track and moving forward.

In mid-November, Mr. Lake traveled to Dayton to interact directly with the parties. He met several times with Bosnian, Croatian, and Serbian leaders and was able to provide key impetus to the negotiations at a crucial time in the proceedings.

In short, his role was to develop a policy that could be sustained throughout the negotiating process. His concept for a diplomatic settlement bore fruit in Dayton.

Mr. Speaker, when the successful history of the Bosnian diplomatic triumph of the United States is chronicled, the most important and deserved credit should go to Tony Lake, who despite working quietly in the background, has had a singularly unparalleled contribution to the Bosnian diplomatic success of America.

U.S. GOVERNMENT VERSUS SENIOR CITIZENS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. ARCHER. Mr. Speaker, I commend to the Members attention the following:

[From the Houston Chronicle, Friday, Jan. 5, 1996]

PREVIEW.—GOVERNMENT SHUTDOWN WOES A TASTE OF THINGS TO COME

The federal government shutdown is forcing a scramble among state officials for money to keep meals going to seniors and unemployment checks to the out-of-work. For the time being, this government paralysis is of Washington's own making.

However, the current state of affairs could turn out to be a whiff of some rotten times ahead if federal overspending and raging deficits are not brought under control through a balanced budget.

Popular wisdom calls for U.S. budget practices to conform to those of families and businesses, which must live within their means. The analogy is simple, perhaps even an oversimplification. Yet it is fitting.

Even those who argue the contrary—that families and businesses take on debt to finance children's educations or for capital improvements—neglect to notice that unpaid debt can lead to bankruptcy and the dire consequences that follow from financial mismanagement and spiraling interest costs.

For the United States, we are getting a taste now of what hardships a national bankruptcy would provoke. Because of the ongoing government shutdown, some state officials are tapping retirement accounts to fund unemployment benefits. Others are scrambling to find ways to pay for meal programs for the elderly and for food stamps and the early education program Head Start.

President Clinton himself pointed out these and a host of other areas in which the shutdown could exact its toll. And yet, he encourages the myth that steps the Republican-controlled Congress proposes to reduce spending amount to cuts that are too severe.

As we have said many times, the "cuts" are only to the rate of growth. And, continuing on the present course of free spending and deficits spiraling could lead to a federal breakdown that cannot be fixed by another appropriations bill.

TAX FAIRNESS, ECONOMIC GROWTH AND FISCAL RESPONSIBILITY ACT

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. DREIER. Mr. Speaker, President Clinton can be rightly criticized for failing to keep his promise to negotiate a 7-year balanced budget using honest numbers. However, I applaud his willingness to support a capital gains tax cut because it will be critical to the success of any future agreement.

The President's support for capital gains tax reduction is an acknowledgment of what every economist who studies the issue already knows: capital gains tax reduction is a win-win-win proposition. It will spur hundreds of billions of dollars of additional capital formation, create jobs, and promote economic expansion. It will bring immediate relief to small investors, small businesses, workers, retirees, and economically distressed communities. In addition, it will increase tax revenues to government treasuries. And the lower the rate, the greater the benefits.

In deciding how to reduce the capital gains tax rate at the Federal level, I share the view of Federal Reserve Board Chairman Alan Greenspan, who said: "It is easier to make the case to eliminate it entirely than it is to merely reduce the rate."

That is why Representative TAUZIN and I, on behalf of the Zero Capital Gains Tax Caucus, are today introducing H.R. 2861, the Tax Fairness, Economic Growth and Fiscal Responsibility Act. Effective January 1, 1996, it establishes a zero tax rate on any long-term capital gain recognized on the sale or exchange of any property.

There are three major reasons why zero is the appropriate capital gains tax rate. First, it will eliminate the bias in the capital gains tax against lower- and middle-income taxpayers. The American dream is to work hard, buy a home, maybe build a small business, save for retirement, and eventually pass along something to children or grandchildren. In short, Americans strive to build a better future. Despite the political charge that the capital gains tax is a tax on the rich, it is actually a tax on those who seek the American dream.

In looking at data on tax returns from 1991, William Beach, a tax analyst at the Heritage Foundation found that half of all capital gains were earned by households with incomes from other sources under $100,000. Of those, 27 percent of taxpayer households with capital gains contained taxpayers over the age of 65 or blind. These taxpayers, according to Beach, had an average income of $43,637. In explaining why lower and middle-income taxpayers will benefit most from capital gain tax reduction, Beach stated:

> When critics claim that capital gains go mainly to the wealthy, they mislead the public by including the gain when citing a person's income. In this way, a retiree living on a $12,000 Social Security check who realizes a $30,000 capital gain one year on the sale of his house is classified as a "person with a $42,000 income who receives a capital gain." By this logic, of course, the only people who win $1 million lotteries are millionaires.

The bottom line is that small business owners, middle-income families, and small investors are the least able to keep capital tied up and, therefore, pay the bulk of the capital gains tax revenue.

The second major benefit of a zero capital gains tax is increased economic growth leading to new job creation and increased living standards. Had such a tax rate been implemented in 1994, it would by the year 2000 result in an additional GDP growth of $1.5 trillion, 1.1 million new private sector jobs, and an $1,884 increase in average annual wages for all workers. As Alan Reynolds of the Hudson Institute noted in testimony before the Senate Finance Committee last February:

> Once we abandon the quaint habit of defining capital gains as no different from a weekly paycheck, economics offers no other clear justification for taxing capital gains at all. No economist has ever dared to suggest that a capital gains tax does no damage to the economy.

Completely eliminating the tax on capital gains might sound far-fetched, but its not a new an idea. Back in 1978, when stagflation forced creative thinking, Digital Resources Inc. [DRI] did a static Keynesian econometric analysis of a zero capital gains tax. DRI predicted that eliminating capital gains taxes would boost GNP by $200 billion, increase capital formation by $81 billion, and create 3 million new jobs. Just as important from a 1990's perspective, DRI predicted that a zero capital gains tax would increase net Government tax revenue by $38 billion over 5 years.

Fortunately, we do not have to rely on economic forecasting models alone to observe the economic benefits of capital gains tax reduction. Our Federal system has permitted States to become "laboratories of democracy" in which creative and sometimes controversial public policy proposals can be implemented on a smaller and more manageable scale. Over the past few years, a number of these laboratories have tested the effects of capital gains tax rate reductions on statewide economic growth and revenue. The results of these experiments have been greater economic activity, stronger employment, and the generation of increased State tax revenues.

Three States in particular that have recently experimented with capital gains tax rate reduction—Mississippi, South Carolina, and Wisconsin—have, in each case, seen an increase in economic growth, job creation, and State tax revenues. In May 1994, a fourth State, Colorado, reduced its capital gains tax rate to promote increased investment and economic activity. Befitting their role of "laboratories of democracy," each State has reduced the cost of capital in different ways.

Mississippi and Colorado completely eliminated State taxes on capital gains. It is reported that every $1 million in new investment in Mississippi creates $2.2 million in economic growth and 120 new jobs. In 1989, South Carolina cut its capital gains tax rate from 7 percent to 4 percent. Since that time, the State has enjoyed stronger than average economic growth and job creation. Wisconsin has encouraged investment in that State by implementing a 60 percent exclusion of the value of any capital gain from taxation.

The third major benefit of a zero capital gains tax rate is the promotion of fiscal responsibility. While the static forecasting model predicted a cumulative $490 billion revenue loss between 1994 and 2000 as a result of a zero capital gains tax rate, that estimate does not take into consideration additional income, payroll, and excise tax revenues from $1.65 trillion in added economic growth over the period. As a result of greater economic activity, a zero capital gains tax rate, had it been enacted effective in 1994, would actually produce a net increase of $25 billion in revenue to the Federal and State governments through the year 2000.

Mr. Speaker, one would think that the combined benefits of tax fairness, economic growth, and increased Government revenues would be too much for Congress and the President to resist. Yet today, we continue to perpetuate an enormously damaging tax myth that virtually every other country with a significant economy has abandoned. Therefore, I urge my colleagues to join me in ending this antifairness, antigrowth, anti-American dream policy by cosponsoring H.R. 2861.

HONORING A LIFESAVING HERO

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. ROGERS. Mr. Speaker, I rise to honor a real hero. A man, who while driving his truck down a dark interstate far from home, had the courage to stop and lend a hand to save lives.

Mr. Speaker, I speak of Clay County, KY truck driver Ronnie Brown—a man who did just that at 4:40 a.m., December 16.

While traveling down Interstate I–40 in Winston-Salem, NC, the 43-year-old trucker and part-time minister saw a glowing blaze just off the interstate.

With quick and decisive action, Brown called 911 and contacted truck drivers in the area. The truckers collectively laid on their horns to make as much noise as they could.

With horns a-blazin', Brown then leapt from his truck, scampered across a six-lane highway, jumped a fence and ran into the apartment building, pounding on doors.

In the end, the 24 residents of the building escaped unharmed and Brown's heroics garnered the praise and thanks of the residents and management of the apartment complex.

Lawrence Berry, manager of the complex, wrote, "We have classified Brown as a hero for his gallant efforts and would like to thank him personally."

Brown has a reputation as a Good Samaritan. He often can and will help stranded motorists or people in need—including running into burning buildings.

Ronnie Brown is a real American hero. It is everyday people like Brown who make this country great, and hearing others praise his heroics makes me and all of our great State very proud.

CHINA AND TAIWAN: THE OBVIOUS DIFFERENCES

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. SOLOMON. Mr. Speaker, I would like to insert for the RECORD this excellent editorial on China and Taiwan from one of my hometown newspapers, the Post Star of Glens Falls, NY.

The editorial alludes to the obvious differences between Communist China and democratic Taiwan in terms of human rights, democratic development, and economic performance. The only area left out is foreign policy orientation. Taiwan is unabashedly pro-Western and pro-United States. Communist China is unabashedly the opposite. It is a rogue regime, an enemy of freedom and yes, an enemy of the United States.

This excellent article points out how pathetic it is that we are currently agonizing over whether or not to give a routine transit visa to the Vice President of our good friend, Taiwan.

[From the Post Star, Dec. 27, 1995]

DEMOCRACY: A TALE OF TWO CHINAS

Anyone pondering the future of China, and we sincerely hope this includes the Clinton administration, should consider the striking contrast between two recent events in Beijing and Taiwan.

One event stood as a proud affirmation of a democratic future. The other an ugly reminder of continued political oppression. It shouldn't be difficult to guess which happened where.

On Taiwan, 9 million voters cast ballots in parliamentary elections that qualified as the freest in China's history. The ruling Kuomintang saw its parliamentary margin pared to just over half of the 164-seat Yuan. The pro-independence Democratic Progressives won 54 seats. The New Party, a dissident Koumintang faction favoring reconciliation and reunification with mainland China, garnered enough votes to give it 21 legislative seats.

For now, expect Taiwan to maintain its policy opposing both reunification with the Communist-ruled mainland and independence. But the larger point here is that Taiwan's prosperous citizens elected a parliament of their own choosing, selected from multiple political parties free to compete for popular support. The final step in Taiwan's full democratization is the presidential election scheduled for March.

Now compare this heartening record of political progress with what happened a few days later in Beijing.

In a one-day show trial closed to the public and the foreign press, China's leading advocate of democracy was sentenced to 14 years in prison. Officially, Wei Jingsheng was charged with attempting to overthrow the government. In fact, of course, his real offense was believing, and saying publicly, that China's people should be as free as Taiwan's citizens to chart their own political future. Wei also believes, and has said publicly, that China's forcible annexation and military occupation of Tibet are wrong.

China's one-party dictatorship justifies its continued suppression of all political freedoms by contending that authoritarian rule is necessary for economic development. Really? Per capita income on democratic Taiwan is 10 times that of mainland China. Japan, the richest country in Asia and the second-ranking economy in the world, has been a fully functioning democracy for nearly half a century.

China won't ever catch up to Taiwan, much less Japan, economically until the mainland autocrats permit the rule of law. That, in turn, must entail political liberalization of the sort that is transforming the rest of Asia.

The Clinton administration shouldn't shrink from saying exactly this, and from reminding Beijing that China will be trusted in exact proportion to the way it treats its own people.

HONORING THE 1995 CIF FOOTBALL DIVISION I CHAMPION, BISHOP AMAT MEMORIAL HIGH SCHOOL LANCERS

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. TORRES. Mr. Speaker, I rise to recognize the students, coaches, faculty, and parents who make up the 1995 California Interscholastic Federal Southern Section Division I Champion, Bishop Amat Memorial High School football team.

On December 9, 1995, the Bishop Amat Lancer football team defeated Loyola High School in a 14 to 10 win, earning the team its latest in a string of CIF Division I championships before 14,000 fans at the Los Angeles Coliseum.

This year's CIF Division I championship team: Andrew Woolsey, Joey Getherall, Kevin McLaurin, Daniel Bravo, Brendan McMillan, David Bautista, Brian Russell, Gabriel Marichi, Chris Ulibarri, Mike Vermeeren, David Fuentes, Steve Levario, Sean Koelle, Ricky Vargas, Andre Lake, Damon Catania, Chikoski Bell, Ralph Brown II, Chris Sabado, Breon Ansley, Carlos Osorio, Booker Bell, Damon Samuels, David Olivas, Mike Chavez Jeremy Juarez, Emerson Santos, Joaquin Tierney, Raymond Reyna, Anthony Chacon, Abel Montanez, Manuel Duran, Kyle Keene, Eric Calderon, Santiago Vazquez, Trey Sorensen, Frank Gonzalez, Kali Dawkins, Manuel Garcia, Sam Galvan, Nate Sabado, Ruben Torres, Yovany Lainez, Jesus Hernandez, Ron Villa, Preston Wills, Joe Villa, Tom Gomez, Ernie Fierro, Raul Ascencio, Brian Polak, Chris Morales, Alex Perez, Jason Marin, Paul Gonzales, Zino Hessing, David Fernandez, Ray Martinez, Justyn Hayward, Mark Verti, Doug Knight, Brian Adamek, Luigi, Rao, Manuel Porras, John Escalera, Xavier Gomez, Kristopher Guillory, Jerry Lopez, Anthony Salazar, Jeremy Drake, Huber Ayala, John Sheriff, Mike Diaz, and Jesus Lopez.

With the guidance and support of their family, Bishop Amat faculty, and Principal, Monsignor Aidan M. Carroll, and Head Coach Tom Salter and Assistant Coaches Glenn Martinez, Mike DiFiori, Bill Mulvehill, Richard Ecalera, Stephan Pace, Dechon Burns, Pat Escalera, and Joe O'Connor, the Lancer football team proved that Bishop Amat is a formidable competitor.

This year's championship makes the fifth time Bishop Amat has successfully brought home the CIF Southern Section Division I Championship and their first since 1992. The dedication and commitment demonstrated by these students is commendable and noteworthy. Their practice required many long hours, whle maintaining the high academic standards demanded of Bishop Amat students, in preparation for their 14-game championship season.

Mr. Speaker, it is with pride that I rise to recognize these exceptional students, coaches, and parents. I ask my colleagues to join me in saluting these accomplished individuals and in extending our congratulations and best wishes for their continued success and commitment to excellence.

VA EDUCATION 2-YEAR RULE MODIFICATION

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. STUMP. Mr. Speaker, today I introduce H.R. 2851 to amend title 38, U.S. Code to modify the Department of Veterans Affair's GI bill's 2-year rule to allow easier access for veterans to institutions of higher learning.

The proposed bill waives the current 2-year operating rule for branch campuses of public or other tax-supported institutions. It also waives the rule for proprietary profit or nonprofit educational institutions where the branch and parent institution have been in operation for 2 years.

The 2-year rule is an important qualification for schools. In ensures that only quality educational institutions and courses are offered to our Nation's veterans. The rule was originated after World War II and resurfaced after the Vietnam war to negate the impact fly-by-night operations that preyed on veterans, bilking them of their educational benefits.

As a result, veterans did not receive the education and the training they needed and for which the citizens of this country paid with their taxes.

Today, the situation has changed substantially. While we recognize that some low-quality and fly-by-night organizations clearly still exist, the majority of for-profit education institutions offering meaningful, quality coursework. They have default rates well below the Department of Education's standards for continued operation and they are continually monitored for the VA by the State approving agencies.

This proposed legislation does not alter the stringent requirements already in place mandating that the institutions must be degree granting, and be recognized by a Department of Veterans Affairs-affiliated accrediting agency. The institution must be also be licensed by the State in which it operates.

Allowing participation by veterans on new branch campuses of already proven institutions gives necessary flexibility to veteran beneficiaries of the Montgomery GI bill and I urge its passage.

WEST VIRGINIANS SUPPORT HEALTH, SAFETY AND ENVIRONMENTAL PROTECTIONS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. RAHALL. Mr. Speaker, during the first session of this Congress, West Virginians were subjected to a legislative assault of unprecedented proportions as proposal after proposal was advanced by the Republican majority to gut virtually every major environmental, health, and safety law.

From the standpoint of coalfield citizens in particular, 1995 was a year to remember. The protections coal miners receive from the Mine Safety and Health Administration came under siege by one Republican legislative proposal. The health care miners obtain from black lung clinics may no longer exist as a result of the Labor, HHS, and Education appropriation bill. The pensions and health care unionized coal miners receive continue to jeopardized by another Republican legislative proposal. The ability of coal miners to obtain black lung benefits was threatened by reductions in appropriations that may give rise to the closure of black lung field offices. And, the general welfare of coalfield citizens continues to be threatened by a Republican bill which would eliminate the ability of the Federal Office of Surface Mining to safeguard the coalfield environment, and the safety of coalfield citizens, from illegal surface coal mining practices.

While these are issues particular to the coalfields, West Virginians also feel strongly about the integrity of environmental statutes which affect the Nation as a whole. Last year we saw come out of this body a rewrite of the Clean Water Act that would roll back decades of progress in bringing a better quality of life to our citizens through cleaner lakes and streams. We also saw reported to the full House an Endangered Species Act rewrite that purports to place in the hands of mankind the ability to determine which of the Lord's creatures may live, and which may perish into extinction.

I am pleased at this time to include in the RECORD a summary of a survey conducted last October on the attitude of West Virginians toward environmental issues before the Congress. This survey, conducted by the Mellman Group, Inc., for the Environmental Information Center was recently brought to my attention by the West Virginia Chapter of the Sierra Club. The summary follows:

THE MELLMAN GROUP,
October 26, 1995.

To interested parties.
From the Mellman group.
Re West Virginia voters' attitudes toward environmental protection and regulatory reform.

The Mellman Group, Inc. designed and administered this telephone survey conducted by professional interviewers. The survey interviewed 500 registered voters in West Virginia. The survey was conducted between October 21-23, 1995. The margin of error for this survey is +/−4.4 percentage points at the 95% confidence level. The margin of error for subgroups varies and is slightly larger.

West Virginia voters are solidly in favor of maintaining current levels of environmental protection. A majority oppose current Congressional efforts to roll back environmental laws and regulations, and they are specifically opposed to loosening clean water regulations and reducing protections for endangered species. These voters object to the notion that they are over-regulated when it comes to the environment. Rather, they believe environmental laws and regulations have successfully protected public health and safety and are worth their cost. Further, West Virginians do not believe that we can afford to loosen environmental standards because of prior success in cleaning up pollution. Instead, these voters believe that if we loosen environmental regulations it will turn back the clock on the advances we have made in pollution control. They oppose a regulatory reform package that would weaken any portions of the Clean Air Act, the Clean Water Act or the Safe Drinking Water Act. Similarly, these voters believe regulations to protect endangered species are necessary and worth their costs. West Virginians oppose legislation that would reduce protections for endangered plants and animals. As we have seen in other states, this support for environmental laws and standards cuts across partisan, ideological, and demographic lines. Finally, in substantial numbers, West Virginians will retaliate at the polls against candidates who support relaxing environmental regulations.

POWER OF THE PURSE

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. KNOLLENBERG. Mr. Speaker, it has come to my attention that amounts appropriated in the fiscal year 1994 Defense budget are not being spent for the specific purposes for which they were intended.

Central to our debates over appropriations funding in the last several months has been a tacit understanding by both sides of the aisle that the Congress, and the Congress alone, has the constitutional "Power of the Purse." From this power, the Congress—and the Congress alone—specifies the objects of the appropriations funding. This means that the Congress can direct that agencies expend funds at the level, and in the direction, which Congress indicates.

This principal has remained so settled that it has been virtually unchallenged—that is, until relatively recently. In recent litigation before the U.S. District Court for the District of Columbia, however, The Justice Department has taken the position that the language commonly employed in appropriations acts to direct funding is permissive only, and not mandatory. Specifically, according to the Justice Department, the language "not less than $40 million shall be made available only for the National Center for Manufacturing Sciences" as employed in the fiscal year 1994 Defense Appropriations Act and the language "not less than $20 million shall be made available only for the National Center for Manufacturing Sciences" as employed in the fiscal year 1995 Defense Appropriations Act, is not binding on the agency.

The Department has used this interpretation to withhold funding from the National Center for Manufacturing Sciences. As a result, the Department is effectively supplanting its policy judgment for the will of Congress. And, at this very moment, important projects of the National Center for Manufacturing Sciences are being scaled back, and personnel are being laid off.

To clear up the interpretation of this important language, I have written to my colleagues, Mr. LIVINGSTON and Mr. OBEY, and have asked for their opinions on the meaning of these terms. I ask that the Justice Department take note of the opinions of the Chairman and the ranking minority member of the Committee on Appropriations when defining these terms. At this point I ask unanimous consent to enter into the RECORD this letter and a section from the GAO's review of appropriations law.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, December 19, 1995.

Hon. JOE KNOLLENBERG,
U.S. House of Representatives,
Washington, DC.

DEAR JOE: Your letter regarding a Justice Department interpretation of legislative earmark appropriations bill language is interesting. It points out the strains that occur when we legislate and the Executive branch searches out loopholes.

The Committee would expect, when using the language you cited "not less than $X of the funds appropriated shall be made available only for * * *", that the agency to which the appropriation was made would use at least that much money solely for the specified purposes in the language.

After reading your letter, a review was made of the GAO Principles of Federal Appropriations Law. I have attached chapter 6(B), Types of Appropriation Language and the Concept of Earmarking. In this chapter there is a paragraph on "not less than" earmarks. You may find some of these citations useful.

I hope this will be helpful.

Sincerely,

BOB LIVINGSTON,
Chairman.
DAVE OBEY,
Ranking Minority Member.

CHAPTER 6.—AVAILABILITY OF APPROPRIATIONS: AMOUNT

B. TYPES OF APPROPRIATION LANGUAGE AND THE CONCEPT OF EARMARKING

Congress has been making appropriations since the beginning of the Republic. Over the course of this time, certain forms of appropriation language have become standard. This section will point out the more commonly used language with respect to amount.

Congress may wish to specifically designate, or "earmark," part of a more general lump-sum appropriation for a particular object, as either a maximum, a minimum, or both.[1] For simplicity of illustration, let us assume that we have a lump-sum appropriation of $1,000 for "smoking materials" and a particular object within that appropriation is "Cuban cigars."

If the appropriation specifies "not to exceed" $100 for Cuban cigars or "not more than" $100 for Cuban cigars, then $100 is the maximum available for Cuban cigars. 64 Comp. Gen. 263 (1985).[2] A specifically earmarked maximum may not be augmented with funds for the general appropriation.

Statutory transfer authority will permit the augmentation of a "not to exceed" earmark in many, but not all, cases. In 12 Comp. Gen. 168 (1932), it was held that general transfer authority could be used to increase maximum earmarks for personal services, subject to the percentage limitations specified in the transfer statute.

AIRLINE AMBASSADOR PROGRAM: WORKING TO PROMOTE GOOD WILL THROUGH TRAVEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 5, 1996

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me in recognizing the Airline Ambassador Program. Initiated by an outstanding young woman, Nancy Larson, this program has already succeeded in extending help and compassion to the underprivileged children of the world, in teaching care and concern for the environment and in promoting a sense of community among the diverse ethnic groups of our planet.

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[1] We use the term "earmarking" here to mean a specific statutory designation of a portion of a lump-sum appropriation or authorization. The term is also used to refer to the statutory designation of revenues for particular uses. For a brief but nevertheless useful discussion of earmarking in this latter sense, see GAO report entitled *Budget Issues: Earmarking in the Federal Government*, GAO/AFMD-90-8FS (January 1990).

[2] A "not to exceed" earmark was held not to constitute a maximum in 19 Comp. Gen. 61 (1939), where the earmarking language was inconsistent with other language in the general appropriation.

The Airline Ambassador Program has created a network of airline personnel who volunteer their time to humanitarian service in their own communities and abroad. Since 1993, airline ambassadors have volunteered in a wide variety of highly effective activities throughout the world. They have participated in nine international conferences, hosted five interactive global tea parties which promote intercultural sharing, sponsored four humanitarian missions to former Yugoslavia, Ecuador, Mexico and Bolivia, and coordinated donations of hospital supplies, food, toys, and baby items for orphanages and needy children. Airline personnel have escorted hundreds of orphans and children in need of medical care.

The unique ability of airline personnel to span the globe at a moment's notice allows them to assist in ways others cannot. They are creating an example by these activities of sharing and caring for the travelling public at large. Inflight articles and videos will further reinforce this idea of travelling to make a positive impact on the world.

I am confident that as the Airline Ambassador Program gains the support and momentum it deserves, it will be able to accomplish even more through expansion of its many excellent programs. Please join me in expressing appreciation for the unique way in which airline ambassadors and Nancy Larson are making this world a better place for all of us to live.

SENATE—*Monday, January 8, 1996*

The Senate met at 3 p.m. and was called to order by the Honorable JOHN W. WARNER, a Senator from the State of Virginia.

PRAYER

The Honorable JOHN W. WARNER, a Senator from the State of Virginia, offered the following prayer:

In the absence of the Chaplain, it is my privilege to read the opening prayer.

The Lord is my shepherd; I shall not want.

He maketh me to lie down in green pastures: he leadeth me beside the still waters.

He restoreth my soul: he leadeth me into the paths of righteousness for his name's sake.

Yea, though I walk through the valley of the shadow of death, I will fear no evil: For Thou art with me; thy rod and thy staff they comfort me.

Thou preparest a table in front of my enemies: Thou anointest my head with oil; my cup runneth over.

Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord forever.—Psalm 23.

We close by thanking the Lord for guiding us through this most unusual weather storm, for those families who are suffering as a consequence, and for our troops and others beyond our shores serving in the cause of freedom, especially those in Bosnia. Amen.

APPOINTMENT OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 8, 1996.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN WARNER, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. WARNER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The distinguished majority leader of the Senate is recognized.

EXPRESSION OF APPRECIATION

Mr. DOLE. Mr. President, I thank the staff. I know it was not easy to come here. We are not going to be here but a minute or two, but I thank all the members of our family here, and I appreciate very much their presence.

ORDERS FOR WEDNESDAY, JANUARY 10, 1996

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 12 noon on Wednesday, January 10, 1996; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until 12:30, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. I just say for the information of all Senators, we would not expect any rollcall votes on Wednesday. I am not certain what the status of the House will be by Wednesday. They may be in recess subject to the call of the Chair. So it would be my thought that probably on Wednesday there would be very little, if any, business.

BUDGET NEGOTIATIONS

Mr. DOLE. Mr. President, we started our negotiations with the White House about 40 minutes ago. I will return to the White House. Again, I think everybody is acting in good faith. We have not reached any agreement. We may not; we may. I do not think anybody knows at this point. But I think as long as there is the spirit of cooperation and credible negotiation, the Speaker and I, and the majority leader in the House, Congressman ARMEY, feel that we should continue negotiating with the President. So we will be doing that for the rest of the afternoon.

(Mr. JEFFORDS assumed the chair.)

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

COMMENDATION FOR LEADERSHIP AND SERVICE

Mr. WARNER. Mr. President, I rise just to acknowledge, speaking for myself and I think a great majority of Senators on both sides of the aisle, and commend our distinguished Republican leader for the leadership he has given this body and, indeed, for the leadership he has given the United States during this most unusual period of the budget. As I read the numerous columns, listen to the press throughout the Nation, I think due recognition is given to our distinguished leader for his role.

Mr. President, I also wish to say that in my own State and in the adjoining areas of the greater metropolitan area of Washington, other chapters of leadership are being written by citizens who are pouring out to help others who might not be as fortunate as a consequence of this storm. The response to our local hospitals by people with 4-wheel drive vehicles has been very dramatic.

Also, I know there are many stories about people helping others, in all types of extreme circumstances with this unusual storm.

Also, Mr. President, I have maintained contact with this institution throughout this period of the storm as a consequence of my role as chairman of the Rules Committee, and I wish to commend the security staff here of the Senate and many others, notably the operators. They came in before the storm and have, frankly, stayed here throughout the storm, sleeping intermittently on couches, to provide the necessary communications between the Senate and its Members and to receive calls from many citizens.

Mr. President, I will have more to say about this after I collect the stories later this week. I commend the Senator for his work.

Mr. DOLE. I thank my colleague from Virginia for his kind remarks. I also would want to compliment the Architect's office and all those responsible for snow removal at the Capitol. All the streets around the Capitol have been cleared and most of the areas in and about the Capitol have been cleared. They have done an outstanding job. I certainly appreciate their efforts, as I said earlier.

Now, maybe being from the Presiding Officer's home State, this is just another snowfall, because Vermont takes these things in stride, but for this area of the country it, I guess, is the fourth largest in history. So it will cause, as the Senator from Virginia said, some suffering in some cases where they are not able to deal with it. I hope that we will be able to get everybody back to work after the one Government shutdown. This Government shutdown is not one Congress or the President is responsible for.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

RECESS UNTIL JANUARY 10, 1996

Mr. DOLE. If there is no further business to come before the Senate, I ask that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 3:07 p.m., recessed until Wednesday, January 10, 1996, at 12 noon.

HOUSE OF REPRESENTATIVES—*Tuesday, January 9, 1996*

(Legislative day of Friday, January 5, 1996)

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. EMERSON] at 11 o'clock a.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As the psalmist of old has written: *I will call to mind the deeds of the Lord; yea, I will remember thy wonders of old. I will meditate on all thy work, and muse on thy mighty deeds.*—Psalm 77: 11–12

In our best seasons, O God, we realize the marvelous moments of Your whole creation—the wonders of the universe, the majesty of life, the magnificence of human opportunity, the gifts of faith and hope and love. Remind us this day, O God, that in addition to that which is before us and is to be accomplished, we pause in prayer to give thanks to You for Your mighty deeds to us and to all people and to express our gratitude for all the blessings of life and love. This is our earnest prayer. Amen.

PLEDGE OF ALLEGIANCE

Mr. SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The Speaker pro tempore led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, January 9, 1996.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received the following messages from the Secretary of the Senate on Friday, January 5, 1996 at 11:25 p.m.:

That the Senate passed without amendment H.J. Res. 134; and

That the Senate passed without amendment H.R. 1358.

With warm regards,

ROBIN H. CARLE,
Clerk.

COMMUNICATION FROM THE SPEAKER

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

January 6, 1996.

Received from the White House a sealed envelope said to contain a Message from the President wherein he transmits a plan to achieve a balanced budget not later than the fiscal year 2002.

NEWT GINGRICH,
Speaker of the House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bill on Saturday, January 6, 1996:

H.R. 1358, to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Marine Fisheries Service Laboratory located on Emerson Avenue in Gloucester, MA.

PLAN TO ACHIEVE A BALANCED BUDGET NO LATER THAN FISCAL YEAR 2002 AS CERTIFIED BY THE CONGRESSIONAL BUDGET OFFICE ON JANUARY 6, 1996—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Union Calendar and ordered to be printed:

To the Congress of the United States:

I hereby submit to the Congress a plan to achieve a balanced budget not later than the fiscal year 2002 as certified by the Congressional Budget Office on January 6, 1996. This plan has been prepared by Senator Daschle and if passed in its current form by the Congress, I would sign it into law.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 6, 1996.*

COMMUNICATION FROM DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

The SPEAKER pro tempore laid before the House the following communication from the Director of the Congressional Budget Office:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 6, 1996.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: The Congressional Budget Office (CBO) has prepared a preliminary analysis of the President's budgetary submission of this date. The analysis is based on draft legislative language or on other descriptive material provided by staff. It employs CBO's updated economic and technical estimating assumptions, which incorporate the economic effects of balancing the federal budget by 2002 and are described in the CBO memorandum "Economic and Budget Outlook: December 1995 Update." The analysis also assumes, as specified by staff, that the projected adjustment to reduce the formula bias in the consumer price index (CPI) will reduce the rate of growth of the CPI by 0.3 percentage points a year, which is the upper end of the range estimated by the Bureau of Labor Statistics. CBO's December baseline assumes a reduction near the middle of the range.

Under these assumptions, the proposal would result in deficits of $153 billion in 1996 and $167 billion in 1997 and a surplus of $1 billion in 2002. Compared to the CBO baseline, the proposal would reduce the deficit by $220 billion over the next five years and by $583 billion over the 1996–2002 period. Table 1 summarizes the proposed policy changes. Table 2 shows the estimated savings from the changes in direct spending and revenues that would result from enactment of each title of the proposal.

Sincerely,

PAUL VAN DE WATER,
(For June E. O'Neill).

Attachments.

TABLE 1.—DEMOCRATIC PLAN CHANGES FROM CBO'S DECEMBER BASELINE

[By fiscal year, in billions of dollars]

	1996	1997	1998	1999	2000	2001	2002	Total 1996–2002
CBO December Baseline Deficit[a]	172	182	183	195	204	211	228	(*)
Baseline Adjustments[b]	0	0	−2	−2	−3	−6	−6	−19

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TABLE 1.—DEMOCRATIC PLAN CHANGES FROM CBO'S DECEMBER BASELINE—Continued

[By fiscal year, in billions of dollars]

	1996	1997	1998	1999	2000	2001	2002	Total 1996–2002
Adjusted December Baseline	172	182	181	193	201	205	222	
Democratic Plan Policies:								
Outlays:								
Discretionary:[c]								
Freeze[d]	−8	−9	−11	−32	−49	−66	−84	−258
Savings relative to freeze	−4	2	−3	2	2	−9	−26	−37
Subtotal	−12	−7	−14	−30	−47	−75	−110	−295
Mandatory:								
Medicare	(e)	−3	−6	−12	−19	−26	−35	−102
Medicaid	0	[e]	−2	−7	−10	−13	−19	−52
Other	−7	−9	−12	−15	−15	−15	−22	−95
Subtotal	−7	−12	−21	−34	−45	−54	−76	−249
Net Interest	[e]	−2	−3	−5	−9	−14	−23	−56
Total Outlays	−20	−21	−37	−69	−100	−143	−209	−599
Revenues[f]	[e]	6	6	6	10	3	−14	17
Total Policies	−20	−15	−32	−63	−90	−140	−223	−583
Democratic Plan Deficit	153	167	149	130	110	65	−1	(*)

Notes: * = not applicable.

Numbers may not add to totals because of rounding.

[a] Projections assume that discretionary spending is equal to the spending limits that are in effect through 1998 and will increase with inflation after 1998.

[b] The Democratic plan assumes that the anticipated change in the consumer price index (CPI) methodology used by the Bureau of Labor Statistics (BLS) will reduce the rate of growth of the CPI by 0.3 percentage points a year, which is the upper end of the range estimated by the BLS. CBO's December baseline assumes a reduction near the middle of the range.

[c] Discretionary savings specified by staff.

[d] Savings from freezing 1996–2002 appropriations at the nominal level appropriated for 1995.

[e] Less than $500 million.

[f] Revenue increases are shown with a negative sign because they decrease the deficit. Includes Earned Income Credit outlays.

Sources: Congressional Budget Office; Joint Committee on Taxation.

TABLE 2.—SAVINGS FROM POLICY CHANGES IN THE DEMOCRATIC PLAN BASED ON CBO'S DECEMBER BASELINE ASSUMPTIONS, BY TITLE

[By fiscal year, in billions of dollars]

Title	1996	1997	1998	1999	2000	2001	2002	Total 1996–2002
I—Banking and Housing: Outlays	−4.3	(a)	−0.1	0.2	0.1	0.1	−0.5	−4.4
II—Spectrum Allocation: Outlays	−0.2	−1.8	−2.7	−3.6	−3.1	−2.7	−7.4	−21.3
III—Medicaid: Outlays	0	−0.4	−2.4	−6.7	−10.3	−13.2	−18.6	−51.7
IV—Medicare: Outlays	(a)	−2.7	−6.1	−12.3	−19.1	−26.0	−35.4	−101.5
V—Welfare Reform:								
Outlays	−0.9	−4.8	−5.8	−6.3	−6.9	−6.9	−7.6	−39.1
Revenues[b]	−0.1	−0.3	−0.6	−0.7	−0.8	−0.8	−0.9	−4.2
Deficit	−1.0	−5.1	−6.4	−7.0	−7.6	−7.7	−8.5	−43.3
VI—Federal Retirement:								
Outlays	−0.5	−1.8	−2.7	−2.7	−2.7	−2.7	−2.9	−15.9
Revenues[b]	−0.2	−0.4	−0.5	−0.6	−0.6	−0.6	−0.6	−3.5
Deficit	−0.7	−2.2	−3.2	−3.2	−3.3	−3.3	−3.5	−19.4
VII—Veterans Provisions: Outlays	−0.2	−0.3	−0.4	−1.2	−1.3	−1.3	−1.4	−6.1
VIII—Asset Sales, User Fees, and other Mandatory Provisions: Outlays	−1.3	−0.5	−0.6	−1.5	−1.3	−1.3	−2.2	−8.7
IX—Revenues: Revenues[b,c]	0.5	6.5	6.9	7.0	11.1	4.3	−12.1	24.2
X—Budget Enforcement: Outlays	0	0	0	0	0	0	0	0
Total:								
Outlays	−7.3	−12.3	−20.7	−33.9	−44.6	−53.8	−76.0	−248.7
Revenues[b,c]	0.2	5.8	5.8	5.8	9.7	2.9	−13.7	16.5
Deficit	−7.1	−6.5	−14.9	−28.2	−34.9	−50.9	−89.7	−232.2

[a] Less than $50 million.

[b] Revenue increases are shown with a negative sign because they reduce the deficit.

[c] Includes Earned Income Credit Outlays.

Sources: Congressional Budget Office; Joint Committee on Taxation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE CERTIFYING REQUIREMENTS OF SECTION 2 OF HOUSE CONCURRENT RESOLUTION 131

The SPEAKER pro tempore. The Chair announces that, pursuant to section 1 of House Concurrent Resolution 131, the Speaker has certified to the Committee on House Oversight that the requirements of section 2 of House Concurrent Resolution 131 have been met.

The following matters will be included as part of the House document embodying the message of the President:

The proposed text of the budget plan of the President for the fiscal years 1996 through 2002 (part 1);

The proposed text of legislation to implement that budget (part 2);

The detailed report setting forth the policies underlying that budget (part 1); and

The certification by the Director of the Congressional Budget Office to the Speaker (part 1).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolution on Saturday, January 6, 1996:

H.J. Res. 134, making further continuing appropriations for the fiscal year 1996, and for other purposes.

RECESS

The SPEAKER pro tempore. Pursuant to subsection (b) of the first section of House Resolution 330, the House stands in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 6 minutes a.m.), the House stood in recess subject to the call of the Chair.

CORRECTION OF PROCEEDINGS ON DISPOSITION OF SENATE AMENDMENTS TO HOUSE JOINT RESOLUTION 134, MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996, PRINTED IN RECORD OF JANUARY 5, 1996, PAGES 365–367

PROVIDING FOR DISPOSITION OF SENATE AMENDMENT TO HOUSE JOINT RESOLUTION 134, MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 336 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 336

Resolved, That upon adoption of this resolution the House shall be considered to have taken from the Speaker's table the joint resolution (H.J. Res. 134) making further continuing appropriations for the fiscal year 1996, and for other purposes, with the Senate amendment thereto, and to have concurred in the Senate amendment with an amendment consisting of the text printed in the report of the Committee on Rules accompanying this resolution.

SEC. 2. House Concurrent Resolution 131 is hereby adopted.

SEC. 3. The Clerk shall not transmit to the Senate a message regarding H.J. Res. 134 until the House has received a message that the Senate has agreed to House Concurrent Resolution 131 as adopted by the House.

The text of the Senate amendment and the House amendment to the Senate amendment are as follows:

Senate amendment:

Strike out all after the resolving clause and insert:

TITLE I

AID TO FAMILIES WITH DEPENDENT CHILDREN AND FOSTER CARE AND ADOPTION ASSISTANCE

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1995:

All projects and activities funded under the account heading "Family support payments to States" under the Administration For Children and Families in the Department of Health and Human Services;

All projects and activities funded under the account heading "Payments to States for foster care and adoption assistance" under the Administration For Children and Families in the Department of Health and Human Services;

Such amounts as may be necessary for the medicaid program under title XIX of the Social Security Act for the second quarter of fiscal year 1996; and

All administrative activities necessary to carry out the projects and activities in the preceding three paragraphs:

Provided, That whenever the amount which would be made available or the authority which would be granted under an Act which including funding for fiscal year 1996 for the projects and activities listed in this section is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act which included funding for fiscal year 1996 for the projects and activities listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act which included funding for fiscal year 1996 for the projects and activities listed in this section has been passed by only the House or only the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriation or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in the appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution.

SEC. 105. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 106. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) January 3, 1996, whichever first occurs.

SEC. 107. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 108. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this joint resolution.

SEC. 109. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

TITLE II

DISTRICT OF COLUMBIA

That the following sums are hereby appropriated, out of the general fund and enterprise funds of the District of Columbia for the District of Columbia for the fiscal year 1996, and for other purposes, namely:

SEC. 201. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this title of this joint resolution) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act:

The District of Columbia Appropriations Act, 1996;

Provided, That whenever the amount which would be made available or the authority which would be granted in this Act is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this section as passed by the House as of the date of enactment of this joint resolution, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this joint resolution, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: Provided, That where an item is not included in either version or where an item is included in only one version of the Act as passed by both Houses as of the date of enactment of this joint resolution, the pertinent project or activity shall not be continued except as provided for in section 211 or 212 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 202. Appropriations made by section 201 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 203. No appropriation or funds made available or authority granted pursuant to section 201 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 204. No provision which is included in the appropriations Act enumerated in section 201 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this joint resolution.

SEC. 205. Appropriations made and authority granted pursuant to this title of this joint resolution shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this joint resolution.

SEC. 206. Unless otherwise provided for in this title of this joint resolution or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this joint resolution shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this joint resolution, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision *for such project or activity, or (c) January 3, 1996, whichever first occurs.*

SEC. 207. Notwithstanding any other provision of this title of this joint resolution, except section 206, none of the funds appropriated under this title of this joint resolution shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 208. Expenditures made pursuant to this title of this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 209. No provision in the appropriations Act for the fiscal year 1996 referred to in section 201 of this title of this joint resolution that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 206(c) of this joint resolution.

SEC. 210. Appropriations and funds made available by or authority granted pursuant to this title of this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 211. Notwithstanding any other provision of this title of this joint resolution, except section 206, whenever the Act listed in section 201 as passed by both the House and Senate as of the date of enactment of this joint resolution, does not include funding for an ongoing project or activity for which there is a budget request, or whenever the rate for operations for an ongoing project or activity provided by section 201 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 201 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366. For the purposes of this title of this joint resolution, the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 212. Notwithstanding any other provision of this title of this joint resolution, except section 206, whenever the rate for operations for any continuing project or activity provided by section 201 or section 211 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366.

SEC. 213. Notwithstanding any other provision of this title of this joint resolution, except sections 206, 211, and 212, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this resolution that would impinge on final funding prerogatives.

SEC. 214. This title of this joint resolution shall be implemented so that only the most limited funding action of that permitted in this title of this resolution shall be taken in order to provide for continuation of projects and activities.

SEC. 215. The provisions of section 132 of the District of Columbia Appropriations Act, 1988, Public Law 100–202, shall not apply for this title of this joint resolution.

SEC. 216. Notwithstanding any other provision of this title of this joint resolution, except section 206, none of the funds appropriated under this title of this joint resolution shall be used to implement or enforce any system of registration of unmarried, cohabiting couples whether they are homosexual, lesbian, heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this title of this joint resolution otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

TITLE III

VETERANS' BENEFITS

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

SEC. 301. ENSURED PAYMENT DURING FISCAL YEAR 1996 OF VETERANS' BENEFITS IN EVENT OF LACK OF APPROPRIATIONS.

(a) PAYMENTS REQUIRED.—In any case during fiscal year 1996 in which appropriations are not otherwise available for programs, projects, and activities of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall nevertheless ensure that—

(1) payments of existing veterans benefits are made in accordance with regular procedures and schedules and in accordance with eligibility requirements for such benefits; and

(2) payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs are made when due in the case of services provided that directly relate to patient health and safety.

(b) FUNDING.—There is hereby appropriated such sums as may be necessary for the payments pursuant to subsection (a), including such amounts as may be necessary for the costs of administration of such payments.

(c) CHARGING OF ACCOUNTS WHEN APPROPRIATIONS MADE.—In any case in which the Secretary uses the authority of subsection (a) to make payments, applicable accounts shall be charged for amounts so paid, and for the costs of administration of such payments, when regular appropriations become available for those purposes.

(d) EXISTING BENEFITS SPECIFIED.—For purposes of this section, existing veterans benefits are benefits under laws administered by the Secretary of Veterans Affairs that have been adjudicated and authorized for payment as of—

(1) December 15, 1995; or

(2) if appropriations for such benefits are available (other than pursuant to subsection (b)) after December 15, 1995, the last day on which appropriations for payment of such benefits are available (other than pursuant to subsection (b)).

SEC. 302. EXPIRATION DATE.

Section 301 shall expire on January 3, 1996.

House amendment to the Senate amendment:

In lieu of the matter inserted by said amendment, insert:

SEC. 1. Section 106(c) of Public Law 104–56 is amended by striking "December 15, 1995" and inserting in lieu thereof "January 26, 1996".

SEC. 2. The transmission of this joint resolution to the President shall be in accordance with the requirements of the concurrent resolution (H. Con. Res. 131) that establishes procedures making such transmission contingent upon the submission by the President of a seven-year balanced budget using the economic and technical assumptions specified in or consistent with the Congressional Budget Office Memorandum entitled "The Economic and Budget Outlook: December 1995 Update".

□ 1435

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. EMERSON) at 2 o'clock and 35 minutes p.m.

ADJOURNMENT TO FRIDAY, JANUARY 12, 1996, UNLESS HOUSE SOONER RECEIVES MESSAGE FROM SENATE TRANSMITTING CONCURRENCE IN HOUSE CONCURRENT RESOLUTION 133.

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, January 9, 1996, it stand adjourned until 10 a.m. on Friday, January 12, 1996, unless the House sooner receives a message from the Senate transmitting its concurrence in House Concurrent Resolution 133, in which case the House shall stand adjourned pursuant to that concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ADJOURNMENT

Mr. BOEHNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 37 minutes p.m.), under its previous order, the House adjourned until Friday, January 12, 1996, at 10 a.m.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following day present to the President, for his approval, a bill of the House of the following title:

On January 5:

H.R. 1643. Making appropriations for certain activities for the fiscal year 1996, and for other purposes.

PROVIDING FOR ADJOURNMENT OF THE HOUSE FROM TUESDAY, JANUARY 9, 1996, TO MONDAY, JANUARY 22, 1996, AND ADJOURNMENT OR RECESS OF THE SENATE FROM JANUARY 10, 1996, TO MONDAY, JANUARY 22, 1996

Mr. BOEHNER. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 133) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 133

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the calendar day of Tuesday, January 9, 1996, it stand adjourned until 2 p.m. on Monday, January 22; 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on the calendar day of Wednesday, January 10, 1996, pursuant to a motion offered by the Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, January 22, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X,

Mr. BOEHNER introduced a concurrent resolution (H. Con. Res. 133) providing for an adjournment of the two Houses; which was considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 444: Ms. HARMAN.

H.R. 2386: Ms. HARMAN.

H. Res. 333: Mr. MCHALE, Mr. HINCHEY, Ms. FURSE, and Mr. BARRETT of Wisconsin.

EXTENSIONS OF REMARKS

THANKS TO FLOYD E. CUNNINGHAM

HON. GLENN POSHARD

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, January 9, 1996

Mr. POSHARD. Mr. Speaker, I rise to pay special tribute to a distinguished public servant in southern Illinois, Mr. Floyd E. Cunningham.

Floyd Cunningham retired late last year from his position as administrator of Franklin-Williamson Human Services, Inc., an organization which he has guided with a steady hand and caring heart since its inception in 1970. During his many years of faithful service to community mental health services, Floyd's talent and commitment earned him numerous awards, including being named Southern Illinois District Social Worker of the Year in 1990. His distinguished career was ultimately put in proper perspective with his selection as a most worthy recipient of the 1995 Illinois Association of Community Mental Health Agencies Lifetime Achievement Award.

To list all of the various leadership positions which Floyd has accepted to further the cause he cares for so deeply would require more time and space than we are allowed today. Let me simply say that in the field of community mental health in southern Illinois, and indeed across the entire State, there is no one held in higher regard nor who will be more sorely missed than Floyd Cunningham.

His efforts over the years have helped make our communities better places to live, work, and call home. He has helped us see each other as unique and special people, while at the same time reminding us all we have in common with our fellow man and of the many hopes and dreams we share with each other.

We know that someone of his talent and concern will not allow us to go it alone—we know we'll hear more from Floyd and be able to depend on his time and energy in countless ways in the future. But today, we are privileged to have this opportunity to thank him for the long hours, the tough decisions, and the care and concern he brought to doing his best for the people who depended on him.

Thank you, Floyd, for all you've done, and we wish you continued success and happiness in the future.

SENATE—*Wednesday, January 10, 1996*

(Legislative day of Monday, January 8, 1996)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, the one great need we all have in common is for a profound spiritual awakening. Stir our somnolent souls wide awake to experience Your presence. We praise You that You have created us to know, love, and serve You and have placed a longing within all of us for a deep relationship with You. We are astonished that even before we ask, You offer Your forgiveness. In spite of everything, You draw us closer to Your heart and offer us fresh grace.

Thank You, dear God, for Your intervention to help us in these days of budget negotiations. May this time of respite lead us to resolution of the issues that still divide us. We want to be as quick to thank You for progress as we have been to ask for Your help in our problems. We face the future with renewed confidence in Your involvement in our human struggles as we seek to lead this Nation. We ask for the infilling of Your spirit into our minds so we may think Your thoughts, discover Your solutions, and act on Your guidance. Flood our hearts with Your affirmation of Your love so that we may cherish the privilege of knowing and enjoying those who work with, for, and around us. Thank You for rejuvenating us with this time of prayer. In the name of our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, leader time has been reserved, and there will be a period for morning business until the hour of 12:30 p.m.

Following morning business, it is hoped that the Senate could turn to the adjournment resolution from the House, House Concurrent Resolution 133, calling for adjournment of both Houses until Monday, January 22. I have been asked if votes are anticipated during that week. I would not think so.

We will have the State of the Union Message on Tuesday, the 23d. I do not know of any votes that would occur that week, and it would be very unlikely, in my view. I have not talked with the Democratic leader about that.

We are reminded that we have the continuing resolution which expires on the 26th. I hope that would be resolved without votes. I am not certain of that.

TRIBUTE TO MIKE SYNAR

Mr. DOLE. Mr. President, not far from the floor of the House of Representatives is a statue of that great son of Oklahoma, Will Rogers. Rogers, of course, delighted in making fun of politics and politicians—but he believed in democracy, and he loved America.

Another Oklahoman who believed in democracy and loved America was former Congressman Mike Synar, who passed away this weekend after a brave fight against brain cancer.

Mike served in the House of Representatives with great energy from 1979 to 1995. Since we represented neighboring States, we worked together on a number of issues—especially those relating to agriculture.

Since Mike was a staunch Democrat, there were many other issues on which we found ourselves on opposite sides.

But Mike knew that you could disagree with someone without being disagreeable.

And I never doubted for a minute that Mike was standing up for what he believed.

He was, in the words of our former colleague David Boren, truly a "person of principle."

I know I speak for all Members of this Chamber in extending our condolences to Mike's family, and to his many friends.

STEALTH VETO OF WELFARE REFORM

Mr. DOLE. Mr. President, in the State of the Union Address President Clinton delivered nearly 1 year ago, he said—and I quote—"Nothing has done more to undermine our sense of common responsibility than our failed welfare system."

In just a few weeks, President Clinton will deliver another State of the Union Address.

And he will do so with the knowledge that he bears total responsibility for the continuation of that failed welfare system.

America heard a great deal of rhetoric in 1992 from candidate Clinton, and a great deal of rhetoric since then from President Clinton about "ending welfare as we know it."

But all the words in the world cannot obscure President Clinton's action of last night.

Given his promises, it is no wonder President Clinton used the cover of darkness to veto the truly revolutionary welfare reform bill which would have kept his commitments.

This bill was, of course, the result of almost a year of hard work by a bipartisan group of Members of Congress, Senators, and, very importantly, our Nation's Governors.

The President may have tried to hide his stealth veto by doing it late at night, but he can not hid the message he is sending to the American people: a loud and clear message that he will stand in the way of fundamental change, and, instead, will fight for the status quo.

The President's veto means that American taxpayers will enter 1996 continuing to pour countless millions into a system that has failed, according to everyone. The system failed, and failed, and failed. And those who are served by the system will enter a new year with little or no hope for escaping from a future of welfare.

What a different 1996—and a different future—it would have been had the President backed his words up with action by signing the legislation.

Instead of the status quo where all authority resides in Washington, we would have shifted power to our State capitals, and given our Governors the ability to create a system that meets the unique needs of their States.

Instead of the status quo, where welfare often becomes a way of life, and where some receive Federal; cash benefits just because they choose not to work, we would have a system where people are required to work after 2 years, and one with a 5-year limit on the receipt of Federal benefits.

Instead of the status quo, where children are rewarded for having children and for moving away from home, we would have one which recognizes the importance of family—one that discourages illegitimacy, and encourages personal responsibility.

Instead of the status quo, which often allows deadbeat dads to escape their financial responsibilities, we would have a system that streamlined paternity establishment, that established State registries, that made child

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

support laws uniform across State lines, and that required States to use the threats of denying drivers licenses to parents who refuse to pay child support.

Instead of the status quo which wastes billions of taxpayer dollars, we would have a system that gives our States the authority and responsibility to crack down on fraud and abuse.

I am not claiming that our welfare reform legislation was perfect. Nor would it have magically solved our Nation's many social problems.

But it did put an end to a failed system.

It was a sharp departure. It was a fundamental change.

It was a big, big, step in the right direction.

It did return power to our States and cities, and to our people.

It did offer hope and opportunity to millions of Americans.

And we did want to stress work, and not welfare.

But instead of beginning in 1996 by signing this legislation, the President has chosen to begin it by keeping the status quo intact.

I suspect that in this year's State of the Union Address, the President will again talk about how he wants to end welfare as we know it.

But they are words that will sound very hollow to many in this Chamber, and to all Americans who pay for, or who are served by, the status quo: And that is a failed system that remains intact thanks to the President's actions of last evening.

It seems to me that here is a bill that passed the U.S. Senate by a vote of 87 to 12. If one absentee, Senator HATFIELD, had voted "aye," it would have been 88 Senators—good, bipartisan, strong bipartisan support.

The bill went to conference, and we came back with a fundamental Senate bill. And by then it had become politicized again, and it was more of a party-line vote, with one exception on the other side.

We have discussed welfare reform in all of the meetings we have had at the White House. But I do not see how the President could veto a bill that we were so close to coming together on, one that he praised when it passed the Senate, one that he said he can support. I must say, if there are any sharp differences in those two bills—our bill and the bill that came from conference—they were not major.

So we will try again. We will try again in 1996. It seems to me, and it seems to most of my colleagues—at least the 87 who voted for welfare reform—that system has failed. We need fundamental change.

We are willing to trust the Governors. We are willing to send power back to States. Therein lies the problem. Therein lies the problem, because I do not think the President of the United States wants that to happen, unless the Federal Government determines eligibility and determines who is going to be covered and everything else. If you put all those regulations on Governors, they will say, "No, thank you. If you don't give us flexibility, we can't save the money."

We are talking about saving somewhere in the neighborhood of $60 billion over 7 years. And $60 billion is a lot of money to the American taxpayers. We believe it can be done. We believe it can be done, and we can still preserve the benefits for those who need the benefits.

There will always be some who need help, and we understand that. But we will also tighten up the system so those who should be working will be working, and the alternative will not be receiving benefits.

So we regret that the bill has been vetoed. I guess you can say it came as no surprise. But in our view we had a good product that should have been signed. It seems to me that we will have to take our case to the American people and let them make the final decision.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE CONGRESS

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to consideration of House Concurrent Resolution 133, calling for an adjournment of both Houses of Congress until January 22, that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 133) was agreed to, as follows:

H. CON. RES. 133

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the calendar day of Tuesday, January 9, 1996, it stand adjourned until 2 p.m. on Monday, January 22, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on the calendar day of Wednesday, January 10, 1996, pursuant to a motion offered by the Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, January 22, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The PRESIDING OFFICER. The minority leader is recognized.

EXPECTATION OF VOTES

Mr. DASCHLE. Mr. President, let me say that I am pleased with the majority leader's remarks about the expectations for votes for the next couple of weeks. In case Senators are not clear, as I understand it, unless some significant unforeseen development arises, we do not anticipate votes for the next couple of weeks. The next week and the week following are weeks within which votes will not be likely.

TRIBUTE TO CONGRESSMAN MIKE SYNAR

Mr. DASCHLE. The majority leader talked about someone for whom I feel a great deal of affection. Mike Synar and I came to the Congress together in 1978. He was the very first person I met in the House of Representatives. He was the first Member of Congress I accompanied to his district. He was the first Member of Congress I brought to South Dakota. We got to be very, very close friends. Over the years that friendship grew, and our affection for one another grew with it.

As most people remember, Mike Synar was awarded the Profiles In Courage Award just last year for the remarkable display of courage he demonstrated on a whole range of issues. Whether one agreed with him or not, one would have to say that when it came to standing up for his convictions, when it came to his belief that you either come to Congress to do something or be something, he chose to do something. You could not deny that that is exactly what he was here to do, to make what he could out of an opportunity to be a Member of Congress from a conservative district in the State of Oklahoma.

Mike Synar stood up for what he believed. The antithesis of the perception of a modern-day politician, he stood up to the special interests. Whether you agreed with him or not, he stood up and fought for everything he could in the time he was here—campaign finance reform, grazing fee reform, tobacco issues that span the spectrum, a whole range of issues that he felt and cared very deeply about.

So, Mr. President, America has lost a fine public statesman today. America has lost somebody who came here for all the right reasons. America has lost somebody who I was fortunate to call a very close and special friend.

We will miss him. Along with Senator DOLE, I send my condolences to his family, and to all of those who have had the good fortune to know him, to love him, and to count him as their friend, too.

THE PRESIDENT'S VETO OF THE WELFARE REFORM BILL

Mr. DASCHLE. The majority leader talked about his disappointment at the decision of the President to veto the welfare bill. Let me say, Mr. President, that I am very pleased with the action taken by the President yesterday.

The majority leader characterized the conference report as virtually similar to the Senate-passed bill. The majority leader did not note that the President said he could support the Senate-passed bill prior to the time it went to conference. He did not mention that there was a significant level of bipartisan support for that bill as it left the Senate, controversial in many ways as it was.

We all recognize the need for reform. We all recognize that we have to build upon the reforms that we enacted over the last 10 years. We all recognize that we want to find ways to make work pay. But we also ought to recognize that we should not be punishing children as we attempt to do that. We also ought to recognize that in the name of flexibility we should not simply give carte blanche to States to renege on the responsibilities that every State must have to ensure that there is a welfare system that works.

No mention was made in the majority leader's remarks of the fact that there was no requirement in the conference report on welfare for the States to actually use for welfare purposes the Federal dollars that they are being provided for welfare. Under the provisions in the conference report, if they wanted to use them for infrastructure, they would be able to do that. If they wanted to use them for any other purpose they might have in their State budgets, there would be no prohibition on doing that.

You can talk about maintenance of effort. We actually reduced the level of maintenance of effort with no other requirement. By maintenance of effort we are simply asking the States, in coming years, to live up to the level of benefits they now provide.

Not only are they not required to live up to 100 percent of the benefits that they are now providing, the help that they are providing in whatever ways to children, the people who are attempting to break out of poverty, out of welfare, but the conference report would actually give them a license to drop from 100 percent down to 25 percent with no expectation in the future of how they will meet the requirements that they already have noted and have accumulated in their welfare budgets today.

There is no requirement in the conference-passed version of the bill to tell a welfare recipient who is waiting for some form of assistance that they will be receiving assistance at a certain time. In current law that time limit is 45 days. A State or county has to respond within 45 days. There is no such requirement in the current bill.

A prospective recipient of some form of assistance would have to wait 6 months, maybe have to wait 9 months, a year, 2 years. There is no limit on the extent to which recipients would have to wait for help.

So there are a significant number of very major differences between what we proposed in the work-first legislation, what we even passed in the U.S. Senate, and what came back as a conference report.

We want to make work pay. We want to ensure that children are not punished. We want to ensure that there is adequate funding for the kinds of things that we know we must do. Frankly, the higher we go in welfare savings, the more concerned I am that all we are really doing is creating the pool of resources necessary to pay for the huge tax cut that Republicans continue to insist be a part of any budget.

I do not know how we can do more in all the areas that we have agreed upon in the budget negotiations, whether it is in child care, whether it is in providing adequate nutrition, whether it is in providing real skilled opportunities for those who are on welfare today, job skills and training skills and the things that would make them more employable, how we can do all of that, and still save $60 billion, which coincidentally just happens to be an amount that would be very helpful in creating the pool necessary to make the tax cut work in current budget deliberations.

So, Mr. President, what the President vetoed is a far cry from what Democrats had proposed. It is a significant departure from what the Senate had gone on record in support of. I must say, were we to bring the bill back in its current form, we would have more than enough votes necessary to sustain the veto the President demonstrated yesterday.

So we are prepared—because we are not satisfied with the status quo either—to go back to work to find ways to address the significant deficiencies that currently exist in this bill. Let us make sure that we can find a bipartisan way to address welfare reform prior to the end of the year. But let us do it right. Let us ensure that the guarantees for children are there. Let us ensure that we find a way to make work pay. Let us ensure that we are able to provide the child care necessary so that parents can leave their homes for work. Let us ensure that—as much as we want to provide flexibility to the States—that they are not going to renege on their responsibility they have to make sure we have the infrastructure in place to ensure that this is more than just a piece of paper that we all feel good about on the day we vote again.

I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business until 12:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

THE PRESIDENT'S VETO OF H.R. 4

Mr. MOYNIHAN. Mr. President, as he had indicated he would do, the President has now vetoed H.R. 4, the Personal Responsibility and Work Opportunity Act of 1995. As the bill passed the Senate, December 22, 1995, with a margin of only 5 votes, 52–47, there can be no question of a veto override. Hence, the judgment of Robert Pear of the New York Times that "The President's action concludes a 4-year drama that began when Mr. Clinton, as a Presidential candidate in 1992, promised to 'end welfare as we know it.'"

Last September 19, essentially the same bill, indeed H.R. 4, passed the Senate 87–12, with only 11 Democrats opposed. In the interval Elizabeth Shogren of the Los Angeles Times and Judith Havemann and Ann Devroy of the Washington Post reported that the Department of Health and Human Services had submitted an analysis of the bill to the White House. Owing largely to the 5-year time limit, it would throw some 1.5 million children into poverty. No one could have wished this, and Democrats were especially bound to take into account this assessment of a Democratic administration. And so, in the end, 45 of 46 Democrats voted against the measure, Republican Senators CAMPBELL and HATFIELD joined us.

On the day of the final Senate vote, the 11 Democratic Senators who had been opposed from the first, wrote President Clinton to warn against including any "broad welfare measure * * * in the end of session budget agreement." This was not something, we judged, to be concluded in a matter of days by a small group under great pressure.

However, we now learn that on Saturday, January 6, as part of a balanced budget proposal offered by the President in those talks, a section "Welfare Reform Savings"—$46 billion over 7 years—includes this:

> Cash Assistance: AFDC would be terminated and replaced by a new conditional entitlement of limited duration. There would be a 5-year maximum time limit with a state option for vouchers at the end of that period to assist children.

Thus, the administration seemingly proposes to deliver the same 1.5 million children into poverty.

Why is this happening? I can think of two partial explanations.

First, it is widely assumed that AFDC is a Federal entitlement that the Federal Government can restrain without relinquishing. It is not. There is no Federal entitlement to welfare for individuals. Each State devises its own program. The Federal Government provides a matching grant. Abolish the matching grant and you can reasonably expect a race to the bottom.

Second, even as we deplore welfare dependency, we do not seem to grasp just how serious it really is. A quarter—24 percent—of American youth just turned 18 have been on AFDC. Half—46 percent—of the children in Chicago will be on AFDC in the course of a single year. Of children on AFDC, three-quarters are there for more than 5 years. Hence, a 5-year limit invites chaos and ruin.

In particular, liberal-minded persons must proceed with care. For decades now there has been a liberal tendency to understate, even to deny the welfare problem. Now, of a sudden, a liberal administration proposes a repeal measure that would have been unthinkable just a few years back. Both positions have the common fault of underestimating how serious and dangerous this problem really is.

Even so, let us all be ready for a careful, bipartisan exploration of the issue in the 105th Congress. It was, I think, a close call. But as Churchill remarked, there is nothing so exhilarating as to be shot at and missed.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

THE BUDGET NEGOTIATIONS

Mr. SPECTER. Mr. President, I compliment the distinguished majority leader, Senator DOLE, and all parties to the budget negotiations and urge them to continue their talks after hopefully only a brief suspension. It seems to me likely that an agreement can be reached since the parties are reportedly $100 billion apart. While that is a large sum of money in absolute terms, it is relatively a small percentage of the more than $12 trillion of a 7-year budget. It is eight-tenths of 1 percent. If an agreement cannot be reached, it is my strong view that the Government should not be closed because of gridlock. We should not try to run Government by blackmail. If an agreement cannot be reached, I suggest, as strongly as I can, that we should keep the Government running and crystallize the issues and present them to the American people for their decision in the 1996 Presidential and congressional elections.

During the first week of the shutdown—actually, on the second day, back on November 14 of last year, I urged this course of action. It is a fundamental principle of U.S. constitutional government that the Congress and the President are partners, really equal partners, unless each House of Congress has a two-thirds majority to override a Presidential veto. And if we can get a two-thirds majority by appealing to the centrists on both sides of the aisle, then we can structure a budget agreement without the President and without closing the Government. But, absent that, it is my strong view that we ought to keep the Government running and crystallize the issue for the 1996 election.

I understand those in my party who seek to enact our agenda through the political pressure of gridlock and shutdown. I agree with the majority leader, Senator DOLE, who has rejected that approach. I remain totally committed to a balanced budget within 7 years with genuine Congressional Budget Office figures. Since my first vote for the balanced budget amendment in 1983, I have stood fast for this important principle. But it is time to acknowledge that it is a failure with the American people to try political pressure through gridlock and shutdown. It is like Supreme Court Justice Potter Stewart said about obscenity, that he could not define it, but he knew it when he saw it. The American people, similarly, know the difference between Government by blackmail and legitimate political pressure.

Had there been any doubt about the difference, it was reduced to plain arithmetic by last night's NBC poll, which showed that 50 percent of the American people approved the President's handling of the budget crisis with 46 percent against, compared with 22 percent who support the Republican handling of the budget crisis with some 78 percent against.

One further word on blackmail versus legitimate political pressure. I urge my colleagues not to try to use the debt ceiling to bludgeon the settlement on the budget dispute. I personally have grave legal reservations about the procedures currently being used by the administration to avoid exceeding the debt limit, and I have said that directly to the Deputy Secretary of the Treasury. If they have violated the law by keeping the Government running without raising the debt limit, let them be impeached or subjected to other appropriate legal procedures.

When Treasury Secretary Jim Baker borrowed from the Social Security trust fund in the mid-1980's, I spoke up on this floor and objected to the conversion of trust funds for an unintended purpose. If any other person violated the trust fund, they would be subjected to criminal prosecution for fraudulent conversion. But I suggest that is a fundamentally different proposition for Congress to use that kind of a nuclear weapon in the budget battle. It is not proportionate and I suggest it is not proper.

The full faith and credit of the United States would be damaged worldwide. So I hope my colleagues will reject that approach.

EXTENSION OF MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the period for morning business be extended until the hour of 1:30 p.m. with Senators permitted to speak therein for not more than 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object. At 1:30, do you intend on going out?

Mr. LOTT. It is the leader's intent to go out at that time.

Mr. FORD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, with the time extended, I ask consent to speak for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOUTH AFRICA AND MIDEAST TRIP

Mr. SPECTER. In accordance with my practice to report on foreign travel, this floor statement summarizes a trip which Senator SHELBY and I took from December 28, 1995, through January 4, 1996, to South Africa and the Mideast, focusing on Intelligence Committee matters and the Mideast peace process with a stop at the International Criminal Court in The Hague en route back to Washington. Our itinerary was condensed and our trip was cut short to be able to return to Washington on January 4 in anticipation of possible Senate votes.

A key purpose was to evaluate the PLO's compliance with the provisions of the Specter-Shelby amendment, enacted in 1994, conditioning United States aid on a change in the PLO charter striking language calling for the destruction of Israel and requiring ending of terrorism by the PLO.

We met with PLO Chairman Yasser Arafat in Gaza on January 2, 1996, for approximately 1 hour. He explained his lateness saying he was out campaigning for other candidates. When we commented that he must have felt secure in his own election to be campaigning for others, he responded: "Who Knows?"

We were told the PLO election procedure had been modified because the number of seats had been expanded from 83 to 88 to accommodate late candidacies of members of Hamas. We then heard that the Hamas candidacies had been withdrawn due to pressure from Hamas leaders abroad.

We urged Arafat not to change election procedures at the last minute which looked like rigging the election.

When we asked about changing the PLO charter, Arafat said that would be accomplished within 2 months after the election scheduled for January 20, 1996. We emphasized the importance of eliminating the charter language calling for the destruction of Israel.

Later on January 2, when we met with Prime Minister Peres, we asked him what he thought of the United States conditioning aid to the PLO on changes in the PLO charter and curtailing terrorism. Mr. Peres responded positively saying those provisions of United States law were supportive of Israeli interests. After our meeting with Mr. Peres, we told Likud leader Benjamin Netanyahu of Arafat's promise to change the charter. Mr. Netanyahu said it was good that United States law had such a requirement, because Israeli law did not.

Referring back to the Arafat meeting, we asked him what had happened to the Arabs wanted by Israel on charges of terrorism. The Israeli-PLO agreement required the PLO to turn over such Arabs to Israeli authorities. We had pressed Chairman Arafat on that subject last August 31 when Senator HANK BROWN and I met with him in Gaza. Arafat said some such terrorists had been prosecuted in PLO courts and some had been turned over to Israel. Finding that answer insufficient, we urged Arafat to do more on that subject.

It was generally agreed by our Embassy that there had been marked improvement on terrorism in Israel during the past several months.

Arafat talked at some length about his warnings to Prime Minister Rabin on the assassination risks Mr. Rabin faced.

Arafat spoke about his efforts to aid in the Israeli-Syrian negotiations. He referred to a letter he had written to President Assad whom he described as a friend since 1963 when Assad was an Air Force officer. Arafat said he urged Assad to cooperate in the peace process.

When asked about Iran, Arafat responded that he thought dialog was possible. He said he had complained to Rafsanjani about Iranian interference in the Israeli-PLO peace process and had told Rafsanjani that he—Arafat—would make internal trouble for Iran if Iranian interference continued.

We also questioned Arafat about the PLO's hassling the Palestinian press about unfavorable news coverage. The PLO had detained an editor in custody. Arafat said the press had to respect the Government. We commented that Arafat couldn't get away with that in the United States. Arafat responded that he wasn't in the United States. He added that if he didn't take forceful actions, he would be undercut like the Government was in Algiers.

Arafat complained that some donor nations had not fulfilled their commitments to aid the PLO. When asked, "who?", he replied that he preferred not to say, but "instead to thank those who had not given as well as those who had given."

Arafat appeared poised, in good humor, and in good health.

Our meeting later the same day with Prime Minister Peres and Likud leader Netanyahu presented a sharp contrast in style, content, and perspectives. The 1996 Israeli election, the first with the Prime Minister elected separately from the Knesset, will present diametrically opposed approaches to this nation's future. It would be hard to conceive of a more important election historically for any nation—especially a nation where survival is jeopardized by a single mistake.

Mr. Peres articulated a vision for the future: peace, while facing substantial risks, with economic development and prospective prosperity as the glue to hold the region together. He said he saw more value in 100 hotels than 100 weapons.

Mr. Netanyahu said he and his party were firmly opposed to expanded PLO authority which would lead to sovereignty and a Trojan Horse threat within Israeli borders. He decried any deal with Syria and President Assad, saying the Syria keeps only those commitments it cannot get away with breaking.

Prime Minister Peres had a different approach saying that it was hard to make a deal with Syria, but once made, Syria kept its commitments. He approached the peace process with ideas as opposed to a concrete plan. He looked to building up rapport with the discussion of ideas before either side could defeat the process by seeing a proposal it felt compelled to reject.

It is obvious that the assassination of Prime Minister Rabin has had more than a sobering effect on the region. Chairman Arafat's condolence call on Mrs. Leah Rabin was a symbolic statement that Israel has suffered too much from terrorism—although the ultimate blow came, not from the hand of an Arab, but a Jew. Whatever doubt President Assad had about a real division in Israel, no other proof could have been more persuasive.

So, the currently visible battle lines being drawn in Israel are for its 1996 election. My view is the outcome will be determined more by events than personalities, policies, or programs.

Throughout our trip, we assessed intelligence missions and capabilities. Terrorism was a dominant topic of conversation. In one African city, we were told of a plan to locate an Iraqi rocket launcher on a hotel roof in 1991 to take out the United States Embassy and our Ambassador. As we looked out the conference room window in the Embassy we could see the hotel roof, the proposed launching site. A vigilant intelligence operation produced information which prevented the attack.

We were told that the 1986 U.S. Terrorist Protection Act has provided needed protection for U.S. personnel overseas. That legislation provided extra-territorial U.S. jurisdiction to provide for indictment in our courts for anyone who assaults, murders, or maims a U.S. citizen anywhere in the world.

In another African capital, we discussed the recent reign of terror in Nigeria. We discussed the pending legislative proposals to impose sanctions on Nigeria with the consensus that such action would be successful only if supported by united international action.

In Cape Town we met with Parliamentarians from the newly formed South African Intelligence Committee. They had many tough questions on the interaction between the Executive and Congress on legislative oversight. They asked bluntly if the CIA had too much power because of the perception that the CIA controlled the world. We responded by detailing our specific oversight actions to curtail excesses without unduly interfering with intelligence initiatives.

When our turn came for questions, we asked the opinion of the South African parliamentarians on whether the Government of South Africa would cooperate by imposing sanctions against buying Nigerian oil. They said yes, providing everyone else did. When advised that South Africa bought its oil from Iran, we asked the substitute question as to whether they would join in international sanctions by stopping buying oil from Iran. This question came too close for comfort and the parliamentarians made no commitment on the possibility of South African sanctions against Iran.

Wherever we went, there was constant talk about the danger Iran posed by its terrorism and spread of fundamentalism. The discussion frequently boiled down to whether Iran had to be totally ostracized with maximum sanctions to prevent Iran from developing nuclear weapons on whether some dialog was possible or even a combination of both.

The suggestion was made that if Israel could make peace with the PLO and Arafat, then it was worthwhile to undertake similar efforts with Iran. That point of view argued that no one would have suspected a few years ago that Yasser Arafat could be a partner for peace with Israel. Who would have expected that Arafat would be honored at the White House in 1993 after being implicated in the murder of the United States chargé in the Sudan in 1974 and the murder of Mr. Leon Klinghoffer in the hijacking of the *Achille Lauro*.

Iran probably poses the greatest threat to world peace today. There was general agreement on our travels that more attention needs to be focused on the Iranian threat.

En route back to the United States, we stopped at The Hague in the Netherlands to meet with the U.N. team preparing for criminal prosecutions in the

War Crimes Tribunal for the former Yugoslavia. This tribunal could make the greatest contribution of the decade—or perhaps the century—by establishing a deterrent to wars of aggression, genocide and crimes against humanity by bringing the perpetrators to justice.

Several weeks ago, I had met with Justice Goldstone, the tribunal's chief prosecutor, when he was in Washington, DC. At that time, Justice Goldstone mentioned certain evidence, which might be in the hands of U.S. intelligence agencies, which could be useful and perhaps instrumental in the war crimes prosecution. In meeting with the staff in The Hague we discussed the specific evidence and its importance in their prosecutions. We advised we would pursue their requests with U.S. intelligence agencies. We have discussed these issues with ranking officials of U.S. intelligence agencies who advised that they will cooperate to the maximum extent practical.

In addition we discussed the issue of witness protection, because of the obvious dangers posed for the witnesses who remain in that war-torn area. We discussed U.S. procedures for protecting witnesses both before trial and the possibility of creating new identities after trial to best guaranty witness security and obtain their testimony. Several members of the prosecution team were on loan from the FBI. We agreed to take up the issue of witness protection with appropriate officials of the FBI.

We also had an extensive discussion about their limited budget and the fact that a number of their investigative team had to delay going into the field because of a limited budget. Concern was also expressed about the adequacy of U.S. participation in the war prosecution team and the problems which might arise if replacements were not obtained for personnel from the Departments of Justice, Defense, and State. We committed to take those issues up with the appropriate department heads.

We observed the new courtroom which breaks ground in an international criminal trial. The trial proceedings will be conducted with three judges without a jury and there are booths for simultaneous translation in a number of languages.

We commended the prosecution team on their historic efforts and promised to follow through to be of assistance in this most important venture. I ask unanimous consent that the indictments of Dusan Tadic a/k/a "Dule" Goran Borovnica and also Radovan Karadzic and Ratko Mladic be printed in the CONGRESSIONAL RECORD at the conclusion of this statement to demonstrate the importance of these criminal proceedings. Dusan Tadic is in custody and is scheduled to be tried sometime in the spring. Radovan Karadzic is the President of the Bosnian Serb Administration in Pale, and Ratko Mladic is the commander of the Army of the Bosnian Serbs.

Mr. President, the trip was very useful along a number of lines, especially with conversations which Senator SHELBY and I had with PLO Chairman Yasser Arafat on the Specter-Shelby amendment which conditions $500 million in United States aid to the PLO curtailing terrorism and changing their charter to eliminate references to the obliteration of Israel.

The visit we had at the Hague, in the Netherlands, with the United States prosecution team for the former Yugoslavia, I think, poses a historic event later this spring with the trial of Dusan Tadic.

I ask unanimous consent the indictment against Tadic be printed in the RECORD at conclusion of my presentation, and the pending indictment also as to Radovan Karadzic, who is the President of the Bosnian Serbs, and Ratko Mladic, who is the commander of the Bosnian Serb Army, which really has the potential to establish a historic international precedent for the rule of law.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. There is a great deal that the United States can do to make a success of that venture by pressure to bring those not in custody into custody, with the obligations of Croatia and Serbia to turn them over, once they are observed in those countries, to the United Nations for trial, and with cooperation from our intelligence agencies on corroborative evidence and help from the FBI on protecting the witnesses.

I yield the floor.

EXHIBIT 1

THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE FORMER YUGOSLAVIA—THE PROSECUTOR OF THE TRIBUNAL AGAINST DUSAN TADIC A/K/A "DULE" AND GORAN BOROVNICA

INDICTMENT

Richard J Goldstone, Prosecutor of the International Criminal Tribunal for the former Yugoslavia, pursuant to his authority under Article 18 of the Statute of the International Criminal Tribunal for the former Yugoslavia ("The Statute of the Tribunal"), charges:

1. From about 25 May 1992 Serb forces attacked Bosnian Muslim and Croat population centers in the opština of Prijedor, Bosnia-Herzegovina, forcing most Muslims and Croats from their homes and confining many thousands, including more than 3,000 who were held in the Omarska camp, a former mining complex. The accused Dusan Tadic a/k/a "Dule" a/k/a "Dusko", participated in the collection and mistreatment, including killings, of Bosnian Muslims and Croats in opština Prijedor within Omarska camp and outside Omarska camp, as set forth below. The accused Goran Borovnica participated with Dusan Tadic in killings outside of Omarska camp, as set forth below:

Background:

2.1. In May, 1992, intensive shelling of Muslim areas in the opština Prijedor caused the Muslim residents to flee their homes. The majority of them then surrendered or were captured by Serb forces. As the Serb forces rounded up the Muslims and any Croat residents, they forced the Muslims and Croats to march in columns bound for one or another of the prison camps that the Serbs had established in the opština. The Serb forces pulled many of the Muslims and Croats from the columns and shot or beat them on the spot.

2.2. On about 25 May 1992, about three weeks after Serbs forcibly took control of government authority in the opština, and two days after the start of large scale military attacks on Muslim population centers, the Serb forces began taking prisoners to the Omarska camp.

2.3. During the next several weeks, the Serb forces continued to round up Muslims and Croats from Kozarac, Prijedor town, and other places in the opština and interned them in the camps. Many of Prijedor's Muslim and Croat intellectuals, professional and political leaders were sent to Omarska. There were approximately 40 women in the camp, and all the other prisoners in the camp were men.

2.4. Within the area of the Omarska mining complex that was used for the camp, the camp authorities generally confined the prisoners in three different buildings: the administration building, where interrogations took place and most of the women were confined; the garage or hangar building; the "white house," a small building where particularly severe beatings were administered; and on a cement courtyard area between the buildings known as the "pista". There was another small building, known as the "red house", where prisoners were sometimes taken but most often did not emerge alive.

2.5. Living conditions at Omarska were brutal. Prisoners were crowded together with little or no facilities for personal hygiene. They were fed starvation rations once a day and given only three minutes to get into the canteen area, eat, and get out. The little water they received was ordinarily foul. Prisoners had no changes of clothing and no bedding. They received no medical care.

2.6. Severe beatings were commonplace. The camp guards, and others who came to the camp and physically abused the prisoners, used all manner of weapons during these beatings, including wooden batons, metal rods and tools, lengths of thick industrial cable that had metal balls affixed to the end, rifle butts, and knives. But female and male prisoners were beaten, tortured, raped, sexually assaulted, and humiliated. Many, whose identities are known and unknown, did not survive the camp. After the collection of thousands of Bosnian Muslims and Croats in later May, 1992, groups of Serbs including the accused later entered villages in which Muslims and Croats remained, at which time they killed some villagers and drove others from their homes.

THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE FORMER YUGOSLAVIA—THE PROSECUTOR OF THE TRIBUNAL AGAINST RADOVAN KARADZIC AND RATKO MLADIC

INDICTMENT

Richard J. Goldstone, Prosecutor of the International Criminal Tribunal for the former Yugoslavia, pursuant to his authority under Article 18 of the Statute of the International Criminal Tribunal for the former Yugoslavia ("The Statute of the Tribunal"), charges Ratko Mladic and Radovan Karadzic with genocide, crimes against humanity, and violations of the laws or customs of war, as set forth below:

"Safe Area" of Srebrenica

1. After war erupted in the Republic of Bosnia and Herzegovina, Bosnian Serb military forces occupied Bosnian Muslim villages in the eastern part of the country, resulting in an exodus of Bosnian Muslims to enclaves in Gorazde, Zepa, Tuzla, and Srebrenica. All of the events referred to in this indictment took place in the Republic of Bosnia and Herzegovina.

2. On 16 April 1993, the Security Council of the United Nations, acting pursuant to Chapter VII of its Charter, adopted resolution 819, in which it demanded that all parties to the conflict in the Republic of Bosnia and Herzegovina treat Srebrenica and its surroundings as a safe area which should be free from any armed attack or any other hostile act. Resolution 819 was reaffirmed by Resolution 824 on 6 May 1993 and by Resolution 836 on 4 June 1993.

3. Before the attack by Bosnian Serb forces, as described in this indictment, the estimated Bosnian Muslim population in the safe area of Srebrenica, was approximately 60,000.

Attack on the Safe Area of Srebrenica

4. On or about 6 July 1995, the Bosnian Serb army shelled Srebrenica and attacked United Nations observation posts that were manned by Dutch soldiers and located in the safe area. The attack on the Srebrenica safe area by the Bosnian Serb army continued through 11 July 1995, when the first units of the attacking Bosnian Serb forces entered Srebrenica.

5. The Bosnian Muslim men, women and children who remained in Srebrenica after the beginning of the Bosnian Serb attack took two courses of action. Several thousand women, children and some mostly elderly men fled to the UN compound in Potocari, located within the safe area of Srebrenica, where they sought the protection of the Dutch battalion responsible for the compound. They remained at the compound from 11 July 1995 until 13 July 1995, when they were all evacuated by buses and trucks under the control of and operated by Bosnian Serb military personnel.

6. A second group of approximately 15,000 Bosnian Muslim men, with some women and children, gathered at Susnjari during the evening hours of 11 July 1995 and fled, in a huge column, through the woods towards Tuzla. Approximately one-third of this group consisted of armed Bosnian military personnel and armed civilians. The rest were unarmed civilians.

Events in Potocari

7. On 11 July 1995 and 12 July 1995, Ratko Mladic and members of his staff met in Bratunac with Dutch military officers and representatives of the Muslim refugees from Potocari. At these meetings, Ratko Mladic informed them, among other things, that Bosnian Muslim soldiers who surrendered their weapons would be treated as prisoners of war according to the Geneva Conventions and that refugees evacuated from Potocari would not be hurt.

8. On or about 12 July 1995, Bosnian Serb military forces burned and looted Bosnian Muslim houses in and around Potocari.

9. On or about 12, July 1995, in the morning hours, Bosnian Serb military forces arrived at the UN military compound in Potocari and its environs.

10. On or about 12 July 1995, Ratko Mladic arrived in Potocari, accompanied by his military aides and a television crew. He falsely and repeatedly told Bosnian Muslims in and around Potocari that they would not be harmed and that they would be safely transported out of Srebrenica.

11. On or about 12 July 1995, at the direction and in the presence of Ratko Mladic, approximately 50–60 buses and trucks arrived near the UN military compound in Potocari. Shortly after the arrival of these vehicles, the evacuation process of Bosnian Muslim refugees started. As Muslim women, children and men started to board the buses and trucks, Bosnian Serb military personnel separated the men from the women and children. This selection and separation of Muslim men took place in the presence of and at the direction of Ratko Mladic.

12. The Bosnian Muslim men who had been separated from other refugees were taken to diverse locations in and around Potocari. On or about 12 July 1995, Ratko Mladic and Bosnian Serb military personnel under his command, informed some of these Muslim men that they would be evacuated and exchanged for Bosnian Serbs being held in Tuzla.

13. Most of the Muslim men who had been separated from the other refugees in Potocari were transported to Bratunac and then to the area of Karakaj, where they were massacred by Bosnian Serb military personnel.

14. Between 12 July 1995 and 13 July 1995, Bosnian Serb military personnel summarily executed Bosnian Muslim men and women at diverse locations around the UN compound where they had taken refuge. The bodies of those summarily executed were left in fields and buildings in the immediate vicinity of the compound. These arbitrary killings instilled such terror and panic amongst the Muslims remaining there that some of them committed suicide and all the others agreed to leave the enclave.

15. The evacuation of all able-bodied Muslim refugees concluded on 13 July 1995. As a result of the Bosnian Serb attack on the safe area and other actions, the Muslim population of the enclave of Srebrenica was virtually eliminated by Bosnian Serb military personnel.

Surrender and Executions

16. Between the evening of 11 July 1995 and the morning of 12 July 1995, the huge column of Muslims which had gathered in Susnjari fled Srebrenica through the woods towards Tuzla.

17. Bosnian Serb military personnel, supported by armoured personnel carriers, tanks, anti-aircraft guns and artillery, positioned themselves along the Bratunac-Milici road in an effort to interdict the column of Bosnian Muslims fleeing towards Tuzla.

18. As soon as the column reached Bosnian Serb held territory in the vicinity of Buljim, Bosnian Serb military forces attacked it. As a result of this and other attacks by Bosnian Serb military forces, many Muslims were killed and wounded and the column divided into several smaller parts which continued towards Tuzla. Approximately one-third of the column, mostly composed of military personnel, crossed the Bratunac-Milici road near Nova Kasaba and reached safety in Tuzla. The remaining Muslims were trapped behind the Bosnian Serb lines.

19. Thousands of Muslims were captured by or surrendered to Bosnian Serb military forces under the command and control of Ratko Mladic and Radovan Karadzic. Many of the Muslims who surrendered did so because they were assured that they would be safe if they surrendered. In many instances, assurances of safety were provided to the Muslims by Bosnian Serb military personnel who were with other Bosnian Serb soldiers wearing stolen UN uniforms, and by Muslims who had been captured and ordered to summon their fellow Muslims from the woods.

20. Many of the Bosnian Muslims who were captured by or surrendered to Bosnian Serb military personnel were summarily executed by Bosnian Serb military personnel at the locations of their surrender or capture, or at other locations shortly thereafter. Incidents of such summary executions include, but are not limited to:

20.1 On or about 13 July 1995, near Nezuk in the Republic of Bosnia and Herzegovina, a group of 10 Bosnian Muslim men were captured. Bosnian Serb soldiers summarily executed some of these men, including Mirsad Alispahic and Hajrudin Mesanovic.

20.2 On or about 13 July 1995, on the banks of the Jadar River between Konjevic Polje and Drinjaca, Bosnian Serb solders summarily executed 15 Bosnian Muslim men who had surrendered or been captured. Amongst those killed were Hamed Omerovic, Azem Mujic and Ismet Ahmetovic.

20.3 On or about 13 July 1995, in the vicinity of Konjevic Polje, Bosnian Serb soldiers summarily executed hundreds of Muslims, including women and children.

20.4 On or about 17 July 1995 or 18 July 1995, in the vicinity of Konjevic Polje, Bosnian Serb soldiers captured about 150–200 Bosnian Muslims and summarily executed about one-half of them.

20.5 On or about 18 July 1995 or 19 July 1995, in the vicinity of Nezuk, about 20 groups, each containing between 5–10 Bosnian Muslim men, surrendered to Bosnian Serb military forces. After the men surrendered, Bosnian Serb soldiers ordered them to line up and summarily executed them.

20.6 On or about 20 July 1995 or 21 July 1995, near the village of Meces, Bosnian Serb military personnel, using megaphones, urged Bosnian Muslim men who had fled Srebrenica to surrender and assured them that they would be safe. Approximately 350 Bosnian Muslim men responded to the entreaties and surrendered. Bosnian Serb soldiers then took approximately 150 of them, instructed them to dig their own graves and then summarily executed them.

20.7 On or about 21 July 1995 or 22 July 1995, near the village of Meces, an excavator dug a large pit and Bosnian Serb soldiers ordered approximately 260 Bosnian Muslim men who had been captured to stand around the hole. The Muslim men were then surrounded by armed Bosnian Serb soldiers and ordered not to move or they would be shot. Some of the men moved and were shot. The remaining men were pushed into the hole and buried alive.

21. Many of the Muslims who surrendered to Bosnian Serb military personnel were not killed at the locations of their surrender, but instead were transported to central assembly points where Bosnian Serb soldiers held them under armed guard. These assembly points included, among others, a hangar in Bratunac; soccer fields in Kasaba, Konjevic Polje, Kravica, and Vlasenica; a meadow behind the bus station in Sandici and other fields and meadows along the Bratunac-Milici road.

22. Between 12 July 1995 and 14 July 1995, at various of these assembly points, including the hangar in Bratunac and the soccer stadium in Kasaba, Ratko Mladic addressed the Bosnian Muslim detainees. He falsely and repeatedly assured them that they would be safe and that they would be exchanged for Bosnian Serb prisoners held by Bosnian government forces.

23. Between 12 July 1995 and 14 July 1995. Bosnian Serb military personnel arbitrarily

selected Bosnian Muslim detainees and summarily executed them.

Mass Executions Near Karakaj

24. On or about 14 July 1995, Bosnian Serb military personnel transported thousands of Muslim detainees from Bratunac, Kravica and other locations to an assembly point in a school complex near Karakaj. At this assembly point, Bosnian Serb military personnel ordered the Muslim detainees to take off their jackets, coats and other garments and place them in front of the sports hall. They were then crowded into the school building and adjacent sports hall and held under armed guard.

25. On or about 14 July 1995, at this school complex near Karakaj, Ratko Mladic conferred with his military subordinates and addressed some of the Muslims detained there.

26. At various times during 14 July 1995, Bosnian Serb military personnel killed Bosnian Muslim detainees at this school complex.

27. Throughout 14 July 1995, Bosnian Serb military personnel removed all the Muslim detainees, in small groups, from the school building and sports hall and loaded them on trucks guarded and driven by Bosnian Serb soldiers. Before boarding the trucks, many of the detainees had their hands tied behind their backs or were blindfolded. They were then driven to at least two locations in the vicinity of Karakaj.

28. Once the trucks arrived at these locations, Bosnian Serb military personnel ordered the bound or blindfolded Muslim detainees off the trucks and summarily executed them. The summary executions took place from approximately noon to midnight on 14 July 1995.

29. Bosnian Serb military personnel buried the executed Bosnian Muslim men in mass graves near the execution sites.

30. On or about 14 July 1995, Ratko Mladic was present at one of the mass execution sites when Bosnian Serb military personnel summarily executed Bosnian Muslim men.

31. The summary executions of Bosnian Muslim males, which occurred on 14 July 1995 in the vicinity of Karakaj, resulted in the loss of thousands of lives.

THE ACCUSED

32. Radovan Karadzic was born on 19 June 1945 in the municipality of Savnik of the Republic of Montenegro. From on or about 13 May 1992 to the present, he has been president of the Bosnian Serb administration in Pale.

33. Ratko Mladic was born on 12 March 1943 in Kalinovik municipality of the Republic of Bosnia and Herzegovina. He is a career military officer and holds the rank of general in the Bosnian Serb armed forces. From on or about 14 May 1992 to the present, he has been the commander of the army of the Bosnian Serb administration.

SUPERIOR AUTHORITY

Radovan Karadzic

34. Radovan Karadzic was a founding member and president of the Serbian Democratic Party (SDS) of what was then the Socialist Republic of Bosnia and Herzegovina. The SDS was the main political party among the Serbs in Bosnia and Herzegovina. As president of the SDS, he was and is the most powerful official in the party. His duties as president include representing the party, coordinating the work of party organs and ensuring the realisation of the programmatic tasks and goals of the party. He continues to hold this post.

35. Radovan Karadzic became the first president of the Bosnian Serb administration in Pale on or about 13 May 1992. At the time he assumed this position, his de jure powers, as described in the constitution of the Bosnian Serb administration, included, but were not limited to, commanding the army of the Bosnian Serb administration in times of war and peace and having the authority to appoint, promote and discharge officers of the army. As president, he was and is a position of superior authority to Ratko Mladic and every member of the Bosnian Serb army and all units and personnel assigned or attached to the Bosnian Serb army.

36. In addition to his powers described in the constitution, Radovan Karadzic's powers as president of the Bosnian Serb administration are augmented by Article 6 of the Bosnian Serb Act on People's Defence. This Act vested in him, among other powers, the authority to supervise the Territorial Defence both in peace and war and the authority to issue orders for the utilisation of the police in case of war, immediate threat and other emergencies. Article 39 of the same Act empowered him, in cases of imminent threat of war and other emergencies, to deploy Territorial Defence units for the maintenance of law and order.

37. Radovan Karadzic's powers are further augmented by Article 33 of the Bosnian Serb Act on Internal Affairs, which authorised him to activate reserve police in emergency situations.

38. Radovan Karadzic has exercised the powers described above and has acted and been dealt with internationally as the president of the Bosnian Serb administration in Pale. In that capacity, he has, inter alia, participated in international negotiations and has personally made agreements on such matters as cease-fires and humanitarian relief, and these agreements have been implemented.

Ratko Mladic

39. Ratko Mladic was, in 1991, appointed commander of the 9th Corps of the Yugoslav People's Army (JNA) in Knin in the Republic of Croatia. In May 1992, he assumed command of the forces of the Second Military District of the JNA which then effectively became the Bosnian Serb army. He holds the rank of general and from about 14 May 1992 to the present, has been the commander of the army of the Bosnian Serb administration. In that capacity, he was and is in a position of superior authority to every member of the Bosnian Serb army and all units and personnel assigned or attached to that army.

40. Ratko Mladic has demonstrated his control in military matters by negotiating inter alia, cease-fire and prisoner exchange agreements; agreements relating to the opening of Sarajevo airport; agreements relating to access for humanitarian aid convoys; and anti-sniping agreements, all of which have been implemented.

GENERAL ALLEGATIONS

41. At all times relevant to this indictment, a state of armed conflict and partial occupation existed in the Republic of Bosnia and Herzegovina in the territory of the former Yugoslavia.

42. In each paragraph charging genocide, a crime recognized by Article 4 of the Statute of the Tribunal, the alleged acts or omissions were committed with the intent to destroy, in whole or in part, a national, ethnical, or religious group, as such.

43. In each paragraph charging crimes against humanity, crimes recognized by Article 5 of the Statute of the Tribunal, the alleged acts or omissions were part of a widespread or systematic or large-scale attack directed against a civilian population.

44. Ratko Mladic and Radovan Karadzic are individually responsible for the crimes alleged against them in this indictment pursuant to Article 7(1) of the Tribunal Statute. Individual criminal responsibility includes committing, planning, instigating, ordering or otherwise aiding and abetting in the planning, preparation or execution of any crimes referred to in Articles 2 to 5 of the Tribunal Statute.

45. Ratko Mladic and Radovan Karadzic are also, or alternatively, criminally responsible as commanders for the acts of their subordinates pursuant to Article 7(3) of the Tribunal Statute. Command criminal responsibility is the responsibility of a superior officer for the acts of his subordinate if he knew or had reason to know that his subordinate was about to commit such acts or had done so and the superior failed to take the necessary and reasonable measures to prevent such acts or to punish the perpetrators thereof.

46. The general allegations contained in paragraphs 41 through 45 are realleged and incorporated into each of the charges set forth below.

CHARGES

Counts 1–2 (Genocide) (Crime Against Humanity)

47. Between about 12 July 1995 and 13 July 1995, Bosnian Serb military personnel, under the command and control of Ratko Mladic and Radovan Karadzic, arrived in Potocari where thousands of Muslim men, women and children had sought refuge in and around the UN military compound. Bosnian Serb military personnel, under the command and control of Ratko Mladic and Radovan Karadzic, summarily executed many Bosnian Muslim refugees who remained in Potocari.

48. Between about 13 July 1995, Bosnian Serb military personnel, under the command and control of Ratko Mladic and Radovan Karadzic, summarily executed many Bosnian Muslim men who fled to the woods and were later captured or surrendered.

49. Thousands of Bosnian Muslim men, who fled Srebrenica and who surrendered or had been captured, were transported from various assembly locations in and around Srebrenica to a main assembly point at a school complex near Karakaj.

50. On or about 14 July 1995, Bosnian Serb Military personnel, under the command, and control of Ratko Mladic and Radovan Karadzic, transported thousands of Muslim men from this school complex to two locations a short distance away. At these locations, Bosnian Serb soldiers, with the knowledge of Ratko Mladic, summarily executed these Bosnian Muslim detainees and buried them in mass graves.

51. Ratko Mladic and Radovan Karadzic, between about 6 July 1995 and 22 July 1995, individually and in concert with others, planned, instigated, ordered or otherwise aided and abetted in the planning, preparation or execution of the following crimes:

(a) summary executions of Bosnian Muslim men and women in and around Potocari on 12 July 1995 and 13 July 1995,

(b) summary executions, which occurred between 13 July 1995 and 22 July 1995, of Bosnian Muslims who were hors de combat because of injury, surrender or capture after fleeing into the woods towards Tuzla.

(c) summary executions of Bosnian Muslim men, which occurred on or about 14 July 1995 at mass execution sites in and around Karakaj.

By their acts and omissions in relation to the events described in paragraphs 13, 14, 20.1–20.7, 23, 26 and 28, Ratko Mladic and Radovan Karadzic committed:

Count 1: Genocide as recognised by Article 4(2)(a) (killing members of the group) of the Statute of the Tribunal.

Count 2: A crime against humanity as recognised by Article 5(b) (extermination) of the Statute of the Tribunal.

Counts 3–4 (Crime Against Humanity) (Violation of the Laws or Customs of War)

52. By their acts and omissions in relation to the summary executions of Bosnian Muslim men and women that occurred in and around Potocari between 12 July 1995 and 13 July 1995, described heretofore in paragraph 13, Ratko Mladic and Radovan Karadzic committed:

Count 3: A crime against humanity as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 4: A violation of the laws or customs of war as recognised by Article 3 (murder) of the Statute of the Tribunal.

Counts 5–18 (Crimes Against Humanity) (Violation of the Laws or Customs of War)

53. By their acts and omissions in relation the summary executions of Bosnian Muslims who fled Srebrenica into the woods between 13 July 1995 and 22 July 1995 as described heretofore in paragraphs 20.1 to 20.7, Ratko Mladic and Radovan Karadzic committed:

Count 5: A crime against humanity (in relation to paragraph 20.1) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 6: A violation of the laws or customs of war (in relation to paragraph 20.1) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Count 7: A crime against humanity (in relation to paragraph 20.2) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 8: A violation of the laws or customs of war (in relation to paragraph 20.2) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Count 9: A crime against humanity (in relation to paragraph 20.3) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 10: A violation of the laws or customs of war (in relation to paragraph 20.3) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Count 11: A crime against humanity (in relation to paragraph 20.4) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 12: A violation of the laws or customs of war (in relation to paragraph 20.4) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Count 13: A crime against humanity (in relation to paragraph 20.5) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 14: A violation of the laws or customs of war (in relation to paragraph 20.5) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Count 15: A crime against humanity (in relation to paragraph 20.6) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 16: A violation of the laws or customs of war (in relation to paragraph 20.6) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Count 17: A crime against humanity (in relation to paragraph 20.7) as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 18: A violation of the laws or customs of war (in relation to paragraph 20.7) as recognised by Article 3 (murder) of the Statute of the Tribunal.

Counts 19–20 (Crime Against Humanity) (Violation of the Laws or Customs of War)

54. By their acts and omissions in relation to the summary executions of Bosnian Muslim men at mass execution sites in and around Karakaj, on or about 14 July 1995, as described in paragraph 28, Ratko Mladic and Radovan Karadzic committed:

Count 19: A crime against humanity as recognised by Article 5(a) (murder) of the Statute of the Tribunal.

Count 20: A violation of the laws or customs of war as recognised by Article 3 (murder) of the Statute of the Tribunal.

Richard J. Goldstone, Prosecutor.

The Hague, The Netherlands, 14 November 1995.

The PRESIDING OFFICER. The Senator from Vermont.

TOM RACINE

Mr. LEAHY. Mr. President, I would like to note last week a good friend of mine, and one of the best friends my home city of Burlington has, Tom Racine, died after a courageous battle with cancer.

Tom was one of those very special people who seemed to be involved in everything good with our community. As a motivating force, as the chief volunteer, as the hardest worker, he epitomized everything that we see in one who makes a community go forward, with the possibility of one exception. Tom Racine was the person you never saw in the headlines. You hardly heard of him in the press conferences or anything else. He just did the work. Others, often times, got the credit but Tom did the work.

I know so many times when I would run into him on Church Street in Burlington and I would talk about something that he was intimately involved in that was improving our community, I would tell him I read about others who were involved, but I knew he was doing so much of the work and I had not seen a word about him. He would say, "PAT, you know, that's just the way I am. I just want to get the work done."

Tom and his wife, Jeanette, ran Bertha Church's store on Church Street for years and years. We would see him there in the store. My wife shopped there, as did my mother, my mother-in-law, my daughter and others. It was more than just a store you would go into. It was a place where everybody knew you by name. Everybody was concerned about you and your family.

But more importantly, Tom and Jeanette Racine were concerned about all of us—Vermonters in the truest sense of the word. Our State has lost one of its most valuable citizens.

My wife, Marcelle, and I expressed our sympathy to Jeanette and the family. I had hoped to be at his funeral on Monday. As we all know, everything was closed down as far as air travel from here, and I was unable to go.

Mr. President, I ask unanimous consent to have some editorials and articles from the Burlington Free Press be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, Jan. 5, 1996]

CALLED TO SERVE

Every community needs at least one civic leader like the late Tom Racine—more interested in building up community than his own reputation, so dogged in pursuit of a good idea Racine once drove a Park-and-Ride van himself when nobody else would.

Burlington is fortunate to have so many civic-minded leaders like him. None, however, has been quite as self-effacing, persevering or nonpolitical. And few have been as determined to strengthen Burlington's retail economy where it counts most, downtown, or where it's been more fun, Centennial Field, home of Burlington's warmly welcomed minor league baseball franchise, the Vermont Expos.

Racine, who helped found the Church Street Marketplace in the 1980s and bring the Expos here in the 1990s, died Wednesday at age 65. What he brought to Burlington as a person, however, is sure to survive him—his civic work alone an inspiration to those like him to press on, and a nudge to others who, unlike him, might never have felt the need to serve.

Expos' owner Ray Pecor remembers who first put the bug in his ear to bring minor league baseball back to Burlington—and who then bugged him . . . and bugged him . . . and bugged him again until it was done: Tom Racine. Why did that comeback succeed when others had not? Racine, raised during baseball's heyday when players still played for fun, knew to put fans and fun first.

The Marketplace Commission's Molly Lambert remembers how that Park-and-Ride attempt to make downtown more pedestrian-friendly plan failed—but not until Racine had squeezed out the last drop of hope by volunteering to drive himself.

Mayor Peter Clavelle remembers Racine's habit of checking his politics and his ego at the door—the secret of his success with all manner of politicians.

Born in Maine, raised and educated in Brandon, he was, nonetheless, a Burlingtonian through and through—first as a graduate of the University of Vermont, later as a partner in downtown retailing and as president of the Downtown Burlington Development Association, then as chairman of the Burlington Public Works Commission. In all his civic work, he took the unpaid way.

Anyone who thinks Vermonters can afford to lose such old-fashioned civic-mindedness isn't paying attention. As more state and federal aid runs dry, sooner or later all of us will be asked to answer similar calls.

How many of us who do will say a lot about what kind of communities Vermonters build for generations to come.

[From the Burlington Free Press, Jan. 4, 1996]

BASEBALL, DOWNTOWN LEADER DIES

(By Mike Donoghue)

Tom Racine, the man who helped build a new downtown for Burlington and minor league baseball clubs for Vermont, died Wednesday in Fletcher Allen Health Care.

Racine, 65, was general manager for the Vermont Expos for the past two seasons, but may be better known for helping create the Church Street Marketplace.

Molly Lambert, director of the Church Street Marketplace, noted Racine had done yeoman's work in promoting downtown. She said Racine was president of the Downtown Burlington Development Association when Church Street was turned into an outdoor pedestrian mall in 1981. Two years later the association gave him the Nate Harris award for promoting downtown.

Racine and his wife, Jeanette, bought Bertha Church, an intimate apparel shop on the Marketplace, in 1974.

Racine also served on the Burlington Public Works Commission and was its chairman. The city named the educational wing at the new public works building after him.

He also won sports awards. The New York-Penn League in 1994 named him executive of the year for running the minor league team, which is affiliated with the Montreal Expos.

Racine, who was diagnosed with lung cancer last year, was admitted to the hospital about a week ago for unrelated medical problems, according to his son, Bill Racine. After further complications, he died early Wednesday, his son said. Racine also leaves another son, Robert, and a daughter, Lori.

Lambert said Racine was quick to give a hand to anybody. She said he was one of the first businessmen to befriend socialist Bernie Sanders when he was elected mayor.

Jeanette Racine said it was her husband's friendship with Sanders that helped bring minor league baseball back to the state in 1983 in the form of the Vermont Reds of the Eastern League. The Reds eventually left, but the city later got the Mariners and then the Expos.

Bill Racine said the message that he got from his father is that "we all have a little something to give to our community."

[From the Burlington Free Press, Jan. 4, 1996]

BASEBALL COMMUNITY MOURNS LOSS OF RACINE

(By Patrick Garrity)

Tom Racine was a baseball man.

So say those who knew and worked alongside the Vermont Expos general manager, who died Wednesday morning after a battle with cancer. He was 65.

The man who helped bring baseball back to Burlington should be remembered for his business savvy and his dedication to his work. But most of all, Racine should be remembered for his love for the game.

"He loved his work and loved to come to work," said Kyle Bostwick, Racine's assistant with the New York-Penn League team. "More often that not, he was the first person into the office or the ballpark and the last person to leave."

Racine was involved as a booster for the Vermont Reds and Mariners organizations in the 1980s, then worked feverishly with Burlington businessman Ray Pecor to bring a NY-Penn team to Vermont. Pecor was not available to comment on Racine's passing, but the general manager's work was recognized in a statement prepared by the team:

"Tom Racine was the motivation for bringing baseball back to Burlington. If not for his persistence and encouragement towards the local community, baseball in Burlington may not have happened."

"He always stressed to us to make sure the fans were taken care of, and I think that was because he was one himself," Bostwick said. "Every one of his decisions, be it directly or indirectly, was for the fun of the fan. . . ."

Racine's success with the Expos' organization clearly was evident, as more than 230,000 fans streamed through Centennial Field's turnstiles the past two years. He was named 1994 NY-Penn Executive of the Year after the team set attendance records in its inaugural season.

"He was very well respected by his colleagues in the league," said NY-Penn president Bob Julian. "He was just a real man of the community. He loved Burlington, he loved baseball, and I think he had a ball doing his job. He loved the game."

A season-ticket holder since the days of the Vermont Reds, John Douglas of Essex Junction said Racine developed a rapport with fans and sought to make an Expos' game an enjoyable experience.

"Once, Tom mentioned to me that baseball is a game that is supposed to be enjoyed," Douglas said. "Consequently, he had that in mind when he was setting things up for Mr. Pecor."

"He was a gentleman who was very knowledgeable about the business of baseball. . . . "Mr Pecor lost a very, very trusted, highly competent individual, and we're going to miss him."

[From the Burlington Free Press, Jan. 5, 1996]

THOMAS RACINE

Thomas Racine, 65, died Wednesday, Jan. 3, 1996, following a brief illness.

He was born April 24, 1930, in Brunswick, Maine, the son of Dr. Wilfred and Marion Racine. The family moved to Brandon, Vt., in 1943, where he graduated from Brandon High School in 1948. Following a year in the Army, Tom received his B.A. from UVM in 1953.

Tom worked in the pension department at Connecticut General Insurance in Hartford for five years before returning to Burlington. He was employed as a sales representative for Proctor & Gamble and Maidenform until 1973, when he and his wife, Jeanette, purchased Bertha Church, a retail shop they have managed together ever since.

Always a baseball enthusiast, in 1994 Tom received what for him was an opportunity of a lifetime: a chance to serve as general manager of the newly organized Vermont Expos baseball team of the NY-Penn League. In 1994 he was honored by being voted "Executive of the Year" by his peers in the league. He actively pursued his general manager's duties until the time of his death.

Community issues were a driving force in Tom's life. As co-chair of the Downtown Burlington Development Association from 1978 to 1982 and 1985 to 1987, he was a catalyst behind creation of the Church Street Marketplace. He was a founder of the Transportation and Parking Council and promoted numerous public parking alternatives. In 1983, he received the Nathan Harris Award in recognition of his efforts to improve the economic vitality of the business district. He served on the Public Works Commission from 1987 to 1993, the last three years as chairman. He served as head of the Downtown Middlebury Association from 1992 to 1993, a position from which he helped spread the secrets of Burlington's economic success.

While baseball was his passion and downtown Burlington his consummate interest, he was also devoted to youth activities. He coached Little League and umpired high school and college baseball, filmed South Burlington High School football games for 12 years, volunteered for early morning duty with area youth hockey and served on various Boosters clubs. He also loved golf and the art of joke-telling.

Besides his wife, Jeanette, he is survived by two sons, William of Phippsburg, Maine, and Robert of Rutland; a daughter, Lori MacNeill of Mansfield, Mass.; and eight grandchildren.

SNOW

Mr. LEAHY. Mr. President, we have seen a fair amount of snow here in the last few days. I have sometimes taken the floor of the Senate and been critical of things closing down for 2 or 3 inches of snow, and have said we do not do it that way in Vermont. But I must admit, this would be a significant snowstorm even in Vermont. It would be a welcome one, because of our ski industry, and we would cope, but this would be a lot of snow in any other place.

I do know the distinguished Senator from Vermont, Senator JEFFORDS, had his office open during this time as did I. He is on the floor and, I might ask, Mr. President, my good friend and colleague from Vermont, would he agree with me that this is finally a Washington snowstorm that comes up to the standards of what we expect back home in Vermont?

Mr. JEFFORDS. If the Senator will yield, I would say it is getting close, anyway. It was, I think, an official 17 inches.

I would just comment, before I came down I shoveled off the roof of my house in Vermont. There was almost 4 feet of snow on the roof that I shoveled off. So, when I say it is getting there, it still has a ways to go. On the other hand, I have noted drifts in front of my house here that have totally buried the car, which makes it drifting over 5 feet. I think the drifts are more significant than the snowfall and that has certainly created a lot of problems.

Mr. LEAHY. I would say to my friend from Vermont, Mr. President, I looked out the window. One of my neighbors usually parks a car on the street. I thought it had been stolen until I saw about an inch and a half of antenna sticking out and realized the car was under that.

I know the area where my friend from Vermont lives, one of the most beautiful ones. He at least got his roof shoveled off. We had a little trouble with the roof on my house, I might say, and have had a bit of damage. We have had a lot of snow back home.

I would note that, while the Congress might close down the Government, we would have reopened it, but we found out there was a much higher power, as I am sure the Chaplain would agree, that closed the Government right down again. I hope it will be back open. I know there are so many thousands of good, hard-working men and women who want to get back to work.

Mr. WARNER. Mr. President, could I just ask the Senator to yield for a second?

Mr. LEAHY. Of course.

Mr. WARNER. I have lived in this area all of my life, northern Virginia and the greater metropolitan area. I do not know that we have ever experienced anything like this, except perhaps the storm of 1979, which I remember very well.

Mr. President I want to say, on a serious note, how in the community here—certainly I can speak to northern Virginia but I am certain it is throughout the metropolitan area—citizens have really rendered help to one another in this crisis, be it shoveling snow or driving. The hospitals have asked for the 4-wheelers, and it is a great credit to the community and those who live in it, how they have reached out a hand to help their fellow citizens who are suffering as a consequence of this very severe storm.

Mr. LEAHY. If the distinguished Senator from Virginia will yield on that point, I absolutely agree with him. I told the distinguished Senator from Virginia I consider him my Senator when I am away from home. Of course, I consider Senator JEFFORDS my Senator when I am at home. But down here I have a home in northern Virginia where I live during the Senate session and I have seen exactly what the Senator from Virginia has said. People working hard, people come by asking elderly neighbors do they need something from the store? They were going to ski to the store, whatever.

When he talks about the hospitals and the 4-wheel drives, I know about that from firsthand experience. My wife is a nurse on a medical surgical floor in this area. She was on the shift that ended Saturday and Sunday and Monday night around midnight. As you know, the snow was coming down pretty hard at that time. Complete strangers were coming into the hospital with 4-wheel drives, people who were working at other jobs, to take nurses and doctors back and forth, pick up medical supplies, to take critically ill people back and forth. Total strangers were bringing her home. We could not get out at first, out of our street, to go ourselves. But they were doing that. There was that sense of cooperation that, frankly—and I mean this as a great compliment to the Senator from Virginia—it is the kind of cooperation we see in our State where we do get hit with heavy snowfalls like this, I know, whether it is in the little town of Middlesex, VT, where my farm is, or Shrewsbury, VT, the beautiful area where Senator JEFFORDS is from.

I yield to the distinguished colleague from Vermont.

Mr. HEFLIN. I wonder if the Senator will yield to the Senator from Alabama?

Mr. JEFFORDS. Mr. President, I will be happy to yield to the Senator from Alabama.

The PRESIDING OFFICER (Mr. WARNER). The Senator from Alabama.

Mr. HEFLIN. Mr. President, I just want to comment on the snow, that it suits the people in Alabama and it suits the Senator from Alabama, that Vermont have most of this snow with the exception, I see as he leaves the chair, the Senator from Alaska is leaving, relative to his State.

They can have all of this snow. We will take 2 inches in Alabama every 3 years and let that suffice. Otherwise, we just want to leave it to Vermont and to Alaska.

Mr. JEFFORDS. I thank the Senator from Alabama for that generous offer, and I assure him that we will take him up on it. We will use every bit that we can.

THE IMPORTANCE OF AMTRAK

Mr. JEFFORDS. Mr. President, I also want to make a couple of other comments which I am sure my senior colleague will agree with. One which proved to me the importance of Amtrak was how I got back here on Sunday night. I came all the way down from basically Vermont on through Massachusetts. The efforts which those crews put on, and how packed that train was when it finally got to New York City, and then on to Washington, emphasized how important that means of travel is in times of crisis like this. Without Amtrak passenger service we would be in trouble.

Mr. LEAHY. Mr. President, if the Senator from Vermont will yield, I might comment on that.

The Senator from Vermont and I have joined together in an awful lot of fights for our State and for our area during the past 21 years. And I think it is the one that I am most proud of and join with him in. He and I throughout those years, with our former colleague, Senator Stafford, joined to keep Amtrak going up in our area. He is absolutely right to praise them. I know he uses the train. It is not just a case of saying, "I want it for others." He uses it as I do on occasion. This is something for which Amtrak deserves that credit.

THE VERMONT FLAG

Mr. LEAHY. Mr. President, I also tell my colleague from Vermont that the distinguished senior Senator from Alabama once noticed a Vermont flag flying here. And the distinguished Senator from Vermont and I have both been to Antarctica and have flown Vermont flags. I commented that that is what has been done with it. It has been flown in Antarctica, the South Pole, the coldest spot on Earth.

The distinguished Senator from Alabama looks up and says, "From what I hear from Vermont, the flag probably felt right at home."

THE IMPORTANCE OF DAIRY

Mr. JEFFORDS. Mr. President, one other item which I would like to point out relative to Vermont and other areas of the country is the importance of dairy.

I did not realize it until I struggled home last Sunday night and went to the convenience store. I found they had adequate food. However, the dairy case had but one quart of milk left. When I arrived again the next morning, it had been replenished, and there was only one gallon of milk left.

I point that out as to how important obviously in our lives dairy is; the dairy industry.

So keep that in mind as we go along and take up the dairy program later this year.

THE DISTRICT OF COLUMBIA

Mr. JEFFORDS. Mr. President, let me also make a couple of comments about the District of Columbia, being the chairman of the subcommittee on District of Columbia appropriations.

This also points out how hard strapped the District is with respect to meeting emergencies such as we have had recently. I know I personally have not seen a single snowplow in the days that I have been walking back and forth. I do know that we have a fleet of 50 snowplows, 8 of which are out of service because of mechanical failure. Usually in the past they have had funds available to be able to hire plows. In fact, 4 years ago over 200 private plows were hired to clear the streets. However, sufficient funds were not available. Only 55 private plows have been able to help out. In addition to that, we have another 30 trucks that are sitting there idle because of the failure of the mechanical parts.

So I think it is important that we keep in mind that for the District that we have to get their physical matters in shape so that we can handle these kind of problems.

I also point out with respect to the District of Columbia that I will be meeting this afternoon with Congressman GUNDERSON in the House, and we will be communicating with subcommittee Chairman WALSH on trying to bring a reconciliation to our difficulties over the changes that are being recommended with respect to the District of Columbia educational system.

I will be proposing to them a hopeful compromise which will on the one hand allow us really to do something substantial to improve the educational capacity of our schools in the District of Columbia but at the same time will make it unlikely that we will have a filibuster in the Senate on the controversial issue of vouchers.

So I am hopeful that we will be able to take care of that. I anticipate that when we come back on the 22d of January that we will have a budget agreement for the House and Senate to vote on.

THE BUDGET IMPASSE

Mr. JEFFORDS. Mr. President, I would like to also comment on the budget negotiations.

Mr. President, I rise today to discuss the state of current budget negotiations. First, I would like to thank Senator DOLE and Senator DOMENICI for their leadership and fortitude in pursuing a balanced budget in the next 7 years. They have been working hard during this past year at finding common ground with the President to reach a budget agreement.

Further, I am pleased that the President has recently agreed to balance the budget during the next 7 years using CBO scoring. I understand the importance that this step has in reaching a final agreement. With this in mind, I remain hopeful that an agreement can be reached quickly.

Mr. President, however, I look on with regret as the current negotiations are under suspension. It is vitally important that both sides quickly resume discussions.

Like many of my colleagues, I am committed to balancing the Federal budget. I have been working with several Senate Members for the past few weeks from both parties to forge a compromise budget that balances in 7 years and uses CBO for scoring. We have recently offered this bipartisan plan to our congressional leaders that is both reasonable and plausible. I was very pleased to see that the Republican budget negotiators have incorporated many of these suggestions from this bipartisan plan in their latest proposal to the President. With these latest proposals it now appears that Congress and the President are close on many items. In many cases the two sides are off by only 1 percent in nominative terms on many budgetary items.

Mr. President, I will continue to work with my colleagues to forge a compromise agreement in the near term. Finally, I believe that during this process of working on a budget agreement Congress and the President must keep the Federal Government fully operating. It is unnecessary and wrong to penalize Federal workers for the Congress' and White House's inability to reach agreement.

I want to again commend, as others have, the majority leader, Senator DOLE, for ensuring that we did not have a breakdown yesterday. There were rumors flying around this city that it was expected that one or the other side would just decide that we ought to end the negotiations.

I conversed with several of my moderate companions who have been moving and trying to get a moderate budget proposal there for others to look at, and I found that such a breakdown of the negotiations would have been a serious, serious mistake. There are issues on both sides from individuals that feel that it would be politically advantageous for each side to have the negotiations break down. I think that would be a horrible mistake. It is for the good of the country. And we are right now in the position that we can really have a breakthrough on what will make the future of this country brighter, and we should work all we can. The same is true on welfare as well.

I also would say that in the negotiations one of the areas of major consideration is Medicare. I hope and urge that both Houses resume negotiations on health care reform because, if we can get the breakthroughs which I know are there in health care reform—to get the cost of Medicare under control so that we do not get all the cost shifting with the fee-for-services system—we can make that almost a nonissue in the near future. If that becomes a nonissue in the sense that it is under control, then the budget reconciliation, budget problems, diminish very substantially.

THE DEATH OF MIKE SYNAR

Mr. JEFFORDS. Mr. President, I would also like to add my comments on the death of Mike Synar, who was a good friend of mine in the House at the time I served there. He and I worked on many controversial projects and programs.

I believe very strongly that there have been few people who have been as dedicated in handling and facing difficult and tough issues as Mike Synar.

I was saddened by his death at a very premature age, and wish to express my condolences to his family.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

THE DEATH OF JUDGE JAMES A. TOMPKINS

Mr. HEFLIN. Mr. President, I want to mention the death of a dear friend of mine, Judge James A. Tompkins. He was known nationally, and attended many national Democratic conventions. He served as probate judge of my home county, Colbert County, and his father before him served as probate judge of Colbert County.

After Judge Tompkins left that office, his wife served as probate judge of our county, and his son is now a circuit judge in Colbert County. I will have more remarks about that later.

MIKE SYNAR

Mr. HEFLIN. Mr. President, I would like to also add my words about Mike Synar. He and I worked together on bankruptcy legislation as well as farm legislation. He was a great Congressman and will be truly missed.

TRIBUTE TO THE SUPREME COURT

Mr. HEFLIN. I want to commend the Supreme Court for its activities during this storm. Monday it met and heard oral arguments. Yesterday, Tuesday, it met and heard oral arguments. It is meeting today. It perhaps has a smaller group of people who would have to gather to meet, but nevertheless they are to be commended for their activity in all of this snowstorm.

I will say that on Monday I was in my office at 3 o'clock when the Senate met. The Presiding Officer now, Senator WARNER, was here, and the Senator from Vermont, Senator JEFFORDS, was here, and one two others. Senator DOLE, of course, was here. I commend them for coming and making the effort. It reminded me of the effort on President's Day in 1979 when we had 24 inches of snow, more snow than we have today.

As has been the custom and the tradition of the Senate, the farewell address of George Washington was delivered. On that occasion the Presiding Officer, Senator WARNER, delivered that address, read it. I happened to have presided. There may have been one other Member of the Senate that was here. Senator WARNER made a real effort, walked some several miles in order to come and finally got here. I remember that quite well, that particular time.

So the Supreme Court of the United States is meeting. They are to be commended for their effort at this time.

I would like to——

Mr. LOTT. Mr. President, would the distinguished Senator from Alabama yield for one comment?

Mr. HEFLIN. I say yes to the Senator.

Mr. LOTT. I just want to commend the Senator for his comments. Being from a neighboring State, Mississippi, I have talked to constituents there this morning. It is 65 and the sun is shining there. They feel like it is a little cool. They do not quite understand what all the fuss is. Their needs go on.

I have been working on a veterans' case and a post office matter. I just want to commend the Senator from Alabama and note that the Senator from Mississippi and southern Senators are here, and I just do not quite understand what all the fuss is about with the snow.

Would the Senator from Alabama share that feeling?

Mr. HEFLIN. Yes, I say to the Senator. I am not saying that I endorse snow. I do not like too much of it. I see my friend from Alaska and Vermont and others who endorse snow. I am not a snow endorser.

But people in various places where the weather is not too bad, they have phoned in; and sometimes their phones are not being answered, and that is because of the problems here.

THE BUDGET NEGOTIATIONS

Mr. HEFLIN. I would like to mention the situation concerning the budget negotiations. As Senator SPECTER said, they are really eight-tenths of 1 percent from reaching agreement in dollars and cents. It constitutes more than $12 trillion over a 7-year period. There is $100 billion in difference now, which is eight-tenths of 1 percent.

There are policy differences involved in this. But many of us have been striving to have a balanced budget for a long time. The first bill I introduced calling for a constitutional amendment requiring a balanced budget, we came close to that amendment being adopted recently. I hope we return to it again. I hope it can be adopted.

I am delighted to know that harmonious relations exist. There is nobody fussing right now about the other pertaining to the recess, as it is being called. But let me say this from the perspective of long-time negotiations of the settlement of lawsuits: You do not do too well with recesses. So my advice, if it is to mean anything, is get back together. You might want to recess a day or 2, or maybe a week at the longest, but recesses allow the reentrenchment of ideas, and therefore you do not have the give-and-take, you come fortified to maintain your position.

It is a matter of trying to be reasonable in getting together. We are mighty close now. So let us not have too long a recess. Let us get back together. Certainly by the time the President makes his State of the Union Address, we ought to, by that time, have an agreement. That ought to be a goal that we should be striving toward, and making every effort.

We are close, but the differences are still major. But we can reach an agreement and produce a balanced budget for 7 years. I urge all participants in the negotiations to get back together and to work and endeavor to be reasonable and to reach an agreement.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I thank the Chair.

THE WEATHER CONDITIONS IN WASHINGTON, DC

Mr. MURKOWSKI. I want to comment very briefly on the matter that has been the subject of some discussion, and that is the weather in Washington, DC. Alaskans operate on the theory that you are hardy because you have to be. I might add, that for reasons unknown, perhaps because of the extended atmospheric conditions or warm air or some might conclude hot air emanating from Washington, DC, in this general area, I think we have attracted something, and it has been snow. Much of that perhaps has moved from my State of Alaska where we have virtually no snow.

Our ski resorts in Anchorage have not opened, and in Fairbanks there is not enough snow to go cross-country skiing or snow machining. So I do not know whether that is a blessing in disguise or not. But Alaskans are somewhat concerned, and I might add somewhat confused. But I do not think Alaskans necessarily are the only ones that have made that observation as a consequence of the last several weeks of discussion here in Washington.

HELPING A DRIVER IN THE SNOW

Mr. MURKOWSKI. Mr. President, I might just add for the benefit of my colleagues a little story that occurred the other day when my wife and I were walking over here on Monday and it was pretty scarce around here. The snow plows had not been active at all on the street that we live on even though it is a street that offers bus service. We are only about 6 or 8 blocks away.

We came over and went through the mail and did a few odd things, as we have been doing each day since. Going back I noticed a car was trying to get up a small hill. It was about a two-block hill. They were not having any luck. The more the driver pressed on the throttle, the more the wheels spun.

I said I would be happy to get his car up to the top of the hill for him. So he got out of the car, and I got in the car and put it in drive, and very slowly eased up the hill. I noticed that there was another hill at the end of the first block. I thought, well, the best thing to do is take it up to the corner. And as I crept up the second block, I noticed the gentleman was shaking and beginning to run after the car.

I stopped at the stop sign when I got to the top of the hill, and he said, "I didn't think you were going to stop. I thought you were going to steal my car."

I said, "No. I didn't want to stop at the first stop sign because we were still on a hill and you would have trouble."

He said, "Well, I'm sure glad that you got my car up the hill." But he said, "I was really concerned you were going to run away with it."

To end the story, he got in the car. I left. He went around the corner and got stuck again. I guess it is a hazard that is associated with so many experiences.

THE BUDGET TALKS

Mr. MURKOWSKI. Mr. President, let me make a reference to the state of affairs relative to the suspended budget talks. I think it is fair to say that we have all observed, with some chagrin, finger pointing, the reality that after these endless meetings we are left with a situation where we have not reached an accord. It is undoubtedly a reality that we will not get this thing resolved until after the State of the Union on the 23d of January. It would be perhaps speculative to suggest we will get it resolved at that time. But we certainly hope so.

But I think it is fair to say that the extended discussions covering the major issues of Medicare, Medicaid, welfare, taxes have been thoroughly gone into, but they are still not resolved. The President has stepped forward with a 7-year proposal to balance the budget, but the difficulty with that is most of the cuts are in the 7th year.

In the 7th year the President is not going to be here. It is such a draconian mandate that undoubtedly Congress would find it unacceptable. Clearly it lacks the commitment that is necessary for it to be workable; and that is that we have a proportional cut over each year that is equitable and palatable to the American public. Further, Mr. President, we have not gone into the second-tier issues.

These are issues that are subject to considerable debate, but they are in the reconciliation, and the reconciliation process as we know it is hung up as a consequence of the continued discussion over Medicaid, Medicare, welfare, taxes, and so forth.

As a consequence, we have an emergency not just associated with weather, but in my State concerning resource development on public lands. As an example, we have unresolved the issue of opening up the Arctic National Wildlife Area for oil exploration. That is covered in the reconciliation package. We have a mining piece of legislation, a mining bill in the reconciliation package that will either determine the future of domestic mining or the demise of mining in the United States as we find ourselves in a situation where the industry is no longer able to generate a reasonable return on domestic investments and moves overseas.

So there is much riding on a resolve, and we also have unresolved major appropriations bills affecting my State and the timber industry in the Tongass and the Interior appropriations bill. So it is imperative that judgments be made and that those judgments be made in a timely manner.

As a consequence, Mr. President, I would just like to refer to what I think is the significance of what this debate is all about. It has been suggested that the debate concerns itself with a balanced budget. I think it is more fundamental. I think it is a historic debate about the role and the scope of Washington, DC, whether Washington will continue to tax Americans more, to spend more of America's savings, to regulate Americans more, and to control Americans more, or whether we are going to see a departure that will begin to reduce the size, scope, and power of Washington, DC. I think that is what this debate is all about. I think that is what we should focus in on. We are at a significant crossroads, Mr. President, and it is appropriate that we recognize it for what it is. It is either doing business as usual or a substantial departure from the status quo.

Finally, Mr. President, I would like to have printed in the RECORD a letter from Kelly R. King. Kelly King is a college student from Alaska. He was formerly an intern in my office. He has written this letter to each Member of the U.S. Senate who chose not to support opening the Arctic National Wildlife Reserve for exploration and, if the oil is there, production. I think it is appropriate that we reflect on the attitudes prevailing concerning whether or not we are going to continue to develop our natural resources in the United States, whether it be on public land for grazing, mining, timbering, oil and gas exploration, or whether we are going to depend on imports.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 5, 1995.

Hon. PAUL WELLSTONE,
U.S. Senator,
Washington, DC.

DEAR SENATOR WELLSTONE: Now that I am of voting age, I have taken a deep interest in the affairs of my nation, and particularly my state. The nation is facing a growing national debt that we must stop. Alaska proposed a solution to help this problem which you voted against, that is, the opening of the Arctic National Wildlife Refuge (ANWR) to oil exploration. I hope that you will reconsider your decision with some information that I hope to bring to your attention. If we opened the 1002 area to drilling, not only would it help to solve the national debt, but it would also decrease our dependence on foreign oil.

In 1980, Congress set aside 1.5 million acres out of a total of 19 million acres in ANWR so that it could be studied and considered for oil exploration and named it the 1002 area. The studies have been done and it is time to open it for drilling. Geologists have found that there is considerable evidence that sizable quantities of oil could be found in the Arctic Oil Reserve and recommend opening the AOR for drilling. Don't believe those that tell you that ANWR is America's last wilderness. In fact, more than 192 million acres of the State of Alaska are already protected as either National Parks, Preserves, Refuges, Marine parks and other federal and state conservation units. The 1002 area is not designated as a wilderness. Studies show that more than 99 percent of ANWR would remain untouched if oil drilling were to take place. A study done by the Office of Technology Assessment found that fewer than 2000 acres of the 1.5 million acres in the 1002, less than 5 percent, would be affected. You can see by that study that drilling will only affect the environment in minute ways. Modern day technologies will allow us to drill for oil safely without hurting the environment.

You may ask how opening ANWR will affect your state and America? Economists are estimating that if ANWR was opened to drilling, that it would create over 700,000 jobs all around the country. Not only would the United States benefit, but over 700,000 Americans would have job security in the oil industry for centuries to come. In a recent survey done around the country, very few people have even heard of ANWR. And when presented with the facts, they supported the idea of drilling in the 1002 Area.

Bi-partisan support for the opening of the Arctic Oil Reserve (1002 Area) is widespread throughout Alaska. Not only is it backed by the Alaska State Legislature, Governor Knowles, and most of Alaskan citizens, but the Alaska Federation of Natives endorses this plan as well. The majority of Alaska Natives feel that development of the reserve can only better their lives. If oil is found, it will eventually provide jobs, water and sewer systems, electric power, and security for their villages, while not sacrificing the wildlife on which they are so dependent. The Porcupine Caribou herd is of concern to Natives and to all Alaskans, but careful regulations were implemented at Prudhoe Bay and the Central Arctic caribou herd grew from 3,000 in 1972 to 18,000 today. This confirms that animals and development can coexist in the Arctic.

I hope that you use some of the facts that I have provided, continue to research the Arctic National Wildlife Refuge, and reconsider your decision. Development can only better the United States and Alaska. I believe there is nothing to lose in opening the Arctic Oil Reserve. If you would like more information, I would urge you to contact the Alaska Delegation. Please carefully decide, based on sound science—the obvious answer being that it is time to open the Arctic Oil Reserve. Americans and Alaskans both know that it is time.

Sincerely,

KELLY R. KING,
College Student.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

THE BUDGET NEGOTIATIONS

Mr. WARNER. Mr. President, first, I thank my distinguished colleague from North Dakota for allowing me to speak for a few minutes. We have had a little discussion about the snowstorm, which I think is all well and good. I want to return to the very serious subject on the negotiations relative to the Nation's budget. It has been my privilege to associate with the distinguished majority leader, the Senator from Kansas [Mr. DOLE], and the distinguished majority whip, the Senator from Mississippi, and others, who in the last 2 weeks have worked on these issues. I must say that I was extremely disappointed yesterday that a further resolution of this matter could not have been achieved by the President in good-faith negotiations on both sides, as characterized by the participants.

I had hoped that perhaps some of the can-do spirit manifested here in the Northeast as we cope individually and collectively with the storm could have been infused in those negotiations. But my concern, however, is over the hiatus between now and the proposed adjournment resolution, which I understand the Senate will soon be taking up. As it relates to my particular area of responsibilities, namely the Commonwealth of Virginia and particularly the adjoining areas in the greater metropolitan area, this geographic area has been severely hit economically as a consequence of this shutdown. First and foremost, the cost has been what I regard as an unfair burden placed upon the shoulders of Government public servants who, in good faith, tried to do their work but were furloughed. They were caught in a crossfire, which I think was totally unjust. Nevertheless, I and many others worked successfully to restore their work status and, indeed, their pay.

But, Mr. President, there is an entire infrastructure that, likewise, has suffered and will receive no restitution as a consequence of this shutdown. Hotel, motel, transportation, restaurants, and a vast array of the private sector, mostly small businesses, have been affected here in the greater metropolitan area, and most severely in northern Virginia and throughout the tidewater area of Virginia, by this shutdown.

My concern is whether, during this period of uncertainty, tourists and travelers will continue to come to the Nation's Capitol while a possible shutdown again hangs in abeyance until Congress returns and the negotiators again attempt to resolve this impasse. Take, for example, a family planning to come to the Nation's Capitol, having invested their hard-earned savings for a trip to see the wonders that we have here; are they still going to come?

I see the distinguished majority whip. I know from working with him and the majority leader that none of us wants to see a further Government shutdown. I hope that in a short colloquy we might convey as best we can, that it is highly unlikely that we would experience another shutdown such that it would impede and adversely affect the plans of people who normally would be visiting this area.

Mr. LOTT. If the Senator from Virginia will yield for a comment and response. First, I want to say how much I appreciate—and I want to make sure that all Members recognize that the distinguished senior Senator from Virginia has been very, very diligent over the past weeks when the Senate has just been in very brief sessions. When most Senators were back in their respective States during the holidays, I would turn on C-SPAN and I would see the Senator from Virginia here with our distinguished majority leader. The majority leader would report on the status of the budget discussions, and the Senator from Virginia was always here. He has made his case very well about not only the need to get a balanced budget and get a control on Washington, DC, but also his concern that the Government be open doing its work, and that the Federal employees, and indeed those that are affected by that shutdown that we had, the business men and women in Northern Virginia, that their positions be recognized. So he certainly has done an excellent job in that area.

With regard to what may be happening, of course, there are a number of things that may be happening in the next couple of weeks. I note the budget negotiators are senior Members that were there from the Congress, meeting with the administration. They have described this as a recess. In any negotiation you reach a point where you really do sometime need to take a break, get away from each other, assess what the numbers are. I assume the Budget Committee members and staff at the White House will be assessing the latest offers. So there is a possibility that the negotiations to reach an agreement would get back going next week.

I know the majority leader indicated very strongly that, whenever the President feels like there is a need for—a reason to get back and have discussions, that certainly our majority leader and the Speaker of the House and majority leader in the House would honor a request to get back together. So there is a possibility that will happen.

Another option, of course, is that some agreement could be reached. Then, during that week of January 22nd, 23rd, that agreement could perhaps be acted on by the Congress, and if there is an agreement reached I assume it would be approved relatively quickly—I hope so.

Another option is, then, when this continuing resolution to keep the Government operating until January 26—when we reach that point, I do not think there is any intent to have a situation where we would go back to a Government shutdown. That time has past. I feel like the Congress, House, and Senate, would try to take action that would avoid that and I know there would be a coordinated effort, hopefully, with the administration.

Of course there is always the necessity for legislation not only to be passed, but in order for it to be enacted, the President has to sign it. We have not had very good luck, lately, with the President signing measures we have sent to him.

But the intent, I believe, by the leadership on both sides of the aisle, is not to have another situation on January 26 where we would go into some sort of Government shutdown.

A BALANCED BUDGET

Mr. WARNER. Mr. President, I thank my distinguished colleague. Again, I commend him for his leadership throughout this period. That does provide, hopefully, a measure of reassurance.

This Senator is a very strong proponent and adherent to the concept of the 7-year balanced budget using the CBO figures. That is the cornerstone, because it is imperative that we redirect this Nation on a course of less Federal spending.

I shall not go into more philosophical points here. I align myself with the distinguished majority leader and the majority whip. You have led this side of the aisle in working with the other side to reach a resolution of this matter. So I am philosophically attuned and in full agreement with our leadership here. But I am concerned, again, about the economic impact here in the area that I represent.

I also must say, Mr. President, and I say to our distinguished leader, I am concerned about the national financial situation.

Mr. LOTT. Yes.

Mr. WARNER. Our financial markets—stocks, bonds, commodities and the like—are following this debate closely. The continued ability of this country to borrow, both domestically and internationally, at a reasonable rate of interest, depends on the resolution of this matter. So, while two Senators, and perhaps there are others who will join, can give some measure of reassurance at this time, I think only when final action is taken by the Congress and signed by the President of the United States, can we regain the full confidence of the various financial institutions which are keenly aware of the actions taken here in the Congress.

So, I thank my distinguished leader, I thank the Senator from North Dakota. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

THE SHUTDOWN, THE BUDGET, AND TAX CUTS

Mr. DORGAN. Mr. President, there has been some discussion today about the budget negotiations. I have a couple comments to add to this discussion.

First, with respect to the budget negotiations, there ought not be, under any condition, another Government shutdown. It is, in my judgment, a symbol for the entire country of failure when some people here in the Congress decide that shutting down the Government should be used to accomplish their ends.

A shutdown asks the American taxpayer to pay for work that is not performed. It asks some Federal employees to come to work and accept the promise of pay later, but it deprives them of their paycheck. It sends the other Federal workers home without pay, when they have bills to pay and obligations to meet and want to come to work.

The shutdown dangles Federal workers at the end of a string, saying to them: "You are the ones we will use as pawns in this budget debate."

Those who advocate shutdowns, and there are some, demonstrate that you can have a hard head and a cold heart at the same time. But that advocacy does not show any capacity to think this budget crisis through to a decent conclusion. We ought not have another Government shutdown under any conditions, because it serves no interests except to hurt this country. All of us, it seems to me, in Congress, ought to pledge never to let another Government shutdown happen again on our watch.

Now, about balancing the budget, we should balance the budget. I have said before and I will say again, because it is worth saying, I think the Republicans deserve credit for pushing for a balanced budget. You deserve credit for that. Democrats deserve credit for pushing a balanced budget with the right kind of priorities. We ought to get the best of both rather than the worst of each.

People talk about "families balance their budgets." Can anyone in here think about a family that sits around their table at night and says, "We need to develop a plan to balance our budget, so let's see, we are going to help our oldest son make payments on the Mercedes. We need to send a monthly stipend to rich Uncle Louie over in Nashville. How are we going to pay for all that? Let's cut back on mama's health care and let's pull junior out of college."

Does that sound like a logical approach for a family, in making their decisions about how to deal with their budget situation? Not hardly. Nor is it the right way for Congress to deal with its budget situation.

Interestingly enough, we have come to a point where there is a lot of agreement on the budget-balancing question. There are a number of areas of agreement but there are a couple of large areas of disagreement.

Most people, in assessing this problem, would start by saying you do not balance the budget by cutting your revenue. I think everybody on all sides of the aisle ought to decide to abandon tax cuts at this point until we have honestly balanced the budget, and then come back and assess the question of how you change the tax code and how you cut taxes for middle-income families.

But I say to all parties in these negotiations, it would make sense, it seems to me, to abandon the proposals to cut taxes because I think everyone in this Chamber who thinks about it honestly will understand, every dollar of tax cut during the 7 years will be borrowed and added to the Federal deficit. Every single dollar of tax cut will be borrowed. I say abandon the tax cut. Deal with the spending issues in a real way, and let us balance the budget.

The problem we have at the moment is some are insisting on a tax cut well over $200 billion. In order to make room for that, you have to have deeper cuts in Medicare. That is where the scales are balanced, or, better said, out of balance. In order to get this tax cut on this side up to $12,000-some, you have to pull down the Medicare costs. You have to cut Medicare to accommodate the tax cut. That is the dilemma.

Abandon the tax cut, balance the budget honestly, reach an agreement, and do it in a way that represents the best interests of the priorities of the American people. Let us make sure we have enough money for education. Let us provide for health care for senior citizens. Let us do the things that are necessary to protect this country's environment. Let us do this the right way. It can be done.

There are good Republicans and good Democrats who think clearly about these things. We ought to be able to come together to reach an agreement, in my judgment.

TWO HEROES

Mr. DORGAN. Mr. President, I would like to just briefly, today, talk about two Americans I wanted to bring to the attention of my colleagues, two heroes of mine.

I never met them. I talked to one fellow on the phone the other day. A fellow named Robert Naegele and his wife Ellis. He started a company called Rollerblade, which some may know about, the largest in-line skate company in America. It was a story I read in the Minneapolis Star Tribune, when I traveled through Minneapolis the other day by plane.

Robert Naegele sold his company 2 months ago. He apparently made an enormous amount of money, ran the company, started it from scratch, brought it to a $250 million company and then sold it a couple months ago. Then, about a week before Christmas, 280 employees of this company began to get letters in the mail from Mr. Naegele and his wife. It turns out he decided to give the people who worked for that company, the people in the factories, the people who made the skates that made him a very wealthy man, a Christmas bonus equal to $160 a month for every month these folks had worked for the company.

For some of them in the factory who had been there all the time he was there it meant up to $20,000, a $20,000 check. Do you know what he had done? He and his wife had prepaid the income taxes, so when these folks opened up this check, totally unexpected, from someone who no longer owned the company, they got a check that was tax free.

What this man was saying to them was "you mattered." You people who worked in the plant and factories and helped make these products, you are the ones who made me successful. You made me some money and I want to share it with you. What a remarkable story. What a hero.

This guy is out of step with the CEO's in our country who now say the way to the future is to downsize and lay off and decide to cut the ground out from under the feet of people who work for a company for 20 years. This fellow says to a factory worker, who the article describes—as their families are weeping with joy about this unexpected benevolence they received in the mail—he says, you matter to me. You made a difference. You made this company successful and I want to share it with you.

What a remarkable man. It seems to me if more CEO's in this country would understand what Mr. Naegele understands, this country would be a better place. Our companies could be better able to compete. You would have more loyalty, more job security for people who have spent 10 and 20 years investing their time in companies.

I read this one day. The next day I read another piece.

It was about a fellow whose company, on December 11, began to burn down—it was in a small town in Massachusetts—a man named Aaron Feuerstein. He was about to go to his 70th birthday party, a surprise party that was being thrown for him. He learned a boiler had exploded at his mill, textile plant, setting off a fire. It injured 27 people and destroyed three of the factory's century-old buildings. That employs 2,400 people in an economically depressed area.

The people who watched that mill burn felt that they were losing their jobs, and losing their future.

When Feuerstein arrived to assess the damage to a business his grandfather had started 90 years ago, he kept himself from crying by thinking back to the passage from King Lear in which Lear promises not to weep even though his heart would "break into a hundred thousand flaws." "I was telling myself I have to be creative. . . ."

And 3 days later:

On the night of Dec. 14, more than 1,000 employees gathered in the gym of Central Catholic High School to learn the fate of their jobs and of the cities of Methuen and Lawrence. Feuerstein entered the gym from the back, and as he shook the snow off his coat, the murmurs turned to cheers. The factory owner, who had already given out $275 Christmas bonuses and pledged to rebuild, walked to the podium. "I will get right to my announcement," he said. "For the next 30 days—and it might be more—all our employees will be paid their full salaries. But over and above the money, the most important thing Malden Mills can do for our workers is to get you back to work. By Jan. 2, we will restart operations, and within 90 days we will be fully operational."

True to his word, Feuerstein has continued to pay his employees in full, at a cost of some $1.5 million a week and at an average of $12.50 an hour—already one of the highest textile wages in the world. And even better than his word, Malden Mills was up and running last week at 80% of its Polartec capacity, thanks to round-the-clock salvage work and the purchase of 15 new machines. "I haven't really done anything," says Feuerstein. "I don't deserve credit. Corporate America has made it so that when you behave the way I did, it's abnormal."

I just want to finally mention that these two men, Robert Naegele, and Aaron Feuerstein, I think are heroes. I think both recognize what a lot of this country have forgotten. A company is its workers. Yes. It is its investors, it is its innovators, it is its scientists, and it is also its workers. Workers matter, and these heroes have done what more American business leaders should do. Too many American businesses now say to those workers, "You are like a wrench. We use it, and we get rid of you when it is over."

What these people are saying is the workers are their business. They determine whether that business is successful. And both of them have said we commit ourselves to you workers. And I say to them that they are American heroes to me, and I wish there were more like them in this country.

Mr. President, I ask unanimous consent to have these two articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star Tribune]

IT WAS A SURPRISINGLY GREEN CHRISTMAS FOR ROLLERBLADE EMPLOYEES

(By Dee DePass)

Two weeks ago Rollerblade employee Ann Reader, six months pregnant with her third child, called her husband, Tim, from work sobbing. He immediately thought the worst, she said.

But it was good news for Reader and all of Rollerblade's 280 employees. Former Rollerblade co-owner Robert Naegele and his wife, Ellis, played Santa over the holidays, giving each of Rollerblade's employees thousands of dollars in tax-free money, figured at about $160 for each month of service with the company. Sources familiar with the giveaway estimated the combined gifts to be $1.5 million.

Reader, team programs manager, has worked there for more than six years—making her check worth more than $11,000. None of the employees contacted would confirm the amount of their checks.

"It made me cry," said Reader in a shaky voice. "I think it was so generous of them. It was an amazing gesture."

Rollerblade spokesperson Deborah Autrey said, "It was a complete surprise that came out of the blue. People were laughing and crying and hugging. I have never seen people in such a stupor."

Autrey has worked at Rollerblade for four years. More than half of the employees are warehouse workers with most receiving hourly wages.

Naegele, who was chairman during the phenomenal growth of the 15-year-old firm, could not be reached for comment. Two months ago he sold his 50 percent share of Rollerblade to Nordica Inc. of Italy for an undisclosed amount. He bought 50 percent of the in-line skate company in 1985, when sales were only $500,000. Sales in 1994 were $265 million.

In Christmas cards to employees, Naegele wrote that he had reaped great rewards from his Rollerblade investment because of the employees' hard work and that he wanted to show his thanks, Autrey said. Enclosed in the cards were the gift checks, on which the Naegeles paid federal taxes.

"That way the employees did not get hit with a double whammy. It is a tax-free gift," said Autrey.

The checks were mailed to employees' homes the week before Christmas. The first arrived on Dec. 21 to an employee who was home on maternity leave. From there word spread among the workers, and later that day it was confirmed by the company's chief executive, John Hetterick, who had only found out the day before.

When the good news reached Matt Majka, 33, the director of product marketing, he immediately phoned his wife, Kym, and asked her to open the mail. When she did, Majka heard sobs. He has been with the company for 11 years, making his check worth an estimated $21,120.

"It was very moving," he said.

"It was very heartfelt for us. We were extremely shocked and extremely grateful for his generosity. . . . All the words he talked about for so many years—about teamwork and that we are a family—he put his words into action."

Majka and his wife have a 4-month-old baby and a 2-year-old son, and the Naegeles' gift went to start a college fund for them, he said. The couple also had a new IBM computer under the Christmas tree.

Reader said she bought bikes for her two children (and a bike baby carrier for the newest family member) and she plans to put some of the money away in savings.

Majka marveled at what the gift meant to scores of his co-workers. "There are some people who have worked in our warehouse and have been here for a long time," he said. "For some people, they have received a very substantial check, maybe half their year's salary. It's pretty amazing." At least two employees have been there for all of the company's 15 years.

"I happened to talk to Bob [Naegele] later that night," Majka said. "I told him, 'You can't imagine the impact you have had on everyone.' He bellowed and said; 'That is just what I wanted to hear.' He said, 'This is not mine. It is a gift I had to share.'"

[From Time magazine, Jan. 8, 1996]

THE GLOW FROM A FIRE

(By Steve Wulf)

Methuen, Massachusetts, is a small city not unlike the Bedford Falls of It's a Wonderful Life. Over the years, the working-class town on the border of New Hampshire and Massachusetts has come to rely on the good heart of one man. While Aaron Feuerstein may not look much like Jimmy Stewart, he is the protagonist of a Christmas story every bit as warming as the Frank Capra movie—or the Polartec fabric made at his Malden Mills.

On the night of Dec. 11, just as Feuerstein was being thrown a surprise 70th birthday party, a boiler at Malden Mills exploded, setting off a fire that injured 27 people and destroyed three of the factory's century-old buildings. Because Malden Mills employs 2,400 people in an economically depressed area, the news was as devastating as the fire. According to Paul Coorey, the president of Local 311 of the Union of Needletrades, Industrial and Textile Employees. "I was standing there seeing the mill burn with my son, who also works there, and he looked at me and said, 'Dad, we just lost our jobs.' Years of our lives seemed gone."

When Feuerstein arrived to assess the damage to a business his grandfather had started 90 years ago, he kept himself from crying by thinking back to the passage from King Lear in which Lear promises not to weep even though his heart would "break into a hundred thousand flaws." I was telling myself I have to be creative," Feuerstein later told the New York Times. "Maybe there's some way to get out of it." Feuerstein, who reads from both his beloved Shakespeare and the Talmud almost every night, has never been one to run away. When many other textile manufacturers in New England fled to the South and to foreign countries, Malden Mills stayed put. When a reliance on fake fur bankrupted the company for a brief period in the early '80s, Feuerstein sought out alternatives.

What brought Malden Mills out of bankruptcy was its research-and-development team, which came up with a revolutionary fabric that was extremely warm, extremely light, quick to dry and easy to dye. Polartec is also ecologically correct because it is made from recycled plastic bottles. Clothing made with Polartec or a fraternal brand name, Synchilla, is sold by such major outdoors clothiers as L.L. Bean, Patagonia, Eastern Mountain Sports and Eddie Bauer, and it accounts for half of Malden's $400 million-plus in 1995 sales.

Even though the stock of a rival textile manufacturer in Tennessee, the Dyersburg Corp., rose sharply the day after the fire, L.L. Bean and many of Malden's other customers pledged their support. Another apparel company, Dakotah, sent Feuerstein a $30,000 check. The Bank of Boston sent $50,000, the union $100,000, the Chamber of Commerce in the surrounding Merrimack Valley $150,000. "The money is not for Malden Mills," says Feuerstein, "It is for the Malden Mills employees. It makes me feel wonderful. I have hundreds of letters at home from ordinary people, beautiful letters with dollar bills, $10 bills."

The money was nothing to the workers compared to what Feuerstein gave them three days later. On the night of Dec. 14, more than 1,000 employees gathered in the gym of Central Catholic High School to learn the fate of their jobs and of the cities of Methuen and Lawrence. Feuerstein entered the gym from the back, and as he shook the snow off his coat, the murmurs turned to cheers. The factory owner, who had already given out $275 Christmas bonuses and pledged to rebuild, walked to the podium. "I will get right to my announcement," he said. "For the next 30 days—and it might be more—all our employees will be paid their full salaries. But over and above the money, the most important thing Malden Mills can do for our workers is to get you back to work. By Jan. 2, we will restart operations, and within 90 days we will be fully operational." What followed, after a moment of awe, was a scene of hugging and cheering that would have trumped the cinematic celebration for Wonderful Life's George Bailey.

True to his word, Feuerstein has continued to pay his employees in full, at a cost of some $1.5 million a week and at an average of $12.50 an hour—already one of the highest textile wages in the world. And even better than his word, Malden Mills was up and running last week at 80% of its Polartec capacity, thanks to round-the-clock salvage work and the purchase of 15 new machines. "I haven't really done anything," says Feuerstein. "I don't deserve credit. Corporate America has made it so that when you behave the way I did, it's abnormal."

Union chief Coorey begs to differ. Says he: "Thank God we got Aaron."

DAW AUNG SAN SUU KYI

Mr. LEAHY. Mr. President, the January 7, 1996 New York Times Magazine contains an interview with the leader of Burma's democracy movement, Daw Aung San Suu Kyi.

Many of us have followed her situation, during 6 years of house arrest, and her recent release by the Burmese authorities. She is a woman of remarkable courage, honesty, and clarity of purpose. She wants to do whatever she can to improve the lives of her people, and she has devoted her life to that goal. She believes unequivocally that democracy is the only way, and she has the trust and support of the overwhelming majority of Burmese citizens.

As she says in the interview, the Burmese authorities continue to refuse to even discuss a process for instituting democracy, because they are too fond of their power and privileges. But Suu Kyi knows that eventually the SLORC will have to sit down and negotiate with her. As she points out, that is what happened in South Africa, and even in the former Yugoslavia although there only after the slaughter of a quarter of a million people and the destruction of much of Bosnia. Those two examples represent the SLORC's options. Either a peaceful way out, or mass demonstrations and an explosion of violence that will make them wish they had listened to her.

Mr. President, I am pleased to be an original cosponsor of Senator MCCONNELL's legislation to impose sanctions on the Burmese Government. Senator MCCONNELL has been a strong advocate for human rights and democracy in Burma, and I applaud him for it. It is important that the United States have a consistent policy, and I believe that until the SLORC demonstrates a genuine willingness to negotiate the transition to democracy with Suu Kyi, our policy should be to isolate the SLORC from the world community it yearns to be part of. In that regard, I would note that the SLORC has named 1996 "Visit Myanmar Year." I hope that anyone considering accepting the SLORC's invitation will read the interview with Suu Kyi, and be aware that they may find themselves staying in hotels and traveling on roads that were built with forced labor.

Mr. President, I am not going to ask that the entire interview be printed in the RECORD, but I urge all Senators to read it. I do ask unanimous consent that Suu Kyi's response to the question "What do you want people in the United States to know about you?" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT FROM INTERVIEW WITH SUU KYI

Q: What do you want people in the United States to know about you?

A: That we are not near democracy yet and that there are, so far, no signs that we are progressing toward democratization. The National Convention [that Slorc was holding to draft a constitution], as it stands, is not a step toward democratization at all.

I think a lot of Americans very much take their rights for granted. And I think many of them do not know what life is like for those of us whose security is not guaranteed by a democratic constitution. So I would like to ask them to try to put themselves in our shoes, and ask how they would feel if they were deprived of all rights. I would like them to see us not as a country rather far away whose sufferings do not matter, but as fellow human beings in need of human rights and who could do so much for the world, if we were allowed.

EXPANDED IRA'S

Mr. LOTT. Mr. President, as we continue to debate the budget, I think it's interesting to note that the United States now has the lowest savings rate of any industrialized nation in the world.

If the situation does not change quickly, many Americans may have no choice but to live below the poverty level during their retirement years.

Retirees can no longer depend solely on their Social Security and pensions to support them in retirement. I believe it is our responsibility to give the American people, not only an alternative, but in reality, a life preserver for their retirement years.

We must encourage people to save for their own retirement. For that reason, I believe it is critical that we expand the current IRA's, allowing more people to use them for savings and investment. We should do this as a part of any budget package which is agreed upon or as stand-alone legislation.

With that in mind, I ask unanimous consent to have printed in the RECORD a wonderful example of how the private sector is trying to deal with this growing threat to our Nation's future wellbeing. This is an open letter from Mr. Charles R. Schwab to the President and Members of Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Friday, Jan. 5, 1996]

AN OPEN LETTER TO THE PRESIDENT AND CONGRESS

CHARLES SCHWAB,
January 1996.

DEAR MR. PRESIDENT AND MEMBERS OF CONGRESS: I want to take this opportunity to thank you for your hard work and vision with regard to the budget process, and in particular, Individual Retirement Account reform.

Today, the average American household, with family members who are between the ages of 51 and 60, has less than $18,000 in personal savings, excluding their home. With Social Security teetering on the brink of disaster, this is simply not enough of a resource to survive on for the next 20 or 30 years of their retirement. Unless this problem is forcefully addressed, the vast majority of Americans will not have the money necessary to fund their own retirement expenses and may become a burden on their children, grandchildren, and the federal government for generations to come.

One of the only responsible solutions is to expand the IRA now in the current budget process:

When the IRA deductibility was eliminated in 1986, IRA contributions dropped from almost $40 billion in 1985—to a low of $7 billion last year for deductible contributions.

Currently, over 25 million families are excluded from investing in deductible IRA's, and they are relying on Congress to abolish the income limit so they can save for their futures. If we can't abolish the income limit, then why not shorten the time frame for expansion and include indexing for inflation?

The time has come to stop discriminating against non-working spouses by letting them have an equal opportunity to invest in an IRA.

The United States now has the lowest savings rate of any industrialized nation in the world. If we increase savings we will create new jobs and build new industries.

I urge you to act now for the sake of our country.

Sincerely,

CHARLES R. SCHWAB,
Chairman.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

EXTENSION OF MORNING BUSINESS

Mr. LOTT. Mr. President, in view of the hour, we have extended until 1:30 the time for Senators to speak for up to 10 minutes. It had been our intention to move to recess at that time under the previous order, however, I note that some Senators have come to the floor and have indicated they would like to speak. I have a couple of people who wish to speak. Senator NICKLES from Oklahoma indicated that he would like to speak, and the Senator from Virginia.

Mr. FORD. We can get by with 10 minutes on this side as of now, I say to my friend.

Mr. LOTT. Mr. President, I ask unanimous consent that we extend the hour for morning business until 1:50 with Senators allowed to speak for not more than 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank my friend and colleague from Mississippi for his courtesy.

MIKE SYNAR

Mr. NICKLES. Mr. President, it is with sadness today that I note the passing of an Oklahoman, former Congressman Mike Synar, who died yesterday, Tuesday.

He lost a courageous battle to cancer, which he had been fighting for several months. If anyone knew Mike Synar well, they knew that he was a courageous person and they knew that he was a fighter. Mike Synar was an active Oklahoman. He was very active in 4-H as a young man. He was a student leader at the University of Oklahoma. He attained a masters at Northwestern University, and a law degree at the University of Oklahoma in 1977.

A year later at the age of 28 he was elected to Congress. He defeated an incumbent Congressman, something at that time that was seldom done. It showed that he was a very tenacious campaigner, a very energetic individual to be elected at such a young age and to defeat an incumbent at the same time.

Mike Synar served in Congress for 16 years between 1978 and 1994. To say the least, he was energetic, he was outgoing, and he was passionate about many things. He had very strong convictions. And I greatly respected him because he did show the courage of his conviction on a lot of issues—a lot of issues maybe that were not the most popular in our State and in his district.

But he was outgoing. He was willing to take on special interests at various times—sometimes at risk and jeopardy to his political career.

Mike Synar passed away yesterday, Tuesday, January 9, and I wish to extend my condolences and sympathies to his family, to his friends in Muskogee and his friends from throughout the country.

Mr. DORGAN. Mr. President, will the Senator from Oklahoma yield?

Mr. NICKLES. Yes.

Mr. DORGAN. I appreciate the Senator from Oklahoma yielding.

MIKE SYNAR

Mr. DORGAN. Mr. President, I would like to, if the Senator will allow me, participate in his expression of sympathies for the passing of Congressman Synar, former Congressman Synar. He was a remarkable man, and I worked with him on a lot of issues.

I recall—the Senator might recall—that prior to the last election, the election before that, he had a very close race, and an enormously controversial race. And I said to him one day, "You do not make it easy on yourself, do you?" He said, "No. I did not come here to make it easy. I came here to decide what I want to fight for, and I fight for it and let the chips fall where they may."

That is the kind of person he was. He was a remarkably strong, energetic person. I considered him a good friend. I, today, lament his passing, and pass my sympathies to his family.

I again thank the Senator from Oklahoma also for his words on behalf of the life of Mike Synar.

Thank you very much for yielding.

Mr. NICKLES. I thank my colleague.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Thank you, Mr. President.

MIKE SYNAR

Mr. ROBB. Mr. President, I would like to add a word, too.

I did not have occasion to work as closely with Congressman Synar as my colleague from Oklahoma, or my colleague from North Dakota who has worked with him in the House. But I did have occasion in several instances to work with him. And although we were not always on precisely the same wavelength, he was certainly a man who believed heartily in the causes which he espoused and showed a remarkable degree of courage and commitment. And in that sense, I think we will all certainly miss him, whether or not we all knew him in entirely the same way.

THE FEDERAL EMPLOYEES

Mr. ROBB. Mr. President, let me just say a word, if I may, to what my colleagues have already alluded to, some good things that have happened in the last few days.

I would like to say a word on behalf of the many who work for the Federal Government—the Federal employees not only in the Washington area but around the country and the many others who work for the Federal Government.

We have been through a very difficult period where for some 3 weeks, in effect. We told many hard-working, dedicated Federal employees to stay home. And they were able to work through this period. Many of them came in, many without getting paid, and others who recognized essential services that they were providing. But, just at the conclusion of that long and very difficult period for many people who work hard on a day-to-day basis without a great deal of recognition, we had a snowstorm, the blizzard of 1996 here on the east coast that pretty well shut down everything.

I know that there has been a great deal of concern in the last day or two about when and under what circumstances Federal employees would be asked to come back to work. I would simply like to say to all of those who have been through a very rough period, and for those other people who work with the Federal Government, whether they contract with the Federal Government, or whether they are dependent upon the effective operation of the Federal Government, thank you for your understanding.

It is certainly my hope that we have all learned a lesson and that we will not under any circumstances close down the Federal Government under similar circumstances again. It simply was counterproductive and costly for everyone.

I applaud the majority leader for the initiative he took earlier in the week to bring that particular chapter to a close. I do understand that there are fundamental differences that are still at stake. I applaud both the President and the chief negotiators from the Congress for the statements that they made yesterday so as not to exacerbate the problem, to leave open the prospect that they will be able to find common ground, refer to the temporary suspension rather than the collapse of those particular talks because there are very significant and important issues that I think benefit from the kind of discussion and kind of intense focus that they have had during the last few weeks.

I hope that process will continue. I think it makes sense for those who have been locked in what might appear to be mortal combat for a period of time to take the period away from the table, away from the talks, to have an opportunity to refresh themselves and their minds, and get a little different perspective. I hope that they will come back ready to work on those essential issues that continue to divide us.

I hope that all of the Federal employees who have been in all cases inconvenienced—in many cases put through some very severe hardship—will now assist in getting all of the functions of Government back up to speed as rapidly as we can.

Whatever decision is made tonight, I suspect that the Office of Personnel Management will announce that the Federal Government will be formally open tomorrow. But there are still, clearly, many Federal employees, and many other citizens in the area, who are unable to get out of their homes, out of their driveways, and find any reasonable prospect of getting to work in the way that they would normally get to work.

I hope that Federal managers and Federal supervisors will be understanding, but that Federal employees themselves would make that little extra effort to catch up on a lot of work that has gone undone during the last few weeks. Many people are critically dependent on them catching up with the work that needs to be done.

For all those who are going to be doing it and for those who have been both inconvenienced, and in some cases placed at a real hardship, I want to say on behalf of I think all of our colleagues on both sides of the aisle, we understand what they have been through and we understand the inconvenience, we understand what has happened both with respect to the budget negotiations as well as the weather. We thank you for sticking with us. We hope you will continue to work as hard as you can to get us back up to speed and functioning as rapidly as you can.

With that I thank the Chair and yield the floor, Mr. President.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority whip is recognized.

THE BUDGET NEGOTIATIONS

Mr. LOTT. Mr. President, I would like to join others in expressing my appreciation to those that have been negotiating in this historic effort to move toward a balanced budget and reduce the size and scope of Washington in our lives. I know that they have met, as I understand it, some 50 hours with the President, the Vice President, and others from the administration, the majority leader and the minority leader in the Senate, and the majority leader and minority leader from the House of Representatives, the Speaker.

They certainly have made a supreme effort to close the differences in trying to reach an agreement. It has been a monumental undertaking. It is historic. I emphasize again this is not an insignificant event. You are talking about a lot of the taxpayers' money being at stake. You are talking about fundamental change in the way that Washington spends money and the efforts to reduce that level of increased spending in the future and an effort to allow the taxpayers to retain some of their hard-earned money, trying to get some fundamental reform in the so-called entitlements area.

It is a major effort to accomplish this. So I think they have made a good-faith effort. I understand they have made some progress. There has been some movement on both sides. You can characterize which one has moved the most. Obviously, I think that the majority from Congress has made the greatest movement. But the fact is, they both have changed some.

I think that probably this recess was unavoidable and perhaps even good at this point. There have been shifts in positions. Listening to the majority leader and the chairman of the Senate Budget Committee and the House Budget Committee, they felt last night the last offer that had been made by the majority was as far as they could go in a number of areas.

I think maybe now they can take this time to take a breath, look at what has been proposed, and the administration, the President, can look at what has been proposed and see if he cannot make some additional changes, because I do know that the majority made changes in Medicare, Medicaid, welfare, in the earned income tax credit, and even a proposal to bring down the tax cuts from what I believe had been $203 billion down to $177 billion. So a lot of changes have been made.

There is good reason to get this agreement. There is a lot to be gained for all involved. First of all, the most important thing is if we get a budget agreement America will benefit. Then there will be benefit for all those that have been involved, including the administration and the Congress, both parties. So we should do it.

What is to be gained? Clearly, the experts say if we get an agreement you will see a further decline in interest rates which will help us all—those who want to buy a home, buy an automobile, pay for college. Lower interest rates is something we really want to achieve. That would be a benefit if we could get this balanced budget in 7 years, if we get real numbers agreed to. That would mean more jobs, lower interest rates, selling more refrigerators, automobiles. It will create jobs. I understand it would lead to lower trade deficits, and also it would lower the national debt in the future.

If we do not get this agreement, then this almost $5 trillion debt we have will continue to go up. And to try to control the rate of growth of that debt is certainly a supreme accomplishment that we should work on. I understand that it has been estimated the average benefit per family per year from this agreement would be about $1,000 per family, not an insignificant amount, a minimum of $7,000 just from the benefit of getting the balanced budget, not to mention what we might do in the tax cut area.

What is to be lost if we do not get an agreement? First of all, I think our institutions will suffer because we will have not been able to reach an agreement. We do not want that to happen. I have never seen a negotiation go on this long and to this extent or to this level. In the past usually there has been, you know, debate back and forth between the parties, between the bodies of the Congress, and briefly between the White House and the Congress. But never before, in an effort to get the size and scope of Washington under control, has it led to these negotiations at the Presidential and Speaker and majority leader level, for hours upon hours.

But if we do not get this done, I think all involved will pay a price. We will see higher interest rates almost assuredly. I think the head of the Fed, Alan Greenspan, has indicated that would probably be a result. We would see more—more—ever-increasing Washington spending and Washington control.

Probably we would see a falling stock market. Just in the last 36 hours the stock market has tumbled more than 100 points; 67 points yesterday, 36 points this morning. And it was not because of the blizzard of 1996. It was because of their perception that maybe these talks were not going to be agreed to, their concern that we were not going to control the rate of increase of Federal spending, and that we were not going to have tax policies that would lead to economic growth and job creation.

The stock market is not something I profess to understand. But when it drops precipitously, I start saying, well, what could possibly be the reason? I think most people would say they are worried now, that this is troublesome news.

It is described as a recess. But is it really a recess or is it the beginning of the end of the budget negotiations? And they are beginning to say, well, after weeks, months of believing and acting on the assumption that we were going to get a balanced budget agreement, and in fact tax cuts for individuals that deserve it—it is, after all, the people's money that we are talking about allowing them to keep.

The idea now that these talks have taken at least a break is troublesome. They are worried that we will not get these commitments agreed to that we worked on all year long. So I think we should be very conscious of that. I hope we will see a return to the negotiations, that the President will move toward the majority's position in Congress.

I think we have been very responsible in the positions we have taken. In fact, we have offered not one, not two, not three, but four budgets in effect, three since the one that passed the Congress. So there has been a significant shift to try to get the job done, but to do it in such a way that a bipartisan Congress could support it.

I hope that they will get back together and there will be additional improvements in trying to control the Washington growth that we are battling against. And failing in that, certainly we will look to the appropriation process to keep the Government operating, but to control spending as much as we can through that process.

THE PRESIDENT'S VETO OF THE WELFARE REFORM BILL

Mr. LOTT. I want to say also in closing, Mr. President, that I, too, am very much concerned that the President vetoed the welfare reform package. After talking a great deal about how we were going to end welfare as we have known it, we have, in fact, not done it. He did veto the bill last night. There has been suggestions that there are major problems with this bill. But the Congress did add back some $10 billion from where the House position was to try to get a bill that the President could sign. It does have genuine reform.

There is complaint in effect from the minority leader that we are giving States more authority. That has been one of our goals, to give more flexibility to the States. As a matter of fact, States have been getting waivers to have this flexibility.

So we need to get work back into welfare. We need genuine welfare reform. The President has vetoed this bill. I think it is a big mistake. But I think it is incumbent upon Congress that we immediately get back together to try to come up with a welfare reform that in fact saves money, that does not spend more money, and that does retain the work requirements that we have been committed to throughout the year.

I believe my time has expired. I yield the floor at this time, Mr. President.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The minority whip is recognized.

THE PRESIDENT'S VETO OF THE WELFARE REFORM BILL

Mr. FORD. Mr. President, I agree with my friend from Mississippi that the recess probably will be important where we can, as the President said, take a deep breath, step back, and look at where we are.

Mr. President, we talk about the veto by the President of the United States of the welfare reform bill. Well, I think the Democratic leader said very emphatically today that the 25-percent maintenance level where the Senate had voted 80 percent maintenance level by the State was an important factor that was changed.

The President said when we passed the bill on welfare reform in the Senate that he would sign that bill. Well, I have been around here a few years and usually when you cannot get together and you find something that can be signed and you are not too far apart, then I think we can come back to the table and work it out.

Instead of putting all the blame on one place—the Democrats in the House, the Democrats in the Senate, the Republicans in the Senate, are all in favor of one item; and we wind up that there is a group in the House that will not let us move forward. So I think that becomes the stumbling block.

Even in the House an amendment was put on one of the bills where you were sending the block grants back to the States that none of this money could be used by the States to build roads. That gives you some idea. I happened to have been a Governor when we got an avalanche of money. President Nixon pigeonholed the money after we overrode his veto. Then they went to court, and the court released 2 years of appropriations. We were the beneficiary of that.

I understand Federal money coming into States. I understand the matching money. I understand what the States can or cannot do. I also understand the pressure on a Governor in a State by his constituents and what they would like to have him do.

We talk about big interstate highways. We call it, down in the States, get-to-it roads. The interstates are fine, but if you cannot get to it, then you cannot ride on it. So they want us to build get-to-it roads. And so therefore there will be pressure to use this money to build get-to-it roads.

THE PRESIDENT AND THE DEMOCRATS WANT A BALANCED BUDGET

Mr. FORD. Mr. President, let me just make two points. I think we have maybe a couple minutes left. Two points. One, for the last 3 years the deficit, under President Clinton, has been reduced by 50 percent. There will be fewer Federal employees, 272,000 under that proposal that was passed and signed in 1993. And today, we have about 200,000 fewer employees than there were 3 years ago.

There is no question to what the President and the Democrats have agreed to, that we want a balanced budget and, two, that it would be in 7 years and, three, it would be certified by CBO.

The President has laid two budgets on the table, one, balance the budget in 7 years, as certified by CBO. Last evening, the second was put on the table to balance the budget, approved by CBO. The only difference here now is whether we give a huge tax cut or not.

My friend from Mississippi says that they have cut it to a $177 billion tax cut. My figures are, when you put it together, that it is $203 billion they are still holding on to and clinging to, which would be the tax cut they want to put in. If you look at the coalition in the House, they do not want to give any tax cut. It is zero. We hear a lot about the Blue Dogs in the House. Their tax cut is zero. The bipartisan group's over here is somewhat higher. But there is $87 billion that the President has agreed to in tax cuts and $203 billion that the Republicans want in tax cuts. We feel like this is not the time to give the huge tax cuts, and that we ought to try to be compassionate and take care of the elderly. We do not need to cut Medicare or increase the premium on part B of Medicare. We do not need to increase the deductible on part B in order to give the tax break.

Mr. President, the budget is not balanced under the Republican balanced budget because if you look on page three of the reconciliation bill, it is $108.4 billion of money used from Social Security. I put into the RECORD last week two things—one statutory and the other in the law—relating to Social Security. You cannot use that money other than what it is collected for.

So we have a lot to work on. But the work is only between $87 billion and $203 billion, and where you cut more or less and who gets the tax break. The hour of 1:50 has arrived.

I yield the floor.

Mr. LOTT. Mr. President, we have no further requests for time. All time has expired under the agreement. We have some unanimous-consent requests, and I believe the majority leader may want to come to the floor and do that.

At this point, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURNS). Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, are we under any parliamentary rules?

The PRESIDING OFFICER. We are in morning business. The order was that Senators may speak up to 5 minutes each.

Mr. DOMENICI. I ask unanimous consent that I be permitted to speak for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET NEGOTIATIONS

Mr. DOMENICI. Mr. President, might I first indicate that my purpose in the next 10 or 15 minutes is to tell my colleagues, and to the extent possible the American public that might be watching, where I see things in this recessed budget discussion. I want to be very frank. I am disappointed and somewhat let down that we have not come to an agreement. I do not fault anyone for dedicating time and effort. In many respects, the time and effort spent in the White House is probably rather historic. I am not disappointed that that effort has taken place and that the President, Vice President, the leaders, Republican and Democratic, of the Congress, have indeed spent a great deal of time, effort, and energy in what I presume and must state, at least as I view it, to be a serious effort to try to get the American people what they so desperately want, and that is a balanced budget in 7 years, which is real, using Congressional Budget Office economics.

So it is an understatement to say that I am disappointed, but I also do not know if we will be able to reach an agreement with the administration. I choose to try very hard to state it as best I can from what I know.

It is quite possible, on the other hand, that working with congressional Democrats from both the House and the Senate that we could come to a proposal that would make fundamental reforms to Federal entitlement programs, make fundamental changes to Federal programs, redirect many of the programs out of Washington back to the States, and get a balanced budget in 7 years using the Congressional Budget Office estimates and economics. Maybe then the President and his administration would take more seriously the proposals we have worked so hard for over 1 year to reduce to a document called the balanced budget No. 1, which the President vetoed not so long ago.

I would like to make it very clear, yes, the President finally submitted a budget scored by the Congressional Budget Office before the blizzard began last Saturday night that mathematically got to balance. But even some of the President's own people have admitted that that budget was designed to meet the requirement of the continuing resolution, the targeted resolution, the continuing resolution to put all of Government back to work and which had as a condition of its effectiveness that the President submit for the very first time a balanced budget using the Congressional Budget Office figures.

Let me repeat. That 1996 blizzard budget that the President submitted, many believe was given to the American people and to us so as to comply with the technical requirements, and that it was not the kind of budget the President could have expected we would accept. Even some of the President's people have stated that it was designed to give us the requirements of that continuing resolution to reopen Government on Monday.

The Washington Post criticized that blizzard budget as "paper balance." Mr. President, I ask unanimous consent the Washington Post's editorial, a rather lengthy one, styled "Paper Balance," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 9, 1996]

PAPER BALANCE

The balanced budget plan that President Clinton submitted Saturday night would achieve all kinds of things, but a balanced budget is likely not among them. In submitting a plan that on paper would balance the budget in seven years using Congressional Budget Office economic and other assumptions, the president met the condition set by congressional Republicans for reopening the government. He may have helped to move along the budget talks as well, and the plan would largely protect the major forms of federal assistance to the poor, an important goal.

That's the good news. The bad is that to get to balance while achieving a string of other policy goals the plan relies on gimmicks that almost no one believes would survive and produce the deficit reduction claimed for them. It's true that some of the same or similar gimmicks can also be found in the Republican proposal to balance the budget. No doubt the fact that they're gaming the issue in similar ways is a comfort to both sides. It ought not comfort anyone else.

1. The president persists in giving a tax cut. His is smaller and better targeted than the one the Republicans propose. It nonetheless is more revenue than a government looking at deficits approaching $1 trillion a presidential term should forgo. To get to the promised balance by the year 2002 despite the tax cut, the president then pretends that the cut will be allowed to lapse in the year 2000, and no matter that that year, like this, happens to be an election year. Once the cut lapses, even if only on paper, there isn't any revenue loss to record—not for now, anyway. For now, you tell the voters they can have it all—yes to a tax cut, yes to a balanced budget but no to spending cuts in programs they like. It will be up to someone else to tell them later—always someone else and later—that the math can't be made to come out that way.

2. Half the spending cuts in the president's plan would be achieved by imposing tight caps on the part of the budget subject to the annual appropriations process. It's a wonderful way to cut spending, because once again the hard decisions are deferred. You don't have to say which programs or which constituencies you expect to bear the burden; that will be up to the appropriators to decide as they apportion the available funds year by year. For now, you just get a free vote in favor of economy in the abstract. The vote is all the easier because, in the president's plan as in the Republicans', the caps are backloaded. Sixty percent of the cuts would be deferred until the last two of the seven years, after the turn of the century.

Assume that almost all the cuts would occur in domestic appropriations as distinct from the military budget, which the president has said he thinks should remain pretty much on the current path. In real terms, this domestic total—the operating budget for the entire domestic side of government—would have to be cut about a third to stay beneath the cap in the seventh year. Hardly anyone, least of all anyone in the administration, thinks a cut of that magnitude is possible without doing enormous damage to government services. The president makes the math even more implausible by saying he intends to protect the chunks of the budget having to do with education, the environment and such that he particularly supports. That means he would have to cut the balance all the more. What will it be? Housing programs? Veterans programs? Highway grants? The space program? You wait in vain for the answer.

3. A lot of economists think that if the budget is balanced, interest rates will ease, and that the lower rates will stimulate greater economic growth. The government would then reap a double dividend. Its own considerable interest costs would go down and tax revenues, up. Call it a reward for good behavior. The Republicans claimed the reward and folded it into their budget estimates in advance. The administration is doing the same thing on perhaps an even weaker basis.

The Republican budget contains its own illusions. The tax cuts the Republicans propose are heavily backloaded. They were carefully designed to keep their full effect from being felt until after the seven years for which, under the rules, the budget estimates were made. From just the seventh year through the 10th, the likely revenue loss from their enactment would increase by 75 percent. You balance the budget in the seventh year, then begin to unbalance it all over again unless deeper spending cuts are made.

If the goal is to balance the budget, there ought not be a tax cut. Not the modest one proposed by the president, and surely not the Republican gusher, either. If the further goal is to achieve a durable balance or near enough without inflicting an undue burden on the poor, you have to go after the major programs that benefit the middle class, in particular the two great forms of aid to the elderly that dominate the budget, Medicare and Social Security. The Republicans proposed a restructuring of Medicare this year, a mix of some good ideas and some bad, for both of which they are being made to pay at the polls. The Democrats have positioned themselves as protector of the program, and never mind the pressure it puts on the rest of the budget and other programs they also seek to protect. Neither party wants to cut, or to be the first to propose cutting, Social Security, even by limiting the cost-of-living increases in benefits for a number of years.

As a partial alternative to going after these programs, the president has now proposed cutting some of the tax breaks that go under the label corporate welfare. But it isn't clear how hard he will push for those in what is likely to be an inhospitable Congress; he hasn't pushed much in the past. Both parties now claim to want to neutralize the deficit. To do so without also doing social harm, each has to abandon some political reflexes, the Republicans above all on taxes, the Democrats on Medicare. What we find out now is whether they can or will.

Mr. DOMENICI. Maybe, as one of our Senators has indicated, since it was a blizzard budget it should be categorized as "snow job," because, although it gets to balance in 2002, only by raising taxes in the last year and back-end loading 70 percent of the nonfreeze discretionary savings in that year could you get there. The plan made little or no fundamental changes to Medicare, which is going broke, and which many say we cannot afford in its current form; Medicaid, which is growing at 10.5 percent, and everyone says we cannot afford and must be reformed to save money and become more flexible at the State level.

It made no serious change to Federal welfare programs that had been supported in the Congress in a bipartisan manner here on the Hill. Indeed, as we know today, the President has now even vetoed the welfare reform bill that we sent him before the holidays.

I ask unanimous consent to have printed in the RECORD, so that those who want at least my version of where we are, and I hope it is authentic, a table that compares the President's blizzard budget of last Saturday night compared to the Republican bipartisan plan which we submitted to the President. My best analysis of that is encapsuled in a table which is called "Comparison of Latest Offers." One is called "Clinton" for the President. I am referring to that in these remarks as the blizzard budget. The bipartisan Republican budget is one that we melded from various reforms that were supported by significant numbers of Democrats. Those who will take time to study this comparison will discover that the Republican bipartisan budget proposal attempts to fundamentally change entitlement programs by over $400 billion, over the next 7 years, nearly $132 billion more than the President.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF LATEST OFFERS—JAN. 6, 1996

[Seven-year total deficit impact, in billions of dollars]

	Clinton	Bipartisan/Republican	Difference
Discretionary:			
Freeze	−258	−258	
Additional	−37	−91	54
Subtotal discretionary	−295	−349	54
Mandatory:			
Medicare	−102	−154 to −168	52 to 66
Medicaid	−52	−85	33
Welfare programs	−39	−60	21
EITC	−2	−15	13
Subtotal	−195	−314 to −328	119 to 133
Other mandatory	−69	−69	
Subtotal mandatory	−264	−383 to −397	119 to 133
Revenues	24	177	−153
CPI assumption	−17	−17	
Debt service	−57	−60	3
Total deficit reduction	−609	−651 to −665	42 to 56

Note.—Revenue reduction shown as positive because it increases the deficit.

Mr. DOMENICI. Now, the Republican, GOP balanced budget versus the budget that we offered, that we call bipartisan—when you do that you get an explanation of how far we came in what we offered—and let me just describe those changes. They are as follows.

From $226 billion savings in Medicare over 7 years, we proposed Medicare, Mr. President, between $154 and $168 billion. These are numbers endorsed by bipartisan groups in both the House and the Senate; from $226 to $154 and $168 billion as the parameters for a new program.

Let me say, parenthetically, if you choose to do those reforms, which are substantially less, $60 billion less at the minimum, you can get there as far as the premiums to seniors with the premiums never going up beyond the $77 that the President recommended many, many months ago. So, while the Republicans moved nearly $60 billion lower in Medicare, the President, by his own numbers in the blizzard budget, reduced Medicare savings instead of increasing them, reduced the savings from $124 billion, which the President had heretofore said, in June, to $102 billion.

I understand that late yesterday there may have been some adjustments to that number. I did not get them in their final form. But I gather, if anything, Medicare was returned to its $124 billion level which is a level that is 6½ months old. So, in neither case did much happen there: While we came a low of $60 billion down, nothing happened in the blizzard budget, or the supplement to it, which I do not have in its final form.

Those who understand the budget know that we cannot achieve real balance unless we address these programs that make up over 50 percent of total spending in the Government. And these are the programs that we call mandatory, or entitlements. And, in the comparison chart that I had printed in the RECORD, I have taken the four that we have not been able to agree upon—Medicare, Medicaid, welfare programs, and I choose to put the earned income tax credit in it—the difference between the Clinton proposal and the bipartisan proposal is shown in this box, and it is a rather enormous number: $195 billion in savings versus somewhere between $314 and $328 billion.

Therein lies the major problem in getting a budget that is not mathematical—as alluded to by the Washington Post—but, rather, substantively alters the course of spending in programs that are increasing the most rapidly in the Federal Government, three of which grow at more than 10 percent a year, not sustainable with a gross domestic product growth of 2½ percent. That means the difference in just those programs is between $119 and $133 billion in savings.

Fortunately, there are some other entitlement programs that we seem to get close to agreement on. They are also shown in my comparison and they are the rest of the entitlements. And we are close enough to say that somewhere between $66 and $69 billion is where we are. And that is a significant achievement.

Let me close by speaking for a moment about the tax reductions. Republicans have also significantly and substantially reduced their proposal on tax cuts while protecting and insisting on protection for the family tax credit and a capital gains program which has a serious positive effect on long-term economic growth. While protecting those, we have dropped our tax reductions by $50 billion from the package that the President vetoed. That, too, is shown on the comparison chart which I will have printed in the RECORD for those interested in seeing precisely what is going on.

I believe that the bipartisan GOP proposal which I have been discussing, which has reforms encapsulated in the entitlement changes—that is, returning more of the moneys to the States with flexibility in both welfare and Medicaid—envisioned that the Governors of America will work on those programs with us. So that in saving the money we plan to save, we give them the discretion they need to get the job done better and cheaper. Yet, we are willing to have those Governors work on trying to make certain that some of the people have guarantees of coverage and perhaps even to change the way we have funded the Medicaid block grant in terms of what States are entitled to in the event of disasters economically speaking, or natural, and what they might be entitled to in the event there is sustained caseload growth in their State.

Obviously, we have also said that, if this tax cut in the final year or two—that is, the Republican plan to give middle-income Americans a child tax credit which essentially in its basic form means that a family raising children in America gets a $500 tax break for each child—we believe that should be the cornerstone I repeat, along with capital gains, which I have just described. But we also have said in the event when you put all these reforms and expenditures down on paper and get them costed out by the Congressional Budget Office, if you do not meet the targets of balance in the last year, some portion of the tax cut can be sunsetted in the last year or two as stated by Speaker NEWT GINGRICH heretofore, and Chairman JOHN KASICH yesterday at a press conference.

I repeat that I am very hopeful that the President of the United States with his Democratic allies will submit an offer, a new offer that comes in the direction that I have been discussing today of more significant savings from entitlement reforms, the four that I have described: Earned income tax credit, welfare reform, Medicaid reform, Medicare for the solvency of the fund for a very long period of time, and an adjustment in the premiums to meet the needs of our times.

My view is that the staff can do some work in the next few days. I am hopeful that we can reach some kind of accord on that. But I do believe it is fairest to categorize the status of the discussions as anxiously awaiting a new offer from the President.

Perhaps as my last chart, I would put a composite in the RECORD that I choose to call how far we have moved.

I ask unanimous consent that the chart be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOW FAR HAVE WE MOVED?

[In billions of dollars]

	Balanced budget act: vetoed	Latest GOP offer	Movement
Discretionary	409	349	−60
Medicare	226	154–168	−72
Medicaid	133	85	−48
Welfare	64	60	−4
Revenues	222	177	−45
Total deficit reduction	750	651	−99

Mr. DOMENICI. Mr. President, in the first chart I have the Balanced Budget Act that was vetoed. In the second column, Mr. President, I have the latest Republican bipartisan offer. And in the last column I have the difference. How far have we come?

In discretionary, we have agreed over 7 years to go from $409 billion to $349 billion; $60 billion additional discretionary.

Let me say right now that there is no longer any reason for the President of the United States to say we need a budget that meets the values of the American people. That does not. That takes care of education and takes care of environmental needs. It is obvious to everyone that that $60 billion that we have agreed to add more than covers those two and any other priority discretionary programs the President has been alluding to. Point No. 1. We went $60 billion their way.

Medicare—we went $72 billion their way from $226 billion to a range of $154 to $168 billion. Take the lower of the higher of them, and it is $72 billion their way.

Medicaid—from $133 billion in expected reform savings to $85 billion; $48 billion their way.

Welfare—from $64 billion to $60 billion; $4 billion their way. And the reason that is not a bigger number and need not be is because the U.S. Senate passed a bill with 87 votes. We are basing this principally upon that welfare reform measure. That one may require a couple of billion dollars additional perhaps for child care, or more workfare aid.

Last, on revenues from $122 billion to $177 billion, a $45 billion movement in their direction.

Frankly, I think anyone who will look at the two charts—How far have we moved?—and the comparison that I have alluded to of latest offers dated January 6, 1996, should have a pretty good picture of Republican negotiators led by Speaker NEWT GINGRICH, Congressman DICK ARMEY, and majority leader BOB DOLE on our side. We have made significant movement yet holding to the basic principles which I believe are about fourfold.

First, a significant tax break for working income-producing Americans who have children.

A capital gains tax to stimulate the economy, No. 1.

A reform of welfare as we know it turning it to workfare with a time limit of 5 years imposed on those who use it rather than a lifetime welfare program.

Third, a serious and dedicated effort to make Medicare work without it having to grow at 10½ percent a year. Most medical costs are going down. Our programs of Medicare and Medicaid—because we run them as a country, as a Government—continue upward.

So our third principle is returning that program with some flexibility to the States and saving money, yet building in some kind of guarantee which we think the bipartisan Governors can accomplish.

Our last point is that we believe Medicare ought to be made solvent as to the hospital portion—not for 7 or 8 years but hopefully for longer than that. And in that we must have reforms which permit the seniors of America to stay where they are in the current program, or choose other programs which will save money and provide them a different kind of coverage, whether it is HMO's, managed care, new professional service organization delivery systems, or whether it is major medical coverage with savings accounts. We need to reform the system so that it complies with the needs and delivery systems of today.

Why should we shortchange seniors and keep them tied to one kind of policy of coverage when all Americans have many other choices?

That is our fourth.

And in doing that we believe we will have reshaped Government significantly. But ultimately, so there is no mistake about it, we believe we will have made a significant positive decision regarding interest rates in the future; jobs of the future, they will be better.

Instead of being locked in stagnation, there is a real chance that a balanced budget will turn loose the energy of the marketplace so jobs can increase, so that we are not the generation that says for the first time that the next generation lives more poorly than we did. We want them to have more opportunity. The balanced budget has a chance to do that.

Interest is on everything imaginable, from college tuition to your 1st home or your 2d home, your 1st car or your 10th car. The interest rate is a burden. If it comes down dramatically, everybody gains, businesses flourish because it does not cost them as much to do business.

So the big principles I have enumerated and the big effect is a better life for our children, getting rid of the legacy that we leave them now, which is, "you pay our bills," to a legacy of "we pay our bills. You save your money for what you need. You don't pay your hard-earned money for what you didn't choose to pay for by way of programs we give to the American people that we cannot afford."

Mr. President, I thank the Senate for this time. I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECTRUM: A NATIONAL RESOURCE

Mr. DOLE. Mr. President, balancing the budget is all about sacrifice. To paraphrase Webster's Dictionary, that means surrendering things we prize for a higher purpose. Sacrifice is also about fairness. We call this share, and share alike.

It makes no sense to me then that Congress would create a giant corporate welfare program when we are reforming welfare for those trapped in a failed system. But, that is exactly what would happen if we pass telecommunications reform in it current form.

No doubt about it, balancing the budget the passing telecommunications reform will ensure America's place as the world's undisputed economic leader. They are both bills that look to the future, not to the past.

TELECOM GIVE-AWAY

With that said, however, I question whether telecommunications reform is worth the television broadcaster's asking price. The telecommunications conference report gives spectrum, or air waves, to television broadcasters that the Congressional Budget Office has valued at $12.5 billion. Many say that figure is low, including the Federal Communications Commission which believes it is worth almost $40 billion. That is $40 billion with a "B." Other estimates run even higher, up to $70 billion and beyond.

The bottom line is that spectrum is just as much a national resource as our Nation's forests. That means it belongs to every American equally. No more, no less.

If someone wants to use our resources, then we should be fairly compensated.

The broadcasters say they need this extra spectrum to preserve so-called free, over-the-air broadcast and are just borrowing the spectrum and will eventually give it back. The problem is the telecom conference report is vague and there is no guarantee that America will ever get this valuable resource back.

Even if a guarantee can be secured, the report language still would not fairly compensate taxpayers for lending this resource to the broadcasters. From a technical standpoint, when the broadcasters transition from an analog to the more efficient digital signal, they can pump our several new TV stations. In short, broadcasters will trade their existing one station for an many as five stations. I am told the FCC believes the number can reach as high as 12 stations.

Interestingly enough, the broadcasters secured language in the telecom bill that would exempt them from paying fees for any of these new broadcast stations so long as they are supported by advertising dollars. Let me get this straight. America lends the broadcasters a national resource so they can increase their profit margins, but they do not think its fair to pay rent.

Mr. President, at a time when we are asking all Americans to sacrifice and we are all trying to balance the budget—I just heard the chairman of the Budget Committee speak Senator DOMENICI; the American people want us to balance the budget—it does not make any sense to give away billions of dollars to corporate interests and succumb to their intense media lobbying effort.

COST TO CONSUMERS

This policy will also cost consumers billions of their own dollars. Federally mandating a transition to digital broadcast will ultimately render all television sets in the country obsolete. Consumers will be forced to either buy new television sets or convertor boxes to receive free, over-the-air broadcasts.

The impact will be dramatic. There are 222 million television sets in the country. The average digital television set's estimated cost is $850, while the less expensive convertor box will cost about $100. Replacing every television set with a digital one would cost $189 billion. Using the less expensive convertor box would cost $22 billion. No doubt about it, consumers won't be happy that Congress made this choice for them.

CONCLUSION

Mr. President, in closing, I wish to inform the Senate that while I want to work with those who put together, I think, a good telecommunications bill in many respects, I know there are some Members in the House who have some reservations about parts of it and there are some Members in the Senate who have reservations about parts of it. I do think we should resolve this spectrum issue before the bill is considered.

It is going to be very difficult, when we are looking at Medicaid, looking at Medicare, looking at farm programs, looking at welfare, all trying to save money here and money there, that we would at the same time say, oh, that is OK because these are big media interests, we will give it away, whether there is $12.5 or $40 billion, whatever it may be.

The telecommunications conference committee is still open, so we still have the opportunity to appropriately address this spectrum issue. I hope that we will. I would like to see it resolved before we bring this bill up. I know the chairman, Senator PRESSLER, has done an outstanding job. It is a very difficult task. The Presiding Officer is a member of that committee. It is a very important bill, probably the most important bill we will consider this year in 1996. But let us, for the sake of the taxpayers and for the sake of the American consumers, fix this one corporate welfare provision before we ask Members to vote on it.

Mr. President, the Democratic leader will be here in a moment or two. I will just go ahead and do these unanimous-consent requests.

PUBLIC HOUSING REFORM AND EMPOWERMENT ACT OF 1995

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar 295, S. 1260.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 1260) to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Housing Reform and Empowerment Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Effective date.
Sec. 5. Proposed regulations; technical recommendations.
Sec. 6. Elimination of obsolete documents.
Sec. 7. Annual reports.

TITLE I—PUBLIC AND INDIAN HOUSING

Sec. 101. Declaration of policy.
Sec. 102. Membership on board of directors.
Sec. 103. Authority of public housing agencies.
Sec. 104. Definitions.
Sec. 105. Contributions for lower income housing projects.
Sec. 106. Public housing agency plan.
Sec. 107. Contract provisions and requirements.
Sec. 108. Expansion of powers.
Sec. 109. Public housing designated for the elderly and the disabled.
Sec. 110. Public housing capital and operating funds.
Sec. 111. Labor standards.
Sec. 112. Repeal of energy conservation; consortia and joint ventures.
Sec. 113. Repeal of modernization fund.
Sec. 114. Eligibility for public and assisted housing.
Sec. 115. Demolition and disposition of public housing.
Sec. 116. Repeal of family investment centers; voucher system for public housing.
Sec. 117. Repeal of family self-sufficiency; homeownership opportunities.
Sec. 118. Revitalizing severely distressed public housing.
Sec. 119. Mixed-income and mixed-ownership projects.
Sec. 120. Conversion of distressed public housing to tenant-based assistance.
Sec. 121. Public housing mortgages and security interests.
Sec. 122. Linking services to public housing residents.
Sec. 123. Applicability to Indian housing.

TITLE II—SECTION 8 RENTAL ASSISTANCE

Sec. 201. Merger of the certificate and voucher programs.
Sec. 202. Repeal of Federal preferences.
Sec. 203. Portability.
Sec. 204. Leasing to voucher holders.
Sec. 205. Homeownership option.
Sec. 206. Technical and conforming amendments.
Sec. 207. Implementation.
Sec. 208. Effective date.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Public housing flexibility in the CHAS.
Sec. 302. Repeal of certain provisions.
Sec. 303. Determination of income limits.
Sec. 304. Demolition of public housing.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) the inventory of public housing units owned and operated by public housing agencies, an asset in which the Federal Government has invested approximately $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;

(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in very poor neighborhoods and disincentives for economic self-sufficiency;

(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations aggravates the problem and places excessive administrative burdens on public housing agencies;

(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

(A) consolidates many public housing programs into programs for the operation and capital needs of public housing;

(B) streamlines program requirements;

(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to both public housing tenants and localities; and

(D) rewards employment and economic self-sufficiency of public housing tenants;

(6) voucher and certificate programs under section 8 of the United States Housing Act of 1937 are successful for approximately 80 percent of applicants, and a consolidation of the voucher and certificate programs into a single, market-driven program will assist in making section 8 tenant-based assistance more successful in assisting low-income families in obtaining affordable housing and will increase housing choice for low-income families; and

(7) the needs of Indian families residing on Indian reservations and other Indian areas will best be served by providing programs specifically designed to meet the needs of Indian communities while promoting tribal self-governance and self-determination.

(b) PURPOSES.—The purposes of this Act are—

(1) to consolidate the various programs and activities under the public housing programs administered by the Secretary in a manner designed to reduce Federal overregulation;

(2) to redirect the responsibility for a consolidated program to States, Indian tribes, localities, public housing agencies, and public housing tenants;

(3) to require Federal action to overcome problems of public housing agencies with severe management deficiencies; and

(4) to consolidate and streamline tenant-based assistance programs.

SEC. 3. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) PUBLIC HOUSING AGENCY.—The term "public housing agency" has the same meaning as in section 3 of the United States Housing Act of 1937.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 4. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act.

SEC. 5. PROPOSED REGULATIONS; TECHNICAL RECOMMENDATIONS.

(a) PROPOSED REGULATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Congress proposed regulations that the Secretary determines are necessary to carry out the United States Housing Act of 1937, as amended by this Act.

(b) TECHNICAL RECOMMENDATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, recommended technical and conforming legislative changes necessary to carry out this Act and the amendments made by this Act.

SEC. 6. ELIMINATION OF OBSOLETE DOCUMENTS.

Effective 1 year after the date of enactment of this Act, no rule, regulation, or order (including all handbooks, notices, and related requirements) pertaining to public housing or section 8 tenant-based programs issued or promulgated under the United States Housing Act of 1937 before the date of enactment of this Act may be enforced by the Secretary.

SEC. 7. ANNUAL REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit a report to the Congress on the impact of the amendments made by this Act on—

(1) the demographics of public housing tenants and families receiving tenant-based assistance under the United States Housing Act of 1937; and

(2) the economic viability of public housing agencies.

TITLE I—PUBLIC AND INDIAN HOUSING

SEC. 101. DECLARATION OF POLICY.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this title—

"(1) to assist States, Indian tribes, and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families;

"(2) to assist States, Indian tribes, and political subdivisions of States to address the shortage of housing affordable to low-income families; and

"(3) consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to both public housing tenants and localities.".

SEC. 102. MEMBERSHIP ON BOARD OF DIRECTORS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 27. MEMBERSHIP ON BOARD OF DIRECTORS.

"(a) REQUIRED MEMBERSHIP.—Except as provided in subsection (b), the membership of the board of directors of each public housing agency shall contain not less than 1 member who is a resident of a public housing project operated by the public housing agency.

"(b) EXCEPTION.—Subsection (a) shall not apply to any public housing agency in any State that requires the members of the board of directors of a public housing agency to be salaried and to serve on a full-time basis.

"(c) NONDISCRIMINATION.—No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a public housing project.".

SEC. 103. AUTHORITY OF PUBLIC HOUSING AGENCIES.

(a) AUTHORITY OF PUBLIC HOUSING AGENCIES.—

(1) IN GENERAL.—Section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)) is amended to read as follows:

"(2) AUTHORITY OF PUBLIC HOUSING AGENCIES.—Notwithstanding paragraph (1), a public housing agency may adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the actual monthly costs—

"(i) to operate the housing of the public housing agency; and

"(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency).

"(B) MINIMUM RENT.—Notwithstanding paragraph (1), a public housing agency may provide that each family residing in a public housing project or receiving tenant-based or project-based assistance under section 8 shall pay a minimum monthly rent in an amount not to exceed $25 per month.

"(C) POLICE OFFICERS.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with the public housing agency plan, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing unit. The number and location of units occupied by police officers under this clause, and the terms and conditions of their tenancies, shall be determined by the public housing agency.

"(ii) DEFINITION.—As used in this subparagraph, the term 'police officer' means any person determined by a public housing agency to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State, tribal, or local government or by any agency thereof (including a public housing agency having an accredited police force).

"(D) ENCOURAGEMENT OF SELF-SUFFICIENCY.—Each public housing agency shall develop a rental policy that encourages and rewards employment and economic self-sufficiency.".

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act;

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(b) NONTROUBLED PUBLIC HOUSING AGENCIES.—Section 3(a) of the United States Housing Act of 1937 (42 U.S.C. 1437(a)) is amended by adding at the end the following new paragraph:

"(3) NONTROUBLED PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Notwithstanding the rent calculation formula in paragraph (1), and subject to subparagraph (B), the Secretary shall permit a public housing agency, other than a public housing agency determined to be troubled pursuant to 6(j), to determine the amount that a family residing in public housing shall pay as rent.

"(B) LIMITATION.—With respect to a family whose income is equal to or less than 50 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, a public housing agency may not require a family to pay as rent under subparagraph (A) an amount that exceeds the greatest of—

"(i) 30 percent of the monthly adjusted income of the family;

"(ii) 10 percent of the monthly income of the family;

"(iii) if the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that public agency to meet the housing costs of the family, the portion of those payments that is so designated; and

"(iv) $25.".

SEC. 104. DEFINITIONS.

(a) DEFINITIONS.—

(1) SINGLE PERSONS.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended—

(A) in subparagraph (A), in the third sentence, by striking "the Secretary shall" and all that follows before the period at the end and inserting the following: "the public housing agency may give preference to single persons who are elderly or disabled persons before single persons who are otherwise eligible"; and

(B) in subparagraph (B), in the second sentence, by striking "regulations of the Secretary" and inserting "public housing agency plan".

(2) ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended to read as follows:

"(5) ADJUSTED INCOME.—The term 'adjusted income' means the income that remains after excluding—

"(A) $480 for each member of the family residing in the household (other than the head of the household or the spouse of the head of the household)—

"(i) who is under 18 years of age; or

"(ii) who is—

"(I) 18 years of age or older; and

"(II) a person with disabilities or a full-time student;

"(B) $400 for an elderly or disabled family;

"(C) the amount by which the aggregate of—

"(i) medical expenses for an elderly or disabled family; and

"(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed;

exceeds 3 percent of the annual income of the family;

"(D) child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education;

"(E) with respect to a family assisted by an Indian housing authority only, excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel; and

"(F) any other income that the public housing agency determines to be appropriate, as provided in the public housing agency plan.".

(3) INDIAN HOUSING AUTHORITY; INDIAN TRIBE.—

(A) IN GENERAL.—Section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended by striking paragraphs (11) and (12) and inserting the following:

"(11) INDIAN HOUSING AUTHORITY.—The term 'Indian housing authority' means any entity that—

"(A) is authorized to engage or assist in the development or operation of low-income housing for Indians; and

"(B) is established—

"(i) by exercise of the power of self-government of an Indian tribe, independent of State law; or

"(ii) by operation of State law authorizing or enabling an Indian tribe to create housing authorities for Indians, including regional housing authorities in the State of Alaska.

"(12) INDIAN TRIBE.—The term 'Indian tribe' means the governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian Tribe, pursuant to the Federally Recognized Indian Tribe List Act of 1994.".

(B) APPLICABILITY.—The amendment made by subparagraph (A) does not affect the existence, or the ability to operate, of any Indian housing authority established before the date of enactment of this Act by any State recognized tribe, band, pueblo, group, community, or nation of Indians or Alaska Natives that does not qualify as an Indian tribe under section 3(b) of the United States Housing Act of 1937, as amended by this paragraph.

(b) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

(1) IN GENERAL.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(A) by striking the undesignated paragraph at the end of subsection (c)(3) (as added by section 515(b) of Public Law 101–625); and

(B) by adding at the end the following new subsection:

"(d) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the rent payable under subsection (a) by a family—

"(A) that—

"(i) occupies a unit in a public housing project; or

"(ii) receives assistance under section 8; and

"(B) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program);

may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

"(2) PHASE-IN OF RATE INCREASES.—After the expiration of the 18-month period referred to in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1)(B) shall be phased in over a subsequent 3-year period.

"(3) OVERALL LIMITATION.—Rent payable under subsection (a) shall not exceed the amount determined under subsection (a).".

(2) APPLICABILITY OF AMENDMENT.—

(A) PUBLIC HOUSING.—Notwithstanding the amendment made by paragraph (1), any tenant of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937, as that paragraph existed on the day before the date of enactment this Act, shall be governed by that authority after that date.

(B) SECTION 8.—The amendment made by paragraph (1) shall apply to tenant-based assistance provided under section 8 of the United States Housing Act of 1937, with funds appropriated on or after October 1, 1996.

(c) DEFINITIONS OF TERMS USED IN REFERENCE TO PUBLIC HOUSING.—

(1) IN GENERAL.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended—

(A) in paragraph (1), by inserting "and of the fees and related costs normally involved in obtaining non-Federal financing and tax credits with or without private and nonprofit partners" after "carrying charges"; and

(B) in paragraph (2), in the first sentence, by striking "security personnel)," and all that follows through the period and inserting the following: "security personnel), service coordinators, drug elimination activities, or financing in

connection with a public housing project, including projects developed with non-Federal financing and tax credits, with or without private and nonprofit partners.".

(2) TECHNICAL CORRECTION.—Section 622(c) of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3817) is amended by striking "'project.'" and inserting "paragraph (3)".

(3) NEW DEFINITIONS.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended by adding at the end the following new paragraphs:

"(6) PUBLIC HOUSING AGENCY PLAN.—The term 'public housing agency plan' means the plan of the public housing agency prepared in accordance with section 5A.

"(7) DISABLED HOUSING.—The term 'disabled housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency for occupancy exclusively by disabled persons or families.

"(8) ELDERLY HOUSING.—The term 'elderly housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency exclusively for occupancy exclusively by elderly persons or families, including elderly disabled persons or families.

"(9) MIXED-INCOME PROJECT.—The term 'mixed-income project' means a public housing project that meets the requirements of section 28.

"(10) CAPITAL FUND.—The term 'Capital Fund' means the fund established under section 9(c).

"(11) OPERATING FUND.—The term 'Operating Fund' means the fund established under section 9(d).".

SEC. 105. CONTRIBUTIONS FOR LOWER INCOME HOUSING PROJECTS.

(a) IN GENERAL.—Section 5 of the United States Housing Act of 1937 (42 U.S.C. 1437c) is amended by striking subsections (h) through (l).

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 21(d), by striking "section 5(h) or";

(2) in section 25(l)(1), by striking "and for sale under section 5(h)"; and

(3) in section 307, by striking "section 5(h) and".

SEC. 106. PUBLIC HOUSING AGENCY PLAN.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by inserting after section 5 the following new section:

"SEC. 5A. PUBLIC HOUSING AGENCY PLAN.

"(a) IN GENERAL.—

"(1) SUBMISSION.—Each public housing agency shall submit to the Secretary a written public housing agency plan developed in accordance with this section.

"(2) CONSISTENCY REQUIREMENT.—Each public housing agency plan submitted to the Secretary under paragraph (1) shall be—

"(A) made in consultation with the local advisory board established under subsection (c);

"(B) consistent with the comprehensive housing affordability strategy for the jurisdiction in which the public housing agency is located, as provided under title I of the Cranston-Gonzalez National Affordable Housing Act, or, with respect to any Indian tribe, a comprehensive plan developed by the Indian tribe, if applicable; and

"(C) accompanied by a certification by an appropriate State, tribal, or local public official that the plan meets the requirements of subparagraph (B).

"(b) CONTENTS.—Each public housing agency plan shall contain, at a minimum, the following:

"(1) CERTIFICATION.—

"(A) IN GENERAL.—With respect to a public housing agency that has not received assistance under this title as of the date on which the public housing agency plan of that public housing agency is submitted, or a public housing agency that is subject to amended authority, a written certification that the public housing agency is a governmental entity or public body (or an agency or instrumentality thereof) that is authorized to engage or assist in the development or operation of low-income housing under this title.

"(B) IDENTIFICATION OF CERTAIN REFERENCES.—Subject to subparagraph (A), any reference in any provision of law of the jurisdiction authorizing the creation of the public housing agency shall be identified and any legislative declaration of purpose in regard thereto shall be set forth in the certification with full text.

"(2) STATEMENT OF POLICY.—An annual statement of policy identifying the primary goals and objectives of the public housing agency for the year for which the statement is submitted, together with any major developments, projects, or programs, including all proposed costs and activities carried out with the use of Capital Fund and Operating Fund distributions made available to the public housing agency under section 9.

"(3) STATEMENT OF NEEDS.—An annual statement of the housing needs of low-income families residing in the community, and of other low-income families on the waiting list of the public housing agency (including the housing needs of elderly families and disabled families), and the means by which the public housing agency intends, to the maximum extent practicable, to address those needs.

"(4) GENERAL POLICIES, RULES, AND REGULATIONS.—The policies, rules, and regulations of the public housing agency regarding—

"(A) the requirements for the selection and admission of eligible families into the program or programs of the public housing agency, including—

"(i) tenant screening policies;

"(ii) any preferences or priorities for selection and admission;

"(iii) annual income verification procedures; and

"(iv) requirements relating to the administration of any waiting lists of the public housing agency;

"(B) the procedure for assignment of families admitted into the program to dwelling units owned, leased, managed, or assisted by the public housing agency;

"(C) the requirements for occupancy of dwelling units, including all standard lease provisions, and conditions for continued occupancy, termination, and eviction;

"(D) procedures for establishing rents, including ceiling rents and adjustments to income; and

"(E) procedures for designating certain public housing projects, or portions of projects, for occupancy by elderly families, disabled families, or by elderly and disabled families.

"(5) OPERATION AND MANAGEMENT.—The policies, rules, and regulations relating to the management of the public housing agency, and the public housing projects and programs of the public housing agency, including—

"(A) a description of the manner in which the public housing agency is organized (including any consortia or joint ventures) and staffed to perform the duties and functions of the public housing agency and to administer the Operating Fund distributions of the public housing agency;

"(B) policies relating to the rental of dwelling units owned or operated by the public housing agency, including policies designed to reduce vacancies;

"(C) policies relating to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(D) policies relating to the management and operation, or participation in mixed-income projects, if applicable;

"(E) policies relating to services and amenities provided or offered to assisted families, including the provision of service coordinators and services designed for certain populations, such as the elderly and disabled;

"(F) procedures for implementing the work requirements of section 12(c);

"(G) procedures for identifying management weaknesses;

"(H) objectives for improving management practices;

"(I) a description of management initiatives to control the costs of operating the public housing agency;

"(J) a plan for preventative maintenance and a plan for routine maintenance;

"(K) policies relating to any plans for converting public housing to a system of tenant-based assistance; and

"(L) policies relating to the operation of any homeownership programs.

"(6) CAPITAL FUND REQUIREMENTS.—The policies, rules, and regulations relating to the management and administration of the Capital Fund distributions of the public housing agency, including—

"(A) the capital needs of the public housing agency;

"(B) plans for capital expenditures related to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(C) policies relating to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(D) policies relating to the capital requirements of mixed-income projects, if applicable;

"(E) an annual plan and, if appropriate, a 5-year plan of the public housing agency for the capital needs of the existing dwelling units of the public housing agency, each of which shall include a general statement identifying the long-term viability and physical condition of each of the public housing projects and other property of the public housing agency, including cost estimates;

"(F) a plan to handle emergencies and other disasters;

"(G) the use of funds for new or additional units, including capital contributions to mixed-income projects, if applicable;

"(H) any plans for the sale of existing dwelling units to low-income residents or organizations acting as conduits for sales to such residents under a homeownership plan;

"(I) any plans for converting public housing units to a system of tenant-based assistance; and

"(J) any plans for demolition and disposition of public housing units, including any plans for replacement units and any plans providing for the relocation of residents who will be displaced by a demolition or disposition of units.

"(7) ECONOMIC AND SOCIAL SELF-SUFFICIENCY PROGRAMS.—A description of any policies, programs, plans, and activities of the public housing agency for the enhancement of the economic and social self-sufficiency of residents assisted by the programs of the public housing agency.

"(8) ANNUAL AUDIT.—The results of an annual audit (including any audit of management practices, as required by the Secretary) of the public housing agency, which shall be conducted by an independent certified public accounting firm pursuant to generally accepted accounting principles.

"(c) LOCAL ADVISORY BOARD.—

"(1) IN GENERAL.—Except as provided in paragraph (5), each public housing agency shall establish one or more local advisory boards in accordance with this subsection, the membership

of which shall adequately reflect and represent all of the residents of the dwelling units owned, operated, or assisted by the public housing agency.

"(2) MEMBERSHIP.—Each local advisory board established under this subsection shall be composed of the following members:

"(A) TENANTS.—Not less than 60 percent of the members of the board shall be tenants of dwelling units owned, operated, or assisted by the public housing agency, including representatives of any resident organizations.

"(B) OTHER MEMBERS.—The members of the board, other than the members described in subparagraph (A), shall include—

"(i) representatives of the community in which the public housing agency is located; and

"(ii) local government officials of the community in which the public housing agency is located.

"(3) PURPOSE.—Each local advisory board established under this subsection shall assist and make recommendations regarding the development of the public housing agency plan. The public housing agency shall consider the recommendations of the local advisory board in preparing the final public housing agency plan, and shall include a copy of those recommendations in the public housing agency plan submitted to the Secretary under this section.

"(4) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to an Indian housing authority.

"(5) WAIVER.—The Secretary may waive the requirements of this subsection with respect to tenant representation on the local advisory board of a public housing agency, if the public housing agency demonstrates to the satisfaction of the Secretary that a resident council or other tenant organization of the public housing agency adequately represents the interests of the tenants of the public housing agency.

"(d) PUBLICATION OF NOTICE.—

"(1) IN GENERAL.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the public housing agency shall publish a notice informing the public that—

"(A) the proposed public housing agency plan is available for inspection at the principal office of the public housing agency during normal business hours; and

"(B) a public hearing will be conducted to discuss the public housing agency plan and to invite public comment regarding that plan.

"(2) PUBLIC HEARING.—Each public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1).

"(3) ADOPTION OF PLAN.—After conducting the public hearing under paragraph (2), and after considering all public comments received and, in consultation with the local advisory board, making any appropriate changes in the public housing agency plan, the public housing agency shall—

"(A) adopt the public housing agency plan; and

"(B) submit the plan to the Secretary in accordance with this section.

"(e) COORDINATED PROCEDURES.—Each public housing agency (other than an Indian housing authority) shall, in conjunction with the State or relevant unit of general local government, establish procedures to ensure that the public housing agency plan required by this section is consistent with the applicable comprehensive housing affordability strategy for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act.

"(f) AMENDMENTS AND MODIFICATIONS TO PLANS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that no such significant amendment or modification may be adopted or implemented—

"(A) other than at a duly called meeting of commissioners (or other comparable governing body) of the public housing agency that is open to the public; and

"(B) until notification of the amendment or modification is provided to the Secretary and approved in accordance with subsection (g)(2).

"(2) CONSISTENCY.—Each significant amendment or modification to a public housing agency plan submitted to the Secretary under this section shall—

"(A) meet the consistency requirement of subsection (a)(2);

"(B) be subject to the notice and public hearing requirements of subsection (d); and

"(C) be subject to approval by the Secretary in accordance with subsection (g)(2).

"(g) TIMING OF PLANS.—

"(1) IN GENERAL.—

"(A) INITIAL SUBMISSION.—Each public housing agency shall submit the initial plan required by this section, and any amendment or modification to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

"(B) ANNUAL SUBMISSION.—Not later than 60 days prior to the start of the fiscal year of the public housing agency, after initial submission of the plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or modifications to the public housing agency plan.

"(2) REVIEW AND APPROVAL.—

"(A) REVIEW.—After submission of the public housing agency plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subparagraph, the Secretary shall review the public housing agency plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

"(i) set forth the information required by this section to be contained in a public housing agency plan;

"(ii) are consistent with information and data available to the Secretary; and

"(iii) are prohibited by or inconsistent with any provision of this title or other applicable law.

"(B) APPROVAL.—

"(i) IN GENERAL.—Except as provided in paragraph (3)(B), not later than 60 days after the date on which a public housing agency plan is submitted in accordance with this section, the Secretary shall provide written notice to the public housing agency if the plan has been disapproved, stating with specificity the reasons for the disapproval.

"(ii) FAILURE TO PROVIDE NOTICE OF DISAPPROVAL.—If the Secretary does not provide notice of disapproval under clause (i) before the expiration of the 60-day period described in clause (i), the public housing agency plan shall be deemed to be approved by the Secretary.

"(3) SECRETARIAL DISCRETION.—

"(A) IN GENERAL.—The Secretary may require such additional information as the Secretary determines to be appropriate for each public housing agency that is—

"(i) at risk of being designated as troubled under section 6(j); or

"(ii) designated as troubled under section 6(j).

"(B) TROUBLED AGENCIES.—The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 6(j).

"(4) STREAMLINED PLAN.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

"(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies; and

"(B) public housing agencies with less than 250 public housing units that have not been designated as troubled under section 6(j).".

(b) IMPLEMENTATION.—

(1) INTERIM RULE.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue an interim rule to require the submission of an interim public housing agency plan by each public housing agency, as required by section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(2) FINAL REGULATIONS.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall promulgate final regulations implementing section 5A of the United States Housing Act of 1937, as added by subsection (a) of this section.

(3) INDIAN HOUSING AUTHORITIES.—In carrying out this subsection, the Secretary may implement separate rules and regulations for the Indian housing program.

(c) AUDIT AND REVIEW; REPORT.—

(1) AUDIT AND REVIEW.—Not later than 1 year after the effective date of final regulations promulgated under subsection (b)(2), in order to determine the degree of compliance with public housing agency plans approved under section 5A of the United States Housing Act of 1937, as added by this section, by public housing agencies, the Comptroller General of the United States shall conduct—

(A) a review of a representative sample of the public housing agency plans approved under such section 5A before that date; and

(B) an audit and review of the public housing agencies submitting those plans.

(2) REPORT.—Not later than 2 years after the date on which public housing agency plans are initially required to be submitted under section 5A of the United States Housing Act of 1937, as added by this section, the Comptroller General of the United States shall submit to the Congress a report, which shall include—

(A) a description of the results of each audit and review under paragraph (1); and

(B) any recommendations for increasing compliance by public housing agencies with their public housing agency plans approved under section 5A of the United States Housing Act of 1937, as added by this section.

SEC. 107. CONTRACT PROVISIONS AND REQUIREMENTS.

(a) CONDITIONS.—Section 6(a) of the United States Housing Act of 1937 (42 U.S.C. 1437d(a)) is amended—

(1) in the first sentence, by inserting ", in a manner consistent with the public housing agency plan" before the period; and

(2) by striking the second sentence.

(b) REPEAL OF FEDERAL PREFERENCES; REVISION OF MAXIMUM INCOME LIMITS; CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS; NOTIFICATION OF ELIGIBILITY.—Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)) is amended to read as follows:

"(c) [Reserved.]".

(c) EXCESS FUNDS.—Section 6(e) of the United States Housing Act of 1937 (42 U.S.C. 1437d(e)) is amended to read as follows:

"(e) [Reserved.]".

(d) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "obligated" and inserting "provided"; and

(ii) by striking "unexpended" and inserting "unobligated by the public housing agency";

(B) in subparagraph (D), by striking "energy" and inserting "utility";

(C) by redesignating subparagraph (H) as subparagraph (J); and

(D) by inserting after subparagraph (G) the following new subparagraphs:

"(H) The extent to which the public housing agency provides—

"(i) effective programs and activities to promote the economic self-sufficiency of public housing tenants; and

"(ii) public housing tenants with opportunities for involvement in the administration of the public housing.

"(I) The extent to which the public housing agency successfully meets the goals and carries out the activities and programs of the public housing agency plan under section 5(A)."; and

(2) in paragraph (2)(A)(i), by inserting after the first sentence the following: "The Secretary may use a simplified set of indicators for public housing agencies with less than 250 public housing units.".

(e) LEASES.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (3), by striking "not be less than" and all that follows before the semicolon and inserting "be the period of time required under State law"; and

(2) in paragraph (5), by striking "on or near such premises".

(f) PUBLIC HOUSING ASSISTANCE TO FOSTER CARE CHILDREN.—Section 6(o) of the United States Housing Act of 1937 (42 U.S.C. 1437d(o)) is amended by striking "Subject" and all that follows through ", in" and inserting "In".

(g) PREFERENCE FOR AREAS WITH INADEQUATE SUPPLY OF VERY LOW-INCOME HOUSING.—Section 6(p) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)) is amended to read as follows:

"(p) [Reserved.]".

(h) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State, tribal, or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

(i) TRANSITION RULE RELATING TO PREFERENCES.—During the period beginning on the date of enactment of this Act and ending on the date on which the initial public housing agency plan of a public housing agency is approved under section 5A of the United States Housing Act of 1937, as added by this Act, the public housing agency may establish local preferences for making available public housing under the United States Housing Act of 1937 and for providing tenant-based assistance under section 8 of that Act.

SEC. 108. EXPANSION OF POWERS.

(a) IN GENERAL.—Section 6(j)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)(3)) is amended—

(1) in subparagraph (A)—

(A) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(B) by inserting after clause (ii) the following new clause:

"(iii) take possession of the public housing agency, including any project or function of the agency, including any project or function under any other provision of this title;";

(2) by redesignating subparagraphs (B) through (D) as subparagraphs (E) through (G), respectively;

(3) by inserting after subparagraph (A) the following new subparagraphs:

"(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

"(ii) The Secretary may give a public housing agency a 1-year period, beginning on the later of the date on which the agency receives notice from the Secretary of the troubled status of the agency under clause (i), and the date of enactment of the Public Housing Reform and Empowerment Act of 1995, within which to demonstrate improvement satisfactory to the Secretary. Nothing in this clause shall preclude the Secretary from taking any action the Secretary considers necessary before the commencement or the expiration of the 1-year period described in this clause.

"(iii) Upon the expiration of the 1-year period described in clause (ii), if the troubled public housing agency has not demonstrated improvement satisfactory to the Secretary and the Secretary has not yet declared the agency to be in breach of the contract of the agency with the Federal Government under this title, the Secretary shall declare the public housing agency to be in substantial default, as described in subparagraph (A).

"(iv) Upon declaration of a substantial default under clause (iii), the Secretary—

"(I) shall either—

"(aa) petition for the appointment of a receiver pursuant to subparagraph (A)(ii);

"(bb) take possession of the public housing agency or any public housing projects of the public housing agency pursuant to subparagraph (A)(iii); or

"(cc) take such actions as the Secretary determines to be necessary to cure the substantial default; and

"(II) may, in addition, take other appropriate action.

"(C)(i) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18, including the transfer of properties to resident-supported nonprofit entities;

"(III) if determined to be appropriate by the Secretary, may require the establishment, as permitted by applicable State, tribal, and local law, of one or more new public housing agencies; and

"(IV) shall not be subject to any State, tribal, or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impedes correction of the substantial default.

"(ii) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this title.

"(D)(i) If the Secretary takes possession of a public housing agency, or any project or function of the agency, pursuant to subparagraph (A)(iii), the Secretary—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18, including the transfer of properties to resident-supported nonprofit entities;

"(III) may require the establishment, as permitted by applicable State, tribal, and local law, of one or more new public housing agencies;

"(IV) shall not be subject to any State, tribal, or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impedes correction of the substantial default; and

"(V) shall have such additional authority as a district court of the United States has conferred under like circumstances on a receiver to fulfill the purposes of the receivership.

"(ii) The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary under this subparagraph for the administration of a public housing agency. The Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate.

"(iii) Regardless of any delegation under this subparagraph, an administrative receiver may not require the establishment of one or more new public housing agencies pursuant to clause (i)(III), unless the Secretary first approves an application by the administrative receiver to authorize such establishment.

"(iv) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this title."; and

(4) by adding at the end the following new subparagraph:

"(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including any project or function of the agency), or if a receiver is appointed by a court, the Secretary or receiver shall be deemed to be acting not in the official capacity of that person or entity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to that liability occurred while the Secretary or receiver was in possession of the public housing agency (including any project or function of the agency), shall be the liability of the public housing agency.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to a public housing agency that is found to be in substantial default, on or after the date of enactment of this Act, with respect to the covenants or conditions to which the agency is subject (as such substantial default is defined in the contract for contributions of the agency) or with respect to an agreement entered into under section 6(j)(2)(C) of the United States Housing Act of 1937.

SEC. 109. PUBLIC HOUSING DESIGNATED FOR THE ELDERLY AND THE DISABLED.

(a) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

"SEC. 7. AUTHORITY TO PROVIDE DESIGNATED HOUSING.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in the discretion of the public housing agency and without approval by the Secretary, designate public housing projects or mixed-income projects (or portions of projects) for occupancy as elderly housing, disabled housing, or elderly and disabled housing. The public housing agency shall establish requirements for this section, including priorities for occupancy, in the public housing agency plan.

"(b) PRIORITY FOR OCCUPANCY.—

"(1) IN GENERAL.—In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy under this section, the public housing agency may make units in such projects (or portions of projects) available only to the types of families for whom the project is designated.

"(2) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a public housing project (or portion thereof) designated under this section for occupancy by only elderly families, the agency may provide that near-elderly families who qualify for occupancy may occupy dwelling units in the public housing project (or portion thereof).

"(3) VACANCY.—Notwithstanding paragraphs (1) and (2), in designating a public housing project (or portion thereof) for occupancy by only certain types of families under this section, a public housing agency shall make any dwelling unit that is ready for occupancy in such a project (or portion thereof) that has been vacant for more than 60 consecutive days generally available for occupancy (subject to this title) without regard to that designation.

"(c) AVAILABILITY OF HOUSING.—

"(1) TENANT CHOICE.—The decision of any disabled family not to occupy or accept occupancy in an appropriate public housing project or to otherwise accept any assistance made available to the family under this title shall not adversely affect the family with respect to a public housing agency making available occupancy in other appropriate public housing projects or to otherwise make assistance available to that family under this title.

"(2) DISCRIMINATORY SELECTION.—Paragraph (1) does not apply to any family that decides not to occupy or accept an appropriate dwelling unit in public housing or to accept assistance under this Act on the basis of the race, color, religion, gender, disability, familial status, or national origin of occupants of the housing or the surrounding area.

"(3) APPROPRIATENESS OF DWELLING UNITS.—This section may not be construed to require a public housing agency to offer occupancy in any dwelling unit assisted under this Act to any family that is not of appropriate family size for the dwelling unit.

"(d) PROHIBITION OF EVICTIONS.—Any tenant who is lawfully residing in a dwelling unit in a public housing project may not be evicted or otherwise required to vacate that unit as a result of the designation of the public housing project (or portion thereof) under this section or as a result of any other action taken by the Secretary or any public housing agency pursuant to this section.

"(e) LIMITATION ON OCCUPANCY IN DESIGNATED PROJECTS.—

"(1) OCCUPANCY LIMITATION.—Notwithstanding any other provision of law, a dwelling unit in a public housing project (or portion of a project) that is designated under subsection (a) shall not be occupied by any person whose illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol—

"(A) constitutes a disability; and

"(B) provides reasonable cause for the public housing agency to believe that such occupancy could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) REQUIRED STATEMENT.—A public housing agency may not make a dwelling unit in a public housing project (or portion of a project) designated under subsection (a) available for occupancy to any family, unless the application for occupancy by that family is accompanied by a signed statement that no person who will be occupying the unit illegally uses a controlled substance, or abuses alcohol, in a manner that would interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.".

(b) LEASE PROVISIONS.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) following new paragraph:

"(6) provide that any occupancy in violation of section 7(e)(1) or the furnishing of any false or misleading information pursuant to section 7(e)(2) shall be cause for termination of tenancy; and".

(c) CONFORMING AMENDMENT.—Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437(b)(4)(A)) is amended by striking "section 7(a)" and inserting "section 7".

SEC. 110. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

(a) IN GENERAL.—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended to read as follows:

"SEC. 9. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

"(a) IN GENERAL.—Except for assistance provided under section 8 of this Act or as otherwise provided in the Public Housing Reform and Empowerment Act of 1995, all programs under which assistance is provided for public housing under this Act on the day before October 1, 1997, shall be merged, as appropriate, into either—

"(1) the Capital Fund established under subsection (c); or

"(2) the Operating Fund established under subsection (d).

"(b) USE OF EXISTING FUNDS.—With the exception of funds made available pursuant to section 8 or section 20(f) and funds made available for the urban revitalization demonstration program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts—

"(1) funds made available to the Secretary for public housing purposes that have not been obligated by the Secretary to a public housing agency as of October 1, 1997, shall be made available, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate; and

"(2) funds made available to the Secretary for public housing purposes that have been obligated by the Secretary to a public housing agency but that, as of October 1, 1997, have not been obligated by the public housing agency, may be made available by that public housing agency, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate.

"(c) CAPITAL FUND.—

"(1) IN GENERAL.—The Secretary shall establish a Capital Fund for the purpose of making assistance available to public housing agencies to carry out capital and management activities, including—

"(A) the development and modernization of public housing projects, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the development of mixed-income projects;

"(B) vacancy reduction;

"(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

"(D) planned code compliance;

"(E) management improvements;

"(F) demolition and replacement;

"(G) tenant relocation;

"(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

"(I) capital expenditures to improve the security and safety of residents.

"(2) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The Secretary shall develop a formula for providing assistance under the Capital Fund, which may take into account—

"(A) the number of public housing dwelling units owned or operated by the public housing agency and the percentage of those units that are occupied by very low-income families;

"(B) if applicable, the reduction in the number of public housing units owned or operated by the public housing agency as a result of any conversion to a system of tenant-based assistance;

"(C) the costs to the public housing agency of meeting the rehabilitation and modernization needs, and meeting the reconstruction, development, and demolition needs of public housing dwelling units owned and operated by the public housing agency;

"(D) the degree of household poverty served by the public housing agency;

"(E) the costs to the public housing agency of providing a safe and secure environment in public housing units owned and operated by the public housing agency; and

"(F) the ability of the public housing agency to effectively administer the Capital Fund distribution of the public housing agency.

"(d) Operating Fund.—

"(1) In general.—The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing, including—

"(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

"(B) activities to ensure a program of routine preventative maintenance;

"(C) anticrime and antidrug activities, including the costs of providing adequate security for public housing tenants;

"(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

"(E) activities to provide for management and participation in the management of public housing by public housing tenants;

"(F) the costs associated with the operation and management of mixed-income projects, to the extent appropriate (including the funding of an operating reserve to ensure affordability for low-income families in lieu of the availability of operating funds for public housing units in a mixed-income project);

"(G) the reasonable costs of insurance;

"(H) the reasonable energy costs associated with public housing units, with an emphasis on energy conservation; and

"(I) the costs of administering a public housing work program under section 12, including the costs of any related insurance needs.

"(2) Establishment of operating fund formula.—The Secretary shall establish a formula for providing assistance under the Operating Fund, which may take into account—

"(A) standards for the costs of operation and reasonable projections of income, taking into account the character and location of the public housing project and characteristics of the families served, or the costs of providing comparable services as determined with criteria or a formula representing the operations of a prototype well-managed public housing project;

"(B) the number of public housing dwelling units owned and operated by the public housing agency, the percentage of those units that are occupied by very low-income families, and, if applicable, the reduction in the number of public housing units as a result of any conversion to a system of tenant-based assistance;

"(C) the degree of household poverty served by a public housing agency;

"(D) the extent to which the public housing agency provides programs and activities designed to promote the economic self-sufficiency and management skills of public housing tenants;

"(E) the number of dwelling units owned and operated by the public housing agency that are chronically vacant and the amount of assistance appropriate for those units;

"(F) the costs of the public housing agency associated with anticrime and antidrug activities, including the costs of providing adequate security for public housing tenants; and

"(G) the ability of the public housing agency to effectively administer the Operating Fund distribution of the public housing agency.

"(e) Limitations on Use of Funds.—

"(1) In general.—Each public housing agency may use not more than 20 percent of the Capital Fund distribution of the public housing agency for activities that are eligible for assistance under the Operating Fund under subsection (d), if the public housing agency plan provides for such use.

"(2) New construction.—

"(A) In general.—A public housing agency may not use any of the Capital Fund or Operating Fund distributions of the public housing agency for the purpose of constructing any public housing unit, if such construction would result in a net increase in the number of public housing units owned or operated by the public housing agency on the date of enactment of the Public Housing Reform and Empowerment Act of 1995, including any public housing units demolished as part of any revitalization effort.

"(B) Exception.—Notwithstanding subparagraph (A), a public housing agency may use the Capital Fund or Operating Fund distributions of the public housing agency for the construction and operation of housing units that are available and affordable to low-income families in excess of the limitations on new construction set forth in subparagraph (A), except that the formulae established under subsections (c)(2) and (d)(2) shall not provide additional funding for the specific purpose of allowing construction and operation of housing in excess of those limitations.".

"(f) Operating and Capital Assistance to Resident Management Corporations.—The Secretary shall directly provide operating and capital assistance under this section to each resident management corporation managing a public housing project pursuant to a contract under this section, which assistance shall be used for purposes of operating the public housing project and performing such other eligible activities with respect to the project as may be provided under the contract.

"(g) Indian Housing Programs.—To the extent provided in advance in appropriations Acts, the Secretary shall carry out housing programs for Indians in accordance with such formulas and programs as the Secretary shall establish by regulation.

"(h) Technical Assistance.—To the extent approved in advance in appropriations Acts, the Secretary may make grants or enter into contracts in accordance with this subsection for purposes of providing, either directly or indirectly—

"(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including assistance relating to monitoring and inspections;

"(2) training for public housing agency employees and tenants;

"(3) data collection and analysis; and

"(4) training, technical assistance, and education to assist public housing agencies that are—

"(A) at risk of being designated as troubled under section 6(j) from being so designated; and

"(B) designated as troubled under section 6(j) in achieving the removal of that designation.

"(i) Emergency Reserve.—

"(1) In general.—

"(A) Set-aside.—In each fiscal year, the Secretary shall set aside not more than 2 percent of the amount made available for use under the capital fund to carry out this section for that fiscal year for use in accordance with this subsection.

"(B) Use of funds.—

"(i) Emergencies.—Amounts set aside under this paragraph shall be available to the Secretary for use in connection with emergencies, as determined by the Secretary, and in connection with housing needs resulting from any settlement of litigation.

"(ii) Additional funds.—To the extent that there are funds from amounts set aside under this paragraph in excess to the needs described in clause (i), the Secretary may use those funds for the costs of establishing and administering a witness relocation program, which shall be established by the Secretary in conjunction with the Attorney General of the United States.

"(2) Allocation.—

"(A) In general.—Amounts set aside under this subsection shall initially be allocated based on the emergency and litigation settlement needs of public housing agencies, in such manner, and in such amounts as the Secretary shall determine.

"(B) Publication.—The Secretary shall publish the use of any amounts allocated under this subsection in the Federal Register.".

(b) Implementation; Effective Date; Transition Period.—

(1) Implementation.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall establish the formulas described in subsections (c)(3) and (d)(2) of section 9 of the Public Housing Reform and Empowerment Act of 1995, as amended by this section.

(2) Effective date.—The formulas established under paragraph (1) shall be effective only with respect to amounts made available under section 9 of the United States Housing Act of 1937, as amended by this section, in fiscal year 1998 or in any succeeding fiscal year.

(3) Transition period.—Prior to the effective date described in paragraph (2), the Secretary shall provide that each public housing agency shall receive funding under sections 9 and 14 of the United States Housing Act of 1937, as those sections existed on the day before the date of enactment of this Act.

(c) Drug Elimination Grants.—

(1) Funding authorization.—

(A) In general.—To the extent provided in advance in appropriations Acts for fiscal years 1996 and 1997, the Secretary shall make grants for—

(i) use in eliminating drug-related crime under the Public and Assisted Housing Drug Elimination Act of 1990; and

(ii) drug elimination clearinghouse services authorized by section 5143 of the Drug-Free Public Housing Act of 1988.

(B) Set-aside.—Of any amounts made available to carry out subparagraph (A), the Secretary shall set aside amounts for grants, technical assistance, contracts, and other assistance, and for training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training).

(2) Program requirements.—The use of amounts made available under paragraph (1) shall be governed by the Public and Assisted Housing Drug Elimination Act of 1990, except as follows:

(A) Formula allocation.—Notwithstanding the Public and Assisted Housing Drug Elimination Act of 1990, after setting aside amounts for assisted housing under section 5130(b) of such Act, the Secretary may make grants to public housing agencies in accordance with a formula established by the Secretary, which shall—

(i) take into account the needs of the public housing agency for anticrime funding, and the amount of funding that the public housing agency has received under the Public and Assisted Housing Drug Elimination Act of 1990 during fiscal years 1993, 1994, and 1995; and

(ii) not exclude an eligible public housing agency that has not received funding during the period described in clause (i).

(B) Other types of crime.—For purposes of this subsection, the Secretary may define the term "drug-related crime" to include criminal actions other than those described in section 5126(2) of the Public and Assisted Housing Drug Elimination Act of 1990.

(3) Sunset.—No grant may be made under this subsection on or after October 1, 1998.

SEC. 111. LABOR STANDARDS.

Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended by adding at the end the following new subsection:

"(c) WORK REQUIREMENT.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, each adult member of each family assisted under this title shall contribute not less than 8 hours of volunteer work per month (not to include any political activity) within the community in which that adult resides.

"(2) INCLUSION IN PLAN.—Each public housing agency shall include in the public housing agency plan a detailed description of the manner in which the public housing agency intends to implement and administer paragraph (1).

"(3) EXEMPTIONS.—The Secretary may provide an exemption from paragraph (1) for any adult who is—

"(A) not less than 62 years of age;

"(B) a person with disabilities who is unable, as determined in accordance with guidelines established by the Secretary, to comply with this section;

"(C) working not less than 20 hours per week, a student, receiving vocational training, or otherwise meeting work, training, or educational requirements of a public assistance program; or

"(D) a single parent or the spouse of an otherwise exempt individual who is the primary caretaker of one or more children who are 6 years of age or younger.".

SEC. 112. REPEAL OF ENERGY CONSERVATION; CONSORTIA AND JOINT VENTURES.

Section 13 of the United States Housing Act of 1937 (42 U.S.C. 1437k) is amended to read as follows:

"SEC. 13. CONSORTIA, JOINT VENTURES, AFFILIATES, AND SUBSIDIARIES OF PUBLIC HOUSING AGENCIES.

"(a) CONSORTIA.—

"(1) IN GENERAL.—Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

"(2) EFFECT.—With respect to any consortium described in paragraph (1)—

"(A) any assistance made available under this title to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

"(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

"(3) RESTRICTIONS.—

"(A) AGREEMENT.—Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 5A.

"(B) MINIMUM REQUIREMENTS.—The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

"(b) JOINT VENTURES.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—

"(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of commissioners or other similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

"(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit, with respect to the administration of the programs of the public housing agency, including any program that is subject to this title.

"(2) USE OF INCOME.—Any income generated under paragraph (1) shall be used for low-income housing or to benefit the tenants of the public housing agency.

"(3) AUDITS.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.".

SEC. 113. REPEAL OF MODERNIZATION FUND.

(a) IN GENERAL.—Section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437l) is repealed.

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 5(c)(5), by striking "for use under section 14 or";

(2) in section 5(c)(7)—

(A) in subparagraph (A)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively; and

(B) in subparagraph (B)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively;

(3) in section 6(j)(1)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraphs (C) through (H) as subparagraphs (B) through (G), respectively;

(4) in section 6(j)(2)(A)—

(A) in clause (i), by striking "The Secretary shall also designate," and all that follows through the period at the end; and

(B) in clause (iii), by striking "(including designation as a troubled agency for purposes of the program under section 14)";

(5) in section 6(j)(2)(B)—

(A) in clause (i), by striking "and determining that an assessment under this subparagraph will not duplicate any review conducted under section 14(p)"; and

(B) in clause (ii)—

(i) by striking "(I) the agency's comprehensive plan prepared pursuant to section 14 adequately and appropriately addresses the rehabilitation needs of the agency's inventory, (II)" and inserting "(I)"; and

(ii) by striking "(III)" and inserting "(II)";

(6) in section 6(j)(3)—

(A) in clause (ii), by adding "and" at the end;

(B) by striking clause (iii); and

(C) by redesignating clause (iv) as clause (iii);

(7) in section 6(j)(4)—

(A) in subparagraph (D), by adding "and" at the end;

(B) in subparagraph (E), by striking "; and" at the end and inserting a period; and

(C) by striking subparagraph (F);

(8) in section 20—

(A) by striking subsection (c) and inserting the following:

"(c) [Reserved.]"; and

(B) by striking subsection (f) and inserting the following:

"(f) [Reserved.]";

(9) in section 21(a)(2)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(10) in section 21(a)(3)(A)(v), by striking "the building or buildings meet the minimum safety and livability standards applicable under section 14, and";

(11) in section 25(b)(1), by striking "From amounts reserved" and all that follows through "the Secretary may" and inserting the following: To the extent approved in appropriations Acts, the Secretary may";

(12) in section 25(e)(2)—

(A) by striking "The Secretary" and inserting "To the extent approved in appropriations Acts, the Secretary"; and

(B) by striking "available annually from amounts under section 14";

(13) in section 25(e), by striking paragraph (3);

(14) in section 25(f)(2)(G)(i), by striking "including—" and all that follows through "an explanation" and inserting "including an explanation";

(15) in section 25(i)(1), by striking the second sentence; and

(16) in section 202(b)(2)—

(A) by striking "(b) FINANCIAL ASSISTANCE.—" and all that follows through "The Secretary may," and inserting the following:

"(b) FINANCIAL ASSISTANCE.—The Secretary may"; and

(B) by striking paragraph (2).

SEC. 114. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended to read as follows:

"SEC. 16. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

"(a) INCOME ELIGIBILITY FOR CERTAIN PUBLIC AND ASSISTED HOUSING.—

"(1) IN GENERAL.—Of the dwelling units of a public housing agency, including dwelling units receiving tenant-based assistance under section 8 and public housing units in a designated mixed-income project, made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families;

"(B) not less than 75 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income for those families; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(3) MIXED-INCOME HOUSING STANDARD.—Each public housing agency plan submitted by a public housing agency shall include a plan for achieving a diverse income mix among tenants in each public housing project of the public housing agency and among the scattered site public housing of the public housing agency.

"(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units—

"(1) that prohibit occupancy in any such unit by any person—

"(A) who the public housing agency determines is illegally using a controlled substance; or

"(B) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project; and

"(2) that allow the public housing agency to terminate the tenancy in any public housing unit of any person—

"(A) if the public housing agency determines that such person is illegally using a controlled substance; or

"(B) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(c) Inapplicability to Indian Housing.—This section does not apply to any dwelling unit assisted by an Indian housing authority.".

SEC. 115. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) In General.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

"SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) Applications for Demolition and Disposition.—Except as provided in subsection (b), not later than 60 days after receiving an application by a public housing agency for authorization, with or without financial assistance under this title, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application, if the public housing agency certifies—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

"(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

"(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

"(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to assure the viability of the remaining portion of the project;

"(2) in the case of an application proposing disposition of a public housing project or other real property subject to this title by sale or other transfer, that—

"(A) the retention of the property is not in the best interests of the tenants or the public housing agency because—

"(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the tenants or the feasible operation of the project by the public housing agency; or

"(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

"(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

"(i) in the best interests of the tenants and the public housing agency;

"(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

"(iii) otherwise consistent with this title; or

"(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

"(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

"(4) that the public housing agency—

"(A) will provide for the payment of the relocation expenses of each tenant to be displaced;

"(B) will ensure that the amount of rent paid by the tenant following relocation will not exceed the amount permitted under this title; and

"(C) will not commence demolition or complete disposition until all tenants residing in the unit are relocated;

"(5) that the net proceeds of any disposition will be used—

"(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

"(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for the provision of low-income housing or to benefit the tenants of the public housing agency; and

"(6) that the public housing agency has complied with subsection (c).

"(b) Disapproval of Applications.—The Secretary shall disapprove an application submitted under subsection (a) if the Secretary determines that any certification made by the public housing agency under that subsection is clearly inconsistent with information and data available to the Secretary.

"(c) Tenant Opportunity To Purchase in Case of Proposed Disposition.—

"(1) In general.—In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization supported by the residents, if that entity has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

"(2) Timing.—

"(A) Thirty-day notice.—A resident organization, resident management corporation, or other resident-supported nonprofit entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

"(B) Sixty-day notice.—If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of that written notice, during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

"(d) Replacement Units.—Notwithstanding any other provision of law, replacement housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of those replacement units is fewer than the number of units demolished.".

(b) Homeownership Replacement Plan.—

(1) In general.—Section 304(g) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-3(g)), as amended by section 1002(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred At Oklahoma City, and Rescissions Act, 1995, is amended to read as follows:

"(g) [Reserved.]".

(2) Effective date.—The amendment made by paragraph (1) shall be effective with respect to any plan for the demolition, disposition, or conversion to homeownership of public housing that is approved by the Secretary after September 30, 1995.

(c) Uniform Relocation and Real Property Acquisition Act.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under section 18 of the United States Housing Act of 1937, as amended by this section.

SEC. 116. REPEAL OF FAMILY INVESTMENT CENTERS; VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) In General.—Section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t) is amended to read as follows:

"SEC. 22. VOUCHER SYSTEM FOR PUBLIC HOUSING.

"(a) In General.—

"(1) Authorization.—A public housing agency may convert any public housing project (or portion thereof) owned and operated by the public housing agency to a system of tenant-based assistance in accordance with this section.

"(2) Requirements.—In converting to a tenant-based system of assistance under this section, the public housing agency shall develop a conversion assessment and plan under subsection (b) in consultation with the appropriate public officials, with significant participation by the residents of the project (or portion thereof), which assessment and plan shall—

"(A) be consistent with and part of the public housing agency plan; and

"(B) describe the conversion and future use or disposition of the public housing project, including an impact analysis on the affected community.

"(b) Conversion Assessment and Plan.—

"(1) In general.—Not later than 2 years after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, each public housing agency shall assess the status of each public housing project owned and operated by that public housing agency, and shall submit to the Secretary an assessment that includes—

"(A) a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing tenant-based assistance under section 8 for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing project proposed for conversion for the remaining useful life of the project;

"(B) an analysis of the market value of the public housing project proposed for conversion both before and after rehabilitation, and before and after conversion;

"(C) an analysis of the rental market conditions with respect to the likely success of tenant-based assistance under section 8 in that market for the specific residents of the public housing project proposed for conversion, including an assessment of the availability of decent and safe dwellings renting at or below the payment standard established for tenant-based assistance under section 8 by the public housing agency;

"(D) the impact of the conversion to a system of tenant-based assistance under this section on the neighborhood in which the public housing project is located; and

"(E) a plan that identifies actions, if any, that the public housing agency would take with regard to converting any public housing project or projects (or portions thereof) of the public housing agency to a system of tenant-based assistance.

"(2) Streamlined assessment.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of paragraph (1) or otherwise require a streamlined assessment with respect to any public housing project or class of public housing projects.

"(3) Implementation of conversion plan.—

"(A) In general.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

"(i) will not be more expensive than continuing to operate the public housing project (or portion thereof) as public housing; and

"(ii) will principally benefit the residents of the public housing project (or portion thereof) to be converted, the public housing agency, and the community.

"(B) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or if there is reliable information and data available to the Secretary that contradicts that conversion assessment.

"(c) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the public housing agency to provide tenant-based assistance under section 8 shall be added to the housing assistance payment contract administered by—

"(1) the public housing agency; or

"(2) any entity administering the contract on behalf of the public housing agency.

"(d) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 117. REPEAL OF FAMILY SELF-SUFFICIENCY; HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended to read as follows:

"SEC. 23. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with this section—

"(1) sell any public housing unit in any public housing project of the public housing agency to—

"(A) the low-income tenants of the public housing agency; or

"(B) any organization serving as a conduit for sales to those persons; and

"(2) provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence.

"(b) RIGHT OF FIRST REFUSAL.—In making any sale under this section, the public housing agency shall initially offer the public housing unit at issue to the tenant or tenants occupying that unit, if any, or to an organization serving as a conduit for sales to any such tenant.

"(c) SALE PRICES, TERMS, AND CONDITIONS.—Any sale under this section may involve such prices, terms, and conditions as the public housing agency may determine in accordance with procedures set forth in the public housing agency plan.

"(d) PURCHASE REQUIREMENTS.—

"(1) IN GENERAL.—Each tenant that purchases a dwelling unit under subsection (a) shall, as of the date on which the purchase is made—

"(A) intend to occupy the property as a principal residence; and

"(B) submit a written certification to the public housing agency that such tenant will occupy the property as a principal residence for a period of not less than 12 months beginning on that date.

"(2) RECAPTURE.—Except for good cause, as determined by a public housing agency in the public housing agency plan, if, during the 1-year period beginning on the date on which any tenant acquires a public housing unit under this section, that public housing unit is resold, the public housing agency shall recapture 75 percent of the amount of any proceeds from that resale that exceed the sum of—

"(A) the original sale price for the acquisition of the property by the qualifying tenant;

"(B) the costs of any improvements made to the property after the date on which the acquisition occurs; and

"(C) any closing costs incurred in connection with the acquisition.

"(e) PROTECTION OF NONPURCHASING TENANTS.—If a public housing tenant does not exercise the right of first refusal under subsection (b) with respect to the public housing unit in which the tenant resides, the public housing agency shall—

"(1) ensure that either another public housing unit or rental assistance under section 8 is made available to the tenant; and

"(2) provide for the payment of the reasonable relocation expenses of the tenant.

"(f) NET PROCEEDS.—

"(1) IN GENERAL.—The net proceeds of any sales under this section remaining after payment of all costs of the sale and any unassumed, unpaid indebtedness owed in connection with the dwelling units sold under this section unless waived by the Secretary, shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan.

"(2) INDIAN HOUSING.—The net proceeds described in paragraph (1) may be used by Indian housing authorities for housing for families whose incomes exceed the income levels established under this title for low-income families.

"(g) HOMEOWNERSHIP ASSISTANCE.—From amounts distributed to a public housing agency under section 9, or from other income earned by the public housing agency, the public housing agency may provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence, including a residence other than a residence located in a public housing project.".

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 8(y)(7)(A)—

(A) by striking ", (ii)" and inserting ", and (ii)"; and

(B) by striking ", and (iii)" and all that follows before the period at the end; and

(2) in section 25(l)(2)—

(A) in the first sentence, by striking ", consistent with the objectives of the program under section 23,"; and

(B) by striking the second sentence.

(c) SAVINGS PROVISION.—The amendments made by this section do not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 118. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended to read as follows:

"SEC. 24. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies for the purposes of—

"(1) enabling the demolition of obsolete public housing projects or portions thereof;

"(2) revitalizing sites (including remaining public housing units) on which such public housing projects are located;

"(3) the provision of replacement housing, which will avoid or lessen concentrations of very low-income families; and

"(4) the provision of tenant-based assistance under section 8 for use as replacement housing.

"(b) COMPETITION.—The Secretary shall make grants under this section on the basis of a competition, which shall be based on such factors as—

"(1) the need for additional resources for addressing a severely distressed public housing project;

"(2) the need for affordable housing in the community;

"(3) the supply of other housing available and affordable to a family receiving tenant-based assistance under section 8; and

"(4) the local impact of the proposed revitalization program.

"(c) TERMS AND CONDITIONS.—The Secretary may impose such terms and conditions on recipients of grants under this section as the Secretary determines to be appropriate to carry out the purposes of this section, except that such terms and conditions shall be similar to the terms and conditions of either—

"(1) the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts; or

"(2) section 24 of the United States Housing Act of 1937, as such section existed before the date of enactment of the Public Housing Reform and Empower Act of 1995.

"(d) ALTERNATIVE MANAGEMENT.—The Secretary may require any recipient of a grant under this section to make arrangements with an entity other than the public housing agency to carry out the purposes for which the grant was awarded, if the Secretary determines that such action is necessary for the timely and effective achievement of the purposes for which the grant was awarded.

"(e) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.

"(f) SUNSET.—No grant may be made under this section on or after October 1, 1998.".

SEC. 119. MIXED-INCOME AND MIXED-OWNERSHIP PROJECTS.

(a) IN GENERAL.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 28. MIXED-INCOME AND MIXED-OWNERSHIP PROJECTS.

"(a) IN GENERAL.—A public housing agency may own, operate, assist, or otherwise participate in one or more mixed-income projects in accordance with this section.

"(b) REQUIREMENTS.—

"(1) MIXED-INCOME PROJECT.—For purposes of this section, the term 'mixed-income project' means a project that meets the requirements of paragraph (2) and that is occupied both by one or more very low-income families and by one or more families that are not very low-income families.

"(2) STRUCTURE OF PROJECTS.—Each mixed-income project shall be developed—

"(A) in a manner that ensures that units are made available in the project, by master contract, individual lease, or equity interest for occupancy by eligible families identified by the public housing agency for a period of not less than 20 years;

"(B) in a manner that ensures that the number of public housing units bears approximately the same proportion to the total number of units in the mixed-income project as the value of the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance; and

"(C) in accordance with such other requirements as the Secretary may prescribe by regulation.

"(3) TYPES OF PROJECTS.—The term 'mixed-income project' includes a project that is developed—

"(A) by a public housing agency or by an entity affiliated with a public housing agency;

"(B) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public

housing agency) is a general partner, managing member, or otherwise participates in the activities of that entity;

"(C) by any entity that grants to the public housing agency the option to purchase the public housing project during the 20-year period beginning on the date of initial occupancy of the public housing project in accordance with section 42(l)(7) of the Internal Revenue Code of 1986; or

"(D) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

"(c) TAXATION.—

"(1) IN GENERAL.—A public housing agency may elect to have all public housing units in a mixed-income project subject to local real estate taxes, except that such units shall be eligible at the discretion of the public housing agency for the taxing requirements under section 6(d).

"(2) LOW-INCOME HOUSING TAX CREDIT.—With respect to any unit in a mixed-income project that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the tenants may be set at levels not to exceed the amounts allowable under that section.

"(d) RESTRICTION.—No assistance provided under section 9 shall be used by a public housing agency in direct support of any unit rented to a family that is not a low-income family, except that this subsection does not apply to the Mutual Help Homeownership Program authorized under section 202 of this Act.

"(e) EFFECT OF CERTAIN CONTRACT TERMS.—If an entity that owns or operates a mixed-income project under this section enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this Act for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 9, or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed through regulations by the Secretary, from otherwise applicable restrictions under this Act regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character thereof to the maximum extent practicable.".

(b) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to promote the development of mixed-income projects, as that term is defined in section 28 of the United States Housing Act of 1937, as added by this Act.

SEC. 120. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 29. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

"(a) IDENTIFICATION OF UNITS.—To the extent approved in advance in appropriations Acts, each public housing agency shall identify all public housing projects of the public housing agency—

"(1) that are on the same or contiguous sites;

"(2) that the public housing agency determines to be distressed, which determination shall be made in accordance with guidelines established by the Secretary, which guidelines shall be based on the criteria established in the Final Report of the National Commission on Severely Distressed Public Housing (August 1992);

"(3) identified as distressed housing under paragraph (2) for which the public housing agency cannot assure the long-term viability as public housing through reasonable modernization expenses, density reduction, achievement of a broader range of family income, or other measures; and

"(4) for which the estimated cost, during the remaining useful life of the project, of continued operation and modernization as public housing exceeds the estimated cost, during the remaining useful life of the project, of providing tenant-based assistance under section 8 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development costs required for modernization).

"(b) CONSULTATION.—Each public housing agency shall consult with the appropriate public housing tenants and the appropriate unit of general local government in identifying any public housing projects under subsection (a).

"(c) REMOVAL OF UNITS FROM THE INVENTORIES OF PUBLIC HOUSING AGENCIES.—

"(1) IN GENERAL.—

"(A) DEVELOPMENT OF PLAN.—Each public housing agency shall develop and, to the extent provided in advance in appropriations Acts, carry out a 5-year plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) from the inventory of the public housing agency and the annual contributions contract.

"(B) APPROVAL OF PLAN.—The plan required under subparagraph (A) shall—

"(i) be included as part of the public housing agency plan;

"(ii) be certified by the relevant local official to be in accordance with the comprehensive housing affordability strategy under title I of the Housing and Community Development Act of 1992; and

"(iii) include a description of any disposition and demolition plan for the public housing units.

"(2) EXTENSIONS.—The Secretary may extend the 5-year deadline described in paragraph (1) by not more than an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

"(d) CONVERSION TO TENANT-BASED ASSISTANCE.—

"(1) IN GENERAL.—With respect to any public housing project that has not received a grant for assistance under the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts or under section 24 of the United States Housing Act of 1937, the Secretary shall make authority available to a public housing agency to provide assistance under this Act to families residing in any public housing project that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to this section.

"(2) PLAN REQUIREMENTS.—Each plan under subsection (c) shall require the agency to—

"(A) notify families residing in the public housing project, consistent with any guidelines issued by the Secretary governing such notifications, that—

"(i) the public housing project will be removed from the inventory of the public housing agency; and

"(ii) the families displaced by such action will receive tenant-based or project-based assistance or occupancy in a unit operated or assisted by the public housing agency;

"(B) provide any necessary counseling for families displaced by such action; and

"(C) provide any reasonable relocation expenses for families displaced by such action.

"(e) REMOVAL BY SECRETARY.—The Secretary shall take appropriate actions to ensure removal of any public housing project identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under subsection (c) with respect to that project, or fails to adequately implement such plan in accordance with the terms of the plan.

"(f) ADMINISTRATION.—

"(1) IN GENERAL.—The Secretary may require a public housing agency to provide to the Secretary or to public housing tenants such information as the Secretary considers to be necessary for the administration of this section.

"(2) APPLICABILITY OF SECTION 18.—Section 18 does not apply to the demolition of public housing projects removed from the inventory of the public housing agency under this section.

"(g) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.".

SEC. 121. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 30. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

"(a) GENERAL AUTHORIZATION.—The Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to mortgage or otherwise grant a security interest in any public housing project or other property of the public housing agency.

"(b) TERMS AND CONDITIONS.—

"(1) CRITERIA FOR APPROVAL.—In making any authorization under subsection (a), the Secretary may consider—

"(A) the ability of the public housing agency to use the proceeds of the mortgage or security interest for low-income housing uses;

"(B) the ability of the public housing agency to make payments on the mortgage or security interest; and

"(C) such other criteria as the Secretary may specify.

"(2) TERMS AND CONDITIONS OF MORTGAGES AND SECURITY INTERESTS OBTAINED.—Each mortgage or security interest granted under this section shall be—

"(A) for a term that—

"(i) is consistent with the terms of private loans in the market area in which the public housing project or property at issue is located; and

"(ii) does not exceed 30 years; and

"(B) subject to conditions that are consistent with the conditions to which private loans in the market area in which the subject project or other property is located are subject.

"(3) NO FULL FAITH AND CREDIT.—No action taken under this section shall result in any liability to the Federal Government.".

SEC. 122. LINKING SERVICES TO PUBLIC HOUSING RESIDENTS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 31. SERVICES FOR PUBLIC HOUSING RESIDENTS.

"(a) IN GENERAL.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies (including Indian housing authorities) on behalf of public housing residents, or directly to resident management corporations, resident councils, or resident organizations (including nonprofit entities supported by residents), for the purposes of providing a program of supportive services and resident empowerment activities to assist public housing residents in becoming economically self-sufficient.

"(b) ELIGIBLE ACTIVITIES.—Grantees under this section may use such amounts only for activities on or near the public housing agency or

public housing project that are designed to promote the self-sufficiency of public housing residents, including activities relating to—

"(1) physical improvements to a public housing project in order to provide space for supportive services for residents;

"(2) the provision of service coordinators;

"(3) the provision of services related to work readiness, including academic skills, job training, job search skills, tutoring, adult literacy, transportation, and child care, except that grants received under this section shall not comprise more than 50 percent of the costs of providing such services;

"(4) resident management activities; and

"(5) other activities designed to improve the economic self-sufficiency of residents.

"(c) FUNDING DISTRIBUTION.—

"(1) IN GENERAL.—Except for amounts provided under subsection (d), the Secretary may distribute amounts made available under this section on the basis of a competition or a formula, as appropriate.

"(2) FACTORS FOR DISTRIBUTION.—Factors for distribution under paragraph (1) shall include—

"(A) the demonstrated capacity of the applicant to carry out a program of supportive services or resident empowerment activities; and

"(B) the ability of the applicant to leverage additional resources for the provision of services.

"(d) FUNDING FOR RESIDENT COUNCILS.—Of amounts appropriated for activities under this section, not less than $25,000,000 shall be provided directly to resident councils, resident organizations, and resident management corporations.".

SEC. 123. APPLICABILITY TO INDIAN HOUSING.

In accordance with section 201(b)(2) of the United States Housing Act of 1937, except as otherwise provided in this Act, this title and the amendments made by this title shall apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, as that term is defined in section 3(b) of the United States Housing Act of 1937.

TITLE II—SECTION 8 RENTAL ASSISTANCE

SEC. 201. MERGER OF THE CERTIFICATE AND VOUCHER PROGRAMS.

Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended to read as follows:

"(o) VOUCHER PROGRAM.—

"(1) PAYMENT STANDARD.—

"(A) IN GENERAL.—The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B). The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

"(B) ESTABLISHMENT OF PAYMENT STANDARD.—The payment standard shall not exceed 120 percent of the fair market rental established under subsection (c) and shall be not less than 90 percent of that fair market rental.

"(C) SET-ASIDE.—The Secretary may set aside not more than 5 percent of the budget authority available under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

"(D) APPROVAL.—The Secretary may require a public housing agency to submit the payment standard of the public housing agency to the Secretary for approval.

"(E) REVIEW.—The Secretary—

"(i) shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent; and

"(ii) may require a public housing agency to modify the payment standard of the public housing agency based on the results of that review.

"(2) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(A) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT DOES NOT EXCEED PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) does not exceed the payment standard established under paragraph (1), the monthly assistance payment to which that family shall be equal to the amount by which the rent exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT EXCEEDS PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) exceeds the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the applicable payment standard exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(C) FAMILIES RECEIVING PROJECT-BASED ASSISTANCE.—For a family receiving project-based assistance under this title, the rent that the family is required to pay shall be determined in accordance with section 3(a)(1), and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

"(3) FORTY PERCENT LIMIT.—At the time a family initially receives tenant-based assistance under this title with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

"(4) ELIGIBLE FAMILIES.—At the time a family initially receives assistance under this subsection, a family shall qualify as—

"(A) a very low-income family;

"(B) a family previously assisted under this title;

"(C) a low-income family that meets eligibility criteria specified by the public housing agency;

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

"(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

"(5) ANNUAL REVIEW OF FAMILY INCOME.—Each public housing agency shall, not less frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.

"(6) SELECTION OF FAMILIES.—

"(A) IN GENERAL.—Each public housing agency may establish local preferences consistent with the public housing agency plan submitted by the public housing agency under section 5A.

"(B) EVICTION FOR DRUG-RELATED ACTIVITY.—Any individual or family evicted from housing assisted under this subsection by reason of drug-related criminal activity (as defined in subsection (f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver for any member of the family of an individual prohibited from receiving assistance under this title whom the public housing agency determines clearly did not participate in and had no knowledge of that criminal activity, or if the circumstances leading to the eviction no longer exist).

"(C) SELECTION OF TENANTS.—The selection of tenants shall be made by the owner of the dwelling unit, subject to the annual contributions contract between the Secretary and the public housing agency.

"(7) LEASE.—Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit—

"(A) shall provide that the screening and selection of families for those units shall be the function of the owner;

"(B) shall provide that the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant;

"(C) except as otherwise provided by the public housing agency, may provide for a termination of the tenancy of a tenant assisted under this subsection after 1 year;

"(D) shall provide that the dwelling unit owner shall offer leases to tenants assisted under this subsection that—

"(i) are in a standard form used in the locality by the dwelling unit owner; and

"(ii) contain terms and conditions that—

"(I) are consistent with State, tribal, and local law; and

"(II) apply generally to tenants in the property who are not assisted under this section;

"(E) shall provide that the dwelling unit owner may not terminate the tenancy of any person assisted under this subsection during the term of a lease that meets the requirements of this section unless the owner determines, on the same basis and in the same manner as would apply to a tenant in the property who does not receive assistance under this subsection, that—

"(i) the tenant has committed a serious violation of the terms and conditions of the lease;

"(ii) the tenant has violated applicable Federal, State, or local law; or

"(iii) other good cause for termination of the tenancy exists; and

"(F) shall provide that any termination of tenancy under this subsection shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for that action, and any relief shall be consistent with applicable State, tribal, and local law.

"(8) INSPECTION OF UNITS BY PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each dwelling unit for which

a housing assistance payment contract is established under this subsection, the public housing agency shall—

"(i) inspect the unit before any assistance payment is made to determine whether the dwelling unit meets housing quality standards for decent and safe housing established—

"(I) by the Secretary for purposes of this subsection; or

"(II) by local housing codes or by codes adopted by public housing agencies that—

"(aa) meet or exceed housing quality standards; and

"(bb) do not severely restrict housing choice; and

"(ii) make periodic inspections during the contract term.

"(B) LEASING OF UNITS OWNED BY PUBLIC HOUSING AGENCY.—If an eligible family assisted under this subsection leases a dwelling unit that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government, or another entity approved by the Secretary, to make inspections and rent determinations as required by this paragraph.

"(9) EXPEDITED INSPECTION PROCEDURES.—

"(A) DEMONSTRATION PROJECT.—Not later than 1 year after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, the Secretary shall establish a demonstration project to identify efficient procedures to determine whether units meet housing quality standards for decent and safe housing established by the Secretary.

"(B) PROCEDURES INCLUDED.—The demonstration project shall include the development of procedures to be followed in any case in which a family receiving tenant-based assistance under this subsection is moving into a dwelling unit, or in which a family notifies the public housing agency that a dwelling unit, in which the family no longer resides, fails to meet housing quality standards. The Secretary shall also establish procedures for the expedited repair and inspection of units that do not meet housing quality standards.

"(C) RECOMMENDATIONS.—Not later than 2 years after the date on which the demonstration under this paragraph is implemented, the Secretary shall submit a report to the Congress, which shall include an analysis of the demonstration and any recommendations for changes to the demonstration.

"(10) VACATED UNITS.—If a family vacates a dwelling unit, no assistance payment may be made under this subsection for the dwelling unit after the month during which the unit was vacated.

"(11) RENT.—

"(A) REASONABLE MARKET RENT.—The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market.

"(B) NEGOTIATED RENT.—A public housing agency shall, at the request of a family receiving tenant-based assistance under this subsection, assist that family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency shall not make housing assistance payments to the owner under this subsection with respect to that unit.

"(C) UNITS EXEMPT FROM LOCAL RENT CONTROL.—If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of that contract, the rent for that unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

"(D) TIMELY PAYMENTS.—Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection. The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

"(E) PENALTIES.—Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency, except that no penalty shall be imposed if the late payment is due to factors that the Secretary determines are beyond the control of the public housing agency.

"(12) MANUFACTURED HOUSING.—

"(A) IN GENERAL.—A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as a principal place of residence. Such payments may be made for the rental of the real property on which the manufactured home owned by any such family is located.

"(B) RENT CALCULATION.—

"(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

"(ii) PAYMENT STANDARD.—The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

"(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment under this paragraph shall be determined in accordance with paragraph (2).

"(13) CONTRACT FOR ASSISTANCE PAYMENTS.—

"(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection—

"(i) the housing assistance payment contract may not be attached to the structure unless the owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with this section; and

"(ii) the public housing agency may approve a housing assistance payment contract for such existing structure for not more than 15 percent of the funding available for tenant-based assistance administered by the public housing agency under this section.

"(B) EXTENSION OF CONTRACT TERM.—In the case of a housing assistance payment contract that applies to a structure under this paragraph, a public housing agency shall enter into a contract with the owner, contingent upon the future availability of appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts, to extend the term of the underlying housing assistance payment contract for such period as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying housing assistance payment contract accepted by the owner and the successors in interest of the owner.

"(C) RENT CALCULATION.—For project-based assistance under this paragraph, housing assistance payment contracts shall establish rents and provide for rent adjustments in accordance with subsection (c).

"(D) ADJUSTED RENTS.—With respect to rents adjusted under this paragraph—

"(i) the adjusted rent for any unit shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the market area; and

"(ii) the provisions of subsection (c)(2)(A) do not apply.

"(14) INAPPLICABILITY TO TENANT-BASED ASSISTANCE.—Subsection (c) does not apply to tenant-based assistance under this subsection.

"(15) HOMEOWNERSHIP OPTION.—

"(A) IN GENERAL.—A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).

"(B) ALTERNATIVE ADMINISTRATION.—A public housing agency may contract with a nonprofit organization to administer a homeownership program under subsection (y).

"(16) INDIAN HOUSING PROGRAMS.—Notwithstanding any other provision of law, in carrying out this section, the Secretary shall establish such separate formulas and programs as may be necessary to carry out housing programs for Indians under this section.".

SEC. 202. REPEAL OF FEDERAL PREFERENCES.

(a) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that are not inconsistent with the comprehensive housing affordability strategy for the jurisdiction in which the project is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act;".

(b) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(1) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(2) PROHIBITION.—The provisions of section 8(e)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983, that require tenant selection preferences shall not apply with respect to—

(A) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983; or

(B) projects financed under section 202 of the Housing Act of 1959, as in existence on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act.

(c) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(d) CONFORMING AMENDMENTS.—

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(A) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(B) in section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written selection criteria established pursuant to";

(C) in section 7(a)(3), by striking "who qualify for preferences for occupancy under" and inserting "who meet the written selection criteria established pursuant to";

(D) in section 8(d)(2)(A), by striking the last sentence;

(E) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An"; and

(F) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written selection criteria established by the public housing agency pursuant to section 6(c)(4)(A)".

(2) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(A) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to"; and

(B) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)".

(3) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(4) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows before the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively".

(5) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection or section 201 to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937, as those sections existed on the day before the effective date of this title, shall be considered to refer to the written selection criteria established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(6)(A), respectively, of the United States Housing Act of 1937, as amended by this subsection and section 201 of this Act.

SEC. 203. PORTABILITY.

Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended—

(1) in paragraph (1)—

(A) by striking "assisted under subsection (b) or (o)" and inserting "receiving tenant-based assistance under subsection (o)"; and

(B) by striking "the same State" and all that follows before the semicolon and inserting "any area in which a program is being administered under this section";

(2) in paragraph (3)—

(A) by striking "(b) or"; and

(B) by adding at the end the following new sentence: "The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies."; and

(3) by adding at the end the following new paragraph:

"(5) LEASE VIOLATIONS.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease.".

SEC. 204. LEASING TO VOUCHER HOLDERS.

Section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) is amended to read as follows:

"(t) [Reserved.]".

SEC. 205. HOMEOWNERSHIP OPTION.

Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) in paragraph (1)(A), by inserting before the semicolon ", or owns or is acquiring shares in a cooperative";

(2) in paragraph (1)(B), by striking "(i) participates" and all that follows through "(ii) demonstrates" and inserting "demonstrates";

(3) by striking paragraph (2) and inserting the following:

"(2) DETERMINATION OF AMOUNT OF ASSISTANCE.—

"(A) MONTHLY EXPENSES DO NOT EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency, and a portion of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.";

(4) by striking paragraphs (3) through (5); and

(5) by redesignating paragraphs (6) through (8) as paragraphs (3) through (5), respectively.

SEC. 206. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6(p)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)(1)(B)) is amended by striking "holding certificates and vouchers" and inserting "receiving tenant-based assistance".

(b) LOWER INCOME HOUSING ASSISTANCE.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (a), by striking the second and third sentences;

(2) in subsection (b)—

(A) in the subsection heading, by striking "RENTAL CERTIFICATES AND"; and

(B) in the first undesignated paragraph—

(i) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary"; and

(ii) by striking the second sentence;

(3) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "(A)"; and

(ii) by striking subparagraph (B);

(B) in the first sentence of paragraph (4), by striking "or by a family that qualifies to receive" and all that follows through "1990";

(C) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5);

(D) by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (6) through (8), respectively;

(E) in paragraph (6), as redesignated, by inserting "(other than a contract under section 8(o))" after "section";

(F) in paragraph (7), as redesignated, by striking "(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o))" and inserting ", other than a contract under subsection (o)"; and

(G) in paragraph (8), as redesignated, by striking "housing certificates or vouchers under subsection (b) or (o)" and inserting "tenant-based assistance under this section";

(4) in subsection (d)—

(A) in paragraph (1)(B)(iii), by striking "on or near such premises"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking the third sentence and all that follows through the end of the subparagraph; and

(ii) by striking subparagraphs (B) through (E) and redesignating subparagraphs (F) through (H) as subparagraphs (B) through (D), respectively;

"(B) [Reserved.]";

(5) in subsection (f)—

(A) in paragraph (6), by striking "(d)(2)" and inserting "(o)(11)"; and

(B) in paragraph (7)—

(i) by striking "(b) or"; and

(ii) by inserting before the period the following: "and that provides for the eligible family to select suitable housing and to move to other suitable housing";

(6) by striking subsection (j) and inserting the following:

"(j) [Reserved.]";

(7) by striking subsection (n) and inserting the following:

"(n) [Reserved.]";

(8) in subsection (q)—

(A) in the first sentence of paragraph (1), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(B) in paragraph (2)(A)(i), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section"; and

(C) in paragraph (2)(B), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(9) in subsection (u), by striking "certificates or" each place that term appears; and

(10) in subsection (x)(2), by striking "housing certificate assistance" and inserting "tenant-based assistance".

(c) PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437s(b)(3)) is amended—

(1) in the first sentence, by striking "(at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o)"

and inserting "tenant-based assistance under section 8"; and

(2) by striking the second sentence.

(d) DOCUMENTATION OF EXCESSIVE RENT BURDENS.—Section 550(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1), by striking "assisted under the certificate and voucher programs established" and inserting "receiving tenant-based assistance";

(2) in the first sentence of paragraph (2)—

(A) by striking ", for each of the certificate program and the voucher program" and inserting "for the tenant-based assistance under section 8"; and

(B) by striking "participating in the program" and inserting "receiving tenant-based assistance"; and

(3) in paragraph (3), by striking "assistance under the certificate or voucher program" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(e) GRANTS FOR COMMUNITY RESIDENCES AND SERVICES.—Section 861(b)(1)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12910(b)(1)(D)) is amended by striking "certificates or vouchers" and inserting "assistance".

(f) SECTION 8 CERTIFICATES AND VOUCHERS.—Section 931 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and (o) of such Act" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(g) ASSISTANCE FOR DISPLACED TENANTS.—Section 223(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4113(a)) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o)" and inserting "tenant-based assistance under section 8".

(h) RURAL HOUSING PRESERVATION GRANTS.—Section 533(a) of the Housing Act of 1949 (42 U.S.C. 1490m(a)) is amended in the second sentence by striking "assistance payments as provided by section 8(o)" and inserting "tenant-based assistance as provided under section 8".

(i) REPEAL OF MOVING TO OPPORTUNITIES FOR FAIR HOUSING DEMONSTRATION.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note) is repealed.

(j) PREFERENCES FOR ELDERLY FAMILIES AND PERSONS.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the first sentence of section 8(o)(3)(B)" and inserting "section 8(o)(6)(A)".

(k) ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.—Section 201(m)(2)(A) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z–1a(m)(2)(A)) is amended by striking "section 8(b)(1)" and inserting "section 8".

(l) MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.—Section 203(g)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z–11(g)(2)), as amended by section 101(b) of the Multifamily Housing Property Disposition Reform Act of 1994, is amended by striking "8(o)(3)(B)" and inserting "8(o)(6)(A)".

SEC. 207. IMPLEMENTATION.

In accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall issue such regulations as may be necessary to implement the amendments made by this title after notice and opportunity for public comment.

SEC. 208. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (o) of section 8 of the United States Housing Act of 1937, as those sections existed on the day before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as those provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before that effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end and inserting a semicolon; and

(B) by striking "(16)" and inserting "(17)";

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(6) by inserting after paragraph (10) the following new paragraph:

"(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing and coordinate with the local public housing agency plan under section 5A of the United States Housing Act of 1937;".

SEC. 302. REPEAL OF CERTAIN PROVISIONS.

(a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—

(1) REPEAL.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 957 of the Cranston-Gonzalez National Affordable Housing Act.

(b) ECONOMIC INDEPENDENCE.—

(1) REPEAL.—Section 923 of the Housing and Community Development Act of 1992 (42 U.S.C. 12714 note) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 923 of the Housing and Community Development Act of 1992.

SEC. 303. DETERMINATION OF INCOME LIMITS.

(a) IN GENERAL.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking "County," and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the fifth sentence, by striking "County" each place that term appears and inserting "and Rockland Counties".

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

SEC. 304. DEMOLITION OF PUBLIC HOUSING.

(a) REPEAL.—Section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (Public Law 100–202; 101 Stat. 1329–213) is repealed.

(b) FUNDING AVAILABILITY.—Notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988, as that section existed on the day before the date of enactment of this Act, shall be eligible for demolition under—

(1) section 14 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act; and

(2) section 9 of the United States Housing Act of 1937, as amended by this Act.

AMENDMENT NO. 3117

(Purpose: To amend the bill with respect to housing, and for other purposes)

Mr. DOLE. Mr. President, I understand there is a managers' amendment at the desk on behalf of Senator MACK.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for Mr. MACK, proposes an amendment numbered 3117.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 190, beginning on line 14, strike "CERTAIN PUBLIC AND ASSISTED HOUSING" and replace with "PUBLIC HOUSING".

On page 190, beginning on line 17, strike "dwelling units receiving tenant-based assistance under section 8 and".

On page 191, redesignate subsections (b) and (c) as (c) and (d), and insert on line 23:

(b) INCOME ELIGIBILITY FOR CERTAIN ASSISTED HOUSING.—

(1) IN GENERAL.—Of the dwelling units receiving tenant-based assistance under section 8 made available for occupancy in any fiscal year of the public housing agency—

(A) not less than 50 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families; and

(B) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

On page 255, after line 25, insert the following new section:

SEC. 209. DEFINITION.

For the purposes of this title, public housing agency has the same meaning as section 3 of the United States Housing Act of 1937, except that such term shall also include any other nonprofit entity serving more than one local government jurisdiction that was administering the Section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

On page 259, after line 7, insert the following new section:

SEC. 305. COORDINATION OF TAX CREDITS AND SECTION 8.

Notwithstanding any other provision of law, rehabilitation activities undertaken in projects using the Low-Income Housing Tax Credit allocated to developments in the City of New Brunswick, New Jersey, in 1991, are hereby deemed to have met the requirements for rehabilitation in accordance with clause (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937, as amended."

At the appropriate place, add the following:

SEC. . ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b), by inserting before the period at the end the following: "and includes any other assistance provided under the United States Housing Act of 1937";

(2) by adding at the end the following new subsection:

"(h) VERIFICATION OF ELIGIBILITY.—

"(1) IN GENERAL.—Except in the case of an election under paragraph (2)(A), no individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of that individual or family under this section by the Secretary or other appropriate entity.

"(2) RULES APPLICABLE TO PUBLIC HOUSING AGENCIES.—A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937)—

"(A) may elect not to comply with this section; and

"(B) in complying with this section—

"(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;

"(ii) may affirmatively establish or verify the eligibility of an individual or family under this section in accordance with the procedures set forth in section 274A(b)(1) of the Immigration and Nationality Act; and

"(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

"(3) ELIGIBILITY OF FAMILIES.—For purposes of this subsection, with respect to a family, the term 'eligibility' means the eligibility of each family member.".

Amend the table of contents accordingly.

Mr. DOLE. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendment (No. 3117) was agreed to.

Mr. MACK. Mr. President, I urge my colleagues to support S. 1260, the Public Housing Reform and Empowerment Act of 1995. S. 1260 represents a major revision of the U.S. Housing Act of 1937 to reform and consolidate the public and assisted housing programs of the United States and redirect primary responsibility for those programs away from Federal bureaucracy toward the States and localities. This bill represents an important first step toward a complete overhaul of Federal housing programs to address the needs of low-income families more efficiently and effectively.

This legislation addresses a growing crisis in the Nation's public housing system. Over the years, micro management by both Congress and the Department of Housing and Urban Development [HUD] have saddled housing authorities with rules and regulations that make it difficult for even the best of them to operate efficiently and effectively. Even more important has been the destructive impact these rules have had on the ability of families to move up and out of public housing and become economically self-sufficient. In far too many places, public housing, which was intended to provide a housing platform from which lower income families could achieve their own aspirations of economic independence, have become warehouses of poverty that rob poor families of their hope and dignity.

Compounding the structural problems of public housing are the dual concerns of budget and HUD capacity. Public housing agencies are facing a significant decline in Federal resources. Given these limited resources, housing authorities need the increased flexibility to use their funds in a manner that helps to maintain decent, safe, and affordable housing for their residents. In addition, HUD itself potentially faces a significant reduction in overall staffing over the next 5 years. The prospect of diminishing staff resources means that HUD will lack the capacity to maintain the same degree of oversight and control that it has exercised over the public housing system in recent decades.

S. 1260 addresses the crisis in public housing by consolidating public housing funding into two flexible block grants and transferring greater responsibility over the operation and management of public housing from HUD to local housing agencies. In addition, it creates a new streamlined voucher program that is more market-friendly and provides greater housing choices for low-income families.

The bill also ends Federal requirements that have prevented housing authorities from demolishing their obsolete housing stock, concentrated and isolated the poorest of poor, and created disincentives for public housing residents to work and improve their lives.

While allowing well-run housing authorities much more discretion, S. 1260 also cracks down on those housing authorities that are troubled. Although small in number, these authorities with severe management problems control almost 15 percent of the Nation's public housing stock. HUD would be required to take over or appoint a receiver for housing authorities that are unable to make significant improvements in their operations. The legislation would also give HUD expanded powers to break up or reconfigure troubled authorities, dispose of their assets, or abrogate contracts that impede correction of the housing authority's problems.

I would like to express my deep appreciation to Senators D'AMATO and BOND, who cosponsored this bill, for their keen interest and active support of this legislation. I also wish to express my appreciation for the cooperation and support from Senators SARBANES and KERRY. This bill truly reflects bipartisan cooperation, and it specifically addresses many of the concerns that have been raised by the minority. Finally, I also want to thank Secretary Cisneros for HUD's participation in the development of this bill. We have endeavored to accommodate the Department's concerns to the greatest extent possible.

Mr. FAIRCLOTH. Mr. President, I support S. 1260. I do not object to the unanimous-consent request to take up S. 1260.

In my opinion, the only glaring omission from this bill is that we do not address the future of the Department of Housing and Urban Development.

However, in consultation with Chairman D'AMATO and Senator MACK, they have both agreed to request in writing a study from both the GAO and Congressional Budget Office as to the most efficient method for eliminating HUD.

I am pleased with this result. I think this advances this issue much further. I have already introduced legislation with Senator DOLE, S. 1145, to eliminate HUD. Next year, this Congress needs to take up the issue of HUD's very existence. Armed with these studies from both CBO and GAO, I think we get closer to accomplishing the elimination of HUD.

HUD was created in 1965. When it was created, the purpose of this Department was to revitalize our urban areas and provide safe, decent housing for all Americans.

I think HUD has been a failure. Since 1965, HUD has spent hundreds of billions of dollars. Yet despite this massive spending, I do not think the American people are any better off.

HUD is a massive bureaucracy with over 11,000 employees, and over 240 housing programs—so many that the Secretary of HUD did not even know HUD had that many. HUD has over $192 billion in unused budget authority. HUD has even entangled the American taxpayer in 23,000 long-term contracts that run until the year 2020.

HUD's spending is increasing so rapidly that by the year 2000, housing assistance will be the largest discretionary spending function in our budget.

Knowing all of this, I do not see how the United States can afford not to abolish HUD. I have often said that if one wanted to provide housing assistance to 4 million families, would anyone design the current HUD as the method to do so? Certainly the answer is no.

Again, let me thank Senators D'AMATO and MACK. I hope that this study is the beginning by which we can reshape Federal housing policies and end HUD as a Cabinet agency.

Mr. DOLE. Mr. President, I ask unanimous consent that the committee amendment, as amended, be agreed to, the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1260), as amended, was deemed read the third time and passed, as follows:

S. 1260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Housing Reform and Empowerment Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Effective date.
Sec. 5. Proposed regulations; technical recommendations.
Sec. 6. Elimination of obsolete documents.
Sec. 7. Annual reports.

TITLE I—PUBLIC AND INDIAN HOUSING

Sec. 101. Declaration of policy.
Sec. 102. Membership on board of directors.
Sec. 103. Authority of public housing agencies.
Sec. 104. Definitions.
Sec. 105. Contributions for lower income housing projects.
Sec. 106. Public housing agency plan.
Sec. 107. Contract provisions and requirements.
Sec. 108. Expansion of powers.
Sec. 109. Public housing designated for the elderly and the disabled.
Sec. 110. Public housing capital and operating funds.
Sec. 111. Labor standards.
Sec. 112. Repeal of energy conservation; consortia and joint ventures.
Sec. 113. Repeal of modernization fund.
Sec. 114. Eligibility for public and assisted housing.
Sec. 115. Demolition and disposition of public housing.
Sec. 116. Repeal of family investment centers; voucher system for public housing.
Sec. 117. Repeal of family self-sufficiency; homeownership opportunities.
Sec. 118. Revitalizing severely distressed public housing.
Sec. 119. Mixed-income and mixed-ownership projects.
Sec. 120. Conversion of distressed public housing to tenant-based assistance.
Sec. 121. Public housing mortgages and security interests.
Sec. 122. Linking services to public housing residents.
Sec. 123. Applicability to Indian housing.

TITLE II—SECTION 8 RENTAL ASSISTANCE

Sec. 201. Merger of the certificate and voucher programs.
Sec. 202. Repeal of Federal preferences.
Sec. 203. Portability.
Sec. 204. Leasing to voucher holders.
Sec. 205. Homeownership option.
Sec. 206. Technical and conforming amendments.
Sec. 207. Implementation.
Sec. 208. Definition.
Sec. 209. Effective date.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Public housing flexibility in the CHAS.
Sec. 302. Repeal of certain provisions.
Sec. 303. Determination of income limits.
Sec. 304. Demolition of public housing.
Sec. 305. Coordination of tax credits and section 8.
Sec. 306. Eligibility for public and assisted housing.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) the inventory of public housing units owned and operated by public housing agencies, an asset in which the Federal Government has invested approximately $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;

(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in very poor neighborhoods and disincentives for economic self-sufficiency;

(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations aggravates the problem and places excessive administrative burdens on public housing agencies;

(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

(A) consolidates many public housing programs into programs for the operation and capital needs of public housing;

(B) streamlines program requirements;

(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to both public housing tenants and localities; and

(D) rewards employment and economic self-sufficiency of public housing tenants;

(6) voucher and certificate programs under section 8 of the United States Housing Act of 1937 are successful for approximately 80 percent of applicants, and a consolidation of the voucher and certificate programs into a single, market-driven program will assist in making section 8 tenant-based assistance more successful in assisting low-income families in obtaining affordable housing and will increase housing choice for low-income families; and

(7) the needs of Indian families residing on Indian reservations and other Indian areas will best be served by providing programs specifically designed to meet the needs of Indian communities while promoting tribal self-governance and self-determination.

(b) PURPOSES.—The purposes of this Act are—

(1) to consolidate the various programs and activities under the public housing programs administered by the Secretary in a manner designed to reduce Federal overregulation;

(2) to redirect the responsibility for a consolidated program to States, Indian tribes, localities, public housing agencies, and public housing tenants;

(3) to require Federal action to overcome problems of public housing agencies with severe management deficiencies; and

(4) to consolidate and streamline tenant-based assistance programs.

SEC. 3. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) PUBLIC HOUSING AGENCY.—The term "public housing agency" has the same meaning as in section 3 of the United States Housing Act of 1937.

(2) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 4. EFFECTIVE DATE.

Except as otherwise specifically provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act.

SEC. 5. PROPOSED REGULATIONS; TECHNICAL RECOMMENDATIONS.

(a) PROPOSED REGULATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Congress proposed regulations that the Secretary determines are necessary to carry out the United States Housing Act of 1937, as amended by this Act.

(b) TECHNICAL RECOMMENDATIONS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives, recommended technical and conforming legislative changes necessary to carry out this Act and the amendments made by this Act.

SEC. 6. ELIMINATION OF OBSOLETE DOCUMENTS.

Effective 1 year after the date of enactment of this Act, no rule, regulation, or order (including all handbooks, notices, and related requirements) pertaining to public housing or section 8 tenant-based programs issued or promulgated under the United States Housing Act of 1937 before the date of enactment of this Act may be enforced by the Secretary.

SEC. 7. ANNUAL REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit a report to the Congress on the impact of the amendments made by this Act on—

(1) the demographics of public housing tenants and families receiving tenant-based assistance under the United States Housing Act of 1937; and

(2) the economic viability of public housing agencies.

TITLE I—PUBLIC AND INDIAN HOUSING

SEC. 101. DECLARATION OF POLICY.

Section 2 of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended to read as follows:

"SEC. 2. DECLARATION OF POLICY.

"It is the policy of the United States to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this title—

"(1) to assist States, Indian tribes, and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families;

"(2) to assist States, Indian tribes, and political subdivisions of States to address the shortage of housing affordable to low-income families; and

"(3) consistent with the objectives of this title, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to both public housing tenants and localities.".

SEC. 102. MEMBERSHIP ON BOARD OF DIRECTORS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 27. MEMBERSHIP ON BOARD OF DIRECTORS.

"(a) REQUIRED MEMBERSHIP.—Except as provided in subsection (b), the membership of the board of directors of each public housing agency shall contain not less than 1 member who is a resident of a public housing project operated by the public housing agency.

"(b) EXCEPTION.—Subsection (a) shall not apply to any public housing agency in any State that requires the members of the board of directors of a public housing agency to be salaried and to serve on a full-time basis.

"(c) NONDISCRIMINATION.—No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a public housing project.".

SEC. 103. AUTHORITY OF PUBLIC HOUSING AGENCIES.

(a) AUTHORITY OF PUBLIC HOUSING AGENCIES.—

(1) IN GENERAL.—Section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)) is amended to read as follows:

"(2) AUTHORITY OF PUBLIC HOUSING AGENCIES.—Notwithstanding paragraph (1), a public housing agency may adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the actual monthly costs—

"(i) to operate the housing of the public housing agency; and

"(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency).

"(B) MINIMUM RENT.—Notwithstanding paragraph (1), a public housing agency may provide that each family residing in a public housing project or receiving tenant-based or project-based assistance under section 8 shall pay a minimum monthly rent in an amount not to exceed $25 per month.

"(C) POLICE OFFICERS.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with the public housing agency plan, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing unit. The number and location of units occupied by police officers under this clause, and the terms and conditions of their tenancies, shall be determined by the public housing agency.

"(ii) DEFINITION.—As used in this subparagraph, the term 'police officer' means any person determined by a public housing agency to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State, tribal, or local government or by any agency thereof (including a public housing agency having an accredited police force).

"(D) ENCOURAGEMENT OF SELF-SUFFICIENCY.—Each public housing agency shall develop a rental policy that encourages and rewards employment and economic self-sufficiency.".

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act;

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(b) NONTROUBLED PUBLIC HOUSING AGENCIES.—Section 3(a) of the United States Housing Act of 1937 (42 U.S.C. 1437(a)) is amended by adding at the end the following new paragraph:

"(3) NONTROUBLED PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Notwithstanding the rent calculation formula in paragraph (1), and subject to subparagraph (B), the Secretary shall permit a public housing agency, other than a public housing agency determined to be troubled pursuant to 6(j), to determine the amount that a family residing in public housing shall pay as rent.

"(B) LIMITATION.—With respect to a family whose income is equal to or less than 50 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, a public housing agency may not require a family to pay as rent under subparagraph (A) an amount that exceeds the greatest of—

"(i) 30 percent of the monthly adjusted income of the family;

"(ii) 10 percent of the monthly income of the family;

"(iii) if the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that public agency to meet the housing costs of the family, the portion of those payments that is so designated; and

"(iv) $25.".

SEC. 104. DEFINITIONS.

(a) DEFINITIONS.—

(1) SINGLE PERSONS.—Section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended—

(A) in subparagraph (A), in the third sentence, by striking "the Secretary shall" and all that follows before the period at the end and inserting the following: "the public housing agency may give preference to single persons who are elderly or disabled persons before single persons who are otherwise eligible"; and

(B) in subparagraph (B), in the second sentence, by striking "regulations of the Secretary" and inserting "public housing agency plan".

(2) ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended to read as follows:

"(5) ADJUSTED INCOME.—The term 'adjusted income' means the income that remains after excluding—

"(A) $480 for each member of the family residing in the household (other than the head of the household or the spouse of the head of the household)—

"(i) who is under 18 years of age; or

"(ii) who is—

"(I) 18 years of age or older; and

"(II) a person with disabilities or a full-time student;

"(B) $400 for an elderly or disabled family;

"(C) the amount by which the aggregate of—

"(i) medical expenses for an elderly or disabled family; and

"(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed;

exceeds 3 percent of the annual income of the family;

"(D) child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education;

"(E) with respect to a family assisted by an Indian housing authority only, excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel; and

"(F) any other income that the public housing agency determines to be appropriate, as provided in the public housing agency plan.".

(3) INDIAN HOUSING AUTHORITY; INDIAN TRIBE.—

(A) IN GENERAL.—Section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended by striking paragraphs (11) and (12) and inserting the following:

"(11) INDIAN HOUSING AUTHORITY.—The term 'Indian housing authority' means any entity that—

"(A) is authorized to engage or assist in the development or operation of low-income housing for Indians; and

"(B) is established—

"(i) by exercise of the power of self-government of an Indian tribe, independent of State law; or

"(ii) by operation of State law authorizing or enabling an Indian tribe to create housing authorities for Indians, including regional housing authorities in the State of Alaska.

"(12) INDIAN TRIBE.—The term 'Indian tribe' means the governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian Tribe, pursuant to the Federally Recognized Indian Tribe List Act of 1994.".

(B) APPLICABILITY.—The amendment made by subparagraph (A) does not affect the existence, or the ability to operate, of any Indian housing authority established before the date of enactment of this Act by any State recognized tribe, band, pueblo, group, community, or nation of Indians or Alaska Natives that does not qualify as an Indian tribe under section 3(b) of the United States Housing Act of 1937, as amended by this paragraph.

(b) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

(1) IN GENERAL.—Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(A) by striking the undesignated paragraph at the end of subsection (c)(3) (as added by section 515(b) of Public Law 101–625); and

(B) by adding at the end the following new subsection:

"(d) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the rent payable under subsection (a) by a family—

"(A) that—

"(i) occupies a unit in a public housing project; or

"(ii) receives assistance under section 8; and

"(B) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program);

may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

"(2) PHASE-IN OF RATE INCREASES.—After the expiration of the 18-month period referred to in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1)(B) shall be phased in over a subsequent 3-year period.

"(3) OVERALL LIMITATION.—Rent payable under subsection (a) shall not exceed the amount determined under subsection (a).".

(2) APPLICABILITY OF AMENDMENT.—

(A) PUBLIC HOUSING.—Notwithstanding the amendment made by paragraph (1), any tenant of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937, as that paragraph existed on the day before the date of enactment this Act, shall be governed by that authority after that date.

(B) SECTION 8.—The amendment made by paragraph (1) shall apply to tenant-based assistance provided under section 8 of the United States Housing Act of 1937, with funds appropriated on or after October 1, 1996.

(c) DEFINITIONS OF TERMS USED IN REFERENCE TO PUBLIC HOUSING.—

(1) IN GENERAL.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended—

(A) in paragraph (1), by inserting "and of the fees and related costs normally involved in obtaining non-Federal financing and tax credits with or without private and nonprofit partners" after "carrying charges"; and

(B) in paragraph (2), in the first sentence, by striking "security personnel)," and all that follows through the period and inserting the following: "security personnel), service coordinators, drug elimination activities, or financing in connection with a public housing project, including projects developed with non-Federal financing and tax credits, with or without private and nonprofit partners.".

(2) TECHNICAL CORRECTION.—Section 622(c) of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3817) is amended by striking "'project.'" and inserting "paragraph (3)".

(3) NEW DEFINITIONS.—Section 3(c) of the United States Housing Act of 1937 (42 U.S.C. 1437a(c)) is amended by adding at the end the following new paragraphs:

"(6) PUBLIC HOUSING AGENCY PLAN.—The term 'public housing agency plan' means the plan of the public housing agency prepared in accordance with section 5A.

"(7) DISABLED HOUSING.—The term 'disabled housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency for occupancy exclusively by disabled persons or families.

"(8) ELDERLY HOUSING.—The term 'elderly housing' means any public housing project, building, or portion of a project or building, that is designated by a public housing agency exclusively for occupancy exclusively by elderly persons or families, including elderly disabled persons or families.

"(9) MIXED-INCOME PROJECT.—The term 'mixed-income project' means a public housing project that meets the requirements of section 28.

"(10) CAPITAL FUND.—The term 'Capital Fund' means the fund established under section 9(c).

"(11) OPERATING FUND.—The term 'Operating Fund' means the fund established under section 9(d).".

SEC. 105. CONTRIBUTIONS FOR LOWER INCOME HOUSING PROJECTS.

(a) IN GENERAL.—Section 5 of the United States Housing Act of 1937 (42 U.S.C. 1437c) is amended by striking subsections (h) through (l).

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 21(d), by striking "section 5(h) or";

(2) in section 25(l)(1), by striking "and for sale under section 5(h)"; and

(3) in section 307, by striking "section 5(h) and".

SEC. 106. PUBLIC HOUSING AGENCY PLAN.

(a) IN GENERAL.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by inserting after section 5 the following new section:

"SEC. 5A. PUBLIC HOUSING AGENCY PLAN.

"(a) IN GENERAL.—

"(1) SUBMISSION.—Each public housing agency shall submit to the Secretary a written public housing agency plan developed in accordance with this section.

"(2) CONSISTENCY REQUIREMENT.—Each public housing agency plan submitted to the Secretary under paragraph (1) shall be—

"(A) made in consultation with the local advisory board established under subsection (c);

"(B) consistent with the comprehensive housing affordability strategy for the jurisdiction in which the public housing agency is located, as provided under title I of the Cranston-Gonzalez National Affordable Housing Act, or, with respect to any Indian tribe, a comprehensive plan developed by the Indian tribe, if applicable; and

"(C) accompanied by a certification by an appropriate State, tribal, or local public official that the plan meets the requirements of subparagraph (B).

"(b) CONTENTS.—Each public housing agency plan shall contain, at a minimum, the following:

"(1) CERTIFICATION.—

"(A) IN GENERAL.—With respect to a public housing agency that has not received assistance under this title as of the date on which the public housing agency plan of that public housing agency is submitted, or a public housing agency that is subject to amended authority, a written certification that the public housing agency is a governmental entity or public body (or an agency or instrumentality thereof) that is authorized to engage or assist in the development or operation of low-income housing under this title.

"(B) IDENTIFICATION OF CERTAIN REFERENCES.—Subject to subparagraph (A), any reference in any provision of law of the jurisdiction authorizing the creation of the public housing agency shall be identified and any legislative declaration of purpose in regard thereto shall be set forth in the certification with full text.

"(2) STATEMENT OF POLICY.—An annual statement of policy identifying the primary goals and objectives of the public housing agency for the year for which the statement is submitted, together with any major developments, projects, or programs, including all proposed costs and activities carried out with the use of Capital Fund and Operating Fund distributions made available to the public housing agency under section 9.

"(3) STATEMENT OF NEEDS.—An annual statement of the housing needs of low-income families residing in the community, and of other low-income families on the waiting list of the public housing agency (including the housing needs of elderly families and disabled families), and the means by which the public housing agency intends, to the maximum extent practicable, to address those needs.

"(4) GENERAL POLICIES, RULES, AND REGULATIONS.—The policies, rules, and regulations of the public housing agency regarding—

"(A) the requirements for the selection and admission of eligible families into the program or programs of the public housing agency, including—

"(i) tenant screening policies;

"(ii) any preferences or priorities for selection and admission;

"(iii) annual income verification procedures; and

"(iv) requirements relating to the administration of any waiting lists of the public housing agency;

"(B) the procedure for assignment of families admitted into the program to dwelling units owned, leased, managed, or assisted by the public housing agency;

"(C) the requirements for occupancy of dwelling units, including all standard lease provisions, and conditions for continued occupancy, termination, and eviction;

"(D) procedures for establishing rents, including ceiling rents and adjustments to income; and

"(E) procedures for designating certain public housing projects, or portions of projects, for occupancy by elderly families, disabled families, or by elderly and disabled families.

"(5) OPERATION AND MANAGEMENT.—The policies, rules, and regulations relating to the management of the public housing agency, and the public housing projects and programs of the public housing agency, including—

"(A) a description of the manner in which the public housing agency is organized (including any consortia or joint ventures) and staffed to perform the duties and functions of the public housing agency and to administer the Operating Fund distributions of the public housing agency;

"(B) policies relating to the rental of dwelling units owned or operated by the public housing agency, including policies designed to reduce vacancies;

"(C) policies relating to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(D) policies relating to the management and operation, or participation in mixed-income projects, if applicable;

"(E) policies relating to services and amenities provided or offered to assisted families, including the provision of service coordinators and services designed for certain populations, such as the elderly and disabled;

"(F) procedures for implementing the work requirements of section 12(c);

"(G) procedures for identifying management weaknesses;

"(H) objectives for improving management practices;

"(I) a description of management initiatives to control the costs of operating the public housing agency;

"(J) a plan for preventative maintenance and a plan for routine maintenance;

"(K) policies relating to any plans for converting public housing to a system of tenant-based assistance; and

"(L) policies relating to the operation of any homeownership programs.

"(6) CAPITAL FUND REQUIREMENTS.—The policies, rules, and regulations relating to the management and administration of the Capital Fund distributions of the public housing agency, including—

"(A) the capital needs of the public housing agency;

"(B) plans for capital expenditures related to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(C) policies relating to providing a safe and secure environment in public housing units, including anticrime and antidrug activities;

"(D) policies relating to the capital requirements of mixed-income projects, if applicable;

"(E) an annual plan and, if appropriate, a 5-year plan of the public housing agency for the capital needs of the existing dwelling units of the public housing agency, each of which shall include a general statement identifying the long-term viability and physical condition of each of the public housing projects and other property of the public housing agency, including cost estimates;

"(F) a plan to handle emergencies and other disasters;

"(G) the use of funds for new or additional units, including capital contributions to mixed-income projects, if applicable;

"(H) any plans for the sale of existing dwelling units to low-income residents or organizations acting as conduits for sales to such residents under a homeownership plan;

"(I) any plans for converting public housing units to a system of tenant-based assistance; and

"(J) any plans for demolition and disposition of public housing units, including any plans for replacement units and any plans providing for the relocation of residents who will be displaced by a demolition or disposition of units.

"(7) ECONOMIC AND SOCIAL SELF-SUFFICIENCY PROGRAMS.—A description of any policies, programs, plans, and activities of the public housing agency for the enhancement of the economic and social self-sufficiency of residents assisted by the programs of the public housing agency.

"(8) ANNUAL AUDIT.—The results of an annual audit (including any audit of management practices, as required by the Secretary) of the public housing agency, which shall be conducted by an independent certified public accounting firm pursuant to generally accepted accounting principles.

"(c) LOCAL ADVISORY BOARD.—

"(1) IN GENERAL.—Except as provided in paragraph (5), each public housing agency shall establish one or more local advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent all of the residents of the dwelling units owned, operated, or assisted by the public housing agency.

"(2) MEMBERSHIP.—Each local advisory board established under this subsection shall be composed of the following members:

"(A) TENANTS.—Not less than 60 percent of the members of the board shall be tenants of dwelling units owned, operated, or assisted by the public housing agency, including representatives of any resident organizations.

"(B) OTHER MEMBERS.—The members of the board, other than the members described in subparagraph (A), shall include—

"(i) representatives of the community in which the public housing agency is located; and

"(ii) local government officials of the community in which the public housing agency is located.

"(3) PURPOSE.—Each local advisory board established under this subsection shall assist and make recommendations regarding the development of the public housing agency plan. The public housing agency shall consider the recommendations of the local advisory board in preparing the final public housing agency plan, and shall include a copy of those recommendations in the public housing agency plan submitted to the Secretary under this section.

"(4) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to an Indian housing authority.

"(5) WAIVER.—The Secretary may waive the requirements of this subsection with respect to tenant representation on the local advisory board of a public housing agency, if the public housing agency demonstrates to the satisfaction of the Secretary that a resident council or other tenant organization of the public housing agency adequately represents the interests of the tenants of the public housing agency.

"(d) PUBLICATION OF NOTICE.—

"(1) IN GENERAL.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the public housing agency shall publish a notice informing the public that—

"(A) the proposed public housing agency plan is available for inspection at the principal office of the public housing agency during normal business hours; and

"(B) a public hearing will be conducted to discuss the public housing agency plan and to invite public comment regarding that plan.

"(2) PUBLIC HEARING.—Each public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1).

"(3) ADOPTION OF PLAN.—After conducting the public hearing under paragraph (2), and after considering all public comments received and, in consultation with the local advisory board, making any appropriate changes in the public housing agency plan, the public housing agency shall—

"(A) adopt the public housing agency plan; and

"(B) submit the plan to the Secretary in accordance with this section.

"(e) COORDINATED PROCEDURES.—Each public housing agency (other than an Indian housing authority) shall, in conjunction with the State or relevant unit of general local government, establish procedures to ensure that the public housing agency plan required by this section is consistent with the applicable comprehensive housing affordability strategy for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act.

"(f) AMENDMENTS AND MODIFICATIONS TO PLANS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that no such significant amendment or modification may be adopted or implemented—

"(A) other than at a duly called meeting of commissioners (or other comparable governing body) of the public housing agency that is open to the public; and

"(B) until notification of the amendment or modification is provided to the Secretary and approved in accordance with subsection (g)(2).

"(2) CONSISTENCY.—Each significant amendment or modification to a public housing agency plan submitted to the Secretary under this section shall—

"(A) meet the consistency requirement of subsection (a)(2);

"(B) be subject to the notice and public hearing requirements of subsection (d); and

"(C) be subject to approval by the Secretary in accordance with subsection (g)(2).

"(g) TIMING OF PLANS.—

"(1) IN GENERAL.—

"(A) INITIAL SUBMISSION.—Each public housing agency shall submit the initial plan required by this section, and any amendment or modification to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

"(B) ANNUAL SUBMISSION.—Not later than 60 days prior to the start of the fiscal year of the public housing agency, after initial submission of the plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or modifications to the public housing agency plan.

"(2) REVIEW AND APPROVAL.—

"(A) REVIEW.—After submission of the public housing agency plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subparagraph, the Secretary shall review the public housing agency plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

"(i) set forth the information required by this section to be contained in a public housing agency plan;

"(ii) are consistent with information and data available to the Secretary; and

"(iii) are prohibited by or inconsistent with any provision of this title or other applicable law.

"(B) APPROVAL.—

"(i) IN GENERAL.—Except as provided in paragraph (3)(B), not later than 60 days after the date on which a public housing agency plan is submitted in accordance with this section, the Secretary shall provide written notice to the public housing agency if the plan has been disapproved, stating with specificity the reasons for the disapproval.

"(ii) FAILURE TO PROVIDE NOTICE OF DISAPPROVAL.—If the Secretary does not provide notice of disapproval under clause (i) before the expiration of the 60-day period described in clause (i), the public housing agency plan shall be deemed to be approved by the Secretary.

"(3) SECRETARIAL DISCRETION.—

"(A) IN GENERAL.—The Secretary may require such additional information as the Secretary determines to be appropriate for each public housing agency that is—

"(i) at risk of being designated as troubled under section 6(j); or

"(ii) designated as troubled under section 6(j).

"(B) TROUBLED AGENCIES.—The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 6(j).

"(4) STREAMLINED PLAN.—In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

"(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies; and

"(B) public housing agencies with less than 250 public housing units that have not been designated as troubled under section 6(j).".

(b) IMPLEMENTATION.—

(1) INTERIM RULE.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue an interim rule to require the submission of an interim public housing agency plan by each public housing agency, as required by section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).

(2) FINAL REGULATIONS.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rule-making procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall promulgate final regulations implementing section 5A of the United States Housing Act of 1937, as added by subsection (a) of this section.

(3) INDIAN HOUSING AUTHORITIES.—In carrying out this subsection, the Secretary may implement separate rules and regulations for the Indian housing program.

(c) AUDIT AND REVIEW; REPORT.—

(1) AUDIT AND REVIEW.—Not later than 1 year after the effective date of final regulations promulgated under subsection (b)(2), in order to determine the degree of compliance with public housing agency plans approved under section 5A of the United States Housing Act of 1937, as added by this section, by public housing agencies, the Comptroller General of the United States shall conduct—

(A) a review of a representative sample of the public housing agency plans approved under such section 5A before that date; and

(B) an audit and review of the public housing agencies submitting those plans.

(2) REPORT.—Not later than 2 years after the date on which public housing agency plans are initially required to be submitted under section 5A of the United States Housing Act of 1937, as added by this section, the Comptroller General of the United States shall submit to the Congress a report, which shall include—

(A) a description of the results of each audit and review under paragraph (1); and

(B) any recommendations for increasing compliance by public housing agencies with their public housing agency plans approved under section 5A of the United States Housing Act of 1937, as added by this section.

SEC. 107. CONTRACT PROVISIONS AND REQUIREMENTS.

(a) CONDITIONS.—Section 6(a) of the United States Housing Act of 1937 (42 U.S.C. 1437d(a)) is amended—

(1) in the first sentence, by inserting ", in a manner consistent with the public housing agency plan" before the period; and

(2) by striking the second sentence.

(b) REPEAL OF FEDERAL PREFERENCES; REVISION OF MAXIMUM INCOME LIMITS; CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS; NOTIFICATION OF ELIGIBILITY.—Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)) is amended to read as follows:

"(c) [Reserved.]".

(c) EXCESS FUNDS.—Section 6(e) of the United States Housing Act of 1937 (42 U.S.C. 1437d(e)) is amended to read as follows:

"(e) [Reserved.]".

(d) PERFORMANCE INDICATORS FOR PUBLIC HOUSING AGENCIES.—Section 6(j) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "obligated" and inserting "provided"; and

(ii) by striking "unexpended" and inserting "unobligated by the public housing agency";

(B) in subparagraph (D), by striking "energy" and inserting "utility";

(C) by redesignating subparagraph (H) as subparagraph (J); and

(D) by inserting after subparagraph (G) the following new subparagraphs:

"(H) The extent to which the public housing agency provides—

"(i) effective programs and activities to promote the economic self-sufficiency of public housing tenants; and

"(ii) public housing tenants with opportunities for involvement in the administration of the public housing.

"(I) The extent to which the public housing agency successfully meets the goals and carries out the activities and programs of the public housing agency plan under section 5(A)."; and

(2) in paragraph (2)(A)(i), by inserting after the first sentence the following: "The Secretary may use a simplified set of indicators for public housing agencies with less than 250 public housing units.".

(e) LEASES.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (3), by striking "not be less than" and all that follows before the semicolon and inserting "be the period of time required under State law"; and

(2) in paragraph (5), by striking "on or near such premises".

(f) PUBLIC HOUSING ASSISTANCE TO FOSTER CARE CHILDREN.—Section 6(o) of the United States Housing Act of 1937 (42 U.S.C. 1437d(o)) is amended by striking "Subject" and all that follows through ", in" and inserting "In".

(g) PREFERENCE FOR AREAS WITH INADEQUATE SUPPLY OF VERY LOW-INCOME HOUSING.—Section 6(p) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)) is amended to read as follows:

"(p) [Reserved.]".

(h) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State, tribal, or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

(i) TRANSITION RULE RELATING TO PREFERENCES.—During the period beginning on the date of enactment of this Act and ending on the date on which the initial public housing agency plan of a public housing agency is approved under section 5A of the United States Housing Act of 1937, as added by this Act, the public housing agency may establish local preferences for making available public housing under the United States Housing Act of 1937 and for providing tenant-based assistance under section 8 of that Act.

SEC. 108. EXPANSION OF POWERS.

(a) IN GENERAL.—Section 6(j)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)(3)) is amended—

(1) in subparagraph (A)—

(A) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(B) by inserting after clause (ii) the following new clause:

"(iii) take possession of the public housing agency, including any project or function of the agency, including any project or function under any other provision of this title;";

(2) by redesignating subparagraphs (B) through (D) as subparagraphs (E) through (G), respectively;

(3) by inserting after subparagraph (A) the following new subparagraphs:

"(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

"(ii) The Secretary may give a public housing agency a 1-year period, beginning on the later of the date on which the agency receives notice from the Secretary of the troubled status of the agency under clause (i), and the date of enactment of the Public Housing Reform and Empowerment Act of 1995, within which to demonstrate improvement satisfactory to the Secretary. Nothing in this clause shall preclude the Secretary from taking any action the Secretary considers necessary before the commencement or the expiration of the 1-year period described in this clause.

"(iii) Upon the expiration of the 1-year period described in clause (ii), if the troubled public housing agency has not demonstrated improvement satisfactory to the Secretary and the Secretary has not yet declared the agency to be in breach of the contract of the agency with the Federal Government under this title, the Secretary shall declare the public housing agency to be in substantial default, as described in subparagraph (A).

"(iv) Upon declaration of a substantial default under clause (iii), the Secretary—

"(I) shall either—

"(aa) petition for the appointment of a receiver pursuant to subparagraph (A)(ii);

"(bb) take possession of the public housing agency or any public housing projects of the public housing agency pursuant to subparagraph (A)(iii); or

"(cc) take such actions as the Secretary determines to be necessary to cure the substantial default; and

"(II) may, in addition, take other appropriate action.

"(C)(i) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18, including the transfer of properties to resident-supported nonprofit entities;

"(III) if determined to be appropriate by the Secretary, may require the establishment, as permitted by applicable State, tribal, and local law, of one or more new public housing agencies; and

"(IV) shall not be subject to any State, tribal, or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impedes correction of the substantial default.

"(ii) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this title.

"(D)(i) If the Secretary takes possession of a public housing agency, or any project or function of the agency, pursuant to subparagraph (A)(iii), the Secretary—

"(I) may abrogate any contract that substantially impedes correction of the substantial default;

"(II) may demolish and dispose of the assets of the public housing agency, in accordance with section 18, including the transfer of properties to resident-supported nonprofit entities;

"(III) may require the establishment, as permitted by applicable State, tribal, and local law, of one or more new public housing agencies;

"(IV) shall not be subject to any State, tribal, or local law relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impedes correction of the substantial default; and

"(V) shall have such additional authority as a district court of the United States has conferred under like circumstances on a receiver to fulfill the purposes of the receivership.

"(ii) The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary under this subparagraph for the administration of a public housing agency. The Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate.

"(iii) Regardless of any delegation under this subparagraph, an administrative receiver may not require the establishment of one or more new public housing agencies pursuant to clause (i)(III), unless the Secretary first approves an application by the administrative receiver to authorize such establishment.

"(iv) For purposes of this subparagraph, the term 'public housing agency' includes any project or function of a public housing agency, as appropriate, including any project or function under any other provision of this title."; and

(4) by adding at the end the following new subparagraph:

"(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including any project or function of the agency), or if a receiver is appointed by a court, the Secretary or receiver shall be deemed to be acting not in the official capacity of that person or entity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to that liability occurred while the Secretary or receiver was in possession of the public housing agency (including any project or function of the agency), shall be the liability of the public housing agency.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply to a public housing agency that is found to be in substantial default, on or after the date of enactment of this Act, with respect to the covenants or conditions to which the agency is subject (as such substantial default is defined in the contract for contributions of the agency) or with respect to an agreement entered into under section 6(j)(2)(C) of the United States Housing Act of 1937.

SEC. 109. PUBLIC HOUSING DESIGNATED FOR THE ELDERLY AND THE DISABLED.

(a) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

"SEC. 7. AUTHORITY TO PROVIDE DESIGNATED HOUSING.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in the discretion of the public housing agency and without approval by the Secretary, designate public housing projects or mixed-income projects (or portions of projects) for occupancy as elderly housing, disabled housing, or elderly and disabled housing. The public housing agency shall establish requirements for this section, including priorities for occupancy, in the public housing agency plan.

"(b) PRIORITY FOR OCCUPANCY.—

"(1) IN GENERAL.—In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy under this section, the public housing agency may make units in such projects (or portions of projects) available only to the types of families for whom the project is designated.

"(2) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a public housing project (or portion thereof) designated under this section for occupancy by only elderly families, the agency may provide that near-elderly families who qualify for occupancy may occupy dwelling units in the public housing project (or portion thereof).

"(3) VACANCY.—Notwithstanding paragraphs (1) and (2), in designating a public housing project (or portion thereof) for occupancy by only certain types of families under this section, a public housing agency shall make any dwelling unit that is ready for occupancy in such a project (or portion thereof) that has been vacant for more than 60 consecutive days generally available for occupancy (subject to this title) without regard to that designation.

"(c) AVAILABILITY OF HOUSING.—

"(1) TENANT CHOICE.—The decision of any disabled family not to occupy or accept occupancy in an appropriate public housing project or to otherwise accept any assistance made available to the family under this title shall not adversely affect the family with respect to a public housing agency making available occupancy in other appropriate public housing projects or to otherwise make assistance available to that family under this title.

"(2) DISCRIMINATORY SELECTION.—Paragraph (1) does not apply to any family that decides not to occupy or accept an appropriate dwelling unit in public housing or to accept assistance under this Act on the basis of the race, color, religion, gender, disability, familial status, or national origin of occupants of the housing or the surrounding area.

"(3) APPROPRIATENESS OF DWELLING UNITS.—This section may not be construed to require a public housing agency to offer occupancy in any dwelling unit assisted under this Act to any family that is not of appropriate family size for the dwelling unit.

"(d) PROHIBITION OF EVICTIONS.—Any tenant who is lawfully residing in a dwelling unit in a public housing project may not be evicted or otherwise required to vacate that unit as a result of the designation of the public housing project (or portion thereof) under this section or as a result of any other action taken by the Secretary or any public housing agency pursuant to this section.

"(e) LIMITATION ON OCCUPANCY IN DESIGNATED PROJECTS.—

"(1) OCCUPANCY LIMITATION.—Notwithstanding any other provision of law, a dwelling unit in a public housing project (or portion of a project) that is designated under subsection (a) shall not be occupied by any person whose illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol—

"(A) constitutes a disability; and

"(B) provides reasonable cause for the public housing agency to believe that such occupancy could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) REQUIRED STATEMENT.—A public housing agency may not make a dwelling unit in a public housing project (or portion of a project) designated under subsection (a) available for occupancy to any family, unless the application for occupancy by that family is accompanied by a signed statement that no person who will be occupying the unit illegally uses a controlled substance, or abuses alcohol, in a manner that would interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.".

(b) LEASE PROVISIONS.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) following new paragraph:

"(6) provide that any occupancy in violation of section 7(e)(1) or the furnishing of any false or misleading information pursuant to section 7(e)(2) shall be cause for termination of tenancy; and".

(c) CONFORMING AMENDMENT.—Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437(b)(4)(A)) is amended by striking "section 7(a)" and inserting "section 7".

SEC. 110. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

(a) IN GENERAL.—Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended to read as follows:

"SEC. 9. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

"(a) IN GENERAL.—Except for assistance provided under section 8 of this Act or as otherwise provided in the Public Housing Reform and Empowerment Act of 1995, all programs under which assistance is provided for public housing under this Act on the day before October 1, 1997, shall be merged, as appropriate, into either—

"(1) the Capital Fund established under subsection (c); or

"(2) the Operating Fund established under subsection (d).

"(b) USE OF EXISTING FUNDS.—With the exception of funds made available pursuant to section 8 or section 20(f) and funds made available for the urban revitalization demonstration program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Acts—

"(1) funds made available to the Secretary for public housing purposes that have not been obligated by the Secretary to a public housing agency as of October 1, 1997, shall be made available, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate; and

"(2) funds made available to the Secretary for public housing purposes that have been obligated by the Secretary to a public housing agency but that, as of October 1, 1997, have not been obligated by the public housing agency, may be made available by that public housing agency, for the period originally provided in law, for use in either the Capital Fund or the Operating Fund, as appropriate.

"(c) CAPITAL FUND.—

"(1) IN GENERAL.—The Secretary shall establish a Capital Fund for the purpose of making assistance available to public housing agencies to carry out capital and management activities, including—

"(A) the development and modernization of public housing projects, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the development of mixed-income projects;

"(B) vacancy reduction;

"(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

"(D) planned code compliance;

"(E) management improvements;

"(F) demolition and replacement;

"(G) tenant relocation;

"(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

"(I) capital expenditures to improve the security and safety of residents.

"(2) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The Secretary shall develop a formula for providing assistance under the Capital Fund, which may take into account—

"(A) the number of public housing dwelling units owned or operated by the public housing agency and the percentage of those units that are occupied by very low-income families;

"(B) if applicable, the reduction in the number of public housing units owned or operated by the public housing agency as a result of any conversion to a system of tenant-based assistance;

"(C) the costs to the public housing agency of meeting the rehabilitation and modernization needs, and meeting the reconstruction, development, and demolition needs of public housing dwelling units owned and operated by the public housing agency;

"(D) the degree of household poverty served by the public housing agency;

"(E) the costs to the public housing agency of providing a safe and secure environment in public housing units owned and operated by the public housing agency; and

"(F) the ability of the public housing agency to effectively administer the Capital Fund distribution of the public housing agency.

"(d) OPERATING FUND.—

"(1) IN GENERAL.—The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing, including—

"(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

"(B) activities to ensure a program of routine preventative maintenance;

"(C) anticrime and antidrug activities, including the costs of providing adequate security for public housing tenants;

"(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

"(E) activities to provide for management and participation in the management of public housing by public housing tenants;

"(F) the costs associated with the operation and management of mixed-income projects, to the extent appropriate (including the funding of an operating reserve to ensure affordability for low-income families in lieu of the availability of operating funds for public housing units in a mixed-income project);

"(G) the reasonable costs of insurance;

"(H) the reasonable energy costs associated with public housing units, with an emphasis on energy conservation; and

"(I) the costs of administering a public housing work program under section 12, including the costs of any related insurance needs.

"(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The Secretary shall establish a formula for providing assistance under the Operating Fund, which may take into account—

"(A) standards for the costs of operation and reasonable projections of income, taking into account the character and location of the public housing project and characteristics of the families served, or the costs of providing comparable services as determined with criteria or a formula representing the operations of a prototype well-managed public housing project;

"(B) the number of public housing dwelling units owned and operated by the public housing agency, the percentage of those units that are occupied by very low-income families, and, if applicable, the reduction in the number of public housing units as a result of any conversion to a system of tenant-based assistance;

"(C) the degree of household poverty served by a public housing agency;

"(D) the extent to which the public housing agency provides programs and activities designed to promote the economic self-sufficiency and management skills of public housing tenants;

"(E) the number of dwelling units owned and operated by the public housing agency that are chronically vacant and the amount of assistance appropriate for those units;

"(F) the costs of the public housing agency associated with anticrime and antidrug activities, including the costs of providing adequate security for public housing tenants; and

"(G) the ability of the public housing agency to effectively administer the Operating Fund distribution of the public housing agency.

"(e) LIMITATIONS ON USE OF FUNDS.—

"(1) IN GENERAL.—Each public housing agency may use not more than 20 percent of the Capital Fund distribution of the public housing agency for activities that are eligible for assistance under the Operating Fund under subsection (d), if the public housing agency plan provides for such use.

"(2) NEW CONSTRUCTION.—

"(A) IN GENERAL.—A public housing agency may not use any of the Capital Fund or Operating Fund distributions of the public housing agency for the purpose of constructing any public housing unit, if such construction would result in a net increase in the number of public housing units owned or operated by the public housing agency on the date of enactment of the Public Housing Reform and Empowerment Act of 1995, including any public housing units demolished as part of any revitalization effort.

"(B) EXCEPTION.—Notwithstanding subparagraph (A), a public housing agency may use the Capital Fund or Operating Fund distributions of the public housing agency for the construction and operation of housing units that are available and affordable to low-income families in excess of the limitations on new construction set forth in subparagraph (A), except that the formulae established under subsections (c)(2) and (d)(2) shall not provide additional funding for the specific purpose of allowing construction and operation of housing in excess of those limitations.".

"(f) OPERATING AND CAPITAL ASSISTANCE TO RESIDENT MANAGEMENT CORPORATIONS.—The Secretary shall directly provide operating and capital assistance under this section to each resident management corporation managing a public housing project pursuant to a contract under this section, which assistance shall be used for purposes of operating the public housing project and performing such other eligible activities with respect to the project as may be provided under the contract.

"(g) Indian Housing Programs.—To the extent provided in advance in appropriations Acts, the Secretary shall carry out housing programs for Indians in accordance with such formulas and programs as the Secretary shall establish by regulation.

"(h) Technical Assistance.—To the extent approved in advance in appropriations Acts, the Secretary may make grants or enter into contracts in accordance with this subsection for purposes of providing, either directly or indirectly—

"(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including assistance relating to monitoring and inspections;

"(2) training for public housing agency employees and tenants;

"(3) data collection and analysis; and

"(4) training, technical assistance, and education to assist public housing agencies that are—

"(A) at risk of being designated as troubled under section 6(j) from being so designated; and

"(B) designated as troubled under section 6(j) in achieving the removal of that designation.

"(i) Emergency Reserve.—

"(1) In general.—

"(A) Set-aside.—In each fiscal year, the Secretary shall set aside not more than 2 percent of the amount made available for use under the capital fund to carry out this section for that fiscal year for use in accordance with this subsection.

"(B) Use of funds.—

"(i) Emergencies.—Amounts set aside under this paragraph shall be available to the Secretary for use in connection with emergencies, as determined by the Secretary, and in connection with housing needs resulting from any settlement of litigation.

"(ii) Additional funds.—To the extent that there are funds from amounts set aside under this paragraph in excess to the needs described in clause (i), the Secretary may use those funds for the costs of establishing and administering a witness relocation program, which shall be established by the Secretary in conjunction with the Attorney General of the United States.

"(2) Allocation.—

"(A) In general.—Amounts set aside under this subsection shall initially be allocated based on the emergency and litigation settlement needs of public housing agencies, in such manner, and in such amounts as the Secretary shall determine.

"(B) Publication.—The Secretary shall publish the use of any amounts allocated under this subsection in the Federal Register.".

(b) Implementation; Effective Date; Transition Period.—

(1) Implementation.—Not later than 1 year after the date of enactment of this Act, in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall establish the formulas described in subsections (c)(3) and (d)(2) of section 9 of the Public Housing Reform and Empowerment Act of 1995, as amended by this section.

(2) Effective date.—The formulas established under paragraph (1) shall be effective only with respect to amounts made available under section 9 of the United States Housing Act of 1937, as amended by this section, in fiscal year 1998 or in any succeeding fiscal year.

(3) Transition period.—Prior to the effective date described in paragraph (2), the Secretary shall provide that each public housing agency shall receive funding under sections 9 and 14 of the United States Housing Act of 1937, as those sections existed on the day before the date of enactment of this Act.

(c) Drug Elimination Grants.—

(1) Funding authorization.—

(A) In general.—To the extent provided in advance in appropriations Acts for fiscal years 1996 and 1997, the Secretary shall make grants for—

(i) use in eliminating drug-related crime under the Public and Assisted Housing Drug Elimination Act of 1990; and

(ii) drug elimination clearinghouse services authorized by section 5143 of the Drug-Free Public Housing Act of 1988.

(B) Set-aside.—Of any amounts made available to carry out subparagraph (A), the Secretary shall set aside amounts for grants, technical assistance, contracts, and other assistance, and for training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training).

(2) Program requirements.—The use of amounts made available under paragraph (1) shall be governed by the Public and Assisted Housing Drug Elimination Act of 1990, except as follows:

(A) Formula allocation.—Notwithstanding the Public and Assisted Housing Drug Elimination Act of 1990, after setting aside amounts for assisted housing under section 5130(b) of such Act, the Secretary may make grants to public housing agencies in accordance with a formula established by the Secretary, which shall—

(i) take into account the needs of the public housing agency for anticrime funding, and the amount of funding that the public housing agency has received under the Public and Assisted Housing Drug Elimination Act of 1990 during fiscal years 1993, 1994, and 1995; and

(ii) not exclude an eligible public housing agency that has not received funding during the period described in clause (i).

(B) Other types of crime.—For purposes of this subsection, the Secretary may define the term "drug-related crime" to include criminal actions other than those described in section 5126(2) of the Public and Assisted Housing Drug Elimination Act of 1990.

(3) Sunset.—No grant may be made under this subsection on or after October 1, 1998.

SEC. 111. LABOR STANDARDS.

Section 12 of the United States Housing Act of 1937 (42 U.S.C. 1437j) is amended by adding at the end the following new subsection:

"(c) Work Requirement.—

"(1) In general.—Notwithstanding any other provision of law, each adult member of each family assisted under this title shall contribute not less than 8 hours of volunteer work per month (not to include any political activity) within the community in which that adult resides.

"(2) Inclusion in plan.—Each public housing agency shall include in the public housing agency plan a detailed description of the manner in which the public housing agency intends to implement and administer paragraph (1).

"(3) Exemptions.—The Secretary may provide an exemption from paragraph (1) for any adult who is—

"(A) not less than 62 years of age;

"(B) a person with disabilities who is unable, as determined in accordance with guidelines established by the Secretary, to comply with this section;

"(C) working not less than 20 hours per week, a student, receiving vocational training, or otherwise meeting work, training, or educational requirements of a public assistance program; or

"(D) a single parent or the spouse of an otherwise exempt individual who is the primary caretaker of one or more children who are 6 years of age or younger.".

SEC. 112. REPEAL OF ENERGY CONSERVATION; CONSORTIA AND JOINT VENTURES.

Section 13 of the United States Housing Act of 1937 (42 U.S.C. 1437k) is amended to read as follows:

"SEC. 13. CONSORTIA, JOINT VENTURES, AFFILIATES, AND SUBSIDIARIES OF PUBLIC HOUSING AGENCIES.

"(a) Consortia.—

"(1) In general.—Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.

"(2) Effect.—With respect to any consortium described in paragraph (1)—

"(A) any assistance made available under this title to each of the public housing agencies participating in the consortium shall be paid to the consortium; and

"(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.

"(3) Restrictions.—

"(A) Agreement.—Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 5A.

"(B) Minimum requirements.—The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

"(b) Joint Ventures.—

"(1) In general.—Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—

"(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of commissioners or other similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or

"(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit, with respect to the administration of the programs of the public housing agency, including any program that is subject to this title.

"(2) Use of income.—Any income generated under paragraph (1) shall be used for low-income housing or to benefit the tenants of the public housing agency.

"(3) Audits.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.".

SEC. 113. REPEAL OF MODERNIZATION FUND.

(a) IN GENERAL.—Section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437l) is repealed.

(b) CONFORMING AMENDMENTS.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 5(c)(5), by striking "for use under section 14 or";

(2) in section 5(c)(7)—

(A) in subparagraph (A)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively; and

(B) in subparagraph (B)—

(i) by striking clause (iii); and

(ii) by redesignating clauses (iv) through (x) as clauses (iii) through (ix), respectively;

(3) in section 6(j)(1)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraphs (C) through (H) as subparagraphs (B) through (G), respectively;

(4) in section 6(j)(2)(A)—

(A) in clause (i), by striking "The Secretary shall also designate," and all that follows through the period at the end; and

(B) in clause (iii), by striking "(including designation as a troubled agency for purposes of the program under section 14)";

(5) in section 6(j)(2)(B)—

(A) in clause (i), by striking "and determining that an assessment under this subparagraph will not duplicate any review conducted under section 14(p)"; and

(B) in clause (ii)—

(i) by striking "(I) the agency's comprehensive plan prepared pursuant to section 14 adequately and appropriately addresses the rehabilitation needs of the agency's inventory, (II)" and inserting "(I)"; and

(ii) by striking "(III)" and inserting "(II)";

(6) in section 6(j)(3)—

(A) in clause (ii), by adding "and" at the end;

(B) by striking clause (iii); and

(C) by redesignating clause (iv) as clause (iii);

(7) in section 6(j)(4)—

(A) in subparagraph (D), by adding "and" at the end;

(B) in subparagraph (E), by striking "; and" at the end and inserting a period; and

(C) by striking subparagraph (F);

(8) in section 20—

(A) by striking subsection (c) and inserting the following:

"(c) [Reserved.]"; and

(B) by striking subsection (f) and inserting the following:

"(f) [Reserved.]";

(9) in section 21(a)(2)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(10) in section 21(a)(3)(A)(v), by striking "the building or buildings meet the minimum safety and livability standards applicable under section 14, and";

(11) in section 25(b)(1), by striking "From amounts reserved" and all that follows through "the Secretary may" and inserting the following: To the extent approved in appropriations Acts, the Secretary may";

(12) in section 25(e)(2)—

(A) by striking "The Secretary" and inserting "To the extent approved in appropriations Acts, the Secretary"; and

(B) by striking "available annually from amounts under section 14";

(13) in section 25(e), by striking paragraph (3);

(14) in section 25(f)(2)(G)(i), by striking "including—" and all that follows through "an explanation" and inserting "including an explanation";

(15) in section 25(i)(1), by striking the second sentence; and

(16) in section 202(b)(2)—

(A) by striking "(b) FINANCIAL ASSISTANCE.—" and all that follows through "The Secretary may," and inserting the following:

"(b) FINANCIAL ASSISTANCE.—The Secretary may"; and

(B) by striking paragraph (2).

SEC. 114. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended to read as follows:

"SEC. 16. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

"(a) INCOME ELIGIBILITY FOR PUBLIC HOUSING.—

"(1) IN GENERAL.—Of the dwelling units of a public housing agency, including public housing units in a designated mixed-income project, made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 40 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families;

"(B) not less than 75 percent shall be occupied by families whose incomes do not exceed 60 percent of the area median income for those families; and

"(C) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(3) MIXED-INCOME HOUSING STANDARD.—Each public housing agency plan submitted by a public housing agency shall include a plan for achieving a diverse income mix among tenants in each public housing project of the public housing agency and among the scattered site public housing of the public housing agency.

"(b) INCOME ELIGIBILITY FOR CERTAIN ASSISTED HOUSING.—

"(1) IN GENERAL.—Of the dwelling units receiving tenant-based assistance under section 8 made available for occupancy in any fiscal year of the public housing agency—

"(A) not less than 50 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families; and

"(B) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

"(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

"(c) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units—

"(1) that prohibit occupancy in any such unit by any person—

"(A) who the public housing agency determines is illegally using a controlled substance; or

"(B) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project; and

"(2) that allow the public housing agency to terminate the tenancy in any public housing unit of any person—

"(A) if the public housing agency determines that such person is illegally using a controlled substance; or

"(B) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(d) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any dwelling unit assisted by an Indian housing authority.".

SEC. 115. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

(a) IN GENERAL.—Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) is amended to read as follows:

"SEC. 18. DEMOLITION AND DISPOSITION OF PUBLIC HOUSING.

"(a) APPLICATIONS FOR DEMOLITION AND DISPOSITION.—Except as provided in subsection (b), not later than 60 days after receiving an application by a public housing agency for authorization, with or without financial assistance under this title, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application, if the public housing agency certifies—

"(1) in the case of—

"(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

"(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

"(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

"(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to assure the viability of the remaining portion of the project;

"(2) in the case of an application proposing disposition of a public housing project or other real property subject to this title by sale or other transfer, that—

"(A) the retention of the property is not in the best interests of the tenants or the public housing agency because—

"(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the tenants or the feasible operation of the project by the public housing agency; or

"(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

"(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

"(i) in the best interests of the tenants and the public housing agency;

"(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

"(iii) otherwise consistent with this title; or

"(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

"(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

"(4) that the public housing agency—

"(A) will provide for the payment of the relocation expenses of each tenant to be displaced;

"(B) will ensure that the amount of rent paid by the tenant following relocation will not exceed the amount permitted under this title; and

"(C) will not commence demolition or complete disposition until all tenants residing in the unit are relocated;

"(5) that the net proceeds of any disposition will be used—

"(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

"(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for the provision of low-income housing or to benefit the tenants of the public housing agency; and

"(6) that the public housing agency has complied with subsection (c).

"(b) DISAPPROVAL OF APPLICATIONS.—The Secretary shall disapprove an application submitted under subsection (a) if the Secretary determines that any certification made by the public housing agency under that subsection is clearly inconsistent with information and data available to the Secretary.

"(c) TENANT OPPORTUNITY TO PURCHASE IN CASE OF PROPOSED DISPOSITION.—

"(1) IN GENERAL.—In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization supported by the residents, if that entity has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

"(2) TIMING.—

"(A) THIRTY-DAY NOTICE.—A resident organization, resident management corporation, or other resident-supported nonprofit entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

"(B) SIXTY-DAY NOTICE.—If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of that written notice, during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

"(d) REPLACEMENT UNITS.—Notwithstanding any other provision of law, replacement housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of those replacement units is fewer than the number of units demolished.".

(b) HOMEOWNERSHIP REPLACEMENT PLAN.—

(1) IN GENERAL.—Section 304(g) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-3(g)), as amended by section 1002(b) of the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy that Occurred At Oklahoma City, and Rescissions Act, 1995, is amended to read as follows:

"(g) [Reserved.]".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to any plan for the demolition, disposition, or conversion to homeownership of public housing that is approved by the Secretary after September 30, 1995.

(c) UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT.—The Uniform Relocation and Real Property Acquisition Act shall not apply to activities under section 18 of the United States Housing Act of 1937, as amended by this section.

SEC. 116. REPEAL OF FAMILY INVESTMENT CENTERS; VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—Section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t) is amended to read as follows:

"SEC. 22. VOUCHER SYSTEM FOR PUBLIC HOUSING.

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—A public housing agency may convert any public housing project (or portion thereof) owned and operated by the public housing agency to a system of tenant-based assistance in accordance with this section.

"(2) REQUIREMENTS.—In converting to a tenant-based system of assistance under this section, the public housing agency shall develop a conversion assessment and plan under subsection (b) in consultation with the appropriate public officials, with significant participation by the residents of the project (or portion thereof), which assessment and plan shall—

"(A) be consistent with and part of the public housing agency plan; and

"(B) describe the conversion and future use or disposition of the public housing project, including an impact analysis on the affected community.

"(b) CONVERSION ASSESSMENT AND PLAN.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, each public housing agency shall assess the status of each public housing project owned and operated by that public housing agency, and shall submit to the Secretary an assessment that includes—

"(A) a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing tenant-based assistance under section 8 for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing project proposed for conversion for the remaining useful life of the project;

"(B) an analysis of the market value of the public housing project proposed for conversion both before and after rehabilitation, and before and after conversion;

"(C) an analysis of the rental market conditions with respect to the likely success of tenant-based assistance under section 8 in that market for the specific residents of the public housing project proposed for conversion, including an assessment of the availability of decent and safe dwellings renting at or below the payment standard established for tenant-based assistance under section 8 by the public housing agency;

"(D) the impact of the conversion to a system of tenant-based assistance under this section on the neighborhood in which the public housing project is located; and

"(E) a plan that identifies actions, if any, that the public housing agency would take with regard to converting any public housing project or projects (or portions thereof) of the public housing agency to a system of tenant-based assistance.

"(2) STREAMLINED ASSESSMENT.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of paragraph (1) or otherwise require a streamlined assessment with respect to any public housing project or class of public housing projects.

"(3) IMPLEMENTATION OF CONVERSION PLAN.—

"(A) IN GENERAL.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

"(i) will not be more expensive than continuing to operate the public housing project (or portion thereof) as public housing; and

"(ii) will principally benefit the residents of the public housing project (or portion thereof) to be converted, the public housing agency, and the community.

"(B) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or if there is reliable information and data available to the Secretary that contradicts that conversion assessment.

"(c) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the public housing agency to provide tenant-based assistance under section 8 shall be added to the housing assistance payment contract administered by—

"(1) the public housing agency; or

"(2) any entity administering the contract on behalf of the public housing agency.

"(d) INAPPLICABILITY TO INDIAN HOUSING.—This section does not apply to any Indian housing authority.".

(b) SAVINGS PROVISION.—The amendment made by subsection (a) does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 117. REPEAL OF FAMILY SELF-SUFFICIENCY; HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended to read as follows:

"SEC. 23. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

"(a) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency may, in accordance with this section—

"(1) sell any public housing unit in any public housing project of the public housing agency to—

"(A) the low-income tenants of the public housing agency; or

"(B) any organization serving as a conduit for sales to those persons; and

"(2) provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence.

"(b) Right of First Refusal.—In making any sale under this section, the public housing agency shall initially offer the public housing unit at issue to the tenant or tenants occupying that unit, if any, or to an organization serving as a conduit for sales to any such tenant.

"(c) Sale Prices, Terms, and Conditions.—Any sale under this section may involve such prices, terms, and conditions as the public housing agency may determine in accordance with procedures set forth in the public housing agency plan.

"(d) Purchase Requirements.—

"(1) In general.—Each tenant that purchases a dwelling unit under subsection (a) shall, as of the date on which the purchase is made—

"(A) intend to occupy the property as a principal residence; and

"(B) submit a written certification to the public housing agency that such tenant will occupy the property as a principal residence for a period of not less than 12 months beginning on that date.

"(2) Recapture.—Except for good cause, as determined by a public housing agency in the public housing agency plan, if, during the 1-year period beginning on the date on which any tenant acquires a public housing unit under this section, that public housing unit is resold, the public housing agency shall recapture 75 percent of the amount of any proceeds from that resale that exceed the sum of—

"(A) the original sale price for the acquisition of the property by the qualifying tenant;

"(B) the costs of any improvements made to the property after the date on which the acquisition occurs; and

"(C) any closing costs incurred in connection with the acquisition.

"(e) Protection of Nonpurchasing Tenants.—If a public housing tenant does not exercise the right of first refusal under subsection (b) with respect to the public housing unit in which the tenant resides, the public housing agency shall—

"(1) ensure that either another public housing unit or rental assistance under section 8 is made available to the tenant; and

"(2) provide for the payment of the reasonable relocation expenses of the tenant.

"(f) Net Proceeds.—

"(1) In general.—The net proceeds of any sales under this section remaining after payment of all costs of the sale and any unassumed, unpaid indebtedness owed in connection with the dwelling units sold under this section unless waived by the Secretary, shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan.

"(2) Indian housing.—The net proceeds described in paragraph (1) may be used by Indian housing authorities for housing for families whose incomes exceed the income levels established under this title for low-income families.

"(g) Homeownership Assistance.—From amounts distributed to a public housing agency under section 9, or from other income earned by the public housing agency, the public housing agency may provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence, including a residence other than a residence located in a public housing project.".

(b) Conforming Amendments.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 8(y)(7)(A)—

(A) by striking ", (ii)" and inserting ", and (ii)"; and

(B) by striking ", and (iii)" and all that follows before the period at the end; and

(2) in section 25(l)(2)—

(A) in the first sentence, by striking ", consistent with the objectives of the program under section 23,"; and

(B) by striking the second sentence.

(c) Savings Provision.—The amendments made by this section do not affect any contract or other agreement entered into under section 23 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act.

SEC. 118. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended to read as follows:

"SEC. 24. REVITALIZING SEVERELY DISTRESSED PUBLIC HOUSING.

"(a) In General.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies for the purposes of—

"(1) enabling the demolition of obsolete public housing projects or portions thereof;

"(2) revitalizing sites (including remaining public housing units) on which such public housing projects are located;

"(3) the provision of replacement housing, which will avoid or lessen concentrations of very low-income families; and

"(4) the provision of tenant-based assistance under section 8 for use as replacement housing.

"(b) Competition.—The Secretary shall make grants under this section on the basis of a competition, which shall be based on such factors as—

"(1) the need for additional resources for addressing a severely distressed public housing project;

"(2) the need for affordable housing in the community;

"(3) the supply of other housing available and affordable to a family receiving tenant-based assistance under section 8; and

"(4) the local impact of the proposed revitalization program.

"(c) Terms and Conditions.—The Secretary may impose such terms and conditions on recipients of grants under this section as the Secretary determines to be appropriate to carry out the purposes of this section, except that such terms and conditions shall be similar to the terms and conditions of either—

"(1) the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts; or

"(2) section 24 of the United States Housing Act of 1937, as such section existed before the date of enactment of the Public Housing Reform and Empower Act of 1995.

"(d) Alternative Management.—The Secretary may require any recipient of a grant under this section to make arrangements with an entity other than the public housing agency to carry out the purposes for which the grant was awarded, if the Secretary determines that such action is necessary for the timely and effective achievement of the purposes for which the grant was awarded.

"(e) Inapplicability to Indian Housing.—This section does not apply to any Indian housing authority.

"(f) Sunset.—No grant may be made under this section on or after October 1, 1998.".

SEC. 119. MIXED-INCOME AND MIXED-OWNERSHIP PROJECTS.

(a) In General.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 28. MIXED-INCOME AND MIXED-OWNERSHIP PROJECTS.

"(a) In General.—A public housing agency may own, operate, assist, or otherwise participate in one or more mixed-income projects in accordance with this section.

"(b) Requirements.—

"(1) Mixed-income project.—For purposes of this section, the term 'mixed-income project' means a project that meets the requirements of paragraph (2) and that is occupied both by one or more very low-income families and by one or more families that are not very low-income families.

"(2) Structure of projects.—Each mixed-income project shall be developed—

"(A) in a manner that ensures that units are made available in the project, by master contract, individual lease, or equity interest for occupancy by eligible families identified by the public housing agency for a period of not less than 20 years;

"(B) in a manner that ensures that the number of public housing units bears approximately the same proportion to the total number of units in the mixed-income project as the value of the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance; and

"(C) in accordance with such other requirements as the Secretary may prescribe by regulation.

"(3) Types of projects.—The term 'mixed-income project' includes a project that is developed—

"(A) by a public housing agency or by an entity affiliated with a public housing agency;

"(B) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, managing member, or otherwise participates in the activities of that entity;

"(C) by any entity that grants to the public housing agency the option to purchase the public housing project during the 20-year period beginning on the date of initial occupancy of the public housing project in accordance with section 42(l)(7) of the Internal Revenue Code of 1986; or

"(D) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

"(c) Taxation.—

"(1) In general.—A public housing agency may elect to have all public housing units in a mixed-income project subject to local real estate taxes, except that such units shall be eligible at the discretion of the public housing agency for the taxing requirements under section 6(d).

"(2) Low-income housing tax credit.—With respect to any unit in a mixed-income project that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the tenants may be set at levels not to exceed the amounts allowable under that section.

"(d) Restriction.—No assistance provided under section 9 shall be used by a public housing agency in direct support of any unit rented to a family that is not a low-income family, except that this subsection does not apply to the Mutual Help Homeownership Program authorized under section 202 of this Act.

"(e) Effect of Certain Contract Terms.—If an entity that owns or operates a mixed-income project under this section enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this Act for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 9, or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed through regulations by the Secretary, from otherwise applicable restrictions under this Act regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character thereof to the maximum extent practicable.".

(b) Regulations.—The Secretary shall issue such regulations as may be necessary to promote the development of mixed-income projects, as that term is defined in section 28 of the United States Housing Act of 1937, as added by this Act.

SEC. 120. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 29. CONVERSION OF DISTRESSED PUBLIC HOUSING TO TENANT-BASED ASSISTANCE.

"(a) Identification of Units.—To the extent approved in advance in appropriations Acts, each public housing agency shall identify all public housing projects of the public housing agency—

"(1) that are on the same or contiguous sites;

"(2) that the public housing agency determines to be distressed, which determination shall be made in accordance with guidelines established by the Secretary, which guidelines shall be based on the criteria established in the Final Report of the National Commission on Severely Distressed Public Housing (August 1992);

"(3) identified as distressed housing under paragraph (2) for which the public housing agency cannot assure the long-term viability as public housing through reasonable modernization expenses, density reduction, achievement of a broader range of family income, or other measures; and

"(4) for which the estimated cost, during the remaining useful life of the project, of continued operation and modernization as public housing exceeds the estimated cost, during the remaining useful life of the project, of providing tenant-based assistance under section 8 for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development costs required for modernization).

"(b) Consultation.—Each public housing agency shall consult with the appropriate public housing tenants and the appropriate unit of general local government in identifying any public housing projects under subsection (a).

"(c) Removal of Units From the Inventories of Public Housing Agencies.—

"(1) In general.—

"(A) Development of plan.—Each public housing agency shall develop and, to the extent provided in advance in appropriations Acts, carry out a 5-year plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) from the inventory of the public housing agency and the annual contributions contract.

"(B) Approval of plan.—The plan required under subparagraph (A) shall—

"(i) be included as part of the public housing agency plan;

"(ii) be certified by the relevant local official to be in accordance with the comprehensive housing affordability strategy under title I of the Housing and Community Development Act of 1992; and

"(iii) include a description of any disposition and demolition plan for the public housing units.

"(2) Extensions.—The Secretary may extend the 5-year deadline described in paragraph (1) by not more than an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

"(d) Conversion to Tenant-Based Assistance.—

"(1) In general.—With respect to any public housing project that has not received a grant for assistance under the urban revitalization demonstration program authorized under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Acts or under section 24 of the United States Housing Act of 1937, the Secretary shall make authority available to a public housing agency to provide assistance under this Act to families residing in any public housing project that is removed from the inventory of the public housing agency and the annual contributions contract pursuant to this section.

"(2) Plan requirements.—Each plan under subsection (c) shall require the agency to—

"(A) notify families residing in the public housing project, consistent with any guidelines issued by the Secretary governing such notifications, that—

"(i) the public housing project will be removed from the inventory of the public housing agency; and

"(ii) the families displaced by such action will receive tenant-based or project-based assistance or occupancy in a unit operated or assisted by the public housing agency;

"(B) provide any necessary counseling for families displaced by such action; and

"(C) provide any reasonable relocation expenses for families displaced by such action.

"(e) Removal by Secretary.—The Secretary shall take appropriate actions to ensure removal of any public housing project identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under subsection (c) with respect to that project, or fails to adequately implement such plan in accordance with the terms of the plan.

"(f) Administration.—

"(1) In general.—The Secretary may require a public housing agency to provide to the Secretary or to public housing tenants such information as the Secretary considers to be necessary for the administration of this section.

"(2) Applicability of section 18.—Section 18 does not apply to the demolition of public housing projects removed from the inventory of the public housing agency under this section.

"(g) Inapplicability to Indian Housing.—This section does not apply to any Indian housing authority.".

SEC. 121. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 30. PUBLIC HOUSING MORTGAGES AND SECURITY INTERESTS.

"(a) General Authorization.—The Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to mortgage or otherwise grant a security interest in any public housing project or other property of the public housing agency.

"(b) Terms and Conditions.—

"(1) Criteria for approval.—In making any authorization under subsection (a), the Secretary may consider—

"(A) the ability of the public housing agency to use the proceeds of the mortgage or security interest for low-income housing uses;

"(B) the ability of the public housing agency to make payments on the mortgage or security interest; and

"(C) such other criteria as the Secretary may specify.

"(2) Terms and conditions of mortgages and security interests obtained.—Each mortgage or security interest granted under this section shall be—

"(A) for a term that—

"(i) is consistent with the terms of private loans in the market area in which the public housing project or property at issue is located; and

"(ii) does not exceed 30 years; and

"(B) subject to conditions that are consistent with the conditions to which private loans in the market area in which the subject project or other property is located are subject.

"(3) No full faith and credit.—No action taken under this section shall result in any liability to the Federal Government.".

SEC. 122. LINKING SERVICES TO PUBLIC HOUSING RESIDENTS.

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 31. SERVICES FOR PUBLIC HOUSING RESIDENTS.

"(a) In General.—To the extent provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies (including Indian housing authorities) on behalf of public housing residents, or directly to resident management corporations, resident councils, or resident organizations (including nonprofit entities supported by residents), for the purposes of providing a program of supportive services and resident empowerment activities to assist public housing residents in becoming economically self-sufficient.

"(b) Eligible Activities.—Grantees under this section may use such amounts only for activities on or near the public housing agency or public housing project that are designed to promote the self-sufficiency of public housing residents, including activities relating to—

"(1) physical improvements to a public housing project in order to provide space for supportive services for residents;

"(2) the provision of service coordinators;

"(3) the provision of services related to work readiness, including academic skills, job training, job search skills, tutoring, adult literacy, transportation, and child care, except that grants received under this section shall not comprise more than 50 percent of the costs of providing such services;

"(4) resident management activities; and

"(5) other activities designed to improve the economic self-sufficiency of residents.

"(c) FUNDING DISTRIBUTION.—

"(1) IN GENERAL.—Except for amounts provided under subsection (d), the Secretary may distribute amounts made available under this section on the basis of a competition or a formula, as appropriate.

"(2) FACTORS FOR DISTRIBUTION.—Factors for distribution under paragraph (1) shall include—

"(A) the demonstrated capacity of the applicant to carry out a program of supportive services or resident empowerment activities; and

"(B) the ability of the applicant to leverage additional resources for the provision of services.

"(d) FUNDING FOR RESIDENT COUNCILS.—Of amounts appropriated for activities under this section, not less than $25,000,000 shall be provided directly to resident councils, resident organizations, and resident management corporations.".

SEC. 123. APPLICABILITY TO INDIAN HOUSING.

In accordance with section 201(b)(2) of the United States Housing Act of 1937, except as otherwise provided in this Act, this title and the amendments made by this title shall apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, as that term is defined in section 3(b) of the United States Housing Act of 1937.

TITLE II—SECTION 8 RENTAL ASSISTANCE

SEC. 201. MERGER OF THE CERTIFICATE AND VOUCHER PROGRAMS.

Section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) is amended to read as follows:

"(o) VOUCHER PROGRAM.—

"(1) PAYMENT STANDARD.—

"(A) IN GENERAL.—The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B). The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

"(B) ESTABLISHMENT OF PAYMENT STANDARD.—The payment standard shall not exceed 120 percent of the fair market rental established under subsection (c) and shall be not less than 90 percent of that fair market rental.

"(C) SET-ASIDE.—The Secretary may set aside not more than 5 percent of the budget authority available under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

"(D) APPROVAL.—The Secretary may require a public housing agency to submit the payment standard of the public housing agency to the Secretary for approval.

"(E) REVIEW.—The Secretary—

"(i) shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent; and

"(ii) may require a public housing agency to modify the payment standard of the public housing agency based on the results of that review.

"(2) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—

"(A) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT DOES NOT EXCEED PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) does not exceed the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the rent exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) FAMILIES RECEIVING TENANT-BASED ASSISTANCE; RENT EXCEEDS PAYMENT STANDARD.—For a family receiving tenant-based assistance under this title, if the rent for that family (including the amount allowed for tenant-paid utilities) exceeds the payment standard established under paragraph (1), the monthly assistance payment to that family shall be equal to the amount by which the applicable payment standard exceeds the greatest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(C) FAMILIES RECEIVING PROJECT-BASED ASSISTANCE.—For a family receiving project-based assistance under this title, the rent that the family is required to pay shall be determined in accordance with section 3(a)(1), and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

"(3) FORTY PERCENT LIMIT.—At the time a family initially receives tenant-based assistance under this title with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

"(4) ELIGIBLE FAMILIES.—At the time a family initially receives assistance under this subsection, a family shall qualify as—

"(A) a very low-income family;

"(B) a family previously assisted under this title;

"(C) a low-income family that meets eligibility criteria specified by the public housing agency;

"(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

"(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990.

"(5) ANNUAL REVIEW OF FAMILY INCOME.—Each public housing agency shall, not less frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.

"(6) SELECTION OF FAMILIES.—

"(A) IN GENERAL.—Each public housing agency may establish local preferences consistent with the public housing agency plan submitted by the public housing agency under section 5A.

"(B) EVICTION FOR DRUG-RELATED ACTIVITY.—Any individual or family evicted from housing assisted under this subsection by reason of drug-related criminal activity (as defined in subsection (f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver for any member of the family of an individual prohibited from receiving assistance under this title whom the public housing agency determines clearly did not participate in and had no knowledge of that criminal activity, or if the circumstances leading to the eviction no longer exist).

"(C) SELECTION OF TENANTS.—The selection of tenants shall be made by the owner of the dwelling unit, subject to the annual contributions contract between the Secretary and the public housing agency.

"(7) LEASE.—Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit—

"(A) shall provide that the screening and selection of families for those units shall be the function of the owner;

"(B) shall provide that the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant;

"(C) except as otherwise provided by the public housing agency, may provide for a termination of the tenancy of a tenant assisted under this subsection after 1 year;

"(D) shall provide that the dwelling unit owner shall offer leases to tenants assisted under this subsection that—

"(i) are in a standard form used in the locality by the dwelling unit owner; and

"(ii) contain terms and conditions that—

"(I) are consistent with State, tribal, and local law; and

"(II) apply generally to tenants in the property who are not assisted under this section;

"(E) shall provide that the dwelling unit owner may not terminate the tenancy of any person assisted under this subsection during the term of a lease that meets the requirements of this section unless the owner determines, on the same basis and in the same manner as would apply to a tenant in the property who does not receive assistance under this subsection, that—

"(i) the tenant has committed a serious violation of the terms and conditions of the lease;

"(ii) the tenant has violated applicable Federal, State, or local law; or

"(iii) other good cause for termination of the tenancy exists; and

"(F) shall provide that any termination of tenancy under this subsection shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for that action, and any relief shall be consistent with applicable State, tribal, and local law.

"(8) INSPECTION OF UNITS BY PUBLIC HOUSING AGENCIES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), for each dwelling unit for which a housing assistance payment contract is established under this subsection, the public housing agency shall—

"(i) inspect the unit before any assistance payment is made to determine whether the dwelling unit meets housing quality standards for decent and safe housing established—

"(I) by the Secretary for purposes of this subsection; or

"(II) by local housing codes or by codes adopted by public housing agencies that—

"(aa) meet or exceed housing quality standards; and

"(bb) do not severely restrict housing choice; and

"(ii) make periodic inspections during the contract term.

"(B) LEASING OF UNITS OWNED BY PUBLIC HOUSING AGENCY.—If an eligible family assisted under this subsection leases a dwelling unit that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government, or another entity approved by the Secretary, to make inspections and rent determinations as required by this paragraph.

"(9) EXPEDITED INSPECTION PROCEDURES.—

"(A) DEMONSTRATION PROJECT.—Not later than 1 year after the date of enactment of the Public Housing Reform and Empowerment Act of 1995, the Secretary shall establish a demonstration project to identify efficient procedures to determine whether units meet housing quality standards for decent and safe housing established by the Secretary.

"(B) PROCEDURES INCLUDED.—The demonstration project shall include the development of procedures to be followed in any case in which a family receiving tenant-based assistance under this subsection is moving into a dwelling unit, or in which a family notifies the public housing agency that a dwelling unit, in which the family no longer resides, fails to meet housing quality standards. The Secretary shall also establish procedures for the expedited repair and inspection of units that do not meet housing quality standards.

"(C) RECOMMENDATIONS.—Not later than 2 years after the date on which the demonstration under this paragraph is implemented, the Secretary shall submit a report to the Congress, which shall include an analysis of the demonstration and any recommendations for changes to the demonstration.

"(10) VACATED UNITS.—If a family vacates a dwelling unit, no assistance payment may be made under this subsection for the dwelling unit after the month during which the unit was vacated.

"(11) RENT.—

"(A) REASONABLE MARKET RENT.—The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market.

"(B) NEGOTIATED RENT.—A public housing agency shall, at the request of a family receiving tenant-based assistance under this subsection, assist that family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency shall not make housing assistance payments to the owner under this subsection with respect to that unit.

"(C) UNITS EXEMPT FROM LOCAL RENT CONTROL.—If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of that contract, the rent for that unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

"(D) TIMELY PAYMENTS.—Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection. The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

"(E) PENALTIES.—Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency, except that no penalty shall be imposed if the late payment is due to factors that the Secretary determines are beyond the control of the public housing agency.

"(12) MANUFACTURED HOUSING.—

"(A) IN GENERAL.—A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as a principal place of residence. Such payments may be made for the rental of the real property on which the manufactured home owned by any such family is located.

"(B) RENT CALCULATION.—

"(i) CHARGES INCLUDED.—For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

"(ii) PAYMENT STANDARD.—The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

"(iii) MONTHLY ASSISTANCE PAYMENT.—The monthly assistance payment under this paragraph shall be determined in accordance with paragraph (2).

"(13) CONTRACT FOR ASSISTANCE PAYMENTS.—

"(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection—

"(i) the housing assistance payment contract may not be attached to the structure unless the owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with this section; and

"(ii) the public housing agency may approve a housing assistance payment contract for such existing structure for not more than 15 percent of the funding available for tenant-based assistance administered by the public housing agency under this section.

"(B) EXTENSION OF CONTRACT TERM.—In the case of a housing assistance payment contract that applies to a structure under this paragraph, a public housing agency shall enter into a contract with the owner, contingent upon the future availability of appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts, to extend the term of the underlying housing assistance payment contract for such period as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have such extensions of the underlying housing assistance payment contract accepted by the owner and the successors in interest of the owner.

"(C) RENT CALCULATION.—For project-based assistance under this paragraph, housing assistance payment contracts shall establish rents and provide for rent adjustments in accordance with subsection (c).

"(D) ADJUSTED RENTS.—With respect to rents adjusted under this paragraph—

"(i) the adjusted rent for any unit shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the market area; and

"(ii) the provisions of subsection (c)(2)(A) do not apply.

"(14) INAPPLICABILITY TO TENANT-BASED ASSISTANCE.—Subsection (c) does not apply to tenant-based assistance under this subsection.

"(15) HOMEOWNERSHIP OPTION.—

"(A) IN GENERAL.—A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).

"(B) ALTERNATIVE ADMINISTRATION.—A public housing agency may contract with a nonprofit organization to administer a homeownership program under subsection (y).

"(16) INDIAN HOUSING PROGRAMS.—Notwithstanding any other provision of law, in carrying out this section, the Secretary shall establish such separate formulas and programs as may be necessary to carry out housing programs for Indians under this section.".

SEC. 202. REPEAL OF FEDERAL PREFERENCES.

(a) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that are not inconsistent with the comprehensive housing affordability strategy for the jurisdiction in which the project is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act;".

(b) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(1) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(2) PROHIBITION.—The provisions of section 8(e)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983, that require tenant selection preferences shall not apply with respect to—

(A) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in existence on the day before October 1, 1983; or

(B) projects financed under section 202 of the Housing Act of 1959, as in existence on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act.

(c) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(d) CONFORMING AMENDMENTS.—

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(A) in section 6(o), by striking "preference rules specified in" and inserting "written selection criteria established pursuant to";

(B) in section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written selection criteria established pursuant to";

(C) in section 7(a)(3), by striking "who qualify for preferences for occupancy under" and inserting "who meet the written selection criteria established pursuant to";

(D) in section 8(d)(2)(A), by striking the last sentence;

(E) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An"; and

(F) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written selection criteria established by the public housing agency pursuant to section 6(c)(4)(A)".

(2) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended—

(A) in section 455(a)(2)(D)(iii), by striking "would qualify for a preference under" and inserting "meet the written selection criteria established pursuant to"; and

(B) in section 522(f)(6)(B), by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written selection criteria established pursuant to section 8(d)(1)(A)".

(3) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—The second sentence of section 226(b)(6)(B) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4116(b)(6)(B)) is amended by striking "requirement for giving preferences to certain categories of eligible families under" and inserting "written selection criteria established pursuant to".

(4) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "preferences for occupancy" and all that follows before the period at the end and inserting "selection criteria established by the owner to elderly families according to such written selection criteria, and to near-elderly families according to such written selection criteria, respectively".

(5) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection or section 201 to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937, as those sections existed on the day before the effective date of this title, shall be considered to refer to the written selection criteria established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(6)(A), respectively, of the United States Housing Act of 1937, as amended by this subsection and section 201 of this Act.

SEC. 203. PORTABILITY.

Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437f(r)) is amended—

(1) in paragraph (1)—

(A) by striking "assisted under subsection (b) or (o)" and inserting "receiving tenant-based assistance under subsection (o)"; and

(B) by striking "the same State" and all that follows before the semicolon and inserting "any area in which a program is being administered under this section";

(2) in paragraph (3)—

(A) by striking "(b) or"; and

(B) by adding at the end the following new sentence: "The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies."; and

(3) by adding at the end the following new paragraph:

"(5) LEASE VIOLATIONS.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease.".

SEC. 204. LEASING TO VOUCHER HOLDERS.

Section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) is amended to read as follows:

"(t) [Reserved.]".

SEC. 205. HOMEOWNERSHIP OPTION.

Section 8(y) of the United States Housing Act of 1937 (42 U.S.C. 1437f(y)) is amended—

(1) in paragraph (1)(A), by inserting before the semicolon ", or owns or is acquiring shares in a cooperative";

(2) in paragraph (1)(B), by striking "(i) participates" and all that follows through "(ii) demonstrates" and inserting "demonstrates";

(3) by striking paragraph (2) and inserting the following:

"(2) DETERMINATION OF AMOUNT OF ASSISTANCE.—

"(A) MONTHLY EXPENSES DO NOT EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency, and a portion of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.

"(B) MONTHLY EXPENSES EXCEED PAYMENT STANDARD.—If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceed the payment standard, the monthly assistance payment shall be the amount by which the applicable payment standard exceeds the highest of the following amounts, rounded to the nearest dollar:

"(i) Thirty percent of the monthly adjusted income of the family.

"(ii) Ten percent of the monthly income of the family.

"(iii) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by that agency to meet the housing costs of the family, the portion of those payments that is so designated.";

(4) by striking paragraphs (3) through (5); and

(5) by redesignating paragraphs (6) through (8) as paragraphs (3) through (5), respectively.

SEC. 206. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6(p)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437d(p)(1)(B)) is amended by striking "holding certificates and vouchers" and inserting "receiving tenant-based assistance".

(b) LOWER INCOME HOUSING ASSISTANCE.—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended—

(1) in subsection (a), by striking the second and third sentences;

(2) in subsection (b)—

(A) in the subsection heading, by striking "RENTAL CERTIFICATES AND"; and

(B) in the first undesignated paragraph—

(i) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—The Secretary"; and

(ii) by striking the second sentence;

(3) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "(A)"; and

(ii) by striking subparagraph (B);

(B) in the first sentence of paragraph (4), by striking "or by a family that qualifies to receive" and all that follows through "1990";

(C) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5);

(D) by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (6) through (8), respectively;

(E) in paragraph (6), as redesignated, by inserting "(other than a contract under section 8(o))" after "section";

(F) in paragraph (7), as redesignated, by striking "(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o))" and inserting ", other than a contract under subsection (o)"; and

(G) in paragraph (8), as redesignated, by striking "housing certificates or vouchers under subsection (b) or (o)" and inserting "tenant-based assistance under this section";

(4) in subsection (d)—

(A) in paragraph (1)(B)(iii), by striking "on or near such premises"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking the third sentence and all that follows through the end of the subparagraph; and

(ii) by striking subparagraphs (B) through (E) and redesignating subparagraphs (F) through (H) as subparagraphs (B) through (D), respectively;

"(B) [Reserved.]";

(5) in subsection (f)—

(A) in paragraph (6), by striking "(d)(2)" and inserting "(o)(11)"; and

(B) in paragraph (7)—

(i) by striking "(b) or"; and

(ii) by inserting before the period the following: "and that provides for the eligible family to select suitable housing and to move to other suitable housing";

(6) by striking subsection (j) and inserting the following:

"(j) [Reserved.]";

(7) by striking subsection (n) and inserting the following:

"(n) [Reserved.]";

(8) in subsection (q)—

(A) in the first sentence of paragraph (1), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(B) in paragraph (2)(A)(i), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section"; and

(C) in paragraph (2)(B), by striking "and housing voucher programs under subsections (b) and (o)" and inserting "program under this section";

(9) in subsection (u), by striking "certificates or" each place that term appears; and

(10) in subsection (x)(2), by striking "housing certificate assistance" and inserting "tenant-based assistance".

(c) PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—Section 21(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437s(b)(3)) is amended—

(1) in the first sentence, by striking "(at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o)" and inserting "tenant-based assistance under section 8"; and

(2) by striking the second sentence.

(d) DOCUMENTATION OF EXCESSIVE RENT BURDENS.—Section 550(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended—

(1) in paragraph (1), by striking "assisted under the certificate and voucher programs established" and inserting "receiving tenant-based assistance";

(2) in the first sentence of paragraph (2)—

(A) by striking ", for each of the certificate program and the voucher program" and inserting "for the tenant-based assistance under section 8"; and

(B) by striking "participating in the program" and inserting "receiving tenant-based assistance"; and

(3) in paragraph (3), by striking "assistance under the certificate or voucher program" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(e) GRANTS FOR COMMUNITY RESIDENCES AND SERVICES.—Section 861(b)(1)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12910(b)(1)(D)) is amended by striking "certificates or vouchers" and inserting "assistance".

(f) SECTION 8 CERTIFICATES AND VOUCHERS.—Section 931 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and (o) of such Act" and inserting "tenant-based assistance under section 8 of the United States Housing Act of 1937".

(g) ASSISTANCE FOR DISPLACED TENANTS.—Section 223(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4113(a)) is amended by striking "assistance under the certificate and voucher programs under sections 8(b) and 8(o)" and inserting "tenant-based assistance under section 8".

(h) RURAL HOUSING PRESERVATION GRANTS.—Section 533(a) of the Housing Act of 1949 (42 U.S.C. 1490m(a)) is amended in the second sentence by striking "assistance payments as provided by section 8(o)" and inserting "tenant-based assistance as provided under section 8".

(i) REPEAL OF MOVING TO OPPORTUNITIES FOR FAIR HOUSING DEMONSTRATION.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note) is repealed.

(j) PREFERENCES FOR ELDERLY FAMILIES AND PERSONS.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the first sentence of section 8(o)(3)(B)" and inserting "section 8(o)(6)(A)".

(k) ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.—Section 201(m)(2)(A) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(m)(2)(A)) is amended by striking "section 8(b)(1)" and inserting "section 8".

(l) MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.—Section 203(g)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z-11(g)(2)), as amended by section 101(b) of the Multifamily Housing Property Disposition Reform Act of 1994, is amended by striking "8(o)(3)(B)" and inserting "8(o)(6)(A)".

SEC. 207. IMPLEMENTATION.

In accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code, the Secretary shall issue such regulations as may be necessary to implement the amendments made by this title after notice and opportunity for public comment.

SEC. 208. DEFINITION.

For the purposes of this title, public housing agency has the same meaning as section 3 of the United States Housing Act of 1937, except that such term shall also include any other nonprofit entity serving more than one local government jurisdiction that was administering the section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

SEC. 209. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this title shall become effective not later than 1 year after the date of enactment of this Act.

(b) CONVERSION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (o) of section 8 of the United States Housing Act of 1937, as those sections existed on the day before the effective date of the amendments made by this title, to the voucher program established by the amendments made by this title.

(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937, or any other provision of law amended by this title, as those provisions existed on the day before the effective date of the amendments made by this title, to assistance obligated by the Secretary before that effective date for the certificate or voucher program under section 8 of the United States Housing Act of 1937, if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. PUBLIC HOUSING FLEXIBILITY IN THE CHAS.

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by redesignating the second paragraph designated as paragraph (17) (as added by section 681(2) of the Housing and Community Development Act of 1992) as paragraph (20);

(2) by redesignating paragraph (17) (as added by section 220(b)(3) of the Housing and Community Development Act of 1992) as paragraph (19);

(3) by redesignating the second paragraph designated as paragraph (16) (as added by section 220(c)(1) of the Housing and Community Development Act of 1992) as paragraph (18);

(4) in paragraph (16)—

(A) by striking the period at the end and inserting a semicolon; and

(B) by striking "(16)" and inserting "(17)";

(5) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively; and

(6) by inserting after paragraph (10) the following new paragraph:

"(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing and coordinate with the local public housing agency plan under section 5A of the United States Housing Act of 1937;".

SEC. 302. REPEAL OF CERTAIN PROVISIONS.

(a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—

(1) REPEAL.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12714) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 957 of the Cranston-Gonzalez National Affordable Housing Act.

(b) ECONOMIC INDEPENDENCE.—

(1) REPEAL.—Section 923 of the Housing and Community Development Act of 1992 (42 U.S.C. 12714 note) is repealed.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be deemed to have the same effective date as section 923 of the Housing and Community Development Act of 1992.

SEC. 303. DETERMINATION OF INCOME LIMITS.

(a) IN GENERAL.—Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the fourth sentence—

(A) by striking "County," and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the fifth sentence, by striking "County" each place that term appears and inserting "and Rockland Counties".

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations implementing the amendments made by subsection (a).

SEC. 304. DEMOLITION OF PUBLIC HOUSING.

(a) REPEAL.—Section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (Public Law 100-202; 101 Stat. 1329-213) is repealed.

(b) FUNDING AVAILABILITY.—Notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988, as that section existed on the day before the date of enactment of this Act, shall be eligible for demolition under—

(1) section 14 of the United States Housing Act of 1937, as that section existed on the day before the date of enactment of this Act; and

(2) section 9 of the United States Housing Act of 1937, as amended by this Act.

SEC. 305. COORDINATION OF TAX CREDITS AND SECTION 8.

Notwithstanding any other provision of law, rehabilitation activities undertaken in projects using the Low-Income Housing Tax Credit allocated to developments in the City of New Brunswick, New Jersey, in 1991, are hereby deemed to have met the requirements for rehabilitation in accordance with clause (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937, as amended.

SEC. 306. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b), by inserting before the period at the end the following: "and includes any other assistance provided under the United States Housing Act of 1937";

(2) by adding at the end the following new subsection:

"(h) VERIFICATION OF ELIGIBILITY.—

"(1) IN GENERAL.—Except in the case of an election under paragraph (2)(A), no individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of that individual or family under this section by the Secretary or other appropriate entity.

"(2) RULES APPLICABLE TO PUBLIC HOUSING AGENCIES.—A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937)—

"(A) may elect not to comply with this section; and

"(B) in complying with this section—

"(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;

"(ii) may affirmatively establish or verify the eligibility of an individual or family under this section in accordance with the procedures set forth in section 274A(b)(1) of the Immigration and Nationality Act; and

"(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

"(3) ELIGIBILITY OF FAMILIES.—For purposes of this subsection, with respect to a family, the term 'eligibility' means the eligibility of each family member.".

MEASURE PLACED ON CALENDAR—S. 1518

Mr. DOLE. Mr. President, I understand there is a bill on the calendar that is due for its second reading.

The PRESIDING OFFICER. The clerk will report the bill for the second time.

The assistant legislative clerk read as follows:

A bill (S. 1518) to eliminate the Board of Tea Experts by prohibiting funding for the Board and by repealing the Tea Importation Act of 1897.

Mr. DOLE. Mr. President, I object to the further consideration of this matter at this time.

The PRESIDING OFFICER. Pursuant to rule XIV, paragraph 4, the bill will be placed on the Senate Calendar of General Orders.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting one nomination which was referred to the Committee on Armed Services.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on January 5, 1996, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the bill (H.R. 1358) to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Fisheries Service laboratory located on Emerson Avenue in Gloucester, MA, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House agrees to the amendment of the Senate to the joint resolution (H.J. Res. 134) making further appropriations for the fiscal year 1996, and for other purposes with an amendment, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 1643. An act making further appropriations for certain activities for the fiscal year 1996, and for other purposes.

Under the authority of the order of the Senate of January 4, 1995, the bill was signed by the President pro tempore [Mr. WARNER].

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on January 6, 1996, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 1358. An act to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Fisheries Service laboratory located on Emerson Avenue in Gloucester, MA.

H.J. Res. 134. Joint resolution making further appropriations for the fiscal year 1996, and for other purposes.

Under the authority of the order of the Senate of January 4, 1995, the President pro tempore [Mr. WARNER] signed the following enrolled bill:

H.R. 1358. An act to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Fisheries Service laboratory located on Emerson Avenue in Gloucester, MA.

Under the authority of the order of the Senate of January 4, 1995, the President of the Senate [Mr. GORE] signed the following enrolled joint resolution:

H.J. Res. 134. Joint resolution making further appropriations for the fiscal year 1996, and for other purposes.

MESSAGES FROM THE HOUSE

At 12:02 p.m., a message from the House of Representatives, delivered by one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 133. Concurrent resolution providing for an adjournment of the two Houses.

MEASURE PLACED ON THE CALENDAR

The following measure was read a second time by unanimous consent and placed on the calendar:

S. 1518. A bill to eliminate the Board of Tea Experts by prohibiting funding for the Board and by repealing the Tea Importation Act of 1897.

AMENDMENTS SUBMITTED

THE PUBLIC HOUSING REFORM AND EMPOWERMENT ACT OF 1995

MACK AMENDMENT NO. 3117

Mr. DOLE (for Mr. MACK) proposed an amendment to the bill (S. 1260) to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes; as follows:

On page 190, beginning on line 14, strike "CERTAIN PUBLIC AND ASSISTED HOUSING" and replace with "PUBLIC HOUSING".

On page 190, beginning on line 17, strike "dwelling units receiving tenant-based assistance under section 8 and"

On page 191, redesignate subsections (b) and (c) as (c) and (d), and insert on line 23:

(b) INCOME ELIGIBILITY FOR CERTAIN ASSISTED HOUSING.—

(1) IN GENERAL.—Of the dwelling units receiving tenant-based assistance under section 8 made available for occupancy in any fiscal year of the public housing agency—

(A) not less than 50 percent shall be occupied by families whose incomes do not exceed 30 percent of the area median income for those families; and

(B) any remaining dwelling units may be made available for families whose incomes do not exceed 80 percent of the area median income for those families.

(2) ESTABLISHMENT OF DIFFERENT STANDARDS.—Notwithstanding paragraph (1), if approved by the Secretary, a public housing agency, in accordance with the public housing agency plan, may for good cause establish and implement an occupancy standard other than the standard described in paragraph (1).

On page 255, after line 25, insert the following new section:

SEC. 209. DEFINITION.

For the purposes of this title, public housing agency has the same meaning as section 3 of the United States Housing Act of 1937, except that such term shall also include any other nonprofit entity serving more than one local government jurisdiction that was administering the Section 8 tenant-based assistance program pursuant to a contract with the Secretary or a public housing agency prior to the date of enactment of this Act.

On page 259, after line 7, insert the following new section:

SEC. 305. COORDINATION OF TAX CREDITS AND SECTION 8.

Notwithstanding any other provision of law, rehabilitation activities undertaken in projects using the Low-Income Housing Tax Credit allocated to developments in the City of New Brunswick, New Jersey, in 1991, are hereby deemed to have met the requirements for rehabilitation in accordance with clause (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937, as amended.

At the appropriate place, add the following:

SEC. . ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b), by inserting before the period at the end the following: "and includes any other assistance provided under the United States Housing Act of 1937";

(2) by adding at the end the following new subsection:

"(h) VERIFICATION OF ELIGIBILITY.—

"(1) IN GENERAL.—Except in the case of an election under paragraph (2)(A), no individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of that individual or family under this section by the Secretary or other appropriate entity.

"(2) RULES APPLICABLE TO PUBLIC HOUSING AGENCIES.—A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937)—

"(A) may elect not to comply with this section; and

"(B) in complying with this section—

"(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;

"(ii) may affirmatively establish or verify the eligibility of an individual or family under this section in accordance with the procedures set forth in section 274A(b)(1) of the Immigration and Nationality Act; and

"(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

"(3) ELIGIBILITY OF FAMILIES.—For purposes of this subsection, with respect to a family, the term 'eligibility' means the eligibility of each family member.".

Amend the table of contents accordingly.

ADDITIONAL STATEMENTS

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

MILTON FELDSTEIN

• Mrs. BOXER. Mr. President, I rise to pay tribute to a remarkable man who is retiring after a career of leadership and public service spanning 38 years. Milton Feldstein has been a leader in air pollution control since the 1950's, well prior to national consciousness about this issue and passage of the Clean Air Act.

He began work at what is now the San Francisco Bay area air quality management district in the late 1950's and published several papers which led to the first industrial controls on smoke in the San Francisco Bay area in 1960. He became director of technical services in 1961, deputy air pollution control officer in 1973, and rose to the top position of air pollution control officer in 1979, in which he has served ever since. During the course of his tenure he has authored more than 80 papers on analytical methodology and air pollution control techniques.

Milton Feldstein has repeatedly developed innovative comprehensive and workable air pollution control strategies that have successfully reduced air pollution emissions in the bay area and which have served as models for improving air quality throughout the State of California, the Nation, and in other countries.

Throughout his career, he has always had as his primary focus the protection of the health of the 6 million-plus people of the San Francisco Bay area. In 1995 the bay area became the largest metropolitan area in the Nation to attain the national air quality standard for ground-level ozone, complying with all Federal standards. The air quality improvement resulting in attainment of such a standard is particularly significant considering the fact that population and motor vehicles have doubled as the air has become cleaner.

Milton Feldstein has made a truly national contribution to the cause of environmental protection during his almost 40-year career as an air pollution control pioneer. He represents the best in public service and deserves to be congratulated and recognized for his achievements which have provided a better environment for millions of people.•

ORDERS FOR MONDAY, JANUARY 22, 1996

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate reconvenes at 12 noon, Monday, January 22, 1996, immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until 1 p.m., with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, for the information of all Senators, rollcall votes are not expected to occur during Monday's session of the Senate. The Senate could, however, turn to any Executive Calendar items cleared for action. I must also remind everybody that I think it is the 26th when the present continuing resolution expires. So we will need to take action on that before the expiration date. Hopefully, we can do that by agreement and not require a rollcall vote. If that can be done, I do not anticipate any rollcall votes the week of the 22d.

If there should be some change, we will try to notify our colleagues on both sides of the aisle and give them at least 24 hours notice, if possible. I will put that caveat in there, "if possible." I hope it will not be necessary.

Mr. President, let me just indicate this before we adjourn. As I understand it, next Wednesday there may be additional talks at the White House between myself, the Democratic leader, the leaders on the House side, and the President, with reference to a balanced budget. I think between now and then our attitudes should be positive. We should be trying to find ways to come together. Maybe we can, maybe we cannot. There are fundamental differences, and it is not just about numbers. But can we reach an agreement? I do not know. Is it doubtful? Probably. Is it possible? Yes.

So there are still differences. In my view, we have had a slight narrowing of the differences. We are talking about a difference in policy, not just in numbers on the blackboard or on charts. So we will see what happens this next week. I know that some of the staff will be meeting with the Chief of Staff, Mr. Panetta, or his designees, and perhaps by next Wednesday, there will be some coming together, or maybe next Wednesday we will decide that there is no need to proceed further.

ADJOURNMENT UNTIL MONDAY, JANUARY 22, 1996

Mr. DOLE. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the provisions of House Concurrent Resolution 133.

There being no objection, the Senate, at 3:27 p.m., adjourned until Monday, January 22, 1996, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate January 10, 1996:

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF ADMIRAL IN THE U.S. NAVY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

ADM. JOSEPH W. PRUEHER, [redacted]

SENATE—*Monday, January 22, 1996*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, who calls strategic leaders to shape history, we pray for the women and men of this Senate. Once again, today, may they feel awe and wonder that You have chosen them through the voice of Your people. May they live this day humbly on the knees of their hearts, honestly admitting their human inadequacy and gratefully acknowledging Your power. Dwell in the secret places of their hearts to give them inner peace and security. Help them in their offices, with their staffs, in committee meetings, and when they are here together in this sacred, historic Chamber. Remind them of their accountability to You for all they say and do. Reveal Yourself to them. Be the unseen friend beside them in every changing circumstance. Give them a fresh experience of Your palpable and powerful spirit. Banish weariness and worry, discouragement and disillusionment. Often today may we all hear Your voice saying, "Come to me, all who are weary and heavy laden and I will give you rest." Lord, help us to rest in You and receive the incredible resiliency You provide. Thank You in advance for a truly productive day. In the name of our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, there will be a period for morning business until the hour of 1 p.m. We will not have any rollcall votes during today's session. I am not anticipating any rollcall votes for the remainder of the week. If a rollcall vote becomes necessary, ample notification will be given to all Members.

We will, obviously, turn to any matters we can clear by unanimous consent on the Legislative Calendar. There will be a continuing resolution coming over from the House on, I believe, Wednesday of this week, and it is my hope that we can dispose of that by consent. If not, we would have to give Members at least 24 hours' notice on each side. I am not certain how many Members plan to be in town this week. Many are back in their States doing official business. But the continuing resolution expires Friday, January 26. Therefore, we need to act on it before that date.

It is also my understanding that the Presiding Officer would like to bring up this week the conference report on the Defense authorization bill. Again, it is our hope that if that does come up, as I understand it, it now has bipartisan support. The conference report has been signed by Senators NUNN and KENNEDY on that side and by all the Republican conferees, as I understand it. It is our hope that if that comes up, it can be done by consent. If not, we would either have to postpone that vote or give our colleagues notice, because we have indicated we would do that, and we will follow through on that.

THE SENATE RETURNS TO SESSION

Mr. DOLE. Mr. President, we do return to session today ending a recess that began on January 10. Much of what has occurred across America these past 12 days has to do with the weather. I know all Senators join me in saying that our thoughts and prayers are with all those who were victims of "The Blizzard of '96." One of the hardest hit States was Pennsylvania. I saw Governor Ridge on television this morning expressing his concern that the Federal Emergency Management Administration has not been as helpful as Pennsylvania had hoped. I understand that is being worked out. I hope it is, and I hope FEMA does their usual good job, as they have in the past. We will follow that closely.

I would expect that once Federal officials look at the devastation caused by the flooding, they will provide the necessary assistance. I know the Senate stands ready to work with our Governors and with the President to ensure that that occurs as quickly as possible.

Not only was much of America frozen this past week and a half, but so, too, were the negotiations for a balanced budget. We do have from the President, finally, a certified CBO balanced budget. But I must say to my colleagues that, unfortunately, if you take a close look at that budget—and I commend the President for submitting it—much of the savings do not take place until the next century. This is 1996. If the President were reelected, he would be long gone before most of the savings in the discretionary spending occur. Ninety-five percent of the savings in the President's proposal in discretionary spending occur in the last 2 years, 2001, 2002.

We were concerned about our budget because we think ours is a little bit backloaded, but I do not believe, knowing the Congress as I do, that it would be possible for the appropriators to do that much cutting in the final 2 years. Ninety-five percent of $295 billion would have to be done in the last 2 years.

So it seems to me that there is still some glimmer of hope that we might come together on a balanced budget agreement. It is not that we have not tried. We have spent over 50 hours and, as far as I am concerned, everyone was there in good faith. The discussions were long, frank, and candid. In fact, I read about a lot of them in the Washington Post. If I had missed all the meetings, I would have known all about them because they were fairly accurate renditions of what happened. It was in four installments. It did not have everything in there, but almost.

I think the basic problem is just this fundamental difference we have on each side of the aisle on the role of Government and giving power back to the States, letting the Governors and legislatures, whether it is on welfare or Medicaid, make the decisions, and whether or not we should have tax cuts for families with children—not for the rich, but for families with children. I must say, in that area both the President and the Republicans have a tax credit. So it is not that we think tax credits are bad. We cap ours. The President caps his. We are trying to get the package together. We also know we are not going to be successful unless we deal with entitlements. Everybody will recognize, including the entitlement commission, which was chaired by Senator KERREY of Nebraska and Senator Danforth of Missouri, who recognized that entitlements were out of hand and needed to be addressed. If we do not do something to preserve and strengthen Medicare, it is going to be in real trouble in a few years.

So if there is movement—again, I say this without any criticism—I think the movement has to come from the President. We have indicated many, many times that we have moved substantially on the Republican side, whether it was on Medicare or Medicaid, or whether it was the earned income tax credit, or whether it was tax reductions. All those four programs we put in a little box and we have indicated how much we have come in the President's direction and how little he has come in our direction.

So if there is to be an agreement—and I say it as fairly as I can—I think the President needs to make a response. Until that happens, I do not see any real reason to sit down for additional meetings. There is still an opportunity and still some glimmer of hope, as I said.

With reference to the continuing resolution, which is currently funding Government, it does expire at the end of this week. I do not find much support, as I travel around the country, for another Government shutdown. We can point our fingers at the President for vetoing three major appropriations bills, which would have put nearly every one of the workers back to work. He can point his finger at us saying we permitted the Government to shut down.

I think the American people really do not understand. They do not like it. I know the Federal employees do not like it, and others do not know why we pay people for not working, although in this case the Federal employees were willing workers and were prepared to go to work.

Our response this week is clear: Keep faith with our principles and keep our word to the American people and also to keep faith with Federal employees who should not be the pawns in this game, I think, as the Washington Post said in an editorial 2, 3, or 4 weeks ago.

That is what we have coming up this week. The President will address the Congress and the American people tomorrow night on the State of the Union. I think I will respond to that. I think that will happen.

Then, as far as I know, if we can work it out, there will be no votes the remainder of the week. We will let Members know on each side. I will discuss this with the Democratic leader, Senator DASCHLE. Then we will also outline plans for the next week and the week after that as we go into February.

PROVIDING FOR THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Concurrent Resolution 39, submitted earlier today.

The PRESIDING OFFICER (Mr. GRAMS). The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 39) providing for the State of the Union Address by the President of the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 39) was agreed to, as follows:

S. CON. RES. 39

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, January 23, 1996, at 9 p.m., for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

Mr. DOLE. I move to reconsider that motion, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for up to 5 minutes each.

AGRICULTURE CONCERNS

Mr. COCHRAN. Mr. President, one of the things that I learned when I was back in my State was that there is serious concern in the agriculture community about the failure to have a farm bill in place before this new crop season begins.

Already, farmers are having to make decisions about the kinds of activity that they will pursue on their lands this year, and without the guidance of the provisions as to agriculture programs from the Government, a lot are put in a position of having to guess and to simply operate on the basis of faith in the fact that Government might come to some agreement on agriculture programs sometime this crop year.

It was one of the casualties of the veto by the President of the Balanced Budget Act that we do not have in place now commodity programs to guide our agriculture producers in making their decisions. Lenders are reluctant to make loans for funds to begin the operations of this crop year without that same kind of certainty, as well.

What I am suggesting is that another high priority for legislative action, as soon as possible, in addition to the conference report on the defense authorization bill mentioned by our majority leader, is action on a farm bill, or action that will put in place some temporary arrangement for income protection, the other provisions that are usually found in commodity programs in the Agriculture Act.

One suggestion that I know is being discussed today among House and Senate Members is whether or not this continuing resolution that could come over from the House includes provisions of the Balanced Budget Act as they pertain to the agriculture programs. That is something that is being discussed.

I do not know how that will come out in terms of trying to get bipartisan agreement. I support that. We have passed that twice now in the House and in the Senate. It was part of the Balanced Budget Act sent to the President. I hope we can come to some resolution of this. I urge the Senate and particularly those on our Committee on Agriculture to weigh in with their thoughts and advice and counsel on this subject so we can reach a decision at the earliest possible time.

We will put at risk, Mr. President, a lot of farmers all over the country—not just in my State but all over the country—who do not know what the program is going to be. Is there going to be a program? The Secretary says he will implement himself a rice program if no action is taken by the Congress. In my State, that is an important commodity. What is the program going to be? We do not know.

I think it is an obligation, and it would be a very serious act of irresponsibility if this Congress does not soon settle on a farm program for this crop year, put it in place in the statute book, and let this agriculture sector of ours, which has become so productive and so important to our national pride, continue to flourish and to do so in an environment of partnership with the Federal Government to make sure that it continues to be a successful part of our national economy.

Mr. DORGAN. Mr. President, I came to the floor to speak about a number of issues. I ask unanimous consent to be allowed to proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM PROGRAM

Mr. DORGAN. Mr. President, the statement by the Senator from Mississippi is absolutely correct. I do not agree with the conclusion that we ought to include the provisions that were in the last Balanced Budget Act as to the next farm plan, but I certainly agree with him that this Congress owes a decision on what kind of a farm program we will have for the family farmers in this country—not just the family farmers, but especially for them—for the lenders, for the agribusinesses that rely on them. They need to understand as they head toward spring planting what kind of a farm program do we have in this country.

We did not enact a 5-year farm plan last year. There are a lot of reasons for that. We do owe them, it seems to me, a response; if nothing else, an expanded and accelerated debate now to try to figure out what we could agree on for a decent farm program. I support that, although the Senate will not be in session with votes for some days and some weeks, perhaps, so that may not be possible.

It will be my intention tomorrow to introduce a piece of legislation in the Senate to extend the current farm program for 1 year and provide some additional flexibility for planting decisions by farmers in that extension and, additionally, to provide forgiveness for some of the advance deficiency payments for those farmers who suffered a crop failure last year.

I do not necessarily think the best solution is to extend the previous farm program or the current farm program, but it is a solution that is preferable to doing nothing. I do believe we owe an answer to farmers, to their lenders, to agribusinesses and others, and I appreciate the Senator from Mississippi raising the issue.

All of us have a responsibility to work together to provide some certainty. My best guess is that the way to provide certainty at this point would be to extend the current farm program for 1 year, then during this year to have a substantial debate about what kind of farm policy we want in the future, for Republicans and Democrats to reach some consensus and agreement, and then move forward with it.

Again, I share most of the issues and concerns expressed by the Senator from Mississippi.

Mr. COCHRAN. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. COCHRAN. Will the Senator yield for a response?

Mr. DORGAN. I will be happy to yield.

Mr. COCHRAN. I appreciate the kind comments of the Senator from North Dakota. I just want to say, too, I agree with him that some changes are indicated. We just do not want the status quo. I think we can do better than the status quo. There is too much insistence on the status quo right now from the administration on a number of subject areas, vetoing a number of initiatives for change and for improvement of programs.

We have some very good improvements in the agriculture programs included in that Balanced Budget Act, and to just say that we are not going to consider that I think would be a big mistake. So I was heartened by the comments the Senator made about the fact that he would suggest in his legislation changes for more flexibility, for more sensitivity to the realities of the current situation in agriculture. We have had a lot of changes. We have had higher commodity prices in a number of areas. But we do need to get on with it.

I applaud the Senator and assure him that my interest, this Senator's interest, is working in a positive way to reach agreement so we can put it in place. I am glad he is going to introduce legislation along that line.

Mr. DORGAN. Mr. President, I have never indicated that I do not believe there are changes that are necessary. There are changes needed. The current farm program is frightfully complicated. It has the Government hip deep in trying to tell farmers where to plant, what to plant, and when to plant. We can have, in my judgment, a much better farm program that has much greater flexibility for producers.

I do not like the so-called Freedom To Farm Act in terms of where it leaves us after 7 years, because my fear is we are in a situation, then, where there is no safety net at all and when international prices drop and stay down, family farmers just get washed away. That is my major concern. But there are some aspects of the plan that was put in the reconciliation bill which I could support. Flexibility is one of them. So I hope we can get together and have a thoughtful debate and do this the right way. Republicans and Democrats can join hands here and reach a common solution.

A BUDGET COMPROMISE

Mr. DORGAN. I did want to mention a couple of other points on the floor today. This is a new year. It is January. I hope all of us have thought through some New Year's resolutions, one of which ought to be for all of us in the Congress, both in the House and the Senate, and for all of us on both sides of the political aisle, to see if we cannot, in 1996, solve problems rather than create problems.

It has been a year in which we have had shutdowns, threatened defaults, and chaos, and a year in which there were days when this looked a lot more like a food fight than it did serious legislating in the U.S. Congress. I think most of us coming back would believe it would serve the country's interests if there were less rancor, if there were a little more understanding, and if we turned down the volume just a bit.

It does not mean that these are not very important issues that are being debated. But it does mean you cannot, in a democracy, create a situation where you say, "Here is the way we approach our legislative duties. You are all wrong, and we are all right." That does not make sense. That is not the way it works. One side is not all right and the other side is not all wrong. There are good ideas on both sides of the political aisle. But you cannot, in this process, say it is all or nothing, it is our way or no way, and we have seen too much of that in 1995.

Both political parties, in my judgment, contribute to the well-being of this country. I have said it a dozen times and I will say it again: The Republicans do this country a service by advancing and continuing to push on the issue of Federal deficits. The Democrats do a service to this country by saying, yes, let us balance the budget, let us deal with the deficit, but let us also worry about the priorities, let us worry about a program like Medicare, which is important to low-income elderly people in this country. Both sides do us a service. But we ought to, it seems to me, be willing to engage in more thoughtful discussion about how we get the best from each rather than ending up with the worst of both.

Most of all, we ought not be in a circumstance in January 1996, again, in which we see another Government shutdown. That, it seems to me, pokes taxpayers in the eye by saying to taxpayers, "We are going to insist you pay for work that we prevent from being completed," and dangles Federal workers out there on the end of a string saying, "You are the pawns in this dispute we have about the Federal budget."

The majority leader talked about the budget debate. He did so, in my judgment, in very thoughtful terms. I just want to respond to a couple of points.

If you simply took the offers of the Republicans and the Democrats that were last laid on the table in these negotiations and said we will accept the least savings in each of these categories offered by either Republicans or Democrats, and just took the lowest amount of savings from each proposal, you end up in 7 years with $711 billion in savings. That is sufficient to balance the budget, if you simply take the lower of both offers that have been laid on the table in the last meetings that occurred on the balanced budget.

We are not so far apart. But the major difference is over the tax cut, about $130 billion extra in tax breaks especially for upper income people. I am not talking about the lower tax cut for children. I am talking about the upper income tax breaks in the corporate welfare area and $132 billion in extra cuts for Medicare, Medicaid, and the earned income tax credit. That really represents the see-saw, the difference between the two positions in negotiations.

There ought to be a way to bridge that, and I hope there will be. I hope, in the next month or so, this issue will be put behind us and we will have balanced the budget and we will have balanced the budget with a plan that does it in the right way for this country.

FLAT TAX

Mr. DORGAN. Mr. President, in just a couple of moments I wanted to make an observation about the topic of the week last week, and I expect the topic for the next couple of months, that will generate a lot of interest. That is the so-called flat tax, or the "Grey Poupon plan," I call it. The flat tax is a fascinating one. I call it that because it is kind of entertaining, always, for someone who comes from a small town of

300 people to watch a debate between millionaires and billionaires about who can propose a tax plan that will allow investors to get to a zero tax rate the most quickly.

We have the Armey plan, the Forbes plan, and some others. I just wanted to mention, in case people hear about flat taxes and they think, "Gee, that sounds like a good idea, flat, curved, rolling hills, up or down," I mean, I do not know what the geometry of all of this is. But if you think that we should not allow a deduction for your home mortgage interest on your tax return, then you would really like the flat tax because the flat tax says you cannot deduct your home interest mortgage. If you think you ought to be required to take your fringe benefits, like your health insurance that your employer might provide and now start paying taxes on that, declare it as income and pay taxes, then you would really like the flat tax because that is what you would have to do. No home mortgage interest deduction, no charitable deduction, and they would take all your fringe benefits, add them up, and you start paying taxes on that income.

Then they say flat tax, except it is not flat. It is a tax that has a flat rate for those who work and a zero tax rate for those who invest. Here is the way it works. You go to work every day and work and you are going to pay whatever flat tax rate they talk about. But if you happen to have an enormous amount of money and your income comes from dividends and interest and you make $10 million a year in dividends and interest and capital gains, your tax rate is not flat, it is zero—zero. So it is not appropriately called a flat tax. It is flat for people who work and zero for people who invest.

That might sound good, I guess, if you are a millionaire or billionaire and you might debate, if you are a millionaire or a billionaire, about which plan gets you to a zero rate first. But, in my judgment, the more the American people dissect this they will understand more what Mr. Forbes and others are talking about, that they really want to say, if you work for a wage you pay an income tax, but if you get your money through capital gains or interest or dividends and get $10 million a year or $1 million a year or $50 million a year, guess what, you do not have to pay taxes in this country because you are going to get an exemption.

I tell you, I think our tax system is frightfully complicated. It needs to be radically simplified. But we do not need a plan that says, if you work you pay taxes, and if you invest you have a massive exemption. That is not a fair tax plan. They might call it flat, but it is flat and no tax, a flat tax and no tax, flat tax for those who work, no tax for those who invest. I think when the American people dissect it and take a good look at it, they are going to say, no, let us radically simplify the tax program, but let us have everybody pay a little something. If you make $10 million from interest, dividends, or capital gains, you pay a tax. Maybe it is flat, maybe it is not, but it seems to me everybody ought to contribute.

I find it interesting in this discussion that we always hear people say, "Why should you penalize success?" Whenever they use those terms, they all define success as someone who has had a capital gain or gets a dividend or interest. What about the success of someone working? What about someone who goes to work every day all year and takes care of his or her family and earns a wage; is that not success? Of course it is. Working is achieving success as well. Work, investing, managing, entrepreneurship, all of that is success. It is not just investment that is successful. Work is successful. Let us just make sure we have a tax system that recognizes that all of those folks in this country are successful.

We do not want to create a circumstance where we say America has an income tax, but it only applies to those who work for a wage. Those who are fortunate enough to have inherited $100 million or reached a position in life where they have $50 million and they collect $1 million or $10 million a year in dividends, they have decided that they do not have to pay taxes.

So I hope, as we think through this this year, that we will come to an understanding of what all these proposals are and how they affect various parts of this country.

Let me end where I began, Mr. President. I know that no one is waiting for time, and you have been generous with the time today.

I hope that all of us, no matter how passionately we feel about all of these issues this year, will decide that we can work together. We might have deep disagreements about a lot of issues. But democracy only works if all of us in this room decide to work together to try to bridge our differences. We can spend all of our time building walls, or we can spend some of our time starting to build bridges. It makes a whole lot of sense for us to tone down the rhetoric just a bit and have the deep disagreements and work through these things but start solving problems for the American people rather than creating problems for the American people.

I hope that at the end of 1996 the legacy will have been that we turned the corner and created a much more productive role in the life of this country than we did in 1995.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may speak as in morning business for a few minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PRESIDENT'S BUDGET PROPOSAL

Mr. MURKOWSKI. Mr. President, I recently returned from my State of Alaska, where I had the opportunity to speak to our legislature in a joint session and visit constituents in Juneau, Anchorage, and Fairbanks.

Mr. President, what I heard from my constituents was, I think, best reflected in their inability to simply understand why we could not reach an accord on a balanced budget. We have seen from the administration several budgets come before the Congress. I think we all recall the first one that came before this body, which did not receive one vote, neither Republican or Democrat.

Subsequently, we have had a series of more than five budgets, until the administration has progressed to the point where they claim they have submitted a balanced budget. But virtually everyone is aware of the reality that the sixth and seventh years are where the Clinton cuts occur. As a consequence, I think it is fair to say that virtually everyone who analyzes that proposal finds it unrealistic.

It is unrealistic for two reasons. First of all, in the sixth or seventh year, whatever Members are in office clearly are not going to have the ability to make those cuts in just 2 years. Those are going to be draconian cuts, and the political fallout, obviously, will make such cuts unacceptable.

The other realization, Mr. President, is that regardless of the outcome of the Presidential election, President Clinton will not be in office when those cuts arrive in 2001 and 2002. Nor will he bear any responsibility as a President in office.

So what the President has sent us is basically a proposal that amounts to a charade because, as you and I both know, if you are going to be realistic, you are going to have a proportionate reduction in each of those 7 years so you can reach a balanced budget in the seventh year. It just points up another instance where we will do anything or go to any length to ensure that we do not have to make the tough decisions up front, take the tough medicine and address the cure up front.

I think it is fair to say we all know from our own personal experience if we have a tough situation, you make the decisions early and do not put them off. That is just what has happened with the President's proposal, where in the 7-year so-called balanced budget, all the cuts are basically in the last year.

Now, Mr. President, we are going into a situation on January 26 where we will have to address the merits of reauthorizing the extension of Government to operate. And then, by probably in March, we will have to face the reality that we will have to increase the debt ceiling.

As we reflect in the extended debate and discussion in this country over the balanced budget on the one hand, and then find that in order to keep Government from being in default, when one thinks of the merits of that, the Federal Government being in default, by increasing the debt ceiling from the current authorization of $4.9 trillion, it really marks the reality of the seriousness of the problem.

Make no mistake about it, Mr. President: We are in dire straits. It is one thing to talk about the $4.9 trillion debt, which is the maximum debt ceiling; the other is to recognize we will be asked to increase that to $5.3, $5.4, or $5.6 trillion.

That is not the end of it, Mr. President. The realization is we have to pay interest on that debt, and the interest, Mr. President, currently is more than our annual deficit. Think about that. The interest on the $4.9 trillion is more than our annual deficit, and our annual deficit is a consequence of spending more than we generate in revenue.

A member of my staff is expecting a child in May. It is estimated that this child will inherit approximately $158,000 as his or her portion of that accumulated $4.9 trillion. Now, if we do not turn this thing around now, Mr. President, at some point in time it will be too late.

I know there are many Members here who feel very strongly that they are not going to vote for an increase in the debt ceiling unless there is a commitment from the administration to address a balanced budget that is attainable and that is real.

Mr. President, as we enter this week where the President will be giving his State of the Union Message, and as we enter this week, further, where we are asked to reauthorize an extension of Government because the continuing resolution is voted, I point out a few things relative to cause and effect, because when I was home there was concern about why Government was shut down and who bore that responsibility. Some suggested it was the responsibility of Congress alone.

I remind the President that this body and the House passed a series of appropriations bills. About 12 of those appropriations bills were passed, and the President vetoed about half of them. In vetoing, the President bore the responsibility of basically not funding those particular agencies. The consequences of this, Mr. President, are a difference of opinion between the administration and the Congress as to the adequacy or inadequacy of those various appropriations bills. To suggest it was all the fault of Congress is unrealistic. Congress did its job.

When you look at the vote on the welfare reform bill, Mr. President, I think it deserves particular examination because many of us assume that we have negotiated with the administration to a point that was acceptable. I think it passed this body, Mr. President, about 87 to 12. It is fairly significant that those on the other side of the aisle felt we had a pretty good bill, but the President saw fit, kind of in the dark of night, to veto that bill. One has to wonder just what the objection of that veto message was. I never did quite understand it.

Now, we have heard time and time again from the White House that this is the fault of an unresponsive Republican-controlled Senate and House who are proposing to balance the budget on the backs of the elderly and on the backs of the low-income groups, on the backs of children; it will affect education and it will affect the environment. Yet, the President's own members of his Cabinet, several members of his Cabinet, earlier did an evaluation of the Medicare Program and found that the Medicare Program would be in default, it would be broke, if it was not addressed at this time.

In 7 years we would not be able to meet our obligations with regard to Medicare. After an extended discussion with the leadership of both the House and the Senate, negotiations took place, and the only alternative available to address the runaway increase in Medicare was simply to reduce the rate of Medicare's growth. It had been growing at a rate of almost 10 percent. The agreement finally came down to reducing that rate of growth from approximately 10 percent to just under 6 percent.

How did the administration respond to this? "Draconian cuts," they called it. But it was not a cut; it was a reduction of the rate of growth. Those recipients of Medicare would receive an increase this year over last year and next year over this year. Yet, the American people, the elderly and those dependent on Medicare, I think, were frightened by the misleading statements from the White House and the inability of the national media to address the alternative, Mr. President. The alternative was that if we did not reduce the rate of growth, the system would be bankrupt, and then what is the capability of the system to meet its obligation for those who are recipients of Medicare? That was simply excluded from the discussions, excluded from the conversations, and of course excluded from the wire stories, blaming the Republicans for this dilemma.

Mr. President, it has been said time and time again on this floor that this is the opportunity to redirect America, to reduce Government control, to reduce Government spending, and bring Government back to the people.

Now, the Republicans have dug in and said if we do not do it now, it probably will not be done. Our children and grandchildren are going to share the increasing burden. At some point in time, somebody will have to take that medicine, Mr. President, because as you go back and reflect on that 4.9 trillion dollars' worth of accumulated debt and the realization that we cannot afford to put this Nation in default, the only alternative is to reduce the rate of growth of that debt and that simply mandates a balanced budget.

That is what this is all about. It is redefining the direction of our Government to make it simple, to make it smaller, to make it more responsive, to put control back where it belongs, back to the States, back to the people.

I urge my colleagues as we address the significance of several events taking place this week that we keep our eye on our objective and the realization, Mr. President, that if we do not do it now, then the question is, When? If it is not now, it may be too late.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

(The remarks of Mr. DOLE pertaining to the introduction of S. 1519 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. COVERDELL). The Senator from Utah.

KEMP TAX COMMISSION REPORT

Mr. BENNETT. Mr. President, last year, I delivered a rather lengthy speech on the issue of taxes. I talked about flat taxes. I talked about capital gains taxes. I talked about the relationship of tax revenue to tax rates and mentioned at that time the work of the Kemp Commission that was studying all of these issues. In the time that we have been in recess the Kemp Commission has reported, and I wish to make a brief comment now, perhaps reserving the right to make a longer comment at some point in the future.

I salute the Kemp Commission for the work that they have done. I note with some degree of pride and satisfaction that in my statement on the floor I talked about four basic principles that should guide our tax system: neutrality, simplicity, stability, and fairness. In its report, the Kemp Commission incorporated all four of those but added a fifth that I wish I had thought of, and that is visibility. That is, they pointed out that people should know how much taxes they are paying. Taxes should be visible so that the average American will be aware of what is happening.

The Kemp Commission did another thing that I find salutary. They talked about the impact of payroll taxes on the lives of Americans. In all of our discussion, both here and out on the campaign trail, among those who are seeking the Presidency of the United States, the entire focus is on the income tax. I wish to talk a little bit about that this afternoon and point out the wisdom of the Kemp Commission's focus not only on the income tax but also on the payroll tax.

If you were to draw a line between all Americans at roughly 50 percent, you could with fairness say everyone above that line in terms of his or her earning power pays income taxes, and everyone below that line does not. Now, it is not exactly that clear, but roughly 97 percent of the taxes paid as income taxes are paid by people in the top 50 percent of our wage earners, which means that the bottom 50 percent of our wage earners pay virtually no income tax at all. That means then that if you focus all of your attention on the income tax and the various flat tax proposals that are out there, you are leaving out any kind of tax relief for roughly 50 percent of America's wage earners and that 50 percent that are doing the most poorly in terms of the amount of money they are bringing home.

Now, let us talk about the tax burden of the payroll tax on that bottom 50 percent. Some will say, well, the payroll tax is only 7.5 percent or some such number, depending on where you fall. It may be a little more when you add the Medicare taxes to it. The other is paid by the employer. The fact, of course, is, Mr. President, all of that money is paid by the employee. I have run a business. I know that when the time comes to decide whether or not you are going to hire a new employee, you look at the total cost of that employee. If this is an employee that is going to be earning $20,000 a year in pay that shows up on that employee's W–2 form, you as the employer know that he is actually going to cost you $30,000 a year because you have to pay these payroll taxes, unemployment compensation taxes to the State, Medicare taxes, et cetera, on behalf of that employee. So you never think in terms of a $20,000 employee. You think in terms of a $30,000 employee.

That means that in order for you to hire him, he has to produce at least $30,000 worth of economic benefit to your firm. If he cannot generate at least $30,000 benefit to you, you cannot afford him, even though his paycheck stub shows that he is earning $20,000. So if he is earning $30,000 for your company, clearly the employer's share is really money that he has earned and it is deposited in his name in the various trust funds that are set up around here to handle the entitlements.

So that means in the economic value that employee is generating not 7.5 percent, 8 percent, whatever is taken out of that value for taxes, but twice that amount—the amount he puts in and the amount the employer puts in in his name. This means that for our lowest paid workers in this country, they are sending to Uncle Sam and to State legislatures and State tax collectors approximately 25 percent of the gross economic value that their earnings represent—25 percent. Yet none of that is dealt with when we are talking about income tax reform because none of those payments are income tax payments.

What are they for? It is interesting, the debate we are having on the floor about slashing Medicare—I should put "slashing" in quotation marks because, of course, everyone knows that every proposal dealing with Medicare proposes increasing the spending on Medicare—but in all of this discussion about Medicare, where does the money come from? The money going into Medicare does not come from the income taxpayer; it comes from the payroll taxpayer.

It is payroll taxes that support the Social Security trust fund, so when Ross Perot starts to draw Social Security, on top of the benefits and blessings that he has by virtue of being a billionaire, that will be paid for by someone in the lowest half of the earnings scale making his or her payroll tax contributions to the Government every pay period.

That is why I say it is salutary that the Kemp Commission not only focused on income tax, but spent some time talking about the payroll tax, saying that the payroll tax should be made deductible for the individual as it now is for the corporation or the employer.

Yet there is a problem with that, Mr. President, because, as I say, it is only the top 50 percent that pay any income taxes at all. So, if your payroll taxes are deductible from your income tax but you are not paying any income tax, the deductibility of payroll taxes, while a nice concept, does not do you any good.

So, Mr. President, on this occasion I rise to commend the Kemp Commission for the work they have done. I think they have done a first-class job of opening the debate and laying out basic principles. I rise to commend them on their adoption of the five basic principles: that taxes should be neutral, simple, stable, fair, and visible. I rise to commend them on their opening wedge, if you will, on the issue of fairness of payroll taxes.

But I make the point that we have in fact just opened the door to deal with payroll taxes, and, if we are going to truly start with a clean sheet of paper and build a tax system in this country that makes sense, we are not only going to have to toy with the idea of abolishing the IRS and the present income Tax Code, we are also going to have to address the question of what we do about payroll taxes that have become so burdensome and, in many ways, so unfair in the way they operate in the lives of the people who live below that center line that divides the income taxpayers from the other half of the country.

This, I think, is perhaps the source of greatest anger on the part of people who recognize that the tax burden is crushing and unfair, and they feel a sense of helplessness as they deal with it.

If you are a person living below that 50 percent line, you have absolutely no options. If you are above the 50 percent line and someone comes along and changes the tax law, you are earning enough money that you can change your behavior to take advantage of the changes in the tax law.

I pointed out here on the floor before a study by Dr. Feldstein—and it has been placed in the RECORD—that the tax increase supported by President Clinton and pushed through the Congress in 1993 has in fact produced only one-third of the amount of revenue that was promised at the time it was formed.

Why? Clearly because the people in the top 50 percent changed their behavior in reaction to that bill, did other things with their money, and avoided paying taxes, an activity which the Supreme Court of the United States says is perfectly appropriate and legal. Tax avoidance, they have said, is not illegal. Tax evasion is. That is a different thing. But changing the way you handle your money to avoid taxes has become a time-honored American activity.

The bill was passed on this floor. President Clinton signed it with great fanfare. "Now we're going to get this additional revenue to deal with the budget deficit."

The study by Dr. Feldstein says they only got one-third as much revenue as they projected. That makes the people who live in that top 50 percent feel kind of smart that they were able to do different things with their investments and avoid the taxes. But the people at the bottom 50 percent have no such options. Their taxes are entirely payroll taxes. If they get a raise, their taxes go up automatically because it is a percentage of everything they earn up to the level in which they can cross the line into the top 50 percent. That is where much of the anger is coming from. That is where much of the frustration is. And, frankly, it is appropriate anger and frustration.

So I hope as we deal with this issue in our debates here on the floor, we will include, as I have not done but the Kemp Commission has opened the door for us to do, the people in the lower 50 percent as well as the people in the upper 50 percent.

Mr. President, it is very clear we will not have a structural reform of the tax system in either area, income taxes or payroll taxes, in this Congress. We do not have time for it. The Finance Committee calendar is jammed. We have long since learned that this kind of legislation is very complex and requires a great deal of study and work. All we can do is open the dialog, begin the debate in this Congress, and look for the time in the next Congress when we will have an opportunity for genuine tax restructuring.

I was asked by a newsman today, will we have serious restructuring of the tax system in 1997? Well, my crystal ball is as cloudy as everybody else's. I cannot make a prediction of that kind with any sort of accuracy. But I did make this comment, and I repeat it here, debate over the tax structure, I believe, will be a central issue in the 1996 Presidential and congressional campaigns. It will become one of the defining issues in that debate.

If I may, should the Republican nominee prevail in the 1996 election, then a serious attempt to restructure the tax system will indeed begin in January 1997. Should President Clinton prevail in the elections this fall, then I believe that conversation about restructuring the tax system will remain conversation and nothing will happen beyond that which we have seen for the last 40 years, which is tax reform by name, tinkering around the edges, in fact, with the basic tax system that we currently have remaining intact, except for those marginal changes for the remainder of President Clinton's second term, should he receive one.

This is a fundamental issue. We have a tax system now that is clearly unfair, that has spun out of control to the point where it is unpredictable in terms of Government policy and which creates tremendous antagonism and anger on the part of the citizens who are subjected to it.

The time has come to begin the serious debate of restructuring it, top to bottom, not just income taxes, but also payroll taxes. And while we are at it, we might as well look at the user fees we charge and the tariff structure.

Let us take a completely clean sheet of paper for every way in which the Government raises revenue and see if we are not smart enough, as we look forward to the next century, to put together a system that works better than the one that was crafted roughly 70 years ago.

So, Mr. President, again, I commend the Kemp Commission for the contribution that it has made in prying open these issues and the principles it has laid down and look forward to the time when we can have this debate through this Congress, and, as a partisan, if I may say so, I look forward to the time when a new President will help us tackle this in a very serious legislative way in January 1997.

I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. KYL. Mr. President, I would like to begin by complimenting the Senator from Utah for presenting, I think, a very erudite discussion of the need for revisions in our tax policy and for his comments on the so-called Kemp Commission for the report which it released last week.

I think he indicated the reasons why it is time to begin this debate. I will not repeat those. But he also showed his extensive knowledge in the area, and I appreciate the experience and the expertise which he brings to the Senate on this important topic and look forward to his continued counsel as we debate these issues during the next year and, hopefully, begin actual legislative work in fundamentally changing the Tax Code beginning in 1997.

I thank the Senator from Utah.

Mr. BENNETT. Mr. President, if I may, I thank the Senator from Arizona for his kind words.

FUNDAMENTAL TAX POLICY AND BALANCING THE FEDERAL BUDGET

Mr. KYL. Mr. President, let me discuss in the context of the budget impasse, with which we are currently faced, both the Kemp Commission report and a few items with respect to this budget impasse, because, frankly, they represent two sides of the same coin. I do not think we have adequately identified the relationship between fundamental tax policy on the one hand, as addressed by the Kemp Commission, and on the other hand our efforts to balance the Federal budget. There are some people who spend, I think, most of their time focusing on the need for a balanced budget, and that is important, but that is only half of the equation. The other half is the revenue side of the equation.

As we, as families, look at how we can continue to sustain our standard of living, to pay our bills, to make sure we come out right at the end of the year and to make decisions with respect to savings and investment, we really look at two separate things.

First of all, we look at how much income we are making in the year, and then we also look at how much we are going to spend. Much of the balanced budget debate, Mr. President, has focused on the spending side at the Federal level, watching our pennies, how can we reduce the growth in spending each year, how can we begin to save money at the Federal Government level so that we get our budget into balance. We are focused on the savings side there, primarily.

We also need to focus on the revenue side of it. For those of us who do not support new tax revenues, tax increases, we look at what kind of fundamental changes might not only produce a simpler and fairer tax system but also one which, ironically, might bring in more Federal revenue without raising taxes.

One thing that the Senator from Utah did not mention but I know he knows is that for the last 40 or 50 years, whether we have had Republicans or Democrats in power, war or peace, good times or bad times economically, the Federal Government has collected about 19 percent of the gross national product in revenues to the Federal Treasury. In other words, what the American people are willing to contribute to the Government has remained virtually static as a relationship or percent of the gross national product or the gross domestic product. The reason is, as the Senator from Utah pointed out, because people make changes in their behavior to adjust to tax policy.

When the Government decided to collect more revenue on raising the luxury tax on yachts, furs, and cars, it did not bring in more revenue, it brought in less, because people adjusted their behavior and they stopped buying the fancy fur coats and the yachts. The result was, not only did the Federal Government lose the revenue they made before, they did not make more revenue. People lost their jobs and paid less in the way of taxes.

So changing tax rates up has not produced more revenue. By the same token, as John F. Kennedy learned in the early 1960's and as Ronald Reagan confirmed in the 1980's, a tax cut can actually produce just as much revenue as a higher level tax rate, because when tax rates are reduced, let us say capital gains tax, for example, the commercial intercourse which raises the money increases to the point that even with a lower rate, the Federal Government makes the same or more revenue. It is a lot like a sale at the holiday time. The retailer does not intend to lose money when he puts all of his items on sale. He knows he will make up in volume what he may lose in terms of the price for each particular item. That is much the way with tax rates. So we know reducing tax rates can actually produce more revenue.

As we begin to look at how we are going to fundamentally revise the Tax Code, as the Kemp Commission did, I think we can anticipate that we can produce as much or more revenue with lower tax rates than is currently being produced with our current rates.

That is why the Kemp Commission concludes that if we can provide for a simpler and fairer single rate kind of tax, and if we can eliminate, as it recommends, the tax on estates, the tax on capital gains and provide a deduction for the payroll tax, it is likely that the economy will grow substantially and that we can, in effect, at a relatively low income tax rate produce at least the same amount of revenues.

That is why I think it is important, Mr. President, as we look at the opportunities for growth and economic expansion in the future, that we not just focus on balancing the Federal budget. That has been pretty much what we have been talking about in the last 3 or 4 months in the House and Senate, but it is really only half of the equation. The other half is how we can continue to produce at least as much revenue with lower tax rates, a simpler and fairer tax rate structure. I hope that debate will continue throughout the Presidential campaigns and actually take root in the congressional action that we will engage in in the early part of 1997.

I said I want to talk about both subjects, because we not only have the issue of the Kemp Commission report and what it begins in terms of a debate—and I think that will dominate much of the Presidential campaign—but we also have the probable failure of the budget negotiations, and I want to present the second half of my remarks on that point.

I think it is very unlikely now that there will be a budget agreement, because the congressional negotiators have conceded about all that they can concede, as a recent article in the Wall Street Journal noted, and the President has come very little distance toward the Republican position, with the result that it is not likely that there is going to be a successful conclusion to the budget talks.

What does that mean for America for the next year? Why is it so important that we get to a balanced budget, that we do that in 7 years using honest numbers? What do we give up if we do not do that? And what are some of the myths that surround this debate?

I think it is important for us to understand that, because then as we begin to point fingers of blame—and inevitably that will happen because we are not going to have a budget deal—at least our colleagues and the American people will appreciate the direction in which that finger ought to point.

It will not come as any surprise that I think that finger needs to be pointed at the President. I am hoping if enough public pressure is applied to the White House that the President might relent and actually sit down and seriously negotiate with the Speaker and the majority leader. That really has not occurred up to this point.

As the Wall Street Journal article noted on January 10, the Republicans have moved about $390 billion toward the President's position. He has moved about $8 billion further away from our position. The net result is about a $400 billion movement by the Republicans and very little movement by the President.

So as I say, that represents very little opportunity, it seems to me, for a negotiated settlement at this point unless the President is willing to sit down and say, "All right, you met me halfway, now I'll do the same." From the President's rhetoric, it does not appear he is willing to do that.

So what is the consequence of not reaching a budget agreement this year? First of all, the four or five key areas of reform, of policy, which are embodied in the budget will not be translated into public policy, into legislation and, therefore, America will forgo the benefits of those policy changes over the course of the next year, and depending upon how the elections, perhaps for a long, long time.

The President campaigned saying he would like to end welfare as we know it. The Senate passed a bill ending welfare as we know it with 87 votes, with Democrats and Republicans alike supporting welfare reform. Yet, the President vetoed the bill. So failing to arrive at a budget agreement will mean that we will not have reformed welfare and we will extend for another year a system which most people in this country believe is broken and is desperately in need of fixing; we will not have made the fundamental changes necessary to preserve and strengthen and save Medicare. Again, almost all of us recognize the need to do that, including the President. His ideas are, in many respects, not substantially different from ours. Nonetheless, he says that that is veto bait, and he does not support our fundamental reform of Medicare in order to save that program and keep it from going bankrupt, which his own trustees say will happen within the next 7 years unless we take action today.

We need fundamental reforms like more choice to be offered to seniors, such as the Medisave account, physician-hospital networks, and other things, creating products, creating competition, and keeping the costs down. That is another consequence of the failure to reach a budget agreement.

A third area is Medicaid. My State of Arizona has handled the Medicaid Program through a program it calls Access from virtually the very beginning, through waivers from the Federal Government to provide for managed care for those needy in our population that qualify for Medicare. Yet, this fundamental change will also fail to be put into effect. We will not be block granting the Medicaid funds because that is part of the overall budget reform.

A fourth area is in the area of tax relief for working families. Again, the President had assured the American people that he wanted tax relief for working families. We provided for that in our budget. The CBO said we can do both tax relief and balance the Federal budget in 7 years. Yet, that, too, remains a substantial area of disagreement between the White House and congressional negotiators. So this, too, will fail to take place.

Now, what does that mean? The President has been fond of saying that the Republican plan is a "tax cut for the rich." Here is one thing that it means. The $500 per child tax credit means that in the State of Arizona over 47,000 low-income taxpayers will not have to pay any more income tax because that $500 child tax credit is just enough to take them from the position of taxpayer to the position of being able to deduct enough not to pay any taxes. It is about 3.5 million people in the United States. A tax cut for the rich, when 3.5 million low-income families in this country will literally have their income tax liability eliminated as a result of the Republican tax relief? That does not sound like tax cuts for the rich to me, Mr. President. That sounds like Republicans trying to do something for the low-income people in this country, who have children and who can really use that $500 child tax credit.

In fact, about three-fourths of the tax relief benefits go to families making less than $75,000 a year. With two-income families in this country today, I do not think there are a lot of people in this country that think if you are making $75,000, you are necessarily rich. In any event, about three-fourths of the benefits go to families making less than that.

I think, too, most people realize that since, as the Senator from Utah was just pointing out, the wealthy in our society pay most of the taxes, it is pretty hard to design a tax relief program that does not benefit those who pay most of the taxes, and that is the wealthier in society. Is that bad for people that are less well off? No, because it takes capital and it takes money to invest in our free enterprise economy in order to promote growth in businesses, to provide job opportunities. That is what John F. Kennedy referred to when he said that "a rising tide lifts all boats." In other words, if you have the entrepreneurs, capitalists who can create a business and provide job opportunities, that helps everybody, including those looking for a job or greater job opportunities.

So if we fail to reach a budget agreement, we will have failed to reform welfare, Medicare, Medicaid, our tax structure, and the Republican plan will clearly help the poor in our society. Also, we will fail to create about 2 million jobs, which is the estimate that can be created by capital gains tax relief.

On the negative side, Mr. President, we will have consigned ourselves to yet another year of payment for more and more interest on the national debt—money that could be used to spend on other things. There will be $233 billion in interest payments on the Federal debt this year. It is money that could be spent on job training, education, or medical relief for needy citizens, or even tax relief, or reducing the Federal debt. But, no, that is money that we have to pay as interest on the ever-increasing debt. It is a lost and missed opportunity. Yet, it is one more year we will have to make those kinds of payments.

It also means something else. My grandson, Jonathan, was born last year and, in effect, we handed Jonathan a credit card and said, "You owe $187,000 to the Federal Government." That is how much he is going to have to pay in his lifetime to just pay the interest on the Federal debt that exists today. It does not count what he will have to pay for defense, Medicaid, Medicare, Social Security, education, or anything else. The debt is even getting bigger. That is just what he owes today as his share of interest on the national debt. It is not fair to Jonathan or our other two grandchildren, or all of the children and grandchildren in this country who, in effect, are being handed the credit card bill for what we run up in obligations.

We also know that we are missing out on a wonderful opportunity that we can begin to pocket, literally beginning tomorrow. There are an awful lot of people in this country who have home mortgages, a student loan, or a car loan, and who appreciate what interest costs them. By most experts' analyses, if we are able to pass a balanced budget in the next 7 years, interest costs will go down at least 2 percent. One of the estimates is about 2.7 percent. DRI-McGraw/Hill, one of the economic forecasters, provided data to the Heritage Foundation, which made estimates. According to the estimates, that kind of rate reduction would, in my own State of Arizona, save the average Arizona homeowner about $2,655 every year. The average home mortgage in Arizona is a little over $98,000. Therefore, that kind of an interest rate reduction would save over $2,600 for the average Arizona homeowner. That is a lot of money, Mr. President. For the average student loan, it is like $547 in my State. This is money in your pocket, money that you would not have to pay if the Federal Government can balance the budget, because interest rates would go down if we do that. When interest rates go down, it reduces everybody's cost of living.

Lawrence Lindsey, one of the Federal Reserve Board Governors, said, "We can bring interest rates down to where people today could have 5.5 percent mortgage loans like we used to have." My first mortgage loan was 5¾ percent. That may tell you how old I am, but it may also suggest what would happen because that is about 2.5 percent below where you could get a 30-year fixed-rate home mortgage for today. Think about what that would save in terms of money.

So we are forgoing a tremendous opportunity for a higher standard of living, beginning today, beginning tomorrow, if we cannot commit to a balanced budget over the next 7 years. That is why, Mr. President, I think it is a very sad and disappointing thing that the President has not been willing to negotiate in good faith with the congressional Representatives. We are trying very hard to get him to commit to some of these fundamental reforms and agree to a 7-year balanced budget. We are forgoing so much that would improve our lives and our children's lives. It is not fair, it is not right, and it does not support the values that the President purports to support and which we have all committed ourselves to here. I think that, as a result, it will be a very sad day if we finally conclude that we are not able to reach a budget agreement with the President.

In conclusion, Mr. President, as President Clinton gives his State of the Union speech tomorrow night—and I am sure challenges America to a greater tomorrow, since most of us believe that our best days are ahead of us as a country and as a people—and we respond, as I am sure we will, to a very positive message of the President, we also ought to be asking him what he can do to help today to provide a better tomorrow by sitting down and seriously negotiating with the congressional negotiators for a budget agreement that reaches a balanced budget in 7 years, which commits us to true welfare reform, Medicaid, Medicare, and tax relief for working families in America.

If we do that, we will truly be able to say that our best days are ahead of us.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCERN OVER FAILED BUDGET TALKS

Mr. SPECTER. Mr. President, during the course of the past several weeks, there has been an opportunity to talk to constituents at home to discuss the problems in Washington, DC, and, as many of my colleagues have reported, I have found great concern about the inability, the failure, of the negotiators to come to an agreement on the budget talks.

I urge the negotiators to continue to talk. As I have reviewed the details as to what has been undertaken, talking to my colleagues in the Senate and the House, talking to administration officials, it is my view that the parties are not too far apart. I believe that the absence of an agreement is a lose-lose situation for everyone in Washington. There is no real opportunity, as I see it, for political advantage, and the American people watch what goes on in Washington, DC, with amazement and frequently revulsion at our failure to come to some terms.

I go back to a wise statement made by the former distinguished Senator from Maine, Margaret Chase Smith, who said, "We have to distinguish between the compromise of principle and the principle of compromise," and when we are talking about the budget issues, we are talking really about compromising mostly on a dollars-and-cents basis.

There are some structural issues which have to be addressed, and it is my sense that they can be solved as well, but we are not talking about first amendment issues, freedom of speech, or freedom of religion, so we are not compromising principle. We do have to have the principle of compromise and accommodation in Washington, DC, to come out of this matter.

As I look at the figures overall, the parties have come much closer together than they were at the original stage. With respect to Medicare, initially the conference report adopted by the Congress called for cuts in Medicare of $270 billion, with the administration at one point insisting that the cuts—rather it is not cuts, but it is a reduction in the growth of increase. That is a characterization which is very, very hard to avoid.

Before going further on that point, Mr. President, let me cite some statistics which are very, very frequently overlooked as too often the Medicare situation and the Medicaid situation has been characterized as proposals, especially by the Republican Congress, for cuts when the fact of the matter is that there are very, very substantial increases. What we are really talking about is slowing the rate of increase.

In fiscal year 1996, for example, Medicare expenditures will be $193 billion. These are figures from the Congressional Budget Office which have been rescored as recently as last month. After an expenditure of $193 billion in 1996, the figures are as follows: 1997, $207 billion; 1998, $218 billion; 1999, $229 billion; the year 2000, $248 billion; 2001, $267 billion; 2002, $289 billion. So that from 1996 until the year 2002, on Medicare expenditures it is projected to move from $193 to $289 billion for a 50-percent increase.

Similarly, in Medicaid, where there is frequently talk about cuts, there are, in fact, not cuts but there are increases. What we are dealing with is trying to slow the rate of increase. In fiscal year 1996, Medicaid expenditures totaled $97 billion; 1997, $104 billion; 1998, $109 billion; 1999, $113 billion; the year 2000, $118 billion; the year 2001, $122 billion; the year 2002, $127 billion, for a total increase from 1996 to the year 2002 of some 31 percent.

I think it is very important to focus on that basic fact. There are not cuts, but what we are talking about are ways to slow the rate of increase. As the negotiators have discussed the matters, they have come much closer together. In the original conference report agreed to by the House and Senate, the rate of increase on Medicare would have been slowed by some $270 billion. The initial position taken by the administration was to slow the rate of increase by $102 billion. Now, in the most recent proposals advanced by the negotiators for the Congress, as recent as January 6, the figure is cutting the rate of increase to $168 billion, and the administration now talks about cutting the rate of increase to $124 billion. So the gap has been very, very materially narrowed. Originally, the gap was $168 billion. Now it has been narrowed to $44 billion.

Similarly, on cutting the rate of increase in Medicaid, the original conference report from the House and Senate placed the curtailment of the rate of growth by $133 billion. In the most recent negotiations advanced by the congressional negotiators, the rate of increase was at $85 billion, with the administration at $59 billion. So, there again, the figures are much, much closer.

Similarly, on the tax cut, the original conference report was at $245 billion. That has been reduced to $203 billion, with the administration at a tax cut of $130 billion, so that difference has been narrowed quite considerably.

When we talk about the objective of a balanced budget, we are talking about something which is really critical for the future financial stability of this country. That is an objective which is very important to reach and is worth an accommodation. When this body, the U.S. Senate, took up the reconciliation bill, this Senator was very concerned about a number of items in it and disagreed with the majority on many of the items. For example, it seemed to me that there ought not to be a tax cut at all. I took that position not because I did not want a tax cut, because I would very much like to see a tax cut. I favored the IRA's, the independent retirement accounts, when we voted them out, back in 1986. I would like to see a child tax credit. But at a time when we are seeking to balance the budget, it seems to me it is inappropriate, when we are asking so many Americans to tighten their belts, to talk about a tax cut for some Americans at the same time. It is my view that Americans are willing to have shared sacrifice and to balance the budget so long as it is fair. But when we are asking people, with the earned-income tax credit, earning about $20,000, to pay more taxes at a time when we are offering certain tax cuts to those who earn $120,000, then it is bad public policy, and it is very bad politics.

So that when many accommodations have been made and many of us have seen the reconciliation bill come for final passage, with many provisions that individually we did not like, nonetheless we supported that with a majority vote. After having voted against many of the individual items, I voted for final passage because I think the balanced budget is that important. I understand there are many in Congress, some in the Senate and even more in the House, who do not like the present arrangement and who want to have more by way of tax cuts and who want to have more by way of decreases in Medicare and Medicaid, on their rate of increase. But I believe that the balanced budget is so important that when the administration agreed to the balanced budget in 7 years with the Congressional Budget Office figures, that was the time to declare a victory, to say we will accept the deal, and then to work out the balance of the arrangements as best we could. But the core of the arrangement was in place. I believe we ought to do that yet. That ought to be our principal objective, to obtain the balanced budget within 7 years.

We are talking about structural changes in addition, but I believe that they are not well understood. After talking to key people in the administration as well as my colleagues in the Congress, going through these structural changes, it is my view that there can be a reasonable accommodation. I am in the process of putting together a side-by-side comparison, which I will share with my colleagues in the course of the next several days, with a suggestion as to what ought to be middle ground.

There is a philosophical difference between the block grants, where we give more authority to the States, and the categorical requirements, where the Congress of the United States establishes the rules and regulations. My own sense is that it is time to give more authority to the States under the 10th amendment, that the States are much closer to the problems than we are here in Washington, DC. I am going to talk about that in a few minutes under a separate topic on the problems of the disaster across the northeastern part of the United States, and especially my home State of Pennsylvania, why disaster relief could be much better handled at the local level than out of Washington, DC. But I think we see opportunities to do that, especially in the welfare line, where the Senate passed a welfare reform bill with a very, very substantial majority, and we had block grants on AFDC and emergency assistance and the jobs program into a single mandatory block grant. We had separate allocations for child care. We had the maintenance of the foster care and the adoption system which is retained as an entitlement. But I believe as we go through these lines one by one on the many considerations as to how we deal with the illegal immigrants, how we deal with children under SSI, addicts under SSI, teen mothers, how we deal with education under the student loan provisions and the direct lending programs, and what we are going to do with many of these structural matters, that there is middle ground. There is middle ground on allowing flexibility to the States on many of the items and retaining congressional control on specific requirements as to some others. But we are at this point very, very close and yet very, very far.

Last week on the Senate floor I made a few comments about the necessity to continue funding the Government with a continuing resolution without another threat of a shutdown on the Government, and that if, in fact, we are ultimately unable to come to terms on a budget agreement, that I believe today, as I articulated on this floor from this podium back on November 14th on the second day of the first shutdown, that we ought to crystallize the issues and submit them to the American people in the 1996 election. But the way to do business is not to have a shutdown of the Federal Government which makes the Congress and the administration really the laughingstock of the country.

At that time, I expressed the hope that we would not use the debt ceiling as a lever, as a blackjack, or as blackmail; that the full faith and credit of the United States is too important to be maintained, so that it ought not to be used to try to coerce concessions from the administration in the context of political blackmail; that the American people can well discern the difference between legitimate political pressure and what is political blackmail.

One of the illustrations is from the very famous statement by former Supreme Court Justice Potter Stewart about obscenity, saying that he could not define it but that he knew it when he saw it. Or I think of the famous statement by Justice Oliver Wendell Holmes that even a dog knows the difference between being kicked and being stumbled over. When there is inappropriate political pressure, when it is political blackmail by coercing the Federal Government, or political blackmail by attempting to have the debt ceiling as a hostage, the American people are well aware of what is going on. And although some in this body and some in the other body may have thought that there was political advantage to closing the Government, the American people responded with a resounding no.

With the polls showing that more people favor the President's handling of the emergency than the Congress, the figures were close. But with the Presidential advantage of 50 to 46—50 percent approved of what the President did, 46 percent disapproved—when it came to the Congress, only 22 percent approved and 78 percent disapproved. So that when we were really articulating bad public policy on closing the Government, we were articulating bad politics as well.

So it is my hope that we will not close the Government again, that we will have a continuing resolution which will maintain the status quo, difficult as that is, without cherry picking and trying to fix some programs that some may like better than others, because once we get into that kind of a selection process, there will be no end to it. If the House sends us a bill financing programs which some of them like but eliminating programs that they do not like, when the issue comes to the Senate with our opportunity for unlimited amendments, we will never agree to that kind of cherry picking with financing programs that one group likes and eliminating all others; and that we will keep the Government going as it need be, crystallize the issue for the 1996 election, and not use the debt ceiling as political blackmail.

But most fundamentally, Mr. President, as I look over these complex charts and look over the figures, they are very, very close indeed. And even with the structural changes, there is middle ground available.

So it is my hope that the negotiators will continue talking. There is a bipartisan group of some 20 U.S. Senators evenly divided—almost evenly divided between Democrats and Republicans—who will seek to come to middle ground and to accommodate these differences of opinion, most of which boil down to dollars and cents, and structural changes themselves boil down to dollars and cents, remembering the foremost point that there is agreement on a balanced budget within 7 years with the real figures, the Congressional Budget Office figures; and we ought to declare victory on both sides, make it a win-win situation, and not try to achieve political advantage in the context where it is a lose-lose for all parties if we continue this stalemate.

But, as I say, to repeat very briefly, I intend to put before the Senate a side-by-side comparison showing how close we are on the figures themselves and on the structural changes.

EMERGENCY RELIEF

Mr. SPECTER. Mr. President, during the course of the past few days, I have been touring Pennsylvania looking at very, very extensive damage from the heavy snows and from the flood.

Earlier today I came from Harrisburg, where I was present with my colleague, Senator SANTORUM, looking over the tremendous damage which has been inflicted at several points from the swollen Susquehanna River. It is a very distressing sight. The walk bridge which spans the Susquehanna from Harrisburg over to the island has been destroyed in part. Many houses have been destroyed. My staff director of northern Pennsylvania, Tom Bowman, in Potter County, has several feet of water in his basement. His furnace is ruined. Appliances are ruined. And that is characteristic as well and has been going on over all of the State.

On Saturday early, I flew to Pittsburgh, where I met Pennsylvania Gov. Tom Ridge looking at the tremendous devastation and destruction which is present there. At Three Rivers Stadium, at the confluence of the three rivers in Pittsburgh, water was all the way up to the Hilton Hotel and was extraordinarily serious.

Later on Saturday, I saw the swollen Susquehanna in Wilkes-Barre, where some 100,000 people had been evacuated, and the flooding had spread through Pennsylvania, and what a very, very serious situation it is.

As of this morning, only 6 counties had been declared disaster areas in Pennsylvania, which I found just a little surprising. On Saturday, I talked to Mr. James Lee Witt, who is the FEMA national director. Mr. Witt was on the job and promised to have the emergency declaration promptly executed. And, in fact, it was done on Sunday morning, with some question, some misunderstanding, perhaps, about how fast the facts and figures got through. But as of this morning, only 6 counties had been declared a disaster area, and 19 counties were added. Yet, we do not have all the appropriate counties identified.

In western Pennsylvania, Beaver County, immediately north of Allegheny County, was not declared a disaster area. I can attest personally to the disaster there. Nor was Greene County so declared. It is important that those counties be extended, and that the Federal emergency relief be moved in there very expeditiously on temporary housing, on the grants that are available, on the low SBA loans which are available, and on the extension of unemployment compensation when people lose out on their work because of this flood damage.

I might share with you one factor as to how serious the situation is. I declared this with my distinguished colleague, Senator SANTORUM. But on the banks of the Susquehanna earlier today, Senator SANTORUM said that he hoped FEMA would be "liberal." But I quickly modified that to "moderate." There we have the "L" word from Senator SANTORUM. May the RECORD show a smile coming to the face of the distinguished Presiding Officer. But it is that serious that a call has been made for that kind of treatment by the Federal management corps.

As I have earlier today on some of the radio networks, I would like to repeat the 800 number which people can call for assistance. They can make application by telephone. It is 1–800–462–9029. I will repeat that. It is 1–800–462–9029, where applications can be made on the phone.

Yesterday, I also talked to Secretary of Transportation Peña, who has advanced $1 million for highway cleanup and bridge cleanup, and urged that a more realistic figure be assessed because of the tremendous damage done to the highways and bridges in Pennsylvania.

Last year, the Congress appropriated $6.4 billion largely for the earthquakes in California but also for emergencies such as are now plaguing Pennsylvania and many other States in the mid-Atlantic area where we sustained a snowfall 2 weeks ago today of 30 inches. In Philadelphia, it measured 30.7 inches. And then with the high temperatures last Thursday into the sixties, with the tremendous melting and flooding, there is a very serious situation indeed. So I urge FEMA and the Department of Transportation to take all action possible to bring relief to those people who are in need of emergency assistance.

I thank the Chair, and in the absence of any other Senator in the Chamber, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNETT). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. I thank the Chair.

FLOODING IN PENNSYLVANIA

Mr. SANTORUM. Mr. President, I wanted to follow up the remarks of my senior Senator from Pennsylvania [Mr. SPECTER], and talk about the problems that we are having in Pennsylvania today. The first thing I wanted to do was make sure the record is very clear in my use of the word "liberal." I suggested that FEMA be more liberal than what they have been to date, as of early this morning, in declaring counties in Pennsylvania eligible for individual assistance, for emergency disaster relief funds. I think that was an appropriate call given the fact that the Governor of Pennsylvania, who knows a little bit about the Emergency Relief Act that is in place here because he helped write it several years ago and knows it cover to cover, declared 58 of

Pennsylvania's 67 counties disaster areas and was seeking Federal grant recognition for, if not all, certainly a great majority of those counties.

Senator SPECTER, I know, has been traveling the State extensively, as have I. We have seen the tremendous damage done by this heavy snowfall and subsequent quick melting and floods and then freezing again, causing ice jams and horrible damage on our Commonwealth's rivers and streams. We do believe that several more counties should be included in the list that are eligible for individual assistance, and obviously the process will commence to determine whether those counties and municipalities will be eligible for public assistance, for reimbursing municipalities and counties for the cost of cleanup and dealing with the problems of this horrible storm.

I understand that the senior Senator has already talked about how today James Lee Witt, the head of FEMA, has been up to the State of Pennsylvania and he has added to the list of 6 counties an additional 19 counties, bringing to 25 the number of counties that will now be eligible for some assistance.

We were in Harrisburg this morning. I know he mentioned we saw some of the devastation on City Island, which is a recreational park in Harrisburg that is just literally covered with big boulders of ice and destroying all the public buildings there that I would say are relatively brand new. They in the last 10 years constructed a AA baseball stadium there that is severely damaged from ice.

That has really made this disaster a lot different because Harrisburg was hit back in 1972 with very severe flooding as a result of Hurricane Agnes. In fact, the mayor and others have been telling us that while the flood levels were not as high as Hurricane Agnes, although in some areas they were almost as high, the damage, they believe, actually will be more because of the ice. Literally, Senator SPECTER and I were walking around an area that was 5 feet underwater just 24 hours before, and sitting there all over the place were boulders of ice almost my size and probably bigger, with trees frozen to them. It was really a rather gruesome picture. You could actually see the water level because on the houses and the fences and on the trees you could see where the ice had frozen around the tree, around the houses, sort of jutting out from the houses. So you could pretty well tell everywhere where the water levels had risen to.

We were through that area and saw the damage that the ice had caused to streets and to houses, the buckling effect of having water there and then freezing and then unfreezing. It looks almost like an earthquake on some of the roads; they are just sort of warped, with big sinkholes and things like that as a result of this freezing and thawing and freezing again and the amount of water pressure.

In fact, Senator SPECTER and I met with Mayor Reed of Harrisburg, whom I have to commend; he has done a tremendous job in rallying the troops in Harrisburg, one of our hardest hit cities, and is doing an outstanding job personally. He is someone whom I have known for quite some time and know he puts every ounce of his person in his job. I am sure he has not slept for days. He met us in boots and blue jeans and looked like he had not been able to get into his house, probably even to eat a meal, in a few days. He has really just been on the go.

They had a horrible fire in this area I was talking about that was 5 feet under water. They had, unfortunately, a fire break out last night that destroyed four historic town homes. And luckily no one was injured. The area was evacuated obviously and no one was injured as a resident. But several of the firefighters, they had to cut their way through the ice and wade through water, waist high at that time, and fight the fire without obviously any fire hoses. They had to string them literally blocks to get fire hoses there.

My understanding is that a dozen firefighters were carried from the scene with hypothermia—a horrible situation. I know Mayor Reed was there the entire time working on it. He showed us the Walnut Street bridge, which is the oldest—I am not going to get this right—it is the oldest of some type of bridge having to do with metal construction. That bridge was expected to collapse during the 1972 flood when actually the river went up over the platform of the bridge.

In this case it was several feet below it. But a section of the bridge—you may have seen on television—was knocked away. The reason was not because of the water flow. Again, it was the ice jams. An ice jam had a large amount of ice collected at this one abutment, and eventually with all the pressure it was knocked over, was knocked into the river. They expect another one of those pillars to fall relatively soon.

So there has been a severe amount of damage. Senator SPECTER and I are very concerned about the Federal response to the damage across Pennsylvania. We believe that in some instances the response was delayed. I know the President would like to see all the people and communities that have been severely hurt by this storm to get the kind of assistance that they need to begin to clean up and rebuild their lives.

I am hopeful that we can move forward. As Senator SPECTER said, initially only six counties were listed as qualifying for this assistance. One of the counties that did not qualify originally, and did not qualify until this afternoon, was a county where there were 6 people known dead, 75 people missing from an area that was a large housing development that was literally just swept away. Water rose rapidly. People were given no warning. The consequences were terrible. Yet that county was not listed originally on the disaster list, which amazed many of us and frankly was very discouraging.

I had occasion to talk to people up in Williamsport, Lycoming County. And they were very discouraged. Somehow they were suffering to this degree, and in fact accounted, from my understanding, for over half the deaths related to this storm in the Northeast, and yet were not listed as a county eligible for disaster assistance. That caused some legitimate uneasiness to where actually their needs and concerns were being paid attention to. I am happy to report they were listed in the second round.

There are other counties that we need to look at that I believe have legitimate needs to be met. Hopefully we can do that, we can do that expeditiously. I want to join Senator SPECTER in congratulating Secretary Peña and Director Witt for being up in Pennsylvania today to survey the damage, to see the extent of what seemed to be just a flood.

I remind you the compounding effect of the ice is something I do not think anyone recognized. I was in Lancaster County, which unfortunately has yet to be declared a disaster county.

I was in Marietta which was flooded, at least the parts nearest the river were flooded. Their big concern right now is the freezing that is going on. They were flooded. They have something like a dike. It is actually a railroad track that runs between the river and the town that is very high up and serves like a dike. But they got flooded through their storm sewers, and the water reaching its level filled up both sides of the dike. Now they are concerned with the storm sewers. Because of the very cold temperatures, they are now frozen. If they get any more rain, which is anticipated tomorrow, or any other precipitation, they will have the same problem all over again.

Many counties and many cities, they have that same problem with either frozen surface areas that prevent water from draining or the infrastructure underneath the ground itself containing ice and frozen debris is going to cause a real problem with drainage.

So we are not out of the woods yet. There is unfortunately still a lot of snow on the ground. The possibility exists, with the warm weather today, we could even see some more problems. So I want to congratulate Governor Ridge and Lt. Gov. Mark Schweiker for their tremendous role in responding to this emergency. They have been all over the State, have been very aggressive in trying to seek aid, and have also been very aggressive in trying to help municipalities trying to deal with the problems that have beset them.

I think we have seen a very good effort on the part of locally elected officials, and the Governor and Lieutenant Governor. I think—at least I hope that we can be proud of the Federal role that is being played in Pennsylvania. I think we are coming along a little slowly, but maybe today with some fly-arounds and other things that are going on, we can impress upon officials here in Washington and in the regional office that this is a true emergency, a disaster that needs to be attended to, and the Federal Government has a role to play in helping those individuals and municipalities that were affected by it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORST OILSPILL IN RHODE ISLAND HISTORY

Mr. PELL. Mr. President, I rise to share with my colleagues the latest news on what has been identified as the worst oilspill in Rhode Island's history.

As many of you may know from news accounts, the barge *North Cape*, carrying a cargo of about 4 million gallons of heating oil, and the tug *Scandia* grounded off the southern Rhode Island coast in the early evening on Friday.

The grounding followed a fire that broke out Friday afternoon on the tug, later engulfed the vessel and required the subsequent last minute evacuation of the captain and crew by the U.S. Coast Guard.

That evacuation was successful because of the enormous courage and skill of the Coast Guard rescue team, who did not hesitate to put themselves at great personal risk to rescue the captain and crew.

Coast Guard Fireman Adam Cravey and Seaman Walt Trimble, who were the first to arrive at the scene aboard a 44-foot Coast Guard boat, found six men wearing survival suits huddled on the bow of the tug—which was engulfed by fire.

The six jumped into the water to swim to the Coast Guard boat and Fireman Cravey, who was in a wet suit and was tethered to the Coast Guard boat, jumped in to assist them. All were safely ashore about 2½ hours after the first emergency call.

Mr. President, I want to emphasize that this rescue was conducted under extremely difficult conditions, including high winds and rough seas, in the frigid waters of the North Atlantic.

I understand that the Coast Guard had warned mariners from Maine to New Jersey of a period of potentially dangerous winds from 40 to 50 knots, with higher gusts, and seas from 15 to 25 feet.

It was under extraordinarily difficult winter storm conditions that the Coast Guard effected the rescue and attempted, unsuccessfully, to prevent the barge and burning tug from running aground. The barge, dragging the burning tug, grounded in shallow water off Matunuck Point Beach, near Point Judith.

Pounded by strong winds and high seas, the 340-foot, single-hull barge began to spill oil early Saturday from holes in at least two places. Current estimates of the spill are in the range of 828,000 gallons.

Transporation Secretary Frederico Peña, Coast Guard Commandant Admiral Kramek, and other Federal officials came to us in Rhode Island to evaluate the spill on Saturday, as efforts continued to contain the escaping oil and offload what oil remained aboard the barge.

Rhode Island Gov. Lincoln Almond appealed for Federal help on Sunday, declaring a state of emergency and identifying the spill as "the worst in Rhode Island's history and one of the worst ever off the coast of New England."

The toll on marine life apparently has already been heavy. Thousands of oil-coated lobsters, dead and living, have washed up along several hundred yards of beach near the barge. Dozens of seabirds have died and scores more have been coated in oil.

The barge is close to Moonstone Beach, a breeding ground for the endangered piping plover and the Trustom Pond National Wildlife Refuge, an environmentally fragile habitat. An estimated 75,000 waterfowl live in the refuge area, including rare harlequin ducks.

Fishing also was banned in a 105 square-mile area, from Point Judith south to waters east of Block Island. A number of shellfishing areas also were closed.

The good news is that Rhode Islanders rose to the occasion. Hundreds of Rhode Islanders, their efforts coordinated by Save the Bay, volunteered to help the emergency response crews by cleaning everything from beaches to birds. The Coast Guard was magnificent in its response.

Additional good news came with a phone call from President Clinton to Governor Almond, assuring him that funds would be made available for the cleanup and fishing industries.

This tragedy has not yet played itself out, but we should ask some hard questions when we have all the facts.

Among the most obvious questions, that have crossed my mind: Why were the tug and barge underway in such treacherous and dangerous weather conditions? Should we have weather related restrictions on the transportation of toxic or hazardous materials in coastal waterways? Could this incident have been avoided by better fire-safety procedures or by a more rapid response? Could it have been mitigated by more aggressive prevention and containment measures?

It is unfortunate, Mr. President, that this barge was not of the new double-hulled design—which I have long advocated. I understand that it leaked from 9 of its 14 containment holds. A double-hull might have made all the difference between an incident and a disaster.

Finally, I think that everyone would benefit from a thorough review of the coordination of our emergency response to oilspills. We should make sure that every agency with a role in this crisis, worked smoothly with every other agency.

It has been a difficult time in Rhode Island and, unfortunately, our difficulties are not over. We do not yet know the extent of our disaster. On the Federal level, we should do all we can to expedite the assistance and expertise that is required for that recovery.

In closing, I emphasize the fine job the Coast Guard did and my own respect for their gallant service.

I yield the floor.

HYPOCRISY

Mr. SIMPSON. Mr. President, I rise to call the attention of my colleagues today to an item or two that have been in the news of late. The theme that unites them loosely is the theme of "hypocrisy." "Hypocrisy," I have said, may well be the "original sin" in American political life.

The first of these subjects has been reported upon in many of this Nation's newspapers, but as of yet has been insufficiently remarked about among the denizens here in the village of Washington.

Lately we have been in the midst of one horrific battle over the budget, gnashing our teeth, wailing, and howling to the heavens—it would be the envy of King Lear—and referring to each other by every manner of cruel epithets.

What are the differences that divide us, to occasion this level of hysteria, hype, and hoorah and fingerpointing? Often the differences are in reality very minimal, such as a difference of all of the sum of $7 as to where Medicare part B premium should be in the year 2002. That was the entirety of the difference between the President's first position and the Congress' position. That is where we drew the first "battle line," the first line, the first gauntlet thrown.

In my view, it would be just as silly to let this difference sink a budget agreement as it would be to let the size of the tax cut sink an agreement. These are not sufficient causes, in my estimation, to fail to meet our obligation to future generations.

One would know little of the minimal size of this difference from watching the evening news, but coincidentally, 7 bucks was the amount that part B premium stood to go up next year, from $46 a month to $53 a month, regardless of one's net worth or income, really not too destructive in society, especially when we do not have any test of income or wealth.

I wonder if all of my colleagues fully realize what has been happening out there in the private insurance market while these wretched hostilities have been taking place here in Washington. We have seen some most remarkable increases in insurance premiums, and one of them, ironically enough, comes to our gentle citizens courtesy of the American Association of Retired Persons, the AARP. You have heard me speak of them before. Yes, I have from time to time gently touched upon their activities.

Now I have in hand an article describing how this determined, dedicated and obsessed nonprofit organization is raising its medigap insurance premiums for the next 6 months, after which, who knows, they might even rise again. This is the same AARP, I remind my colleagues, the courageous and dogged defenders of the poor, the downtrodden, and the elderly, these are the very same folks who descend upon Washington in droves and hordes to tell us if Medicare part B premiums were to go up—these being voluntary premiums, please recall, voluntary premiums; you do not have to join—but that when this terrible thing happens, mind you, going from $46 to $53 next year regardless of your net worth or your income—and you were not forced into it and it was not any part of an original contract, you got in because it was the best deal in town—and if it goes up 7 bucks, seniors will be hurled out into the streets in their ragamuffin garb. Now, that is bah humbug.

Meanwhile—hear this—according to this article, a typical medigap customer of the AARP will see his or her monthly premiums rise from $147 to $178 next year, an increase of $31 a month.

Now, this was very striking to me. Let me read from their letter to their aggrieved legions of customers: "* * * because of rising claim costs, a rate increase will become necessary as of January 1, 1996. Your new rates are guaranteed for six months."

Let me be sure that every one of us understands. If there is any increase at all in Medicare part B premiums, a voluntary program in which 69 percent of the cost is paid by the ordinary, unbenefited taxpayer, this is decried as a "benefit cut" says the AARP. In their own propaganda, pumping their health care program, premiums must inevitably skyrocket because of inevitably, unavoidably—choke, gasp, sob—"rising costs." What unadulterated hypocrisy.

I do not see anything said here about a "benefit cut" to AARP's members although they are sticking it to their customers more than twice as severely as anything yet contemplated here for Medicare part B. No, with Medicare part B, their yowling answer, eternally hurled into the heavens, is always, just keep sticking it to the general taxpayers, never the beneficiary, regardless of their wealth, net worth or income. But when the AARP's own finances are right on the line, their customers are simply told curtly they are going to have to "pay up."

Yes, Mr. President, health care costs are going up. Who missed that in America? Some of that burden has to be shared. Who has missed that? With Medicare, most of it will be taken up by taxpayers, but the beneficiaries need to pick up some of that burden, too, if this country is going to avoid bankruptcy. That is the truth, and everyone in Washington knows it.

It has always been the height of deception for the AARP or the National Committee for the Preservation of Social Security and Medicare, or all of the similar tub-thumpers or anyone else to claim that it is some God-given right for beneficiaries to be held completely harmless in this process, or even to pretend that any sharing of Medicare cost increases is a "benefit cut." We see so well here from the AARP's own actions that they know full well that their own stance has been stunningly hypocritical.

I do now have a sensible proposal for the AARP. If they can find a way to bring their own membership's premiums back down to where they were before, then only, and only then, can they rightly continue to fight so vehemently against all premium increases in Medicare part B. If and when the AARP find this presently unknown and occult way to avoid all premium increases, perhaps they will share the great secret with us and then we can logically do the same and avoid any changes in Medicare part B premiums.

But so long as the AARP continues to rake in hundreds of millions annually in tax-exempt insurance income, I trust they will see the unseemliness of any further disgustingly patronizing lecture to our Government about "what to do with Medicare."

Let me remind my colleagues again that the AARP is getting a huge share of the take of this premium increase. They pull in more than $100 million annually—their current share of the take, their take—from the contract with Prudential Insurance. They could, I readily note, give up that pile of new cash and return that money right to their membership to offset some of the effects of this premium increase. It seems fair. It certainly does.

Does anyone believe that they will? Would any of my colleagues ever believe that the AARP will give up its share of the profit from this lucrative insurance business and return it to the membership, 3.2 million of their own members, who are getting stuck with this increase? No. For this might make it a little tougher for the AARP to meet the annual—you want to hear this one—the annual payments of $17 million in rent each year on its palatial building downtown genially dubbed the "Taj Mahal," or the payment of more than $69 million a year in salaries to themselves—many of them in chunks of more than $100,000 per year per person. There are many on the AARP payroll who make over $100,000 a year. And they lease their building for 17 million big ones every year on a 20-year lease. Figure that up for $8 a month dues. That will run the string for you.

No, I suspect they will continue to live in splendor here on E Street and leave their poor old customers scrambling to pay out the extra hundreds of dollars a year which they will have to shell out for this premium increase.

I trust my colleagues will remember this action the next time the AARP wanders in here—led by "Edna the Enforcer"—claiming to represent the interests of America's elderly. The bottom line for this organization is big business, and big profit, pure, and simple. Believe it.

The other item which I wish to describe for my genial colleagues is an excellent editorial by Gerald Eickhoff in Investor's Business Daily, entitled "What About Social Security?"

I ask unanimous consent this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Investor's Business Daily]

WHAT ABOUT SOCIAL SECURITY?

(By Gerald E. Eickhoff)

Labor Secretary Reich's worthy campaign against pension fraud begs a more serious question: Where is he on Social Security?

The secretary is sounding the alarm on private pension fraud. Yet he has said nary a word about the condition of America's public pension system.

Reich's current campaign means to help workers "know what to look for" so they can "ask the right questions" about their pensions.

Yet he must know that Americans would be well-advised to be at least as concerned with Social Security. After all, as a member of its Board of Trustees, he is well-acquainted with the trouble that lies ahead.

Fraud in a handful of 401(k) plans deserves attention, but it is trivial next to the potential for Social Security failure. Without reform, Social Security will surely either go bankrupt or bankrupt the nation. And trouble begins in just 10 years.

In 2005, the Social Security trust fund surpluses are expected to start declining. In other words, the program will begin to spend more than it takes in. Instead of masking the true size of the budget deficit, as it does now, it will begin to add to it.

By 2012, entitlement costs and interest on the debt together will consume all federal tax revenues.

By 2013, Social Security's surpluses will turn into deficits. And the overall federal budget deficit will explode.

The numbers are staggering. By the year 2020, annual Social Security obligations will exceed income from payroll taxes by an estimated $232 billion. That grows to $766 billion by 2030.

The demographic outlook tells why. In 1940, the average American lived to the age of 61, yet today average life expectancy is 76. In the next 35 years the number of Americans over age 70 will double to 48 million. That leaves just 2.2 workers to support one retiree, as opposed to 3.3 today and 159 in 1940.

Part of the problem is the looming retirement of the Baby Boom. But it goes much deeper, to Social Security's pay-as-you-go system—less charitably, a Ponzi scheme.

The private pension funds that so concern Secretary Reich are funded programs. Social Security is a mere promise to pay.

Yes, that promise is backed up by the full taxation power of the federal government. But because the trust fund is filled with IOUs from the government to the government, it is no more capable of paying future benefits than a dry well is of yielding water.

The notion of a trust fund, therefore, is at best misleading. At worst, it is accounting gimmickry of the highest order.

Future retirees have little chance of receiving benefits on a scale anything like those of today. Benefits such as they are will be paid either from borrowed money, from new debt piled onto the existing $5 trillion national debt or from tax receipts.

Because the federal government's ability to borrow is finite, however, increased taxes will be the inevitable last resort.

Current projections assume workers will be squeezed by taxes to prop up a failing system. Social Security payroll taxes will have to rise from today's 12.4% of pay to 16.5% in 2030. Under less optimistic assumptions, they could run as high as 37%.

Contrast this with the fact that in 1950, the average family of four paid just 2% of its income to the federal government. That included income and Social Security taxes.

You'd get hardly an inkling of this from a casual reading of the Social Security Trustee's report. Rather than blowing the whistle on the trust fund illusion, the Trustees confidently report that the fund "will be able to pay benefits for about 36 years."

The picture of Social Security's future is disturbing. But action now can avert a crisis. Lawmakers can prevent Social Security bankruptcy, devastating taxes, job loss and an uncertain retirement for millions. With determination and a clear goal, it is possible to not only save, but to vastly improve Social Security and its ultimate value to Americans.

No other issue has greater potential for future prosperity or calamity than Social Security reform. We must act now.

Reich's educational campaign on private pensions is a good place to start. Social Security is where we need to end up.

Mr. SIMPSON. Mr. Eickhoff notes again the hypocrisy of Washington's concern about private pension fraud while, at the same time, ignoring the massive problems looming in Social Security. As Mr. Eickhoff notes, "the private pension funds that so concern Secretary Reich are funded programs. Social Security is a mere promise to pay." That is correct—it is only a promise. The payments promised bear no relation to contributions made by past or current workers.

As the article notes, "Future retirees will have little chance of receiving benefits on a scale anything like those of today. Benefits such as they are will be paid either from borrowed money, from new debt piled onto the existing $5 trillion national debt or from tax receipts."

Absolutely. That is the way it will be. And let us not forget the projections we currently have, that under current law, if we did everything of the hideous programs presented by the majority party, we will still be saddled $6.2 trillion in debt by the end of this century. We are not doing any heavy lifting of any great import.

"Tax receipts," that is the phrase. That is what will darned sure be sought to pay for the benefits that have been promised—especially that pressure to pay it from tax receipts will come from the various seniors' lobbies. We will just hike the old payroll tax again, just as we did in 1983, and keep hiking it and keep hiking it on up to 30 percent of payroll by the year 2030, unless we "do something" about the growth of Social Security and Medicare benefits.

Everybody knows that, too. And the people who are telling us about the demise of Social Security are the trustees of Social Security, one of whom is my friend, Robert Reich, whom I enjoy thoroughly. A delightful gentleman. He and I do not concur on various philosophical items or ideologically. Another one is Donna Shalala, I have a similar regard for her, a very able lady. And Robert Rubin, another very capable person, even though we disagree heartily.

Those are the trustees. Those are three of them, telling us about the doomsday coming. While the present Commissioner of Social Security does nothing, nothing to tell us how do we get out of this box. Quit joshing us. What are your recommendations? You are the Commissioner, Shirley Chater. You are free of the influence of Congress and the President. You are an independent agency, so tell us. And we have nothing coming back except resounding speeches, tales, anecdotal material about how great Social Security is. "But it will need some attention in the years to come."

You betcha it will. It is $360 billion a year and we are not even touching it. We have a COLA attached to it that can be between $4 and $8 billion a year which goes out to people regardless of their net worth or their income. It cannot possibly succeed because it was never a pension. It was an income supplement. People are living longer and eating it all up. Now, every day, almost 8,000 people, since the 1st of January, will become 50 years old and they—not intentionally—will destroy the system. And we know it. And they know it. The trustees know it.

At least I hope, again, as we open this session, that my good colleagues will take a good look at the bipartisan work of Senator BOB KERREY and myself, eight bills to restore the solvency of Social Security in the years to come, starting now. Now—not 10 years from now, not 20 years from now—extending the age of retirement over the next 30 years so it is an easy step, allowing people to invest 2 percent of that contribution in a personal investment plan and the other 4.5 percent can go into, then, the system.

"That means a reduction of benefits."

Indeed it does. Doing something with the current ratios with regard to retirement, not only for ourselves as Congresspersons but all Federal retirees. Doing 30-year budgeting in this particular area. Doing something with the Consumer Price Index. This is absurd. This is a no-brainer.

We heard testimony from everyone in the United States, the CPI [Consumer Price Index] was overestimated, from the figure of 0.5 to 2.2. If you just made the change and let it come down minus half a percent it comes $157 or $158 billion in the year 2002. But 10 years out it is nearly $700 billion in savings.

These are small items now that will overwhelm us 10 or 15 years from now. And no one is doing anything about it.

I say again, for the life of me I cannot understand what happened to the people in society between the ages of 18 and 45. They must be totally asleep or numb, or gone, because they will be gone when they are my age because there will be nothing there unless we begin to make the corrections. And that is the trustees telling us that, not some leftover specter of the past, some right-wing cuckoo from 20 years back or some left-wing zany. That is the trustees telling us this is what is going to happen to Social Security, and we do not even touch it. The President does not touch it. Congress does not touch it. And there are groups out there dedicated to see that you do not touch it.

So, I always say to them, "Do you care about your children and grandchildren?"

They always say, "Oh, yes, that is the purpose of our existence, caring for our children and grandchildren."

I say, "Forget it. I do not want to hear that one anymore. That is so much opium smoke. That is a phony." They cannot possibly care if they will not allow us to make the adjustments, or at least begin to make the adjustments now. And we all know what we have to do, all of us. And everybody downtown knows it. And the people of

America, if they cannot figure all this out in the next 10 months, then get into the old booth and pull the trigger for the other party and say, "Well, we have had enough of that. I do not know what that great experiment was, but, boy, when they touched Medicare, oh, God, I tell you I rose up. I showed them. And Medicaid and Federal retirement and Social Security."

So, in that scenario, those of the other faith will come into the Halls of Congress, take over the majority party, and say, "Boy, aren't we glad we saved you from them because now we are really going to get back to where we were before. We are going to let Medicare go up 10.5 to 12 percent per year. We will show them. Never do that cruel thing where we are going to let it go up only 7 percent a year, or 6.4. We are going to let Medicare and Medicaid go up 10 percent a year. Those were evil people trying to let it go up only 6 percent. We are not going to touch Social Security. We are just going to—well, we might—just add a little payroll tax. That will fall on the people in society who are not organized, who are not paying $8 a year dues to some organization which is dedicated to seeing how much more they can get out of the Treasury."

So, that is what is out there and this can all be averted if, as Mr. Eickhoff notes, we act now to prevent a crisis. We simply cannot keep waiting until after the next election. We cannot keep saying that Social Security should be "off the table." We have to adjust to the Consumer Price Index, as more and more are beginning to recognize, from the bipartisan Senate group to the "Blue Dog" Democrats to the Washington Post, for Heaven's sake, and we have to phase upward the retirement age and make a number of other changes if we are to have any chance of repairing this situation.

So I am very pleased to be working continually with my colleague and friend from Nebraska, BOB KERREY, in this effort. I continue to hold very serious hearings on this matter in the Social Security Subcommittee which I chair. But I will be having individuals there before us between the ages of 18 and 50 coming to testify, rather than a continual stream of people over 60 coming to testify. I remind my colleagues that Social Security is a promise to them, too. It does not exist simply to harvest the votes from today's retirees. That is what it has become.

We all know that even the Washington Post has been noting of late that it is folly to say that Social Security is "off the table." A $360 billion program headed toward certain bankruptcy is "off the table"? It is absurd. It is stupid. That cannot work. The very least we can do now is to fix the CPI. As I say, groups are working to do at the present time. Others have lately joined in these suggestions.

So I do hope my colleagues will read that article and recall that everything and all things we are doing right now on this budget is, or should be, for the benefit of future generations. I tell people at my town meetings; they do not hear it always. I tell it wherever I am. Nobody over 60 is going to get dinged at all in this process unless they are loaded. And if they are loaded, they might get stuck 20 to 40 bucks more a month. If they are not loaded, they will not get hit at all. People cannot even hear that. We cannot go on to ignore this ghastly problem in Social Security and yet ever be able to continue to claim that we have done right by them.

Finally, Mr. President, I wish to call the attention of my colleagues to a recent article in the Washington Post regarding the recommendations forthcoming from the Social Security Advisory Council. This is very important. People are ignoring these things because you are not supposed to mention these two detonating words—Social Security.

But that council was unable to agree upon a prescribed solution to the impending Social Security solvency crisis, and that is a similar experience with which I am very familiar. I served on the President's Bipartisan Commission on Entitlement and Tax Reform. We have no difficulty defining the problem, and by a vote of 30 to 1 we agreed that it certainly existed. I have just shared with you moments ago what it is. But when it came time to solve it, only a hardy few were willing to give answers—Senator Bob KERREY, Senator Jack Danforth, Congressman Alex McMillan, Congressman PORTER GOSS, PETE PETERSON, and myself, to name a few of them—out of a 32-Member commission. So I do know what it is like to struggle for a year to get colleagues to confront a most serious problem, only to be overcome and overwhelmed by the ponderous difficulty of getting a majority to face before us political perils inherent in the solution.

Although the advisory council was unable to develop a consensus solution, there is much that is worth noting in the work that they have done. My colleagues would do well to study it. I myself again plan to have serious hearings on this subject this year in my Finance Committee's capacity as the chairman of the Subcommittee on Social Security and Family Policy.

Three plans were voted on by the council. One is called the privatization plan, which would take roughly half of the existing contributions to Social Security and refund them to taxpayers to be invested in IRA's or 401(k)-type accounts which would earn retirement income for them while their previous Social Security benefits would be cut accordingly.

A few years ago, you could not even pose a discussion about such a plan without someone charging that you were out to destroy Social Security. Yet, this plan received five votes from these advisory council members. I think that shows a deep recognition of the need for fundamental reform of the system.

Another plan was backed by former Social Security Commissioner Robert Ball. He would stick very close to some of the more traditional solutions, as Mr. Ball has always done in the past. It would turn to increased taxation: imposing existing payroll taxes on State and local employees; imposing higher taxes on Social Security benefits, and, of course, raising the payroll tax rate. We have heard so much of that before.

But I draw my colleagues' attention to some of their other proposals. One is to reform the Consumer Price Index. Bear in mind that this is from the old guard, the most traditional defenders of the existing Social Security system, the people on this committee, this advisory committee, saying now that the CPI needs to be reformed for the sake of Social Security solvency. We need to hear that. If we cannot get that done at all in our current budget process, we are truly "missing the boat."

Here is something else they suggest. Having the Government invest the Social Security trust funds in stock market index funds as opposed to simply buying Government bonds. That is something which Senator KERREY and I have also proposed here in the Senate. That would have been absolute heresy a short time ago. These members of the advisory council will not go so far as to set up individual accounts; they would retain the pooled nature of the program. But, still, this would represent a most significant shift from current practice.

So I review all of that for my able colleagues so that they will see that the entire spectrum and scholars and "experts" on this issue tell us that fundamental reform is absolutely necessary in order for Social Security to survive. At the very least we must reform the CPI and get these retirement funds somewhere else other than where they are currently are, either into stock funds, or into private retirement accounts, if we are ever to generate the return that will be critically necessary to fund future benefits.

I would also note that a third option was described in this article as a "halfway house" measure. This plan would provide for two percentage points of the payroll tax to go into a 401(k) or an IRA-style plan. And the chairman of the council voted for that one. That intrigued me greatly because I had also joined Senator KERREY in offering a plan which had exactly this option as one of its components. Here they have described it as a "halfway house" measure.

So I, Mr. President—and you have known me a lifetime—have become, I whimsically conjecture, a "moderate" now when it comes to Social Security reform, which is touching. It is a touching thing. My colleague might surely be most intrigued to know that. But this Kerrey-Simpson-style proposal is now viewed by the advisory council itself as a compromise between differing approaches to reform of the system. Who would believe it?

So I trust that my colleagues will give their earnest attention to the deliberations of the Social Security Advisory Council, and note that all those who study this issue have concluded that fundamental reforms need to be made, starting at the very least with reforming the Consumer Price Index.

I look forward to working with my colleagues in the year to come with regard to those issues that will come before the subcommittee which I chair.

I thank the Chair. I thank my colleagues.

I yield the floor.

CHARLES L. KADES—A FOUNDING FATHER OF MODERN JAPAN

Mr. KENNEDY. Mr. President, 50 years ago next month, Col. Charles L. Kades, an aide on the staff of Gen. Douglas MacArthur, was placed in charge of an historic project to monitor and assist in the drafting of a new constitution for Japan. Colonel Kades worked in obscurity at the time, but he did his work brilliantly, and the resulting constitution he helped draft laid the groundwork for Japan to recover from the ashes of World War II and become one of the world's strongest democracies and one of the world's strongest economies. In no small measure, that historic success is the result of the vision, talent, and commitment of Charles Kades.

After his landmark service in Japan, Colonel Kades returned to the United States and practiced law with great distinction for many years in New York City. He retired in 1976, and moved to Heath, MA, where he now lives at the age of 89.

Over the years, the true magnitude of his historic contribution to Japanese democracy has become better known. As the golden anniversary of his golden achievement approaches, it is a privilege for me to take this opportunity to commend the extraordinary leadership he demonstrated 50 years ago. The dramatic story of his work was told in detail in an excellent article last year in the Springfield Sunday Republican, and I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Sunday Republican, Springfield, MA, Feb. 19, 1995]

HEATH RETIREE AN UNLIKELY FOUNDING FATHER OF JAPAN—LAWS WRITTEN 49 YEARS AGO

(By Eric Goldscheider)

HEATH.—In recent years scores of Japanese journalists and constitutional scholars have made the trek up to this Western Massachusetts hill town to see an 89-year-old retiree named Charles L. Kades.

Not only did he write the Japanese constitution but he owns one of the only readily accessible transcripts of the proceedings that led to its ratification 49 years ago.

Kades (pronounced KAY-dees) is an unlikely founding father of the country that today boasts the world's second biggest economy. Before arriving there as a colonel in Gen. Douglas A. MacArthur's occupation force two weeks after VJ Day in August 1945 he had never even read anything about Japan.

"I wasn't in Japan because I knew anything about Japan, I didn't know a damn thing about Japan," he said during a recent interview in his unassuming house a couple of miles from the Vermont border.

Nor did he have any special expertise in constitutional law. He had studied law and practiced in New York City before the war. He had some knowledge of the New York State constitution because he had to learn it for some of the corporate cases he handled. He had also served as the assistant general counsel under two cabinet secretaries in the Roosevelt administration.

None of this adequately prepared him, he said, for a day he remembers well—February 3, 1946. That was the day Major General Courtney Whitney put him in charge of a 16-member task force assigned to write a draft constitution for the country they were occupying.

"I said, 'When do you want it?'" Kades recalls. "He said you better give it to me by the end of the week." That was six or seven days. "I was completely flabbergasted because I thought he was going to say 'a few months or June or something like that,'" said Kades.

The story of how he came to be in this position is more involved than simply being called into his boss's office and being given a task to perform. Kades is glad to tell it but he imposes one rule on himself. He absolutely will not comment on current Japanese political debates even though he is often called upon to do so.

"They're none of my business," he tells all comers.

When Kades arrived in Japan as a member of the Government Section of the General Headquarters of the Supreme Commander of the Allied Powers (SCAP) there was no talk of his office being involved in the business of constitution writing. That was to be a job for the Japanese to do themselves in a commission headed by Joji Matsumoto, a corporate lawyer and a professor of law at the Tokyo Imperial University.

PROGRESS WAS NIL

The problem was that they weren't making very much progress. Then an even bigger problem emerged. A reporter from a leading Japanese newspaper swiped a copy of the draft they were working on and published it.

"That is what you would call a 'scoop,'" Kades recounts as a grin spreads across his face. "The commissioners left a draft on the table and went to lunch."

The Americans had this purloined document translated and found that it was short on democratic reforms and that it didn't substantially revise the Meiji constitution of 1889 under which militarism flourished that led to the war. For example, in the Meiji constitution the emperor's rule was "sacred and inviolable," and in the revised version the emperor's rule was to be "supreme and inviolable."

The government protested and said that the published draft didn't accurately reflect the work of the commission. "When the government denied that was the correct version we asked them to hand over the correct version—it wasn't very different," says Kades.

As it happens, just before the Japanese government was caught with its pants down by an alert reporter, Kades was in the process of preparing a memo arguing that Gen. MacArthur had the legal authority to revise the constitution. This argument rested on the text of the Potsdam Declaration in which the leaders of the United States, England and China proclaimed that among the terms under which hostilities would cease the Japanese government had to "remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese people. (And that) freedom of speech, of religion, and of thought, as well as respect for the fundamental human rights, shall be established."

STANDARDS LACKING

The document the Japanese were working on didn't live up to this standard. At first Whitney wanted Kades to prepare a memo outlining the American objections to the draft. Then word came down from MacArthur that this would only be a waste of time "ending up with a lot of exchanged memos." The decision was made that the Americans would prepare their own draft.

This is the point at which a mystery about the Japanese constitution ensued that remains unsolved to this day.

When Whitney charged Kades and his group with the task of writing the constitution within the week, he handed him some hand-written notes for him to use as a starting point. Scholars are still curious whether these notes reflected the thoughts of Whitney or MacArthur.

There are three possibilities, said Kades: the notes were written by MacArthur, they were written by Whitney or they were dictated to Whitney by MacArthur. Kades said he kept those notes in his field safe until the end of his 3½-year tour of duty. When he left Japan he returned them to Whitney and they have since disappeared. His hunch is that the notes reflected MacArthur's thinking.

CONSTITUTION TEAM

When Kades and his group set to work on the constitution, the first thing they did was to divide up the task according to their various talents and areas of expertise. Five of the 16 officers had been lawyers in civilian life. There was a former congressman, the editor and publisher of a chain of weekly newspapers in North Dakota who had also served as the public relations officer for the Norwegian embassy in Washington. A few university professors, a foreign service officer and a partner in a Wall Street investment firm were also part of the team.

Committees comprised of one to three people were formed to draft articles on such things as the roles of the executive, the legislature and the judiciary. An academic who had at one time edited a journal on the Far East headed the committee on the executive. The foreign service officer was told to deal with questions surrounding treaties. A social science professor dealt with civil rights, the banker was the sole member of the finance committee and so it went.

Between them they collected constitutions of a dozen other countries from libraries around Tokyo. Some of them were familiar with various state constitutions from the United States. Kades emphasizes, though, that the primary sources they drew on for their work was the existing Japanese constitution of 1889 as well as drafts prepared by some of the political parties in existence at the time.

Kades isn't sure why MacArthur was in such a hurry for his group to finish the draft. His best guess is that elections had been set for the middle of March 1946 and that it was anticipated that the constitution would become a campaign issue. Also, if they delayed, MacArthur feared that their work would be hampered because, with the passage of time, China and the Soviet Union would get into the position of being able to veto any new constitution.

FINISHED ON SCHEDULE

Kades' group finished their work on schedule. On Feb. 13 Whitney met with the Japanese group telling Matsumoto that their revision was "wholly unacceptable to the supreme commander as a document of freedom and democracy" before handing him a copy of the document drafted by the Americans.

The next weeks were devoted to meetings with the Japanese constitutional commission to hammer out the final wording of the document that would be submitted to the Japanese Diet (the equivalent of the U.S. Congress) for ratification.

The last negotiating session went 34 hours without a break.

They finished on March 4. Two days later the cabinet and the Emperor accepted it and it was approved by MacArthur that night.

OVERSAW RATIFICATION

But this isn't the end of the story.

In the following months and through the summer, Kades was responsible for overseeing the ratification process of the new constitution. His instructions were to let the newly elected legislature amend his document in any way as long as they didn't violate the basic principles laid out in the Potsdam Declaration.

Kades recalls that he would be asked what kinds of changes would violate these principles. His response was along the lines of Justice Stewart Potter's observations on pornography, "I can't define it but I know it when I see it."

A number of things were changed, such as the striking of a clause under which aliens would be accorded equal protection under the law. Kades was sorry to see that go but he didn't think he had the mandate to intervene on such questions.

The deliberations of the Diet were transcribed and sent to Kades every day. He kept those documents and has since had them bound. Unlike in the U.S. where the Congressional Record publishes the proceedings of Congress, under Japanese law only members of the Diet have access to transcripts of legislative deliberations and they are not allowed to remove or copy those transcripts. That is how Kades came to be in possession of one of the only sources scholars interested in the proceedings can go to. There are other copies but they are in disarray.

Once the draft constitution was debated, revised and ultimately ratified by the Diet it was promulgated by the Emperor on November 3, 1946, nine months to the day after it was conceived by MacArthur, Kades wrote in an account of the process published in an American academic journal six years ago. The process by which it was introduced by the emperor to take effect six months later was in accordance with the process for amending the constitution laid out by the Meiji constitution of 1889. "We wanted as much legal continuity as possible," said Kades, in order to give the new document "more force."

LAWS NEEDED REWRITE

Still Kades' work wasn't finished. After the constitution was in place, many of the laws had to be rewritten in order to bring them into line with the new order. Kades had a hand in this process and was sent a team of legal experts from the U.S. to help him. Among them was Alfred Oppler, a judge in prewar Germany who had been purged by Hitler. He went to the United States and worked as a gardener while teaching himself English. His help was invaluable, Kades says, because of his knowledge of German law. The Meiji constitution Kades had taken as a template was based on the Prussian constitution of its time and was grounded in statutory law rather than the common law traditions of England and the United States.

DURABLE DOCUMENT

The Kades constitution has been remarkably durable, a point Kades offers to support his contention that it reflected substantive input from those who would later live under it. "I don't think it could have lasted 50 years" had it been forced on the Japanese, he says. Another reason for its durability, he says, is that there are enough groups such as women, labor unions, and local government entities who could stand to lose protection if the constitution were tampered with.

"Women have more rights under the Japanese constitution than in the U.S.," Kades says.

Whenever the idea of revision is raised, all these groups band together to forestall it.

The strongest push to revise the constitution came out of the Gulf War in 1990.

One of the most unusual aspects of the Kades document is Article 9 which prevents Japan from having an army other than a minimal self-defense force. This is the basis on which the Japanese say they are precluded from participating in multi-national military operations like Desert Storm.

REVISIONS PUSHED

A leading Tokyo newspaper, Yomiuri Shimbun, (not the same paper that published the unauthorized copy of the draft constitution 49 years ago) is pushing to revise the Kades constitution so as to allow the Japanese to increase the strength and scope of its armed forces. A think tank associated with that newspaper has even drafted a revised constitution.

Partly as a result of this controversy, Kades has become a much sought after interview subject in recent years. Television crews from England, Australia and the U.S. in addition to several from Japan have come to his home. He estimates that he has given 60 interviews in the last several years.

He was invited to Japan where he was interviewed by a documentary film crew. He also appeared on the equivalent of one of our Sunday morning political talk shows on which two leading politicians debated the issue. He has also been sought out by journalists and scholars seeking comments on aspects of the post-war occupation about which he has no particular expertise such as educational reform and civil liberties. Study of the occupation "is a whole industry in Japan," Kades says.

Out of these experiences, Kades has learned that anything he says about current debates can be distorted. Statements he has made in his home in Heath, he says, have resulted in "indignant" phone calls from half way around the globe. Even if his statements aren't distorted, he says, he feels he simply isn't competent to be involved in current controversies.

To make it easier for him to stick to his self-imposed rule not to talk about potential revisions of his constitution, he keeps next to his phone a typed message that he took from a speech by former Secretary of State Cyrus Vance saying that "outsiders should keep their hands off" Japan's internal affairs.

One of the people most interested in Kades' comments was Kikuro Takagi, a senior editor of Yomiuri Shimbun—the largest circulating newspaper in the world. Takagi lives in New York City and he is among those who trekked to Heath to seek a comment on the new draft constitution his newspaper is promoting. Kades refused to even read it in his presence.

MODEL FOR PEACE

Reached in New York, Takagi says he thinks Kades opposes the revisions and that he shares the view of one of his former assistants, Beate Sirota-Gordon. She maintains that the Japanese have undergone remarkable political and economic development for 49 years under the old document that precludes all but a minimal defense force. "Article 9 is really a model for peace that should not be amended, rather it should be copied by other countries . . . changing Article 9 would be a very sad thing," says Sirota-Gordon who, at the age of 22, drafted the women's rights section of the Kades constitution.

Sirota-Gordon gives Kades a lot of credit for what she considers to be a shining moment in world history. "It is an unusual situation when an occupation force is inclined to do something beneficent rather than vengeful," she said in an interview from her home in New York.

When pressed on Kades' reactions to attempts to update the constitution Takagi said, "he gave us a very delicate reply." Takagi said his paper didn't publish Kades' thoughts because "we are trying to push up our revision to our leaders . . . this is a very delicate political and psychological issue so we are holding on to Mr. Kades' reply for now."

After the war, Kades returned to the relative obscurity of a New York City lawyer. He bought the house in Heath in 1967 as a summer residence and moved there full time when he retired in 1978. He lives there now with his wife Phyllis.

Asked what he likes to do when he isn't fielding questions about the Japanese constitution Kades smiles and says, "drink beer." Then he adds, "in the summer time I have to take care of some of the grass around here." He also likes to read about current events and he keeps up on the books that come out about Japan. He has been to the Far East sometimes visiting the children of people he knew when he was there during the occupation. One of them took him to the office where he and his team wrote the constitution. It now houses the Dai Ichi Insurance Co.

Reflecting on the heady days 49 years ago, Kades looks briefly into the fireplace warming his living room and says matter of factly, "it certainly has changed my retirement."

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about another go, as the British put it, with our pop quiz. Remember—one question, one answer.

The question: How many millions of dollars in a trillion? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the enormous Federal debt that is now about $12 billion shy of $5 trillion.

To be exact, as of the close of business Friday, January 19, the total Federal debt—down to the penny—stood at $4,988,397,941,589.45. Another depressing figure means that on a per capita basis, every man, woman, and child in America owes $18,934.39.

Mr. President, back to our quiz—how many million in a trillion?: There are a million million in a trillion, which means that the Federal Government will shortly owe $5 million million.

Now who's not in favor of balancing the Federal budget?

HONORING LAUZON MAXWELL FOR HIS WORK ON BEHALF OF THE MID-CONTINENT LIBRARIES

Mr. ASHCROFT. Mr. President, today I rise to salute the tireless efforts of a Missourian who has worked and given of his time, and himself for one of our country's most precious resource, our libraries. The Mid-Continent Public Libraries serve Clay, Jackson, and Platte counties in the Kansas City, MO, area and provide a valuable service to the community.

Lauzon Maxwell was selected as building manager for the Mid-Continent Public Libraries in 1985, after the library was given authority to oversee its own building projects. In the next 8 years, Mr. Maxwell oversaw the task of building and remodeling 25 facilities, many times having between three and five projects under construction at the same time. Most projects were completed under budget. These projects translated into an additional four branch libraries, four expanded buildings, and a warehouse for the Mid-Continent Library system totaling an additional 381,769 square feet of new or remodeled facilities between 1985–95.

Through his hard work and leadership in the Mid-Continent Library's expansion project, the libraries have provided better library services to their clientele in the Kansas City area. Our libraries are an investment in our communities, and the outstanding services of Mid-Continent Libraries are a credit to their communities. I commend Lauzon Maxwell for his outstanding service and dedication in the leadership of the building projects of the libraries of Kansas City. They are noteworthy and exemplary.

TRIBUTE TO THE LATE TOM GARTH

Mr. THURMOND. Mr. President, the new year started out sadly for the members, friends, staff, and alumni of the Boys & Girls Clubs of America when the president of that organization, Mr. Tom Garth, passed away.

What is today the Boys & Girls Clubs of America can trace its history back to 1860, when the first Boys Club was opened in Hartford, CT. The streets of America's cities during that period were not friendly places, they were often dirty, crowded, and dangerous. The establishment of Boys and Girls Clubs gave young men and women not only a safe haven from the temptations and evils of urban settings, but also allowed them to pursue activities that developed their minds and bodies.

While our Nation has grown and changed in many ways in the last 136 years, much remains the same. Contemporary America is a place with an abundance of obstacles for our youngest citizens. In our cities, drugs and gangs present a deadly lure to urban children; and in our suburbs, teenagers are easily bored by the stale environment which monotonous suburbs create and juveniles are often enticed into destructive activities. If anything, there is an equal, and perhaps even greater, need for Boys & Girls Clubs in the United States of today. As the president of the Boys and Girls Clubs of America, Tom Garth recognized that fact, and he worked hard to create an organization that would effectively reach out to today's children and offer them an attractive alternative to running afoul of the law.

Mr. Garth began his career with the Boys & Girls Clubs as the games room director of the Boys Club in East Saint Louis, a city well known for being a tough town where opportunities for its citizens, especially its children, are scarce. Working in such an environment had a tremendous effect on Mr. Garth and would help influence how he would run the Boys & Girls Clubs of America when he became president of that organization in 1988.

By all accounts, the tenure of Tom Garth was a successful period in the history of the Boys & Girls Clubs of America. Under his leadership, this organization established hundreds of new clubs in areas where positive activities for children were desperately needed, contributions to the organization increased, and most significantly, the membership of the organization has more than doubled, growing to include 2,300,000 boys and girls. This is an impressive accomplishment and a proud legacy for Mr. Garth to have achieved.

Mr. President, I have long been a supporter of the Boys & Girls Clubs of America, and it was a pleasure to come to know Mr. Garth over the many years he was with the organization. He was a man with a clear vision of what he wanted the Boys & Girls Clubs to be and what it would take to meet those goals. I am told that one of his last requests was to those who he left behind at the Boys & Girls Clubs of America, urging them to work to ensure that by the year 2000, 3 million children would be served by the clubs. That is a worthy goal and one which each of us in this Chamber would do well to support and help bring to fruition.

Tom Garth was a man with tremendous drive and determination, and without question, he could have risen to head any of America's leading corporations. Instead of being motivated by the notion of a successful and financially rewarding business career, Tom Garth was motivated by a desire to make a difference and to make sure that the young people of the United States who needed a helping hand, a safe haven, or a role model, were given them. Through his 40-year career with the Boys & Girls Clubs, he gave millions of children more than a fighting chance to grow into productive members of society, and he has truly had a positive impact on this Nation through his work. He will be missed by all those who knew him, and we join his widow, Irene, in mourning his loss.

TRIBUTE TO THE LATE ADRIENNE BROWN

Mr. THURMOND. Mr. President, earlier this month a tragedy befell James Brown, one of South Carolina's most famous sons and one of America's most beloved entertainers, when his wife Adrienne passed away.

James and "Alfie," as Adrienne was affectionately called, had been married for 10 years and were fixtures of Augusta, Georgia and the "Georgialina" area, a region of the Savannah River Valley which includes a number of cities and towns on both sides of the South Carolina and Georgia stateline. The two met back in 1981 when James Brown appeared on the popular syndicated television show "Solid Gold". A native of California, Adrienne was working in the entertainment industry at that time, contributing to the production of programs such as "Days of Our Lives" and "The Young and the Restless", as well as being employed as an artist by NBC television.

After their courtship began, Adrienne became very active in Mr. Brown's entertainment ventures, and some have even credited her as being a key element in his becoming popular with a whole new generation of music lovers. Her passion for the entertainment industry and sense for business led her to become chief executive officer of Alfie Enterprises and the James Brown Dancing Stars, as well as the executive producer of the "James Brown's Living in America" pay-per-view television show. The Browns were married in 1985, and their decade long marriage was one that was filled with strong feelings between husband and wife, and many marveled at the bonds that held the two together.

On January 16, after a memorial service that was attended by an overflow crowd of more than 800 family, friends, and admirers, Alfie Brown was laid to rest. The Charleston Post & Courier carried an article about the service which I think captures the esteem in which this woman was held and I ask unanimous consent that it be included in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston Post & Courier, Jan. 16, 1996]

SOUL SINGER BROWN BURIES HIS WIFE

AUGUSTA.—Soul singer James Brown buried his wife Tuesday after a funeral in a historic theater overflowing with mourners.

New York activist the Rev. Al Sharpton was among the more than 800 friends, relatives and fans who filled the Imperial Theatre to console Brown on the death of his wife, Adrienne.

"She was one of the few people around him who didn't want anything from him except to be James Brown," Sharpton said.

"Mr. Brown, you face a lonely time. Remember you have what most stars never have—someone who loves you," he said.

Mrs. Brown, 45, died in Los Angeles Jan. 6, two days after undergoing cosmetic surgery.

Officials at the Los Angeles County coroner's office have ruled out foul play, but they haven't determined what caused her death.

Brown, dressed in black and wearing sunglasses, blew a kiss to the 100 or so people lining the street outside who were unable to get a seat in the theater.

He did not speak during the funeral.

"She loved James very much," said Al Miller, a family friend. He was so distraught he could speak only a few words.

The glossy black casket was covered with a hugh spray of red roses, and scores of other flower arrangements covered the stage around it.

A large portrait of Mrs. Brown was suspended over the casket, and a white cross was projected on the curtain at the back of the stage.

After the service, Mrs. Brown was buried at Walker Memorial Gardens.

Nancy Thurmond, wife of Sen. Strom Thurmond, R-S.C., and a close friend of Mrs. Brown, said she had "devoted herself to helping James Brown continue leading the world as the Godfather of Soul."

"She showed great courage in combining the public arena with private life. She was often in the lonely fringe throughout it all. She had a tremendous giving heart," Mrs. Thurmond said.

The Rev. Reginald D. Simmons, who officiated at the service, said the Browns' 10-year marriage was strong despite some tumult.

He said he talked to her two days before she died, and she was looking forward to coming home.

"God gave her a husband. Despite things down, up or turned around, he was steadfast and unyielding," Simmons said. "Their relationship was going to be for better or for worse. Her life was filled with mostly good things."

Mrs. Brown had accused her husband at least three times of assault, but each time she either withdrew the accusations or the charges were dismissed.

Brown, 62, denied beating his wife and said in November that she was being treated for drug addiction.

The Browns met in 1981 on the set of the TV music show "Solid Gold," where she was a hair stylist.

They lived in nearby Beech Island, but Brown maintained his offices and recording studio in Augusta, where he got his start.

A memorial service was held last week in Los Angeles, Mrs. Brown's hometown.

Several stars, including singer Little Richard, attended.

NOTICE OF ADOPTION OF PROCEDURAL RULES

Mr. THURMOND. Mr. President, pursuant to the Congressional Accountability Act of 1995, a Notice of Adoption of Regulations and Submission for Approval and Issuance of Interim Regulations, together with a copy of the adopted regulations, was submitted by the Office of Compliance, U.S. Congress. These regulations relate to irregular work schedules and interns. The notice announces the adoption of the final regulation as an interim regulation on the same matters. The Congressional Accountability Act specifies that the Notice and regulations be printed in the CONGRESSIONAL RECORD, therefore I ask unanimous consent that the notice and adopted regulations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAIR LABOR STANDARDS ACT OF 1938 (INTERNS; IRREGULAR WORK SCHEDULES)

NOTICE OF ADOPTION OF REGULATIONS AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors, Office of Compliance, after considering comments to its general Notice of Proposed Rulemaking published October 11, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations to implement sections 203(a)(2) and 203(c)(3) of the Congressional Accountability Act of 1995 ("CAA"). The Board is also adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540-1999. Telephone: (202) 724-9250.

Background and Summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), Pub. L. 104-1, 109 Stat. 3, was enacted on January 23, 1995. 2 U.S.C. sections 1301 et seq. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. In addition, the statute establishes the Office of Compliance ("Office") with a Board of Directors ("Board") as "an independent office within the legislative branch of the Federal Government." Section 203(a) of the CAA applies the rights and protections of subsections a(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 ("FLSA") (29 U.S.C. 206(a)(1) and (d), 207, and 212(c)) to covered employees and employing offices. 2 U.S.C. section 1313. Sections 203(c) and 304 of the CAA directs the Board to issue regulations to implement the section. 2 U.S.C. sections 1313(c), 1384.

Section 203(c)(2) of the CAA directs the Board to issue substantive regulations that "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. 2 U.S.C. section 1313(c)(2). However, section 203(a)(2) excludes "interns" as defined by Board regulations from the definition of "covered employee" for the purpose of FLSA rights and protections. Additionally, section 203(c)(3) of the CAA directs the Board to issue regulations for employees "whose work schedules directly depend on the schedule of the House of Representatives or the Senate" that shall be "comparable to", rather than "the same as", the provisions of the FLSA that apply to employees who have irregular work schedules.

On October 11, 1995, the Board published a Notice of Proposed Rulemaking ("NPR") in the Congressional Record (141 Cong. R. S15025 (daily ed., October 11, 1995)), inviting comments from interested parties on the proposed regulations relating to "interns" and "irregular work schedules." Six comments were received responding to the proposed regulatory definition of "interns," and thirteen on the proposed irregular work schedules regulation. Comments were received from employing offices, trade and professional associations, advocacy organizations, a labor organization, and Members of Congress. In addition, the Office has sought consultations with the Department of Labor regarding the proposed regulations, pursuant to section 304(g) of the CAA. After considering the comments received in response to the proposed rule, the Board has adopted and is submitting these regulations for approval by the Congress. Moreover, pursuant to sections 411 and 304, the Board is issuing such regulations as interim regulations. The Board is also adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively.

I. DEFINITION OF "INTERNS"

A. Summary of Proposed Regulation

The proposed regulation defined the term "intern" to be any individual who: "(a) is performing services in an employing office as part of the pursuit of *the individual's educational objectives*," and "(b) is appointed on a temporary basis for a period not to exceed one academic semester (including the period between semesters); provided that an intern may be reappointed for one succeeding temporary period."

B. Summary of Comments

Six comments were received regarding the proposed definition of "intern" in the Notice of Proposed Rulemaking. The commenters agreed with the approach taken in the proposed regulation. However, commenters suggested that the proposed definition of "interns" was vague or overbroad in one or more respects. After considering these comments, the Board has decided to modify the regulation, as discussed below.

1. Subpart (a): Requirement that an intern *"perform[] service as part of the pursuit of the individual's educational objectives"*

Subpart 1(a) of the proposed regulation established as the first criterion for eligibility as an "intern" that the individual must be "performing services in an employing office as part of the pursuit of *the individual's educational objectives*" (emphasis added).

Two commenters expressly approved of this subpart, and recommended that the Board not change it. One commenter argued that this criterion was overbroad and would be subject to potential abuse by employing offices because the intern need not be enrolled in an educational program in a degree-awarding institution. This commenter opined that virtually all employees view their employment as a way to achieve some "educational objective," since most hope to get on-the-job experience that will qualify them for better paying opportunities. In the view of this commenter, an employing office could easily characterize the individual's work as "in pursuit of educational objectives" to avoid its FLSA obligations. This commenter recommended that an alternative definition of "intern" be adopted—one that would be modeled on the elements used to determine the status of "trainees" under the FLSA, which specifies that the individual must be a student enrolled in a degree program at an educational institution to qualify.

In the Board's considered judgment, requiring an intern to be enrolled in a degree program at an educational institution would be unduly restrictive because such a requirement would exclude arrangements considered valid under current internship practice. The Board does not believe Congress intended to preclude internships during a teacher's sabbatical year or between undergraduate and graduate school. Therefore, the Board does not recommend that such a requirement be imposed. Instead, the Board shall modify subpart (a) of the regulation to state that an employee must be performing services in the employing office as part of a demonstrated educational plan which should be in writing and signed by both. In the Board's view, this requirement would be satisfied where the intern is enrolled in a degree program at an educational institution or where the intern's employment is part of an educational program or plan agreed upon between the employing office and the intern. In the Board's view, these requirements will satisfactorily decrease the risk of abuse of this provision by any employing office.

2. Subpart (b): Requirement that the individual be appointed *"on a temporary basis for a period not to exceed one academic semester (including the period between semesters); provided that an intern may be reappointed for one succeeding temporary period"*.

Subpart (b) of the proposed rule set out the second criterion for determining whether an individual in an employing office would be an "intern": that the individual be appointed "on a temporary basis for a period not to exceed one academic semester (including the period between semesters); provided that an intern may be reappointed for one succeeding temporary period."

All six commenters suggested that the Board modify the proposed regulation to define a specific, determinative time limit for an internship to qualify under the regulation's definition. The commenters suggested that the length of time for a qualifying internship (and any extension thereof) under this part be expressed as a defined term of days or months. Commenters suggested periods ranging from "120 days in any 12-month period," to "5 months," to "9 months."

Three commenters suggested that the term "academic semester" is ambiguous because many educational institutions divide their academic calendars into "trimesters" or "terms" of varying duration as well as "semesters." Similarly, some commenters found the provision that an intern may be reappointed for one succeeding "temporary period" ambiguous because the term "temporary period" was not defined and could be subject to varying interpretations.

One commenter quoted the following provision of section 3 of H.Res. 359, contained in 2 U.S.C. section 92 (Note): "interns shall be employed primarily for their educational experience in Washington, District of Columbia, for a period not to exceed one hundred and twenty days in one year . . ." This commenter suggested that the reference to one academic semester be changed to "120 days in any 12 month period" to ensure consistency with this provision.

One commenter stated that the one semester time limit may be too short, since many of the schools from which employing offices recruit interns administer their internship programs on an annual, as opposed to semester, basis. This commenter suggested that, under the current definition, employing offices will be unable to attract top-level interns and the efficiency of the offices will be undermined. The commenter suggested the applicable time limit for an intern position should be one year, defined as two consecutive semesters.

Another commenter suggested the regulation should specify that summer internships are acceptable under the rule. This commenter also recommended that the regulation expressly state that the definition of "intern" "is not intended to cover other similar job positions such as volunteers or fellows, nor does it cover pages," which is stated in the Summary section of the NPR regarding this proposed regulation (141 Cong. R. S15025 (daily ed., October 11, 1995)).

The Board agrees that subpart (b) of the proposed regulation should be modified (1) to allow for the appointment and reappointment of interns for periods of varying length and (2) to state a definite maximum term for the entire internship, including any reappointment periods. After considering the alternatives suggested by the commenters, the Board shall modify the proposed regulation to state that an intern may be appointed for periods of any length, so long as the total period of internship does not exceed 12 months. This definition expresses the Board's understanding of the term "academic semester" in the proposed regulation and adopts the suggestion that the internship be subject to a defined time period unconnected to the academic calendar of any particular educational institution.

The Board notes that, since the final regulation allows internships for periods of longer than 120 days in one year, under H.Res. 359, a Member who chooses to employ an intern for longer than 120 days in a year may be required by House rules to count that intern against the 18 permanent clerk-hire allotment. However, nothing in the Board's final regulation requires an employing office to employ an intern for the entire period permitted by the definition; the final regulation simply sets a maximum period within which an internship may qualify to meet the exclusion of section 203(a)(2) of the CAA. Employing offices (or the House itself) are free to impose more stringent limitations on their employment of interns. The definition of "intern" in the final regulation establishes only the CAA's ceiling on the period of time an intern may be employed and still meet the exclusion of section 203(a)(2) of the CAA.

The regulation shall also state that the definition of "intern" does not cover volunteers, fellows or pages, as suggested by a commenter. The Board believes that, as modified, this definition makes clear that summer internships may meet the definition, provided that the other criteria of the regulation are met. Therefore, the explicit statement to that effect suggested by a commenter is unnecessary.

II. IRREGULAR WORK SCHEDULES

A. Introduction

Section 203(c)(3) of the CAA directs the Board to issue regulations for employees "whose work schedules directly depend on the schedule of the House of Representatives or the Senate that shall be comparable to the provisions of the Fair Labor Standards Act of 1938 that apply to employees who have irregular schedules." Section 203(a)(3) states that, "[e]xcept as provided in regulations under subsection (c)(3), covered employees may not receive compensatory time in lieu of overtime compensation."

Section 1 of the rule proposed in the NPR developed a standard for determining whether an individual's work schedule "directly depends" on the schedule of the House of Representatives or the Senate." In sections 2 and 3 of the rule proposed in the NPR, the Board proposed two irregular work schedule provisions which would be applicable to such employees. Section 2 of the proposed regulation, which allowed for the use of so-called "Belo" agreements, was modeled almost verbatim on the requirements of section 7(f) of the FLSA. (*See* 29 U.S.C. section 207(f)). Section 3 of the proposed regulation, which was modeled on section 7(o) of the FLSA, established conditions under which employing offices could provide compensatory time off in lieu of overtime compensation to employees whose work schedules "directly depended" on the schedules of the House or the Senate. (*See* 29 U.S.C section 207 (o)).

In addition to inviting general comments on the regulation proposed in the NPR, the Board invited comments on four specific issues: (1) whether the regulation should be considered the sole irregular work schedules provision applicable to covered employees or whether, in addition, section 203 of the CAA applies the irregular hours provision of section 7(f) of the FLSA with respect to covered employees whose work schedules do not directly depend on the schedules of the House or the Senate; (2) whether the contracts and agreements referenced in section 2 of the proposed regulation (so-called "Belo" agreements) can or should be permitted to provide for a guaranty of pay for more than 60 hours and whether the terms and use of such contracts and agreements should differ in some other matter from those permitted in the private sector; (3) whether and to what extent the regulations may and should vary in any other respect from the provisions of section 7(f) of the FLSA; and (4) whether and to what extent section 7(o) of the FLSA is an appropriate model for the Board's compensatory time off regulations and whether and to what extent the Board's regulations should vary from the provisions of section 7(o) of the FLSA.

The Board has carefully reviewed the public comments received in response to the NPR and has further studied both the text and the legislative history of sections 203(a)(3) and 203(c)(3), as well as the provisions governing overtime compensation under section 7 of the FLSA. After doing so, the Board has concluded that the regulations relating to irregular work schedules should, consistent with both the special rules of sections 203(a)(3) and 203(c)(3) and established interpretations of the FLSA, be as follows:

First, for employees whose schedules directly depend upon the schedules of the House of Representatives or the Senate, the substantive regulations shall provide that an eligible employee is entitled to overtime compensation for working in excess of 40 hours but less than 60 hours in a workweek and is further entitled to overtime compensation or compensatory time off for hours worked in excess of 60 hours in a workweek. An employee's schedule shall be deemed to "directly depend" upon the schedule of the House or the Senate where the eligible employee performs work that directly supports the conduct of legislative or other business in the chamber and works hours that regularly change in response to the schedule of the House or the Senate.

Second, for other employees whose schedules do not "directly depend" upon the House or Senate schedule but who nevertheless work irregular or fluctuating work schedules, the provisions of sections 203(a)(3) and 203(c)(3) of the CAA do not apply and compensatory time off should not be available. Employing offices may nevertheless adopt any of several options, generally available under the FLSA, which satisfy overtime payment requirements in the context of irregular or fluctuating work schedules. The availability of these options addresses many of the concerns expressed in the comments received in response to the NPR.

B. Summary of Comments

1. Applicability of 7(f) of the FLSA under the CAA

In the NPR the Board asked several questions regarding the applicability of section 7(f) of the FLSA under the CAA. The commenters were divided on the question of whether the proposed regulation should be considered the sole irregular work schedule provision applicable to covered employees or whether, in addition, section 203 of the CAA applies the irregular hours provision of section 7(f) of the FLSA to covered employees whose work schedules do not directly depend on the schedule of the House or Senate.

Two commenters believed that the CAA allows an irregular work schedule provision only for employees whose work schedules directly depend on the schedules of the House or the Senate. Thus, the proposed regulation should be the sole irregular work schedule provision.

Conversely, three commenters suggested that the proposed rule should not be the sole irregular work schedule provision but that the Board should implement a second rule on irregular work schedules which applies to covered employees other than those whose schedules directly depend on the schedule of the House or Senate. These commenters noted that section 203 of the CAA expressly applies the entirety of section 7 of the FLSA to covered employees. Consequently, under the view of these commenters, section 7(f), the irregular work schedule provision of the FLSA, should apply to all covered employees, not just to those whose schedules directly depend on that of the House or Senate.

In addition to the issue of the general applicability of 7(f), the NPR posed the more specific questions of (1) whether the contracts or agreements referenced in 7(f) can or should be incorporated into the CAA's regulations so as to provide for a guaranty of pay for more than 60 hours; and (2) whether the terms and use of such contracts or agreement should differ in some other manner from those permitted in the private sector.

Three commenters specifically stated that the 60-hour maximum should apply to the proposed regulation, again relying on the rationale that the CAA requires that the Board's rules be the same as those which apply to the private sector. Further, several commenters stated that, in general, the Board's regulations which implement the CAA should not deviate from those regulations applicable under the FLSA to the private sector—which implicitly includes "Belo" plans.

Several commenters addressed the question of whether, as a general matter, the rule on irregular work schedules should vary from section 7(f) of the FLSA. All agreed that the regulation should not vary from section 7(f) of the FLSA. Two commenters contended that the CAA applies the FLSA to the legislative branch in the identical manner that the FLSA applies to the private sector. One commenter argued that the rule on irregular work schedules should include provisions for compensatory time off because the Board's rule need only be "comparable" to section 7(f) of the FLSA.

2. Definition of "directly depends" under section 1 of the proposed regulation

Section 1 of the proposed regulation stated that a covered employee's work schedule "directly depends" on the schedule of the House of Representatives "only if the employee's workweek arrangement requires that the employee be scheduled to work during the hours that the House or Senate is in session and the employee may not schedule vacation, personal or other leave or time off during those hours, absent emergencies and leaves mandated by law." The proposed rule further stated that an employee's schedule on days the House or the Senate is not in session does not affect the question of whether the employee's schedule directly depends on that of the House or the Senate. Seven commenters had concerns about the definition of when an employee's work schedule "directly depends" on the schedule of the House or the Senate.

Four commenters found the definition too narrow, citing examples of covered employees who work for committees or support offices or agencies who they thought would not fit into a strict reading of the proposed regulation. These commenters said that employees of those offices who frequently must serve the Senate or the House "until the conclusion of specified legislative sessions or specified legislative business" have schedules that are determined by the House or the Senate, and not by their employing offices. Further, these commenters said that employing offices frequently limit severely their employees'' ability to take leave during these times, absent an emergency. The commenters claimed that, because the proposed rule requires that the employee's position must require them to be on duty whenever the House or the Senate is in session, it excludes the employees of those offices and committees whose schedules are clearly mandated by that of the House or the Senate but who are not necessarily required to be at work during every hour the House or the Senate is in session. These commenters further asserted that these employees may, on occasion, take leave while the House or the Senate is in session, when their issue areas or responsibilities are not scheduled for debate and that this too would make them ineligible under the proposed irregular work schedule provision. These commenters expressed concern that, if such employees do not qualify for the irregular work schedule provision, many employing offices will not be able to afford the overtime their employees presently put in on a regular basis. Apart from the actual monetary cost, these commenters could not see how such offices would be able to anticipate adequately the amounts of overtime they will have to pay when planning their budgets because of the uncertainty in their schedules.

Another commenter suggested that the rule should also make clear that employees can be granted time away from work, or work on a reduced hour schedule, while the House or the Senate is not in session, and still be covered by the irregular work schedule provision. This commenter also suggested that the regulations should give employing offices authority to determine whether schedules for their employees directly depend on the schedule of the House or the Senate.

A third commenter suggested that the Board specifically state in the rule that the irregular work schedule provisions apply to employees of committees, joint committees, and (presumably) other offices in similar situations. Alternatively, this commenter suggested that, if the Board does not wish to take that approach, the rule should be changed to state that the employee's work schedule "directly depends" on the schedule of the House or the Senate if that employee's "normal workweek schedule is determined based in whole or in part on the hours the House or Senate is in session and on the legislative calendar of the House or the Senate."

Conversely, two commenters believed that the definition in the proposed regulation of when an employee's schedule "directly depends" on that of the House or the Senate was too broad. One of these commenters suggested that the definition in the NPR (1) is not in keeping with what the Secretary of Labor deems an irregular work schedule in the private sector and (2) is subject to abuse by employing offices because it is too easy to meet, in this commenter's view.

This commenter asserted that the Department of Labor's regulations make it clear that employees who fall within the irregular work schedule provisions must have schedules that "fall *above and below* the normal work week." According to this commenter, section 774.406 of those regulations states that, if the employee's hours fluctuate only *above* the maximum workweek prescribed in the statute, the employee's schedule is not considered irregular. This commenter insisted that the Board's proposed rule failed to include a provision that would require the employee's hours, at some point, to fall below the normal workweek schedule. This commenter saw this omission as creating an opportunity for employing offices simply to mandate that these employees be at work whenever the House or the Senate is in session, as well as working a regular forty-hour week when the House or the Senate is not in session.

A second commenter read the proposed rule as potentially allowing employing offices to include employees under the irregular work schedule provision when, in fact, those employees do not work irregular hours or have workweeks of fewer than forty hours. This commenter suggested that the Board should clarify the rule to provide that an employee's schedule "directly depends" on the schedule of the House or the Senate when "the employees must, as a result of that schedule, actually work workweeks which fluctuate significantly."

Finally, one commenter read the proposed definition as either too narrow, or too broad, depending on the intended meaning of the phrase "during the hours that the House or Senate is in session." This commenter observed that, if one interprets this phrase as requiring only that some of the employee's work hours coincide with the hours the House or the Senate is in session, the definition is too broad because virtually every House or Senate employee that works on Capitol Hill would qualify. This commenter also observed that, if the phrase is read strictly to mean that an employee must work all of the hours that the House or the Senate is in session, the definition is too narrow, for the same reasons given by the four commenters discussed above. This commenter suggested that a better definition of when an employee's schedule "directly depends" on the schedule of the House or the Senate is when "the employee's work schedule is dictated primarily by the schedule of the [House or the] Senate."

3. Availability of compensatory time off and the applicability of section 7(o) of the FLSA

In the regulations proposed in the NPR, the Board also invited comment on the propriety and advisability of using section 7(o) of the FLSA, which authorizes public sector employees to give compensatory time off in lieu of overtime compensation to public sector employees, as the model for determining whether employees whose schedules directly depend on the schedule of the House or the Senate should receive compensatory time off. The commenters were divided on this issue.

Six commenters opposed the provision of compensatory time off, asserting that the Board should not use section 7(o) as a model for the Board's regulations. These commenters stated that authorization of compensatory time off under section 203(c)(3) of the CAA would be inconsistent with the strict private sector prohibition against the use of compensatory time off in lieu of overtime compensation under the FLSA.

In these commenters' view, compensatory time off under section 7(o) is not available to the private sector and, consequently, should not be available to Congress, since the CAA allegedly requires Congress to "live by the rules of the private sector." Moreover, these commenters cite legislative activity of the 103rd Congress, in which various compensatory time provisions were proposed and rejected. Finally, these commenters cite various floor statements given during the debate on the CAA, which, they claim, state that compensatory time off is not available under the CAA.

One commenter argued that section 203(c)(3) of the CAA gives the Board discretion to authorize the use of compensatory time only if the "provisions of the [FLSA] that apply to employees who have irregular schedules" authorize such overtime. This commenter pointed to the Interpretative Bulletin found at 29 C.F.R. section 778.114, which allows fixed salaries for fluctuating workweeks, and argued that the Board is not permitted to authorize compensatory time off under its irregular work schedule regulation except insofar as time off would have to be offered and utilized pursuant to this Interpretative Bulletin, i.e., not at all.

Conversely, five commenters suggested that authorizing compensatory time off in lieu of overtime pay under the proposed regulations is appropriate under the FLSA as applied by section 203 of the CAA. Further, three of these commenters specifically stated that section 7(o) of the FLSA is an appropriate model for the Board's regulations on compensatory time off. One commenter, citing a report that accompanied H.R. 4822, in the 103rd Congress, the predecessor to the CAA (S. Rep. No. 397, 103d Cong., 2d Sess. 18 (1994)), stated that the question of compensatory time off was specifically addressed by the Congress and that section 7(o) of the FLSA was approved as the appropriate model for determining accrual and use of compensatory time off. Since H.R. 4822 was substantially the same as S.2, the bill which ultimately was enacted as the CAA, this commenter concluded that this "legislative history" suggests that a regulation authorizing compensatory time off and modeled after section 7(o) must also be acceptable under the CAA.

One commenter offered two further comments on the proposed rule. First, this commenter suggested that compensatory time off earned prior to January 23, 1996, should be used in accordance with the policies in effect at the time that the compensatory time was accrued, including policies governing payment for unused compensatory time upon termination of employment. According to this commenter, if no prior policies existed for use of compensatory time off, then the use of that accrued compensatory time should be governed by the new regulations. Further, this commenter argued that the 240-hour cap on accrued compensatory time should only apply to compensatory time accrued as of January 23, 1996 and that anything earned prior to that date (under the old system) should not count toward the 240-hour cap.

C. Final Regulation: The Board shall authorize employing offices to provide compensatory time off, subject to limitations, for employees whose work schedules "directly depend" on the schedule of the House or the Senate. In addition, the provisions of the FLSA as applied to covered employers under section 203 of the CAA authorize employing offices to utilize several methods of computing pay for employees who work irregular or fluctuating hours.

In addition to the options available to private sector employers under the FLSA for addressing irregular or fluctuating work hours, the regulations adopted by the Board shall allow employing offices additional flexibility in the case of employees whose work schedules "directly depend" on the schedule of the House or the Senate. Specifically, for these employees, the Board's regulations shall provide for compensatory time off in lieu of overtime compensation to a limited extent.

1. Compensatory time-off

At the outset, the Board rejects the argument made by several commenters that allowing compensatory time off in lieu of overtime pay is not within the Board's discretion. Section 203(c)(3) provides that the Board may issue regulations for covered employees whose schedules "directly depend" on the schedule of the House or the Senate "that shall be comparable to the provisions of the [FLSA] that apply to employees who have irregular schedules." In turn, section 203(a)(3) of the CAA provides that, "[e]xcept as provided in regulations under subsection (c)(3), covered employees may not receive compensatory time in lieu of overtime compensation." The plain import of this statutory language is that the Board may provide for compensatory time off in its irregular work schedule regulations; indeed, any other construction of the statute would render the exception clause of section 203(a)(3) meaningless, which traditional canons of construction generally forbid.

While legislative history cannot in any event rewrite such statutory text, the Board also notes that, contrary to the argument of some commenters, nothing in the CAA's legislative history in fact forbids the Board from authorizing compensatory time off in lieu of overtime compensation for employees whose schedules directly depend on the schedule of the House or the Senate. The only legislative materials of the 104th Congress referenced by these commenters are a floor statement by a Senator and the section-by-section analysis submitted during the Senate's consideration of the CAA. See 141 Cong. Rec. S445 (daily ed., Jan. 5, 1995); 141 Cong. Rec. S623-S624 (daily ed., Jan. 9, 1995). However, the referenced floor statement and section-by-section analysis were made in the context of discussing the general prohibition of compensatory time off under section 203(a)(3) of the CAA (and under section 7(a) of the FLSA). They were not made in reference to the specific terms of sections 203(a)(3), which explicitly do not proscribe the authorization of compensatory time off in the context of employees whose schedules directly depend on the schedule of the House or the Senate. Indeed, not only do these sections not explicitly proscribe the authorization of compensatory time-off in this context, they in fact implicitly authorize compensatory time-off in this one specified circumstance.

Some commenters referred to legislative activity of the 103rd Congress in arguing that compensatory time-off may not be allowed. But, as noted above, legislative history is not law and cannot properly be used to rewrite statutory text. Moreover, to the extent that legislative history of a prior Congress is relevant in determining the meaning of an act passed by the current Congress (but see *Landgraf* v. *USI Film Products*, 114 S.Ct. 1483, 1496 (1994)), the "legislative history" cited is, in all events, consistent with the approach taken by the Board.

For example, S. 1824, which was considered by the 103rd Congress, applied the protections of the FLSA to the Senate, but exempted employees whose work schedules are dependent on the legislative schedule of the Senate. See S. 1824, section 304(b); S. Rep. 103–297 (103d Cong., 2d Sess.) at p. 31 (1994). Because employees whose schedules are "dependent" on the Senate's schedule were completely excluded from FLSA protections under S. 1824, there was no need to consider the compensatory time off issue for those employees. Similarly, H.R. 4822, which was sent to the Senate on August 12, 1994, expressly allowed compensatory time off for all covered employees to the same extent that section 7(o) of the FLSA authorized compensatory time off for state and local government employees. See H.R. 4822, section 103(a)(3); S. Rep. 103–397 (103d Cong., 2d Sess.) at p. 18 (1994). Finally, H.R. 4822, as reported by the House, gave the Office of Compliance authority to consider the appropriate rule for employees with irregular schedules. See H.Rep. 103–650 (Part 2) (103d Cong., 2d Sess.) at p. 15 (1994). Clearly, to the extent that it is relevant, the available legislative history from the 103rd Congress does not reflect an intent categorically to prohibit the Board from allowing compensatory time off for employees with schedules that directly depend on the schedules of the House or the Senate.

Some commenters also referred to statements of legislators written after the CAA was passed regarding Congress's alleged intent regarding compensatory time off. However, courts do not view after-the-fact statements by proponents of a particular interpretation of a statute as a reliable indication of what Congress intended when it passed a law, even assuming that extra-textual sources are to any extent reliable for this purpose. See *Gustafson* v. *Alloyd Co., Inc.*, 115 S.Ct. 1061, 1071 (1995). The Board thus does not find such statements to limit its discretion under the statute as enacted.

The Board also does not agree with the commenters who asserted that the CAA uniformly adopts all aspects of private sector law in applying rights and protections to covered employees and employing offices within the legislative branch. The Board notes, for example, that section 225(c) of the CAA prohibits any award of civil penalties or punitive damages against offending employers, even though such penalties and damages would be available in private sector actions. Similarly, the Board notes that section 203(a)(2) excludes "interns" from the rights and protections of the FLSA, even though in many cases such interns would be entitled to such rights and protections under the same circumstances in the private sector. The Board further notes that covered employees asserting FLSA rights and protections must first exhaust confidential counseling and mediation remedies prior to filing an action in federal court; in contrast, private sector FLSA plaintiffs may proceed directly to court. In addition, the Board notes that, whereas private sector FLSA plaintiffs enjoy a limitations period of two years (three in the case of willful violations), 29 U.S.C. section 255, covered employees must initiate claims within 180 days of an alleged violation. See sections 402 and 225(d)(1) of the CAA. In short, private sector employers and employing offices under the CAA are treated differently in several instances; and sections 203 (a)(3) and (c)(3) indicate that the use of compensatory time off in the context of employees whose schedules directly depend on the schedules of the House and the Senate is one of the allowable differences.

That the CAA does not foreclose the Board from authorizing compensatory time off, of course, does not end the inquiry. The question remains whether the Board in its discretion should allow the use of compensatory time off in connection with employees whose schedules directly depend on the schedules of the House and the Senate, and if so, to what extent it should do so. In the rule proposed in the NPR, the Board proposed to do so and to use section 7(o) as the model for doing so. However, in the NPR, the Board also specifically invited comment on both its approach and the advisability of using section 7(o) as the regulatory model for this purpose. Upon both further reflection and consideration of the comments received, the Board has determined that, while use of compensatory time off should still be allowed in this context, section 7(o) may not be the most apt analogy.

The Board continues to find that the use of compensatory time off in lieu of overtime pay should be allowed in the context of employees whose schedules "directly depend" upon the schedules of the House or the Senate. The import of section 203(a)(3) is that Congress contemplated that compensatory time off could be allowed in this unique context. Moreover, section 203(c)(3) suggests a special concern and desire by Congress for providing flexibility in connection with employees whose schedules "directly depend" on the schedules of the House and the Senate. The comments received confirm that the work schedules of these unique employees justify special rules that both protect these employees' rights and yet allow for flexibility and cost-control on the part of their employing offices. In the Board's judgment, use of compensatory time off is thus appropriate in this context.

The Board is now convinced, however, that section 7(o) of the FLSA is not the proper model for compensatory time off regulations in this context. Section 7(o) was not designed for and is not limited to employees with irregular work schedules; nor was section 7(o) designed for or limited to employees whose schedules directly depend upon the schedules of the House and the Senate. Accordingly, the Board has concluded, as a matter of discretion, that its regulations in this context should not be modeled after section 7(o).

Rather, the Board has concluded that section 7(f) of the FLSA is the more appropriate starting point for integrating compensatory time off into the CAA scheme. Section 7(f) was expressly designed for employees with irregular work schedules. It thus provides a more apt starting point for the development of regulations concerning employees whose irregular work schedules arise from the schedules of the House and the Senate. Moreover, using section 7(f) as the starting point for regulations has the advantage of building on a structure that already attempts to accommodate the needs of employers of employees with irregular work schedules and the FLSA rights of those employees.

Of course, section 7(f) was not explicitly designed for employers of employees whose schedules directly depend on the schedules of the House or the Senate. And section 203(c)(3) instructs that the Board's regulations for those employees need only be "comparable" and not the "same as" the provisions of the FLSA that address employees with irregular work schedules. Thus, the provisions of section 7(f) may properly be adjusted in order best to address the FLSA rights and obligations under the CAA of employees and employing offices in this special context.

Upon both further reflection and consideration of the comments received, the Board in its considered judgment has concluded that the irregular work schedule provisions of section 7(f) should be modified for employees whose work schedules "directly depend" on the schedule of the House or Senate as follows:

(1) No agreement between the employee and the employing office should be required in this context; the authorization for differential treatment of such employees derives from section 203(c)(3) and the Board's regulations implementing that section of the CAA;

(2) The employee's duties need not necessitate irregular hours of work within the meaning of section 7(f); instead, the employee need only be one of those employees whose work "directly depends" on the schedule of the House or the Senate (as defined in these regulations);

(3) The employee's hours may permissibly fluctuate only in the overtime range, as the statutory concern here is obviously the unpredictability in work schedules that derives from the conduct of the nation's federal legislative business;

(4) Compensatory time off may be paid in lieu of overtime compensation for any hours worked in excess of 60 hours in a workweek. For overtime hours over 40 and up to 60 hours, the employing office must pay appropriate overtime compensation as otherwise required by the CAA. Of course, if the requirements of section 7(f) are met, pay for the first 60 hours of employment could be governed by that section. This limited use of compensatory time off rules is consistent with the language and evident purpose of sections 203 (a)(3) and (c)(3); it provides employing offices with some flexibility and control over costs in this context; and, by requiring employing offices to pay overtime for the first 20 hours of overtime in a week, it provides sufficient disincentives for employing offices to abuse the use of the provision; and,

(5) An employee who has accrued compensatory time off under section 2, upon his or her request, shall be permitted by the employing office to use such time within a reasonable period after making the request, unless the employing office makes a bona fide determination that the needs of the operations of the office do not allow the taking of compensatory time off at the time of request. An employee may renew the request at a subsequent time. An employing office may, upon reasonable notice, require an employee to use accrued compensatory time-off. Upon termination of employment, the employee shall be paid for any unused compensatory time at the rate earned by the employee at the time the employee receives such payment.

The above rules are sufficiently similar to the provisions of section 7(f) as to be "comparable" within the meaning of section 203(c)(3). See Webster's Third New International Dictionary 461 (1968) ("comparable" defined as "having enough like characteristics or qualities to make comparison appropriate," "permitting or inviting comparison often in one or two salient points," "equivalent, similar"). In the Board's judgment, these rules also best balance and accommodate the rights and obligations of covered employees and employing offices under the CAA.

Finally, as to issues relating to compensatory time off that accrued under other rules prior to January 23, 1996, the effective date of the CAA, the Board concludes that its regulations do not apply. Disputes over the use of such accrued time off, even if they arise after January 23, 1996, are not governed by these regulations and should be directed to the authorities previously responsible for such rules.

2. The standard for determining when an employee's schedule "directly depends" on the schedule of the House or the Senate

Just as it is clear that the Board may authorize compensatory time off in lieu of overtime compensation for employees whose schedules "directly depend" upon the schedules of the House or the Senate, it is equally evident that Congress did not intend that it be made available to all covered employees. Using words of limitation, the CAA states that only those employees whose work schedules "directly depend" on the schedule of the House or the Senate may qualify for compensatory time off in lieu of overtime pay.

Of course, as the comments demonstrate, the phrase "directly depend" is not entirely free of ambiguity. In a broad sense, the times in which the House or the Senate convene to conduct legislative business will impact in varying degrees on the schedule of practically all who work on Capitol Hill or for Members of Congress, much like the ripple effect of a pebble tossed into water. Thus, an expansive interpretation of "directly depends"—i.e., if it need only be demonstrated that an employee's work hours at any point were influenced to some extent by a daily session of either legislative body—would make compensatory time off almost universally available.

There is no reason to believe that Congress intended such an expansive interpretation of the statutory phrase. The term "directly" connotes a narrower rather than a broader meaning and, indeed, suggests that a relatively immediate connection between the employee's work schedule and changes in the schedule of the House or the Senate was contemplated. Moreover, since sections 203(a)(3) and 203(c)(3) textually refer to each other, and since the allowance of compensatory time off in the context of regulations implementing section 203(c)(3) was to be the exception rather than the rule, a narrower definition of "directly depend" is necessary to honor the statutory text and structure (as well as the general legislative history on the limited availability of compensatory time off).

The question remains, of course, how the term "directly depend" should be defined. In the Board's judgment, the following considerations are relevant:

First, in making the "schedule" of the House and the Senate determinative, Congress appears to have been focusing on the floor activities that occur in each chamber. Each body's "schedule" generally has meaning only in reference to the times at which each House's respective leadership plans to convene a daily session in order to conduct legislative business. While the congressional leaders can decide when to convene a session and what to place on the calendar, the dynamic nature of the legislative process often makes it difficult to control when business will be concluded. For example, a session of the Senate may be unexpectedly protracted by unlimited debate on an issue. Similarly, the schedule of the House may be upset if a bill is brought to the floor under an "open rule" that allows unlimited amendments. Also, as recent experience has demonstrated once again, both Houses are often required to remain in session for extended hours in an effort to resolve differences between the two Houses or between the Congress and the President. This dynamic makes the schedules of the House and the Senate highly irregular and, at times, long, thereby requiring certain employees to work in excess of the maximum workweek prescribed by the FLSA.

Second, in using the adverb "directly" to modify "depend," Congress also appears to have required a relatively close nexus between the floor activities of each body and the work schedule of an eligible covered employee. (See the floor statement of Senator Grassley at 141 Cong. Rec. S624, Jan. 9, 1995: "'Directly' is to be strictly limited to those employees who are essentially floor staff.") From a functional standpoint, the practical reality is that the conduct of legislative business in each chamber requires the efforts of those who literally work in or adjacent to each chamber—such as the legislative clerks, those who staff the cloakrooms, those who provide security, the reporters of debates, and the parliamentarians' staff. Practically, the conduct of legislative business also requires the efforts of some who are not located in either chamber but whose work is directly linked to floor activity on a day-to-day basis—such as those who operate the microphones or the remote cameras that televise the proceedings, those in the Document Rooms, those who maintain the various legislative computer systems that control the House voting system or that track the proceedings, and those, like the staff of the legislative counsel's offices, who must be available to address substantive matters that may arise in the course of deliberations. These personnel must generally be in attendance, and their employing offices open and staffed, if the two Houses of Congress are to conduct legislative business. By the same token, during those periods when the House or the Senate is not in session, the level of required work may be considerably diminished, thus affording such employees ample opportunity to utilize accrued compensatory time-off.

The Board recognizes that, in a sense, the work of employing offices such as legislative committees and joint committees is linked to the schedules of the House and the Senate—at least when legislation reported out of such committees is placed on the calendar for debate. The Board also recognizes that, in the same sense, employees of committee offices may sometimes have irregular work hours that balloon with protracted consideration of their bills on the floor. However, it is also true that the work of such offices and employees tends not to ebb and flow in the same sense or to the same degree as that of those offices and employees more closely tied to floor activity. Moreover, during those days when the House or the Senate is not in session or has only an abbreviated *pro forma* session, these committees still conduct hearings or at the very least their staffs are likely to be engaged in a full range of activities associated with considering legislation for hearing, for markup or for oversight. These employing offices, thus, maintain a schedule of activities that is separate from and independent of the schedule of the House or the Senate. It, therefore, makes much less sense to say that their employees have schedules that "directly depend" upon the schedule of either body, as contemplated by section 203(c)(3).

Based on these considerations, the Board shall adopt a definition of "directly depends" that requires the eligible employee to perform work that directly supports the conduct of business in legislative areas in the chamber and to work hours that regularly change in response to the schedules of the House or the Senate.

3. The provisions of the FLSA as applied under section 203 of the CAA authorize employing offices to utilize several methods to compute overtime for employees who work irregular or fluctuating hours

In so framing its rules, the Board understands that its regulations under section 203(c)(3) will not themselves resolve all of the concerns raised by commenters regarding the ability of employing offices to anticipate and control payroll costs associated with employees who work fluctuating or irregular hours. But the Board frankly finds that many of these concerns are simply concerns with the obligations that the CAA has imposed on employing offices (just as the FLSA imposes them on other employers); and the Board must reiterate that it generally cannot and should not, in the absence of authority to do so, attempt to resolve for employing offices cost and other such concerns that derive from FLSA compliance obligations under the CAA. Moreover, many of the concerns that have been raised may be addressed by employing offices by resort to methods available under the FLSA to employers generally to potentially control their total payroll and to offset costs due to overtime compensation obligations incurred in a particular workweek. Such methods are also available to employing offices under the CAA, and many of the concerns raised by employing offices may be adequately addressed through the use of these mechanisms.

a. Section 7(f) of the FLSA and "Belo Contracts"

One method of reducing overtime costs available in some situations under the FLSA is the so-called "Belo" contract, a form of guaranteed compensation that includes a certain amount of overtime. Codified by section 7(f) of the FLSA, Belo contracts allow an employer "to pay the same total compensation each week to an employee who works overtime and whose hours of work vary from week to week." 29 CFR section 778.403. *See* 29 CFR section 778.404, *citing Walling* v. *A.H. Belo Co.*, 316 U.S. 624 (1942). Such a contract affords to the employee the security of a regular weekly income and benefits the employer by enabling it to anticipate and control in advance at least some part of its labor costs. A guaranteed wage plan also provides a means of limiting overtime computation costs so that wide leeway is provided for having employees work overtime without increasing the cost to the employer. 29 CFR section 778.404.

Belo contracts may be used by employers where the following four requirements of section 7(f) are met:

(1) the arrangement is pursuant to a specific agreement between the employee and the employer or to a collective bargaining agreement;

(2) the employee's duties necessitate irregular hours of work;

(3) the fluctuation in the employee's hours is not entirely in the overtime range; and

(4) the contract guarantees a weekly overtime payment not to exceed 60 hours per week and the employee receives that payment regardless of the number of hours actually worked.

29 U.S.C. section 207(f); 29 C.F.R. sections 778.406, 778.407.

Section 7(f) of the FLSA is applicable to covered employees and employing offices under section 203(a) of the CAA. Therefore, an employing office may utilize a "Belo" contract where the above-referenced requirements of section 7(f) are satisfied.

b. Time off plans

An alternative approach that is less complex than a "Belo" contract is a time off plan. Under such a plan, an employer lays off the employee a sufficient number of hours during some other week or weeks of *the pay period* to offset the amount of overtime worked (i.e., at the one and one-half rate) so that the desired wage or salary for the pay period covers the total amount of compensation, including the overtime compensation, due the employee for each workweek taken separately.

A simple illustration of such a plan is as follows: An employee is paid on a biweekly basis of $400 at the rate of $200 per week for a 40 hour workweek. In the first week of the pay period, the employee works 44 hours and would be due 40 hours times $5 plus 4 hours times $7.50, for a total of $230 for the week. Payment of $400 at the end of the biweekly pay period satisfies the monetary requirements of the FLSA, if the employer permits the employee to work only 34 hours during the second week of the pay period.

The control of earnings by control of the number of hours that an employee is permitted to work is the essential principle of the time off plan. For this reason, such a plan cannot be applied to an employee whose pay period is weekly, nor to a salaried employee who is paid a fixed salary to cover all hours that the employee may work in any particular workweek or pay period. Further, the overtime hours cannot be accumulated and the time off given in another pay period.

Time off plans are authorized under section 7(a) of the FLSA. *See, e.g.*, Wage and Hour Administrator Opinion Letter, issued 1950; Wage and Hour Opinion letter dated December 27, 1968. Thus, employing offices are authorized to use such plans under section 203 of the CAA.

c. Fixed salary for fluctuating hours

A third approach for dealing with fluctuating or irregular work schedules of a salaried employee is for an employer to have an understanding with the employee that the fixed salary amount is to be considered straight time pay for all hours, whatever the number, worked in a week. The FLSA permits such an arrangement where two conditions are satisfied: (1) the salary is sufficient to provide compensation to the employee at a rate not less than the applicable minimum wage rate for every hour worked in those workweeks in which the number of hours that the employee works is greatest; and (2) the employee receives extra compensation, in addition to such salary, for all overtime hours worked at a rate not less than one-half the employee's regular rate of pay. Since the salary in such a situation is intended to compensate the employee at straight time rates for whatever hours are worked in the workweek, the regular rate of the employee will vary from week to week and is determined by dividing the number of hours worked in the workweek into the amount of the salary to obtain the applicable hourly rate for the week. Payment for overtime hours at one-half such rate in addition to the salary satisfies the overtime pay requirement because such hours have already been compensated at the straight time regular rate under the salary arrangement.

As with time off plans, fixed salaries for fluctuating hours are permitted under section 7(a) of the FLSA. *See generally* 29 CFR section 778.114. Thus, employing offices are authorized to implement such schedules under the CAA, provided that they meet the requirements thereunder.

II. Adoption of Proposed Rules as Final Regulations under Section 304(b)(3) and as Interim Regulations

Having considered the public comments to the proposed rules, the Board pursuant to section 304(b) (3) and (4) of the CAA is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as *interim* regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. See, e.g., *Philadelphia Citizens in Action* v. *Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signalled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

III. METHOD OF APPROVAL

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the proposed regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

Accordingly, the Board of Directors of the Office of Compliance hereby adopts and submits for approval by the Congress and issues on an interim basis the following regulations:

ADOPTED REGULATIONS—AS INTERIM REGULATIONS AND AS FINAL REGULATIONS

Regulation defining "Interns" (implementing section 203(a)(3) of the CAA)

Section 1. An intern is an individual who:
(a) is performing services in an employing office as part of a demonstrated educational plan, and
(b) is appointed on a temporary basis for a period not to exceed 12 months; provided that if an intern is appointed for a period shorter than 12 months, the intern may be reappointed for additional periods as long as the total length of the internship does not exceed 12 months.

Section 2. The definition of intern does not include volunteers, fellows or pages.

[Senate version:] Section 2. An intern for the purposes of section 203(a)(2) of the Act also includes an individual who is a senior citizen intern appointed under S. Res. 219 (May 5, 1978, as amended by S. Res. 96, April 9, 1991), but does not include volunteers, fellows or pages.

Duration of interim regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate.

ADOPTED REGULATIONS—AS INTERIM REGULATIONS AND AS FINAL REGULATIONS

Regulation concerning employees whose work schedules directly depend on the schedule of the House of Representatives or the Senate (implementing section 203(c)(3) of the CAA)

Section 1. For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the House of Representatives [the Senate] only if the eligible employee performs work that directly supports the conduct of legislative or other business in the chamber and works hours that regularly change in response to the schedule of the House and the Senate.

Section 2. No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a) of the Fair Labor Standards Act ("FLSA") to covered employees and employing office, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA where the employee's work schedule directly depends on the schedule of the House of Representatives [Senate] within the meaning of section 1, and: (a) the employee is compensated at the rate of time-and-a-half in pay for all hours in excess of 40 and up to 60 hours in a workweek, and (b) the employee is compensated at the rate of time-and-a half in either pay or in time off for all hours in excess of 60 hours in a workweek.

Section 3. An employee who has accrued compensatory time off under section 2, upon his or her request, shall be permitted by the employing office to use such time within a reasonable period after making the request, unless the employing office makes a bona fide determination that the needs of the operations of the office do not allow the taking of compensatory time off at the time of the request. An employee may renew the request at a subsequent time. An employing office may also, upon reasonable notice, require an employee to use accrued compensatory time-off.

Section 4. An employee who has accrued compensatory time authorized by this regulation shall, upon termination of employment, be paid for the unused compensatory time at the rate earned by the employee at the time the employee receives such payment.

Duration of interim regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate.

NOTICE OF ADOPTION OF PROCEDURAL RULES

Mr. THURMOND. Mr. President, pursuant to the Congressional Accountability Act of 1995, a Notice of Adoption of Regulations and Submission for Approval and Issuance of Interim Regulations, together with a copy of the adopted regulations, was submitted by the Office of Compliance, U.S. Congress. These final rules implement the rights and protections of the following statutes made applicable by the Congressional Accountability Act: Family and Medical Leave Act, Worker Adjustment and Retraining Notification Act, Fair Labor Standards Act, Employee Polygraph Protection Act. The final rules also implement regulations regarding the use of the lie detector tests by the Capitol Police.

The notice announces the adoption of the final regulation as an interim regulation on the same matters. Additionally, these notices include the Board's recommendation as to the method of House and Senate approval of the final regulations.

The Congressional Accountability Act specifies that the notice and regulations be printed in the CONGRESSIONAL RECORD. Therefore, I ask unanimous consent that the notice and adopted regulations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAMILY AND MEDICAL LEAVE ACT OF 1993

NOTICE OF ADOPTION OF REGULATIONS AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors of the Office of Compliance, after considering comments to its general Notice of Proposed Rulemaking published on November 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations to implement section 202 of the Congressional Accountability Act of 1995 ("CAA") (2 U.S.C. §§1301 et seq.), which applies certain rights and protections of the Family and Medical Leave Act of 1993. The Board is also adopting and issuing such regulations as interim regulations for the House of Representatives, the Senate, and the employing offices of the intstrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, D.C. 20540-1999. Telephone (202) 724-9250.

Background and summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), Pub. L. 104-1, 109 Stat. 3 (2 U.S.C. §§1301 *et seq.*), was enacted January 23, 1995. In general the CAA applies the rights and protections of eleven federal labor and employment laws to covered employees and employing offices within the legislative branch. In addition, the statute establishes the Office of Compliance ("Office") with a Board of Directors ("Board") as "an independent office within the legislative branch of the Federal Government." 2 U.S.C. §1381(a).

Section 202 of the CAA (2 U.S.C. §1312) applies the rights and protections of certain sections of the Family and Medical Leave Act of 1993 ("FMLA") (29 U.S.C. §§2611 et seq.). The FMLA generally requires employers to permit covered employees to take up to 12 weeks of unpaid, job-protected leave during a 12-month period for the birth of a child and to care for the newborn; placement of a child for adoption or foster care; care of a spouse, child, or parent with a serious health condition; or an employee's own serious health condition.

Sections 202(d) and 304 of the CAA (2 U.S.C. §§1312(d), 1384) direct the Board to issue regulations implementing section 202. Section 202(d)(2) further directs the Board to issue substantive regulations that "shall be the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 202] except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section."

On September 28, 1995, the Board issued an Advance Notice of Proposed Rulemaking ("ANPR") soliciting comments from interested parties in order to obtain information and participation early in the rulemaking process. 141 Cong. Rec. S14542 (daily ed., Sept. 28, 1995). Based on the comments received on the ANPR and consultations with interested parties, the Board published in the Congressional Record a Notice of Proposed Rulemaking ("NPR") on November 28, 1995. 141 Cong. Rec. S17627-S17652 (daily ed., Nov. 28, 1995). In response to the NPR, the Board received 5 written comments, of which four were from offices of the Congress and congressional instrumentalities and one was from a labor organization. The comments included specific recommendations to either supplement or modify regulations proposed in the NPR, or to clarify how certain regulations would apply in fact-specific instances. In addition, the Office has sought consultations with the Department of Labor regarding the proposed regulations, pursuant to section 304(g) of the CAA.

After full consideration of the comments received, the Board has adopted and is submitting these regulations for approval by the Congress. Moreover, pursuant to sections 411 and 304 of the CAA, the Board is adopting and issuing such regulations as interim regulations for the House, the Senate, and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Boards final regulations are passed by the House and the Senate, respectively, whichever is earlier.

I. SUMMARY AND BOARD CONSIDERATION OF COMMENTS

A. Eligibility for family and medical leave

Under section 202(a)(2)(B) of the CAA, an "eligible employee" is defined as a covered employee who has been employed in "any employing office for 12 months and for at least 1,250 hours of employment during the previous 12 months." 2 U.S.C. §1312(a)(2)(B). Section 825.110 of the Board's proposed regulations provided that, if an employee worked for two or more employing offices, the time worked would be aggregated to determine whether it equals 12 months, and the hours of service would be aggregated to determine whether the minimum of 1,250 hours has been reached.

As explained in the NPR, the statutory phrase "in any employing office" is ambiguous when considered in isolation; it could mean in any one employing office, or it could mean that months and hours may be aggregated from every employing office where an employee worked. The Board explained in the NPR that the better reading of the CAA language is the latter one, and the Board adheres to that view.

The definition of "eligible employee" in the FMLA states explicitly that the required 12 months must have been served with "the employer with respect to whom leave is requested," and that the requisite 1,250 hours must also have been served with "such employer." However, in the CAA, Congress substituted the phrase "any employing office" in place of the FMLA's specific references to the employer from whom leave is requested. This substitution suggests that eligibility should be determined on the basis of months and hours worked for "any employing office," including offices other than just the one from which leave is requested. This interpretation, in fact, conforms to the interpretation stated in the section-by-section analysis that the principal Senate sponsors of the CAA placed into the Congressional Record during Senate consideration of this legislation. 141 Cong. Rec. S623 (daily ed., Jan. 9, 1995) (section-by-section analysis).

One commenter stated that, in its view, each employing office is a separate, independent employer and that employees therefore should not be able to aggregate the months and hours worked for more than one employing office to establish or maintain FMLA eligibility. The commenter acknowledged that the Board's proposed regulations do not adopt that position and urged that, at a minimum, the Board should consider the Senate to be a separate employer from the other entities covered by the CAA. The commenter argued that, in its view, this alternative position is supported by the fact that section 304(a)(2) of the CAA requires the Board to issue three separate bodies of regulations, including one body of regulations that shall apply to the Senate and employees of the Senate. Therefore, according to the commenter, the Board's regulations for the Senate must define "employing office" to include only Senate offices and should not allow months and hours worked at employing offices outside of the Senate to be considered in determining employee eligibility for family and medical leave.

But the definition of "eligible employee" in the CAA uses the term "employing office," not the term "employer," and the issue is whether this definition in the CAA requires aggregation of months and hours worked in "any employing office." Whether different employing offices are separate, independent "employers," and whether the Senate is a separate "employer," begs resolution of this question.

Moreover, the provision of the CAA cited by the commenter, entitled "Rulemaking procedure," is part of the CAA section that establishes the procedures for adoption, approval, and issuance of the Board's substantive regulations. 2 U.S.C. §1384(a)(2). The cited provision requires the Board to divide its substantive regulations into three parts—for the Senate, for the House of Representatives, and for other employing offices—in order to enable the Office of Compliance, and to enable the Senate and the House themselves, to exercise their respective statutorily assigned roles in the proposal, adoption, and approval of regulations. See 2 U.S.C. §1384(a)(2). These procedural provisions of the CAA do not alter the meaning of substantive provisions of the CAA; nor do they specifically prevent the Board's regulations from including hours and months worked with employing offices outside of the Senate in defining "eligible employee" for purposes of determining family and medical leave eligibility for Senate employees.

Finally, the history of the Senate's consideration of congressional accountability legislation shows that the position advocated by the commenter was considered by the Senate and was not adopted. The version of the Congressional Accountability Act reported by the Senate Governmental Affairs Committee in 1994 (H.R. 4822, 103d Cong., 2d Sess., as reported, S. Rep. No. 397, 103d Cong., 2d Sess., 17 (Oct. 3, 1994)) provided that a Senate employee would be eligible for family and medical leave after 12 months of nontemporary employment by "any employing office of the Senate." The CAA, as enacted a few months later, provides that eligibility of all covered employees, including Senate employees, depends on the months and hours worked "in any employing office"—without the limiting phrase "of the Senate." Furthermore, while the 1994 Senate Committee report explained that an eligible "Senate employee" would retain FMLA eligibility "irrespective of whether he or she changes employing offices within the Senate," the section-by-section analysis published in the Congressional Record in 1995, when the CAA was under consideration in the Senate, explained that an eligible "covered employee" would retain FMLA eligibility "irrespective of whether he or she changes employing offices." Compare S. Rep. No. 397, at 17, with 141 Cong. Rec. S623 (daily ed. Jan. 9, 1995) (section-by-section analysis). Unlike the explanation of the earlier Senate bill, the explanation of the CAA was not limited to Senate employees and did not limit employees' accrual and maintenance of leave eligibility to employment "within the Senate." In short, the commenter's suggestion is not consistent with the Senate's own deliberative history.

B. Joint employers and designation of primary employer

The Secretary's regulations provide that, whenever an employee is employed jointly by more than one employer, the "primary" employer is solely responsible for giving required notices, providing FMLA leave, and maintaining health benefits, and is "primarily" responsible for job restoration. 29 C.F.R. §825.106(c). Comments on the ANPR indicated that, in the context of congressional employment, there may not always be a primary employer, and joint employers should be authorized to designate one employing office to be responsible for compliance with FMLA obligations. The Board accepted this view and, in section 825.106(c) of the regulations, the Board proposed to adopt such a provision.

One commenter now asks for clarification as to whether employing offices that are joint employers may always designate which of them will be responsible for FMLA compliance, or whether this power exists only when there is no "primary" employer. The commenter also stated that section 825.106(e), which describes the secondary employer's responsibility for job restoration, should apply only in the case of detailees.

The Board agrees that the proposed regulations should be clarified. Section 826.106, as adopted by the Board, provides that, in any instance of joint employment, the employing offices may designate which office shall be the primary employer. Such a designation must be made in writing to the employee. If such a designation is not made, the employee may elect which of the joint employing offices will be required to perform certain responsibilities of a primary employer. This approach should afford administrative flexibility to employing offices, eliminate uncertainty and fact-specific disputes, and protect the rights of eligible employees.. The Board finds good cause under section 202(d)(2) to make these modifications to the Secretary's regulations, because joint employment without a clear primary employer appears relatively common in congressional employment (whereas it is not in the private sector).

Section 825.106(e) of the proposed regulations assigned to the primary employer "primary" responsibility for job restoration, but also assigned the secondary employer responsibility for accepting an employee who returns from FMLA leave. The commenter stated that this subsection "appears to be applicable" only in the situation where a detailee is supplied to an employing office. The commenter further urged that certain language from the Secretary's regulations be restored to the Board's regulations to limit the circumstances under which a secondary employer must accept an employee returning from FMLA leave.

Several aspects of the Secretary's regulations set forth at 29 C.F.R. §826.106(e) are applicable only to temporary and leasing agencies. However, temporary and leasing agencies and their employees are not covered by the CAA, and there is not a precise analogy between inter-office details of covered employees and placement of employees by temporary or leasing agencies. Therefore, the Board omitted from the proposed regulations certain clauses that refer specifically to temporary and leasing agencies, and the Board did not otherwise modify the Secretary's regulations to make them applicable to detailees. However, the Board sought to retain in subsection (e) the general principles regarding job restoration.

The final regulations attempt to accommodate the commenter's concerns in some respects. Certain language from the Secretary's regulations that was retained in the Board's proposed regulations, but that makes sense only in the context of temporary or leasing agencies, has now been omitted, and the limits on job restoration responsibilities are stated more explicitly. However, the Board has retained the general requirement of job restoration in situations of joint employment, as originally promulgated in the Secretary's regulations.

Furthermore, in section 825.106(b) of its proposed regulations, the Board identified inter-office details as an example where joint employment will ordinarily be found. This example had been inserted as a replacement for a provision in the Secretary's regulations which identified temporary and leasing agencies as such an example. However, as noted above, the Board does not believe that a precise analogy exists between these two situations; accordingly, the reference to detailees is omitted from the final regulations.

C. Designation of leave year by joint employers

Based on the Secretary's regulations, the Board proposed in section 825.200(b) that an employing office be permitted to choose one of several methods for determining an eligible employee's "leave year"—i.e., the 12-month period within which a particular employee's 12 weeks of leave may be taken. The Board also endorsed two methods that had been suggested by commenters by which joint employing offices might choose a "leave year" for their joint employees.

A commenter noted that, although the Board has allowed joint employing offices to choose a leave year for joint employees, section 825.200(d)(1) requires that, if an employing office selects a leave year method, the office must apply the method consistently and uniformly to all of its employees. The commenter suggested that the Board should expressly state an exception to this rule where joint employers select a leave year for their joint employees that is different from the leave year that any of the joint employing offices selects for its non-joint employees.

This issue is addressed in the Board's regulations, albeit in a somewhat different manner from that suggested by the commenter. As discussed above, the Board's regulations authorize employing offices to designate a primary employer in all instances of joint employment. The Board has also provided in section 825.200(g) of the regulations that, if the primary employer has chosen a leave year under the regulations, the primary employer must apply the leave year uniformly to the joint employee as well as to the primary employer's non-joint employees. If the joint employing offices do not designate a primary employer, then the employee may select one of the joint employing offices to be the primary employer for the purpose of the application of its leave year under applicable regulations. Under applicable rules in paragraph (e), if the selected employing office has not chosen a leave year option, the employee may use any of the allowable leave year options.

Finally, a commenter has suggested that, upon an employee's transfer to or from joint employment, if the applicable leave year changes, the procedures under section 825.200(d)(1) of the Board's regulations should be made applicable. That section provides that, when an employing office changes to a new leave year, it must provide 60 days'' notice to all employees. However, section 825.200(d)(1) of the Board's regulations would not apply where an individual employee changes to or from being jointly employed or when a primary employer is designated. Such changes are analogous to a transfer from one employing office to another, and should not trigger the requirements of section 825.200(d)(1).

D. Minimally paid leave in the Senate

In response to the ANPR, a commenter advised the Board that the Senate currently provides "minimally paid" FMLA leave rather than unpaid leave. In the NPR, the Board stated that granting minimally paid leave in lieu of unpaid leave would not prevent the leave from being considered FMLA-qualifying leave and, therefore, the situation of minimally paid leave did not need to be addressed in the Board's regulations.

The commenter has responded that Senate minimally paid leave needs to be specifically addressed and treated as unpaid FMLA leave in order for an employing office to be able to recover its share of health care insurance premiums from an employee when such recovery would be appropriate if the employee were on unpaid FMLA leave. Similarly, the commenter indicated that, where an employee or employing office may substitute paid leave for unpaid FMLA leave, a Senate employee or employing office should be entitled to substitute paid leave for minimally paid leave. In addition, the commenter asserted that minimally paid leave should also be treated as unpaid leave in calculating who is a "key employee" under section 825.217(c) of the Board's regulations.

The commenter has provided reasons why it may matter to an employing office whether minimally paid leave is treated as paid leave or as unpaid leave within the meaning of the regulations. But the good cause needed to justify a change in the regulations under section 202(d) of the CAA does not exist simply because regulations may, as the commenter suggests, impose an undesirable expense or inflexibility on employing offices. Thus, the commenter has not offered a good cause justification for changing the Secretary's regulations.

However, the Board fully realizes that there may be some legal impediment to providing unpaid leave in the Senate of which the Board is not aware. If so, a petition to amend these regulations under section 304(f) of the CAA (2 U.S.C.§1384(f)) might be appropriate.

E. Health benefits

The Secretary's regulations make a number of references to title X of the Consolidated Omnibus Budget Reconciliation Act of 1986, which requires continuation coverage under group health plans (29 U.S.C. §§1161-1168) ("COBRA"). However, COBRA does not apply to government insurance plans. Continuation coverage similar to that under COBRA was enacted for federal employees in the Federal Employees Health Benefits Amendments Act of 1988, codified at 5 U.S.C. §8905a. The Federal Employees Health Benefits Program, which includes the continuation coverage provided by the 1988 Act, is available to all federal employees, including congressional employees. In some provisions of the proposed regulations, the Board retained references to COBRA and added phrases like "or by other applicable law," and in other provisions the Board referred to "applicable requirements of law" without reference to COBRA.

One commenter stated that references to COBRA should remain and that references to "other applicable laws" should not be added. The commenter explained that the Secretary's regulations accurately delineate when an employer's obligations to maintain health benefits during leave cease under the FMLA. Another commenter stated that it is the commenter's understanding that COBRA applies to congressional employees, and recommended that the Board's regulations be consistent with respect to references to COBRA. A third commenter asked for clarification of the applicability of COBRA. A commenter also requested that section 825.211 of the Secretary's regulations, which provides special rules for multi-employer health plans, be included in the Board's regulations.

The Board finds good cause under section 202(d) of the CAA to refer in its regulations to 5 U.S.C. §8905a, as well as to COBRA. See sections 825.209(f), 825.210(c)(2), 825.309(b), and 825.700(a) of the Board's regulations. If the regulations referred only to COBRA, which applies to few if any employing offices, the intent of the provisions as originally promulgated by Secretary (i.e., to delineate an employer's obligations to maintain health benefits) would be negated.

The one exception is section 825.213(e) of the Board's regulations. The Secretary's regulation limits premiums that a self-insured employer may recover from an employee who does not return from FMLA leave. The subsection allows recovery of premiums "as would be calculated under COBRA" (excluding the 2% administration fee). Because 5 U.S.C. §8905a does not provide for self-insurance by individual Government employing agencies or offices, and since the regulation uses the subjunctive "would be calculated under COBRA," it is appropriate to reference only COBRA in this section of the regulations.

The Board is not currently aware of any provisions other than 5 U.S.C. §8905a that require COBRA-like continuation coverage for government group health plans to which COBRA does not apply. However, if any such provision does exist that might apply to any employing office, a petition to amend these regulations under section 304(f) of the CAA (2 U.S.C. §1384(f)) might be appropriate.

Finally, the Board agrees with the commenter's suggestion that 29 C.F.R. §825.211 of the Secretary's regulations be included in the Board's regulations, in order to cover potential future situations where an employing office might contribute to a multi-employer health plan.

F. Whether special rules apply to House Page School

The proposed regulations included special rules that are applicable only to certain kinds of educational institutions. Two commenters stated that the Board's regulations should state explicitly that the special rules apply to the House Page School. However, the commenters have not provided any, much less sufficient, justification for finding good cause to modify the Secretary's regulation under section 202(d) of the CAA. In fact, the commenters do not appear to be asking for a change in the regulation, but rather for a clarification that the House Page School is within its scope. But they have not provided the Board with any factual or legal materials upon which such an interpretive judgment could be based. Moreover, they have not identified any authority in the CAA that would allow the Board to make such an interpretive judgment in the context of a rulemaking proceeding. Indeed, as explained in detail in the preamble to the Board's final regulations implementing the rights and protections of the Fair Labor Standards Act, it would be improper for the Board to do so.

G. Notice posting and recordkeeping

In the NPR, the Board did not propose regulations specifying notice posting or recordkeeping requirements for employing offices. The Board also declined to propose regulations stating that, in determining whether the requisite hours have been worked for eligibility, the burden of proof would lie with an employing office that does not keep adequate time records.

A commenter argued that: (1) enforcement of the law will be greatly enhanced by requiring notice posting and recordkeeping under the FMLA, and (2) it is a fair enforcement mechanism for the burden of proof to lie with the employer when the records maintained by the employer are inadequate.

The Board thoroughly considered these points in preparing the NPR. The Board sees no reason to alter its previous conclusions.

H. Prospective application of reductions in FMLA benefits

One commenter noted that the Senate and House currently have more generous FMLA policies than those mandated by the Board's proposed regulations. The commenter stated that, where an employing office chooses to reduce FMLA benefits as allowed by the new regulations, the Board's regulations need to clarify that any policy changes may only be applied prospectively.

The Board disagrees. The Board's regulations may apply only to FMLA rights under the CAA; they may not apply to FMLA rights under pre-existing statutory and regulatory regimes. Disputes under such pre-existing regimes, even if they are raised after January 23, 1996, are not governed by these regulations and should be directed to the authorities previously responsible for such rules.

I. Miscellaneous Drafting Issues

1. Clarification of the 12 months during which 1,250 hours of service must have occurred

In defining which covered employee is an "eligible employee', section 825.110(a) of the proposed regulations quoted from the definition of "eligible employee" set forth in section 202(a)(2)(B) of the CAA (2 U.S.C. §1312(a)(2)(B)). This definition includes a requirement of "at least 1,250 hours of employment during the previous 12 months."

A commenter stated that this wording is ambiguous. The commenter suggested the addition of language from the corresponding regulation promulgated by the Secretary: "1,250 hours of service during the 12-month period immediately preceding the commencement of the leave."

The Board agrees that the use of the phrase "immediately preceding" may add some additional precision to the regulation. However, the CAA uses the term "previous 12 months," while the FMLA uses the term "previous 12-month period", 29 U.S.C. 2611(2)(A)(ii). Accordingly, a new second sentence has been added to section 825.110(d) to state that the "previous 12 months" means "the 12 months immediately preceding the commencement of the leave."

2. References to "State law," "federal law," and "applicable law"

In several instances, the Secretary's regulations refer to applicable State law, and in some instances the regulations refer to applicable federal or State (or sometimes local) law. The Board's proposed regulations omitted most references to State law but retained certain references where appropriate. In some instances, the proposed regulations removed references to applicable federal or State law, and replaced them with references to applicable law.

One commenter stated agreement with the Board's omission of references to State laws, because State laws do not apply to the Senate, but objected to the Boards omission of the word "federal" before reference to some laws, on the ground that it might lead to confusion. The commenter stated in one instance that regulations should refer only to "applicable federal wage payment laws," not to "applicable wage payment or other laws," because only those federal laws specifically made applicable to the Senate by resolution or statute are applicable to the Senate. A commenter also suggested that one reference to State law that the Board had retained in the proposed regulations should be omitted.

Several regulatory provisions promulgated by the Secretary referring to State laws that are clearly inapplicable to employing offices were omitted from the Board's proposed regulations. However, the proposed regulation retained a reference in section 825.200(b)(2) to leave years required by State law. This reference is omitted from the final regulations.

The proposed regulations also retained references to State law that may appropriately apply to FMLA rights and protections as made applicable by the CAA. These include, for example, State laws on certification of medical care providers, State laws on approval of foster care, and State laws determining who is a spouse. These references are retained in the final regulations.

In a few instances where the Secretary's regulations referred to applicable federal or State law, the Board retained the reference to applicable law, but omitted the mention of "federal" or "State." The Board is not in a position to determine whether any State law might be applicable in some instances with respect to these provisions. Nor should these provisions cause confusion with respect to the possibility of State law applying. The phrase "applicable law" certainly does not cause State law to apply where it otherwise would not; the phrase simply means that, if a law does apply to the employing office, such a law is referenced by the regulations. Accordingly, the references to applicable laws and requirements in sections 825.213(f) and 825.301(e) of the Board's regulations are adopted as proposed.

Section 824.204(b) of the Secretary's regulations refers to applicable federal law and State law, and the provision as proposed by the Board retained the reference to "federal" but not "State" law. To be consistent with the foregoing principles, section 824.204(b) of the Board's regulations as adopted includes a reference to applicable law, without limiting the reference to "federal" law.

3. Definitions

A commenter suggested that a definition of COBRA be added to the Board's regulations. Such a definition is provided in the Secretary's regulations, and has been added to section 825.800 of the Board's regulations.

A definition of "employ" is also included in the final regulations, meaning "to suffer or permit to work." This definition is contained in the Secretary's regulations, but was omitted from the Board's proposed regulations. This definition is established under the Fair Labor Standards Act, 29 U.S.C. §203(g), and is incorporated by reference into the FMLA, 29 U.S.C. §2611(3).

4. Cross references to regulations and interpretations under the Fair Labor Standards Act ("FLSA") and the Americans with Disabilities Act ("ADA")

The Secretary's regulations under the FMLA contain several cross references to the Secretary's regulations implementing or interpreting the Fair Labor Standards Act ("FLSA"). Where the Board has adopted applicable FLSA regulations under the CAA, those Board regulations are now referenced in the Board's FMLA regulations. See, e.g., sections 825.206, 825.217(b) of the Board's regulations.

However, a number of the Secretary's interpretive bulletins that interpret the FLSA, which the Board has not adopted, are cross referenced in the Secretary's regulations under the FMLA. In these instances, the subject of the referenced interpretation is summarized in the Board's FMLA regulations in place of the cross reference. This same approach is used where the Secretary's regulations under the FMLA contain cross references to regulations by the Equal Employment Opportunity Commission interpreting the Americans with Disabilities Act ("ADA"), as the Board has not adopted these regulations. See sections 825.110(c), 825.113(c)(2), 825.115, 825.205, 825.800 of the Board's regulations.

5. Corrections and clarifications

Commenters suggested a number of technical corrections and clarifications in the proposed regulations. For example, a commenter pointed out that section 825.200(b)(4) of the Secretary's regulations was inadvertently omitted from the Board's proposed regulations. This subparagraph describes the fourth optional method that an employing office may choose for determining leave years, sometimes called the rolling looking-backwards method. This subparagraph is restored in the final regulation.

A commenter suggested that section 825.213(a) of the proposed regulations be amended to clarify that references to an employing office's share of health plan premiums, which may be recovered under certain circumstances, encompasses monies paid out of a Senate fund, as opposed to from appropriations of the employing office. The proposed regulations, like the Secretary's regulations, authorized the employing office to "recover its share" of the premiums. In light of the centralized manner in which the payment of health care insurance premiums is handled in the government, it is appropriate to expressly accommodate the situation where premiums may be paid and recovered on behalf of an employing office rather than by the employing office itself.

A number of other typographical, grammatical, and similar corrections were suggested. The Board has made corrections as appropriate. However, by making these changes, the Board does not intend a substantive difference between these sections and those of the Secretary from which they are derived. Moreover, such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

K. Board Determination on Regulations "Required" To Be Issued In Connection With Section 411

Section 411 of the CAA provides in pertinent part that "if the Board has not issued a regulation on a matter for which [the CAA] requires a regulation to be issued the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue." 2 U.S.C. §1411. By its own terms, this provision comes into play only where it is determined that the Board has not issued a regulation that is *required* by the CAA. Thus, before a Department of Labor regulation can be invoked, an adjudicator must make a threshold determination that the regulation concerns a matter as to which the Board was obligated under the CAA to issue a regulation.

Part 825 of 29 C.F.R. contains all the regulations the Secretary of Labor issued to implement the FMLA. As noted in the NPR, several of those regulations are not legally "required" to be issued as CAA regulations because the underlying FMLA provisions were not made applicable under the CAA. Additionally, the Board has determined that it has good cause under section 202(d) of the CAA not to issue other of the Secretary's regulations because, for example, they have no applicability to legislative branch employment. Other than the comments discussed above, the commenters did not dispute the inapplicability of those portions of 29 C.F.R. part 825.

The Board has carefully reviewed the entire corpus of the Secretary's regulations, has sought comment on its proposal concerning the regulations that it should (and should not) adopt, and has considered those comments in formulating its final rules. Based on this review and consideration, and in order to prevent wasteful litigation, the Board has included a declaration in these regulations that the Board has issued all the regulations that it is "required" to promulgate to implement the statutory provisions of the FMLA that are made applicable to the legislative branch by the CAA.

III. ADOPTION OF PROPOSED RULES AS FINAL REGULATIONS UNDER SECTION 304(B)(3) AND AS INTERIM REGULATIONS

Having considered the public comments to the proposed rules, the Board pursuant to section 304(b)(3) and (4) of the CAA is adopting these final regulations and transmitting them to the House of Representatives and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as *interim* regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. *See, e.g., Philadelphia Citizens in Action v. Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signaled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

IV. METHOD OF APPROVAL

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

Accordingly, the Board of Directors of the Office of Compliance hereby adopts and submits for approval by the House of Representatives and the Senate and issues on an interim basis the following regulations:

PART 825—FAMILY AND MEDICAL LEAVE

825.1 Purpose and scope
825.2 Duration of interim regulations
Subpart A—What is the Family and Medical Leave Act, and to Whom Does it Apply under the Congressional Accountability Act?
825.100 What is the Family and Medical Leave Act?
825.101 What is the purpose of the FMLA?
825.102 When are the FMLA and the CAA effective for covered employees and employing offices?
825.103 How does the FMLA, as made applicable by the CAA, affect leave in progress on, or taken before, the effective date of the CAA?
825.104 What employing offices are covered by the FMLA, as made applicable by the CAA?

825.105 [Reserved]
825.106 How is "joint employment" treated under the FMLA as made applicable by the CAA?
825.107—825.109 [Reserved]
825.110 Which employees are "eligible" to take FMLA leave under these regulations?
825.111 [Reserved]
825.112 Under what kinds of circumstances are employing offices required to grant family or medical leave?
825.113 What do "spouse," "parent," and "son or daughter" mean for purposes of an employee qualifying to take FMLA leave?
825.114 What is a "serious health condition" entitling an employee to FMLA leave?
825.115 What does it mean that "the employee is unable to perform the functions of the position of the employee"?
825.116 What does it mean that an employee is "needed to care for" a family member?
825.117 For an employee seeking intermittent FMLA leave or leave on a reduced leave schedule, what is meant by "the medical necessity for" such leave?
825.118 What is a "health care provider"?

Subpart B—What Leave Is an Employee Entitled To Take Under The Family and Medical Leave Act, as Made Applicable by the Congressional Accountability Act?

825.200 How much leave may an employee take?
825.201 If leave is taken for the birth of a child, or for placement of a child for adoption or foster care, when must the leave be concluded?
825.202 How much leave may a husband and wife take if they are employed by the same employing office?
825.203 Does FMLA leave have to be taken all at once, or can it be taken in parts?
825.204 May an employing office transfer an employee to an "alternative position" in order to accommodate intermittent leave or a reduced leave schedule?
825.205 How does one determine the amount of leave used where an employee takes leave intermittently or on a reduced leave schedule?
825.206 May an employing office deduct hourly amounts from an employee's salary, when providing unpaid leave under FMLA, as made applicable by the CAA, without affecting the employee's qualification for exemption as an executive, administrative, or professional employee, or when utilizing the fluctuating workweek method for payment of overtime, under the Fair Labor Standards Act?
825.207 Is FMLA leave paid or unpaid?
825.208 Under what circumstances may an employing office designate leave, paid or unpaid, as FMLA leave and, as a result, enable leave to be counted against the employee's total FMLA leave entitlement?
825.209 Is an employee entitled to benefits while using FMLA leave?
825.210 How may employees on FMLA leave pay their share of group health benefit premiums?
825.211 What special health benefits maintenance rules apply to multi-employer health plans?
825.212 What are the consequences of an employee's failure to make timely health plan premium payments?
825.213 May an employing office recover costs it incurred for maintaining "group health plan" or other non-health benefits coverage during FMLA leave?
825.214 What are an employee's rights on returning to work from FMLA leave?
825.215 What is an equivalent position?
825.216 Are there any limitations on an employing office's obligation to reinstate an employee?
825.217 What is a "key employee"?
825.218 What does "substantial and grievous economic injury" mean?
825.219 What are the rights of a key employee?
825.220 How are employees protected who request leave or otherwise assert FMLA rights?

Subpart C—How Do Employees Learn of Their Rights and Obligations under the FMLA, as Made Applicable by the CAA, and What Can an Employing Office Require of an Employee?

825.300 [Reserved]
825.301 What notices to employees are required of employing offices under the FMLA as made applicable by the CAA?
825.302 What notice does an employee have to give an employing office when the need for FMLA leave is foreseeable?
825.303 What are the requirements for an employee to furnish notice to an employing office where the need for FMLA leave is not foreseeable?
825.304 What recourse do employing offices have if employees fail to provide the required notice?
825.305 When must an employee provide medical certification to support FMLA leave?
825.306 How much information may be required in medical certifications of a serious health condition?
825.307 What may an employing office do if it questions the adequacy of a medical certification?
825.308 Under what circumstances may an employing office request subsequent recertifications of medical conditions?
825.309 What notice may an employing office require regarding an employee's intent to return to work?
825.310 Under what circumstances may an employing office require that an employee submit a medical certification that the employee is able (or unable) to return to work (i.e., a "fitness-for-duty" report)?
825.311 What happens if an employee fails to satisfy the medical certification and/or recertification requirements?
825.312 Under what circumstances may an employing office refuse to provide FMLA leave or reinstatement to eligible employees?

Subpart D—What Enforcement Mechanisms Does the CAA Provide?

825.400 What can employees do who believe that their rights under the FMLA as made applicable by the CAA have been violated?
825.401—825.404 [Reserved]

Subpart E—[Reserved]

Subpart F—What Special Rules Apply to Employees of Schools?

825.600 To whom do the special rules apply?
825.601 What limitations apply to the taking of intermittent leave or leave on a reduced leave schedule?
825.602 What limitations apply to the taking of leave near the end of an academic term?
825.603 Is all leave taken during "periods of a particular duration" counted against the FMLA leave entitlement?
825.604 What special rules apply to restoration to "an equivalent position?"

Subpart G—How Do Other Laws, Employing Office Practices, and Collective Bargaining Agreements Affect Employee Rights Under the FMLA as Made Applicable by the CAA?

825.700 What if an employing office provides more generous benefits than required by FMLA as Made Applicable by the CAA?
825.701 [Reserved]
825.702 How does FMLA affect anti-discrimination laws as applied by section 201 of the CAA?

Subpart H—Definitions

825.800 Definitions
Appendix A to Part 825—[Reserved]
Appendix B to Part 825—Certification of Physician or Practitioner
Appendix C to Part 825—[Reserved]
Appendix D to Part 825—Prototype Notice: Employing Office Response to Employee Request for Family and Medical Leave
Appendix E to Part 825—[Reserved]

§825.1 Purpose and scope

(a) Section 202 of the Congressional Accountability Act (CAA) (2 U.S.C. 1312) applies the rights and protections of sections 101 through 105 of the Family and Medical Leave Act of 1993 (FMLA) (29 U.S.C. 2611-2615) to covered employees. (The term "covered employee" is defined in section 101(3) of the CAA (2 U.S.C. 1301(3)). See §825.800 of these regulations for that definition.) The purpose of this part is to set forth the regulations to carry out the provisions of section 202 of the CAA.

(b) These regulations are issued by the Board of Directors, Office of Compliance, pursuant to sections 202(d) and 304 of the CAA, which direct the Board to promulgate regulations implementing section 202 that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 202 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." The regulations issued by the Board herein are on all matters for which section 202 of the CAA requires regulations to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of the promulgation of these regulations, that, with the exception of regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 202 of the CAA].

(c) In promulgating these regulations, the Board has made certain technical and nomenclature changes to the regulations as promulgated by the Secretary. Such changes are intended to make the provisions adopted accord more naturally to situations in the legislative branch. However, by making these changes, the Board does not intend a substantive difference between these regulations and those of the Secretary from which they are derived. Moreover, such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

§825.2 Duration of interim regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate.

Subpart A—What is the Family and Medical Leave Act, and to Whom Does it Apply under the Congressional Accountability Act?

§825.100 What is the Family and Medical Leave Act?

(a) The Family and Medical Leave Act of 1993 (FMLA), as made applicable by the Congressional Accountability Act (CAA), allows "eligible" employees of an employing office to take job-protected, unpaid leave, or to substitute appropriate paid leave if the employee has earned or accrued it, for up to a total of 12 workweeks in any 12 months because of the birth of a child and to care for the newborn child, because of the placement of a child with the employee for adoption or foster care, because the employee is needed to care for a family member (child, spouse, or parent) with a serious health condition, or because the employee's own serious health condition makes the employee unable to perform the functions of his or her job (*see* §825.306(b)(4)). In certain cases, this leave may be taken on an intermittent basis rather than all at once, or the employee may work a part-time schedule.

(b) An employee on FMLA leave is also entitled to have health benefits maintained while on leave as if the employee had continued to work instead of taking the leave. If an employee was paying all or part of the premium payments prior to leave, the employee would continue to pay his or her share during the leave period. The employing office or a disbursing or other financial office of the House of Representatives or the Senate may recover its share only if the employee does not return to work for a reason other than the serious health condition of the employee or the employee's immediate family member, or another reason beyond the employee's control.

(c) An employee generally has a right to return to the same position or an equivalent position with equivalent pay, benefits and working conditions at the conclusion of the leave. The taking of FMLA leave cannot result in the loss of any benefit that accrued prior to the start of the leave.

(d) The employing office has a right to 30 days advance notice from the employee where practicable. In addition, the employing office may require an employee to submit certification from a health care provider to substantiate that the leave is due to the serious health condition of the employee or the employee's immediate family member. Failure to comply with these requirements may result in a delay in the start of FMLA leave. Pursuant to a uniformly applied policy, the employing office may also require that an employee present a certification of fitness to return to work when the absence was caused by the employee's serious health condition (*see* §825.311(c)). The employing office may delay restoring the employee to employment without such certificate relating to the health condition which caused the employee's absence.

§825.101 What is the purpose of the FMLA?

(a) FMLA is intended to allow employees to balance their work and family life by taking reasonable unpaid leave for medical reasons, for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition. The FMLA is intended to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity. It was intended that the FMLA accomplish these purposes in a manner that accommodates the legitimate interests of employers, and in a manner consistent with the Equal Protection Clause of the Fourteenth Amendment in minimizing the potential for employment discrimination on the basis of sex, while promoting equal employment opportunity for men and women.

(b) The enactment of FMLA was predicated on two fundamental concerns "the needs of the American workforce, and the development of high-performance organizations. Increasingly, America's children and elderly are dependent upon family members who must spend long hours at work. When a family emergency arises, requiring workers to attend to seriously-ill children or parents, or to newly-born or adopted infants, or even to their own serious illness, workers need reassurance that they will not be asked to choose between continuing their employment, and meeting their personal and family obligations or tending to vital needs at home.

(c) The FMLA is both intended and expected to benefit employers as well as their employees. A direct correlation exists between stability in the family and productivity in the workplace. FMLA will encourage the development of high-performance organizations. When workers can count on durable links to their workplace they are able to make their own full commitments to their jobs. The record of hearings on family and medical leave indicate the powerful productive advantages of stable workplace relationships, and the comparatively small costs of guaranteeing that those relationships will not be dissolved while workers attend to pressing family health obligations or their own serious illness.

§825.102 When are the FMLA and the CAA effective for covered employees and employing offices?

(a) The rights and protection of sections 101 through 105 of the FMLA have applied to certain Senate employees and certain employing offices of the Senate since August 5, 1993 (*see* section 501 of FMLA).

(b) The rights and protection of sections 101 through 105 of the FMLA have applied to any employee in an employment position and any employment authority of the House of Representatives since August 5, 1993 (*see* section 502 of FMLA).

(c) The rights and protections of sections 101 through 105 of the FMLA have applied to certain employing offices and covered employees other than those referred to in paragraphs (a) and (b) of this section for certain periods since August 5, 1993 (*see, e.g.*, Title V of the FMLA, sections 501 and 502).

(d) The provisions of section 202 of the CAA that apply rights and protections of the FMLA to covered employees are effective on January 23, 1996.

(e) The period prior to the effective date of the application of FMLA rights and protections under the CAA must be considered in determining employee eligibility.

§825.103 How does the FMLA, as made applicable by the CAA, affect leave in progress on, or taken before, the effective date of the CAA?

(a) An eligible employee's right to take FMLA leave began on the date that the rights and protections of the FMLA first went into effect for the employing office and employee (*see* §825.102(a)). Any leave taken prior to the date on which the rights and protections of the FMLA first became effective for the employing office from which the leave was taken may not be counted for purposes of the FMLA as made applicable by the CAA. If leave qualifying as FMLA leave was underway prior to the effective date of the FMLA for the employing office from which the leave was taken and continued after the FMLA's effective date for that office, only that portion of leave taken on or after the FMLA's effective date may be counted against the employee's leave entitlement under the FMLA, as made applicable by the CAA.

(b) If an employing office-approved leave is underway when the application of the FMLA by the CAA takes effect, no further notice would be required of the employee unless the employee requests an extension of the leave. For leave which commenced on the effective date or shortly thereafter, such notice must have been given which was practicable, considering the foreseeability of the need for leave and the effective date.

(c) Starting on January 23, 1996, an employee is entitled to FMLA leave under these regulations if the reason for the leave is qualifying under the FMLA, as made applicable by the CAA, even if the event occasioning the need for leave (*e.g.*, the birth of a child) occurred before such date (so long as any other requirements are satisfied).

§825.104 What employing offices are covered by the FMLA, as made applicable by the CAA?

(a) The FMLA, as made applicable by the CAA, covers all employing offices. As used in the CAA, the term "employing office" means—

(1) the personal office of a Member of the House of Representatives or of a Senator;

(2) a committee of the House of Representatives or the Senate or a joint committee;

(3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; or

(4) the Capitol Guide Board, the Capitol Police Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, the Office of Compliance, and the Office of Technology Assessment.

(b) [Reserved]

(c) Separate entities will be deemed to be parts of a single employer for purposes of the FMLA, as made applicable by the CAA, if they meet the "integrated employer" test. A determination of whether or not separate entities are an integrated employer is not determined by the application of any single criterion, but rather the entire relationship is to be reviewed in its totality. Factors considered in determining whether two or more entities are an integrated employer include:

(i) Common management;

(ii) Interrelation between operations;

(iii) Centralized control of labor relations; and

(iv) Degree of common financial control.

§825.105 [Reserved]

§825.106 How is "joint employment" treated under the FMLA as made applicable by the CAA?

(a) Where two or more employing offices exercise some control over the work or working conditions of the employee, the employing offices may be joint employers under FMLA, as made applicable by the CAA. Where the employee performs work which simultaneously benefits two or more employing offices, or works for two or more employing offices at different times during the workweek, a joint employment relationship generally will be considered to exist in situations such as:

(1) Where there is an arrangement between employing offices to share an employee's services or to interchange employees;

(2) Where one employing office acts directly or indirectly in the interest of the other employing office in relation to the employee; or

(3) Where the employing offices are not completely disassociated with respect to the employee's employment and may be deemed to share control of the employee, directly or indirectly, because one employing office controls, is controlled by, or is under common control with the other employing office.

(b) A determination of whether or not a joint employment relationship exists is not determined by the application of any single criterion, but rather the entire relationship is to be viewed in its totality. For example, joint employment will ordinarily be found to exist when: (1) an employee, who is employed by an employing office other than the personal office of a Member of the House of Representatives or of a Senator, is under the actual direction and control of the Member of the House of Representatives or Senator; or

(2) two or more employing offices employ an individual to work on common issues or other matters for both or all of them.

(c) When employing offices employ a covered employee jointly, they may designate one of themselves to be the primary employing office, and the other or others to be the secondary employing office(s). Such a designation shall be made by written notice to the covered employee.

(d) If an employing office is designated a primary employing office pursuant to paragraph (c) of this section, only that employing office is responsible for giving required notices to the covered employee, providing FMLA leave, and maintenance of health benefits. Job restoration is the primary responsibility of the primary employing office, and the secondary employing office(s) may, subject to the limitations in §825.216, be responsible for accepting the employee returning from FMLA leave.

(e) If employing offices employ an employee jointly, but fail to designate a primary employing office pursuant to paragraph (c) of this section, then all of these employing offices shall be jointly and severally liable for giving required notices to the employee, for providing FMLA leave, for assuring that health benefits are maintained, and for job restoration. The employee may give notice of need for FMLA leave, as described in §§ 825.302 and 825.303, to whichever of these employing offices the employee chooses. If the employee makes a written request for restoration to one of these employing offices, that employing office shall be primarily responsible for job restoration, and the other employing office(s) may, subject to the limitations in §825.216, be responsible for accepting the employee returning from FMLA leave.

§825.107 [Reserved]

§825.108 [Reserved]

§825.109 [Reserved]

§825.110 Which employees are "eligible" to take FMLA leave under these regulations?

(a) An "eligible employee" under these regulations means a covered employee who has been employed in any employing office for 12 months and for at least 1,250 hours of employment during the previous 12 months.

(b) The 12 months an employee must have been employed by any employing office need not be consecutive months. If an employee worked for two or more employing offices sequentially, the time worked will be aggregated to determine whether it equals 12 months. If an employee is maintained on the payroll for any part of a week, including any periods of paid or unpaid leave (sick, vacation) during which other benefits or compensation are provided by the employer (e.g., workers' compensation, group health plan benefits, etc.), the week counts as a week of employment. For purposes of determining whether intermittent/occasional/casual employment qualifies as "at least 12 months," 52 weeks is deemed to be equal to 12 months.

(c) If an employee was employed by two or more employing offices, either sequentially or concurrently, the hours of service will be aggregated to determine whether the minimum of 1,250 hours has been reached. Whether an employee has worked the minimum 1,250 hours of service is determined according to the principles established under the Fair Labor Standards Act (FLSA) , as applied by section 203 of the CAA (2 U.S.C. 1313), for determining compensable hours of work. The determining factor is the number of hours an employee has worked for one or more employing offices. The determination is not limited by methods of record-keeping, or by compensation agreements that do not accurately reflect all of the hours an employee has worked for or been in service to the employing office. Any accurate accounting of actual hours worked may be used. For this purpose, full-time teachers (see §825.800 for definition) of an elementary or secondary school system, or institution of higher education, or other educational establishment or institution are deemed to meet the 1,250 hour test. An employing office must be able to clearly demonstrate that such an employee did not work 1,250 hours during the previous 12 months in order to claim that the employee is not "eligible" for FMLA leave.

(d) The determinations of whether an employee has worked for any employing office for at least 1,250 hours in the previous 12 months and has been employed by any employing office for a total of at least 12 months must be made as of the date leave commences. The "previous 12 months" means the 12 months immediately preceding the commencement of the leave. If an employee notifies the employing office of need for FMLA leave before the employee meets these eligibility criteria, the employing office must either confirm the employee's eligibility based upon a projection that the employee will be eligible on the date leave would commence or must advise the employee when the eligibility requirement is met. If the employing office confirms eligibility at the time the notice for leave is received, the employing office may not subsequently challenge the employee's eligibility. In the latter case, if the employing office does not advise the employee whether the employee is eligible as soon as practicable (i.e., two business days absent extenuating circumstances) after the date employee eligibility is determined, the employee will have satisfied the notice requirements and the notice of leave is considered current and outstanding until the employing office does advise. If the employing office fails to advise the employee whether the employee is eligible prior to the date the requested leave is to commence, the employee will be deemed eligible. The employing office may not, then, deny the leave. Where the employee does not give notice of the need for leave more than two business days prior to commencing leave, the employee will be deemed to be eligible if the employing office fails to advise the employee that the employee is not eligible within two business days of receiving the employee's notice.

(e) The period prior to the effective date of the application of FMLA rights and protections under the CAA must be considered in determining employee's eligibility.

(f) [Reserved]

§825.111 [Reserved]

§825.112 Under what kinds of circumstances are employing offices required to grant family or medical leave?

(a) Employing offices are required to grant leave to eligible employees:

(1) For birth of a son or daughter, and to care for the newborn child;

(2) For placement with the employee of a son or daughter for adoption or foster care;

(3) To care for the employee's spouse, son, daughter, or parent with a serious health condition; and

(4) Because of a serious health condition that makes the employee unable to perform the functions of the employee's job.

(b) The right to take leave under FMLA as made applicable by the CAA applies equally to male and female employees. A father, as well as a mother, can take family leave for the birth, placement for adoption or foster care of a child.

(c) Circumstances may require that FMLA leave begin before the actual date of birth of a child. An expectant mother may take FMLA leave pursuant to paragraph (a)(4) of this section before the birth of the child for prenatal care or if her condition makes her unable to work.

(d) Employing offices are required to grant FMLA leave pursuant to paragraph (a)(2) of this section before the actual placement or adoption of a child if an absence from work is required for the placement for adoption or foster care to proceed. For example, the employee may be required to attend counseling sessions, appear in court, consult with his or her attorney or the doctor(s) representing the birth parent, or submit to a physical examination. The source of an adopted child (*e.g.*, whether from a licensed placement agency or otherwise) is not a factor in determining eligibility for leave for this purpose.

(e) Foster care is 24-hour care for children in substitution for, and away from, their parents or guardian. Such placement is made by or with the agreement of the State as a result of a voluntary agreement between the parent or guardian that the child be removed from the home, or pursuant to a judicial determination of the necessity for foster care, and involves agreement between the State and foster family that the foster family will take care of the child. Although foster care may be with relatives of the child, State action is involved in the removal of the child from parental custody.

(f) In situations where the employer/employee relationship has been interrupted, such as an employee who has been on layoff, the employee must be recalled or otherwise be re-employed before being eligible for FMLA leave. Under such circumstances, an eligible employee is immediately entitled to further FMLA leave for a qualifying reason.

(g) FMLA leave is available for treatment for substance abuse provided the conditions of §825.114 are met. However, treatment for substance abuse does not prevent an employing office from taking employment action against an employee. The employing office may not take action against the employee because the employee has exercised his or her right to take FMLA leave for treatment. However, if the employing office has an established policy, applied in a non-discriminatory manner that has been communicated to all employees, that provides under certain circumstances an employee may be terminated for substance abuse, pursuant to that policy the employee may be terminated whether or not the employee is presently taking FMLA leave. An employee may also take FMLA leave to care for an immediate family member who is receiving treatment for substance abuse. The employing office may not take action against an employee who is providing care for an immediate family member receiving treatment for substance abuse.

§825.113 What do "spouse," "parent," and "son or daughter" mean for purposes of an employee qualifying to take FMLA leave?

(a) Spouse means a husband or wife as defined or recognized under State law for purposes of marriage in the State where the employee resides, including common law marriage in States where it is recognized.

(b) Parent means a biological parent or an individual who stands or stood *in loco parentis* to an employee when the employee was a son or daughter as defined in (c) below. This term does not include parents "in law".

(c) Son or daughter means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis*, who is either under age 18, or age 18 or older and "incapable of self-care because of a mental or physical disability."

(1) "Incapable of self-care" means that the individual requires active assistance or supervision to provide daily self-care in three or more of the "activities of daily living" (ADLs) or "instrumental activities of daily living" (IADLs). Activities of daily living include adaptive activities such as caring appropriately for one's grooming and hygiene, bathing, dressing and eating. Instrumental activities of daily living include cooking, cleaning, shopping, taking public transportation, paying bills, maintaining a residence, using telephones and directories, using a post office, etc.

(2) "Physical or mental disability" means a physical or mental impairment that substantially limits one or more of the major life activities of an individual. See the Americans with Disabilities Act (ADA), as made applicable by section 201(a)(3) of the CAA (2 U.S.C. 1311(a)(3)).

(3) Persons who are "*in loco parentis*" include those with day-to-day responsibilities to care for and financially support a child or, in the case of an employee, who had such responsibility for the employee when the employee was a child. A biological or legal relationship is not necessary.

(d) For purposes of confirmation of family relationship, the employing office may require the employee giving notice of the need for leave to provide reasonable documentation or statement of family relationship. This documentation may take the form of a simple statement from the employee, or a child's birth certificate, a court document, *etc.* The employing office is entitled to examine documentation such as a birth certificate, *etc.*, but the employee is entitled to the return of the official document submitted for this purpose.

§825.114 What is a "serious health condition" entitling an employee to FMLA leave?

(a) For purposes of FMLA, "serious health condition" entitling an employee to FMLA leave means an illness, injury, impairment, or physical or mental condition that involves:

(1) *Inpatient care* (*i.e.*, an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of *incapacity* (for purposes of this section, defined to mean inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefor, or recovery therefrom), or any subsequent treatment in connection with such inpatient care; or

(2) *Continuing treatment* by a health care provider. A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:

(i) A period of *incapacity* (*i.e.*, inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefor, or recovery therefrom) of more than three consecutive calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves:

(A) Treatment two or more times by a health care provider, by a nurse or physician's assistant under direct supervision of a health care provider, or by a provider of health care services (*e.g.*, physical therapist) under orders of, or on referral by, a health care provider; or

(B) Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider.

(ii) Any period of incapacity due to pregnancy, or for prenatal care.

(iii) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:

(A) Requires periodic visits for treatment by a health care provider, or by a nurse or physician's assistant under direct supervision of a health care provider;

(B) Continues over an extended period of time (including recurring episodes of a single underlying condition); and

(C) May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.).

(iv) A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider. Examples include Alzheimer's, a severe stroke, or the terminal stages of a disease.

(v) Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, etc.), severe arthritis (physical therapy), kidney disease (dialysis).

(b) Treatment for purposes of paragraph (a) of this section includes (but is not limited to) examinations to determine if a serious health condition exists and evaluations of the condition. Treatment does not include routine physical examinations, eye examinations, or dental examinations. Under paragraph (a)(2)(i)(B), a regimen of continuing treatment includes, for example, a course of prescription medication (e.g., an antibiotic) or therapy requiring special equipment to resolve or alleviate the health condition (e.g., oxygen). A regimen of continuing treatment that includes the taking of over-the-counter medications such as aspirin, antihistamines, or salves; or bed-rest, drinking fluids, exercise, and other similar activities that can be initiated without a visit to a health care provider, is not, by itself, sufficient to constitute a regimen of continuing treatment for purposes of FMLA leave.

(c) Conditions for which cosmetic treatments are administered (such as most treatments for acne or plastic surgery) are not "serious health conditions" unless inpatient hospital care is required or unless complications develop. Ordinarily, unless complications arise, the common cold, the flu, ear aches, upset stomach, minor ulcers, headaches other than migraine, routine dental or orthodontia problems, periodontal disease, etc., are examples of conditions that do not meet the definition of a serious health condition and do not qualify for FMLA leave. Restorative dental or plastic surgery after an injury or removal of cancerous growths are serious health conditions provided all the other conditions of this regulation are met. Mental illness resulting from stress or allergies may be serious health conditions, but only if all the conditions of this section are met.

(d) Substance abuse may be a serious health condition if the conditions of this section are met. However, FMLA leave may only be taken for treatment for substance abuse by a health care provider or by a provider of health care services on referral by a health care provider. On the other hand, absence because of the employee's use of the substance, rather than for treatment, does not qualify for FMLA leave.

(e) Absences attributable to incapacity under paragraphs (a)(2)(ii) or (iii) qualify for FMLA leave even though the employee or the immediate family member does not receive treatment from a health care provider during the absence, and even if the absence does not last more than three days. For example, an employee with asthma may be unable to report for work due to the onset of an asthma attack or because the employee's health care provider has advised the employee to stay home when the pollen count exceeds a certain level. An employee who is pregnant may be unable to report to work because of severe morning sickness.

§825.115 What does it mean that "the employee is unable to perform the functions of the position of the employee"?

An employee is "unable to perform the functions of the position" where the health care provider finds that the employee is unable to work at all or is unable to perform any one of the essential functions of the employee's position within the meaning of the Americans with Disabilities Act (ADA), as made applicable by section 201(a)(3) of the CAA (2 U.S.C. 1311(a)(3)). An employee who must be absent from work to receive medical treatment for a serious health condition is considered to be unable to perform the essential functions of the position during the absence for treatment. An employing office has the option, in requiring certification from a health care provider, to provide a statement of the essential functions of the employee's position for the health care provider to review. For purposes of FMLA, the essential functions of the employee's position are to be determined with reference to the position the employee held at the time notice is given or leave commenced, whichever is earlier.

§825.116 What does it mean that an employee is "needed to care for" a family member?

(a) The medical certification provision that an employee is "needed to care for" a family member encompasses both physical and psychological care. It includes situations where, for example, because of a serious health condition, the family member is unable to care for his or her own basic medical, hygienic, or nutritional needs or safety, or is unable to transport himself or herself to the doctor, etc. The term also includes providing psychological comfort and reassurance which would be beneficial to a child, spouse or parent with a serious health condition who is receiving inpatient or home care.

(b) The term also includes situations where the employee may be needed to fill in for others who are caring for the family member, or to make arrangements for changes in care, such as transfer to a nursing home.

(c) An employee's intermittent leave or a reduced leave schedule necessary to care for a family member includes not only a situation where the family member's condition itself is intermittent, but also where the employee is only needed intermittently "such as where other care is normally available, or care responsibilities are shared with another member of the family or a third party.

§825.117 For an employee seeking intermittent FMLA leave or leave on a reduced leave schedule, what is meant by "the medical necessity for" such leave?

For intermittent leave or leave on a reduced leave schedule, there must be a medical need for leave (as distinguished from voluntary treatments and procedures) and it must be that such medical need can be best accommodated through an intermittent or reduced leave schedule. The treatment regimen and other information described in the certification of a serious health condition (see §825.306) meets the requirement for certification of the medical necessity of intermittent leave or leave on a reduced leave schedule. Employees needing intermittent FMLA leave or leave on a reduced leave schedule must attempt to schedule their leave so as not to disrupt the employing office's operations. In addition, an employing office may assign an employee to an alternative position with equivalent pay and benefits that better accommodates the employee's intermittent or reduced leave schedule.

§825.118 What is a "health care provider"?

(a)(1) The term "health care provider" means:

(i) A doctor of medicine or osteopathy who is authorized to practice medicine or surgery (as appropriate) by the State in which the doctor practices; or

(ii) Any other person determined by the Office of Compliance to be capable of providing health care services.

(2) In making a determination referred to in subparagraph (1)(ii), and absent good cause shown to do otherwise, the Office of Compliance will follow any determination made by the Secretary of Labor (under section 101(6)(B) of the FMLA, 29 U.S.C. 2611(6)(B)) that a person is capable of providing health care services, provided the Secretary's determination was not made at the request of a person who was then a covered employee.

(b) Others "capable of providing health care services" include only:

(1) Podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice in the State and performing within the scope of their practice as defined under State law;

(2) Nurse practitioners, nurse-midwives and clinical social workers who are authorized to practice under State law and who are performing within the scope of their practice as defined under State law;

(3) Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts. Where an employee or family member is receiving treatment from a Christian Science practitioner, an employee may not object to any requirement from an employing office that the employee or family member submit to examination (though not treatment) to obtain a second or third certification from a health care provider other than a Christian Science practitioner except as otherwise provided under applicable State or local law or collective bargaining agreement.

(4) Any health care provider from whom an employing office or the employing office's group health plan's benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits; and

(5) A health care provider listed above who practices in a country other than the United States, who is authorized to practice in accordance with the law of that country, and who is performing within the scope of his or her practice as defined under such law.

(c) The phrase "authorized to practice in the State" as used in this section means that the provider must be authorized to diagnose and treat physical or mental health conditions without supervision by a doctor or other health care provider.

Subpart B—What Leave Is an Employee Entitled To Take Under the Family and Medical Leave Act, as Made Applicable by the Congressional Accountability Act?

§825.200 How much leave may an employee take?

(a) An eligible employee's FMLA leave entitlement is limited to a total of 12 workweeks of leave during any 12-month period for any one, or more, of the following reasons:

(1) The birth of the employee's son or daughter, and to care for the newborn child;

(2) The placement with the employee of a son or daughter for adoption or foster care, and to care for the newly placed child;

(3) To care for the employee's spouse, son, daughter, or parent with a serious health condition; and,

(4) Because of a serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job.

(b) An employing office is permitted to choose any one of the following methods for determining the "12-month period" in which the 12 weeks of leave entitlement occurs:

(1) The calendar year;

(2) Any fixed 12-month "leave year," such as a fiscal year or a year starting on an employee's "anniversary" date;

(3) The 12-month period measured forward from the date any employee's first FMLA leave begins; or

(4) A "rolling" 12-month period measured backward from the date an employee uses any FMLA leave (except that such measure may not extend back before the date on which the application of FMLA rights and protections first becomes effective for the employing office; see §825.102).

(c) Under methods in paragraphs (b)(1) and (b)(2) of this section an employee would be entitled to up to 12 weeks of FMLA leave at any time in the fixed 12-month period selected. An employee could, therefore, take 12 weeks of leave at the end of the year and 12 weeks at the beginning of the following year. Under the method in paragraph (b)(3) of this section, an employee would be entitled to 12 weeks of leave during the year beginning on the first date FMLA leave is taken; the next 12-month period would begin the first time FMLA leave is taken after completion of any previous 12-month period. Under the method in paragraph (b)(4) of this section, the "rolling" 12-month period, each time an employee takes FMLA leave the remaining leave entitlement would be any balance of the 12 weeks which has not been used during the immediately preceding 12 months. For example, if an employee has taken eight weeks of leave during the past 12 months, an additional four weeks of leave could be taken. If an employee used four weeks beginning February 1, 1997, four weeks beginning June 1, 1997, and four weeks beginning December 1, 1997, the employee would not be entitled to any additional leave until February 1, 1998. However, beginning on February 1, 1998, the employee would be entitled to four weeks of leave, on June 1 the employee would be entitled to an additional four weeks, etc.

(d)(1) Employing offices will be allowed to choose any one of the alternatives in paragraph (b) of this section provided the alternative chosen is applied consistently and uniformly to all employees. An employing office wishing to change to another alternative is required to give at least 60 days notice to all employees, and the transition must take place in such a way that the employees retain the full benefit of 12 weeks of leave under whichever method affords the greatest benefit to the employee. Under no circumstances may a new method be implemented in order to avoid the CAA's FMLA leave requirements.

(2) [Reserved]

(e) If an employing office fails to select one of the options in paragraph (b) of this section for measuring the 12-month period, the option that provides the most beneficial outcome for the employee will be used. The employing office may subsequently select an option only by providing the 60-day notice to all employees of the option the employing office intends to implement. During the running of the 60-day period any other employee who needs FMLA leave may use the option providing the most beneficial outcome to that employee. At the conclusion of the 60-day period the employing office may implement the selected option.

(f) For purposes of determining the amount of leave used by an employee, the fact that a holiday may occur within the week taken as FMLA leave has no effect; the week is counted as a week of FMLA leave. However, if for some reason the employing office's activity has temporarily ceased and employees generally are not expected to report for work for one or more weeks (e.g., a school closing two weeks for the Christmas/New Year holiday or the summer vacation or an employing office closing the office for repairs), the days the employing office's activities have ceased do not count against the employee's FMLA leave entitlement. Methods for determining an employee's 12-week leave entitlement are also described in §825.205.

(g)(1) If employing offices jointly employ an employee, and if they designate a primary employer pursuant to §825.106(c), the primary employer may choose any one of the alternatives in paragraph (b) of this section for measuring the 12-month period, provided that the alternative chosen is applied consistently and uniformly to all employees of the primary employer including the jointly employed employee.

(2) If employing offices fail to designated a primary employer pursuant to §825.106(c), an

employee jointly employed by the employing offices may, by so notifying one of the employing offices, select that employing office to be the primary employer of the employee for purposes of the application of paragraphs (d) and (e) of this section.

§825.201 If leave is taken for the birth of a child, or for placement of a child for adoption or foster care, when must the leave be concluded?

An employee's entitlement to leave for a birth or placement for adoption or foster care expires at the end of the 12-month period beginning on the date of the birth or placement, unless the employing office permits leave to be taken for a longer period. Any such FMLA leave must be concluded within this one-year period.

§825.202 How much leave may a husband and wife take if they are employed by the same employing office?

(a) A husband and wife who are eligible for FMLA leave and are employed by the same employing office may be limited to a combined total of 12 weeks of leave during any 12-month period if the leave is taken:

(1) for birth of the employee's son or daughter or to care for the child after birth;

(2) for placement of a son or daughter with the employee for adoption or foster care, or to care for the child after placement; or

(3) to care for the employee's parent with a serious health condition.

(b) This limitation on the total weeks of leave applies to leave taken for the reasons specified in paragraph (a) of this section as long as a husband and wife are employed by the "same employing office." It would apply, for example, even though the spouses are employed at two different work sites of an employing office. On the other hand, if one spouse is ineligible for FMLA leave, the other spouse would be entitled to a full 12 weeks of FMLA leave.

(c) Where the husband and wife both use a portion of the total 12-week FMLA leave entitlement for one of the purposes in paragraph (a) of this section, the husband and wife would each be entitled to the difference between the amount he or she has taken individually and 12 weeks for FMLA leave for a purpose other than those contained in paragraph (a) of this section. For example, if each spouse took 6 weeks of leave to care for a healthy, newborn child, each could use an additional 6 weeks due to his or her own serious health condition or to care for a child with a serious health condition.

§825.203 Does FMLA leave have to be taken all at once, or can it be taken in parts?

(a) FMLA leave may be taken "intermittently or on a reduced leave schedule" under certain circumstances. Intermittent leave is FMLA leave taken in separate blocks of time due to a single qualifying reason. A reduced leave schedule is a leave schedule that reduces an employee's usual number of working hours per work week, or hours per workday. A reduced leave schedule is a change in the employee's schedule for a period of time, normally from full-time to part-time.

(b) When leave is taken after the birth or placement of a child for adoption or foster care, an employee may take leave intermittently or on a reduced leave schedule only if the employing office agrees. Such a schedule reduction might occur, for example, where an employee, with the employing office's agreement, works part-time after the birth of a child, or takes leave in several segments. The employing office's agreement is not required, however, for leave during which the mother has a serious health condition in connection with the birth of her child or if the newborn child has a serious health condition.

(c) Leave may be taken intermittently or on a reduced leave schedule when medically necessary for planned and/or unanticipated medical treatment of a related serious health condition by or under the supervision of a health care provider, or for recovery from treatment or recovery from a serious health condition. It may also be taken to provide care or psychological comfort to an immediate family member with a serious health condition.

(1) Intermittent leave may be taken for a serious health condition which requires treatment by a health care provider periodically, rather than for one continuous period of time, and may include leave of periods from an hour or more to several weeks. Examples of intermittent leave would include leave taken on an occasional basis for medical appointments, or leave taken several days at a time spread over a period of six months, such as for chemotherapy. A pregnant employee may take leave intermittently for prenatal examinations or for her own condition, such as for periods of severe morning sickness. An example of an employee taking leave on a reduced leave schedule is an employee who is recovering from a serious health condition and is not strong enough to work a full-time schedule.

(2) Intermittent or reduced schedule leave may be taken for absences where the employee or family member is incapacitated or unable to perform the essential functions of the position because of a chronic serious health condition even if he or she does not receive treatment by a health care provider.

(d) There is no limit on the size of an increment of leave when an employee takes intermittent leave or leave on a reduced leave schedule. However, an employing office may limit leave increments to the shortest period of time that the employing office's payroll system uses to account for absences or use of leave, provided it is one hour or less. For example, an employee might take two hours off for a medical appointment, or might work a reduced day of four hours over a period of several weeks while recuperating from an illness. An employee may not be required to take more FMLA leave than necessary to address the circumstance that precipitated the need for the leave, except as provided in §§825.601 and 825.602.

§825.204 May an employing office transfer an employee to an "alternative position" in order to accommodate intermittent leave or a reduced leave schedule?

(a) If an employee needs intermittent leave or leave on a reduced leave schedule that is foreseeable based on planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition, or if the employing office agrees to permit intermittent or reduced schedule leave for the birth of a child or for placement of a child for adoption or foster care, the employing office may require the employee to transfer temporarily, during the period the intermittent or reduced leave schedule is required, to an available alternative position for which the employee is qualified and which better accommodates recurring periods of leave than does the employee's regular position. See §825.601 for special rules applicable to instructional employees of schools.

(b) Transfer to an alternative position may require compliance with any applicable collective bargaining agreement and any applicable law (such as the Americans with Disabilities Act, as made applicable by the CAA). Transfer to an alternative position may include altering an existing job to better accommodate the employee's need for intermittent or reduced leave.

(c) The alternative position must have equivalent pay and benefits. An alternative position for these purposes does not have to have equivalent duties. The employing office may increase the pay and benefits of an existing alternative position, so as to make them equivalent to the pay and benefits of the employee's regular job. The employing office may also transfer the employee to a part-time job with the same hourly rate of pay and benefits, provided the employee is not required to take more leave than is medically necessary. For example, an employee desiring to take leave in increments of four hours per day could be transferred to a half-time job, or could remain in the employee's same job on a part-time schedule, paying the same hourly rate as the employee's previous job and enjoying the same benefits. The employing office may not eliminate benefits which otherwise would not be provided to part-time employees; however, an employing office may proportionately reduce benefits such as vacation leave where an employing office's normal practice is to base such benefits on the number of hours worked.

(d) An employing office may not transfer the employee to an alternative position in order to discourage the employee from taking leave or otherwise work a hardship on the employee. For example, a white collar employee may not be assigned to perform laborer's work; an employee working the day shift may not be reassigned to the graveyard shift; an employee working in the headquarters facility may not be reassigned to a branch a significant distance away from the employee's normal job location. Any such attempt on the part of the employing office to make such a transfer will be held to be contrary to the prohibited-acts provisions of the FMLA, as made applicable by the CAA.

(e) When an employee who is taking leave intermittently or on a reduced leave schedule and has been transferred to an alternative position no longer needs to continue on leave and is able to return to full-time work, the employee must be placed in the same or equivalent job as the job he/she left when the leave commenced. An employee may not be required to take more leave than necessary to address the circumstance that precipitated the need for leave.

§825.205 How does one determine the amount of leave used where an employee takes leave intermittently or on a reduced leave schedule?

(a) If an employee takes leave on an intermittent or reduced leave schedule, only the amount of leave actually taken may be counted toward the 12 weeks of leave to which an employee is entitled. For example, if an employee who normally works five days a week takes off one day, the employee would use 1/5 of a week of FMLA leave. Similarly, if a full-time employee who normally works 8-hour days works 4-hour days under a reduced leave schedule, the employee would use ½ week of FMLA leave each week.

(b) Where an employee normally works a part-time schedule or variable hours, the amount of leave to which an employee is entitled is determined on a pro rata or proportional basis by comparing the new schedule with the employee's normal schedule. For example, if an employee who normally works 30 hours per week works only 20 hours a week under a reduced leave schedule, the employee's ten hours of leave would constitute one-third of a week of FMLA leave for each week the employee works the reduced leave schedule.

(c) If an employing office has made a permanent or long-term change in the employee's schedule (for reasons other than FMLA, and prior to the notice of need for FMLA leave), the hours worked under the new schedule are to be used for making this calculation.

(d) If an employee's schedule varies from week to week, a weekly average of the hours worked over the 12 weeks prior to the beginning of the leave period would be used for calculating the employee's normal workweek.

§825.206 May an employing office deduct hourly amounts from an employee's salary, when providing unpaid leave under FMLA, as made applicable by the CAA, without affecting the employee's qualification for exemption as an executive, administrative, or professional employee, or when utilizing the fluctuating workweek method for payment of overtime, under the Fair Labor Standards Act?

(a) Leave taken under FMLA, as made applicable by the CAA, may be unpaid. If an employee is otherwise exempt from minimum wage and overtime requirements of the Fair Labor Standards Act (FLSA), as made applicable by the CAA, as a salaried executive, administrative, or professional employee (under regulations issued by the Board, at part 541), providing unpaid FMLA-qualifying leave to such an employee will not cause the employee to lose the FLSA exemption. This means that under regulations currently in effect, where an employee meets the specified duties test, is paid on a salary basis, and is paid a salary of at least the amount specified in the regulations, the employing office may make deductions from the employee's salary for any hours taken as intermittent or reduced FMLA leave within a workweek, without affecting the exempt status of the employee. The fact that an employing office provides FMLA leave, whether paid or unpaid, or maintains any records regarding FMLA leave, will not be relevant to the determination whether an employee is exempt within the meaning of the Board's regulations at part 541.

(b) For an employee paid in accordance with a fluctuating workweek method of payment for overtime, where permitted by section 203 of the CAA (2 U.S.C. 1313), the employing office, *during the period* in which intermittent or reduced schedule FMLA leave is scheduled to be taken, may compensate an employee on an hourly basis and pay only for the hours the employee works, including time and one-half the employee's regular rate for overtime hours. The change to payment on an hourly basis would include the entire period during which the employee is taking intermittent leave, including weeks in which no leave is taken. The hourly rate shall be determined by dividing the employee's weekly salary by the employee's normal or average schedule of hours worked during weeks in which FMLA leave is not being taken. If an employing office chooses to follow this exception from the fluctuating workweek method of payment, the employing office must do so uniformly, with respect to all employees paid on a fluctuating workweek basis for whom FMLA leave is taken on an intermittent or reduced leave schedule basis. If an employing office does not elect to convert the employee's compensation to hourly pay, no deduction may be taken for FMLA leave absences. Once the need for intermittent or reduced scheduled leave is over, the employee may be restored to payment on a fluctuating work week basis.

(c) This special exception to the "salary basis" requirements of the FLSA exemption or fluctuating workweek payment requirements applies only to employees of employing offices who are eligible for FMLA leave, and to leave which qualifies as (one of the four types of) FMLA leave. Hourly or other deductions which are not in accordance with the Board's regulations at part 541 or with a permissible fluctuating workweek method of payment for overtime may not be taken, for example, where the employee has not worked long enough to be eligible for FMLA leave without potentially affecting the employee's eligibility for exemption. Nor may deductions which are not permitted by the Board's regulations at part 541 or by a permissible fluctuating workweek method of payment for overtime be taken from such an employee's salary for any leave which does not qualify as FMLA leave, for example, deductions from an employee's pay for leave required under an employing office's policy or practice for a reason which does not qualify as FMLA leave, *e.g.*, leave to care for a grandparent or for a medical condition which does not qualify as a serious health condition; or for leave which is more generous than provided by FMLA as made applicable by the CAA, such as leave in excess of 12 weeks in a year. The employing office may comply with the employing office's own policy/practice under these circumstances and maintain the employee's eligibility for exemption or for the fluctuating workweek method of pay by not taking hourly deductions from the employee's pay, in accordance with FLSA requirements, or may take such deductions, treating the employee as an "hourly" employee and pay overtime premium pay for hours worked over 40 in a workweek.

§825.207 Is FMLA leave paid or unpaid?

(a) Generally, FMLA leave is unpaid. However, under the circumstances described in this section, FMLA, as made applicable by the CAA, permits an eligible employee to choose to substitute paid leave for FMLA leave. If an employee does not choose to substitute accrued paid leave, the employing office may require the employee to substitute accrued paid leave for FMLA leave.

(b) Where an employee has earned or accrued paid vacation, personal or family leave, that paid leave may be substituted for all or part of any (otherwise) unpaid FMLA leave relating to birth, placement of a child for adoption or foster care, or care for a spouse, child or parent who has a serious health condition. The term "family leave" as used in FMLA refers to paid leave provided by the employing office covering the particular circumstances for which the employee seeks leave for either the birth of a child and to care for such child, placement of a child for adoption or foster care, or care for a spouse, child or parent with a serious health condition. For example, if the employing office's leave plan allows use of family leave to care for a child but not for a parent, the employing office is not required to allow accrued family leave to be substituted for FMLA leave used to care for a parent.

(c) Substitution of paid accrued vacation, personal, or medical/sick leave may be made for any (otherwise) unpaid FMLA leave needed to care for a family member or the employee's own serious health condition. Substitution of paid sick/medical leave may be elected to the extent the circumstances meet the employing office's usual requirements for the use of sick/medical leave. An employing office is not required to allow substitution of paid sick or medical leave for unpaid FMLA leave "in any situation" where the employing office's uniform policy would not normally allow such paid leave. An employee, therefore, has a right to substitute paid medical/sick leave to care for a seriously ill family member only if the employing office's leave plan allows paid leave to be used for that purpose. Similarly, an employee does not have a right to substitute paid medical/sick leave for a serious health condition which is not covered by the employing office's leave plan.

(d)(1) Disability leave for the birth of a child would be considered FMLA leave for a serious health condition and counted in the 12 weeks of leave permitted under FMLA as made applicable by the CAA. Because the leave pursuant to a temporary disability benefit plan is not unpaid, the provision for substitution of paid leave is inapplicable. However, the employing office may designate the leave as FMLA leave and count the leave as running concurrently for purposes of both the benefit plan and the FMLA leave entitlement. If the requirements to qualify for payments pursuant to the employing office's temporary disability plan are more stringent than those of FMLA as made applicable by the CAA, the employee must meet the more stringent requirements of the plan, or may choose not to meet the requirements of the plan and instead receive no payments from the plan and use unpaid FMLA leave or substitute available accrued paid leave.

(2) The FMLA as made applicable by the CAA provides that a serious health condition may result from injury to the employee "on or off" the job. If the employing office designates the leave as FMLA leave in accordance with §825.208, the employee's FMLA 12-week leave entitlement may run concurrently with a workers' compensation absence when the injury is one that meets the criteria for a serious health condition. As the workers' compensation absence is not unpaid leave, the provision for substitution of the employee's accrued paid leave is not applicable. However, if the health care provider treating the employee for the workers' compensation injury certifies the employee is able to return to a "light duty job" but is unable to return to the same or equivalent job, the employee may decline the employing office's offer of a "light duty job". As a result the employee may lose workers' compensation payments, but is entitled to remain on unpaid FMLA leave until the 12-week entitlement is exhausted. As of the date workers' compensation benefits cease, the substitution provision becomes applicable and either the employee may elect or the employing office may require the use of accrued paid leave. See also §§ 825.210(f), 825.216(d), 825.220(d), 825.307(a)(1) and 825.702 (d) (1) and (2) regarding the relationship between workers' compensation absences and FMLA leave.

(e) Paid vacation or personal leave, including leave earned or accrued under plans allowing "paid time off," may be substituted, at either the employee's or the employing office's option, for any qualified FMLA leave. No limitations may be placed by the employing office on substitution of paid vacation or personal leave for these purposes.

(f) If neither the employee nor the employing office elects to substitute paid leave for unpaid FMLA leave under the above conditions and circumstances, the employee will remain entitled to all the paid leave which is earned or accrued under the terms of the employing office's plan.

(g) If an employee uses paid leave under circumstances which do not qualify as FMLA leave, the leave will not count against the 12 weeks of FMLA leave to which the employee is entitled. For example, paid sick leave used for a medical condition which is not a serious health condition does not count against the 12 weeks of FMLA leave entitlement.

(h) When an employee or employing office elects to substitute paid leave (of any type) for unpaid FMLA leave under circumstances permitted by these regulations, and the employing office's procedural requirements for taking that kind of leave are less stringent than the requirements of FMLA as made applicable by the CAA (e.g., notice or certification requirements), only the less stringent requirements may be imposed. An employee who complies with an employing office's less stringent leave plan requirements in such cases may not have leave for an FMLA purpose delayed or denied on the grounds that the employee has not complied with stricter requirements of FMLA as made applicable by the CAA. However, where accrued paid vacation or personal leave is substituted for unpaid FMLA leave for a serious health condition, an employee may be required to comply with any less stringent medical certification requirements of the employing office's sick leave program. See §§825.302(g), 825.305(e) and 825.306(c).

(i) Compensatory time off, if any is authorized under applicable law, is not a form of accrued paid leave that an employing office may require the employee to substitute for unpaid FMLA leave. The employee may request to use his/her balance of compensatory time for an FMLA reason. If the employing office permits the accrual of compensatory time to be used in compliance with applicable Board regulations, the absence which is paid from the employee's accrued compensatory time "account" may not be counted against the employee's FMLA leave entitlement.

§825.208 Under what circumstances may an employing office designate leave, paid or unpaid, as FMLA leave and, as a result, enable leave to be counted against the employee's total FMLA leave entitlement?

(a) In all circumstances, it is the employing office's responsibility to designate leave, paid or unpaid, as FMLA-qualifying, and to give notice of the designation to the employee as provided in this section. In the case of intermittent leave or leave on a reduced schedule, only one such notice is required unless the circumstances regarding the leave have changed. The employing office's designation decision must be based only on information received from the employee or the employee's spokesperson (*e.g.*, if the employee is incapacitated, the employee's spouse, adult child, parent, doctor, etc., may provide notice to the employing office of the need to take FMLA leave). In any circumstance where the employing office does not have sufficient information about the reason for an employee's use of paid leave, the employing office should inquire further of the employee or the spokesperson to ascertain whether the paid leave is potentially FMLA-qualifying.

(1) An employee giving notice of the need for unpaid FMLA leave must explain the reasons for the needed leave so as to allow the employing office to determine that the leave qualifies under the FMLA, as made applicable by the CAA. If the employee fails to explain the reasons, leave may be denied. In many cases, in explaining the reasons for a request to use paid leave, especially when the need for the leave was unexpected or unforeseen, an employee will provide sufficient information for the employing office to designate the paid leave as FMLA leave. An employee using accrued paid leave, especially vacation or personal leave, may in some cases not spontaneously explain the reasons or their plans for using their accrued leave.

(2) As noted in §825.302(c), an employee giving notice of the need for unpaid FMLA leave does not need to expressly assert rights under the FMLA as made applicable by the CAA or even mention the FMLA to meet his or her obligation to provide notice, though the employee would need to state a qualifying reason for the needed leave. An employee requesting or notifying the employing office of an intent to use accrued paid leave, even if for a purpose covered by FMLA, would not need to assert such right either. However, if an employee requesting to use paid leave for an FMLA-qualifying purpose does not explain the reason for the leave—consistent with the employing office's established policy or practice—and the employing office denies the employee's request, the employee will need to provide sufficient information to establish an FMLA-qualifying reason for the needed leave so that the employing office is aware of the employee's entitlement (i.e., that the leave may not be denied) and, then, may designate that the paid leave be appropriately counted against (substituted for) the employee's 12-week entitlement. Similarly, an employee using accrued paid vacation leave who seeks an extension of unpaid leave for an FMLA-qualifying purpose will need to state the reason. If this is due to an event which occurred during the period of paid leave, the employing office may count the leave used after the FMLA-qualifying event against the employee's 12-week entitlement.

(b)(1) Once the employing office has acquired knowledge that the leave is being taken for an FMLA required reason, the employing office must promptly (within two business days absent extenuating circumstances) notify the employee that the paid leave is designated and will be counted as FMLA leave. If there is a dispute between an employing office and an employee as to whether paid leave qualifies as FMLA leave, it should be resolved through discussions between the employee and the employing office. Such discussions and the decision must be documented.

(2) The employing office's notice to the employee that the leave has been designated as FMLA leave may be orally or in writing. If the notice is oral, it shall be confirmed in writing, no later than the following payday (unless the payday is less than one week after the oral notice, in which case the notice must be no later than the subsequent payday). The written notice may be in any form, including a notation on the employee's pay stub.

(c) If the employing office requires paid leave to be substituted for unpaid leave, or that paid leave taken under an existing leave plan be counted as FMLA leave, this decision must be made by the employing office within two business days of the time the employee gives notice of the need for leave, or, where the employing office does not initially have sufficient information to make a determination, when the employing office determines that the leave qualifies as FMLA leave if this happens later. The employing office's designation must be made before the leave starts, unless the employing office does not have sufficient information as to the employee's reason for taking the leave until after the leave commenced. If the employing office has the requisite knowledge to make a determination that the paid leave is for an FMLA reason at the time the employee either gives notice of the need for leave or commences leave and fails to designate the leave as FMLA leave (and so notify the employee in accordance with paragraph (b)), the employing office may not designate leave as FMLA leave retroactively, and may designate only prospectively as of the date of notification to the employee of the designation. In such circumstances, the employee is subject to the full protections of the FMLA, as made applicable by the CAA, but none of the absence preceding the notice to the employee of the designation may be counted against the employee's 12-week FMLA leave entitlement.

(d) If the employing office learns that leave is for an FMLA purpose after leave has begun, such as when an employee gives notice of the need for an extension of the paid leave with unpaid FMLA leave, the entire or some portion of the paid leave period may be retroactively counted as FMLA leave, to the extent that the leave period qualified as FMLA leave. For example, an employee is granted two weeks paid vacation leave for a skiing trip. In mid-week of the second week, the employee contacts the employing office for an extension of leave as unpaid leave and advises that at the beginning of the second week of paid vacation leave the employee suffered a severe accident requiring hospitalization. The employing office may notify the employee that both the extension and the second week of paid vacation leave (from the date of the injury) is designated as FMLA leave. On the other hand, when the employee takes sick leave that turns into a serious health condition (*e.g.*, bronchitis that turns into bronchial pneumonia) and the employee gives notice of the need for an extension of leave, the entire period of the serious health condition may be counted as FMLA leave.

(e) Employing offices may not designate leave as FMLA leave after the employee has returned to work with two exceptions:

(1) If the employee was absent for an FMLA reason and the employing office did not learn the reason for the absence until the employee's return (e.g., where the employee was absent for only a brief period), the employing office may, upon the employee's return to work, promptly (within two business days of the employee's return to work) designate the leave retroactively with appropriate notice to the employee. If leave is taken for an FMLA reason but the employing office was not aware of the reason, and the employee desires that the leave be counted as FMLA leave, the employee must notify the employing office within two business days of returning to work of the reason for the leave. In the absence of such timely notification by the employee, the employee may not subsequently assert FMLA protections for the absence.

(2) If the employing office knows the reason for the leave but has not been able to confirm that the leave qualifies under FMLA, or where the employing office has requested medical certification which has not yet been received or the parties are in the process of obtaining a second or third medical opinion, the employing office should make a preliminary designation, and so notify the employee, at the time leave begins, or as soon as the reason for the leave becomes known. Upon receipt of the requisite information from the employee or of the medical certification which confirms the leave is for an FMLA reason, the preliminary

designation becomes final. If the medical certifications fail to confirm that the reason for the absence was an FMLA reason, the employing office must withdraw the designation (with written notice to the employee).

(f) If, before beginning employment with an employing office, an employee had been employed by another employing office, the subsequent employing office may count against the employee's FMLA leave entitlement FMLA leave taken from the prior employing office, except that, if the FMLA leave began after the effective of these regulations (or if the FMLA leave was subject to other applicable requirement under which the employing office was to have designated the leave as FMLA leave), the prior employing office must have properly designated the leave as FMLA under these regulations or other applicable requirement.

§825.209 Is an employee entitled to benefits while using FMLA leave?

(a) During any FMLA leave, the employing office must maintain the employee's coverage under the Federal Employees Health Benefits Program or any group health plan (as defined in the Internal Revenue Code of 1986 at 26 U.S.C. 5000(b)(1)) on the same conditions as coverage would have been provided if the employee had been continuously employed during the entire leave period. All employing offices are subject to the requirements of the FMLA, as made applicable by the CAA, to maintain health coverage. The definition of "group health plan" is set forth in §825.800. For purposes of FMLA, the term "group health plan" shall not include an insurance program providing health coverage under which employees purchase individual policies from insurers provided that:

(1) no contributions are made by the employing office;

(2) participation in the program is completely voluntary for employees;

(3) the sole functions of the employing office with respect to the program are, without endorsing the program, to permit the insurer to publicize the program to employees, to collect premiums through payroll deductions and to remit them to the insurer;

(4) the employing office receives no consideration in the form of cash or otherwise in connection with the program, other than reasonable compensation, excluding any profit, for administrative services actually rendered in connection with payroll deduction; and,

(5) the premium charged with respect to such coverage does not increase in the event the employment relationship terminates.

(b) The same group health plan benefits provided to an employee prior to taking FMLA leave must be maintained during the FMLA leave. For example, if family member coverage is provided to an employee, family member coverage must be maintained during the FMLA leave. Similarly, benefit coverage during FMLA leave for medical care, surgical care, hospital care, dental care, eye care, mental health counseling, substance abuse treatment, etc., must be maintained during leave if provided in an employing office's group health plan, including a supplement to a group health plan, whether or not provided through a flexible spending account or other component of a cafeteria plan.

(c) If an employing office provides a new health plan or benefits or changes health benefits or plans while an employee is on FMLA leave, the employee is entitled to the new or changed plan/benefits to the same extent as if the employee were not on leave. For example, if an employing office changes a group health plan so that dental care becomes covered under the plan, an employee on FMLA leave must be given the same opportunity as other employees to receive (or obtain) the dental care coverage. Any other plan changes (*e.g.*, in coverage, premiums, deductibles, etc.) which apply to all employees of the workforce would also apply to an employee on FMLA leave.

(d) Notice of any opportunity to change plans or benefits must also be given to an employee on FMLA leave. If the group health plan permits an employee to change from single to family coverage upon the birth of a child or otherwise add new family members, such a change in benefits must be made available while an employee is on FMLA leave. If the employee requests the changed coverage it must be provided by the employing office.

(e) An employee may choose not to retain group health plan coverage during FMLA leave. However, when an employee returns from leave, the employee is entitled to be reinstated on the same terms as prior to taking the leave, including family or dependent coverages, without any qualifying period, physical examination, exclusion of pre-existing conditions, etc. See §825.212(c).

(f) Except as required by the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) or 5 U.S.C. 8905a, whichever is applicable, and for "key" employees (as discussed below), an employing office's obligation to maintain health benefits during leave (and to restore the employee to the same or equivalent employment) under FMLA ceases if and when the employment relationship would have terminated if the employee had not taken FMLA leave (*e.g.*, if the employee's position is eliminated as part of a nondiscriminatory reduction in force and the employee would not have been transferred to another position); an employee informs the employing office of his or her intent not to return from leave (including before starting the leave if the employing office is so informed before the leave starts); or the employee fails to return from leave or continues on leave after exhausting his or her FMLA leave entitlement in the 12-month period.

(g) If a "key employee" (see §825.218) does not return from leave when notified by the employing office that substantial or grievous economic injury will result from his or her reinstatement, the employee's entitlement to group health plan benefits continues unless and until the employee advises the employing office that the employee does not desire restoration to employment at the end of the leave period, or FMLA leave entitlement is exhausted, or reinstatement is actually denied.

(h) An employee's entitlement to benefits other than group health benefits during a period of FMLA leave (*e.g.*, holiday pay) is to be determined by the employing office's established policy for providing such benefits when the employee is on other forms of leave (paid or unpaid, as appropriate).

§825.210 How may employees on FMLA leave pay their share of group health benefit premiums?

(a) Group health plan benefits must be maintained on the same basis as coverage would have been provided if the employee had been continuously employed during the FMLA leave period. Therefore, any share of group health plan premiums which had been paid by the employee prior to FMLA leave must continue to be paid by the employee during the FMLA leave period. If premiums are raised or lowered, the employee would be required to pay the new premium rates. Maintenance of health insurance policies which are not a part of the employing office's group health plan, as described in §825.209(a), are the sole responsibility of the employee. The employee and the insurer should make necessary arrangements for payment of premiums during periods of unpaid FMLA leave.

(b) If the FMLA leave is substituted paid leave, the employee's share of premiums must be paid by the method normally used during any paid leave, presumably as a payroll deduction.

(c) If FMLA leave is unpaid, the employing office has a number of options for obtaining payment from the employee. The employing office may require that payment be made to the employing office or to the insurance carrier, but no additional charge may be added to the employee's premium payment for administrative expenses. The employing office may require employees to pay their share of premium payments in any of the following ways:

(1) Payment would be due at the same time as it would be made if by payroll deduction;

(2) Payment would be due on the same schedule as payments are made under COBRA or 5 U.S.C. 8905a, whichever is applicable;

(3) Payment would be prepaid pursuant to a cafeteria plan at the employee's option;

(4) The employing office's existing rules for payment by employees on "leave without pay" would be followed, provided that such rules do not require prepayment (*i.e.*, prior to the commencement of the leave) of the premiums that will become due during a period of unpaid FMLA leave or payment of higher premiums than if the employee had continued to work instead of taking leave; or,

(5) Another system voluntarily agreed to between the employing office and the employee, which may include prepayment of premiums (*e.g.*, through increased payroll deductions when the need for the FMLA leave is foreseeable).

(d) The employing office must provide the employee with advance written notice of the terms and conditions under which these payments must be made. (*See* §825.301.)

(e) An employing office may not require more of an employee using FMLA leave than the employing office requires of other employees on "leave without pay."

(f) An employee who is receiving payments as a result of a workers' compensation injury must make arrangements with the employing office for payment of group health plan benefits when simultaneously taking unpaid FMLA leave. *See* paragraph (c) of this section and §825.207(d)(2).

§825.211 What special health benefits maintenance rules apply to multi-employer health plans?

(a) A multi-employer health plan is a plan to which more than one employer is required to contribute, and which is maintained pursuant to one or more collective bargaining agreements between employee organization(s) and the employers.

(b) An employing office under a multi-employer plan must continue to make contributions on behalf of an employee using FMLA leave as though the employee had been continuously employed, unless the plan contains an explicit FMLA provision for maintaining coverage such as through pooled contributions by all employers party to the plan.

(c) During the duration of an employee's FMLA leave, coverage by the group health plan, and benefits provided pursuant to the plan, must be maintained at the level of coverage and benefits which were applicable to the employee at the time FMLA leave commenced.

(d) An employee using FMLA leave cannot be required to use "banked" hours or pay a greater premium than the employee would have been required to pay if the employee had been continuously employed.

(e) As provided in §825.209(f), group health plan coverage must be maintained for an employee on FMLA leave until:

(1) the employee's FMLA leave entitlement is exhausted;

(2) the employing office can show that the employee would have been laid off and the employment relationship terminated; or,

(3) the employee provides unequivocal notice of intent not to return to work.

§825.212 What are the consequences of an employee's failure to make timely health plan premium payments?

(a)(1) In the absence of an established employing office policy providing a longer grace period, an employing office's obligations to maintain health insurance coverage cease under FMLA if an employee's premium payment is more than 30 days late. In order to drop the coverage for an employee whose premium payment is late, the employing office must provide written notice to the employee that the payment has not been received. Such notice must be mailed to the employee at least 15 days before coverage is to cease, advising that coverage will be dropped on a specified date at least 15 days after the date of the letter unless the payment has been received by that date. If the employing office has established policies regarding other forms of unpaid leave that provide for the employing office to cease coverage retroactively to the date the unpaid premium payment was due, the employing office may drop the employee from coverage retroactively in accordance with that policy, provided the 15-day notice was given. In the absence of such a policy, coverage for the employee may be terminated at the end of the 30-day grace period, where the required 15-day notice has been provided.

(2) An employing office has no obligation regarding the maintenance of a health insurance policy which is not a "group health plan." See §825.209(a).

(3) All other obligations of an employing office under FMLA would continue; for example, the employing office continues to have an obligation to reinstate an employee upon return from leave.

(b) The employing office may recover the employee's share of any premium payments missed by the employee for any FMLA leave period during which the employing office maintains health coverage by paying the employee's share after the premium payment is missed.

(c) If coverage lapses because an employee has not made required premium payments, upon the employee's return from FMLA leave the employing office must still restore the employee to coverage/benefits equivalent to those the employee would have had if leave had not been taken and the premium payment(s) had not been missed, including family or dependent coverage. See §825.215(d)(1)-(5). In such case, an employee may not be required to meet any qualification requirements imposed by the plan, including any new preexisting condition waiting period, to wait for an open season, or to pass a medical examination to obtain reinstatement of coverage.

§825.213 May an employing office recover costs it incurred for maintaining "group health plan" or other non-health benefits coverage during FMLA leave?

(a) In addition to the circumstances discussed in §825.212(b), the share of health plan premiums paid by or on behalf of the employing office during a period of unpaid FMLA leave may be recovered from an employee if the employee fails to return to work after the employee's FMLA leave entitlement has been exhausted or expires, unless the reason the employee does not return is due to:

(1) The continuation, recurrence, or onset of a serious health condition of the employee or the employee's family member which would otherwise entitle the employee to leave under FMLA; or

(2) Other circumstances beyond the employee's control. Examples of "other circumstances beyond the employee's control" are necessarily broad. They include such situations as where a parent chooses to stay home with a newborn child who has a serious health condition; an employee's spouse is unexpectedly transferred to a job location more than 75 miles from the employee's worksite; a relative or individual other than an immediate family member has a serious health condition and the employee is needed to provide care; the employee is laid off while on leave; or, the employee is a "key employee" who decides not to return to work upon being notified of the employing office's intention to deny restoration because of substantial and grievous economic injury to the employing office's operations and is not reinstated by the employing office. Other circumstances beyond the employee's control would not include a situation where an employee desires to remain with a parent in a distant city even though the parent no longer requires the employee's care, or a parent chooses not to return to work to stay home with a well, newborn child.

(3) When an employee fails to return to work because of the continuation, recurrence, or onset of a serious health condition, thereby precluding the employing office from recovering its (share of) health benefit premium payments made on the employee's behalf during a period of unpaid FMLA leave, the employing office may require medical certification of the employee's or the family member's serious health condition. Such certification is not required unless requested by the employing office. The employee is required to provide medical certification in a timely manner which, for purposes of this section, is within 30 days from the date of the employing office's request. For purposes of medical certification, the employee may use the optional form developed for this purpose (see §825.306(a) and Appendix B of this part). If the employing office requests medical certification and the employee does not provide such certification in a timely manner (within 30 days), or the reason for not returning to work does not meet the test of other circumstances beyond the employee's control, the employing office may recover 100% of the health benefit premiums it paid during the period of unpaid FMLA leave.

(b) Under some circumstances an employing office may elect to maintain other benefits, *e.g.*, life insurance, disability insurance, *etc.*, by paying the employee's (share of) premiums during periods of unpaid FMLA leave. For example, to ensure the employing office can meet its responsibilities to provide equivalent benefits to the employee upon return from unpaid FMLA leave, it may be necessary that premiums be paid continuously to avoid a lapse of coverage. If the employing office elects to maintain such benefits during the leave, at the conclusion of leave, the employing office is entitled to recover only the costs incurred for paying the employee's share of any premiums whether or not the employee returns to work.

(c) An employee who returns to work for at least 30 calendar days is considered to have "returned" to work. An employee who transfers directly from taking FMLA leave to retirement, or who retires during the first 30 days after the employee returns to work, is deemed to have returned to work.

(d) When an employee elects or an employing office requires paid leave to be substituted for FMLA leave, the employing office may not recover its (share of) health insurance or other non-health benefit premiums for any period of FMLA leave covered by paid leave. Because paid leave provided under a plan covering temporary disabilities (including workers' compensation) is not unpaid, recovery of health insurance premiums does not apply to such paid leave.

(e) The amount that self-insured employing offices may recover is limited to only the employing office's share of allowable "premiums" as would be calculated under COBRA, excluding the 2 percent fee for administrative costs.

(f) When an employee fails to return to work, any health and non-health benefit premiums which this section of the regulations permits an employing office to recover are a debt owed by the non-returning employee to the employing office. The existence of this debt caused by the employee's failure to return to work does not alter the employing office's responsibilities for health benefit coverage and, under a self-insurance plan, payment of claims incurred during the period of FMLA leave. To the extent recovery is allowed, the employing office may recover the costs through deduction from any sums due to the employee (*e.g.*, unpaid wages, vacation pay, *etc.*), provided such deductions do not otherwise violate applicable wage payment or other laws. Alternatively, the employing office may initiate legal action against the employee to recover such costs.

§825.214 What are an employee's rights on returning to work from FMLA leave?

(a) On return from FMLA leave, an employee is entitled to be returned to the same position the employee held when leave commenced, or to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. An employee is entitled to such reinstatement even if the employee has been replaced or his or her position has been restructured to accommodate the employee's absence. *See* also §825.106(e) for the obligations of employing offices that are joint employing offices.

(b) If the employee is unable to perform an essential function of the position because of a physical or mental condition, including the continuation of a serious health condition, the employee has no right to restoration to another position under the FMLA. However, the employing office's obligations may be governed by the Americans with Disabilities Act (ADA), as made applicable by the CAA. *See* §825.702.

§825.215 What is an equivalent position?

(a) An equivalent position is one that is virtually identical to the employee's former position in terms of pay, benefits and working conditions, including privileges, perquisites and status. It must involve the same or substantially similar duties and responsibilities, which must entail substantially equivalent skill, effort, responsibility, and authority.

(b) If an employee is no longer qualified for the position because of the employee's inability to attend a necessary course, renew a license, fly a minimum number of hours, *etc.*, as a result of the leave, the employee shall be given a reasonable opportunity to fulfill those conditions upon return to work.

(c) *Equivalent Pay*. (1) An employee is entitled to any unconditional pay increases which may have occurred during the FMLA leave period, such as cost of living increases. Pay increases conditioned upon seniority, length of service, or work performed would not have to be granted unless it is the employing office's policy or practice to do so with respect to other employees on "leave without pay." In such case, any pay increase would be granted based on the employee's seniority, length of service, work performed, *etc.*, excluding the period of unpaid FMLA leave. An employee is entitled to be restored to a position with the same or equivalent pay premiums, such as a shift differential. If an employee departed from a position averaging ten hours of overtime (and corresponding overtime pay) each week, an employee is ordinarily entitled to such a position on return from FMLA leave.

(2) Many employing offices pay bonuses in different forms to employees for job-related performance such as for perfect attendance, safety (absence of injuries or accidents on the job) and exceeding production goals. Bonuses for perfect attendance and safety do not require performance by the employee but rather contemplate the absence of occurrences. To the extent an employee who takes FMLA leave had met all the requirements for either or both of these bonuses before FMLA leave began, the employee is entitled to continue this entitlement upon return from FMLA leave, that is, the employee may not be disqualified for the bonus(es) for the taking of FMLA leave. *See* §825.220 (b) and (c). A monthly production bonus, on the other hand, does require performance by the employee. If the employee is on FMLA leave during any part of the period for which the bonus is computed, the employee is entitled to the same consideration for the bonus as other employees on paid or unpaid leave (as appropriate). *See* paragraph (d)(2) of this section.

(d) *Equivalent Benefits*. "Benefits" include all benefits provided or made available to employees by an employing office, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a practice or written policy of an employing office through an employee benefit plan.

(1) At the end of an employee's FMLA leave, benefits must be resumed in the same manner and at the same levels as provided when the leave began, and subject to any changes in benefit levels that may have taken place during the period of FMLA leave affecting the entire workforce, unless otherwise elected by the employee. Upon return from FMLA leave, an employee cannot be required to requalify for any benefits the employee enjoyed before FMLA leave began (including family or dependent coverages). For example, if an employee was covered by a life insurance policy before taking leave but is not covered or coverage lapses during the period of unpaid FMLA leave, the employee cannot be required to meet any qualifications, such as taking a physical examination, in order to requalify for life insurance upon return from leave. Accordingly, some employing offices may find it necessary to modify life insurance and other benefits programs in order to restore employees to equivalent benefits upon return from FMLA leave, make arrangements for continued payment of costs to maintain such benefits during unpaid FMLA leave, or pay these costs subject to recovery from the employee on return from leave. *See* §825.213(b).

(2) An employee may, but is not entitled to, accrue any additional benefits or seniority during unpaid FMLA leave. Benefits accrued at the time leave began, however, (*e.g.*, paid vacation, sick or personal leave to the extent not substituted for FMLA leave) must be available to an employee upon return from leave.

(3) If, while on unpaid FMLA leave, an employee desires to continue life insurance, disability insurance, or other types of benefits for which he or she typically pays, the employing office is required to follow established policies or practices for continuing such benefits for other instances of leave without pay. If the employing office has no established policy, the employee and the employing office are encouraged to agree upon arrangements before FMLA leave begins.

(4) With respect to pension and other retirement plans, any period of unpaid FMLA leave shall not be treated as or counted toward a break in service for purposes of vesting and eligibility to participate. Also, if the plan requires an employee to be employed on a specific date in order to be credited with a year of service for vesting, contributions or participation purposes, an employee on unpaid FMLA leave on that date shall be deemed to have been employed on that date. However, unpaid FMLA leave periods need not be treated as credited service for purposes of benefit accrual, vesting and eligibility to participate.

(5) Employees on unpaid FMLA leave are to be treated as if they continued to work for purposes of changes to benefit plans. They are entitled to changes in benefits plans, except those which may be dependent upon seniority or accrual during the leave period, immediately upon return from leave or to the same extent they would have qualified if no leave had been taken. For example if the benefit plan is predicated on a pre-established number of hours worked each year and the employee does not have sufficient hours as a result of taking unpaid FMLA leave, the benefit is lost. (In this regard, §825.209 addresses health benefits.)

(e) *Equivalent Terms and Conditions of Employment*. An equivalent position must have substantially similar duties, conditions, responsibilities, privileges and status as the employee's original position.

(1) The employee must be reinstated to the same or a geographically proximate worksite (*i.e.*, one that does not involve a significant increase in commuting time or distance) from where the employee had previously been employed. If the employee's original worksite has been closed, the employee is entitled to the same rights as if the employee had not been on leave when the worksite closed. For example, if an employing office transfers all employees from a closed worksite to a new worksite in a different city, the employee on leave is also entitled to transfer under the same conditions as if he or she had continued to be employed.

(2) The employee is ordinarily entitled to return to the same shift or the same or an equivalent work schedule.

(3) The employee must have the same or an equivalent opportunity for bonuses and other similar discretionary and non-discretionary payments.

(4) FMLA does not prohibit an employing office from accommodating an employee's request to be restored to a different shift, schedule, or position which better suits the employee's personal needs on return from leave, or to offer a promotion to a better position. However, an employee cannot be induced by the employing office to accept a different position against the employee's wishes.

(f) The requirement that an employee be restored to the same or equivalent job with the same or equivalent pay, benefits, and terms and conditions of employment does not extend to *de minimis* or intangible, unmeasurable aspects of the job. However, restoration to a job slated for lay-off, when the employee's original position is not, would not meet the requirements of an equivalent position.

§825.216 Are there any limitations on an employing office's obligation to reinstate an employee?

(a) An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the FMLA leave period. An employing office must be able to show that an employee would not otherwise have been employed at the time reinstatement is requested in order to deny restoration to employment. For example:

(1) If an employee is laid off during the course of taking FMLA leave and employment is terminated, the employing office's responsibility to continue FMLA leave, maintain group health plan benefits and restore the employee ceases at the time the employee is laid off, provided the employing office has no continuing obligations under a collective bargaining agreement or otherwise. An employing office would have the burden of proving that an employee would have been laid off during the FMLA leave period and, therefore, would not be entitled to restoration.

(2) If a shift has been eliminated, or overtime has been decreased, an employee would not be entitled to return to work that shift or the original overtime hours upon restoration. However, if a position on, for example, a night shift has been filled by another employee, the employee is entitled to return to the same shift on which employed before taking FMLA leave.

(b) If an employee was hired for a specific term or only to perform work on a discrete project, the employing office has no obligation to restore the employee if the employment term or project is over and the employing office would not otherwise have continued to employ the employee.

(c) In addition to the circumstances explained above, an employing office may deny job restoration to salaried eligible employees ("key employees," as defined in paragraph (c) of §825.217) if such denial is necessary to prevent substantial and grievous economic injury to the operations of the employing office; or may delay restoration to an employee who fails to provide a fitness for duty certificate to return to work under the conditions described in §825.310.

(d) If the employee has been on a workers' compensation absence during which FMLA leave has been taken concurrently, and after 12 weeks of FMLA leave the employee is unable to return to work, the employee no longer has the protections of FMLA and must look to the workers' compensation statute or ADA, as made applicable by the CAA, for any relief or protections.

§825.217 What is a "key employee"?

(a) A "key employee" is a salaried FMLA-eligible employee who is among the highest paid 10 percent of all the employees employed by the employing office within 75 miles of the employee's worksite.

(b) The term "salaried" means paid on a salary basis, within the meaning of the Board's regulations at part 541, implementing section 203 of the CAA (2 U.S.C. 1313) (regarding employees who may qualify as exempt from the minimum wage and overtime requirements of the FLSA, as made applicable by the CAA, as executive, administrative, and professional employees).

(c) A "key employee" must be "among the highest paid 10 percent" of all the employees "both salaried and non-salaried, eligible and ineligible "who are employed by the employing office within 75 miles of the worksite.

(1) In determining which employees are among the highest paid 10 percent, year-to-date earnings are divided by weeks worked by the employee (including weeks in which paid leave was taken). Earnings include wages, premium pay, incentive pay, and non-discretionary and discretionary bonuses. Earnings do not include incentives whose value is determined at some future date, *e.g.*, benefits or perquisites.

(2) The determination of whether a salaried employee is among the highest paid 10 percent shall be made at the time the employee gives notice of the need for leave. No more than 10 percent of the employing office's employees within 75 miles of the worksite may be "key employees."

§ 825.218 What does "substantial and grievous economic injury" mean?

(a) In order to deny restoration to a key employee, an employing office must determine that the restoration of the employee to employment will cause "substantial and grievous economic injury" to the operations of the employing office, not whether the absence of the employee will cause such substantial and grievous injury.

(b) An employing office may take into account its ability to replace on a temporary basis (or temporarily do without) the employee on FMLA leave. If permanent replacement is unavoidable, the cost of then reinstating the employee can be considered in evaluating whether substantial and grievous economic injury will occur from restoration; in other words, the effect on the operations of the employing office of reinstating the employee in an equivalent position.

(c) A precise test cannot be set for the level of hardship or injury to the employing office which must be sustained. If the reinstatement of a "key employee" threatens the economic viability of the employing office, that would constitute "substantial and grievous economic injury." A lesser injury which causes substantial, long-term economic injury would also be sufficient. Minor inconveniences and costs that the employing office would experience in the normal course would certainly not constitute "substantial and grievous economic injury."

(d) FMLA's "substantial and grievous economic injury" standard is different from and more stringent than the "undue hardship" test under the ADA (see, also § 825.702).

§ 825.219 What are the rights of a key employee?

(a) An employing office which believes that reinstatement may be denied to a key employee, must give written notice to the employee at the time the employee gives notice of the need for FMLA leave (or when FMLA leave commences, if earlier) that he or she qualifies as a key employee. At the same time, the employing office must also fully inform the employee of the potential consequences with respect to reinstatement and maintenance of health benefits if the employing office should determine that substantial and grievous economic injury to the employing office's operations will result if the employee is reinstated from FMLA leave. If such notice cannot be given immediately because of the need to determine whether the employee is a key employee, it shall be given as soon as practicable after being notified of a need for leave (or the commencement of leave, if earlier). It is expected that in most circumstances there will be no desire that an employee be denied restoration after FMLA leave and, therefore, there would be no need to provide such notice. However, an employing office who fails to provide such timely notice will lose its right to deny restoration even if substantial and grievous economic injury will result from reinstatement.

(b) As soon as an employing office makes a good faith determination, based on the facts available, that substantial and grievous economic injury to its operations will result if a key employee who has given notice of the need for FMLA leave or is using FMLA leave is reinstated, the employing office shall notify the employee in writing of its determination, that it cannot deny FMLA leave, and that it intends to deny restoration to employment on completion of the FMLA leave. It is anticipated that an employing office will ordinarily be able to give such notice prior to the employee starting leave. The employing office must serve this notice either in person or by certified mail. This notice must explain the basis for the employing office's finding that substantial and grievous economic injury will result, and, if leave has commenced, must provide the employee a reasonable time in which to return to work, taking into account the circumstances, such as the length of the leave and the urgency of the need for the employee to return.

(c) If an employee on leave does not return to work in response to the employing office's notification of intent to deny restoration, the employee continues to be entitled to maintenance of health benefits and the employing office may not recover its cost of health benefit premiums. A key employee's rights under FMLA continue unless and until either the employee gives notice that he or she no longer wishes to return to work, or the employing office actually denies reinstatement at the conclusion of the leave period.

(d) After notice to an employee has been given that substantial and grievous economic injury will result if the employee is reinstated to employment, an employee is still entitled to request reinstatement at the end of the leave period even if the employee did not return to work in response to the employing office's notice. The employing office must then again determine whether there will be substantial and grievous economic injury from reinstatement, based on the facts at that time. If it is determined that substantial and grievous economic injury will result, the employing office shall notify the employee in writing (in person or by certified mail) of the denial of restoration.

§ 825.220 How are employees protected who request leave or otherwise assert FMLA rights?

(a) The FMLA, as made applicable by the CAA, prohibits interference with an employee's rights under the law, and with legal proceedings or inquiries relating to an employee's rights. More specifically, the law contains the following employee protections:

(1) An employing office is prohibited from interfering with, restraining, or denying the exercise of (or attempts to exercise) any rights provided by the FMLA as made applicable by the CAA.

(2) An employing office is prohibited from discharging or in any other way discriminating against any covered employee (whether or not an eligible employee) for opposing or complaining about any unlawful practice under the FMLA as made applicable by the CAA.

(3) All employing offices are prohibited from discharging or in any other way discriminating against any covered employee (whether or not an eligible employee) because that covered employee has—

(i) Filed any charge, or has instituted (or caused to be instituted) any proceeding under or related to the FMLA, as made applicable by the CAA;

(ii) Given, or is about to give, any information in connection with an inquiry or proceeding relating to a right under the FMLA, as made applicable by the CAA;

(iii) Testified, or is about to testify, in any inquiry or proceeding relating to a right under the FMLA, as made applicable by the CAA.

(b) Any violations of the FMLA, as made applicable by the CAA, or of these regulations constitute interfering with, restraining, or denying the exercise of rights provided by the FMLA as made applicable by the CAA. "Interfering with" the exercise of an employee's rights would include, for example, not only refusing to authorize FMLA leave, but discouraging an employee from using such leave. It would also include manipulation by covered an employing office to avoid responsibilities under FMLA, for example:

(1) [Reserved];

(2) changing the essential functions of the job in order to preclude the taking of leave;

(3) reducing hours available to work in order to avoid employee eligibility.

(c) An employing office is prohibited from discriminating against employees or prospective employees who have used FMLA leave. For example, if an employee on leave without pay would otherwise be entitled to full benefits (other than health benefits), the same benefits would be required to be provided to an employee on unpaid FMLA leave. By the same token, employing offices cannot use the taking of FMLA leave as a negative factor in employment actions, such as hiring, promotions or disciplinary actions; nor can FMLA leave be counted under "no fault" attendance policies.

(d) Employees cannot waive, nor may employing offices induce employees to waive, their rights under FMLA. For example, employees (or their collective bargaining representatives) cannot "trade off" the right to take FMLA leave against some other benefit offered by the employing office. This does not prevent an employee's voluntary and uncoerced acceptance (not as a condition of employment) of a "light duty" assignment while recovering from a serious health condition (see § 825.702(d)). In such a circumstance the employee's right to restoration to the same or an equivalent position is available until 12 weeks have passed within the 12-month period, including all FMLA leave taken and the period of "light duty."

(e) Covered employees, and not merely eligible employees, are protected from retaliation for opposing (e.g., file a complaint about) any practice which is unlawful under the FMLA, as made applicable by the CAA. They are similarly protected if they oppose any practice which they reasonably believe to be a violation of the FMLA, as made applicable by the CAA or regulations.

Subpart C—How do Employees Learn of Their Rights and Obligations under the FMLA, as Made Applicable by the CAA, and What Can an Employing Office Require of an Employee?

§825.300 [Reserved]

§825.301 What notices to employees are required of employing offices under the FMLA as made applicable by the CAA?

(a)(1) If an employing office has any eligible employees and has any written guidance to employees concerning employee benefits or leave rights, such as in an employee handbook, information concerning both entitlements and employee obligations under the FMLA, as made applicable by the CAA, must be included in the handbook or other document. For example, if an employing office provides an employee handbook to all employees that describes the employing office's policies regarding leave, wages, attendance, and similar matters, the handbook must incorporate information on FMLA rights and responsibilities and the employing office's policies regarding the FMLA, as made applicable by the CAA. Informational publications describing the provisions of the FMLA as made applicable by the CAA are available from the Office of Compliance and may be incorporated in such employing office handbooks or written policies.

(2) If such an employing office does not have written policies, manuals, or handbooks describing employee benefits and leave provisions, the employing office shall provide written guidance to an employee concerning all the employee's rights and obligations under the FMLA as made applicable by the CAA. This notice shall be provided to employees each time notice is given pursuant to paragraph (b), and in accordance with the provisions of that paragraph. Employing offices may duplicate and provide the employee a copy of the FMLA Fact Sheet available from the Office of Compliance to provide such guidance.

(b)(1) The employing office shall also provide the employee with written notice detailing the specific expectations and obligations of the employee and explaining any consequences of a failure to meet these obligations. The written notice must be provided to the employee in a language in which the employee is literate. Such specific notice must include, as appropriate:

(i) that the leave will be counted against the employee's annual FMLA leave entitlement (see §825.208);

(ii) any requirements for the employee to furnish medical certification of a serious health condition and the consequences of failing to do so (see §825.305);

(iii) the employee's right to substitute paid leave and whether the employing office will require the substitution of paid leave, and the conditions related to any substitution;

(iv) any requirement for the employee to make any premium payments to maintain health benefits and the arrangements for making such payments (see §825.210), and the possible consequences of failure to make such payments on a timely basis (i.e., the circumstances under which coverage may lapse);

(v) any requirement for the employee to present a fitness-for-duty certificate to be restored to employment (see §825.310);

(vi) the employee's status as a "key employee" and the potential consequence that restoration may be denied following FMLA leave, explaining the conditions required for such denial (see §825.218);

(vii) the employee's right to restoration to the same or an equivalent job upon return from leave (see §§825.214 and 825.604); and,

(viii) the employee's potential liability for payment of health insurance premiums paid by the employing office during the employee's unpaid FMLA leave if the employee fails to return to work after taking FMLA leave (see §825.213).

(2) The specific notice may include other information—*e.g.*, whether the employing office will require periodic reports of the employee's status and intent to return to work, but is not required to do so. A prototype notice is contained in Appendix D of this part, or may be obtained from the Office of Compliance, which employing offices may adapt for their use to meet these specific notice requirements.

(c) Except as provided in this subparagraph, the written notice required by paragraph (b) (and by subparagraph (a)(2) where applicable) must be provided to the employee no less often than the first time in each six-month period that an employee gives notice of the need for FMLA leave (if FMLA leave is taken during the six-month period). The notice shall be given within a reasonable time after notice of the need for leave is given by the employee—within one or two business days if feasible. If leave has already begun, the notice should be mailed to the employee's address of record.

(1) If the specific information provided by the notice changes with respect to a subsequent period of FMLA leave during the six-month period, the employing office shall, within one or two business days of receipt of the employee's notice of need for leave, provide written notice referencing the prior notice and setting forth any of the information in subparagraph (b) which has changed. For example, if the initial leave period were paid leave and the subsequent leave period would be unpaid leave, the employing office may need to give notice of the arrangements for making premium payments.

(2)(i) Except as provided in subparagraph (ii), if the employing office is requiring medical certification or a "fitness-for-duty" report, written notice of the requirement shall be given with respect to each employee notice of a need for leave.

(ii) Subsequent written notification shall *not* be required if the initial notice in the six-month period *and* the employing office handbook or other written documents (if any) describing the employing office's leave policies, clearly provided that certification or a "fitness-for-duty" report would be required (*e.g.*, by stating that certification would be required in all cases, by stating that certification would be required in all cases in which leave of more than a specified number of days is taken, or by stating that a "fitness-for-duty" report would be required in all cases for back injuries for employees in a certain occupation). Where subsequent written notice is not required, at least oral notice shall be provided. (*See* §825.305(a).)

(d) Employing offices are also expected to responsively answer questions from employees concerning their rights and responsibilities under the FMLA as made applicable under the CAA.

(e) Employing offices furnishing FMLA-required notices to sensory impaired individuals must also comply with all applicable requirements under law.

(f) If an employing office fails to provide notice in accordance with the provisions of this section, the employing office may not take action against an employee for failure to comply with any provision required to be set forth in the notice.

§825.302 What notice does an employee have to give an employing office when the need for FMLA leave is foreseeable?

(a) An employee must provide the employing office at least 30 days advance notice before FMLA leave is to begin if the need for the leave is foreseeable based on an expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or of a family member. If 30 days notice is not practicable, such as because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable. For example, an employee's health condition may require leave to commence earlier than anticipated before the birth of a child. Similarly, little opportunity for notice may be given before placement for adoption. Whether the leave is to be continuous or is to be taken intermittently or on a reduced schedule basis, notice need only be given one time, but the employee shall advise the employing office as soon as practicable if dates of scheduled leave change or are extended, or were initially unknown.

(b) "As soon as practicable" means as soon as both possible and practical, taking into account all of the facts and circumstances in the individual case. For foreseeable leave where it is not possible to give as much as 30 days notice, "as soon as practicable" ordinarily would mean at least verbal notification to the employing office within one or two business days of when the need for leave becomes known to the employee.

(c) An employee shall provide at least verbal notice sufficient to make the employing office aware that the employee needs FMLA-qualifying leave, and the anticipated timing and duration of the leave. The employee need not expressly assert rights under the FMLA as made applicable by the CAA, or even mention the FMLA, but may only state that leave is needed for an expected birth or adoption, for example. The employing office should inquire further of the employee if it is necessary to have more information about whether FMLA leave is being sought by the employee, and obtain the necessary details of the leave to be taken. In the case of medical conditions, the employing office may find it necessary to inquire further to determine if the leave is because of a serious health condition and may request medical certification to support the need for such leave (see §825.305).

(d) An employing office may also require an employee to comply with the employing office's usual and customary notice and procedural requirements for requesting leave. For example, an employing office may require that written notice set forth the reasons for the requested leave, the anticipated duration of the leave, and the anticipated start of the leave. However, failure to follow such internal employing office procedures will not permit an employing office to disallow or delay an employee's taking FMLA leave if the employee gives timely verbal or other notice.

(e) When planning medical treatment, the employee must consult with the employing office and make a reasonable effort to schedule the leave so as not to disrupt unduly the employing office's operations, subject to the approval of the health care provider. Employees are ordinarily expected to consult with their employing offices prior to the scheduling of treatment in order to work out a treatment schedule which best suits the needs of both the employing office and the employee. If an employee who provides notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglects to consult with the employing office to make a reasonable attempt to arrange the schedule of treatments so as not to unduly disrupt the employing office's operations, the employing office may initiate discussions with the employee and require the employee to attempt to make such arrangements, subject to the approval of the health care provider.

(f) In the case of intermittent leave or leave on a reduced leave schedule which is medically necessary, an employee shall advise the employing office, upon request, of the reasons why the intermittent/reduced leave schedule is necessary and of the schedule for treatment, if applicable. The employee and employing office shall attempt to work out a schedule which meets the employee's needs without unduly disrupting the employing office's operations, subject to the approval of the health care provider.

(g) An employing office may waive employees' FMLA notice requirements. In addition, an employing office may not require compliance with stricter FMLA notice requirements where the provisions of a collective bargaining agreement or applicable leave plan allow less advance notice to the employing office. For example, if an employee (or employing office) elects to substitute paid vacation leave for unpaid FMLA leave (see §825.207), and the employing office's paid vacation leave plan imposes no prior notification requirements for taking such vacation leave, no advance notice may be required for the FMLA leave taken in these circumstances. On the other hand, FMLA notice requirements would apply to a period of unpaid FMLA leave, unless the employing office imposes lesser notice requirements on employees taking leave without pay.

§825.303 What are the requirements for an employee to furnish notice to an employing office where the need for FMLA leave is not foreseeable?

(a) When the approximate timing of the need for leave is not foreseeable, an employee should give notice to the employing office of the need for FMLA leave as soon as practicable under the facts and circumstances of the particular case. It is expected that an employee will give notice to the employing office within no more than one or two working days of learning of the need for leave, except in extraordinary circumstances where such notice is not feasible. In the case of a medical emergency requiring leave because of an employee's own serious health condition or to care for a family member with a serious health condition, written advance notice pursuant to an employing office's internal rules and procedures may not be required when FMLA leave is involved.

(b) The employee should provide notice to the employing office either in person or by telephone, telegraph, facsimile ("fax") machine or other electronic means. Notice may be given by the employee's spokesperson (e.g., spouse, adult family member or other responsible party) if the employee is unable to do so personally. The employee need not expressly assert rights under the FMLA, as made applicable by the CAA, or even mention the FMLA, but may only state that leave is needed. The employing office will be expected to obtain any additional required information through informal means. The employee or spokesperson will be expected to provide more information when it can readily be accomplished as a practical matter, taking into consideration the exigencies of the situation.

§825.304 What recourse do employing offices have if employees fail to provide the required notice?

(a) An employing office may waive employees' FMLA notice obligations or the employing office's own internal rules on leave notice requirements.

(b) If an employee fails to give 30 days notice for foreseeable leave with no reasonable excuse for the delay, the employing office may delay the taking of FMLA leave until at least 30 days after the date the employee provides notice to the employing office of the need for FMLA leave.

(c) In all cases, in order for the onset of an employee's FMLA leave to be delayed due to lack of required notice, it must be clear that the employee had actual notice of the FMLA notice requirements. This condition would be satisfied by the employing office's proper posting, at the worksite where the employee is employed, of the information regarding the FMLA provided (pursuant to section 301(h)(2) of the CAA, 2 U.S.C. 1381(h)(2)) by the Office of Compliance to the employing office in a manner suitable for posting. Furthermore, the need for leave and the approximate date leave would be taken must have been clearly foreseeable to the employee 30 days in advance of the leave. For example, knowledge that an employee would receive a telephone call about the availability of a child for adoption at some unknown point in the future would not be sufficient.

§825.305 When must an employee provide medical certification to support FMLA leave?

(a) An employing office may require that an employee's leave to care for the employee's seriously ill spouse, son, daughter, or parent, or due to the employee's own serious health condition that makes the employee unable to perform one or more of the essential functions of the employee's position, be supported by a certification issued by the health care provider of the employee or the employee's ill family member. An employing office must give notice of a requirement for medical certification each time a certification is required; such notice must be written notice whenever required by §825.301. An employing office's oral request to an employee to furnish any subsequent medical certification is sufficient.

(b) When the leave is foreseeable and at least 30 days notice has been provided, the employee should provide the medical certification before the leave begins. When this is not possible, the employee must provide the requested certification to the employing office within the time frame requested by the employing office (which must allow at least 15 calendar days after the employing office's request), unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts.

(c) In most cases, the employing office should request that an employee furnish certification from a health care provider at the time the employee gives notice of the need for leave or within two business days thereafter, or, in the case of unforeseen leave, within two business days after the leave commences. The employing office may request certification at some later date if the employing office later has reason to question the appropriateness of the leave or its duration.

(d) At the time the employing office requests certification, the employing office must also advise an employee of the anticipated consequences of an employee's failure to provide adequate certification. The employing office shall advise an employee whenever the employing office finds a certification incomplete, and provide the employee a reasonable opportunity to cure any such deficiency.

(e) If the employing office's sick or medical leave plan imposes medical certification requirements that are less stringent than the certification requirements of these regulations, and the employee or employing office elects to substitute paid sick, vacation, personal or family leave for unpaid FMLA leave where authorized (see §825.207), only the employing office's less stringent sick leave certification requirements may be imposed.

§825.306 How much information may be required in medical certifications of a serious health condition?

(a) The Office of Compliance has made available an optional form ("Certification of Physician or Practitioner") for employees' (or their family members') use in obtaining medical certification, including second and third opinions, from health care providers that meets FMLA's certification requirements. (See Appendix B to these regulations.) This optional form reflects certification requirements so as to permit the health care provider to furnish appropriate medical information within his or her knowledge.

(b) The Certification of Physician or Practitioner form is modeled closely on Form WH-380, as revised, which was developed by the Department of Labor (see 29 C.F.R. Part 825, Appendix B). The employing office may use the Office of Compliance's form, or Form WH-380, as revised, or another form containing the same basic information; however, no additional information may be required. In all instances the information on the form must relate only to the serious health condition for which the current need for leave exists. The form identifies the health care provider and type of medical practice (including pertinent specialization, if any), makes maximum use of checklist entries for ease in completing the form, and contains required entries for:

(1) A certification as to which part of the definition of "serious health condition" (see §825.114), if any, applies to the patient's condition, and the medical facts which support the certification, including a brief statement as to how the medical facts meet the criteria of the definition.

(2)(i) The approximate date the serious health condition commenced, and its probable duration, including the probable duration of the patient's present incapacity (defined to mean inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefor, or recovery therefrom) if different.

(ii) Whether it will be necessary for the employee to take leave intermittently or to work on a reduced leave schedule basis (i.e., part-time) as a result of the serious health condition (see §825.117 and §825.203), and if so, the probable duration of such schedule.

(iii) If the condition is pregnancy or a chronic condition within the meaning of §825.114(a)(2)(iii), whether the patient is presently incapacitated and the likely duration and frequency of episodes of incapacity.

(3)(i)(A) If additional treatments will be required for the condition, an estimate of the probable number of such treatments.

(B) If the patient's incapacity will be intermittent, or will require a reduced leave schedule, an estimate of the probable number and interval between such treatments, actual or estimated dates of treatment if known, and period required for recovery if any.

(ii) If any of the treatments referred to in subparagraph (i) will be provided by another provider of health services (e.g., physical therapist), the nature of the treatments.

(iii) If a regimen of continuing treatment by the patient is required under the supervision of the health care provider, a general description of the regimen (see §825.114(b)).

(4) If medical leave is required for the employee's absence from work because of the employee's own condition (including absences due to pregnancy or a chronic condition), whether the employee:

(i) is unable to perform work of any kind;

(ii) is unable to perform any one or more of the essential functions of the employee's position, including a statement of the essential functions the employee is unable to perform (see §825.115), based on either information provided on a statement from the employing office of the essential functions of the position or, if not provided, discussion with the employee about the employee's job functions; or

(iii) must be absent from work for treatment.

(5)(i) If leave is required to care for a family member of the employee with a serious health condition, whether the patient requires assistance for basic medical or personal needs or safety, or for transportation; or if not, whether the employee's presence to provide psychological comfort would be beneficial to the patient or assist in the patient's recovery. The employee is required to indicate on the form the care he or she will provide and an estimate of the time period.

(ii) If the employee's family member will need care only intermittently or on a reduced leave schedule basis (*i.e.*, part-time), the probable duration of the need.

(c) If the employing office's sick or medical leave plan requires less information to be furnished in medical certifications than the certification requirements of these regulations, and the employee or employing office elects to substitute paid sick, vacation, personal or family leave for unpaid FMLA leave where authorized (*see* §825.207), only the employing office's lesser sick leave certification requirements may be imposed.

§825.307 *What may an employing office do if it questions the adequacy of a medical certification?*

(a) If an employee submits a complete certification signed by the health care provider, the employing office may not request additional information from the employee's health care provider. However, a health care provider representing the employing office may contact the employee's health care provider, with the employee's permission, for purposes of *clarification* and authenticity of the medical certification.

(1) If an employee is on FMLA leave running concurrently with a workers' compensation absence, and the provisions of the workers' compensation statute permit the employing office or the employing office's representative to have direct contact with the employee's workers' compensation health care provider, the employing office may follow the workers' compensation provisions.

(2) An employing office that has reason to doubt the validity of a medical certification may require the employee to obtain a second opinion at the employing office's expense. Pending receipt of the second (or third) medical opinion, the employee is provisionally entitled to the benefits of the FMLA as made applicable by the CAA, including maintenance of group health benefits. If the certifications do not ultimately establish the employee's entitlement to FMLA leave, the leave shall not be designated as FMLA leave and may be treated as paid or unpaid leave under the employing office's established leave policies. The employing office is permitted to designate the health care provider to furnish the second opinion, but the selected health care provider may not be employed on a regular basis by the employing office. See also paragraphs (e) and (f) of this section.

(b) The employing office may not regularly contract with or otherwise regularly utilize the services of the health care provider furnishing the second opinion unless the employing office is located in an area where access to health care is extremely limited (e.g., a rural area where no more than one or two doctors practice in the relevant specialty in the vicinity).

(c) If the opinions of the employee's and the employing office's designated health care providers differ, the employing office may require the employee to obtain certification from a third health care provider, again at the employing office's expense. This third opinion shall be final and binding. The third health care provider must be designated or approved jointly by the employing office and the employee. The employing office and the employee must each act in good faith to attempt to reach agreement on whom to select for the third opinion provider. If the employing office does not attempt in good faith to reach agreement, the employing office will be bound by the first certification. If the employee does not attempt in good faith to reach agreement, the employee will be bound by the second certification. For example, an employee who refuses to agree to see a doctor in the specialty in question may be failing to act in good faith. On the other hand, an employing office that refuses to agree to any doctor on a list of specialists in the appropriate field provided by the employee and whom the employee has not previously consulted may be failing to act in good faith.

(d) The employing office is required to provide the employee with a copy of the second and third medical opinions, where applicable, upon request by the employee. Requested copies are to be provided within two business days unless extenuating circumstances prevent such action.

(e) If the employing office requires the employee to obtain either a second or third opinion the employing office must reimburse an employee or family member for any reasonable "out of pocket" travel expenses incurred to obtain the second and third medical opinions. The employing office may not require the employee or family member to travel outside normal commuting distance for purposes of obtaining the second or third medical opinions except in very unusual circumstances.

(f) In circumstances when the employee or a family member is visiting in another country, or a family member resides in a another country, and a serious health condition develops, the employing office shall accept a medical certification as well as second and third opinions from a health care provider who practices in that country.

§825.308 *Under what circumstances may an employing office request subsequent recertifications of medical conditions?*

(a) For pregnancy, chronic, or permanent/long-term conditions under continuing supervision of a health care provider (as defined in §825.114(a) (2)(ii), (iii) or (iv)), an employing office may request recertification no more often than every 30 days and only in connection with an absence by the employee, unless:

(1) Circumstances described by the previous certification have changed significantly (e.g., the duration or frequency of absences, the severity of the condition, complications); or

(2) The employing office receives information that casts doubt upon the employee's stated reason for the absence.

(b)(1) If the minimum duration of the period of incapacity specified on a certification furnished by the health care provider is more than 30 days, the employing office may not request recertification until that minimum duration has passed unless one of the conditions set forth in paragraph (c)(1), (2) or (3) of this section is met.

(2) For FMLA leave taken intermittently or on a reduced leave schedule basis, the employing office may not request recertification in less than the minimum period specified on the certification as necessary for such leave (including treatment) unless one of the conditions set forth in paragraph (c)(1), (2) or (3) of this section is met.

(c) For circumstances not covered by paragraphs (a) or (b) of this section, an employing office may request recertification at any reasonable interval, but not more often than every 30 days, unless:

(1) The employee requests an extension of leave;

(2) Circumstances described by the previous certification have changed significantly (e.g., the duration of the illness, the nature of the illness, complications); or

(3) The employing office receives information that casts doubt upon the continuing validity of the certification.

(d) The employee must provide the requested recertification to the employing office within the time frame requested by the employing office (which must allow at least 15 calendar days after the employing office's request), unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts.

(e) Any recertification requested by the employing office shall be at the employee's expense unless the employing office provides otherwise. No second or third opinion on recertification may be required.

§825.309 *What notice may an employing office require regarding an employee's intent to return to work?*

(a) An employing office may require an employee on FMLA leave to report periodically on the employee's status and intent to return to work. The employing office's policy regarding such reports may not be discriminatory and must take into account all of the relevant facts and circumstances related to the individual employee's leave situation.

(b) If an employee gives unequivocal notice of intent not to return to work, the employing office's obligations under FMLA, as made applicable by the CAA, to maintain health benefits (subject to requirements of COBRA or 5 U.S.C. 8905a, whichever is applicable) and to restore the employee cease. However, these obligations continue if an employee indicates he or she may be unable to return to work but expresses a continuing desire to do so.

(c) It may be necessary for an employee to take more leave than originally anticipated. Conversely, an employee may discover after beginning leave that the circumstances have changed and the amount of leave originally anticipated is no longer necessary. An employee may not be required to take more

FMLA leave than necessary to resolve the circumstance that precipitated the need for leave. In both of these situations, the employing office may require that the employee provide the employing office reasonable notice (i.e., within two business days) of the changed circumstances where foreseeable. The employing office may also obtain information on such changed circumstances through requested status reports.

§825.310 Under what circumstances may an employing office require that an employee submit a medical certification that the employee is able (or unable) to return to work (i.e., a "fitness-for-duty" report)?

(a) As a condition of restoring an employee whose FMLA leave was occasioned by the employee's own serious health condition that made the employee unable to perform the employee's job, an employing office may have a uniformly-applied policy or practice that requires all similarly-situated employees (i.e., same occupation, same serious health condition) who take leave for such conditions to obtain and present certification from the employee's health care provider that the employee is able to resume work.

(b) If the terms of a collective bargaining agreement govern an employee's return to work, those provisions shall be applied. Similarly, requirements under the Americans with Disabilities Act (ADA), as made applicable by the CAA, that any return-to-work physical be job-related and consistent with business necessity apply. For example, an attorney could not be required to submit to a medical examination or inquiry just because her leg had been amputated. The essential functions of an attorney's job do not require use of both legs; therefore such an inquiry would not be job related. An employing office may require a warehouse laborer, whose back impairment affects the ability to lift, to be examined by an orthopedist, but may not require this employee to submit to an HIV test where the test is not related to either the essential functions of his/her job or to his/her impairment.

(c) An employing office may seek fitness-for-duty certification only with regard to the particular health condition that caused the employee's need for FMLA leave. The certification itself need only be a simple statement of an employee's ability to return to work. A health care provider employed by the employing office may contact the employee's health care provider with the employee's permission, for purposes of clarification of the employee's fitness to return to work. No additional information may be acquired, and clarification may be requested only for the serious health condition for which FMLA leave was taken. The employing office may not delay the employee's return to work while contact with the health care provider is being made.

(d) The cost of the certification shall be borne by the employee and the employee is not entitled to be paid for the time or travel costs spent in acquiring the certification.

(e) The notice that employing offices are required to give to each employee giving notice of the need for FMLA leave regarding their FMLA rights and obligations as made applicable by the CAA (see §825.301) shall advise the employee if the employing office will require fitness-for-duty certification to return to work. If the employing office has a handbook explaining employment policies and benefits, the handbook should explain the employing office's general policy regarding any requirement for fitness-for-duty certification to return to work. Specific notice shall also be given to any employee from whom fitness-for-duty certification will be required either at the time notice of the need for leave is given or immediately after leave commences and the employing office is advised of the medical circumstances requiring the leave, unless the employee's condition changes from one that did not previously require certification pursuant to the employing office's practice or policy. No second or third fitness-for-duty certification may be required.

(f) An employing office may delay restoration to employment until an employee submits a required fitness-for-duty certification unless the employing office has failed to provide the notices required in paragraph (e) of this section.

(g) An employing office is not entitled to certification of fitness to return to duty when the employee takes intermittent leave as described in §825.203.

(h) When an employee is unable to return to work after FMLA leave because of the continuation, recurrence, or onset of the employee's or family member's serious health condition, thereby preventing the employing office from recovering its share of health benefit premium payments made on the employee's behalf during a period of unpaid FMLA leave, the employing office may require medical certification of the employee's or the family member's serious health condition. (*See* §825.213(a)(3).) The cost of the certification shall be borne by the employee and the employee is not entitled to be paid for the time or travel costs spent in acquiring the certification.

§825.311 What happens if an employee fails to satisfy the medical certification and/or recertification requirements?

(a) In the case of foreseeable leave, an employing office may delay the taking of FMLA leave to an employee who fails to provide timely certification after being requested by the employing office to furnish such certification (i.e., within 15 calendar days, if practicable), until the required certification is provided.

(b) When the need for leave is not foreseeable, or in the case of recertification, an employee must provide certification (or recertification) within the time frame requested by the employing office (which must allow at least 15 days after the employing office's request) or as soon as reasonably possible under the particular facts and circumstances. In the case of a medical emergency, it may not be practicable for an employee to provide the required certification within 15 calendar days. If an employee fails to provide a medical certification within a reasonable time under the pertinent circumstances, the employing office may delay the employee's continuation of FMLA leave. If the employee never produces the certification, the leave is not FMLA leave.

(c) When requested by the employing office pursuant to a uniformly applied policy for similarly-situated employees, the employee must provide medical certification at the time the employee seeks reinstatement at the end of FMLA leave taken for the employee's serious health condition, that the employee is fit for duty and able to return to work (see §825.310(a)) if the employing office has provided the required notice (see §825.301(c); the employing office may delay restoration until the certification is provided. In this situation, unless the employee provides either a fitness-for-duty certification or a new medical certification for a serious health condition at the time FMLA leave is concluded, the employee may be terminated. See also §825.213(a)(3).

§825.312 Under what circumstances may an employing office refuse to provide FMLA leave or reinstatement to eligible employees?

(a) If an employee fails to give timely advance notice when the need for FMLA leave is foreseeable, the employing office may delay the taking of FMLA leave until 30 days after the date the employee provides notice to the employing office of the need for FMLA leave. (*See* §825.302.)

(b) If an employee fails to provide in a timely manner a requested medical certification to substantiate the need for FMLA leave due to a serious health condition, an employing office may delay continuation of FMLA leave until an employee submits the certificate. (*See* §§ 825.305 and 825.311.) If the employee never produces the certification, the leave is not FMLA leave.

(c) If an employee fails to provide a requested fitness-for-duty certification to return to work, an employing office may delay restoration until the employee submits the certificate. (*See* §§ 825.310 and 825.311.)

(d) An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the FMLA leave period. Thus, an employee's rights to continued leave, maintenance of health benefits, and restoration cease under FMLA, as made applicable by the CAA, if and when the employment relationship terminates (*e.g.*, layoff), unless that relationship continues, for example, by the employee remaining on *paid* FMLA leave. If the employee is recalled or otherwise re-employed, an eligible employee is immediately entitled to further FMLA leave for an FMLA-qualifying reason. An employing office must be able to show, when an employee requests restoration, that the employee would not otherwise have been employed if leave had not been taken in order to deny restoration to employment. (See §825.216.)

(e) An employing office may require an employee on FMLA leave to report periodically on the employee's status and intention to return to work. (See §825.309.) If an employee unequivocally advises the employing office either before or during the taking of leave that the employee does not intend to return to work, and the employment relationship is terminated, the employee's entitlement to continued leave, maintenance of health benefits, and restoration ceases unless the employment relationship continues, for example, by the employee remaining on *paid* leave. An employee may not be required to take more leave than necessary to address the circumstances for which leave was taken. If the employee is able to return to work earlier than anticipated, the employee shall provide the employing office two business days notice where feasible; the employing office is required to restore the employee once such notice is given, or where such prior notice was not feasible.

(f) An employing office may deny restoration to employment, but not the taking of FMLA leave and the maintenance of health benefits, to an eligible employee only under the terms of the "key employee" exemption. Denial of reinstatement must be necessary to prevent "substantial and grievous economic injury" to the employing office's operations. The employing office must notify the employee of the employee's status as a "key employee" and of the employing office's intent to deny reinstatement on that basis when the employing office makes these determinations. If leave has started, the employee must be given a reasonable opportunity to return to work after being so notified. (See §825.219.)

(g) An employee who fraudulently obtains FMLA leave from an employing office is not protected by job restoration or maintenance of health benefits provisions of the FMLA as made applicable by the CAA.

(h) If the employing office has a uniformly-applied policy governing outside or supplemental employment, such a policy may continue to apply to an employee while on FMLA leave. An employing office which does not have such a policy may not deny benefits to which an employee is entitled under FMLA as made applicable by the CAA on this basis unless the FMLA leave was fraudulently obtained as in paragraph (g) of this section.

Subpart D—What Enforcement Mechanisms Does the CAA Provide?

§825.400 What can employees do who believe that their rights under the FMLA as made applicable by the CAA have been violated?

(a) To commence a proceeding, a covered employee alleging a violation of the rights and protections of the FMLA made applicable by the CAA must request counseling by the Office of Compliance not later than 180 days after the date of the alleged violation. If a covered employee misses this deadline, the covered employee will be unable to obtain a remedy under the CAA.

(b) The following procedures are available under title IV of the CAA for covered employees who believe that their rights under FMLA as made applicable by the CAA have been violated:

(1) counseling;

(2) mediation; and

(3) election of either—

(A) a formal complaint, filed with the Office of Compliance, and a hearing before a hearing officer, subject to review by the Board of Directors of the Office of Compliance, and judicial review in the United States Court of Appeals for the Federal Circuit; or

(B) a civil action in a district court of the United States.

(c) Regulations of the Office of Compliance describing and governing these procedures are found at [proposed rules can be found at 141 Cong. Rec. S17012 (November 14, 1995)].

§825.401 [Reserved]

§825.402 [Reserved]

§825.403 [Reserved]

§825.404 [Reserved]

Subpart E—[Reserved]

Subpart F—What Special Rules Apply to Employees of Schools?

§825.600 To whom do the special rules apply?

(a) Certain special rules apply to employees of "local educational agencies," including public school boards and elementary schools under their jurisdiction, and private elementary and secondary schools. The special rules do not apply to other kinds of educational institutions, such as colleges and universities, trade schools, and preschools.

(b) Educational institutions are covered by FMLA as made applicable by the CAA (and these special rules). The usual requirements for employees to be "eligible" apply.

(c) The special rules affect the taking of intermittent leave or leave on a reduced leave schedule, or leave near the end of an academic term (semester), by instructional employees. "Instructional employees" are those whose principal function is to teach and instruct students in a class, a small group, or an individual setting. This term includes not only teachers, but also athletic coaches, driving instructors, and special education assistants such as signers for the hearing impaired. It does not include, and the special rules do not apply to, teacher assistants or aides who do not have as their principal job actual teaching or instructing, nor does it include auxiliary personnel such as counselors, psychologists, or curriculum specialists. It also does not include cafeteria workers, maintenance workers, or bus drivers.

(d) Special rules which apply to restoration to an equivalent position apply to all employees of local educational agencies.

§825.601 What limitations apply to the taking of intermittent leave or leave on a reduced leave schedule?

(a) Leave taken for a period that ends with the school year and begins the next semester is leave taken consecutively rather than intermittently. The period during the summer vacation when the employee would not have been required to report for duty is not counted against the employee's FMLA leave entitlement. An instructional employee who is on FMLA leave at the end of the school year must be provided with any benefits over the summer vacation that employees would normally receive if they had been working at the end of the school year.

(1) If an eligible instructional employee needs intermittent leave or leave on a reduced leave schedule to care for a family member, or for the employee's own serious health condition, which is foreseeable based on planned medical treatment, and the employee would be on leave for more than 20 percent of the total number of working days over the period the leave would extend, the employing office may require the employee to choose either to:

(i) Take leave for a period or periods of a particular duration, not greater than the duration of the planned treatment; or

(ii) Transfer temporarily to an available alternative position for which the employee is qualified, which has equivalent pay and benefits and which better accommodates recurring periods of leave than does the employee's regular position.

(2) These rules apply only to a leave involving more than 20 percent of the working days during the period over which the leave extends. For example, if an instructional employee who normally works five days each week needs to take two days of FMLA leave per week over a period of several weeks, the special rules would apply. Employees taking leave which constitutes 20 percent or less of the working days during the leave period would not be subject to transfer to an alternative position. "Periods of a particular duration" means a block, or blocks, of time beginning no earlier than the first day for which leave is needed and ending no later than the last day on which leave is needed, and may include one uninterrupted period of leave.

(b) If an instructional employee does not give required notice of foreseeable FMLA leave (see §825.302) to be taken intermittently or on a reduced leave schedule, the employing office may require the employee to take leave of a particular duration, or to transfer temporarily to an alternative position. Alternatively, the employing office may require the employee to delay the taking of leave until the notice provision is met. *See* §825.207(h).

§825.602 What limitations apply to the taking of leave near the end of an academic term?

(a) There are also different rules for instructional employees who begin leave more than five weeks before the end of a term, less than five weeks before the end of a term, and less than three weeks before the end of a term. Regular rules apply except in circumstances when:

(1) An instructional employee begins leave more than five weeks before the end of a term. The employing office may require the employee to continue taking leave until the end of the term if—

(i) The leave will last at least three weeks, and

(ii) The employee would return to work during the three-week period before the end of the term.

(2) The employee begins leave for a purpose other than the employee's own serious health condition *during* the five-week period before the end of a term. The employing office may require the employee to continue taking leave until the end of the term if—

(i) The leave will last more than two weeks, and

(ii) The employee would return to work during the two-week period before the end of the term.

(3) The employee begins leave for a purpose other than the employee's own serious health condition during the three-week period before the end of a term, and the leave will last more than five working days. The employing office may require the employee to continue taking leave until the end of the term.

(b) For purposes of these provisions, "academic term" means the school semester, which typically ends near the end of the calendar year and the end of spring each school year. In no case may a school have more than two academic terms or semesters each year for purposes of FMLA as made applicable by the CAA. An example of leave falling within these provisions would be where an employee plans two weeks of leave to care for a family member which will begin three weeks before the end of the term. In that situation, the employing office could require the employee to stay out on leave until the end of the term.

§825.603 Is all leave taken during "periods of a particular duration" counted against the FMLA leave entitlement?

(a) If an employee chooses to take leave for "periods of a particular duration" in the case of intermittent or reduced schedule leave, the entire period of leave taken will count as FMLA leave.

(b) In the case of an employee who is required to take leave until the end of an academic term, only the period of leave until the employee is ready and able to return to work shall be charged against the employee's FMLA leave entitlement. The employing office has the option not to require the employee to stay on leave until the end of the school term. Therefore, any additional leave required by the employing office to the end of the school term is not counted as FMLA leave; however, the employing office shall be required to maintain the employee's group health insurance and restore the employee to the same or equivalent job including other benefits at the conclusion of the leave.

§825.604 What special rules apply to restoration to "an equivalent position?"

The determination of how an employee is to be restored to "an equivalent position" upon return from FMLA leave will be made on the basis of "established school board policies and practices, private school policies and practices, and collective bargaining agreements." The "established policies" and collective bargaining agreements used as a basis for restoration must be in writing, must be made known to the employee prior to the taking of FMLA leave, and must clearly explain the employee's restoration rights upon return from leave. Any established policy which is used as the basis for restoration of an employee to "an equivalent position" must provide substantially the same protections as provided in the FMLA, as made applicable by the CAA, for reinstated employees. See §825.215. In other words, the policy or collective bargaining agreement must provide for restoration to an "equivalent position" with equivalent employment benefits, pay, and other terms and conditions of employment. For example, an employee may not be restored to a position requiring additional licensure or certification.

Subpart G—How Do Other Laws, Employing Office Practices, and Collective Bargaining Agreements Affect Employee Rights Under the FMLA as Made Applicable by the CAA?

§825.700 What if an employing office provides more generous benefits than required by FMLA as made applicable by the CAA?

(a) An employing office must observe any employment benefit program or plan that provides greater family or medical leave rights to employees than the rights established by the FMLA. Conversely, the rights established by the FMLA, as made applicable by the CAA, may not be diminished by any employment benefit program or plan. For example, a provision of a collective bargaining agreement (CBA) which provides for reinstatement to a position that is not equivalent because of seniority (e.g., provides lesser pay) is superseded by FMLA. If an employing office provides greater unpaid family leave rights than are afforded by FMLA, the employing office is not required to extend additional rights afforded by FMLA, such as maintenance of health benefits (other than through COBRA or 5 U.S.C. 8905a, whichever is applicable), to the additional leave period not covered by FMLA. If an employee takes paid or unpaid leave and the employing office does not designate the leave as FMLA leave, the leave taken does not count against an employee's FMLA entitlement.

(b) Nothing in the FMLA, as made applicable by the CAA, prevents an employing office from amending existing leave and employee benefit programs, provided they comply with FMLA as made applicable by the CAA. However, nothing in the FMLA, as made applicable by the CAA, is intended to discourage employing offices from adopting or retaining more generous leave policies.

(c) [Reserved]

§825.701 [Reserved]

§825.702 How does FMLA affect anti-discrimination laws as applied by section 201 of the CAA?

(a) Nothing in FMLA modifies or affects any applicable law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or disability (e.g., Title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act), as made applicable by the CAA. FMLA's legislative history explains that FMLA is "not intended to modify or affect the Rehabilitation Act of 1973, as amended, the regulations concerning employment which have been promulgated pursuant to that statute, or the Americans with Disabilities Act of 1990, or the regulations issued under that act. Thus, the leave provisions of the [FMLA] are wholly distinct from the reasonable accommodation obligations of employers covered under the [ADA] * * * or the Federal government itself. The purpose of the FMLA is to make leave available to eligible employees and employing offices within its coverage, and not to limit already existing rights and protection." S. Rep. No. 3, 103d Cong., 1st Sess. 38 (1993). An employing office must therefore provide leave under whichever statutory provision provides the greater rights to employees.

(b) If an employee is a qualified individual with a disability within the meaning of the Americans with Disabilities Act (ADA), the employing office must make reasonable accommodations, etc., barring undue hardship, in accordance with the ADA. At the same time, the employing office must afford an employee his or her FMLA rights. ADA's "disability" and FMLA's "serious health condition" are different concepts, and must be analyzed separately. FMLA entitles eligible employees to 12 weeks of leave in any 12-month period, whereas the ADA allows an indeterminate amount of leave, barring undue hardship, as a reasonable accommodation. FMLA requires employing offices to maintain employees' group health plan coverage during FMLA leave on the same conditions as coverage would have been provided if the employee had been continuously employed during the leave period, whereas ADA does not require maintenance of health insurance unless other employees receive health insurance during leave under the same circumstances.

(c)(1) A reasonable accommodation under the ADA might be accomplished by providing an individual with a disability with a part-time job with no health benefits, assuming the employing office did not ordinarily provide health insurance for part-time employees. However, FMLA would permit an employee to work a reduced leave schedule until the equivalent of 12 workweeks of leave were used, with group health benefits maintained during this period. FMLA permits an employing office to temporarily transfer an employee who is taking leave intermittently or on a reduced leave schedule to an alternative position, whereas the ADA allows an accommodation of reassignment to an equivalent, vacant position only if the employee cannot perform the essential functions of the employee's present position and an accommodation is not possible in the employee's present position, or an accommodation in the employee's present position would cause an undue hardship. The examples in the following paragraphs of this section demonstrate how the two laws would interact with respect to a qualified individual with a disability.

(2) A qualified individual with a disability who is also an "eligible employee" entitled to FMLA leave requests 10 weeks of medical leave as a reasonable accommodation, which the employing office grants because it is not an undue hardship. The employing office advises the employee that the 10 weeks of leave is also being designated as FMLA leave and will count towards the employee's FMLA leave entitlement. This designation does not prevent the parties from also treating the leave as a reasonable accommodation and reinstating the employee into the *same* job, as required by the ADA, rather than an equivalent position under FMLA, if that is the greater right available to the employee. At the same time, the employee would be entitled under FMLA to have the employing office maintain group health plan coverage during the leave, as that requirement provides the greater right to the employee.

(3) If the same employee needed to work part-time (a reduced leave schedule) after returning to his or her same job, the employee would still be entitled under FMLA to have group health plan coverage maintained for the remainder of the two-week equivalent of FMLA leave entitlement, notwithstanding an employing office policy that part-time employees do not receive health insurance. This employee would be entitled under the ADA to reasonable accommodations to enable the employee to perform the essential functions of the part-time position. In addition, because the employee is working a part-time schedule as a reasonable accommodation, the employee would be shielded from FMLA's provision for temporary assignment to a different alternative position. Once the employee has exhausted his or her remaining FMLA leave entitlement while working the reduced (part-time) schedule, if the employee is a qualified individual with a disability, and if the employee is unable to return to the same full-time position at that time, the employee might continue to work part-time as a reasonable accommodation, barring undue hardship; the employee would then be entitled to only those employment benefits ordinarily provided by the employing office to part-time employees.

(4) At the end of the FMLA leave entitlement, an employing office is required under FMLA to reinstate the employee in the same or an equivalent position, with equivalent pay and benefits, to that which the employee held when leave commenced. The employing office's FMLA obligations would be satisfied if the employing office offered the employee an equivalent full-time position. If the employee were unable to perform the essential functions of that equivalent position even with reasonable accommodation, because of a disability, the ADA may require the employing office to make a reasonable accommodation at that time by allowing the employee to work part-time or by reassigning the employee to a vacant position, barring undue hardship.

(d)(1) If FMLA entitles an employee to leave, an employing office may not, in lieu of FMLA leave entitlement, *require* an employee to take a job with a reasonable accommodation. However, ADA may require that an employing office offer an employee the opportunity to take such a position. An employing office may not change the essential functions of the job in order to deny FMLA leave. See §825.220(b).

(2) An employee may be on a workers' compensation absence due to an on-the-job injury or illness which also qualifies as a serious health condition under FMLA. The workers' compensation absence and FMLA leave may run concurrently (subject to proper notice and designation by the employing office). At some point the health care provider providing medical care pursuant to the workers' compensation injury may certify the employee is able to return to work in a "light duty" position. If the employing office offers such a position, the employee is permitted but not required to accept the position (*see* §825.220(d)). As a result, the employee may no longer qualify for payments from the workers' compensation benefit plan, but the employee is entitled to continue on unpaid FMLA leave either until the employee is able to return to the same or equivalent job the employee left or until the 12-week FMLA leave entitlement is exhausted. See §825.207(d)(2). If the employee returning from the workers' compensation injury is a qualified individual with a disability, he or she will have rights under the ADA.

(e) If an employing office requires certifications of an employee's fitness for duty to return to work, as permitted by FMLA under a uniform policy, it must comply with the ADA requirement that a fitness for duty physical be job-related and consistent with business necessity.

(f) Under Title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act, and as made applicable by the CAA, an employing office should provide the same benefits for women who are pregnant as the employing office provides to other employees with short-term disabilities. Because Title VII does not require employees to be employed for a certain period of time to be protected, an employee employed for less than 12 months by any employing office (and, therefore, not an "eligible" employee under FMLA, as made applicable by the CAA) may *not* be denied maternity leave if the employing office normally provides short-term disability benefits to employees with the same tenure who are experiencing other short-term disabilities.

(g) For further information on Federal anti-discrimination laws applied by section 201 of the CAA (2 U.S.C. 1311), including Title VII, the Rehabilitation Act, and the ADA, individuals are encouraged to contact the Office of Compliance.

Subpart H—Definitions

§ 825.800 Definitions.

For purposes of this part:

ADA means the Americans With Disabilities Act (42 U.S.C. 12101 *et seq.*).

CAA means the Congressional Accountability Act of 1995 (Pub. Law 104–1, 109 Stat. 3, 2 U.S.C. 1301 *et seq.*).

COBRA means the continuation coverage requirements of Title X of the Consolidated Omnibus Budget Reconciliation Act of 1986 (Pub. Law 99–272, title X, section 10002; 100 Stat. 227; as amended; 29 U.S.C. 1161–1168).

Continuing treatment means: A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:

(1) A period of *incapacity* (*i.e.*, inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefor, or recovery therefrom) of more than three consecutive calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves:

(i) Treatment two or more times by a health care provider, by a nurse or physician's assistant under direct supervision of a health care provider, or by a provider of health care services (*e.g.*, physical therapist) under orders of, or on referral by, a health care provider; or

(ii) Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider.

(2) Any period of incapacity due to pregnancy, or for prenatal care.

(3) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:

(i) Requires periodic visits for treatment by a health care provider, or by a nurse or physician's assistant under direct supervision of a health care provider;

(ii) Continues over an extended period of time (including recurring episodes of a single underlying condition); and

(iii) May cause episodic rather than a continuing period of incapacity (*e.g.*, asthma, diabetes, epilepsy, *etc.*).

(4) A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider. Examples include Alzheimer's, a severe stroke, or the terminal stages of a disease.

(5) Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, *etc.*), severe arthritis (physical therapy), kidney disease (dialysis).

Covered employee—The term "covered employee", as defined in the CAA, means any employee of—(1) the House of Representatives; (2) the Senate; (3) the Capitol Guide Service; (4) the Capitol Police; (5) the Congressional Budget Office; (6) the Office of the Architect of the Capitol; (7) the Office of the Attending Physician; (8) the Office of Compliance; or (9) the Office of Technology Assessment.

Eligible employee—The term "eligible employee", as defined in the CAA, means a covered employee who has been employed in any employing office for 12 months and for at least 1,250 hours of employment during the previous 12 months.

Employ means to suffer or permit to work.

Employee means an employee as defined in the CAA and includes an applicant for employment and a former employee.

Employee employed in an instructional capacity. See Teacher.

Employee of the Capitol Police—The term "employee of the Capitol Police" includes any member or officer of the Capitol Police.

Employee of the House of Representatives—The term "employee of the House of Representatives" includes an individual occupying a position the pay for which is disbursed by the Clerk of the House of Representatives, or another official designated by the House of Representatives, or any employment position in an entity that is paid with funds derived from the clerk-hire allowance of the House of Representatives but not any such individual employed by any entity listed in subparagraphs (3) through (9) under "covered employee" above.

Employee of the Office of the Architect of the Capitol—The term "employee of the Office of the Architect of the Capitol" includes any employee of the Office of the Architect of the Capitol, the Botanic Garden, or the Senate Restaurants.

Employee of the Senate—The term "employee of the Senate" includes any employee whose pay is disbursed by the Secretary of the Senate, but not any such individual employed by any entity listed in subparagraphs (3) through (9) under "covered employee" above.

Employing Office—The term "employing office", as defined in the CAA, means:

(1) the personal office of a Member of the House of Representatives or of a Senator;

(2) a committee of the House of Representatives or the Senate or a joint committee;

(3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; or

(4) the Capitol Guide Board, the Capitol Police Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, the Office of Compliance, and the Office of Technology Assessment.

Employment benefits means all benefits provided or made available to employees by an employing office, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a practice or written policy of an employing office or through an employee benefit plan. The term does not include non-employment related obligations paid by employees through voluntary deductions such as supplemental insurance coverage. (See § 825.209(a)).

FLSA means the Fair Labor Standards Act (29 U.S.C. 201 et seq.).

FMLA means the Family and Medical Leave Act of 1993, Public Law 103-3 (February 5, 1993), 107 Stat. 6 (29 U.S.C. 2601 et seq.).

Group health plan means the Federal Employees Health Benefits Program and any other plan of, or contributed to by, an employing office (including a self-insured plan) to provide health care (directly or otherwise) to the employing office's employees, former employees, or the families of such employees or former employees. For purposes of FMLA, as made applicable by the CAA, the term "group health plan" shall not include an insurance program providing health coverage under which employees purchase individual policies from insurers provided that:

(1) no contributions are made by the employing office;

(2) participation in the program is completely voluntary for employees;

(3) the sole functions of the employing office with respect to the program are, without endorsing the program, to permit the insurer to publicize the program to employees, to collect premiums through payroll deductions and to remit them to the insurer;

(4) the employing office receives no consideration in the form of cash or otherwise in connection with the program, other than reasonable compensation, excluding any profit, for administrative services actually rendered in connection with payroll deduction; and,

(5) the premium charged with respect to such coverage does not increase in the event the employment relationship terminates.

Health care provider means:

(1) A doctor of medicine or osteopathy who is authorized to practice medicine or surgery by the State in which the doctor practices; or

(2) Podiatrists, dentists, clinical psychologists, optometrists, and chiropractors (limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice in the State and performing within the scope of their practice as defined under State law; and

(3) Nurse practitioners, nurse-midwives and clinical social workers who are authorized to practice under State law and who are performing within the scope of their practice as defined under State law; and

(4) Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts.

(5) Any health care provider from whom an employing office or a group health plan's benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.

(6) A health care provider as defined above who practices in a country other than the

United States, who is licensed to practice in accordance with the laws and regulations of that country.

"*Incapable of self-care*" means that the individual requires active assistance or supervision to provide daily self-care in several of the "activities of daily living" (ADLs) or "instrumental activities of daily living" (IADLs). Activities of daily living include adaptive activities such as caring appropriately for one's grooming and hygiene, bathing, dressing and eating. Instrumental activities of daily living include cooking, cleaning, shopping, taking public transportation, paying bills, maintaining a residence, using telephones and directories, using a post office, etc.

Instructional employee: See *Teacher*.

Intermittent leave means leave taken in separate periods of time due to a single illness or injury, rather than for one continuous period of time, and may include leave of periods from an hour or more to several weeks. Examples of intermittent leave would include leave taken on an occasional basis for medical appointments, or leave taken several days at a time spread over a period of six months, such as for chemotherapy.

Mental disability: See *Physical or mental disability*.

Office of Compliance means the independent office established in the legislative branch under section 301 of the CAA (2 U.S.C. 1381).

Parent means the biological parent of an employee or an individual who stands or stood in loco parentis to an employee when the employee was a child.

Physical or mental disability means a physical or mental impairment that substantially limits one or more of the major life activities of an individual. See the Americans with Disabilities Act (ADA), as made applicable by section 201(a)(3) of the CAA (2 U.S.C. 1311(a)(3)).

Reduced leave schedule means a leave schedule that reduces the usual number of hours per workweek, or hours per workday, of an employee.

Secretary means the Secretary of Labor or authorized representative.

Serious health condition entitling an employee to FMLA leave means:

(1) an illness, injury, impairment, or physical or mental condition that involves:

(i) *Inpatient care* (*i.e.*, an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of *incapacity* (for purposes of this section, defined to mean inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefor, or recovery therefrom), or any subsequent treatment in connection with such inpatient care; or

(ii) *Continuing treatment* by a health care provider. A serious health condition involving continuing treatment by a health care provider includes:

(A) A period of *incapacity* (*i.e.*, inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefor, or recovery therefrom) of more than three consecutive calendar days, including any subsequent treatment or period of incapacity relating to the same condition, that also involves:

(*1*) Treatment two or more times by a health care provider, by a nurse or physician's assistant under direct supervision of a health care provider, or by a provider of health care services (*e.g.*, physical therapist) under orders of, or on referral by, a health care provider; or

(*2*) Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider.

(B) Any period of incapacity due to pregnancy, or for prenatal care.

(C) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:

(*1*) Requires periodic visits for treatment by a health care provider, or by a nurse or physician's assistant under direct supervision of a health care provider;

(*2*) Continues over an extended period of time (including recurring episodes of a single underlying condition); and

(*3*) May cause episodic rather than a continuing period of incapacity (*e.g.*, asthma, diabetes, epilepsy, etc.).

(D) A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider. Examples include Alzheimer's, a severe stroke, or the terminal stages of a disease.

(E) Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, etc.), severe arthritis (physical therapy), kidney disease (dialysis).

(2) Treatment for purposes of paragraph (1) of this definition includes (but is not limited to) examinations to determine if a serious health condition exists and evaluations of the condition. Treatment does not include routine physical examinations, eye examinations, or dental examinations. Under paragraph (1)(ii)(A)(*2*) of this definition, a regimen of continuing treatment includes, for example, a course of prescription medication (*e.g.*, an antibiotic) or therapy requiring special equipment to resolve or alleviate the health condition (*e.g.*, oxygen). A regimen of continuing treatment that includes the taking of over-the-counter medications such as aspirin, antihistamines, or salves; or bedrest, drinking fluids, exercise, and other similar activities that can be initiated without a visit to a health care provider, is not, by itself, sufficient to constitute a regimen of continuing treatment for purposes of FMLA leave.

(3) Conditions for which cosmetic treatments are administered (such as most treatments for acne or plastic surgery) are not "serious health conditions" unless inpatient hospital care is required or unless complications develop. Ordinarily, unless complications arise, the common cold, the flu, ear aches, upset stomach, minor ulcers, headaches other than migraine, routine dental or orthodontia problems, periodontal disease, etc., are examples of conditions that do not meet the definition of a serious health condition and do not qualify for FMLA leave. Restorative dental or plastic surgery after an injury or removal of cancerous growths are serious health conditions provided all the other conditions of this regulation are met. Mental illness resulting from stress or allergies may be serious health conditions, but only if all the conditions of this section are met.

(4) Substance abuse may be a serious health condition if the conditions of this section are met. However, FMLA leave may only be taken for treatment for substance abuse by a health care provider or by a provider of health care services on referral by a health care provider. On the other hand, absence because of the employee's use of the substance, rather than for treatment, does not qualify for FMLA leave.

(5) Absences attributable to incapacity under paragraphs (1)(ii)(B) or (C) of this definition qualify for FMLA leave even though the employee or the immediate family member does not receive treatment from a health care provider during the absence, and even if the absence does not last more than three days. For example, an employee with asthma may be unable to report for work due to the onset of an asthma attack or because the employee's health care provider has advised the employee to stay home when the pollen count exceeds a certain level. An employee who is pregnant may be unable to report to work because of severe morning sickness.

Son or daughter means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis*, who is under 18 years of age or 18 years of age or older and incapable of self-care because of a mental or physical disability.

Spouse means a husband or wife as defined or recognized under State law for purposes of marriage in the State where the employee resides, including common law marriage in States where it is recognized.

State means any State of the United States or the District of Columbia or any Territory or possession of the United States.

Teacher (or *employee employed in an instructional capacity*, or *instructional employee)* means an employee employed principally in an instructional capacity by an educational agency or school whose principal function is to teach and instruct students in a class, a small group, or an individual setting, and includes athletic coaches, driving instructors, and special education assistants such as signers for the hearing impaired. The term does not include teacher assistants or aides who do not have as their principal function actual teaching or instructing, nor auxiliary personnel such as counselors, psychologists, curriculum specialists, cafeteria workers, maintenance workers, bus drivers, or other primarily noninstructional employees.

Appendix A to Part 825—[Reserved]

Appendix B to Part 825—Certification of Physician or Practitioner

Certification of Health Care Provider

(Family and Medical Leave Act of 1993 as Made Applicable by the Congressional Accountability Act of 1995)

1. Employee's Name:

2. Patient's Name (if different from employee):

3. The attached sheet describes what is meant by a "serious health condition" under the Family and Medical Leave Act as made applicable by the Congressional Accountability Act. Does the patient's condition[1] qualify under any of the categories described? If so, please check the applicable category.

(1) ______ (2) ______ (3) ______ (4) ______ (5) ______ (6) ______, or None of the above ______

4. Describe the medical facts which support your certification, including a brief statement as to how the medical facts meet the criteria of one of these categories:

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[1] Footnotes at the end of appendix B.

5.a. State the approximate date the condition commenced, and the probable duration of the condition (and also the probable duration of the patient's present incapacity[2] if different):

b. Will it be necessary for the employee to take work only intermittently or to work on a less than full schedule as a result of the condition (including for treatment described in Item 6 below)? ______

If yes, give probable duration:

c. If the condition is a chronic condition (condition #4) or pregnancy, state whether the patient is presently incapacitated[2] and the likely duration and frequency of episodes of incapacity[2]:

6.a. If additional treatments will be required for the condition, provide an estimate of the probable number of such treatments:

If the patient will be absent from work or other daily activities because of treatment on an intermittent or part-time basis, also provide an estimate of the probable number and interval between such treatments, actual or estimated dates of treatment if known, and period required for recovery if any:

b. If any of these treatments will be provided by another provider of health services (e.g., physical therapist), please state the nature of the treatments:

c. If a regimen of continuing treatment by the patient is required under your supervision, provide a general description of such regimen (e.g., prescription drugs, physical therapy requiring special equipment):

7.a. If medical leave is required for the employee's absence from work because of the employee's own condition (including absences due to pregnancy or a chronic condition), is the employee unable to perform work of any kind? ______

b. If able to perform some work, is the employee unable to perform any one or more of the essential functions of the employee's job (the employee or the employer should supply you with information about the essential job functions)? ______ If yes, please list the essential functions the employee is unable to perform: ______

c. If neither a. nor b. applies, is it necessary for the employee to be absent from work for treatment? ______

8.a. If leave is required to care for a family member of the employee with a serious health condition, does the patient require assistance for basic medical or personal needs or safety, or for transportation? ______

b. If no, would the employee's presence to provide psychological comfort be beneficial to the patient or assist in the patient's recovery? ______

c. If the patient will need care only intermittently or on a part-time basis, please indicate the probable duration of this need:

(Signature of Health Care Provider)

(Type of Practice)

(Address)

(Telephone number)

To be completed by the employee needing family leave to care for a family member:

State the care you will provide and an estimate of the period during which care will be provided, including a schedule if leave is to be taken intermittently or if it will be necessary for you to work less than a full schedule:

(Employee signature)

(Date)

A "Serious Health Condition" means an illness, injury, impairment, or physical or mental condition that involves one of the following:

1. *Hospital Care.*—Inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of incapacity[1] or subsequent treatment in connection with or consequent to such inpatient care.

2. *Absence Plus Treatment.*—(a) A period of incapacity[2] of more than three consecutive calendar days (including any subsequent treatment or period of incapacity[2] relating to the same condition), that also involves:

(1) Treatment[3] two or more times by a health care provider, by a nurse or physician's assistant under direct supervision of a health care provider, or by a provider of health care services (e.g., physical therapist) under orders of, or on referral by, a health care provider: or

(2) Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment[4] under the supervision of the health care provider.

3. *Pregnancy.*—Any period of incapacity due to pregnancy, or for prenatal care.

4. *Chronic Conditions Requiring Treatments.*—A chronic condition which:

(1) Requires periodic visits for treatment by a health care provider, or by a nurse or physician's assistant under direct supervision of a health care provider;

(2) Continues over an extended period of time (including recurring episodes of a single underlying condition); and

(3) May cause episodic rather than a continuing period of incapacity[2] (e.g., asthma, diabetes, epilepsy, etc.)

5. *Permanent/Long-term Conditions Requiring Supervision.*—A period of incapacity[2] which is permanent or long-term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider. Examples include Alzheimer's, a severe stroke, or the terminal stages of a disease.

6. *Multiple Treatments (Non-Chronic Conditions).*—Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity[2] of more than three consecutive calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, etc.), severe arthritis (physical therapy), kidney disease (dialysis).

FOOTNOTES

[1] Here and elsewhere on this form, the information sought relates only to the condition for which the employee is taking FMLA leave.

[2] "Incapacity," for purposes of FMLA as make applicable by the CAA, is defined to mean inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefore, or recovery therefrom.

[3] Treatment includes examinations to determine if a serious health condition exists and evaluations of the condition. Treatment does not include routine physical examinations, eye examinations, or dental examinations.

[4] A regimen of continuing treatment includes, for example, a course of prescription medication (e.g., an antibiotic) or therapy requiring special equipment to resolve or alleviate the health condition. A regimen of treatment does not include the taking of over-the-counter medications such as aspirin, antihistamines, or salves; or bed-rest, drinking fluids, exercise, and other similar activities that can be initiated without a visit to a health care provider.

Appendix C to Part 825—[Reserved]

Appendix D to Part 825—Prototype Notice: Employing Office Response to Employee Request for Family and Medical Leave

Employing office response to employee request for family or medical leave

(Optional use form—see § 825.301(b)(1) of the regulations of the Office of Compliance)

(Family and Medical Leave Act of 1993, as made applicable by the Congressional Accountability Act of 1995)

(Date)

To:________________

(Employee's name)

From:________________

(Name of appropriate employing office representative)

Subject: Request for Family/Medical Leave

On______, *(date)* you notified us of your need to take family/medical leave due to: (date)

the birth of your child, or the placement of a child with you for adoption or foster care; or

a serious health condition that makes you unable to perform the essential functions of your job; or

a serious health condition affecting your "spouse, "child, "parent, for which you are needed to provide care.

You notified us that you need this leave beginning on ______*(date)* and that you expect leave to continue until on or about______ *(date)*.

Except as explained below, you have a right under the FMLA, as made applicable by the CAA, for up to 12 weeks of unpaid leave in a 12-month period for the reasons listed above. Also, your health benefits must be maintained during any period of unpaid leave under the same conditions as if you continued to work, and you must be reinstated to the same or an equivalent job with the same pay, benefits, and terms and conditions of employment on your return from leave. If you do not return to work following FMLA leave for a reason other than: (1) the continuation, recurrence, or onset of a serious health condition which would entitle you to FMLA leave; or (2) other circumstances beyond your control, you may be required to reimburse us for our share of health insurance premiums paid on your behalf during your FMLA leave.

This is to inform you that: *(check appropriate boxes; explain where indicated)*

1. You are ☐ eligible ☐ not eligible for leave under the FMLA as made applicable by the CAA.

2. The requested leave ☐ will ☐ will not be counted against your annual FMLA leave entitlement.

3. You ☐ will ☐ will not be required to furnish medical certification of a serious health condition. If required, you must furnish certification by______ *(insert date)* (must be at least 15 days after you are notified of this requirement) or we may delay the commencement of your leave until the certification is submitted.

4. You may elect to substitute accrued paid leave for unpaid FMLA leave. We ☐ will ☐ will not require that you substitute accrued paid leave for unpaid FMLA leave. If paid leave will be used the following conditions will apply: *(Explain)*

5(a). If you normally pay a portion of the premiums for your health insurance, these payments will continue during the period of FMLA leave. Arrangements for payment have been discussed with you and it is agreed that you will make premium payments as follows: (*Set forth dates, e.g., the 10th of each month, or pay periods, etc. that specifically cover the agreement with the employee.*)

(b). You have a minimum 30-day (*or, indicate longer period, if applicable*) grace period in which to make premium payments. If payment is not made timely, your group health insurance may be cancelled, *provided* we notify you in writing at least 15 days before the date that your health coverage will lapse, or, at our option, we may pay your share of the premiums during FMLA leave, and recover these payments from you upon your return to work. We ☐ will ☐ will not pay your share of health insurance premiums while you are on leave.

(c). We ☐ will ☐ will not do the same with other benefits (e.g., life insurance, disability insurance, etc.) while you are on FMLA leave. If we do pay your premiums for other benefits, when you return from leave you ☐ will ☐ will not be expected to reimburse us for the payments made on your behalf.

6. You ☐ will ☐ will not be required to present a fitness-for-duty certificate prior to being restored to employment. If such certification is required but not received, your return to work may be delayed until the certification is provided.

7(a). You ☐ are ☐ are not a "key employee" as described in §825.218 of the Office of Compliance's FMLA regulations. If you are a "key employee," restoration to employment may be denied following FMLA leave on the grounds that such restoration will cause substantial and grievous economic injury to us.

(b). We ☐ have ☐ have not determined that restoring you to employment at the conclusion of FMLA leave will cause substantial and grievous economic harm to us. (*Explain (a) and/or (b) below. See §825.219 of the Office of Compliance's FMLA regulations.*)

8. While on leave, you ☐ will ☐ will not be required to furnish us with periodic reports every _______ (*indicate interval of periodic reports, as appropriate for the particular leave situation*) of your status and intent to return to work (*see §825.309 of the Office of Compliance's FMLA regulations*). If the circumstances of your leave change and you are able to return to work earlier than the date indicated on the reverse side of this form, you ☐ will ☐ will not be required to notify us at least two work days prior to the date you intend to report for work.

9. You ☐ will ☐ will not be required to furnish recertification relating to a serious health condition. (*Explain below, if necessary, including the interval between certifications as prescribed in §825.308 of the Office of Compliance's FMLA regulations.*)

Appendix E to Part 825—[Reserved]

SENATE

FAIR LABOR STANDARDS ACT, FINAL AND INTERIM REGULATIONS RELATING TO THE SENATE AND ITS EMPLOYING OFFICES

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAIR LABOR STANDARDS ACT OF 1938

NOTICE OF ADOPTION OF REGULATIONS AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors of the Office of Compliance, after considering comments to its general Notice of Proposed Rulemaking published on November 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations to implement sections 203(a) and 203(c) (1) and (2) of the Congressional Accountability Act of 1995 ("CAA"), which apply certain rights and protections of the Fair Labor Standards Act of 1938. The Board is also adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540–1999. Telephone: (202) 724–9250.

I. Background and Summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), Pub. L. 104–1, 109 Stat. 3, was enacted on January 23, 1995. 2 U.S.C. §§1301 et seq. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. In addition, the statute establishes the Office of Compliance ("Office") with a Board of Directors ("Board") as "an independent office within the legislative branch of the Federal Government." Section 203(a) of the CAA applies the rights and protections of subsections a(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 ("FLSA") (29 U.S.C. 206(a)(1) and (d), 207, and 212(c)) to covered employees and employing offices. 2 U.S.C. §1313. Section 203(c)(2) of the CAA directs the Board to issue substantive regulations that "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. 2 U.S.C. §1313(c)(2). On September 28, 1995, the Board of the Office of Compliance issued an Advance Notice of Proposed Rulemaking ("ANPR") soliciting comments from interested parties in order to obtain participation and information early in the rulemaking process. 141 Cong. Rec. S14542 (daily ed., Sept. 28, 1995).

On November 28, 1995, the Board published in the Congressional Record a Notice of Proposed Rulemaking (NPR) (141 Cong. Rec. S17603–27 (daily ed.)). In response to the NPR, the Board received six written comments, three of which were from offices of the Congress and three of which were from organizations associated with the business community and organized labor. The comments included requests that the Board should provide additional guidance to employing offices on complying with the CAA and compliance issues raised by the ambiguities in the Secretary of Labor's regulations.

Parenthetically, it should also be noted that, on October 11, 1995, the Board published a Notice of Proposed Rulemaking in the Congressional Record (141 Cong. R. S15025 (daily ed., October 11, 1995) ("NPR")), inviting comments from interested parties on the proposed FLSA regulations which the CAA directed the Board to issue on the definition of "intern" and on "irregular work schedules." Final regulations on those matters were separately adopted by the Board on January 16, 1996. However, because they are regulations implementing the rights and protections of the FLSA made applicable by the CAA, the Board has incorporated those regulations into the body of final regulations being adopted pursuant to this Notice. The definition of "intern" may be found in section [H or S]501.102(c) & (h), and the "irregular work schedules" regulation may be found in sections [H or S or C]553.301–553.304.

II. Consideration of public comments; the Board's response and modifications to the NPR's rules

A. Requests that the Board provide additional guidance, including interpretative bulletins and opinion letters

The Board first turns to the issue of whether and in what circumstances the Board can and should give authoritative guidance to employing offices about issues arising from ambiguities in and uncertain applications of the Secretary's regulations. Commenters have formally and informally requested such guidance in various forms: that the Board change the Secretary's regulations to clarify ambiguities; that the Board adopt the Secretary's interpretive bulletins; that the Board issue the Secretary of Labor's interpretative bulletins as its own regulations; that the Board issue opinion letters constituting safe harbors from litigation; that the Board give its imprimatur, either formally or informally, to employee handbooks and other human resource activities of employing offices. Mindful that the Board's first decisions on these matters will have important institutional and legal implications, the Board has carefully considered these requests, as well as the underlying concerns they reflect.

At the outset, the Board must decline the suggestion that it modify the Secretary's regulations in order to remove the ambiguities and resulting uncertainties that Congressional offices will face in complying with the CAA once it takes effect. The Board's authority to modify the regulations of the Secretary is explicitly limited by the requirement that the substantive regulations issued by the Secretary of Labor "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. As is true of many regulatory issues, ambiguity and uncertainty are part of the the FLSA regulatory regime that is presently imposed—with much criticism and protest—on private sector and state and local government employers.

The example of the executive, administrative and professional employee exemptions illustrates this point. The Board specifically highlighted this problem and asked for comment in its ANPR (141 Cong. Rec. S14542, S14543) on September 28, 1995. Although the Board received many comments on this issue and is sympathetic with the concerns of employing offices confronting such ambiguity and uncertainty, the Board has neither been given nor can find appropriate justification for relieving employing offices of the compliance burdens that all employers face under the FLSA. The CAA was intended not only to bring covered employees the benefits of the FLSA and other incorporated laws, but also to require Congress to experience the same compliance burdens faced by other employers so that it could more fairly legislate in this area. The Board cannot agree with suggestions that would rob the CAA of one of its principal intended effects.

The Board must also decline the suggestion that it adopt, as either formal regulations or as its own interpretive authority, the interpretive bulletins found in Subpart B of Part 541 and elsewhere in the Secretary of

Labor's regulations. Section 203(c)(2) of the CAA requires the Board to promulgate regulations that are the same as the substantive regulations promulgated by the Secretary. But, as explained in the NPR, the interpretive bulletins set forth in Subpart B of Part 541 and elsewhere in the Secretary of Labor's regulations are not substantive regulations within the meaning of the law. Moreover, with respect to the concern expressed by some commenters that congressional employing offices would be at a distinct disadvantage if the Board does not adopt the Secretary's interpretative bulletins, the Board again notes, as it did in the NPR, that the Board need not adopt the Secretary's interpretive bulletins in order for them to be available as guidance for employing offices. While the Board is not adopting these interpretive bulletins, the Board reiterates that, like the myriad judicial decisions under the FLSA that are available as guidance for employing offices, the Secretary's interpretive bulletins remain available as part of the corpus of interpretive materials to which employing offices may look in structuring their FLSA-related compliance activities. Indeed, as the Board also noted in the NPR, since the CAA may properly be interpreted as incorporating the defenses and exemptions set forth in the Portal-to-Portal Act, an employing office that relies in good faith on an applicable interpretive bulletin of the Secretary may in fact have a statutory defense to an enforcement action brought by a covered employee. In short, contrary to the suggestion of these commenters, the Board need not adopt the Secretary's interpretive bulletins in order to give employing offices the benefit of them.

One commenter went so far as to suggest that, by not adopting the Secretary's interpretive bulletins, the Board has somehow signaled its intent to engage in a wholesale reinterpretation of the FLSA and its implementing regulations. No such signal was sent; no such signal was intended. Since the CAA does not require adoption of these interpretive bulletins, and since they are independently available to employing offices, the Board merely determined that it need not adopt the Secretary's interpretative bulletins as its own. Moreover, like the Administrator and the courts, the Board intends to depart from the interpretive bulletins only where their persuasive force is lacking or the law otherwise requires (just as courts or the Administrator would do). *See Skidmore* v. *Swift & Co.*, 323 U.S. 134, 137-38 (1944); *Reich* v. *Interstate Brands Corp.*, 57 F.3d 574, 577 (7th Cir. 1995) ("[W]e give the Secretary's bulletins the respect their reasoning earns them."); *Dalheim* v. *KDFW-TV*, 918 F.2d 1220, 1228 (5th Cir. 1990) ("the persuasive authority of a given interpretation obtains only so long as "all those factors which give it power to persuade" persist.") (quoting *Skidmore*).

As an alternative to modifying the regulations and adopting the interpretive bulletins of the Secretary, several commenters also suggested that the Board clarify regulatory ambiguities by issuing interpretive bulletins and advisory opinions of its own and thereby confer a Portal-to-Portal Act defense on employing offices that rely upon any such bulletins or advisory opinions of the Board. Indeed, at least one commenter suggested that the Board should provide advisory opinions and other counsel to employing offices that pose questions to it concerning, for example, the propriety of proposed model personnel practices, the exempt status of employees with specified job descriptions, the legality of proposed handbooks, and the qualification of certain House and Senate programs (such as the Federal Thrift Savings Plan) for defenses or exemptions recognized in the FLSA and the Secretary's regulations. The Board has considered these suggestions and, although empathizing with the concerns motivating these requests, finds these suggestions raise intractable legal and practical problems.

To begin with, the Board upon further study has determined that, contrary to the suggestion of the commenters, the Board cannot confer a Portal-to-Portal Act defense on employing offices for any reliance on pronouncements of the Board (as opposed to the Secretary). By its own terms, in the context of the FLSA, the Portal-to-Portal Act applies only to written administrative actions of the Wage and Hour Administrator of the Department of Labor. *See* 29 U.S.C. §259. The Portal-to-Portal Act does not mention the Board; and the Board's authority to amend the Secretary's regulations for "good cause" plainly does not extend to amending statutes such as the Portal-to-Portal Act. Thus, as the federal court of appeals which has jurisdiction over such matters under the CAA has held in an almost identical context, the Portal-to-Portal Act would not confer a defense upon employing offices that might rely upon a pronouncement of the Board. *See Berg* v. *Newman*, 982 F.2d 500, 503-504 (Fed Cir. 1992) ("To apply the statute to a regulation issued by OPM, an agency not referred to in section 259, would extend the section 259 exception beyond its scope"; "OPM's absence from section 259 prevents the Government from both adopting and shielding itself from liability for faulty regulations.") The final regulations so state.

Second, contrary to the assumption of these commenters, the Board has neither the legal basis nor the practical ability to issue the kind of interpretive bulletins or advisory opinions being requested. While the Administrator of the Wage and Hour Division entertains questions posed by employers about enforcement-related issues, the Administrator's willingness and ability to respond to such questions derives from and is constrained by her investigatory and enforcement responsibilities under the FLSA. As the Supreme Court stated over 50 years ago in *Skidmore* v. *Swift & Co.*, 323 U.S. 134, 137-38 (1944) (citations omitted): "Congress did not utilize the services of an administrative agency to find facts and to determine in the first instance whether particular cases fall within or without the Act. Instead, it put these responsibilities on the courts. But it did create the office of Administrator, impose upon him a variety of duties, endow him with powers to inform himself of conditions in industries and employments subject to the Act, and put on him the duties of bringing injunction actions to restrain violations. Pursuit of his duties has accumulated a considerable experience in the problems of ascertaining working time in employments involving periods of inactivity and a knowledge of the customs prevailing in reference to their solution. From these he is obliged to reach conclusions as to conduct without the law, so that he should seek injunctions to stop it, and that within the law, so that he has no call to interfere. He has set forth his views of the application of the Act under different circumstances in an interpretative bulletin and in informal rulings. They provide a practical guide to employers and employees as to how the office representing the public interest in its enforcement will seek to apply it."

In contrast, the Board has no investigative power by which it can inform itself of conditions, circumstances and customs of employment in the legislative branch; its resources for finding and considering such information are smaller by orders of substantial magnitude; and, most importantly, the Board has no cause to advise employees and employing offices concerning how it will seek to enforce the statute, since it has no enforcement powers under the CAA.

Indeed, on reflection, it seems unwise, if not legally improper, for the Board to set forth its views on interpretive ambiguities in the regulations outside of the adjudicatory context of individual cases. As noted above, the Board's rulemaking authority is quite restricted. Moreover, the Board has no enforcement authority and, in contrast to the FLSA scheme (where the Administrator has no adjudicatory authority to find facts and to determine in the first instance whether particular cases fall within or without the statute), the CAA contemplates that the Board will adjudicate cases brought by covered employees and that, in such adjudications, the Board must be of independent and open mind, bound to and limited by a factual record developed through an adversarial process governed by rules of law, and subject to judicial review of its decisions. See 2 U.S.C. §§1405-1407 (procedure for complaint, hearing, board review and judicial review; requiring hearings to be conducted in accordance with 5 U.S.C. §§554-557); 29 U.S.C. §§554-557. These legal safeguards and the institutional objectives they seek to promote—i.e., the accuracy of the Board's adjudicative decisions and the integrity of the Board's processes—would be undermined if the Board were to attempt to prejudge ambiguous or disputed interpretive matters in advisory opinions that were developed in non-adversarial, non-public proceedings. The Board thus cannot acquiesce in requests for such advisory opinions.

Some commenters suggested that the Board could properly issue such interpretive bulletins and advisory opinions under the rubric of the "education" and "information" programs allowed and, indeed, mandated by section 301(h) of the CAA. Of course, the Office's education and information programs are not the subject of this notice and comment and thus a discussion of "education" and "information" programs is not necessary to this rulemaking effort. But, upon due consideration of matter, it appears that this suggestion is based upon a fundamental misunderstanding of the institutional powers and responsibilities conferred upon and withheld from the Board and the Office by Congress in the CAA. Thus, it is both fair and prudent to address the issue at this point.

At the outset, the Board notes that Section 301(h)'s reference to "education" and "information" programs is not the broad mandate that these comments suggest. In contrast to other statutory schemes, section 301(h) does not authorize, much less compel, the development by the Board or the Office of "training" or "technical assistance" programs such as those that are included in the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Occupational Safety and Health Act of 1970, the Employee Polygraph Protection Act of 1988, and the Age Discrimination in Employment Act of 1967. Nor does the CAA authorize, much less compel, the issuance of interpretive bulletins, advisory opinions or enforcement guidelines, as agencies with investigative and prosecutorial powers (and matching resources) are sometimes allowed (although almost never compelled) to issue. Rather, section 301(h) directs the Office to carry out "a program of education for members of Congress and other employing authorities of the legislative branch of the Federal Government respecting the laws made applicable to them"; and "a program to inform individuals of their rights under laws applicable to the legislative branch of the Federal Government." 2 U.S.C. §1381(h). Such admonitions are, however, contained in almost all federal employment laws; and those experienced in the field understand them to concern only programs that ensure general "awareness" of rights and responsibilities under the pertinent law.

Section 301(h) must be read in the context of the powers granted to and withheld from the Board in the statutory scheme created by the CAA. The CAA authorizes the Board to engage in rulemaking, but requires the Board to follow specified procedures in doing so and, at least in the context of the FLSA, requires the Board to have "good cause" for departing from the Secretary of Labor's substantive regulations. Moreover, the CAA authorizes the Board to engage in adjudication, but only after a complaint is filed with the Office, a record is properly developed through an adversarial process governed by rules of law, and judicial review is assured. And the CAA rather pointedly declines to confer upon the Board the investigatory and prosecutorial authority that is necessary for sound decisionmaking and interpretation outside of the regulatory and adjudicatory contexts. Given this statutory scheme, section 301(h)'s "education and information" mandate cannot reasonably be construed to require (or even allow) the Board to engage in the kind of advisory counselling requested here—i.e., authoritative opinions developed in nonpublic, nonadversarial proceedings.

Indeed, Congress appears effectively to have considered this issue in the CAA and to have rejected the kind of relationship between the Board and employing offices that is contemplated by this request. The legislative history reflects a recognition that "the office must, in appearance and reality, be independent in order to gain and keep the confidence of the employees and employers who will utilize the dispute resolution process created by this act." 141 Cong. Rec. at S627. The legislative history further reflects a recognition that "laws cannot be enforced in a fair and uniform manner—and employees and the public cannot be convinced that the laws are being enforced in a fair and uniform manner—unless Congress establishes a single enforcement mechanism that is independent of each House of Congress." 141 Cong. Rec. at S444. The statute thus declares that the Office of Compliance is an "independent office" in the legislative branch; that the Office is governed by a Board of Directors whose members were appointed on a bi-partisan basis for non-partisan reasons, who may be removed in only quite limited circumstances, and whose incomes are largely derived from work in the private sector; and that the Board must follow formal public comment and adjudicatory procedures in making any decisions with legal effect. 2 U.S.C. §§1381(a), (b), (e), (f), (g), 1384, 1405–6. The call for issuing advisory opinions in the "education" and "information" process—opinions that would be issued in non-public, non-adversarial proceedings without regard to the statutorily-required public comment and adjudicatory procedures—is in intolerable tension with the institutional independence, inclusiveness and procedural regularity contemplated for the Board by the CAA.

In all events, the Board would in the exercise of its considered judgment decline to provide authoritative opinions to employing offices as part of its "education" and "information" programs. Without investigatorial and prosecutorial authority (and matching resources), the Board has insufficient information and thus is practicably unable to provide such authoritative opinions. With severely restricted rulemaking authority, the Board cannot properly provide regulatory clarifications for employing offices when those clarifications have not been provided by the Secretary to private sector and state and local government employers. And, with its adjudicatory powers, the Board should not resolve disputed interpretive matters in the absence of a specific factual controversy, a record developed through an adversarial process governed by rules of law, and an opportunity for judicial review. To do otherwise would simply impair the independence, impartiality, and irreproachability of the Board's actions. In short, for much the same reasons that federal courts do not issue advisory opinions or *ex parte* decisions, neither should the Board. *See United States* v. *Freuhauf*, 365 U.S. 146, 157 (1961) (Frankfurter, J.) (discussing vices of advisory opinions).

To be sure, "education" and "information" programs are of central importance to the CAA scheme. Such programs are needed, in part, to help employing offices in their efforts to understand and satisfy their compliance obligations under the CAA. And the Board reiterates its intention, stated in the NPR, that the Office sponsor, and participate in, seminars on the obligations of employing offices, distribute a comprehensive manual to address frequently arising questions under the CAA (including questions relating to FLSA exemptions), and be available generally to discuss compliance-related issues when called upon by employing offices. But the Board itself will not and should not in this education and information process issue authoritative opinions about such matters as the exemption status of employees with specified job duties, the propriety of particular model handbooks and policies developed by employing offices, and the qualification of certain House and Senate programs (such as the Federal Thrift Savings Plan) for particular defenses and exemptions that are available under the regulations. Characterizing such interpretive activity as "educational" or "informational" does not in any way address, much less satisfactorily resolve, the serious legal and institutional concerns that make it unwise, if not improper, for the Board to engage in such interpretive activities outside of the adjudicative processes established by the CAA.

The Board recognizes that, by declining to provide such authoritative advisory opinions, the Board is forcing employing offices to rely to a greater extent upon their own counsel and human resources officials and in a sense is frustrating the efforts of employing offices to obtain desirable safe-harbors. The FLSA as currently applied to private employers contains few such safe-harbors, particularly in the area of exemptions. But many knowledgeable labor lawyers and human resources officials are available to provide employing offices with the kind of learned counsel and human resources advice that the employing offices are seeking from the Board; indeed, the House and Senate have centralized administrations and committees that can provide this legal support to employing offices. And employing offices have the benefit of the same legal safe-harbors that the Secretary of Labor has made available to private sector and State and local government employers. Under the CAA, they are legally entitled to no more.

Even more importantly, however, the Board finds that the long-term institutional harm to the CAA scheme that would result from the Board's providing such advisory opinions in non-public, non-adversarial proceedings far outweighs whatever short-term legal or political benefits might result for employing offices. As noted above, provision by the Board of such opinions could impair confidence in the independence, impartiality and irreproachability of the Board's decisionmaking processes. Such a lack of confidence could unfortunately induce employees to take their cases to court rather than bring them to the Board's less costly, confidential and expedited alternative dispute resolution process. Even more seriously, such a lack of confidence could cause the public and other interested persons to question the Board's commitment, and thus the sincerity of the CAA's promise, generally to provide covered employees the same benefits, and to subject the legislative branch to the same legal burdens, as exist with regard to private sector and State and local government employers that are subject to the FLSA. We are confident that, like the bi-partisan Congressional leadership who appointed us and who placed their trust in our experience and judgment concerning how best to implement this statute, those in Congress who voted for the CAA or who would support it today would want us to prefer the long term viability, integrity, and efficacy of this noble statutory enterprise over the short-term demands of employing offices.

B. Specific comments and Board action.

1. §§541.1,.2,.3—"White collar" exemptions—Use of job descriptions to determine exempt status

The Board received several comments urging the Board, on the basis of generic job descriptions, to give advice to employing offices on whether covered employees are exempt as bona fide executive, administrative, or professional employees under FLSA §13(a)(1) as applied by the CAA. As noted above, it would not be appropriate to attempt to give such advice in the context of this rulemaking. The Board would note, as a further point, that submission of such descriptions which may describe functions of congressional employees would not, in any event, provide the detail necessary to determine the exempt or nonexempt status of the job. Job descriptions that utilize language or phraseology derived from the regulations today adopted by the Board do not provide the specificity of conclusions regarding exempt or nonexempt status. The Secretary's regulations, as adopted by the Board, speak for themselves. It would serve no purpose, and provide no guidance, simply to repeat the statutory standards for exemption in a job description without reference to the particular functions of a particular employee. The Fair Labor Standards Act is clear that actual function, and not description or job title, govern the exempt status of an employee. See, e.g., 29 C.F.R. §541.201 (3)(b)(1),(2).

2. §541.5d—Special rule for "white collar" employees of a public agency

Under §13(a)(1) of the FLSA, which is incorporated by reference under §225(f)(1) of the CAA, a salaried employee who is a bona fide executive, administrative, or professional employee need not be paid overtime compensation for hours worked in excess of the statutory maximum. Sections 541.1, 541.2, and 541.3, 29 C.F.R., of the Secretary of Labor's regulations respectively define the criteria for each of these "white collar" exemptions. Since they are substantive regulations, the Board in its NPR proposed to adopt them.

Among the regulations not proposed for adoption was §541.5d. This regulation provides that an employee shall not lose his or her "white collar" exemption where a "public agency" employer reduces an exempt employee's pay or places the employee on unpaid leave in certain circumstances for partial-day absences. As explained in the Federal Register Notice announcing its adoption, the Secretary of Labor issued §541.5d in response to concerns that the application of the FLSA to State and local governments would undermine well-settled "policies of public accountability" that require public employees (including those who would otherwise be exempt) to incur a reduction in pay if they absent themselves from work under certain circumstances. 57 Fed. Reg. 37677 (Aug. 19, 1992).

The Board originally did not propose adoption of this regulation. However, one commenter pointed out that, by its terms, §541.5d covers a "public agency," which is a statutory term defined in §3(x) of the FLSA to include "the government of the United States." As a definitional provision, §3(x) is incorporated into the CAA by virtue of §225(f)(1), and Congress is undeniably a branch of the "government of the United States."

The Board finds merit in the commenter's argument. Moreover, the adoption of this regulation is well in keeping with the Board's mandate to promulgate rules that are "the same as substantive regulations promulgated by the Department of Labor to implement" those FLSA statutory provisions made applicable by the CAA. Accordingly, §541.5d will be adopted with a minor change that substitutes for the citation to §541.118 (an interpretative bulletin) the phrase "being paid on a salary basis," which is derived directly from the substantive regulations defining the "white collar" exemptions (i.e., 29 C.F.R. §§541.1,.2,.3).

3. Partial overtime exemption for law enforcement officers

The Board did not propose to adopt any sections of 29 C.F.R. Part 553, which govern the application of the FLSA to employees of State and local governments. Subparts A and B of that Part address a variety of issues, including certain exclusions pertaining to elected legislative offices, the use of compensatory time off, recordkeeping, and the employment of volunteers. Subpart C addresses the special provisions which Congress enacted in §7(k) in connection with fire protection and law enforcement employees of public agencies.

Section 7(k) of the FLSA also provides a partial overtime exemption for fire protection and law enforcement employees of a public agency. Based on tour-of-duty averages that were determined by the Secretary of Labor in 1975, an employer need not pay overtime if, in a work period of 28 consecutive days, the employee receives a tour of duty which in the aggregate does not exceed 212 hours for fire protection activity or does not exceed 171 hours for law enforcement activity. Thus, for law enforcement personnel, work in excess of 171 hours during the 28-day period triggers the requirement to pay overtime compensation. For a work period of at least 7 but less than 28 consecutive days, overtime must be paid when the ratio of the number of hours worked to the number of days in the work period exceeds the 171-hours-to-28-days ratio (rounded to the nearest whole hour).

Although the regulations by their terms apply only to "public agencies" of State and local governments, one commenter observed that the underlying statutory provisions are not so limited but rather apply to any "public agency," which by definition includes the Federal government (See §3(x) of the FLSA). Accordingly, it was argued that the Board should adopt those regulations implementing the §7(k) partial overtime exemption insofar as it would apply to the law enforcement work of the Capitol Police.

For the reasons noted above that support adoption of §541.5d, the Board finds that the pertinent sections of Subpart C of Part 553 should also be adopted. Section 7(k) provides a direct textual basis for applying the relevant regulations. Thus, under the regulations, the Capitol Police as an employing office of law enforcement personnel shall have two options: It may pay such personnel overtime compensation on the basis of a 40-hour workweek. Alternatively, it may claim the section 7(k) exemption by establishing a valid work period that follows the criteria set forth in the regulations.

The Board is aware that Congress has enacted special provisions governing overtime compensation and compensatory time off for Capitol Police officers. 40 U.S.C. §206b (for police on the House's payroll) and §206c (for police on the Senate's payroll). However, the regulations being adopted here do not purport to modify those statutory provisions; and whether 40 U.S.C. §§206b–206c grant rights and protections to law enforcement employees that preclude the Capitol Police from availing itself of §7(k) of the FLSA is a question that the Board does not address. The regulations simply specify the rules for overtime policies that conform to the FLSA.

4. §570.35a—Work experience programs for minors

The CAA makes applicable to the legislative branch FLSA §12(c), which prohibits the use of oppressive child labor, and FLSA §3(l), which defines "oppressive child labor." In its NPR, the Board proposed adopting as part of the CAA rules applicable to the Senate certain substantive regulations of Part 570, 29 C.F.R., implementing these statutory provisions. This proposal was based on the Board's understanding that the Senate has a practice of appointing pages under 18 years of age.

One commenter confirmed this understanding by reporting that the Senate Page Program does employ minors under the age of 16. Thus, under the proposed regulations, there are limitations on the periods and the conditions under which such minors can work. Without disputing the applicability of this regulation, the commenter sought to mitigate its impact by urging the adoption of an additional regulation found in 29 C.F.R. Part 570, Subpart C, namely the rule that varies some of the provisions of Subpart C in the context of school-supervised and school-administered work-experience or career exploration programs that have been individually approved by the Wage and Hour Administrator. 29 C.F.R. §570.35a.

After carefully reviewing the provisions of §570.35a, the Board finds that it would not be appropriate to adopt this regulation. There is no available "State Educational Agency" in the context of the CAA; State law is not properly applicable here; and the Board is obviously not competent to set educational standards. In short, there are legal and practical reasons why this regulation is unworkable in the context of Federal legislative branch employment, and the Board thus has "good cause" not to adopt it.

5. Board determination on regulations "required" to be issued in connection with §411 default provision

Section 411 of the CAA provides in pertinent part that "if the Board has not issued a regulation on a matter for which [the CAA] requires a regulation to be issued the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue." By its own terms, this provision comes into play only where it is determined that the Board has not issued a regulation that is required by the CAA. Thus, before a Department of Labor regulation can be invoked, an adjudicator must make a threshold determination that the regulation concerns a matter as to which the Board was obligated under the CAA to issue a regulation.

As noted in the NPR, it was apparent in reviewing Chapter V of 29 C.F.R., which contains all the regulations of the Secretary of Labor issued to implement the FLSA generally, many of those regulations were not legally "required" to be issued as CAA regulations because the underlying FLSA provisions were not made applicable under the CAA. And there are other regulations that the Board has "good cause" not to issue because, for example, they have no applicability to legislative branch employment.

None of the comments to the NPR quarrelled with the Board's conclusion not to adopt those regulations that have little practical application. Therefore, the Board is not issuing regulations predicated upon the following Parts of 29 C.F.R.: Parts 519-528, which authorize subminimum wages for full-time students, student-learners, apprentices, learners, messengers, workers with disabilities, and student workers; Part 548, which authorizes in the collective bargaining context the establishment of basic wage rates for overtime compensation purposes; and Part 551, which implements an overtime exemption for local delivery drivers and helpers.

The comments did identify several individual regulations as to which there is not good cause to not adopt. As explained elsewhere, those regulations are being included in the final rules. However, in the main, the comments did not dispute the inapplicability of those Parts of 29 C.F.R. deemed legally irrelevant.

Accordingly, in keeping with its announced intent in the NPR, the Board is including in its final rules a declaration to the effect that the Board has issued those regulations that, as both a legal and practical matter, it is "required" to promulgate to implement the statutory provisions of the FLSA that are made applicable to the legislative branch by the CAA.

The Board has carefully reviewed the entire corpus of the Secretary's regulations, has sought comment on its proposal concerning the regulations that it should (and should not adopt), and has considered those comments in formulating its final rules. The Board has acted based on this review and consideration and in order to prevent wasteful litigation about whether the omission of a regulation from the Secretary in the Board's regulations was intended or not.

6. Recordkeeping and notice posting

One comment essentially requested that the Board revisit an issue which it resolved after receiving comments to its Advance Notice of Proposed Rulemaking (ANPR) published on October 11, 1995. The ANPR had solicited public comments on certain questions to assist the Board in drafting proposed FLSA regulations, including the question of whether the FLSA provisions regarding recordkeeping and the notice posting were made applicable by the CAA. As explained in the NPR, after evaluating the comments and carefully reviewing the CAA, the Board concluded that "the CAA explicitly did not incorporate the notice posting and recordkeeping requirements of Section 11, 29 U.S.C. §211 of the FLSA." The most recent comment offered no further statutory evidence to support a change in the Board's original conclusion.

7. Technical and nomenclature changes

A commenter suggested a number of technical and nomenclature changes to the proposed regulations to make them more precise in their application to the legislative branch. The Board has incorporated many of the suggested changes. However, by making these changes, the Board does not intend a substantive difference in meaning of these sections of the Board's regulations and those of the Secretary from which the Board's regulations are derived.

III. Adoption of Proposed Rules as Final Regulations under Section 304(b)(3) and as Interim Regulations

Having considered the public comments to the proposed rules, the Board pursuant to section 304(b)(3) & (4) of the CAA is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as interim regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. See, e.g., *Philadelphia Citizens in Action* v. *Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signalled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

IV. Method of Approval

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

ADOPTED REGULATIONS—AS INTERIM AND AS FINAL REGULATIONS:

Subtitle A—Regulations Relating to the Senate and Its Employing Offices—S Series

Chapter III—Regulations Relating to the Rights and Protections Under the Fair Labor Standards Act of 1938

Part S501—General Provisions

Sec.

S501.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

S501.101 Purpose and scope.

S501.102 Definitions.

S501.103 Coverage.

S501.104 Administrative authority.

S501.105 Effect of Interpretations of the Labor Department.

S501.106 Application of the Portal-to-Portal Act of 1947.

S501.107 Duration of interim regulations.

§ S501.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

The following table lists the parts of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding parts of the Office of Compliance (OC) Regulations under Section 203 of the CAA.

Secretary of Labor regulations	*OC regulations*
Part 531 Wage payments under the Fair Labor Standards Act of 1938	Part S531
Part 541 Defining and delimiting the terms "bona fide executive," "administrative," and "professional" employees	Part S541
Part 547 Requirements of a "Bona fide thrift or savings plan"	Part S547
Part 553 Application of the FLSA to employees of public agencies	Part S553
Part 570 Child labor	Part S570

Subpart A—Matters of General Applicability

§ S501.101 Purpose and scope.

(a) Section 203 of the Congressional Accountability Act (CAA) provides that the rights and protections of subsections (a)(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 (FLSA) (29 U.S.C. §§ 206(a)(1) & (d), 207, 212(c)) shall apply to covered employees of the legislative branch of the Federal government. Section 301 of the CAA creates the Office of Compliance as an independent office in the legislative branch for enforcing the rights and protections of the FLSA, as applied by the CAA.

(b) The FLSA as applied by the CAA provides for minimum standards for both wages and overtime entitlements, and delineates administrative procedures by which covered worktime must be compensated. Included also in the FLSA are provisions related to child labor, equal pay, and portal-to-portal activities. In addition, the FLSA exempts specified employees or groups of employees from the application of certain of its provisions.

(c) This chapter contains the substantive regulations with respect to the FLSA that the Board of Directors of the Office of Compliance has adopted pursuant to Sections 203(c) and 304 of the CAA, which require that the Board promulgate regulations that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of § 203 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section."

(d) These regulations are issued by the Board of Directors, Office of Compliance, pursuant to sections 203(c) and 304 of the CAA, which directs the Board to promulgate regulations implementing section 203 that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection a [of section 203 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." The regulations issued by the Board herein are on all matters for which section 203 of the CAA requires regulations to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of the promulgation of these regulations, that, with the exception of regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 203 of the CAA]."

(e) In promulgating these regulations, the Board has made certain technical and nomenclature changes to the regulations as promulgated by the Secretary. Such changes are intended to make the provisions adopted accord more naturally to situations in the legislative branch. However, by making these changes, the Board does not intend a substantive difference between these regulations and those of the Secretary from which they are derived. Moreover, such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

§ S501.102 Definitions.

For purposes of this chapter:

(a) *CAA* means the Congressional Accountability Act of 1995 (P.L. 104-1, 109 Stat. 3, 2 U.S.C. §§ 1301-1438).

(b) *FLSA* or *Act* means the Fair Labor Standards Act of 1938, as amended (29 U.S.C. § 201 et seq.), as applied by section 203 of the CAA to covered employees and employing offices.

(c) *Covered employee* means any employee of the Senate, including an applicant for employment and a former employee, but shall not include an intern.

(d) *Employee of the Senate* includes any employee whose pay is disbursed by the Secretary of the Senate, but not any such individual employed by (1) the Capitol Guide Service; (2) the Capitol Police; (3) the Congressional Budget Office; (4) the Office of the Architect of the Capitol; (5) the Office of the Attending Physician; (6) the Office of Compliance; or (7) the Office of Technology Assessment.

(e) *Employing office* and *employer* mean (1) the personal office of a Senator; (2) a committee of the Senate or a joint committee; or (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the Senate.

(f) *Board* means the Board of Directors of the Office of Compliance.

(g) *Office* means the Office of Compliance.

(h) *Intern* is an individual who (a) is performing services in an employing office as part of a demonstrated educational plan, and (b) is appointed on a temporary basis for a period not to exceed 12 months; *provided* that if an intern is appointed for a period shorter than 12 months, the intern may be reappointed for additional periods as long as the total length of the internship does not exceed 12 months; *provided further* that an intern for purposes of section 203(a)(2) of the CAA also includes an individual who is a senior citizen appointed under S. Res. 219 (May 5, 1978, as amended by S. Res. 96, April 9, 1991), but does not include volunteers, fellows or pages.

§ S501.103 Coverage.

The coverage of Section 203 of the CAA extends to any covered employee of an employing office without regard to whether the covered employee is engaged in commerce or the production of goods for interstate commerce and without regard to size, number of employees, amount of business transacted, or other measure.

§S501.104 Administrative authority.

(a) The Office of Compliance is authorized to administer the provisions of Section 203 of the Act with respect to any covered employee or covered employer.

(b) The Board is authorized to promulgate substantive regulations in accordance with the provisions of Sections 203(c) and 304 of the CAA.

§ S501.105 Effect of Interpretation of the Department of Labor.

(a) In administering the FLSA, the Wage and Hour Division of the Department of Labor has issued not only substantive regulations but also interpretative bulletins. Substantive regulations represent an exercise of statutory-delegated lawmaking authority from the legislative branch to an administrative agency. Generally, they are proposed in accordance with the notice-and-comment procedures of the Administrative Procedure Act (APA), 5 U.S.C. § 553. Once promulgated, such regulations are considered to have the force and effect of law, unless set aside upon judicial review as arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. See *Batterton* v. *Francis*, 432 U.S. 416, 425 n.9 (1977). See also 29 CFR § 790.17(b) (1994). Unlike substantive regulations, interpretative statements, including bulletins and other releases of the Wage and Hour Division, are not issued pursuant to the provisions of the APA and may not have the force and effect of law. Rather, they may only constitute official interpretations of the Department of Labor with respect to the meaning and application of the minimum wage, maximum hour, and overtime pay requirements of the FLSA. See 29 C.F.R. § 790.17(c) (citing Final Report of the Attorney General's Committee on Administrative Procedure, Senate Document No. 8, 77th Cong., 1st Sess., at p. 27 (1941)). The purpose of such statements is to make available in one place the interpretations of the FLSA which will guide the Secretary of Labor and the Wage and Hour Administrator in the performance of their duties unless and until they are otherwise directed by authoritative decisions of the courts or conclude, upon reexamination of an interpretation, that it is incorrect. The Supreme Court has observed: "[T]he rulings, interpretations and opinions of the Administrator under this Act, while not controlling upon the courts by reason of their authority, do constitute a body of experience and informed judgment to which courts and litigants may properly resort for guidance. The weight of such a judgment in a particular case will depend upon the thoroughness evident in the consideration, the validity of its reasoning, its consistency with earlier and later pronouncements, and all those factors which give it power to persuade, if lacking power to control." *Skidmore* v. *Swift*, 323 U.S. 134, 140 (1944).

(b) Section 203(c) of the CAA provides that the substantive regulations implementing Section 203 of the CAA shall be "the same as substantive regulations promulgated by the Secretary of Labor" except where the Board finds, for good cause shown, that a modification would more effectively implement the rights and protections established by the FLSA. Thus, the CAA by its terms does not mandate that the Board adopt the interpretative statements of the Department of Labor or its Wage and Hour Division. The Board is thus not adopting such statements as part of its substantive regulations.

§ S501.106 Application of the Portal-to-Portal Act of 1947.

(a) Consistent with Section 225 of the CAA, the Portal to Portal Act (PPA), 29 U.S.C. §§ 216 and 251 *et seq.*, is applicable in defining and delimiting the rights and protections of the FLSA that are prescribed by the CAA. Section 10 of the PPA, 29 U.S.C. §259, provides in pertinent part: "[N]o employer shall be subject to any liability or punishment for or on account of the failure of the employer to pay minimum wages or overtime compensation under the Fair Labor Standards Act of 1938, as amended, . . . if he pleads and proves that the act of omission complained of was in good faith in conformity with and reliance on any written administrative regulation, order, ruling, approval or interpretation of [the Administrator of the Wage and Hour Division of the Department of Labor] . . . or any administrative practice or enforcement policy of such agency with respect to the class of employers to which he belonged. Such a defense, if established shall be a bar to the action or proceeding, notwithstanding that after such act or omission, such administrative regulation, order, ruling, approval, interpretation, practice or enforcement policy is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect."

(b) In defending any action or proceeding based on any act or omission arising out of section 203 of the CAA, an employing office may satisfy the standards set forth in subsection (a) by pleading and proving good faith reliance upon any written administrative regulation, order, ruling, approval or interpretation, of the Administrator of the Wage and Hour Division of the Department of Labor: *Provided*, that such regulation, order, ruling approval or interpretation had not been superseded at the time or reliance by any regulation, order, decision, or ruling of the Board or the courts.

§S501.107 Duration of interim regulations.

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

Part S531—Wage Payments Under the Fair Labor Standards Act of 1938

Subpart A—Preliminary matters

Sec.
S. 531.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
S. 531.1 Definitions.
S. 531.2 Purpose and scope.
Subpart B—Determinations of "reasonable costs;" effects of collective bargaining agreements
S. 531.3 General determinations of 'reasonable cost'.
S. 531.6 Effects of collective bargaining agreements.

Subpart A—Preliminary matters

§S531.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

The following table lists the sections of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
531.1 Defintions	S531.1
531.2 Purpose and scope	S531.2
531.3 General determinations of "reasonable cost"	S531.3
531.6 Effects of collective bargaining agreements	S531.6

§S531.1 Definitions.

(a) *Administrator* means the Administrator of the Wage and Hour Division or his authorized representative. The Secretary of Labor has delegated to the Administrator the functions vested in him under section 3(m) of the Act.

(b) *Act* means the Fair Labor Standards Act of 1938, as amended.

§S531.2 Purpose and scope.

(a) Section 3(m) of the Act defines the term 'wage' to include the 'reasonable cost', as determined by the Secretary of Labor, to an employer of furnishing any employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by the employer to his employees. In addition, section 3(m) gives the Secretary authority to determine the 'fair value.' of such facilities on the basis of average cost to the employer or to groups of employers similarly situated, on average value to groups of employees, or other appropriate measures of 'fair value.' Whenever so determined and when applicable and pertinent, the 'fair value' of the facilities involved shall be includable as part of 'wages' instead of the actual measure of the costs of those facilities. The section provides, however, the cost of board, lodging, or other facilities shall not be included as part of 'wages' if excluded therefrom by a bona fide collective bargaining agreement. Section 3(m) also provides a method for determining the wage of a tipped employee.

(b) This part 531 contains any determinations made as to the 'reasonable cost' and 'fair value' of board, lodging, or other facilities have general application.

Subpart B—Determinations of "reasonable cost" and "fair value"; effects of collective bargaining agreements

§S531.3 General determinations of 'reasonable cost'

(a) The term *reasonable cost* as used in section 3(m) of the Act is hereby determined to be not more than the actual cost to the employer of the board, lodging, or other facilities customarily furnished by him to his employees.

(b) Reasonable cost does not include a profit to the employer or to any affiliated person.

(c) The reasonable cost to the employer of furnishing the employee with board, lodging, or other facilities (including housing) is the cost of operation and maintenance including adequate depreciation plus a reasonable allowance (not more than 5½ percent) for interest on the depreciated amount of capital invested by the employer: *Provided*, That if the total so computed is more than the fair rental value (or the fair price of the commodities or facilities offered for sale), the fair rental value (or the fair price of the commodities or facilities offered for sale) shall be the reasonable cost. The cost of operation and maintenance, the rate of depreciation, and the depreciated amount of capital invested by the employer shall be those arrived at under good accounting practices. As used in this paragraph, the term *good accounting practices* does not include accounting practices which have been rejected by the Internal Revenue Service for tax purposes, and the term *depreciation* includes obsolescence.

(d)(1) The cost of furnishing 'facilities' found by the Administrator to be primarily for the benefit or convenience of the employer will not be recognized as reasonable and may not therefore be included in computing wages.

(2) The following is a list of facilities found by the Administrator to be primarily for the benefit of convenience of the employer. The list is intended to be illustrative rather than exclusive: (i) Tools of the trade and other materials and services incidental to carrying on the employer's business; (ii) the cost of any construction by and for the employer; (iii) the cost of uniforms and of their laundering, where the nature of the business requires the employee to wear a uniform.

§S531.6 Effects of collective bargaining agreements

(a) The cost of board, lodging, or other facilities shall not be included as part of the wage paid to any employee to the extent it is excluded therefrom under the terms of a bona fide collective bargaining agreement applicable to the particular employee.

(b) A collective bargaining agreement shall be deemed to be "bona fide" when pursuant to the provisions of section 7(b)(1) or 7(b)(2) of the FLSA it is made with the certified representative of the employees under the provisions of the CAA.

Part S541—Defining and Delimiting the Terms "Bona Fide Executive," "Administrative," or "Professional" Capacity (Including Any Employee Employed in the Capacity of Academic Administrative Personnel or Teacher in Secondary School)

Subpart A—General regulations

Sec.
S541.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
S541.01 Application of the exemptions of section 13(a)(1) of the FLSA.
S541.1 Executive.
S541.2 Administrative.
S541.3 Professional.
S541.5b Equal pay provisions of section 6(d) of the FLSA as applied by the CAA extend to executive, administrative, and professional employees.
S541.5d Special provisions applicable to employees of public agencies.

Subpart A—General regulations

§S541.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under section 203 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
541.1 Executive	S541.1
541.2 Administrative	S541.2
541.3 Professional	S541.3
541.5b Equal pay provisions of section 6(d) of the FLSA apply to executive, administrative, and professional employees	S541.5b
541.5d Special provisions applicable to employees of public agencies	S541.5d

§S541.01 Application of the exemptions of section 13 (a)(1) of the FLSA

(a) Section 13(a)(1) of the FLSA, which provides certain exemptions for employees employed in a bona fide executive, administrative, or professional capacity (including any employee employed in a capacity of academic administrative personnel or teacher in a secondary school), applies to covered employees by virtue of Section 225(f)(1) of the CAA.

(b) The substantive regulations set forth in this part are promulgated under the authority of sections 203(c) and 304 of the CAA, which require that such regulations be the same as the substantive regulations promulgated by the Secretary of Labor except where the Board determines for good cause shown that modifications would be more effective for the implementation of the rights and protections under §203.

§S541.1 Executive

The term employee employed in a bona fide executive * * * capacity in section 13(a)(1) of the FSLA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of the management of an employing office in which he is employed or of a customarily recognized department or subdivision thereof; and

(b) Who customarily and regularly directs the work of two or more other employees therein; and

(c) Who has the authority to hire or fire other employees or whose suggestions and recommendations as to the hiring or firing and as to the advancement and promotion or any other change of status of other employees will be given particular weight; and

(d) Who customarily and regularly exercises discretionary powers; and

(e) Who does not devote more than 20 percent, or, in the case of an employee of a retail or service establishment who does not devote as much as 40 percent, of his hours of work in the workweek to activities which are not directly and closely related to the performance of the work described in paragraphs (a) through (d) of this section: *Provided*, That this paragraph shall not apply in the case of an employee who is in sole charge of an independent establishment or a physically separated branch establishment; and

(f) Who is compensated for his services on a salary basis at a rate of not less than $155 per week, exclusive of board, lodging or other facilities: *Provided*, That an employee who is compensated on a salary basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the management of the employing office in which the employee is employed or of a customarily recognized department or subdivision thereof, and includes the customary and regular direction of work of two or more other employees therein, shall be deemed to meet all the requirements of this section

§S541.2 Administrative

The term *employee employed in a bona fide * * * administrative * * * capacity* in section 13(a)(1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of either:

(1) The performance of office or nonmanual work directly related to management policies or general operations of his employer or his employer's customers, or

(2) The performance of functions in the administration of a school system, or educational establishment or institution, or of a department or subdivision thereof, in work directly related to the academic instruction or training carried on therein; and

(b) Who customarily and regularly exercises discretion and independent judgment; and

(c)(1) Who regularly and directly assists the head of an employing office, or an employee employed in a bona fide executive or administrative capacity (as such terms are defined in the regulations of this subpart), or

(2) Who performs under only general supervision work along specialized or technical lines requiring special training, experience, or knowledge, or

(3) Who executes under only general supervision special assignments and tasks; and

(d) Who does not devote more than 20 percent, or, in the case of an employee of a retail or service establishment who does not devote as much as 40 percent, of his hours worked in the workweek to activities which are not directly and closely related to the performance of the work described in paragraphs (a) through (c) of this section; and

(e)(1) Who is compensated for his services on a salary or fee basis at a rate of not less than $155 per week, exclusive of board, lodging or other facilities, or

(2) Who, in the case of academic administrative personnel, is compensated for services as required by paragraph (e)(1) of this section, or on a salary basis which is at least equal to the entrance salary for teachers in the school system, educational establishment or institution by which employed: *Provided*, That an employee who is compensated on a salary or fee basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the performance of work described in paragraph (a) of this section, which includes work requiring the exercise of discretion and independent judgment, shall be deemed to meet all the requirements of this section.

§S541.3 Professional

The term *employee employed in a bona fide * * * professional capacity* in section 13(a)(1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of the performance of:

(1) Work requiring knowledge of an advance type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study, as distinguished from a general academic education and from an apprenticeship, and from training in the performance of routine mental, manual, or physical processes, or

(2) Work that is original and creative in a recognized field of artistic endeavor (as opposed to work which can be produced by a person endowed with general manual or intellectual ability and training), and the result of which depends primarily on the invention, imagination, or talent of the employee, or

(3) Teaching, tutoring, instructing, or lecturing in the activity of imparting knowledge and who is employed and engaged in this activity as a teacher in the school system, educational establishment or institution by which employed, or

(4) Work that requires theoretical and practical application of highly-specialized knowledge in computer systems analysis, programming, and software engineering, and who is employed and engaged in these activities as a computer systems analyst, computer programmer, software engineer, or other similarly skilled worker in the computer software field; and

(b) Whose work requires the consistent exercise of discretion and judgment in its performance; and

(c) Whose work is predominantly intellectual and varied in character (as opposed to routine mental, manual, mechanical, or physical work) and is of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and

(d) Who does not devote more than 20 percent of his hours worked in the workweek to activities which are not an essential part of and necessarily incident to the work described in paragraphs (a) through (c) of this section; and

(e) Who is compensated for services on a salary or fee basis at a rate of not less than $170 per week, exclusive of board, lodging or other facilities: *Provided*, That this paragraph shall not apply in the case of an employee who is the holder of a valid license or certificate permitting the practice of law or medicine or any of their branches and who is actually engaged in the practice thereof, nor in the case of an employee who is the holder of the requisite academic degree for the general practice of medicine and is engaged in an internship or resident program pursuant to the practice of medicine or any of its branches, nor in the case of an employee employed and engaged as a teacher as provided in paragraph (as)(3) of this section: *Provided further*, That an employee who is compensated on a salary or fee basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the performance either of work described in paragraph (a)(1), (3), or (4) of this section, which includes work requiring the consistent exercise of discretion and judgment, or of work requiring invention, imagination, or talent in a recognized field of artistic endeavor, shall be deemed to meet all of the requirements of this section: *Provided further*, That the salary or fee requirements of this paragraph shall not apply to an employee engaged in computer-related work within the scope of paragraph (a)(4) of this section and who is compensated on an hourly basis at a rate in excess of 6½ times the minimum wage provided by section 6 of the FLSA as applied by the CAA.

§S541.5b Equal pay provisions of section 6(d) of the FLSA as applied by the CAA extend to executive, administrative, and professional employees

The FLSA, as amended and as applied by the CAA, includes within the protection of the equal pay provisions those employees exempt from the minimum wage and overtime pay provisions as bona fide executive, administrative, and professional employees (including any employee employed in the capacity of academic administrative personnel or teacher in elementary or secondary schools) under section 13(a)(1) of the FLSA. Thus, for example, where an exempt administrative employee and another employee of the employing office are performing substantially "equal work," the sex discrimination prohibitions of section 6(d) are applicable with respect to any wage differential between those two employees.

§S541.5d Special provisions applicable to employees of public agencies

(a) An employee of a public agency who otherwise meets the requirement of being paid on a salary basis shall not be disqualified from exemption under Sec. S541.1, S541.2, or S541.3 on the basis that such employee is paid according to a pay system established by statute, ordinance, or regulation, or by a policy for practice established pursuant to principles of public accountability, under which the employee accrues personal leave and sick leave and which requires the public agency employee's pay to be reduced or such employee to be placed on leave without pay for absences for personal reasons or because of illness or injury of less than one work-day when accrued leave is not used by an employee because—

(1) permission for its use has not been sought or has been sought and denied;

(2) accrued leave has been exhausted; or

(3) the employee chooses to use leave without pay.

(b) Deductions from the pay for an employee of a public agency for absences due to a budget-required furlough shall not disqualify the employee from being paid 'on a salary basis' except in the workweek in which the furlough occurs and for which the employee's pay is accordingly reduced.

Part S547—Requirements of a "Bona Fide Thrift or Savings Plan"

Sec.
S547.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
S547.0 Scope and effect of part.
S547.1 Essential requirements of qualifications.
S547.2 Disqualifying provisions.

§ S547.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
547.0 Scope and effect of part	S547.0
547.1 Essential requirements of qualifications	S547.1
547.2 Disqualifying provisions	S547.2

§ S547.0 Scope and effect of part

(a) The regulations in this part set forth the requirements of a "bona fide thrift or savings plan" under section 7(3)(e)(b) of the Fair Labor Standards Act of 1938, as amended (FLSA), as applied by the CAA. In determining the total remuneration for employment which section 7(e) of the FLSA requires to be included in the regular rate at which an employee is employed, it is not necessary to include any sums paid to or on behalf of such employee, in recognition of services performed by him during a given period, which are paid pursuant to a bona fide thrift or savings plan meeting the requirements set forth herein. In the formulation of these regulations due regard has been given to the factors and standards set forth in section 7(e)(3)(b) of the Act.

(b) Where a thrift or savings plan is combined in a single program (whether in one or more documents) with a plan or trust for providing old age, retirement, life, accident or health insurance or similar benefits for employees, contributions made by the employer pursuant to such thrift or savings plan may be excluded from the regular rate if the plan meets the requirements of the regulation in this part and the contributions made for the other purposes may be excluded from the regular rate if they meet the tests set forth in regulations.

§ S547.1 Essential requirements for qualifications

(a) A "bona fide thrift or savings plan" for the purpose of section 7(e)(3)(b) of the FLSA as applied by the CAA is required to meet all the standards set forth in paragraphs (b) through (f) of this section and must not contain the disqualifying provisions set forth in § S547.2.

(b) The thrift or savings plan constitutes a definite program or arrangement in writing, adopted by the employer or by contract as a result of collective bargaining and communicated or made available to the employees, which is established and maintained, in good faith, for the purpose of encouraging voluntary thrift or savings by employees by providing an incentive to employees to accumulate regularly and retain cash savings for a reasonable period of time or to save through the regular purchase of public or private securities.

(c) The plan specifically shall set forth the category or categories of employees participating and the basis of their eligibility. Eligibility may not be based on such factors as hours of work, production, or efficiency of the employees: *Provided, however*, That hours of work may be used to determine eligibility of part-time or casual employees.

(d) The amount any employee may save under the plan shall be specified in the plan or determined in accordance with a definite formula specified in the plan, which formula may be based on one or more factors such as the straight-time earnings or total earnings, base rate of pay, or length of service of the employee.

(e) The employer's total contribution in any year may not exceed 15 percent of the participating employees' total earnings during that year. In addition, the employer's total contribution in any year may not exceed the total amount saved or invested by the participating employees during that year.

(f) The employer's contributions shall be apportioned among the individual employees in accordance with a definite formula or method of calculation specified in the plan, which formula or method of calculation is based on the amount saved or the length of time the individual employee retains his savings or investment in the plan. *Provided*, That no employee's share determined in accordance with the plan may be diminished because of any other remuneration received by him.

§ S547.2 Disqualifying provisions

(a) No employee's participation in the plan shall be on other than a voluntary basis.

(b) No employee's wages or salary shall be dependent upon or influenced by the existence of such thrift or savings plan or the employer's contributions thereto.

(c) The amounts any employee may save under the plan, or the amounts paid by the employer under the plan may not be based upon the employee's hours of work, production or efficiency.

Part S553—Overtime Compensation: Partial Exemption for Employees Engaged in Law Enforcement and Fire Protection; Overtime and Compensatory Time-Off for Employees Whose Work Schedule Directly Depends Upon the Schedule of the House

Introduction

Sec.
S553.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
S553.1 Definitions
S553.2 Purpose and scope

Subpart C—Partial exemption for employees engaged in law enforcement and fire protection

S553.201 Statutory provisions: section 7(k).
S553.202 Limitations.
S553.211 Law enforcement activities.
S553.212 Twenty percent limitation on nonexempt work.
S553.213 Public agency employees engaged in both fire protection and law enforcement activities.
S553.214 Trainees.
S553.215 Ambulance and rescue service employees.
S553.216 Other exemptions.
S553.220 "Tour of duty" defined.
S553.221 Compensable hours of work.
S553.222 Sleep time.
S553.223 Meal time.
S553.224 "Work period" defined.
S553.225 Early relief.
S553.226 Training time.
S553.227 Outside employment.
S553.230 Maximum hours standard for work periods of 7 to 28 days—section 7(k).
S553.231 Compensatory time off.
S553.232 Overtime pay requirements.
S553.233 "Regular rate" defined.

Subpart D—Compensatory time-off for overtime earned by employees whose work schedule directly depends upon the schedule of the House

S553.301 Definiton of "directly depends."
S553.302 Overtime compensation and compensatory time off for an employee whose work schedule directly depends upon the schedule of the House.
S553.303 Using compensatory time off.
S553.304 Payment of overtime compensation for accrued compensatory time off as of termination of service.

Introduction

§ S553.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
553.1 Definitions	S553.1
553.2 Purpose and scope	S553.2
553.201 Statutory provisions section 7(k)	S553.201
553.202 Limitations	S553.202
553.211 Law enforcement activities	S553.211
553.212 Twenty percent limitation on nonexempt work	S553.212
553.213 Public agency employees engaged in both fire protection and law enforcement activities	S553.213
553.214 Trainees	S553.214
553.215 Ambulance and rescue service employees	S553.215
553.216 Other exemptions	S553.216
553.220 "Tour of duty" defined	S553.220
553.221 Compensable hours of work	S553.221
553.222 Sleep time	S553.222
553.223 Meal time	S553.223
553.224 "Work period" defined	S553.224
553.225 Early relief	S553.225
553.226 Training time	S553.226
553.227 Outside employment	S553.227
553.230 Maximum hours standard for work periods of 7 to 28 days—section 7(k)	S553.230
553.231 Compensatory time off	S553.231
553.232 Overtime pay requirements	S553.232
553.233 "Regular rate" defined	S553.233

Introduction

§ S553.1 Definitions

(a) Act or FLSA means the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U.S.C. 201–219), as applied by the CAA.

(b) 1985 Amendments means the Fair Labor Standards Amendments of 1985 (Pub. L. 99-150).

(c) Public agency means an employing office as the term is defined in §__ 501.102 of this chapter, including the Capitol Police.

(d) Section 7(k) means the provisions of §7(k) of the FLSA as applied to covered employees and employing offices by §203 of the CAA.

§S553.2 Purpose and scope

The purpose of part S553 is to adopt with appropriate modifications the regulations of the Secretary of Labor to carry out those provisions of the FLSA relating to public agency employees as they are applied to covered employees and employing offices of the CAA. In particular, these regulations apply section 7(k) as it relates to fire protection and law enforcement employees of public agencies.

Subpart C—Partial Exemption for Employees Engaged in Law Enforcement and Fire Protection

§S553.201 Statutory provisions: section 7(k)

Section 7(k) of the Act provides a partial overtime pay exemption for fire protection and law enforcement personnel (including security personnel in correctional institutions) who are employed by public agencies on a work period basis. This section of the Act formerly permitted public agencies to pay overtime compensation to such employees in work periods of 28 consecutive days only after 216 hours of work. As further set forth in §S553.230 of this part, the 216-hour standard has been replaced, pursuant to the study mandated by the statute, by 212 hours for fire protection employees and 171 hours for law enforcement employees. In the case of such employees who have a work period of at least 7 but less than 28 consecutive days, overtime compensation is required when the ratio of the number of hours worked to the number of days in the work period exceeds the ratio of 212 (or 171) hours to 28 days.

§S553.202 Limitations

The application of §7(k), by its terms, is limited to public agencies, and does not apply to any private organization engaged in furnishing fire protection or law enforcement services. This is so even if the services are provided under contract with a public agency.

Exemption requirements

§S553.211 Law enforcement activities

(a) As used in §7(k) of the Act, the term 'any employee . . . in law enforcement activities' refers to any employee (1) who is a uniformed or plainclothed member of a body of officers and subordinates who are empowered by law to enforce laws designed to maintain public peace and order and to protect both life and property from accidental or willful injury, and to prevent and detect crimes, (2) who has the power to arrest, and (3) who is presently undergoing or has undergone or will undergo on-the-job training and/or a course of instruction and study which typically includes physical training, self-defense, firearm proficiency, criminal and civil law principles, investigative and law enforcement techniques, community relations, medical aid and ethics.

(b) Employees who meet these tests are considered to be engaged in law enforcement activities regardless of their rank, or of their status as "trainee," "probationary," or "permanent," and regardless of their assignment to duties incidental to the performance of their law enforcement activities such as equipment maintenance, and lecturing, or to support activities of the type described in paragraph (g) of this section, whether or not such assignment is for training or familiarization purposes, or for reasons of illness, injury or infirmity. The term would also include rescue and ambulance service personnel if such personnel form an integral part of the public agency's law enforcement activities. See Sec. S553.215.

(c) Typically, employees engaged in law enforcement activities include police who are regularly employed and paid as such. Other agency employees with duties not specifically mentioned may, depending upon the particular facts and pertinent statutory provisions in that jurisdiction, meet the three tests described above. If so, they will also qualify as law enforcement officers. Such employees might include, for example, any law enforcement employee within the legislative branch concerned with keeping public peace and order and protecting life and property.

(d) Employees who do not meet each of the three tests described above are not engaged in "law enforcement activities" as that term is used in sections 7(k). Employees who normally would not meet each of these tests include:

(1) Building inspectors (other than those defined in Sec. S553.213(a)),

(2) Health inspectors,

(3) Sanitarians,

(4) Civilian traffic employees who direct vehicular and pedestrian traffic at specified intersections or other control points,

(5) Civilian parking checkers who patrol assigned areas for the purpose of discovering parking violations and issuing appropriate warnings or appearance notices,

(6) Wage and hour compliance officers,

(7) Equal employment opportunity compliance officers, and

(8) Building guards whose primary duty is to protect the lives and property of persons within the limited area of the building.

(e) The term "any employee in law enforcement activities" also includes, by express reference, "security personnel in correctional institutions." Typically, such facilities may include precinct house lockups. Employees of correctional institutions who qualify as security personnel for purposes of the section 7(k) exemption are those who have responsibility for controlling and maintaining custody of inmates and of safeguarding them from other inmates or for supervising such functions, regardless of whether their duties are performed inside the correctional institution or outside the institution. These employees are considered to be engaged in law enforcement activities regardless of their rank or of their status as "trainee," "probationary," or "permanent," and regardless of their assignment to duties incidental to the performance of their law enforcement activities, or to support activities of the type described in paragraph (f) of this section, whether or not such assignment is for training or familiarization purposes or for reasons of illness, injury or infirmity.

(f) Not included in the term "employee in law enforcement activities" are the so-called "civilian" employees of law enforcement agencies or correctional institutions who engage in such support activities as those performed by dispatcher, radio operators, apparatus and equipment maintenance and repair workers, janitors, clerks and stenographers. Nor does the term include employees in correctional institutions who engage in building repair and maintenance, culinary services, teaching, or in psychological, medical and paramedical services. This is so even though such employees may, when assigned to correctional institutions, come into regular contact with the inmates in the performance of their duties.

§S553.212 Twenty percent limitation on nonexempt work

(a) Employees engaged in fire protection or law enforcement activities as described in Secs. S553.210 and S553.211, may also engage in some nonexempt work which is not performed as an incident to or in conjunction with their fire protection or law enforcement activities. For example, firefighters who work for forest conservation agencies may, during slack times, plant trees and perform other conservation activities unrelated to their firefighting duties. The performance of such nonexempt work will not defeat the §7(k) exemption unless it exceeds 20 percent of the total hours worked by that employee during the workweek or applicable work period. A person who spends more than 20 percent of his/her working time in nonexempt activities is not considered to be an employee engaged in fire protection or law enforcement activities for purposes of this part.

(b) Public agency fire protection and law enforcement personnel may, at their own option, undertake employment for the same employer on an occasional or sporadic and part-time basis in a different capacity from their regular employment. The performance of such work does not affect the application of the §7(k) exemption with respect to the regular employment. In addition, the hours of work in the different capacity need not be counted as hours worked for overtime purposes on the regular job, nor are such hours counted in determining the 20 percent tolerance for nonexempt work discussed in paragraph (a) of this section.

§S553.213 Public agency employees engaged in both fire protection and law enforcement activities

(a) Some public agencies have employees (often called "public safety officers") who engage in both fire protection and law enforcement activities, depending on the agency needs at the time. This dual assignment would not defeat the section 7(k) exemption, provided that each of the activities performed meets the appropriate tests set forth in Secs. S553.210 and S553.211. This is so regardless of how the employee's time is divided between the two activities. However, all time spent in nonexempt activities by public safety officers within the work period, whether performed in connection with fire protection or law enforcement functions, or with neither, must be combined for purposes of the 20 percent limitation on nonexempt work discussed in Sec. S553.212.

(b) As specified in Sec. S553.230, the maximum hours standards under section 7(k) are different for employees engaged in fire protection and for employees engaged in law enforcement. For those employees who perform both fire protection and law enforcement activities, the applicable standard is the one which applies to the activity in which the employee spends the majority of work time during the work period.

§S553.214 Trainees

The attendance at a bona fide fire or police academy or other training facility, when required by the employing agency, constitutes engagement in activities under section 7(k) only when the employee meets all the applicable tests described in Sec. S553.210 or Sec. S553.211 (except for the power of arrest for law enforcement personnel), as the case may be. If the applicable tests are met, then basic training or advanced training is considered incidental to, and part of, the employee's fire protection or law enforcement activities.

§ S553.215 Ambulance and rescue service employees

Ambulance and rescue service employees of a public agency other than a fire protection or law enforcement agency may be treated as employees engaged in fire protection or law enforcement activities of the type contemplated by §7(k) if their services are substantially related to firefighting or law enforcement activities in that (1) the ambulance and rescue service employees have received training in the rescue of fire, crime, and accident victims or firefighters or law enforcement personnel injured in the performance of their respective, duties, and (2) the ambulance and rescue service employees are regularly dispatched to fires, crime scenes, riots, natural disasters and accidents. As provided in Sec. S553.213(b), where employees perform both fire protection and law enforcement activities, the applicable standard is the one which applies to the activity in which the employee spends the majority of work time during the work period.

§ S553.216 Other exemptions

Although the 1974 Amendments to the FLSA as applied by the CAA provide special exemptions for employees of public agencies engaged in fire protection and law enforcement activities, such workers may also be subject to other exemptions in the Act, and public agencies may claim such other applicable exemptions in lieu of §7(k). For example, section 13(a)(1) as applied by the CAA provides a complete minimum wage and overtime pay exemption for any employee employed in a bona fide executive, administrative, or professional capacity, as those terms are defined and delimited in Part S541. The section 13(a)(1) exemption can be claimed for any fire protection or law enforcement employee who meets all of the tests specified in part S541 relating to duties, responsibilities, and salary. Thus, high ranking police officials who are engaged in law enforcement activities, may also, depending on the facts, qualify for the section 13(a)(1) exemption as "executive" employees. Similarly, certain criminal investigative agents may qualify as "administrative" employees under section 13(a)(1).

Tour of duty and compensable hours of work rules

§ S553.220 "Tour of duty" defined

(a) The term "tour of duty" is a unique concept applicable only to employees for whom the section 7(k) exemption is claimed. This term, as used in section 7(k), means the period of time during which an employee is considered to be on duty for purposes of determining compensable hours. It may be a scheduled or unscheduled period. Such periods include "shifts" assigned to employees often days in advance of the performance of the work. Scheduled periods also include time spent in work outside the "shift" which the public agency employer assigns. For example, a police officer may be assigned to crowd control during a parade or other special event outside of his or her shift.

(b) Unscheduled periods include time spent in court by police officers, time spent handling emergency situations, and time spent working after a shift to complete an assignment. Such time must be included in the compensable tour of duty even though the specific work performed may not have been assigned in advance.

(c) The tour of duty does not include time spent working for a separate and independent employer in certain types of special details as provided in Sec. S553.227.

§ S553.221 Compensable hours of work

(a) The rules under the FLSA as applied by the CAA on compensable hours of work are applicable to employees for whom the section 7(k) exemption is claimed. Special rules for sleep time (Sec. S553.222) apply to both law enforcement and firefighting employees for whom the section 7(k) exemption is claimed. Also, special rules for meal time apply in the case of firefighters (Sec. S553.223).

(b) Compensable hours of work generally include all of the time during which an employee is on duty on the employer's premises or at a prescribed workplace, as well as all other time during which the employee is suffered or permitted to work for the employer. Such time includes all pre-shift and post-shift activities which are an integral part of the employee's principal activity or which are closely related to the performance of the principal activity, such as attending roll call, writing up and completing tickets or reports, and washing and re-racking fire hoses.

(c) Time spent away from the employer's premises under conditions that are so circumscribed that they restrict the employee from effectively using the time for personal pursuits also constitutes compensable hours of work. For example, where a police station must be evacuated because of an electrical failure and the employees are expected to remain in the vicinity and return to work after the emergency has passed, the entire time spent away from the premises is compensable. The employees in this example cannot use the time for their personal pursuits.

(d) An employee who is not required to remain on the employer's premises but is merely required to leave word at home or with company officials where he or she may be reached is not working while on call. Time spent at home on call may or may not be compensable depending on whether the restrictions placed on the employee preclude using the time for personal pursuits. Where, for example, a firefighter has returned home after the shift, with the understanding that he or she is expected to return to work in the event of an emergency in the night, such time spent at home is normally not compensable. On the other hand, where the conditions placed on the employee's activities are so restrictive that the employee cannot use the time effectively for personal pursuits, such time spent on call is compensable.

(e) Normal home to work travel is not compensable, even where the employee is expected to report to work at a location away from the location of the employer's premises.

(f) A police officer, who has completed his or her tour of duty and who is given a patrol car to drive home and use on personal business, is not working during the travel time even where the radio must be left on so that the officer can respond to emergency calls. Of course, the time spent in responding to such calls is compensable.

§ S553.222 Sleep time

(a) Where a public agency elects to pay overtime compensation to firefighters and/or law enforcement personnel in accordance with section 7(a)(1) of the Act, the public agency may exclude sleep time from hours worked if all the conditions for the exclusion of such time are met.

(b) Where the employer has elected to use the section 7(k) exemption, sleep time cannot be excluded from the compensable hours of work where

(1) The employee is on a tour of duty of less than 24 hours, and

(2) Where the employee is on a tour of duty of exactly 24 hours.

(c) Sleep time can be excluded from compensable hours of work, however, in the case of police officers or firefighters who are on a tour of duty of more than 24 hours, but only if there is an expressed or implied agreement between the employer and the employees to exclude such time. In the absence of such an agreement, the sleep time is compensable. In no event shall the time excluded as sleep time exceed 8 hours in a 24-hour period. If the sleep time is interrupted by a call to duty, the interruption must be counted as hours worked. If the sleep period is interrupted to such an extent that the employee cannot get a reasonable night's sleep (which, for enforcement purposes means at least 5 hours), the entire time must be counted as hours of work.

§ S553.223 Meal time

(a) If a public agency elects to pay overtime compensation to firefighters and law enforcement personnel in accordance with section 7(a)(1) of the Act, the public agency may exclude meal time from hours worked if all the statutory tests for the exclusion of such time are met.

(b) If a public agency elects to use the section 7(k) exemption, the public agency may, in the case of law enforcement personnel, exclude meal time from hours worked on tours of duty of 24 hours or less, provided that the employee is completely relieved from duty during the meal period, and all the other statutory tests for the exclusion of such time are met. On the other hand, where law enforcement personnel are required to remain on call in barracks or similar quarters, or are engaged in extended surveillance activities (e.g., stakeouts'), they are not considered to be completely relieved from duty, and any such meal periods would be compensable.

(c) With respect to firefighters employed under section 7(k), who are confined to a duty station, the legislative history of the Act indicates Congressional intent to mandate a departure from the usual FLSA "hours of work" rules and adoption of an overtime standard keyed to the unique concept of 'tour of duty' under which firefighters are employed. Where the public agency elects to use the section 7(k) exemption for firefighters, meal time cannot be excluded from the compensable hours of work where (1) the firefighter is on a tour of duty of less than 24 hours, and (2) where the firefighter is on a tour of duty of exactly 24 hours.

(d) In the case of police officers or firefighters who are on a tour of duty of more than 24 hours, meal time may be excluded from compensable hours of work provided that the statutory tests for exclusion of such hours are met.

§ S553.224 "Work period" defined

(a) As used in section 7(k), the term "work period" refers to any established and regularly recurring period of work which, under the terms of the Act and legislative history, cannot be less than 7 consecutive days nor more than 28 consecutive days. Except for this limitation, the work period can be of any length, and it need not coincide with the duty cycle or pay period or with a particular day of the week or hour of the day. Once the beginning and ending time of an employee's work period is established, however, it remains fixed regardless of how many hours are worked within the period. The beginning and ending of the work period may be changed, provided that the change is intended to be permanent and is not designed to evade the overtime compensation requirements of the Act.

(b) An employer may have one work period applicable to all employees, or different work periods for different employees or groups of employees.

§ S553.225 *Early relief*

It is a common practice among employees engaged in fire protection activities to relieve employees on the previous shift prior to the scheduled starting time. Such early relief time may occur pursuant to employee agreement, either expressed or implied. This practice will not have the effect of increasing the number of compensable hours of work for employees employed under section 7(k) where it is voluntary on the part of the employees and does not result, over a period of time, in their failure to receive proper compensation for all hours actually worked. On the other hand, if the practice is required by the employer, the time involved must be added to the employee's tour of duty and treated as compensable hours of work.

§ S553.226 *Training time*

(a) The general rules for determining the compensability of training time under the FLSA apply to employees engaged in law enforcement or fire protection activities.

(b) While time spent in attending training required by an employer is normally considered compensable hours of work, following are situations where time spent by employees in required training is considered to be noncompensable:

(1) Attendance outside of regular working hours at specialized or follow-up training, which is required by law for certification of public and private sector employees within a particular governmental jurisdiction (e.g., certification of public and private emergency rescue workers), does not constitute compensable hours of work for public employees within that jurisdiction and subordinate jurisdictions.

(2) Attendance outside of regular working hours at specialized or follow-up training, which is required for certification of employees of a governmental jurisdiction by law of a higher level of government, does not constitute compensable hours of work.

(3) Time spent in the training described in paragraphs (b) (1) or (2) of this section is not compensable, even if all or part of the costs of the training is borne by the employer.

(c) Police officers or firefighters, who are in attendance at a police or fire academy or other training facility, are not considered to be on duty during those times when they are not in class or at a training session, if they are free to use such time for personal pursuits. Such free time is not compensable.

§ S553.227 *Outside employment*

(a) Section 7(p)(1) makes special provision for fire protection and law enforcement employees of public agencies who, at their own option, perform special duty work in fire protection, law enforcement or related activities for a separate and independent employer (public or private) during their off-duty hours. The hours of work for the separate and independent employer are not combined with the hours worked for the primary public agency employer for purposes of overtime compensation.

(b) Section 7(p)(1) applies to such outside employment provided (1) the special detail work is performed solely at the employee's option, and (2) the two employers are in fact separate and independent.

(c) Whether two employers are, in fact, separate and independent can only be determined on a case-by-case basis.

(d) The primary employer may facilitate the employment or affect the conditions of employment of such employees. For example, a police department may maintain a roster of officers who wish to perform such work. The department may also select the officers for special details from a list of those wishing to participate, negotiate their pay, and retain a fee for administrative expenses. The department may require that the separate and independent employer pay the fee for such services directly to the department, and establish procedures for the officers to receive their pay for the special details through the agency's payroll system. Finally, the department may require that the officers observe their normal standards of conduct during such details and take disciplinary action against those who fail to do so.

(e) Section 7(p)(1) applies to special details even where a State law or local ordinance requires that such work be performed and that only law enforcement or fire protection employees of a public agency in the same jurisdiction perform the work. For example, a city ordinance may require the presence of city police officers at a convention center during concerts or sports events. If the officers perform such work at their own option, the hours of work need not be combined with the hours of work for their primary employer in computing overtime compensation.

(f) The principles in paragraphs (d) and (e) of this section with respect to special details of public agency fire protection and law enforcement employees under section 7(p)(1) are exceptions to the usual rules on joint employment set forth in part 791 of this title.

(g) Where an employee is directed by the public agency to perform work for a second employer, section 7(p)(1) does not apply. Thus, assignments of police officers outside of their normal work hours to perform crowd control at a parade, where the assignments are not solely at the option of the officers, would not qualify as special details subject to this exception. This would be true even if the parade organizers reimburse the public agency for providing such services.

(h) Section 7(p)(1) does not prevent a public agency from prohibiting or restricting outside employment by its employees.

Overtime compensation rules

§ S553.230 *Maximum hours standards for work periods of 7 to 28 days—section 7(k)*

(a) For those employees engaged in fire protection activities who have a work period of at least 7 but less than 28 consecutive days, no overtime compensation is required under section 7(k) until the number of hours worked exceeds the number of hours which bears the same relationship to 212 as the number of days in the work period bears to 28.

(b) For those employees engaged in law enforcement activities (including security personnel in correctional institutions) who have a work period of at least 7 but less than 28 consecutive days, no overtime compensation is required under section 7(k) until the number of hours worked exceeds the number of hours which bears the same relationship to 171 as the number of days in the work period bears to 28.

(c) The ratio of 212 hours to 28 days for employees engaged in fire protection activities is 7.57 hours per day (rounded) and the ratio of 171 hours to 28 days for employees engaged in law enforcement activities is 6.11 hours per day (rounded). Accordingly, overtime compensation (in premium pay or compensatory time) is required for all hours worked in excess of the following maximum hours standards (rounded to the nearest whole hour):

Work period (days)	Maximum hours standards	
	Fire protection	Law enforcement
28	212	171
27	204	165
26	197	159
25	189	153
24	182	147
23	174	141
22	167	134
21	159	128
20	151	122
19	144	116
18	136	110
17	129	104
16	121	98
15	114	92
14	106	86
13	98	79
12	91	73
11	83	67
10	76	61
9	68	55
8	61	49
7	53	43

§ S553.231 *Compensatory time off*

(a) Law enforcement and fire protection employees who are subject to the section 7(k) exemption may receive compensatory time off in lieu of overtime pay for hours worked in excess of the maximum for their work period as set forth in Sec. S553.230.

(b) Section 7(k) permits public agencies to balance the hours of work over an entire work period for law enforcement and fire protection employees. For example, if a firefighter's work period is 28 consecutive days, and he or she works 80 hours in each of the first two weeks, but only 52 hours in the third week, and does not work in the fourth week, no overtime compensation (in cash wages or compensatory time) would be required since the total hours worked do not exceed 212 for the work period. If the same firefighter had a work period of only 14 days, overtime compensation or compensatory time off would be due for 54 hours (160 minus 106 hours) in the first 14 day work period.

§ S553.232 *Overtime pay requirements*

If a public agency pays employees subject to section 7(k) for overtime hours worked in cash wages rather than compensatory time off, such wages must be paid at one and one-half times the employees' regular rates of pay.

§ S553.233 *'Regular rate' defined*

The statutory rules for computing an employee's 'regular rate', for purposes of the Act's overtime pay requirements are applicable to employees or whom the section 7(k) exemption is claimed when overtime compensation is provided in cash wages.

Subpart D—Compensatory time-off for overtime earned by employees whose work schedule directly depends upon the schedule of the Senate

§ S553.301 *Definition of "directly depends"*

For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the Senate only if the eligible employee performs work that directly supports the conduct of legislative or other business in the chamber and works hours that regularly change in response to the schedule of the House and the Senate.

§ S553.302 Overtime compensation and compensatory time off for an employee whose work schedule directly depends upon the schedule of the Senate

No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a) of the Fair Labor Standards Act ("FLSA") to covered employees and employing office, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA where the employee's work schedule directly depends on the schedule of the Senate within the meaning of § S553.301, and: (a) the employee is compensated at the rate of time-and-a-half in pay for all hours in excess of 40 and up to 60 hours in a workweek, and (b) the employee is compensated at the rate of time-and-a-half in either pay or in time off for all hours in excess of 60 hours in a workweek.

§ S553.303 Using compensatory time off

An employee who has accrued compensatory time off under § S553.302, upon his or her request, shall be permitted by the employing office to use such time within a reasonable period after making the request, unless the employing office makes a bona fide determination that the needs of the operations of the office do not allow the taking of compensatory time off at the time of the request. An employee may renew the request at a subsequent time. An employing office may also, upon reasonable notice, require an employee to use accrued compensatory timeoff.

§ S553.304 Payment of overtime compensation for accrued compensatory time off as of termination of service

An employee who has accrued compensatory time authorized by this regulation shall, upon termination of employment, be paid for the unused compensatory time at the rate earned by the employee at the time the employee receives such payment.

Part S570—Child Labor Regulations

Subpart A—General

Sec.
S570.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
S570.1 Definitions.
S570.2 Minimum age standards.

Subpart C—Employment of minors between 14 and 16 years of age (child labor reg. 3)

S570.31 Determination.
S570.32 Effect of this subpart.
S570.33 Occupations.
S570.35 Periods and conditions of employment.

Subpart A—General

§ S570.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance Regulations under Section 202 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
570.1 Definitions	S570.1
570.2 Minimum age standards	S570.2
570.31 Determinations	S570.31
570.32 Effect of this subpart	S570.32
570.33 Occupations	S570.33
570.35 Periods and conditions of employment	S570.35

§ S570.1 Definitions

As used in this part:

(a) *Act* means the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U.S.C. 201-219).

(b) *Oppressive child labor* means employment of a minor in an occupation for which he does not meet the minimum age standards of the Act, as set forth in Sec. S570.2 of this subpart.

(c) *Oppressive child labor age* means an age below the minimum age established under the Act for the occupation in which a minor is employed or in which his employment is contemplated.

(d) [Reserved]

(e) [Reserved]

(f) *Secretary or Secretary of Labor* means the Secretary of Labor, United States Department of Labor, or his authorized representative.

(g) *Wage and Hour Division* means the Wage and Hour Division, Employment Standards Administration, United States Department of Labor.

(h) *Administrator* means the Administrator of the Wage and Hour Division or his authorized representative.

§ S570.2 Minimum age standards

(a) All occupations except in agriculture. (1) The Act, in section 3(l), sets a general 16-year minimum age which applies to all employment subject to its child labor provisions in any occupation other than in agriculture, with the following exceptions:

(i) The Act authorizes the Secretary of Labor to provide by regulation or by order that the employment of employees between the ages of 14 and 16 years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor, if and to the extent that the Secretary of Labor determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being (see subpart C of this part); and

(ii) The Act sets an 18-year minimum age with respect to employment in any occupation found and declared by the Secretary of Labor to be particularly hazardous for the employment of minors of such age or detrimental to their health or well-being.

(2) The Act exempts from its minimum age requirements the employment by a parent of his own child, or by a person standing in place of a parent of a child in his custody, except in occupations to which the 18-year age minimum applies and in manufacturing and mining occupations.

Subpart B—[Reserved]

Subpart C—Employment of minors between 14 and 16 years of age (child labor reg. 3)

§ S570.31 Determination

The employment of minors between 14 and 16 years of age in the occupations, for the periods, and under the conditions hereafter specified does not interfere with their schooling or with their health and well-being and shall not be deemed to be oppressive child labor.

§ S570.32 Effect of this subpart

In all occupations covered by this subpart the employment (including suffering or permitting to work) by an employer of minor employees between 14 and 16 years of age for the periods and under the conditions specified in § S570.35 shall not be deemed to be oppressive child labor within the meaning of the Fair Labor Standards Act of 1938.

§ S570.33 Occupations

This subpart shall apply to all occupations other than the following:

(a) Manufacturing, mining, or processing occupations, including occupations requiring the performance of any duties in work rooms or work places where goods are manufactured, mined, or otherwise processed;

(b) Occupations which involve the operation or tending of hoisting apparatus or of any power-driven machinery other than office machines;

(c) The operation of motor vehicles or service as helpers on such vehicles;

(d) Public messenger service;

(e) Occupations which the Secretary of Labor may, pursuant to section 3(l) of the Fair Labor Standards Act and Reorganization Plan No. 2, issued pursuant to the Reorganization Act of 1945, find and declare to be hazardous for the employment of minors between 16 and 18 years of age or detrimental to their health or well-being;

(f) Occupations in connection with:

(1) Transportation of persons or property by rail, highway, air, water, pipeline, or other means;

(2) Warehousing and storage;

(3) Communications and public utilities;

(4) Construction (including demolition and repair); except such office (including ticket office) work, or sales work, in connection with paragraphs (f)(1), (2), (3), and (4) of this section, as does not involve the performance of any duties on trains, motor vehicles, aircraft, vessels, or other media of transportation or at the actual site of construction operations.

§ S570.35 Periods and conditions of employment

(a) Except as provided in paragraph (b) of this section, employment in any of the occupations to which this subpart is applicable shall be confined to the following periods:

(1) Outside school hours;

(2) Not more than 40 hours in any 1 week when school is not in session;

(3) Not more than 18 hours in any 1 week when school is in session;

(4) Not more than 8 hours in any 1 day when school is not in session;

(5) Not more than 3 hours in any 1 day when school is in session;

(6) Between 7 a.m. and 7 p.m. in any 1 day, except during the summer (June 1 through Labor Day) when the evening hour will be 9 p.m.

HOUSE OF REPRESENTATIVES

FAIR LABOR STANDARDS ACT, FINAL AND INTERIM REGULATIONS RELATING TO THE HOUSE OF REPRESENTATIVES AND ITS EMPLOYING OFFICES

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAIR LABOR STANDARDS ACT OF 1938

NOTICE OF ADOPTION OF REGULATIONS AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors of the Office of Compliance, after considering comments to its general Notice of Proposed Rulemaking published on November 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations to implement sections 203(a) and 203(c) (1) and (2) of the Congressional Accountability Act of 1995 ("CAA"), which apply certain rights and protections of the Fair Labor Standards Act of 1938. The Board is also adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540-1999. Telephone: (202) 724-9250.

I. Background and Summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), Pub. L. 104-1, 109 Stat. 3, was enacted on January 23, 1995. 2 U.S.C. §§1301 et seq. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. In addition, the statute establishes the Office of Compliance ("Office") with a Board of Directors ("Board") as "an independent office within the legislative branch of the Federal Government." Section 203(a) of the CAA applies the rights and protections of subsections a(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 ("FLSA") (29 U.S.C. 206(a)(1) and (d), 207, and 212(c)) to covered employees and employing offices. 2 U.S.C. §1313. Section 203(c)(2) of the CAA directs the Board to issue substantive regulations that "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. 2 U.S.C. §1313(c)(2). On September 28, 1995, the Board of the Office of Compliance issued an Advance Notice of Proposed Rulemaking ("ANPR") soliciting comments from interested parties in order to obtain participation and information early in the rulemaking process. 141 Cong. Rec. S14542 (daily ed., Sept. 28, 1995).

On November 28, 1995, the Board published in the Congressional Record a Notice of Proposed Rulemaking (NPR) (141 Cong. Rec. S17603-27 (daily ed.)). In response to the NPR, the Board received six written comments, three of which were from offices of the Congress and three of which were from organizations associated with the business community and organized labor. The comments included requests that the Board should provide additional guidance to employing offices on complying with the CAA and compliance issues raised by the ambiguities in the Secretary of Labor's regulations.

Parenthetically, it should also be noted that, on October 11, 1995, the Board published a Notice of Proposed Rulemaking in the Congressional Record (141 Cong. R. S15025 (daily ed., October 11, 1995) ("NPR")), inviting comments from intersted parties on the proposed FLSA regulations which the CAA directed the Board to issue on the definition of "intern" and on "irregular work schedules." Final regulations on those matters were separately adopted by the Board on January 16, 1996. However, because they are regulations implementing the rights and protections of the FLSA made applicable by the CAA, the Board has incorporated those regulations into the body of final regulations being adopted pursuant to this Notice. The definition of "interim" may be found in section [H or S] 501.102 (c) and (h), and the "irregular work schedules" regulation may be found in sections [H or S or C] 553.301-553.304.

II. Consideration of public comments; the Board's response and modifications to the NPR's rules

A. Requests that the Board provide additional guidance, including interpretative bulletins and opinion letters

The Board first turns to the issue of whether and in what circumstances the Board can and should give authoritative guidance to employing offices about issues arising from ambiguities in and uncertain applications of the Secretary's regulations. Commenters have formally and informally requested such guidance in various forms: that the Board change the Secretary's regulations to clarify ambiguities; that the Board adopt the Secretary's interpretive bulletins; that the Board issue the Secretary of Labor's interpretative bulletins as its own regulations; that the Board issue opinion letters constituting safe harbors from litigation; that the Board give its imprimatur, either formally or informally, to employee handbooks and other human resource activities of employing offices. Mindful that the Board's first decisions on these matters will have important institutional and legal implications, the Board has carefully considered these requests, as well as the underlying concerns they reflect.

At the outset, the Board must decline the suggestion that it modify the Secretary's regulations in order to remove the ambiguities and resulting uncertainties that Congressional offices will face in complying with the CAA once it takes effect. The Board's authority to modify the regulations of the Secretary is explicitly limited by the requirement that the substantive regulations issued by the Secretary of Labor "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. As is true of many regulatory issues, ambiguity and uncertainty are part of the the FLSA regulatory regime that is presently imposed—with much criticism and protest—on private sector and state and local government employers.

The example of the executive, administrative and professional employee exemptions illustrates this point. The Board specifically highlighted this problem and asked for comment in its ANPR (141 Cong. Rec. S14542, S14543) on September 28, 1995. Although the Board received many comments on this issue and is sympathetic with the concerns of employing offices confronting such ambiguity and uncertainty, the Board has neither been given nor can find appropriate justification for relieving employing offices of the compliance burdens that all employers face under the FLSA. The CAA was intended not only to bring covered employees the benefits of the FLSA and other incorporated laws, but also to require Congress to experience the same compliance burdens faced by other employers so that it could more fairly legislate in this area. The Board cannot agree with suggestions that would rob the CAA of one of its principal intended effects.

The Board must also decline the suggestion that it adopt, as either formal regulations or as its own interpretive authority, the interpretive bulletins found in Subpart B of Part 541 and elsewhere in the Secretary of Labor's regulations. Section 203(c)(2) of the CAA requires the Board to promulgate regulations that are the same as the *substantive* regulations promulgated by the Secretary. But, as explained in the NPR, the interpretive bulletins set forth in Subpart B of Part 541 and elsewhere in the Secretary of Labor's regulations are not *substantive* regulations within the meaning of the law. Moreover, with respect to the concern expressed by some commenters that congressional employing offices would be at a distinct disadvantage if the Board does not adopt the Secretary's interpretative bulletins, the Board again notes, as it did in the NPR, that the Board need not adopt the Secretary's interpretive bulletins in order for them to be available as guidance for employing offices. While the Board is not adopting these interpretive bulletins, the Board reiterates that, like the myriad judicial decisions under the FLSA that are available as guidance for employing offices, the Secretary's interpretive bulletins remain available as part of the corpus of interpretive materials to which employing offices may look in structuring their FLSA-related compliance activities. Indeed, as the Board also noted in the NPR, since the CAA may properly be interpreted as incorporating the defenses and exemptions set forth in the Portal-to-Portal Act, an employing office that relies in good faith on an applicable interpretive bulletin of the Secretary may in fact have a statutory defense to an enforcement action brought by a covered employee. In short, contrary to the suggestion of these commenters, the Board need not adopt the Secretary's interpretive bulletins in order to give employing offices the benefit of them.

One commenter went so far as to suggest that, by not adopting the Secretary's interpretive bulletins, the Board has somehow signaled its intent to engage in a wholesale reinterpretation of the FLSA and its implementing regulations. No such signal was sent; no such signal was intended. Since the CAA does not require adoption of these interpretive bulletins, and since they are independently available to employing offices, the Board merely determined that it need not adopt the Secretary's interpretative bulletins as its own. Moreover, like the Administrator and the courts, the Board intends to depart from the interpretive bulletins only where their persuasive force is lacking or the law otherwise requires (just as courts or the Administrator would do). *See Skidmore v. Swift & Co.*, 323 U.S. 134, 137-38 (1944); *Reich v. Interstate Brands Corp.*, 57 F.3d 574, 577 (7th Cir. 1995) ("[W]e give the Secretary's bulletins the respect their reasoning earns them."); *Dalheim v. KDFW-TV*, 918 F.2d 1220, 1228 (5th Cir. 1990) ("the persuasive authority of a given interpretation obtains only so long as 'all those factors which give it power to persuade' persist.") (quoting *Skidmore*).

As an alternative to modifying the regulations and adopting the interpretive bulletins of the Secretary, several commenters also suggested that the Board clarify regulatory ambiguities by issuing interpretive bulletins and advisory opinions of its own and thereby confer a Portal-to-Portal Act defense on employing offices that rely upon any such bulletins or advisory opinions of the Board. Indeed, at least one commenter suggested that the Board should provide advisory opinions and other counsel to employing offices that pose questions to it concerning, for example, the propriety of proposed model personnel practices, the exempt status of employees with specified job descriptions, the legality of proposed handbooks, and the qualification of certain House and Senate programs (such as the Federal Thrift Savings Plan) for defenses or exemptions recognized in the FLSA and the Secretary's regulations. The Board has considered these suggestions and, although empathizing with the concerns motivating these requests, finds these suggestions raise intractable legal and practical problems.

To begin with, the Board upon further study has determined that, contrary to the suggestion of the commenters, the Board cannot confer a Portal-to-Portal Act defense on employing offices for any reliance on pronouncements of the Board (as opposed to the Secretary). By its own terms, in the context of the FLSA, the Portal-to-Portal Act applies only to written administrative actions of the Wage and Hour Administrator of the Department of Labor. *See* 29 U.S.C.§259. The Portal-to-Portal Act does not mention the Board; and the Board's authority to amend the Secretary's regulations for "good cause" plainly does not extend to amending statutes such as the Portal-to-Portal Act. Thus, as the federal court of appeals which has jurisdiction over such matters under the CAA has held in an almost identical context, the Portal-to-Portal Act would not confer a defense upon employing offices that might rely upon a pronouncement of the Board. *See Berg v. Newman*, 982 F.2d 500, 503-504 (Fed Cir. 1992) ("To apply the statute to a regulation issued by OPM, an agency not referred to in section 259, would extend the section 259 exception beyond its scope"; "OPM's absence from section 259 prevents the Government from both adopting and shielding itself from liability for faulty regulations.") The final regulations so state.

Second, contrary to the assumption of these commenters, the Board has neither the legal basis nor the practical ability to issue the kind of interpretive bulletins or advisory opinions being requested. While the Administrator of the Wage and Hour Division entertains questions posed by employers about enforcement-related issues, the Administrator's willingness and ability to respond to such questions derives from and is constrained by her *investigatory* and *enforcement* responsibilities under the FLSA. As the Supreme Court stated over 50 years ago in *Skidmore v. Swift & Co.*, 323 U.S. 134, 137-38 (1944) (citations omitted): "Congress did not utilize the services of an administrative agency to find facts and to determine in the first instance whether particular cases fall within or without the Act. Instead, it put these responsibilities on the courts. But it did create the office of Administrator, impose upon him a variety of duties, endow him with powers to inform himself of conditions in industries and employments subject to the Act, and put on him the duties of bringing injunction actions to restrain violations. Pursuit of his duties has accumulated a considerable experience in the problems of ascertaining working time in employments involving periods of inactivity and a knowledge of the customs prevailing in reference to their solution. From these he is obliged to reach conclusions as to conduct without the law, so that he should seek injunctions to stop it, and that within the law, so that he has no call to interfere. He has set forth his views of the application of the Act under different circumstances in an interpretative bulletin and in informal rulings. They provide a practical guide to employers and employees as to how the office representing the public interest in its enforcement will seek to apply it."

In contrast, the Board has no investigative power by which it can inform itself of conditions, circumstances and customs of employment in the legislative branch; its resources for finding and considering such information are smaller by orders of substantial magnitude; and, most importantly, the Board has no cause to advise employees and employing offices concerning how it will seek to enforce the statute, since it has no enforcement powers under the CAA.

Indeed, on reflection, it seems unwise, if not legally improper, for the Board to set forth its views on interpretive ambiguities in the regulations outside of the adjudicatory context of individual cases. As noted above, the Board's rulemaking authority is quite restricted. Moreover, the Board has no enforcement authority and, in contrast to the FLSA scheme (where the Administrator has no adjudicatory authority to find facts and to determine in the first instance whether particular cases fall within or without the statute), the CAA contemplates that the Board will adjudicate cases brought by covered employees and that, in such adjudications, the Board must be of independent and open mind, bound to and limited by a factual record developed through an adversarial process governed by rules of law, and subject to judicial review of its decisions. See 2 U.S.C. §§1405-1407 (procedure for complaint, hearing, board review and judicial review; requiring hearings to be conducted in accordance with 5 U.S.C. §§554-557); 29 U.S.C. §§554-557. These legal safeguards and the institutional objectives they seek to promote—i.e., the accuracy of the Board's adjudicative decisions and the integrity of the Board's processes—would be undermined if the Board were to attempt to prejudge ambiguous or disputed interpretive matters in advisory opinions that were developed in non-adversarial, non-public proceedings. The Board thus cannot acquiesce in requests for such advisory opinions.

Some commenters suggested that the Board could properly issue such interpretive bulletins and advisory opinions under the rubric of the "education" and "information" programs allowed and, indeed, mandated by section 301(h) of the CAA. Of course, the Office's education and information programs are not the subject of this notice and comment and thus a discussion of "education" and "information" programs is not necessary to this rulemaking effort. But, upon due consideration of matter, it appears that this suggestion is based upon a fundamental misunderstanding of the institutional powers and responsibilities conferred upon and withheld from the Board and the Office by Congress in the CAA. Thus, it is both fair and prudent to address the issue at this point.

At the outset, the Board notes that Section 301(h)'s reference to "education" and "information" programs is not the broad mandate that these comments suggest. In contrast to other statutory schemes, section 301(h) does not authorize, much less compel, the development by the Board or the Office of "training" or "technical assistance" programs such as those that are included in the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Occupational Safety and Health Act of 1970, the Employee Polygraph Protection Act of 1988, and the Age Discrimination in Employment Act of 1967. Nor does the CAA authorize, much less compel, the issuance of interpretive bulletins, advisory opinions or enforcement guidelines, as agencies with investigative and prosecutorial powers (and matching resources) are sometimes allowed (although almost never compelled) to issue. Rather, section 301(h) directs the Office to carry out "a program of education for members of Congress and other employing authorities of the legislative branch of the Federal Government respecting the laws made applicable to them"; and "a program to inform individuals of their rights under laws applicable to the legislative branch of the Federal Government." 2 U.S.C. §1381(h). Such admonitions are, however, contained in almost all federal employment laws; and those experienced in the field understand them to concern only programs that ensure general "awareness" of rights and responsibilities under the pertinent law.

Section 301(h) must be read in the context of the powers granted to and withheld from the Board in the statutory scheme created by the CAA. The CAA authorizes the Board to engage in rulemaking, but requires the Board to follow specified procedures in doing so and, at least in the context of the FLSA, requires the Board to have "good cause" for departing from the Secretary of Labor's substantive regulations. Moreover, the CAA authorizes the Board to engage in adjudication, but only after a complaint is filed with the Office, a record is properly developed through an adversarial process governed by rules of law, and judicial review is assured. And the CAA rather pointedly declines to confer upon the Board the investigatory and prosecutorial authority that is necessary for sound decisionmaking and interpretation outside of the regulatory and adjudicatory contexts. Given this statutory scheme, section 301(h)'s "education and information" mandate cannot reasonably be construed to require (or even allow) the Board to engage in the kind of advisory counselling requested here—i.e., authoritative opinions developed in nonpublic, nonadversarial proceedings.

Indeed, Congress appears effectively to have considered this issue in the CAA and to have rejected the kind of relationship between the Board and employing offices that is contemplated by this request. The legislative history reflects a recognition that "the office must, in appearance and reality, be independent in order to gain and keep the confidence of the employees and employers who will utilize the dispute resolution process created by this act." 141 Cong. Rec. at S627. The legislative history further reflects a recognition that "laws cannot be enforced in a fair and uniform manner—and employees and the public cannot be convinced that the laws are being enforced in a fair and uniform manner—unless Congress establishes a single enforcement mechanism that is independent of each House of Congress." 141 Cong. Rec. at S444. The statute thus declares that the Office of Compliance is an "independent office" in the legislative branch; that the Office is governed by a Board of Directors whose members were appointed on a bi-partisan basis for non-partisan reasons, who may be removed in only quite limited circumstances, and whose incomes are largely derived from work in the private sector; and that the Board must follow formal public comment and adjudicatory procedures in making any decisions with legal effect. 2 U.S.C. §§1381 (a), (b), (e), (f), (g), 1384, 1405–6. The call for issuing advisory opinions in the "education" and "information" process—opinions that would be issued in non-public, non-adversarial proceedings without regard to the statutorily-required public comment and adjudicatory procedures—is in intolerable tension with the institutional independence, inclusiveness and procedural regularity contemplated for the Board by the CAA.

In all events, the Board would in the exercise of its considered judgment decline to provide authoritative opinions to employing offices as part of its "education" and "information" programs. Without investigatorial and prosecutorial authority (and matching resources), the Board has insufficient information and thus is practicably unable to provide such authoritative opinions. With severely restricted rulemaking authority, the Board cannot properly provide regulatory clarifications for employing offices when those clarifications have not been provided by the Secretary to private sector and state and local government employers. And, with its adjudicatory powers, the Board should not resolve disputed interpretive matters in the absence of a specific factual controversy, a record developed through an adversarial process governed by rules of law, and an opportunity for judicial review. To do otherwise would simply impair the independence, impartiality, and irreproachability of the Board's actions. In short, for much the same reasons that federal courts do not issue advisory opinions or ex parte decisions, neither should the Board. *See United States* v. *Freuhauf*, 365 U.S. 146, 157 (1961) (Frankfurter, J.) (discussing vices of advisory opinions).

To be sure, "education" and "information" programs are of central importance to the CAA scheme. Such programs are needed, in part, to help employing offices in their efforts to understand and satisfy their compliance obligations under the CAA. And the Board reiterates its intention, stated in the NPR, that the Office sponsor, and participate in, seminars on the obligations of employing offices, distribute a comprehensive manual to address frequently arising questions under the CAA (including questions relating to FLSA exemptions), and be available generally to discuss compliance-related issues when called upon by employing offices. But the Board itself will not and should not in this education and information process issue authoritative opinions about such matters as the exemption status of employees with specified job duties, the propriety of particular model handbooks and policies developed by employing offices, and the qualification of certain House and Senate programs (such as the Federal Thrift Savings Plan) for particular defenses and exemptions that are available under the regulations. Characterizing such interpretive activity as "educational" or "informational" does not in any way address, much less satisfactorily resolve, the serious legal and institutional concerns that make it unwise, if not improper, for the Board to engage in such interpretive activities outside of the adjudicative processes established by the CAA.

The Board recognizes that, by declining to provide such authoritative advisory opinions, the Board is forcing employing offices to rely to a greater extent upon their own counsel and human resources officials and in a sense is frustrating the efforts of employing offices to obtain desirable safe-harbors. The FLSA as currently applied to private employers contains few such safe-harbors, particularly in the area of exemptions. But many knowledgeable labor lawyers and human resources officials are available to provide employing offices with the kind of learned counsel and human resources advice that the employing offices are seeking from the Board; indeed, the House and Senate have centralized administrations and committees that can provide this legal support to employing offices. And employing offices have the benefit of the same legal safe-harbors that the Secretary of Labor has made available to private sector and State and local government employers. Under the CAA, they are legally entitled to no more.

Even more importantly, however, the Board finds that the long-term institutional harm to the CAA scheme that would result from the Board's providing such advisory opinions in non-public, non-adversarial proceedings far outweighs whatever short-term legal or political benefits might result for employing offices. As noted above, provision by the Board of such opinions could impair confidence in the independence, impartiality and irreproachability of the Board's decisionmaking processes. Such a lack of confidence could unfortunately induce employees to take their cases to court rather than bring them to the Board's less costly, confidential and expedited alternative dispute resolution process. Even more seriously, such a lack of confidence could cause the public and other interested persons to question the Board's commitment, and thus the sincerity of the CAA's promise, generally to provide covered employees the same benefits, and to subject the legislative branch to the same legal burdens, as exist with regard to private sector and State and local government employers that are subject to the FLSA. We are confident that, like the bi-partisan Congressional leadership who appointed us and who placed their trust in our experience and judgment concerning how best to implement this statute, those in Congress who voted for the CAA or who would support it today would want us to prefer the long term viability, integrity, and efficacy of this noble statutory enterprise over the short-term demands of employing offices.

B. Specific comments and Board action

1. §§541.1,.2,.3—"White collar" exemptions—Use of job descriptions to determine exempt status

The Board received several comments urging the Board, on the basis of generic job descriptions, to give advice to employing offices on whether covered employees are exempt as bona fide executive, administrative, or professional employees under FLSA §13(a)(1) as applied by the CAA. As noted above, it would not be appropriate to attempt to give such advice in the context of this rulemaking. The Board would note, as a further point, that submission of such descriptions which may describe functions of congressional employees would not, in any event, provide the detail necessary to determine the exempt or nonexempt status of the job. Job descriptions that utilize language or phraseology derived from the regulations today adopted by the Board do not provide the specificity of conclusions regarding exempt or nonexempt status. The Secretary's regulations, as adopted by the Board, speak for themselves. It would serve no purpose, and provide no guidance, simply to repeat the statutory standards for exemption in a job description without reference to the particular functions of a particular employee. The Fair Labor Standards Act is clear that actual function, and not description or job title, govern the exempt status of an employee. See, e.g., 29 C.F.R. §541.201 (3)(b)(1),(2).

2. §541.5d—Special rule for "white collar" employees of a public agency

Under §13(a)(1) of the FLSA, which is incorporated by reference under §225(f)(1) of the CAA, a salaried employee who is a bona fide executive, administrative, or professional employee need not be paid overtime compensation for hours worked in excess of the statutory maximum. Sections 541.1, 541.2, and 541.3, 29 C.F.R., of the Secretary of Labor's regulations respectively define the criteria for each of these "white collar" exemptions. Since they are substantive regulations, the Board in its NPR proposed to adopt them.

Among the regulations not proposed for adoption was §541.5d. This regulation provides that an employee shall not lose his or her "white collar" exemption where a "public agency" employer reduces an exempt employee's pay or places the employee on unpaid leave in certain circumstances for partial-day absences. As explained in the Federal Register Notice announcing its adoption, the Secretary of Labor issued §541.5d in response to concerns that the application of the FLSA to State and local governments would undermine well-settled "policies of public accountability" that require public employees (including those who would otherwise be exempt) to incur a reduction in pay if they absent themselves from work under certain circumstances. 57 Fed. Reg. 37677 (Aug. 19, 1992).

The Board originally did not propose adoption of this regulation. However, one commenter pointed out that, by its terms, §541.5d covers a "public agency," which is a statutory term defined in §3(x) of the FLSA to include "the government of the United States." As a definitional provision, §3(x) is incorporated into the CAA by virtue of §225(f)(1), and Congress is undeniably a branch of the "government of the United States."

The Board finds merit in the commenter's argument. Moreover, the adoption of this regulation is well in keeping with the Board's mandate to promulgate rules that are "the same as substantive regulations promulgated by the Department of Labor to implement" those FLSA statutory provisions made applicable by the CAA. Accordingly, §541.5d will be adopted with a minor change that substitutes for the citation to §541.118 (an interpretative bulletin) the phrase "being paid on a salary basis," which is derived directly from the substantive regulations defining the "white collar" exemptions (i.e., 29 C.F.R. §§541.1,.2,.3).

3. Partial overtime exemption for law enforcement officers

The Board did not propose to adopt any sections of 29 C.F.R. Part 553, which govern the application of the FLSA to employees of State and local governments. Subparts A and B of that Part address a variety of issues, including certain exclusions pertaining to elected legislative offices, the use of compensatory time off, recordkeeping, and the employment of volunteers. Subpart C addresses the special provisions which Congress enacted in §7(k) in connection with fire protection and law enforcement employees of public agencies.

Section 7(k) of the FLSA also provides a partial overtime exemption for fire protection and law enforcement employees of a public agency. Based on tour-of-duty averages that were determined by the Secretary of Labor in 1975, an employer need not pay overtime if, in a work period of 28 consecutive days, the employee receives a tour of duty which in the aggregate does not exceed 212 hours for fire protection activity or does not exceed 171 hours for law enforcement activity. Thus, for law enforcement personnel, work in excess of 171 hours during the 28-day period triggers the requirement to pay overtime compensation. For a work period of at least 7 but less than 28 consecutive days, overtime must be paid when the ratio of the number of hours worked to the number of days in the work period exceeds the 171-hours-to-28-days ratio (rounded to the nearest whole hour).

Although the regulations by their terms apply only to "public agencies" of State and local governments, one commenter observed that the underlying statutory provisions are not so limited but rather apply to any "public agency," which by definition includes the Federal government (See §3(x) of the FLSA). Accordingly, it was argued that the Board should adopt those regulations implementing the §7(k) partial overtime exemption insofar as it would apply to the law enforcement work of the Capitol Police.

For the reasons noted above that support adoption of §541.5d, the Board finds that the pertinent sections of Subpart C of Part 553 should also be adopted. Section 7(k) provides a direct textual basis for applying the relevant regulations. Thus, under the regulations, the Capitol Police as an employing office of law enforcement personnel shall have two options: It may pay such personnel overtime compensation on the basis of a 40-hour workweek. Alternatively, it may claim the section 7(k) exemption by establishing a valid work period that follows the criteria set forth in the regulations.

The Board is aware that Congress has enacted special provisions governing overtime compensation and compensatory time off for Capitol Police officers. 40 U.S.C. §206b (for police on the House's payroll) and §206c (for police on the Senate's payroll). However, the regulations being adopted here do not purport to modify those statutory provisions; and whether 40 U.S.C. §§206b–206c grant rights and protections to law enforcement employees that preclude the Capitol Police from availing itself of §7(k) of the FLSA is a question that the Board does not address. The regulations simply specify the rules for overtime policies that conform to the FLSA.

4. §570.35a—Work experience programs for minors

The CAA makes applicable to the legislative branch FLSA §12(c), which prohibits the use of oppressive child labor, and FLSA §3(*l*), which defines "oppressive child labor." In its NPR, the Board proposed adopting as part of the CAA rules applicable to the Senate certain substantive regulations of Part 570, 29 C.F.R., implementing these statutory provisions. This proposal was based on the Board's understanding that the Senate has a practice of appointing pages under 18 years of age.

One commenter confirmed this understanding by reporting that the Senate Page Program does employ minors under the age of 16. Thus, under the proposed regulations, there are limitations on the periods and the conditions under which such minors can work. Without disputing the applicability of this regulation, the commenter sought to mitigate its impact by urging the adoption of an additional regulation found in 29 C.F.R. Part 570, Subpart C, namely the rule that varies some of the provisions of Subpart C in the context of school-supervised and school-administered work-experience or career exploration programs that have been individually approved by the Wage and Hour Administrator. 29 C.F.R. §570.35a.

After carefully reviewing the provisions of §570.35a, the Board finds that it would not be appropriate to adopt this regulation. There is no available "State Educational Agency" in the context of the CAA; State law is not properly applicable here; and the Board is obviously not competent to set educational standards. In short, there are legal and practical reasons why this regulation is unworkable in the context of Federal legislative branch employment, and the Board thus has "good cause" not to adopt it.

5. Board determination on regulations "required" to be issued in connection with §411 default provision

Section 411 of the CAA provides in pertinent part that "if the Board has not issued a regulation on a matter for which [the CAA] requires a regulation to be issued the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue." By its own terms, this provision comes into play only where it is determined that the Board has not issued a regulation that is *required* by the CAA. Thus, before a Department of Labor regulation can be invoked, an adjudicator must make a threshold determination that the regulation concerns a matter as to which the Board was obligated under the CAA to issue a regulation.

As noted in the NPR, it was apparent in reviewing Chapter V of 29 C.F.R., which contains all the regulations of the Secretary of Labor issued to implement the FLSA generally, many of those regulations were not legally "required" to be issued as CAA regulations because the underlying FLSA provisions were not made applicable under the CAA. And there are other regulations that the Board has "good cause" not to issue because, for example, they have no applicability to legislative branch employment.

None of the comments to the NPR quarrelled with the Board's conclusion not to adopt those regulations that have little practical application. Therefore, the Board is not issuing regulations predicated upon the following Parts of 29 C.F.R.: Parts 519–528, which authorize subminimum wages for full-time students, student-learners, apprentices, learners, messengers, workers with disabilities, and student workers; Part 548, which authorizes in the collective bargaining context the establishment of basic wage rates for overtime compensation purposes; and Part 551, which implements an overtime exemption for local delivery drivers and helpers.

The comments did identify several individual regulations as to which there is not good cause to not adopt. As explained elsewhere, those regulations are being included in the final rules. However, in the main, the comments did not dispute the inapplicability of those Parts of 29 C.F.R. deemed legally irrelevant.

Accordingly, in keeping with its announced intent in the NPR, the Board is including in its final rules a declaration to the effect that the Board has issued those regulations that, as both a legal and practical matter, it is "required" to promulgate to implement the statutory provisions of the FLSA that are made applicable to the legislative branch by the CAA.

The Board has carefully reviewed the entire corpus of the Secretary's regulations, has sought comment on its proposal concerning the regulations that it should (and should not adopt), and has considered those comments in formulating its final rules. The Board has acted based on this review and consideration and in order to prevent wasteful litigation about whether the omission of a regulation from the Secretary in the Board's regulations was intended or not.

6. Recordkeeping and notice posting

One comment essentially requested that the Board revisit an issue which it resolved after receiving comments to its Advance Notice of Proposed Rulemaking (ANPR) published on October 11, 1995. The ANPR had solicited public comments on certain questions to assist the Board in drafting proposed FLSA regulations, including the question of whether the FLSA provisions regarding recordkeeping and the notice posting were made applicable by the CAA. As explained in the NPR, after evaluating the comments and carefully reviewing the CAA, the Board concluded that "the CAA explicitly did not incorporate the notice posting and recordkeeping requirements of Section 11, 29 U.S.C. §211 of the FLSA." The most recent comment offered no further statutory evidence to support a change in the Board's original conclusion.

7. Technical and nomenclature changes

A commenter suggested a number of technical and nomenclature changes to the proposed regulations to make them more precise in their application to the legislative branch. The Board has incorporated many of the suggested changes. However, by making these changes, the Board does not intend a substantive difference in meaning of these sections of the Board's regulations and those of the Secretary from which the Board's regulations are derived.

III. Adoption of Proposed Rules as Final Regulations under Section 304(b)(3) and as Interim Regulations

Having considered the public comments to the proposed rules, the Board pursuant to section 304(b) (3) and (4) of the CAA is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as *interim* regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. See, e.g., *Philadelphia Citizens in Action v. Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signalled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

IV. Method of approval

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

ADOPTED REGULATIONS—AS INTERIM AND AS FINAL REGULATIONS

Subtitle B—Regulations relating to the House of Representatives and its employing offices—H series

Chapter III—Regulations Relating to the Rights and Protections Under the Fair Labor Standards Act of 1938

Part H501—General provisions

Sec.

H501.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

H501.101 Purpose and scope.

H501.102 Definitions.

H501.103 Coverage.

H501.104 Administrative authority.

H501.105 Effect of Interpretations of the Labor Department.

H501.106 Application of the Portal-to-Portal Act of 1947.

H501.107 Duration of interim regulations.

§H501.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the parts of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding parts of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
Part 531 Wage payments under the Fair Labor Standards Act of 1938	Part H531
Part 541 Defining and delimiting the terms "bona fide executive," "administrative," and "professional" employees	Part H541
Part 547 Requirements of a "Bona fide thrift or savings plan"	Part H547
Part 553 Application of the FLSA to employees of public agencies	Part H553

Subpart A—Matters of general applicability

§H501.101 Purpose and scope

(a) Section 203 of the Congressional Accountability Act (CAA) provides that the rights and protections of subsections (a)(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 (FLSA) (29 U.S.C. §§206(a)(1) & (d), 207, 212(c)) shall apply to covered employees of the legislative branch of the Federal government. Section 301 of the CAA creates the Office of Compliance as an independent office in the legislative branch for enforcing the rights and protections of the FLSA, as applied by the CAA.

(b) The FLSA as applied by the CAA provides for minimum standards for both wages and overtime entitlements, and delineates administrative procedures by which covered worktime must be compensated. Included also in the FLSA are provisions related to child labor, equal pay, and portal-to-portal activities. In addition, the FLSA exempts specified employees or groups of employees from the application of certain of its provisions.

(c) This chapter contains the substantive regulations with respect to the FLSA that the Board of Directors of the Office of Compliance has adopted pursuant to Sections 203(c) and 304 of the CAA, which require that the Board promulgate regulations that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of §203 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section."

(d) These regulations are issued by the Board of Directors, Office of Compliance, pursuant to sections 203(c) and 304 of the CAA, which directs the Board to promulgate regulations implementing section 203 that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection a [of section 203 of the CAA] except insofar as the Board may determine, for good cause shown . . .that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." The regulations issued by the Board herein are on all matters for which section 203 of the CAA requires regulations to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of the promulgation of these regulations, that, with the exception of regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 203 of the CAA]."

(e) In promulgating these regulations, the Board has made certain technical and nomenclature changes to the regulations as promulgated by the Secretary. Such changes are intended to make the provisions adopted accord more naturally to situations in the legislative branch. However, by making these changes, the Board does not intend a substantive difference between these regulations and those of the Secretary from which they are derived. Moreover, such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

§ H501.102 Definitions

For purposes of this chapter:

(a) *CAA* means the Congressional Accountability Act of 1995 (P.L. 104-1, 109 Stat. 3, 2 U.S.C. §§ 1301-1438).

(b) *FLSA* or *Act* means the Fair Labor Standards Act of 1938, as amended (29 U.S.C. § 201 et seq.), as applied by section 203 of the CAA to covered employees and employing offices.

(c) *Covered employee* means any employee of the House of Representatives, including an applicant for employment and a former employee, but shall not include an intern.

(d) *Employee of the House of Representatives* includes any individual occupying a position the pay for which is disbursed by the Clerk of the House of Representatives, or another official designated by the House of Representatives, or any employment position in an entity that is paid with funds derived from the clerk-hire allowance of the House of Representatives but not any such individual employed by (1) the Capitol Guide Service; (2) the Capitol Police; (3) the Congressional Budget Office; (4) the Office of the Architect of the Capitol; (5) the Office of the Attending Physician; (6) the Office of Compliance; or (7) the Office of Technology Assessment.

(e) *Employing office* and *employer* mean (1) the personal office of a Member of the House of Representatives; (2) a committee of the House of Representatives or a joint committee; or (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives.

(f) *Board* means the Board of Directors of the Office of Compliance.

(g) *Office* means the Office of Compliance.

(h) *Intern* is an individual who (a) is performing services in an employing office as part of a demonstrated educational plan, and (b) is appointed on a temporary basis for a period not to exceed 12 months; *provided* that if an intern is appointed for a period shorter than 12 months, the intern may be reappointed for additional periods as long as the total length of the internship does not exceed 12 months; *provided further* that the defintion of *intern* does not include volunteers, fellows or pages.

§ H501.103 Coverage

The coverage of Section 203 of the CAA extends to any covered employee of an employing office without regard to whether the covered employee is engaged in commerce or the production of goods for interstate commerce and without regard to size, number of employees, amount of business transacted, or other measure.

§ H501.104 Administrative authority

(a) The Office of Compliance is authorized to administer the provisions of Section 203 of the Act with respect to any covered employee or covered employer.

(b) The Board is authorized to promulgate substantive regulations in accordance with the provisions of Sections 203(c) and 304 of the CAA.

§ H501.105 Effect of interpretations of the Department of Labor

(a) In administering the FLSA, the Wage and Hour Division of the Department of Labor has issued not only substantive regulations but also interpretative bulletins. Substantive regulations represent an exercise of statutorily-delegated lawmaking authority from the legislative branch to an administrative agency. Generally, they are proposed in accordance with the notice-and-comment procedures of the Administrative Procedure Act (APA), 5 U.S.C. § 553. Once promulgated, such regulations are considered to have the force and effect of law, unless set aside upon judicial review as arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. See *Batterton* v. *Francis*, 432 U.S. 416, 425 n.9 (1977). See also 29 CFR § 790.17(b) (1994). Unlike substantive regulations, interpretative statements, including bulletins and other releases of the Wage and Hour Division, are not issued pursuant to the provisions of the APA and may not have the force and effect of law. Rather, they may only constitute official interpretations of the Department of Labor with respect to the meaning and application of the minimum wage, maximum hour, and overtime pay requirements of the FLSA. See 29 CFR § 790.17(c) (citing Final Report of the Attorney General's Committee on Administrative Procedure, Senate Document No. 8, 77th Cong., 1st Sess., at p. 27 (1941)). The purpose of such statements is to make available in one place the interpretations of the FLSA which will guide the Secretary of Labor and the Wage and Hour Administrator in the performance of their duties unless and until they are otherwise directed by authoritative decisions of the courts or conclude, upon reexamination of an interpretation, that it is incorrect. The Supreme Court has observed: "[T]he rulings, interpretations and opinions of the Administrator under this Act, while not controlling upon the courts by reason of their authority, do constitute a body of experience and informed judgment to which courts and litigants may properly resort for guidance. The weight of such a judgment in a particular case will depend upon the thoroughness evident in the consideration, the validity of its reasoning, its consistency with earlier and later pronouncements, and all those factors which give it power to persuade, if lacking power to control." *Skidmore* v. *Swift*, 323 U.S. 134, 140 (1944).

(b) Section 203(c) of the CAA provides that the substantive regulations implementing Section 203 of the CAA shall be "the same as substantive regulations promulgated by the Secretary of Labor" except where the Board finds, for good cause shown, that a modification would more effectively implement the rights and protections established by the FLSA. Thus, the CAA by its terms does not mandate that the Board adopt the interpretative statements of the Department of Labor or its Wage and Hour Division. The Board is thus not adopting such statements as part of its substantive regulations.

§ H501.106 Application of the Portal-to-Portal Act of 1947

(a) Consistent with Section 225 of the CAA, the Portal to Portal Act (PPA), 29 U.S.C. §§ 216 and 251 *et seq.*, is applicable in defining and delimiting the rights and protections of the FLSA that are prescribed by the CAA. Section 10 of the PPA, 29 U.S.C. § 259, provides in pertinent part: "[N]o employer shall be subject to any liability or punishment for or on account of the failure of the employer to pay minimum wages or overtime compensation under the Fair Labor Standards Act of 1938, as amended, . . . if he pleads and proves that the act or omission complained of was in good faith in conformity with and reliance on any written administrative regulation, order, ruling, approval or interpretation of [the Administrator of the Wage and Hour Division of the Department of Labor] . . . or any administrative practice or enforcement policy of such agency with respect to the class of employers to which he belonged. Such a defense, if established, shall be a bar to the action or proceeding, notwithstanding that after such act or omission, such administrative regulation, order, ruling, approval, interpretation, practice or enforcement policy is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect."

(b) In defending any action or proceeding based on any act or omission arising out of section 203 of the CAA, an employing office may satisfy the standards set forth in subsection (a) by pleading and proving good faith reliance upon any written administrative regulation, order, ruling, approval or interpretation, of the Administrator of the Wage and Hour Division of the Department of Labor: *Provided*, that such regulation, order, ruling approval or interpretation had not been superseded at the time of reliance by any regulation, order, decision, or ruling of the Board or the courts.

§ H501.107 Duration of interim regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

Part H531—Wage Payments Under the Fair Labor Standards Act of 1938

Subpart A—Preliminary matters

Sec.

H531.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

H531.1 Definitions.

H531.2 Purpose and scope.

Subpart B—Determinations of "reasonable cost;" effects of collective bargaining agreements

H531.3 General determinations of "reasonable cost".

H531.6 Effects of collective bargaining agreements.

Subpart A—Preliminary matters.

§ H531.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
531.1 Definitions	H531.1
	55
H531.2 Purpose and scope ..	H531.2
H553.3 General determinations of "reasonable cost"	H531.3
H531.6 Effects of collective bargaining agreements ...	H531.6

§ H531.1 Definitions

(a) *Administrator* means the Administrator of the Wage and Hour Division or his authorized representative. The Secretary of Labor has delegated to the Administrator the functions vested in him under section 3(m) of the Act.

(b) *Act* means the Fair Labor Standards Act of 1938, as amended.

§ H531.2 Purpose and scope

(a) Section 3(m) of the Act defines the term "wage" to include the "reasonable cost", as determined by the Secretary of Labor, to an employer of furnishing any employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by the employer to his employees. In addition, section 3(m) gives the Secretary authority to determine the "fair value." Of such facilities on the basis of average cost to the employer or to groups of employers similarly situated, on average value to groups of employees, or other appropriate measures of "fair value." Whenever so determined and when applicable and pertinent, the "fair value" of the facilities involved shall be includable as part of "wages" instead of the actual measure of the costs of those facilities. The section provides, however, that the cost of board, lodging, or other facilities shall not be included as part of "wages" if excluded therefrom by a bona fide collective bargaining agreement. Section 3(m) also provides a method for determining the wage of a tipped employee.

(b) This part 531 contains any determinations made as to the "reasonable cost" and "fair value" of board, lodging, or other facilities having general application.

Subpart B—Determinations of "reasonable cost" and "fair value"; effects of collective bargaining agreements

§ H531.3 General determinations of "reasonable cost"

(a) The term *reasonable cost* as used in section 3(m) of the Act is hereby determined to be not more than the actual cost to the employer of the board, lodging, or other facilities customarily furnished by him to his employees.

(b) Reasonable cost does not include a profit to the employer or to any affiliated person.

(c) The reasonable cost to the employer of furnishing the employee with board, lodging, or other facilities (including housing) is the cost of operation and maintenance including adequate depreciation plus a reasonable allowance (not more than 5½ percent) for interest on the depreciated amount of capital invested by the employer: *Provided*, That if the total so computed is more than the fair rental value (or the fair price of the commodities or facilities offered for sale), the fair rental value (or the fair price of the commodities or facilities offered for sale) shall be the reasonable cost. The cost of operation and maintenance, the rate of depreciation, and the depreciated amount of capital invested by the employer shall be those arrived at under good accounting practices. As used in this paragraph, the term *good accounting practices* does not include accounting practices which have been rejected by the Internal Revenue Service for tax purposes, and the term *depreciation* includes obsolescence.

(d)(1) The cost of furnishing "facilities" found by the Administrator to be primarily for the benefit or convenience of the employer will not be recognized as reasonable and may not therefore be included in computing wages.

(2) The following is a list of facilities found by the Administrator to be primarily for the benefit of convenience of the employer. The list is intended to be illustrative rather than exclusive: (i) Tools of the trade and other materials and services incidental to carrying on the employer's business; (ii) the cost of any construction by and for the employer; (iii) the cost of uniforms and of their laundering, where the nature of the business requires the employee to wear a uniform.

§ H531.6 Effects of collective bargaining agreements

(a) The cost of board, lodging, or other facilities shall not be included as part of the wage paid to any employee to the extent it is excluded therefrom under the terms of a bona fide collective bargaining agreement applicable to the particular employee.

(b) A collective bargaining agreement shall be deemed to be "bona fide" when pursuant to the provisions of section 7(b)(1) or 7(b)(2) of the FLSA it is made with the certified representative of the employees under the provisions of the CAA.

Part H541—Defining and Delimiting the Terms "Bona Fide Executive," "Administrative," or "Professional" Capacity (Including Any Employee Employed in the Capacity of Academic Administrative Personnel or Teacher in Secondary School)

Subpart A—General Regulations

Sec.

H541.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

H541.01 Application of the exemptions of section 13(a)(1) of the FLSA.

H541.1 Executive.

H541.2 Administrative.

H541.3 Professional.

H541.5b Equal pay provisions of section 6(d) of the FLSA as applied by the CAA extend to executive, administrative, and professional employees.

H541.5d Special provisions applicable to employees of public agencies.

Subpart A—General regulations

§ H541.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
541.1 Executive	H541.1
541.2 Administrative	H541.2
541.3 Professional	H541.3
541.5b Equal pay provisions of section 6(d) of the FLSA apply to executive, administrative, and professional employees	H541.5b
541.5d Special provisions applicable to employees of public agencies	H541.5d

§ H541.01 Application of the exemptions of section 13 (a)(1) of the FLSA

(a) Section 13(a)(1) of the FLSA, which provides certain exemptions for employees employed in a bona fide executive, administrative, or professional capacity (including any employee employed in the capacity of academic administrative personnel or teacher in a secondary school), applies to covered employees by virtue of Section 225(f)(1) of the CAA.

(b) The substantive regulations set forth in this part are promulgated under the authority of sections 203(c) and 304 of the CAA, which require that such regulations be the same as the substantive regulations promulgated by the Secretary of Labor except where the Board determines for good cause shown that modifications would be more effective for the implementation of the rights and protections under § 203.

§ H541.1 Executive

The term *employee employed in a bona fide executive * * * capacity* in section 13(a) (1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of the management of an employing office in which he is employed or of a customarily recognized department of subdivision thereof; and

(b) Who customarily and regularly directs the work of two or more other employees therein; and

(c) Who has the authority to hire or fire other employees or whose suggestions and recommendations as to the hiring or firing and as to the advancement and promotion or any other change of status of other employees will be given particular weight; and

(d) Who customarily and regularly exercises discretionary powers; and

(e) Who does not devote more than 20 percent, or, in the case of an employee of a retail or service establishment who does not devote as much as 40 percent, of his hours of work in the workweek to activities which are not directly and closely related to the performance of the work described in paragraphs (a) through (d) of this section: *Provided*, That this paragraph shall not apply in the case of an employee who is in sole charge of an independent establishment or a physically separated branch establishment; and

(f) Who is compensated for his services on a salary basis at a rate of not less than $155 per week, exclusive of board, lodging or other facilities: *Provided*, That an employee who is compensated on a salary basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the management of the employing office in which the employee is employed or of a customarily recognized department or subdivision thereof, and includes the customary and regular direction of the work of two or more other employees therein, shall be deemed to meet all the requirements of this section

§ H541.2 Administrative

The term *employee employed in a bona fide * * * administrative * * * capacity* in section 13(a)(1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of either:

(1) The performance of office or nonmanual work directly related to management policies or general operations of his employer or his employer's customers, or

(2) The performance of functions in the administration of a school system, or educational establishment or institution, or of a department or subdivision thereof, in work directly related to the academic instruction or training carried on therein; and

(b) Who customarily and regularly exercises discretion and independent judgment; and

(c)(1) Who regularly and directly assists the head of an employing office, or an employee employed in a bona fide executive or administrative capacity (as such terms are defined in the regulations of this subpart), or

(2) Who performs under only general supervision work along specialized or technical lines requiring special training, experience, or knowledge, or

(3) Who executes under only general supervision special assignments and tasks; and

(d) Who does not devote more than 20 percent, or, in the case of an employee of a retail or service establishment who does not devote as much as 40 percent, of his hours worked in the workweek to activities which are not directly and closely related to the performance of the work described in paragraphs (a) through (c) of this section; and

(e)(1) Who is compensated for his services on a salary or fee basis at a rate of not less than $155 per week, exclusive of board, lodging or other facilities, or

(2) Who, in the case of academic administrative personnel, is compensated for services as required by paragraph (e)(1) of this section, or on a salary basis which is at least equal to the entrance salary for teachers in the school system, educational establishment or institution by which employed: *Provided*, That an employee who is compensated on a salary or fee basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the performance of work described in paragraph (a) of this section, which includes work requiring the exercise of discretion and independent judgment, shall be deemed to meet all the requirements of this section.

§H541.3 Professional

The term *employee employed in a bona fide * * * professional capacity* in section 13(a)(1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of the performance of:

(1) Work requiring knowledge of an advance type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study, as distinguished from a general academic education and from an apprenticeship, and from training in the performance of routine mental, manual, or physical processes, or

(2) Work that is original and creative in character in a recognized field of artistic endeavor (as opposed to work which can be produced by a person endowed with general manual or intellectual ability and training), and the result of which depends primarily on the invention, imagination, or talent of the employee, or

(3) Teaching, tutoring, instructing, or lecturing in the activity of imparting knowledge and who is employed and engaged in this activity as a teacher in the school system, educational establishment or institution by which employed, or

(4) Work that requires theoretical and practical application of highly-specialized knowledge in computer systems analysis, programming, and software engineering, and who is employed and engaged in these activities as a computer systems analyst, computer programmer, software engineer, or other similarly skilled worker in the computer software field; and

(b) Whose work requires the consistent exercise of discretion and judgment in its performance; and

(c) Whose work is predominantly intellectual and varied in character (as opposed to routine mental, manual, mechanical, or physical work) and is of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and

(d) Who does not devote more than 20 percent of his hours worked in the workweek to activities which are not an essential part of and necessarily incident to the work described in paragraphs (a) through (c) of this section; and

(e) Who is compensated for services on a salary or fee basis at a rate of not less than $170 per week, exclusive of board, lodging or other facilities: *Provided*, That this paragraph shall not apply in the case of an employee who is the holder of a valid license or certificate permitting the practice of law or medicine or any of their branches and who is actually engaged in the practice thereof, nor in the case of an employee who is the holder of the requisite academic degree for the general practice of medicine and is engaged in an internship or resident program pursuant to the practice of medicine or any of its branches, nor in the case of an employee employed and engaged as a teacher as provided in paragraph (a)(3) of this section: *Provided further*, That an employee who is compensated on a salary or fee basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the performance either of work described in paragraph (a) (1), (3), or (4) of this section, which includes work requiring the consistent exercise of discretion and judgment, or of work requiring invention, imagination, or talent in a recognized field of artistic endeavor, shall be deemed to meet all of the requirements of this section: *Provided further*, That the salary or fee requirements of this paragraph shall not apply to an employee engaged in computer-related work within the scope of paragraph (a)(4) of this section and who is compensated on an hourly basis at a rate in excess of 6 1/2 times the minimum wage provided by section 6 of the FLSA as applied by the CAA.

§H541.5b Equal pay provisions of section 6(d) of the FLSA as applied by the CAA extend to executive, administrative, and professional employees

The FLSA, as amended and as applied by the CAA, includes within the protection of the equal pay provisions those employees exempt from the minimum wage and overtime pay provisions as bona fide executive, administrative, and professional employees (including any employee employed in the capacity of academic administrative personnel or teacher in elementary or secondary schools) under section 13(a)(1) of the FLSA. Thus, for example, where an exempt administrative employee and another employee of the employing office are performing substantially "equal work," the sex discrimination prohibitions of section 6(d) are applicable with respect to any wage differential between those two employees.

§H541.5d Special provisions applicable to employees of public agencies

(a) An employee of a public agency who otherwise meets the requirement of being paid on a salary basis shall not be disqualified from exemption under Sec. H541.1, H541.2, or H541.3 on the basis that such employee is paid according to a pay system established by statute, ordinance, or regulation, or by a policy or practice established pursuant to principles of public accountability, under which the employee accrues personal leave and sick leave and which requires the public agency employee's pay to be reduced or such employee to be placed on leave without pay for absences for personal reasons or because of illness or injury of less than one work-day when accrued leave is not used by an employee because—

(1) permission for its use has not been sought or has been sought and denied;

(2) accrued leave has been exhausted; or

(3) the employee chooses to use leave without pay.

(b) Deductions from the pay of an employee of a public agency for absences due to a budget-required furlough shall not disqualify the employee from being paid 'on a salary basis' except in the workweek in which the furlough occurs and for which the employee's pay is accordingly reduced.

Part H547—Requirements of a "Bona Fide Thrift or Savings Plan"

Sec.

H547.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

H547.0 Scope and effect of part.

H547.1 Essential requirements of qualifications.

H547.2 Disqualifying provisions.

§H547.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
547.0 Scope and effect of part	H547.0
547.1 Essential requirements of qualifications	H547.1
547.2 Disqualifying provisions	H547.2

§H547.0 Scope and effect of part

(a) The regulations in this part set forth the requirements of a "bona fide thrift or savings plan" under section 7(e)(3)(b) of the Fair Labor Standards Act of 1938, as amended (FLSA), as applied by the CAA. In determining the total remuneration for employment which section 7(e) of the FLSA requires to be included in the regular rate at which an employee is employed, it is not necessary to include any sums paid to or on behalf of such employee, in recognition of services performed by him during a given period, which are paid pursuant to a bona fide thrift or savings plan meeting the requirements set forth herein. In the formulation of these regulations due regard has been given to the factors and standards set forth in section 7(e)(3)(b) of the Act.

(b) Where a thrift or savings plan is combined in a single program (whether in one or more documents) with a plan or trust for providing old age, retirement, life, accident or health insurance or similar benefits for employees, contributions made by the employer pursuant to such thrift or savings plan may be excluded from the regular rate if the plan meets the requirements of the regulation in this part and the contributions made for the other purposes may be excluded from the regular rate if they meet the tests set forth in regulations.

§H547.1 Essential requirements for qualifications

(a) A "bona fide thrift or savings plan" for the purpose of section 7(e)(3)(b) of the FLSA as applied by the CAA is required to meet all the standards set forth in paragraphs (b) through (f) of this section and must not contain the disqualifying provisions set forth in §H547.2.

(b) The thrift or savings plan constitutes a definite program or arrangement in writing, adopted by the employer or by contract as a result of collective bargaining and communicated or made available to the employees, which is established and maintained, in good faith, for the purpose of encouraging voluntary thrift or savings by employees by providing an incentive to employees to accumulate regularly and retain cash savings for a reasonable period of time or to save through the regular purchase of public or private securities.

(c) The plan specifically shall set forth the category or categories of employees participating and the basis of their eligibility. Eligibility may not be based on such factors as hours of work, production, or efficiency of the employees: *Provided, however*, That hours of work may be used to determine eligibility of part-time or casual employees.

(d) The amount any employee may save under the plan shall be specified in the plan or determined in accordance with a definite formula specified in the plan, which formula may be based on one or more factors such as the straight-time earnings or total earnings, base rate of pay, or length of service of the employee.

(e) The employer's total contribution in any year may not exceed 15 percent of the participating employees' total earnings during that year. In addition, the employer's total contribution in any year may not exceed the total amount saved or invested by the participating employees during that year.

(f) The employer's contributions shall be apportioned among the individual employees in accordance with a definite formula or method of calculation specified in the plan, which formula or method of calculation is based on the amount saved or the length of time the individual employee retains his savings or investment in the plan: *Provided*, That no employee's share determined in accordance with the plan may be diminished because of any other remuneration received by him.

§H547.2 Disqualifying provisions

(a) No employee's participation in the plan shall be on other than a voluntary basis.

(b) No employee's wages or salary shall be dependent upon or influenced by the existence of such thrift or savings plan or the employer's contributions thereto.

(c) The amounts any employee may save under the plan, or the amounts paid by the employer under the plan may not be based upon the employee's hours of work, production or efficiency.

Part H553—Overtime Compensation: Partial Exemption for Employees Engaged in Law Enforcement and Fire Protection; Overtime and Compensatory Time-Off for Employees Whose Work Schedule Directly Depends Upon the Schedule of the House

Introduction

Sec.

H553.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

H553.1 Definitions

H553.2 Purpose and scope

Subpart C—Partial exemption for employees engaged in law enforcement and fire protection

H553.201 Statutory provisions: section 7(k).

H553.202 Limitations.

H553.211 Law enforcement activities.

H553.212 Twenty percent limitation on nonexempt work.

H553.213 Public agency employees engaged in both fire protection and law enforcement activities.

H553.214 Trainees.

H553.215 Ambulance and rescue service employees.

H553.216 Other exemptions.

H553.220 "Tour of duty" defined.

H553.221 Compensable hours of work.

H553.222 Sleep time.

H553.223 Meal time.

H553.224 "Work period" defined.

H553.225 Early relief.

H553.226 Training time.

H553.227 Outside employment.

H553.230 Maximum hours standards for work periods of 7 to 28 days—section 7(k).

H553.231 Compensatory time off.

H553.232 Overtime pay requirements.

H553.233 "Regular rate" defined.

Subpart D—Compensatory time-off for overtime earned by employees whose work schedule directly depends upon the schedule of the House

H553.301 Definition of "directly depends."

H553.302 Overtime compensation and compensatory time off for an employee whose work schedule directly depends upon the schedule of the House.

H553.303 Using compensatory time off.

H553.304 Payment of overtime compensation for accrued compensatory time off as of termination of service.

Introduction

§H553.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
553.1 Definitions	H553.1
553.2 Purpose and scope	H553.2
553.201 Statutory provisions: section 7(k)	H553.201
553.202 Limitations	H553.202
553.211 Law enforcement activities	H553.211
553.212 Twenty percent limitation on nonexempt work	H553.212
553.213 Public agency employees engaged in both fire protection and law enforcement activities ...	H553.213
553.214 Trainees	H553.214
553.215 Ambulance and rescue service employees	H553.215
553.216 Other exemptions ...	H553.216
553.220 "Tour of duty" defined	H553.220
553.221 Compensable hours of work	H553.221
553.222 Sleep time	H553.222
553.223 Meal time	H553.223
553.224 "Work period" defined	H553.224
553.225 Early relief	H553.225
553.226 Training time	H553.226
553.227 Outside employment	H553.227
553.230 Maximum hours standards for work periods of 7 to 28 days—section 7(k)	H553.230
553.231 Compensatory time off	H553.231
553.232 Overtime pay requirements	H553.232
553.233 "Regular rate" defined	H553.233

Introduction

§H553.1 Definitions

(a) Act or FLSA means the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U.S.C. 201–219), as applied by the CAA.

(b) 1985 Amendments means the Fair Labor Standards Amendments of 1985 (Pub. L. 99-150).

(c) Public agency means an employing office as the term is defined in §501.102 of this chapter, including the Capitol Police.

(d) Section 7(k) means the provisions of §7(k) of the FLSA as applied to covered employees and employing offices by §203 of the CAA.

§H553.2 Purpose and scope

The purpose of part H553 is to adopt with appropriate modifications the regulations of the Secretary of Labor to carry out those provisions of the FLSA relating to public agency employees as they are applied to covered employees and employing offices of the CAA. In particular, these regulations apply section 7(k) as it relates to fire protection and law enforcement employees of public agencies.

Subpart C—Partial Exemption for employees engaged in law enforcement and fire protection

§H553.201 Statutory provisions: section 7(k)

Section 7(k) of the Act provides a partial overtime pay exemption for fire protection and law enforcement personnel (including security personnel in correctional institutions) who are employed by public agencies on a work period basis. This section of the Act formerly permitted public agencies to pay overtime compensation to such employees in work periods of 28 consecutive days only after 216 hours of work. As further set forth in §H553.230 of this part, the 216-hour standard has been replaced, pursuant to the study mandated by the statute, by 212 hours for fire protection employees and 171 hours for law enforcement employees. In the case of such employees who have a work period of at least 7 but less than 28 consecutive days, overtime compensation is required when the ratio of the number of hours worked to the number of days in the work period exceeds the ratio of 212 (or 171) hours to 28 days.

§H553.202 Limitations

The application of §7(k), by its terms, is limited to public agencies, and does not apply to any private organization engaged in furnishing fire protection or law enforcement services. This is so even if the services are provided under contract with a public agency.

Exemption requirements

§H553.211 Law enforcement activities

(a) As used in §7(k) of the Act, the term "any employee . . . in law enforcement activities" refers to any employee (1) who is a uniformed or plainclothed member of a body of officers and subordinates who are empowered by law to enforce laws designed to maintain public peace and order and to protect both life and property from accidental or willful injury, and to prevent and detect crimes, (2) who has the power to arrest, and (3) who is presently undergoing or has undergone or will undergo on-the-job training and/or a course of instruction and study which typically includes physical training, self-defense, firearm proficiency, criminal and civil law principles, investigative and law enforcement techniques, community relations, medical aid and ethics.

(b) Employees who meet these tests are considered to be engaged in law enforcement activities regardless of their rank, or of their status as "trainee," "probationary," or "permanent," and regardless of their assignment to duties incidental to the performance of their law enforcement activities such as equipment maintenance, and lecturing, or to support activities of the type described in paragraph (g) of this section, whether or not such assignment is for training or familiarization purposes, or for reasons of illness, injury or infirmity. The term would also include rescue and ambulance service personnel if such personnel form an integral part of the public agency's law enforcement activities. See Sec. H553.215.

(c) Typically, employees engaged in law enforcement activities include police who are regularly employed and paid as such. Other agency employees with duties not specifically mentioned may, depending upon the particular facts and pertinent statutory provisions in that jurisdiction, meet the three tests described above. If so, they will also qualify as law enforcement officers. Such employees might include, for example, any law enforcement employee within the legislative branch concerned with keeping public peace and order and protecting life and property.

(d) Employees who do not meet each of the three tests described above are not engaged in "law enforcement activities" as that term is used in sections 7(k). Employees who normally would not meet each of these tests include:

(1) Building inspectors (other than those defined in Sec. H553.213(a)),

(2) Health inspectors,

(3) Sanitarians,

(4) Civilian traffic employees who direct vehicular and pedestrian traffic at specified intersections or other control points,

(5) Civilian parking checkers who patrol assigned areas for the purpose of discovering parking violations and issuing appropriate warnings or appearance notices,

(6) Wage and hour compliance officers,

(7) Equal employment opportunity compliance officers, and

(8) Building guards whose primary duty is to protect the lives and property of persons within the limited area of the building.

(e) The term "any employee in law enforcement activities" also includes, by express reference, "security personnel in correctional institutions. Typically, such facilities may include precinct house lockups. Employees of correctional institutions who qualify as security personnel for purposes of the section 7(k) exemption are those who have responsibility for controlling and maintaining custody of inmates and of safeguarding them from other inmates or for supervising such functions, regardless of whether their duties are performed inside the correctional institution or outside the institution. These employees are considered to be engaged in law enforcement activities regardless of their rank or of their status as "trainee," "probationary," or "permanent," and regardless of their assignment to duties incidental to the performance of their law enforcement activities, or to support activities of the type described in paragraph (f) of this section, whether or not such assignment is for training or familiarization purposes or for reasons of illness, injury or infirmity.

(f) Not included in the term "employee in law enforcement activities" are the so-called "civilian" employees of law enforcement agencies or correctional institutions who engage in such support activities as those performed by dispatcher, radio operators, apparatus and equipment maintenance and repair workers, janitors, clerks and stenographers. Nor does the term include employees in correctional institutions who engage in building repair and maintenance, culinary services, teaching, or in psychological, medical and paramedical services. This is so even though such employees may, when assigned to correctional institutions, come into regular contact with the inmates in the performance of their duties.

§ H553.212 Twenty percent limitation on nonexempt work

(a) Employees engaged in fire protection or law enforcement activities as described in Sec. H553.210 and H553.211, may also engage in some nonexempt work which is not performed as an incident to or in conjunction with their fire protection or law enforcement activities. For example, firefighters who work for forest conservation agencies may, during slack times, plant trees and perform other conservation activities unrelated to their firefighting duties. The performance of such nonexempt work will not defeat the § 7(k) exemption unless it exceeds 20 percent of the total hours worked by that employee during the workweek or applicable work period. A person who spends more than 20 percent of his/her working time in nonexempt activities is not considered to be an employee engaged in fire protection or law enforcement activities for purposes of this part.

(b) Public agency fire protection and law enforcement personnel may, at their own option, undertake employment for the same employer on an occasional or sporadic and part-time basis in a different capacity from their regular employment. The performance of such work does not affect the application of the § 7(k) exemption with respect to the regular employment. In addition, the hours of work in the different capacity need not be counted as hours worked for overtime purposes on the regular job, nor are such hours counted in determining the 20 percent tolerance for nonexempt work discussed in paragraph (a) of this section.

§ H553.213 Public agency employees engaged in both fire protection and law enforcement activities

(a) Some public agencies have employees (often called "public safety officers") who engage in both fire protection and law enforcement activities, depending on the agency needs at the time. This dual assignment would not defeat the section 7(k) exemption, provided that each of the activities performed meets the appropriate tests set forth in Sec. H553.210 and H553.211. This is so regardless of how the employee's time is divided between the two activities. However, all time spent in nonexempt activities by public safety officers within the work period, whether performed in connection with fire protection or law enforcement functions, or with neither, must be combined for purposes of the 20 percent limitation on nonexempt work discussed in Sec. H553.212.

(b) As specified in Sec. H553.230, the maximum hours standards under section 7(k) are different for employees engaged in fire protection and for employees engaged in law enforcement. For those employees who perform both fire protection and law enforcement activities, the applicable standard is the one which applies to the activity in which the employee spends the majority of work time during the work period.

§ H553.214 Trainees

The attendance at a bona fide fire or police academy or other training facility, when required by the employing agency, constitutes engagement in activities under section 7(k) only when the employee meets all the applicable tests described in Sec. H553.210 or Sec. H553.211 (except for the power of arrest for law enforcement personnel), as the case may be. If the applicable tests are met, then basic training or advanced training is considered incidental to, and part of, the employee's fire protection or law enforcement activities.

§ H553.215 Ambulance and rescue service employees

Ambulance and rescue service employees of a public agency other than a fire protection or law enforcement agency may be treated as employees engaged in fire protection or law enforcement activities of the type contemplated by § 7(k) if their services are substantially related to firefighting or law enforcement activities in that (1) the ambulance and rescue service employees have received training in the rescue of fire, crime, and accident victims or firefighters or law enforcement personnel injured in the performance of their respective, duties, and (2) the ambulance and rescue service employees are regularly dispatched to fires, crime scenes, riots, natural disasters and accidents. As provided in Sec. H553.213(b), where employees perform both fire protection and law enforcement activities, the applicable standard is the one which applies to the activity in which the employee spends the majority of work time during the work period.

§ H553.216 Other exemptions

Although the 1974 Amendments to the FLSA as applied by the CAA provide special exemptions for employees of public agencies engaged in fire protection and law enforcement activities, such workers may also be subject to other exemptions in the Act, and public agencies may claim such other applicable exemptions in lieu of § 7(k). For example, section 13(a)(1) as applied by the CAA provides a complete minimum wage and overtime pay exemption for any employee employed in a bona fide executive, administrative, or professional capacity, as those terms are defined and delimited in Part H541. The section 13(a)(1) exemption can be claimed for any fire protection or law enforcement employee who meets all of the tests specified in part H541 relating to duties, responsibilities, and salary. Thus, high ranking police officials who are engaged in law enforcement activities, may also, depending on the facts, qualify for the section 13(a)(1) exemption as "executive" employees. Similarly, certain criminal investigative agents may qualify as "administrative" employees under section 13(a)(1).

Tour of duty and compensable hours of work rules

§ H553.220 "Tour of duty" defined

(a) The term "tour of duty" is a unique concept applicable only to employees for whom the section 7(k) exemption is claimed. This term, as used in section 7(k), means the period of time during which an employee is considered to be on duty for purposes of determining compensable hours. It may be a scheduled or unscheduled period. Such periods include "shifts" assigned to employees often days in advance of the performance of the work. Scheduled periods also include time spent in work outside the "shift" which the public agency employer assigns. For example, a police officer may be assigned to crowd control during a parade or other special event outside of his or her shift.

(b) Unscheduled periods include time spent in court by police officers, time spent handling emergency situations, and time spent working after a shift to complete an assignment. Such time must be included in the compensable tour of duty even though the specific work performed may not have been assigned in advance.

(c) The tour of duty does not include time spent working for a separate and independent employer in certain types of special details as provided in Sec. H553.227.

§ H553.221 Compensable hours of work

(a) The rules under the FLSA as applied by the CAA on compensable hours of work are applicable to employees for whom the section 7(k) exemption is claimed. Special rules for sleep time (Sec. H553.222) apply to both law enforcement and firefighting employees for whom the section 7(k) exemption is claimed. Also, special rules for meal time apply in the case of firefighters (Sec. H553.223).

(b) Compensable hours of work generally include all of the time during which an employee is on duty on the employer's premises or at a prescribed workplace, as well as all other time during which the employee is suffered or permitted to work for the employer. Such time includes all pre-shift and post-shift activities which are an integral part of the employee's principal activity or which are closely related to the performance of the principal activity, such as attending roll call, writing up and completing tickets or reports, and washing and re-racking fire hoses.

(c) Time spent away from the employer's premises under conditions that are so circumscribed that they restrict the employee from effectively using the time for personal pursuits also constitutes compensable hours of work. For example, where a police station must be evacuated because of an electrical failure and the employees are expected to remain in the vicinity and return to work after the emergency has passed, the entire time spent away from the premises is compensable. The employees in this example cannot use the time for their personal pursuits.

(d) An employee who is not required to remain on the employer's premises but is merely required to leave word at home or with company officials where he or she may be reached is not working while on call. Time spent at home on call may or may not be compensable depending on whether the restrictions placed on the employee preclude using the time for personal pursuits. Where, for example, a firefighter has returned home after the shift, with the understanding that he or she is expected to return to work in the event of an emergency in the night, such time spent at home is normally not compensable. On the other hand, where the conditions placed on the employee's activities are so restrictive that the employee cannot use the time effectively for personal pursuits, such time spent on call is compensable.

(e) Normal home to work travel is not compensable, even where the employee is expected to report to work at a location away from the location of the employer's premises.

(f) A police officer, who has completed his or her tour of duty and who is given a patrol car to drive home and use on personal business, is not working during the travel time even where the radio must be left on so that the officer can respond to emergency calls. Of course, the time spent in responding to such calls is compensable.

§ H553.222 Sleep time

(a) Where a public agency elects to pay overtime compensation to firefighters and/or law enforcement personnel in accordance with section 7(a)(1) of the Act, the public agency may exclude sleep time from hours worked if all the conditions for the exclusion of such time are met.

(b) Where the employer has elected to use the section 7(k) exemption, sleep time cannot be excluded from the compensable hours of work where

(1) The employee is on a tour of duty of less than 24 hours, and

(2) Where the employee is on a tour of duty of exactly 24 hours.

(c) Sleep time can be excluded from compensable hours of work, however, in the case of police officers or firefighters who are on a tour of duty of more than 24 hours, but only if there is an expressed or implied agreement between the employer and the employees to exclude such time. In the absence of such an agreement, the sleep time is compensable. In no event shall the time excluded as sleep time exceed 8 hours in a 24-hour period. If the sleep time is interrupted by a call to duty, the interruption must be counted as hours worked. If the sleep period is interrupted to such an extent that the employee cannot get a reasonable night's sleep (which, for enforcement purposes means at least 5 hours), the entire time must be counted as hours of work.

§ H553.223 Meal time

(a) If a public agency elects to pay overtime compensation to firefighters and law enforcement personnel in accordance with section 7(a)(1) of the Act, the public agency may exclude meal time from hours worked if all the statutory tests for the exclusion of such time are met.

(b) If a public agency elects to use the section 7(k) exemption, the public agency may, in the case of law enforcement personnel, exclude meal time from hours worked on tours of duty of 24 hours or less, provided that the employee is completely relieved from duty during the meal period, and all the other statutory tests for the exclusion of such time are met. On the other hand, where law enforcement personnel are required to remain on call in barracks or similar quarters, or are engaged in extended surveillance activities (e.g., "stakeouts"), they are not considered to be completely relieved from duty, and any such meal periods would be compensable.

(c) With respect to firefighters employed under section 7(k), who are confined to a duty station, the legislative history of the Act indicates Congressional intent to mandate a departure from the usual FLSA "hours of work" rules and adoption of an overtime standard keyed to the unique concept of "tour of duty" under which firefighters are employed. Where the public agency elects to use the section 7(k) exemption for firefighters, meal time cannot be excluded from the compensable hours of work where (1) the firefighter is on a tour of duty of less than 24 hours, and (2) where the firefighter is on a tour of duty of exactly 24 hours.

(d) In the case of police officers or firefighters who are on a tour of duty of more than 24 hours, meal time may be excluded from compensable hours of work provided that the statutory tests for exclusion of such hours are met.

§ H553.224 "Work period" defined

(a) As used in section 7(k), the term "work period" refers to any established and regularly recurring period of work which, under the terms of the Act and legislative history, cannot be less than 7 consecutive days nor more than 28 consecutive days. Except for this limitation, the work period can be of any length, and it need not coincide with the duty cycle or pay period or with a particular day of the week or hour of the day. Once the beginning and ending time of an employee's work period is established, however, it remains fixed regardless of how many hours are worked within the period. The beginning and ending of the work period may be changed, provided that the change is intended to be permanent and is not designed to evade the overtime compensation requirements of the Act.

(b) An employer may have one work period applicable to all employees, or different work periods for different employees or groups of employees.

§ H553.225 Early relief

It is a common practice among employees engaged in fire protection activities to relieve employees on the previous shift prior to the scheduled starting time. Such early relief time may occur pursuant to employee agreement, either expressed or implied. This practice will not have the effect of increasing the number of compensable hours of work for employees employed under section 7(k) where it is voluntary on the part of the employees and does not result, over a period of time, in their failure to receive proper compensation for all hours actually worked. On the other hand, if the practice is required by the employer, the time involved must be added to the employee's tour of duty and treated as compensable hours of work.

§ H553.226 Training time

(a) The general rules for determining the compensability of training time under the FLSA apply to employees engaged in law enforcement or fire protection activities.

(b) While time spent in attending training required by an employer is normally considered compensable hours of work, following are situations where time spent by employees in required training is considered to be noncompensable:

(1) Attendance outside of regular working hours at specialized or follow-up training, which is required by law for certification of public and private sector employees within a particular governmental jurisdiction (e.g., certification of public and private emergency rescue workers), does not constitute compensable hours of work for public employees within that jurisdiction and subordinate jurisdictions.

(2) Attendance outside of regular working hours at specialized or follow-up training, which is required for certification of employees of a governmental jurisdiction by law of a higher level of government, does not constitute compensable hours of work.

(3) Time spent in the training described in paragraphs (b) (1) or (2) of this section is not compensable, even if all or part of the costs of the training is borne by the employer.

(c) Police officers or firefighters, who are in attendance at a police or fire academy or other training facility, are not considered to be on duty during those times when they are not in class or at a training session, if they are free to use such time for personal pursuits. Such free time is not compensable.

§ H553.227 Outside employment

(a) Section 7(p)(1) makes special provision for fire protection and law enforcement employees of public agencies who, at their own option, perform special duty work in fire protection, law enforcement or related activities for a separate and independent employer (public or private) during their off-duty hours. The hours of work for the separate and independent employer are not combined with the hours worked for the primary public agency employer for purposes of overtime compensation.

(b) Section 7(p)(1) applies to such outside employment provided (1) the special detail work is performed solely at the employee's option, and (2) the two employers are in fact separate and independent.

(c) Whether two employers are, in fact, separate and independent can only be determined on a case-by-case basis.

(d) The primary employer may facilitate the employment or affect the conditions of employment of such employees. For example, a police department may maintain a roster of officers who wish to perform such work. The department may also select the officers for special details from a list of those wishing to participate, negotiate their pay, and retain a fee for administrative expenses. The department may require that the separate and independent employer pay the fee for such services directly to the department, and establish procedures for the officers to receive their pay for the special details through the agency's payroll system. Finally, the department may require that the officers observe their normal standards of conduct during such details and take disciplinary action against those who fail to do so.

(e) Section 7(p)(1) applies to special details even where a State law or local ordinance requires that such work be performed and that only law enforcement or fire protection employees of a public agency in the same jurisdiction perform the work. For example, a city ordinance may require the presence of city police officers at a convention center during concerts or sports events. If the officers perform such work at their own option, the hours of work need not be combined with the hours of work for their primary employer in computing overtime compensation.

(f) The principles in paragraphs (d) and (e) of this section with respect to special details of public agency fire protection and law enforcement employees under section 7(p)(1) are exceptions to the usual rules on joint employment set forth in part 791 of this title.

(g) Where an employee is directed by the public agency to perform work for a second employer, section 7(p)(1) does not apply. Thus, assignments of police officers outside of their normal work hours to perform crowd control at a parade, where the assignments are not solely at the option of the officers, would not qualify as special details subject to this exception. This would be true even if the parade organizers reimburse the public agency for providing such services.

(h) Section 7(p)(1) does not prevent a public agency from prohibiting or restricting outside employment by its employees.

OVERTIME COMPENSATION RULES

§ H553.230 Maximum hours standards for work periods of 7 to 28 days—section 7(k)

(a) For those employees engaged in fire protection activities who have a work period of at least 7 but less than 28 consecutive days, no overtime compensation is required under section 7(k) until the number of hours worked exceeds the number of hours which bears the same relationship to 212 as the number of days in the work period bears to 28.

(b) For those employees engaged in law enforcement activities (including security personnel in correctional institutions) who have a work period of at least 7 but less than 28 consecutive days, no overtime compensation is required under section 7(k) until the number of hours worked exceeds the number of hours which bears the same relationship to 171 as the number of days in the work period bears to 28.

(c) The ratio of 212 hours to 28 days for employees engaged in fire protection activities is 7.57 hours per day (rounded) and the ratio of 171 hours to 28 days for employees engaged in law enforcement activities is 6.11 hours per day (rounded). Accordingly, overtime compensation (in premium pay or compensatory time) is required for all hours worked in excess of the following maximum hours standards (rounded to the nearest whole hour):

MAXIMUM HOURS STANDARDS

Work period (days)	Fire protection	Law enforcement
28	212	171
27	204	165
26	197	159
25	189	153
24	182	147
23	174	141
22	167	134
21	159	128
20	151	122
19	144	116
18	136	110
17	129	104
16	121	98
15	114	92
14	106	86
13	98	79
12	91	73
11	83	67
10	76	61
9	68	55
8	61	49
7	53	43

§ H553.231 Compensatory time off

(a) Law enforcement and fire protection employees who are subject to the section 7(k) exemption may receive compensatory time off in lieu of overtime pay for hours worked in excess of the maximum for their work period as set forth in Sec. H553.230.

(b) Section 7(k) permits public agencies to balance the hours of work over an entire work period for law enforcement and fire protection employees. For example, if a firefighter's work period is 28 consecutive days, and he or she works 80 hours in each of the first two weeks, but only 52 hours in the third week, and does not work in the fourth week, no overtime compensation (in cash wages or compensatory time) would be required since the total hours worked do not exceed 212 for the work period. If the same firefighter had a work period of only 14 days, overtime compensation or compensatory time off would be due for 54 hours (160 minus 106 hours) in the first 14 day work period.

§ H553.232 Overtime pay requirements

If a public agency pays employees subject to section 7(k) for overtime hours worked in cash wages rather than compensatory time off, such wages must be paid at one and one-half times the employees' regular rates of pay.

§ H553.233 "Regular rate" defined

The statutory rules for computing an employee's "regular rate", for purposes of the Act's overtime pay requirements are applicable to employees or whom the section 7(k) exemption is claimed when overtime compensation is provided in cash wages.

Subpart D—Compensatory time-off for overtime earned by employees whose work schedule directly depends upon the schedule of the House

§ H553.301 Definition of "directly depends"

For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the House of Representatives only if the eligible employee performs work that directly supports the conduct of legislative or other business in the chamber and works hours that regularly change in response to the schedule of the House and the Senate.

§ H553.302 Overtime compensation and compensatory time off for an employee whose work schedule directly depends upon the schedule of the House

No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a) of the Fair Labor Standards Act ("FLSA") to covered employees and employing office, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA where the employee's work schedule directly depends on the schedule of the House of Representatives within the meaning of § H553.301, and: (a) the employee is compensated at the rate of time-and-a-half in pay for all hours in excess of 40 and up to 60 hours in a workweek, and (b) the employee is compensated at the rate of time-and-a-half in either pay or in time off for all hours in excess of 60 hours in a workweek.

§ H553.303 Using compensatory time off

An employee who has accrued compensatory time off under § H553.302 upon his or her request, shall be permitted by the employing office to use such time within a reasonable period after making the request, unless the employing office makes a bona fide determination that the needs of the operations of the office do not allow the taking of compensatory time off at the time of the request. An employee may renew the request at a subsequent time. An employing office may also, upon reasonable notice, require an employee to use accrued compensatory time off.

§ H553.304 Payment of overtime compensation for accrued compensatory time off as of termination of service

An employee who has accrued compensatory time authorized by this regulation shall, upon termination of employment, be paid for the unused compensatory time at the rate earned by the employee at the time the employee receives such payment.

OTHER EMPLOYING OFFICES OF CONGRESS

FAIR LABOR STANDARDS ACT, FINAL AND INTERIM REGULATIONS RELATING TO THE EMPLOYING OFFICES OTHER THAN THOSE OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE FAIR LABOR STANDARDS ACT OF 1938

NOTICE OF ADOPTION OF REGULATIONS AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors of the Office of Compliance, after considering comments to its general Notice of Proposed Rulemaking published on November 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations to implement sections 203(a) and 203(c) (1) and (2) of the Congressional Accountability Act of 1995 ("CAA"), which apply certain rights and protections of the Fair Labor Standards Act of 1938. The Board is also adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540–1999. Telephone: (202) 724–9250.

I. Background and summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), Pub. L. 104–1, 109 Stat. 3, was enacted on January 23, 1995. 2 U.S.C. §§1301 et seq. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. In addition, the statute establishes the Office of Compliance ("Office") with a Board of Directors ("Board") as "an independent office within the legislative branch of the Federal Government." Section 203(a) of the CAA applies the rights and protections of subsections a(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 ("FLSA") (29 U.S.C. 206(a)(1) and (d), 207, and 212(c)) to covered employees and employing offices. 2 U.S.C. §1313. Section 203(c)(2) of the CAA directs the Board to issue substantive regulations that "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. 2 U.S.C. §1313(c)(2). On September 28, 1995, the Board of the Office of Compliance issued an Advance Notice of Proposed Rulemaking ("ANPR") soliciting comments from interested parties in order to obtain participation and information early in the rulemaking process. 141 Cong. Rec. S14542 (daily ed., Sept. 28, 1995).

On November 28, 1995, the Board published in the Congressional Record a Notice of Proposed Rulemaking (NPR) (141 Cong. Rec. S17603–27 (daily ed.)). In response to the NPR, the Board received six written comments, three of which were from offices of the Congress and three of which were from organizations associated with the business community and organized labor. The comments included requests that the Board should provide additional guidance to employing offices on complying with the CAA and compliance issues raised by the ambiguities in the Secretary of Labor's regulations.

Parenthetically, it should also be noted that, on October 11, 1995, the Board published a Notice of Proposed Rulemaking in the Congressional Record (141 Cong. R. S15025 (daily ed., October 11, 1995) ("NPR")), inviting comments from interested parties on the proposed FLSA regulations which the CAA directed the Board to issue on the definition of "intern" and on "irregular work schedules." Final regulations on those matters were separately adopted by the Board on January 16, 1996. However, because they are regulations implementing the rights and protections of the FLSA made applicable by the CAA, the Board has incorporated those regulations into the body of final regulations being adopted pursuant to this Notice. The definition of "intern" may be found in section [H or S]501.102(c) & (h), and the "irregular work schedules" regulation may be found in sections [H or S or C]553.301–553.304.

II. Consideration of public comments; the Board's response and modifications to the NPR's rules

A. Requests that the Board provide additional guidance, including interpretative bulletins and opinion letters

The Board first turns to the issue of whether and in what circumstances the Board can and should give authoritative guidance to employing offices about issues arising from ambiguities in and uncertain applications of the Secretary's regulations. Commenters have formally and informally requested such guidance in various forms: that the Board change the Secretary's regulations to clarify ambiguities; that the Board adopt the Secretary's interpretive bulletins; that the Board issue the Secretary of Labor's interpretative bulletins as its own regulations; that the Board issue opinion letters constituting safe harbors from litigation; that the Board give its imprimatur, either formally or informally, to employee handbooks and other human resource activities of employing offices. Mindful that the Board's first decisions on these matters will have important institutional and legal implications, the Board has carefully considered these requests, as well as the underlying concerns they reflect.

At the outset, the Board must decline the suggestion that it modify the Secretary's regulations in order to remove the ambiguities and resulting uncertainties that Congressional offices will face in complying with the CAA once it takes effect. The Board's authority to modify the regulations of the Secretary is explicitly limited by the requirement that the substantive regulations issued by the Secretary of Labor "shall be the same as substantive regulations issued by the Secretary of Labor . . . except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under" the CAA. As is true of many regulatory issues, ambiguity and uncertainty are part of the the FLSA regulatory regime that is presently imposed—with much criticism and protest—on private sector and state and local government employers.

The example of the executive, administrative and professional employee exemptions illustrates this point. The Board specifically highlighted this problem and asked for comment in its ANPR (141 Cong. Rec. S14542, S14543) on September 28, 1995. Although the Board received many comments on this issue and is sympathetic with the concerns of employing offices confronting such ambiguity and uncertainty, the Board has neither been given nor can find appropriate justification for relieving employing offices of the compliance burdens that all employers face under the FLSA. The CAA was intended not only to bring covered employees the benefits of the FLSA and other incorporated laws, but also to require Congress to experience the same compliance burdens faced by other employers so that it could more fairly legislate in this area. The Board cannot agree with suggestions that would rob the CAA of one of its principal intended effects.

The Board must also decline the suggestion that it adopt, as either formal regulations or as its own interpretive authority, the interpretive bulletins found in Subpart B of Part 541 and elsewhere in the Secretary of Labor's regulations. Section 203(c)(2) of the CAA requires the Board to promulgate regulations that are the same as the *substantive* regulations promulgated by the Secretary. But, as explained in the NPR, the interpretive bulletins set forth in Subpart B of Part 541 and elsewhere in the Secretary of Labor's regulations are not *substantive* regulations within the meaning of the law. Moreover, with respect to the concern expressed by some commenters that congressional employing offices would be at a distinct disadvantage if the Board does not adopt the Secretary's interpretative bulletins, the Board again notes, as it did in the NPR, that the Board need not adopt the Secretary's interpretive bulletins in order for them to be available as guidance for employing offices. While the Board is not adopting these interpretive bulletins, the Board reiterates that, like the myriad judicial decisions under the FLSA that are available as guidance for employing offices, the Secretary's interpretive bulletins remain available as part of the corpus of interpretive materials to which employing offices may look in structuring their FLSA-related compliance activities. Indeed, as the Board also noted in the NPR, since the CAA may properly be interpreted as incorporating the defenses and exemptions set forth in the Portal-to-Portal Act, an employing office that relies in good faith on an applicable interpretive bulletin of the Secretary may in fact have a statutory defense to an enforcement action brought by a covered employee. In short, contrary to the suggestion of these commenters, the Board need not adopt the Secretary's interpretive bulletins in order to give employing offices the benefit of them.

One commenter went so far as to suggest that, by not adopting the Secretary's interpretive bulletins, the Board has somehow signaled its intent to engage in a wholesale reinterpretation of the FLSA and its implementing regulations. No such signal was sent; no such signal was intended. Since the CAA does not require adoption of these interpretive bulletins, and since they are independently available to employing offices, the Board merely determined that it need not adopt the Secretary's interpretative bulletins as its own. Moreover, like the Administrator and the courts, the Board intends to depart from the interpretive bulletins only where their persuasive force is lacking or the law otherwise requires (just as courts or the Administrator would do). *See Skidmore v. Swift & Co.*, 323 U.S. 134, 137–38 (1944); *Reich v. Interstate Brands Corp.*, 57 F.3d 574, 577 (7th Cir. 1995) ("[W]e give the Secretary's bulletins the respect their reasoning earns them."); *Dalheim v. KDFW-TV*, 918 F.2d 1220, 1228 (5th Cir. 1990) ("the persuasive authority of a given interpretation obtains only so long as all those factors which give it power to persuade' persist.") (quoting *Skidmore*).

As an alternative to modifying the regulations and adopting the interpretive bulletins of the Secretary, several commenters also suggested that the Board clarify regulatory ambiguities by issuing interpretive bulletins and advisory opinions of its own and thereby confer a Portal-to-Portal Act defense on employing offices that rely upon any such bulletins or advisory opinions of the Board. Indeed, at least one commenter suggested that the Board should provide advisory opinions and other counsel to employing offices that pose questions to it concerning, for example, the propriety of proposed model personnel practices, the exempt status of employees with specified job descriptions, the legality of proposed handbooks, and the qualification of certain House and Senate programs (such as the Federal Thrift Savings Plan) for defenses or exemptions recognized in the FLSA and the Secretary's regulations. The Board has considered these suggestions and, although empathizing with the concerns motivating these requests, finds these suggestions raise intractable legal and practical problems.

To begin with, the Board upon further study has determined that, contrary to the suggestion of the commenters, the Board cannot confer a Portal-to-Portal Act defense on employing offices for any reliance on pronouncements of the Board (as opposed to the Secretary). By its own terms, in the context of the FLSA, the Portal-to-Portal Act applies only to written administrative actions of the Wage and Hour Administrator of the Department of Labor. *See* 29 U.S.C. §259. The Portal-to-Portal Act does not mention the Board; and the Board's authority to amend the Secretary's regulations for "good cause" plainly does not extend to amending statutes such as the Portal-to-Portal Act. Thus, as the federal court of appeals which has jurisdiction over such matters under the CAA has held in an almost identical context, the Portal-to-Portal Act would not confer a defense upon employing offices that might rely upon a pronouncement of the Board. *See Berg v. Newman*, 982 F.2d 500, 503–504 (Fed Cir. 1992) ("To apply the statute to a regulation issued by OPM, an agency not referred to in section 259, would extend the section 259 exception beyond its scope"; "OPM's absence from section 259 prevents the Government from both adopting and shielding itself from liability for faulty regulations.") The final regulations so state.

Second, contrary to the assumption of these commenters, the Board has neither the legal basis nor the practical ability to issue the kind of interpretive bulletins or advisory opinions being requested. While the Administrator of the Wage and Hour Division entertains questions posed by employers about enforcement-related issues, the Administrator's willingness and ability to respond to such questions derives from and is constrained by her *investigatory* and *enforcement* responsibilities under the FLSA. As the Supreme Court stated over 50 years ago in *Skidmore v. Swift & Co.*, 323 U.S. 134, 137-38 (1944) (citations omitted): "Congress did not utilize the services of an administrative agency to find facts and to determine in the first instance whether particular cases fall within or without the Act. Instead, it put these responsibilities on the courts. But it did create the office of Administrator, impose upon him a variety of duties, endow him with powers to inform himself of conditions in industries and employments subject to the Act, and put on him the duties of bringing injunction actions to restrain violations. Pursuit of his duties has accumulated a considerable experience in the problems of ascertaining working time in employments involving periods of inactivity and a knowledge of the customs prevailing in reference to their solution. From these he is obliged to reach conclusions as to conduct without the law, so that he should seek injunctions to stop it, and that within the law, so that he has no call to interfere. He has set forth his views of the application of the Act under different circumstances in an interpretative bulletin and in informal rulings. They provide a practical guide to employers and employees as to how the office representing the public interest in its enforcement will seek to apply it."

In contrast, the Board has no investigative power by which it can inform itself of conditions, circumstances and customs of employment in the legislative branch; its resources for finding and considering such information are smaller by orders of substantial magnitude; and, most importantly, the Board has no cause to advise employees and employing offices concerning how it will seek to enforce the statute, since it has no enforcement powers under the CAA.

Indeed, on reflection, it seems unwise, if not legally improper, for the Board to set forth its views on interpretive ambiguities in the regulations outside of the adjudicatory context of individual cases. As noted above, the Board's rulemaking authority is quite restricted. Moreover, the Board has no enforcement authority and, in contrast to the FLSA scheme (where the Administrator has no adjudicatory authority to find facts and to determine in the first instance whether particular cases fall within or without the statute), the CAA contemplates that the Board will adjudicate cases brought by covered employees and that, in such adjudications, the Board must be of independent and open mind, bound to and limited by a factual record developed through an adversarial process governed by rules of law, and subject to judicial review of its decisions. See 2 U.S.C. §§1405–1407 (procedure for complaint, hearing, board review and judicial review; requiring hearings to be conducted in accordance with 5 U.S.C. §§554–557); 29 U.S.C. §§554–557. These legal safeguards and the institutional objectives they seek to promote—i.e., the accuracy of the Board's adjudicative decisions and the integrity of the Board's processes—would be undermined if the Board were to attempt to prejudge ambiguous or disputed interpretive matters in advisory opinions that were developed in non-adversarial, non-public proceedings. The Board thus cannot acquiesce in requests for such advisory opinions.

Some commenters suggested that the Board could properly issue such interpretive bulletins and advisory opinions under the rubric of the "education" and "information" programs allowed and, indeed, mandated by section 301(h) of the CAA. Of course, the Office's education and information programs are not the subject of this notice and comment and thus a discussion of "education" and "information" programs is not necessary to this rulemaking effort. But, upon due consideration of matter, it appears that this suggestion is based upon a fundamental misunderstanding of the institutional powers and responsibilities conferred upon and withheld from the Board and the Office by Congress in the CAA. Thus, it is both fair and prudent to address the issue at this point.

At the outset, the Board notes that Section 301(h)'s reference to "education" and "information" programs is not the broad mandate that these comments suggest. In contrast to other statutory schemes, section 301(h) does not authorize, much less compel, the development by the Board or the Office of "training" or "technical assistance" programs such as those that are included in the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Occupational Safety and Health Act of 1970, the Employee Polygraph Protection Act of 1988, and the Age Discrimination in Employment Act of 1967. Nor does the CAA authorize, much less compel, the issuance of interpretive bulletins, advisory opinions or enforcement guidelines, as agencies with investigative and prosecutorial powers (and matching resources) are sometimes allowed (although almost never compelled) to issue. Rather, section 301(h) directs the Office to carry out "a program of education for members of Congress and other employing authorities of the legislative branch of the Federal Government respecting the laws made applicable to them"; and "a program to inform individuals of their rights under laws applicable to the legislative branch of the Federal Government." 2 U.S.C. §1381(h). Such admonitions are, however, contained in almost all federal employment laws; and those experienced in the field understand them to concern only programs that ensure general "awareness" of rights and responsibilities under the pertinent law.

Section 301(h) must be read in the context of the powers granted to and withheld from the Board in the statutory scheme created by the CAA. The CAA authorizes the Board to engage in rulemaking, but requires the Board to follow specified procedures in doing so and, at least in the context of the FLSA, requires the Board to have "good cause" for departing from the Secretary of Labor's substantive regulations. Moreover, the CAA authorizes the Board to engage in adjudication, but only after a complaint is filed with the Office, a record is properly developed through an adversarial process governed by rules of law, and judicial review is assured. And the CAA rather pointedly declines to confer upon the Board the investigatory and prosecutorial authority that is necessary for sound decisionmaking and interpretation outside of the regulatory and adjudicatory contexts. Given this statutory scheme, section 301(h)'s "education and information" mandate cannot reasonably be construed to require (or even allow) the Board to engage in the kind of advisory counseling requested here—i.e., authoritative opinions developed in nonpublic, nonadversarial proceedings.

Indeed, Congress appears effectively to have considered this issue in the CAA and to have rejected the kind of relationship between the Board and employing offices that is contemplated by this request. The legislative history reflects a recognition that "the office must, in appearance and reality, be independent in order to gain and keep the confidence of the employees and employers who will utilize the dispute resolution process created by this act." 141 Cong. Rec. at S627. The legislative history further reflects a recognition that "laws cannot be enforced in a fair and uniform manner—and employees and the public cannot be convinced that the laws are being enforced in a fair and uniform manner—unless Congress establishes a single enforcement mechanism that is independent of each House of Congress." 141 Cong. Rec. at S444. The statute thus declares that the Office of Compliance is an "independent office" in the legislative branch; that the Office is governed by a Board of Directors whose members were appointed on a bi-partisan basis for non-partisan reasons, who may be removed in only quite limited circumstances, and whose incomes are largely derived from work in the private sector; and that the Board must follow formal public comment and adjudicatory procedures in making any decisions with legal effect. 2 U.S.C. §§1381(a), (b), (e), (f), (g), 1384, 1405–6. The call for issuing advisory opinions in the "education" and "information" process—opinions that would be issued in non-public, non-adversarial proceedings without regard to the statutorily-required public comment and adjudicatory procedures—is in intolerable tension with the institutional independence, inclusiveness and procedural regularity contemplated for the Board by the CAA.

In all events, the Board would in the exercise of its considered judgment decline to provide authoritative opinions to employing offices as part of its "education" and "information" programs. Without investigatorial and prosecutorial authority (and matching resources), the Board has insufficient information and thus is practicably unable to provide such authoritative opinions. With severely restricted rulemaking authority, the Board cannot properly provide regulatory clarifications for employing offices when those clarifications have not been provided by the Secretary to private sector and state and local government employers. And, with its adjudicatory powers, the Board should not resolve disputed interpretive matters in the absence of a specific factual controversy, a record developed through an adversarial process governed by rules of law, and an opportunity for judicial review. To do otherwise would simply impair the independence, impartiality, and irreproachability of the Board's actions. In short, for much the same reasons that federal courts do not issue advisory opinions or *ex parte* decisions, neither should the Board. *See United States* v. *Freuhauf*, 365 U.S. 146, 157 (1961) (Frankfurter, J.) (discussing vices of advisory opinions).

To be sure, "education" and "information" programs are of central importance to the CAA scheme. Such programs are needed, in part, to help employing offices in their efforts to understand and satisfy their compliance obligations under the CAA. And the Board reiterates its intention, stated in the NPR, that the Office sponsor, and participate in, seminars on the obligations of employing offices, distribute a comprehensive manual to address frequently arising questions under the CAA (including questions relating to FLSA exemptions), and be available generally to discuss compliance-related issues when called upon by employing offices. But the Board itself will not and should not in this education and information process issue authoritative opinions about such matters as the exemption status of employees with specified job duties, the propriety of particular model handbooks and policies developed by employing offices, and the qualification of certain House and Senate programs (such as the Federal Thrift Savings Plan) for particular defenses and exemptions that are available under the regulations. Characterizing such interpretive activity as "educational" or "informational" does not in any way address, much less satisfactorily resolve, the serious legal and institutional concerns that make it unwise, if not improper, for the Board to engage in such interpretive activities outside of the adjudicative processes established by the CAA.

The Board recognizes that, by declining to provide such authoritative advisory opinions, the Board is forcing employing offices to rely to a greater extent upon their own counsel and human resources officials and in a sense is frustrating the efforts of employing offices to obtain desirable safe-harbors. The FLSA as currently applied to private employers contains few such safe-harbors, particularly in the area of exemptions. But many knowledgeable labor lawyers and human resources officials are available to provide employing offices with the kind of learned counsel and human resources advice that the employing offices are seeking from the Board; indeed, the House and Senate have centralized administrations and committees that can provide this legal support to employing offices. And employing offices have the benefit of the same legal safe-harbors that the Secretary of Labor has made available to private sector and State and local government employers. Under the CAA, they are legally entitled to no more.

Even more importantly, however, the Board finds that the long-term institutional harm to the CAA scheme that would result from the Board's providing such advisory opinions in non-public, non-adversarial proceedings far outweighs whatever short-term legal or political benefits might result for employing offices. As noted above, provision by the Board of such opinions could impair confidence in the independence, impartiality and irreproachability of the Board's decisionmaking processes. Such a lack of confidence could unfortunately induce employees to take their cases to court rather than bring them to the Board's less costly, confidential and expedited alternative dispute resolution process. Even more seriously, such a lack of confidence could cause the public and other interested persons to question the Board's commitment, and thus the sincerity of the CAA's promise, generally to provide covered employees the same benefits, and to subject the legislative branch to the same legal burdens, as exist with regard to private sector and State and local government employers that are subject to the FLSA. We are confident that, like the bi-partisan Congressional leadership who appointed us and who placed their trust in our experience and judgment concerning how best to implement this statute, those in Congress who voted for the CAA or who would support it today would want us to prefer the long term viability, integrity, and efficacy of this noble statutory enterprise over the short-term demands of employing offices.

B. Specific comments and Board action

1. §§541.1,.2,.3—"White collar" exemptions—Use of job descriptions to determine exempt status

The Board received several comments urging the Board, on the basis of generic job descriptions, to give advice to employing offices on whether covered employees are exempt as bona fide executive, administrative, or professional employees under FLSA §13(a)(1) as applied by the CAA. As noted above, it would not be appropriate to attempt to give such advice in the context of this rulemaking. The Board would note, as a further point, that submission of such descriptions which may describe functions of congressional employees would not, in any event, provide the detail necessary to determine the exempt or nonexempt status of the job. Job descriptions that utilize language or phraseology derived from the regulations today adopted by the Board do not provide the specificity of conclusions regarding exempt or nonexempt status. The Secretary's regulations, as adopted by the Board, speak for themselves. It would serve no purpose, and provide no guidance, simply to repeat the statutory standards for exemption in a job description without reference to the particular functions of a particular employee. The Fair Labor Standards Act is clear that actual function, and not description or job title, govern the exempt status of an employee. See, e.g., 29 C.F.R. §541.201 (3)(b)(1),(2).

2. §541.5d—Special rule for "white collar" employees of a public agency

Under §13(a)(1) of the FLSA, which is incorporated by reference under §225(f)(1) of the CAA, a salaried employee who is a bona fide executive, administrative, or professional employee need not be paid overtime compensation for hours worked in excess of the statutory maximum. Sections 541.1, 541.2, and 541.3, 29 C.F.R., of the Secretary of Labor's regulations respectively define the criteria for each of these "white collar" exemptions. Since they are substantive regulations, the Board in its NPR proposed to adopt them.

Among the regulations not proposed for adoption was §541.5d. This regulation provides that an employee shall not lose his or her "white collar" exemption where a "public agency" employer reduces an exempt employee's pay or places the employee on unpaid leave in certain circumstances for partial-day absences. As explained in the Federal Register Notice announcing its adoption, the Secretary of Labor issued §541.5d in response to concerns that the application of the FLSA to State and local governments would undermine well-settled "policies of public accountability" that require public employees (including those who would otherwise be exempt) to incur a reduction in pay if they absent themselves from work under certain circumstances. 57 Fed. Reg. 37677 (Aug. 19, 1992).

The Board originally did not propose adoption of this regulation. However, one commenter pointed out that, by its terms, §541.5d covers a "public agency," which is a statutory term defined in §3(x) of the FLSA to include "the government of the United States." As a definitional provision, §3(x) is incorporated into the CAA by virtue of §225(f)(1), and Congress is undeniably a branch of the "government of the United States."

The Board finds merit in the commenter's argument. Moreover, the adoption of this regulation is well in keeping with the Board's mandate to promulgate rules that are "the same as substantive regulations promulgated by the Department of Labor to implement" those FLSA statutory provisions made applicable by the CAA. Accordingly, §541.5d will be adopted with a minor change that substitutes for the citation to §541.118 (an interpretative bulletin) the phrase "being paid on a salary basis," which is derived directly from the substantive regulations defining the "white collar" exemptions (i.e., 29 C.F.R. §§541.1,.2,.3).

3. Partial Overtime Exemption for Law Enforcement Officers

The Board did not propose to adopt any sections of 29 C.F.R. Part 553, which govern the application of the FLSA to employees of State and local governments. Subparts A and B of that Part address a variety of issues, including certain exclusions pertaining to elected legislative offices, the use of compensatory time off, recordkeeping, and the employment of volunteers. Subpart C addresses the special provisions which Congress enacted in §7(k) in connection with fire protection and law enforcement employees of public agencies.

Section 7(k) of the FLSA also provides a partial overtime exemption for fire protection and law enforcement employees of a public agency. Based on tour-of-duty averages that were determined by the Secretary of Labor in 1975, an employer need not pay overtime if, in a work period of 28 consecutive days, the employee receives a tour of duty which in the aggregate does not exceed 212 hours for fire protection activity or does not exceed 171 hours for law enforcement activity. Thus, for law enforcement personnel, work in excess of 171 hours during the 28-day period triggers the requirement to pay overtime compensation. For a work period of at least 7 but less than 28 consecutive days, overtime must be paid when the ratio of the number of hours worked to the number of days in the work period exceeds the 171-hours-to-28-days ratio (rounded to the nearest whole hour).

Although the regulations by their terms apply only to "public agencies" of State and local governments, one commenter observed that the underlying statutory provisions are not so limited but rather apply to any "public agency," which by definition includes the Federal government (See §3(x) of the FLSA). Accordingly, it was argued that the Board should adopt those regulations implementing the §7(k) partial overtime exemption insofar as it would apply to the law enforcement work of the Capitol Police.

For the reasons noted above that support adoption of §541.5d, the Board finds that the pertinent sections of Subpart C of Part 553 should also be adopted. Section 7(k) provides a direct textual basis for applying the relevant regulations. Thus, under the regulations, the Capitol Police as an employing office of law enforcement personnel shall have two options: It may pay such personnel overtime compensation on the basis of a 40-hour workweek. Alternatively, it may claim the section 7(k) exemption by establishing a valid work period that follows the criteria set forth in the regulations.

The Board is aware that Congress has enacted special provisions governing overtime compensation and compensatory time off for Capitol Police officers. 40 U.S.C. §206b (for police on the House's payroll) and §206c (for police on the Senate's payroll). However, the regulations being adopted here do not purport to modify those statutory provisions; and whether 40 U.S.C. §§206b-206c grant rights and protections to law enforcement employees that preclude the Capitol Police from availing itself of §7(k) of the FLSA is a question that the Board does not address. The regulations simply specify the rules for overtime policies that conform to the FLSA.

4. §570.35a—Work experience programs for minors

The CAA makes applicable to the legislative branch FLSA §12(c), which prohibits the use of oppressive child labor, and FLSA §3(l), which defines "oppressive child labor." In its NPR, the Board proposed adopting as part of the CAA rules applicable to the Senate certain substantive regulations of Part 570, 29 C.F.R., implementing these statutory provisions. This proposal was based on the Board's understanding that the Senate has a practice of appointing pages under 18 years of age.

One commenter confirmed this understanding by reporting that the Senate Page Program does employ minors under the age of 16. Thus, under the proposed regulations, there are limitations on the periods and the conditions under which such minors can work. Without disputing the applicability of this regulation, the commenter sought to mitigate its impact by urging the adoption of an additional regulation found in 29 C.F.R. Part 570, Subpart C, namely the rule that varies some of the provisions of Subpart C in the context of school-supervised and school-administered work-experience or career exploration programs that have been individually approved by the Wage and Hour Administrator. 29 C.F.R. §570.35a.

After carefully reviewing the provisions of §570.35a, the Board finds that it would not be appropriate to adopt this regulation. There is no available "State Educational Agency" in the context of the CAA; State law is not properly applicable here; and the Board is obviously not competent to set educational standards. In short, there are legal and practical reasons why this regulation is unworkable in the context of Federal legislative branch employment, and the Board thus has "good cause" not to adopt it.

5. Board determination on regulations "required" to be issued in connection with §411 default provision

Section 411 of the CAA provides in pertinent part that "if the Board has not issued a regulation on a matter for which [the CAA] requires a regulation to be issued the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue." By its own terms, this provision comes into play only where it is determined that the Board has not issued a regulation that is required by the CAA. Thus, before a Department of Labor regulation can be invoked, an adjudicator must make a threshold determination that the regulation concerns a matter as to which the Board was obligated under the CAA to issue a regulation.

As noted in the NPR, it was apparent in reviewing Chapter V of 29 C.F.R., which contains all the regulations of the Secretary of Labor issued to implement the FLSA generally, many of those regulations were not legally "required" to be issued as CAA regulations because the underlying FLSA provisions were not made applicable under the CAA. And there are other regulations that the Board has "good cause" not to issue because, for example, they have no applicability to legislative branch employment.

None of the comments to the NPR quarrelled with the Board's conclusion not to adopt those regulations that have little practical application. Therefore, the Board is not issuing regulations predicated upon the following Parts of 29 C.F.R.: Parts 519–528, which authorize subminimum wages for full-time students, student-learners, apprentices, learners, messengers, workers with disabilities, and student workers; Part 548, which authorizes in the collective bargaining context the establishment of basic wage rates for overtime compensation purposes; and Part 551, which implements an overtime exemption for local delivery drivers and helpers.

The comments did identify several individual regulations as to which there is not good cause to not adopt. As explained elsewhere, those regulations are being included in the final rules. However, in the main, the comments did not dispute the inapplicability of those Parts of 29 C.F.R. deemed legally irrelevant.

Accordingly, in keeping with its announced intent in the NPR, the Board is including in its final rules a declaration to the effect that the Board has issued those regulations that, as both a legal and practical matter, it is "required" to promulgate to implement the statutory provisions of the FLSA that are made applicable to the legislative branch by the CAA.

The Board has carefully reviewed the entire corpus of the Secretary's regulations, has sought comment on its proposal concerning the regulations that it should (and should not adopt), and has considered those comments in formulating its final rules. The Board has acted based on this review and consideration and in order to prevent wasteful litigation about whether the omission of a regulation from the Secretary in the Board's regulations was intended or not.

6. Recordkeeping and notice posting

One comment essentially requested that the Board revisit an issue which it resolved after receiving comments to its Advanced Notice of Proposed Rulemaking (ANPR) published on October 11, 1995. The ANPR had solicited public comments on certain questions to assist the Board in drafting proposed FLSA regulations, including the question of whether the FLSA provisions regarding recordkeeping and the notice posting were made applicable by the CAA. As explained in the NPR, after evaluating the comments and carefully reviewing the CAA, the Board concluded that "the CAA explicitly did not incorporate the notice posting and recordkeeping requirements of Section 11, 29 U.S.C. §211 of the FLSA." The most recent comment offered no further statutory evidence to support a change in the Board's original conclusion.

7. Technical and nomenclature changes

A commenter suggested a number of technical and nomenclature changes to the proposed regulations to make them more precise in their application to the legislative branch. The Board has incorporated many of the suggested changes. However, by making these changes, the Board does not intend a substantive difference in meaning of these sections of the Board's regulations and those of the Secretary from which the Board's regulations are derived.

III. Adoption of proposed rules as final regulations under section 304(b)(3) and as interim regulations

Having considered the public comments to the proposed rules, the Board pursuant to section 304(b) (3) and (4) of the CAA is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as interim regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. See, e.g., *Philadelphia Citizens in Action v. Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signalled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

IV. Method of approval

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

ADOPTED REGULATIONS—AS INTERIM AND AS FINAL REGULATIONS

Subtitle C—Regulations relating to the employing offices other than those of the Senate and the House of Representatives—C series

Chapter III—Regulations Relating to the Rights and Protections Under the Fair Labor Standards Act of 1938

Part C501—General provisions

Sec.

C501.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
C501.101 Purpose and scope.
C501.102 Definitions.
C501.103 Coverage.
C501.104 Administrative authority.
C501.105 Effect of Interpretations of the Labor Department.
C501.106 Application of the Portal-to-Portal Act of 1947.
C501.107 Duration of interim regulations.

§C501.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the parts of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding parts of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
Part 531 Wage payments under the Fair Labor Standards Act of 1938	Part C531
Part 541 Defining and delimiting the terms "bona fide executive," "administrative," and "professional" employees	Part C541
Part 547 Requirements of a "Bona fide thrift or savings plan"	Part C547
Part 553 Application of the FLSA to employees of public agencies	Part C553
Part 570 Child labor	Part C570

Subpart A—Matters of general applicability

§C501.101 Purpose and scope

(a) Section 203 of the Congressional Accountability Act (CAA) provides that the rights and protections of subsections (a)(1) and (d) of section 6, section 7, and section 12(c) of the Fair Labor Standards Act of 1938 (FLSA) (29 U.S.C. §§206(a)(1) & (d), 207, 212(c)) shall apply to covered employees of the legislative branch of the Federal government. Section 301 of the CAA creates the Office of Compliance as an independent office in the legislative branch for enforcing the rights and protections of the FLSA, as applied by the CAA.

(b) The FLSA as applied by the CAA provides for minimum standards for both wages and overtime entitlements, and delineates administrative procedures by which covered worktime must be compensated. Included also in the FLSA are provisions related to child labor, equal pay, and portal-to-portal activities. In addition, the FLSA exempts specified employees or groups of employees from the application of certain of its provisions.

(c) This chapter contains the substantive regulations with respect to the FLSA that the Board of Directors of the Office of Compliance has adopted pursuant to Sections 203(c) and 304 of the CAA, which requires that the Board promulgate regulations that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of §203 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section."

(d) These regulations are issued by the Board of Directors, Office of Compliance, pursuant to sections 203(c) and 304 of the CAA, which directs the Board to promulgate regulations implementing section 203 that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection a [of section 203 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." The regulations issued by the Board herein are on all matters for which section 203 of the CAA requires a regulations to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of the promulgation of these regulations, that, with the exception of regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 203 of the CAA]."

(e) In promulgating these regulations, the Board has made certain technical and nomenclature changes to the regulations as promulgated by the Secretary. Such changes are intended to make the provisions adopted accord more naturally to situations in the legislative branch. However, by making these changes, the Board does not intend a substantive difference between these regulations and those of the Secretary from which they are derived. Moreover, such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

§ C501.102 Definitions

For purposes of this chapter:

(a) *CAA* means the Congressional Accountability Act of 1995 (P.L. 104-1, 109 Stat. 3, 2 U.S.C. §§1301-1438).

(b) *FLSA* or *Act* means the Fair Labor Standards Act of 1938, as amended (29 U.S.C. §201 et seq.), as applied by section 203 of the CAA to covered employees and employing offices.

(c) *Covered employee* means any employee, including an applicant for employment and a former employee, of the (1) the Capitol Guide Service; (2) the Capitol Police; (3) the Congressional Budget Office; (4) the Office of the Architect of the Capitol; (5) the Office of the Attending Physician; (6) the Office of Compliance; or (7) the Office of Technology Assessment, but shall not include an intern.

(d)(1) *Employee of the Office of the Architect of the Capitol* includes any employee of the Architect of the Capitol, the Botanic Garden, or the Senate Restaurants;

(2) *Employee of the Capitol Police* includes any member or officer of the Capitol Police.

(e) *Employing office* and *employer* mean (1) the Capitol Guide Service; (2) the Capitol Police; (3) the Congressional Budget Office; (4) the Office of the Architect of the Capitol; (5) the Office of the Attending Physician; (6) the Office of Compliance; or (7) the Office of Technology Assessment.

(f) *Board* means the Board of Directors of the Office of Compliance.

(g) *Office* means the Office of Compliance.

(h) *Intern* is an individual who (a) is performing services in an employing office as part of a demonstrated educational plan, and (b) is appointed on a temporary basis for a period not to exceed 12 months; *provided* that if an intern is appointed for a period shorter than 12 months, the intern may be reappointed for additional periods as long as the total length of the internship does not exceed 12 months; *provided further* that the defintion of *intern* does not include volunteers, fellows or pages.

§ C501.103 Coverage

The coverage of Section 203 of the CAA extends to any covered employee of an employing office without regard to whether the covered employee is engaged in commerce or the production of goods for interstate commerce and without regard to size, number of employees, amount of business transacted, or other measure.

§C501.104 Administrative authority

(a) The Office of Compliance is authorized to administer the provisions of Section 203 of the Act with respect to any covered employee or covered employer.

(b) The Board is authorized to promulgate substantive regulations in accordance with the provisions of Sections 203(c) and 304 of the CAA.

§ C501.105 Effect of interpretations of the Department of Labor

(a) In administering the FLSA, the Wage and Hour Division of the Department of Labor has issued not only substantive regulations but also interpretative bulletins. Substantive regulations represent an exercise of statutorily-delegated lawmaking authority from the legislative branch to an administrative agency. Generally, they are proposed in accordance with the notice-and-comment procedures of the Administrative Procedure Act (APA), 5 U.S.C. §553. Once promulgated, such regulations are considered to have the force and effect of law, unless set aside upon judicial review as arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. See *Batterton v. Francis,* 432 U.S. 416, 425 n.9 (1977). See also 29 C.F.R. §790.17(b) (1994). Unlike substantive regulations, interpretative statements, including bulletins and other releases of the Wage and Hour Division, are not issued pursuant to the provisions of the APA and may not have the force and effect of law. Rather, they may only constitute official interpretations of the Department of Labor with respect to the meaning and application of the minimum wage, maximum hour, and overtime pay requirements of the FLSA. See 29 C.F.R. §790.17(c) (citing Final Report of the Attorney General's Committee on Administrative Procedure, Senate Document No.8, 77th Cong., 1st Sess., at p. 27 (1941)). The purpose of such statements is to make available in one place the interpretations of the FLSA which will guide the Secretary of Labor and the Wage and Hour Administrator in the performance of their duties unless and until they are otherwise directed by authoritative decisions of the courts or conclude, upon reexamination of an interpretation, that it is incorrect. The Supreme Court has observed: "[T]he rulings, interpretations and opinions of the Administrator under this Act, while not controlling upon the courts by reason of their authority, do constitute a body of experience and informed judgment to which courts and litigants may properly resort for guidance. The weight of such a judgment in a particular case will depend upon the thoroughness evident in the consideration, the validity of its reasoning, its consistency with earlier and later pronouncements, and all those factors which give it power to persuade, if lacking power to control." *Skidmore v. Swift,* 323 U.S. 134, 140 (1944).

(b) Section 203(c) of the CAA provides that the substantive regulations implementing Section 203 of the CAA shall be "the same as substantive regulations promulgated by the Secretary of Labor" except where the Board finds, for good cause shown, that a modification would more effectively implement the rights and protections established by the FLSA. Thus, the CAA by its terms does not mandate that the Board adopt the interpretative statements of the Department of Labor or its Wage and Hour Division. The Board is thus not adopting such statements as part of its substantive regulations.

§ C501.106 Application of the Portal-to-Portal Act of 1947

(a) Consistent with Section 225 of the CAA, the Portal to Portal Act (PPA), 29 U.S.C. §§216 and 251 *et seq.*, is applicable in defining and delimiting the rights and protections of the FLSA that are prescribed by the CAA. Section 10 of the PPA, 29 U.S.C. §259, provides in pertinent part: "[N]o employer shall be subject to any liability or punishment for or on account of the failure of the employer to pay minimum wages or overtime compensation under the Fair Labor Standards Act of 1938, as amended, . . . if he pleads and proves that the act or omission complained of was in good faith in conformity with and reliance on any written administrative regulation, order, ruling, approval or interpretation of [the Administrator of the Wage and Hour Division of the Department of Labor] . . . or any administrative practice or enforcement policy of such agency with respect to the class of employers to which he belonged. Such a defense, if established shall be a bar to the action or proceeding, notwithstanding that after such act or omission, such administrative regulation, order, ruling, approval, interpretation, practice or enforcement policy is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect."

(b) In defending any action or proceeding based on any act or omission arising out of section 203 of the CAA, an employing office may satisfy the standards set forth in subsection (a) by pleading and proving good faith reliance upon any written administrative regulation, order, ruling, approval or interpretation, of the Administrator of the Wage and Hour Division of the Department of Labor: *Provided,* that such regulation, order, ruling approval or interpretation had not been superseded at the time of reliance by any regulation, order, decision, or ruling of the Board or the courts.

§ C501.107 Duration of interim regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

Part C531—Wage Payments Under the Fair Labor Standards Act of 1938

Subpart A—Preliminary Matters

Sec.

C531.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

C531.1 Definitions.

C531.2 Purpose and scope.

Subpart B—Determinations of "reasonable cost" and "fair value"; effects of collective bargaining agreements

C531.3 General determinations of "reasonable cost".

C531.6 Effects of collective bargaining agreements.

A—Preliminary matters

§ C531.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
531.1 Definitions	C531.1
531.2 Purpose and scope	C531.2
531.3 General determinations of "reasonable cost"	C531.3
Effects of collective bargaining agreements	C531.6

§ C531.1 Definitions

(a) *Administrator* means the Administrator of the Wage and Hour Division or his authorized representative. The Secretary of Labor has delegated to the Administrator the functions vested in him under section 3(m) of the Act.

(b) *Act* means the Fair Labor Standards Act of 1938, as amended.

§ C531.2 Purpose and scope

(a) Section 3(m) of the Act defines the term 'wage' to include the 'reasonable cost', as determined by the Secretary of Labor, to an employer of furnishing any employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by the employer to his employees. In addition, section 3(m) gives the Secretary authority to determine the 'fair value' of such facilities on the basis of average cost to the employer or to groups of employers similarly situated, on average value to groups of employees, or other appropriate measures of 'fair value.' Whenever so determined and when applicable and pertinent, the 'fair value' of the facilities involved shall be includable as part of 'wages' instead of the actual measure of the costs of those facilities. The section provides, however, that the cost of board, lodging, or other facilities shall not be included as part of 'wages' if excluded therefrom by a bona fide collective bargaining agreement. Section 3(m) also provides a method for determining the wage of a tipped employee.

(b) This part 531 contains any determinations made as to the 'reasonable cost' and 'fair value' of board, lodging, or other facilities having general application.

Subpart B—Determinations of "reasonable cost" and "fair value"; effects of collective bargaining agreements

§ C531.3 General determinations of 'reasonable cost'

(a) The term *reasonable cost* as used in section 3(m) of the Act is hereby determined to be not more than the actual cost to the employer of the board, lodging, or other facilities customarily furnished by him to his employees.

(b) Reasonable cost does not include a profit to the employer or to any affiliated person.

(c) The reasonable cost to the employer of furnishing the employee with board, lodging, or other facilities (including housing) is the cost of operation and maintenance including adequate depreciation plus a reasonable allowance (not more than 5½ percent) for interest on the depreciated amount of capital invested by the employer: *Provided*, That if the total so computed is more than the fair rental value (or the fair price of the commodities or facilities offered for sale), the fair rental value (or the fair price of the commodities or facilities offered for sale) shall be the reasonable cost. The cost of operation and maintenance, the rate of depreciation, and the depreciated amount of capital invested by the employer shall be those arrived at under good accounting practices. As used in this paragraph, the term *good accounting practices* does not include accounting practices which have been rejected by the Internal Revenue Service for tax purposes, and the term *depreciation* includes obsolescence.

(d)(1) The cost of furnishing 'facilities' found by the Administrator to be primarily for the benefit or convenience of the employer will not be recognized as reasonable and may not therefore be included in computing wages.

(2) The following is a list of facilities found by the Administrator to be primarily for the benefit of convenience of the employer. The list is intended to be illustrative rather than exclusive: (i) Tools of the trade and other materials and services incidental to carrying on the employer's business; (ii) the cost of any construction by and for the employer; (iii) the cost of uniforms and of their laundering, where the nature of the business requires the employee to wear a uniform.

§ C531.6 Effects of collective bargaining agreements

(a) The cost of board, lodging, or other facilities shall not be included as part of the wage paid to any employee to the extent it is excluded therefrom under the terms of a bona fide collective bargaining agreement applicable to the particular employee.

(b) A collective bargaining agreement shall be deemed to be "bona fide" when pursuant to the provisions of section 7(b)(1) or 7(b)(2) of the FLSA it is made with the certified representative of the employees under the provisions of the CAA.

Part C541—Defing and Delimiting the Terms "Bona Fide Executive," "Administrative," or "Professional" Capacity (Including Any Employee Employed in the Capacity of Academic Administrative Personnel or Teacher in Secondary School)

Subpart A—General regulations

Sec.
C541.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.
C541.01 Application of the exemptions of section 13(a)(1) of the FLSA.
C541.1 Executive.
C541.2 Administrative.
C541.3 Professional.
C541.5b Equal pay provisions of section 6(d) of the FLSA as applied by the CAA extend to executive, administrative, and professional employees.
C541.5d Special provisions applicable to employees of public agencies.

Subpart A—General regulations

§ C541.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations at Title 29 of the Code of Federal Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor Regulations	*OC Regulations*
541.1 Executive	C541.1
541.2 Administrative	C541.2
541.3 Professional	C541.3
541.5b Equal pay provisions of section 6(d) of the FLSA apply to executive, administrative, and professional employees.	C541.5b
541.5d Special provisions applicable to employees of public agencies	C541.5d

§ C541.01 Application of the exemptions of section 13 (a)(1) of the FLSA

(a) Section 13(a)(1) of the FLSA, which provides certain exemptions for employees employed in a bona fide executive, administrative, or professional capacity (including any employee employed in the capacity of academic administrative personnel or teacher in a secondary school), applies to covered employees by virtue of Section 225(f)(1) of the CAA.

(b) The substantive regulations set forth in this part are promulgated under the authority of sections 203(c) and 304 of the CAA, which require that such regulations be the same as the substantive regulations promulgated by the Secretary of Labor except where the Board determines for good cause shown that modifications would be more effective for the implementation of the rights and protections under § 203.

§ C541.1 Executive

The term *employee employed in a bona fide executive* * * * capacity in section 13(a) (1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of the management of an employing office in which he is employed or of a customarily recognized department of subdivision thereof; and

(b) Who customarily and regularly directs the work of two or more other employees therein; and

(c) Who has the authority to hire or fire other employees or whose suggestions and recommendations as to the hiring or firing and as to the advancement and promotion or any other change of status of other employees will be given particular weight; and

(d) Who customarily and regularly exercises discretionary powers; and

(e) Who does not devote more than 20 percent, or, in the case of an employee of a retail or service establishment who does not devote as much as 40 percent, of his hours of work in the workweek to activities which are not directly and closely related to the performance of the work described in paragraphs (a) through (d) of this section: *Provided*, That this paragraph shall not apply in the case of an employee who is in sole charge of an independent establishment or a physically separated branch establishment; and

(f) Who is compensated for his services on a salary basis at a rate of not less than $155 per week, exclusive of board, lodging or other facilities: *Provided*, That an employee who is compensated on a salary basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the management of the employing office in which the employee is employed or of a customarily recognized department or subdivision thereof, and includes the customary and regular direction of the work of two or more other employees therein, shall be deemed to meet all the requirements of this section

§ C541.2 Administrative

The term *employee employed in a bona fide* * * * *administrative* * * * *capacity* in section 13(a)(1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of either:

(1) The performance of office or nonmanual work directly related to management policies or general operations of his employer or his employer's customers, or

(2) The performance of functions in the administration of a school system, or educational establishment or institution, or of a department or subdivision thereof, in work directly related to the academic instruction or training carried on therein; and

(b) Who customarily and regularly exercises discretion and independent judgment; and

(c)(1) Who regularly and directly assists the head of an employing office, or an employee employed in a bona fide executive or administrative capacity (as such terms are defined in the regulations of this subpart), or

(2) Who performs under only general supervision work along specialized or technical lines requiring special training, experience, or knowledge, or

(3) Who executes under only general supervision special assignments and tasks; and

(d) Who does not devote more than 20 percent, or, in the case of an employee of a retail or service establishment who does not devote as much as 40 percent, of his hours worked in the workweek to activities which are not directly and closely related to the performance of the work described in paragraphs (a) through (c) of this section; and

(e)(1) Who is compensated for his services on a salary or fee basis at a rate of not less than $155 per week, exclusive of board, lodging or other facilities, or

(2) Who, in the case of academic administrative personnel, is compensated for services as required by paragraph (e)(1) of this section, or on a salary basis which is at least equal to the entrance salary for teachers of in the school system, educational establishment or institution by which employed: *Provided*, That an employee who is compensated on a salary or fee basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the performance of work described in paragraph (a) of this section, which includes work requiring the exercise of discretion and independent judgment, shall be deemed to meet all the requirements of this section.

§ C541.3 Professional

The term *employee employed in a bona fide * * * professional capacity* in section 13(a)(1) of the FLSA as applied by the CAA shall mean any employee:

(a) Whose primary duty consists of the performance of:

(1) Work requiring knowledge of an advance type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study, as distinguished from a general academic education and from an apprenticeship, and from training in the performance of routine mental, manual, or physical processes, or

(2) Work that is original and creative in character in a recognized field of artistic endeavor (as opposed to work which can be produced by a person endowed with general manual or intellectual ability and training), and the result of which depends primarily on the invention, imagination, or talent of the employee, or

(3) Teaching, tutoring, instructing, or lecturing in the activity of imparting knowledge and who is employed and engaged in this activity as a teacher in school system, educational establishment or institution by which employed, or

(4) Work that requires theoretical and practical application of highly-specialized knowledge in computer systems analysis, programming, and software engineering, and who is employed and engaged in these activities as a computer systems analyst, computer programmer, software engineer, or other similarly skilled worker in the computer software field; and

(b) Whose work requires the consistent exercise of discretion and judgment in its performance; and

(c) Whose work is predominantly intellectual and varied in character (as opposed to routine mental, manual, mechanical, or physical work) and is of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and

(d) Who does not devote more than 20 percent of his hours worked in the workweek to activities which are not an essential part of and necessarily incident to the work described in paragraphs (a) through (c) of this section; and

(e) Who is compensated for services on a salary or fee basis at a rate of not less than $170 per week, exclusive of board, lodging or other facilities: *Provided*, That this paragraph shall not apply in the case of an employee who is the holder of a valid license or certificate permitting the practice of law or medicine or any of their branches and who is actually engaged in the practice thereof, nor in the case of an employee who is the holder of the requisite academic degree for the general practice of medicine and is engaged in an internship or resident program pursuant to the practice of medicine or any of its branches, nor in the case of an employee employed and engaged as a teacher as provided in paragraph (a)(3) of this section: *Provided further*, That an employee who is compensated on a salary or fee basis at a rate of not less than $250 per week, exclusive of board, lodging or other facilities, and whose primary duty consists of the performance either of work described in paragraph (a) (1), (3), or (4) of this section, which includes work requiring the consistent exercise of discretion and judgment, or of work requiring invention, imagination, or talent in a recognized field of artistic endeavor, shall be deemed to meet all of the requirements of this section: *Provided further*, That the salary or fee requirements of this paragraph shall not apply to an employee engaged in computer-related work within the scope of paragraph (a)(4) of this section and who is compensated on an hourly basis at a rate in excess of 6 1/2 times the minimum wage provided by section 6 of the FLSA as applied by the CAA.

§ C541.5b Equal pay provisions of section 6(d) of the FLSA as applied by the CAA extend to executive, administrative, and professional employees

The FLSA, as amended and as applied by the CAA, includes within the protection of the equal pay provisions those employees exempt from the minimum wage and overtime pay provisions as bona fide executive, administrative, and professional employees (including any employee employed in the capacity of academic administrative personnel or teacher in elementary or secondary schools) under section 13(a)(1) of the FLSA. Thus, for example, where an exempt administrative employee and another employee of the employing office are performing substantially "equal work," the sex discrimination prohibitions of section 6(d) are applicable with respect to any wage differential between those two employees.

§ C541.5d Special provisions applicable to employees of public agencies

(a) An employee of a public agency who otherwise meets the requirement of being paid on a salary basis shall not be disqualified from exemption under Sec. C541.1, C541.2, or C541.3 on the basis that such employee is paid according to a pay system established by statute, ordinance, or regulation, or by a policy or practice established pursuant to principles of public accountability, under which the employee accrues personal leave and sick leave and which requires the public agency employee's pay to be reduced or such employee to be placed on leave without pay for absences for personal reasons or because of illness or injury of less than one work-day when accrued leave is not used by an employee because—(1) permission for its use has not been sought or has been sought and denied; (2) accrued leave has been exhausted; or (3) the employee chooses to use leave without pay.

(b) Deductions from the pay of an employee of a public agency for absences due to a budget-required furlough shall not disqualify the employee from being paid 'on a salary basis' except in the workweek in which the furlough occurs and for which the employee's pay is accordingly reduced.

Part C547—Requirements of a "Bona Fide Thrift or Savings Plan

Sec.

C547.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

C547.0 Scope and effect of part.

C547.1 Essential requirements of qualifications.

C547.2 Disqualifying provisions.

§ C547.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
547.0 Scope and effect of part	C547.0
547.1 Essential requirements of qualifications	C547.1
547.2 Disqualifying provisions	C547.2

§ C547.0 Scope and effect of part

(a) The regulations in this part set forth the requirements of a "bona fide thrift or savings plan" under section 7(e)(3)(b) of the Fair Labor Standards Act of 1938, as amended (FLSA), as applied by the CAA. In determining the total remuneration for employment which section 7(e) of the FLSA requires to be included in the regular rate at which an employee is employed, it is not necessary to include any sums paid to or on behalf of such employee, in recognition of services performed by him during a given period, which are paid pursuant to a bona fide thrift or savings plan meeting the requirements set forth herein. In the formulation of these regulations due regard has been given to the factors and standards set forth in section 7(e)(3)(b) of the Act.

(b) Where a thrift or savings plan is combined in a single program (whether in one or more documents) with a plan or trust for providing old age, retirement, life, accident or health insurance or similar benefits for employees, contributions made by the employer pursuant to such thrift or savings plan may be excluded from the regular rate if the plan meets the requirements of the regulation in this part and the contributions made for the other purposes may be excluded from the regular rate if they meet the tests set forth in regulations.

§ C547.1 Essential requirements for qualifications

(a) A "bona fide thrift or savings plan" for the purpose of section 7(e)(3)(b) of the FLSA as applied by the CAA is required to meet all the standards set forth in paragraphs (b) through (f) of this section and must not contain the disqualifying provisions set forth in § 547.2.

(b) The thrift or savings plan constitutes a definite program or arrangement in writing, adopted by the employer or by contract as a result of collective bargaining and communicated or made available to the employees, which is established and maintained, in good faith, for the purpose of encouraging voluntary thrift or savings by employees by providing an incentive to employees to accumulate regularly and retain cash savings for a reasonable period of time or to save through the regular purchase of public or private securities.

(c) The plan specifically shall set forth the category or categories of employees participating and the basis of their eligibility. Eligibility may not be based on such factors as hours of work, production, or efficiency of the employees: *Provided, however*, That hours of work may be used to determine eligibility of part-time or casual employees.

(d) The amount any employee may save under the plan shall be specified in the plan or determined in accordance with a definite formula specified in the plan, which formula may be based on one or more factors such as the straight-time earnings or total earnings, base rate of pay, or length of service of the employee.

(e) The employer's total contribution in any year may not exceed 15 percent of the participating employees' total earnings during that year. In addition, the employer's total contribution in any year may not exceed the total amount saved or invested by the participating employees during that year.

(f) The employer's contributions shall be apportioned among the individual employees in accordance with a definite formula or method of calculation specified in the plan, which formula or method of calculation is based on the amount saved or the length of time the individual employee retains his savings or investment in the plan: *Provided*, That no employee's share determined in accordance with the plan may be diminished because of any other remuneration received by him.

§ C547.2 Disqualifying provisions

(a) No employee's participation in the plan shall be on other than a voluntary basis.

(b) No employee's wages or salary shall be dependent upon or influenced by the existence of such thrift or savings plan or the employer's contributions thereto.

(c) The amounts any employee may save under the plan, or the amounts paid by the employer under the plan may not be based upon the employee's hours of work, production or efficiency.

Part C553—Overtime Compensation: Partial Exemption for Employees Engaged in Law Enforcement and Fire Protection; Overtime and Compensatory Time-Off for Employees Whose Work Schedule Directly Depends Upon the Schedule of the House

Introduction

Sec.

C553.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

C553.1 Definitions.

C553.2 Purpose and scope.

Subpart C—Partial exemption for employees engaged in law enforcement and fire protection

C553.201 Statutory provisions: section 7(k).

C553.202 Limitations.

C553.211 Law enforcement activities.

C553.212 Twenty percent limitation on nonexempt work.

C553.213 Public agency employees engaged in both fire protection and law enforcement activities.

C553.214 Trainees.

C553.215 Ambulance and rescue service employees.

C553.216 Other exemptions.

C553.220 "Tour of duty" defined.

C553.221 Compensable hours of work.

C553.222 Sleep time.

C553.223 Meal time.

C553.224 "Work period" defined.

C553.225 Early relief.

C553.226 Training time.

C553.227 Outside employment.

C553.230 Maximum hours standards for work periods of 7 to 28 days—section 7(k).

C553.231 Compensatory time off.

C553.232 Overtime pay requirements.

C553.233 "Regular rate" defined.

Subpart D—Compensatory time-off for overtime earned by employees whose work schedule directly depends upon the schedule of the House

C553.301 Definition of "directly depends." ....

C553.302 Overtime compensation and compensatory time off for an employee whose work schedule directly depends upon the schedule of the House.

C553.303 Using compensatory time off.

C553.304 Payment of overtime compensation for accrued compensatory time off as of termination of service.

Introduction

§ C553.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance (OC) Regulations under Section 203 of the CAA:

Secretary of Labor regulations	*OC regulations*
553.1 Definitions	C553.1
553.2 Purpose and scope	C553.2
553.201 Statutory provisions: section 7(k)	C553.201
553.202 Limitations	C553.202
553.211 Law enforcement activities	C553.211
553.212 Twenty percent limitation on nonexempt work	C553.212
553.213 Public agency employees engaged in both fire protection and law enforcement activities	C553.213
553.214 Trainees	C553.214
553.215 Ambulance and rescue service employees	C553.215
553.216 Other exemptions	C553.216
553.220 "Tour of duty" defined	C553.220
553.221 Compensable hours of work	C553.221
553.222 Sleep time	C553.222
553.223 Meal time	C553.223
553.224 "Work period" defined	C553.224
553.225 Early relief	C553.225
553.226 Training time	C553.226
553.227 Outside employment	C553.227
553.230 Maximum hours standards for work periods of 7 to 28 days—section 7(k)	C553.230
553.231 Compensatory time off	C553.231
553.232 Overtime pay requirements	C553.232
553.233 "Regular rate" defined	C553.233

Introduction

§ C553.1 Definitions

(a) Act or FLSA means the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U.S.C. 201–219), as applied by the CAA.

(b) 1985 Amendments means the Fair Labor Standards Amendments of 1985 (Pub. L. 99–150).

(c) Public agency means an employing office as the term is defined in § 501.102 of this chapter, including the Capitol Police.

(d) Section 7(k) means the provisions of § 7(k) of the FLSA as applied to covered employees and employing offices by § 203 of the CAA.

§ C553.2 Purpose and scope

The purpose of part C553 is to adopt with appropriate modifications the regulations of the Secretary of Labor to carry out those provisions of the FLSA relating to public agency employees as they are applied to covered employees and employing offices of the CAA. In particular, these regulations apply section 7(k) as it relates to fire protection and law enforcement employees of public agencies.

Subpart C—Partial exemption for employees engaged in law enforcement and fire protection

§ C553.201 Statutory provisions: section 7(k)

Section 7(k) of the Act provides a partial overtime pay exemption for fire protection and law enforcement personnel (including security personnel in correctional institutions) who are employed by public agencies on a work period basis. This section of the Act formerly permitted public agencies to pay overtime compensation to such employees in work periods of 28 consecutive days only after 216 hours of work. As further set forth in § C553.230 of this part, the 216-hour standard has been replaced, pursuant to the study mandated by the statute, by 212 hours for fire protection employees and 171 hours for law enforcement employees. In the case of such employees who have a work period of at least 7 but less than 28 consecutive days, overtime compensation is required when the ratio of the number of hours worked to the number of days in the work period exceeds the ratio of 212 (or 171) hours to 28 days.

§ C553.202 Limitations

The application of § 7(k), by its terms, is limited to public agencies, and does not apply to any private organization engaged in furnishing fire protection or law enforcement services. This is so even if the services are provided under contract with a public agency.

Exemption requirements

§ C553.211 Law enforcement activities

(a) As used in § 7(k) of the Act, the term 'any employee . . . in law enforcement activities' refers to any employee (1) who is a uniformed or plainclothed member of a body of officers and subordinates who are empowered by law to enforce laws designed to maintain public peace and order and to protect both life and property from accidental or willful injury, and to prevent and detect crimes, (2) who has the power to arrest, and (3) who is presently undergoing or has undergone or will undergo on-the-job training and/or a course of instruction and study which typically includes physical training, self-defense, firearm proficiency, criminal and civil law principles, investigative and law enforcement techniques, community relations, medical aid and ethics.

(b) Employees who meet these tests are considered to be engaged in law enforcement activities regardless of their rank, or of their status as 'trainee,' 'probationary,' or 'permanent,' and regardless of their assignment to duties incidental to the performance of their law enforcement activities such as equipment maintenance, and lecturing, or to support activities of the type described in paragraph (g) of this section, whether or not such assignment is for training or familiarization purposes, or for reasons of illness, injury or infirmity. The term would also include rescue and ambulance service personnel if such personnel form an integral part of the public agency's law enforcement activities. See Sec. C553.215.

(c) Typically, employees engaged in law enforcement activities include police who are regularly employed and paid as such. Other agency employees with duties not specifically mentioned may, depending upon the particular facts and pertinent statutory provisions in that jurisdiction, meet the three tests described above. If so, they will also qualify as law enforcement officers. Such employees might include, for example, any law enforcement employee within the legislative branch concerned with keeping public peace and order and protecting life and property.

(d) Employees who do not meet each of the three tests described above are not engaged in 'law enforcement activities' as that term is used in sections 7(k). Employees who normally would not meet each of these tests include:

(1) Building inspectors (other than those defined in Sec. C553.213(a)),

(2) Health inspectors,

(3) Sanitarians,

(4) Civilian traffic employees who direct vehicular and pedestrian traffic at specified intersections or other control points,

(5) Civilian parking checkers who patrol assigned areas for the purpose of discovering parking violations and issuing appropriate warnings or appearance notices,

(6) Wage and hour compliance officers,

(7) Equal employment opportunity compliance officers, and

(8) Building guards whose primary duty is to protect the lives and property of persons within the limited area of the building.

(e) The term 'any employee in law enforcement activities' also includes, by express reference, 'security personnel in correctional institutions.' Typically, such facilities may include precinct house lockups. Employees of correctional institutions who qualify as security personnel for purposes of the section 7(k) exemption are those who have responsibility for controlling and maintaining custody of inmates and of safeguarding them from other inmates or for supervising such functions, regardless of whether their duties are performed inside the correctional institution or outside the institution. These employees are considered to be engaged in law enforcement activities regardless of their rank or of their status as 'trainee,' 'probationary,' or 'permanent,' and regardless of their assignment to duties incidental to the performance of their law enforcement activities, or to support activities of the type described in paragraph (f) of this section, whether or not such assignment is for training or familiarization purposes or for reasons of illness, injury or infirmity.

(f) Not included in the term 'employee in law enforcement activities' are the so-called 'civilian' employees of law enforcement agencies or correctional institutions who engage in such support activities as those performed by dispatcher, radio operators, apparatus and equipment maintenance and repair workers, janitors, clerks and stenographers. Nor does the term include employees in correctional institutions who engage in building repair and maintenance, culinary services, teaching, or in psychological, medical and paramedical services. This is so even though such employees may, when assigned to correctional institutions, come into regular contact with the inmates in the performance of their duties.

§C553.212 Twenty percent limitation on nonexempt work

(a) Employees engaged in fire protection or law enforcement activities as described in Sec. C553.210 and C553.211, may also engage in some nonexempt work which is not performed as an incident to or in conjunction with their fire protection or law enforcement activities. For example, firefighters who work for forest conservation agencies may, during slack times, plant trees and perform other conservation activities unrelated to their firefighting duties. The performance of such nonexempt work will not defeat the §7(k) exemption unless it exceeds 20 percent of the total hours worked by that employee during the workweek or applicable work period. A person who spends more than 20 percent of his/her working time in nonexempt activities is not considered to be an employee engaged in fire protection or law enforcement activities for purposes of this part.

(b) Public agency fire protection and law enforcement personnel may, at their own option, undertake employment for the same employer on an occasional or sporadic and part-time basis in a different capacity from their regular employment. The performance of such work does not affect the application of the §7(k) exemption with respect to the regular employment. In addition, the hours of work in the different capacity need not be counted as hours worked for overtime purposes on the regular job, nor are such hours counted in determining the 20 percent tolerance for nonexempt work discussed in paragraph (a) of this section.

§C553.213 Public agency employees engaged in both fire protection and law enforcement activities

(a) Some public agencies have employees (often called 'public safety officers') who engage in both fire protection and law enforcement activities, depending on the agency needs at the time. This dual assignment would not defeat the section 7(k) exemption, provided that each of the activities performed meets the appropriate tests set forth in Sec. C553.210 and C553.211. This is so regardless of how the employee's time is divided between the two activities. However, all time spent in nonexempt activities by public safety officers within the work period, whether performed in connection with fire protection or law enforcement functions, or with neither, must be combined for purposes of the 20 percent limitation on nonexempt work discussed in Sec.C553.212.

(b) As specified in Sec.C553.230, the maximum hours standards under section 7(k) are different for employees engaged in fire protection and for employees engaged in law enforcement. For those employees who perform both fire protection and law enforcement activities, the applicable standard is the one which applies to the activity in which the employee spends the majority of work time during the work period.

§C553.214 Trainees

The attendance at a bona fide fire or police academy or other training facility, when required by the employing agency, constitutes engagement in activities under section 7(k) only when the employee meets all the applicable tests described in Sec. C553.210 or Sec. C553.211 (except for the power of arrest for law enforcement personnel), as the case may be. If the applicable tests are met, then basic training or advanced training is considered incidental to, and part of, the employee's fire protection or law enforcement activities.

§C553.215 Ambulance and rescue service employees

Ambulance and rescue service employees of a public agency other than a fire protection or law enforcement agency may be treated as employees engaged in fire protection or law enforcement activities of the type contemplated by §7(k) if their services are substantially related to firefighting or law enforcement activities in that (1) the ambulance and rescue service employees have received training in the rescue of fire, crime, and accident victims or firefighters or law enforcement personnel injured in the performance of their respective duties, and (2) the ambulance and rescue service employees are regularly dispatched to fires, crime scenes, riots, natural disasters and accidents. As provided in Sec. C553.213(b), where employees perform both fire protection and law enforcement activities, the applicable standard is the one which applies to the activity in which the employee spends the majority of work time during the work period.

§C553.216 Other exemptions

Although the 1974 Amendments to the FLSA as applied by the CAA provide special exemptions for employees of public agencies engaged in fire protection and law enforcement activities, such workers may also be subject to other exemptions in the Act, and public agencies may claim such other applicable exemptions in lieu of §7(k). For example, section 13(a)(1) as applied by the CAA provides a complete minimum wage and overtime pay exemption for any employee employed in a bona fide executive, administrative, or professional capacity, as those terms are defined and delimited in Part C541. The section 13(a)(1) exemption can be claimed for any fire protection or law enforcement employee who meets all of the tests specified in part C541 relating to duties, responsibilities, and salary. Thus, high ranking police officials who are engaged in law enforcement activities, may also, depending on the facts, qualify for the section 13(a)(1) exemption as "executive" employees. Similarly, certain criminal investigative agents may qualify as "administrative" employees under section 13(a)(1).

Tour of duty and compensable hours of work rules

§C553.220 "Tour of duty" defined

(a) The term "tour of duty" is a unique concept applicable only to employees for whom the section 7(k) exemption is claimed. This term, as used in section 7(k), means the period of time during which an employee is considered to be on duty for purposes of determining compensable hours. It may be a scheduled or unscheduled period. Such periods include "shifts" assigned to employees often days in advance of the performance of the work. Scheduled periods also include time spent in work outside the"shift" which the public agency employer assigns. For example, a police officer may be assigned to crowd control during a parade or other special event outside of his or her shift.

(b) Unscheduled periods include time spent in court by police officers, time spent handling emergency situations, and time spent working after a shift to complete an assignment. Such time must be included in the compensable tour of duty even though the specific work performed may not have been assigned in advance.

(c) The tour of duty does not include time spent working for a separate and independent employer in certain types of special details as provided in Sec. C553.227.

§C553.221 Compensable hours of work

(a) The rules under the FLSA as applied by the CAA on compensable hours of work are applicable to employees for whom the section 7(k) exemption is claimed. Special rules for sleep time (Sec. C553.222) apply to both law enforcement and firefighting employees for whom the section 7(k) exemption is claimed. Also, special rules for meal time apply in the case of firefighters (Sec. C553.223).

(b) Compensable hours of work generally include all of the time during which an employee is on duty on the employer's premises or at a prescribed workplace, as well as all other time during which the employee is suffered or permitted to work for the employer. Such time includes all pre-shift and post-shift activities which are an integral part of the employee's principal activity or which are closely related to the performance of the principal activity, such as attending roll call, writing up and completing tickets or reports, and washing and re-racking fire hoses.

(c) Time spent away from the employer's premises under conditions that are so circumscribed that they restrict the employee from effectively using the time for personal pursuits also constitutes compensable hours of work. For example, where a police station must be evacuated because of an electrical failure and the employees are expected to remain in the vicinity and return to work after the emergency has passed, the entire time spent away from the premises is compensable. The employees in this example cannot use the time for their personal pursuits.

(d) An employee who is not required to remain on the employer's premises but is merely required to leave word at home or with company officials where he or she may be reached is not working while on call. Time spent at home on call may or may not be compensable depending on whether the restrictions placed on the employee preclude using the time for personal pursuits. Where, for example, a firefighter has returned home after the shift, with the understanding that he or she is expected to return to work in the event of an emergency in the night, such time spent at home is normally not compensable. On the other hand, where the conditions placed on the employee's activities are so restrictive that the employee cannot use the time effectively for personal pursuits, such time spent on call is compensable.

(e) Normal home to work travel is not compensable, even where the employee is expected to report to work at a location away from the location of the employer's premises.

(f) A police officer, who has completed his or her tour of duty and who is given a patrol car to drive home and use on personal business, is not working during the travel time even where the radio must be left on so that the officer can respond to emergency calls. Of course, the time spent in responding to such calls is compensable.

§ C553.222 Sleep time

(a) Where a public agency elects to pay overtime compensation to firefighters and/or law enforcement personnel in accordance with section 7(a)(1) of the Act, the public agency may exclude sleep time from hours worked if all the conditions for the exclusion of such time are met.

(b) Where the employer has elected to use the section 7(k) exemption, sleep time cannot be excluded from the compensable hours of work where

(1) The employee is on a tour of duty of less than 24 hours, and

(2) Where the employee is on a tour of duty of exactly 24 hours.

(c) Sleep time can be excluded from compensable hours of work, however, in the case of police officers or firefighters who are on a tour of duty of more than 24 hours, but only if there is an expressed or implied agreement between the employer and the employees to exclude such time. In the absence of such an agreement, the sleep time is compensable. In no event shall the time excluded as sleep time exceed 8 hours in a 24-hour period. If the sleep time is interrupted by a call to duty, the interruption must be counted as hours worked. If the sleep period is interrupted to such an extent that the employee cannot get a reasonable night's sleep (which, for enforcement purposes means at least 5 hours), the entire time must be counted as hours of work.

§ C553.223 Meal time

(a) If a public agency elects to pay overtime compensation to firefighters and law enforcement personnel in accordance with section 7(a)(1) of the Act, the public agency may exclude meal time from hours worked if all the statutory tests for the exclusion of such time are met.

(b) If a public agency elects to use the section 7(k) exemption, the public agency may, in the case of law enforcement personnel, exclude meal time from hours worked on tours of duty of 24 hours or less, provided that the employee is completely relieved from duty during the meal period, and all the other statutory tests for the exclusion of such time are met. On the other hand, where law enforcement personnel are required to remain on call in barracks or similar quarters, or are engaged in extended surveillance activities (e.g., stakeouts), they are not considered to be completely relieved from duty, and any such meal periods would be compensable.

(c) With respect to firefighters employed under section 7(k), who are confined to a duty station, the legislative history of the Act indicates Congressional intent to mandate a departure from the usual FLSA 'hours of work' rules and adoption of an overtime standard keyed to the unique concept of 'tour of duty' under which firefighters are employed. Where the public agency elects to use the section 7(k) exemption for firefighters, meal time cannot be excluded from the compensable hours of work where (1) the firefighter is on a tour of duty of less than 24 hours, and (2) where the firefighter is on a tour of duty of exactly 24 hours.

(d) In the case of police officers or firefighters who are on a tour of duty of more than 24 hours, meal time may be excluded from compensable hours of work provided that the statutory tests for exclusion of such hours are met.

§ C553.224 "Work period" defined

(a) As used in section 7(k), the term 'work period' refers to any established and regularly recurring period of work which, under the terms of the Act and legislative history, cannot be less than 7 consecutive days nor more than 28 consecutive days. Except for this limitation, the work period can be of any length, and it need not coincide with the duty cycle or pay period or with a particular day of the week or hour of the day. Once the beginning and ending time of an employee's work period is established, however, it remains fixed regardless of how many hours are worked within the period. The beginning and ending of the work period may be changed, provided that the change is intended to be permanent and is not designed to evade the overtime compensation requirements of the Act.

(b) An employer may have one work period applicable to all employees, or different work periods for different employees or groups of employees.

§ C553.225 Early relief

It is a common practice among employees engaged in fire protection activities to relieve employees on the previous shift prior to the scheduled starting time. Such early relief time may occur pursuant to employee agreement, either expressed or implied. This practice will not have the effect of increasing the number of compensable hours of work for employees employed under section 7(k) where it is voluntary on the part of the employees and does not result, over a period of time, in their failure to receive proper compensation for all hours actually worked. On the other hand, if the practice is required by the employer, the time involved must be added to the employee's tour of duty and treated as compensable hours of work.

§ C553.226 Training time

(a) The general rules for determining the compensability of training time under the FLSA apply to employees engaged in law enforcement or fire protection activities.

(b) While time spent in attending training required by an employer is normally considered compensable hours of work, following are situations where time spent by employees in required training is considered to be noncompensable:

(1) Attendance outside of regular working hours at specialized or follow-up training, which is required by law for certification of public and private sector employees within a particular governmental jurisdiction (e.g., certification of public and private emergency rescue workers), does not constitute compensable hours of work for public employees within that jurisdiction and subordinate jurisdictions.

(2) Attendance outside of regular working hours at specialized or follow-up training, which is required for certification of employees of a governmental jurisdiction by law of a higher level of government, does not constitute compensable hours of work.

(3) Time spent in the training described in paragraphs (b) (1) or (2) of this section is not compensable, even if all or part of the costs of the training is borne by the employer.

(c) Police officers or firefighters, who are in attendance at a police or fire academy or other training facility, are not considered to be on duty during those times when they are not in class or at a training session, if they are free to use such time for personal pursuits. Such free time is not compensable.

§ C553.227 Outside employment

(a) Section 7(p)(1) makes special provision for fire protection and law enforcement employees of public agencies who, at their own option, perform special duty work in fire protection, law enforcement or related activities for a separate and independent employer (public or private) during their off-duty hours. The hours of work for the separate and independent employer are not combined with the hours worked for the primary public agency employer for purposes of overtime compensation.

(b) Section 7(p)(1) applies to such outside employment provided (1) the special detail work is performed solely at the employee's option, and (2) the two employers are in fact separate and independent.

(c) Whether two employers are, in fact, separate and independent can only be determined on a case-by-case basis.

(d) The primary employer may facilitate the employment or affect the conditions of employment of such employees. For example, a police department may maintain a roster of officers who wish to perform such work. The department may also select the officers for special details from a list of those wishing to participate, negotiate their pay, and retain a fee for administrative expenses. The department may require that the separate and independent employer pay the fee for such services directly to the department, and establish procedures for the officers to receive their pay for the special details through the agency's payroll system. Finally, the department may require that the officers observe their normal standards of conduct during such details and take disciplinary action against those who fail to do so.

(e) Section 7(p)(1) applies to special details even where a State law or local ordinance requires that such work be performed and that only law enforcement or fire protection employees of a public agency in the same jurisdiction perform the work. For example, a city ordinance may require the presence of city police officers at a convention center during concerts or sports events. If the officers perform such work at their own option, the hours of work need not be combined with the hours of work for their primary employer in computing overtime compensation.

(f) The principles in paragraphs (d) and (e) of this section with respect to special details of public agency fire protection and law enforcement employees under section 7(p)(1) are exceptions to the usual rules on joint employment set forth in part 791 of this title.

(g) Where an employee is directed by the public agency to perform work for a second employer, section 7(p)(1) does not apply. Thus, assignments of police officers outside of their normal work hours to perform crowd control at a parade, where the assignments are not solely at the option of the officers, would not qualify as special details subject to this exception. This would be true even if the parade organizers reimburse the public agency for providing such services.

(h) Section 7(p)(1) does not prevent a public agency from prohibiting or restricting outside employment by its employees.

Overtime compensation rules

§C553.230 Maximum hours standards for work periods of 7 to 28 days—section 7(k)

(a) For those employees engaged in fire protection activities who have a work period of at least 7 but less than 28 consecutive days, no overtime compensation is required under section 7(k) until the number of hours worked exceeds the number of hours which bears the same relationship to 212 as the number of days in the work period bears to 28.

(b) For those employees engaged in law enforcement activities (including security personnel in correctional institutions) who have a work period of at least 7 but less than 28 consecutive days, no overtime compensation is required under section 7(k) until the number of hours worked exceeds the number of hours which bears the same relationship to 171 as the number of days in the work period bears to 28.

(c) The ratio of 212 hours to 28 days for employees engaged in fire protection activities is 7.57 hours per day (rounded) and the ratio of 171 hours to 28 days for employees engaged in law enforcement activities is 6.11 hours per day (rounded). Accordingly, overtime compensation (in premium pay or compensatory time) is required for all hours worked in excess of the following maximum hours standards (rounded to the nearest whole hour):

MAXIMUM HOURS STANDARDS

Work period (days)	Fire protection	Law enforcement
28	212	171
27	204	165
26	197	159
25	189	153
24	182	147
23	174	141
22	167	134
21	159	128
20	151	122
19	144	116
18	136	110
17	129	104
16	121	98
15	114	92
14	106	86
13	98	79
12	91	73
11	83	67
10	76	61
9	68	55
8	61	49
7	53	43

§C553.231 Compensatory time off

(a) Law enforcement and fire protection employees who are subject to the section 7(k) exemption may receive compensatory time off in lieu of overtime pay for hours worked in excess of the maximum for their work period as set forth in Sec. C553.230.

(b) Section 7(k) permits public agencies to balance the hours of work over an entire work period for law enforcement and fire protection employees. For example, if a firefighter's work period is 28 consecutive days, and he or she works 80 hours in each of the first two weeks, but only 52 hours in the third week, and does not work in the fourth week, no overtime compensation (in cash wages or compensatory time) would be required since the total hours worked do not exceed 212 for the work period. If the same firefighter had a work period of only 14 days, overtime compensation or compensatory time off would be due for 54 hours (160 minus 106 hours) in the first 14 day work period.

§C553.232 Overtime pay requirements

If a public agency pays employees subject to section 7(k) for overtime hours worked in cash wages rather than compensatory time off, such wages must be paid at one and one-half times the employees' regular rates of pay.

§C553.233 "Regular rate" defined

The statutory rules for computing an employee's "regular rate", for purposes of the Act's overtime pay requirements are applicable to employees or whom the section 7(k) exemption is claimed when overtime compensation is provided in cash wages.

Subpart D—Compensatory time-off for overtime earned by employees whose work schedule directly depends upon the schedule of the House and the Senate

§C553.301 Definition of "directly depends"

For the purposes of this Part, a covered employee's work schedule "directly depends" on the schedule of the House of Representatives and the Senate only if the eligible employee performs work that directly supports the conduct of legislative or other business in the chamber and works hours that regularly change in response to the schedule of the House and the Senate.

§C553.302 Overtime compensation and compensatory time off for an employee whose work schedule directly depends upon the schedule of the House and Senate

No employing office shall be deemed to have violated section 203(a)(1) of the CAA, which applies the protections of section 7(a) of the Fair Labor Standards Act ("FLSA") to covered employees and employing office, by employing any employee for a workweek in excess of the maximum workweek applicable to such employee under section 7(a) of the FLSA where the employee's work schedule directly depends on the schedule of the House of Representatives or the Senate within the meaning of §C553.301, and: (a) the employee is compensated at the rate of time-and-a-half in pay for all hours in excess of 40 and up to 60 hours in a workweek, and (b) the employee is compensated at the rate of time-and-a-half in either pay or in time off for all hours in excess of 60 hours in a workweek.

§C553.303 Using compensatory time off

An employee who has accrued compensatory time off under §C553.302 upon his or her request, shall be permitted by the employing office to use such time within a reasonable period after making the request, unless the employing office makes a bona fide determination that the needs of the operations of the office do not allow the taking of compensatory time off at the time of the request. An employee may renew the request at a subsequent time. An employing office may also, upon reasonable notice, require an employee to use accrued compensatory time-off.

§C553.304 Payment of overtime compensation for accrued compensatory time off as of termination of service

An employee who has accrued compensatory time authorized by this regulation shall, upon termination of employment, be paid for the unused compensatory time at the rate earned by the employee at the time the employee receives such payment.

Part C570—Child Labor Regulations

Subpart A—General

Sec.

C570.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance.

C570.1 Definitions.

C570.2 Minimum age standards.

Subpart C—Employment of minors between 14 and 16 years of age (child labor reg. 3)

C570.31 Determination.

C570.32 Effect of this subpart.

C570.33 Occupations.

C570.35 Periods and conditions of employment.

Subpart E—Occupations particularly hazardous for the employment of minors between 16 and 18 years of age or detrimental to their health or well-being.

C570.50 General.

C570.51 Occupations in or about plants or establishments manufacturing or storing explosives or articles containing explosive components (Order 1).

C570.52 Occupations of motor-vehicle driver and outside helper (Order 2).

C570.55 Occupations involved in the operation of power-driven woodworking machines (Order 5).

C570.58 Occupations involved in the operation of power-driven hoisting apparatus (Order 7).

C570.59 Occupations involved in the operations of power-driven metal forming, punching, and shearing machines (Order 8).

C570.62 Occupations involved in the operation of bakery machines (Order 11).

C570.63 Occupations involved in the operation of paper-products machines (Order 12).

C570.65 Occupations involved in the operations of circular saws, band saws, and guillotine shears (Order 14).

C570.66 Occupations involved in wrecking and demolition operations (Order 15).

C570.67 Occupations in roofing operations (Order 16).
C570.68 Occupations in excavation operations (Order 17).

Subpart A—General

§C570.00 Corresponding section table of the FLSA regulations of the Labor Department and the CAA regulations of the Office of Compliance

The following table lists the sections of the Secretary of Labor Regulations under the FLSA with the corresponding sections of the Office of Compliance Regulations under Section 202 of the CAA:

Secretary of Labor regulations	*OC regulations*
570.1 Definitions	C570.1
570.2 Minimum age standards	C570.2
570.31 Determinations	C570.31
570.32 Effect of this subpart	C570.32
570.33 Occupations	C570.33
570.35 Periods and conditions of employment	C570.35
570.50 General	C570.50
570.51 Occupations in or about plants or establishments manufacturing or storing explosives or articles containing explosive components (Order 1)	C570.51
570.52 Occupations of motor-vehicle driver and outside helper (Order 2)	C570.52
570.55 Occupations involved in the operation of power-driven woodworking machines (Order 5)	C570.55
570.58 Occupations involved in the operation of power-driven hoisting apparatus (Order 7)	C570.58
570.59 Occupations involved in the operations of power-driven metal forming, punching, and shearing machines (Order 8)	C570.59
570.62 Occupations involved in the operation of bakery machines (Order 11)	C570.62
570.63 Occupations involved in the operation of paper-products machines (Order 12)	C570.63
570.65 Occupations involved in the operations of circular saws, band saws, and guillotine shears (Order 14)	C570.65
570.66 Occupations involved in wrecking and demolition operations (Order 15)	C570.66
570.67 Occupations in roofing operations (Order 16)	C570.67
570.68 Occupations in excavation operations (Order 17)	C570.68

§C570.1 Definitions

As used in this part:

(a) *Act* means the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended; 29 U.S.C. 201–219).

(b) *Oppressive child labor* means employment of a minor in an occupation for which he does not meet the minimum age standards of the Act, as set forth in Sec. 570.2 of this subpart.

(c) *Oppressive child labor age* means an age below the minimum age established under the Act for the occupation in which a minor is employed or in which his employment is contemplated.

(d) [Reserved]

(e) [Reserved]

(f) *Secretary or Secretary of Labor* means the Secretary of Labor, United States Department of Labor, or his authorized representative.

(g) *Wage and Hour Division* means the Wage and Hour Division, Employment Standards Administration, United States Department of Labor.

(h) *Administrator* means the Administrator of the Wage and Hour Division or his authorized representative.

§C570.2 Minimum age standards

(a) All occupations except in agriculture. (1) The Act, in section 3(1), sets a general 16-year minimum age which applies to all employment subject to its child labor provisions in any occupation other than in agriculture, with the following exceptions:

(i) The Act authorizes the Secretary of Labor to provide by regulation or by order that the employment of employees between the ages of 14 and 16 years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor, if and to the extent that the Secretary of Labor determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being (see subpart C of this part); and

(ii) The Act sets an 18-year minimum age with respect to employment in any occupation found and declared by the Secretary of Labor to be particularly hazardous for the employment of minors of such age or detrimental to their health or well-being.

(2) The Act exempts from its minimum age requirements the employment by a parent of his own child, or by a person standing in place of a parent of a child in his custody, except in occupations to which the 18-year age minimum applies and in manufacturing and mining occupations.

Subpart B [reserved]

Subpart C—Employment of minors between 14 and 16 years of age (child labor reg. 3)

§C570.31 Determination

The employment of minors between 14 and 16 years of age in the occupations, for the periods, and under the conditions hereafter specified does not interfere with their schooling or with their health and well-being and shall not be deemed to be oppressive child labor.

§C570.32 Effect of this subpart

In all occupations covered by this subpart the employment (including suffering or permitting to work) by an employer of minor employees between 14 and 16 years of age for the periods and under the conditions specified in § 570.35 shall not be deemed to be oppressive child labor within the meaning of the Fair Labor Standards Act of 1938.

§C570.33 Occupations

This subpart shall apply to all occupations other than the following:

(a) Manufacturing, mining, or processing occupations, including occupations requiring the performance of any duties in work rooms or work places where goods are manufactured, mined, or otherwise processed;

(b) Occupations which involve the operation or tending of hoisting apparatus or of any power-driven machinery other than office machines;

(c) The operation of motor vehicles or service as helpers on such vehicles;

(d) Public messenger service;

(e) Occupations which the Secretary of Labor may, pursuant to section 3(1) of the Fair Labor Standards Act and Reorganization Plan No. 2, issued pursuant to the Reorganization Act of 1945, find and declare to be hazardous for the employment of minors between 16 and 18 years of age or detrimental to their health or well-being;

(f) Occupations in connection with:

(1) Transportation of persons or property by rail, highway, air, water, pipeline, or other means;

(2) Warehousing and storage;

(3) Communications and public utilities;

(4) Construction (including demolition and repair); except such office (including ticket office) work, or sales work, in connection with paragraphs (f)(1), (2), (3), and (4) of this section, as does not involve the performance of any duties on trains, motor vehicles, aircraft, vessels, or other media of transportation or at the actual site of construction operations.

§C570.35 Periods and conditions of employment

(a) Except as provided in paragraph (b) of this section, employment in any of the occupations to which this subpart is applicable shall be confined to the following periods:

(1) Outside school hours;

(2) Not more than 40 hours in any 1 week when school is not in session;

(3) Not more than 18 hours in any 1 week when school is in session;

(4) Not more than 8 hours in any 1 day when school is not in session;

(5) Not more than 3 hours in any 1 day when school is in session;

(6) Between 7 a.m. and 7 p.m. in any 1 day, except during the summer (June 1 through Labor Day) when the evening hour will be 9 p.m.

SUBPART D [RESERVED]

Subpart E—Occupations particularly hazardous for the employment of minors between 16 and 18 years of age or detrimental to their health or well-being

§C570.50 General

(a) Higher standards. Nothing in this subpart shall authorize non-compliance with any Federal law or regulation establishing a higher standard. If more than one standard within this subpart applies to a single activity the higher standard shall be applicable.

(b) Apprentices. Some sections in this subpart contain an exemption for the employment of apprentices. Such an exemption shall apply only when: (1) The apprentice is employed in a craft recognized as an apprenticeable trade; (2) the work of the apprentice in the occupations declared particularly hazardous is incidental to his training; (3) such work is intermittent and for short periods of time and is under the direct and close supervision of a journeyman as a necessary part of such apprentice training; and (4) the apprentice is registered by the Executive Director of the Office of Compliance as employed in accordance with the standards established by the Bureau of Apprenticeship and Training of the United States Department of Labor.

(c) Student-learners. Some sections in this subpart contain an exemption for the employment of student-learners. Such an exemption shall apply when:

(1) The student-learner is enrolled in a course of study and training in a cooperative vocational training program under a recognized State or local educational authority or in a course of study in a substantially similar program conducted by a private school and;

(2) Such student-learner is employed under a written agreement which provides:

(i) That the work of the student-learner in the occupations declared particularly hazardous shall be incidental to his training;

(ii) That such work shall be intermittent and for short periods of time, and under the direct and close supervision of a qualified and experienced person;

(iii) That safety instructions shall be given by the school and correlated by the employer with on-the-job training; and

(iv) That a schedule of organized and progressive work processes to be performed on the job shall have been prepared. Each such written agreement shall contain the name of student-learner, and shall be signed by the employer and the school coordinator or principal. Copies of each agreement shall be kept on file by both the school and the employer. This exemption for the employment of student-learners may be revoked in any individual situation where it is found that reasonable precautions have not been observed for the safety of minors employed thereunder. A high school graduate may be employed in an occupation in which he has completed training as provided in this paragraph as a student-learner, even though he is not yet 18 years of age.

§ C570.51 Occupations in or about plants or establishments manufacturing or storing explosives or articles containing explosive components (Order 1)

(a) Finding and declaration of fact. The following occupations in or about plants or establishments manufacturing or storing explosives or articles containing explosive components are particularly hazardous for minors between 16 and 18 years of age or detrimental to their health or well-being:

(1) All occupations in or about any plant or establishment (other than retail establishments or plants or establishments of the type described in paragraph (a)(2) of this section) manufacturing or storing explosives or articles containing explosive components except where the occupation is performed in a 'nonexplosives area' as defined in paragraph (b)(3) of this section.

(2) The following occupations in or about any plant or establishment manufacturing or storing small-arms ammunition not exceeding .60 caliber in size, shotgun shells, or blasting caps when manufactured or stored in conjunction with the manufacture of small-arms ammunition:

(i) All occupations involved in the manufacturing, mixing, transporting, or handling of explosive compounds in the manufacture of small-arms ammunition and all other occupations requiring the performance of any duties in the explosives area in which explosive compounds are manufactured or mixed.

(ii) All occupations involved in the manufacturing, transporting, or handling of primers and all other occupations requiring the performance of any duties in the same building in which primers are manufactured.

(iii) All occupations involved in the priming of cartridges and all other occupations requiring the performance of any duties in the same workroom in which rim-fire cartridges are primed.

(iv) All occupations involved in the plate loading of cartridges and in the operation of automatic loading machines.

(v) All occupations involved in the loading, inspecting, packing, shipping and storage of blasting caps.

(b) Definitions. For the purpose of this section:

(1) The term *plant or establishment manufacturing or storing explosives or articles containing explosive component* means the land with all the buildings and other structures thereon used in connection with the manufacturing or processing or storing of explosives or articles containing explosive components.

(2) The terms *explosives* and *articles containing explosive components* mean and include ammunition, black powder, blasting caps, fireworks, high explosives, primers, smokeless powder, and all goods classified and defined as explosives by the Interstate Commerce Commission in regulations for the transportation of explosives and other dangerous substances by common carriers (49 CFR parts 71 to 78) issued pursuant to the Act of June 25, 1948 (62 Stat.739; 18 U.S.C. 835).

(3) An area meeting all of the criteria in paragraphs (b)(3) (i) through (iv) of this section shall be deemed a "nonexplosives area":

(i) None of the work performed in the area involves the handling or use of explosives;

(ii) The area is separated from the explosives area by a distance not less than that prescribed in the American Table of Distances for the protection of inhabited buildings;

(iii) The area is separated from the explosives area by a fence or is otherwise located so that it constitutes a definite designated area; and

(iv) Satisfactory controls have been established to prevent employees under 18 years of age within the area from entering any area in or about the plant which does not meet criteria of paragraphs (b)(3) (i) through (iii) of this section.

§ C570.52 Occupations of motor-vehicle driver and outside helper (Order 2)

(a) Findings and declaration of fact. Except as provided in paragraph (b) of this section, the occupations of motor-vehicle driver and outside helper on any public road, highway, in or about any mine (including open pit mine or quarry), place where logging or sawmill operations are in progress, or in any excavation of the type identified in § C570.68(a) are particularly hazardous for the employment of minors between 16 and 18 years of age.

(b) Exemption—Incidental and occasional driving. The findings and declaration in paragraph (a) of this section shall not apply to the operation of automobiles or trucks not exceeding 6,000 pounds gross vehicle weight if such driving is restricted to daylight hours; *provided*, such operation is only occasional and incidental to the minor's employment; that the minor holds a State license valid for the type of driving involved in the job performed and has completed a State approved driver education course; and *provided further*, that the vehicle is equipped with a seat belt or similar restraining device for the driver and for each helper, and the employer has instructed each minor that such belts or other devices must be used. This paragraph shall not be applicable to any occupation of motor-vehicle driver which involves the towing of vehicles.

(c) Definitions. For the purpose of this section:

(1) The term *motor vehicle* shall mean any automobile, truck, truck-tractor, trailer, semitrailer, motorcycle, or similar vehicle propelled or drawn by mechanical power and designed for use as a means of transportation but shall not include any vehicle operated exclusively on rails.

(2) The term *driver* shall mean any individual who, in the course of employment, drives a motor vehicle at any time.

(3) The term *outside helper* shall mean any individual, other than a driver, whose work includes riding on a motor vehicle outside the cab for the purpose of assisting in transporting or delivering goods.

(4) The term *gross vehicle weight* includes the truck chassis with lubricants, water and a full tank or tanks of fuel, plus the weight of the cab or driver's compartment, body and special chassis and body equipment, and payload.

§ C570.55 Occupations involved in the operation of power-driven woodworking machines (Order 5)

(a) Finding and declaration of fact. The following occupations involved in the operation of power-driven wood-working machines are particularly hazardous for minors between 16 and 18 years of age:

(1) The occupation of operating power-driven woodworking machines, including supervising or controlling the operation of such machines, feeding material into such machines, and helping the operator to feed material into such machines but not including the placing of material on a moving chain or in a hopper or slide for automatic feeding.

(2) The occupations of setting up, adjusting, repairing, oiling, or cleaning power-driven woodworking machines.

(3) The occupations of off-bearing from circular saws and from guillotine-action veneer clippers.

(b) Definitions. As used in this section:

(1) The term *power-driven woodworking machines* shall mean all fixed or portable machines or tools driven by power and used or designed for cutting, shaping, forming, surfacing, nailing, stapling, wire stitching, fastening, or otherwise assembling, pressing, or printing wood or veneer.

(2) The term *off-bearing* shall mean the removal of material or refuse directly from a saw table or from the point of operation. Operations not considered as off-bearing within the intent of this section include: (i) The removal of material or refuse from a circular saw or guillotine-action veneer clipper where the material or refuse has been conveyed away from the saw table or point of operation by a gravity chute or by some mechanical means such as a moving belt or expulsion roller, and (ii) the following operations when they do not involve the removal of material or refuse directly from a saw table or from the point of operation: The carrying, moving, or transporting of materials from one machine to another or from one part of a plant to another; the piling, stacking, or arranging of materials for feeding into a machine by another person; and the sorting, tying, bundling, or loading of materials.

(c) Exemptions. This section shall not apply to the employment of apprentices or student-learners under the conditions prescribed in Sec. 570.50 (b) and (c).

§ C570.58 Occupations involved in the operation of power-driven hoisting apparatus (Order 7)

(a) Finding and declaration of fact. The following occupations involved in the operation of power-driven hoisting apparatus are particularly hazardous for minors between 16 and 18 years of age:

(1) Work of operating an elevator, crane, derrick, hoist, or high-lift truck, except operating an unattended automatic operation passenger elevator or an electric or air-operated hoist not exceeding one ton capacity.

(2) Work which involves riding on a manlift or on a freight elevator, except a freight elevator operated by an assigned operator.

(3) Work of assisting in the operation of a crane, derrick, or hoist performed by crane hookers, crane chasers, hookers-on, riggers, rigger helpers, and like occupations.

(b) Definitions. As used in this section:

(1) The term *elevator* shall mean any power-driven hoisting or lowering mechanism equipped with a car or platform which moves in guides in a substantially vertical direction. The term shall include both passenger and freight elevators (including portable elevators or tiering machines), but shall not include dumbwaiters.

(2) The term *crane* shall mean a power-driven machine for lifting and lowering a load and moving it horizontally, in which the hoisting mechanism is an integral part of the machine. The term shall include all types of cranes, such as cantilever gantry, crawler, gantry, hammerhead, ingot-pouring, jib, locomotive, motor-truck, overhead traveling, pillar jib, pintle, portal, semi-gantry, semi-portal, storage bridge, tower, walking jib, and wall cranes.

(3) The term *derrick* shall mean a power-driven apparatus consisting of a mast or equivalent members held at the top by guys or braces, with or without a boom, for use with an hoisting mechanism or operating ropes. The term shall include all types of derricks, such as A-frame, breast, Chicago boom, gin-pole, guy and stiff-leg derrick.

(4) The term *hoist* shall mean a power-driven apparatus for raising or lowering a load by the application of a pulling force that does not include a car or platform running in guides. The term shall include all types of hoists, such as base mounted electric, clevis suspension, hook suspension, monorail, overhead electric, simple drum and trolley suspension hoists.

(5) The term *high-lift* truck shall mean a power-driven industrial type of truck used for lateral transportation that is equipped with a power-operated lifting device usually in the form of a fork or platform capable of tiering loaded pallets or skids one above the other. Instead of a fork or platform, the lifting device may consist of a ram, scoop, shovel, crane, revolving fork, or other attachments for handling specific loads. The term shall mean and include highlift trucks known under such names as fork lifts, fork trucks, fork-lift trucks, tiering trucks, or stacking trucks, but shall not mean low-lift trucks or low-lift platform trucks that are designed for the transportation of but not the tiering of material.

(6) The term *manlift* shall mean a device intended for the conveyance of persons which consists of platforms or brackets mounted on, or attached to, an endless belt, cable, chain or similar method of suspension; such belt, cable or chain operating in a substantially vertical direction and being supported by and driven through pulleys, sheaves or sprockets at the top and bottom.

(c) Exception. (1) This section shall not prohibit the operation of an automatic elevator and an automatic signal operation elevator provided that the exposed portion of the car interior (exclusive of vents and other necessary small openings), the car door, and the hoistway doors are constructed of solid surfaces without any opening through which a part of the body may extend; all hoistway openings at floor level have doors which are interlocked with the car door so as to prevent the car from starting until all such doors are closed and locked; the elevator (other than hydraulic elevators) is equipped with a device which will stop and hold the car in case of overspeed or if the cable slackens or breaks; and the elevator is equipped with upper and lower travel limit devices which will normally bring the car to rest at either terminal and a final limit switch which will prevent the movement in either direction and will open in case of excessive over travel by the car.

(2) For the purpose of this exception the term *automatic elevator* shall mean a passenger elevator, a freight elevator, or a combination passenger-freight elevator, the operation of which is controlled by pushbuttons in such a manner that the starting, going to the landing selected, leveling and holding, and the opening and closing of the car and hoistway doors are entirely automatic.

(3) For the purpose of this exception, the term *automatic signal operation elevator* shall mean an elevator which is started in response to the operation of a switch (such as a lever or pushbutton) in the car which when operated by the operator actuates a starting device that automatically closes the car and hoistway doors, from this point on, the movement of the car to the landing selected, leveling and holding when it gets there, and the opening of the car and hoistway doors are entirely automatic.

§ C570.59 Occupations involved in the operations of power-driven metal forming, punching, and shearing machines (Order 8)

(a) Finding and declaration of fact. The following occupations are particularly hazardous for the employment of minors between 16 and 18 years of age:

(1) The occupations of operator of or helper on the following power-driven metal forming, punching, and shearing machines:

(i) All rolling machines, such as beading, straightening, corrugating, flanging, or bending rolls; and hot or cold rolling mills.

(ii) All pressing or punching machines, such as punch presses except those provided with full automatic feed and ejection and with a fixed barrier guard to prevent the hands or fingers of the operator from entering the area between the dies; power presses; and plate punches.

(iii) All bending machines, such as apron brakes and press brakes.

(iv) All hammering machines, such as drop hammers and power hammers.

(v) All shearing machines, such as guillotine or squaring shears; alligator shears; and rotary shears.

(2) The occupations of setting up, adjusting, repairing, oiling, or cleaning these machines including those with automatic feed and ejection.

(b) Definitions. (1) The term *operator* shall mean a person who operates a machine covered by this section by performing such functions as starting or stopping the machine, placing materials into or removing them from the machine, or any other functions directly involved in operation of the machine.

(2) The term *helper* shall mean a person who assists in the operation of a machine covered by this section by helping place materials into or remove them from the machine.

(3) The term *forming, punching, and shearing machines* shall mean power-driven metal-working machines, other than machine tools, which change the shape of or cut metal by means of tools, such as dies, rolls, or knives which are mounted on rams, plungers, or other moving parts. Types of forming, punching, and shearing machines enumerated in this section are the machines to which the designation is by custom applied.

(c) Exemptions. This section shall not apply to the employment of apprentices or student-learners under the conditions prescribed in Sec. 570.50 (b) and (c).

§ C570.62 Occupations involved in the operation of bakery machines (Order 11)

(a) Finding and declaration of fact. The following occupations involved in the operation of power-driven bakery machines are particularly hazardous for the employment of minors between 16 and 18 years of age:

(1) The occupations of operating, assisting to operate, or setting up, adjusting, repairing, oiling, or cleaning any horizontal or vertical dough mixer; batter mixer; bread dividing, rounding, or molding machine; dough brake; dough sheeter; combination bread slicing and wrapping machine; or cake cutting band saw.

(2) The occupation of setting up or adjusting a cookie or cracker machine.

§ C570.63 Occupations involved in the operation of paper-products machines (Order 12)

(a) Findings and declaration of fact. The following occupations are particularly hazardous for the employment of minors between 16 and 18 years of age:

(1) The occupations of operation or assisting to operate any of the following power-driven paper products machines:

(i) Arm-type wire stitcher or stapler, circular or band saw, corner cutter or mitering machine, corrugating and single-or-double-facing machine, envelope die-cutting press, guillotine paper cutter or shear, horizontal bar scorer, laminating or combining machine, sheeting machine, scrap-paper baler, or vertical slotter.

(ii) Platen die-cutting press, platen printing press, or punch press which involves hand feeding of the machine.

(2) The occupations of setting up, adjusting, repairing, oiling, or cleaning these machines including those which do not involve hand feeding.

(b) Definitions. (1) The term *operating or assisting to operate* shall mean all work which involves starting or stopping a machine covered by this section, placing or removing materials into or from the machine, or any other work directly involved in operating the machine. The term does not include the stacking of materials by an employee in an area nearby or adjacent to the machine where such employee does not place the materials into the machine.

(2) The term *paper products* machine shall mean all power-driven machines used in:

(i) The remanufacture or conversion of paper or pulp into a finished product, including the preparation of such materials for recycling; or

(ii) The preparation of such materials for disposal. The term applies to such machines whether they are used in establishments that manufacture converted paper or pulp products, or in any other type of manufacturing or nonmanufacturing establishment.

(c) Exemptions. This section shall not apply to the employment of apprentices or student-learners under the conditions prescribed in § 570.50 (b) and (c).

§ C570.65 Occupations involved in the operations of circular saws, band saws, and guillotine shears (Order 14)

(a) Findings and declaration of fact. The following occupations are particularly hazardous for the employment of minors between 16 and 18 years of age:

(1) The occupations of operator of or helper on the following power-driven fixed or portable machines except machines equipped with full automatic feed and ejection:

(i) Circular saws.

(ii) Band saws.

(iii) Guillotine shears.

(2) The occupations of setting-up, adjusting, repairing, oiling, or cleaning circular saws, band saws, and guillotine shears.

(b) Definitions. (1) The term *operator* shall mean a person who operates a machine covered by this section by performing such functions as starting or stopping the machine, placing materials into or removing them from the machine, or any other functions directly involved in operation of the machine.

(2) The term *helper* shall mean a person who assists in the operation of a machine covered by this section by helping place materials into or remove them from the machine.

(3) The term *machines equipped with full automatic feed and ejection* shall mean machines covered by this Order which are equipped with devices for full automatic feeding and ejection and with a fixed barrier guard to prevent completely the operator or helper from placing any part of his body in the point-of-operation area.

(4) The term *circular saw* shall mean a machine equipped with a thin steel disc having a continuous series of notches or teeth on the periphery, mounted on shafting, and used for sawing materials.

(5) The term *band saw* shall mean a machine equipped with an endless steel band having a continuous series of notches or teeth, running over wheels or pulleys, and used for sawing materials.

(6) The term *guillotine shear* shall mean a machine equipped with a movable blade operated vertically and used to shear materials. The term shall not include other types of shearing machines, using a different form of shearing action, such as alligator shears or circular shears.

(c) Exemptions. This section shall not apply to the employment of apprentices or student-learners under the conditions prescribed in §570.50 (b) and (c).

§C570.66 Occupations involved in wrecking and demolition operations (Order 15)

(a) Finding and declaration of fact. All occupations in wrecking and demolition operations are particularly hazardous for the employment of minors between 16 and 18 years of age and detrimental to their health and well-being.

(b) Definition. The term *wrecking and demolition operations* shall mean all work, including clean-up and salvage work, performed at the site of the total or partial razing, demolishing, or dismantling of a building, bridge, steeple, tower, chimney, other structure.

§C570.67 Occupations in roofing operations (Order 16)

(a) Finding and declaration of fact. All occupations in roofing operations are particularly hazardous for the employment of minors between 16 and 18 years of age or detrimental to their health.

(b) Definition of roofing operations. The term *roofing operations* shall mean all work performed in connection with the application of weatherproofing materials and substances (such as tar or pitch, asphalt prepared paper, tile, slate, metal, translucent materials, and shingles of asbestos, asphalt or wood) to roofs of buildings or other structures. The term shall also include all work performed in connection with: (1) The installation of roofs, including related metal work such as flashing and (2) alterations, additions, maintenance, and repair, including painting and coating, of existing roofs. The term shall not include gutter and downspout work; the construction of the sheathing or base of roofs; or the installation of television antennas, air conditioners, exhaust and ventilating equipment, or similar appliances attached to roofs.

(c) Exemptions. This section shall not apply to the employment of apprentices or student-learners under the conditions prescribed in § 570.50 (b) and (c).

§C570.68 Occupations in excavation operations (Order 17)

(a) Finding and declaration of fact. The following occupations in excavation operations are particularly hazardous for the employment of persons between 16 and 18 years of age: (1) Excavating, working in, or backfilling (refilling) trenches, except (i) manually excavating or manually backfilling trenches that do not exceed four feet in depth at any point, or (ii) working in trenches that do not exceed four feet in depth at any point.

(2) Excavating for buildings or other structures or working in such excavations, except: (i) Manually excavating to a depth not exceeding four feet below any ground surface adjoining the excavation, or (ii) working in an excavation not exceeding such depth, or (iii) working in an excavation where the side walls are shored or sloped to the angle of repose.

(3) Working within tunnels prior to the completion of all driving and shoring operations.

(4) Working within shafts prior to the completion of all sinking and shoring operations.

(b) Exemptions. This section shall not apply to the employment of apprentices or student-learners under the conditions prescribed in Sec.C570.50 (b) and (c).

Office Of Compliance—The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Employee Polygraph Protection Act of 1988—Exclusion of Capitol Police

NOTICE OF ADOPTION OF REGULATION AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors, Office of Compliance, after considering comments to its Notice of Proposed Rulemaking published September 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, a final regulation authorizing the Capitol Police to use lie detector tests under Section 204(a)(3) and (c) of the Congressional Accountability Act of 1995 ("CAA"). The Board is also adopting and issuing such regulations as interim regulations effective on January 23, 1996 or on the dates upon which appropriate resolutions of approval are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House of Representatives and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540-1999. Telephone: (202) 724-9250.

Background and Summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), Pub. L. 104-1, 109 Stat. 3, was enacted on January 23, 1995. 2 U.S.C. §§1301 *et seq*. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 204(a) of the CAA provides that no employing office, irrespective of whether a covered employee works in that employing office, may require a covered employee to take a lie detector test where such a test would be prohibited if required by an employer under paragraphs (1), (2) or (3) of section 3 of the Employee Polygraph Protection Act of 1988, 29 U.S.C. §2002(1), (2) or (3) ("EPPA"). 2 U.S.C. §1314(a). Section 204(a) of the CAA also applies the waiver provision of section 6(d) of the EPPA (29 U.S.C. §2005(d)) to covered employees. *Id.* Section 225(f) (1) provides that, "[e]xcept where inconsistent with definitions and exemptions provided in this Act, the definitions and exemptions in the [EPPA] shall apply under this Act." 2 U.S.C. §1361(f)(1).

Section 204(c) authorizes the Board of Directors of the Office of Compliance ("Board") established under the CAA to issue regulations implementing the section. 2 U.S.C. §1314(c). Section 204(c)(2) further states that such regulations "shall be the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." *Id.* Section 204(a)(3) provides that nothing in this section shall preclude the Capitol Police from using lie detector tests in accordance with regulations issued under section 204(c) of the CAA. *Id.* The provisions of section 204 are effective January 23, 1996, one year after the enactment date of the CAA.

The Capitol Police is the primary law enforcement agency of the legislative branch. *See* 40 U.S.C. §212a *et seq.* The final regulation would provide the Capitol Police with specific authorization to use lie detector tests. The final regulation is derived from the Secretary of Labor's regulation implementing the exclusion for public sector employers under Section 7(a) of the EPPA, 29 U.S.C. §2006(a) (29 C.F.R. §801.10(d)), which limits the exclusion to the entity's own employees.

To obtain input from interested persons on the content of these regulations, the Board published for comment a Notice of Proposed Rulemaking in the Congressional Record on September 28, 1995, 141 Cong. Rec. S14544 (daily ed., Sept. 28, 1995). The Office has also consulted with the Secretary of Labor under section 304(g) of the CAA.

After full consideration of the comments received in response to the proposed rule, the Board has adopted and is submitting this final regulation for approval by the Congress. Moreover, pursuant to sections 304 and 411 of the CAA, the Board is adopting and issuing such regulations effective on January 23, 1996 or on the dates upon which appropriate resolutions of approval are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House of Representatives and the Senate, respectively, whichever is earlier.

The regulations issued by the Board herein are on all matters for which section 204(a)(3) of the CAA requires a regulation to be issued.

I. Summary and Consideration of Comments

On September 28, 1995, the Board published a Notice of Proposed Rulemaking in the Congressional Record, 141 Cong. Rec. S14544 (daily ed., Sept. 28, 1995) ("NPR"), inviting comments from interested parties regarding the proposed regulation. The Board received three comments on the proposed regulation from interested parties within the House and the Senate.

A. Summary of comments

One commenter stated that the exclusion with respect to Capitol Police officers is consistent with the intent of the CAA and the application of the EPPA to other police departments. However, the commenter suggested that the Board clarify whether the restrictions on the use of polygraphs contained in 29 U.S.C. §2007 are applicable to the use of lie detectors by the Capitol Police. The commenter further asked the Board to consider whether the exclusion should be applied to the civilian employees, including the security aides, of the Capitol Police.

Another commenter asked that the Board further explain the basis for its proposed regulation. Specifically, this commenter asked the Board to reconsider whether a total exclusion for the Capitol Police, as proposed in this regulation, is consistent with the CAA. The commenter cited section 225(f)(1) of the CAA, which provides that, except where inconsistent with the definitions and exemptions in the CAA, the definitions and exemptions in the EPPA shall apply under the CAA. The commenter stated that section 7(a) of the EPPA, 29 U.S.C. §2006(a) (exemption for the Federal Government and state and local governmental employers), "appears to be at least partially inconsistent with the express purpose of the Accountability Act to apply the protections of the Polygraph Protection Act to the legislative branch of the U.S. Government." In contrast, the commenter stated that section 7(e) of the EPPA, 29 U.S.C. §2006(e), which exempts private sector employers providing security services, does not appear to be inconsistent with the CAA. Therefore, the commenter asked the Board to consider adopting for the Capitol Police the Secretary's regulations which the commenter believes are most applicable, namely, 29 U.S.C. §801.14, which describes the exemption for private sector employers providing security services. Finally, the commenter asked the Board to explain why it is recommending that the regulation be approved by concurrent resolution rather than by joint resolution.

A third commenter suggested that the regulation make clear that it applies to prospective employees, as well as to employees of the Capitol Police, in accordance with the language of EPPA, which refers to employees and prospective employees.

B. Board's consideration of comments

Pursuant to 40 U.S.C. §§212a *et seq.*, the Capitol Police is granted general law enforcement authority within its prescribed jurisdiction. Police activities are inherently and exclusively a Federal or state governmental function, not a private one. In contrast, private employers providing security services do not have general law enforcement powers. Thus, in the Board's view, there is no similarly situated employing entity within the private sector to which the Capitol Police can properly be compared.

Rather, in the Board's view, the Federal Government and state and local governmental employer exemption under section 7 of the EPPA, 29 U.S.C. §2006(a), and the Secretary's regulations thereunder, are the most appropriate model for regulations governing use of lie detector tests by the Capitol Police. As stated in the NPR, the adopted regulation is modeled after the Secretary's regulation implementing the exclusion for public sector employers, 29 C.F.R. §801.10. Because section 204(a)(3) of the CAA gives the Board discretion to make exceptions to the general command of uniform coverage of the EPPA within the legislative branch with respect to the Capitol Police, use of regulations exempting the Federal Government or state and local government employers pursuant to section 7(a) of the EPPA (29 U.S.C. §2006(a)) is not inconsistent with the definitions and exemptions of section 204 of the CAA. *See* Section 225(f).

The adopted regulation, modeled after the Secretary's regulation implementing the exclusion for public sector employers (29 C.F.R. §801.10), is an exclusion of all employees of the Capitol Police, including civilian employees. This treatment of Capitol Police employees is consistent with the EPPA's treatment of other law enforcement agencies because such agencies are entirely excluded under either the Federal Government or state and local government exemptions of section 7(a) of the EPPA (29 U.S.C. §2006).

The Board has not included in its final regulations the restrictions on polygraph examinations contained in 29 U.S.C. §2007 (restricting the use of polygraph examinations under the limited ongoing investigations, security service and drug security exemptions), as suggested by one commenter. The adopted regulation exempts all Capitol Police employees with respect to the rights and protections of section 204. Similarly, because section 101(4) of the CAA, 2 U.S.C. §1301(4), defines the term "covered employee" to include both applicants for employment as well as current and former employees, there is no need for the regulation to separately refer to "applicants," as suggested by one commenter.

The final regulation gives the Capitol Police the same authority to use lie detector tests as state and local police departments and law enforcement agencies within the Federal Government have. The Capitol Police currently uses lie detector tests as part of its internal investigations and other law enforcement-related activities, and reserves the right to use lie detector tests in other circumstances with respect to so-called "sworn" positions, i.e., employees with the power to make arrests. This use is consistent with the use of lie detector tests by other law enforcement agencies.

II. Adoption of Proposed Rules as Final Regulations Under Section 304(b)(3) and as Interim Regulations

Having considered the public comments to the proposed rules, the Board, pursuant to section 304(b)(3) and (4) of the CAA, is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as *interim* regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. *See, e.g., Philadelphia Citizens in Action* v. *Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signaled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

III. Method of Approval

The Board continues to recommend that the regulation be approved by concurrent resolution, given the joint responsibility of the House and Senate for the Capitol Police. The regulation as adopted by the Board is consistent with the language of the CAA and does not purport to deviate from otherwise applicable regulations of the Secretary of Labor under the "good cause" provision of section 204(c). Therefore, the regulations, if approved, would be within the regulatory authorization of section 304 of the CAA and should receive full deference from the courts. Approval by joint resolution is not necessary.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by concurrent resolution. It is noted that the House has expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

Accordingly, the Board of Directors of the Office of Compliance hereby adopts and submits for approval by the Congress and issues on an interim basis the following regulations:

ADOPTED REGULATIONS—AS INTERIM REGULATIONS AND AS FINAL REGULATIONS

Exclusion for employees of the Capitol Police

None of the limitations on the use of lie detector tests by employing offices set forth in Section 204 of the CAA apply to the Capitol Police. This exclusion from the limitations of Section 204 of the CAA applies only with respect to Capitol Police employees. Except as otherwise provided by law or these regulations, this exclusion does not extend to contractors or nongovernmental agents of the Capitol Police; nor does it extend to the Capitol Police with respect to employees of a private employer or an otherwise covered employing office with which the Capitol Police has a contractual or other business relationship.

Duration of interim regulations

These interim regulations for the House of Representatives, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, whichever is earlier.

Scope of regulations

These regulations are issued by the Board of Directors, Office of Compliance, pursuant to sections 204(a)(3) and 304 of the CAA, which authorize the Board to issue regulations governing the use of lie detector tests by the Capitol Police. The regulations issued by the Board herein are on all matters for which section 204(a)(3) of the CAA requires a regulation to be issued.

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE EMPLOYEE POLYGRAPH PROTECTION ACT OF 1988

NOTICE OF ADOPTION OF REGULATION AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors, Office of Compliance, after considering comments to its Notice of Proposed Rulemaking published November 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations implementing Sections 204(a) and (b) of the Congressional Accountability Act of 1995 ("CAA"). The Board is also adopting and issuing such regulations as interim regulations for the House of Representatives, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions of approval are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540-1999. Telephone: (202) 724-9250.

Background and Summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), P.L. 104-1, 109 Stat. 3, was enacted on January 23, 1995. 2 U.S.C. §§1301-1438. In general, the CAA applies the rights and protections of eleven federal labor and employment statutes to covered employees and employing offices within the legislative branch. Section 204(a) of the CAA provides that no employing office may require any covered employee (including a covered employee who does not work in that employing office) to take a lie detector test where such test would be prohibited if required by an employer under paragraphs (1), (2) or (3) of section 3 of the Employee Polygraph Protection Act of 1988, 29 U.S.C. §2002(1), (2) or (3) ("EPPA"). 2 U.S.C. §1314(a). Section 204(a) of the EPPA also applies the waiver provisions of section 6(d) of the EPPA (29 U.S.C. §2005(d)) to covered employees. *Id.* Section 225(f) of the CAA provides that, "[e]xcept where inconsistent with definitions and exemptions provided in this Act, the definitions and exemptions [of the EPPA] shall apply under this Act." 2 U.S.C. §1361(f)(1).

Section 204(c) of the CAA requires the Board of Directors of the Office of Compliance issue regulations implementing the section. 2 U.S.C. §1314(c). Section 204(c) further states that such regulations "shall be the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." *Id.*

To obtain input from interested persons on the content of these regulations, the Board published for comment a Notice of Proposed Rulemaking in the Congressional Record 141 Cong. Rec. S17656 (daily ed., Nov. 28, 1995) ("NPR"), inviting comments from interested parties regarding the proposed regulations. The Board received three comments on the proposed regulations from interested parties. Two of the comments, without elaboration, supported the regulations as proposed. Only one commenter took issue with certain sections of the proposed regulations and the Board's resolution of certain issues raised in the NPR. In addition, the Office has sought consultations with the Secretary of Labor regarding the proposed regulations, pursuant to section 304(g) of the CAA.

After full consideration of the comments received in response to the proposed rule, the Board has adopted and is submitting these final regulations for approval by the Congress. Moreover, pursuant to sections 411 and 304, the Board is also adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions of approval are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

I. Summary of Comments and Board's Final Rules

A. Exemption for national defense and security

One commenter suggested that proposed section 1.11, implementing the national defense and security exemption, be modified. The commenter suggested that, as proposed, the regulatory exemption for national defense and security could be construed to permit claims by employees that an employing office violated section 204 of the CAA by conveying information that ultimately led to a lie detector test, even though the subsequent law enforcement investigation was outside of that employing office's control. Moreover, the commenter argued that proposed section 1.11(d), which states that the Executive Branch must administer the tests "in accordance with applicable Department of Defense directives and regulations," should be deleted since administration of such tests by the Executive Branch is outside of the control of employing offices. Finally, this commenter argued that proposed section 1.11 should refer to all of the exemptions under section 7(b) of the EPPA, not just to subsection (b)(2) of section 7 of the EPPA.

Contrary to the commenter's concern, section 1.11(d) cannot reasonably be construed to permit claims by employees that the employing office has violated section 204 of the CAA merely by conveying information to law enforcement authorities. Section 1.11 of the regulation states that lie detector tests performed by the Federal Government in the performance of any intelligence or counterintelligence function are not within any of the prohibitions of section 204 of the CAA. Thus, if the conditions of section 1.11 are met, no employing office should be held liable under section 204 of the CAA for indirectly causing the Executive Branch to perform such tests by conveying a report to Federal Government intelligence or counterintelligence officers. Moreover, section 1.4(b) of the regulations makes it clear that employing offices will ordinarily not be liable under section 204 of the CAA for making reports to law enforcement authorities or for cooperating in law enforcement investigations.

Nor is the Board inclined to modify the requirement in section 1.11(d) that any tests administered under the national security exemption be in accordance with applicable Department of Defense directives and regulations. That requirement is taken verbatim from the identical Executive Branch regulations that are applicable to private sector employers who also have no control over the requirements of the Department of Defense directives and regulations. The Board has not been presented with any reason that would constitute good cause to deviate from these provisions.

Finally, the Board was not provided with sufficient information to determine whether the portions of the Secretary's regulation implementing section 7(b) of the EPPA that were not included in proposed section 1.11 are applicable to the legislative branch. However, out of an abundance of caution, the Board's final regulation shall include, with appropriate modifications, the entirety of the implementing regulation, as suggested by the commenter.

B. Exemption for employees of the Capitol Police

The commenter also stated that section 1.4(e) of the regulations, which provides that the Capitol Police may administer lie detector tests to non-Capitol Police employees only during the course of an "ongoing investigation" by the Capitol Police, is not authorized by the CAA. The Board disagrees.

Section 204(a)(3) gives the Board authority to adopt limitations on the nature and scope of lie detector use by the Capitol Police. This is such a provision.

Contrary to the commenter's suggestion, this regulation strikes an appropriate balance between giving the Capitol Police authority to use lie detector tests for legitimate law enforcement purposes and protecting against overbroad and unreasonable use of lie detector tests by the Capitol Police with respect to covered employees not employed by it. Specifically, section 1.4(e) of the regulation makes it clear that the regulation excluding the Capitol Police from section 204 of the CAA with respect to its own employees is not a total exemption of the Capitol Police from the prohibitions on the employment-related use of lie detector tests. It prohibits employing offices other than the Capitol Police from avoiding the prohibitions of section 204 of the CAA by administering lie detector tests on their covered employees indirectly through the Capitol Police under circumstances where such tests would not be warranted by legitimate law enforcement investigative considerations.

C. Confidentiality provisions and notice to examinees

A commenter argued that the Board lacks authority to promulgate regulations implementing the confidentiality and notice provisions of sections 9 and 10 of the EPPA. The commenter rested its argument on the fact that sections 9 and 10 of the EPPA are not textually incorporated into section 204 of the CAA.

The Board reads the statute differently. Section 204(a) provides that no employing office may require a covered employee to take a lie detector test where an employer would be prohibited from requiring such a test under paragraphs (1), (2) or (3) of section 3 of the EPPA, 29 U.S.C. §2002(1), (2) or (3). Section 3 of the EPPA in turn provides that, except as provided in sections 7 and 8 of the EPPA (29 U.S.C. §§2006 and 2007), it shall be unlawful for an employer to require a lie detector test under paragraphs (1), (2) or (3); and the use of exemptions under section 7 of the EPPA are conditioned on employer compliance with the confidentiality and notice provisions of sections 9 and 10 of the EPPA. Thus, those provisions are incorporated by reference into section 204 of the CAA. *See also* section 225(f)(1) of the CAA (except where inconsistent with definitions and exemptions provided in the CAA, the definitions and exemptions under the laws made applicable by the CAA apply under the CAA).

D. Technical and nomenclature changes

A commenter suggested a number of technical and nomenclature changes to the proposed regulations. The Board has incorporated many of the changes suggested by the commenter. However, by making these changes, the Board does not intend a substantive difference between the meaning of these sections of the regulations and the regulations of the Secretary from which the Board's regulations are derived.

E. Scope of Regulations

The regulations issued by the Board herein are on all matters for which section 204 of the CAA requires a regulation to be issued. Specifically, it is the Boards considered judgment, based on the information available to it at the time of promulgation of these regulations, that, with the exception of the regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) [of section 204 of the CAA]. CAA Section 204(c).

II. Adoption of Proposed Rules as Final Regulations under Section 304(b)(3) and as Interim Regulations

Having considered the public comments to the proposed rules, the Board pursuant to section 304(b)(3) and (4) of the CAA is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as *interim* regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. *See, e.g., Philadelphia Citizens in Action* v. *Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate.

Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signaled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

III. Method of Approval

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

Accordingly, the Board of Directors of the Office of Compliance hereby adopts and submits for approval by the Congress and issues on an interim basis the following regulations:

ADOPTED REGULATIONS—AS INTERIM REGULATIONS AND AS FINAL REGULATIONS

Application of Rights and Protections of the Employee Polygraph Protection Act of 1988

Subpart A—General

Section
1.1 Purpose and scope.
1.2 Definitions.
1.3 Coverage.
1.4 Prohibitions on lie detector use.
1.5 Effect on other laws or agreements.
1.6 Notice of protection.
1.7 Authority of the Board.
1.8 Employment relationship.

Subpart B—Exemptions

1.10 Exclusion for employees of the Capitol Police. [Reserved]
1.11 Exemption for national defense and security.
1.12 Exemption for employing offices conducting investigations of economic loss or injury.
1.13 Exemption for employing offices authorized to manufacture, distribute, or dispense controlled substances.

Subpart C—Restrictions on polygraph usage under exemptions

1.20 Adverse employment action under ongoing investigation exemption.
1.21 Adverse employment action under controlled substance exemption.
1.22 Rights of examinee—general.
1.23 Rights of examinee—pretest phase.
1.24 Rights of examinee—actual testing phase.
1.25 Rights of examinee—post-test phase.
1.26 Qualifications of and requirements for examiners.

Subpart D—Recordkeeping and disclosure requirements

1.30 Records to be preserved for 3 years.
1.35 Disclosure of test information.

Subpart E—Duration of interim rules

1.40 Duration of Interim Rules.
Appendix A—Notice to Examinee
Authority: Pub. L. 104-1, 109 Stat. 3, 2 U.S.C. 1314(c)

Subpart A—General

Sec. 1.1 Purpose and scope.

Enacted into law on January 23, 1995, the Congressional Accountability Act ("CAA") directly applies the rights and protections of eleven federal labor and employment law statutes to covered employees and employing offices within the legislative branch. Section 204(a) of the CAA, 2 U.S.C. §1314(a) provides that no employing office may require any covered employee (including a covered employee who does not work in that employing office) to take a lie detector test where such test would be prohibited if required by an employer under paragraphs (1), (2) or (3) of section 3 of the Employee Polygraph Protection Act of 1988 (EPPA), 29 U.S.C. §2002(1), (2) or (3). The purpose of this part is to set forth the regulations to carry out the provisions of Section 204 of the CAA.

Subpart A contains the provisions generally applicable to covered employers, including the requirements relating to the prohibitions on lie detector use. Subpart B sets forth rules regarding the statutory exemptions from application of section 204 of the CAA. Subpart C sets forth the restrictions on polygraph usage under such exemptions. Subpart D sets forth the rules on recordkeeping and the disclosure of polygraph test information.

Sec. 1.2 Definitions.

For purposes of this part:

(a) *Act* or *CAA* means the Congressional Accountability Act of 1995 (P.L. 104-1, 109 Stat. 3, 2 U.S.C. §§1301-1438).

(b) *EPPA* means the Employee Polygraph Protection Act of 1988 (Pub. L. 100-347, 102 Stat. 646, 29 U.S.C. §§2001-2009) as applied to covered employees and employing offices by Section 204 of the CAA.

(c) The term *covered employee* means any employee of (1) the House of Representatives; (2) the Senate; (3) the Capitol Guide Service; (4) the Congressional Budget Office; (5) the Office of the Architect of the Capitol; (6) the Office of the Attending Physician; (7) the Office of Compliance; or (8) the Office of Technology Assessment.

(d) The term *employee* includes an applicant for employment and a former employee.

(e) The term *employee of the Office of the Architect of the Capitol* includes any employee of the Office of the Architect of the Capitol, the Botanic Gardens, or the Senate Restaurants.

(f) The term *employee of the Capitol Police* includes any member or officer of the Capitol Police.

(g) The term *employee of the House of Representatives* includes an individual occupying a position the pay for which is disbursed by the Clerk of the House of Representatives, or another official designated by the House of Representatives, or any employment position in an entity that is paid with funds derived from the clerk-hire allowance of the House of Representatives but not any such individual employed by any entity listed in subparagraphs (3) through (8) of paragraph (c) above.

(h) The term *employee of the Senate* includes any employee whose pay is disbursed by the Secretary of the Senate, but not any such individual employed by any entity listed in subparagraphs (3) through (8) of paragraph (c) above.

(i) The term *employing office* means (1) the personal office of a Member of the House of Representatives or of a Senator; (2) a committee of the House of Representatives or the Senate or a joint committee; (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; or (4) the Capitol Guide Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, the Office of Compliance, and the Office of Technology Assessment. The term *employing office* includes any person acting directly or indirectly in the interest of an employing office in relation to an employee or prospective employee. A polygraph examiner either employed for or whose services are retained for the sole purpose of administering polygraph tests ordinarily would not be deemed an employing office with respect to the examinees. Any reference to "employer" in these regulations includes employing offices.

(j)(1) The term *lie detector* means a polygraph, deceptograph, voice stress analyzer, psychological stress evaluator, or any other similar device (whether mechanical or electrical) that is used, or the results of which are used, for the purpose of rendering a diagnostic opinion regarding the honesty or dishonesty of an individual. Voice stress analyzers, or psychological stress evaluators, include any systems that utilize voice stress analysis, whether or not an opinion on honesty or dishonesty is specifically rendered.

(2) The term *lie detector* does not include medical tests used to determine the presence

or absence of controlled substances or alcohol in bodily fluids. Also not included in the definition of *lie detector* are written or oral tests commonly referred to as "honesty" or "paper and pencil" tests, machine-scored or otherwise; and graphology tests commonly referred to as handwriting tests.

(k) The term *polygraph* means an instrument that—

(1) Records continuously, visually, permanently, and simultaneously changes in cardiovascular, respiratory, and electrodermal patterns as minimum instrumentation standards; and

(2) Is used, or the results of which are used, for the purpose of rendering a diagnostic opinion regarding the honesty or dishonesty of an individual.

(l) *Board* means the Board of Directors of the Office of Compliance.

(m) *Office* means the Office of Compliance.

Sec. 1.3 Coverage.

The coverage of Section 204 of the Act extends to any "covered employee" or "covered employing office" without regard to the number of employees or the employing office's effect on interstate commerce.

Sec. 1.4 Prohibitions on lie detector use.

(a) Section 204 of the CAA provides that, subject to the exemptions of the EPPA incorporated into the CAA under section 225(f) of the CAA, as set forth in Sec. 1.10 through 1.12 of this Part, employing offices are prohibited from:

(1) Requiring, requesting, suggesting or causing, directly or indirectly, any covered employee or prospective employee to take or submit to a lie detector test;

(2) Using, accepting, or inquiring about the results of a lie detector test of any covered employee or prospective employee; and

(3) Discharging, disciplining, discriminating against, denying employment or promotion, or threatening any covered employee or prospective employee to take such action for refusal or failure to take or submit to such test, or on the basis of the results of a test.

The above prohibitions apply irrespective of whether the covered employee referred to in paragraphs (1), (2) or (3), above, works in that employing office.

(b) An employing office that reports a theft or other incident involving economic loss to police or other law enforcement authorities is not engaged in conduct subject to the prohibitions under paragraph (a) of this section if, during the normal course of a subsequent investigation, such authorities deem it necessary to administer a polygraph test to a covered employee(s) suspected of involvement in the reported incident. Employing offices that cooperate with police authorities during the course of their investigations into criminal misconduct are likewise not deemed engaged in prohibitive conduct provided that such cooperation is passive in nature. For example, it is not uncommon for police authorities to request employees suspected of theft or criminal activity to submit to a polygraph test during the employee's tour of duty since, as a general rule, suspect employees are often difficult to locate away from their place of employment. Allowing a test on the employing office's premises, releasing a covered employee during working hours to take a test at police headquarters, and other similar types of cooperation at the request of the police authorities would not be construed as "requiring, requesting, suggesting, or causing, directly or indirectly, any covered employee * * * to take or submit to a lie detector test." Cooperation of this type must be distinguished from actual participation in the testing of employees suspected of wrongdoing, either through the administration of a test by the employing office at the request or direction of police authorities, or through reimbursement by the employing office of tests administered by police authorities to employees. In some communities, it may be a practice of police authorities to request testing by employing offices of employees before a police investigation is initiated on a reported incident. In other communities, police examiners are available to covered employing offices, on a cost reimbursement basis, to conduct tests on employees suspected by an employing office of wrongdoing. All such conduct on the part of employing offices is deemed within the prohibitions of section 204 of the CAA.

(c) The receipt by an employing office of information from a polygraph test administered by police authorities pursuant to an investigation is prohibited by section 3(2) of the EPPA. (See paragraph (a)(2) of this section.)

(d) The simulated use of a polygraph instrument so as to lead an individual to believe that an actual test is being or may be performed (e.g., to elicit confessions or admissions of guilt) constitutes conduct prohibited by paragraph (a) of this section. Such use includes the connection of a covered employee or prospective employee to the instrument without any intention of a diagnostic purpose, the placement of the instrument in a room used for interrogation unconnected to the covered employee or prospective employee, or the mere suggestion that the instrument may be used during the course of the interview.

(e) The Capitol Police may not require a covered employee not employed by the Capitol Police to take a lie detector test (on its own initiative or at the request of another employing office) except where the Capitol Police administers such lie detector test as part of an "ongoing investigation" by the Capitol Police. For the purpose of this subsection, the definition of "ongoing investigation" contained section 1.12(b) shall apply.

Sec. 1.5 Effect on other laws or agreements.

(a) Section 204 of the CAA does not preempt any otherwise applicable provision of federal law or any rule or regulation of the House or Senate or any negotiated collective bargaining agreement that prohibits lie detector tests or is more restrictive with respect to the use of lie detector tests.

(b)(1) This provision applies to all aspects of the use of lie detector tests, including procedural safeguards, the use of test results, the rights and remedies provided examinees, and the rights, remedies, and responsibilities of examiners and employing offices.

(2) For example, a collective bargaining agreement that provides greater protection to an examinee would apply in addition to the protection provided in section 204 of the CAA.

Sec. 1.6 Notice of protection.

Pursuant to section 301(h) of the CAA, the Office shall prepare, in a manner suitable for posting, a notice explaining the provisions of section 204 of the CAA. Copies of such notice may be obtained from the Office of Compliance.

Sec. 1.7 Authority of the Board.

Pursuant to sections 204 and 304 of the CAA, the Board is authorized to issue regulations to implement the rights and protections of the EPPA. Section 204(c) directs the Board to promulgate regulations implementing section 204 that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) [of section 204 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." The regulations issued by the Board herein are on all matters for which section 204 of the CAA requires a regulation to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of promulgation of these regulations, that, with the exception of the regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsections (a) and (b) [of section 204 of the CAA]."

In promulgating these regulations, the Board has made certain technical and nomenclature changes to the regulations as promulgated by the Secretary. Such changes are intended to make the provisions adopted accord more naturally to situations in the legislative branch. However, by making these changes, the Board does not intend a substantive difference between these regulations and those of the Secretary from which they are derived. Moreover such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

Sec. 1.8 Employment relationship

Subject to the exemptions incorporated into the CAA by section 225(f), section 204 applies the prohibitions on the use of lie detectors by employing offices with respect to covered employees irrespective of whether a covered employee works in that employing office. Sections 101 (3), (4) and 204 of the CAA also apply EPPA prohibitions against discrimination to applicants for employment and former employees of a covered employing office. For example, an employee may quit rather than take a lie detector test. The employing office cannot discriminate or threaten to discriminate in any manner against that person (such as by providing bad references in the future) because of that person's refusal to be tested. Similarly, an employing office cannot discriminate or threaten to discriminate in any manner against that person because that person files a complaint, institutes a proceeding, testifies in a proceeding, or exercises any right under section 204 of the CAA. (*See* section 207 of the CAA.)

Subpart B—Exemptions

Sec. 1.10 Exclusion for employees of the Capitol Police [Reserved].

Sec. 1.11 Exemption for national defense and security.

(a) The exemptions allowing for the administration of lie detector tests in the following paragraphs (b) through (e) of this section apply only to the Federal Government; they do not allow covered employing offices to administer such tests. For the purposes of this section, the term "Federal Government" means any agency or entity within the Federal Government authorized to administer polygraph examinations which is otherwise exempt from coverage under section 7(a) of the EPPA, 29 U.S.C. 2006(a).

(b) Section 7(b)(1) of the EPPA, incorporated into the CAA under section 225(f) of the CAA, provides that nothing in the EPPA shall be construed to prohibit the administration of any lie detector test by the Federal Government, in the performance of any counterintelligence function, to any expert, consultant or employee of any contractor under contract with the Department of Defense; or with the Department of Energy, in connection with the atomic energy defense activities of such Department.

(c) Section 7(b)(2)(A) of the EPPA, incorporated into the CAA under section 225(f) of the CAA, provides that nothing in the EPPA shall be construed to prohibit the administration of any lie detector test by the Federal Government, in the performance of any intelligence or counterintelligence function of the National Security Agency, the Defense Intelligence Agency, or the Central Intelligence Agency, to any individual employed by, assigned to, or detailed to any such agency; or any expert or consultant under contract to any such agency; or any employee of a contractor to such agency; or any individual applying for a position in any such agency; or any individual assigned to a space where sensitive cryptologic information is produced, processed, or stored for any such agency.

(d) Section 7(b)(2)(B) of the EPPA, incorporated into the CAA under section 225(f) of the CAA, provides that nothing in the EPPA shall be construed to prohibit the administration of any lie detector test by the Federal Government, in the performance of any intelligence or counterintelligence function, to any covered employee whose duties involve access to information that has been classified at the level of top secret or designated as being within a special access program under section 4.2 (a) of Executive Order 12356 (or a successor Executive Order).

(c) *Counterintelligence* for purposes of the above paragraphs means information gathered and activities conducted to protect against espionage and other clandestine intelligence activities, sabotage, terrorist activities, or assassinations conducted for or on behalf of foreign governments, or foreign or domestic organizations or persons.

(d) Lie detector tests of persons described in the above paragraphs will be administered in accordance with applicable Department of Defense directives and regulations, or other regulations and directives governing the use of such tests by the United States Government, as applicable.

Sec. 1.12 Exemption for Employing Offices Conducting Investigations of Economic Loss or Injury.

(a) Section 7(d) of the EPPA, incorporated into the CAA under section 225(f) of the CAA, provides a limited exemption from the general prohibition on lie detector use for employers conducting ongoing investigations of economic loss or injury to the employer's business. An employing office may request an employee, subject to the conditions set forth in sections 8 and 10 of the EPPA and Secs. 1.20, 1.22, 1.23, 1.24, 1.25, 1.26 and 1.35 of this part, to submit to a polygraph test, but no other type of lie detector test, only if—

(1) The test is administered in connection with an ongoing investigation involving economic loss or injury to the employing office's operations, such as theft, embezzlement, misappropriation or an act of unlawful industrial espionage or sabotage;

(2) The employee had access to the property that is the subject of the investigation;

(3) The employing office has a reasonable suspicion that the employee was involved in the incident or activity under investigation;

(4) The employing office provides the examinee with a statement, in a language understood by the examinee, prior to the test which fully explains with particularity the specific incident or activity being investigated and the basis for testing particular employees and which contains, at a minimum:

(i) An identification with particularity of the specific economic loss or injury to the operations of the employing office;

(ii) A description of the employee's access to the property that is the subject of the investigation;

(iii) A description in detail of the basis of the employing office's reasonable suspicion that the employee was involved in the incident or activity under investigation; and

(iv) Signature of a person (other than a polygraph examiner) authorized to legally bind the employing office; and

(5) The employing office retains a copy of the statement and proof of service described in paragraph (a)(4) of this section for at least 3 years.

(b) For the exemption to apply, the condition of an "ongoing investigation" must be met. As used in section 7(d) of the EPPA, the ongoing investigation must be of a specific incident or activity. Thus, for example, an employing office may not request that an employee or employees submit to a polygraph test in an effort to determine whether or not any thefts have occurred. Such random testing by an employing office is precluded by the EPPA. Further, because the exemption is limited to a specific incident or activity, an employing office is precluded from using the exemption in situations where the so-called "ongoing investigation" is continuous. For example, the fact that items are frequently missing would not be a sufficient basis, standing alone, for administering a polygraph test. Even if the employing office can establish that unusually high amounts of property are missing in a given month, this, in and of itself, would not be a sufficient basis to meet the specific incident requirement. On the other hand, polygraph testing in response to missing property would be permitted where additional evidence is obtained through subsequent investigation of specific items missing through intentional wrongdoing, and a reasonable suspicion that the employee to be polygraphed was involved in the incident under investigation. Administering a polygraph test in circumstances where the missing property is merely unspecified, statistical shortages, without identification of a specific incident or activity that produced the missing property and a "reasonable suspicion that the employee was involved," would amount to little more than a fishing expedition and is prohibited by the EPPA as applied to covered employees and employing offices by the CAA.

(c)(1)(i) The terms *economic loss or injury to the employing office's operations* include both direct and indirect economic loss or injury.

(ii) Direct loss or injury includes losses or injuries resulting from theft, embezzlement, misappropriation, espionage or sabotage. These examples, cited in the EPPA, are intended to be illustrative and not exhaustive. Another specific incident which would constitute direct economic loss or injury is the misappropriation of confidential or trade secret information.

(iii) Indirect loss or injury includes the use of an employing office's operations to commit a crime, such as check-kiting or money laundering. In such cases, the ongoing investigation must be limited to criminal activity that has already occurred, and to use of the employing office's operations (and not simply the use of the premises) for such activity. For example, the use of an employing office's vehicles, warehouses, computers or equipment to smuggle or facilitate the importing of illegal substances constitutes an indirect loss or injury to the employing office's business operations. Conversely, the mere fact that an illegal act occurs on the employing office's premises (such as a drug transaction that takes place in the employing office's parking lot or rest room) does not constitute an indirect economic loss or injury to the employing office.

(iv) Indirect loss or injury also includes theft or injury to property of another for which the employing office exercises fiduciary, managerial or security responsibility, or where the office has custody of the property (but not property of other offices to which the employees have access by virtue of the employment relationship). For example, if a maintenance employee of the manager of an apartment building steals jewelry from a tenant's apartment, the theft results in an indirect economic loss or injury to the employer because of the manager's management responsibility with respect to the tenant's apartment. A messenger on a delivery of confidential business reports for a client firm who steals the reports causes an indirect economic loss or injury to the messenger service because the messenger service is custodian of the client firm's reports, and therefore is responsible for their security. Similarly, the theft of property protected by a security service employer is considered an economic loss or injury to that employer.

(v) A theft or injury to a client firm does not constitute an indirect loss or injury to an employing office unless that employing office has custody of, or management, or security responsibility for, the property of the client that was lost or stolen or injured. For example, a cleaning contractor has no responsibility for the money at a client bank. If money is stolen from the bank by one of the cleaning contractor's employees, the cleaning contractor does not suffer an indirect loss or injury.

(vi) Indirect loss or injury does not include loss or injury which is merely threatened or potential, e.g., a threatened or potential loss of an advantageous business relationship.

(2) Economic losses or injuries which are the result of unintentional or lawful conduct would not serve as a basis for the administration of a polygraph test. Thus, apparently unintentional losses or injuries stemming from truck, car, workplace, or other similar type accidents or routine inventory or cash register shortages would not meet the economic loss or injury requirement. Any economic loss incident to lawful union or employee activity also would not satisfy this requirement.

(3) It is the operations of the employing office which must suffer the economic loss or injury. Thus, a theft committed by one employee against another employee of the same employing office would not satisfy the requirement.

(d) While nothing in the EPPA as applied by the CAA prohibits the use of medical tests to determine the presence of controlled substances or alcohol in bodily fluids, the section 7(d) exemption of the EPPA does not permit the use of a polygraph test to learn whether an employee has used drugs or alcohol, even where such possible use may have contributed to an economic loss to the employing office (e.g., an accident involving an employing office's vehicle).

(e) Section 7(d)(2) of the EPPA provides that, as a condition for the use of the exemption, the employee must have had access to the property that is the subject of the investigation.

(1) The word *access*, as used in section 7(d)(2), refers to the opportunity which an employee had to cause, or to aid or abet in causing, the specific economic loss or injury under investigation. The term "access", thus, includes more than direct or physical contact during the course of employment. For example, as a general matter, all employees working in or with authority to enter a property storage area have "access" to unsecured property in the area. All employees with the combination to a safe have "access" to the property in a locked safe. Employees also have "access" who have the ability to divert possession or otherwise affect the disposition of the property that is the subject of investigation. For example, a bookkeeper in a jewelry store with access to inventory records may aid or abet a clerk who steals an expensive watch by removing the watch from the employing office's inventory records. In such a situation, it is clear that the bookkeeper effectively has "access" to the property that is the subject of the investigation.

(2) As used in section 7(d)(2), *property* refers to specifically identifiable property, but also includes such things of value as security codes and computer data, and proprietary, financial or technical information, such as trade secrets, which by its availability to competitors or others would cause economic harm to the employing office.

(f)(1) As used in section 7(d)(3), the term *reasonable suspicion* refers to an observable, articulable basis in fact which indicates that a particular employee was involved in, or responsible for, an economic loss. Access in the sense of possible or potential opportunity, standing alone, does not constitute a basis for "reasonable suspicion." Information from a co-worker, or an employee's behavior, demeanor, or conduct may be factors in the basis for reasonable suspicion. Likewise, inconsistencies between facts, claims, or statements that surface during an investigation can serve as a sufficient basis for reasonable suspicion. While access or opportunity, standing alone, does not constitute a basis for reasonable suspicion, the totality of circumstances surrounding the access or opportunity (such as its unauthorized or unusual nature or the fact that access was limited to a single individual) may constitute a factor in determining whether there is a reasonable suspicion.

(2) For example, in an investigation of a theft of an expensive piece of jewelry, an employee authorized to open the establishment's safe no earlier than 9 a.m., in order to place the jewelry in a window display case, is observed opening the safe at 7:30 a.m. In such a situation, the opening of the safe by the employee one and one-half hours prior to the specified time may serve as the basis for reasonable suspicion. On the other hand, in the example given, if the employee is asked to bring the piece of jewelry to his or her office at 7:30 a.m., and the employee then opened the safe and reported the jewelry missing, such access, standing alone, would not constitute a basis for reasonable suspicion that the employee was involved in the incident unless access to the safe was limited solely to the employee. If no one other than the employee possessed the combination to the safe, and all other possible explanations for the loss are ruled out, such as a break-in, a basis for reasonable suspicion may be formulated based on sole access by one employee.

(3) The employing office has the burden of establishing that the specific individual or individuals to be tested are "reasonably suspected" of involvement in the specific economic loss or injury for the requirement in section 7(d)(3) of the EPPA to be met.

(g)(1) As discussed in paragraph (a)(4) of this section, section 7(d)(4) of the EPPA sets forth what information, at a minimum, must be provided to an employee if the employing office wishes to claim the exemption.

(2) The statement required under paragraph (a)(4) of this section must be received by the employee at least 48 hours, excluding weekend days and holidays, prior to the time of the examination. The statement must set forth the time and date of receipt by the employee and be verified by the employee's signature. This will provide the employee with adequate pre-test notice of the specific incident or activity being investigated and afford the employee sufficient time prior to the test to obtain and consult with legal counsel or an employee representative.

(3) The statement to be provided to the employee must set forth with particularity the specific incident or activity being investigated and the basis for testing particular employees. Section 7(d)(4)(A) of the EPPA requires specificity beyond the mere assertion of general statements regarding economic loss, employee access, and reasonable suspicion. For example, an employing office's assertion that an expensive watch was stolen, and that the employee had access to the watch and is therefore a suspect, would not meet the "with particularity" criterion. If the basis for an employing office's requesting an employee (or employees) to take a polygraph test is not articulated with particularity, and reduced to writing, then the standard is not met. The identity of a coworker or other individual providing information used to establish reasonable suspicion need not be revealed in the statement.

(4) It is further required that the statement provided to the examinee be signed by the employing office, or an employee or other representative of the employing office with authority to legally bind the employing office. The person signing the statement must not be a polygraph examiner unless the examiner is acting solely in the capacity of an employing office with respect to his or her own employees and does not conduct the examination. The standard would not be met, and the exemption would not apply if the person signing the statement is not authorized to legally bind the employing office.

(h) Polygraph tests administered pursuant to this exemption are subject to the limitations set forth in sections 8 and 10 of the EPPA, as discussed in Secs. 1.20, 1.22, 1.23, 1.24, 1.25, 1.26, and 1.35 of this part. As provided in these sections, the exemption will apply only if certain requirements are met. Failure to satisfy any of the specified requirements nullifies the statutory authority for polygraph test administration and may subject the employing office to remedial actions, as provided for in section 6(c) of the EPPA.

Sec. 1.13 Exemption of Employing Offices Authorized to Manufacture, Distribute, or Dispense Controlled Substances.

(a) Section 7(f) of the EPPA, incorporated into the CAA by section 225(f) of the CAA, provides an exemption from the EPPA's general prohibition regarding the use of polygraph tests for employers authorized to manufacture, distribute, or dispense a controlled substance listed in schedule I, II, III, or IV of section 202 of the Controlled Substances Act (21 U.S.C. §812). This exemption permits the administration of polygraph tests, subject to the conditions set forth in sections 8 and 10 of the EPPA and Sec. 1.21, 1.22, 1.23, 1.24, 1.25, 1.26, and 1.35 of this part, to:

(1) A prospective employee who would have direct access to the manufacture, storage, distribution, or sale of any such controlled substance; or

(2) A current employee if the following conditions are met:

(i) The test is administered in connection with an ongoing investigation of criminal or other misconduct involving, or potentially involving, loss or injury to the manufacture, distribution, or dispensing of any such controlled substance by such employing office; and

(ii) The employee had access to the person or property that is the subject of the investigation.

(b)(1) The terms *manufacture, distribute, distribution, dispense, storage, and sale*, for the purposes of this exemption, are construed within the meaning of the Controlled Substances Act (21 U.S.C. §812 et seq.), as administered by the Drug Enforcement Administration (DEA), U.S. Department of Justice.

(2) The exemption in section 7(f) of the EPPA applies only to employing offices that are authorized by DEA to manufacture, distribute, or dispense a controlled substance. Section 202 of the Controlled Substances Act (21 U.S.C. §812) requires every person who manufactures, distributes, or dispenses any controlled substance to register with the Attorney General (i.e., with DEA). Common or contract carriers and warehouses whose possession of the controlled substance is in the usual course of their business or employment are not required to register. Truck drivers and warehouse employees of the persons or entities registered with DEA and authorized to manufacture, distribute, or dispense controlled substances, are within the scope of the exemption where they have direct access or access to the controlled substances, as discussed below.

(c) In order for a polygraph examination to be performed, section 7(f) of the Act requires that a prospective employee have "direct access" to the controlled substance(s) manufactured, dispensed, or distributed by the employing office. Where a current employee is to be tested as a part of an ongoing investigation, section 7(f) requires that the employee have "access" to the person or property that is the subject of the investigation.

(1) A prospective employee would have "direct access" if the position being applied for has responsibilities which include contact with or which affect the disposition of a controlled substance, including participation in the process of obtaining, dispensing, or otherwise distributing a controlled substance. This includes contact or direct involvement in the manufacture, storage, testing, distribution, sale or dispensing of a controlled substance and may include, for example, packaging, repackaging, ordering, licensing, shipping, receiving, taking inventory, providing security, prescribing, and handling of a controlled substance. A prospective employee would have "direct access" if the described job duties would give such person access to the products in question, whether such employee would be in physical proximity to controlled substances or engaged in activity which would permit the employee to divert such substances to his or her possession.

(2) A current employee would have "access" within the meaning of section 7(f) if the employee had access to the specific person or property which is the subject of the on-going investigation, as discussed in Sec. 1.12(e) of this part. Thus, to test a current employee, the employee need not have had "direct" access to the controlled substance,

but may have had only infrequent, random, or opportunistic access. Such access would be sufficient to test the employee if the employee could have caused, or could have aided or abetted in causing, the loss of the specific property which is the subject of the investigation. For example, a maintenance worker in a drug warehouse, whose job duties include the cleaning of areas where the controlled substances which are the subject of the investigation were present, but whose job duties do not include the handling of controlled substances, would be deemed to have "access", but normally not "direct access", to the controlled substances. On the other hand, a drug warehouse truck loader, whose job duties include the handling of outgoing shipment orders which contain controlled substances, would have "direct access" to such controlled substances. A pharmacy department in a supermarket is another common situation which is useful in illustrating the distinction between "direct access" and "access." Store personnel receiving pharmaceutical orders, i.e., the pharmacist, pharmacy intern, and other such employees working in the pharmacy department, would ordinarily have "direct access" to controlled substances. Other store personnel whose job duties and responsibilities do not include the handling of controlled substances but who had occasion to enter the pharmacy department where the controlled substances which are the subject of the investigation were stored, such as maintenance personnel or pharmacy cashiers, would have "access." Certain other store personnel whose job duties do not permit or require entrance into the pharmacy department for any reason, such as produce or meat clerks, checkout cashiers, or baggers, would not ordinarily have "access." However, any current employee, regardless of described job duties, may be polygraphed if the employing office's investigation of criminal or other misconduct discloses that such employee in fact took action to obtain "access" to the person or property that is the subject of the investigation—e.g., by actually entering the drug storage area in violation of company rules. In the case of "direct access", the prospective employee's access to controlled substances would be as a part of the manufacturing, dispensing or distribution process, while a current employee's "access" to the controlled substances which are the subject of the investigation need only be opportunistic.

(d) The term *prospective employee*, for the purposes of this section, includes a current employee who presently holds a position which does not entail direct access to controlled substances, and therefore is outside the scope of the exemption's provisions for preemployment polygraph testing, provided the employee has applied for and is being considered for transfer or promotion to another position which entails such direct access. For example, an office secretary may apply for promotion to a position in the vault or cage areas of a drug warehouse, where controlled substances are kept. In such a situation, the current employee would be deemed a "prospective employee" for the purposes of this exemption, and thus could be subject to preemployment polygraph screening, prior to such a change in position. However, any adverse action which is based in part on a polygraph test against a current employee who is considered a "prospective employee" for purposes of this section may be taken only with respect to the prospective position and may not affect the employee's employment in the current position.

(e) Section 7(f) of the EPPA, as applied by the CAA, makes no specific reference to a requirement that employing offices provide current employees with a written statement prior to polygraph testing. Thus, employing offices to whom this exemption is available are not required to furnish a written statement such as that specified in section 7(d) of the EPPA and Sec. 1.12(a)(4) of this part.

(f) For the section 7(f) exemption to apply, the polygraph testing of current employees must be administered in connection with an ongoing investigation of criminal or other misconduct involving, or potentially involving, loss or injury to the manufacture, distribution, or dispensing of any such controlled substance by such employing office.

(1) Current employees may only be administered polygraph tests in connection with an ongoing investigation of criminal or other misconduct, relating to a specific incident or activity, or potential incident or activity. Thus, an employing office is precluded from using the exemption in connection with continuing investigations or on a random basis to determine if thefts are occurring. However, unlike the exemption in section 7(d) of the EPPA for employing offices conducting ongoing investigations of economic loss or injury, the section 7(f) exemption includes ongoing investigations of misconduct involving potential drug losses. Nor does the latter exemption include the requirement for "reasonable suspicion" contained in the section 7(d) exemption. Thus, a drug store operator is permitted to polygraph all current employees who have access to a controlled substance stolen from the inventory, or where there is evidence that such a theft is planned. Polygraph testing based on an inventory shortage of the drug during a particular accounting period would not be permitted unless there is extrinsic evidence of misconduct.

(2) In addition, the test must be administered in connection with loss or injury, or potential loss or injury, to the manufacture, distribution, or dispensing of a controlled substance.

(i) Retail drugstores and wholesale drug warehouses typically carry inventory of so-called health and beauty aids, cosmetics, over-the-counter drugs, and a variety of other similar products, in addition to their product lines of controlled drugs. The non-controlled products usually constitute the majority of such firms' sales volumes. An economic loss or injury related to such non-controlled substances would not constitute a basis of applicability of the section 7(f) exemption. For example, an investigation into the theft of a gross of cosmetic products could not be a basis for polygraph testing under section 7(f), but the theft of a container of valium could be.

(ii) Polygraph testing, with respect to an ongoing investigation concerning products other than controlled substances might be initiated under section 7(d) of the EPPA and Sec. 1.12 of this part. However, the exemption in section 7(f) of the EPPA and this section is limited solely to losses or injury associated with controlled substances.

(g) Polygraph tests administered pursuant to this exemption are subject to the limitations set forth in sections 8 and 10 of the EPPA, as discussed in Secs. 1.21, 1.22, 1.23, 1.24, 1.25, 1.26, and 1.35 of this part. As provided in these sections, the exemption will apply only if certain requirements are met. Failure to satisfy any of the specified requirements nullifies the statutory authority for polygraph test administration and may subject the employing office to the remedies authorized in section 204 of the CAA. The administration of such tests is also subject to collective bargaining agreements, which may either prohibit lie detector tests, or contain more restrictive provisions with respect to polygraph testing.

Subpart C—Restrictions on polygraph usage under exemptions

Sec. 1.20 Adverse employment action under ongoing investigation exemption.

(a) Section 8(a)(1) of the EPPA provides that the limited exemption in section 7(d) of the EPPA and Sec. 1.12 of this part for ongoing investigations shall not apply if an employing office discharges, disciplines, denies employment or promotion or otherwise discriminates in any manner against a current employee based upon the analysis of a polygraph test chart or the refusal to take a polygraph test, without additional supporting evidence.

(b) "Additional supporting evidence", for purposes of section 8(a) of the EPPA, includes, but is not limited to, the following:

(1)(i) Evidence indicating that the employee had access to the missing or damaged property that is the subject of an ongoing investigation; and

(ii) Evidence leading to the employing office's reasonable suspicion that the employee was involved in the incident or activity under investigation; or

(2) Admissions or statements made by an employee before, during or following a polygraph examination.

(c) Analysis of a polygraph test chart or refusal to take a polygraph test may not serve as a basis for adverse employment action, even with additional supporting evidence, unless the employing office observes all the requirements of sections 7(d) and 8(b) of the EPPA, as applied by the CAA and described in Secs. 1.12, 1.22, 1.23, 1.24 and 1.25 of this part.

Sec. 1.21 Adverse employment action under controlled substance exemption.

(a) Section 8(a)(2) of the EPPA provides that the controlled substance exemption in section 7(f) of the EPPA and section 1.13 of this part shall not apply if an employing office discharges, disciplines, denies employment or promotion, or otherwise discriminates in any manner against a current employee or prospective employee based solely on the analysis of a polygraph test chart or the refusal to take a polygraph test.

(b) Analysis of a polygraph test chart or refusal to take a polygraph test may serve as one basis for adverse employment actions of the type described in paragraph (a) of this section, provided that the adverse action was also based on another bona fide reason, with supporting evidence therefor. For example, traditional factors such as prior employment experience, education, job performance, etc. may be used as a basis for employment decisions. Employment decisions based on admissions or statements made by an employee or prospective employee before, during or following a polygraph examination may, likewise, serve as a basis for such decisions.

(c) Analysis of a polygraph test chart or the refusal to take a polygraph test may not serve as a basis for adverse employment action, even with another legitimate basis for such action, unless the employing office observes all the requirements of section 7(f) of the EPPA, as appropriate, and section 8(b) of the EPPA, as described in sections 1.13, 1.22, 1.23, 1.24 and 1.25 of this part.

Sec. 1.22 Rights of examinee—general.

(a) Pursuant to section 8(b) of the EPPA, the limited exemption in section 7(d) of the

EPPA for ongoing investigations (described in Secs. 1.12 and 1.13 of this part) shall not apply unless all of the requirements set forth in this section and Secs. 1.23 through 1.25 of this part are met.

(b) During all phases of the polygraph testing the person being examined has the following rights:

(1) The examinee may terminate the test at any time.

(2) The examinee may not be asked any questions in a degrading or unnecessarily intrusive manner.

(3) The examinee may not be asked any questions dealing with:

(i) Religious beliefs or affiliations;

(ii) Beliefs or opinions regarding racial matters;

(iii) Political beliefs or affiliations;

(iv) Sexual preferences or behavior; or

(v) Beliefs, affiliations, opinions, or lawful activities concerning unions or labor organizations.

(4) The examinee may not be subjected to a test when there is sufficient written evidence by a physician that the examinee is suffering from any medical or psychological condition or undergoing any treatment that might cause abnormal responses during the actual testing phase. "Sufficient written evidence" shall constitute, at a minimum, a statement by a physician specifically describing the examinee's medical or psychological condition or treatment and the basis for the physician's opinion that the condition or treatment might result in such abnormal responses.

(5) An employee or prospective employee who exercises the right to terminate the test, or who for medical reasons with sufficient supporting evidence is not administered the test, shall be subject to adverse employment action only on the same basis as one who refuses to take a polygraph test, as described in Secs. 1.20 and 1.21 of this part.

(c) Any polygraph examination shall consist of one or more pretest phases, actual testing phases, and post-test phases, which must be conducted in accordance with the rights of examinees described in Secs. 1.23 through 1.25 of this part.

Sec. 1.23 Rights of examinee—pretest phase.

(a) The pretest phase consists of the questioning and other preparation of the prospective examinee before the actual use of the polygraph instrument. During the initial pretest phase, the examinee must be:

(1) Provided with written notice, in a language understood by the examinee, as to when and where the examination will take place and that the examinee has the right to consult with counsel or an employee representative before each phase of the test. Such notice shall be received by the examinee at least forty-eight hours, excluding weekend days and holidays, before the time of the examination, except that a prospective employee may, at the employee's option, give written consent to administration of a test anytime within 48 hours but no earlier than 24 hours after receipt of the written notice. The written notice or proof of service must set forth the time and date of receipt by the employee or prospective employee and be verified by his or her signature. The purpose of this requirement is to provide a sufficient opportunity prior to the examination for the examinee to consult with counsel or an employee representative. Provision shall also be made for a convenient place on the premises where the examination will take place at which the examinee may consult privately with an attorney or an employee representative before each phase of the test. The attorney or representative may be excluded from the room where the examination is administered during the actual testing phase.

(2) Informed orally and in writing of the nature and characteristics of the polygraph instrument and examination, including an explanation of the physical operation of the polygraph instrument and the procedure used during the examination.

(3) Provided with a written notice prior to the testing phase, in a language understood by the examinee, which shall be read to and signed by the examinee. Use of Appendix A to this part, if properly completed, will constitute compliance with the contents of the notice requirement of this paragraph. If a format other than in Appendix A is used, it must contain at least the following information:

(i) Whether or not the polygraph examination area contains a two-way mirror, a camera, or other device through which the examinee may be observed;

(ii) Whether or not any other device, such as those used in conversation or recording will be used during the examination;

(iii) That both the examinee and the employing office have the right, with the other's knowledge, to make a recording of the entire examination;

(iv) That the examinee has the right to terminate the test at any time;

(v) That the examinee has the right, and will be given the opportunity, to review all questions to be asked during the test;

(vi) That the examinee may not be asked questions in a manner which degrades, or needlessly intrudes;

(vii) That the examinee may not be asked any questions concerning religious beliefs or opinions; beliefs regarding racial matters; political beliefs or affiliations; matters relating to sexual behavior; beliefs, affiliations, opinions, or lawful activities regarding unions or labor organizations;

(viii) That the test may not be conducted if there is sufficient written evidence by a physician that the examinee is suffering from a medical or psychological condition or undergoing treatment that might cause abnormal responses during the examination;

(ix) That the test is not and cannot be required as a condition of employment;

(x) That the employing office may not discharge, dismiss, discipline, deny employment or promotion, or otherwise discriminate against the examinee based on the analysis of a polygraph test, or based on the examinee's refusal to take such a test, without additional evidence which would support such action;

(xi)(A) In connection with an ongoing investigation, that the additional evidence required for the employing office to take adverse action against the examinee, including termination, may be evidence that the examinee had access to the property that is the subject of the investigation, together with evidence supporting the employing office's reasonable suspicion that the examinee was involved in the incident or activity under investigation;

(B) That any statement made by the examinee before or during the test may serve as additional supporting evidence for an adverse employment action, as described in paragraph (a)(3)(x) of this section, and that any admission of criminal conduct by the examinee may be transmitted to an appropriate government law enforcement agency;

(xii) That information acquired from a polygraph test may be disclosed by the examiner or by the employing office only:

(A) To the examinee or any other person specifically designated in writing by the examinee to receive such information;

(B) To the employing office that requested the test;

(C) To a court, governmental agency, arbitrator, or mediator pursuant to a court order;

(D) By the employing office, to an appropriate governmental agency without a court order where, and only insofar as, the information disclosed is an admission of criminal conduct;

(xiii) That if any of the examinee's rights or protections under the law are violated, the examinee has the right to take action against the employing office under sections 401-404 of the CAA. Employing offices that violate this law are liable to the affected examinee, who may recover such legal or equitable relief as may be appropriate, including, but not limited to, employment, reinstatement, and promotion, payment of lost wages and benefits, and reasonable costs, including attorney's fees;

(xiv) That the examinee has the right to obtain and consult with legal counsel or other representative before each phase of the test, although the legal counsel or representative may be excluded from the room where the test is administered during the actual testing phase.

(xv) That the employee's rights under the CAA may not be waived, either voluntarily or involuntarily, by contract or otherwise, except as part of a written settlement to a pending action or complaint under the CAA, agreed to and signed by the parties.

(b) During the initial or any subsequent pretest phases, the examinee must be given the opportunity, prior to the actual testing phase, to review all questions in writing that the examiner will ask during each testing phase. Such questions may be presented at any point in time prior to the testing phase.

Sec. 1.24 Rights of examinee—actual testing phase

(a) The actual testing phase refers to that time during which the examiner administers the examination by using a polygraph instrument with respect to the examinee and then analyzes the charts derived from the test. Throughout the actual testing phase, the examiner shall not ask any question that was not presented in writing for review prior to the testing phase. An examiner may, however, recess the testing phase and return to the pre-test phase to review additional relevant questions with the examinee. In the case of an ongoing investigation, the examiner shall ensure that all relevant questions (as distinguished from technical baseline questions) pertain to the investigation.

(b) No testing period subject to the provisions of the Act shall be less than ninety minutes in length. Such "test period" begins at the time that the examiner begins informing the examinee of the nature and characteristics of the examination and the instruments involved, as prescribed in section 8(b)(2)(B) of the EPPA and Sec. 1.23(a)(2) of this part, and ends when the examiner completes the review of the test results with the examinee as provided in Sec. 1.25 of this part. The ninety-minute minimum duration shall not apply if the examinee voluntarily acts to terminate the test before the completion thereof, in which event the examiner may not render an opinion regarding the employee's truthfulness.

Sec. 1.25 Rights of examinee—post-test phase

(a) The post-test phase refers to any questioning or other communication with the examinee following the use of the polygraph instrument, including review of the results of the test with the examinee. Before any adverse employment action, the employing office must:

(1) Further interview the examinee on the basis of the test results; and

(2) Give to the examinee a written copy of any opinions or conclusions rendered in response to the test, as well as the questions asked during the test, with the corresponding charted responses. The term "corresponding charted responses" refers to copies of the entire examination charts recording the employee's physiological responses, and not just the examiner's written report which describes the examinee's responses to the questions as "charted" by the instrument.

Sec. 1.26 Qualifications of and requirements for examiners.

(a) Section 8 (b) and (c) of the EPPA provides that the limited exemption in section 7(d) of the EPPA for ongoing investigations shall not apply unless the person conducting the polygraph examination meets specified qualifications and requirements.

(b) An examiner must meet the following qualifications:

(1) Have a valid current license, if required by the State in which the test is to be conducted; and

(2) Carry a minimum bond of $50,000 provided by a surety incorporated under the laws of the United States or of any State, which may under those laws guarantee the fidelity of persons holding positions of trust, or carry an equivalent amount of professional liability coverage.

(c) An examiner must also, with respect to examinees identified by the employing office pursuant to Sec. 1.30(c) of this part:

(1) Observe all rights of examinees, as set out in Secs. 1.22, 1.23, 1.24, and 1.25 of this part;

(2) Administer no more than five polygraph examinations in any one calendar day on which a test or tests subject to the provisions of EPPA are administered, not counting those instances where an examinee voluntarily terminates an examination prior to the actual testing phase;

(3) Administer no polygraph examination subject to the provisions of the EPPA which is less than ninety minutes in duration, as described in Sec. 1.24(b) of this part; and

(4) Render any opinion or conclusion regarding truthfulness or deception in writing. Such opinion or conclusion must be based solely on the polygraph test results. The written report shall not contain any information other than admissions, information, case facts, and interpretation of the charts relevant to the stated purpose of the polygraph test and shall not include any recommendation concerning the employment of the examinee.

(5) Maintain all opinions, reports, charts, written questions, lists, and other records relating to the test, including, statements signed by examinees advising them of rights under the CAA (as described in section 1.23(a)(3) of this part) and any electronic recordings of examinations, for at least three years from the date of the administration of the test. (See section 1.30 of this part for recordkeeping requirements.)

Subpart D—Recordkeeping and disclosure requirements

Sec. 1.30 Records to be preserved for 3 years.

(a) The following records shall be kept for a minimum period of three years from the date the polygraph examination is conducted (or from the date the examination is requested if no examination is conducted):

(1) Each employing office that requests an employee to submit to a polygraph examination in connection with an ongoing investigation involving economic loss or injury shall retain a copy of the statement that sets forth the specific incident or activity under investigation and the basis for testing that particular covered employee, as required by section 7(d)(4) of the EPPA and described in 1.12(a)(4) of this part.

(2) Each examiner retained to administer examinations pursuant to any of the exemptions under section 7(d), (e) or (f) of the EPPA (described in sections 1.12 and 1.13 of this part) shall maintain all opinions, reports, charts, written questions, lists, and other records relating to polygraph tests of such persons.

Sec. 1.35 Disclosure of test information

This section prohibits the unauthorized disclosure of any information obtained during a polygraph test by any person, other than the examinee, directly or indirectly, except as follows:

(a) A polygraph examiner or an employing office (other than an employing office exempt under section 7 (a), or (b) of the EPPA (described in Secs. 1.10 and 1.11 of this part)) may disclose information acquired from a polygraph test only to:

(1) The examinee or an individual specifically designated in writing by the examinee to receive such information;

(2) The employing office that requested the polygraph test pursuant to the provisions of the EPPA (including management personnel of the employing office where the disclosure is relevant to the carrying out of their job responsibilities);

(3) Any court, governmental agency, arbitrator, or mediator pursuant to an order from a court of competent jurisdiction requiring the production of such information;

(b) An employing office may disclose information from the polygraph test at any time to an appropriate governmental agency without the need of a court order where, and only insofar as, the information disclosed is an admission of criminal conduct.

(c) A polygraph examiner may disclose test charts, without identifying information (but not other examination materials and records), to another examiner(s) for examination and analysis, provided that such disclosure is for the sole purpose of consultation and review of the initial examiner's opinion concerning the indications of truthfulness or deception. Such action would not constitute disclosure under this part provided that the other examiner has no direct or indirect interest in the matter.

Subpart E—Duration of Interim Regulations

Sec. 1.40 Duration of Interim Regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House of Representatives and the Senate, whichever is earlier.

Appendix A to Part 801—Notice to Examinee

Section 204 of the Congressional Accountability Act, which applies the rights and protections of section 8(b) of the Employee Polygraph Protection Act to covered employees and employing offices, and the regulations of the Board of Directors of the Office of Compliance (Sections 1.22, 1.23, 1.24, and 1.25), require that you be given the following information before taking a polygraph examination:

1. (a) The polygraph examination area [does] [does not] contain a two-way mirror, a camera, or other device through which you may be observed.

(b) Another device, such as those used in conversation or recording, [will] [will not] be used during the examination.

(c) Both you and the employing office have the right, with the other's knowledge, to record electronically the entire examination.

2. (a) You have the right to terminate the test at any time.

(b) You have the right, and will be given the opportunity, to review all questions to be asked during the test.

(c) You may not be asked questions in a manner which degrades, or needlessly intrudes.

(d) You may not be asked any questions concerning: Religious beliefs or opinions; beliefs regarding racial matters; political beliefs or affiliations; matters relating to sexual preference or behavior; beliefs, affiliations, opinions, or lawful activities regarding unions or labor organizations.

(e) The test may not be conducted if there is sufficient written evidence by a physician that you are suffering from a medical or psychological condition or undergoing treatment that might cause abnormal responses during the examination.

(f) You have the right to consult with legal counsel or other representative before each phase of the test, although the legal counsel or other representative may be excluded from the room where the test is administered during the actual testing phase.

3. (a) The test is not and cannot be required as a condition of employment.

(b) The employing office may not discharge, dismiss, discipline, deny employment or promotion, or otherwise discriminate against you based on the analysis of a polygraph test, or based on your refusal to take such a test without additional evidence which would support such action.

(c)(1) In connection with an ongoing investigation, the additional evidence required for an employing office to take adverse action against you, including termination, may be (A) evidence that you had access to the property that is the subject of the investigation, together with (B) the evidence supporting the employing office's reasonable suspicion that you were involved in the incident or activity under investigation.

(2) Any statement made by you before or during the test may serve as additional supporting evidence for an adverse employment action, as described in 3(b) above, and any admission of criminal conduct by you may be transmitted to an appropriate government law enforcement agency.

4. (a) Information acquired from a polygraph test may be disclosed by the examiner or by the employing office only:

(1) To you or any other person specifically designated in writing by you to receive such information;

(2) To the employing office that requested the test;

(3) To a court, governmental agency, arbitrator, or mediator that obtains a court order.

(b) Information acquired from a polygraph test may be disclosed by the employing office to an appropriate governmental agency without a court order where, and only insofar as, the information disclosed is an admission of criminal conduct.

5. If any of your rights or protections under the law are violated, you have the

right to take action against the employing office by filing a request for counseling with the Office of Compliance under section 402 of the Congressional Accountability Act. Employing offices that violate this law are liable to the affected examinee, who may recover such legal or equitable relief as may be appropriate, including, but not limited to, employment, reinstatement, and promotion, payment of lost wages and benefits, and reasonable costs, including attorney's fees.

6. Your rights under the CAA may not be waived, either voluntarily or involuntarily, by contract or otherwise, except as part of a written settlement to a pending action or complaint under the CAA, and agreed to and signed by the parties.

I acknowledge that I have received a copy of the above notice, and that it has been read to me.

(Date)

(Signature)

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT OF 1988

NOTICE OF ADOPTION OF REGULATION AND SUBMISSION FOR APPROVAL AND ISSUANCE OF INTERIM REGULATIONS

Summary: The Board of Directors, Office of Compliance, after considering comments to its Notice of Proposed Rulemaking published November 28, 1995 in the Congressional Record, has adopted, and is submitting for approval by the Congress, final regulations implementing section 205 of the Congressional Accountability Act of 1995 ("CAA"). The Board is also adopting and issuing such regulations as interim regulations for the House of Representatives, the Senate, and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions of approval are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

For Further Information Contact: Executive Director, Office of Compliance, Room LA 200, Library of Congress, Washington, D.C. 20540–1999. Telephone: (202) 724–9250.

Background and Summary

Supplementary Information: The Congressional Accountability Act of 1995 ("CAA"), P.L. 104–1, was enacted into law on January 23, 1995. 2 U.S.C. §§1301 et seq. In general, the CAA applies the rights and protections of eleven federal labor and employment statutes to covered employees and employing offices within the legislative branch. Section 205 of the CAA provides that no employing office shall be closed or a mass layoff ordered within the meaning of section 3 of the Worker Adjustment Retraining and Notification Act of 1988, 29 U.S.C. §2102 ("WARN"), until the end of a 60-day period after the employing office serves written notice of such prospective closing or layoff to representatives of covered employees or, if there are no representatives, to covered employees. 2 U.S.C. §1315(a). Section 225(f) of the CAA provides that, "[e]xcept where inconsistent with definitions and exemptions provided in this Act, the definitions and exemptions in [WARN] shall apply under this Act." 2 U.S.C. §1361(f).

Sections 205(c) and 304(a) of the CAA directs the Board of Directors of the Office of Compliance established under the CAA to issue regulations implementing section 205 of the CAA. 2 U.S.C. §§1315(c), 1384(a). Section 205(c) further states that such regulations "shall be the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." 2 U.S.C. §1315(c).

To obtain input from interested persons on the content of these regulations, the Board published for comment a Notice of Proposed Rulemaking in the Congressional Record, 141 Cong. Rec. S17652 (daily ed., Nov. 28, 1995), inviting comments regarding the proposed regulations. The Board received three comments on the proposed regulations from interested parties. Two of the comments, without elaboration, supported the regulations as proposed. Only one commenter took issue with sections of the proposed regulations and the Board's resolution of certain issues raised in the NPR. In addition, the Office has sought consultations with the Secretary of Labor regarding the proposed regulations, pursuant to section 304(g) of the CAA.

After full consideration of the comments received in response to the proposed rule, the Board has adopted and is submitting these regulations for approval by the Congress. Moreover, pursuant to sections 304 and 411, the Board is adopting and issuing such regulations as interim regulations for the House, the Senate and the employing offices of the instrumentalities effective on January 23, 1996 or on the dates upon which appropriate resolutions of approval are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, respectively, whichever is earlier.

I. Summary of Comments and Board's Final Rules

A. Employer coverage

One commenter suggested that, in proposed section 639.3(a), the Board replace the term "business enterprise" with "of the offices listed in section 101(9) of the CAA, 2 U.S.C. §1301(9)." Upon consideration of the matter, the Board incorporates the commenter's suggestion because the modification accurately and precisely states the coverage of the provision.

B. Sale of business

A commenter suggested that the concept of a "sale of business" in proposed section 639.4(c) of the regulations is inapplicable to this commenter's specific operations. It suggests that the language of proposed section 639.4(c) be changed from "sale of business" to "privatization."

The Board sees no substantive difference between the concept of "sale of business" and "privatization" for purposes of this section. Therefore, the Board adds the nomenclature suggested by the commenter to accord more naturally to situations within the legislative branch. However, by making this change, the Board does not intend any substantive difference between the meaning of section 639.3(c) and the section of the Secretary's regulations from which it is derived.

C. Encouragement regarding notice

A commenter suggested that proposed section 639.1(c), which encourages employing offices to give notice even where not required, be deleted. The commenter suggested that the deletion is justified because section 7 of WARN, which provides authority for this regulation, is not incorporated into the CAA.

On further consideration of the matter, the Board will not include this section in its adopted regulation. The section does not implement any substantive requirement of WARN, as applied by the CAA, and thus its inclusion in these regulations is not required by the CAA.

D. Technical and nomenclature changes

A commenter suggested a number of technical and nomenclature changes to the proposed regulations to make them more precise in their application to the legislative branch. The Board has incorporated many of the changes suggested by the commenter. However, by making these changes, the Board does not intend a substantive difference in the meaning of these sections of the Board's regulations and those of the Secretary from which the Board's regulations are derived.

E. Scope of regulations

The regulations issued by the Board herein are on all matters for which section 205 of the CAA requires a regulation to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of promulgation of these regulations, that, with the exception of regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 205 of the CAA]." 2 U.S.C. §1315(c).

II. Adoption of Proposed Rules as Final Regulations under Section 304(b)(3) and as Interim Regulations

Having considered the public comments to the proposed rules, the Board, pursuant to section 304(b)(3) and (4) of the CAA, is adopting these final regulations and transmitting them to the House and the Senate with recommendations as to the method of approval by each body under section 304(c). However, the rapidly approaching effective date of the CAA's implementation necessitates that the Board take further action with respect to these regulations. For the reasons explained below, the Board is also today adopting and issuing these rules as *interim* regulations that will be effective as of January 23, 1996 or the time upon which appropriate resolutions of approval of these interim regulations are passed by the House and/or the Senate, whichever is later. These interim regulations will remain in effect until the earlier of April 15, 1996 or the dates upon which the House and Senate complete their respective consideration of the final regulations that the Board is herein adopting.

The Board finds that it is necessary and appropriate to adopt such interim regulations and that there is "good cause" for making them effective as of the later of January 23, 1996, or the time upon which appropriate resolutions of approval of them are passed by the House and the Senate. In the absence of the issuance of such interim regulations, covered employees, employing offices, and the Office of Compliance staff itself would be forced to operate in regulatory uncertainty. While section 411 of the CAA provides that, "if the Board has not issued a regulation on a matter for which this Act requires a regulation to be issued, the hearing officer, Board, or court, as the case may be, shall apply, to the extent necessary and appropriate, the most relevant substantive executive agency regulation promulgated to implement the statutory provision at issue in the proceeding," covered employees, employing offices and the Office of

Compliance staff might not know what regulation, if any, would be found applicable in particular circumstances absent the procedures suggested here. The resulting confusion and uncertainty on the part of covered employees and employing offices would be contrary to the purposes and objectives of the CAA, as well as to the interests of those whom it protects and regulates. Moreover, since the House and the Senate will likely act on the Board's final regulations within a short period of time, covered employees and employing offices would have to devote considerable attention and resources to learning, understanding, and complying with a whole set of default regulations that would then have no future application. These interim regulations prevent such a waste of resources.

The Board's authority to issue such interim regulations derives from sections 411 and 304 of the CAA. Section 411 gives the Board authority to determine whether, in the absence of the issuance of a final regulation by the Board, it is necessary and appropriate to apply the substantive regulations of the executive branch in implementing the provisions of the CAA. Section 304(a) of the CAA in turn authorizes the Board to issue substantive regulations to implement the Act. Moreover, section 304(b) of the CAA instructs that the Board shall adopt substantive regulations "in accordance with the principles and procedures set forth in section 553 of title 5, United States Code," which have in turn traditionally been construed by courts to allow an agency to issue "interim" rules where the failure to have rules in place in a timely manner would frustrate the effective operation of a federal statute. *See, e.g., Philadelphia Citizens in Action v. Schweiker*, 669 F.2d 877 (3d Cir. 1982). As noted above, in the absence of the Board's adoption and issuance of these interim rules, such a frustration of the effective operation of the CAA would occur here.

In so interpreting its authority, the Board recognizes that in section 304 of the CAA, Congress specified certain procedures that the Board must follow in issuing substantive regulations. In section 304(b), Congress said that, except as specified in section 304(e), the Board must follow certain notice and comment and other procedures. The interim regulations in fact have been subject to such notice and comment and such other procedures of section 304(b).

In issuing these interim regulations, the Board also recognizes that section 304(c) specifies certain procedures that the House and the Senate are to follow in approving the Board's regulations. The Board is of the view that the essence of section 304(c)'s requirements are satisfied by making the effectiveness of these interim regulations conditional on the passage of appropriate resolutions of approval by the House and/or the Senate. Moreover, section 304(c) appears to be designed primarily for (and applicable to) final regulations of the Board, which these interim regulations are not. In short, section 304(c)'s procedures should not be understood to prevent the issuance of interim regulations that are necessary for the effective implementation of the CAA.

Indeed, the promulgation of these interim regulations clearly conforms to the spirit of section 304(c) and, in fact promotes its proper operation. As noted above, the interim regulations shall become effective only upon the passage of appropriate resolutions of approval, which is what section 304(c) contemplates. Moreover, these interim regulations allow more considered deliberation by the House and the Senate of the Board's final regulations under section 304(c).

The House has in fact already signaled its approval of such interim regulations both for itself and for the instrumentalities. On December 19, 1995, the House adopted H. Res. 311 and H. Con. Res. 123, which approve "on a provisional basis" regulations "issued by the Office of Compliance before January 23, 1996." The Board believes these resolutions are sufficient to make these interim regulations effective for the House on January 23, 1996, though the House might want to pass new resolutions of approval in response to this pronouncement of the Board.

To the Board's knowledge, the Senate has not yet acted on H. Con. Res. 123, nor has it passed a counterpart to H. Res. 311 that would cover employing offices and employees of the Senate. As stated herein, it must do so if these interim regulations are to apply to the Senate and the other employing offices of the instrumentalities (and to prevent the default rules of the executive branch from applying as of January 23, 1996).

III. Method of Approval

The Board received no comments on the method of approval for these regulations. Therefore, the Board continues to recommend that (1) the version of the regulations that shall apply to the Senate and employees of the Senate should be approved by the Senate by resolution; (2) the version of the regulations that shall apply to the House of Representatives and employees of the House of Representatives should be approved by the House of Representatives by resolution; and (3) the version of the regulations that shall apply to other covered employees and employing offices should be approved by the Congress by concurrent resolution.

With respect to the interim version of these regulations, the Board recommends that the Senate approve them by resolution insofar as they apply to the Senate and employees of the Senate. In addition, the Board recommends that the Senate approve them by concurrent resolution insofar as they apply to other covered employees and employing offices. It is noted that the House has expressed its approval of the regulations insofar as they apply to the House and its employees through its passage of H. Res. 311 on December 19, 1995. The House also expressed its approval of the regulations insofar as they apply to other employing offices through passage of H. Con. Res. 123 on the same date; this concurrent resolution is pending before the Senate.

Accordingly, the Board of Directors of the Office of Compliance hereby adopts and submits for approval by the Congress and issues on an interim basis the following regulations:

ADOPTED REGULATIONS—AS INTERIM REGULATIONS AND AS FINAL REGULATIONS

Application of Rights and Protections of the Worker Adjustment Retraining and Notification Act of 1988 (Implementing Section 204 of the CAA)

Sec.
639.1 Purpose and scope.
639.2 What does WARN require?
639.3 Definitions.
639.4 Who must give notice?
639.5 When must notice be given?
639.6 Who must receive notice?
639.7 What must the notice contain?
639.8 How is the notice served?
639.9 When may notice be given less than 60 days in advance?
639.10 When may notice be extended?
639.11 Duration of Interim Regulations

§639.1 Purpose and scope

(a) *Purpose of WARN as applied by the CAA.* Section 205 of the Congressional Accountability Act, P.L. 104-1 ("CAA"), provides protection to covered employees and their families by requiring employing offices to provide notification 60 calendar days in advance of office closings and mass layoffs within the meaning of section 3 of the Worker Adjustment and Retraining Notification Act of 1988, 29 U.S.C. §2102. Advance notice provides workers and their families some transition time to adjust to the prospective loss of employment, to seek and obtain alternative jobs and, if necessary, to enter skill training or retraining that will allow these workers to successfully compete in the job market. As used in these regulations, WARN shall refer to the provisions of WARN applied to covered employing offices by section 205 of the CAA.

(b) *Scope of these regulations.* These regulations are issued by the Board of Directors, Office of Compliance, pursuant to sections 205(c) and 304 of the CAA, which directs the Board to promulgate regulations implementing section 205 that are "the same as substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 205 of the CAA] except insofar as the Board may determine, for good cause shown . . . that a modification of such regulations would be more effective for the implementation of the rights and protections under this section." The regulations issued by the Board herein are on all matters for which section 205 of the CAA requires a regulation to be issued. Specifically, it is the Board's considered judgment, based on the information available to it at the time of promulgation of these regulations, that, with the exception of regulations adopted and set forth herein, there are no other "substantive regulations promulgated by the Secretary of Labor to implement the statutory provisions referred to in subsection (a) [of section 205 of the CAA]."

In promulgating these regulations, the Board has made certain technical and nomenclature changes to the regulations as promulgated by the Secretary. Such changes are intended to make the provisions adopted accord more naturally to situations in the legislative branch. However, by making these changes, the Board does not intend a substantive difference between these sections and those of the Secretary from which they are derived. Moreover, such changes, in and of themselves, are not intended to constitute an interpretation of the regulation or of the statutory provisions of the CAA upon which they are based.

These regulations establish basic definitions and rules for giving notice, implementing the provisions of WARN. The objective of these regulations is to establish clear principles and broad guidelines which can be applied in specific circumstances. However, it is recognized that rulemaking cannot address the multitude of employing office-specific situations in which advance notice will be given.

(c) *Notice in ambiguous situations.* It is civically desirable and it would appear to be good business practice for an employing office to provide advance notice, where reasonably possible, to its workers or unions when terminating a significant number of employees. The Office encourages employing offices to give notice in such circumstances.

(d) *WARN not to supersede other laws and contracts.* The provisions of WARN do not supersede any otherwise applicable laws or collective bargaining agreements that provide for additional notice or additional rights and remedies. If such law or agreement provides for a longer notice period, WARN notice shall run concurrently with that additional notice period. Collective bargaining agreements may be used to clarify or amplify the terms and conditions of WARN, but may not reduce WARN rights.

§639.2 What does WARN require?

WARN requires employing offices that are planning an office closing or a mass layoff to give affected employees at least 60 days' notice of such an employment action. While the 60-day period is the minimum for advance notice, this provision is not intended to discourage employing offices from voluntarily providing longer periods of advance notice. Not all office closings and layoffs are subject to WARN, and certain employment thresholds must be reached before WARN applies. WARN sets out specific exemptions, and provides for a reduction in the notification period in particular circumstances. Remedies authorized under section 205 of the CAA may be assessed against employing offices that violate WARN requirements.

§639.3 Definitions

(a) *Employing office*. (1) The term "employing office" means any of the entities listed in section 101(9) of the CAA, 2 U.S.C. §1301(9) that employs—

(i) 100 or more employees, excluding part-time employees; or

(ii) employs 100 or more employees, including part-time employees, who in the aggregate work at least 4,000 hours per week, exclusive of overtime.

Workers on temporary layoff or on leave who have a reasonable expectation of recall are counted as employees. An employee has a "reasonable expectation of recall" when he/she understands, through notification or through common practice, that his/her employment with the employing office has been temporarily interrupted and that he/she will be recalled to the same or to a similar job.

(2) Workers, other than part-time workers, who are exempt from notice under section 4 of WARN, are nonetheless counted as employees for purposes of determining coverage as an employing office.

(3) An employing office may have one or more sites of employment under common control.

(b) *Office closing*. The term "office closing" means the permanent or temporary shutdown of a "single site of employment", or one or more "facilities or operating units" within a single site of employment, if the shutdown results in an "employment loss" during *any 30-day period* at the single site of employment for *50 or more* employees, excluding any part-time employees. An employment action that results in the effective cessation of the work performed by a unit, even if a few employees remain, is a shutdown. A "temporary shutdown" triggers the notice requirement only if there are a sufficient number of terminations, layoffs exceeding 6 months, or reductions in hours of work as specified under the definition of "employment loss."

(c) *Mass layoff*. (1) The term "mass layoff" means a reduction in force which first, is not the result of an office closing, and second, results in an employment loss at the single site of employment during *any 30-day period* for:

(i) *At least 33 percent* of the active employees, excluding part-time employees, and

(ii) *At least 50 employees*, excluding part-time employees.

Where 500 or more employees (excluding part-time employees) are affected, the 33% requirement does not apply, and notice is required if the other criteria are met. Office closings involve employment loss which results from the shutdown of one or more distinct units within a single site or the entire site. A mass layoff involves employment loss, regardless of whether one or more units are shut down at the site.

(2) Workers, other than part-time workers, who are exempt from notice under section 4 of WARN are nonetheless counted as employees for purposes of determining coverage as an office closing or mass layoff. For example, if an employing office closes a temporary project on which 10 permanent and 40 temporary workers are employed, a covered office closing has occurred although only 10 workers are entitled to notice.

(d) *Representative*. The term "representative" means an exclusive representative of employees within the meaning of 5 U.S.C. §§7101 *et seq.*, as applied to covered employees and employing offices by section 220 of the CAA, 2 U.S.C. §1351.

(e) *Affected employees*. The term "affected employees" means employees who may reasonably be expected to experience an employment loss as a consequence of a proposed office closing or mass layoff by their employing office. This includes individually identifiable employees who will likely lose their jobs because of bumping rights or other factors, to the extent that such individual workers reasonably can be identified at the time notice is required to be given. The term affected employees includes managerial and supervisory employees. Consultant or contract employees who have a separate employment relationship with another employing office or employer and are paid by that other employing office or employer, or who are self-employed, are not "affected employees" of the operations to which they are assigned. In addition, for purposes of determining whether coverage thresholds are met, either incumbent workers in jobs being eliminated or, if known 60 days in advance, the actual employees who suffer an employment loss may be counted.

(f) *Employment loss*. (1) The term employment loss means (i) an employment termination, other than a discharge for cause, voluntary departure, or retirement, (ii) a layoff exceeding 6 months, or (iii) a reduction in hours of work of individual employees of more than 50% during each month of any 6-month period.

(2) Where a termination or a layoff (see paragraphs (f)(1) (i) and (ii) of this section) is involved, an employment loss does not occur when an employee is reassigned or transferred to employing office-sponsored programs, such as retraining or job search activities, as long as the reassignment does not constitute a constructive discharge or other involuntary termination.

(3) An employee is not considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employing office's operations and, prior to the closing or layoff—

(i) The employing office offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a 6-month break in employment, or

(ii) The employing office offers to transfer the employee to any other site of employment regardless of distance with no more than a 6-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

(4) A "relocation or consolidation" of part or all of an employing office's operations, for purposes of paragraph §639.3(f)(3), means that some definable operations are transferred to a different site of employment and that transfer results in an office closing or mass layoff.

(g) *Part-time employee*. The term "part-time" employee means an employee who is employed for an average of fewer than 20 hours per week or who has been employed for fewer than 6 of the 12 months preceding the date on which notice is required, including workers who work full-time. This term may include workers who would traditionally be understood as "seasonal" employees. The period to be used for calculating whether a worker has worked "an average of fewer than 20 hours per week" is the shorter of the actual time the worker has been employed or the most recent 90 days.

(h) *Single site of employment*. (1) A single site of employment can refer to either a single location or a group of contiguous locations. Separate facilities across the street from one another may be considered a single site of employment.

(2) There may be several single sites of employment within a single building, such as an office building, if separate employing offices conduct activities within such a building. For example, an office building housing 50 different employing offices will contain 50 single sites of employment. The offices of each employing office will be its single site of employment.

(3) Separate buildings or areas which are not directly connected or in immediate proximity may be considered a single site of employment if they are in reasonable geographic proximity, used for the same purpose, and share the same staff and equipment.

(4) Non-contiguous sites in the same geographic area which do not share the same staff or operational purpose should not be considered a single site.

(5) Contiguous buildings operated by the same employing office which have separate management and have separate workforces are considered separate single sites of employment.

(6) For workers whose primary duties require travel from point to point, who are outstationed, or whose primary duties involve work outside any of the employing office's regular employment sites (e.g., railroad workers, bus drivers, salespersons), the single site of employment to which they are assigned as their home base, from which their work is assigned, or to which they report will be the single site in which they are covered for WARN purposes.

(7) Foreign sites of employment are not covered under WARN. U.S. workers at such sites are counted to determine whether an employing office is covered as an employing office under §639.3(a).

(8) The term "single site of employment" may also apply to truly unusual organizational situations where the above criteria do not reasonably apply. The application of this definition with the intent to evade the purpose of WARN to provide notice is not acceptable.

(i) *Facility or operating unit*. The term "facility" refers to a building or buildings. The term "operating unit" refers to an organizationally or operationally distinct product, operation, or specific work function within or across facilities at the single site.

§639.4 Who must give notice?

Section 205(a)(1) of the CAA states that "[n]o employing office shall be closed or a mass layoff ordered within the meaning of section 3 of [WARN] until the end of a 60-day period after the employing office serves written notice of such prospective closing or layoff. . ." Therefore, an employing office that is anticipating carrying out an office closing or mass layoff is required to give notice to affected employees or their representative(s). (See definitions in §639.3 of this part.).

(a) It is the responsibility of the employing office to decide the most appropriate person within the employing office's organization to prepare and deliver the notice to affected employees or their representative(s). In most instances, this may be the local site office manager, the local personnel director or a labor relations officer.

(b) An employing office that has previously announced and carried out a short-term layoff (6 months or less) which is being extended beyond 6 months due to circumstances not reasonably foreseeable at the time of the initial layoff is required to give notice when it becomes reasonably foreseeable that the extension is required. A layoff extending beyond 6 months from the date the layoff commenced for any other reason shall be treated as an employment loss from the date of its commencement.

(c) In the case of the privatization or sale of part or all of an employing office's operations, the employing office is responsible for providing notice of any office closing or mass layoff which takes place up to and including the effective date (time) of the privatization or sale, and the contractor or buyer is responsible for providing any required notice of any office closing or mass layoff that takes place thereafter.

(1) If the employing office is made aware of any definite plans on the part of the buyer or contractor to carry out an office closing or mass layoff within 60 days of purchase, the employing office may give notice to affected employees as an agent of the buyer or contractor, if so empowered. If the employing office does not give notice, the buyer or contractor is, nevertheless, responsible to give notice. If the employing office gives notice as the agent of the buyer or contractor, the responsibility for notice still remains with the buyer or contractor.

(2) It may be prudent for the buyer or contractor and employing office to determine the impacts of the privatization or sale on workers, and to arrange between them for advance notice to be given to affected employees or their representative(s), if a mass layoff or office closing is planned.

§639.5 When must notice be given?

(a) *General rule*. (1) With certain exceptions discussed in paragraphs (b) and (c) of this section and in §639.9 of this part, notice must be given at least 60 calendar days prior to any planned office closing or mass layoff, as defined in these regulations. When all employees are not terminated on the same date, the date of the first individual termination within the statutory 30-day or 90-day period triggers the 60-day notice requirement. A worker's last day of employment is considered the date of that worker's layoff. The first and each subsequent group of terminees are entitled to a full 60 days' notice. In order for an employing office to decide whether issuing notice is required, the employing office should—

(i) Look ahead 30 days and behind 30 days to determine whether employment actions both taken and planned will, in the aggregate for any 30-day period, reach the minimum numbers for an office closing or a mass layoff and thus trigger the notice requirement; and

(ii) Look ahead 90 days and behind 90 days to determine whether employment actions both taken and planned each of which separately is not of sufficient size to trigger WARN coverage will, in the aggregate for any 90-day period, reach the minimum numbers for an office closing or a mass layoff and thus trigger the notice requirement. An employing office is not, however, required under section 3(d) to give notice if the employing office demonstrates that the separate employment losses are the result of separate and distinct actions and causes, and are not an attempt to evade the requirements of WARN.

(2) The point in time at which the number of employees is to be measured for the purpose of determining coverage is the date the first notice is required to be given. If this "snapshot" of the number of employees employed on that date is clearly unrepresentative of the ordinary or average employment level, then a more representative number can be used to determine coverage. Examples of unrepresentative employment levels include cases when the level is near the peak or trough of an employment cycle or when large upward or downward shifts in the number of employees occur around the time notice is to be given. A more representative number may be an average number of employees over a recent period of time or the number of employees on an alternative date which is more representative of normal employment levels. Alternative methods cannot be used to evade the purpose of WARN, and should only be used in unusual circumstances.

(b) *Transfers*. (1) Notice is not required in certain cases involving transfers, as described under the definition of "employment loss" at §639.3(f) of this part.

(2) An offer of reassignment to a different site of employment should not be deemed to be a "transfer" if the new job constitutes a constructive discharge.

(3) The meaning of the term "reasonable commuting distance" will vary with local conditions. In determining what is a "reasonable commuting distance," consideration should be given to the following factors: geographic accessibility of the place of work, the quality of the roads, customarily available transportation, and the usual travel time.

(4) In cases where the transfer is beyond reasonable commuting distance, the employing office may become liable for failure to give notice if an offer to transfer is not accepted within 30 days of the offer or of the closing or layoff (whichever is later). Depending upon when the offer of transfer was made by the employing office, the normal 60-day notice period may have expired and the office closing or mass layoff may have occurred. An employing office is, therefore, well advised to provide 60-day advance notice as part of the transfer offer.

(c) *Temporary employment*. (1) No notice is required if the closing is of a temporary facility, or if the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility or the project or undertaking.

(2) Employees must clearly understand at the time of hire that their employment is temporary. When such understandings exist will be determined by reference to employment contracts, collective bargaining agreements, or employment practices of other employing offices or a locality, but the burden of proof will lie with the employing office to show that the temporary nature of the project or facility was clearly communicated should questions arise regarding the temporary employment understandings.

§639.6 Who must receive notice?

Section 3(a) of WARN provides for notice to each representative of the affected employees as of the time notice is required to be given or, if there is no such representative at that time, to each affected employee.

(a) *Representative(s) of affected employees*. Written notice is to be served upon the chief elected officer of the exclusive representative(s) or bargaining agent(s) of affected employees at the time of the notice. If this person is not the same as the officer of the local union(s) representing affected employees, it is recommended that a copy also be given to the local union official(s).

(b) *Affected employees*. Notice is required to be given to employees who may reasonably be expected to experience an employment loss. This includes employees who will likely lose their jobs because of bumping rights or other factors, to the extent that such workers can be identified at the time notice is required to be given. If, at the time notice is required to be given, the employing office cannot identify the employee who may reasonably be expected to experience an employment loss due to the elimination of a particular position, the employing office must provide notice to the incumbent in that position. While part-time employees are not counted in determining whether office closing or mass layoff thresholds are reached, such workers are due notice.

§639.7 What must the notice contain?

(a) *Notice must be specific*. (1) All notice must be specific.

(2) Where voluntary notice has been given more than 60 days in advance, but does not contain all of the required elements set out in this section, the employing office must ensure that all of the information required by this section is provided in writing to the parties listed in §639.6 at least 60 days in advance of a covered employment action.

(3) Notice may be given conditional upon the occurrence or nonoccurrence of an event only when the event is definite and the consequences of its occurrence or nonoccurrence will necessarily, in the normal course of operations, lead to a covered office closing or mass layoff less than 60 days after the event. The notice must contain each of the elements set out in this section.

(4) The information provided in the notice shall be based on the best information available to the employing office at the time the notice is served. It is not the intent of the regulations that errors in the information provided in a notice that occur because events subsequently change or that are minor, inadvertent errors are to be the basis for finding a violation of WARN.

(b) As used in this section, the term "date" refers to a specific date or to a 14-day period during which a separation or separations are expected to occur. If separations are planned according to a schedule, the schedule should indicate the specific dates on which or the beginning date of each 14-day period during which any separations are expected to occur. Where a 14-day period is used, notice must be given at least 60 days in advance of the first day of the period.

(c) Notice to each representative of affected employees is to contain:

(1) The name and address of the employment site where the office closing or mass layoff will occur, and the name and telephone number of an employing office official to contact for further information;

(2) A statement as to whether the planned action is expected to be permanent or temporary and, if the entire office is to be closed, a statement to that effect;

(3) The expected date of the first separation and the anticipated schedule for making separations;

(4) The job titles of positions to be affected and the names of the workers currently holding affected jobs.

The notice may include additional information useful to the employees such as information on available dislocated worker assistance, and, if the planned action is expected to be temporary, the estimated duration, if known.

(d) Notice to each affected employee who does not have a representative is to be written in language understandable to the employees and is to contain:

(1) A statement as to whether the planned action is expected to be permanent or temporary and, if the entire office is to be closed, a statement to that effect;

(2) The expected date when the office closing or mass layoff will commence and the expected date when the individual employee will be separated;

(3) An indication whether or not bumping rights exist;

(4) The name and telephone number of an employing office official to contact for further information.

The notice may include additional information useful to the employees such as information on available dislocated worker assistance, and, if the planned action is expected to be temporary, the estimated duration, if known.

§639.8 How is the notice served?

Any reasonable method of delivery to the parties listed under §639.6 of this part which is designed to ensure receipt of notice of at least 60 days before separation is acceptable (e.g., first class mail, personal delivery with optional signed receipt). In the case of notification directly to affected employees, insertion of notice into pay envelopes is another viable option. A ticketed notice, i.e., preprinted notice regularly included in each employee's pay check or pay envelope, does not meet the requirements of WARN.

§639.9 When may notice be given less than 60 days in advance?

Section 3(b) of WARN, as applied by section 205 of the CAA, sets forth two conditions under which the notification period may be reduced to less than 60 days. The employing office bears the burden of proof that conditions for the exceptions have been met. If one of the exceptions is applicable, the employing office must give as much notice as is practicable to the union and non-represented employees and this may, in some circumstances, be notice after the fact. The employing office must, at the time notice actually is given, provide a brief statement of the reason for reducing the notice period, in addition to the other elements set out in §639.7.

(a) The "unforeseeable business circumstances" exception under section 3(b)(2)(A) of WARN, as applied under the CAA, applies to office closings and mass layoffs caused by circumstances that were not reasonably foreseeable at the time that 60-day notice would have been required.

(1) An important indicator of a circumstance that is not reasonably foreseeable is that the circumstance is caused by some sudden, dramatic, and unexpected action or condition outside the employing office's control.

(2) The test for determining when circumstances are not reasonably foreseeable focuses on an employing office's business judgment. The employing office must exercise such reasonable business judgment as would a similarly situated employing office in predicting the demands of its operations. The employing office is not required, however, to accurately predict general economic conditions that also may affect its operations.

(b) The "natural disaster" exception in section 3(b)(2)(B) of WARN applies to office closings and mass layoffs due to any form of a natural disaster.

(1) Floods, earthquakes, droughts, storms, tidal waves or tsunamis and similar effects of nature are natural disasters under this provision.

(2) To qualify for this exception, an employing office must be able to demonstrate that its office closing or mass layoff is a direct result of a natural disaster.

(3) While a disaster may preclude full or any advance notice, such notice as is practicable, containing as much of the information required in §639.7 as is available in the circumstances of the disaster still must be given, whether in advance or after the fact of an employment loss caused by a natural disaster.

(4) Where an office closing or mass layoff occurs as an indirect result of a natural disaster, the exception does not apply but the "unforeseeable business circumstance" exception described in paragraph (a) of this section may be applicable.

§639.10 When may notice be extended?

Additional notice is required when the date or schedule of dates of a planned office closing or mass layoff is extended beyond the date or the ending date of any 14-day period announced in the original notice as follows:

(a) If the postponement is for less than 60 days, the additional notice should be given as soon as possible to the parties identified in §639.6 and should include reference to the earlier notice, the date (or 14-day period) to which the planned action is postponed, and the reasons for the postponement. The notice should be given in a manner which will provide the information to all affected employees.

(b) If the postponement is for 60 days or more, the additional notice should be treated as new notice subject to the provisions of §§639.5, 639.6 and 639.7 of this part. Rolling notice, in the sense of routine periodic notice, given whether or not an office closing or mass layoff is impending, and with the intent to evade the purpose of the Act rather than give specific notice as required by WARN, is not acceptable.

§639.11 Duration of interim regulations

These interim regulations for the House, the Senate and the employing offices of the instrumentalities are effective on January 23, 1996 or on the dates upon which appropriate resolutions are passed, whichever is later. The interim regulations shall expire on April 15, 1996 or on the dates on which appropriate resolutions concerning the Board's final regulations are passed by the House and the Senate, whichever is earlier.

The PRESIDING OFFICER (Mr. THOMAS). Are there others who wish to speak?

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF A BALANCED BUDGET PROPOSAL—MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT OF THE SENATE—PM 109

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate on January 6, 1996, received a message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

I hereby submit to the Congress a plan to achieve a balanced budget not later than the fiscal year 2002 as certified by the Congressional Budget Office of January 6, 1996. This plan has been prepared by Senator DASCHLE and if passed in its current form by the Congress, I would sign it into law.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 6, 1996.*

REPORT CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO LIBYA—MESSAGE FROM THE PRESIDENT—PM 110

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of July 12, 1995, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c).

1. On January 3, 1996, I renewed for another year the national emergency

with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, all trade with Libya is prohibited, and all assets owned or controlled by the Libyan government in the United States or in the possession or control of U.S. persons are blocked.

2. There has been one amendment to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (FAC) of the Department of the Treasury, since my last report on July 12, 1995. The amendment (60 *Fed. Reg.* 37940–37941, July 25, 1995) added three hotels in Malta to appendix A, Organizations Determined to Be Within the Term "Government of Libya" (Specially Designated Nationals (SDNs) of Libya). A copy of the amendment is attached to this report.

Pursuant to section 550.304(a) of the Regulations, FAC has determined that these entities designated as SDNs are owned or controlled by, or acting or purporting to act directly or indirectly on behalf of, the Government of Libya, or are agencies, instrumentalities, or entities of that government. By virtue of this determination, all property and interests in property of these entities that are in the United States or in the possession or control of U.S. persons are blocked. Further, U.S. persons are prohibited from engaging in transactions with these entities unless the transactions are licensed by FAC. The designations were made in consultation with the Department of State.

3. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing 54 licensing determinations—both approvals and denials. Consistent with FAC's ongoing scrutiny of banking transactions, the largest category of license approvals (20) concerned requests by Libyan and non-Libyan persons or entities to unblock transfers interdicted because of an apparent Government of Libya interest. A license was also issued to a local taxing authority to foreclose on a property owned by the Government of Libya for failure to pay property tax arrearages.

4. During the current 6-month period, FAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made on or behalf of Libya. The Office worked closely with the banks to implement new interdiction software systems to identify such payments. As a result, during the reporting period, more than 107 transactions potentially involving Libya, totaling more than $26.0 million, were interdicted. As of December 4, 23 of these transactions had been authorized for release, leaving a net amount of more than $24.6 million blocked.

Since my last report, FAC collected 27 civil monetary penalties totaling more than $119,500, for violations of the U.S. sanctions against Libya. Fourteen of the violations involved the failure of banks or credit unions to block funds transfers to Libyan-owned or -controlled banks. Two other penalties were received from corporations for export violations or violative payments to Libya for unlicensed trademark transactions. Eleven additional penalties were paid by U.S. citizens engaging in Libyan oilfield-related transactions while another 40 cases involving similar violations are in active penalty processing.

In November 1995, guilty verdicts were returned in two cases involving illegal exportation of U.S. goods to Libya. A jury in Denver, Colorado, found a Denver businessman guilty of violating the Regulations and IEEPA when he exported 50 trailers from the United States to Libya in 1991. A Houston, Texas, jury found three individuals and two companies guilty on charges of conspiracy and violating the Regulations and IEEPA for transactions relating to the 1992 shipment of oilfield equipment from the United States to Libya. Also in November, a Portland, Oregon, lumber company entered a two-count felony information plea agreement for two separate shipments of U.S.-origin lumber to Libya during 1993. These three actions were the result of lengthy criminal investigations begun in prior reporting periods. Several other investigations from prior reporting periods are continuing and new reports of violations are being pursued.

5. The expenses incurred by the Federal Government in the 6-month period from July 6, 1995, through January 5, 1996, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately $990,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting UNSCR 883 in November 1993, the Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the Security Council in Resolutions 731 and 548, concerning the bombing of the Pan Am 103 and UTA 772 flights, constituted a threat to international peace and security. The United States will continue to coordinate its comprehensive sanctions enforcement efforts with those of other U.N. member states. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 22, 1996.*

MESSAGES FROM THE HOUSE

At 3:52 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution:

S. Con. Res. 39. Concurrent Resolution providing for the "State of the Union" address by the President of the United States.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1802. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–172 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1803. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–173 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1804. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–174 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1805. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–175 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1806. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–176 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1807. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–177 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1808. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of

D.C. Act 11–178 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1809. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–179 adopted by the Council on December 5, 1995; to the Committee on Governmental Affairs.

EC–1810. A communication from the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, a report relative to foreign entities and the secondary Arab boycott of Israel; to the Committee on Armed Services.

EC–1811. A communication from the Architect of the Capitol, transmitting, pursuant to law, the report of expenditures for the period April 1, 1995 through September 30, 1995; to the Committee on Appropriations.

EC–1812. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 94–18; to the Committee on Appropriations.

EC–1813. A communication from the Director of the Office of Management and Budget, the Executive Office of the President, transmitting, pursuant to law, the report on appropriations legislation within five days of enactment; to the Committee on the Budget.

EC–1814. A communication from the Director of the Office of Management and Budget, the Executive Office of the President, transmitting, pursuant to law, the report on appropriations legislation within five days of enactment; to the Committee on the Budget.

EC–1815. A communication from the Clerk of the United States Court of Federal Claims, transmitting, pursuant to law, the report of the Court for fiscal year 1995; to the Committee on the Judiciary.

EC–1816. A communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the annual proceedings of the One Hundred and Fourth Continental Congress of the National Society of the Daughters of the American Revolution; to the Committee on Rules and Administration.

EC–1817. A communication from the Secretary of Defense, transmitting, pursuant to law, the semiannual report of the Office of the Inspector General for the period April 1 through September 30, 1995; to the Committee on Governmental Affairs.

EC–1818. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1819. A communication from the Chairman of the Defense Nuclear Facilities Safety Board, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1820. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1821. A communication from the Acting Archivist of the United States, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1822. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1823. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1824. A communication from the Chairman of the Nuclear Waste Technical Review Board, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1825. A communication from the Chairman of the Occupational Safety and Health Review Commission, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1826. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1827. A communication from the Chairman, Labor and Management members of the Railroad Retirement Board, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1828. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1829. A communication from the Director of the Woodrow Wilson Center, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1830. A communication from the Director of the Office of Federal Housing Enterprise Oversight, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1831. A communication from the Director of the Office of Personnel Management (The President's Pay Agent), transmitting, pursuant to law, the report relative to locality-based comparability payments for General Schedule employees for calendar year 1996; to the Committee on Governmental Affairs.

EC–1832. A communication from the President of the National Endowment for Democracy, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1995; to the Committee on Governmental Affairs.

EC–1833. A communication from the Commissioner of the Susquehanna River Basin Commission, transmitting, a notice relative to the absence of formal internal controls and the Department of the Interior; to the Committee on Governmental Affairs.

EC–1834. A communication from the Commissioner of the Delaware River Basin Commission, transmitting, a notice relative to the absence of formal internal controls and the Department of the Interior; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEE

The following report of committee was submitted:

By Mr. D'AMATO, from the Special Committee To Investigate Whitewater Development Corporation and Related Matters:

Special Report entitled "Progress of the Investigation Into Whitewater Development Corporation and Related Matters and Recommendation for Future Finding" (Rept. No. 104–204).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOLE (for himself, Mr. GREGG, Mr. HELMS, Mr. SHELBY, and Mr. COVERDELL):

S. 1519. A bill to prohibit United States voluntary and assessed contributions to the United Nations if the United Nations imposes any tax or fee on United States persons or continues to develop or promote proposals for such taxes or fees; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE:

S. Res. 209. A resolution to provide for the approval of interim regulations applicable to the Senate and the employees of the Senate and adopted by the Board of the Office of Compliance before January 23, 1996, and for other purposes; considered and agreed to.

S. Con. Res. 39. A concurrent resolution providing for the "State of the Union" address by the President of the United States; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for himself, Mr. GREGG, Mr. HELMS, Mr. SHELBY, and Mr. COVERDELL):

S. 1519. A bill to prohibit United States voluntary and assessed contributions to the United Nations if the United Nations imposes any tax or fee on United States persons or continues to develop or promote proposals for such taxes or fees; to the Committee on Foreign Relations.

THE PROHIBITION ON U.N. TAXATION ACT

Mr. DOLE. Mr. President, imagine a percentage of every international airline ticket, every letter mailed overseas, every international trade transaction, and every exchange of foreign currency being collected for the use of unelected unaccountable international bureaucrats. Billions of dollars available outside the control of any government. Is this the paranoid fantasy in a science fiction thriller? No, it is the real world plans of United Nations bureaucrats, led by the current U.N. Secretary General Boutros Boutros-Ghali to develop a network of global taxation to fund the United Nations outside the scrutiny of the United States or any other country.

For years, United Nations bureaucrats and their allies in special interest groups and academia have dreamed about funding the United Nations through global taxes and other revenue-raising schemes. Taxes on air travel, military expenditures, postage, energy sources, currency transactions could raise as much as $300 billion a year—subject only to the whims of the bloated U.N. bureaucrats. Tax collecting would allow the United Nations to do as it pleases, not as its member states wanted. As Boutros Boutros-Ghali said earlier this month, such revenue power would mean "I will not be under the daily financial control of the member states."

While there has been tepid opposition to the taxation plans of Boutros Boutros-Ghali from the Clinton administration, it is far from certain even strong U.S. opposition could halt these U.N. schemes—the United States has only 1 of 185 votes in the U.N. General Assembly. It is not certain that any revenue raising initiative would be subject to the U.S. veto in the U.N. Security Council.

It is true the United Nations is facing a serious shortfall of funds. And it is true the United States owes a large part of this debt—in excess of $1 billion. The Republican Congress has been unwilling to provide funds to clear up this debt because of the absence of often promised and never delivered reform. While Boutros Boutros-Ghali and his supporters consistently point to the multibillion shortfall, they ignore, cover up, and excuse outrageous abuses occurring regularly throughout the U.N. system.

Let me give you a few examples.

In 1994 and 1995, more than one-half million dollars was spent on the special committee on the situation with regard to the implementation on the granting of independence to colonial countries and territories. Long after decolonization was over, the United Nations was searching for ways to liberate such territories as American Samoa and the U.S. Virgin Islands—both of which have voting representatives in the U.S. Congress.

The World Health Organization [WHO] spends 75 percent of its $1 billion budget on staff, and much of the rest on conferences, travel, and printing. Senior staff positions have increased more than 60 percent since the current director-general took office in 1988. When a U.N.-commissioned 50th anniversary history discussed corruption in the process of naming the current WHO chief, U.N. censors deleted the references.

In April, 1994, the U.N. office in Somalia lost $3.9 million kept in a cabinet with a poor lock. Despite repeated warnings, U.N. officials took no action to secure the funds. A month later, a U.N. military officer in Somalia lost $61,000 and another $76,000 was destroyed in a flood in the drought-plagued country.

The International Labor Organization [ILO] will spend $30 million in 1994–95 on conference organization and printing for special events.

Mr. President, these are but a handful of examples of waste, fraud, and abuse at the United Nations. They waste real money every day. Seriously addressing the rampant corruption and inefficiency throughout the United Nations system is the way to resolve U.N. funding problems—not taxing American citizens.

As today's Washington Times editorial and article make clear, the U.N. tax idea is not an idle pursuit of some dreamers—it is a concept that U.N. employees spend time developing, promoting, and publicizing. It is time for Congress to act. It is time to say no taxation without representation in the United Nations and it is time to shut down U.N. organizations which spend their time—and American taxpayers dollars—scheming to get into American wallets for even more money.

Today, with Senators GREGG, HELMS, and SHELBY, I am introducing S. 1519, "The Prohibition of United Nations Taxation Act of 1996." The bill does three things. First, it lays out congressional findings on U.N. taxation and concludes the United Nations has no legal authority to tax American citizens. Second, it prohibits U.S. payments to the United Nations if it attempts to impose any of the taxation schemes. Third, the bill cuts off funds for any United Nations organization which develop or advocates taxation schemes. Companion legislation will be introduced in the House of Representatives today by Congressman GERALD SOLOMON and others. Congressman SOLOMON has a long record of involvement in United Nations reform issues, and I thank him for his leadership on this issue.

I know both Chairman HELMS at the Foreign Relations Committee and Chairman GREGG at the Appropriations Committee plan to hold Senate hearings on the taxation plans of the United Nations. I expect to discuss the possibility of hearings with Finance Committee Chairman ROTH as well. I commend Senator GREGG and Senator HELMS for their leadership on this issue as well as our other original cosponsor, Senator SHELBY.

The Clinton administration has begun to discuss the possibility of U.N. reform. Many of my colleagues have been involved in the effort to bring serious change to the United Nations. But as long as the United Nations spends its time on global taxation and not on its severe shortcomings, real reform will be impossible. And as long as Boutros Boutros-Ghali has visions of becoming the tax collector for the U.N. state, real reform will be impossible. The out-of-control pursuit of power by the United Nations has made the Prohibition on United Nations Taxation Act of 1996 necessary. I am confident it will be enacted this year.

I ask that the editorial from today's Washington Times and the letter to GAO sent by Senator HELMS, Senator GREGG, and myself be printed in the RECORD.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

I say to my colleagues that we certainly welcome additional cosponsors.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1519

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prohibition on United Nations Taxation Act of 1996".

SEC. 2. FINDINGS.

The Congress finds that—

(1) in 1948, the average United States family with children paid only three percent of its income in Federal taxes;

(2) in 1996, the average United States family with children paid more than 24 percent of its income in Federal taxes;

(3) United Nations officials have made numerous and repeated proposals to provide financing for the United Nations outside the scrutiny of Member States of the United Nations, including borrowing from international financial institutions, assuming control of bonds issued by Member States, and imposing taxes on an extensive range of transactions, goods, and services;

(4) the 1994 "Human Development Report" of the United Nations Development Program stated that "[i]t is appropriate that the proceeds of an international tax be devoted to international purposes and be placed at the disposal of international institutions.";

(5) on January 14, 1996, United Nations General Secretary Boutros Boutros-Ghali stated that an international tax would mean that "[he would] not be under the daily financial will of the Member States.";

(6) American taxpayers have paid approximately $30,000,000,000 to the United Nations since 1945;

(7) the United Nations and its organizations are replete with mismanagement, waste, corruption, and inefficiency which cost American taxpayers millions of dollars each year;

(8) the power to tax is an attribute of sovereignty;

(9) the United Nations does not have the attributes of sovereignty and is not a sovereign power; and

(10) the United Nations has no legal authority to impose taxes on United States citizens.

SEC. 3. PROHIBITION OF IMPOSITION OF GLOBAL TAXATION OR MULTILATERAL BANK BORROWING.

The United States may not pay any voluntary or assessed contribution to the United Nations or any of its specialized or affiliated agencies if the United Nations—

(1) attempts to implement or impose any taxation or fee on any United States persons; or

(2) borrows funds from the International Bank for Reconstruction and Development (commonly referred to as the "World

Bank"), the International Monetary Fund, or any other similar or regional international financial institution.

SEC. 4. PROHIBITION ON CONTINUED DEVELOPMENT AND PROMOTION OF GLOBAL TAXATION PROPOSALS.

The United States may not pay any voluntary or assessed contribution to the United Nations or any of its specialized or affiliated agencies (including the United Nations Development Program) unless the President certifies in writing to the Congress 15 days in advance of such payment that the United Nations or such agency, as the case may be, is not engaged in any effort to develop, advocate, promote, or publicize any proposal concerning taxation or fees on United States persons in order to raise revenue for the United Nations or any such agency.

SEC. 5. STATUTORY CONSTRUCTION.

Payments prohibited under this Act include disbursements to the United Nations pursuant to any undertaking made by the United States before the prohibition becomes effective.

SEC. 6. DEFINITIONS.

As used in this Act:

(1) The term "person" has the meaning given such term in section 7701(a)(1) of the Internal Revenue Code of 1986 (26 U.S.C. 7701(a)(1)).

(2) The term "taxation or fees on United States persons" includes any tax or fee assessed on United States persons on a per capita basis or on a transaction or user basis, including but not limited to any tax or fee on international air travel, foreign exchange transactions, the mails, or extraction or use of natural resources.

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington DC, January 17, 1996.

Hon. CHARLES BOWSHER,
U.S. Comptroller General, General Accounting Office, 441 "G" Street Northwest, Washington, DC.

DEAR MR. BOWSHER: In recent months, there has been increasing attention to various proposals which would allow the United Nations and its affiliated organizations to independently raise revenue by taxing American citizens. United Nations revenue-raising proposals under discussion include commercial and non-commercial borrowing, imposition of fees, issuance of bonds, and taxation of airline, postal, currency energy or other transactions.

We are deeply concerned about the legal, financial and policy implications of independent revenue-raising authority available to the United Nations or its affiliated organizations. Accordingly, we would appreciate your answering the following questions concerning various United Nations proposals:

What funding sources are available to United Nations organizations apart from contributions from Member states? What authority does the United Nations have for each of these sources?

How much revenue is raised by United Nations organizations through private contributions or through commercial sales of goods and services?

Which United Nations organizations currently have commercial or other borrowing authority? To what extent has borrowing occurred and under what legal authority?

What is the status of United Nations efforts to secure borrowing authority from the World Bank or other international financial institutions? Is there legal authority for such borrowing?

What is the status of the Secretary General's proposal concerning the issuance of bond or obligations made at the time of the 1995 G–7 meeting in Halifax, Nova Scotia?

What tax or fee proposals have been made by United Nations officials? By what officials and under what authority have these proposals been made? What action has been taken on these proposals (including the so-called "Tobin tax" on currency transactions endorsed by the United Nations Development Program)?

How much have United Nations organizations spent developing, publishing and advocating revenue-raising proposals?

What impact would each of these revenue-raising proposals have on U.S. obligations under any bilateral or multilateral agreements to which the U.S. is a party, including any trade agreements?

What role have American citizens employed by the United Nations played in advocating taxation and other revenue-raising proposals? Are there any circumstances under which United Nations revenue-raising proposals could be binding on United States citizens without an Act of Congress?

What is the process for approval of revenue-raising proposals by United Nations organizations, including the role of the Security Council and General Assembly? Are there any circumstances under which United Nations taxation proposals could be adopted over United States opposition?

What is the status under United States domestic law and relevant international law of each of the United Nations revenue-raising proposals?

What is United States government policy on each of the revenue-raising proposals, and how effectively has it been carried out?

The issue of United Nations plans to raise revenue outside the scrutiny of Member states will be the focus of serious attention by Congress in the coming weeks. We appreciate your expeditious response to our request.

Sincerely,

BOB DOLE.
JESSIE HELMS.
JUDD GREGG.

[From the Washington Times, Jan. 22, 1996]

HOW NOT TO FUND THE U.N.

What do D.C. Control Board Chairman Andrew Brimmer and U.N. Secretary-General Boutros Boutros-Ghali have in common? Well, beyond trying to reform overgrown and ineffective bureaucracies, they both apparently have commuter taxes on their minds. The same week Mr. Brimmer hauled out that deader than dead political rabbit out of his chairman's hat, Mr. Boutros-Ghali was mulling over the same subject in an interview with the British Broadcasting Corp. It must be something in the air.

As reported by The Washington Times' Cathy Toups, Mr. Boutros-Ghali suggested that a $1.50 surcharge on international airline tickets might help the United Nations solve its fiscal troubles. "We would not be under the daily financial will of member states who are unwilling to pay up," Mr. Boutros-Ghali said, thinking no doubt of the United States which currently owes $1.2 billion in back dues. Mr. Boutros-Ghali also suggested a levy on currency transactions and has previously proposed borrowing money from the World Bank to cover the organization's shortfall. All of which understandably has set alarm bells ringing here in Washington.

In a letter to the editor printed nearby, U.N. spokesman Joe Sills, writes that no commuter tax is currently under consideration by the United Nations and that Mr. Boutros-Ghali only spoke as someone heading a large organization with difficulties making ends meet. Further, Mr. Sills writes, the United Nations cannot raise or spend money without the approval of its member nations, which means that the United States has the power to veto a U.N. commuter tax any day. Accordingly, there is no reason to get unduly exercised about Mr. Boutros-Ghali's statements.

But even if no such formal proposal has been brought to the floor of the General Assembly, Mr. Boutros-Ghali himself is obviously considering it. Nor is Mr. Boutros-Ghali just any old U.N. official. As secretary-general, he has a great deal to do with setting the organization's agenda. Just look at the area of peacekeeping; it has grown manifold under his leadership, for better and sometimes for worse. In the absence of firm international leadership from the United States, Mr. Boutros-Ghali's views have in fact carried unusual weight.

The problem with a U.N. commuter tax—indeed reason why it so appeals to the secretary-general—is precisely that it would give the U.N. bureaucracy a measure of independence from its member governments. Why such a scheme should never come to fruition is clear. Most importantly, only sovereign governments can levy taxes and the United Nations is not a government, no matter the aspirations of its leaders and minions. Secondarily, an independent source of revenue would alleviate the pressure on the organization to reform itself, which is currently being applied by the United States. In principle, member states may have the last word on how the money is spent, but so do they now, and the organization is still riddled with corruption and waste as recorded meticulously by its new inspector general.

Knowing all of this, Senate Majority leader Bob Dole, Senate Foreign Relations Committee Chairman Jesse Helms and Judd Gregg, chairman of the Senate appropriations subcommittee responsible for U.N. payments, have announced their intention to introduce legislation to prevent the Clinton administration from pursuing Mr. Boutros-Ghali's train of thought any further. All three have written to Charles Bowsher, U.N. comptroller general, to determine the status of proposals out there, such as U.N. commercial and non-commercial borrowing, imposition of various fees, issuance of bonds, and commuter and international transaction taxes. And Mr. Helms' committee is planning to hold hearings on the matter.

All of which seem like perfectly reasonable precautions. Mr. Sills reassures us that the United Nation's is only an instrument of the will of its member nations. That's fine, It should stay that way, which means that the governments of its member nations must continue to hold the purse strings.

Mr. HELMS. Mr. President, I can assure the distinguished majority leader that consideration of this will be rapid, and I think I can predict the outcome of the Foreign Relations Committee's action on it.

It is an interesting thing about Mr. Boutros Boutros-Ghali. Dot Helms and I had dinner with the Secretary General, and his wife some weeks back, and he discussed with me a number of problems he was having with the United Nations, including financial problems. But he certainly did not mention anything about giving the U.N. authority to impose taxes upon the American people. I think that maybe the Secretary General has overspoken himself in asserting his belief that the United Nations should be allowed to collect taxes directly from American citizens.

I was astonished, Mr. President, when in an interview with the BBC, U.N. Secretary General Boutros Boutros-Ghali made the absurd suggestion that the United Nations should be allowed to collect taxes directly from American citizens—and citizens of other sovereign nations—to finance the operation of the United Nations. His stated reason for creating such a U.N. tax, Mr. Boutros-Ghali said, would be so that the U.N. "would not be under the daily financial will of member states."

In the first place, the gentleman obviously has scant knowledge of the Constitution of the United States. I have heard a lot of disturbing suggestions coming out of the United Nations over the years, but this one—with all respect to the Secretary General—is among the most unacceptable yet. The United Nations will never be able to tax the American citizens, certainly not as long as Senator DOLE is in the Senate or elsewhere in the Government, nor as long as I am here. And I am happy to join Senator DOLE in offering this legislation today, S. 1519, bearing the title of the Prohibition of United Nations Taxation Act, requiring the United States to cut off all funding to the United Nations if the United Nations does intend or attempt to impose such a scheme.

Despite what the U.N. Secretary General and the international bureaucrats may want to believe, the United Nations is not a sovereign entity. It is not a world government, and the Secretary General is not president of the world. No Secretary General in the future should entertain or even express such foolish notions. The United Nations is purely a consultative body, made up of sovereign nations, who did not check their sovereignty at the U.N. door when they sent representatives to the functions and deliberations of the United Nations.

Furthermore, the American people absolutely would not stand for any form of U.N. taxation; they are already paying more than 24 percent of their income to the U.S. Federal Government. They do not need nor will they accept paying another dime to fund a world government in New York led by a nonelected bureaucrat.

The Secretary General has several times advocated a standing U.N. military. His idle sugestion giving the United Nations the power of direct taxation is a matter that invites a worldwide rejection and distrust of the United Nations.

Mr. President, I again assure the majority leader that I will schedule hearings by the Senate Foreign Relations Committee for the purpose of investigating this matter, and to make clear that the United States must oppose any and all efforts to give the United Nations such unprecedented powers. And, Mr. President, if the Secretary General somehow succeeds securing either the powers of direct taxation, or a standing military, then the United States must withdraw immediately from the United Nations.

I yield the floor.

ADDITIONAL COSPONSORS

S. 607

At the request of Mr. WARNER, the names of the Senator from California [Mrs. BOXER] and the Senator from Utah [Mr. BENNETT] were added as cosponsors of S. 607, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

S. 837

At the request of Mr. WARNER, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. LEAHY], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 837, a bill to require the Secreatry of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of James Madison.

S. 881

At the request of Mr. PRYOR, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 978

At the request of Mrs. HUTCHISON, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of S. 978, a bill to facilitate contributions to charitable organizations by codifying certain exemptions from the Federal securities laws, to clarify the inapplicability of antitrust laws to charitable gift annuities, and for other purposes.

S. 1146

At the request of Mr. LEAHY, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1146, a bill to amend the Internal Revenue Code of 1986 to clarify the excise tax treatment of draft cider.

S. 1183

At the request of Mr. HATFIELD, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1183, a bill to amend the Act of March 3, 1931 (known as the Davis-Bacon Act), to revise the standards for coverage under the Act, and for other purposes.

S. 1392

At the request of Mr. BAUCUS, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1392, a bill to impose temporarily a 25 percent duty on imports of certain Canadian wood and lumber products, to require the administering authority to initiate an investigation under title VII of the Tariff Act of 1930 with respect to such products, and for other purposes.

SENATE CONCURRENT RESOLUTION 39—PROVIDING FOR THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. DOLE submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 39

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, January 23, 1996, at 9 p.m., for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

SENATE RESOLUTION 209—TO PROVIDE FOR THE APPROVAL OF INTERIM REGULATIONS

Mr. DOLE submitted the following resolution; which was considered and agreed to:

S. RES. 209

Resolved,

SECTION 1. APPROVAL OF INTERIM REGULATIONS.

(a) IN GENERAL.—The interim regulations applicable to the Senate and the employees of the Senate that were adopted by the Board of the Office of Compliance before January 23, 1996, are hereby approved until such time as final regulations applicable to the Senate and the employees of the Senate are approved in accordance with section 304(c) of the Congressional Accountability Act of 1995 (2 U.S.C. 1384(c)).

(b) CONSTRUCTION.—Nothing in subsection (a) shall be construed to affect the authority of the Senate under such section 304(c).

NOTICES OF HEARINGS

SUBCOMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. STEVENS. Mr. President, I would like to announce that the Senate Subcommittee on Post Office and Civil Service, of the Committee on Governmental Affairs, and the House Subcommittee on Postal Service, Committee on Government Reform and Oversight, will hold a hearing on January 25, 1996, on USPS Reform—The International Experience.

The hearing is scheduled for 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Pat Raymond, Senate Staff Director, at 224–2254, or Dan Blair, House Staff Director, at 225–3741.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management to receive testimony on the oversight of the management of the national forests.

The hearing will take place Thursday, January 25, 1996, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC. 20510. For further information, please call Mark Rey at (202) 224–6170.

ADDITIONAL STATEMENTS

THE JONES ACT SHOULD NOT BE REPEALED

• Mrs. MURRAY. Mr. President, there are proposals afoot—generated by foreign-flag shipping interests and foreign corporations—to repeal the Jones Act. This 1920 Act, named for Senator Wesley Jones of my State, mandates the use of U.S.-built, U.S.-crewed, U.S.-flagged vessels for voyages between two U.S. ports and on our Nation's inland waterways. Similar laws have been on the books since the 1790's, and nearly 50 nations have similar requirements for shipping in their own domestic commerce.

This law should not be repealed.

Mr. President, the domestic waterborne trades of the United States contribute more than $15 billion to the American economy, including more than $4 billion in direct wages to U.S. citizens. The economic impact of that income is multiplied by the thousands of additional jobs in cabotage-related businesses, the Jones Act employers and employees pay $1.4 billion in State and Federal taxes.

The Jones Act is critical to the State of Washington and other coastal and inland waterways' States, and indirectly, it generates American jobs, tax revenues, and economic activity, in all 50 States.

Unlike our international waterborne trades which are also the shipping lanes of our trading partners, the Jones Act trades are strictly a family trade—the commodities and the vessels move exclusively between American ports. So our trading partners have no reciprocal economic interest at stake in these trades. Indeed, our trading partners understandably have no interest in furthering the national interest objectives which the Jones Act is intended to enhance—jobs for Americans and a fourth arm of defense in times of national emergency.

It seems to me that it makes no more sense to invite foreign shipping interests into our domestic trades, than it does to invite a stranger to intervene in a family matter. In either case, there is no necessity for doing so, and the results can be disastrous.

Nevertheless, Mr. President, that is precisely what those who advocate repeal of the Jones Act would do, have outsiders intrude in the family's business.

The needless risk of permitting this was recently detailed by Stanley H. Barer in his remarks before the American Association of Port Authorities.

Mr. Barer is cochairman and CEO of Totem Resources Corp., a Jones Act operator which is headquartered in Seattle, WA, and which runs high-speed, roll-on, roll-off liner vessels between the lower 48 contiguous States and Alaska. At one time, he was also the Merchant Marine Counsel to the Senate Committee on Commerce, Science, and Transportation. So his considerable knowledge and expertise have been acquired in the real world of ocean shipping and regulation. What Mr. Barer had to say to the AAPA is, in my view, very instructive and illuminating because it offers a realistic view of the worth and importance of the Jones Act to our economy and national security.

Mr. President, I ask that Mr. Barer's remarks be inserted in the RECORD.

REMARKS OF STANLEY H. BARER

Thank you very much. It is a pleasure to be here at this convention. I hope I can set the record straight for you about the U.S. merchant marine and, in particular, the Jones Act.

The Jones Act requires that America's domestic waterborne trade must be reserved for carriers owned by Americans, aboard vessels that fly the U.S. flag and were built in this country, and that are crewed by American citizens. Reserving U.S. water transport for American companies and crews is what our cabotage system is all about. And it's a pretty easy idea to understand.

With its extraordinary land mass and diversity, the United States is in substantial part bound together as one nation because of our ability to travel from place to place, thus assuring that all parts and all people of our nation have access to the goods and services that give us the highest standard of living in the world. We would be quite foolish, with a nation of our size, diversity and transportation requirements, to turn our domestic transportation over to the mercy of foreign carriers. Let us never forget that when you talk about the Jones Act, you are talking about transportation services that take place within the United States involving only the movement of goods or people from one part of the country to another.

This national policy of self-sufficiency in domestic transportation is also reflected in rail, trucking and aviation. It has been a consistent policy of our nation and nearly every other advanced nation on the face of this earth. And, when you think about it, it is not unusual to have such a transportation policy. Under our immigration laws, work in virtually every industry of our country is reserved for our own citizens. It is the rule, not the exception, that nations reserve the job opportunities inside their own borders to their own citizens, so long as their own citizens have the capacity to do the work.

Thanks to this policy, today the U.S. has a Jones Act fleet of over 44,000 vessels, which provides direct employment for 124,000 American workers. And those workers earn more than $3.3 billion in wages a year.

Opponents of the Jones Act point out that U.S. labor costs on our ships, tugboats, barges and shipyards run two to three times the so-called "world labor rate." This is true. Of course, you could make the same statement about virtually any industry in this country. And, in fact, the merchant seafarers of Sweden, Denmark, Norway, Holland and Japan all earn higher net wages than their American counterparts. Jones Act opponents say that, by bringing foreign ships and foreign crews into our coastal and intercoastal trades we can lower wage operating costs by up to 50 percent.

Let's look at those world wage rates. Under the International Transport Federation standard, the average wage for the captain of a tanker or large container ship is $12 an hour, and the other officers are just slightly above the U.S. minimum wage of $5.25 an hour. The entire rest of a ship's crew under the ITF guidelines would be paid less than the U.S. minimum wage. And the ITF requires no payments for health, pension or other benefits. Ultimately, I believe, the issue is not whether Jones Act maritime workers carrying our domestic cargo make more than the "world standard," the real issue is whether those workers are being paid a fair American wage, with respect to the other transportation modes.

Each of our domestic transportation modes—water, rail, trucking and air cargo—employs Americans at American wage levels and none of them faces domestic competition from foreigners. For example, a tanker captain earns about $80,000 a year, which is $30,000 less than a pilot flying a domestic cargo plane. A tugboat captain might earn $50,000, about the same as a railroad engineer. A deck hand on a Jones Act ship makes about the same pay as a domestic flight attendant, about $25,000 to $30,000 a year. Compare that to a long-distance, line-haul truck driver, who might make as much as $75,000 a year.

And it is also important to keep in mind the hours worked by our merchant mariners. While the air cargo pilot averages 83 hours in flight time, or about 20 hours a week, a tanker or tugboat captain works at least 12 hours a day and is on duty 24 hours a day on the vessel. This goes on seven days a week, sometimes for weeks and sometimes for months. Our captains on our big roll-on, roll-off liner vessels to Alaska are on their vessels 24 hours a day, seven days a week for months at a time. They are away from their families, and their work is dangerous.

Now, Jones Act opponents are arguing for getting rid of our domestic maritime workers and bringing in foreign ships with foreign crews. Let's think about what would happen if that came true.

I assume that the truckers who compete directly against water carriers would come storming to Congress and say: "You have upset the competitive balance between water, rail, truck and air cargo. We can't compete against the water carriers with our high-priced U.S. truck drivers." Truckers will say, to keep the balance fair we need to bring in foreign, below-minimum-wage truck drivers. And they would have a good argument—what would Congress say? And if you let the water carriers and truckers use foreign labor, the railroads and then the air cargo carriers are going to demand the same ability.

At this point, we have thrown hundreds of thousands of Americans out of work. What would happen next? I have an idea.

Companies outside domestic transportation, companies that compete on a daily basis in the global economy, will demand the right to fire Americans and bring in low-cost, below-U.S.-minimum-wage foreign workers. After all, if we are going to do this for domestic transportation, which is currently immune from foreign competition, why shouldn't we do this for those American companies who face foreign competition for their products and services every day in the marketplace?

I want to point out a few more things about what Jones Act opponents are proposing.

Their draft legislation assumes that the foreign workers brought into our maritime coastal trades will pay no federal or state income taxes, nor will the owners of those vessels under foreign flag pay any U.S. taxes. And that would be the case.

As I read the proposal, these companies under foreign flag and their crew members are not only exempt from U.S. taxes and U.S. minimum wage laws, but also the National Labor Relations Act, federal hours-of-service regulations, child labor laws, Coast Guard safety regulations, the U.S. civil rights laws, our national laws relating to health insurance, pensions and other benefits, and all other state and federal legal requirements.

Jones Act opponents say these foreign vessels and crew members should meet "international standards." Does that mean that the navigation and safety crew members must be able to speak English, so they can communicate with environmental and rescue workers, or Coast Guard authorities? I guess not.

And nothing in the proposal talks about how our nation would deal with all those Americans left unemployed by the repeal of the Jones Act, or how we would compensate American vessel owners whose investment in modern, U.S.-built ships would be destroyed.

Let me tell you a little about my own situation. I am management. I am an owner. I risked capital to be in this business. I have negotiated with labor unions. My company has more than 2,000 employees whose fathers and grandfathers and uncles have all worked for our tug and barge company over the 106 years it has been in business.

We don't want to fire these people. Who wants us to do this? Is this what America is about?

If we can do this in the transportation sector, I guess we can do it anywhere—manufacturing, communications, health care, education, and I guess we could even fire all of our government workers and bring in low-cost people to work in government and man our armed forces. I submit this is not a sound idea.

I was very curious as to who was financing these people who are calling for repeal of the Jones Act, and who was supporting them. I was pleased that not one of our customers in Alaska or the West Coast was among their supporters. But I did find that over 90 percent of those supporting him were trade associations representing wheat or grain producers. I would just like to note that, while Jones Act carriers receive not a dollar in federal subsidies or handouts, $5.5 billion in federal subsidies goes to wheat and feed-grain farmers each year. I am not here to argue against the farm program but I think it should be recognized that the people who want to get rid of U.S. citizens in domestic transport are the same people who are taking $5.5 billion dollars a year for their own industry from the taxpayers, but they are not advocating that foreign grain companies and foreign grain workers come in and take over their jobs and companies in the United States. All these farm executives and their corporate staffs and trade organizations and employees make good wages. I think that's fine—I am not against that. I am not even against the farm program. But I do have a problem with that industry trying to destroy my industry without first getting their own financial house in order.

So, please, in considering these public policy issues, think about those you represent—the taxpaying American citizens. If you do that, I think you will have no trouble telling the Jones Act Reform Committee that they should go out of business rather that telling my industry that we should go out of business.•

SPARE US THE CHEAP GRACE

• Mr. SIMON. Mr. President, one of the people who has been most effective in prodding our conscience is Jonathan Kozol, author of several books, including an important one on literacy, another on the sad plight of our schools, and more recently, "Amazing Grace: The Lives of Children and the Conscience of a Nation."

Unfortunately, as we balance the budget—which we should have done long ago—we are horribly distorting the priorities this Nation should have. The use of the word "horribly" may seem out of place, but for many of the poor, our budget will result in horrors.

To say we want to balance the budget, then start with a $245 billion tax cut is like adopting a New Year's resolution to diet, then having a huge dessert.

Compounding that is the fact that the tax cut is largely for those of us who are more fortunate, while those who will suffer will be the neediest in our society.

Time magazine recently had an essay by Jonathan Kozol titled "Spare Us the Cheap Grace," which I ask to be printed in the RECORD after my remarks.

Among other things, Jonathan Kozol says, "What does it mean when those whom we elect to public office cut back elemental services of life protection for poor children and then show up at the victim's funeral to pay condolence to the relatives and friends? At what point do those of us who have the power to prevent these deaths forfeit the entitlement of mourners?" The piece follows:

[From Time magazine, Dec. 11, 1995]

SPARE US THE CHEAP GRACE

(By Jonathan Kozol)

It is hard to say what was more shocking about the death of Elisa Izquierdo—the endless savagery inflicted on her body and mind, or the stubborn inaction of the New York City agencies that were repeatedly informed of her peril. But while the murder of Elisa by her mother is appalling, it is hardly unexpected. In the death zones of America's postmodern ghetto, stripped of jobs and human services and sanitation, plagued by AIDS, tuberculosis, pediatric asthma and endemic clinical depression, largely abandoned by American physicians and devoid of the psychiatric services familiar in most middle-class communities, deaths like these are part of a predictable scenario.

After the headlines of recrimination and pretended shock wear off, we go back to our ordinary lives. Before long, we forget the victims' names. They weren't our children or the children of our neighbors. We do not need to mourn them for too long. But do we have the right to mourn at all? What does it mean when those whom we elect to public office cut back elemental services of life protection for poor children and then show up at the victim's funeral to pay condolence to the relatives and friends? At what point do those of us who have the power to prevent these deaths forfeit the entitlement of mourners?

It is not as if we do not know what might have saved some of these children's lives. We know that intervention programs work when well-trained social workers have a lot of time to dedicate to each and every child. We know that crisis hot lines work best when half of their employees do not burn out and quit each year, and that social workers do a better job when records are computerized instead of being piled up, lost and forgotten on the floor of a back room. We know that when a drug-addicted mother asks for help, as many mothers do, it is essential to provide the help she needs without delay, not after a waiting period of six months to a year, as is common in poor urban neighborhoods.

All these remedies are expensive, and we would demand them if our own children's lives were at stake. And yet we don't demand them for poor children. We wring our hands about the tabloid stories. We castigate the mother. We condemn the social worker. We churn out the familiar criticisms of "bureaucracy" but do not volunteer to use our cleverness to change it. Then the next time an election comes, we vote against the taxes that might make prevention programs possible, while favoring increased expenditures for prisons to incarcerate the children who survive the worst that we have done to them and grow up to be dangerous adults.

What makes this moral contradiction possible?

Can it be, despite our frequent protestations to the contrary, that our society does not particularly value the essential human worth of certain groups of children? Virtually all the victims we are speaking of are very poor black and Hispanic children. We have been told that our economy no longer has much need for people of their caste and color. Best-selling authors have, in recent years, assured us of their limited intelligence and low degree of "civilizational development." As a woman in Arizona said in regard to immigrant kids from Mexico, "I didn't breed them. I don't want to feed them"—a sentiment also heard in reference to black children on talk-radio stations in New York and other cities. "Put them over there," a black teenager told me once, speaking of the way he felt that he and other blacks were viewed by our society. "Pack them tight. Don't think about them. Keep your hands clean. Maybe they'll kill each other off."

I do not know how many people in our nation would confess such contemplations, which offend the elemental mandates of our cultural beliefs and our religions. No matter how severely some among us may condemn the parents of the poor, it has been an axiom of faith in the U.S. that once a child is born, all condemnations are to be set aside. If we now have chosen to betray this faith, what consequences will this have for our collective spirit, for our soul as a society?

There is an agreeable illusion, evidenced in much of the commentary about Elisa, that those of us who witness the abuse of innocence—so long as we are standing at a certain distance—need not feel complicit in these tragedies. But this is the kind of ethical exemption that Dietrich Bonhoeffer called "cheap grace." Knowledge carries with it certain theological imperatives. The more we know, the harder it becomes to grant ourselves exemption. "Evil exists," a student in the South Bronx told me in the course of a long conversation about ethics and religion in the fall of 1993. "Somebody has power. Pretending that they don't so they don't need to use it to help people—that is my idea of evil."

Like most Americans, I do not tend to think of a society that has been good to me and to my parents as "evil." But when he said that "somebody has power," it was difficult to disagree. It is possible that icy equanimity and self-pacifying form of moral abdication by the powerful will take more lives in the long run than any single drug-addicted and disordered parent. Elisa Izquierdo's mother killed only one child. The seemingly anesthetized behavior of the U.S. Congress may kill thousands. Now we are told we must "get tougher" with the poor. How much tougher can we get with children who already have so little? How cold is America prepared to be?•

LIFE OF BARBARA JORDAN

• Mrs. BOXER. Mr. President, as the Nation mourns the loss of Barbara Jordan, I would like to take a few moments to celebrate her life.

Barbara Jordan became active in politics around the same time as I did. John Kennedy was running for President and the winds of change were sweeping across a nation and inspiring a young generation of new leaders.

It was different world for women then, one where the doors weren't nearly so open as they are today. And make no mistake about it—the doors are open wider today for women and for minorities because of the path cleared by Barbara Jordan.

Her start in politics was quite humble. She was a self described "stamper and addresser"—meaning literally that she volunteered on President Kennedy's campaign licking stamps, addressing envelopes, and putting them in the mail. So many women started this way—behind the scenes doing the mundane but essential labor of grassroots politics.

But Barbara Jordan was not underestimated for long. Her most enduring talents—the power of her voice and the strength of her words—were quickly discovered and no one tells that story better than she did herself:

I had a law degree but no practice, so I went down to Harris County Democratic Headquarters [in Texas] and asked them what I could do. They put me to work licking stamps and addressing envelopes. One night we went out to a church to enlist voters and the woman who was supposed to speak didn't show up. I volunteered to speak in her place and right after that they took me off licking and addressing.

They would have been foolish not to.

If Barbara Jordan is remembered for just one thing, it will be the power of her words. Her message united people from vastly different walks of life, bringing them together to stand as one and nod their heads in unison and say, "Yes, each one of us can make a difference, and together we can make this Nation stronger."

Where her words traveled, legions followed. And our Nation did change for the better as we began to offer opportunity to all our citizens.

Barbara Jordan broke all kinds of barriers throughout her life. If she were an athlete, she would have been a world-class hurdler because she spent her whole life leaping over barriers with grace and dexterity. She broke records.

In Texas in 1966 she became the first Africa-American State senator. She entered that body with outright denunciations from some of her male colleagues, but when she left for Washington, DC, those same men endorsed a resolution commending her.

In 1972, Barbara Jordan and Andrew Young, of Georgia, became the first black southerners in Congress since Reconstruction.

In the U.S. House of Representatives, she quickly rose to prominence as a member of the House Judiciary Committee during Watergate. During the crisis, Barbara Jordan became one of our Constitution's greatest champions.

"My faith in the Constitution is whole," she told her colleagues and the American people. "It is complete. It is total. I am not going to sit here and be an idle spectator to the diminution, the subversion, the destruction of the Constitution."

Whether it be freedom of speech, freedom of choice or equal opportunity, we in this Congress are also facing fundamental questions about the integrity of our Constitution. It is my hope that our faith in that sacred document is as whole and as complete as Barbara Jordan's.

After she left Congress, Barbara Jordan continued to give this Nation a lifetime of service—teaching young people in preparation for careers in public service. Her chairmanship of the independent U.S. Commission on Immigration Reform, which is referred to as the Jordan Commission, took on the very difficult issue of fair immigration policy.

And just as young Barbara Jordan listened to the words of JFK and was "bit by the bug" of politics, so did she go on to inspire another generation of young leaders when she took the podium at the 1992 Democratic Convention. Speaking with an authority and voice that could only be Barbara Jordan's, she issued a new challenge to each and every one of us to re-examine our relationships with each other and what we stand together for as a Nation. Above all else, she encouraged us to put our principles into action where help was needed most—in the hearts of our great cities.

She said, "We need to change the decaying inner cities to places where hope lives. Can we all get along? I say we answer that question with a resounding 'yes'."

Throughout her life Barbara Jordan was a voice for common ground, for the ties that bind. Hers were powerful, healing, uplifting words that challenged and inspired women and minorities, indeed all Americans, to reach for something higher and to believe in themselves and their own ability to change the world and make it a better place.

Her life was a testament to that idea.

A Nation mourns a great loss, but it is my hope that the spirit of Barbara Jordan will live on forever in the many Americans who have been touched deeply by her powerful words and exemplary life. I certainly have been.•

ANNIVERSARY OF ROE VERSUS WADE

• Mrs. MURRAY. Mr. President, today marks the 23d anniversary of the monumental Supreme Court decision, Roe versus Wade, which legalized abortion nationwide and affirmed the right of all American women to choose safe, legal abortion services. I join Americans across the country in commemorating this important day in our history.

Yet this is a bittersweet celebration. We are still fighting to safeguard our rights, and battles are being waged on many fronts. Each year, antichoice forces in Congress use the appropriations process to erode women's abortion rights every chance they get. In 1995, they were successful in denying Federal workers abortion coverage in their health benefit packages. They will try again this year for more victories.

On this special anniversary, we must remember those who have suffered and lost their lives because of their commitment to protecting the health of women in our country. Increasingly, the radical minority in the anti-abortion crusade has turned to violence to pursue their agenda, with blatant disregard for who is caught in their crossfire. Over the last several years, I, like so many Americans, have been greatly disturbed by images of clinics under siege by vandals and arsonists, and horrified by reports of doctors murdered because they perform abortions—a legal procedure. We cannot let our reproductive rights be taken away because of a threat of violence, nor can we allow the actions of radical fanatics to dictate our Nation's public policy decisions. Just as our clinics are under attack, so too are our personal freedoms.

Emboldened by their momentum, Mr. President, antiabortion forces in both Houses of Congress passed H.R. 1833, the so-called Partial Birth Abortion Ban Act of 1995. By their own admission, this is the first step in the antichoice movement's strategy to deny women their right to choose — one procedure at a time. This legislation is an affront to the women of this country, and an unprecedented intrusion into the autonomy of medical professionals to determine the best methods of care for their patients. I am reminded today of the frustration I felt during debate of this bill, of the misinformation and divisive rhetoric infused in the conversation.

The antichoice majorities in Congress may have forgotten that most Americans feel abortion should be legal. They may also have forgotten about the days of back-alley abortions and women dying of infection from unsanitary procedures. Well, I haven't forgotten and I will do whatever I can to ensure the days of the back-alley abortion, a virtual death sentence for women, remain a tragic thing of the past. Let today remind us that, for now at least, the law is on our side.

I urge President Clinton to join us today in commemorating this landmark anniversary. And I respectfully request that he deliver on his promise to veto H.R. 1833. The women of this country are counting on him to do what is right. I know he will not let us down.•

CHINA'S CHALLENGE TO WASHINGTON

• Mr. SIMON. Mr. President, the New York Times had an excellent editorial titled "China's Challenge to Washington."

There is a reluctance to be forceful with China on the issue of human rights.

When I say "forceful," I do not mean the use of force, but the willingness to stand forthright for what this country should stand for.

We turn a cold shoulder to our friends in Taiwan, where they have a multiparty system, and seem to quake every time China is unhappy with something someone says or does.

As the editorial suggests, we should "respond far more sharply to Wei Jingsheng's sentence."

I am pleased to back this administration when they are right, as in Bosnia, but I also believe that we should be much stronger in setting forth our beliefs as far as the abuses in China. I ask that the editorial from the New York Times be printed in the RECORD after my remarks.

Along the same line, Stefan Halper, host of NETE television's "Worldwise" and a former White House and State Department official, recently had an op-ed piece in the Washington Times titled "Taiwan's Unheralded Political Evolution," which I ask to be printed in the RECORD following my remarks and after the New York Times editorial.

The reality is democracy has grown and is thriving in Taiwan, and we should recognize that in our policies.

The material follows:

CHINA'S CHALLENGE TO WASHINGTON

If the United States intends to develop a relationship of mutual respect with China, it must defend its interests as vigorously as Beijing does. Now is the time, for China has shown a dangerous new bellicosity in matters from human rights to military threats.

Last week Beijing again showed its contempt for the rights of Chinese citizens by convicting Wei Jingsheng of sedition and sentencing him to 14 years in prison. The activities the court cited included organizing art exhibitions to benefit democracy and writing articles that advocated Tibet's independence. This heavy-handed muzzling of the country's leading dissenter is a measure of the Chinese belief that America and other Western countries will not make them pay a diplomatic or economic price for the abuse of human rights.

Chinese behavior has been equally provocative in other fields. In recent months Beijing has bullied the Philippines over contested islands in the South China Sea, twice conducted missile tests in the waters off Taiwan, resumed irresponsible weapons transfers and imposed its own choice as the reincarnated Panchen Lama, the second most important religious figure in Tibet. Meanwhile, as The Times's Patrick Tyler reports, influential military commanders have begun pushing for military action against Taiwan and turned to confrontational rhetoric against the United States.

Washington has minimized these provocations, setting them in the larger perspective of China's encouraging economic reforms and Washington's hopes for political liberalization. That was the same logic that led the Administration, early last year, to abandon its efforts to link trade privileges for China to Beijing's record on human rights, arguing that anything that helped China's booming economy would ultimately advance political freedom as well.

It is working out that way. The 19 months since that policy change have been marked by a serious deterioration in China's responsiveness on human rights and other issues. Discouragingly, this seems to be happening not simply because a new generation of leaders is maneuvering to succeed the failing Deng Xiaoping. Nationalist military officers are steadily gaining political influence, and the two top civilian leaders, President Jiang Zimen and Prime Minister Li Peng, seem committed advocates of political repression. That suggests the newly belligerent policies may not be just a transitional phase, or a sign or insecurity in the leadership group, as some China scholars in the West have said.

The Clinton Administration, having done all it reasonably could to smooth relations, including an October meeting between Presidents Clinton and Jiang, now needs to recognize that a less indulgent policy is required to encourage more responsible behavior by China. The first step is to respond far more sharply to Wei Jingsheng's sentence, beginning with a concerted diplomatic drive to condemn China before the United Nations Human Rights Commission next March. U.N. condemnation would be an international embarrassment for China, one it desperately wants to avoid.

Another step is to oppose non-humanitarian World Bank loans to China, as already provided for under United States law. Some Administration officials also want to consider human rights issues in judging China's application to join the new World Trade Organization, even though that is likely to bring objections from other W.T.O. members.

The Administration still refuses to reconsider the simpler, more obvious step of restoring a link between trade and human rights. In this critically important diplomatic game, the United States may no longer be able to deny itself the leverage that link could bring.

[From the Washington Times, Dec. 13, 1995]

TAIWAN'S UNHERALDED POLITICAL EVOLUTION

(By Stefan Halper)

In an era that believes America's future lies in Asia, what is the Asian democratic model? Singapore and Malaysia are single party states refreshed a bit by economic freedom. Hong Kong, still a colony, has lately been given a measure of self-government—which Americans of 1770 would have scorned—only to be swallowed whole by the not-so-democratic People's Republic of China in little more than 18 months. South Korea? It's dominated by a government party whose last president is now up on charges of stealing $600 million—give or take a couple of hundred million.

Japan, for 38 years, has been run by a corrupt single party (the LDP) only to cede power to a collection of reformers who themselves squandered the chance for real change. Today the LDP is back in a cynical misalliance with its nemesis, the socialists, whom it hopes to shortly expel.

When does that leave us? With the Burmese, or the Indonesian generals, or perhaps Thailand, where politicians are so corrupt they stay out of jail?

Reading the Mainland press, Taiwan's recent peaceful, multiparty elections never happened. No mention—the dog that didn't bark. A decade ago, the phrase "Taiwanese democracy" would have been rightly dismissed as an oxymoron, though compared to Mao's mainland, the island republic was widely seen as an economic miracle.

Ironically, it is this economic strength today—$100 billion in hard currency reserves and America's ninth-largest trading partner—that has obscured Taiwan's political evolution. The late Generalissimo Chiang Kai-shek's Kuomingtang single-party rule, was replaced by his son and successor Chiang Ching-kuo, who created a supportive environment for democratic pluralism before he died in 1988. Martial law was lifted, opposition parties were legalized, press restrictions were eliminated and it was agreed that Chiang's successor would not be a member of the family or even a transplanted mainlander. Instead President Lee Teng-hui is a native Taiwanese so far determined to further reform by supporting younger, Taiwan-born politicians as leaders of the KMT.

In the last eight years, three legislative elections have been held, each time with slowly shrinking KMT majorities. The old National Assembly dominated by KMT geriatrics has been mercifully stripped of its powers. Direct presidential elections will be held for the first time in Chinese history next March.

Literally nowhere in Asia, except Taiwan, has a ruling party allowed itself to be eclipsed. Nowhere has the attack on political corruption been so singleminded as it is in Taiwan. Vote fraud, unlike Thailand and Korea, has been almost eliminated. Vote buying in the recent Dec. 2 poll has been reduced to rural areas and to a level that would boggle the minds of most Japanese and Thai voters.

At present, the KMT holds a six-seat majority in the legislature. Sessions will continue to be raucous, often undignified—not unlike the 19th century U.S. Congress or for that matter Congress today, recall the Moran-Hunter fight a few weeks ago—but so what? The opposition has strengthened as the exhausted Nationalists confront the reality of an increasingly pluralist Taiwan.

Though Democratic politics is often a matter of shades of ugly, the alternatives in Asia—both left and right—are vastly less attractive. Why the, despite Taiwan's effort, has it's progress been ignored? Are American interests served by recognizing and nurturing democratic growth—or has some blend of security and mercantile priorities cast our lot with the Mainland? The Clinton administration, still struggling with this Wilson-Roosevelt policy cleavage, has said nothing on the subject, even while embarrassing itself before and after Lee Teng-hui's summer address at Cornell, his alma mater.

Yet in the hall of mirrors that passes for Taiwan's politics, the Nationalist Party-KMT reflects its belief in "One China" while the opposition New Party, with 13.5 percent of the vote, is even more forceful on the subject. And as for the Democratic Progressive Party (DPP), it is split on the issue with the majority having muted the call for independence. Maybe the mean Chinese uncle in Beijing, implacably opposed to the island-nation's existence, succeeded with this muscular diplomacy—missile tests, mock landings and war games. After all, the stock market dipped and successionist politicians had limited resonance during the election.

So why are the mandarins in Beijing worried? Perhaps it is because on the heels of Hong Kong's democratic election that saw the defeat of pro-Mainland candidates, Taiwan has emerged as the Asian democratic model; and the first successful, full-blown democracy in five millennia of Chinese history, underscores the difficulty of reunion with China. Or perhaps the mandarins in the Forbidden City realize that their options have narrowed; that the use of force against Taiwan would be a disaster for U.S.-China relations and U.S. credibility and, most of all, would tear the web of Asian security and economic relationships that have sustained China's and the region's growth. We shall see.•

SOUTHERN UNIVERSITY NATIONAL FOOTBALL CHAMPIONSHIP

• Mr. BREAUX. Mr. President, I would like to take this opportunity to congratulate Southern University of Baton Rouge, LA, for winning this year's historically black college national football championship. With their victory in the Heritage Bowl on December 29, 1995, the Jaguars of Southern University won their sixth national football title and their first since 1960.

The Jaguars, who finished the season with an 11–0 record, captured the national title in a 30 to 25 victory over Florida A&M in the Georgia Dome in Atlanta.

I would like to especially congratulate Coach Pete Richardson, his staff, and an outstanding group of players for all the hard work and effort they put into making this a championship season. Your undefeated record and national title are bright examples of the rewards of teamwork and determination. Thank you for bringing another national championship to Baton Rouge and for making Louisiana proud.•

THE STATE OF PUERTO RICO

• Mr. SIMON. Mr. President, Senator Charles A. Rodriguez, the majority leader of the Puerto Rico Senate, recently had an op ed piece in the Washington Post that speaks with candor about our fellow Americans from Puerto Rico. We should be paying attention to his words, which I ask to be printed in the RECORD.

The reality is that commonwealth status—supported strongly by powerful American corporations who benefit from it financially—is simply another form of old-fashioned colonialism.

Puerto Ricans should have the rights that Americans have in our 50 States.

Eventually, Puerto Rico will either go independent or become a State. From the viewpoint of our 50 States and from the viewpoint of the people of Puerto Rico, statehood makes much more sense.

But that is a decision they have to make.

The special financial breaks that certain corporations get should not be a barrier to an improved life for the citizens of Puerto Rico, and that is the reality today.

The op-ed follows:

[From the Washington Post]

THE STATE OF PUERTO RICO

(By Charles A. Rodriguez)

Two years ago, when Puerto Rico voted to remain a U.S. commonwealth—again rejecting statehood—many thought the issue was settled for years to come. In fact, the plebiscite raised more questions than it resolved.

The vote exposed the undue influence of discredited economic arrangements on the island's political process and the myth of commonwealth autonomy, both cornerstones of our second-class U.S. citizenship. Today proponents of the status quo are on the defensive in both Puerto Rico and in Washington.

The plebiscite was held as the Clinton administration sought repeal of Section 936 of the federal tax code, which exempts U.S. companies' Puerto Rican operations from federal taxation—a subsidy that has cost the Treasury nearly $70 billion since 1973.

Faced with immediate loss of their lucrative tax break or eventual termination if islanders voted for statehood, companies spent millions of dollars fending off Congress while cajoling workers to vote against statehood or else face job losses and plant relocations.

Meanwhile, status quo proponents campaigned for "enhanced commonwealth," replete with promises of expanded political autonomy and parity with the 50 states in the financing of federal programs—all this while preserving the immunity of Puerto Rico's 3.7 million U.S. citizens from federal taxation.

Despite the cacophony of economic demagoguery and "something for nothing" hyperbole, commonwealth failed for the first time in 40 years to get an outright majority. It won with a plurality of 48.6 percent, against 46.3 percent for statehood and 5.1 percent for independence. Compare this narrow margin of victory with that of 1952 (68 percent) and that of 1967 (21 percent), and the tide against the status quo becomes unmistakable. The false promise behind the alternative of "enhanced commonwealth" will do nothing to stem it. For given its current budget-cutting exercises, Congress is clearly in no mood to maintain even current levels of federal funding for Puerto Rico programs, much less ante up the additional $3 billion to $4 billion necessary to bring them up to par with the states.

Meanwhile, a groundswell of public opinion has arisen in Washington against preserving "corporate welfare." That's why Section 936 is again under review, as it should be: It has made the island dependent on the whims of Congress and has stifled alternative economic development schemes.

Worse, as now constituted, 936 has failed to generate the jobs and capital investment that were its reasons for being. Witness our chronic unemployment rate, which is twice the mainland's, and our per capita income, half of Mississippi's.

Revision of 936 could present Puerto Rico with opportunities to attain significant new economic and political objectives; full participation and parity in all federal programs, sustained economic growth and, eventually, statehood.

Rep. Don Young (R-Alaska), chairman of the House Resources Committee, has floated one promising proposal toward these ends. In exchange for ending 936 he would phase in full state-like programs for Puerto Rico and encourage private-sector growth through capital grants for infrastructure development and through private and nonprofit enterprise financing to spur new industries.

Young's proposal would also, for the first time, subject island residents to federal taxation. Combined with the $3 billion savings from ending the 936 tax credit, this would mean that the U.S. Treasury would see no diminution in revenues.

Many statehood advocates balk at this "halfway" solution to securing first-class citizenship for Puerto Ricans. They maintain that economic equality would weaken efforts to achieve political equality through a 51st star. In other words, total economic and political equality or nothing.

Other point to the absurdity of Puerto Ricans agreeing to pay more taxes while everyone else is looking to reduce theirs. But the fact is that we already have high tax rates in Puerto Rico. They're necessary to finance activities typically provided elsewhere by the federal government. It's safe to assume that as program costs are shifted to Washington, Puerto Ricans will see little change in their tax burden.

Nonetheless, revision of 936 might accelerate the movement to statehood: No longer would 936 companies have a vested interest in maintaining the status quo.

Given today's economic and political climate, Puerto Rico may face the same hard choice under option: cut programs or raise taxes. But as a colony deprived of Washington representation we will have no say in the discussions leading up to that fateful decision.

It's no wonder that 2.5 million Puerto Ricans have left the island for the mainland knowing that the political and economic benefits of statehood far outweigh the burdens of federal taxation. We share their ambition to be full-fledged Americans here at home, just as we always have shared with all U.S. citizens the duty to defend democracy abroad.●

PROVIDING FOR PROVISIONAL APPROVAL OF OFFICE OF COMPLIANCE REGULATIONS

Mr. DOLE. Mr. President, I ask unanimous consent the Rules Committee be discharged from further consideration of House Concurrent Resolution 123 and, further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 123) to provide for the provisional approval of regulations applicable to certain covered employing offices and covered employees and to be issued by the Office of Compliance before January 23rd, 1996.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. DOLE. I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, and any statements related to the concurrent resolution be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 123) was agreed to.

PROVIDING FOR APPROVAL OF INTERIM REGULATIONS ADOPTED BY THE BOARD OF THE OFFICE OF COMPLIANCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 209 submitted earlier today by the Senator from Kansas.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 209) to provide for the approval of interim resolutions applicable to the Senate and the employees of the Senate and adopted by the Board of the Office of Compliance before January 23, 1996, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 209) was agreed to, as follows:

S. RES. 209

Resolved,

SECTION 1. APPROVAL OF INTERIM REGULATIONS.

(a) IN GENERAL.—The interim regulations applicable to the Senate and the employees of the Senate that were adopted by the Board of the Office of Compliance before January 23, 1996, are hereby approved until such time as final regulations applicable to the Senate and the employees of the Senate are approved in accordance with section 304(c) of the Congressional Accountability Act of 1995 (2 U.S.C. 1384(c)).

(b) CONSTRUCTION.—Nothing in subsection (a) shall be construed to affect the authority of the Senate under such section 304(c).

JOINT SESSION OF THE TWO HOUSES TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. DOLE. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate and join with a like committee on the part of the House of Representatives to escort the President of the United States into the House Chamber for the joint session to be held at 9 p.m. Tuesday, January 23, 1996.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JANUARY 23, 1996

Mr. DOLE. I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 2:30 p.m. on Tuesday, January 23, 1996; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until the hour of 3:30 p.m, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I ask unanimous consent that when the Senate completes its business tomorrow it stand in recess until the hour of 8:40 p.m, on Tuesday, at which time the Senate will proceed as a body to the Hall of the House of Representatives to hear an address by the President regarding the state of the Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. During tomorrow's session, the Senate may turn to any legislative items that can be cleared by unanimous consent. Rollcall votes are not expected during Tuesday's session. However, if a vote is necessary, all Members will be given ample notification. As a reminder, all Senators should gather in the Senate Chamber at 8:35 p.m. Tuesday evening, in order for the Senate to proceed as a body to the Hall of the House of Representatives for the State of the Union Address.

I indicate, as I did this morning, it is still our hope to make a continuing resolution before the close of business on Friday, maybe Thursday, maybe even Wednesday depending on when it is passed by the House. It is also our hope we can pass the continuing resolution by consent, and that in the event the Defense Department authorization bill comes to us from the House, we may proceed to that, which if it requires a rollcall vote, then we will not vote on it until we have given all our colleagues ample notice.

There is also some indication that the administration may want us to proceed on the extension of the debt limit, debt ceiling, and that may or may not come before the Senate this week.

RECESS UNTIL 2:30 P.M. TOMORROW

Mr. DOLE. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 4:55 p.m., recessed until Tuesday, January 23, 1996, at 2:30 p.m.

NOMINATIONS

Executive nominations received by the Senate January 22, 1996:

DEPARTMENT OF STATE

RICHARD L. MORNINGSTAR, OF MASSACHUSETTS, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS SPECIAL ADVISOR TO THE PRESIDENT AND TO THE SECRETARY OF STATE ON ASSISTANCE TO THE NEW INDEPENDENT STATES (NIS) OF THE FORMER SOVIET UNION AND COORDINATOR OF NIS ASSISTANCE.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

MARY BURRUS BABSON, OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM OF 1 YEAR. (NEW POSITION)

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

LUIS VALDEZ, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2000, VICE PETER DECOURCH HERO, TERM EXPIRED.

IN THE COAST GUARD

VICE ADMIRAL JAMES M. LOY, U.S. COAST GUARD, TO BE CHIEF OF STAFF, U.S. COAST GUARD, WITH THE GRADE OF VICE ADMIRAL WHILE SO SERVING.

VICE ADMIRAL RICHARD D. HERR, U.S. COAST GUARD, TO BE VICE COMMANDANT, U.S. COAST GUARD, WITH THE GRADE OF ADMIRAL WHILE SO SERVING.

VICE ADMIRAL KENT H. WILLIAMS, U.S. COAST GUARD, TO BE COMMANDER, ATLANTIC AREA, U.S. COAST GUARD, WITH THE GRADE OF ADMIRAL WHILE SO SERVING.

REAR ADMIRAL ROGER T. RUFE, JR., U.S. COAST GUARD, TO BE COMMANDER, PACIFIC AREA, U.S. COAST GUARD, WITH THE GRADE OF VICE ADMIRAL WHILE SO SERVING.

THE FOLLOWING OFFICER OF THE U.S. COAST GUARD RESERVE FOR PROMOTION TO THE GRADE OF REAR ADMIRAL:

RICHARD W. SCHNEIDER

THE FOLLOWING OFFICER OF THE U.S. COAST GUARD RESERVE FOR PROMOTION TO THE GRADE OF REAR ADMIRAL (LOWER HALF):

JAN T. RIKER

THE FOLLOWING OFFICER OF THE U.S. COAST GUARD RESERVE FOR PROMOTION TO THE GRADE INDICATED:

To be captain

GEORGE J. SANTA CRUZ
GREGORY E. SHAPLEY

To be commander

JAMES E. LITSINGER
DALE M. RAUSCH
MAURY A. WEEKS
DONALD E. BUNN

To be lieutenant commander

PINKEY J. CLARK
KEVIN M. PRATT

IN THE MARINE CORPS

THE FOLLOWING-NAMED COLONELS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. ROBERT R. BLACKMAN, JR., [redacted] USMC.
COL. WILLIAM G. BOWDON III, [redacted] USMC.
COL. JAMES T. CONWAY, [redacted] USMC.
COL. KEITH T. HOLCOMB, [redacted] USMC.
COL. HAROLD MASHBURN, JR., [redacted] USMC.
COL. GREGORY S. NEWBOLD, [redacted] USMC.

THE FOLLOWING-NAMED COLONEL OF THE U.S. MARINE CORP RESERVE FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 5912 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. LEO V. WILLIAMS III, [redacted] USMCR.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE U.S. NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, U.S.C.

To be vice admiral

VICE ADM. DAVID B. ROBINSON, [redacted]

IN THE AIR FORCE

THE FOLLOWING-NAMED AIR NATIONAL GUARD OFFICERS FOR APPOINTMENT AS RESERVE OF THE AIR FORCE IN THE GRADE INDICATED UNDER THE PROVISIONS OF SECTIONS 12203 AND 12212, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES AS INDICATED.

To be lieutenant colonel

LINE

JONATHAN S. FLAUGHER, [redacted]

MEDICAL CORPS

To be lieutenant colonel

WALTER L. BOGART III, [redacted]

THE FOLLOWING INDIVIDUALS FOR RESERVE OF THE AIR FORCE APPOINTMENT, IN THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 12203 WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 8067 TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be colonel

DONALD R. SMITH, [redacted]

To be lieutenant colonel

CARLOS W.M. BEDROSSIAN, [redacted]
RICHARD R. ECKERT, [redacted]
HARRY F. FARMER, JR., [redacted]
FREDERICK L. GILKEY, [redacted]
MAECENAS B. HENDRIX, [redacted]
CHARLES H. HUBBERT, [redacted]
BRUCE A. JOHNSON, [redacted]
BRUCE M. MORSE, [redacted]
SAROJA L. RANPURA, [redacted]
CHARLES E. ROSS, [redacted]
SADASIVA P. SETTY, [redacted]
CHRISTINA M.K. ZIENO, [redacted]

DENTAL CORPS

To be lieutenant colonel

ROBERT W. DANIELS, [redacted]
GENE P. KAHN, [redacted]
RODNEY D. PHOENIX, [redacted]

BIOMEDICAL SCIENCES CORPS

To be lieutenant colonel

DON C. BAGWELL, [redacted]
THOMAS A. FLYNN, [redacted]
GERALD J. HENSLEY, [redacted]
KENT J. NEILSEN, [redacted]

NURSE CORPS

To be lieutenant colonel

NEDLA J. EWEN, [redacted]

JUDGE ADVOCATE

To be lieutenant colonel

JOHN J. THRASHER III, [redacted]
WILLIAM K. UNDERWOOD, [redacted]

THE FOLLOWING INDIVIDUALS FOR RESERVE OF THE AIR FORCE APPOINTMENT IN THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 12203.

LINE

To be lieutenant colonel

MARTHA L. GARITO, [redacted]
CHARLES A.V. HOBB, [redacted]
RICHARD C. HOLLOMAN, [redacted]
THOMAS A. HUGHES, [redacted]
MICHAEL E. LEBIEDZ, [redacted]
MARY K. LUKE, [redacted]
LANNY B.MCNEELY, [redacted]
STEPHEN G. MOFFETT, [redacted]
JAMES L. O'NEAL, [redacted]

THE FOLLOWING STUDENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES CLASS OF 1996, FOR APPOINTMENT IN THE REGULAR AIR FORCE IN THE GRADE OF CAPTAIN, EFFECTIVE UPON THEIR GRADUATION UNDER THE PROVISIONS OF SECTION 2114, TITLE 10, U.S.C., IF OTHERWISE FOUND QUALIFIED, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

MEDICAL CORPS

BRADLEY S. ABELS, [redacted]
PER K. AMUNDSON, [redacted]
JONATHAN W. BRIGGS, [redacted]
ALESIA C. CARRIZALES, [redacted]
SCOTT C. CARRIZALES, [redacted]
MATTHEW B. CARROLL, [redacted]
PIERRE ALAIN L. DAUBY, [redacted]
KRISTEN A. FULTSGANEY, [redacted]
VINOD K. GIDVANIDIAZ, [redacted]
STEPHEN A. GILL, [redacted]
PAUL D. GLEASON II, [redacted]
PATRICK M. GROGAN, [redacted]
DUNCAN G. HUGHES, [redacted]
JOHN F. JAMES, [redacted]
PAMELA D. JOHNSON, [redacted]
GREGORY A. KENNEBECK, [redacted]
CHETAN U. KHAROD, [redacted]
TODD T. KOBAYASHI, [redacted]
DARII AL LANE, [redacted]
DONALD J. LANE, [redacted]
RAYMOND J. LEGENZA, [redacted]
JAMES D. LOWE, [redacted]
EVAN R. MEEKS, [redacted]
JANICE L. MOSELEY, [redacted]
CABOT S. MURDOCK, [redacted]
JEFFREY G. NALESNIK, [redacted]
DOUGLAS A. NELSON, [redacted]
ELIZABETH M. NORRIS, [redacted]
DONALD T. OSBORN, [redacted]
ROBERT G. PATTERSON, [redacted]
CHRISTOPHER P. PAULSON, [redacted]
BARAK PERAHIA, [redacted]
KENNY J. PETERSON, [redacted]
JAMES A. PHALEN, [redacted]
KIMBERLY D. PIETSZAK, [redacted]
JOSEPH A. POCREVA, [redacted]
DAVID M. ROGERS, [redacted]
DANIEL A. SHOOR, [redacted]
ROBERT E. THAXTON, [redacted]
JAMES J. THOMAS, [redacted]
DANIEL R. TUCKEY, [redacted]
JOHANN S. WESTPHALL, [redacted]
SALLY M. WONDERLY, [redacted]
CHARLES P. WOOD, [redacted]
MARK A. YUSPA, [redacted]

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE.

LINE

To be lieutenant colonel

JOSEPH P. ANELLO, [redacted]
PHILIP E. BRAY, [redacted]
DAVID N. BURTON, [redacted]
JOSEPH E. CRITES, [redacted]
WILLIAM S. CROMER, [redacted]
JAMES F. DAWSON, JR., [redacted]
MICHAEL G. GREEN, [redacted]
CHARLES A. GRIMES, [redacted]
KEVIN K. KINDSCHUH, [redacted]
MICHAEL R. LEONE, [redacted]
JOHN A. MCALLISTER, [redacted]
RICHARD R. OLIVAREZ, [redacted]
EDDY L. PAYNE, [redacted]
CHARLES B. PORTIS, [redacted]
MARTHA T. RAINVILLE, [redacted]
DENISE O. SCHOFIELD, [redacted]
WILLIAM F. SIMPSON, [redacted]
DAVID K. TANAKA, [redacted]
JAMES D. THOMPSON, [redacted]
JEFFREY T. WILLIAMS, [redacted]

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

MICHAEL W. SANDERSON, [redacted]
FRANK H. SHAW, JR., [redacted]

CHAPLAIN CORPS

To be lieutenant colonel

NORMAN L. WILLIAMS, [redacted]

MEDICAL CORPS

To be lieutenant colonel

JOHN D. ADAMS, [redacted]
ARTHUR B. EISENBREY, [redacted]
THOMAS E. HARRIS, [redacted]
STEWART J. HAZEL, [redacted]
JOHN PANKIEWICZ, JR., [redacted]
JAN M. VANHOOMISSEN, [redacted]

NURSE CORPS

To be lieutenant colonel

BARBARA T. MARTIN, [redacted]

IN THE ARMY

THE FOLLOWING OFFICERS FOR APPOINTMENT AS PERMANENT PROFESSORS AT THE U.S. MILITARY ACADEMY UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 4333(B):

COL. WILLIAM G. HELD, [redacted]
LT. COL. PATRICIA B. GENUNG, [redacted]

IN THE NAVY

THE FOLLOWING-NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CHARLES ARMSTRONG, [redacted]
PHILLIP BLACK, [redacted]
BYRON BOENING, [redacted]
MATTHEW BURNS, [redacted]
MICHAEL CAMDEN, [redacted]
DARRELL CANADY, [redacted]
CHAD CICCI, [redacted]
JOSE CORDERO, [redacted]
JOHN EDSON, [redacted]
MARK ELLINGSON, [redacted]
ANTHONY ERICKSON, [redacted]
FRANCIS FRANKY, [redacted]
TODD FREISCHLAG, [redacted]
JASON GOOGE, [redacted]
ROBERT LAWRENCE, [redacted]
KYLE LEESE, [redacted]
MALCOLM MARTIN, [redacted]
TYLER MAW, [redacted]
BRIAN PERKINS, [redacted]
PETER RIES, [redacted]
MICHAEL RUDZIENSKY, [redacted]
BENJAMIN RYAN, [redacted]
LUIS SANCHEZ, [redacted]
DAVID SAUVE, [redacted]
JAMES SHANE, [redacted]
ANDRE SMOLENACK, [redacted]
BENJAMIN SNELL, [redacted]
ROB STEVENSON, [redacted]
WILLIAM SUTTON, [redacted]
JOHN TENCER, [redacted]
JEFFREY VICARIO, [redacted]
WINCESLAS WEEMS, [redacted]

THE FOLLOWING-NAMED NAVAL RESERVE OFFICERS TRAINING CORPS PROGRAM CANDIDATE TO BE APPOINTED PERMANENT ENSIGN IN THE STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

CALEB POWELL, JR., [redacted]

THE FOLLOWING-NAMED NAVY ENLISTED COMMISSION PROGRAM CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ANDRE D. BROWN, [redacted]
GARY G. ELVIK, [redacted]
JAMES R. FELTS, [redacted]
GARY L. JACOBSEN, [redacted]
WILLIAM J. OSSENFORT, [redacted]
BERNARD L. SIMONSON, [redacted]

THE FOLLOWING-NAMED DISTINGUISHED NAVAL GRADUATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

KYLE D. BRADY, [redacted]
DAVID D. DECKER, [redacted]
EVAN L. MORRISON, [redacted]
DALE PULCZINSKI, [redacted]
ALAN WILCOX, [redacted]

THE FOLLOWING-NAMED U.S. NAVAL OFFICERS TO BE APPOINTED PERMANENT LIEUTENANT IN THE JUDGE ADVOCATE GENERAL CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

ERIN E. DAUGHERTY, [redacted]
TARA M. LEE, [redacted]
ANTHONY J. MAZZEO, [redacted]
GARY E. SHARP, [redacted]
ROBERT A. WILLIAMS, [redacted]

THE FOLLOWING-NAMED FORMER U.S. NAVY OFFICER TO BE APPOINTED PERMANENT CAPTAIN IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 12203:

DAVID L. GOODMAN, [redacted]

THE FOLLOWING-NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 12203:

JOHN K. BURNS, 317-62-9719
PAUL J. JULIANO, [redacted]

THE FOLLOWING-NAMED MEDICAL COLLEGE GRADUATE TO BE APPOINTED PERMANENT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 12203:

TIMOTHY E. SPENCER, [redacted]

THE FOLLOWING U.S. NAVY OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 12203:

PAUL T. BROERE, [redacted]

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE AIR FORCE RESERVE, UNDER THE PROVISIONS OF SECTIONS 12203, 8362 AND 8371, TITLE 10, UNITED STATES CODE.

LINE

To be colonel

EDWARD A. ASKINS, [redacted]
JOHN D. BAILEY, [redacted]
ROBERT E. BAILEY, JR., [redacted]
STEPHEN R. BARNES, [redacted]
LAWRENCE N. BARTON, JR., [redacted]
ARCHER B. BATTISTA, [redacted]
DONALD E. BEERS, [redacted]
MAUREEN H. BERGENFELD, [redacted]
WILLIAM A. BLUMBERG, [redacted]
JAMES E. BROWN, [redacted]
JON A. BROWN, [redacted]
WARREN E. BUCHER, [redacted]
JOHN B. BUCHHEISTER, [redacted]
JONATHAN F. BUSHNELL, JR., [redacted]
RICHARD L. BUTEFISH, [redacted]
JOSEPH C. BYNUM III, [redacted]
JONATHAN W. CAMPBELL, [redacted]
LARRY J. CARNAHAN, [redacted]
FRED F. CASTLE, JR., [redacted]
RICHARD W. CHAMPION, [redacted]
JOHN R. CHURCH, [redacted]
JOSEPH F. CIRRINCIONE, [redacted]
ALAN B. CLUNE, [redacted]
JOSEPH L. CORDINA, [redacted]
ROBERT L. CORLEY, [redacted]
HARLON D. CRIMM, [redacted]
CARL M. CRUG, [redacted]
ROBERT G. CUTLIP, [redacted]
CHARLES L. EARLY, JR., [redacted]
ROBERT T. EDWARDS, [redacted]
JAMES J. EMMA, [redacted]
FRANK R. FAULKNER, [redacted]
JULIETTE C. FINKENAUER, [redacted]
VADE G. FORRESTER, JR., [redacted]
DAVID L. FROSTMAN, [redacted]
OWEN C. GADEKEN, [redacted]
MARIAN F. GETZELMAN, [redacted]
RICHARD H. GIBBS, [redacted]
IRIS C. GILBERT, [redacted]
THOMAS M. GRAHAM, [redacted]
HENRY L. GRAVES, JR., [redacted]
EDWIN B. GRIGGS, [redacted]
JOHN H. GRUESER, [redacted]
STEVEN W. HARDEN, [redacted]
WALTER W. HARRINGTON, [redacted]
THOMAS H. HART, [redacted]
MICHAEL P. HAYES, [redacted]
MICHAEL J. HEIDINGSFIELD, [redacted]
JEFFREY HOLSHOUSER, [redacted]
CHARLES L. HOLSWORTH, [redacted]
GEOFFRY S. HOWARD, [redacted]
DANIEL M. KETTER, [redacted]
FRANCIS B. LANE, [redacted]
WILLIAM C. LAWRENCE, [redacted]
VALENTINE F. LYNCH, [redacted]
LINDELL W. MABUS, [redacted]
CHARLES G. MACDONALD, [redacted]
WAYNE E. MAROTZ, [redacted]
ELLEN C. MATZ, [redacted]
DAVID J. MCCARTHY, [redacted]
DIANNE R. MCILVOY, [redacted]
RONALD V. MEILSTRUP, [redacted]
JAMES L. MELIN, [redacted]
KEITH W. MEURLIN, [redacted]
MARK K. MILLER, [redacted]
GARY P. MIXON, [redacted]
LAURENCE P. MOLLOY, JR., [redacted]
JOSEPH T. MOLYSON, JR., [redacted]
JERRY L. MONTGOMERY, [redacted]
FRANCIS M. MUNGAVIN, [redacted]
MICHAEL P. MURPHEY, [redacted]
JOSEPH NABOZNY, [redacted]
BRADFORD C. NEAL, [redacted]
GAIL H. NELSON, [redacted]
MICHAEL T. OHALLORAN, [redacted]
LANCE S. OKIMOTO, [redacted]
ROBERT D. OLSON, [redacted]
JOSEPH G. ONEILL, [redacted]
NELSON E. OUTTEN, [redacted]
JOHN PELLEGRINO, [redacted]
WILLIAM M. RAJCZAK, [redacted]
MARK R. REPKO, [redacted]
DOUGLAS C. ROPER, [redacted]
JAMES T. RUBEOR, [redacted]
HENDRICK W. RUCK [redacted]
ALLAN J. SARRAT, JR., [redacted]
RICHARD R. SEVERSON, [redacted]
DOLORES K. SHERMAN, [redacted]
JAMES M. SMITH, [redacted]
JAMES W. SMOLKA, [redacted]
ERIC L. STEPHENS, [redacted]
RICHARD W. STINE, [redacted]
DONALD J. SWANINGER, [redacted]
THOMAS V. TAMEZ, [redacted]
THOMAS D. TAVERNEY, [redacted]
ROBERT P. VITRIKAS, [redacted]
EDWARD R. VOGLER, [redacted]
DANIEL A. WAKLEY, [redacted]
PHILIP D. WEBB, [redacted]
ROBERT D. WELSH, [redacted]
JAMES W. WHITAKER, [redacted]
DALE TIMOTHY WHITE, [redacted]
ROBERT L. WHITE, [redacted]
FLOYD C. WILLIAMS, [redacted]
TIMOTHY J. WRIGHTON, [redacted]

CHAPLAIN CORPS

To be colonel

ROGER L. BACON, [redacted]
JOHN H. ELLEDGE, JR., [redacted]
DONALD W. MUSSER, [redacted]
MARK J. SPENCE, [redacted]

DENTAL CORPS

To be colonel

DONALD E. BERWANGER, [redacted]
DAVID D. CRICHTON III, [redacted]
DAVID T. EARNEST, [redacted]
RICHARD D. HARMON, [redacted]
ROBERT B. JAMES, [redacted]
ROBERT S. JOHNSON, [redacted]

JUDGE ADVOCATE

To be colonel

DONALD A. ANDERSON, [redacted]
CARL R. BEHRENS, [redacted]
WILLIAM O. BRESNICK, [redacted]
ALBERT C. DEPENBROCK, [redacted]
EDMUND G. FLYNN, [redacted]
DERRICK R. FRANCK, [redacted]
BRUCE E. HAWLEY, [redacted]
JOHN N. KULAS, [redacted]
GREGORY E. MICHAEL, [redacted]
KENNETH M. MURCHISON, [redacted]
JOHN S. ODOM, JR., [redacted]
JOHN B. SOUTHARD, JR., [redacted]
RONALD R. STICKA, [redacted]

MEDICAL CORPS

To be colonel

THOMAS L. ARNTSON, [redacted]
JAMES F. BLAKELY, [redacted]
WILLIAM M. CASKEY, [redacted]
JOHN R. DIMAR II, [redacted]
RICHARD O. DOLINAR, [redacted]
VAL D. DUNN, [redacted]
WILLIAM J. DUNN, [redacted]
RODRIGO B. FLORO, [redacted]
DOUGLAS K. HOLMES, [redacted]
STEVEN R. HORN, [redacted]
BRUCE W. JENSEN, [redacted]
MAURICE D. LEVY, [redacted]
YASH P. MALHOTRA, [redacted]
LOUIS PANG, [redacted]
FRANK SPARANDERO, [redacted]
SEETHA G. SURYAPRASAD, [redacted]
JAMES K. WRIGHT, [redacted]

NURSE CORPS

To be colonel

PATRICIA R. BALLENTINE, [redacted]
PENELOPE A. BURNS, [redacted]
LINDA L. CARNEAL, [redacted]
CAROL G. ELLIOTT, [redacted]
SANDRA L. ERICKSON, [redacted]
LORI A. FICHMAN, [redacted]
LOISANN M. HOPKIN, [redacted]
MARY M. MARTIN, [redacted]
JANICE M. MCKIBBAN, [redacted]
PATRICIA M. MOSS, [redacted]
SUSAN J. QUINN, [redacted]
KAREN S. RIORDAN, [redacted]
CLYDE A. ROKKE, [redacted]
MARIAN B. SIDES, [redacted]
RITA M. SOLANDER, [redacted]
BETTY J. TAPP, [redacted]
NANCY D. THOMPSON, [redacted]
ROSALIE A. WAHLSTROM, [redacted]

MEDICAL SERVICE CORPS

To be colonel

GERALD L. ANDRICK, [redacted]
SEYMOUR WIENER, [redacted]

BIOMEDICAL SERVICE CORPS

To be colonel

LAWRENCE R. BARRETT, [redacted]
MARSHA L. CHEESEMAN, [redacted]
JEANINE G. COLBURN, [redacted]
CHARLES W. JONES, [redacted]
GEORGE W. SCHLOSSNAGLE, [redacted]
JAMES L. SCOTT, [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE U.S. AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, U.S.C., AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE, AND THOSE OFFICERS IDENTIFIED BY AN ASTERISK FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, U.S.C., WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, U.S.C., TO PERFORM DUTIES INDICATED PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN INDICATED.

JUDGE ADVOCATE

To be lieutenant colonel

ANDREA M. ANDERSEN, [redacted]
JACK L. ANDERSON, [redacted]
HARRY J. BATEY, [redacted]
RALPH A. BAUER, [redacted]
STEPHEN H. BLEWETT, [redacted]
WILLIAM E. BOYLE, [redacted]
DAVID F. BRASH, [redacted]
CHRISTOPHER F. BURNE, [redacted]
JOHN S. CHAMBLEE, [redacted]
LE ELLEN COACHER, [redacted]
ROBERT E. COACHER, [redacted]
PAUL J. COELUS, JR., [redacted]
ROBERT V. COMBS II, [redacted]
PAUL M. DANKOVICH, [redacted]
MORRIS D. DAVIS, [redacted]
ALLAN L. DETERT, [redacted]
NORBERT J. DIAZ, [redacted]
TERRENCE H. FARRELL, [redacted]
WILLIAM GAMPEL, [redacted]
GREGORY GIRARD, [redacted]
WILLIE A. GUNN, [redacted]
STEVEN A. HATFIELD, [redacted]
BART HILLYER, [redacted]
CHARLES P. KIELKOPF, [redacted]
BEVERLY B. KNOTT, [redacted]
JOHN H. KONGABLE, [redacted]
MARIANNE O. LARIVEE, [redacted]
PATRICK W. LINDEMANN, [redacted]
JEFFREY C. LINDQUIST, [redacted]
MARY J. LUDVIGSON, [redacted]
MARGARET R. MC CORD, [redacted]
JAMES E. MOODY, [redacted]
ROGER W. OVERLAND, [redacted]
GREGORY B. PORTER, [redacted]
RAYMOND E. RISSLING, [redacted]
MARK R. RUPPERT, [redacted]
DAWN E. B. SCHOLZ, [redacted]
KURT D. SCHUMAN, [redacted]
SCOTT W. SINGER, [redacted]
WALTER J. SKIERSKI, JR [redacted]
KEITH M. SORGE, [redacted]
LAURENCE M. SOYBEL, [redacted]
JOHN F. SPURLIN, [redacted]
HOLLY M. STONE, [redacted]
JO ANN STRINGFIELD, [redacted]
STEVEN N. TOMANELLI, [redacted]
JOSEPH V. TREANOR III, [redacted]
DAVID R. VECERA, [redacted]
ISRAEL B. WILLNER, [redacted]
WAYNE WISNIEWSKI, [redacted]

NURSE CORPS

To be lieutenant colonel

MARIANNE B. AIRHART, [redacted]
DALE E. ALLEN, [redacted]
RUTH M. ANDERSON, [redacted]
VINCENT P. BERNOTAS, [redacted]
TERRY K. BLUE, [redacted]
CECILLIA O. BOLAND, [redacted]
THERESA M. BOSTWICK, [redacted]
MARCI S. BOSWELL, [redacted]
ELIZABETH L. BOWERS, [redacted]
TYWANA F. C. BOWMAN, [redacted]
TERESA A. CAMPBELL, [redacted]
CHERYL A. CARROLL, [redacted]
MARYLOU CARSON, [redacted]
NANCY L. CHENEVEY, [redacted]
BRIAN L. CLAYTON, [redacted]
JOHNNIE M. COBWELL, [redacted]
JANE E. COZIER, [redacted]
FLORENCE B. CRUZ, [redacted]
CINDY A. DAVIS, [redacted]
RUTH DEPALANTINO, [redacted]

STEPHEN R. DISTASIO, JR., [redacted]
RUTH M. ECKERT, [redacted]
MARGARET T. ELGIN, [redacted]
KATHLYN M. EYDENBERG, [redacted]
MARIE E. FERRELL, [redacted]
BLAKE W. FOLDEN, [redacted]
RICHARD L. FORTNER, [redacted]
RENEE M. GREER, [redacted]
CORNELIA A. GRIFFIN, [redacted]
MARGARET A. GRIFFIN, [redacted]
KATHRYN R. HAMILTON, [redacted]
TERRY L. HAMMOND, [redacted]
BETTY S. HARRIS, [redacted]
J. WILLIAM HARTLEY, [redacted]
KARLA K. HERRES, [redacted]
CONSTANCE D. HICKMAN, [redacted]
RICHARD M. HOLT, [redacted]
BARBARA A. HOSTETLER, [redacted]
LORI K. IRWIN, [redacted]
VICKI D. JOHNSON, [redacted]
LESLIE W. JOHNSTON, [redacted]
JOHN A. KENNEY, [redacted]
DENISE L. KLAPP, [redacted]
KATHLEEN M. KOLES, [redacted]
BETH M. KRISTENSON, [redacted]
SUSAN M. LAHAIE, [redacted]
JAMES L. LANGLOIS, JR., [redacted]
STACY L. LANHAMLAHERA, [redacted]
IRENE D. LARSON, [redacted]
CHERYL A. MANEY, [redacted]
MAURA S. MC AULIFFE, [redacted]
PATRICIA J. MC CAFFREY, [redacted]
MAUREEN A. MC HUGHCASTRO, [redacted]
LINDA F. MILLER, [redacted]
MARC W. MURPHY, [redacted]
BARBARA AG NEDERVELT, [redacted]
PATRICIA L. NESS, [redacted]
CANDY J. NISTLER, [redacted]
ANTHONY J. PINTO, [redacted]
SYLVIA A. PRINGLE, [redacted]
HARRIET A. QUESENBERRY, [redacted]
ELIZABETH S. ROBISON, [redacted]
IRMGARD RONDEAU, [redacted]
CHARLES R. ROUNTREE, [redacted]
RONALD E. RYDGREN, [redacted]
SANDRA R. SCHMIDTBERRINGER, [redacted]
MARY J. SNYDER, [redacted]
JOEL P. SOLOMON, [redacted]
LEWIS A. STANLEY, [redacted]
BRIDGET S. STONUEY, [redacted]
DONNA C. THERIOT, [redacted]
GAIL M. THERRIEN, [redacted]
KEIKO L. TORGERSEN, [redacted]
CHARLES R. TUPPER, [redacted]
STEPHEN H. TURNER, [redacted]
CAROL L. VERMILLION, [redacted]
LANETTE A. WATSON, [redacted]
JANICE S. WILMOT, [redacted]
LILLIANJOYCE STUCKEY WILSON, [redacted]

BIOMEDICAL SCIENCES CORPS

To be lieutenant colonel

LORAINE H. ANDERSON, [redacted]
WILLIAM S. ASTLEY, [redacted]
MARY K. BALLENGEE, [redacted]
NEAL BAUMGARTNER, [redacted]
MARY A. BIGELOW, [redacted]
CHARLES D. CAULKINS, [redacted]
JOHN V. CIVITELLO, JR., [redacted]
BRIAN K. DECKERT, [redacted]
BRIAN W. DESANTIS, [redacted]
JACKSON R. DOBBINS, [redacted]
ROY T. FRANKLIN, [redacted]
MARK F. GENTILMAN, [redacted]
ALFRED S. GRAZIANO, JR., [redacted]
JO A. HAGA, [redacted]
HELEN M. HORNKINGERY, [redacted]
WILLIAM B. HUFF, [redacted]
EDWARD S. HUMPHREY, [redacted]
BONNIE C. JOHNSON, [redacted]
MICHAEL E. JOHNSON, [redacted]
BARBARA J. LARCOM, [redacted]
BRIAN L. LESTRANGE, [redacted]
FRANK B. LIEBHABER, JR., [redacted]
RUSSELL J. MEILING, [redacted]
HARMON MELDRIM, [redacted]
MARION C. MOHRI, [redacted]
GEORGE NICOLAS, JR., [redacted]
MICHAEL L. NORED, [redacted]
MEADE PIMSLER, [redacted]
STEPHEN G. REINHART, [redacted]
PAULA S. SIMON, [redacted]
SCOTT A. SIMPSON, [redacted]
STEPHEN M. SMICKER, [redacted]
JOHN D. STEIN, [redacted]
GORDON B. SWAYZE, [redacted]
MARK J. WELTER, [redacted]
GREGORY Y. G. YOUNG, [redacted]
MICHAEL E. YOUNG, [redacted]
THOMAS M. ZAZECKIS, [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE U.S. AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, U.S.C., AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE, AND THOSE OFFICERS IDENTIFIED BY AN ASTERISK FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, U.S.C., WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, U.S.C., TO PERFORM DUTIES INDICATED PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN INDICATED.

JUDGE ADVOCATE

To be major

THOMAS M. AYZE, [redacted]
DARYL L. BELL, [redacted]
DAVID L. BELL, [redacted]
JERRI G. BREWER, [redacted]
LEONARD L. BROSEKER, [redacted]
GARY D. BROWN, [redacted]
GERALD Q. BROWN, [redacted]
JAMES C. BUCKELS, [redacted]
JAMES V. CANNIZZO, [redacted]
DONNA M. CLARK, [redacted]
TIMOTHY J. COTHREL, [redacted]
DAVID J. DICENSO, [redacted]
MATTHEW L. DUFFIN, [redacted]
KEVIN J. FLEMING, [redacted]
TRACI D. GUARINIELLO, [redacted]
CLARENCE P. GUILLORY, JR., [redacted]
TAMARA S. HOLDER, [redacted]
SHARON A. HOMOLKA, [redacted]
ROBERT S. HOWARD, [redacted]
CAROL L. HUBBARD, [redacted]
CHARLIE M. JOHNSONWRIGHT, [redacted]
STEVEN E. JONES, [redacted]
ELIZABETH KELLY, [redacted]
POLLY S. KENNY, [redacted]
KEVIN P. KOEHLER, [redacted]
WILLIAM R. KRAUS, [redacted]
WILLIAM A. KURLANDER, [redacted]
ANDREW S. LADE, [redacted]
ROBERT P. MAGGARD, [redacted]
KAREN E. MAYBERRY, [redacted]
JOHN F. MC CUNE, [redacted]
JOHN S. MEADOR, [redacted]
CRAIG G. MILLER, [redacted]
ROBERT M. MITCHELL, [redacted]
DOUGLAS G. MURDOCK, [redacted]
NANCY J. PAUL, [redacted]
RONALD R. RATTON, [redacted]
SHAUN T. RILEY, [redacted]
JOSEPH P. SCHMITZ, [redacted]
MICHAEL A. SCIALES, [redacted]
LANCE B. SIGMON, [redacted]
STANLEY R. SMITH, [redacted]
RANDALL G. SNOW, [redacted]
THOMAS R. SPARKS, [redacted]
DAVID C. STEWART, [redacted]
SHARON K. SUGHRU, [redacted]
JOSE C. TAURO III, [redacted]
CHERYL H. THOMPSON, [redacted]
STEVEN B. THOMPSON, [redacted]
MICHAELISA M. TOMASICLANDER, [redacted]
JAMES B. WAGER, JR., [redacted]
ROBERT E. WATSON, [redacted]
BRYAN T. WHEELER, [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE U.S. AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, U.S.C., AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE, AND THOSE OFFICERS IDENTIFIED BY AN ASTERISK FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, U.S.C., WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, U.S.C., TO PERFORM DUTIES INDICATED PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN INDICATED.

DENTAL CORPS

To be colonel

STEPHEN W. ANDREWS, [redacted]
DONALD M. BELLES, [redacted]
JOHN B. BRILEY, [redacted]
JAMES C. BROOME, JR., [redacted]
MICHAEL R. BROWN, [redacted]
MARK T. CARLSON, [redacted]
DOUGLAS A. CLARKE, [redacted]
WALTER C. DANIELS, [redacted]
RICHARD D. DAVIS, [redacted]
ALEX A. DEPERALTA, JR., [redacted]
HERMAN S. DICKERSON, [redacted]
DOUGLAS B. EVANS, [redacted]
KENNETH R. EYE, [redacted]
ROBERT M. GARRETT, [redacted]
GEORGE J. GERDTS, [redacted]
JAMES A. GLAESS, [redacted]
JEFFREY C. HAMBLETON, [redacted]
JEANNE HANSENBAYLESS, [redacted]
JOHN S. HORNBURG, [redacted]
BRUCE A. KENNEDY, [redacted]
WALTER C. KIRK, JR., [redacted]
ROBERT B. LARSEN, [redacted]
KENNETH A. LEVIN, [redacted]
MICHAEL W. MARTIN, [redacted]
WILLIAM S. MOORE, [redacted]
DAVID F. MURCHISON, [redacted]
BRENT E. NELSEN, [redacted]
STEVEN J. NEVINS, [redacted]
ALAN D. NEWTON, [redacted]
GLENDA E. S. NUCKOLS, [redacted]
ROBERT A. OLSON, [redacted]
JOHNIE D. OVERTON, [redacted]
THOMAS J. PLAMONDON, [redacted]
RONALD L. PLEIS, [redacted]
FORREST R. POINDEXTER, [redacted]
STEPHEN W. PORTER, [redacted]
MARIA A. RABBIO, [redacted]
WILLIAM H. RAINES, [redacted]
REX T. RAPER, [redacted]
JOHN J RICHTER III, [redacted]
STEVEN A RUFFIN, [redacted]
KIRK D. SATROM, [redacted]
STEPHEN A SCHMIDT, [redacted]
THOMAS R SCHNEID, [redacted]
ERIC S SCHUERMER, [redacted]
NATHAN W SCHWANDT, [redacted]
RONALD K SCOVILLE, [redacted]
JAY C SMITH, [redacted]
MICHAEL W SMITH, [redacted]
SUSAN J SMYTHE, [redacted]
FAITH A THOMAS, [redacted]
GARY V VIGIL, [redacted]
DERICK K WILCHER, [redacted]

MEDICAL CORPS

To be colonel

JOSEPH ARGYLE, [redacted]
HANS E ARVIDSON, [redacted]
THOMAS E BALDWIN, [redacted]
THOMAS N BEACH, [redacted]
FRANKLIN M BOYER, JR., [redacted]
STEPHEN B CHRISMAN, [redacted]
CRANDON F CLARK, JR., [redacted]
GLENN C COCKERHAM, [redacted]
KENNETH R DAVIS, [redacted]
JEAN B DORVAL, [redacted]
RANDALL E FELLMAN, [redacted]
ALBERT P FISCHER, JR., [redacted]
JAMES C FUNDERBURG, [redacted]
SCHUYLER K GELLER, [redacted]
TIMOTHY GEORGELAS, [redacted]
WILLIAM J GERMANN, [redacted]
JOAN R GRIFFITH, [redacted]
WILLIAM K HAMILTON, [redacted]
DAVID V HANSEN, [redacted]
GARY K HARGROVE, [redacted]
CRAIG T HATTON, [redacted]
CHRISTOPHER N HEINRICHS, [redacted]
ROBERT B HULL, [redacted]
FREDERICK W JONES, [redacted]
HALIFAX C KING, [redacted]
PETER S KROGH III, [redacted]
HARRY W KUBERG, [redacted]
LEON W KUNDROTAS, [redacted]
DAVID A LANTZ, [redacted]
JAMES L LAUB, [redacted]
JOHN D LESSER II, [redacted]
MICHAEL W LISCHAK, [redacted]
LARRY G MADEN, [redacted]
MICHAEL R MAROHN, [redacted]
DONALD C MC CURNIN, [redacted]
GARRISON V MORIN, [redacted]
RICHARD C NIEMTZOW, [redacted]
THOMAS J O'DONNELL, [redacted]
MICHAEL D PARKINSON, [redacted]
JEB S PICKARD, [redacted]
ROBERT W RECTENWALD, [redacted]
GREGORY T REHE, [redacted]
LONDE A RICHARDSON, [redacted]
RUTH A ROBINSON, [redacted]
RICHARD H ROWE, [redacted]
SARLA K SAUJANI, [redacted]
KATHERINE E SCHEIRMAN, [redacted]
RASA S SILENAS, [redacted]
DAVID H SUMMERS, [redacted]
MARK G SWEDENBURG, [redacted]
EDWARD TAXIN, [redacted]
GREGORY J TOUSSAINT, [redacted]
RODGER D VANDERBEEK, [redacted]
STEPHEN G WALLER, [redacted]
CARL L WILLIAMS, [redacted]
RICHARD S WILLIAMS, [redacted]
BRADLEY A YODER, [redacted]
BUJUNG ZEN, [redacted]
ROBERT G ZERULL, [redacted]

DENTAL CORPS

To be lieutenant colonel

THOMAS W BECKMAN, [redacted]
PAUL E BROWN, [redacted]
TIMOTHY S CLASEMAN, [redacted]
CORYDON L DOERR, [redacted]
RANDALL C DUNCAN, [redacted]
DOUGLAS M ERICKSON, [redacted]
JAMES M GAMBILL, [redacted]
MICHAEL C HALL, [redacted]
GRANT R HARTUP, [redacted]
ROBERT G KARKER, [redacted]
JAMES E KING, JR., [redacted]
JOHN C KRESIN, [redacted]
GARY C MARTIN, [redacted]
MARY ELLEN MC LEAN, [redacted]
ERIK J MEYERS, [redacted]
RICHARD R MILLER, [redacted]
GARRY L MYERS, [redacted]
ROBERT H POINDEXTER, [redacted]
CHARLES A POWELL, [redacted]
MARK S RASCH, [redacted]
HOWARD W ROBERTS, [redacted]
DAVID A STANCZYK, [redacted]
VINCENT J TAKACS, [redacted]
DOUGLAS C WILSON, [redacted]

MEDICAL CORPS

To be lieutenant colonel

MICHAEL J. AINSCOUGH, [redacted]
DENNA E. ALI, [redacted]
RICHARD E. BACHMANN, JR., [redacted]

MARGARET L. BARNESRIVERA, [redacted]
STEVEN A. BARRINGTON, [redacted]
WILLIAM H. BARTH, JR., [redacted]
ALAN B. BERG, [redacted]
CATHERINE E. BIERSACK, [redacted]
JEFFREY M. BISHOP, [redacted]
DOUGLAS F. BOLDA, [redacted]
GEORGE T. BOLTON, [redacted]
DEBORAH J. BOSTOCK, [redacted]
JAMES A. BOURGEOIS, [redacted]
MARK W. BOWYER, [redacted]
DEBORAH N. BURGESS, [redacted]
EDWARD C. CALLAWAY, [redacted]
DEAN W. CARLSON, [redacted]
JUNE A. CARRAHER, [redacted]
DELOS D. CARRIER, [redacted]
DOUGLAS J. CHADBOURNE, [redacted]
CRAIGHTON CHIN, [redacted]
JOHN T. CINCO, [redacted]
STEVEN C. COGSWELL, [redacted]
DAVID L. CULL, [redacted]
DAVID L. DAWSON, [redacted]
RICHARD J. DELORENZO, JR., [redacted]
JEFFREY G. DEMAIN, [redacted]
THOMAS H. DOUGHERTY, [redacted]
PRESTON M. DUNNMON, [redacted]
EUGENE D. EDDLEMON, [redacted]
ROBERT W. ELLIS, [redacted]
ANN E. FARASH, [redacted]
CHARLES R. FISHER, JR., [redacted]
WYATT C. FOWLER, [redacted]
DANIEL C. GARNER, [redacted]
THOMAS F. GEORGE, [redacted]
ANTHONY T. GHIM, [redacted]
KARA L. HAAS, [redacted]
DAN R. HANSEN, [redacted]
CRAIG D. HARTRANFT, [redacted]
ANTHONY L. HATCHER, [redacted]
AIMEE L. HAWLEY, [redacted]
JAMES H. HENDERSON II, [redacted]
JAMES H. HERIOT, [redacted]
TODD D. HESS, [redacted]
BRUCE T. HEWETT, [redacted]
STEPHEN R. HOLT, [redacted]
JOHN S. HUNT, [redacted]
ROBERT R. IRELAND, [redacted]
MARK A. JEFFRIES, [redacted]
DAVID M. JENKINS, [redacted]
LARRY N. JOHNSON, [redacted]
VINCENT T. JONES, [redacted]
KEVIN T. JORDAN, [redacted]
LISA M. JUDGE, [redacted]
EVAN Z. KAPP, [redacted]
HOWARD L. KATZ, [redacted]
WILLIAM B. KLEIN, [redacted]
CHRISTOPHER J. KNAPP, [redacted]
KATHY A. LACIVITA, [redacted]
TIMONTHY J. LADNER, [redacted]
TOMAS F. LICHAUCO, [redacted]
CHRISTOPHER J. LISANTI, [redacted]
GAEL J. LONERGAN, [redacted]
ROBERT C. LOWE, [redacted]
MATTHEW L. LUKENS, [redacted]
KAREN M. MATHEWS, [redacted]
DONALD K. MATTHEWS, [redacted]
KEVIN M. MCCABE, [redacted]
MARK D. MILLER, [redacted]
ELIZABETH A. MILUM, [redacted]
PAUL S. MUELLER, [redacted]
PETER M. MURRAY, [redacted]
DAVID SYDNEY NIX, [redacted]
KEVIN J. O'TOOLE [redacted]
MARTIN G. OTTOLINI, [redacted]
ROBERT A. PANICO, [redacted]
MICHAEL S. PARANKA, [redacted]
DENNIS PEARMAN, [redacted]
BRADLEY E. PERSONIUS, [redacted]
DANGTUAN PHAM, [redacted]
ARNYCE R. POCK, [redacted]
THOMAS M. POLIDORE, [redacted]
STEVEN M. PRINCIOTTA, [redacted]
MARK K. REED, [redacted]
MICHAEL J. REZNICEK, [redacted]
DAVID B. RHODES, [redacted]
JOSE E. ROMAN, [redacted]
MICHAEL T. RYAN, [redacted]
TERENCE D. RYAN II, [redacted]
ROBERT M. SADD, [redacted]
EDMUND S. SABANEGH, JR., [redacted]
TRACY L. SAMPLES, [redacted]
VICENTE E. SANCHEZCASTRO, [redacted]
MICHAEL SCHAUBER, [redacted]
ERIC R. SCHWARZ, [redacted]
ERIC J. SIMKO, [redacted]
CARL G. SIMPSON, [redacted]
GARY D. SWAIN, [redacted]
TERRY L. TOMLINSON, [redacted]
LAURA A. TORRESREYES, [redacted]
HENRY F. TRIPP, JR., [redacted]
WILLIAM J. VALKO, [redacted]
MARC A. VALLEY, [redacted]
DAVID F. VANDERBURGH, [redacted]
DENNIS D. WEAVER, [redacted]
CHRISTOPEHER S. WILLIAMS, [redacted]
DORIAN J. WILSON, [redacted]
ROBERT A. WILSON, [redacted]
MYGLEETUS W. WRIGHT, [redacted]
DONALD R. YOHO JR., [redacted]

DENTAL CORPS

To be major

THADDEUS M. CHAMBERLAIN, [redacted]
JAMES C. CHOI, [redacted]
CHRISTOPHER CIAMBOTTI, [redacted]
ANN M. COFFEY, [redacted]
DOUGLAS B. CURRY, [redacted]
JOHN A. DOLENZ, [redacted]
LONNIE, D. EASTER, [redacted]
BRUCE M. ERICKSON, [redacted]
JAY E. FANDEL, [redacted]
RICHARD R. FRAZIER, [redacted]
ROGER J. GOLLON [redacted]
GUY F. GRABIAK, [redacted]
DANIEL M. GREISING, [redacted]
DANIEL HABERMAN, [redacted]
MARISA H. HERMAN, [redacted]
TRACY A. HUTCHISON, [redacted]
GEORGE E. JOHNSON, [redacted]
RICHARD L. JOHNSON, [redacted]
BRIAN T. KERNAN, [redacted]
ROBERT E. LANGSTEN, [redacted]
ROBERT J. MALEK, [redacted]
MICHAEL J. MAUGER, [redacted]
RANDALL J. MC DANIEL, [redacted]
MICHAEL F. MORRIS, [redacted]
KEVIN J. MURPHY, [redacted]
DAVID W. MURRAY, [redacted]
MICHAEL D. MURRAY, [redacted]
SUSAN M. OSOVITZPETERS, [redacted]
DAVID F. PIERSON, [redacted]
JOHN A. SAFAR, [redacted]
SCOTT R. SCHUBKEGEL, [redacted]
JAY S. TAYLOR, [redacted]
MAREN DENNIS M. VAN, [redacted]
JANE S. WALLACE, [redacted]
MARK H. WRIGHT, [redacted]

MEDICAL CORPS

To be major

MARTIN ABBINANTI, [redacted]
GAIL D. ABBOTT, [redacted]
LISA M. ADE, [redacted]
MELISSA A. AERTS, [redacted]
BRIAN D. AFFLECK, [redacted]
EVAN C. ALLEN, [redacted]
NIMIA J. ALSTON, [redacted]
FREDERICK J. ANDERSON, JR., [redacted]
VALISIA A. ANDREWS, [redacted]
BRYAN N. ANGLE, [redacted]
JOHN L. ANTHONY, [redacted]
EMILO A. ARISPE, [redacted]
JAMES C ASHWORTH, [redacted]
CARLOS R BAEZ, [redacted]
MARY E BANE, [redacted]
DAVID R BARNARD, [redacted]
DOUGLAS E BARNES, [redacted]
GEORGE T BARRON, JR. [redacted]
CHARLES A BATEN, [redacted]
TIMOTHY N BEAMESDERFER, [redacted]
BRION J BEERLE, [redacted]
DANIEL D BELLINGHAM, [redacted]
JOHN R BENNETT, [redacted]
BRAD Z BERGER, [redacted]
DANNY P BERK, [redacted]
MARTIN F BERTRAM, [redacted]
LEROY G BEYER, JR. [redacted]
KIP A BIDWELL, [redacted]
WILLIAM A BIGGERS, JR., [redacted]
JAY T BISHOFF, [redacted]
MATTHEW F BITNER, [redacted]
KAREN BLANKENBURG, [redacted]
ELIZABETH STROH BLOOM, [redacted]
JEFFREY A BOCK, [redacted]
THOMAS S BOLAND, [redacted]
WILLIAM T BOLEMAN, [redacted]
JEFFREY R BORIS, [redacted]
MARC W BOSTICK, [redacted]
MARK A BRADSHAW, [redacted]
CYNTHIA L BRANDENBURG, [redacted]
WERNER C BROOKS, [redacted]
DIANA P BROOMFIELD, [redacted]
DAVID W BROUWER, [redacted]
ANGELA M BROWN, [redacted]
MARKHAM J BROWN, [redacted]
TONYA R BROWN, [redacted]
VICTORY Y M BROWN, [redacted]
SCOTT M BROWNING, [redacted]
LENARD C BRUNSDALE, [redacted]
ANNE P BURGESS, [redacted]
EDWIN K BURKETT, [redacted]
HUGH A BURT, [redacted]
ONIE BUSSEY, [redacted]
JOSEPH A BUZOGANY, [redacted]
DIANA R CAFARO, [redacted]
JAMES T CALLAGHAN III, [redacted]
KEVIN J CALLERAME, [redacted]
DANILO O CANLAS, [redacted]
KEVIN R CARPENTER, [redacted]
FRANCISCO G CARPIO, [redacted]
JOHN A CARRINO, [redacted]
TODD E CARTER, [redacted]
LANNIE J CATION, [redacted]
JONATHAN T CHAI, [redacted]
THOMAS D CHALLMAN, [redacted]
BLAKE V CHAMBERLAIN, [redacted]
BRYON CHAMBERLAIN, [redacted]
GEORGE F CHIMENTO, [redacted]
TODD E CHRISTENSEN, [redacted]
ANDREW SUN WEN CHU, [redacted]
MARILYN K CLARK, [redacted]
STEVEN J CLARK, [redacted]
MARCHEL W CLEMENTS, [redacted]
MICHAEL EDWARD COGHLAN, [redacted]
RAMON E COLINA, [redacted]
DAVID R CONDIE, [redacted]
JACQUES S COUSINEAU, [redacted]
GEORGE B CREEL, [redacted]
FRANK J CRIDDLE III, [redacted]
WENDELL C DANFORTH, [redacted]
LYNDA DANIELUNDERWOOD, [redacted]
DEBORAH L DAUGHERTY, [redacted]
JERRY E DAVIS, [redacted]
MARY P DEFRANK, [redacted]
RONALD N DELANOIS, [redacted]
EUGENE F DELAUNE, [redacted]
MARK A DEMOSS, [redacted]
SCOT M DEPUE, [redacted]
ANTHONY W DEUSTER, [redacted]
DAVID W DEXTER, [redacted]
JAIME L DICKERSON, [redacted]
ROY J DILEO, [redacted]
WILLIAM N DINENBERG, [redacted]
JOSEPH A DINKINS, [redacted]
FRANK G DITZ, [redacted]
ALDO J DOMENICHINI, [redacted]
ROBERT B DONEGAN, [redacted]
GEORGE R DULABON, [redacted]
BLACK RACHEL R DUNN, [redacted]
THOMAS M DYE, [redacted]
BRUCE M EDWARDS, [redacted]
MARTIN G EDWARDS, [redacted]
PETER J ELLIOTT, [redacted]
KATHLEEN E EMPEN, [redacted]
IREL S EPPICH, [redacted]
MICHAEL J EPPINGER, [redacted]
JAMES S EVANS, [redacted]
JAMES W FARN, [redacted]
PHILIP J FEARAHN, [redacted]
ERIC B FEINBERG, [redacted]
EDWARD L FIEG, [redacted]
THOMAS G FIELD, [redacted]
SCOTT P FIELDER, [redacted]
MICHAEL D FIELDS, [redacted]
ERIC M FINLEY, [redacted]
STEPHANIE A FLESHER, [redacted]
LESLIE R FLETCHER, JR. [redacted]
RODERICK J FLOWERS, [redacted]
DOUGLAS B FORSYTH, [redacted]
PETER L FORT, [redacted]
JOHN E FORTENBERRY, [redacted]
DAVID R FOSS, [redacted]
INDRA N FRANK, [redacted]
KEVIN J FRANKLIN, [redacted]
KURT E FRAUENPREIS, [redacted]
STEVEN M FREED, [redacted]
PAUL F FREITAS, [redacted]
MICHAEL D FUGIT, [redacted]
JULIEMARIE GERICK, [redacted]
PAUL M GIBBS, [redacted]
JOSEPH A GIOVANNINI, [redacted]
RICHARD S GIST, [redacted]
STEVEN P GOFF, [redacted]
ROBIN S GOSSUM, [redacted]
CARON JO GRAY, [redacted]
GREGORY S GROSE, [redacted]
BRIAN A GUNTER, [redacted]
EVAN C GUZ, [redacted]
KENT L HAGGARD, [redacted]
RYAN T HAGINO, [redacted]
JEFFREY L HAMILTON, [redacted]
CYNTHIA K HAMPSON, [redacted]
DENISE L HARKINS, [redacted]
F THOMAS HARKINS, [redacted]
STEVEN J HARLINE, [redacted]
TYLER E HARRIS, [redacted]
HOWARD S HAYNES, [redacted]
JAMES W HAYNES, [redacted]
TINA S HAYNES, [redacted]
MICHAEL J HEARD, [redacted]
AUGUST S HEIN, [redacted]
MARK B HEINONEN, [redacted]
ROBIN R HEMPHILL, [redacted]
CHARLES A HENDERSON, [redacted]
ALAN W HENLEY, [redacted]
BARRY S HIGHBLOOM, [redacted]
BARBARA A HILGENBERG, [redacted]
PETER D HOLT, [redacted]
CHARLES HOPE II [redacted]
JOSEPH A HOWARD, [redacted]
DANILO H HOYUMPA, [redacted]
TADD T C HSIE, [redacted]
IDA E HUANG, [redacted]
MARK E HUBNER, [redacted]
ROGER L HUMPHRIES, [redacted]
PAUL W HUSER, [redacted]
KIRK J HUTJENS, [redacted]
RICHARD G IHNAT, [redacted]
TERRI ANN IMUNDO, [redacted]
LAURA O JACOBS, [redacted]
JULI G JEFFREY, [redacted]
JEFFERY R JENKINS, [redacted]
LISA JOYCE JERVIS, [redacted]
OLIVER W JERVIS, JR. [redacted]
JAMES W JOHN, [redacted]
CHARLES E JOHNSON, [redacted]
DWIGHT C JOHNSON, [redacted]
MICHAEL A JOHNSON, [redacted]
KAY A JOHNSTON, [redacted]
JOHN D JOSEPHS, [redacted]
CAESAR A JUNKER, [redacted]
HAROLD KAFTAN, [redacted]
BRENT L KANE, [redacted]
TIMOTHY J KAPPEL, [redacted]
TIMOTHY E. KEHN, [redacted]
THOMAS E KEHN, [redacted]

DANIEL KELETI, [redacted]
MARK J KELLEN, [redacted]
TONI C KILYK, [redacted]
COLIN M KINGSTON, [redacted]
MARY K KLASSEN, [redacted]
ALEXANDER KLYASHTORNY, [redacted]
MARK A KOENIGER, [redacted]
LINDA K KOLLROSS, [redacted]
KIM R KOSTER, [redacted]
ANDREA S KRISTOFY, [redacted]
TIMOTHY F KURT, [redacted]
KRISTEN J LANCASTER, [redacted]
ROGER I LANE, [redacted]
KEITH R LAYNE, [redacted]
KARI A LEIKERT, [redacted]
DANIEL J LENIHAN, [redacted]
MICHAEL W LENIHAN, [redacted]
WILLIAM F. LIGON, [redacted]
TIMOTHY W LINEBERRY, [redacted]
RICHARD J LOCICERO, [redacted]
KELLY T LOCKE, [redacted]
DON C LOOMER, [redacted]
PAUL T LORENTSEN, [redacted]
DANIEL L LOTT, [redacted]
DOUGLAS A LOUGEE, [redacted]
LAURIE P LOVELY, [redacted]
MICHAEL E LYNCH, [redacted]
WILLIAM S. MAHER, [redacted]
PATTI W MANNING, [redacted]
JEFFREY A MARCHESSAULT, [redacted]
ELIZABETH A MARKOWITZ, [redacted]
AREVALO DEANDRA L MARTIN, [redacted]
EDWARD F MARTINEK, [redacted]
JOHN C MATTEUCCI, [redacted]
DANIEL E MATTHEWS, [redacted]
MARION B MAZZOLA, [redacted]
COLLOM ANCE E MC., [redacted]
FRANCIS M MCCABE, [redacted]
DARYL M MCCLENDON, [redacted]
THOMAS C MCFADDEN, JR, [redacted]
JOSEPH P MCGRAW, [redacted]
SCOTT E MCGUIRE, [redacted]
PAUL C MCLOONE, [redacted]
SHELLY MEWES MCNAIR, [redacted]
JEFFRY P MENZNER, [redacted]
CHERYL A MEYERS, [redacted]
ERIC D MILLER, [redacted]
CYNTHIA A MOFFETT, [redacted]
DAVID C MOOTH, [redacted]
CHARLES E MORRIS, [redacted]
WILLIAM B MORRISON, [redacted]
GREGORY J MORSE, [redacted]
MYRON E MORSE, [redacted]
LINDA K NAKANISHI, [redacted]
ROBERT J. NARDINO, [redacted]
JEFFREY C NARY, [redacted]
KAY M NELSEN, [redacted]
ERIC A NELSON, [redacted]
PAUL B NELSON, [redacted]
ANN A T NGUYEN, [redacted]
DUC C NGUYEN, [redacted]
STEVEN A NGUYEN, [redacted]
CAROL M NIBERT, [redacted]
MARQUIS J NUBY, [redacted]
CHRISTOPHER A NUSSER, [redacted]
LAWRENCE R NYCUM, [redacted]
JOHN W OBBINK, JR, [redacted]
ERIC T ORTINAU, [redacted]
LAURA B OSTEZAN, [redacted]
RORY G OWEN, [redacted]
CHRISTOPHER G PALMER, [redacted]
ANDREA L PANA, [redacted]
PATRICK M PANCOAST, [redacted]
DOMIAN PAONESSA, [redacted]
MARK RANDALL PARSON, [redacted]
ANJA A PATTON, [redacted]
RHONDA L PERRY, [redacted]
MICHAEL J PHILLIPS, [redacted]
THOMAS R PIAZZA, [redacted]
JOSEPH J PIERCE III, [redacted]
EMILY W PIERCEFIELD, [redacted]
LLOYD A PIERRE, JR, [redacted]
JOHN A PILCHER, JR, [redacted]
CHRISTOPHER D PITTS, [redacted]
HELEN G POREMBA, [redacted]
JOHN A POREMBA, [redacted]
DANA E POWELL, [redacted]
GEORGE E POWELL, [redacted]
LEONARDO C PROFENNA, [redacted]
DAVID M RASMUSSEN, [redacted]
CYNTHIA L RAUH, [redacted]
MARVIN LEE RAY, [redacted]
DENNIS G REID, [redacted]
RICHARD C RENO, [redacted]
JENNIFER M RHODE, [redacted]
STEVEN G RICHARDSON, [redacted]
BRAD A RICHTER, [redacted]
PHILLIP C RIDDLE, [redacted]
MONICA J RIECKHOFF, [redacted]
EDWIN D RISENHOOVER, [redacted]
MEGAN A RITTER, [redacted]
ANTHONY S ROBBINS, [redacted]
KENNETH C ROBERTS, [redacted]
DALE C ROBINSON, [redacted]
KATHLEEN M RODRIGUEZ, [redacted]
JOHN D ROGERS, [redacted]
DANIEL N RONEL, [redacted]
MELANIE A ROSCOE, [redacted]
PETER W ROSS, [redacted]
DAVID M ROWLES, [redacted]
BARBARA A RUGO, [redacted]
ROBERT E RUPP, [redacted]
STEVEN R SABO, [redacted]
JOHN D SALMON, [redacted]
LEE G SALTZGABER, [redacted]
TOM J SAUERWEIN, [redacted]
KEVIN S L J SAWCHUK, [redacted]
ROSS J SCALESE, [redacted]
ERIC M SCHACKMUTH, [redacted]
WILLIAM G SCHAEFFER, [redacted]
LENA C SCHAFFER, [redacted]
ROBERT L SCHELONKA, [redacted]
JOSEPH C SCHMIDT, [redacted]
RUSSELL D SCHROEDER, [redacted]
DEAN A SCHULTZ, [redacted]
JOHN R SCHULTZ, [redacted]
RANDALL H SCHUSTER, [redacted]
JAY P SCHWARTZ, [redacted]
SCOTT M SELL, [redacted]
MARK E SHAFFREY, [redacted]
STEVEN M SHARP, [redacted]
PAUL J SHAUGHNESSY, [redacted]
MICHELE T SIBLEY, [redacted]
CHUNG M SIEDLECKI, [redacted]
MARC ANTHONY SILBERBUSCH, [redacted]
MARIO A SILVA, [redacted]
THEODORE P SKAARUP, [redacted]
STEPHEN X SKAPEK, [redacted]
SCOTT C SLATTERY, [redacted]
ANN E SNEIDERS, [redacted]
MICHAEL D SOE, [redacted]
DAVID D SPAULDING, [redacted]
RICHARD E STANDAERT, JR, [redacted]
RICHARD T STEFFEN, [redacted]
BRUCE E STERNKE, [redacted]
WILLIAM A STINNETTE, [redacted]
ERIC B STONE, [redacted]
STEPHEN E STONEHOUSE, [redacted]
KEITH R STORTS, [redacted]
PRAVEEN K SUCHDEV, [redacted]
JUDITH A SUTTER, [redacted]
STEVEN G SUTTON, [redacted]
SUSAN L SWARDCOMUNELLI, [redacted]
TODD C SWATHWOOD, [redacted]
JOHN N SWEENEY, [redacted]
EDWARD J SZABO, [redacted]
ROBERT F TAKACS, [redacted]
ERIC A TAYLOR, [redacted]
NEAL R TAYLOR, [redacted]
MICHAEL D TEAGUE, [redacted]
DENISE J TEASLEY, [redacted]
ANGELA R THOMAS, [redacted]
JERRY R THOMAS II, [redacted]
WILLIAM A. THOMAS, JR., [redacted]
CHRISTOPHER M. THOMPSON, [redacted]
TOMMY C. THOMPSON, [redacted]
DOUGLAS S. TICE, [redacted]
CHRIST J. TOCORAS, [redacted]
ROGER L. TOLAR, JR, [redacted]
GEOFFREY Y. TOM, [redacted]
RAFAEL TORRES, [redacted]
CHRISTINE M. TOTH, [redacted]
TERRENCE L. TRENTMAN, [redacted]
LYNETTE K. TUN, [redacted]
DANIEL R. TURNER, [redacted]
JAMES P. VANDECAR, [redacted]
DAVID A. VELLING, [redacted]
JEFF P. VISTA, [redacted]
DAVID M. WALKER, [redacted]
RUSSELL L. WALKER, [redacted]
ANDREW J. WALTER, [redacted]
ELIZABETH A. WALTER, [redacted]
JOHN M. WARNER, [redacted]
BILL P. WATSON, [redacted]
GERALD S. WELKER, [redacted]
JOHN W. WHELAN, JR, [redacted]
MICHAEL R. WILMINGTON, [redacted]
SCOTT L. WILSON, [redacted]
TRACY J. WINTERS, [redacted]
JOHN C. WITT, [redacted]
LINDA L. WOLBERS, [redacted]
DANNY A. WOLFGRAM, [redacted]
RANDY J. WOODS, [redacted]
LUN S. YAN, [redacted]
LYNNE MILLER YANCEY, [redacted]
EDWARD L. YANG, [redacted]
JESSICA R. YBANEZMORLAND, [redacted]
CHI HWA YEH, [redacted]
CHRISTOPHER T. YOUNG, [redacted]
SCOTT ZAGER, [redacted]
PAUL R. ZIMNIK, [redacted]
RICHARD M. ZWIRKO, [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTION 624 OF TITLE 10, U.S.C. THE OFFICERS MARKED BY AN ASTERISK (*) ARE ALSO NOMINATED FOR REGULAR APPOINTMENT IN ACCORDANCE WITH SECTION 531 OF TITLE 10, U.S.C.

DENTAL CORPS

To be colonel

LOREN D. ALVES, [redacted]
WILLIAM R. BACHAND, [redacted]
MICHAEL K. BAISDEN, [redacted]
JOHN H. BARKER, [redacted]
MICHAEL S. BARTELT, [redacted]
RICHARD A. BASS, [redacted]
MARK H. BEACH, [redacted]
SIDNEY A. BROOKS, [redacted]
JOHN S. BROUSSEAU, [redacted]
PAUL J. BUCCIGROSS, [redacted]
MARY H. BURKE, [redacted]
JOHN M. CARUSO, [redacted]
ANDREW J. CASSIDY, [redacted]
ANDREW D. CHANDLER, [redacted]
HUNTER R. CLOUSE, [redacted]
JOHN M. DHANE, [redacted]
EGGLESTON J. FAULK, [redacted]
CARLTON J. FLOYD, [redacted]
JEFFREY G. FOERSTER, [redacted]
JAMES M. GERGELY, [redacted]
DAVID G. GILLON, [redacted]
BILL G. GOBLE, [redacted]
JAMES N. HAMILTON, [redacted]
WILLIAM S. JOHNSON, [redacted]
JOSEPH J. JURCAK, [redacted]
DAVID G. KERNS, [redacted]
VAL L. KUDRYK, [redacted]
BYRON W. LINDSAY, [redacted]
WILSON J. LUCIANO, [redacted]
PAUL A. LUTTRELL, [redacted]
JOHN D. MAYO, [redacted]
RICHARD J. MCCLAVE, [redacted]
MICHAEL J. MCGOWAN, [redacted]
STANLEY J. MCNEME, [redacted]
ROBERT D. MEYER, [redacted]
RONALD W. MIKALOFF, [redacted]
BARRY D. MOORE, [redacted]
FRANCIS E. NASSER, [redacted]
NORMAN W. OTT, [redacted]
DANIEL M. PIETZ, [redacted]
KEVIN D. PLUMMER, [redacted]
DIANE M. POLLICK, [redacted]
JOSEPH R. POTOKY, [redacted]
THOMAS C. RAKER, [redacted]
DANIEL R. RAVEL, [redacted]
ROBERT B. REICHL, [redacted]
ROBERT B. SCHANZER, [redacted]
MICHAEL H. SHAHAN, [redacted]
GURBHAJAN SINGH, [redacted]
EDWARD A. SOUZA, [redacted]
THOMAS A. SULLIVAN, [redacted]
MCCOMBS K. TILLMAN, [redacted]
GARY J. VALIANT, [redacted]
MACK A. WARREN, [redacted]
MICHAEL E. WERNER, [redacted]
EUGENE WEST, [redacted]
LESLEY A. WEST, [redacted]
DAVID C. WILLIAMS, [redacted]
JOSEPH A. WINEMAN, [redacted]
TERRY ZETTLEMOYER, [redacted]

MEDICAL CORPS

To be colonel

ARNOLD A. ASP, [redacted]
DONALD D. * BAILEY, [redacted]
RICHARD * BEDNARCZYK, [redacted]
PAUL M. BENSON, [redacted]
SAMUEL P. * BOEHM, [redacted]
MICHAEL E. COATS, [redacted]
LYDIA A. COFFMAN, [redacted]
LIMONE C. * COLLINS, [redacted]
WILLIAM F. * DAVITT, [redacted]
NANCY A. DAWSON, [redacted]
MARGRETTA M. * DIEMER, [redacted]
THOMAS A. * DILLARD, [redacted]
DAVID P. * DOOLEY, [redacted]
MARSHALL V. * DRESSEL, [redacted]
EDWARD M. EITZEN, JR, [redacted]
ARN H. * ELIASSON, [redacted]
NATHAN ERTESCHIK, [redacted]
DOUGLAS W. * FELLOWS, [redacted]
CHARLES W. FOX, [redacted]
DEAN R. * GIULITTO, [redacted]
LARRY J. * GODFREY, [redacted]
DANIEL GORDON, [redacted]
STEVEN F. GOUGE, [redacted]
WILLIAM J. GRABSKI, [redacted]
ELDER GRANGER, [redacted]
STEVEN A. GREENWELL, [redacted]
MILO L. * HIBBERT, [redacted]
RALPH M. HINTON, [redacted]
KENNETH J. HOFFMAN, [redacted]
GWENDOLYN * HOLEMAN, [redacted]
RAYMOND A. * HOWARD, [redacted]
STEPHEN C. INSCORE, [redacted]
JONATHAN H. JAFFIN, [redacted]
KEVIN T. * JAMES, [redacted]
JAMES E. JOHNSON, [redacted]
DELBERT E. * JONES, [redacted]
STEPHEN R. * JONES, [redacted]
MARTIN G. JOURDEN, [redacted]
JOHN M. KIRK, [redacted]
MARGARET J. KNAPP, [redacted]
DANIEL H. KNODEL, [redacted]
JENICE N. * LONGFIELD, [redacted]
DAVE E. LOUNSBURY, [redacted]
PHILLIP L. MALLORY, [redacted]
SAMUEL K. * MARTIN, [redacted]
MICHAEL D. * MATSON, [redacted]
RONALD A. MAUL, [redacted]
MARTHA MCCOLLOUGH, [redacted]
THOMAS C. * MICHELS, [redacted]
JAMES G. MILLER, [redacted]
OPHELIA * PATTERSON, [redacted]
THOMAS * PENNINGTON, [redacted]
JAMES A. PFAFF, [redacted]
THOMAS * QUARNSTROM, [redacted]
KRISTIN B. RAINES, [redacted]
KATY L. * REYNOLDS, [redacted]
PAUL B. * ROCK, [redacted]
JOSE L. SANCHEZ, [redacted]

WAYNE A. SCHIRNER, [redacted]
GILBERTO * SOSTRE, [redacted]
LEONARD C. SPERLING, [redacted]
MERLE S. SPRAGUE, [redacted]
LAIRIE O. * STABLER, [redacted]

ROGER W. STRICKLAND, [redacted]
RITA L. * SVEC, [redacted]
GREGG W. TAYLOR, [redacted]
MARK S. * TAYLOR, [redacted]
RAY U. TOMKINS, [redacted]

RONALD P. * TURNICKY, [redacted]
PHILIP VOLPE, [redacted]
WILLIAM O. WALKER, [redacted]
HERBERT G. WHITLEY, [redacted]
JOSEPH F. * YETTER, [redacted]

HOUSE OF REPRESENTATIVES—*Monday, January 22, 1996*

The House met at 2 p.m. and was called to order by the Speaker pro tempore [Mr. EVERETT].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 22, 1996.

I hereby designate the Honorable Terry Everett to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, from whom comes every good and perfect gift, we offer our thanks for this new day and new opportunities. As we open our hearts to Your grace and heed Your Word, may we be transformed by the renewing of our minds and spirit, so all that which hinders or hurts is put aside and that which redeems and reforms and forgives remains with each of us. With gratitude and praise we offer these words of prayer together with the private petitions of our hearts, asking You to bless us and keep us this day and all the days long. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas [Mr. SMITH] come forward and lead the House in the Pledge of Allegiance.

Mr. SMITH of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1260. An act to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes.

S. Con. Res. 39. Concurrent resolution providing for the State of the Union Address by the President of the United States.

PERMISSION TO HAVE UNTIL MIDNIGHT, TO FILE CONFERENCE REPORT ON S. 1124, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. STUMP. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight, to file a conference report on the Senate bill (S. 1124) National Defense Authorization Act for 1996.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

JOINT SESSION OF CONGRESS—STATE OF THE UNION ADDRESS

The SPEAKER pro tempore laid before the House a Senate concurrent resolution (S. Con. Res. 39), which was read by the Clerk, as follows:

S. CON. RES. 39

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, January 23, 1996, at 9 p.m., for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

END CLINTON SNOW JOB

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, as Washington, DC, recently struggled to dig out from the worst blizzard in years, Americans from across the Nation began to see through the Clinton snow job.

Consider the thoughts of a constituent, friend, and relative, Linda Seeligson from San Antonio. She rightly fears that the President's opposition to entitlement reform and lower taxes will steal our children's future. She sees through the President's Mediscare tactics. And she resents the President's use of generational warfare to pit parents against children, employers against employees, and workers against retirees.

Millions of Americans agree. They reject the politics of envy and class warfare. They have real compassion for working families who must work longer to pay for big Government. They're tired of a welfare state paid for by the middle class. And they seek to replace this welfare state with an opportunity society built on personal responsibility.

Bill Clinton ran for office claiming to represent the people who do the work, pay the taxes, and raise the children. Americans like Linda Seeligson want a balanced budget, lower taxes, and less government.

And they want an end to the Clinton blizzard of more spending and higher taxes.

DEFAULT THREAT HINTED AT WAS WAY TO SETTLE BUDGET

(Mr. BENTSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, a week ago, the chairman of the Committee on the Budget, Mr. KASICH, said that the Republicans had abandoned the idea of shutting down the Government and defaulting on the national debt. But yesterday, my colleague from Texas, the majority leader, Mr. ARMEY, said that default on the debt was again a threat, right here on the front page of the New York Times and on every paper across this country.

Mr. Speaker, I guess it is a case of dumb and dumber. It was dumb to shut down the Government; it is dumber to default on the debt of the Government. My Republican friends say we are doing this budget that cuts Medicare and Medicaid to do it for our children and our grandchildren. But the Republican plan is to hurt homeowners and to leave our children and grandchildren with a mountain of bad debt.

KEEP THE SEC FUNDED

(Ms. LOFGREN asked and was given permission to address the House for 1

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

minute and to revise and extend her remarks.)

Ms. LOFGREN. Mr. Speaker, I have studied the materials about the Government shutdown that could happen this Friday. I'm worried about something nobody seems to be talking about—funding for the Securities and Exchange Commission.

I'm not an expert on the SEC; not many Members are. But, I know when the Stock Market crashed in 1929, it didn't do America much good. The SEC is supposed to keep that from happening again.

I have a letter from the SEC that says, "in the event of a disruption in funding . . . we fear the protection of investors and capital formation could be seriously hampered and it would seriously compromise the SEC's ability to oversee the securities markets . . . and could hamper the agency's ability to react quickly in the event of a market disruption."

The SEC would be unable to respond to requests for Commission action to facilitate capital raising, mergers and acquisitions, and tender offers. Initial public offerings couldn't move forward.

I represent Silicon Valley. How will America be improved if the high-tech, cutting-edge companies of Silicon Valley are stopped from raising Capital through IPO's?

We have 4 days to act—to fund the SEC at last year's level. Let's protect America's economy and get that job done tomorrow.

Mr. Speaker, I include for the RECORD the following material:

U.S. SECURITIES AND
EXCHANGE COMMISSION,
Washington, DC, January 19, 1996.

Hon. HAROLD ROGERS,
Chairman, Appropriations Subcommittee on Commerce, Justice, and State, the Judiciary, and Related Agencies, House of Representatives, Washington, DC.

DEAR CHAIRMAN ROGERS: We are writing to request your help in the upcoming negotiations for a new Continuing Resolution or appropriation action. We strongly urge you to support language that maintains the SEC's 1005 funding level of $297 million and maintains the fee rate at the current rate of 1/29th of one percent of the offering amount. In the event of a disruption in funding authority for the Securities and Exchange Commission, we fear the protection of investors and capital formation could be seriously hampered. In addition, the amount of money deposited into the U.S. Treasury from SEC filing fees would be reduced.

In our view, operating at this minimal emergency level would seriously compromise the SEC's ability to oversee the securities markets. The impact of a disruption in the SEC's funding authority would include:

No new investigations. Enforcement staff would be unable to open new cases. While emergency actions to freeze assets or otherwise protect assets would be permitted under the contingency plan, the agency's ability to detect developing situations which present imminent threat to investor assets would be impaired.

No work on existing investigations. Enforcement staff would have to cease ongoing investigative activity, except where appearances in court are required or investor funds are at active risk.

No review of corporate filings except in emergency situations. The normal processing of corporate filings by companies seeking to raise capital in the markets would be significantly impaired.

No regular examinations except in emergency situations. There are certain inspections that the SEC conducts regularly and continually; during a funding disruption, regular examinations and inspections of broker-dealers, investment companies, and investment advisers could not be performed. The absence of such reviews, in the worst case, could place the assets and retirement funds of investors at risk. The agency's ability to detect situations that present imminent threat to investor assets would be impaired.

No review of periodic filings. Quarterly and annual reports would not be reviewed. The assurance of adequate financial disclosure for investment decisions could be compromised.

Limited market oversight. A funding disruption would reduce market monitoring staffing to skeletal levels and could hamper the agency's ability to react quickly in the event of a market disruption. Regular inspections of stock exchanges and markets would cease.

No review of stock exchange (NYSE, AMEX, NASD, etc.) pending rule proposals except in emergency situations. The ability of exchanges to respond in a timely fashion to changing market conditions and to introduce new products will be hampered without SEC approval of their filings.

No transactional assistance except in emergency situations. The staff would not be able to respond to regular requests for exemptions or other necessary Commission action to facilitate capital raising activities, mergers and acquisition transactions, and tender offers.

During the government-wide shutdown which occurred November 14 through November 20, the fee rate for registration statements filed pursuant to Section 6(b) of the Securities Act of 1933 reverted to the statutory rate of 1/50th of one percent from its current rate of 1/29th of one percent. Had the fee rate not been restored to 1/29th of one percent in a subsequent continuing resolution, the U.S. Treasury would have lost approximately $30 million.

As you know, the SEC is funded through the Commerce-Justice-State (CJS) appropriations bill, which was vetoed by President Clinton on grounds unrelated to the SEC. The SEC portion of the CJS bill, however, is non-controversial. It would provide the SEC with funding at its fiscal 95 level of $297 million, and provide the SEC with authority to continue to collect securities fees to offset much of its appropriation.

The SEC is a very small agency that is charged with a very large mission: promoting the fairness, efficiency, and preeminence of our nation's securities markets. We are aware of the many challenges you face and difficult decisions you must make in the days ahead. We respectfully request that you seriously consider the SEC's funding.

Sincerely,

STEVEN M.H. WALLMAN,
Commissioner.

[From the San Jose Mercury, Jan. 6, 1996]

WHY SEC CLOSURE HURTS TECH FIRMS

(By Steve Kaufman)

The initial public stock offerings of 60 technology companies—including about 10 technology firms based in Silicon Valley—are in jeopardy because of the pending shutdown of the Securities and Exchange Commission next week.

U.S. Rep. Zoe Lofgren, D-San Jose, said Friday the SEC is among the agencies that have been omitted from a list of those that will get interim funding until the resolution of the federal budget impasse. The SEC, which regulates the U.S. financial markets, must approve IPOs.

IPOs are one of the hottest market segments. Some IPO experts said the freeze in IPOs could have a negative effect on the companies involved, even if it is short-lived. They are fast-growing companies in rapidly changing markets. Such companies may lose brief opportunities to market their products if they don't quickly collect the capital they expect from the public sale of their stock, experts said.

For a company competing in Internet software or in medical devices, for example, "even a delay of a few weeks could mean lost market share and customers," said Kathy Smith, an analyst at Renaissance Capital, a Greenwich, Conn., institutional research firm that specializes in IPOs.

IPO watchers couldn't believe that the SEC plans to close, albeit temporarily. Because the nation's financial markets remain open, they said, its functions are essential. Smith said the closing, however brief, could damage the reputation of the U.S. markets as the most efficient and best regulated in the world.

"An SEC shutdown tells the world that maybe the U.S. financial markets aren't as dependable as it thought they were," Smith said.

According to Securities Data Co., a Newark, N.J., financial market research firm, 80 IPOs valued at $2.32 billion have been approved by the SEC and will begin to go public next week.

But Renaissance Capital added that 60 more IPOs—including 41 technology companies—are expected to go public in January and February and are in various stages of the SEC IPO approval process. Smith believes that all but one of these deals will be snagged by an SEC shutdown, which reportedly could occur toward the end of next week. In aggregate, these deals are valued at about $2 billion.

An SEC shutdown could affect the entire IPO market, not just the latest round of newcomers. But it is unclear whether that impact would be negative or positive.

It could be negative because a hot IPO market already has made investors nervous, IPO watchers say. Any unexpected problem could deflate interest in IPOs and conceivably pummel prices. "The market could lose a lot of momentum—and at a time when a lot more deals are ready to roll out," said David Gleba, chairman of Ventureone Corp., a San Francisco venture capital research firm.

On the other hand, Gleba said, a pause in the IPO market might provide a needed break. The breather could reduce speculative froth and ultimately lengthen the life of this cycle. "In the long term, this could actually turn out to be a positive," Gleba said.

Unlike others, Gleba was also ambivalent about the impact on delayed IPOs.

"Anything that risks getting money to grow your business is bad news," he said. On the other hand, he said, the timing of IPO deals has always been flexible, with no guarantee when deals will occur. Good IPO candidates are able to delay offerings by months, or even a year, an advantage because the stock market environment could change and no longer be favorable for an IPO.

HOUSE SHOULD ENACT A CLEAN DEBT CEILING

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, this House should enact a clean debt ceiling, and we should do it soon. The full faith and credit of the U.S. Government is not a political tool. It is one of the cornerstones of our economic stability. Its preservation is not a matter of politics; it is a matter of governance. It is one of the responsibilities that comes with being in the leadership in this House.

Over the last months, Members of this House insisted that Government shut down to force agreement on a balanced budget. We all saw the difficulties, inconveniences, waste, and other awful things that resulted. But the march of folly continues. Now there is talk of forcing default unless the majority's agenda is adopted.

There is no justification for this. This is an issue we agree on in substance. The long-term extension of the debt ceiling was contained in the reconciliation bill, and it is also the same number asked by the administration, $5.5 trillion. We should not be at this time teetering on the brink of default. We should not be playing games with this issue.

Mr. Speaker, I urge my colleagues to support a clean debt ceiling. Let us do it quickly and not to things that should not happen.

TIME FOR NEGOTIATION ON BUDGET

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, here is what Republican Budget Chairman JOHN KASICH said in November about the budget negotiations: "Frankly, we don't ask for a lot. We ask for nothing more than a commitment to do this in a 7-year period. The priorities within that 7-year plan are negotiable."

The President has done his part. He has given Republicans a 7-year balanced budget using their economic assumptions. But now, Republicans want to move the goalpost in the middle of the game.

Now, Mr. KASICH and his colleagues say they will not negotiate on the budget priorities. Mr. KASICH, keep your word and negotiate. For 220 years, that's how this democracy has worked. Let's make it work again. Government shutdowns, defaults on our debt—these tactics are an affront to democracy. It's time for people of good will from both parties to do what's best for our country. It's time to balance the budget while protecting Medicare, Medicaid, education, and the environment. The President's door is open.

TIDE OF PRO-LIFE BATTLE TURNING

(Mr. DORNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN. Mr. Speaker, what a pleasure to take the well of the House on this pro-life day. That is the mud of the White House lawn and the Ellipse, Mr. Speaker, you see on my shoes and on the trousers of the suit that I wore the day I nominated George Bush for President.

Following House rules here, because I just found out I cannot hold a little baby in my arms, here is Peg over here. Come here, Peg, just so I can use you as an A-frame.

This is Molly Christine Oona Dornan, number 10 BOB and Sally DORNAN grandchild; mommy Theresa doing well. She is 10 days old. She came a few days later than that Friday I said she was due any minute. That was a false alarm.

I now have five grandsons and five granddaughters and five grown wonderful kids. There is still a bachelor out there. God willing, there will be more to come. This little Molly O. Dornan is 10 days a person. But you know what I said to 75,000 pro-lifers today? We All know she was a person 20 days ago, 10 days before she was born, or 10 seconds or 10 minutes or 5 minutes, right up to the moment of conception.

We are going to win this pro-life battle, and the biggest battle is 288 days from today, putting a pro-life couple in the White House.

I yield back the balance of my time, and take little Molly in my arms again.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind the Member not to use others who are not Members as props on the floor.

BALANCED BUDGET PLAN DOES EXIST

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, first I would say congratulations to Grandpa DORNAN on his newest grandchild.

Mr. Speaker, as I was back home this last 2 weeks for the district work period, we had a lot of town hall meetings. I spoke with many other groups. For Mr. DORNAN's grandchild and other grandchildren and our children throughout this whole country, folks told me we need a balanced budget, we must have a balanced budget.

I say to my friends on this side of the aisle, there are actually three balanced budgets pending before the House that will meet the Congressional Budget Office requirement to balance the budget within 7 years. But of the three plans, what the voices from home told me is they need to balance the budget while protecting Medicare, education, and the environment. The plan the folks at home clearly supported was the plan that had the least amount of cuts in the Medicare programs. In fact, the folks back home are saying no tax breaks until we balance the budget.

So of those three plans, I hope we will look at those three plans in the next few weeks and actually in those three plans, let us look at the plan that has the least amount of cuts in Medicare, no cuts in education, that will protect our environment and balance the budget in 7 years. It can be done. That plan does exist.

HOUR OF MEETING ON TOMORROW

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. tomorrow for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, JANUARY 24, 1996

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that when the House adjourns Tuesday, January 23, 1996, it adjourn to meet at noon on Wednesday, January 24, 1996.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that the business in order on calendar Wednesday of this week may be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, January 10, 1996.
Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Wednesday, January 10, 1996 at 11:50 a.m. and said to contain a message from the President wherein he returns without his approval H.R. 4, the "Personal Responsibility and Work Opportunity Act of 1995."

With warm regards,
ROBIN H. CARLE,
Clerk, U.S. House of Representatives.

PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY ACT OF 1995—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-164)

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 4, the "Personal Responsibility and Work Opportunity Act of 1995." In disapproving H.R. 4, I am nevertheless determined to keep working with the Congress to enact real, bipartisan welfare reform. The current welfare system is broken and must be replaced, for the sake of the taxpayers who pay for it and the people who are trapped by it. But H.R. 4 does too little to move people from welfare to work. It is burdened with deep budget cuts and structural changes that fall short of real reform. I urge the Congress to work with me in good faith to produce a bipartisan welfare reform agreement that is tough on work and responsibility, but not tough on children and on parents who are responsible and who want to work.

The Congress and the Administration are engaged in serious negotiations toward a balanced budget that is consistent with our priorities—one of which is to "reform welfare," as November's agreement between Republicans and Democrats made clear. Welfare reform must be considered in the context of other critical and related issues such as Medicaid and the Earned Income Tax Credit. Americans know we have to reform the broken welfare system, but they also know that welfare reform is about moving people from welfare to work, not playing budget politics.

The Administration has and will continue to set forth in detail our goals for reform and our objections to this legislation. The Administration strongly supported the Senate Democratic and House Democratic welfare reform bills, which ensured that States would have the resources and incentives to move people from welfare to work and that children would be protected. I strongly support time limits, work requirements, the toughest possible child support enforcement, and requiring minor mothers to live at home as a condition of assistance, and I am pleased that these central elements of my approach have been addressed in H.R. 4.

We remain ready at any moment to sit down in good faith with Republicans and Democrats in the Congress to work out an acceptable welfare reform plan that is motivated by the urgency of reform rather than by a budget plan that is contrary to America's values. There is a bipartisan consensus around the country on the fundamental elements of real welfare reform, and it would be a tragedy for this Congress to squander this historic opportunity to achieve it. It is essential for the Congress to address shortcomings in the legislation in the following areas:

—Work and Child Care: Welfare reform is first and foremost about work. H.R. 4 weakens several important work provisions that are vital to welfare reform's success. The final welfare reform legislation should provide sufficient child care to enable recipients to leave welfare for work; reward States for placing people in jobs; restore the guarantee of health coverage for poor families; require States to maintain their stake in moving people from welfare to work; and protect States and families in the event of economic downturn and population growth. In addition, the Congress should abandon efforts included in the budget reconciliation bill that would gut the Earned Income Tax Credit, a powerful work incentive that is enabling hundreds of thousands of families to choose work over welfare.

—Deep Budget Cuts and Damaging Structural Changes: H.R. 4 was designed to meet an arbitrary budget target rather than to achieve serious reform. The legislation makes damaging structural changes and deep budget cuts that would fall hardest on children and undermine States' ability to move people from welfare to work. We should work together to balance the budget and reform welfare, but the Congress should not use the words "welfare reform" as a cover to violate the Nation's values. Making $60 billion in budget cuts and massive structural changes in a variety of programs, including foster care and adoption assistance, help for disabled children, legal immigrants, food stamps, and school lunch is not welfare reform. The final welfare reform legislation should reduce the magnitude of these budget cuts and the sweep of structural changes that have little connection to the central goal of work-based reform. We must demand responsibility from young mothers and young fathers, not penalize children for their parents' mistakes. I am deeply committed to working with the Congress to reach bipartisan agreement on an acceptable welfare reform bill that addresses these and other concerns. We owe it to the people who sent us here not to let this opportunity slip away by doing the wrong thing or failing to act at all.

WILLIAM J. CLINTON.
THE WHITE HOUSE, *January 9, 1996.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. BUNNING of Kentucky. Mr. Speaker, I ask unanimous consent that the message together with the accompanying bill be referred to the Committee on Ways and Means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO LIBYA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-165)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of July 12, 1995, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

1. On January 3, 1996, I renewed for another year the national emergency with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, all trade with Libya is prohibited, and all assets owned or controlled by the Libyan government in the United States or in the possession or control of U.S. persons are blocked.

2. There has been one amendment to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (FAC) of the Department of the Treasury, since my last report on July 12, 1995. The amendment

(60 Fed. Reg. 37940–37941, July 25, 1995) added three hotels in Malta to appendix A, Organizations Determined to Be Within the Term "Government of Libya" (Specifically Designated Nationals (SDNs) of Libya). A copy of the amendment is attached to this report.

Pursuant to section 550.304(a) of the Regulations, FAC has determined that these entities designated as SDNs are owned or controlled by, or acting or purporting to act directly or indirectly on behalf of, the Government of Libya, or are agencies, instrumentalities, or entities of that government. By virtue of this determination, all property and interests in property of these entities that are in the United States or in the possession or control of U.S. persons are blocked. Further, U.S. persons are prohibited from engaging in transactions with these entities unless the transactions are licensed by FAC. The designations were made in consultation with the Department of State.

3. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing 54 licensing determinations—both approvals and denials. Consistent with FAC's ongoing scrutiny of banking transactions, the largest category of license approvals (20) concerned requests by Libyan and non-Libyan persons or entities to unblock transfers interdicted because of an apparent Government of Libya interest. A license was also issued to a local taxing authority to foreclose on a property owned by the Government of Libya for failure to pay property tax arrearages.

4. During the current 6-month period, FAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made on or behalf of Libya. The Office worked closely with the banks to implement new interdiction software systems to identify such payments. As a result, during the reporting period, more than 107 transactions potentially involving Libya, totaling more than $26.0 million, were interdicted. As of December 4, 23 of these transactions had been authorized for release, leaving a net amount of more than $24.6 million blocked.

Since my last report, FAC collected 27 civil monetary penalties totaling more than $119,500, for violations of the U.S. sanctions against Libya. Fourteen of the violations involved the failure of banks or credit unions to block funds transfers to Libyan-owned or -controlled banks. Two other penalties were received from corporations for export violations or violative payments to Libya for unlicensed trademark transactions. Eleven additional penalties were paid by U.S. citizens engaging in Libyan oilfield-related transactions while another 40 cases involving similar violations are in active penalty processing.

In November 1995, guilty verdicts were returned in two cases involving illegal exportation of U.S. goods to Libya. A jury in Denver, Colorado, found a Denver businessman guilty of violating the Regulations and IEEPA when he exported 50 trailers from the United States to Libya in 1991. A Houston, Texas, jury found three individuals and two companies guilty on charges of conspiracy and violating the Regulations and IEEPA for transactions relating to the 1992 shipment of oilfield equipment from the United States to Libya. Also in November, a Portland, Oregon, lumber company entered a two-count felony information plea agreement for two separate shipments of U.S.-origin lumber to Libya during 1993. These three actions were the result of lengthy criminal investigations begun in prior reporting periods. Several other investigations from prior reporting periods are continuing and new reports of violations are being pursued.

5. The expenses incurred by the Federal Government in the 6-month period from July 6, 1995, through January 5, 1996, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately $990,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting UNSCR 883 in November 1993, the Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the Security Council in Resolutions 731 and 748, concerning the bombing of the Pan Am 103 and UTA 772 flights, constituted a threat to international peace and security. The United States will continue to coordinate its comprehensive sanctions enforcement efforts with those of other U.N. member states. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

WILLIAM J. CLINTON.
THE WHITE HOUSE, *January 22, 1996.*

COMMUNICATION FROM THE HONORABLE MARTIN R. HOKE, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable MARTIN R. HOKE, Member of Congress:

CONGRESS OF THE UNITED STATES,
Washington, DC, January 3, 1996.
Hon. NEWT GINGRICH,
Speaker of the House,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Rule L (50) of the Rules of the House of Representatives, this is to formally notify you that Thomas B. Boutall of my district office in Fairview Park, Ohio, has been served with a subpoena that was issued by the Cuyahoga County Court of Common Pleas (Ohio) in the matter of *Nix* v. *Hill.*

After consultation with the Office of General Counsel, it has been determined that compliance with the subpoena is consistent with the precedents and privileges of the U.S. House of Representatives.

Very truly yours,
MARTIN R. HOKE,
Member of Congress.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

EFFECT OF DEFAULTING ON THE NATIONAL DEBT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BENTSEN] is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, I am a new Member in this body and I am not one who comes down to the well to speak often, but having read through the papers this weekend and particularly today, I have become quite alarmed as a new Member of this 104th Congress to see that once again the majority leader and the majority party are advocating that we should default on our national debt. That is something that the United States, unlike many countries, has never done.

Mr. Speaker, it is something, if we were to default on the Treasury debt, that would preclude us from making payments to Social Security recipients, would preclude us from making payments to veterans benefits, but perhaps even more alarming is it would cause a dramatic rise in interest rates across the United States, affecting homeowners, people who are trying to buy their first home, families, people who are trying to take out loans to buy a car, kids who are trying to take out loans to go to college.

Quite frankly, it would probably drive this country into a recession, hardly a wise economic policy of the new majority.

But, Mr. Speaker, when you combine that with what the majority is proposing at this point in time after we have come off of what effectively has been a 3-week recess or adjournment, it now appears the majority has decided that we should adjourn until February 26 after we adjourn this Thursday.

Mr. Speaker, I started thinking about all the legislation that has not passed in this 104th Congress. We still are in a budget crisis, we still have not passed a number of our appropriations bills. But then the list goes on. We have the bank modernization, which is stalled. We have telecommunications reform, which is stalled. We have Superfund, which is stalled. We have not even taken up the water resources bill. We have immigration reform, which is stalled. We have housing reform, which is stalled. There is no talk of health care reform. But my constituents still ask about it. We have the safe drinking water bill, which is stalled. We have the clean water bill, which is stalled. We have the farm bill, which has heretofore disappeared.

Now, Mr. Speaker, it would appear in this monumental Congress, after 40 years of being in the minority, that the new majority, the Republican majority, would do something about it. While I was not around when Harry Truman was president and talked about the 83d Congress back in the 1950's as the do-nothing Congress, it would appear what we have now is the failed 104th, the failed 104th, which is incapable of doing the Nation's business.

Ms. LOFGREN. Mr. Speaker, will the gentleman yield?

Mr. BENTSEN. I yield to the gentlewoman from California.

Ms. LOFGREN. Mr. Speaker, as the gentleman is aware, I mentioned earlier this afternoon my concern that the Securities and Exchange Commission is supposed to run out of money completely on Friday. I know the gentleman has a strong background in financial markets. I am wondering what is his point about the debt ceiling, defaulting on the debt while the Securities and Exchange Commission has to shut down. Would that be helpful to America's markets and the economy of not only America, but the world?

Mr. BENTSEN. Reclaiming my time, I thank the gentlewoman from California for commenting. The fact that under our system of finance the companies would not be able to go public and raise capital so they could create new jobs is ridiculous. We have an economic rebound going on, we have GDP growing at a rate of about 2 to 3 percent right now. What we want are companies raising capital, investing in their infrastructure and their human capital potential to create more jobs.

Yet this Congress, under the Republican majority, believes we ought to shut down the Securities and Exchange Commission, we ought to shut down contracts for large companies like Rockwell and others that are working on the space shuttle and the space station so people will get laid off; we ought to default on the national debt so interest rates go up, companies lay people off.

That is not an economic strategy, that is an economic disaster.

Ms. LOFGREN. Mr. Speaker, for a further question, I know that I was in local government for many years, a year ago I was sitting in a local government office, and I had the opportunity to speak to some of my former colleagues over this 3-week break period. They are having a very tough time putting their budget together, because they do not know what the Federal Government is going to do. So I know that had I been back where I was year ago, no way would they walk away and adjourn for a month's paid vacation without this job done.

But I am aware a year ago you were in the private sector in the business world. I am wondering, in the private sector employment, would a man in your position have taken a month's paid vacation with this amount of work done?

Mr. BENTSEN. Absolutely not. This is no way to run a country. This is certainly a revolution, but it is the wrong kind of revolution.

THE BUDGET AND THE ROLE OF GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, it greatly concerns me, and I believe it concerns most Americans, that we may face the prospect of not having a budget this year. As we consider the proper role of Government, let us not forget the natural dangers we face.

Over the past days and weeks, many of the Northeast have been held in the grip of inclement weather.

First, it was record-level snow that shut down the Government, without one Member of Congress being here. More recently, it was uncontrollable flooding that left many unable to function and caused one of our largest States, Pennsylvania, to make a public appeal for Federal intervention.

If nothing else proves that we need a Federal Government that works and works for all of us—it is nature's wrath that makes the point. I hope the pundits are wrong—I hope we will pass a budget that is not only cost efficient, but civil.

We have terrestrial problems that we cannot handle. We do not need to create more problems by functioning in a less than civil way and by failing to govern.

□ 1430

STATE OF THE UNION

The SPEAKER pro tempore (Mr. EVERETT). Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] in recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, we are about to begin the business of the 104th Congress again, the second year of this session. Tomorrow we will hear the State of the Union Address from the President. I look forward to that State of the Union Address.

The State of the Union Address, I think, will point us the way for the immediate future. The State of the Union also might certainly size up where we are at this point. There are a lot of good things that can be cited in that State of the Union Address. A lot of great things have been accomplished by this President. The Union is in a much better state in many ways and the world is in a much better state in many ways than it was before he became President.

I take this opportunity to celebrate the liberation of Haiti. Haiti has a situation now which has moved like clockwork toward a permanent democracy. Everything that was promised by General Bertrand Aristide and his leadership has been allowed to unfold. Elections have been held.

President Aristide will be resigning, stepping down next month. President Aristide will be replaced by a president who has been elected by the people of Haiti. The entire hemisphere benefits from this stabilization of Haiti because it sent a message to all the other criminals who wanted to take over. All the criminal military regimes that might have wanted to raise their ugly heads and try to take over their governments from duly elected representatives have certainly not done so. We have a more stable hemisphere. We can look forward to have democracy expanding in this hemisphere as a result of the courageous actions taken by this administration in Haiti.

Also, I want to pause at this point to congratulate General Bertrand Aristide on his wedding. He has recently gotten married, I think it was yesterday. I take time to do that because on this floor on many occasions I have cited the wonders of the intellect and the temperament of General Bertrand Aristide, and in many cases it may appear that he may be some kind of little god. I have cited the fact that the man speaks eight languages. I have cited his long campaign against the oppression in Haiti, how he was nearly killed three times, guns were pointed at his head on three different occasions.

I have cited wondrous things that have happened to him and wondrous things that he has made happen. I think his marriage brought out some facts that shows that he is after all quite human. The announcement of the marriage said he was 40 years old. For the first time I realized that he is much younger than I am, this man that has accomplished so much for his country and set such a shining example for democratic leadership in this hemisphere.

So we want to congratulate President Aristide and congratulate the people who belong to his Lavalas Party in Haiti. We hope that they will not flinch, that they will, regardless of the circumstances, go forward and insist that democracy, the principles of democracy on which this liberation was based, will be carried forward by that government.

I also think it is time to celebrate the world being better off because of this courageous President's leadership in Yugoslavia. In Bosnia things are almost going like clockwork. We certainly are happy to see that deadlines that were set are being met. The Army of the United States, the military of the United States is there to assist in making peace happen. There is a clear framework for peace, and that peace is going forward.

I am proud of the fact that our Army could have no more noble mission in Yugoslavia. They will be feeding the hungry. They will be aiding the sick. They will be clothing the naked. They will be helping to provide shelter for the homeless. I can think of no more noble mission for an army than that, no more noble mission for a nation. So they represent a great deal of what this Nation is all about, and we salute them for that. The state of the world is better, and we are proud of the fact that we had the leadership of a President who made that happen.

Nineteen ninety-six will be a tumultuous year. There is no way we can avoid that. We hope that the Government would get back on track, that the legislative process will be allowed to go forward as it has for all the years that this Nation has existed, that there would be an end to the abuse of power by the leadership of the Republicans in the Congress, that that abuse of power we thought had sort of played itself out and that the common sense of the American people had indicated that they were not impressed and indeed they were quite upset by this continual abuse of power that is reflected in the shutdowns of the Government to obtain legislative goals, legislative ends.

The shutdown was an attempt to blackmail the executive branch. That blackmail did not work. The American people with all of their common sense could clearly see that the blackmail was coming from one side and attempted to distort the democratic process. I think that the polls clearly show that the common sense of the American people has prevailed and that they clearly see what is happening. So I am shocked to hear that perhaps there may be a shutdown.

The shutdown this time may go even further than the previous shutdown. There may be another shutdown. This time it may lead to a default, the Government of the United States defaulting on its debts, on its obligations. A shutdown is abuse of power, and a large number of people have been hurt by that abuse of power. A large number of human beings out there who did not deserve to be hurt had to go through a whole holiday season with no checks or only one check, weekly pay, all kinds of things which mean a great deal to people who are on an income based on weekly wages or monthly wages.

They could not afford, they could not reach into a big bank account. They could not live off their investments. There are a whole lot of people in the Republican Party who do not understand this. But they created a whole lot of misery. People suffered. It is all right to suffer for a good purpose, but it was totally unnecessary.

In addition to this abuse of power causing such suffering, we are now going to cause a hemorrhaging of our economic system here in this country. A default will certainly have terrible consequences. A default is economic suicide. I hope that the leaders of the Republican Party who are now waving the threat of default in order to get more concessions will reconsider and let the debate go forward.

The Speaker has clearly stated that the objective of the Republicans in this House is to remake America. They want to try to remake America in 2 years. That is their goal. I think it is unfortunate that remaking America is a goal to begin with. I think it is more unfortunate that they are going to try to remake America in 2 years.

I do not think America needs to be remade. I think we have institutions, we have agencies, we have programs, we have a large number of things that could be improved. There ought to be a process of refining. There ought to be a process of adjusting. There ought to be a process of trimming, streamlining. There are a number of things that can go forward without having the kind of revolutionary proposal that is embodied in a call to remake America. But if that is the way it is, the Speaker has the power and the leadership of the House has the power to set the parameters and determine the environment that we have to exist in, and that is the way it is.

Let us go forward in 1996 and deal with the drive to remake America. Let us look at the vision of America projected by the Republicans who control the House of Representatives and the Senate. Let us look at the vision of America projected by the President. I think the President will project some of his vision of America in his State of the Union Address tomorrow. I think the President in his behavior, the way the President has handled the budget certainly is a projection of part of his vision of America. The President has stood fast and insisted that in this remaking of America we shall not dump overboard the poorest Americans, we shall not dump overboard the powerless Americans. We shall not dump overboard the helpless Americans like children.

I think we heard earlier, less than an hour ago, a message of the President vetoing the Personal Responsibility Act. The Personal Responsibility Act is one of the most misnamed acts we might consider in a long time.

The President vetoed it and said: I want welfare reform; I started it. The President started the movement for welfare reform. I may not agree with all of his proposals. I certainly do not agree with the proposals made by the Republican majority in this House, but welfare reform is needed; reform, refinement, adjustment, streamlining, elimination of ridiculous parts of the program, making it work more effective administratively.

There are a lot things we need in welfare reform that are going to go forward, and the President is committed to that and it will happen. But I thank the President for vetoing the bill that was sent to him because it is not welfare reform. It is a destruction of a program to help the poorest people in our Nation.

Why have we used a hammer to bang on the program that provides aid to families with dependent children? The welfare reform program that was sent to the President by the Republicans was a program that was most cruel to children. It was a program which sought to end and still seeks to end the entitlement for children, the entitlement that is built into a part of the Social Security law.

There is a lot of concern about, are we going to tamper with Social Security, is Congress going to tamper with Social Security? Are the Republicans going to tamper with Social Security? Is Social Security safe? The answer is no, because most people do not know it, but aid to families with dependent children is part of the Social Security Act. Medicare is part of the Social Security Act. Medicaid is part of the Social Security Act. They are all part of Social Security. The part of Social Security which helps the people on the bottom, those who are deemed to be the least powerful, who are not voting, who do not vote, certainly, for Republicans when they do vote, that is the part that we have bludgeoned already with a hammer.

Aid to families with dependent children, $16 billion is the amount of money estimated for this program, aid to families with dependent children. That is less than we give to the farmers. The subsidies that go to farmers in various ways, cash subsidies, home mortgages and all kinds of various programs that go to farmers, those subsidies total far more than the aid to families with dependent children. The farmers do not have to pass a means test. People who get welfare, aid to families with dependent children, they must prove first that they need it. They must prove first that they are poor. So why are we bludgeoning them with a heavy hammer, when we refuse to touch these subsidies that farmers get who do not pass a means test? We tried to pass a bill on the floor of this House. I joined with the gentleman from New York [Mr. SCHUMER], on two occasions, a simple bill which said farmers who have income from whatever source of $100,000 or more per year should not qualify for the cash subsidy program. I think we got about 60 votes the first year we tried to pass that and about 57 or 58 the second time we tried to pass that. So the overwhelming sentiment, Democrats and Republicans, was do not touch the cash subsidies for the farmers whether they are in need of it or not. But let us go after the people on welfare. It is not because they are getting more than anybody else. It is not because they are unworthy really. It is because they have no power. It is because they do not vote for Republicans. It is because in too many cases they do not vote for anybody, and that is a message I hope that the people who are, the parents of those poor children who get the aid will understand.

In America, in the final analysis, you have a weapon. In the final analysis, the fact that you do not vote is the critical action that you take. By not acting, you act. So every person out there who is an adult responsible for receiving the benefits for children who are in the aid to families with dependent children, you owe it to the children, you are neglecting the children when you do not vote. You are neglecting the children when you do not participate in the political process. If you start voting and you vote blindly for anybody who gives you some kind of divergent argument, you are also neglectful of the children. Vote for the people who say that they are interested in children and back that up with their votes on programs like aid to families with dependent children.

I hope that as we go forward for the rest of 1996, there will be an election, you are aware of it, in November 1996. Before we get to November, of course, there are many other elections that are taking place. In Iowa, in New Hampshire, et cetera, this is an election year. So I hope that in this election year, we can continue to discuss the budget. I would like to see a budget agreement reached. I think the President has gone as far as he can go, however, I would not cry, if we do not reach one, if it is going to have to be reached at the expense of the people on the bottom and the President is going to have to give even more. I think the President has come a long way, and I am not happy and a lot of Democrats are not happy with the compromise that he has offered, which I think goes too far. But I admire him for stepping out there and trying to meet the Republicans halfway. I think he has gone more than halfway.

I hope that we do work out an agreement whereby we have a budget this year. The principle of a balanced budget, I do not agree with that, but it seems that most other people agree with it. So we will have a balanced budget.

I serve as the chairman of the Congressional Black Caucus alternative budget task force. We put a balanced budget on the floor of this House. We had to do it. In order to bring our budget and be able to discuss any of our ideas and our proposals, we had to come forward with a balanced budget. So we came forward with a balanced budget. The balanced budget we have submitted for the RECORD. It is in the RECORD.

We balanced the budget without cutting Medicaid. We balanced the budget without cutting Medicare. We balanced the budget and we increased education expenditures. We increased expenditures for job training. What we did was we cut defense, and that is a very reasonable proposition to cut defense, when the United States of America is spending more than all the other industrialized nations in the world put together, we are spending more than they are put together on defense. So it is possible to cut defense. This does not in any way hamper us in conducting noble missions like the liberation of Haiti or a mission to save the people of Bosnia from ethnic genocide.

There is still plenty of room for that, even if you cut the defense budget. So we cut the defense budget. But most of all we raised the tax burden of the corporations. We did two things. We closed corporate loopholes and we insisted that there be an increase in the taxes in certain places on corporations because corporations have steadily paid less and less of the income tax burden over the last 20 years. From 1943 to 1995, they have dropped from a corporate tax burden percentage of nearly 40 percent to a corporate tax burden now of about 11 percent, while individuals have gone up from their percentage of the tax burden being 27 percent to 48 or 49 percent in 1983, and now it is still as high as 44 percent. So we balanced the budget by implementing what I call revenue justice.

Let us have the revenue flow from the place where the most revenue is being generated. Corporations are making enormous profits. That sector of the economy is booming. Individuals and families are suffering. Their incomes have stagnated. They are not making as much in terms of real terms when you look at inflation as they were making 10 years ago. Minimum wages are far too low, way behind inflation. With all those factors under consideration, we hear tax cut. For families and individuals starting with the families and individuals at the bottom of the scale, in our Congressional Black Caucus budget we started at the bottom of the scale with families and individuals who are working families. We started by giving them some tax relief.

What is being proposed now by the Republicans is just the opposite. They are proposing to change the earned income tax credit which the Congressional Black Caucus fought very hard to expand 2 years ago. They want to change the earned income tax credit which means they are increasing the taxes on the poorest people. At the same time they want to give huge tax cuts for the richest people. They have their opinion. The Republicans in the House and Senate, they have a position. It is a clear position. I want to congratulate them for clearly enunciating and setting forth exactly what their vision of America is. They think America should provide more and more for the rich who have gotten more and more out of our economy over the past 20 years. They want to give them even more. They are clearly willing to state that. They are not hedging. They are not fudging. So there is a clear choice being presented to the American people.

I hope that we will keep our eyes on this process and keep the debate going. If they insist, if they want the tax cut at the same level that they have it, let us keep focused on that. Let us not back away from the argument about the level of taxes. Let us talk about the flat tax. Let us talk about the possibility of a national sales tax, value added tax. Let us talk about changing tax rates. Let us take a hard look at the tax policies across the board, because what has often happened in the 13 years that I have been here, I am in my 14th year, is that the tax policies and whatever dealt with taxes was discussed behind closed doors, was decided behind closed doors. They had some hearings and long lines of people would line up to go, and you could barely get into the Ways and Means meetings. And then when they made the final decision, of course, they had closed meetings.

Then they would come to the floor and you would have 1 or 2 hours to debate the most important issue in the country; that is, how are we going to get the revenues to run the fiscal affairs of the Nation. The shortest period of time to debate the most important topic.

I understand that one of my colleagues in the Democratic Party has proposed that special orders be taxed, that every Member who makes special orders should pay the cost of special orders, that whatever it costs to keep the staff here and the guards and the light bill, whatever, we should be charged that, each Member should have to pay that out of his budget.

My first reaction to that proposal—it came from a Democrat that I respect a great deal, it is not trivial. I understand her concern. My first reaction to that is that I would gladly, I would gladly advocate that there be no special orders of any kind if you will give every Member of Congress the right to speak for 5 minutes on any issue that is on the floor that they want to speak on. When the important issues come to this floor, if I had the right to speak for 5 minutes, I would surrender any other compensatory arrangements like 1-minutes and 5 minutes and 60 minutes, who needs it? The problem is that we are 435 Representatives of this Nation, people from across the Nation, and we seldom have a chance to speak on the most important issues. The 435 people in this House of Representatives spend less time talking on this floor than the 100 Members of the other body. The 100 Members of the other body spend more time debating on the floor than we spend for 435 Members in the House of Representatives.

The time is so tightly controlled. We have a Committee on Rules. And the amount of time spent on the floor here debating issues is in direct proportion to the importance of the issue as perceived by the leadership. If the leadership perceives an issue to be really important, they shorten the time greatly. You can check this with the records. This can be verified. It is not an empty statement that I am making.

On issues that they do not consider very important, we have open rules, unlimited debate. But never has a Ways and Means bill come to the floor in the 14 years that I have been here where there was an open rule, an unlimited debate.

If I had that privilege and that right to have at least 5 minutes to speak on a Ways and Means bill, at least 5 minutes to speak on a defense bill, by the time, if you have only 1 hour for each side, and there have been some times when there is only 30 minutes for each side, but if you have 1 hour for each side, by the time you get through the committee, the committee of jurisdiction and any Committee on Appropriations members who also relate to that particular item, the time is used up. If you are not on defense, if you are not on Ways and Means, on those important issues you cannot say, you cannot even get 1 minute. So those who propose that we eliminate special orders, I am with you if you will join me in a fight to guarantee the right of every Member of Congress, which it ought to be taken for granted, we are elected by the people, we should have 5 minutes, just 5 minutes on any issue that we deem to be important. If every one of the 435 Members want to speak for 5 minutes, I assure you if you look at the calendar, it will not lengthen the session of Congress. We have a lot of down time, a lot of waste of time where nobody is doing anything on this floor. The Senate spends more time, as I said before, on the floor than we spend here. The other body, in terms of per Member time on the floor, is way ahead of us. So I pause to say that that is very important.

I would like to have us keep our eyes on the budget/fiscal debate. Let us go forward and talk about taxes and where they come from. Let us talk about revenue. Let us go forward and talk about expenditures. Let us keep the debate going.

I would like to see a pledge to avoid lapsing into diversionary issues. As we look forward toward November 1996, let us not back away from a discussion of revenue, taxes, programs, budget cuts, balancing the budget, et cetera. Let us keep the debate going. It is a very complicated nation that we have. It is a complicated budget. These are complicated times. We should not try to oversimplify.

For the first time I think many Americans are getting some indication of what it is all about. For good or ill, regardless of whether you agree with the position taken by one party or another or one individual or another, the debate is very healthy. Can we keep this debate going? I hope we will.

I hope that the President's State of the Union Address tomorrow will be a statement which allows us to go forward and consider his vision of America and what America would look like when he remakes America, if he had the opportunity to remake America, versus the vision that is envisaged in the Contract With America that was set forth by the House Republicans. Beyond the Contract With America, the House Republicans have done a lot of things that are not in that contract. The attack on organized labor, the attack on workers safety, the refusal to even deal with minimum wages, all of that was not stated in the contract, but some terrible things have happened. But those are worthy items.

If you want to debate the budget and talk about the fact that the Republicans, because they could not get certain things through the authorization process, because they are frustrated by the fact that the Senate will not approve some of the measures that they have passed because they are not reasonable, because the Senate wants to stay closer to the common sense agenda of the American people so they have reverted to the appropriations process.

They do not like the fact that we have an agency called OSHA, which is responsible for the occupational health and safety of workers. They want OSHA out of business. They have made a compact with some of the worst kinds of business people who want to avoid having to meet their responsibilities to provide a safe workplace. Ten thousand workers died last year; 10,000 workers died in the workplace. We can debate about other workers who died as a result of conditions in the workplace. They contracted illnesses and then they died later or they had an accident and it led to complications and they died later. But on the job, on the job 10,000 workers died.

This is not a trivial matter. It is a critical matter. Yet because they do not want to disturb the business community, which unreasonably insists that OSHA is a bother, OSHA, the Occupational Safety and Health Administration has enough employees to inspect the businesses of America. And when you take the number of businesses of America that are in the category that need to be inspected and you divide that by the number of people who are employed by OSHA to do the inspections, it will take 87 years, given the number of employees that OSHA has before the budget cuts, it would take 87 years for each one of the business sites in America that are supposed to be inspected to be inspected by that group of inspectors, 87 years.

They are going to cut OSHA drastically. So that means that it will take 100 years to get around to inspecting each business. So the argument that the businesses are being harassed and OSHA is a regulatory burden and that an attempt to provide safe workplaces for workers results in empowering or hindering the economy, these arguments are ridiculous. But they go forward.

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Let them keep proposing that and saying that we need to save money at the cost of risking more lives of workers. Let them say that between now and November. Let us keep that going. Let us debate it. You decide. Let the American people decide.

Let them continue to tell us that school lunch programs are not being cut; it is the rate of growth that is being decreased. Let them keep telling us that, and we will tell you that if you are cutting, putting money to cut the rate of growth of the program in dollar terms, you are not looking at the rate of growth in terms of youngsters, the number of children who are enrolled in school.

They ignore the fact that the number of children enrolled in school is increasing. You cannot cut the rate of growth of the program without reducing what is available for the children who are there unless you take into consideration the fact the number of children is increasing.

They tell us immigrant children should not be given free lunches and that the schools should go and search out the immigrant children and create an atmosphere of terror within certain schools while they search for immigrant children to deny them the school lunch program.

Let this debate go forward. It is about saving money on the one hand, but if you look at it closely, there is more to this than just saving money. There is more to this than just saving money; there are some attitudes.

I think President Clinton made it quite clear in his budget message. The President had a veto message, and then the President has also sent a message down with his new balanced budget. Let us look for a moment at what is happening here, and again, it is going to be a long year. It is going to be a long debate.

Please do not lose faith. Keep the faith. Keep listening, because this is all about the remaking of America; and your faith is involved here, your children's faith is involved here.

The President was accused of not being sincere about a balanced budget. He submitted a balanced budget one time and then he said, according to CBO estimates, it is $400 billion out of balance; over a 7-year period, the President is still spending $400 billion too much.

So the President has come back with a budget that balances in 7 years, and it also has a surplus at the end of the 7 years; and now we are being told that is totally unacceptable. We are going to shut down the Government because we do not like the way you balanced the budget.

Now, was the call to balance the budget in the beginning, when they asked the President to submit a balanced budget, did they say, submit a balanced budget that we like; submit a balanced budget that is good for America; submit a balanced budget that you like? The President submitted a balanced budget he thinks is good for America, and in his message he says the following: His balanced budget upholds our values, upholds America's values.

We want to balance the budget to limit the debt, the burden of debt on our children. We want to protect Medicare and Medicaid to honor our duty to our elderly, to people with disabilities and to children. We want to invest in education and training to honor our duty to our children and families. We want to protect the environment and public health so our children grow up in a clean and safe world. We want to reward work by not raising taxes on working families. We want to provide tax relief for middle-class families.

Now, that is the message that came back with the newly balanced budget of the President, which, as I said before, ends in 7 years with a surplus.

By the way, the Congressional Black Caucus alternative budget, which I put forth on the floor of the House, the Congressional Black Caucus alternative budget also had a surplus at the end of 7 years. We had a surplus of $16 billion at the end of 7 years. I told you we balanced our budget without cutting Medicaid, without cutting Medicare, and we increased the amount of money for job training and education, and we did this using assumptions and figures that were certified by the Congressional Budget Office.

The Republican majority would not let us bring the budget to the floor if we had not used assumptions that were set forth by the Congressional Budget Office. So we balanced the budget. The Congressional Black Caucus alternative budget is a long way from where the President is right now.

I am not happy with the President and the fact he is going to cut Medicare far more than we stated in the Congressional Black Caucus budget it should be cut. Let us forget about that. Later on there was a bill introduced by Democrats that said, OK, a commission study showed that there are problems with the Medicare program, and by the year 2002 you may have a real problem, so let us cut the budget by $90 billion. I think the study said it would be a problem of $89 billion.

This bill proposed cutting the budget by $90 billion over a 7-year period. The $90 billion cut would be focused on waste, streamlining more administrative efficiency, and cutting waste, $90 billion. The President is far beyond that $90 billion.

There is a group called the Blue Dogs who have a proposal that also goes beyond the $90 billion. The President does not please me by cutting more than $90 billion, but I congratulate him on making the effort. He is stretching as far as he can in order to accommodate and reach a compromise with the Republicans. But this compromise, this stretch, has not impressed the Republicans.

They say we are going to shut down the Government, and go even beyond shutting down the Government; we are going to tamper with the economy of the United States and maybe the economy of the world by going into default if you don't give us what we want.

Now, clearly, understand, you out there with your common sense, the American people should clearly understand the power that is being wielded here. The Republicans are saying, we will threaten to shut down the Government, we will throw the Nation into default if you do not give us what we want. And even after you do that, if you meet us part of the way, we are going to do something selective. We are going to reach in and provide funding for only those programs that we approve of; we are going to strangle, through the appropriations process, those we do not like.

We do not like funds for education. We have a cut. Republicans are proposing to cut Head Start about $300 million. They will reach in and strangle Head Start a little bit.

We do not like title I, which is the largest Federal program providing aid to elementary and secondary schools. Ninety percent of the school districts across America get some portion of the title I program. They do not like it, so they will reach in and strangle that by cutting it $1.1 billion. That is about 1/7th of the total. That is a huge cut; out of $7 billion, they are going to cut $1.1 billion.

So these are horrendous actions, but at least they obvious, open. The CIA is not involved here, so they are not hiding what they are doing. It is an open position. It is up to the American people to go forward and look at what they are doing and come to some conclusions.

They are not interested just in saving money or balancing the budget. The argument that every family balances its budget and so forth, the Nation therefore should balance its budget, that argument makes a lot of sense on the surface, but that is really not what it is all about.

In the first place, very few families balance their budget in a year. In a year's period, your family's budget is not balanced and you know that too. You have not paid for your home fully. Rich people can, but we are talking about 10 to 15 percent of Americans who can go out and pay cash for a car and cash for a condominium or for a house. That number of people is very much in the minority in America.

Most Americans have to get mortgages. Most Americans have to get loans to buy cars. So very few families have a balanced budget where exactly what they take in during a year is what they spend during a year. They have debts that are carried over, long-term investments and items, and it is just ridiculous to insist we have to have a balanced budget. But that is where we are.

I will not bore you anymore by explaining the weaknesses in the argument that we have to have a balanced budget. That is accepted. Let us start out, that that is an assumption.

Everybody now is basically agreed that we will have a balanced budget. The President has agreed that we will have a balanced budget. The President has moved to put forth a balanced budget which the Congressional Budget Office and the General Accounting Office and everybody who has to sign off, they all agree the numbers and assumptions are correct.

Nobody can accuse the President of not following the assumptions of the Congressional Budget Office regardless of whether they are sound or unsound or how uncomfortable the White House may feel about it. They have gone forward and done that. So, now, let the debate go forward and let the American people make judgments about the arguments that are being made.

The President says that his budget reflects the values of the American people. One of the latest polls taken, I think there was a poll taken by the Washington Post, which shows that 50 percent, according to the poll, 50 percent of the American people agree that the President's position is a sound position and they want to support that position. I think this was January 7, not too long ago. The poll finds that 50 percent approve of how Clinton is handling this dispute, and 22 percent approve of the way the Republicans are handling it. Fifty percent.

So we are not talking about what Congressman OWENS and the Members of the Congressional Black Caucus, the members of the Progressive caucus, the liberal Democrats, we are not talking about their position at this point. We are talking about the position of the President, which is consistent with the position of 50 percent of the American people. They approve of his tremendous effort to stretch and meet the Republicans.

I just hope that he understands that they do not want him to go any further. I hope the President does not disappoint the American people by stretching further, because any further stretching would be disastrous, any further stretching. Because if you stretch further, what you are doing is abandoning the values of the American people and moving to the values of the Republican elite.

The Republicans do not value the same vital commitments in Medicaid. The Republicans want to eliminate the guarantee of quality nursing home care and meaningful health care benefits for older Americans. They want to eliminate it for individuals with disabilities. They want to eliminate it for pregnant women and poor children.

All this is not necessary to balance the budget, we are saying, but they want to do that. They want to leave a lot of their dirty work to the States. They want to say, well, let the States make the decisions. People have come up with this argument, of course, that States can do a better job. The closer you get to the people, the more likely you are to have effective government.

There is nothing in the history of government which shows that State governments are more effective than the Federal Government, or that local governments are more effective than the Federal Government. Some of the worst corruption and the worst mismanagement and the worst incompetency you find in America can be found at the local level.

In New York State right now, at this very moment, we have Governor Pataki, who sits in the Governor's mansion of New York, a Republican Governor, who has turned the State government into a clubhouse patronage meal. Never before in the history of New York State government has any Governor so blatantly used the treasury, used the State apparatus, the administration of government, to bolster partisan concerns.

He has openly said he will pick up certain parts of the government in the capital; Albany is the capital of New York State. He is going to move certain programs out of Albany into Poughkeepsie, where he lives, and into other areas where he got large amounts of votes.

This Republican Governor is not pretending to be a good-government advocate. He is openly doing this. He is openly allowing certain members of his cabinet who are responsible for certain contracts to solicit in fundraising.

There are all kinds of things happening that Democrats might have done, but they never were so blatant about it; and some things, Democrats have never done in New York City.

We have a Republican mayor, Mayor Giuliani, and we have had some strong mayors in the history of our city. One of the most famous ones, who was accused of being arrogant, many times he behaved like an emperor, he was a former Member of this House, Mayor Koch. But Mayor Koch insisted on a merit system for the selection of judges. Whether he liked it or not, there were judicial panels that appointed judges, and he lived with those appointments. He followed the recommendations of the panels.

Mayor Dinkins, who followed him, did the same thing, merit appointments.

And the newspapers, the good-government organizations, applauded all this. Along comes Mayor Giuliani, Republican mayor, and he ignores or challenges the findings of the judicial review panels and appoints two people, who, in the opinion of many of the judges, the legal people who sit on the judicial review panels, are not qualified. He boasts about it, and he is going to do more of it.

In New York City the remaking of government is already going forward, the harassment of people who want to get on welfare. If you apply for welfare, there are all kinds of extra roadblocks thrown in your way, so that if you want to cut the welfare rolls, one simple way to do it is to make the paperwork more difficult. No matter how poor you are, if I insist that I am not taking your application unless you sign on just the right line, unless you answer every question, unless every "T" is crossed, and every "I" is dotted, I can keep you off welfare for months just through those technicalities.

In other words, if you have a system of values where you do not want to feed the hungry, you do not want to provide housing for the homeless or clothe the naked, you are totally out of sync with the Judeo-Christian values of this Nation, then you can proceed at the local level even with present regulations in place.

At this moment, people are still entitled to Aid to Families with Dependent Children. They are still entitled. The entitlement has not been taken away yet. It has been proposed by the Republicans in this House; it has been passed by the Republicans in the Senate, and a lot of Democrats in the Senate voted for it. So entitlement probably is going to be gone this time next year; the people who are poor families with children qualifying for Aid to Families with Dependent Children will not have a Federal entitlement. That will probably be gone next year.

I fear that that is one of the concessions that the President will make. I hope he will not, but I fear that will be a concession he will make. But it is not gone yet. It is still there.

At the local government level in New York City, we have a mayor who has gone ahead and is already doing the kinds of dirty work you can expect once that entitlement is gone. He has taken it upon himself to come up with tricks and various means to keep people off the welfare roll and deny them even when they have great needs. So that process is going forward.

Medicaid. The Governor has proposed, and then he backed away, that the standards for nursing homes in New York be watered down, that the requirement that every nursing home has to take a certain percentage of poor people be eliminated. He has backed away temporarily, but those proposals are coming back, if the States are going to have an opportunity to administer Medicaid without the guarantees.

Let us understand States already administer these programs, localities already administer these programs. What they are trying to do is take away the Federal guarantees that if you are eligible, you should get it. They want to take away the Federal appeal procedures. They want to take away the Federal guidelines. They want to take away the Federal oversight. They want to be free to take taxpayers' money and use it the way they want to use it toward their own ends.

An example is being set by Mr. Pataki in New York State and Mr. Giuliani in New York City. Those are examples of the kind of thing you can look forward to: abuse of power, abuse of the poor, balancing the budget on the backs of the people who do not have political power.

So the President says the Republicans do not value these vital commitments, and between now and November 1996, November of this year, keep watching. Do not lose your gaze. Keep your eyes on the prize.

Where are the American values? Do they say, we want to cut Medicaid and leave the poorest people without health care, leave the people who are disabled without health care, leave pregnant women and poor children without health care? Are those American values?

In Medicare, the President says the Republicans want to charge 37 million Medicare recipients higher premiums and change the system so that it benefits the healthiest and wealthiest while allowing the traditional Medicare Program to wither on the vine. That is a quote from one of the great leaders of the Republican Party, even though it is not necessary to balance the budget.

The Republicans want to charge 37 million Medicare recipients higher premiums and change the system so that it benefits the healthiest and the wealthiest while leaving those who need it most in a state of stress. I know the stress because I get more questions in my district about Medicare and Medicaid than about any other programs. People are feeling the stress already as they contemplate what is being proposed.

In education, the Republicans call for cuts in aid for smaller classrooms, cuts for Head Start. They call for cuts in basic skills and higher standards while ending the direct student loan program. What does the direct student loan program have to do with balancing the budget? Almost nothing. In fact, just the opposite. We will end up spending more money by ending the direct student loan program, but that is an activity which is offensive to the banking community, certain favorite communities that support the leadership, and they are out there making arguments that the student loan program, the direct student loan program is some kind of evil when it has obvious benefits.

Environment. They continually put the special interests over the environment and they want to take the environmental cop off the beat. These are Republican values versus American values.

The American people indicate that they are with the President. They are with the President. Let us keep our eyes on the two sets of values, the President's values versus the Republican values, as we go forward toward November 1996. Do not take your eyes off the prize. The budget debate, the fiscal debate, the tax debate, that is it; that is what we have to focus on.

I keep insisting that we ought to keep our eyes on the prize and Americans ought to welcome the opportunity to remake America or to refine America or to adjust America and make it a better America, because I know the surprise that is coming. The Republicans are planning to back away from these very important issues and move into diversionary tactics. They are going to try to ambush the voters with the usual diversionary issues.

What are the diversionary issues? Prayer in the schools, gun control, affirmative action, set-asides, voting rights, gays in the military. Those have nothing to do with the remaking of America in terms of fiscal and budget and tax issues, but they are going to switch to those and we have to be aware that as we go forward in 1996, these are very important issues.

Prayer in school is important. It is important to talk about guns. I am all in favor of more gun control. I understand the position of those who want less; I understand their position. I disagree with it thoroughly.

The murder rate has gone down in general, but among young people the murder rate, the rate of people being shot with guns, is dramatically increasing. So you have a young population using guns, and that young population is coming to the point where they are going to be a greater percentage of the overall population. So the decrease in crime we are watching now will be accompanied by an increase in crime later on as these young people using guns reach the critical teenage ages. That is where we are going.

So we have to keep our eyes on the prize and beware of the diversionary issues. We have to keep our eyes on the prize and not let introductions of arguments about people being subhuman be introduced.

I was shocked that one of our leaders commented on a brutal crime in Chicago, indicating that a woman would not have been murdered and had the baby ripped out of her stomach if it was not for the welfare culture. That really shocked me greatly. I did not see any connection between the welfare culture and a brutal crime like that.

There are a lot of brutal crimes taking place in our country and across the world where people are not on welfare. Immorality has nothing to do directly with whether or not a person is on welfare or not. Nobody has commented on the fact that Princess Diana and Prince Charles have chosen not only to commit adultery, but to go on television and discuss it. That is being done by people who have never been on welfare, and it is the kind of horror that there is no excuse for.

It is bad enough that people have sins, and all of us sin, but to go on television and parade your sins, especially when you know you are a role model. They are role models for people in Britain. They insist on having this royal family, and sometimes Americans envy the fact that Britain has a royal family and we do not; but I think that is one great example why we do not need a royal family.

But Americans use the Royal Family of Britain as role models. Children use them as role models. Princess Diana, I am sure a lot of teenage girls identify with her, and on and on it goes.

So if welfare determines people's morality and we must get rid of welfare in order to have people become more moral, then how does the Royal Family behave this way, and they have never been on welfare? They have never worked for a living either.

Maybe they have it too easy. Maybe we are talking about decadence at a level which may be something that sociologists and psychologists and psychiatrists can deal with, but I just do not see why that has any bearing.

We are going to be talking about morality. We are going to be talking about sin versus nonsin. We are going to be talking about Whitewater. Nobody wants to talk about the real crime involved in the savings and loan association debacle. We talk about Whitewater having something to do with the savings and loans crisis. Occasionally they mention that. Most people just think it was invented by the Clintons. The Clintons lost money on a savings and loan venture in Whitewater; they lost money.

Let us look at Silverado in Colorado. I have a whole book here. I am a student of the savings and loan swindle, because the savings and loan swindle was the greatest swindle in the history of civilization. In the economic history of civilization, nothing like this has ever happened before. And yet in America we do not even talk about it anymore. It is nearing a close, as far as the people who want to cover it up are concerned.

The greatest crime in terms of economic thievery was committed right here in this country through the savings and loan association swindle and the accompanying banks swindle.

Other banks that were not savings and loan associations did the same things, the misuse of the public trust. They took out deposits backed by the Federal Deposit Insurance Corporation, which meant that if anything happened, you, the taxpayer, stood behind it. They took that; they abused and misused that, and billions of dollars were lost. In fact, one estimate by Stanford University said we are talking about a loss of $500 billion, a cost to the taxpayers eventually of $500 billion.

There has been a process of going through the Resolution Trust Corporation and cleaning these things up, and negotiating out various arrangements, and it is all coming to a quiet close.

That is real criminality. That is real dishonesty. That is real thievery.

I have two reports. I read about them and I called for them. One is from the Department of Justice, Financial Institution Fraud, Special Report, Special Counsel for Financial Institution Fraud. That report I have looked at, am still looking at it.

Another is called "Attacking Financial Institution Fraud." It is from the U.S. Department of Justice, the U.S. Office of the Attorney General. It is a report to Congress that is required.

As I look at both of these reports, what strikes me is that they are deliberately confusing. They deliberately do not ever state clear facts. It is very hard to find out exactly how much money have the American taxpayers had to pour into bailing out the savings and loan associations. It is very hard to find out exactly how much.

I know on the floor of this House, when we appropriate in one bill $50 billion for this, it is $70 billion for that, and yet they do not talk in those kinds of numbers here. They talk about bringing this whole thing to a close; and you are not talking about hundreds of billions, you are talking about a few billion here and a few million there, and I cannot make them add up.

They have deliberately not reported anything in a summary fashion. I am still studying these reports to find out more about one of the greatest swindles that ever took place.

So if we get into discussions of morality and discussions of swindling, if we are going to continue the Whitewater discussions, then I think it is only fair to talk about the savings and loan association swindle in all of its dimensions and talk about the Silverado, $2,286,901,934. That is the figure that they have said they ordered to be recovered. We were talking about $150 billion. Why has only $2 billion been ordered to be recovered?

You will hear more about this later. This is the kind of morality discussion, if we are going to have a morality discussion, that we should get into.

But my final comment is, Mr. Speaker, let us keep our eyes on the prize, continue to focus on the budget, taxes, and expenditures. It is a discussion that the American people deserve.

CONFERENCE REPORT ON S. 1124

Mr. SPENCE submitted the following conference report and statement on the bill (S. 1124), to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–450)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1124), to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 1996".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into five divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(4) Division D—Federal Acquisition Reform.

(5) Division E—Information Technology Management Reform.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. Extension of time for submission of reports.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical demilitarization program.
Sec. 108. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Procurement of OH–58D Armed Kiowa Warrior helicopters.
Sec. 112. Repeal of requirements for armored vehicle upgrades.
Sec. 113. Multiyear procurement of helicopters.
Sec. 114. Report on AH–64D engine upgrades.
Sec. 115. Requirement for use of previously authorized multiyear procurement authority for Army small arms procurement.

Subtitle C—Navy Programs

Sec. 131. Nuclear attack submarines.
Sec. 132. Research for advanced submarine technology.
Sec. 133. Cost limitation for Seawolf submarine program.
Sec. 134. Repeal of prohibition on backfit of Trident submarines.
Sec. 135. Arleigh Burke class destroyer program.
Sec. 136. Acquisition program for crash attenuating seats.
Sec. 137. T–39N trainer aircraft.
Sec. 138. Pioneer unmanned aerial vehicle program.

Subtitle D—Air Force Programs

Sec. 141. B–2 aircraft program.
Sec. 142. Procurement of B–2 bombers.
Sec. 143. MC–130H aircraft program.

Subtitle E—Chemical Demilitarization Program

Sec. 151. Repeal of requirement to proceed expeditiously with development of chemical demilitarization cryofracture facility at Tooele Army Depot, Utah.
Sec. 152. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 153. Administration of chemical demilitarization program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic research and exploratory development.
Sec. 203. Modifications to Strategic Environmental Research and Development Program.
Sec. 204. Defense dual use technology initiative.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Space launch modernization.
Sec. 212. Tactical manned reconnaissance.
Sec. 213. Joint Advanced Strike Technology (JAST) program.
Sec. 214. Development of laser program.
Sec. 215. Navy mine countermeasures program.
Sec. 216. Space-based infrared system.
Sec. 217. Defense Nuclear Agency programs.
Sec. 218. Counterproliferation support program.
Sec. 219. Nonlethal weapons study.
Sec. 220. Federally funded research and development centers and university-affiliated research centers.
Sec. 221. Joint seismic program and global seismic network.
Sec. 222. Hydra–70 rocket product improvement program.
Sec. 223. Limitation on obligation of funds until receipt of electronic combat consolidation master plan.
Sec. 224. Report on reductions in research, development, test, and evaluation.
Sec. 225. Advanced Field Artillery System (Crusader).
Sec. 226. Demilitarization of conventional munitions, rockets, and explosives.
Sec. 227. Defense Airborne Reconnaissance program.

Subtitle C—Ballistic Missile Defense Act of 1995

Sec. 231. Short title.
Sec. 232. Findings.
Sec. 233. Ballistic Missile Defense policy.
Sec. 234. Theater Missile Defense architecture.
Sec. 235. Prohibition on use of funds to implement an international agreement concerning Theater Missile Defense systems.
Sec. 236. Ballistic Missile Defense cooperation with allies.
Sec. 237. ABM Treaty defined.
Sec. 238. Repeal of Missile Defense Act of 1991.

Subtitle D—Other Ballistic Missile Defense Provisions

Sec. 251. Ballistic Missile Defense program elements.
Sec. 252. Testing of Theater Missile Defense interceptors.
Sec. 253. Repeal of missile defense provisions.

Subtitle E—Miscellaneous Reviews, Studies, and Reports

Sec. 261. Precision-guided munitions.
Sec. 262. Review of C^4I by National Research Council.
Sec. 263. Analysis of consolidation of basic research accounts of military departments.
Sec. 264. Change in reporting period from calendar year to fiscal year for annual report on certain contracts to colleges and universities.
Sec. 265. Aeronautical research and test capabilities assessment.

Subtitle F—Other Matters

Sec. 271. Advanced lithography program.

Sec. 272. Enhanced fiber optic guided missile (EFOG–M) system.
Sec. 273. States eligible for assistance under Defense Experimental Program To Stimulate Competitive Research.
Sec. 274. Cruise missile defense initiative.
Sec. 275. Modification to university research initiative support program.
Sec. 276. Manufacturing technology program.
Sec. 277. Five-year plan for consolidation of defense laboratories and test and evaluation centers.
Sec. 278. Limitation on T–38 avionics upgrade program.
Sec. 279. Global Positioning System.
Sec. 280. Revision of authority for providing Army support for the National Science Center for Communications and Electronics.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Civil Air Patrol.

Subtitle B—Depot-Level Activities

Sec. 311. Policy regarding performance of depot-level maintenance and repair for the Department of Defense.
Sec. 312. Management of depot employees.
Sec. 313. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 314. Modification of notification requirement regarding use of core logistics functions waiver.

Subtitle C—Environmental Provisions

Sec. 321. Revision of requirements for agreements for services under environmental restoration program.
Sec. 322. Addition of amounts creditable to Defense Environmental Restoration Account.
Sec. 323. Use of Defense Environmental Restoration Account.
Sec. 324. Revision of authorities relating to restoration advisory boards.
Sec. 325. Discharges from vessels of the Armed Forces.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 331. Operation of commissary system.
Sec. 332. Limited release of commissary stores sales information to manufacturers, distributors, and other vendors doing business with Defense Commissary Agency.
Sec. 333. Economical distribution of distilled spirits by nonappropriated fund instrumentalities.
Sec. 334. Transportation by commissaries and exchanges to overseas locations.
Sec. 335. Demonstration project for uniform funding of morale, welfare, and recreation activities at certain military installations.
Sec. 336. Operation of combined exchange and commissary stores.
Sec. 337. Deferred payment programs of military exchanges.
Sec. 338. Availability of funds to offset expenses incurred by Army and Air Force Exchange Service on account of troop reductions in Europe.
Sec. 339. Study regarding improving efficiencies in operation of military exchanges and other morale, welfare, and recreation activities and commissary stores.
Sec. 340. Repeal of requirement to convert ships' stores to nonappropriated fund instrumentalities.
Sec. 341. Disposition of excess morale, welfare, and recreation funds.
Sec. 342. Clarification of entitlement to use of morale, welfare, and recreation facilities by members of reserve components and dependents.

Subtitle E—Performance of Functions by Private-Sector Sources

Sec. 351. Competitive procurement of printing and duplication services.
Sec. 352. Direct vendor delivery system for consumable inventory items of Department of Defense.
Sec. 353. Payroll, finance, and accounting functions of the Department of Defense.
Sec. 354. Demonstration program to identify overpayments made to vendors.
Sec. 355. Pilot program on private operation of defense dependents' schools.
Sec. 356. Program for improved travel process for the Department of Defense.
Sec. 357. Increased reliance on private-sector sources for commercial products and services.

Subtitle F—Miscellaneous Reviews, Studies, and Reports

Sec. 361. Quarterly readiness reports.
Sec. 362. Restatement of requirement for semiannual reports to Congress on transfers from high-priority readiness appropriations.
Sec. 363. Report regarding reduction of costs associated with contract management oversight.
Sec. 364. Reviews of management of inventory control points and Material Management Standard System.
Sec. 365. Report on private performance of certain functions performed by military aircraft.
Sec. 366. Strategy and report on automated information systems of Department of Defense.

Subtitle G—Other Matters

Sec. 371. Codification of Defense Business Operations Fund.
Sec. 372. Clarification of services and property that may be exchanged to benefit the historical collection of the Armed Forces.
Sec. 373. Financial management training.
Sec. 374. Permanent authority for use of proceeds from the sale of certain lost, abandoned, or unclaimed property.
Sec. 375. Sale of military clothing and subsistence and other supplies of the Navy and Marine Corps.
Sec. 376. Personnel services and logistical support for certain activities held on military installations.
Sec. 377. Retention of monetary awards.
Sec. 378. Provision of equipment and facilities to assist in emergency response actions.
Sec. 379. Report on Department of Defense military and civil defense preparedness to respond to emergencies resulting from a chemical, biological, radiological, or nuclear attack.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Temporary variation in DOPMA authorized end strength limitations for active duty Air Force and Navy officers in certain grades.
Sec. 403. Certain general and flag officers awaiting retirement not to be counted.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the Reserves.
Sec. 413. Counting of certain active component personnel assigned in support of reserve component training.
Sec. 414. Increase in number of members in certain grades authorized to serve on active duty in support of the Reserves.
Sec. 415. Reserves on active duty in support of cooperative threat reduction programs not to be counted.
Sec. 416. Reserves on active duty for military-to-military contacts and comparable activities not to be counted.

Subtitle C—Military Training Student Loads

Sec. 421. Authorization of training student loads.

Subtitle D—Authorization of Appropriations

Sec. 431. Authorization of appropriations for military personnel.
Sec. 432. Authorization for increase in active-duty end strengths.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Joint officer management.
Sec. 502. Retired grade for officers in grades above major general and rear admiral.
Sec. 503. Wearing of insignia for higher grade before promotion.
Sec. 504. Authority to extend transition period for officers selected for early retirement.
Sec. 505. Army officer manning levels.
Sec. 506. Authority for medical department officers other than physicians to be appointed as Surgeon General.
Sec. 507. Deputy Judge Advocate General of the Air Force.
Sec. 508. Authority for temporary promotions for certain Navy lieutenants with critical skills.
Sec. 509. Retirement for years of service of Directors of Admissions of Military and Air Force academies.

Subtitle B—Matters Relating to Reserve Components

Sec. 511. Extension of certain Reserve officer management authorities.
Sec. 512. Mobilization income insurance program for members of Ready Reserve.
Sec. 513. Military technician full-time support program for Army and Air Force reserve components.
Sec. 514. Revisions to Army Guard Combat Reform Initiative to include Army Reserve under certain provisions and make certain revisions.
Sec. 515. Active duty associate unit responsibility.

Sec. 516. Leave for members of reserve components performing public safety duty.
Sec. 517. Department of Defense funding for National Guard participation in joint disaster and emergency assistance exercises.

Subtitle C—Decorations and Awards

Sec. 521. Award of Purple Heart to persons wounded while held as prisoners of war before April 25, 1962.
Sec. 522. Authority to award decorations recognizing acts of valor performed in combat during the Vietnam conflict.
Sec. 523. Military intelligence personnel prevented by secrecy from being considered for decorations and awards.
Sec. 524. Review regarding upgrading of Distinguished-Service Crosses and Navy Crosses awarded to Asian-Americans and Native American Pacific Islanders for World War II service.
Sec. 525. Eligibility for Armed Forces Expeditionary Medal based upon service in El Salvador.
Sec. 526. Procedure for consideration of military decorations not previously submitted in timely fashion.

Subtitle D—Officer Education Programs

PART I—SERVICE ACADEMIES

Sec. 531. Revision of service obligation for graduates of the service academies.
Sec. 532. Nominations to service academies from Commonwealth of the Northern Marianas Islands.
Sec. 533. Repeal of requirement for athletic director and nonappropriated fund account for the athletics programs at the service academies.
Sec. 534. Repeal of requirement for program to test privatization of service academy preparatory schools.

PART II—RESERVE OFFICER TRAINING CORPS

Sec. 541. ROTC access to campuses.
Sec. 542. ROTC scholarships for the National Guard.
Sec. 543. Delay in reorganization of Army ROTC regional headquarters structure.
Sec. 544. Duration of field training or practice cruise required under the Senior ROTC program.
Sec. 545. Active duty officers detailed to ROTC duty at senior military colleges to serve as Commandant and Assistant Commandant of Cadets and as tactical officers.

Subtitle E—Miscellaneous Reviews, Studies, and Reports

Sec. 551. Report concerning appropriate forum for judicial review of Department of Defense personnel actions.
Sec. 552. Comptroller General review of proposed Army end strength allocations.
Sec. 553. Report on manning status of highly deployable support units.
Sec. 554. Review of system for correction of military records.
Sec. 555. Report on the consistency of reporting of fingerprint cards and final disposition forms to the Federal Bureau of Investigation.

Subtitle F—Other Matters

Sec. 561. Equalization of accrual of service credit for officers and enlisted members.
Sec. 562. Army Ranger training.
Sec. 563. Separation in cases involving extended confinement.
Sec. 564. Limitations on reductions in medical personnel.
Sec. 565. Sense of Congress concerning personnel tempo rates.
Sec. 566. Separation benefits during force reduction for officers of commissioned corps of National Oceanic and Atmospheric Administration.
Sec. 567. Discharge of members of the Armed Forces who have the HIV-1 virus.
Sec. 568. Revision and codification of Military Family Act and Military Child Care Act.
Sec. 569. Determination of whereabouts and status of missing persons.
Sec. 570. Associate Director of Central Intelligence for Military Support.

Subtitle G—Support for Non-Department of Defense Activities

Sec. 571. Repeal of certain civil-military programs.
Sec. 572. Training activities involving support and services for eligible organizations and activities outside the Department of Defense.
Sec. 573. National Guard civilian youth opportunities pilot program.
Sec. 574. Termination of funding for Office of Civil-Military Programs in Office of the Secretary of Defense.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1996.
Sec. 602. Limitation on basic allowance for subsistence for members residing without dependents in Government quarters.
Sec. 603. Election of basic allowance for quarters instead of assignment to inadequate quarters.
Sec. 604. Payment of basic allowance for quarters to members in pay grade E-6 who are assigned to sea duty.
Sec. 605. Limitation on reduction of variable housing allowance for certain members.
Sec. 606. Clarification of limitation on eligibility for family separation allowance.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Extension of certain bonuses for reserve forces.
Sec. 612. Extension of certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Extension of authority relating to payment of other bonuses and special pays.
Sec. 614. Codification and extension of special pay for critically short wartime health specialists in the Selected Reserves.
Sec. 615. Hazardous duty incentive pay for warrant officers and enlisted members serving as air weapons controllers.
Sec. 616. Aviation career incentive pay.
Sec. 617. Clarification of authority to provide special pay for nurses.
Sec. 618. Continuous entitlement to career sea pay for crew members of ships designated as tenders.
Sec. 619. Increase in maximum rate of special duty assignment pay for enlisted members serving as recruiters.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Repeal of requirement regarding calculation of allowances on basis of mileage tables.
Sec. 622. Departure allowances.
Sec. 623. Transportation of nondependent child from member's station overseas after loss of dependent status while overseas.
Sec. 624. Authorization of dislocation allowance for moves in connection with base realignments and closures.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 631. Effective date for military retiree cost-of-living adjustments for fiscal years 1996, 1997, and 1998.
Sec. 632. Denial of non-regular service retired pay for Reserves receiving certain court-martial sentences.
Sec. 633. Report on payment of annuities for certain military surviving spouses.
Sec. 634. Payment of back quarters and subsistence allowances to World War II veterans who served as guerilla fighters in the Philippines.
Sec. 635. Authority for relief from previous overpayments under minimum income widows program.
Sec. 636. Transitional compensation for dependents of members of the Armed Forces separated for dependent abuse.

Subtitle E—Other Matters

Sec. 641. Payment to survivors of deceased members for all leave accrued.
Sec. 642. Repeal of reporting requirements regarding compensation matters.
Sec. 643. Recoupment of administrative expenses in garnishment actions.
Sec. 644. Report on extending to junior noncommissioned officers privileges provided for senior noncommissioned officers.
Sec. 645. Study regarding joint process for determining location of recruiting stations.
Sec. 646. Automatic maximum coverage under Servicemen's Group Life Insurance.
Sec. 647. Termination of Servicemen's Group Life Insurance for members of the Ready Reserve who fail to pay premiums.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Modification of requirements regarding routine physical examinations and immunizations under CHAMPUS.
Sec. 702. Correction of inequities in medical and dental care and death and disability benefits for certain Reserves.
Sec. 703. Medical care for surviving dependents of retired Reserves who die before age 60.

Sec. 704. Medical and dental care for members of the Selected Reserve assigned to early deploying units of the Army Selected Reserve.
Sec. 705. Dental insurance for members of the Selected Reserve.
Sec. 706. Permanent authority to carry out specialized treatment facility program.

Subtitle B—TRICARE Program

Sec. 711. Definition of TRICARE program.
Sec. 712. Priority use of military treatment facilities for persons enrolled in managed care initiatives.
Sec. 713. Staggered payment of enrollment fees for TRICARE program.
Sec. 714. Requirement of budget neutrality for TRICARE program to be based on entire program.
Sec. 715. Training in health care management and administration for TRICARE lead agents.
Sec. 716. Pilot program of individualized residential mental health services.
Sec. 717. Evaluation and report on TRICARE program effectiveness.
Sec. 718. Sense of Congress regarding access to health care under TRICARE program for covered beneficiaries who are medicare eligible.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Delay of termination of status of certain facilities as Uniformed Services Treatment Facilities.
Sec. 722. Limitation on expenditures to support Uniformed Services Treatment Facilities.
Sec. 723. Application of CHAMPUS payment rules in certain cases.
Sec. 724. Application of Federal Acquisition Regulation to participation agreements with Uniformed Services Treatment Facilities.
Sec. 725. Development of plan for integrating Uniformed Services Treatment Facilities in managed care programs of Department of Defense.
Sec. 726. Equitable implementation of uniform cost sharing requirements for Uniformed Services Treatment Facilities.
Sec. 727. Elimination of unnecessary annual reporting requirement regarding Uniformed Services Treatment Facilities.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Maximum allowable payments to individual health-care providers under CHAMPUS.
Sec. 732. Notification of certain CHAMPUS covered beneficiaries of loss of CHAMPUS eligibility.
Sec. 733. Personal services contracts for medical treatment facilities of the Coast Guard.
Sec. 734. Identification of third-party payer situations.
Sec. 735. Redesignation of Military Health Care Account as Defense Health Program Account and two-year availability of certain account funds.
Sec. 736. Expansion of financial assistance program for health-care professionals in reserve components to include dental specialties.
Sec. 737. Applicability of limitation on prices of pharmaceuticals procured for the Coast Guard.
Sec. 738. Restriction on use of Department of Defense facilities for abortions.

Subtitle E—Other Matters

Sec. 741. Triservice nursing research.
Sec. 742. Termination of program to train military psychologists to prescribe psychotropic medications.
Sec. 743. Waiver of collection of payments due from certain persons unaware of loss of CHAMPUS eligibility.
Sec. 744. Demonstration program to train military medical personnel in civilian shock trauma units.
Sec. 745. Study regarding Department of Defense efforts to determine appropriate force levels of wartime medical personnel.
Sec. 746. Report on improved access to military health care for covered beneficiaries entitled to medicare.
Sec. 747. Report on effect of closure of Fitzsimons Army Medical Center, Colorado, on provision of care to military personnel, retired military personnel, and their dependents.
Sec. 748. Sense of Congress on continuity of health care services for covered beneficiaries adversely affected by closures of military medical treatment facilities.
Sec. 749. State recognition of military advance medical directives.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Reform

Sec. 801. Inapplicability of limitation on expenditure of appropriations to contracts at or below simplified acquisition threshold.
Sec. 802. Authority to delegate contracting authority.
Sec. 803. Quality control in procurements of critical aircraft and ship spare parts.
Sec. 804. Fees for certain testing services.
Sec. 805. Coordination and communication of defense research activities.
Sec. 806. Addition of certain items to domestic source limitation.
Sec. 807. Encouragement of use of leasing authority.
Sec. 808. Cost reimbursement rules for indirect costs attributable to private sector work of defense contractors.
Sec. 809. Subcontracts for ocean transportation services.
Sec. 810. Prompt resolution of audit recommendations.
Sec. 811. Test program for negotiation of comprehensive subcontracting plans.
Sec. 812. Procurement of items for experimental or test purposes.
Sec. 813. Use of funds for acquisition of designs, processes, technical data, and computer software.
Sec. 814. Independent cost estimates for major defense acquisition programs.
Sec. 815. Construction, repair, alteration, furnishing, and equipping of naval vessels.

Subtitle B—Other Matters

Sec. 821. Procurement technical assistance programs.
Sec. 822. Defense facility-wide pilot program.
Sec. 823. Treatment of Department of Defense cable television franchise agreements.
Sec. 824. Extension of pilot mentor-protege program.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

Sec. 901. Organization of the Office of the Secretary of Defense.
Sec. 902. Reduction in number of Assistant Secretary of Defense positions.
Sec. 903. Deferred repeal of various statutory positions and offices in Office of the Secretary of Defense.
Sec. 904. Redesignation of the position of Assistant to the Secretary of Defense for Atomic Energy.
Sec. 905. Joint Requirements Oversight Council.
Sec. 906. Restructuring of Department of Defense acquisition organization and workforce.
Sec. 907. Report on Nuclear Posture Review and on plans for nuclear weapons management in event of abolition of Department of Energy.
Sec. 908. Redesignation of Advanced Research Projects Agency.

Subtitle B—Financial Management

Sec. 911. Transfer authority regarding funds available for foreign currency fluctuations.
Sec. 912. Defense Modernization Account.
Sec. 913. Designation and liability of disbursing and certifying officials.
Sec. 914. Fisher House trust funds.
Sec. 915. Limitation on use of authority to pay for emergency and extraordinary expenses.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Incorporation of classified annex.
Sec. 1003. Improved funding mechanisms for unbudgeted operations.
Sec. 1004. Operation Provide Comfort.
Sec. 1005. Operation Enhanced Southern Watch.
Sec. 1006. Authority for obligation of certain unauthorized fiscal year 1995 defense appropriations.
Sec. 1007. Authorization of prior emergency supplemental appropriations for fiscal year 1995.
Sec. 1008. Authorization reductions to reflect savings from revised economic assumptions.

Subtitle B—Naval Vessels and Shipyards

Sec. 1011. Iowa class battleships.
Sec. 1012. Transfer of naval vessels to certain foreign countries.
Sec. 1013. Contract options for LMSR vessels.
Sec. 1014. National Defense Reserve Fleet.
Sec. 1015. Naval salvage facilities.
Sec. 1016. Vessels subject to repair under phased maintenance contracts.
Sec. 1017. Clarification of requirements relating to repairs of vessels.
Sec. 1018. Sense of Congress concerning naming of amphibious ships.
Sec. 1019. Sense of Congress concerning naming of naval vessel.
Sec. 1020. Transfer of riverine patrol craft.

Subtitle C—Counter-Drug Activities

Sec. 1021. Revision and clarification of authority for Federal support of drug interdiction and counter-drug activities of the National Guard.

Subtitle D—Civilian Personnel

Sec. 1031. Management of Department of Defense civilian personnel.
Sec. 1032. Conversion of military positions to civilian positions.
Sec. 1033. Elimination of 120-day limitation on details of certain employees.
Sec. 1034. Authority for civilian employees of Department of Defense to participate voluntarily in reductions in force.
Sec. 1035. Authority to pay severance payments in lump sums.
Sec. 1036. Continued health insurance coverage.
Sec. 1037. Revision of authority for appointments of involuntarily separated military reserve technicians.
Sec. 1038. Wearing of uniform by National Guard technicians.
Sec. 1039. Military leave for military reserve technicians for certain duty overseas.
Sec. 1040. Personnel actions involving employees of nonappropriated fund instrumentalities.
Sec. 1041. Coverage of nonappropriated fund employees under authority for flexible and compressed work schedules.
Sec. 1042. Limitation on provision of overseas living quarters allowances for nonappropriated fund instrumentality employees.
Sec. 1043. Elections relating to retirement coverage.
Sec. 1044. Extension of temporary authority to pay civilian employees with respect to the evacuation from Guantanamo, Cuba.

Subtitle E—Miscellaneous Reporting Requirements

Sec. 1051. Report on fiscal year 1997 budget submission regarding Guard and reserve components.
Sec. 1052. Report on desirability and feasibility of providing authority for use of funds derived from recovered losses resulting from contractor fraud.
Sec. 1053. Report on national policy on protecting the national information infrastructure against strategic attacks.
Sec. 1054. Report on Department of Defense boards and commissions.
Sec. 1055. Date for submission of annual report on special access programs.

Subtitle F—Repeal of Certain Reporting and Other Requirements and Authorities

Sec. 1061. Miscellaneous provisions of law.
Sec. 1062. Reports required by title 10, United States Code.
Sec. 1063. Reports required by defense authorization and appropriations Acts.
Sec. 1064. Reports required by other provisions of law.

Subtitle G—Department of Defense Education Programs

Sec. 1071. Continuation of Uniformed Services University of the Health Sciences.
Sec. 1072. Additional graduate schools and programs at Uniformed Services University of the Health Sciences.
Sec. 1073. Funding for adult education programs for military personnel and dependents outside the United States.
Sec. 1074. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 1075. Sharing of personnel of Department of Defense domestic dependent schools and defense dependents' education system.
Sec. 1076. Increase in reserve component Montgomery GI Bill educational assistance allowance with respect to skills or specialties for which there is a critical shortage of personnel.
Sec. 1077. Date for annual report on reserve component Montgomery GI Bill educational assistance program.
Sec. 1078. Scope of education programs of Community College of the Air Force.
Sec. 1079. Amendments to education loan repayment programs.

Subtitle H—Other Matters

Sec. 1081. National defense technology and industrial base, defense reinvestment, and defense conversion programs.
Sec. 1082. Ammunition industrial base.
Sec. 1083. Policy concerning excess defense industrial capacity.
Sec. 1084. Sense of Congress concerning access to secondary school student information for recruiting purposes.
Sec. 1085. Disclosure of information concerning unaccounted for United States personnel from the Korean Conflict, the Vietnam era, and the Cold War.
Sec. 1086. Operational support airlift aircraft fleet.
Sec. 1087. Civil Reserve Air Fleet.
Sec. 1088. Damage or loss to personal property due to emergency evacuation or extraordinary circumstances.
Sec. 1089. Authority to suspend or terminate collection actions against deceased members.
Sec. 1090. Check cashing and exchange transactions for dependents of United States Government personnel.
Sec. 1091. Designation of National Maritime Center.
Sec. 1092. Sense of Congress regarding historic preservation of Midway Islands.
Sec. 1093. Sense of Senate regarding Federal spending.
Sec. 1094. Extension of authority for vessel war risk insurance.

TITLE XI—UNIFORM CODE OF MILITARY JUSTICE

Sec. 1101. Short title.
Sec. 1102. References to Uniform Code of Military Justice.

Subtitle A—Offenses

Sec. 1111. Refusal to testify before court-martial.
Sec. 1112. Flight from apprehension.
Sec. 1113. Carnal knowledge.

Subtitle B—Sentences

Sec. 1121. Effective date for forfeitures of pay and allowances and reductions in grade by sentence of court-martial.
Sec. 1122. Required forfeiture of pay and allowances during confinement.
Sec. 1123. Deferment of confinement.

Subtitle C—Pretrial and Post-Trial Actions

Sec. 1131. Article 32 investigations.
Sec. 1132. Submission of matters to the convening authority for consideration.
Sec. 1133. Commitment of accused to treatment facility by reason of lack of mental capacity or mental responsibility.

Subtitle D—Appellate Matters

Sec. 1141. Appeals by the United States.
Sec. 1142. Repeal of termination of authority for Chief Justice of United States to designate Article III judges for temporary service on Court of Appeals for the Armed Forces.

Subtitle E—Other Matters

Sec. 1151. Advisory committee on criminal law jurisdiction over civilians accompanying the Armed Forces in time of armed conflict.
Sec. 1152. Time after accession for initial instruction in the Uniform Code of Military Justice.
Sec. 1153. Technical amendment.

TITLE XII—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

Sec. 1201. Specification of Cooperative Threat Reduction programs.
Sec. 1202. Fiscal year 1996 funding allocations.
Sec. 1203. Prohibition on use of funds for peacekeeping exercises and related activities with Russia.
Sec. 1204. Revision to authority for assistance for weapons destruction.
Sec. 1205. Prior notice to Congress of obligation of funds.
Sec. 1206. Report on accounting for United States assistance.
Sec. 1207. Limitation on assistance to nuclear weapons scientists of former Soviet Union.
Sec. 1208. Limitations relating to offensive biological warfare program of Russia.
Sec. 1209. Limitation on use of funds for chemical weapons destruction facility.

TITLE XIII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Peacekeeping Provisions

Sec. 1301. Limitation on use of Department of Defense funds for United States share of costs of United Nations peacekeeping activities.

Subtitle B—Humanitarian Assistance Programs

Sec. 1311. Overseas humanitarian, disaster, and civic aid programs.
Sec. 1312. Humanitarian assistance.
Sec. 1313. Landmine clearance program.

Subtitle C—Arms Exports and Military Assistance

Sec. 1321. Defense export loan guarantees.
Sec. 1322. National security implications of United States export control policy.
Sec. 1323. Department of Defense review of export licenses for certain biological pathogens.
Sec. 1324. Annual reports on improving export control mechanisms and on military assistance.
Sec. 1325. Report on personnel requirements for control of transfer of certain weapons.

Subtitle D—Burdensharing and Other Cooperative Activities Involving Allies and NATO

Sec. 1331. Accounting for burdensharing contributions.
Sec. 1332. Authority to accept contributions for expenses of relocation within host nation of United States Armed Forces overseas.
Sec. 1333. Revised goal for allied share of costs for United States installations in Europe.
Sec. 1334. Exclusion of certain forces from European end strength limitation.
Sec. 1335. Cooperative research and development agreements with NATO organizations.
Sec. 1336. Support services for the Navy at the port of Haifa, Israel.

Subtitle E—Other Matters

Sec. 1341. Prohibition on financial assistance to terrorist countries.
Sec. 1342. Judicial assistance to the International Tribunal for Yugoslavia and to the International Tribunal for Rwanda.
Sec. 1343. Semiannual reports concerning United States-People's Republic of China Joint Defense Conversion Commission.

TITLE XIV—ARMS CONTROL MATTERS

Sec. 1401. Revision of definition of landmine for purposes of landmine export moratorium.
Sec. 1402. Reports on moratorium on use by Armed Forces of antipersonnel landmines.
Sec. 1403. Extension and amendment of counterproliferation authorities.
Sec. 1404. Limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1405. Sense of Congress on ABM treaty violations.
Sec. 1406. Sense of Congress on ratification of Chemical Weapons Convention and START II Treaty.
Sec. 1407. Implementation of arms control agreements.
Sec. 1408. Iran and Iraq arms nonproliferation.

TITLE XV—TECHNICAL AND CLERICAL AMENDMENTS

Sec. 1501. Amendments related to Reserve Officer Personnel Management Act.
Sec. 1502. Amendments to reflect name change of Committee on Armed Services of the House of Representatives.
Sec. 1503. Miscellaneous amendments to title 10, United States Code.
Sec. 1504. Miscellaneous amendments to annual defense authorization Acts.
Sec. 1505. Miscellaneous amendments to other laws.
Sec. 1506. Coordination with other amendments.

TITLE XVI—CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND FIREARMS SAFETY

Sec. 1601. Short title.

Subtitle A—Establishment and Operation of Corporation

Sec. 1611. Establishment of the Corporation.
Sec. 1612. Conduct of Civilian Marksmanship Program.
Sec. 1613. Eligibility for participation in Civilian Marksmanship Program.
Sec. 1614. Issuance, loan, and sale of firearms and ammunition by the Corporation.
Sec. 1615. Transfer of firearms and ammunition from the Army to the Corporation.
Sec. 1616. Reservation by the Army of firearms and ammunition for the Corporation.
Sec. 1617. Army logistical support for the program.
Sec. 1618. General authorities of the Corporation.
Sec. 1619. Distribution of Corporate assets in event of dissolution.

Subtitle B—Transitional Provisions

Sec. 1621. Transfer of funds and property to the Corporation.
Sec. 1622. Continuation of eligibility for certain civil service benefits for former Federal employees of Civilian Marksmanship Program.
Sec. 1623. Certification of completion of transition.
Sec. 1624. Repeal of authority for conduct of Civilian Marksmanship Program by the Army.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Revision of fiscal year 1995 authorization of appropriations to clarify availability of funds for large anechoic chamber facility, Patuxent River Naval Warfare Center, Maryland.
Sec. 2206. Authority to carry out land acquisition project, Hampton Roads, Virginia.
Sec. 2207. Acquisition of land, Henderson Hall, Arlington, Virginia.
Sec. 2208. Acquisition or construction of military family housing in vicinity of San Diego, California.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Retention of accrued interest on funds deposited for construction of family housing, Scott Air Force Base, Illinois.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Military family housing private investment.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Energy conservation projects.
Sec. 2405. Authorization of appropriations, Defense Agencies.
Sec. 2406. Limitations on use of Department of Defense Base Closure Account 1990.
Sec. 2407. Modification of authority to carry out fiscal year 1995 projects.
Sec. 2408. Reduction in amounts authorized to be appropriated for fiscal year 1994 contingency construction projects.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Reduction in amount authorized to be appropriated for fiscal year 1994 Air National Guard Projects.
Sec. 2603. Correction in authorized uses of funds for Army National Guard projects in Mississippi.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 1993 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1992 projects.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Housing Privatization Initiative

Sec. 2801. Alternative authority for construction and improvement of military housing.
Sec. 2802. Expansion of authority for limited partnerships for development of military family housing.

Subtitle B—Other Military Construction Program and Military Family Housing Changes

Sec. 2811. Special threshold for unspecified minor construction projects to correct life, health, or safety deficiencies.
Sec. 2812. Clarification of scope of unspecified minor construction authority.
Sec. 2813. Temporary authority to waive net floor area limitation for family housing acquired in lieu of construction.
Sec. 2814. Reestablishment of authority to waive net floor area limitation on acquisition by purchase of certain military family housing.
Sec. 2815. Temporary authority to waive limitations on space by pay grade for military family housing units.
Sec. 2816. Rental of family housing in foreign countries.
Sec. 2817. Clarification of scope of report requirement on cost increases under contracts for military family housing construction.
Sec. 2818. Authority to convey damaged or deteriorated military family housing.
Sec. 2819. Energy and water conservation savings for the Department of Defense.
Sec. 2820. Extension of authority to enter into leases of land for special operations activities.

Sec. 2821. Disposition of amounts recovered as a result of damage to real property.
Sec. 2822. Pilot program to provide interest rate buy down authority on loans for housing within housing shortage areas at military installations.

Subtitle C—Defense Base Closure and Realignment

Sec. 2831. Deposit of proceeds from leases of property located at installations being closed or realigned.
Sec. 2832. In-kind consideration for leases at installations to be closed or realigned.
Sec. 2833. Interim leases of property approved for closure or realignment.
Sec. 2834. Authority to lease property requiring environmental remediation at installations approved for closure or realignment.
Sec. 2835. Final funding for Defense Base Closure and Realignment Commission.
Sec. 2836. Exercise of authority delegated by the Administrator of General Services.
Sec. 2837. Lease back of property disposed from installations approved for closure or realignment.
Sec. 2838. Improvement of base closure and realignment process regarding disposal of property.
Sec. 2839. Agreements for certain services at installations being closed.
Sec. 2840. Authority to transfer property at military installations to be closed to persons who construct or provide military family housing.
Sec. 2841. Use of single base closure authorities for disposal of property and facilities at Fort Holabird, Maryland.

Subtitle D—Land Conveyances Generally

PART I—ARMY CONVEYANCES

Sec. 2851. Transfer of jurisdiction, Fort Sam Houston, Texas.
Sec. 2852. Transfer of jurisdiction, Fort Bliss, Texas.
Sec. 2853. Transfer of jurisdiction and land conveyance, Fort Devens Military Reservation, Massachusetts.
Sec. 2854. Modification of land conveyance, Fort Belvoir, Virginia.
Sec. 2855. Land exchange, Fort Lewis, Washington.
Sec. 2856. Land exchange, Army Reserve Center, Gainesville, Georgia.
Sec. 2857. Land conveyance, Holston Army Ammunition Plant, Mount Carmel, Tennessee.
Sec. 2858. Land conveyance, Indiana Army Ammunition Plant, Charlestown, Indiana.
Sec. 2859. Land conveyance, Fort Ord, California.
Sec. 2860. Land conveyance, Parks Reserve Forces Training Area, Dublin, California.
Sec. 2861. Land conveyance, Army Reserve Center, Youngstown, Ohio.
Sec. 2862. Land conveyance, Army Reserve Property, Fort Sheridan, Illinois.
Sec. 2863. Land conveyance, property underlying Cummins Apartment Complex, Fort Holabird, Maryland.
Sec. 2864. Modification of existing land conveyance, Army property, Hamilton Air Force Base, California.

PART II—NAVY CONVEYANCES

Sec. 2865. Transfer of jurisdiction, Naval Weapons Industrial Reserve Plant, Calverton, New York.
Sec. 2866. Modification of land conveyance, Naval Weapons Industrial Reserve Plant, Calverton, New York.
Sec. 2867. Land conveyance alternative to existing lease authority, Naval Supply Center, Oakland, California.
Sec. 2868. Land conveyance, Naval Weapons Industrial Reserve Plant, McGregor, Texas.
Sec. 2869. Land conveyance, Naval Surface Warfare Center, Memphis, Tennessee.
Sec. 2870. Land conveyance, Navy property, Fort Sheridan, Illinois.
Sec. 2871. Land conveyance, Naval Communications Station, Stockton, California.
Sec. 2872. Lease of property, Naval Air Station and Marine Corps Air Station, Miramar, California.

PART III—AIR FORCE CONVEYANCES

Sec. 2874. Land acquisition or exchange, Shaw Air Force Base, South Carolina.
Sec. 2875. Land conveyance, Elmendorf Air Force Base, Alaska.
Sec. 2876. Land conveyance, Radar Bomb Scoring Site, Forsyth, Montana.
Sec. 2877. Land conveyance, Radar Bomb Scoring Site, Powell, Wyoming.
Sec. 2878. Land conveyance, Avon Park Air Force Range, Florida.

Subtitle E—Land Conveyances Involving Utilities

Sec. 2881. Conveyance of resource recovery facility, Fort Dix, New Jersey.
Sec. 2882. Conveyance of water and wastewater treatment plants, Fort Gordon, Georgia.
Sec. 2883. Conveyance of electricity distribution system, Fort Irwin, California.
Sec. 2884. Conveyance of water treatment plant, Fort Pickett, Virginia.

Subtitle F—Other Matters

Sec. 2891. Authority to use funds for certain educational purposes.
Sec. 2892. Department of Defense Laboratory Revitalization Demonstration Program.
Sec. 2893. Authority for Port Authority of State of Mississippi to use Navy property at Naval Construction Battalion Center, Gulfport, Mississippi.
Sec. 2894. Prohibition on joint use of Naval Air Station and Marine Corps Air Station, Miramar, California.
Sec. 2895. Report regarding Army water craft support facilities and activities.
Sec. 2896. Residual value reports.
Sec. 2897. Sense of Congress and report regarding Fitzsimons Army Medical Center, Colorado.

TITLE XXIX—LAND CONVEYANCES INVOLVING JOLIET ARMY AMMUNITION PLANT, ILLINOIS

Sec. 2901. Short title.
Sec. 2902. Definitions.

Subtitle A—Conversion of Joliet Army Ammunition Plant to Midewin National Tallgrass Prairie

Sec. 2911. Principles of transfer.
Sec. 2912. Transfer of management responsibilities and jurisdiction over Arsenal.
Sec. 2913. Responsibility and liability.
Sec. 2914. Establishment and administration of Midewin National Tallgrass Prairie.
Sec. 2915. Special management requirements for Midewin National Tallgrass Prairie.
Sec. 2916. Special transfer rules for certain Arsenal parcels intended for MNP.

Subtitle B—Other Land Conveyances Involving Joliet Army Ammunition Plant

Sec. 2921. Conveyance of certain real property at Arsenal for a national cemetery.
Sec. 2922. Conveyance of certain real property at Arsenal for a county landfill.
Sec. 2923. Conveyance of certain real property at Arsenal for industrial parks.

Subtitle C—Miscellaneous Provisions

Sec. 2931. Degree of environmental cleanup.
Sec. 2932. Retention of property used for environmental cleanup.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. Weapons activities.
Sec. 3102. Environmental restoration and waste management.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on general plant projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Fund transfer authority.
Sec. 3125. Authority for conceptual and construction design.
Sec. 3126. Authority for emergency planning, design, and construction activities.
Sec. 3127. Funds available for all national security programs of the Department of Energy.
Sec. 3128. Availability of funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Authority to conduct program relating to fissile materials.
Sec. 3132. National Ignition Facility.
Sec. 3133. Tritium production program.
Sec. 3134. Payment of penalties.
Sec. 3135. Fissile materials disposition.
Sec. 3136. Tritium recycling.
Sec. 3137. Manufacturing infrastructure for refabrication and certification of nuclear weapons stockpile.
Sec. 3138. Hydronuclear experiments.
Sec. 3139. Limitation on authority to conduct hydronuclear tests.
Sec. 3140. Fellowship program for development of skills critical to the Department of Energy nuclear weapons complex.
Sec. 3141. Limitation on use of funds for certain research and development purposes.
Sec. 3142. Processing and treatment of high-level nuclear waste and spent nuclear fuel rods.

Sec. 3143. Protection of workers at nuclear weapons facilities.
Sec. 3144. Department of Energy Declassification Productivity Initiative.

Subtitle D—Other Matters

Sec. 3151. Report on foreign tritium purchases.
Sec. 3152. Study on nuclear test readiness postures.
Sec. 3153. Master plan for the certification, stewardship, and management of warheads in the nuclear weapons stockpile.
Sec. 3154. Prohibition on international inspections of Department of Energy facilities unless protection of restricted data is certified.
Sec. 3155. Review of certain documents before declassification and release.
Sec. 3156. Accelerated schedule for environmental restoration and waste management activities.
Sec. 3157. Sense of Congress regarding certain environmental restoration requirements.
Sec. 3158. Responsibility for Defense Programs Emergency Response Program.
Sec. 3159. Requirements for Department of Energy weapons activities budgets for fiscal years after fiscal year 1996.
Sec. 3160. Report on hydronuclear testing.
Sec. 3161. Applicability of Atomic Energy Community Act of 1955 to Los Alamos, New Mexico.
Sec. 3162. Sense of Congress regarding shipments of spent nuclear fuel.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

Sec. 3301. Definitions.
Sec. 3302. Authorized uses of stockpile funds.
Sec. 3303. Disposal of chromite and manganese ores and chromium ferro and manganese metal electrolytic.
Sec. 3304. Restrictions on disposal of manganese ferro.
Sec. 3305. Titanium initiative to support battle tank upgrade program.

Subtitle B—Programmatic Change

Sec. 3311. Transfer of excess defense-related materials to stockpile for disposal.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Subtitle A—Administration of Naval Petroleum Reserves

Sec. 3401. Authorization of appropriations.
Sec. 3402. Price requirement on sale of certain petroleum during fiscal year 1996.
Sec. 3403. Extension of operating contract for Naval Petroleum Reserve Numbered 1.

Subtitle B—Sale of Naval Petroleum Reserve

Sec. 3411. Definitions.
Sec. 3412. Sale of Naval Petroleum Reserve Numbered 1.
Sec. 3413. Effect of sale of reserve.
Sec. 3414. Conditions on sale process.
Sec. 3415. Treatment of State of California claim regarding reserve.
Sec. 3416. Study of future of other naval petroleum reserves.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

Sec. 3501. Short title.
Sec. 3502. Authorization of expenditures.
Sec. 3503. Expenditures in accordance with other laws.

Subtitle B—Reconstitution of Commission as Government Corporation

Sec. 3521. Short title.
Sec. 3522. Reconstitution of Commission as Government corporation.
Sec. 3523. Supervisory Board.
Sec. 3524. General and specific powers of Commission.
Sec. 3525. Congressional review of budget.
Sec. 3526. Audits.
Sec. 3527. Prescription of measurement rules and rates of tolls.
Sec. 3528. Procedures for changes in rules of measurement and rates of tolls.
Sec. 3529. Miscellaneous technical amendments.
Sec. 3530. Conforming amendment to title 31, United States Code.

DIVISION D—FEDERAL ACQUISITION REFORM

Sec. 4001. Short title.

TITLE XLI—COMPETITION

Sec. 4101. Efficient competition.
Sec. 4102. Efficient approval procedures.
Sec. 4103. Efficient competitive range determinations.
Sec. 4104. Preaward debriefings.
Sec. 4105. Design-build selection procedures.

TITLE XLII—COMMERCIAL ITEMS

Sec. 4201. Commercial item exception to requirement for cost or pricing data.
Sec. 4202. Application of simplified procedures to certain commercial items.
Sec. 4203. Inapplicability of certain procurement laws to commercially available off-the-shelf items.
Sec. 4204. Amendment of commercial items definition.
Sec. 4205. Inapplicability of cost accounting standards to contracts and subcontracts for commercial items.

TITLE XLIII—ADDITIONAL REFORM PROVISIONS

Subtitle A—Additional Acquisition Reform Provisions

Sec. 4301. Elimination of certain certification requirements.
Sec. 4302. Authorities conditioned on FACNET capability.
Sec. 4303. International competitiveness.
Sec. 4304. Procurement integrity.
Sec. 4305. Further acquisition streamlining provisions.
Sec. 4306. Value engineering for Federal agencies.
Sec. 4307. Acquisition workforce.
Sec. 4308. Demonstration project relating to certain personnel management policies and procedures.
Sec. 4309. Cooperative purchasing.
Sec. 4310. Procurement notice technical amendments.
Sec. 4311. Micro-purchases without competitive quotations.

Subtitle B—Technical Amendments

Sec. 4321. Amendments related to Federal Acquisition Streamlining Act of 1994.
Sec. 4322. Miscellaneous amendments to Federal acquisition laws.

TITLE XLIV—EFFECTIVE DATES AND IMPLEMENTATION

Sec. 4401. Effective date and applicability.
Sec. 4402. Implementing regulations.

DIVISION E—INFORMATION TECHNOLOGY MANAGEMENT REFORM

Sec. 5001. Short title.
Sec. 5002. Definitions.

TITLE LI—RESPONSIBILITY FOR ACQUISITIONS OF INFORMATION TECHNOLOGY

Subtitle A—General Authority

Sec. 5101. Repeal of central authority of the Administrator of General Services.

Subtitle B—Director of the Office of Management and Budget

Sec. 5111. Responsibility of Director.
Sec. 5112. Capital planning and investment control.
Sec. 5113. Performance-based and results-based management.

Subtitle C—Executive Agencies

Sec. 5121. Responsibilities.
Sec. 5122. Capital planning and investment control.
Sec. 5123. Performance and results-based management.
Sec. 5124. Acquisitions of information technology.
Sec. 5125. Agency Chief Information Officer.
Sec. 5126. Accountability.
Sec. 5127. Significant deviations.
Sec. 5128. Interagency support.

Subtitle D—Other Responsibilities

Sec. 5131. Responsibilities regarding efficiency, security, and privacy of Federal computer systems.
Sec. 5132. Sense of Congress.

Subtitle E—National Security Systems

Sec. 5141. Applicability to national security systems.
Sec. 5142. National security system defined.

TITLE LII—PROCESS FOR ACQUISITIONS OF INFORMATION TECHNOLOGY

Sec. 5201. Procurement procedures.
Sec. 5202. Incremental acquisition of information technology.

TITLE LIII—INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAMS

Subtitle A—Conduct of Pilot Programs

Sec. 5301. Authority to conduct pilot programs.
Sec. 5302. Evaluation criteria and plans.
Sec. 5303. Report.
Sec. 5304. Recommended legislation.
Sec. 5305. Rule of construction.

Subtitle B—Specific Pilot Programs

Sec. 5311. Share-in-savings pilot program.
Sec. 5312. Solutions-based contracting pilot program.

TITLE LIV—ADDITIONAL INFORMATION RESOURCES MANAGEMENT MATTERS

Sec. 5401. On-line multiple award schedule contracting.
Sec. 5402. Identification of excess and surplus computer equipment.
Sec. 5403. Access of certain information in information systems to the directory established under section 4101 of title 44, United States Code.

TITLE LV—PROCUREMENT PROTEST AUTHORITY OF THE COMPTROLLER GENERAL

Sec. 5501. Period for processing protests.
Sec. 5502. Availability of funds following GAO resolution of challenge to contracting action.

TITLE LVI—CONFORMING AND CLERICAL AMENDMENTS

Sec. 5601. Amendments to title 10, United States Code.

Sec. 5602. Amendments to title 28, United States Code.
Sec. 5603. Amendment to title 31, United States Code.
Sec. 5604. Amendments to title 38, United States Code.
Sec. 5605. Provisions of title 44, United States Code, relating to paperwork reduction.
Sec. 5606. Amendment to title 49, United States Code.
Sec. 5607. Other laws.
Sec. 5608. Clerical amendments.

TITLE LVII—EFFECTIVE DATE, SAVINGS PROVISIONS, AND RULES OF CONSTRUCTION

Sec. 5701. Effective date.
Sec. 5702. Savings provisions.
Sec. 5703. Rules of construction.

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.

SEC. 4. EXTENSION OF TIME FOR SUBMISSION OF REPORTS.

In the case of any provision of this Act, or any amendment made by a provision of this Act, requiring the submission of a report to Congress (or any committee of Congress), that report shall be submitted not later than the later of—

(1) the date established for submittal of the report in such provision or amendment; or

(2) the date that is 45 days after the date of the enactment of this Act.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Army as follows:

(1) For aircraft, $1,558,805,000.

(2) For missiles, $865,555,000.

(3) For weapons and tracked combat vehicles, $1,652,745,000.

(4) For ammunition, $1,093,991,000.

(5) For other procurement, $2,763,443,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Navy as follows:

(1) For aircraft, $4,572,394,000.

(2) For weapons, including missiles and torpedoes, $1,659,827,000.

(3) For shipbuilding and conversion, $6,643,958,000.

(4) For other procurement, $2,414,771,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Marine Corps in the amount of $458,947,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $430,053,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Air Force as follows:

(1) For aircraft, $7,349,783,000.

(2) For missiles, $2,938,883,000.

(3) For ammunition, $343,848,000.

(4) For other procurement, $6,268,430,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1996 for Defense-wide procurement in the amount of $2,124,379,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $160,000,000.

(2) For the Air National Guard, $255,000,000.

(3) For the Army Reserve, $85,700,000.

(4) For the Naval Reserve, $67,000,000.

(5) For the Air Force Reserve, $135,600,000.

(6) For the Marine Corps Reserve, $73,700,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1996 for procurement for the Inspector General of the Department of Defense in the amount of $1,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1996 the amount of $672,250,000 for—

(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

(2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $288,033,000.

Subtitle B—Army Programs

SEC. 111. PROCUREMENT OF OH-58D ARMED KIOWA WARRIOR HELICOPTERS.

The prohibition in section 133(a)(2) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1383) does not apply to the obligation of funds in amounts not to exceed $140,000,000 for the procurement of not more than 20 OH-58D Armed Kiowa Warrior aircraft from funds appropriated for fiscal year 1996 pursuant to section 101.

SEC. 112. REPEAL OF REQUIREMENTS FOR ARMORED VEHICLE UPGRADES.

Subsection (j) of section 21 of the Arms Export Control Act (22 U.S.C. 2761) is repealed.

SEC. 113. MULTIYEAR PROCUREMENT OF HELICOPTERS.

The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for procurement of the following:

(1) AH-64D Longbow Apache attack helicopters.

(2) UH-60 Black Hawk utility helicopters.

SEC. 114. REPORT ON AH-64D ENGINE UPGRADES.

No later than February 1, 1996, the Secretary of the Army shall submit to Congress a report on plans to procure T700-701C engine upgrade kits for Army AH-64D helicopters. The report shall include—

(1) a plan to provide for the upgrade of all Army AH-64D helicopters with T700-701C engine kits commencing in fiscal year 1996; and

(2) a detailed timeline and statement of funding requirements for the engine upgrade program described in paragraph (1).

SEC. 115. REQUIREMENT FOR USE OF PREVIOUSLY AUTHORIZED MULTIYEAR PROCUREMENT AUTHORITY FOR ARMY SMALL ARMS PROCUREMENT.

(a) REQUIREMENT.—The Secretary of the Army (subject to the provision of authority in an appropriations Act) shall enter into a multiyear procurement contract during fiscal year 1997 in accordance with section 115(b)(2) of the National Defense Authorization for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2681).

(b) TECHNICAL AMENDMENT.—Section 115(b)(1) of the National Defense Authorization for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2681) is amended by striking out "2306(h)" and inserting in lieu thereof "2306b".

Subtitle C—Navy Programs

SEC. 131. NUCLEAR ATTACK SUBMARINES.

(a) AMOUNTS AUTHORIZED.—(1) Of the amount authorized by section 102 to be appropriated for Shipbuilding and Conversion, Navy, for fiscal year 1996—

(A) $700,000,000 is available for construction of the third vessel (designated SSN-23) in the Seawolf attack submarine class, which shall be the final vessel in that class; and

(B) $804,498,000 is available for long-lead and advance construction and procurement of components for construction of the fiscal year 1998 and fiscal year 1999 submarines (previously designated by the Navy as the New Attack Submarine), of which—

(i) $704,498,000 shall be available for long-lead and advance construction and procurement for the fiscal year 1998 submarine, which shall be built by Electric Boat Division; and

(ii) $100,000,000 shall be available for long-lead and advance construction and procurement for the fiscal year 1999 submarine, which shall be built by Newport News Shipbuilding.

(2) Of the amount authorized by section 201(2), $10,000,000 shall be available only for participation of Newport News Shipbuilding in the design of the submarine previously designated by the Navy as the New Attack Submarine.

(b) COMPETITION, REPORT, AND BUDGET REVISION LIMITATIONS.—(1) Of the amounts specified in subsection (a)(1), not more than $200,000,000 may be obligated or expended until the Secretary of the Navy certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that procurement of nuclear attack submarines to be constructed beginning—

(A) after fiscal year 1999, or

(B) if four submarines are procured as provided for in the plan described in subsection (c), after fiscal year 2001,

will be under one or more contracts that are entered into after competition between potential competitors (as defined in subsection (k)) in which the Secretary solicits competitive proposals and awards the contract or contracts on the basis of price.

(2) Of the amounts specified in subsection (a)(1), not more than $1,000,000,000 may be obligated or expended until the Secretary of Defense, not later than March 15, 1996, accomplishes each of the following:

(A) Submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives in accordance with subsection (c) the plan required by that subsection for a program to produce a more capable, less expensive nuclear attack submarine than the submarine design previously designated by the Navy as the New Attack Submarine.

(B) Notwithstanding any other provision of law, or the funding level in the President's budget for each year after fiscal year 1996, the Under Secretary of Defense (Comptroller) shall incorporate the costs of the plan required by subsection (c) in the Future Years Defense Program (FYDP) even if the total cost of that Program exceeds the President's budget.

(C) Directs that the Under Secretary of Defense for Acquisition and Technology conduct oversight over the development and improvement of the nuclear attack submarine program of the Navy. Officials of the Department of the Navy exercising management oversight of the program shall report to the Under Secretary of Defense for Acquisition and Technology with respect to that program.

(c) PLAN FOR FISCAL YEAR 1998, 1999, 2000, AND 2001 SUBMARINES.—(1) The Secretary of Defense shall, not later than March 15, 1996, develop (and submit to the committees specified in subsection (b)(2)(A)) a detailed plan for development of a program that will lead to production of a more capable, less expensive submarine than the submarine previously designated as the New Attack Submarine.

(2) As part of such plan, the Secretary shall provide for a program for the design, development, and procurement of four nuclear attack submarines to be procured during fiscal years 1998 through 2001, the purpose of which shall be to develop and demonstrate new technologies that will result in each successive submarine of those four being a more capable and more affordable submarine than the submarine that preceded it. The program shall be structured so that—

(A) one of the four submarines is to be constructed with funds appropriated for each fiscal year from fiscal year 1998 through fiscal year 2001;

(B) in order to ensure flexibility for innovation, the fiscal year 1998 and the fiscal year 2000 submarines are to be constructed by the Electric Boat Division and the fiscal year 1999 and the fiscal year 2001 submarines are to be constructed by Newport News Shipbuilding;

(C) the design designated by the Navy for the submarine previously designated as the New Attack Submarine will be used as the base design by both contractors;

(D) each contractor shall be called upon to propose improvements, including design improvements, for each successive submarine as new and better technology is demonstrated and matures so that—

(i) each successive submarine is more capable and more affordable; and

(ii) the design for a future class of nuclear attack submarines will incorporate the latest, best, and most affordable technology; and

(E) the fifth and subsequent nuclear attack submarines to be built after the SSN-23 submarine shall be procured as required by subsection (b)(1).

(3) The plan under paragraph (1) shall—

(A) set forth a program to accomplish the design, development, and construction of the four submarines taking maximum advantage of a streamlined acquisition process, as provided under subsection (d);

(B) culminate in selection of a design for a next submarine for serial production not earlier than fiscal year 2003, with such submarine to be procured as required by subsection (b)(1);

(C) identify advanced technologies that are in various phases of research and development, as well as those that are commercially available off-the-shelf, that are candidates to be incorporated into the plan to design, develop, and procure the submarines;

(D) designate the fifth submarine to be procured as the lead ship in the next generation submarine class, unless the Secretary of the Navy, in consultation with the special submarine review panel described in subsection (f), determines that more submarines should be built before the design of the new class of submarines is fixed, in which case each such additional submarine shall be procured in the same manner as is required by subsection (b)(1); and

(E) identify the impact of the submarine program described in paragraph (1) on the remainder of the appropriation account known as "Shipbuilding and Conversion, Navy", as such impact relates to—

(i) force structure levels required by the October 1993 Department of Defense report entitled "Report on the Bottom-Up Review";

(ii) force structure levels required by the 1995 report on the Surface Ship Combatant Study that was carried out for the Department of Defense; and

(iii) the funding requirements for submarine construction, as a percentage of the total ship construction account, for each fiscal year throughout the FYDP.

(4) As part of such plan, the Secretary shall provide—

(A) cost estimates and schedules for developing new technologies that may be used to make submarines more capable and more affordable; and

(B) an analysis of significant risks associated with fielding the new technologies on the schedule proposed by the Secretary and significant increased risks that are likely to be incurred by accelerating that schedule.

(d) STREAMLINED ACQUISITION PROCESS.—The Secretary of Defense shall prescribe and use streamlined acquisition policies and procedures to reduce the cost and increase the efficiency of the submarine program under this section.

(e) ANNUAL REVISIONS TO PLAN.—The Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives an annual update to the plan required to be submitted under subsection (b). Each such update shall be submitted concurrent with the President's budget submission to Congress for each of fiscal years 1998 through 2002.

(f) SPECIAL SUBMARINE REVIEW PANEL.—(1) The plan under subsection (c) and each annual update under subsection (e) shall be reviewed by a special bipartisan congressional panel working with the Navy. The panel shall consist of three members of the Committee on Armed Services of the Senate, who shall be designated by the chairman of that committee, and three members of the Committee on National Security of the House of Representatives, who shall be designated by the chairman of that committee. The members of the panel shall be briefed by the Secretary of the Navy on the status of the submarine modernization program and the status of submarine-related research and development under this section.

(2) Not later than May 1 of each year, the panel shall report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives on the panel's findings and recommendations regarding the progress of the Secretary in procuring a more capable, less expensive submarine. The panel may recommend any funding adjustments it believes appropriate to achieve this objective.

(g) LINKAGE OF FISCAL YEAR 1998 AND 1999 SUBMARINES.—Funds referred to in subsection (a)(1)(B) that are available for the fiscal year 1998 and fiscal year 1999 submarines under this section may not be expended during fiscal year 1996 for the fiscal year 1998 submarine (other than for design) unless funds are obligated or expended during such fiscal year for a contract in support of procurement of the fiscal year 1999 submarine.

(h) CONTRACTS AUTHORIZED.—The Secretary of the Navy is authorized, using funds available pursuant to paragraph (1)(B) of subsection (a), to enter into contracts with Electric Boat Division and Newport News Shipbuilding, and suppliers of components, during fiscal year 1996 for—

(1) the procurement of long-lead components for the fiscal year 1998 submarine and the fiscal year 1999 submarine under this section; and

(2) advance construction of such components and other components for such submarines.

(i) ADVANCED RESEARCH PROJECTS AGENCY DEVELOPMENT OF ADVANCED TECHNOLOGIES.—(1) Of the amount provided in section 201(4) for the Advanced Research Projects Agency, $100,000,000 is available only for development and demonstration of advanced technologies for incorporation into the submarines constructed as part of the plan developed under subsection (c). Such advanced technologies shall include the following:

(A) Electric drive.

(B) Hydrodynamic quieting.

(C) Ship control automation.

(D) Solid-state power electronics.

(E) Wake reduction technologies.

(F) Superconductor technologies.

(G) Torpedo defense technologies.

(H) Advanced control concept.

(I) Fuel cell technologies.

(J) Propulsors.

(2) The Director of the Advanced Research Projects Agency shall implement a rapid prototype acquisition strategy for both land-based and at-sea subsystem and system demonstrations of advanced technologies under paragraph (1). Such acquisition strategy shall be developed and implemented in concert with Electric Boat Division and Newport News Shipbuilding and the Navy.

(j) REFERENCES TO CONTRACTORS.—For purposes of this section—

(1) the contractor referred to as "Electric Boat Division" is the Electric Boat Division of the General Dynamics Corporation; and

(2) the contractor referred to as "Newport News Shipbuilding" is the Newport News Shipbuilding and Drydock Company.

(k) POTENTIAL COMPETITOR DEFINED.—For purposes of this section, the term "potential competitor" means any source to which the Secretary of the Navy has awarded, within 10 years before the date of the enactment of this Act, a contract or contracts to construct one or more nuclear attack submarines.

SEC. 132. RESEARCH FOR ADVANCED SUBMARINE TECHNOLOGY.

Of the amount appropriated for fiscal year 1996 for the National Defense Sealift Fund, $50,000,000 shall be available only for the Director of the Advanced Research Projects Agency for advanced submarine technology activities.

SEC. 133. COST LIMITATION FOR SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the SSN-21, SSN-22, and SSN-23 Seawolf class submarines may not exceed $7,223,659,000.

(b) AUTOMATIC INCREASE OF LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (a) is increased by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarines referred to in such subsection.

(2) The amounts of increases in costs attributable to economic inflation after September 30, 1995.

(3) The amounts of increases in costs attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 1995.

(c) REPEAL OF SUPERSEDED PROVISION.—Section 122 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2682) is repealed.

SEC. 134. REPEAL OF PROHIBITION ON BACKFIT OF TRIDENT SUBMARINES.

Section 124 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2683) is repealed.

SEC. 135. ARLEIGH BURKE CLASS DESTROYER PROGRAM.

(a) AUTHORIZATION FOR PROCUREMENT OF SIX VESSELS.—The Secretary of the Navy is authorized to construct six Arleigh Burke class destroyers in accordance with this section. Within the amount authorized to be appropriated pursuant to section 102(a)(3), $2,169,257,000 is authorized to be appropriated for construction (including advance procurement) for the Arleigh Burke class destroyers.

(b) CONTRACTS.—(1) The Secretary is authorized to enter into contracts in fiscal year 1996 for the construction of three Arleigh Burke class destroyers.

(2) The Secretary is authorized, in fiscal year 1997, to enter into contracts for the construction of the other three Arleigh Burke class destroyers covered by subsection (a), subject to the availability of appropriations for such destroyers.

(3) In awarding contracts for the six vessels covered by subsection (a), the Secretary shall continue the contract award pattern and sequence used by the Secretary for the procurement of Arleigh Burke class destroyers during fiscal years 1994 and 1995.

(4) A contract for construction of a vessel or vessels that is entered into in accordance with paragraph (1) shall include a clause that limits the liability of the Government to the contractor for any termination of the contract. The maximum liability of the Government under the clause shall be the amount appropriated for the vessel or vessels.

(c) USE OF AVAILABLE FUNDS.—(1) Subject to paragraph (2), the Secretary may take appropriate actions to use for full funding of a contract entered into in accordance with subsection (b)—

(A) any funds that, having been appropriated for shipbuilding and conversion programs of the Navy other than Arleigh Burke class destroyer programs pursuant to the authorization in section 102(a)(3), become excess to the needs of the Navy for such programs by reason of cost savings achieved for such programs;

(B) any unobligated funds that are available to the Secretary for shipbuilding and conversion for any fiscal year before fiscal year 1996; and

(C) any funds that are appropriated after the date of the enactment of the Department of Defense Appropriations Act, 1996, to complete the full funding of the contract.

(2) The Secretary may not, in the exercise of authority provided in subparagraph (A) or (B) of paragraph (1), obligate funds for a contract entered into in accordance with subsection (b) until 30 days after the date on which the Secretary submits to the congressional defense committees in writing a notification of the intent to obligate the funds. The notification shall set forth the source or sources of the funds and the amount of the funds from each such source that is to be so obligated.

SEC. 136. ACQUISITION PROGRAM FOR CRASH ATTENUATING SEATS.

(a) PROGRAM AUTHORIZED.—The Secretary of the Navy shall establish a program to procure for, and install in, H–53E military transport helicopters commercially developed, energy absorbing, crash attenuating seats that the Secretary determines are consistent with military specifications for seats for such helicopters.

(b) FUNDING.—To the extent provided in appropriations Acts, of the unobligated balance of amounts appropriated for the Legacy Resource Management Program pursuant to the authorization of appropriations in section 301(5) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2706), not more than $10,000,000 shall be available to the Secretary of the Navy, by transfer to the appropriate accounts, for carrying out the program authorized in subsection (a).

SEC. 137. T-39N TRAINER AIRCRAFT.

(a) LIMITATION.—The Secretary of the Navy may not enter into a contract, using funds appropriated for fiscal year 1996 for procurement of aircraft for the Navy, for the acquisition of the aircraft described in subsection (b) until 60 days after the date on which the Under Secretary of Defense for Acquisition and Technology submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives—

(1) an analysis of the proposed acquisition of such aircraft; and

(2) a certification that the proposed acquisition during fiscal year 1996 (A) is in the best interest of the Government, and (B) is the most cost effective means of meeting the requirements of the Navy for aircraft for use in the training of naval flight officers.

(b) COVERED AIRCRAFT.—Subsection (a) applies to certain T–39 trainer aircraft that as of November 1, 1995 (1) are used by the Navy under a lease arrangement for the training of naval flight officers, and (2) are offered for sale to the Government.

SEC. 138. PIONEER UNMANNED AERIAL VEHICLE PROGRAM.

Not more than one-sixth of the amount appropriated pursuant to this Act for the activities and operations of the Unmanned Aerial Vehicle Joint Program Office (UAV–JPO), and none of the unobligated balances of funds appropriated for fiscal years before fiscal year 1996 for the activities and operations of such office, may be obligated until the Secretary of the Navy certifies to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that funds have been obligated to equip nine Pioneer Unmanned Aerial Vehicle systems with the Common Automatic Landing and Recovery System (CARS).

Subtitle D—Air Force Programs

SEC. 141. B-2 AIRCRAFT PROGRAM.

(a) REPEAL OF LIMITATIONS.—The following provisions of law are repealed:

(1) Section 151(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2339).

(2) Sections 131(c) and 131(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1569).

(3) Section 133(e) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2688).

(b) CONVERSION OF LIMITATION TO ANNUAL REPORT REQUIREMENT.—Section 112 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1373) is amended—

(1) by striking out subsection (a);

(2) by striking out the matter in subsection (b) preceding paragraph (1) and inserting in lieu thereof the following:

"(a) ANNUAL REPORTING REQUIREMENT.—Not later than March 1 of each year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that sets forth the finding of the Secretary (as of January 1 of such year) on each of the following matters:";

(3) by striking out "That" in paragraphs (1), (2), (3), (4), and (5) and inserting in lieu thereof "Whether";

(4) in paragraph (1), by striking out "latest" and all that follows through "100–180" and inserting in lieu thereof "Requirements Correlation Matrix found in the user-defined Operational Requirements Document (as contained in Attachment B to a letter from the Secretary of Defense to Congress dated October 14, 1993)";

(5) in paragraph (3), by striking out "congressional defense";

(6) in paragraph (4), by striking out "such certification to be submitted";

(7) by adding at the end the following:

"(b) FIRST REPORT.—The Secretary shall submit the first annual report under subsection (a) not later than March 1, 1996."; and

(8) by amending the section heading to read as follows:

"SEC. 112. ANNUAL REPORT ON B-2 BOMBER AIRCRAFT PROGRAM.".

(c) REPEAL OF CONDITION ON OBLIGATION OF FUNDS IN ENHANCED BOMBER CAPABILITY FUND.—Section 133(d)(3) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2688) is amended by striking out "If," and all that follows through "bombers, the Secretary" and inserting in lieu thereof "The Secretary".

SEC. 142. PROCUREMENT OF B-2 BOMBERS.

Of the amount authorized to be appropriated by section 103 for the B–2 bomber procurement program, not more than $279,921,000 may be obligated or expended before March 31, 1996.

SEC. 143. MC-130H AIRCRAFT PROGRAM.

The limitation on the obligation of funds for payment of an award fee and the procurement of contractor-furnished equipment for the MC–130H Combat Talon aircraft set forth in section 161(a) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1388) shall cease to apply upon determination by the Director of Operational Test and Evaluation (and submission of a certification of that determination to the congressional defense committees) that, based on the operational test and evaluation and the analysis conducted on that aircraft to the date of that determination, such aircraft is operationally effective and meets the needs of its intended users.

Subtitle E—Chemical Demilitarization Program

SEC. 151. REPEAL OF REQUIREMENT TO PROCEED EXPEDITIOUSLY WITH DEVELOPMENT OF CHEMICAL DEMILITARIZATION CRYOFRACTURE FACILITY AT TOOELE ARMY DEPOT, UTAH.

Subsection (a) of section 173 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1393) is repealed.

SEC. 152. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

(a) IN GENERAL.—The Secretary of Defense shall proceed with the program for destruction of the chemical munitions stockpile of the Department of Defense while maintaining the maximum protection of the environment, the general public, and the personnel involved in the actual destruction of the munitions. In carrying out such program, the Secretary shall use technologies and procedures that will minimize the risk to the public at each site.

(b) INITIATION OF DEMILITARIZATION OPERATIONS.—The Secretary of Defense may not initiate destruction of the chemical munitions stockpile stored at a site until the following support measures are in place:

(1) Support measures that are required by Department of Defense and Army chemical surety and security program regulations.

(2) Support measures that are required by the general and site chemical munitions demilitarization plans specific to that installation.

(3) Support measures that are required by the permits required by the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) and the Clean Air Act (42 U.S.C. 7401 et seq.) for chemical munitions demilitarization operations at that installation, as approved by the appropriate State regulatory agencies.

(c) ASSESSMENT OF ALTERNATIVES.—(1) The Secretary of Defense shall conduct an assessment of the current chemical demilitarization program and of measures that could be taken to reduce significantly the total cost of the program, while ensuring maximum protection of the general public, the personnel involved in the demilitarization program, and the environment. The measures considered shall be limited to those that would minimize the risk to the public. The assessment shall be conducted without regard to any limitation that would otherwise apply to the conduct of such an assessment under any provision of law.

(2) The assessment shall be conducted in coordination with the National Research Council.

(3) Based on the results of the assessment, the Secretary shall develop appropriate recommendations for revision of the chemical demilitarization program.

(4) Not later than March 1, 1996, the Secretary of Defense shall submit to the congressional defense committees an interim report assessing the current status of the chemical stockpile demilitarization program, including the results of the Army's analysis of the physical and chemical integrity of the stockpile and implications for the chemical demilitarization program, and providing recommendations for revisions to that program that have been included in the budget request of the Department of Defense for fiscal year 1997. The Secretary shall submit to the congressional defense committees with the submission of the budget request of the Department of Defense for fiscal year 1998 a final report on the assessment conducted in accordance with paragraph (1) and recommendations for revision to the program, including an assessment of alternative demilitarization technologies and processes to the baseline incineration process and potential reconfiguration of the stockpile that should be incorporated in the program.

(d) ASSISTANCE FOR CHEMICAL WEAPONS STOCKPILE COMMUNITIES AFFECTED BY BASE CLOSURE.—(1) The Secretary of Defense shall review and evaluate issues associated with closure and reutilization of Department of Defense facilities co-located with continuing chemical stockpile and chemical demilitarization operations.

(2) The review shall include the following:

(A) An analysis of the economic impacts on these communities and the unique reuse problems facing local communities associated with ongoing chemical weapons programs.

(B) Recommendations of the Secretary on methods for expeditious and cost-effective transfer or lease of these facilities to local communities for reuse by those communities.

(3) The Secretary shall submit to the congressional defense committees a report on the review and evaluation under this subsection. The report shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 153. ADMINISTRATION OF CHEMICAL DEMILITARIZATION PROGRAM.

(a) TRAVEL FUNDING FOR MEMBERS OF CHEMICAL DEMILITARIZATION CITIZENS' ADVISORY COMMISSIONS.—Section 172(g) of Public Law 102–484 (50 U.S.C. 1521 note) is amended to read as follows:

"(g) PAY AND EXPENSES.—Members of each commission shall receive no pay for their involvement in the activities of their commissions. Funds appropriated for the Chemical Stockpile Demilitarization Program may be used for travel and associated travel costs for Citizens' Advisory Commissioners, when such travel is conducted at the invitation of the Assistant Secretary of the Army (Research, Development, and Acquisition).".

(b) QUARTERLY REPORT CONCERNING TRAVEL FUNDING FOR CITIZENS' ADVISORY COMMISSIONERS.—Section 1412(g) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)), is amended—

(1) by striking out "(g) ANNUAL REPORT.—" and inserting in lieu thereof "(g) PERIODIC REPORTS.—";

(2) in paragraph (2)—

(A) by striking out "Each such report shall con- tain—" and inserting in lieu thereof "Each annual report shall contain—"

(B) in subparagraph (B)—

(i) by striking out "and" at the end of clause (iv);

(ii) by striking out the period at the end of clause (v) and inserting in lieu thereof "; and"; and

(iii) by adding at the end the following:

"(vi) travel and associated travel costs for Citizens' Advisory Commissioners under section 172(g) of Public Law 102–484 (50 U.S.C. 1521 note).";

(3) by redesignating paragraph (3) as paragraph (4);

(4) by inserting after paragraph (2) the following new paragraph (3):

"(3) The Secretary shall transmit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a quarterly report containing an accounting of all funds expended (during the quarter covered by the report) for travel and associated travel costs for Citizens' Advisory Commissioners under section 172(g) of Public Law 102–484 (50 U.S.C. 1521 note). The quarterly report for the final quarter of the period covered by a report under paragraph (1) may be included in that report."; and

(5) in paragraph (4), as redesignated by paragraph (3)—

(A) by striking out "this subsection" and inserting in lieu thereof "paragraph (1)"; and

(B) by adding at the end the following: "No quarterly report is required under paragraph (3) after the transmittal of the final report under paragraph (1).".

(c) DIRECTOR OF PROGRAM.—Section 1412(e)(3) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(e)(3)), is amended by inserting "or civilian equivalent" after "general officer".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,737,581,000.

(2) For the Navy, $8,474,783,000.

(3) For the Air Force, $12,914,868,000.

(4) For Defense-wide activities, $9,693,180,000, of which—

(A) $251,082,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $22,587,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1996.—Of the amounts authorized to be appropriated by section 201, $4,088,879,000 shall be available for basic research and exploratory development projects.

(b) BASIC RESEARCH AND EXPLORATORY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research and exploratory development" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. MODIFICATIONS TO STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

(a) COUNCIL MEMBERSHIP.—Section 2902(b) of title 10, United States Code, is amended—

(1) by striking out "thirteen" and inserting in lieu thereof "12";

(2) by striking out paragraph (3);

(3) by redesignating paragraphs (4), (5), (6), (7), (8), (9), and (10) as paragraphs (3), (4), (5), (6), (7), (8), and (9), respectively; and

(4) in paragraph (8), as redesignated, by striking out ", who shall be nonvoting members".

(b) ANNUAL REPORT.—(1) Section 2902 of such title is amended in subsection (d)—

(A) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) To prepare an annual report that contains the following:

"(A) A description of activities of the strategic environmental research and development program carried out during the fiscal year before the fiscal year in which the report is prepared.

"(B) A general outline of the activities planned for the program during the fiscal year in which the report is prepared.

"(C) A summary of projects continued from the fiscal year before the fiscal year in which the report is prepared and projects expected to be started during the fiscal year in which the report is prepared and during the following fiscal year."; and

(B) in paragraph (4), by striking out "Federal Coordinating Council on Science, Engineering, and Technology" and inserting in lieu thereof "National Science and Technology Council".

(2) Section 2902 of such title is further amended—

(A) by striking out subsections (f) and (h);

(B) by redesignating subsection (g) as subsection (f); and

(C) by adding at the end the following new subsection:

"(g)(1) Not later than February 1 of each year, the Council shall submit to the Secretary of Defense the annual report prepared pursuant to subsection (d)(3).

"(2) Not later than March 15 of each year, the Secretary of Defense shall submit such annual report to Congress, along with such comments as the Secretary considers appropriate.".

(3) The amendments made by this subsection shall apply with respect to the annual report prepared during fiscal year 1997 and each fiscal year thereafter.

(c) Policies and Procedures.—Section 2902(e) of such title is amended in paragraph (3) by striking out "programs, particularly" and all that follows through the end of the paragraph and inserting in lieu thereof "programs;".

(d) Competitive Procedures.—Section 2903(c) of such title is amended—

(1) by striking out "or" after "contracts" and inserting in lieu thereof "using competitive procedures. The Executive Director may enter into"; and

(2) by striking out "law, except that" and inserting in lieu thereof "law. In either case,".

(e) Continuation of Expiring Authority.—(1) Section 2903(d) of such title is amended in paragraph (2) by striking out the last sentence.

(2) The amendment made by paragraph (1) shall take effect as of September 29, 1995.

SEC. 204. DEFENSE DUAL USE TECHNOLOGY INITIATIVE.

(a) Fiscal Year 1996 Amount.—Of the amount authorized to be appropriated in section 201(4), $195,000,000 shall be available for the defense dual use technology initiative conducted under chapter 148 of title 10, United States Code.

(b) Availability of Funds for Existing Technology Reinvestment Projects.—The Secretary of Defense shall use amounts made available for the defense dual use technology initiative under subsection (a) only for the purpose of continuing or completing technology reinvestment projects that were initiated before October 1, 1995.

(c) Notice Concerning Projects To Be Carried Out.—Of the amounts made available for the defense dual use technology initiative under subsection (a)—

(1) $145,000,000 shall be available for obligation only after the date on which the Secretary of Defense notifies the congressional defense committees regarding the defense reinvestment projects to be funded using such funds; and

(2) the remaining $50,000,000 shall be available for obligation only after the date on which the Secretary of Defense certifies to the congressional defense committees that the defense reinvestment projects to be funded using such funds have been determined by the Joint Requirements Oversight Council to be of significant military priority.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. SPACE LAUNCH MODERNIZATION.

(a) Allocation of Funds.—Of the amount authorized to be appropriated pursuant to the authorization in section 201(3), $50,000,000 shall be available for a competitive reusable rocket technology program.

(b) Limitation.—Funds made available pursuant to subsection (a)(1) may be obligated only to the extent that the fiscal year 1996 current operating plan of the National Aeronautics and Space Administration allocates at least an equal amount for its Reusable Space Launch program.

SEC. 212. TACTICAL MANNED RECONNAISSANCE.

(a) Limitation.—None of the amounts appropriated or otherwise made available pursuant to an authorization in this Act may be used by the Secretary of the Air Force to conduct research, development, test, or evaluation for a replacement aircraft, pod, or sensor payload for the tactical manned reconnaissance mission until the report required by subsection (b) is submitted to the congressional defense committees.

(b) Report.—The Secretary of the Air Force shall submit to the congressional defense committees a report setting forth in detail information about the manner in which the funds authorized by section 201 of this Act and section 201 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2690) are planned to be used during fiscal year 1996 for research, development, test, and evaluation for the Air Force tactical manned reconnaissance mission. At a minimum, the report shall include the sources, by program element, of the funds and the purposes for which the funds are planned to be used.

SEC. 213. JOINT ADVANCED STRIKE TECHNOLOGY (JAST) PROGRAM.

(a) Allocation of Funds.—Of the amounts authorized to be appropriated pursuant to the authorizations in section 201, $200,156,000 shall be available for the Joint Advanced Strike Technology (JAST) program. Of that amount—

(1) $83,795,000 shall be available for program element 63800N in the budget of the Department of Defense for fiscal year 1996;

(2) $85,686,000 shall be available for program element 63800F in such budget; and

(3) $30,675,000 shall be available for program element 63800E in such budget.

(b) Additional Allocation.—Of the amounts made available under paragraphs (1), (2), and (3) of subsection (a)—

(1) $25,000,000 shall be available from the amount authorized to be appropriated pursuant to the authorization in section 201(2) for the conduct, during fiscal year 1996, of a 6-month program definition phase for the A/F117X, an F–117 fighter aircraft modified for use by the Navy as a long-range, medium attack aircraft; and

(2) $7,000,000 shall be available to provide for competitive engine concepts.

(c) Limitation.—Not more than 75 percent of the amount appropriated for the Joint Advanced Strike Technology program pursuant to the authorizations in section 201 may be obligated until a period of 30 days has expired after the report required by subsection (d) is submitted to the congressional defense committees.

(d) Report.—The Secretary of Defense shall submit to the congressional defense committees a report, in unclassified and classified forms, not later than March 1, 1996, that sets forth in detail the following information for the period 1997 through 2005:

(1) The total joint requirement, assuming the capability to successfully conduct two nearly simultaneous major regional contingencies, for the following:

(A) Numbers of bombers, tactical combat aircraft, and attack helicopters and the characteristics required of those aircraft in terms of capabilities, range, and low-observability.

(B) Surface- and air-launched standoff precision guided munitions.

(C) Cruise missiles.

(D) Ground-based systems, such as the Extended Range-Multiple Launch Rocket System and the Army Tactical Missile System (ATACMS), for joint warfighting capability.

(2) The warning time assumptions for two nearly simultaneous major regional contingencies, and the effects on future tactical attack/fighter aircraft requirements using other warning time assumptions.

(3) The requirements that exist for the Joint Advanced Strike Technology program that cannot be met by existing aircraft or by those in development.

SEC. 214. DEVELOPMENT OF LASER PROGRAM.

Of the amount authorized to be appropriated by section 201(2), $9,000,000 shall be used for the development by the Naval High Energy Laser Office of a continuous wave, superconducting radio frequency free electron laser program.

SEC. 215. NAVY MINE COUNTERMEASURES PROGRAM.

Section 216(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1317) is amended—

(1) by striking out "Director, Defense Research and Engineering" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(2) by striking out "fiscal years 1995 through 1999" and inserting in lieu thereof "fiscal years 1996 through 1999".

SEC. 216. SPACE-BASED INFRARED SYSTEM.

(a) Program Baseline.—The Secretary of Defense shall establish a program baseline for the Space-Based Infrared System. Such baseline shall—

(1) include—

(A) program cost and an estimate of the funds required for development and acquisition activities for each fiscal year in which such activities are planned to be carried out;

(B) a comprehensive schedule with program milestones and exit criteria; and

(C) optimized performance parameters for each segment of an integrated space-based infrared system;

(2) be structured to achieve initial operational capability of the low earth orbit space segment (the Space and Missile Tracking System) in fiscal year 2003, with a first launch of Block I satellites in fiscal year 2002;

(3) ensure integration of the Space and Missile Tracking System into the architecture of the Space-Based Infrared System; and

(4) ensure that the performance parameters of all space segment components are selected so as to optimize the performance of the Space-Based Infrared System while minimizing unnecessary redundancy and cost.

(b) Report on Program Baseline.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report, in classified and unclassified forms as necessary, on the program baseline established under subsection (a).

(c) Establishment of Program Elements.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year after fiscal year 1996 (as submitted in the budget of the President under section 1105(a) of title 31, United States Code), the amount requested for the Space-Based Infrared System shall be set forth in accordance with the following program elements:

(1) Space Segment High.

(2) Space Segment Low (Space and Missile Tracking System).

(3) Ground Segment.

(d) FUNDING FOR FISCAL YEAR 1996.—Of the amounts authorized to be appropriated pursuant to section 201(3) for fiscal year 1996, or otherwise made available to the Department of Defense for fiscal year 1996, the following amounts shall be available for the Space-Based Infrared System:

(1) $265,744,000 for demonstration and validation, of which $249,824,000 shall be available for the Space and Missile Tracking System.

(2) $162,219,000 for engineering and manufacturing development, of which $9,400,000 shall be available for the Miniature Sensor Technology Integration program.

SEC. 217. DEFENSE NUCLEAR AGENCY PROGRAMS.

(a) AGENCY FUNDING.—Of the amounts authorized to be appropriated to the Department of Defense in section 201, $241,703,000 shall be available for the Defense Nuclear Agency.

(b) TUNNEL CHARACTERIZATION AND NEUTRALIZATION PROGRAM.—Of the amount made available under subsection (a), $3,000,000 shall be available for a tunnel characterization and neutralization program to be managed by the Defense Nuclear Agency as part of the counterproliferation activities of the Department of Defense.

(c) LONG-TERM RADIATION TOLERANT MICROELECTRONICS PROGRAM.—(1) Of the amount made available under subsection (a), $6,000,000 shall be available for the establishment of a long-term radiation tolerant microelectronics program to be managed by the Defense Nuclear Agency for the purposes of—

(A) providing for the development of affordable and effective hardening technologies and for incorporation of such technologies into systems;

(B) sustaining the supporting industrial base; and

(C) ensuring that a use of a nuclear weapon in regional threat scenarios does not interrupt or defeat the continued operability of systems of the Armed Forces exposed to the combined effects of radiation emitted by the weapon.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on how the long-term radiation tolerant microelectronics program is to be conducted and funded in the fiscal years after fiscal year 1996 that are covered by the future-years defense program submitted to Congress in 1995.

(d) THERMIONICS PROGRAM.—Of the amount made available under subsection (a), $10,000,000 shall be available for the thermionics program, to be managed by the Defense Nuclear Agency.

(e) ELECTROTHERMAL GUN TECHNOLOGY PROGRAM.—Of the amount made available under subsection (a), $4,000,000 shall be available for the electrothermal gun technology program of the Defense Nuclear Agency.

(f) COUNTERTERROR EXPLOSIVES RESEARCH PROGRAM.—Of the amount made available under subsection (a), $4,000,000 shall be available for the counterterror explosives research program of the Defense Nuclear Agency.

(g) TRANSFER OF UNOBLIGATED BALANCE.—The Secretary of Defense shall transfer to the Defense Nuclear Agency, to be available for the thermionics program, an amount not to exceed $12,000,000 from the unobligated balance of funds authorized and appropriated for research, development, test, and evaluation for fiscal year 1995 for the Air Force for the Advanced Weapons Program.

SEC. 218. COUNTERPROLIFERATION SUPPORT PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Defense under section 201(4), $138,237,000 shall be available for the Counterproliferation Support Program, of which $30,000,000 shall be available for a tactical antisatellite technologies program.

(b) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1001, upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1996 to counterproliferation programs, projects, and activities identified as areas for progress by the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1845). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations transferred under the authority of this subsection may not exceed $50,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

SEC. 219. NONLETHAL WEAPONS STUDY.

(a) FINDINGS.—Congress finds the following:

(1) The role of the United States military in operations other than war has increased.

(2) Weapons and instruments that are nonlethal in application yet immobilizing could have widespread operational utility and application.

(3) The use of nonlethal weapons in operations other than war poses a number of important doctrine, legal, policy, and operations questions which should be addressed in a comprehensive and coordinated manner.

(4) The development of nonlethal technologies continues to spread across military and agency budgets.

(5) The Department of Defense should provide improved budgetary focus and management direction to the nonlethal weapons program.

(b) RESPONSIBILITY FOR DEVELOPMENT OF NONLETHAL WEAPONS TECHNOLOGY.—Not later than February 15, 1996, the Secretary of Defense shall assign centralized responsibility for development (and any other functional responsibility the Secretary considers appropriate) of nonlethal weapons technology to an existing office within the Office of the Secretary of Defense or to a military service as the executive agent.

(c) REPORT.—Not later than February 15, 1996, the Secretary of Defense shall submit to Congress a report setting forth the following:

(1) The name of the office or military service assigned responsibility for the nonlethal weapons program by the Secretary of Defense pursuant to subsection (b) and a discussion of the rationale for such assignment.

(2) The degree to which nonlethal weapons are required by more than one of the armed forces.

(3) The time frame for the development and deployment of such weapons.

(4) The appropriate role of the military departments and defense agencies in the development of such weapons.

(5) The military doctrine, legal, policy, and operational issues that must be addressed by the Department of Defense before such weapons achieve operational capability.

(d) AUTHORIZATION.—Of the amount authorized to be appropriated under section 201(4), $37,200,000 shall be available for nonlethal weapons programs and nonlethal technologies programs.

(e) DEFINITION.—For purposes of this section, the term "nonlethal weapon" means a weapon or instrument the effect of which on human targets is less than fatal.

SEC. 220. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS AND UNIVERSITY-AFFILIATED RESEARCH CENTERS.

(a) CENTERS COVERED.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1996 pursuant to an authorization of appropriations in section 201 may be obligated to procure work from a federally funded research and development center (in this section referred to as an "FFRDC") or a university-affiliated research center (in this section referred to as a "UARC") only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing—

(A) the name of each FFRDC and UARC from which work is proposed to be procured for the Department of Defense for fiscal year 1996; and

(B) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1996.

(2) The total of the proposed funding levels set forth in the report for all FFRDCs and UARCs may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—Not more than 15 percent of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1996 pursuant to an authorization of appropriations in section 201 for FFRDCs and UARCs may be obligated to procure work from an FFRDC or UARC until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated by section 201, not more than a total of $1,668,850,000 may be obligated to procure services from the FFRDCs and UARCs named in the report required by subsection (b).

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to an FFRDC or UARC. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies those committees of that determination and the reasons for the determination.

(f) Five-Year Plan.—(1) The Secretary of Defense, in consultation with the Secretaries of the military departments, shall develop a five-year plan to reduce and consolidate the activities performed by FFRDCs and UARCs and establish a framework for the future workload of such centers.

(2) The plan shall—

(A) set forth the manner in which the Secretary of Defense could achieve by October 1, 2000, implementation by FFRDCs and UARCs of only those core activities, as defined by the Secretary, that require the unique capabilities and arrangements afforded by such centers; and

(B) include an assessment of the number of personnel needed in each FFRDC and UARC during each year over the five years covered by the plan.

(3) Not later than February 1, 1996, the Secretary of Defense shall submit to the congressional defense committees a report on the plan required by this subsection.

SEC. 221. JOINT SEISMIC PROGRAM AND GLOBAL SEISMIC NETWORK.

Of the amount authorized to be appropriated under section 201(3), $9,500,000 shall be available for fiscal year 1996 (in program element 61101F in the budget of the Department of Defense for fiscal year 1996) for continuation of the Joint Seismic Program and Global Seismic Network.

SEC. 222. HYDRA-70 ROCKET PRODUCT IMPROVEMENT PROGRAM.

(a) Funding Authorization.—Of the amount authorized to be appropriated under section 201(1) for Other Missile Product Improvement Programs, $10,000,000 is authorized to be appropriated for a Hydra-70 rocket product improvement program and to be made available under such program for full qualification and operational platform certification of a Hydra-70 rocket described in subsection (b) for use on the Apache attack helicopter.

(b) Hydra-70 Rocket Covered.—The Hydra-70 rocket referred to in subsection (a) is any Hydra-70 rocket that has as its propulsion component a 2.75-inch rocket motor that is a nondevelopmental item and uses a composite propellant.

(c) Competition Required.—The Secretary of the Army shall conduct the product improvement program referred to in subsection (a) with full and open competition.

(d) Submission of Technical Data Package Required.—Upon the full qualification and operational platform certification of a Hydra-70 rocket as described in subsection (a), the contractor providing the rocket so qualified and certified shall submit the technical data package for the rocket to the Secretary of the Army. The Secretary shall use the technical data package in competitions for contracts for the procurement of Hydra-70 rockets described in subsection (b) for the Army.

(e) Definitions.—For purposes of this section, the terms "full and open competition" and "nondevelopmental item" have the meanings given such terms in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

SEC. 223. LIMITATION ON OBLIGATION OF FUNDS UNTIL RECEIPT OF ELECTRONIC COMBAT CONSOLIDATION MASTER PLAN.

(a) Limitation.—Not more than 75 percent of the amounts appropriated or otherwise made available pursuant to the authorization of appropriations in section 201 for test and evaluation program elements 65896A, 65864N, 65807F, and 65804D in the budget of the Department of Defense for fiscal year 1996 may be obligated until 14 days after the date on which the congressional defense committees receive the plan specified in subsection (b).

(b) Plan.—The plan referred to in subsection (a) is the master plan for electronic combat consolidation described under Defense-Wide Programs under Research, Development, Test, and Evaluation in the Report of the Committee on Armed Services of the House of Representatives on H.R. 4301 (House Report 103-499), dated May 10, 1994.

SEC. 224. REPORT ON REDUCTIONS IN RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

(a) Report Requirement.—Not later than March 15, 1996, the Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees a report that sets forth in detail the allocation of reductions for research, development, test, and evaluation described in subsection (b).

(b) Description of Reductions.—The reductions for research, development, test, and evaluation covered by subsection (a) are the following Army, Navy, Air Force, and Defense-wide reductions, as required by the Department of Defense Appropriations Act, 1996:

(1) General reductions.

(2) Reductions to reflect savings from revised economic assumptions.

(3) Reductions to reflect the funding ceiling for defense federally funded research and development centers.

(4) Reductions for savings through improved management of contractor automatic data processing costs charged through indirect rates on Department of Defense acquisition contracts.

SEC. 225. ADVANCED FIELD ARTILLERY SYSTEM (CRUSADER).

(a) Authority To Use Funds for Alternative Propellant Technologies.—During fiscal year 1996, the Secretary of the Army may use funds appropriated for the liquid propellant portion of the Advanced Field Artillery System (Crusader) program for fiscal year 1996 for alternative propellant technologies and integration of those technologies into the design of the Crusader if—

(1) the Secretary determines that the technical risk associated with liquid propellant will increase costs and delay the initial operational capability of the Crusader; and

(2) the Secretary notifies the congressional defense committees of the proposed use of the funds and the reasons for the proposed use of the funds.

(b) Limitation.—The Secretary of the Army may not spend funds for the liquid propellant portion of the Crusader program after August 15, 1996, unless—

(1) the report required by subsection (c) has been submitted by that date; and

(2) such report includes documentation of significant progress, as determined by the Secretary, toward meeting the objectives for the liquid propellant portion of the program, as set forth in the baseline description for the Crusader program and approved by the Office of the Secretary of Defense on January 4, 1995.

(c) Report Required.—Not later than August 1, 1996, the Secretary of the Army shall submit to the congressional defense committees a report containing documentation of the progress being made in meeting the objectives set forth in the baseline description for the Crusader program and approved by the Office of the Secretary of Defense on January 4, 1995. The report shall specifically address the progress being made toward meeting the following objectives:

(1) Establishment of breech and ignition design criteria for rate of fire for the cannon of the Crusader.

(2) Selection of a satisfactory ignition concept for the next prototype of the cannon.

(3) Selection, on the basis of modeling and simulation, of design concepts to prevent chamber piston reversals, and validation of the selected concepts by gun and mock chamber firings.

(4) Achievement of an understanding of the chemistry and physics of propellant burn resulting from the firing of liquid propellant into any target zone, and achievement, on the basis of modeling and simulation, of an ignition process that is predictable.

(5) Completion of an analysis of the management of heat dissipation for the full range of performance requirements for the cannon, completion of concept designs supported by that analysis, and proposal of such concept designs for engineering.

(6) Development, for integration into the next prototype of the cannon, of engineering designs to control pressure oscillations in the chamber of the cannon during firing.

(7) Completion of an assessment of the sensitivity of liquid propellant to contamination by various materials to which it may be exposed throughout the handling and operation of the cannon, and documentation of predictable reactions of contaminated or sensitized liquid propellant.

(d) Additional Matters To Be Covered by Report.—The report required by subsection (c) also shall contain the following:

(1) An assertion that all the known hazards associated with liquid propellant have been identified and are controllable to acceptable levels.

(2) An assessment of the technology for each component of the Crusader (the cannon, vehicle, and crew module), including, for each performance goal of the Crusader program (including the goal for total system weight), information about the maturity of the technology to achieve that goal, the maturity of the design of the technology, and the manner in which the design has been proven (for example, through simulation, bench testing, or weapon firing).

(3) An assessment of the cost of continued development of the Crusader after August 1, 1996, and the cost of each unit of the Crusader in the year the Crusader will be completed.

SEC. 226. DEMILITARIZATION OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES.

Of the amount appropriated pursuant to the authorization in section 201 for explosives demilitarization technology, $15,000,000 shall be available to establish an integrated program for the development and demonstration of conventional munitions and explosives demilitarization technologies that comply with applicable environmental laws for the demilitarization and disposal of unserviceable, obsolete, or nontreaty compliant munitions, rocket motors, and explosives.

SEC. 227. DEFENSE AIRBORNE RECONNAISSANCE PROGRAM.

(a) LIMITATION.—Not more than three percent of the total amount appropriated for research and development under the Defense Airborne Reconnaissance program pursuant to the authorizations of appropriations in section 201 may be obligated for systems engineering and technical assistance (SETA) contracts until—

(1) funds are obligated (out of such appropriated funds) for—

(A) the upgrade of U–2 aircraft senior year electro-optical reconnaissance sensors to the newest configuration; and

(B) the upgrade of the U–2 SIGINT system; and

(2) the Under Secretary of Defense for Acquisition and Technology submits the report required under subsection (b).

(b) REPORT ON U–2-RELATED UPGRADES.—(1) Not later than April 1, 1996, the Under Secretary of Defense for Acquisition and Technology shall transmit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on obligations of funds for upgrades relating to airborne reconnaissance by U–2 aircraft.

(2) The report shall set forth the specific purposes under the general purposes described in subparagraphs (A) and (B) of subsection (a)(1) for which funds have been obligated (as of the date of the report) and the amounts that have been obligated (as of such date) for those specific purposes.

Subtitle C—Ballistic Missile Defense Act of 1995

SEC. 231. SHORT TITLE.

This subtitle may be cited as the "Ballistic Missile Defense Act of 1995".

SEC. 232. FINDINGS.

Congress makes the following findings:

(1) The emerging threat that is posed to the national security interests of the United States by the proliferation of ballistic missiles is significant and growing, both in terms of numbers of missiles and in terms of the technical capabilities of those missiles.

(2) The deployment of ballistic missile defenses is a necessary, but not sufficient, element of a broader strategy to discourage both the proliferation of weapons of mass destruction and the proliferation of the means of their delivery and to defend against the consequences of such proliferation.

(3) The deployment of effective Theater Missile Defense systems can deter potential adversaries of the United States from escalating a conflict by threatening or attacking United States forces or the forces or territory of coalition partners or allies of the United States with ballistic missiles armed with weapons of mass destruction to offset the operational and technical advantages of the United States and its coalition partners and allies.

(4) United States intelligence officials have provided intelligence estimates to congressional committees that (A) the trend in missile proliferation is toward longer range and more sophisticated ballistic missiles, (B) North Korea may deploy an intercontinental ballistic missile capable of reaching Alaska or beyond within five years, and (C) although a new, indigenously developed ballastic missile threat to the continental United States is not foreseen within the next ten years, determined countries can acquire intercontinental ballistic missiles in the near future and with little warning by means other than indigenous development.

(5) The development and deployment by the United States and its allies of effective defenses against ballistic missiles of all ranges will reduce the incentives for countries to acquire such missiles or to augment existing missile capabilities.

(6) The concept of mutual assured destruction (based upon an offense-only form of deterrence), which is the major philosophical rationale underlying the ABM Treaty, is now questionable as a basis for stability in a multipolar world in which the United States and the states of the former Soviet Union are seeking to normalize relations and eliminate Cold War attitudes and arrangements.

(7) The development and deployment of a National Missile Defense system against the threat of limited ballistic missile attacks—

(A) would strengthen deterrence at the levels of forces agreed to by the United States and Russia under the Strategic Arms Reduction Talks Treaty (START–I); and

(B) would further strengthen deterrence if reductions below the levels permitted under START–I should be agreed to and implemented in the future.

(8) The distinction made during the Cold War, based upon the technology of the time, between strategic ballistic missiles and nonstrategic ballistic missiles, which resulted in the distinction made in the ABM Treaty between strategic defense and nonstrategic defense, has become obsolete because of technological advancement (including the development by North Korea of long-range Taepo-Dong I and Taepo-Dong II missiles) and, therefore, that distinction in the ABM Treaty should be reviewed.

SEC. 233. BALLISTIC MISSILE DEFENSE POLICY.

It is the policy of the United States—

(1) to deploy affordable and operationally effective theater missile defenses to protect forward-deployed and expeditionary elements of the Armed Forces of the United States and to complement the missile defense capabilities of forces of coalition partners and of allies of the United States; and

(2) to seek a cooperative, negotiated transition to a regime that does not feature an offense-only form of deterrence as the basis for strategic stability.

SEC. 234. THEATER MISSILE DEFENSE ARCHITECTURE.

(a) ESTABLISHMENT OF CORE PROGRAM.—To implement the policy established in paragraph (1) of section 233, the Secretary of Defense shall restructure the core theater missile defense program to consist of the following systems, to be carried out so as to achieve the specified capabilities:

(1) The Patriot PAC–3 system, with a first unit equipped (FUE) during fiscal year 1998.

(2) The Navy Lower Tier (Area) system, with a user operational evaluation system (UOES) capability during fiscal year 1997 and an initial operational capability (IOC) during fiscal year 1999.

(3) The Theater High-Altitude Area Defense (THAAD) system, with a user operational evaluation system (UOES) capability not later than fiscal year 1998 and a first unit equipped (FUE) not later than fiscal year 2000.

(4) The Navy Upper Tier (Theater Wide) system, with a user operational evaluation system (UOES) capability during fiscal year 1999 and an initial operational capability (IOC) during fiscal year 2001.

(b) USE OF STREAMLINED ACQUISITION PROCEDURES.—The Secretary of Defense shall prescribe and use streamlined acquisition policies and procedures to reduce the cost and increase the efficiency of developing and deploying the theater missile defense systems specified in subsection (a).

(c) INTEROPERABILITY AND SUPPORT OF CORE SYSTEMS.—To maximize effectiveness and flexibility of the systems comprising the core theater missile defense program, the Secretary of Defense shall ensure that those systems are integrated and complementary and are fully capable of exploiting external sensor and battle management support from systems such as—

(A) the Cooperative Engagement Capability (CEC) system of the Navy;

(B) airborne sensors; and

(C) space-based sensors (including, in particular, the Space and Missile Tracking System).

(d) FOLLOW-ON SYSTEMS.—(1) The Secretary of Defense shall prepare an affordable development plan for theater missile defense systems to be developed as follow-on systems to the core systems specified in subsection (a). The Secretary shall make the selection of a system for inclusion in the plan based on the capability of the system to satisfy military requirements not met by the systems in the core program and on the capability of the system to use prior investments in technologies, infrastructure, and battle-management capabilities that are incorporated in, or associated with, the systems in the core program.

(2) The Secretary may not proceed with the development of a follow-on theater missile defense system beyond the Demonstration/Validation stage of development unless the Secretary designates that system as a part of the core program under this section and submits to the congressional defense committees notice of that designation. The Secretary shall include with any such notification a report describing—

(A) the requirements for the system and the specific threats that such system is designed to counter;

(B) how the system will relate to, support, and build upon existing core systems;

(C) the planned acquisition strategy for the system; and

(D) a preliminary estimate of total program cost for that system and the effect of development and acquisition of such system on Department of Defense budget projections.

(e) PROGRAM ACCOUNTABILITY REPORT.—(1) As part of the annual report of the Ballistic Missile Defense Organization required by section 224 of Public Law 101–189 (10 U.S.C. 2431 note), the Secretary of Defense shall describe the technical milestones, the schedule, and the cost of each phase of development and acquisition (together with total estimated program costs) for each core and follow-on theater missile defense program.

(2) As part of such report, the Secretary shall describe, with respect to each program covered in the report, any variance in the technical milestones, program schedule milestones, and costs for the program compared with the information relating to that program in the report submitted in the previous year and in the report submitted in the first year in which that program was covered.

(f) REPORTS ON TMD SYSTEM LIMITATIONS UNDER ABM TREATY.—(1) Whenever, after January 1, 1993, the Secretary of Defense issues a certification with respect to the compliance of a particular Theater Missile Defense system with the ABM Treaty, the Secretary shall transmit to the Committee on Armed Services of the Senate and the

Committee on National Security of the House of Representatives a copy of such certification. Such transmittal shall be made not later than 30 days after the date on which such certification is issued, except that in the case of a certification issued before the date of the enactment of this Act, such transmittal shall be made not later than 60 days after the date of the enactment of this Act.

(2) If a certification under paragraph (1) is based on application of a policy concerning United States compliance with the ABM Treaty that differs from the policy described in section 235(b)(1), the Secretary shall include with the transmittal under that paragraph a report providing a detailed assessment of—

(A) how the policy applied differs from the policy described in section 235(b)(1); and

(B) how the application of that policy (rather than the policy described in section 235(b)(1)) will affect the cost, schedule, and performance of that system.

SEC. 235. PROHIBITION ON USE OF FUNDS TO IMPLEMENT AN INTERNATIONAL AGREEMENT CONCERNING THEATER MISSILE DEFENSE SYSTEMS.

(a) Findings.—(1) Congress hereby reaffirms—

(A) the finding in section 234(a)(7) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1595; 10 U.S.C. 2431 note) that the ABM Treaty was not intended to, and does not, apply to or limit research, development, testing, or deployment of missile defense systems, system upgrades, or system components that are designed to counter modern theater ballistic missiles, regardless of the capabilities of such missiles, unless those systems, system upgrades, or system components are tested against or have demonstrated capabilities to counter modern strategic ballistic missiles; and

(B) the statement in section 232 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2700) that the United States shall not be bound by any international agreement entered into by the President that would substantively modify the ABM Treaty unless the agreement is entered into pursuant to the treaty making power of the President under the Constitution.

(2) Congress also finds that the demarcation standard described in subsection (b)(1) for compliance of a missile defense system, system upgrade, or system component with the ABM Treaty is based upon current technology.

(b) Sense of Congress Concerning Compliance Policy.—It is the sense of Congress that—

(1) unless a missile defense system, system upgrade, or system component (including one that exploits data from space-based or other external sensors) is flight tested in an ABM-qualifying flight test (as defined in subsection (e)), that system, system upgrade, or system component has not, for purposes of the ABM Treaty, been tested in an ABM mode nor been given capabilities to counter strategic ballistic missiles and, therefore, is not subject to any application, limitation, or obligation under the ABM Treaty; and

(2) any international agreement that would limit the research, development, testing, or deployment of missile defense systems, system upgrades, or system components that are designed to counter modern theater ballistic missiles in a manner that would be more restrictive than the compliance criteria specified in paragraph (1) should be entered into only pursuant to the treaty making powers of the President under the Constitution.

(c) Prohibition on Funding.—Funds appropriated or otherwise made available to the Department of Defense for fiscal year 1996 may not be obligated or expended to implement an agreement, or any understanding with respect to interpretation of the ABM Treaty, between the United States and any of the independent states of the former Soviet Union entered into after January 1, 1995, that—

(1) would establish a demarcation between theater missile defense systems and anti-ballistic missile systems for purposes of the ABM Treaty; or

(2) would restrict the performance, operation, or deployment of United States theater missile defense systems.

(d) Exceptions.—Subsection (c) does not apply—

(1) to the extent provided by law in an Act enacted after this Act;

(2) to expenditures to implement that portion of any such agreement or understanding that implements the policy set forth in subsection (b)(1); or

(3) to expenditures to implement any such agreement or understanding that is approved as a treaty or by law.

(e) ABM-Qualifying Flight Test Defined.—For purposes of this section, an ABM-qualifying flight test is a flight test against a ballistic missile which, in that flight test, exceeds (1) a range of 3,500 kilometers, or (2) a velocity of 5 kilometers per second.

SEC. 236. BALLISTIC MISSILE DEFENSE COOPERATION WITH ALLIES.

It is in the interest of the United States to develop its own missile defense capabilities in a manner that will permit the United States to complement the missile defense capabilities developed and deployed by its allies and possible coalition partners. Therefore, the Congress urges the President—

(1) to pursue high-level discussions with allies of the United States and selected other states on the means and methods by which the parties on a bilateral basis can cooperate in the development, deployment, and operation of ballistic missile defenses;

(2) to take the initiative within the North Atlantic Treaty Organization to develop consensus in the Alliance for a timely deployment of effective ballistic missile defenses by the Alliance; and

(3) in the interim, to seek agreement with allies of the United States and selected other states on steps the parties should take, consistent with their national interests, to reduce the risks posed by the threat of limited ballistic missile attacks, such steps to include—

(A) the sharing of early warning information derived from sensors deployed by the United States and other states;

(B) the exchange on a reciprocal basis of technical data and technology to support both joint development programs and the sale and purchase of missile defense systems and components; and

(C) operational level planning to exploit current missile defense capabilities and to help define future requirements.

SEC. 237. ABM TREATY DEFINED.

For purposes of this subtitle, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, and signed at Moscow on May 26, 1972, and includes the Protocols to that Treaty, signed at Moscow on July 3, 1974.

SEC. 238. REPEAL OF MISSILE DEFENSE ACT OF 1991.

The Missile Defense Act of 1991 (10 U.S.C. 2431 note) is repealed.

Subtitle D—Other Ballistic Missile Defense Provisions

SEC. 251. BALLISTIC MISSILE DEFENSE PROGRAM ELEMENTS.

(a) Elements Specified.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year after fiscal year 1996 (as submitted with the budget of the President under section 1105(a) of title 31, United States Code), the amount requested for activities of the Ballistic Missile Defense Organization shall be set forth in accordance with the following program elements:

(1) The Patriot system.

(2) The Navy Lower Tier (Area) system.

(3) The Theater High-Altitude Area Defense (THAAD) system.

(4) The Navy Upper Tier (Theater Wide) system.

(5) The Corps Surface-to-Air Missile (SAM) system.

(6) Other Theater Missile Defense Activities.

(7) National Missile Defense.

(8) Follow-On and Support Technologies.

(b) Treatment of Core Theater Missile Defense Programs.—Amounts requested for core theater missile defense programs specified in section 234 shall be specified in individual, dedicated program elements, and amounts appropriated for such programs shall be available only for activities covered by those program elements.

(c) BM/C^{3}I Programs.—Amounts requested for programs, projects, and activities involving battle management, command, control, communications, and intelligence (BM/C^{3}I) shall be included in the "Other Theater Missile Defense Activities" program element or the "National Missile Defense" program element, as determined on the basis of the primary objectives involved.

(d) Management and Support.—Each program element shall include requests for the amounts necessary for the management and support of the programs, projects, and activities contained in that program element.

SEC. 252. TESTING OF THEATER MISSILE DEFENSE INTERCEPTORS.

Subsection (a) of section 237 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1600) is amended to read as follows:

"(a) Testing of Theater Missile Defense Interceptors.—(1) The Secretary of Defense may not approve a theater missile defense interceptor program proceeding beyond the low-rate initial production acquisition stage until the Secretary certifies to the congressional defense committees that such program has successfully completed initial operational test and evaluation.

"(2) In order to be certified under paragraph (1) as having been successfully completed, the initial operational test and evaluation conducted with respect to an interceptors program must have included flight tests—

"(A) that were conducted with multiple interceptors and multiple targets in the presence of realistic countermeasures; and

"(B) the results of which demonstrate the achievement by the interceptors of the baseline performance thresholds.

"(3) For purposes of this subsection, the baseline performance thresholds with respect to a program are the weapons systems performance thresholds specified in the baseline description for the system established (pursuant to section 2435(a)(1) of title 10, United States Code) before the program entered the engineering and manufacturing development stage.

"(4) The number of flight tests described in paragraph (2) that are required in order to make the certification under paragraph (1) shall be a number determined by the Secretary of Defense to be sufficient for the purposes of this section.

"(5) The Secretary may augment live-fire testing to demonstrate weapons system performance goals for purposes of the certification under paragraph (1) through the use of modeling and simulation that is validated by ground and flight testing.".

SEC. 253. REPEAL OF MISSILE DEFENSE PROVISIONS.

The following provisions of law are repealed:

(1) Section 222 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 613; 10 U.S.C. 2431 note).

(2) Section 225 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 614).

(3) Section 226 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1057; 10 U.S.C. 2431 note).

(4) Section 8123 of the Department of Defense Appropriations Act, 1989 (Public Law 100–463; 102 Stat. 2270–40).

(5) Section 8133 of the Department of Defense Appropriations Act, 1992 (Public Law 102–172; 105 Stat. 1211).

(6) Section 234 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1595; 10 U.S.C. 2431 note).

(7) Section 242 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1603; 10 U.S.C. 2431 note).

(8) Section 235 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2701; 10 U.S.C. 221 note).

(9) Section 2609 of title 10, United States Code.

Subtitle E—Miscellaneous Reviews, Studies, and Reports

SEC. 261. PRECISION-GUIDED MUNITIONS.

(a) ANALYSIS REQUIRED.—The Secretary of Defense shall perform an analysis of the full range of precision-guided munitions in production and in research, development, test, and evaluation in order to determine the following:

(1) The numbers and types of precision-guided munitions that are needed to provide complementary capabilities against each target class.

(2) The feasibility of carrying out joint development and procurement of additional types of munitions by more than one of the Armed Forces.

(3) The feasibility of integrating a particular precision-guided munition on multiple service platforms.

(4) The economy and effectiveness of continuing the acquisition of—

(A) interim precision-guided munitions; or

(B) precision-guided munitions that, as a result of being procured in decreasing numbers to meet decreasing quantity requirements, have increased in cost per unit by more than 50 percent over the cost per unit for such munitions as of December 1, 1991.

(b) REPORT.—(1) Not later than April 15, 1996, the Secretary shall submit to Congress a report on the findings and other results of the analysis.

(2) The report shall include a detailed discussion of the process by which the Department of Defense—

(A) approves the development of new precision-guided munitions;

(B) avoids duplication and redundancy in the precision-guided munitions programs of the Army, Navy, Air Force, and Marine Corps;

(C) ensures rationality in the relationship between the funding plans for precision-guided munitions modernization for fiscal years following fiscal year 1996 and the costs of such modernization for those fiscal years; and

(D) identifies by name and function each person responsible for approving each new precision-guided munition for initial low-rate production.

(c) FUNDING LIMITATION.—Funds authorized to be appropriated by this Act may not be expended for research, development, test, and evaluation or procurement of interim precision-guided munitions after April 15, 1996, unless the Secretary of Defense has submitted the report under subsection (b).

(d) INTERIM PRECISION-GUIDED MUNITION DEFINED.—For purposes of subsection (c), a precision-guided munition is an interim precision-guided munition if the munition is being procured in fiscal year 1996, but funding is not proposed for additional procurement of the munition in the fiscal years after fiscal year 1996 that are covered by the future years defense program submitted to Congress in 1995 under section 221(a) of title 10, United States Code.

SEC. 262. REVIEW OF C^{4}I BY NATIONAL RESEARCH COUNCIL.

(a) REVIEW BY NATIONAL RESEARCH COUNCIL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall request the National Research Council of the National Academy of Sciences to conduct a comprehensive review of current and planned service and defense-wide programs for command, control, communications, computers, and intelligence (C^{4}I) with a special focus on cross-service and inter-service issues.

(b) MATTERS TO BE ASSESSED IN REVIEW.—The review shall address the following:

(1) The match between the capabilities provided by current service and defense-wide C^{4}I programs and the actual needs of users of these programs.

(2) The interoperability of service and defense-wide C^{4}I systems that are planned to be operational in the future.

(3) The need for an overall defense-wide architecture for C^{4}I.

(4) Proposed strategies for ensuring that future C^{4}I acquisitions are compatible and interoperable with an overall architecture.

(5) Technological and administrative aspects of the C^{4}I modernization effort to determine the soundness of the underlying plan and the extent to which it is consistent with concepts for joint military operations in the future.

(c) TWO-YEAR PERIOD FOR CONDUCTING REVIEW.—The review shall be conducted over the two-year period beginning on the date on which the National Research Council and the Secretary of Defense enter into a contract or other agreement for the conduct of the review.

(d) REPORTS.—(1) In the contract or other agreement for the conduct of the review, the Secretary of Defense shall provide that the National Research Council shall submit to the Department of Defense and Congress interim reports and progress updates on a regular basis as the review proceeds. A final report on the review shall set forth the findings, conclusions, and recommendations of the Council for defense-wide and service C^{4}I programs and shall be submitted to the Committee on Armed Services of the Senate, the Committee on National Security of the House of Representatives, and the Secretary of Defense.

(2) To the maximum degree possible, the final report shall be submitted in unclassified form with classified annexes as necessary.

(e) INTERAGENCY COOPERATION WITH STUDY.—All military departments, defense agencies, and other components of the Department of Defense shall cooperate fully with the National Research Council in its activities in carrying out the review under this section.

(f) EXPEDITED PROCESSING OF SECURITY CLEARANCES FOR STUDY.—For the purpose of facilitating the commencement of the study under this section, the Secretary of Defense shall expedite to the fullest degree possible the processing of security clearances that are necessary for the National Research Council to conduct the study.

(g) FUNDING.—Of the amount authorized to be appropriated in section 201 for defense-wide activities, $900,000 shall be available for the study under this section.

SEC. 263. ANALYSIS OF CONSOLIDATION OF BASIC RESEARCH ACCOUNTS OF MILITARY DEPARTMENTS.

(a) ANALYSIS REQUIRED.—The Secretary of Defense shall conduct an analysis of the cost and effectiveness of consolidating the basic research accounts of the military departments. The analysis shall determine potential infrastructure savings and other benefits of co-locating and consolidating the management of basic research.

(b) DEADLINE.—On or before March 1, 1996, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the analysis conducted under subsection (a).

SEC. 264. CHANGE IN REPORTING PERIOD FROM CALENDAR YEAR TO FISCAL YEAR FOR ANNUAL REPORT ON CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Section 2361(c)(2) of title 10, United States Code, is amended—

(1) by striking out "calendar year" and inserting in lieu thereof "fiscal year"; and

(2) by striking out "the year after the year" and inserting in lieu thereof "the fiscal year after the fiscal year".

SEC. 265. AERONAUTICAL RESEARCH AND TEST CAPABILITIES ASSESSMENT.

(a) FINDINGS.—Congress finds the following:

(1) It is in the Nation's long-term national security interests for the United States to maintain preeminence in the area of aeronautical research and test capabilities.

(2) Continued advances in aeronautical science and engineering are critical to sustaining the strategic and tactical air superiority of the United States and coalition forces, as well as United States economic security and international aerospace leadership.

(3) It is in the national security and economic interests of the United States and the budgetary interests of the Department of Defense for the department to encourage the establishment of active partnerships between the department and other Government agencies, academic institutions, and private industry to develop, maintain, and enhance aeronautical research and test capabilities.

(b) REVIEW.—The Secretary of Defense shall conduct a comprehensive review of the aeronautical research and test facilities and capabilities of the United States in order to assess the current condition of such facilities and capabilities.

(c) REPORT.—(1) Not later than March 1, 1996, the Secretary of Defense shall submit to the congressional defense committees a report setting forth in detail the findings of the review required by subsection (b).

(2) The report shall include the following:

(A) The options for providing affordable, operable, reliable, and responsive long-term aeronautical research and test capabilities for military and civilian purposes and for the organization and conduct of such capabilities within the Department or through shared operations with other Government agencies, academic institutions, and private industry.

(B) The projected costs of such options, including costs of acquisition and technical and financial arrangements (including the use of Government facilities for reimbursable private use).

(C) Recommendations on the most efficient and economic means of developing, maintaining, and continually modernizing aeronautical research and test capabilities to meet current, planned, and prospective military and civilian needs.

Subtitle F—Other Matters

SEC. 271. ADVANCED LITHOGRAPHY PROGRAM.

Section 216 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2693) is amended—

(1) in subsection (a), by striking out "to help achieve" and all that follows through the end of the subsection and inserting in lieu thereof "to ensure that lithographic processes being developed by United States-owned companies or United States-incorporated companies operating in the United States will lead to superior performance electronics systems for the Department of Defense.";

(2) in subsection (b), by adding at the end the following new paragraph:

"(3) The Director of the Defense Advanced Research Projects Agency may set priorities and funding levels for various technologies being developed for the ALP and shall consider funding recommendations made by the Semiconductor Industry Association as being advisory in nature.";

(3) in subsection (c)—

(A) by inserting "Defense" before "Advanced"; and

(B) by striking out "ARPA" both places it appears and inserting in lieu thereof "DARPA"; and

(4) by adding at the end the following:

"(d) DEFINITIONS.—In this section:

"(1) The term 'United States-owned company' means a company the majority ownership or control of which is held by citizens of the United States.

"(2) The term 'United States-incorporated company' means a company that the Secretary of Defense finds is incorporated in the United States and has a parent company that is incorporated in a country—

"(A) that affords to United States-owned companies opportunities, comparable to those afforded to any other company, to participate in any joint venture similar to those authorized under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n);

"(B) that affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and

"(C) that affords adequate and effective protection for the intellectual property rights of United States-owned companies.".

SEC. 272. ENHANCED FIBER OPTIC GUIDED MISSILE (EFOG-M) SYSTEM.

(a) LIMITATIONS.—(1) The Secretary of the Army may not obligate more than $280,000,000 (based on fiscal year 1995 constant dollars) to develop and deliver for test and evaluation by the Army the following items:

(A) 44 enhanced fiber optic guided test missiles.

(B) 256 fully operational enhanced fiber optic guided missiles.

(C) 12 fully operational fire units.

(2) The Secretary of the Army may not spend funds for the enhanced fiber optic guided missile (EFOG–M) system after September 30, 1998, if the items described in paragraph (1) have not been delivered to the Army by that date and at a cost not greater than the amount set forth in paragraph (1).

(3) The Secretary of the Army may not enter into an advanced development phase for the EFOG–M system unless—

(A) an advanced concept technology demonstration of the system has been successfully completed; and

(B) the Secretary certifies to the congressional defense committees that there is a requirement for the EFOG–M system that is supported by a cost and operational effectiveness analysis.

(b) GOVERNMENT-FURNISHED EQUIPMENT.—The Secretary of the Army shall ensure that all Government-furnished equipment that the Army agrees to provide under the contract for the EFOG–M system is provided to the prime contractor in accordance with the terms of the contract.

SEC. 273. STATES ELIGIBLE FOR ASSISTANCE UNDER DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Subparagraph (A) of section 257(d)(2) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2705; 10 U.S.C. 2358 note) is amended to read as follows:

"(A) the average annual amount of all Department of Defense obligations for science and engineering research and development that were in effect with institutions of higher education in the State for the three fiscal years preceding the fiscal year for which the designation is effective or for the last three fiscal years for which statistics are available is less than the amount determined by multiplying 60 percent times the amount equal to 1/50 of the total average annual amount of all Department of Defense obligations for science and engineering research and development that were in effect with institutions of higher education in the United States for such three preceding or last fiscal years, as the case may be (to be determined in consultation with the Secretary of Defense);".

SEC. 274. CRUISE MISSILE DEFENSE INITIATIVE.

(a) IN GENERAL.—The Secretary of Defense shall undertake an initiative to coordinate and strengthen the cruise missile defense programs of the Department of Defense to ensure that the United States develops and deploys affordable and operationally effective defenses against existing and future cruise missile threats to United States military forces and operations.

(b) COORDINATION WITH BALLISTIC MISSILE DEFENSE EFFORTS.—In carrying out subsection (a), the Secretary shall ensure that, to the extent practicable, the cruise missile defense programs of the Department of Defense and the ballistic missile defense programs of the Department of Defense are coordinated with each other and that those programs are mutually supporting.

(c) DEFENSES AGAINST EXISTING AND NEAR-TERM CRUISE MISSILE THREATS.—As part of the initiative under subsection (a), the Secretary shall ensure that appropriate existing and planned air defense systems are upgraded to provide an affordable and operationally effective defense against existing and near-term cruise missile threats to United States military forces and operations.

(d) DEFENSES AGAINST ADVANCED CRUISE MISSILES.—As part of the initiative under subsection (a), the Secretary shall undertake a well-coordinated development program to support the future deployment of cruise missile defense systems that are affordable and operationally effective against advanced cruise missiles, including cruise missiles with low observable features.

(e) IMPLEMENTATION PLAN.—Not later than the date on which the President submits the budget for fiscal year 1997 under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a detailed plan, in unclassified and classified forms, as necessary, for carrying out this section. The plan shall include an assessment of the following:

(1) The systems of the Department of Defense that currently have or could have cruise missile defense capabilities and existing programs of the Department of Defense to improve these capabilities.

(2) The technologies that could be deployed in the near- to mid-term to provide significant advances over existing cruise missile defense capabilities and the investments that would be required to ready those technologies for deployment.

(3) The cost and operational tradeoffs, if any, between (A) upgrading existing air and missile defense systems, and (B) accelerating follow-on systems with significantly improved capabilities against advanced cruise missiles.

(4) The organizational and management changes that would strengthen and further coordinate the cruise missile defense programs of the Department of Defense, including the disadvantages, if any, of implementing such changes.

(f) DEFINITION.—For the purposes of this section, the term "cruise missile defense programs" means the programs, projects, and activities of the military departments, the Advanced Research Projects Agency, and the Ballistic Missile Defense Organization relating to development and deployment of defenses against cruise missiles.

SEC. 275. MODIFICATION TO UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Section 802 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1701) is amended—

(1) in subsections (a) and (b), by striking out "shall" both places it appears and inserting in lieu thereof "may"; and

(2) in subsection (e), by striking out the sentence beginning with "Such selection process".

SEC. 276. MANUFACTURING TECHNOLOGY PROGRAM.

(a) IN GENERAL.—Section 2525 of title 10, United States Code, is amended as follows:

(1) The heading is amended by striking out the second and third words.

(2) Subsection (a) is amended—

(A) by striking out "Science and"; and

(B) by inserting after the first sentence the following: "The Secretary shall use the joint planning process of the directors of the Department of Defense laboratories in establishing the program.".

(3) Subsection (c) is amended—

(A) by inserting "(1)" after "(c) EXECUTION.—"; and

(B) by adding at the end the following:

"(2) The Secretary shall seek, to the extent practicable, the participation of manufacturers of manufacturing equipment in the projects under the program.".

(4) Subsection (d) is amended—

(A) in paragraph (2)—

(i) by striking out "or" at the end of subparagraph (A);

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or"; and

(iii) by adding at the end the following new subparagraph:

"(C) will be carried out by an institution of higher education."; and

(B) by adding at the end the following new paragraphs:

"(3) At least 25 percent of the funds available for the program each fiscal year shall be used for awarding grants and entering into contracts, cooperative agreements, and other transactions on a cost-share basis under which the ratio of recipient cost to Government cost is two to one.

"(4) If the requirement of paragraph (3) cannot be met by July 15 of a fiscal year, the Under Secretary of Defense for Acquisition and Technology may waive the requirement and obligate the balance of the funds available for the program for that fiscal year on a cost-share basis under which the ratio of recipient cost to Government cost is less than two to one. Before implementing any such waiver, the Under Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the reasons for the waiver.".

(b) CLERICAL AMENDMENT.—The item relating to section 2525 in the table of sections at the beginning of subchapter IV of chapter 148 of title 10, United States Code, is amended to read as follows:

"2525. Manufacturing Technology Program.".

SEC. 277. FIVE-YEAR PLAN FOR CONSOLIDATION OF DEFENSE LABORATORIES AND TEST AND EVALUATION CENTERS.

(a) FIVE-YEAR PLAN.—The Secretary of Defense, acting through the Vice Chief of Staff of the Army, the Vice Chief of Naval Operations, and the Vice Chief of Staff of the Air Force (in their roles as test and evaluation executive agent board of directors) shall develop a five-year plan to consolidate and restructure the laboratories and test and evaluation centers of the Department of Defense.

(b) OBJECTIVE.—The plan shall set forth the specific actions needed to consolidate the laboratories and test and evaluation centers into as few laboratories and centers as is practical and possible, in the judgment of the Secretary, by October 1, 2005.

(c) PREVIOUSLY DEVELOPED DATA REQUIRED TO BE USED.—In developing the plan, the Secretary shall use the following:

(1) Data and results obtained by the Test and Evaluation Joint Cross-Service Group and the Laboratory Joint Cross-Service Group in developing recommendations for the 1995 report of the Defense Base Closure and Realignment Commission.

(2) The report dated March 1994 on the consolidation and streamlining of the test and evaluation infrastructure, commissioned by the test and evaluation board of directors, along with all supporting data and reports.

(d) MATTERS TO BE CONSIDERED.—In developing the plan, the Secretary shall consider, at a minimum, the following:

(1) Consolidation of common support functions, including the following:

(A) Aircraft (fixed wing and rotary) support.

(B) Weapons support.

(C) Space systems support.

(D) Support of command, control, communications, computers, and intelligence.

(2) The extent to which any military construction, acquisition of equipment, or modernization of equipment is planned at the laboratories and centers.

(3) The encroachment on the laboratories and centers by residential and industrial expansion.

(4) The total cost to the Federal Government of continuing to operate the laboratories and centers.

(5) The cost savings and program effectiveness of locating laboratories and centers at the same sites.

(6) Any loss of expertise resulting from the consolidations.

(7) Whether any legislation is neccessary to provide the Secretary with any additional authority necessary to accomplish the downsizing and consolidation of the laboratories and centers.

(e) REPORT.—Not later than May 1, 1996, the Secretary of Defense shall submit to the congressional defense committees a report on the plan. The report shall include an identification of any additional legislation that the Secretary considers necessary in order for the Secretary to accomplish the downsizing and consolidation of the laboratories and centers.

(f) LIMITATION.—Of the amounts appropriated or otherwise made available pursuant to an authorization of appropriations in section 201 for the central test and evaluation investment development program, not more than 75 percent may be obligated before the report required by subsection (e) is submitted to Congress.

SEC. 278. LIMITATION ON T-38 AVIONICS UPGRADE PROGRAM.

(a) REQUIREMENT.—The Secretary of Defense shall ensure that, in evaluating proposals submitted in response to a solicitation issued for a contract for the T-38 Avionics Upgrade Program, the proposal of an entity may not be considered unless—

(1) in the case of an entity that conducts substantially all of its business in a foreign country, the foreign country provides equal access to similar contract solicitations in that country to United States entities; and

(2) in the case of an entity that conducts business in the United States but that is owned or controlled by a foreign government or by an entity incorporated in a foreign country, the foreign government or foreign country of incorporation provides equal access to similar contract solicitations in that country to United States entities.

(b) DEFINITION.—In this section, the term "United States entity" means an entity that is owned or controlled by persons a majority of whom are United States citizens.

SEC. 279. GLOBAL POSITIONING SYSTEM.

(a) CONDITIONAL PROHIBITION ON USE OF SELECTIVE AVAILABILITY FEATURE.—Except as provided in subsection (b), after May 1, 1996, the Secretary of Defense may not (through use of the feature known as "selective availability") deny access of non-Department of Defense users to the full capabilities of the Global Positioning System.

(b) PLAN.—Subsection (a) shall cease to apply upon submission by the Secretary of Defense to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of a plan for enhancement of the Global Positioning System that provides for—

(1) development and acquisition of effective capabilities to deny hostile military forces the ability to use the Global Positioning System without hindering the ability of United States military forces and civil users to have access to and use of the system, together with a specific date by which those capabilities could be operational; and

(2) development and acquisition of receivers for the Global Positioning System and other techniques for weapons and weapon systems that provide substantially improved resistance to jamming and other forms of electronic interference or disruption, together with a specific date by which those receivers and other techniques could be operational with United States military forces.

SEC. 280. REVISION OF AUTHORITY FOR PROVIDING ARMY SUPPORT FOR THE NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS.

(a) PURPOSE.—Subsection (b)(2) of section 1459 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 763) is amended by striking out "to make available" and all that follows and inserting in lieu thereof "to provide for the management, operation, and maintenance of those areas in the national science center that are designated for use by the Army and to provide incidental support for the operation of those areas in the center that are designated for general use.".

(b) AUTHORITY FOR SUPPORT.—Subsection (c) of such section is amended to read as follows:

"(c) NATIONAL SCIENCE CENTER.—(1) The Secretary may manage, operate, and maintain facilities at the center under terms and conditions prescribed by the Secretary for the purpose of conducting educational outreach programs in accordance with chapter 111 of title 10, United States Code.

"(2) The Foundation, or NSC Discovery Center, Incorporated, a nonprofit corporation of the State of Georgia, shall submit to the Secretary for review and approval all matters pertaining to the acquisition, design, renovation, equipping, and furnishing of the center, including all plans, specifications, contracts, sites, and materials for the center.".

(c) AUTHORITY FOR ACCEPTANCE OF GIFTS AND FUNDRAISING.—Subsection (d) of such section is amended to read as follows:

"(d) GIFTS AND FUNDRAISING.—(1) Subject to paragraph (3), the Secretary may accept a conditional or unconditional donation of money or property that is made for the benefit of, or in connection with, the center.

"(2) Notwithstanding any other provision of law, the Secretary may endorse, promote, and assist the efforts of the Foundation and NSC Discovery Center, Incorporated, to obtain—

"(A) funds for the management, operation, and maintenance of the center; and

"(B) donations of exhibits, equipment, and other property for use in the center.

"(3) The Secretary may not accept a donation under this subsection that is made subject to—

"(A) any condition that is inconsistent with an applicable law or regulation; or

"(B) except to the extent provided in appropriations Acts, any condition that would necessitate an expenditure of appropriated funds.

"(4) The Secretary shall prescribe in regulations the criteria to be used in determining whether to accept a donation. The Secretary shall include criteria to ensure that acceptance of a donation does not establish an unfavorable appearance regarding the fairness and objectivity with which the Secretary or any other officer or employee of the Department of Defense performs official responsibilities and does not compromise or appear to compromise the integrity of a Government program or any official involved in that program.".

(d) Authorized Uses.—Such section is amended—

(1) by striking out subsection (f);

(2) by redesignating subsection (g) as subsection (f); and

(3) in paragraph (1) of subsection (f), as redesignated by paragraph (2), by inserting "areas designated for use by the Army in" after "The Secretary may make".

(e) Alternative of Additional Development and Management.—Such section, as amended by subsection (d), is further amended by adding at the end the following:

"(g) Alternative or Additional Development and Management of the Center.—(1) The Secretary may enter into an agreement with NSC Discovery Center, Incorporated, to develop, manage, and maintain a national science center under this section. In entering into an agreement with NSC Discovery Center, Incorporated, the Secretary may agree to any term or condition to which the Secretary is authorized under this section to agree for purposes of entering into an agreement with the Foundation.

"(2) The Secretary may exercise the authority under paragraph (1) in addition to, or instead of, exercising the authority provided under this section to enter into an agreement with the Foundation.".

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $18,746,695,000.

(2) For the Navy, $21,493,155,000.

(3) For the Marine Corps, $2,521,822,000.

(4) For the Air Force, $18,719,277,000.

(5) For Defense-wide activities, $9,910,476,000.

(6) For the Army Reserve, $1,129,191,000.

(7) For the Naval Reserve, $868,342,000.

(8) For the Marine Corps Reserve, $100,283,000.

(9) For the Air Force Reserve, $1,516,287,000.

(10) For the Army National Guard, $2,361,808,000.

(11) For the Air National Guard, $2,760,121,000.

(12) For the Defense Inspector General, $138,226,000.

(13) For the United States Court of Appeals for the Armed Forces, $6,521,000.

(14) For Environmental Restoration, Defense, $1,422,200,000.

(15) For Drug Interdiction and Counter-drug Activities, Defense-wide, $680,432,000.

(16) For Medical Programs, Defense, $9,876,525,000.

(17) For support for the 1996 Summer Olympics, $15,000,000.

(18) For Cooperative Threat Reduction programs, $300,000,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $50,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1996 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $878,700,000.

(2) For the National Defense Sealift Fund, $1,024,220,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1996 from the Armed Forces Retirement Home Trust Fund the sum of $59,120,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) Transfer Authority.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1996 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) Treatment of Transfers.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) Relationship to Other Transfer Authority.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. CIVIL AIR PATROL.

Of the amounts authorized to be appropriated pursuant to this Act, there shall be made available to the Civil Air Patrol $24,500,000, of which $14,704,000 shall be made available for the Civil Air Patrol Corporation.

Subtitle B—Depot-Level Activities

SEC. 311. POLICY REGARDING PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR FOR THE DEPARTMENT OF DEFENSE.

(a) Findings.—Congress makes the following findings:

(1) The Department of Defense does not have a comprehensive policy regarding the performance of depot-level maintenance and repair of military equipment.

(2) The absence of such a policy has caused the Congress to establish guidelines for the performance of such functions.

(3) It is essential to the national security of the United States that the Department of Defense maintain an organic capability within the department, including skilled personnel, technical competencies, equipment, and facilities, to perform depot-level maintenance and repair of military equipment in order to ensure that the Armed Forces of the United States are able to meet training, operational, mobilization, and emergency requirements without impediment.

(4) The organic capability of the Department of Defense to perform depot-level maintenance and repair of military equipment must satisfy known and anticipated core maintenance and repair requirements across the full range of peacetime and wartime scenarios.

(5) Although it is possible that savings can be achieved by contracting with private-sector sources for the performance of some work currently performed by Department of Defense depots, the Department of Defense has not determined the type or amount of work that should be performed under contract with private-sector sources nor the relative costs and benefits of contracting for the performance of such work by those sources.

(b) Sense of Congress.—It is the sense of Congress that there is a compelling need for the Department of Defense to articulate known and anticipated core maintenance and repair requirements, to organize the resources of the Department of Defense to meet those requirements economically and efficiently, and to determine what work should be performed by the private sector and how such work should be managed.

(c) Requirement for Policy.—Not later than March 31, 1996, the Secretary of Defense shall develop and report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a comprehensive policy on the performance of depot-level maintenance and repair for the Department of Defense that maintains the capability described in section 2464 of title 10, United States Code.

(d) Content of Policy.—In developing the policy, the Secretary of Defense shall do each of the following:

(1) Identify for each military department, with the concurrence of the Secretary of that military department, those depot-level maintenance and repair activities that are necessary to ensure the depot-level maintenance and repair capability as required by section 2464 of title 10, United States Code.

(2) Provide for performance of core depot-level maintenance and repair capabilities in facilities owned and operated by the United States.

(3) Provide for the core capabilities to include sufficient skilled personnel, equipment, and facilities that—

(A) is of the proper size (i) to ensure a ready and controlled source of technical competence and repair and maintenance capability necessary to meet the requirements of the National Military Strategy and other requirements for responding to mobilizations and military contingencies, and (ii) to provide for rapid augmentation in time of emergency; and

(B) is assigned sufficient workload to ensure cost efficiency and technical proficiency in time of peace.

(4) Address environmental liability.

(5) In the case of depot-level maintenance and repair workloads in excess of the workload required to be performed by Department of Defense depots, provide for competition for those workloads between public and private entities when there is sufficient potential for realizing cost savings based on adequate private-sector competition and technical capabilities.

(6) Address issues concerning exchange of technical data between the Federal Government and the private sector.

(7) Provide for, in the Secretary's discretion and after consultation with the Secretaries of the military departments, the transfer from one military department to another, in accordance with merit-based selection processes, workload that supports the core depot-level maintenance and repair capabilities in facilities owned and operated by the United States.

(8) Require that, in any competition for a workload (whether among private-sector sources or between depot-level activities of the Department of Defense and private-sector sources), bids are evaluated under a methodology that ensures that appropriate

costs to the Government and the private sector are identified.

(9) Provide for the performance of maintenance and repair for any new weapons systems defined as core, under section 2464 of title 10, United States Code, in facilities owned and operated by the United States.

(e) CONSIDERATIONS.—In developing the policy, the Secretary shall take into consideration the following matters:

(1) The national security interests of the United States.

(2) The capabilities of the public depots and the capabilities of businesses in the private sector to perform the maintenance and repair work required by the Department of Defense.

(3) Any applicable recommendations of the Defense Base Closure and Realignment Commission that are required to be implemented under the Defense Base Closure and Realignment Act of 1990.

(4) The extent to which the readiness of the Armed Forces would be affected by a necessity to construct new facilities to accommodate any redistribution of depot-level maintenance and repair workloads that is made in accordance with the recommendation of the Defense Base Closure and Realignment Commission, under the Defense Base Closure and Realignment Act of 1990, that such workloads be consolidated at Department of Defense depots or private-sector facilities.

(5) Analyses of costs and benefits of alternatives, including a comparative analysis of—

(A) the costs and benefits, including any readiness implications, of any proposed policy to convert to contractor performance of depot-level maintenance and repair workloads where the workload is being performed by Department of Defense personnel; and

(B) the costs and benefits, including any readiness implications, of a policy to transfer depot-level maintenance and repair workloads among depots.

(f) REPEAL OF 60/40 REQUIREMENT AND REQUIREMENT RELATING TO COMPETITION.—(1) Sections 2466 and 2469 of title 10, United States Code, are repealed.

(2) The table of sections at the beginning of chapter 146 of such title is amended by striking out the items relating to sections 2466 and 2469.

(3) The amendments made by paragraphs (1) and (2) shall take effect on the date (after the date of the enactment of this Act) on which legislation is enacted that contains a provision that specifically states one of the following:

(A) "The policy on the performance of depot-level maintenance and repair for the Department of Defense that was submitted by the Secretary of Defense to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives pursuant to section 311 of the National Defense Authorization Act for Fiscal Year 1996 is approved."; or

(B) "The policy on the performance of depot-level maintenance and repair for the Department of Defense that was submitted by the Secretary of Defense to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives pursuant to section 311 of the National Defense Authorization Act for Fiscal Year 1996 is approved with the following modifications:" (with the modifications being stated in matter appearing after the colon).

(g) ANNUAL REPORT.—If legislation referred to in subsection (f)(3) is enacted, the Secretary of Defense shall, not later than March 1 of each year (beginning with the year after the year in which such legislation is enacted), submit to Congress a report that—

(1) specifies depot maintenance core capability requirements determined in accordance with the procedures established to comply with the policy prescribed pursuant to subsections (d)(2) and (d)(3);

(2) specifies the planned amount of workload to be accomplished by the depot-level activities of each military department in support of those requirements for the following fiscal year; and

(3) identifies the planned amount of workload, which—

(A) shall be measured by direct labor hours and by amounts to be expended; and

(B) shall be shown separately for each commodity group.

(h) REVIEW BY GENERAL ACCOUNTING OFFICE.—(1) The Secretary shall make available to the Comptroller General of the United States all information used by the Department of Defense in developing the policy under subsections (c) through (e) of this section.

(2) Not later than 45 days after the date on which the Secretary submits to Congress the report required by subsection (c), the Comptroller General shall transmit to Congress a report containing a detailed analysis of the Secretary's proposed policy as reported under such subsection.

(i) REPORT ON DEPOT-LEVEL MAINTENANCE AND REPAIR WORKLOAD.—Not later than March 31, 1996, the Secretary of Defense shall submit to Congress a report on the depot-level maintenance and repair workload of the Department of Defense. The report shall, to the maximum extent practicable, include the following:

(1) An analysis of the need for and effect of the requirement under section 2466 of title 10, United States Code, that no more than 40 percent of the depot-level maintenance and repair work of the Department of Defense be contracted for performance by non-Government personnel, including a description of the effect on military readiness and the national security resulting from that requirement and a description of any specific difficulties experienced by the Department of Defense as a result of that requirement.

(2) An analysis of the distribution during the five fiscal years ending with fiscal year 1995 of the depot-level maintenance and repair workload of the Department of Defense between depot-level activities of the Department of Defense and non-Government personnel, measured by direct labor hours and by amounts expended, and displayed, for that five-year period and for each year of that period, so as to show (for each military department (and separately for the Navy and Marine Corps)) such distribution.

(3) A projection of the distribution during the five fiscal years beginning with fiscal year 1997 of the depot-level maintenance and repair workload of the Department of Defense between depot-level activities of the Department of Defense and non-Government personnel, measured by direct labor hours and by amounts expended, and displayed, for that five-year period and for each year of that period, so as to show (for each military department (and separately for the Navy and Marine Corps)) such distribution that would be accomplished under a new policy as required under subsection (c).

(j) OTHER REVIEW BY GENERAL ACCOUNTING OFFICE.—(1) The Comptroller General of the United States shall conduct an independent audit of the findings of the Secretary of Defense in the report under subsection (i). The Secretary of Defense shall provide to the Comptroller General for such purpose all information used by the Secretary in preparing such report.

(2) Not later than 45 days after the date on which the Secretary of Defense submits to Congress the report required under subsection (i), the Comptroller General shall transmit to Congress a report containing a detailed analysis of the report submitted under that subsection.

SEC. 312. MANAGEMENT OF DEPOT EMPLOYEES.

(a) DEPOT EMPLOYEES.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2472. Management of depot employees

"(b) ANNUAL REPORT.—Not later than December 1 of each fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the number of employees employed and expected to be employed by the Department of Defense during that fiscal year to perform depot-level maintenance and repair of materiel. The report shall indicate whether that number is sufficient to perform the depot-level maintenance and repair functions for which funds are expected to be provided for that fiscal year for performance by Department of Defense employees.".

(b) TRANSFER OF SUBSECTION.—Subsection (b) of section 2466 of title 10, United States Code, is transferred to section 2472 of such title, as added by subsection (a), redesignated as subsection (a), and inserted after the section heading.

(c) SUBMISSION OF INITIAL REPORT.—The report under subsection (b) of section 2472 of title 10, United States Code, as added by subsection (a), for fiscal year 1996 shall be submitted not later than March 15, 1996 (notwithstanding the date specified in such subsection).

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2472. Management of depot employees.".

SEC. 313. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1684) is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

SEC. 314. MODIFICATION OF NOTIFICATION REQUIREMENT REGARDING USE OF CORE LOGISTICS FUNCTIONS WAIVER.

Section 2464(b) of title 10, United States Code, is amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following new paragraph:

"(3) A waiver under paragraph (2) may not take effect until the end of the 30-day period beginning on the date on which the Secretary submits a report on the waiver to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

Subtitle C—Environmental Provisions

SEC. 321. REVISION OF REQUIREMENTS FOR AGREEMENTS FOR SERVICES UNDER ENVIRONMENTAL RESTORATION PROGRAM.

(a) REQUIREMENTS.—(1) Section 2701(d) of title 10, United States Code, is amended to read as follows:

"(d) Services of Other Agencies.—

"(1) In general.—Subject to paragraph (2), the Secretary may enter into agreements on a reimbursable or other basis with any other Federal agency, or with any State or local government agency, to obtain the services of the agency to assist the Secretary in carrying out any of the Secretary's responsibilities under this section. Services which may be obtained under this subsection include the identification, investigation, and cleanup of any off-site contamination resulting from the release of a hazardous substance or waste at a facility under the Secretary's jurisdiction.

"(2) Limitation on reimbursable agreements.—An agreement with an agency under paragraph (1) may not provide for reimbursement of the agency for regulatory enforcement activities.".

(2)(A) Except as provided in subparagraph (B), the total amount of funds available for reimbursements under agreements entered into under section 2710(d) of title 10, United States Code, as amended by paragraph (1), in fiscal year 1996 may not exceed $10,000,000.

(B) The Secretary of Defense may pay in fiscal year 1996 an amount for reimbursements under agreements referred to in subparagraph (A) in excess of the amount specified in that subparagraph for that fiscal year if—

(i) the Secretary certifies to Congress that the payment of the amount under this subparagraph is essential for the management of the Defense Environmental Restoration Program under chapter 160 of title 10, United States Code; and

(ii) a period of 60 days has expired after the date on which the certification is received by Congress.

(b) Report on Services Obtained.—The Secretary of Defense shall include in the report submitted to Congress with respect to fiscal year 1998 under section 2706(a) of title 10, United States Code, information on the services, if any, obtained by the Secretary during fiscal year 1996 pursuant to each agreement on a reimbursable basis entered into with a State or local government agency under section 2701(d) of title 10, United States Code, as amended by subsection (a). The information shall include a description of the services obtained under each agreement and the amount of the reimbursement provided for the services.

SEC. 322. ADDITION OF AMOUNTS CREDITABLE TO DEFENSE ENVIRONMENTAL RESTORATION ACCOUNT.

Section 2703(e) of title 10, United States Code, is amended to read as follows:

"(e) Amounts Recovered.—The following amounts shall be credited to the transfer account:

"(1) Amounts recovered under CERCLA for response actions of the Secretary.

"(2) Any other amounts recovered by the Secretary or the Secretary of the military department concerned from a contractor, insurer, surety, or other person to reimburse the Department of Defense for any expenditure for environmental response activities.".

SEC. 323. USE OF DEFENSE ENVIRONMENTAL RESTORATION ACCOUNT.

(a) Goal for Certain DERA Expenditures.—It shall be the goal of the Secretary of Defense to limit, by the end of fiscal year 1997, spending for administration, support, studies, and investigations associated with the Defense Environmental Restoration Account to 20 percent of the total funding for that account.

(b) Report.—Not later than April 1, 1996, the Secretary shall submit to Congress a report that contains specific, detailed information on—

(1) the extent to which the Secretary has attained the goal described in subsection (a) as of the date of the submission of the report; and

(2) if the Secretary has not attained such goal by such date, the actions the Secretary plans to take to attain the goal.

SEC. 324. REVISION OF AUTHORITIES RELATING TO RESTORATION ADVISORY BOARDS.

(a) Regulations.—Paragraph (2) of subsection (d) of section 2705 of title 10, United States Code, is amended to read as follows:

"(2)(A) The Secretary shall prescribe regulations regarding the establishment, characteristics, composition, and funding of restoration advisory boards pursuant to this subsection.

"(B) The issuance of regulations under subparagraph (A) shall not be a precondition to the establishment of restoration advisory boards under this subsection.".

(b) Funding for Administrative Expenses.—Paragraph (3) of such subsection is amended to read as follows:

"(3) The Secretary may authorize the commander of an installation (or, if there is no such commander, an appropriate official of the Department of Defense designated by the Secretary) to pay routine administrative expenses of a restoration advisory board established for that installation. Such payments shall be made from funds available under subsection (g).".

(c) Technical Assistance.—Such section is further amended by striking out subsection (e) and inserting in lieu thereof the following new subsection (e):

"(e) Technical Assistance.—(1) The Secretary may, upon the request of the technical review committee or restoration advisory board for an installation, authorize the commander of the installation (or, if there is no such commander, an appropriate official of the Department of Defense designated by the Secretary) to obtain for the committee or advisory board, as the case may be, from private sector sources technical assistance for interpreting scientific and engineering issues with regard to the nature of environmental hazards at the installation and the restoration activities conducted, or proposed to be conducted, at the installation. The commander of an installation (or, if there is no such commander, an appropriate official of the Department of Defense designated by the Secretary) shall use funds made available under subsection (g) for obtaining assistance under this paragraph.

"(2) The commander of an installation (or, if there is no such commander, an appropriate official of the Department of Defense designated by the Secretary) may obtain technical assistance under paragraph (1) for a technical review committee or restoration advisory board only if—

"(A) the technical review committee or restoration advisory board demonstrates that the Federal, State, and local agencies responsible for overseeing environmental restoration at the installation, and available Department of Defense personnel, do not have the technical expertise necessary for achieving the objective for which the technical assistance is to be obtained; or

"(B) the technical assistance—

"(i) is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration activities at the installation; and

"(ii) is likely to contribute to community acceptance of environmental restoration activities at the installation.".

(d) Funding.—(1) Such section is further amended by adding at the end the following new subsection:

"(g) Funding.—The Secretary shall, to the extent provided in appropriations Acts, make funds available for administrative expenses and technical assistance under this section using funds in the following accounts:

"(1) In the case of a military installation not approved for closure pursuant to a base closure law, the Defense Environmental Restoration Account established under section 2703(a) of this title.

"(2) In the case of an installation approved for closure pursuant to such a law, the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).".

(2)(A) Subject to subparagraph (B), the total amount of funds made available under section 2705(g) of title 10, United States Code, as added by paragraph (1), for fiscal year 1996 may not exceed $6,000,000.

(B) Amounts may not be made available under subsection (g) of such section 2705 after September 15, 1996, unless the Secretary of Defense publishes proposed final or interim final regulations required under subsection (d) of such section, as amended by subsection (a).

(e) Definition.—Such section is further amended by adding after subsection (g) (as added by subsection (d)) the following new subsection:

"(h) Definition.—In this section, the term 'base closure law' means the following:

"(1) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

"(2) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

"(3) Section 2687 of this title.".

(f) Reports on Activities of Technical Review Committees and Restoration Advisory Boards.—Section 2706(a)(2) of title 10, United States Code, is amended by adding at the end the following:

"(J) A statement of the activities, if any, including expenditures for administrative expenses and technical assistance under section 2705 of this title, of the technical review committee or restoration advisory board established for the installation under such section during the preceding fiscal year.".

SEC. 325. DISCHARGES FROM VESSELS OF THE ARMED FORCES.

(a) Purposes.—The purposes of this section are to—

(1) enhance the operational flexibility of vessels of the Armed Forces domestically and internationally;

(2) stimulate the development of innovative vessel pollution control technology; and

(3) advance the development by the United States Navy of environmentally sound ships.

(b) Uniform National Discharge Standards Development.—Section 312 of the Federal Water Pollution Control Act (33 U.S.C. 1322) is amended by adding at the end the following:

"(n) Uniform National Discharge Standards for Vessels of the Armed Forces.—

"(1) Applicability.—This subsection shall apply to vessels of the Armed Forces and discharges, other than sewage, incidental to the normal operation of a vessel of the Armed Forces, unless the Secretary of Defense finds that compliance with this subsection would not be in the national security interests of the United States.

"(2) DETERMINATION OF DISCHARGES REQUIRED TO BE CONTROLLED BY MARINE POLLUTION CONTROL DEVICES.—

"(A) IN GENERAL.—The Administrator and the Secretary of Defense, after consultation with the Secretary of the department in which the Coast Guard is operating, the Secretary of Commerce, and interested States, shall jointly determine the discharges incidental to the normal operation of a vessel of the Armed Forces for which it is reasonable and practicable to require use of a marine pollution control device to mitigate adverse impacts on the marine environment. Notwithstanding subsection (a)(1) of section 553 of title 5, United States Code, the Administrator and the Secretary of Defense shall promulgate the determinations in accordance with such section. The Secretary of Defense shall require the use of a marine pollution control device on board a vessel of the Armed Forces in any case in which it is determined that the use of such a device is reasonable and practicable.

"(B) CONSIDERATIONS.—In making a determination under subparagraph (A), the Administrator and the Secretary of Defense shall take into consideration—

"(i) the nature of the discharge;

"(ii) the environmental effects of the discharge;

"(iii) the practicability of using the marine pollution control device;

"(iv) the effect that installation or use of the marine pollution control device would have on the operation or operational capability of the vessel;

"(v) applicable United States law;

"(vi) applicable international standards; and

"(vii) the economic costs of the installation and use of the marine pollution control device.

"(3) PERFORMANCE STANDARDS FOR MARINE POLLUTION CONTROL DEVICES.—

"(A) IN GENERAL.—For each discharge for which a marine pollution control device is determined to be required under paragraph (2), the Administrator and the Secretary of Defense, in consultation with the Secretary of the department in which the Coast Guard is operating, the Secretary of State, the Secretary of Commerce, other interested Federal agencies, and interested States, shall jointly promulgate Federal standards of performance for each marine pollution control device required with respect to the discharge. Notwithstanding subsection (a)(1) of section 553 of title 5, United States Code, the Administrator and the Secretary of Defense shall promulgate the standards in accordance with such section.

"(B) CONSIDERATIONS.—In promulgating standards under this paragraph, the Administrator and the Secretary of Defense shall take into consideration the matters set forth in paragraph (2)(B).

"(C) CLASSES, TYPES, AND SIZES OF VESSELS.—The standards promulgated under this paragraph may—

"(i) distinguish among classes, types, and sizes of vessels;

"(ii) distinguish between new and existing vessels; and

"(iii) provide for a waiver of the applicability of the standards as necessary or appropriate to a particular class, type, age, or size of vessel.

"(4) REGULATIONS FOR USE OF MARINE POLLUTION CONTROL DEVICES.—The Secretary of Defense, after consultation with the Administrator and the Secretary of the department in which the Coast Guard is operating, shall promulgate such regulations governing the design, construction, installation, and use of marine pollution control devices on board vessels of the Armed Forces as are necessary to achieve the standards promulgated under paragraph (3).

"(5) DEADLINES; EFFECTIVE DATE.—

"(A) DETERMINATIONS.—The Administrator and the Secretary of Defense shall—

"(i) make the initial determinations under paragraph (2) not later than 2 years after the date of the enactment of this subsection; and

"(ii) every 5 years—

"(I) review the determinations; and

"(II) if necessary, revise the determinations based on significant new information.

"(B) STANDARDS.—The Administrator and the Secretary of Defense shall—

"(i) promulgate standards of performance for a marine pollution control device under paragraph (3) not later than 2 years after the date of a determination under paragraph (2) that the marine pollution control device is required; and

"(ii) every 5 years—

"(I) review the standards; and

"(II) if necessary, revise the standards, consistent with paragraph (3)(B) and based on significant new information.

"(C) REGULATIONS.—The Secretary of Defense shall promulgate regulations with respect to a marine pollution control device under paragraph (4) as soon as practicable after the Administrator and the Secretary of Defense promulgate standards with respect to the device under paragraph (3), but not later than 1 year after the Administrator and the Secretary of Defense promulgate the standards. The regulations promulgated by the Secretary of Defense under paragraph (4) shall become effective upon promulgation unless another effective date is specified in the regulations.

"(D) PETITION FOR REVIEW.—The Governor of any State may submit a petition requesting that the Secretary of Defense and the Administrator review a determination under paragraph (2) or a standard under paragraph (3), if there is significant new information, not considered previously, that could reasonably result in a change to the particular determination or standard after consideration of the matters set forth in paragraph (2)(B). The petition shall be accompanied by the scientific and technical information on which the petition is based. The Administrator and the Secretary of Defense shall grant or deny the petition not later than 2 years after the date of receipt of the petition.

"(6) EFFECT ON OTHER LAWS.—

"(A) PROHIBITION ON REGULATION BY STATES OR POLITICAL SUBDIVISIONS OF STATES.—Beginning on the effective date of—

"(i) a determination under paragraph (2) that it is not reasonable and practicable to require use of a marine pollution control device regarding a particular discharge incidental to the normal operation of a vessel of the Armed Forces; or

"(ii) regulations promulgated by the Secretary of Defense under paragraph (4);

except as provided in paragraph (7), neither a State nor a political subdivision of a State may adopt or enforce any statute or regulation of the State or political subdivision with respect to the discharge or the design, construction, installation, or use of any marine pollution control device required to control discharges from a vessel of the Armed Forces.

"(B) FEDERAL LAWS.—This subsection shall not affect the application of section 311 to discharges incidental to the normal operation of a vessel.

"(7) ESTABLISHMENT OF STATE NO-DISCHARGE ZONES.—

"(A) STATE PROHIBITION.—

"(i) IN GENERAL.—After the effective date of—

"(I) a determination under paragraph (2) that it is not reasonable and practicable to require use of a marine pollution control device regarding a particular discharge incidental to the normal operation of a vessel of the Armed Forces; or

"(II) regulations promulgated by the Secretary of Defense under paragraph (4);

if a State determines that the protection and enhancement of the quality of some or all of the waters within the State require greater environmental protection, the State may prohibit 1 or more discharges incidental to the normal operation of a vessel, whether treated or not treated, into the waters. No prohibition shall apply until the Administrator makes the determinations described in subclauses (II) and (III) of subparagraph (B)(i).

"(ii) DOCUMENTATION.—To the extent that a prohibition under this paragraph would apply to vessels of the Armed Forces and not to other types of vessels, the State shall document the technical or environmental basis for the distinction.

"(B) PROHIBITION BY THE ADMINISTRATOR.—

"(i) IN GENERAL.—Upon application of a State, the Administrator shall by regulation prohibit the discharge from a vessel of 1 or more discharges incidental to the normal operation of a vessel, whether treated or not treated, into the waters covered by the application if the Administrator determines that—

"(I) the protection and enhancement of the quality of the specified waters within the State require a prohibition of the discharge into the waters;

"(II) adequate facilities for the safe and sanitary removal of the discharge incidental to the normal operation of a vessel are reasonably available for the waters to which the prohibition would apply; and

"(III) the prohibition will not have the effect of discriminating against a vessel of the Armed Forces by reason of the ownership or operation by the Federal Government, or the military function, of the vessel.

"(ii) APPROVAL OR DISAPPROVAL.—The Administrator shall approve or disapprove an application submitted under clause (i) not later than 90 days after the date on which the application is submitted to the Administrator. Notwithstanding clause (i)(II), the Administrator shall not disapprove an application for the sole reason that there are not adequate facilities to remove any discharge incidental to the normal operation of a vessel from vessels of the Armed Forces.

"(C) APPLICABILITY TO FOREIGN FLAGGED VESSELS.—A prohibition under this paragraph—

"(i) shall not impose any design, construction, manning, or equipment standard on a foreign flagged vessel engaged in innocent passage unless the prohibition implements a generally accepted international rule or standard; and

"(ii) that relates to the prevention, reduction, and control of pollution shall not apply to a foreign flagged vessel engaged in transit passage unless the prohibition implements an applicable international regulation regarding the discharge of oil, oily waste, or any other noxious substance into the waters.

"(8) PROHIBITION RELATING TO VESSELS OF THE ARMED FORCES.—After the effective date of the regulations promulgated by the Secretary of Defense under paragraph (4), it shall be unlawful for any vessel of the Armed Forces subject to the regulations to—

"(A) operate in the navigable waters of the United States or the waters of the contiguous zone, if the vessel is not equipped with any required marine pollution control device meeting standards established under this subsection; or

"(B) discharge overboard any discharge incidental to the normal operation of a vessel in waters with respect to which a prohibition on the discharge has been established under paragraph (7).

"(9) ENFORCEMENT.—This subsection shall be enforceable, as provided in subsections (j) and (k), against any agency of the United States responsible for vessels of the Armed Forces notwithstanding any immunity asserted by the agency.".

(c) CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 312(a) of the Federal Water Pollution Control Act (33 U.S.C. 1322(a)) is amended—

(A) in paragraph (8)—

(i) by striking "or"; and

(ii) by inserting "or agency of the United States," after "association,";

(B) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(12) 'discharge incidental to the normal operation of a vessel'—

"(A) means a discharge, including—

"(i) graywater, bilge water, cooling water, weather deck runoff, ballast water, oil water separator effluent, and any other pollutant discharge from the operation of a marine propulsion system, shipboard maneuvering system, crew habitability system, or installed major equipment, such as an aircraft carrier elevator or a catapult, or from a protective, preservative, or absorptive application to the hull of the vessel; and

"(ii) a discharge in connection with the testing, maintenance, and repair of a system described in clause (i) whenever the vessel is waterborne; and

"(B) does not include—

"(i) a discharge of rubbish, trash, garbage, or other such material discharged overboard;

"(ii) an air emission resulting from the operation of a vessel propulsion system, motor driven equipment, or incinerator; or

"(iii) a discharge that is not covered by part 122.3 of title 40, Code of Federal Regulations (as in effect on the date of the enactment of subsection (n));

"(13) 'marine pollution control device' means any equipment or management practice, for installation or use on board a vessel of the Armed Forces, that is—

"(A) designed to receive, retain, treat, control, or discharge a discharge incidental to the normal operation of a vessel; and

"(B) determined by the Administrator and the Secretary of Defense to be the most effective equipment or management practice to reduce the environmental impacts of the discharge consistent with the considerations set forth in subsection (n)(2)(B); and

"(14) 'vessel of the Armed Forces' means—

"(A) any vessel owned or operated by the Department of Defense, other than a time or voyage chartered vessel; and

"(B) any vessel owned or operated by the Department of Transportation that is designated by the Secretary of the department in which the Coast Guard is operating as a vessel equivalent to a vessel described in subparagraph (A).".

(2) ENFORCEMENT.—The first sentence of section 312(j) of the Federal Water Pollution Control Act (33 U.S.C. 1322(j)) is amended—

(A) by striking "of this section or" and inserting a comma; and

(B) by striking "of this section shall" and inserting ", or subsection (n)(8) shall".

(3) OTHER DEFINITIONS.—Subparagraph (A) of the second sentence of section 502(6) of the Federal Water Pollution Control Act (33 U.S.C. 1362(6)) is amended by striking "'sewage from vessels'" and inserting "'sewage from vessels or a discharge incidental to the normal operation of a vessel of the Armed Forces'".

(d) COOPERATION IN STANDARDS DEVELOPMENT.—The Administrator of the Environmental Protection Agency and the Secretary of Defense may, by mutual agreement, with or without reimbursement, provide for the use of information, reports, personnel, or other resources of the Environmental Protection Agency or the Department of Defense to carry out section 312(n) of the Federal Water Pollution Control Act (as added by subsection (b)), including the use of the resources—

(1) to determine—

(A) the nature and environmental effect of discharges incidental to the normal operation of a vessel of the Armed Forces;

(B) the practicability of using marine pollution control devices on vessels of the Armed Forces; and

(C) the effect that installation or use of marine pollution control devices on vessels of the Armed Forces would have on the operation or operational capability of the vessels; and

(2) to establish performance standards for marine pollution control devices on vessels of the Armed Forces.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 331. OPERATION OF COMMISSARY SYSTEM.

(a) COOPERATION WITH OTHER ENTITIES.—Section 2482 of title 10, United States Code, is amended—

(1) in the section heading, by striking out "**private**";

(2) by inserting "(a) PRIVATE OPERATION.—" before "Private persons"; and

(3) by adding at the end the following new subsection:

"(b) CONTRACTS WITH OTHER AGENCIES AND INSTRUMENTALITIES.—(1) The Defense Commissary Agency, and any other agency of the Department of Defense that supports the operation of the commissary system, may enter into a contract or other agreement with another department, agency, or instrumentality of the Department of Defense or another Federal agency to provide services beneficial to the efficient management and operation of the commissary system.

"(2) A commissary store operated by a nonappropriated fund instrumentality of the Department of Defense shall be operated in accordance with section 2484 of this title. Subject to such section, the Secretary of Defense may authorize a transfer of goods, supplies, and facilities of, and funds appropriated for, the Defense Commissary Agency or any other agency of the Department of Defense that supports the operation of the commissary system to a nonappropriated fund instrumentality for the operation of a commissary store.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 147 of such title is amended to read as follows:

"2482. Commissary stores: operation.".

SEC. 332. LIMITED RELEASE OF COMMISSARY STORES SALES INFORMATION TO MANUFACTURERS, DISTRIBUTORS, AND OTHER VENDORS DOING BUSINESS WITH DEFENSE COMMISSARY AGENCY.

Section 2487(b) of title 10, United States Code, is amended in the second sentence by inserting before the period the following: "unless the agreement is between the Defense Commissary Agency and a manufacturer, distributor, or other vendor doing business with the Agency and is restricted to information directly related to merchandise provided by that manufacturer, distributor, or vendor".

SEC. 333. ECONOMICAL DISTRIBUTION OF DISTILLED SPIRITS BY NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) ECONOMICAL DISTRIBUTION.—Subsection (a)(1) of section 2488 of title 10, United States Code, is amended by inserting after "most competitive source" the following: "and distributed in the most economical manner".

(b) DETERMINATION OF MOST ECONOMICAL DISTRIBUTION METHOD.—Such section is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) In the case of covered alcoholic beverage purchases of distilled spirits, to determine whether a nonappropriated fund instrumentality of the Department of Defense provides the most economical method of distribution to package stores, the Secretary of Defense shall consider all components of the distribution costs incurred by the nonappropriated fund instrumentality, such as overhead costs (including costs associated with management, logistics, administration, depreciation, and utilities), the costs of carrying inventory, and handling and distribution costs.

"(2) If the use of a private distributor would subject covered alcoholic beverage purchases of distilled spirits to direct or indirect State taxation, a nonappropriated fund instrumentality shall be considered to be the most economical method of distribution regardless of the results of the determination under paragraph (1).

"(3) The Secretary shall use the agencies performing audit functions on behalf of the armed forces and the Inspector General of the Department of Defense to make determinations under this subsection.".

SEC. 334. TRANSPORTATION BY COMMISSARIES AND EXCHANGES TO OVERSEAS LOCATIONS.

(a) IN GENERAL.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2643. Commissary and exchange services: transportation overseas

"The Secretary of Defense shall authorize the officials responsible for operation of commissaries and military exchanges to negotiate directly with private carriers for the most cost-effective transportation of commissary and exchange supplies by sea without relying on the Military Sealift Command or the Military Traffic Management Command. Section 2631 of this title, regarding the preference for vessels of the United States or belonging to the United States in the transportation of supplies by sea, shall apply to the negotiation of transportation contracts under the authority of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2643. Commissary and exchange services: transportation overseas.".

SEC. 335. DEMONSTRATION PROJECT FOR UNIFORM FUNDING OF MORALE, WELFARE, AND RECREATION ACTIVITIES AT CERTAIN MILITARY INSTALLATIONS.

(a) DEMONSTRATION PROJECT REQUIRED.—(1) The Secretary of Defense shall conduct a demonstration project to evaluate the feasibility of using only nonappropriated funds to support morale, welfare, and recreation programs at military installations in order to facilitate the procurement of property and services for those programs and the management of employees used to carry out those programs.

(2) Under the demonstration project—

(A) procurements of property and services for programs referred to in paragraph (1) may be carried out in accordance with laws and regulations applicable to procurements paid for with nonappropriated funds; and

(B) appropriated funds available for such programs may be expended in accordance with laws applicable to expenditures of nonappropriated funds as if the appropriated funds were nonappropriated funds.

(3) The Secretary shall prescribe regulations to carry out paragraph (2). The regulations shall provide for financial management and accounting of appropriated funds expended in accordance with subparagraph (B) of such paragraph.

(b) COVERED MILITARY INSTALLATIONS.—The Secretary shall select not less than three and not more than six military installations to participate in the demonstration project.

(c) PERIOD OF DEMONSTRATION PROJECT.—The demonstration project shall terminate not later than September 30, 1998.

(d) EFFECT ON EMPLOYEES.—For the purpose of testing fiscal accounting procedures, the Secretary may convert, for the duration of the demonstration project, the status of an employee who carries out a program referred to in subsection (a)(1) from the status of an employee paid by appropriated funds to the status of a nonappropriated fund instrumentality employee, except that such conversion may occur only—

(1) if the employee whose status is to be converted—

(A) is fully informed of the effects of such conversion on the terms and conditions of the employment of that employee for purposes of title 5, United States Code, and on the benefits provided to that employee under such title; and

(B) consents to such conversion; or

(2) in a manner which does not affect such terms and conditions of employment or such benefits.

(e) REPORTS.—(1) Not later than six months after the date of the enactment of this Act, the Secretary shall submit to Congress an interim report on the implementation of this section.

(2) Not later than December 31, 1998, the Secretary shall submit to Congress a final report on the results of the demonstration project. The report shall include a comparison of—

(A) the cost incurred under the demonstration project in using employees paid by appropriated funds together with nonappropriated fund instrumentality employees to carry out the programs referred to in subsection (a)(1); and

(B) an estimate of the cost that would have been incurred if only nonappropriated fund instrumentality employees had been used to carry out such programs.

SEC. 336. OPERATION OF COMBINED EXCHANGE AND COMMISSARY STORES.

(a) IN GENERAL.—(1) Chapter 147 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2490a. Combined exchange and commissary stores

"(a) AUTHORITY.—The Secretary of Defense may authorize a nonappropriated fund instrumentality to operate a military exchange and a commissary store as a combined exchange and commissary store on a military installation.

"(b) LIMITATIONS.—(1) Not more than ten combined exchange and commissary stores may be operated pursuant to this section.

"(2) The Secretary may select a military installation for the operation of a combined exchange and commissary store under this section only if—

"(A) the installation is to be closed, or has been or is to be realigned, under a base closure law; or

"(B) a military exchange and a commissary store are operated at the installation by separate entities at the time of, or immediately before, such selection and it is not economically feasible to continue that separate operation.

"(c) OPERATION AT CARSWELL FIELD.—Combined exchange and commissary stores operated under this section shall include the combined exchange and commissary store that is operated at the Naval Air Station Fort Worth, Joint Reserve Center, Carswell Field, Texas, under the authority provided in section 375 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2736).

"(d) ADJUSTMENTS AND SURCHARGES.—Adjustments to, and surcharges on, the sales price of a grocery food item sold in a combined exchange and commissary store under this section shall be provided for in accordance with the same laws that govern such adjustments and surcharges for items sold in a commissary store of the Defense Commissary Agency.

"(e) USE OF APPROPRIATED FUNDS.—(1) If a nonappropriated fund instrumentality incurs a loss in operating a combined exchange and commissary store at a military installation under this section as a result of the requirement set forth in subsection (d), the Secretary may authorize a transfer of funds available for the Defense Commissary Agency to the nonappropriated fund instrumentality to offset the loss.

"(2) The total amount of appropriated funds transferred during a fiscal year to support the operation of a combined exchange and commissary store at a military installation under this section may not exceed an amount that is equal to 25 percent of the amount of appropriated funds that was provided for the operation of the commissary store of the Defense Commissary Agency on that installation during the last full fiscal year of operation of that commissary store.

"(f) DEFINITIONS.—In this section:

"(1) The term 'nonappropriated fund instrumentality' means the Army and Air Force Exchange Service, Navy Exchange Service Command, Marine Corps exchanges, or any other instrumentality of the United States under the jurisdiction of the Armed Forces which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.

"(2) The term 'base closure law' has the meaning given such term by section 2667(g) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2490a. Combined exchange and commissary stores.".

(b) CONFORMING AMENDMENT.—Section 375 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2736) is amended by striking out ", until December 31, 1995,".

SEC. 337. DEFERRED PAYMENT PROGRAMS OF MILITARY EXCHANGES.

(a) USE OF COMMERCIAL BANKING INSTITUTION.—(1) As soon as practicable after the date of the enactment of this Act, the Secretary of Defense shall seek to enter into an agreement with a commercial banking institution under which the institution agrees to finance and operate the deferred payment program of the Army and Air Force Exchange Service and the deferred payment program of the Navy Exchange Service Command. The Secretary shall use competitive procedures to enter into an agreement under this paragraph.

(2) In order to facilitate the transition of the operation of the programs referred to in paragraph (1) to commercial operation under an agreement described in that paragraph, the Secretary may initially limit the scope of any such agreement so as to apply to only one of the programs.

(b) REPORT.—Not later than December 31, 1995, the Secretary shall submit to Congress a report on the implementation of this section. The report shall also include an analysis of the impact of the deferred payment programs referred to in subsection (a)(1), including the impact of the default and collection procedures under such programs, on members of the Armed Forces and their families.

SEC. 338. AVAILABILITY OF FUNDS TO OFFSET EXPENSES INCURRED BY ARMY AND AIR FORCE EXCHANGE SERVICE ON ACCOUNT OF TROOP REDUCTIONS IN EUROPE.

Of funds authorized to be appropriated under section 301(5), not less than $70,000,000 shall be available to the Secretary of Defense for transfer to the Army and Air Force Exchange Service to offset expenses incurred by the Army and Air Force Exchange Service on account of reductions in the number of members of the United States Armed Forces assigned to permanent duty ashore in Europe.

SEC. 339. STUDY REGARDING IMPROVING EFFICIENCIES IN OPERATION OF MILITARY EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES AND COMMISSARY STORES.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study regarding the manner in which greater efficiencies can be achieved in the operation of—

(1) military exchanges;

(2) other instrumentalities of the United States under the jurisdiction of the Armed Forces which are conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces; and

(3) commissary stores.

(b) REPORT OF STUDY.—Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report describing the results of the study and containing such recommendations as the Secretary considers appropriate to implement options identified in the study to achieve the greater efficiencies referred to in subsection (a).

SEC. 340. REPEAL OF REQUIREMENT TO CONVERT SHIPS' STORES TO NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) REPEAL.—Section 371 of the National Defense Authorization Act for Fiscal Year

1994 (Public Law 103–160; 10 U.S.C. 7604 note) is amended—

(1) by striking out subsections (a) and (b); and

(2) by redesignating subsections (c) and (d) as subsections (a) and (b), respectively.

(b) Inspector General Review.—Not later than April 1, 1996, the Inspector General of the Department of Defense shall submit to Congress a report that reviews the report on the costs and benefits of converting to operation of Navy ships' stores by nonappropriated fund instrumentalities that the Navy Audit Agency prepared in connection with the postponement of the deadline for the conversion provided for in section 374(a) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2736).

SEC. 341. DISPOSITION OF EXCESS MORALE, WELFARE, AND RECREATION FUNDS.

Section 2219 of title 10, United States Code, is amended—

(1) in the first sentence, by striking out "a military department" and inserting in lieu thereof "an armed force";

(2) in the second sentence—

(A) by striking out ", department-wide"; and

(B) by striking out "of the military department" and inserting in lieu thereof "for that armed force"; and

(3) by adding at the end the following: "This section does not apply to the Coast Guard.".

SEC. 342. CLARIFICATION OF ENTITLEMENT TO USE OF MORALE, WELFARE, AND RECREATION FACILITIES BY MEMBERS OF RESERVE COMPONENTS AND DEPENDENTS.

(a) In General.—Section 1065 of title 10, United States Code, is amended to read as follows:

"§ 1065. Morale, welfare, and recreation retail facilities: use by members of reserve components and dependents

"(a) Members of the Selected Reserve.—A member of the Selected Reserve in good standing (as determined by the Secretary concerned) shall be permitted to use MWR retail facilities on the same basis as members on active duty.

"(b) Members of Ready Reserve Not in Selected Reserve.—Subject to such regulations as the Secretary of Defense may prescribe, a member of the Ready Reserve (other than members of the Selected Reserve) may be permitted to use MWR retail facilities on the same basis as members serving on active duty.

"(c) Reserve Retirees Under Age 60.—A member or former member of a reserve component under 60 years of age who, but for age, would be eligible for retired pay under chapter 1223 of this title shall be permitted to use MWR retail facilities on the same basis as members of the armed forces entitled to retired pay under any other provision of law.

"(d) Dependents.—(1) Dependents of a member who is permitted under subsection (a) or (b) to use MWR retail facilities shall be permitted to use such facilities on the same basis as dependents of members on active duty.

"(2) Dependents of a member who is permitted under subsection (c) to use MWR retail facilities shall be permitted to use such facilities on the same basis as dependents of members of the armed forces entitled to retired pay under any other provision of law.

"(e) MWR Retail Facility Defined.—In this section, the term 'MWR retail facilities' means exchange stores and other revenue-generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the armed forces.".

(b) Clerical Amendment.—The item relating to such section in the table of sections at the beginning of chapter 54 of such title is amended to read as follows:

"1065. Morale, welfare, and recreation retail facilities: use by members of reserve components and dependents.".

Subtitle E—Performance of Functions by Private-Sector Sources

SEC. 351. COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES.

(a) Requirement for Competitive Procurement.—Except as provided in subsection (b), the Secretary of Defense shall, during fiscal year 1996 and consistent with the requirements of title 44, United States Code, competitively procure printing and duplication services from private-sector sources for the performance of at least 70 percent of the total printing and duplication requirements of the Defense Printing Service.

(b) Exception for Classified Information.—The requirement of subsection (a) shall not apply to the procurement of services for printing and duplicating classified documents and information.

SEC. 352. DIRECT VENDOR DELIVERY SYSTEM FOR CONSUMABLE INVENTORY ITEMS OF DEPARTMENT OF DEFENSE.

(a) Implementation of Direct Vendor Delivery System.—Not later than September 30, 1997, the Secretary of Defense shall, to the maximum extent practicable, implement a system under which consumable inventory items referred to in subsection (b) are delivered to military installations throughout the United States directly by the vendors of those items. The purpose for implementing the system is to reduce the expense and necessity of maintaining extensive warehouses for those items within the Department of Defense.

(b) Covered Items.—The items referred to in subsection (a) are the following:

(1) Food and clothing.

(2) Medical and pharmaceutical supplies.

(3) Automotive, electrical, fuel, and construction supplies.

(4) Other consumable inventory items the Secretary considers appropriate.

SEC. 353. PAYROLL, FINANCE, AND ACCOUNTING FUNCTIONS OF THE DEPARTMENT OF DEFENSE.

(a) Plan for Private Operation of Certain Functions.—(1) Not later than October 1, 1996, the Secretary of Defense shall submit to Congress a plan for the performance by private-sector sources of payroll functions for civilian employees of the Department of Defense other than employees paid from nonappropriated funds.

(2)(A) The Secretary shall implement the plan referred to in paragraph (1) if the Secretary determines that the cost of performance by private-sector sources of the functions referred to in that paragraph does not exceed the cost of performance of those functions by employees of the Federal Government.

(B) In computing the total cost of performance of such functions by employees of the Federal Government, the Secretary shall include the following:

(i) Managerial and administrative costs.

(ii) Personnel costs, including the cost of providing retirement benefits for such personnel.

(iii) Costs associated with the provision of facilities and other support by Federal agencies.

(C) The Defense Contract Audit Agency shall verify the costs computed for the Secretary under this paragraph by others.

(3) At the same time the Secretary submits the plan required by paragraph (1), the Secretary shall submit to Congress a report on other accounting and finance functions of the Department that are appropriate for performance by private-sector sources.

(b) Pilot Program for Private Operation of NAFI Functions.—(1) The Secretary shall carry out a pilot program to test the performance by private-sector sources of payroll and other accounting and finance functions of nonappropriated fund instrumentalities and to evaluate the extent to which cost savings and efficiencies would result from the performance of such functions by those sources.

(2) The payroll and other accounting and finance functions designated by the Secretary for performance by private-sector sources under the pilot program shall include at least one major payroll, accounting, or finance function.

(3) To carry out the pilot program, the Secretary shall enter into discussions with private-sector sources for the purpose of developing a request for proposals to be issued for performance by those sources of functions designated by the Secretary under paragraph (2). The discussions shall be conducted on a schedule that accommodates issuance of a request for proposals within 60 days after the date of the enactment of this Act.

(4) A goal of the pilot program is to reduce by at least 25 percent the total costs incurred by the Department annually for the performance of a function referred to in paragraph (2) through the performance of that function by a private-sector source.

(5) Before conducting the pilot program, the Secretary shall develop a plan for the program that addresses the following:

(A) The purposes of the program.

(B) The methodology, duration, and anticipated costs of the program, including the cost of an arrangement pursuant to which a private-sector source would receive an agreed-upon payment plus an additional negotiated amount not to exceed 50 percent of the dollar savings achieved in excess of the goal specified in paragraph (4).

(C) A specific citation to any provisions of law, rule, or regulation that, if not waived, would prohibit the conduct of the program or any part of the program.

(D) A mechanism to evaluate the program.

(E) A provision for all payroll, accounting, and finance functions of nonappropriated fund instrumentalities of the Department of Defense to be performed by private-sector sources, if determined advisable on the basis of a final assessment of the results of the program.

(6) The Secretary shall act through the Under Secretary of Defense (Comptroller) in the performance of the Secretary's responsibilities under this subsection.

(c) Limitation on Opening of New Operating Locations for Defense Finance and Accounting Service.—(1) Except as provided in paragraph (2), the Secretary may not establish a new operating location for the Defense Finance and Accounting Service during fiscal year 1996.

(2) The Secretary may establish a new operating location for the Defense Finance and Accounting Service if—

(A) for a new operating location that the Secretary planned before the date of the enactment of this Act to establish on or after that date, the Secretary reconsiders the need for establishing that new operating location; and

(B) for each new operating location, including a new operating location referred to in subparagraph (A)—

(i) the Secretary submits to Congress, as part of the report required by subsection (a)(4), an analysis of the need for establishing the new operating location; and

(ii) a period of 30 days elapses after the Congress receives the report.

(3) In this subsection, the term "new operating location" means an operating location that is not in operation on the date of the enactment of this Act, except that such term does not include an operating location for which, as of such date—

(A) the Secretary has established a date for the commencement of operations; and

(B) funds have been expended for the purpose of its establishment.

SEC. 354. DEMONSTRATION PROGRAM TO IDENTIFY OVERPAYMENTS MADE TO VENDORS.

(a) IN GENERAL.—The Secretary of Defense shall conduct a demonstration program to evaluate the feasibility of using private contractors to audit accounting and procurement records of the Department of Defense in order to identify overpayments made to vendors by the Department. The demonstration program shall be conducted for the Defense Logistics Agency and include the Defense Personnel Support Center.

(b) PROGRAM REQUIREMENTS.—(1) Under the demonstration program, the Secretary shall, by contract, provide for one or more persons to audit the accounting and procurement records of the Defense Logistics Agency that relate to (at least) fiscal years 1993, 1994, and 1995. The Secretary may enter into more than one contract under the program.

(2) A contract under the demonstration program shall require the contractor to use data processing techniques that are generally used in audits of private-sector records similar to the records audited under the contract.

(c) AUDIT REQUIREMENTS.—In conducting an audit under the demonstration program, a contractor shall compare Department of Defense purchase agreements (and related documents) with invoices submitted by vendors under the purchase agreements. A purpose of the comparison is to identify, in the case of each audited purchase agreement, the following:

(1) Any payments to the vendor for costs that are not allowable under the terms of the purchase agreement or by law.

(2) Any amounts not deducted from the total amount paid to the vendor under the purchase agreement that should have been deducted from that amount on account of goods and services provided to the vendor by the Department.

(3) Duplicate payments.

(4) Unauthorized charges.

(5) Other discrepancies between the amount paid to the vendor and the amount actually due the vendor under the purchase agreement.

(d) BONUS PAYMENT.—To the extent provided for in a contract under the demonstration program, the Secretary may pay the contractor a bonus in addition to any other amount paid for performance of the contract. The amount of such bonus may not exceed the amount that is equal to 25 percent of all amounts recovered by the United States on the basis of information obtained as a result of the audit performed under the contract. Any such bonus shall be paid out of amounts made available pursuant to subsection (e).

(e) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated pursuant to section 301(5), not more than $5,000,000 shall be available for the demonstration program.

SEC. 355. PILOT PROGRAM ON PRIVATE OPERATION OF DEFENSE DEPENDENTS' SCHOOLS.

(a) PILOT PROGRAM.—The Secretary of Defense may conduct a pilot program to evaluate the feasibility of using private contractors to operate schools of the defense dependents' education system established under section 1402(a) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 921(a)).

(b) SELECTION OF SCHOOL FOR PROGRAM.—If the Secretary conducts the pilot program, the Secretary shall select one school of the defense dependents' education system for participation in the program and provide for the operation of the school by a private contractor for not less than one complete school year.

(c) REPORT.—Not later than 30 days after the end of the first school year in which the pilot program is conducted, the Secretary shall submit to Congress a report on the results of the program. The report shall include the recommendation of the Secretary with respect to the extent to which other schools of the defense dependents' education system should be operated by private contractors.

SEC. 356. PROGRAM FOR IMPROVED TRAVEL PROCESS FOR THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—(1) The Secretary of Defense shall conduct a program to evaluate options to improve the Department of Defense travel process. To carry out the program, the Secretary shall compare the results of the tests conducted under subsection (b) to determine which travel process tested under such subsection is the better option to effectively manage travel of Department personnel.

(2) The program shall be conducted at not less than three and not more than six military installations, except that an installation may be the subject of only one test conducted under the program.

(3) The Secretary shall act through the Under Secretary of Defense (Comptroller) in the performance of the Secretary's responsibilities under this section.

(b) CONDUCT OF TESTS.—(1) The Secretary shall conduct a test at an installation referred to in subsection (a)(2) under which the Secretary—

(A) implements the changes proposed to be made with respect to the Department of Defense travel process by the task force on travel management that was established by the Secretary in July 1994;

(B) manages and uniformly applies that travel process (including the implemented changes) throughout the Department; and

(C) provides opportunities for private-sector sources to provide travel reservation services and credit card services to facilitate that travel process.

(2) The Secretary shall conduct a test at an installation referred to in subsection (a)(2) under which the Secretary—

(A) enters into one or more contracts with a private-sector source pursuant to which the private-sector source manages the Department of Defense travel process (except for functions referred to in subparagraph (B)), provides for responsive, reasonably priced services as part of the travel process, and uniformly applies the travel process throughout the Department; and

(B) provides for the performance by employees of the Department of only those travel functions, such as travel authorization, that the Secretary considers to be necessary to be performed by such employees.

(3) Each test required by this subsection shall begin not later than 60 days after the date of the enactment of this Act and end two years after the date on which it began. Each such test shall also be conducted in accordance with the guidelines for travel management issued for the Department by the Under Secretary of Defense (Comptroller).

(c) EVALUATION CRITERIA.—The Secretary shall establish criteria to evaluate the travel processes tested under subsection (b). The criteria shall, at a minimum, include the extent to which a travel process provides for the following:

(1) The coordination, at the time of a travel reservation, of travel policy and cost estimates with the mission which necessitates the travel.

(2) The use of fully integrated travel solutions envisioned by the travel reengineering report of the Department of Defense dated January 1995.

(3) The coordination of credit card data and travel reservation data with cost estimate data.

(4) The elimination of the need for multiple travel approvals through the coordination of such data with proposed travel plans.

(5) A responsive and flexible management information system that enables the Under Secretary of Defense (Comptroller) to monitor travel expenses throughout the year, accurately plan travel budgets for future years, and assess, in the case of travel of an employee on temporary duty, the relationship between the cost of the travel and the value of the travel to the accomplishment of the mission which necessitates the travel.

(d) PLAN FOR PROGRAM.—Before conducting the program, the Secretary shall develop a plan for the program that addresses the following:

(1) The purposes of the program, including the achievement of an objective of reducing by at least 50 percent the total cost incurred by the Department annually to manage the Department of Defense travel process.

(2) The methodology and anticipated cost of the program, including the cost of an arrangement pursuant to which a private-sector source would receive an agreed-upon payment plus an additional negotiated amount that does not exceed 50 percent of the total amount saved in excess of the objective specified in paragraph (1).

(3) A specific citation to any provision or law, rule, or regulation that, if not waived, would prohibit the conduct of the program or any part of the program.

(4) The evaluation criteria established pursuant to subsection (c).

(5) A provision for implementing throughout the Department the travel process determined to be the better option to effectively manage travel of Department personnel on the basis of a final assessment of the results of the program.

(e) REPORT.—After the first full year of the conduct of the tests required by subsection (b), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the implementation of the program. The report shall include an analysis of the evaluation criteria established pursuant to subsection (c).

SEC. 357. INCREASED RELIANCE ON PRIVATE-SECTOR SOURCES FOR COMMERCIAL PRODUCTS AND SERVICES.

(a) IN GENERAL.—The Secretary of Defense shall endeavor to carry out through a private-sector source any activity to provide a commercial product or service for the Department of Defense if—

(1) the product or service can be provided adequately through such a source; and

(2) an adequate competitive environment exists to provide for economical performance of the activity by such a source.

(b) APPLICABILITY.—(1) Subsection (a) shall not apply to any commercial product or service with respect to which the Secretary determines that production, manufacture, or provision of that product or service by the Government is necessary for reasons of national security.

(2) A determination under paragraph (1) shall be made in accordance with regulations prescribed under subsection (c).

(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section. Such regulations shall be prescribed in consultation with the Director of the Office of Management and Budget.

(d) REPORT.—(1) The Secretary shall identify activities of the Department (other than activities specified by the Secretary pursuant to subsection (b)) that are carried out by employees of the Department to provide commercial-type products or services for the Department.

(2) Not later than April 15, 1996, the Secretary shall transmit to the congressional defense committees a report on opportunities for increased use of private-sector sources to provide commercial products and services for the Department.

(3) The report required by paragraph (2) shall include the following:

(A) A list of activities identified under paragraph (1) indicating, for each activity, whether the Secretary proposes to convert the performance of that activity to performance by private-sector sources and, if not, the reasons why.

(B) An assessment of the advantages and disadvantages of using private-sector sources, rather than employees of the Department, to provide commercial products and services for the Department that are not essential to the warfighting mission of the Armed Forces.

(C) A specification of all legislative and regulatory impediments to converting the performance of activities identified under paragraph (1) to performance by private-sector sources.

(D) The views of the Secretary on the desirability of terminating the applicability of OMB Circular A-76 to the Department.

(4) The Secretary shall carry out paragraph (1) in consultation with the Director of the Office of Management and Budget and the Comptroller General of the United States. In carrying out that paragraph, the Secretary shall consult with, and seek the views of, representatives of the private sector, including organizations representing small businesses.

Subtitle F—Miscellaneous Reviews, Studies, and Reports

SEC. 361. QUARTERLY READINESS REPORTS.

(a) IN GENERAL.—(1) Chapter 22 of title 10, United States Code, is amended by adding at the end the following new section:

"§452. Quarterly readiness reports

"(a) REQUIREMENT.—Not later than 30 days after the end of each calendar-year quarter, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on military readiness. The report for any quarter shall be based on assessments that are provided during that quarter—

"(1) to any council, committee, or other body of the Department of Defense (A) that has responsibility for readiness oversight, and (B) the membership of which includes at least one civilian officer in the Office of the Secretary of Defense at the level of Assistant Secretary of Defense or higher;

"(2) by senior civilian and military officers of the military departments and the commanders of the unified and specified commands; and

"(3) as part of any regularly established process of periodic readiness reviews for the Department of Defense as a whole.

"(b) MATTERS TO BE INCLUDED.—Each such report shall—

"(1) specifically describe identified readiness problems or deficiencies and planned remedial actions; and

"(2) include the key indicators and other relevant data related to the identified problem or deficiency.

"(c) CLASSIFICATION OF REPORTS.—Reports under this section shall be submitted in unclassified form and may, as the Secretary determines necessary, also be submitted in classified form.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"452. Quarterly readiness reports.".

(b) EFFECTIVE DATE.—Section 452 of title 10, United States Code, as added by subsection (a), shall take effect with the calendar-year quarter during which this Act is enacted.

SEC. 362. RESTATEMENT OF REQUIREMENT FOR SEMIANNUAL REPORTS TO CONGRESS ON TRANSFERS FROM HIGH-PRIORITY READINESS APPROPRIATIONS.

Section 361 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2732) is amended to read as follows:

"SEC. 361. SEMIANNUAL REPORTS TO CONGRESS ON TRANSFERS FROM HIGH-PRIORITY READINESS APPROPRIATIONS.

"(a) ANNUAL REPORTS.—During 1996 and 1997, the Secretary of Defense shall submit to the congressional defense committees a report on transfers during the preceding fiscal year from funds available for each budget activity specified in subsection (d) (hereinafter in this section referred to as 'covered budget activities'). The report each year shall be submitted not later than the date in that year on which the President submits the budget for the next fiscal year to Congress pursuant to section 1105 of title 31, United States Code.

"(b) MIDYEAR REPORTS.—On May 1 of each year specified in subsection (a), the Secretary of Defense shall submit to the congressional defense committees a report providing the same information, with respect to the first six months of the fiscal year in which the report is submitted, that is provided in reports under subsection (a) with respect to the preceding fiscal year.

"(c) MATTERS TO BE INCLUDED.—In each report under this section, the Secretary shall include for each covered budget activity the following:

"(1) A statement, for the period covered by the report, of—

"(A) the total amount of transfers into funds available for that activity;

"(B) the total amount of transfers from funds available for that activity; and

"(C) the net amount of transfers into, or out of, funds available for that activity.

"(2) A detailed explanation of the transfers into, and out of, funds available for that activity during the period covered by the report.

"(d) COVERED BUDGET ACTIVITIES.—The budget activities to which this section applies are the following:

"(1) The budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Army, appropriation that are designated as follows:

"(A) Combat Units.

"(B) Tactical Support.

"(C) Force-Related Training/Special Activities.

"(D) Depot Maintenance.

"(E) JCS Exercises.

"(2) The budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Navy, appropriation that are designated as follows:

"(A) Mission and Other Flight Operations.

"(B) Mission and Other Ship Operations.

"(C) Fleet Air Training.

"(D) Ship Operational Support and Training.

"(E) Aircraft Depot Maintenance.

"(F) Ship Depot Maintenance.

"(3) The budget activity groups (known as 'subactivities'), or other activity, within the Operating Forces budget activity of the annual Operation and Maintenance, Air Force, appropriation that are designated or otherwise identified as follows:

"(A) Primary Combat Forces.

"(B) Primary Combat Weapons.

"(C) Global and Early Warning.

"(D) Air Operations Training.

"(E) Depot Maintenance.

"(F) JCS Exercises.".

SEC. 363. REPORT REGARDING REDUCTION OF COSTS ASSOCIATED WITH CONTRACT MANAGEMENT OVERSIGHT.

(a) REPORT REQUIRED.—Not later than April 1, 1996, the Comptroller General of the United States shall submit to Congress a report identifying methods to reduce the cost to the Department of Defense of management oversight of contracts in connection with major defense acquisition programs.

(b) MAJOR DEFENSE ACQUISITION PROGRAMS DEFINED.—For purposes of this section, the term "major defense acquisition program" has the meaning given that term in section 2430(a) of title 10, United States Code.

SEC. 364. REVIEWS OF MANAGEMENT OF INVENTORY CONTROL POINTS AND MATERIEL MANAGEMENT STANDARD SYSTEM.

(a) REVIEW OF CONSOLIDATION OF INVENTORY CONTROL POINTS.—(1) The Secretary of Defense shall conduct a review of the management by the Defense Logistics Agency of all inventory control points of the Department of Defense. In conducting the review, the Secretary shall examine the management and acquisition practices of the Defense Logistics Agency for inventory of repairable spare parts.

(2) Not later than March 31, 1996, the Secretary shall submit to the Comptroller General of the United States and the congressional defense committees a report on the results the review conducted under paragraph (1).

(b) REVIEW OF MATERIEL MANAGEMENT STANDARD SYSTEM.—(1) The Comptroller General of the United States shall conduct a review of the automated data processing system of the Department of Defense known as the Materiel Management Standard System.

(2) Not later than May 1, 1996, the Comptroller General shall submit to the congressional defense committees a report on the results of the review conducted under paragraph (1).

3SEC. 365. REPORT ON PRIVATE PERFORMANCE OF CERTAIN FUNCTIONS PERFORMED BY MILITARY AIRCRAFT.

(a) Report Required.—Not later than May 1, 1996, the Secretary of Defense shall submit to Congress a report on the feasibility of providing for the performance by private-sector sources of functions necessary to be performed to fulfill the requirements of the Department of Defense for air transportation of personnel and cargo.

(b) Content of Report.—The report shall include the following:

(1) A cost-benefit analysis with respect to the performance by private-sector sources of functions described in subsection (a), including an explanation of the assumptions used in the cost-benefit analysis.

(2) An assessment of the issues raised by providing for such performance by means of a contract entered into with a private-sector source.

(3) An assessment of the issues raised by providing for such performance by means of converting functions described in subsection (a) to private ownership and operation, in whole or in part.

(4) A discussion of the requirements for the performance of such functions in order to fulfill the requirements referred to in subsection (a) during wartime.

(5) The effect on military personnel and facilities of using private-sector sources to fulfill the requirements referred to in such subsection.

(6) The performance by private-sector sources of any other military aircraft functions (such as non-combat inflight fueling of aircraft) the Secretary considers appropriate.

SEC. 366. STRATEGY AND REPORT ON AUTOMATED INFORMATION SYSTEMS OF DEPARTMENT OF DEFENSE.

(a) Development of Strategy.—The Secretary of Defense shall develop a strategy for the development or modernization of automated information systems for the Department of Defense.

(b) Matters to Consider.—In developing the strategy required under subsection (a), the Secretary shall consider the following:

(1) The use of performance measures and management controls.

(2) Findings of the Functional Management Review conducted by the Secretary.

(3) Program management actions planned by the Secretary.

(4) Actions and milestones necessary for completion of functional and economic analyses for—

(A) the Automated System for Transportation data;

(B) continuous acquisition and life cycle support;

(C) electronic data interchange;

(D) flexible computer integrated manufacturing;

(E) the Navy Tactical Command Support System; and

(F) the Defense Information System Network.

(5) Progress made by the Secretary in resolving problems with respect to the Defense Information System Network and the Joint Computer-Aided Acquisition and Logistics Support System.

(6) Tasks identified in the review conducted by the Secretary of the Standard Installation/Division Personnel System-3.

(7) Such other matters as the Secretary considers appropriate.

(c) Report on Strategy.—(1) Not later than April 15, 1996, the Secretary shall submit to Congress a report on the development of the strategy required under subsection (a).

(2) In the case of the Air Force Wargaming Center, the Air Force Command Exercise System, the Cheyenne Mountain Upgrade, the Transportation Coordinator Automated Command and Control Information Systems, and the Wing Command and Control Systems, the report required by paragraph (1) shall provide functional economic analyses and address waivers exercised for compelling military importance under section 381(d) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2739).

(3) The report required by paragraph (1) shall also include the following:

(A) A certification by the Secretary of the termination of the Personnel Electronic Record Management System or a justification for the continued need for such system.

(B) Findings of the Functional Management Review conducted by the Secretary and program management actions planned by the Secretary for—

(i) the Base Level System Modernization and the Sustaining Base Information System; and

(ii) the Standard Installation/Division Personnel System-3.

(C) An assessment of the implementation of migration systems and applications, including—

(i) identification of the systems and applications by functional or business area, specifying target dates for operation of the systems and applications;

(ii) identification of the legacy systems and applications that will be terminated;

(iii) the cost of and schedules for implementing the migration systems and applications; and

(iv) termination schedules.

(D) A certification by the Secretary that each information system that is subject to review by the Major Automated Information System Review Committee of the Department is cost-effective and supports the corporate information management goals of the Department, including the results of the review conducted for each such system by the Committee.

Subtitle G—Other Matters

SEC. 371. CODIFICATION OF DEFENSE BUSINESS OPERATIONS FUND.

(a) Management of Working-Capital Funds.—(1) Chapter 131 of title 10, United States Code, is amended by inserting after section 2215 the following new section:

"§2216. Defense Business Operations Fund

"(a) Management of Working-Capital Funds and Certain Activities.—The Secretary of Defense may manage the performance of the working-capital funds and industrial, commercial, and support type activities described in subsection (b) through the fund known as the Defense Business Operations Fund, which is established on the books of the Treasury. Except for the funds and activities specified in subsection (b), no other functions, activities, funds, or accounts of the Department of Defense may be managed or converted to management through the Fund.

"(b) Funds and Activities Included.—The funds and activities referred to in subsection (a) are the following:

"(1) Working-capital funds established under section 2208 of this title and in existence on December 5, 1991.

"(2) Those activities that, on December 5, 1991, were funded through the use of a working-capital fund established under that section.

"(3) The Defense Finance and Accounting Service.

"(4) The Defense Commissary Agency.

"(5) The Defense Reutilization and Marketing Service.

"(6) The Joint Logistics Systems Center.

"(c) Separate Accounting, Reporting, and Auditing of Funds and Activities.—(1) The Secretary of Defense shall provide in accordance with this subsection for separate accounting, reporting, and auditing of funds and activities managed through the Fund.

"(2) The Secretary shall maintain the separate identity of each fund and activity managed through the Fund that (before the establishment of the Fund) was managed as a separate Fund or activity.

"(3) The Secretary shall maintain separate records for each function for which payment is made through the Fund and which (before the establishment of the Fund) was paid directly through appropriations, including the separate identity of the appropriation account used to pay for the performance of the function.

"(d) Charges for Goods and Services Provided Through the Fund.—(1) Charges for goods and services provided through the Fund shall include the following:

"(A) Amounts necessary to recover the full costs of the goods and services, whenever practicable, and the costs of the development, implementation, operation, and maintenance of systems supporting the wholesale supply and maintenance activities of the Department of Defense.

"(B) Amounts for depreciation of capital assets, set in accordance with generally accepted accounting principles.

"(C) Amounts necessary to recover the full cost of the operation of the Defense Finance Accounting Service.

"(2) Charges for goods and services provided through the Fund may not include the following:

"(A) Amounts necessary to recover the costs of a military construction project (as defined in section 2801(b) of this title), other than a minor construction project financed by the Fund pursuant to section 2805(c)(1) of this title.

"(B) Amounts necessary to cover costs incurred in connection with the closure or realignment of a military installation.

"(C) Amounts necessary to recover the costs of functions designated by the Secretary of Defense as mission critical, such as ammunition handling safety, and amounts for ancillary tasks not directly related to the mission of the function or activity managed through the Fund.

"(3)(A) The Secretary of Defense may submit to a customer a bill for the provision of goods and services through the Fund in advance of the provision of those goods and services.

"(B) The Secretary shall submit to Congress a report on advance billings made pursuant to subparagraph (A)—

"(i) when the aggregate amount of all such billings after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996 reaches $100,000,000; and

"(ii) whenever the aggregate amount of all such billings after the date of a preceding report under this subparagraph reaches $100,000,000.

"(C) Each report under subparagraph (B) shall include, for each such advance billing, the following:

"(i) An explanation of the reason for the advance billing.

"(ii) An analysis of the impact of the advance billing on readiness.

"(iii) An analysis of the impact of the advance billing on the customer so billed.

"(e) CAPITAL ASSET SUBACCOUNT.—(1) Amounts charged for depreciation of capital assets pursuant to subsection (d)(1)(B) shall be credited to a separate capital asset subaccount established within the Fund.

"(2) The Secretary of Defense may award contracts for capital assets of the Fund in advance of the availability of funds in the subaccount.

"(f) PROCEDURES FOR ACCUMULATION OF FUNDS.—The Secretary of Defense shall establish billing procedures to ensure that the balance in the Fund does not exceed the amount necessary to provide for the working capital requirements of the Fund, as determined by the Secretary.

"(g) PURCHASE FROM OTHER SOURCES.—The Secretary of Defense or the Secretary of a military department may purchase goods and services that are available for purchase from the Fund from a source other than the Fund if the Secretary determines that such source offers a more competitive rate for the goods and services than the Fund offers.

"(h) ANNUAL REPORTS AND BUDGET.—The Secretary of Defense shall annually submit to Congress, at the same time that the President submits the budget under section 1105 of title 31, the following:

"(1) A detailed report that contains a statement of all receipts and disbursements of the Fund (including such a statement for each subaccount of the Fund) for the fiscal year ending in the year preceding the year in which the budget is submitted.

"(2) A detailed proposed budget for the operation of the Fund for the fiscal year for which the budget is submitted.

"(3) A comparison of the amounts actually expended for the operation of the Fund for the fiscal year referred to in paragraph (1) with the amount proposed for the operation of the Fund for that fiscal year in the President's budget.

"(4) A report on the capital asset subaccount of the Fund that contains the following information:

"(A) The opening balance of the subaccount as of the beginning of the fiscal year in which the report is submitted.

"(B) The estimated amounts to be credited to the subaccount in the fiscal year in which the report is submitted.

"(C) The estimated amounts of outlays to be paid out of the subaccount in the fiscal year in which the report is submitted.

"(D) The estimated balance of the subaccount at the end of the fiscal year in which the report is submitted.

"(E) A statement of how much of the estimated balance at the end of the fiscal year in which the report is submitted will be needed to pay outlays in the immediately following fiscal year that are in excess of the amount to be credited to the subaccount in the immediately following fiscal year.

"(i) DEFINITIONS.—In this section:

"(1) The term 'capital assets' means the following capital assets that have a development or acquisition cost of not less than $50,000:

"(A) Minor construction projects financed by the Fund pursuant to section 2805(c)(1) of this title.

"(B) Automatic data processing equipment, software.

"(C) Equipment other than equipment described in subparagraph (B).

"(D) Other capital improvements.

"(2) The term 'Fund' means the Defense Business Operations Fund.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2215 the following new item:

"2216. Defense Business Operations Fund.".

(b) CONFORMING REPEALS.—The following provisions of law are hereby repealed:

(1) Subsections (b), (c), (d), and (e) of section 311 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 10 U.S.C. 2208 note).

(2) Subsections (a) and (b) of section 333 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 2208 note).

(3) Section 342 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 10 U.S.C. 2208 note).

(4) Section 316 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 10 U.S.C. 2208 note).

(5) Section 8121 of the Department of Defense Appropriations Act, 1992 (Public Law 102-172; 10 U.S.C. 2208 note).

SEC. 372. CLARIFICATION OF SERVICES AND PROPERTY THAT MAY BE EXCHANGED TO BENEFIT THE HISTORICAL COLLECTION OF THE ARMED FORCES.

Section 2572(b)(1) of title 10, United States Code, is amended by striking out "not needed by the armed forces" and all that follows through the end of the paragraph and inserting in lieu thereof the following: "not needed by the armed forces for any of the following items or services if such items or services directly benefit the historical collection of the armed forces:

"(A) Similar items held by any individual, organization, institution, agency, or nation.

"(B) Conservation supplies, equipment, facilities, or systems.

"(C) Search, salvage, or transportation services.

"(D) Restoration, conservation, or preservation services.

"(E) Educational programs.".

SEC. 373. FINANCIAL MANAGEMENT TRAINING.

(a) LIMITATION.—The Secretary of Defense may enter into a capital lease for the establishment of a Department of Defense financial management training center no earlier than the date that is 30 days after the date on which the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives, in accordance with subsection (b), a certification of the need for such a center and a report on financial management training for Department of Defense personnel.

(b) CERTIFICATION AND REPORT.—(1) The certification and report referred to in subsection (a) are the following:

(A) Certification by the Secretary of the need for such a center.

(B) A report, submitted with the certification, on financial management training for Department of Defense personnel.

(2) Any report under paragraph (1) shall contain the following:

(A) The Secretary's analysis of the requirements for providing financial management training for employees of the Department of Defense.

(B) The alternatives considered by the Secretary for meeting those requirements.

(C) A detailed plan for meeting those requirements.

(D) A financial analysis of the estimated short-term and long-term costs of carrying out the plan.

(3) If, upon completing the analysis referred to in paragraph (2)(A) and after considering alternatives as described in paragraph (2)(B), the Secretary determines to meet the requirements for providing financial management training for employees of the Department of Defense through establishment of a financial management training center, the Secretary—

(A) shall make the determination of the location of the center using a merit-based selection process; and

(B) shall include in the report under paragraph (1) a description of that merit-based selection process.

SEC. 374. PERMANENT AUTHORITY FOR USE OF PROCEEDS FROM THE SALE OF CERTAIN LOST, ABANDONED, OR UNCLAIMED PROPERTY.

(a) PERMANENT AUTHORITY.—Section 2575 of title 10 is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) In the case of lost, abandoned, or unclaimed personal property found on a military installation, the proceeds from the sale of the property under this section shall be credited to the operation and maintenance account of that installation and used—

"(A) to reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

"(B) to the extent that the amount of the proceeds exceeds the amount necessary for reimbursing all such costs, to support morale, welfare, and recreation activities under the jurisdiction of the armed forces that are conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the armed forces at such installation.

"(2) The net proceeds from the sale of other property under this section shall be covered into the Treasury as miscellaneous receipts."; and

(2) by adding at the end the following:

"(d)(1) The owner (or heirs, next of kin, or legal representative of the owner) of personal property the proceeds of which are credited to a military installation under subsection (b)(1) may file a claim with the Secretary of Defense for the amount equal to the proceeds (less costs referred to in subparagraph (A) of such subsection). Amounts to pay the claim shall be drawn from the morale, welfare, and recreation account for the installation that received the proceeds.

"(2) The owner (or heirs, next of kin, or legal representative of the owner) may file a claim with the Comptroller General of the United States for proceeds covered into the Treasury under subsection (b)(2).

"(3) Unless a claim is filed under this subsection within 5 years after the date of the disposal of the property to which the claim relates, the claim may not be considered by a court, the Secretary of Defense (in the case of a claim filed under paragraph (1)), or the Comptroller General of the United States (in the case of a claim filed under paragraph (2)).".

(b) REPEAL OF AUTHORITY FOR DEMONSTRATION PROGRAM.—Section 343 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1343) is repealed.

SEC. 375. SALE OF MILITARY CLOTHING AND SUBSISTENCE AND OTHER SUPPLIES OF THE NAVY AND MARINE CORPS.

(a) IN GENERAL.—(1) Chapter 651 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7606. Subsistence and other supplies: members of armed forces; veterans; executive or military departments and employees; prices

"(a)(1) The Secretary of the Navy shall procure and sell, for cash or credit—

"(A) articles designated by the Secretary to members of the Navy and Marine Corps; and

"(B) items of individual clothing and equipment to members of the Navy and Marine Corps, under such restrictions as the Secretary may prescribe.

"(2) An account of sales on credit shall be kept and the amount due reported to the Secretary. Except for articles and items acquired through the use of working capital funds under section 2208 of this title, sales of articles shall be at cost, and sales of individual clothing and equipment shall be at average current prices, including overhead, as determined by the Secretary.

"(b) The Secretary shall sell subsistence supplies to members of other armed forces at the prices at which like property is sold to members of the Navy and Marine Corps.

"(c) The Secretary may sell serviceable supplies, other than subsistence supplies, to members of other armed forces for the buyers' use in the service. The prices at which the supplies are sold shall be the same prices at which like property is sold to members of the Navy and Marine Corps.

"(d) A person who has been discharged honorably or under honorable conditions from the Army, Navy, Air Force or Marine Corps and who is receiving care and medical treatment from the Public Health Service or the Department of Veterans Affairs may buy subsistence supplies and other supplies, except articles of uniform, at the prices at which like property is sold to members of the Navy and Marine Corps.

"(e) Under such conditions as the Secretary may prescribe, exterior articles of uniform may be sold to a person who has been discharged honorably or under honorable conditions from the Navy or Marine Corps, at the prices at which like articles are sold to members of the Navy or Marine Corps. This subsection does not modify sections 772 or 773 of this title.

"(f) Under regulations prescribed by the Secretary, payment for subsistence supplies shall be made in cash or by commercial credit.

"(g)(1) The Secretary may provide for the procurement and sale of stores designated by the Secretary to such civilian officers and employees of the United States, and such other persons, as the Secretary considers proper—

"(A) at military installations outside the United States; and

"(B) subject to paragraph (2), at military installations inside the United States where the Secretary determines that it is impracticable for those civilian officers, employees, and persons to obtain such stores from commercial enterprises without impairing the efficient operation of military activities.

"(2) Sales to civilian officers and employees inside the United States may be made under paragraph (1) only to civilian officers and employees residing within military installations.

"(h) Appropriations for subsistence of the Navy or Marine Corps may be applied to the purchase of subsistence supplies for sale to members of the Navy and Marine Corps on active duty for the use of such members and their families.".

(2) The table of sections at the beginning of chapter 651 of such title is amended by adding at the end the following:

"7606. Subsistence and other supplies: members of armed forces; veterans; executive or military departments and employees; prices.".

(b) Conforming Amendments for Other Armed Forces.—(1) Section 4621 of such title is amended—

(A) by striking out "The branch, office, or officer designated by the Secretary of the Army" in subsection (a) and inserting in lieu thereof "The Secretary of the Army";

(B) by striking out "The branch, office, or officer designated by the Secretary" both places it appears in subsections (b) and (c) and inserting in lieu thereof "The Secretary"; and

(C) by inserting before the period at the end of subsection (f) the following: "or by commercial credit".

(2) Section 9621 of such title is amended—

(A) by striking out "The Air Force shall" in subsection (b) and inserting in lieu thereof "The Secretary shall"; and

(B) by inserting before the period at the end of subsection (f) the following: "or by commercial credit".

SEC. 376. PERSONNEL SERVICES AND LOGISTICAL SUPPORT FOR CERTAIN ACTIVITIES HELD ON MILITARY INSTALLATIONS.

Section 2544 of title 10, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection:

"(g) In the case of a Boy Scout Jamboree held on a military installation, the Secretary of Defense may provide personnel services and logistical support at the military installation in addition to the support authorized under subsections (a) and (d).".

SEC. 377. RETENTION OF MONETARY AWARDS.

(a) Monetary Awards.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2610. Competitions for excellence: acceptance of monetary awards

"(a) Acceptance Authorized.—The Secretary of Defense may accept a monetary award given to the Department of Defense by a nongovernmental entity as a result of the participation of the Department in a competition carried out to recognize excellence or innovation in providing services or administering programs.

"(b) Disposition of Awards.—A monetary award accepted under subsection (a) shall be credited to one or more nonappropriated fund accounts supporting morale, welfare, and recreation activities for the command, installation, or other activity that is recognized for the award. Amounts so credited may be expended only for such activities.

"(c) Incidental Expenses.—Subject to such limitations as may be provided in appropriation Acts, appropriations available to the Department of Defense may be used to pay incidental expenses incurred by the Department to participate in a competition described in subsection (a) or to accept a monetary award under this section.

"(d) Regulations and Reporting.—(1) The Secretary shall prescribe regulations to determine the disposition of monetary awards accepted under this section and the payment of incidental expenses under subsection (c).

"(2) At the end of each year, the Secretary shall submit to Congress a report for that year describing the disposition of monetary awards accepted under this section and the payment of incidental expenses under subsection (c).

"(e) Termination.—The authority of the Secretary under this section shall expire two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2610. Competitions for excellence: acceptance of monetary awards.".

SEC. 378. PROVISION OF EQUIPMENT AND FACILITIES TO ASSIST IN EMERGENCY RESPONSE ACTIONS.

Section 372 of title 10, United States Code, is amended—

(1) by inserting "(a) In General.—" before "The Secretary of Defense"; and

(2) by adding at the end the following new subsection:

"(b) Emergencies Involving Chemical and Biological Agents.—(1) In addition to equipment and facilities described in subsection (a), the Secretary may provide an item referred to in paragraph (2) to a Federal, State, or local law enforcement or emergency response agency to prepare for or respond to an emergency involving chemical or biological agents if the Secretary determines that the item is not reasonably available from another source.

"(2) An item referred to in paragraph (1) is any material or expertise of the Department of Defense appropriate for use in preparing for or responding to an emergency involving chemical or biological agents, including the following:

"(A) Training facilities.

"(B) Sensors.

"(C) Protective clothing.

"(D) Antidotes.".

SEC. 379. REPORT ON DEPARTMENT OF DEFENSE MILITARY AND CIVIL DEFENSE PREPAREDNESS TO RESPOND TO EMERGENCIES RESULTING FROM A CHEMICAL, BIOLOGICAL, RADIOLOGICAL, OR NUCLEAR ATTACK.

(a) Report.—(1) Not later than March 1, 1996, the Secretary of Defense and the Secretary of Energy shall submit to Congress a joint report on the military and civil defense plans and programs of the Department of Defense to prepare for and respond to the effects of an emergency in the United States resulting from a chemical, biological, radiological, or nuclear attack on the United States (hereinafter in this section referred to as an "attack-related civil defense emergency").

(2) The report shall be prepared in consultation with the Director of the Federal Emergency Management Agency.

(b) Content of Report.—The report shall include the following:

(1) A discussion of the military and civil defense plans and programs of the Department of Defense for preparing for and responding to an attack-related civil defense emergency arising from an attack of a type for which the Department of Defense has a primary responsibility to respond.

(2) A discussion of the military and civil defense plans and programs of the Department of Defense for preparing for and providing a response to an attack-related civil defense emergency arising from an attack of a type for which the Department of Defense has responsibility to provide a supporting response.

(3) A description of any actions, and any recommended legislation, that the Secretaries consider necessary for improving the preparedness of the Department of Defense to respond effectively to an attack-related civil defense emergency.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) FISCAL YEAR 1996.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1996, as follows:

(1) The Army, 495,000, of which not more than 81,300 may be commissioned officers.

(2) The Navy, 428,340, of which not more than 58,870 may be commissioned officers.

(3) The Marine Corps, 174,000, of which not more than 17,978 may be commissioned officers.

(4) The Air Force, 388,200, of which not more than 75,928 may be commissioned officers.

(b) FLOOR ON END STRENGTHS.—(1) Chapter 39 of title 10, United States Code, is amended by adding at the end the following new section:

"§691. Permanent end strength levels to support two major regional contingencies

"(a) The end strengths specified in subsection (b) are the minimum strengths necessary to enable the armed forces to fulfill a national defense strategy calling for the United States to be able to successfully conduct two nearly simultaneous major regional contingencies.

"(b) Unless otherwise provided by law, the number of members of the armed forces (other than the Coast Guard) on active duty at the end of any fiscal year shall be not less than the following:

"(1) For the Army, 495,000.

"(2) For the Navy, 395,000.

"(3) For the Marine Corps, 174,000.

"(4) For the Air Force, 381,000.

"(c) No funds appropriated to the Department of Defense may be used to implement a reduction of the active duty end strength for any of the armed forces for any fiscal year below the level specified in subsection (b) unless the Secretary of Defense submits to Congress notice of the proposed lower end strength levels and a justification for those levels. No action may then be taken to implement such a reduction for that fiscal year until the end of the six-month period beginning on the date of the receipt of such notice by Congress.

"(d) For a fiscal year for which the active duty end strength authorized by law pursuant to section 115(a)(1)(A) of this title for any of the armed forces is identical to the number applicable to that armed force under subsection (b), the Secretary of Defense may reduce that number by not more than 0.5 percent.

"(e) The number of members of the armed forces on active duty shall be counted for purposes of this section in the same manner as applies under section 115(a)(1) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"691. Permanent end strength levels to support two major regional contingencies.".

(c) ACTIVE COMPONENT END STRENGTH FLEXIBILITY.—Section 115(c)(1) of title 10, United States Code, is amended by striking out "0.5 percent" and inserting in lieu thereof "1 percent".

SEC. 402. TEMPORARY VARIATION IN DOPMA AUTHORIZED END STRENGTH LIMITATIONS FOR ACTIVE DUTY AIR FORCE AND NAVY OFFICERS IN CERTAIN GRADES.

(a) AIR FORCE OFFICERS.—In the administration of the limitation under section 523(a)(1) of title 10, United States Code, for fiscal years 1996 and 1997, the numbers applicable to officers of the Air Force serving on active duty in the grades of major, lieutenant colonel, and colonel shall be the numbers set forth for that fiscal year in the following table (rather than the numbers determined in accordance with the table in that section):

Fiscal year:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant colonel	Colonel
1996	15,566	9,876	3,609
1997	15,645	9,913	3,627

(b) NAVY OFFICERS.—In the administration of the limitation under section 523(a)(2) of title 10, United States Code, for fiscal years 1996 and 1997, the numbers applicable to officers of the Navy serving on active duty in the grades of lieutenant commander, commander, and captain shall be the numbers set forth for that fiscal year in the following table (rather than the numbers determined in accordance with the table in that section):

Fiscal year:	Number of officers who may be serving on active duty in the grade of:		
	Lieutenant commander	Commander	Captain
1996	11,924	7,390	3,234
1997	11,732	7,297	3,188

SEC. 403. CERTAIN GENERAL AND FLAG OFFICERS AWAITING RETIREMENT NOT TO BE COUNTED.

(a) DISTRIBUTION OF OFFICERS ON ACTIVE DUTY IN GENERAL AND FLAG OFFICER GRADES.—Section 525 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) An officer continuing to hold the grade of general or admiral under section 601(b)(4) of this title after relief from the position of Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps shall not be counted for purposes of this section.".

(b) NUMBER OF OFFICERS ON ACTIVE DUTY IN GRADE OF GENERAL OR ADMIRAL.—Section 528(b) of such title is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2) An officer continuing to hold the grade of general or admiral under section 601(b)(4) of this title after relief from the position of Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps shall not be counted for purposes of this section.".

(c) CLARIFICATION.—Section 601(b) of such title is amended—

(1) in the matter preceding paragraph (1), by striking out "of importance and responsibility designated" and inserting in lieu thereof "designated under subsection (a) or by law";

(2) in paragraph (1), by striking out "of importance and responsibility";

(3) in paragraph (2), by striking out "designating" and inserting in lieu thereof "designated under subsection (a) or by law"; and

(4) in paragraph (4), by inserting "under subsection (a) or by law" after "designated".

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1996.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1996, as follows:

(1) The Army National Guard of the United States, 373,000.

(2) The Army Reserve, 230,000.

(3) The Naval Reserve, 98,894.

(4) The Marine Corps Reserve, 42,274.

(5) The Air National Guard of the United States, 112,707.

(6) The Air Force Reserve, 73,969.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for a fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1996, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 23,390.

(2) The Army Reserve, 11,575.

(3) The Naval Reserve, 17,587.

(4) The Marine Corps Reserve, 2,559.

(5) The Air National Guard of the United States, 10,066.

(6) The Air Force Reserve, 628.

SEC. 413. COUNTING OF CERTAIN ACTIVE COMPONENT PERSONNEL ASSIGNED IN SUPPORT OF RESERVE COMPONENT TRAINING.

Section 414(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 10 U.S.C. 12001 note) is amended—

(1) by inserting "(1)" before "The Secretary"; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary of Defense may count toward the number of active component personnel required under paragraph (1) to be assigned to serve as advisers under the program under this section any active component personnel who are assigned to an active component unit (A) that was established principally for the purpose of providing dedicated training support to reserve component units, and (B) the primary mission of which is to provide such dedicated training support.".

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO SERVE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) Officers.—The table in section 12011(a) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	643	140
Lieutenant Colonel or Commander ...	1,524	520	672	90
Colonel or Navy Captain	412	188	274	30".

(b) Senior Enlisted Members.—The table in section 12012(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	603	202	366	20
E–8	2,585	429	890	94".

SEC. 415. RESERVES ON ACTIVE DUTY IN SUPPORT OF COOPERATIVE THREAT REDUCTION PROGRAMS NOT TO BE COUNTED.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following:

"(8) Members of the Selected Reserve of the Ready Reserve on active duty for more that 180 days to support programs described in section 1203(b) of the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103–160; 22 U.S.C. 5952(b)).".

SEC. 416. RESERVES ON ACTIVE DUTY FOR MILITARY-TO-MILITARY CONTACTS AND COMPARABLE ACTIVITIES NOT TO BE COUNTED.

Section 168 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) Active Duty End Strengths.—(1) A member of a reserve component referred to in paragraph (2) shall not be counted for purposes of the following personnel strength limitations:

"(A) The end strength for active-duty personnel authorized pursuant to section 115(a)(1) of this title for the fiscal year in which the member carries out the activities referred to in paragraph (2).

"(B) The authorized daily average for members in pay grades E–8 and E–9 under section 517 of this title for the calendar year in which the member carries out such activities.

"(C) The authorized strengths for commissioned officers under section 523 of this title for the fiscal year in which the member carries out such activities.

"(2) A member of a reserve component referred to in paragraph (1) is any member on active duty under an order to active duty for 180 days or more who is engaged in activities authorized under this section.".

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) In General.—For fiscal year 1996, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 75,013.

(2) The Navy, 44,238.

(3) The Marine Corps, 26,095.

(4) The Air Force, 33,232.

(b) Scope.—The average military training student loads authorized for an armed force under subsection (a) apply to the active and reserve components of that armed force.

(c) Adjustments.—The average military training student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in subtitles A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1996 a total of $69,191,008,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1996.

SEC. 432. AUTHORIZATION FOR INCREASE IN ACTIVE-DUTY END STRENGTHS.

(a) Authorization.—There is hereby authorized to be appropriated to the Department of Defense for fiscal year 1996 for military personnel the sum of $112,000,000. Any amount appropriated pursuant to this section shall be allocated, in such manner as the Secretary of Defense prescribes, among appropriations for active-component military personnel for that fiscal year and shall be available only to increase the number of members of the Armed Forces on active duty during that fiscal year (compared to the number of members that would be on active duty but for such appropriation).

(b) Effect on End Strengths.—The end-strength authorizations in section 401 shall each be deemed to be increased by such number as necessary to take account of additional members of the Armed Forces authorized by the Secretary of Defense pursuant to subsection (a).

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. JOINT OFFICER MANAGEMENT.

(a) Critical Joint Duty Assignment Positions.—Section 661(d)(2)(A) of title 10, United States Code, is amended by striking out "1,000" and inserting in lieu thereof "800".

(b) Additional Qualifying Joint Service.—Section 664 of such title is amended by adding at the end the following:

"(i) Joint Duty Credit for Certain Joint Task Force Assignments.—(1) In the case of an officer who completes service in a qualifying temporary joint task force assignment, the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff, may (subject to the criteria prescribed under paragraph (4)) grant the officer—

"(A) credit for having completed a full tour of duty in a joint duty assignment; or

"(B) credit countable for determining cumulative service in joint duty assignments.

"(2)(A) For purposes of paragraph (1), a qualifying temporary joint task force assignment of an officer is a temporary assignment, any part of which is performed by the officer on or after the date of the enactment of this subsection—

"(i) to the headquarters staff of a United States joint task force that is part of a unified command or the United States element of the headquarters staff of a multinational force; and

"(ii) with respect to which the Secretary of Defense determines that service of the officer in that assignment is equivalent to that which would be gained by the officer in a joint duty assignment.

"(B) An officer may not be granted credit under this subsection unless the officer is recommended for such credit by the Chairman of the Joint Chiefs of Staff.

"(3) Credit under paragraph (1) (including a determination under paragraph (2)(A)(ii) and a recommendation under paragraph (2)(B) with respect to such credit) may be granted only on a case-by-case basis in the case of an individual officer.

"(4) The Secretary of Defense shall prescribe by regulation criteria for determining whether an officer may be granted credit under paragraph (1) with respect to service in a qualifying temporary joint task force assignment. The criteria shall apply uniformly among the armed forces and shall include the following requirements:

"(A) For an officer to be credited as having completed a full tour of duty in a joint duty assignment, the length of the officer's service in the qualifying temporary joint task force assignment must meet the requirements of subsection (a) or (c).

"(B) For an officer to be credited with service for purposes of determining cumulative service in joint duty assignments, the officer must serve at least 90 consecutive days in the qualifying temporary joint task force assignment.

"(C) The service must be performed in support of a mission that is directed by the President or that is assigned by the President to United States forces in the joint task force involved.

"(D) The joint task force must be constituted or designated by the Secretary of Defense or by the commander of a combatant command or of another force.

"(E) The joint task force must conduct combat or combat-related operations in a unified action under joint or multinational command and control.

"(5) Officers for whom joint duty credit is granted pursuant to this subsection may not be taken into account for the purposes of any of the following provisions of this title: section 661(d)(1), section 662(a)(3), section 662(b), subsection (a) of this section, and paragraphs (7), (8), (9), (11), and (12) of section 667.

"(6) In the case of an officer credited with having completed a full tour of duty in a joint duty assignment pursuant to this subsection, the Secretary of Defense may waive the requirement in paragraph (1)(B) of section 661(c) of this title that the tour of duty in a joint duty assignment be performed after the officer completes a program of education referred to in paragraph (1)(A) of that section. The provisions of subparagraphs (C) and (D) of section 661(c)(3) of this title shall apply to such a waiver in the same manner as to a waiver under subparagraph (A) of that section.".

(c) Information in Annual Report.—Section 667 of such title is amended by striking out paragraph (16) and inserting after paragraph (15) the following new paragraph (16):

"(16) The number of officers granted credit for service in joint duty assignments under section 664(i) of this title and—

"(A) of those officers—

"(i) the number of officers credited with having completed a tour of duty in a joint duty assignment; and

"(ii) the number of officers granted credit for purposes of determining cumulative service in joint duty assignments; and

"(B) the identity of each operation for which an officer has been granted credit pursuant to section 664(i) of this title and a brief description of the mission of the operation.".

(d) Applicability of Limitation on Waiver Authority.—Section 661(c)(3) of such title is amended—

(1) in the third sentence of subparagraph (D), by striking out "The total number" and inserting in lieu thereof "In the case of officers in grades below brigadier general and rear admiral (lower half), the total number"; and

(2) by adding at the end the following new subparagraph:

"(E) There may not be more than 32 general and flag officers on active duty at the same time who were selected for the joint specialty while holding a general or flag officer grade and for whom a waiver was granted under this subparagraph.".

(e) LENGTH OF SECOND JOINT TOUR.—Section 664 of such title is amended—

(1) in subsection (e)(2), by inserting after subparagraph (B) the following:

"(C) Service described in subsection (f)(6), except that no more than 10 percent of all joint duty assignments shown on the list published pursuant to section 668(b)(2)(A) of this title may be so excluded in any year."; and

(2) in subsection (f)—

(A) in the matter preceding paragraph (1), by striking out "completion of—" and inserting in lieu thereof "completion of any of the following:";

(B) by striking out "a" at the beginning of paragraphs (1), (2), (4), and (5) and inserting in lieu thereof "A";

(C) by striking out "cumulative" in paragraph (3) and inserting in lieu thereof "Cumulative";

(D) by striking out the semicolon at the end of paragraphs (1), (2), and (3) and "; or" at the end of paragraph (4) and inserting in lieu thereof a period; and

(E) by adding at the end the following:

"(6) A second joint duty assignment that is less than the period required under subsection (a), but not less than two years, without regard to whether a waiver was granted for such assignment under subsection (b).".

(f) TECHNICAL AMENDMENT.—Section 664(e)(1) of such title is amended by striking out "(after fiscal year 1990)".

SEC. 502. RETIRED GRADE FOR OFFICERS IN GRADES ABOVE MAJOR GENERAL AND REAR ADMIRAL.

(a) APPLICABILITY OF TIME-IN-GRADE REQUIREMENTS.—Section 1370 of title 10, United States Code, is amended—

(1) in subsection (a)(2)(A), by striking out "and below lieutenant general or vice admiral"; and

(2) in the first sentence of subsection (d)(2)(B), as added effective October 1, 1996, by section 1641 of the Reserve Officer Personnel Management Act (title XVI of Public Law 103-337; 108 Stat. 2968), by striking out "and below lieutenant general or vice admiral".

(b) RETIREMENT IN HIGHEST GRADE UPON CERTIFICATION OF SATISFACTORY SERVICE.—Subsection (c) of such section is amended to read as follows:

"(c) OFFICERS IN O-9 AND O-10 GRADES.—(1) An officer who is serving in or has served in the grade of general or admiral or lieutenant general or vice admiral may be retired in that grade under subsection (a) only after the Secretary of Defense certifies in writing to the President and Congress that the officer served on active duty satisfactorily in that grade.

"(2) In the case of an officer covered by paragraph (1), the three-year service-in-grade requirement in paragraph (2)(A) of subsection (a) may not be reduced or waived under that subsection—

"(A) while the officer is under investigation for alleged misconduct; or

"(B) while there is pending the disposition of an adverse personnel action against the officer for alleged misconduct.".

(c) REPEAL OF SUPERSEDED PROVISIONS.—Sections 3962(a), 5034, 5043(c), and 8962(a) of such title are repealed.

(d) TECHNICAL AND CLERICAL AMENDMENTS.—(1) Sections 3962(b) and 8962(b) of such title are amended by striking out "(b) Upon" and inserting in lieu thereof "Upon".

(2) The table of sections at the beginning of chapter 505 of such title is amended by striking out the item relating to section 5034.

(e) EFFECTIVE DATE FOR AMENDMENT TO PROVISION TAKING EFFECT IN 1996.—The amendment made by subsection (a)(2) shall take effect on October 1, 1996, immediately after subsection (d) of section 1370 of title 10, United States Code, takes effect under section 1691(b)(1) of the Reserve Officer Personnel Management Act (108 Stat. 3026).

(f) PRESERVATION OF APPLICABILITY OF LIMITATION.—Section 1370(a)(2)(C) of title 10, United States Code, is amended by striking out "The number of officers in an armed force in a grade" and inserting in lieu thereof "In the case of a grade below the grade of lieutenant general or vice admiral, the number of members of one of the armed forces in that grade".

(g) STYLISTIC AMENDMENTS.—Section 1370 of title 10, United States Code, is further amended—

(1) in subsection (a), by striking out "(a)(1)" and inserting in lieu thereof "(a) RULE FOR RETIREMENT IN HIGHEST GRADE HELD SATISFACTORILY.—(1)";

(2) in subsection (b), by inserting "RETIREMENT IN NEXT LOWER GRADE.—" after "(b)"; and

(3) in subsection (d), as added effective October 1, 1996, by section 1641 of the Reserve Officer Personnel Management Act (title XVI of Public Law 103-337; 108 Stat. 2968), by striking out "(d)(1)" and inserting in lieu thereof "(d) RESERVE OFFICERS.—(1)".

SEC. 503. WEARING OF INSIGNIA FOR HIGHER GRADE BEFORE PROMOTION.

(a) AUTHORITY AND LIMITATIONS.—(1) Chapter 45 of title 10, United States Code, is amended by adding at the end the following new section:

"§777. Wearing of insignia of higher grade before promotion (frocking): authority; restrictions

"(a) AUTHORITY.—An officer who has been selected for promotion to the next higher grade may be authorized, under regulations and policies of the Department of Defense and subject to subsection (b), to wear the insignia for that next higher grade. An officer who is so authorized to wear the insignia of the next higher grade is said to be 'frocked' to that grade.

"(b) RESTRICTIONS.—An officer may not be authorized to wear the insignia for a grade as described in subsection (a) unless—

"(1) the Senate has given its advice and consent to the appointment of the officer to that grade; and

"(2) the officer is serving in, or has received orders to serve in, a position for which that grade is authorized.

"(c) BENEFITS NOT TO BE CONSTRUED AS ACCRUING.—(1) Authority provided to an officer as described in subsection (a) to wear the insignia of the next higher grade may not be construed as conferring authority for that officer to—

"(A) be paid the rate of pay provided for an officer in that grade having the same number of years of service as that officer; or

"(B) assume any legal authority associated with that grade.

"(2) The period for which an officer wears the insignia of the next higher grade under such authority may not be taken into account for any of the following purposes:

"(A) Seniority in that grade.

"(B) Time of service in that grade.

"(d) LIMITATION ON NUMBER OF OFFICERS FROCKED TO SPECIFIED GRADES.—(1) The total number of colonels and Navy captains on the active-duty list who are authorized as described in subsection (a) to wear the insignia for the grade of brigadier general or rear admiral (lower half), as the case may be, may not exceed the following:

"(A) During fiscal years 1996 and 1997, 75.

"(B) During fiscal year 1998, 55.

"(C) After fiscal year 1998, 35.

"(2) The number of officers of an armed force on the active-duty list who are authorized as described in subsection (a) to wear the insignia for a grade to which a limitation on total number applies under section 523(a) of this title for a fiscal year may not exceed 1 percent of the total number provided for the officers in that grade in that armed force in the administration of the limitation under that section for that fiscal year.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"777. Wearing of insignia of higher grade before promotion (frocking): authority; restrictions.".

(b) TEMPORARY VARIATION OF LIMITATIONS ON NUMBERS OF FROCKED OFFICERS.—In the administration of section 777(d)(2) of title 10, United States Code (as added by subsection (a)), the percent limitation applied under that section for fiscal year 1996 shall be 2 percent (instead of 1 percent).

(c) REPORT.—Not later than September 1, 1996, the Secretary of Defense shall submit to Congress a report providing the assessment of the Secretary on the practice, known as "frocking", of authorizing an officer who has been selected for promotion to the next higher grade to wear the insignia for that next higher grade. The report shall include the Secretary's assessment of the appropriate number, if any, of colonels and Navy captains to be eligible under section 777(d)(1) of title 10, United States Code (as added by subsection (a)), to wear the insignia for the grade of brigadier general or rear admiral (lower half).

SEC. 504. AUTHORITY TO EXTEND TRANSITION PERIOD FOR OFFICERS SELECTED FOR EARLY RETIREMENT.

(a) SELECTIVE RETIREMENT OF WARRANT OFFICERS.—Section 581 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) The Secretary concerned may defer for not more than 90 days the retirement of an officer otherwise approved for early retirement under this section in order to prevent a personal hardship to the officer or for other humanitarian reasons. Any such deferral shall be made on a case-by-case basis considering the circumstances of the case of the particular officer concerned. The authority of the Secretary to grant such a deferral may not be delegated.".

(b) SELECTIVE EARLY RETIREMENT OF ACTIVE-DUTY OFFICERS.—Section 638(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The Secretary concerned may defer for not more than 90 days the retirement of an officer otherwise approved for early retirement under this section or section 638a of this title in order to prevent a personal hardship to the officer or for other humanitarian reasons. Any such deferral shall be made on a case-by-case basis considering the circumstances of the case of the particular officer concerned. The authority of the Secretary to grant such a deferral may not be delegated.".

SEC. 505. ARMY OFFICER MANNING LEVELS.

(a) In General.—(1) Chapter 331 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

"§ 3201. Officers on active duty: minimum strength based on requirements

"(a) The Secretary of the Army shall ensure that (beginning with fiscal year 1999) the strength at the end of each fiscal year of officers on active duty is sufficient to enable the Army to meet at least that percentage of the programmed manpower structure for officers for the active component of the Army that is provided for in the most recent Defense Planning Guidance issued by the Secretary of Defense.

"(b) The number of officers on active duty shall be counted for purposes of this section in the same manner as applies under section 115(a)(1) of this title.

"(c) In this section:

"(1) The term 'programmed manpower structure' means the aggregation of billets describing the full manpower requirements for units and organizations in the programmed force structure.

"(2) The term 'programmed force structure' means the set of units and organizations that exist in the current year and that is planned to exist in each future year under the then-current Future-Years Defense Program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after "Sec." the following new item:

"3201. Officers on active duty: minimum strength based on requirements.".

(b) Assistance in Accomplishing Requirement.—The Secretary of Defense shall provide to the Army sufficient personnel and financial resources to enable the Army to meet the requirement specified in section 3201 of title 10, United States Code, as added by subsection (a).

SEC. 506. AUTHORITY FOR MEDICAL DEPARTMENT OFFICERS OTHER THAN PHYSICIANS TO BE APPOINTED AS SURGEON GENERAL.

(a) Surgeon General of the Army.—The third sentence of section 3036(b) of title 10, United States Code, is amended by inserting after "The Surgeon General" the following: "may be appointed from officers in any corps of the Army Medical Department and".

(b) Surgeon General of the Navy.—Section 5137 of such title is amended—

(1) in the first sentence of subsection (a), by striking out "in the Medical Corps" and inserting in lieu thereof "in any corps of the Navy Medical Department"; and

(2) in subsection (b), by striking out "in the Medical Corps" and inserting in lieu thereof "who is qualified to be the Chief of the Bureau of Medicine and Surgery".

(c) Surgeon General of the Air Force.—The first sentence of section 8036 of such title is amended by striking out "designated as medical officers under section 8067(a) of this title" and inserting in lieu thereof "in the Air Force medical department".

SEC. 507. DEPUTY JUDGE ADVOCATE GENERAL OF THE AIR FORCE.

(a) Tenure and Grade of Deputy Judge Advocate General.—Section 8037(d)(1) of such title is amended—

(1) in the second sentence, by striking out "two years" and inserting in lieu thereof "four years"; and

(2) by striking out the last sentence and inserting in lieu thereof the following: "An officer appointed as Deputy Judge Advocate General who holds a lower regular grade shall be appointed in the regular grade of major general.".

(b) Effective Date.—The amendments made by subsection (a) apply to any appointment to the position of Deputy Judge Advocate General of the Air Force that is made after the date of the enactment of this Act.

SEC. 508. AUTHORITY FOR TEMPORARY PROMOTIONS FOR CERTAIN NAVY LIEUTENANTS WITH CRITICAL SKILLS.

(a) Extension of Authority.—Subsection (f) of section 5721 of title 10, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(b) Limitation.—Such section is further amended—

(1) by redesignating subsection (f), as amended by subsection (a), as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) Limitation on Number of Eligible Positions.—(1) An appointment under this section may only be made for service in a position designated by the Secretary of the Navy for purposes of this section. The number of positions so designated may not exceed 325.

"(2) Whenever the Secretary makes a change to the positions designated under paragraph (1), the Secretary shall submit notice of the change in writing to Congress.".

(c) Report.—Not later than April 1, 1996, the Secretary of Defense shall submit to Congress a report providing the Secretary's assessment of that continuing need for the promotion authority under section 5721 of title 10, United States Code. The Secretary shall include in the report the following:

(1) The nature and grade structure of the positions for which such authority has been used.

(2) The cause or causes of the reported chronic shortages of qualified personnel in the required grade to fill the positions specified under paragraph (1).

(3) The reasons for the perceived inadequacy of the officer promotion system (including "below-the-zone" selections) to provide sufficient officers in the required grade to fill those positions.

(4) The extent to which a bonus program or some other program would be a more appropriate means of resolving the reported chronic shortages in engineering positions.

(d) Clerical Amendments.—Section 5721 of title 10, United States Code, is amended as follows:

(1) Subsection (a) is amended by inserting "Promotion Authority for Certain Officer With Critical Skills.—" after "(a)".

(2) Subsection (b) is amended by inserting "Status of Officers Appointed.—" after "(b)".

(3) Subsection (c) is amended by inserting "Board Recommendation Required.—" after "(c)".

(4) Subsection (d) is amended by inserting "Acceptance and Effective Date of Appointment.—" after "(d)".

(5) Subsection (e) is amended by inserting "Termination of Appointment.—" after "(e)".

(6) Subsection (g), as redesignated by subsection (b)(1), is amended by inserting "Termination of Appointment Authority.—" after "(g)".

(e) Effective Date.—Subsection (f) of section 5721 of title 10, United States Code, as added by subsection (b)(2), shall take effect at the end of the 30-day period beginning on the date of the enactment of this Act and shall apply to any appointment under that section after the end of such period.

SEC. 509. RETIREMENT FOR YEARS OF SERVICE OF DIRECTORS OF ADMISSIONS OF MILITARY AND AIR FORCE ACADEMIES.

(a) Military Academy.—(1) Section 3920 of title 10, United States Code, is amended to read as follows:

"§ 3920. More than thirty years: permanent professors and the Director of Admissions of the United States Military Academy

"(a) The Secretary of the Army may retire an officer specified in subsection (b) who has more than 30 years of service as a commissioned officer.

"(b) Subsection (a) applies in the case of the following officers:

"(1) Any permanent professor of the United States Military Academy.

"(2) The Director of Admissions of the United States Military Academy.".

(2) The item relating to such section in the table of sections at the beginning of chapter 367 of such title is amended to read as follows:

"3920. More than thirty years: permanent professors and the Director of Admissions of the United States Military Academy.".

(b) Air Force Academy.—(1) Section 8920 of title 10, United States Code, is amended to read as follows:

"§ 8920. More than thirty years: permanent professors and the Director of Admissions of the United States Air Force Academy

"(a) The Secretary of the Air Force may retire an officer specified in subsection (b) who has more than 30 years of service as a commissioned officer.

"(b) Subsection (a) applies in the case of the following officers:

"(1) Any permanent professor of the United States Air Force Academy.

"(2) The Director of Admissions of the United States Air Force Academy.".

(2) The item relating to such section in the table of sections at the beginning of chapter 867 of such title is amended to read as follows:

"8920. More than thirty years: permanent professors and the Director of Admissions of the United States Air Force Academy.".

Subtitle B—Matters Relating to Reserve Components

SEC. 511. EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT AUTHORITIES.

(a) Grade Determination Authority for Certain Reserve Medical Officers.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(b) Promotion Authority for Certain Reserve Officers Serving on Active Duty.—Sections 3380(d) and 8380(d) of title 10, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) Years of Service for Mandatory Transfer to the Retired Reserve.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (10 U.S.C. 3360) is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

SEC. 512. MOBILIZATION INCOME INSURANCE PROGRAM FOR MEMBERS OF READY RESERVE.

(a) Establishment of Program.—(1) Subtitle E of title 10, United States Code, is amended by inserting after chapter 1213 the following new chapter:

“CHAPTER 1214—READY RESERVE MOBILIZATION INCOME INSURANCE

“Sec.
“12521. Definitions.
“12522. Establishment of insurance program.
“12523. Risk insured.
“12524. Enrollment and election of benefits.
“12525. Benefit amounts.
“12526. Premiums.
“12527. Payment of premiums.
“12528. Reserve Mobilization Income Insurance Fund.
“12529. Board of Actuaries.
“12530. Payment of benefits.
“12531. Purchase of insurance.
“12532. Termination for nonpayment of premiums; forfeiture.

“§ 12521. Definitions

“In this chapter:

“(1) The term ‘insurance program’ means the Ready Reserve Mobilization Income Insurance Program established under section 12522 of this title.

“(2) The term ‘covered service’ means active duty performed by a member of a reserve component under an order to active duty for a period of more than 30 days which specifies that the member's service—

“(A) is in support of an operational mission for which members of the reserve components have been ordered to active duty without their consent; or

“(B) is in support of forces activated during a period of war declared by Congress or a period of national emergency declared by the President or Congress.

“(3) The term ‘insured member’ means a member of the Ready Reserve who is enrolled for coverage under the insurance program in accordance with section 12524 of this title.

“(4) The term ‘Secretary’ means the Secretary of Defense.

“(5) The term ‘Department’ means the Department of Defense.

“(6) The term ‘Board of Actuaries’ means the Department of Defense Education Benefits Board of Actuaries referred to in section 2006(e)(1) of this title.

“(7) The term ‘Fund’ means the Reserve Mobilization Income Insurance Fund established by section 12528(a) of this title.

“§ 12522. Establishment of insurance program

“(a) ESTABLISHMENT.—The Secretary shall establish for members of the Ready Reserve (including the Coast Guard Reserve) an insurance program to be known as the ‘Ready Reserve Mobilization Income Insurance Program’.

“(b) ADMINISTRATION.—The insurance program shall be administered by the Secretary. The Secretary may prescribe in regulations such rules, procedures, and policies as the Secretary considers necessary or appropriate to carry out the insurance program.

“(c) AGREEMENT WITH SECRETARY OF TRANSPORTATION.—The Secretary and the Secretary of Transportation shall enter into an agreement with respect to the administration of the insurance program for the Coast Guard Reserve.

“§ 12523. Risk insured

“(a) IN GENERAL.—The insurance program shall insure members of the Ready Reserve against the risk of being ordered into covered service.

“(b) ENTITLEMENT TO BENEFITS.—(1) An insured member ordered into covered service shall be entitled to payment of a benefit for each month (and fraction thereof) of covered service that exceeds 30 days of covered service, except that no member may be paid under the insurance program for more than 12 months of covered service served during any period of 18 consecutive months.

“(2) Payment shall be based solely on the insured status of a member and on the period of covered service served by the member. Proof of loss of income or of expenses incurred as a result of covered service may not be required.

“§ 12524. Enrollment and election of benefits

“(a) ENROLLMENT.—(1) Except as provided in subsection (f), upon first becoming a member of the Ready Reserve, a member shall be automatically enrolled for coverage under the insurance program. An automatic enrollment of a member shall be void if within 60 days after first becoming a member of the Ready Reserve the member declines insurance under the program in accordance with the regulations prescribed by the Secretary.

“(2) Promptly after the insurance program is established, the Secretary shall offer to members of the reserve components who are then members of the Ready Reserve (other than members ineligible under subsection (f)) an opportunity to enroll for coverage under the insurance program. A member who fails to enroll within 60 days after being offered the opportunity shall be considered as having declined to be insured under the program.

“(3) A member of the Ready Reserve ineligible to enroll under subsection (f) shall be afforded an opportunity to enroll upon being released from active duty in accordance with regulations prescribed by the Secretary if the member has not previously had the opportunity to be enrolled under paragraph (1) or (2). A member who fails to enroll within 60 days after being afforded that opportunity shall be considered as having declined to be insured under the program.

“(b) ELECTION OF BENEFIT AMOUNT.—The amount of a member's monthly benefit under an enrollment shall be the basic benefit under subsection (a) of section 12525 of this title unless the member elects a different benefit under subsection (b) of such section within 60 days after first becoming a member of the Ready Reserve or within 60 days after being offered the opportunity to enroll, as the case may be.

“(c) ELECTIONS IRREVOCABLE.—(1) An election to decline insurance pursuant to paragraph (1) or (2) of subsection (a) is irrevocable.

“(2) The amount of coverage may not be increased after enrollment.

“(d) ELECTION TO TERMINATE.—A member may terminate an enrollment at any time.

“(e) INFORMATION TO BE FURNISHED.—The Secretary shall ensure that members referred to in subsection (a) are given a written explanation of the insurance program and are advised that they have the right to decline to be insured and, if not declined, to elect coverage for a reduced benefit or an enhanced benefit under subsection (b).

“(f) MEMBERS INELIGIBLE TO ENROLL.—Members of the Ready Reserve serving on active duty (or full-time National Guard duty) are not eligible to enroll for coverage under the insurance program. The Secretary may define any additional category of members of the Ready Reserve to be excluded from eligibility to purchase insurance under this chapter.

“§ 12525. Benefit amounts

“(a) BASIC BENEFIT.—The basic benefit for an insured member under the insurance program is $1,000 per month (as adjusted under subsection (d)).

“(b) REDUCED AND ENHANCED BENEFITS.—Under the regulations prescribed by the Secretary, a person enrolled for coverage under the insurance program may elect—

“(1) a reduced coverage benefit equal to one-half the amount of the basic benefit; or

“(2) an enhanced benefit in the amount of $1,500, $2,000, $2,500, $3,000, $3,500, $4,000, $4,500, or $5,000 per month (as adjusted under subsection (d)).

“(c) AMOUNT FOR PARTIAL MONTH.—The amount of insurance payable to an insured member for any period of covered service that is less than one month shall be determined by multiplying $\frac{1}{30}$ of the monthly benefit rate for the member by the number of days of the covered service served by the member during such period.

“(d) ADJUSTMENT OF AMOUNTS.—(1) The Secretary shall determine annually the effect of inflation on benefits and shall adjust the amounts set forth in subsections (a) and (b)(2) to maintain the constant dollar value of the benefit.

“(2) If the amount of a benefit as adjusted under paragraph (1) is not evenly divisible by $10, the amount shall be rounded to the nearest multiple of $10, except that an amount evenly divisible by $5 but not by $10 shall be rounded to the next lower amount that is evenly divisible by $10.

“§ 12526. Premiums

“(a) ESTABLISHMENT OF RATES.—(1) The Secretary, in consultation with the Board of Actuaries, shall prescribe the premium rates for insurance under the insurance program.

“(2) The Secretary shall prescribe a fixed premium rate for each $1,000 of monthly insurance benefit. The premium amount shall be equal to the share of the cost attributable to insuring the member and shall be the same for all members of the Ready Reserve who are insured under the insurance program for the same benefit amount. The Secretary shall prescribe the rate on the basis of the best available estimate of risk and financial exposure, levels of subscription by members, and other relevant factors.

“(b) LEVEL PREMIUMS.—The premium rate prescribed for the first year of insurance coverage of an insured member shall be continued without change for subsequent years of insurance coverage, except that the Secretary, after consultation with the Board of Actuaries, may adjust the premium rate in order to fund inflation-adjusted benefit increases on an actuarially sound basis.

“§ 12527. Payment of premiums

“(a) METHODS OF PAYMENT.—(1) The monthly premium for coverage of a member under the insurance program shall be deducted and withheld from the insured member's pay for each month.

“(2) An insured member who does not receive pay on a monthly basis shall pay the Secretary directly the premium amount applicable for the level of benefits for which the member is insured.

“(b) ADVANCE PAY FOR PREMIUM.—The Secretary concerned may advance to an insured member the amount equal to the first insurance premium payment due under this chapter. The advance may be paid out of appropriations for military pay. An advance to a member shall be collected from the member either by deducting and withholding the amount from basic pay payable for the member or by collecting it from the member directly. No disbursing or certifying officer shall be responsible for any loss resulting from an advance under this subsection.

“(c) PREMIUMS TO BE DEPOSITED IN FUND.—Premium amounts deducted and withheld from the pay of insured members and premium amounts paid directly to the Secretary shall be credited monthly to the Fund.

"§ 12528. Reserve Mobilization Income Insurance Fund

"(a) Establishment.—There is established on the books of the Treasury a fund to be known as the 'Reserve Mobilization Income Insurance Fund', which shall be administered by the Secretary of the Treasury. The Fund shall be used for the accumulation of funds in order to finance the liabilities of the insurance program on an actuarially sound basis.

"(b) Assets of Fund.—There shall be deposited into the Fund the following:

"(1) Premiums paid under section 12527 of this title.

"(2) Any amount appropriated to the Fund.

"(3) Any return on investment of the assets of the Fund.

"(c) Availability.—Amounts in the Fund shall be available for paying insurance benefits under the insurance program.

"(d) Investment of Assets of Fund.—The Secretary of the Treasury shall invest such portion of the Fund as is not in the judgment of the Secretary of Defense required to meet current liabilities. Such investments shall be in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary of Defense, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to the Fund.

"(e) Annual Accounting.—At the beginning of each fiscal year, the Secretary, in consultation with the Board of Actuaries and the Secretary of the Treasury, shall determine the following:

"(1) The projected amount of the premiums to be collected, investment earnings to be received, and any transfers or appropriations to be made for the Fund for that fiscal year.

"(2) The amount for that fiscal year of any cumulative unfunded liability (including any negative amount or any gain to the Fund) resulting from payments of benefits.

"(3) The amount for that fiscal year (including any negative amount) of any cumulative actuarial gain or loss to the Fund.

"§ 12529. Board of Actuaries

"(a) Actuarial Responsibility.—The Board of Actuaries shall have the actuarial responsibility for the insurance program.

"(b) Valuations and Premium Recommendations.—The Board of Actuaries shall carry out periodic actuarial valuations of the benefits under the insurance program and determine a premium rate methodology for the Secretary to use in setting premium rates for the insurance program. The Board shall conduct the first valuation and determine a premium rate methodology not later than six months after the insurance program is established.

"(c) Effects of Changed Benefits.—If at the time of any actuarial valuation under subsection (b) there has been a change in benefits under the insurance program that has been made since the last such valuation and such change in benefits increases or decreases the present value of amounts payable from the Fund, the Board of Actuaries shall determine a premium rate methodology, and recommend to the Secretary a premium schedule, for the liquidation of any liability (or actuarial gain to the Fund) resulting from such change and any previous such changes so that the present value of the sum of the scheduled premium payments (or reduction in payments that would otherwise be made) equals the cumulative increase (or decrease) in the present value of such benefits.

"(d) Actuarial Gains or Losses.—If at the time of any such valuation the Board of Actuaries determines that there has been an actuarial gain or loss to the Fund as a result of changes in actuarial assumptions since the last valuation or as a result of any differences, between actual and expected experience since the last valuation, the Board shall recommend to the Secretary a premium rate schedule for the amortization of the cumulative gain or loss to the Fund resulting from such changes in assumptions and any previous such changes in assumptions or from the differences in actual and expected experience, respectively, through an increase or decrease in the payments that would otherwise be made to the Fund.

"(e) Insufficient Assets.—If at any time liabilities of the Fund exceed assets of the Fund as a result of members of the Ready Reserve being ordered to active duty as described in section 12521(2) of this title, and funds are unavailable to pay benefits completely, the Secretary shall request the President to submit to Congress a request for a special appropriation to cover the unfunded liability. If appropriations are not made to cover an unfunded liability in any fiscal year, the Secretary shall reduce the amount of the benefits paid under the insurance program to a total amount that does not exceed the assets of the Fund expected to accrue by the end of such fiscal year. Benefits that cannot be paid because of such a reduction shall be deferred and may be paid only after and to the extent that additional funds become available.

"(f) Definition of Present Value.—The Board of Actuaries shall define the term 'present value' for purposes of this subsection.

"§ 12530. Payment of benefits

"(a) Commencement of Payment.—An insured member who serves in excess of 30 days of covered service shall be paid the amount to which such member is entitled on a monthly basis beginning not later than one month after the 30th day of covered service.

"(b) Method of Payment.—The Secretary shall prescribe in the regulations the manner in which payments shall be made to the member or to a person designated in accordance with subsection (c).

"(c) Designated Recipients.—(1) A member may designate in writing another person (including a spouse, parent, or other person with an insurable interest, as determined in accordance with the regulations prescribed by the Secretary) to receive payments of insurance benefits under the insurance program.

"(2) A member may direct that payments of insurance benefits for a person designated under paragraph (1) be deposited with a bank or other financial institution to the credit of the designated person.

"(d) Recipients in Event of Death of Insured Member.—Any insurance payable under the insurance program on account of a deceased member's period of covered service shall be paid, upon the establishment of a valid claim, to the beneficiary or beneficiaries which the deceased member designated in writing. If no such designation has been made, the amount shall be payable in accordance with the laws of the State of the member's domicile.

"§ 12531. Purchase of insurance

"(a) Purchase Authorized.—The Secretary may, instead of or in addition to underwriting the insurance program through the Fund, purchase from one or more insurance companies a policy or policies of group insurance in order to provide the benefits required under this chapter. The Secretary may waive any requirement for full and open competition in order to purchase an insurance policy under this subsection.

"(b) Eligible Insurers.—In order to be eligible to sell insurance to the Secretary for purposes of subsection (a), an insurance company shall—

"(1) be licensed to issue insurance in each of the 50 States and in the District of Columbia; and

"(2) as of the most recent December 31 for which information is available to the Secretary, have in effect at least one percent of the total amount of insurance that all such insurance companies have in effect in the United States.

"(c) Administrative Provisions.—(1) An insurance company that issues a policy for purposes of subsection (a) shall establish an administrative office at a place and under a name designated by the Secretary.

"(2) For the purposes of carrying out this chapter, the Secretary may use the facilities and services of any insurance company issuing any policy for purposes of subsection (a), may designate one such company as the representative of the other companies for such purposes, and may contract to pay a reasonable fee to the designated company for its services.

"(d) Reinsurance.—The Secretary shall arrange with each insurance company issuing any policy for purposes of subsection (a) to reinsure, under conditions approved by the Secretary, portions of the total amount of the insurance under such policy or policies with such other insurance companies (which meet qualifying criteria prescribed by the Secretary) as may elect to participate in such reinsurance.

"(e) Termination.—The Secretary may at any time terminate any policy purchased under this section.

"§ 12532. Termination for nonpayment of premiums; forfeiture

"(a) Termination for Nonpayment.—The coverage of a member under the insurance program shall terminate without prior notice upon a failure of the member to make required monthly payments of premiums for two consecutive months. The Secretary may provide in the regulations for reinstatement of insurance coverage terminated under this subsection.

"(b) Forfeiture.—Any person convicted of mutiny, treason, spying, or desertion, or who refuses to perform service in the armed forces or refuses to wear the uniform of any of the armed forces shall forfeit all rights to insurance under this chapter.".

(2) The tables of chapters at the beginning of subtitle E, and at the beginning of part II of subtitle E, of title 10, United States Code, are amended by inserting after the item relating to chapter 1213 the following new item:

"1214. Ready Reserve Mobilization Income Insurance .... 12521".

(b) Effective Date.—The insurance program provided for in chapter 1214 of title 10, United States Code, as added by subsection (a), and the requirement for deductions and contributions for that program shall take effect on September 30, 1996, or on any earlier date declared by the Secretary and published in the Federal Register.

SEC. 513. MILITARY TECHNICIAN FULL-TIME SUPPORT PROGRAM FOR ARMY AND AIR FORCE RESERVE COMPONENTS.

(a) REQUIREMENT OF ANNUAL AUTHORIZATION OF END STRENGTH.—(1) Section 115 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) Congress shall authorize for each fiscal year the end strength for military technicians for each reserve component of the Army and Air Force. Funds available to the Department of Defense for any fiscal year may not be used for the pay of a military technician during that fiscal year unless the technician fills a position that is within the number of such positions authorized by law for that fiscal year for the reserve component of that technician. This subsection applies without regard to section 129 of this title.".

(2) The amendment made by paragraph (1) does not apply with respect to fiscal year 1995.

(b) AUTHORIZATION FOR FISCAL YEARS 1996 AND 1997.—For each of fiscal years 1996 and 1997, the minimum number of military technicians, as of the last day of that fiscal year, for the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) Army National Guard, 25,500.

(2) Army Reserve, 6,630.

(3) Air National Guard, 22,906.

(4) Air Force Reserve, 9,802.

(c) ADMINISTRATION OF MILITARY TECHNICIAN PROGRAM.—(1) Chapter 1007 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 10216. Military technicians

"(a) PRIORITY FOR MANAGEMENT OF MILITARY TECHNICIANS.—(1) As a basis for making the annual request to Congress pursuant to section 115 of this title for authorization of end strengths for military technicians of the Army and Air Force reserve components, the Secretary of Defense shall give priority to supporting authorizations for dual status military technicians in the following high-priority units and organizations:

"(A) Units of the Selected Reserve that are scheduled to deploy no later than 90 days after mobilization.

"(B) Units of the Selected Reserve that are or will deploy to relieve active duty peacetime operations tempo.

"(C) Those organizations with the primary mission of providing direct support surface and aviation maintenance for the reserve components of the Army and Air Force, to the extent that the military technicians in such units would mobilize and deploy in a skill that is compatible with their civilian position skill.

"(2) For each fiscal year, the Secretary of Defense shall, for the high-priority units and organizations referred to in paragraph (1), seek to achieve a programmed manning level for military technicians that is not less than 90 percent of the programmed manpower structure for those units and organizations for military technicians for that fiscal year.

"(3) Military technician authorizations and personnel in high-priority units and organizations specified in paragraph (1) shall be exempt from any requirement (imposed by law or otherwise) for reductions in Department of Defense civilian personnel and shall only be reduced as part of military force structure reductions.

"(b) DUAL-STATUS REQUIREMENT.—The Secretary of Defense shall require the Secretary of the Army and the Secretary of the Air Force to establish as a condition of employment for each individual who is hired after the date of the enactment of this section as a military technician that the individual maintain membership in the Selected Reserve (so as to be a so-called 'dual-status' technician) and shall require that the civilian and military position skill requirements of dual-status military technicians be compatible. No Department of Defense funds may be spent for compensation for any military technician hired after the date of the enactment of this section who is not a member of the Selected Reserve, except that compensation may be paid for up to six months following loss of membership in the Selected Reserve if such loss of membership was not due to the failure to meet military standards.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"10216. Military technicians.".

(d) REVIEW OF RESERVE COMPONENT MANAGEMENT HEADQUARTERS.—(1) The Secretary of Defense shall, within six months after the date of the enactment of this Act, undertake steps to reduce, consolidate, and streamline management headquarters operations of the reserve components. As part of those steps, the Secretary shall identify those military technicians positions in such headquarters operations that are excess to the requirements of those headquarters.

(2) Of the military technicians positions that are identified under paragraph (1), the Secretary shall reallocate up to 95 percent of the annual funding required to support those positions for the purpose of creating new positions or filling existing positions in the high-priority units and activities specified in section 10216(a) of title 10, United States Code, as added by subsection (c).

(e) ANNUAL DEFENSE MANPOWER REQUIREMENTS REPORT.—Section 115a of title 10, United States Code, is amended by adding at the end the following new subsection:

"(h) In each such report, the Secretary shall include a separate report on the Army and Air Force military technician programs. The report shall include a presentation, shown by reserve component and shown both as of the end of the preceding fiscal year and for the next fiscal year, of the following:

"(1) The number of military technicians required to be employed (as specified in accordance with Department of Defense procedures), the number authorized to be employed under Department of Defense personnel procedures, and the number actually employed.

"(2) Within each of the numbers under paragraph (1)—

"(A) the number applicable to a reserve component management headquarter organization; and

"(B) the number applicable to high-priority units and organizations (as specified in section 10216(a) of this title).

"(3) Within each of the numbers under paragraph (1), the numbers of military technicians who are not themselves members of a reserve component (so-called 'single-status' technicians), with a further display of such numbers as specified in paragraph (2).".

SEC. 514. REVISIONS TO ARMY GUARD COMBAT REFORM INITIATIVE TO INCLUDE ARMY RESERVE UNDER CERTAIN PROVISIONS AND MAKE CERTAIN REVISIONS.

(a) PRIOR ACTIVE DUTY PERSONNEL.—Section 1111 of the Army National Guard Combat Readiness Reform Act of 1992 (title XI of Public Law 102-484) is amended—

(1) in the section heading, by striking out the first three words;

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) ADDITIONAL PRIOR ACTIVE DUTY OFFICERS.—The Secretary of the Army shall increase the number of qualified prior active-duty officers in the Army National Guard by providing a program that permits the separation of officers on active duty with at least two, but less than three, years of active service upon condition that the officer is accepted for appointment in the Army National Guard. The Secretary shall have a goal of having not fewer than 150 officers become members of the Army National Guard each year under this section.

"(b) ADDITIONAL PRIOR ACTIVE DUTY ENLISTED MEMBERS.—The Secretary of the Army shall increase the number of qualified prior active-duty enlisted members in the Army National Guard through the use of enlistments as described in section 8020 of the Department of Defense Appropriations Act, 1994 (Public Law 103-139). The Secretary shall enlist not fewer than 1,000 new enlisted members each year under enlistments described in that section."; and

(3) by striking out subsections (d) and (e).

(b) SERVICE IN THE SELECTED RESERVE IN LIEU OF ACTIVE DUTY SERVICE FOR ROTC GRADUATES.—Section 1112(b) of such Act (106 Stat. 2537) is amended by striking out "National Guard" before the period at the end and inserting in lieu thereof "Selected Reserve".

(c) REVIEW OF OFFICER PROMOTIONS.—Section 1113 of such Act (106 Stat. 2537) is amended—

(1) in subsection (a), by striking out "National Guard" both places it appears and inserting in lieu thereof "Selected Reserve"; and

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) COVERAGE OF SELECTED RESERVE COMBAT AND EARLY DEPLOYING UNITS.—(1) Subsection (a) applies to officers in all units of the Selected Reserve that are designated as combat units or that are designated for deployment within 75 days of mobilization.

"(2) Subsection (a) shall take effect with respect to officers of the Army Reserve, and with respect to officers of the Army National Guard in units not subject to subsection (a) as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996, at the end of the 90-day period beginning on such date of enactment.".

(d) INITIAL ENTRY TRAINING AND NONDEPLOYABLE PERSONNEL.—Section 1115 of such Act (106 Stat. 2538) is amended—

(1) in subsections (a) and (b), by striking out "National Guard" each place it appears and inserting in lieu thereof "Selected Reserve"; and

(2) in subsection (c)—

(A) by striking out "a member of the Army National Guard enters the National Guard" and inserting in lieu thereof "a member of the Army Selected Reserve enters the Army Selected Reserve"; and

(B) by striking out "from the Army National Guard".

(e) ACCOUNTING OF MEMBERS WHO FAIL PHYSICAL DEPLOYABILITY STANDARDS.—Section 1116 of such Act (106 Stat. 2539) is amended by striking out "National Guard" each place it appears and inserting in lieu thereof "Selected Reserve".

(f) USE OF COMBAT SIMULATORS.—Section 1120 of such Act (106 Stat. 2539) is amended by inserting "and the Army Reserve" before the period at the end.

SEC. 515. ACTIVE DUTY ASSOCIATE UNIT RESPONSIBILITY.

(a) ASSOCIATE UNITS.—Subsection (a) of section 1131 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2540) is amended to read as follows:

"(a) ASSOCIATE UNITS.—The Secretary of the Army shall require—

"(1) that each ground combat maneuver brigade of the Army National Guard that (as determined by the Secretary) is essential for the execution of the National Military Strategy be associated with an active-duty combat unit; and

"(2) that combat support and combat service support units of the Army Selected Reserve that (as determined by the Secretary) are essential for the execution of the National Military Strategy be associated with active-duty units.".

(b) RESPONSIBILITIES.—Subsection (b) of such section is amended—

(1) by striking out "National Guard combat unit" in the matter preceding paragraph (1) and inserting in lieu thereof "National Guard unit or Army Selected Reserve unit that (as determined by the Secretary under subsection (a)) is essential for the execution of the National Military Strategy"; and

(2) by striking out "of the National Guard unit" in paragraphs (1), (2), (3), and (4) and inserting in lieu thereof "of that unit".

SEC. 516. LEAVE FOR MEMBERS OF RESERVE COMPONENTS PERFORMING PUBLIC SAFETY DUTY.

(a) ELECTION OF LEAVE TO BE CHARGED.—Subsection (b) of section 6323 of title 5, United States Code, is amended by adding at the end the following: "Upon the request of an employee, the period for which an employee is absent to perform service described in paragraph (2) may be charged to the employee's accrued annual leave or to compensatory time available to the employee instead of being charged as leave to which the employee is entitled under this subsection. The period of absence may not be charged to sick leave.".

(b) PAY FOR PERIOD OF ABSENCE.—Section 5519 of such title is amended by striking out "entitled to leave" and inserting in lieu thereof "granted military leave".

SEC. 517. DEPARTMENT OF DEFENSE FUNDING FOR NATIONAL GUARD PARTICIPATION IN JOINT DISASTER AND EMERGENCY ASSISTANCE EXERCISES.

Section 503(a) of title 32, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) Paragraph (1) includes authority to provide for participation of the National Guard in conjunction with the Army or the Air Force, or both, in joint exercises for instruction to prepare the National Guard for response to civil emergencies and disasters.".

Subtitle C—Decorations and Awards

SEC. 521. AWARD OF PURPLE HEART TO PERSONS WOUNDED WHILE HELD AS PRISONERS OF WAR BEFORE APRIL 25, 1962.

(a) AWARD OF PURPLE HEART.—For purposes of the award of the Purple Heart, the Secretary concerned (as defined in section 101 of title 10, United States Code) shall treat a former prisoner of war who was wounded before April 25, 1962, while held as a prisoner of war (or while being taken captive) in the same manner as a former prisoner of war who is wounded on or after that date while held as a prisoner of war (or while being taken captive).

(b) STANDARDS FOR AWARD.—An award of the Purple Heart under subsection (a) shall be made in accordance with the standards in effect on the date of the enactment of this Act for the award of the Purple Heart to persons wounded on or after April 25, 1962.

(c) ELIGIBLE FORMER PRISONERS OF WAR.—A person shall be considered to be a former prisoner of war for purposes of this section if the person is eligible for the prisoner-of-war medal under section 1128 of title 10, United States Code.

SEC. 522. AUTHORITY TO AWARD DECORATIONS RECOGNIZING ACTS OF VALOR PERFORMED IN COMBAT DURING THE VIETNAM CONFLICT.

(a) FINDINGS.—Congress makes the following findings:

(1) The Ia Drang Valley (Pleiku) campaign, carried out by the Armed Forces in the Ia Drang Valley of Vietnam from October 23, 1965, to November 26, 1965, is illustrative of the many battles during the Vietnam conflict which pitted forces of the United States against North Vietnamese Army regulars and Viet Cong in vicious fighting.

(2) Accounts of those battles that have been published since the end of that conflict authoritatively document numerous and repeated acts of extraordinary heroism, sacrifice, and bravery on the part of members of the Armed Forces, many of which have never been officially recognized.

(3) In some of those battles, United States military units suffered substantial losses, with some units sustaining casualties in excess of 50 percent.

(4) The incidence of heavy casualties throughout the Vietnam conflict inhibited the timely collection of comprehensive and detailed information to support recommendations for awards recognizing acts of heroism, sacrifice, and bravery.

(5) Subsequent requests to the Secretaries of the military departments for review of award recommendations for such acts have been denied because of restrictions in law and regulations that require timely filing of such recommendations and documented justification.

(6) Acts of heroism, sacrifice, and bravery performed in combat by members of the Armed Forces deserve appropriate and timely recognition by the people of the United States.

(7) It is appropriate to recognize acts of heroism, sacrifice, or bravery that are belatedly, but properly, documented by persons who witnessed those acts.

(b) WAIVER OF TIME LIMITATIONS FOR RECOMMENDATIONS FOR AWARDS.—(1) Any decoration covered by paragraph (2) may be awarded, without regard to any time limit imposed by law or regulation for a recommendation for such award to any person for actions by that person in the Southeast Asia theater of operations while serving on active duty during the Vietnam era. The waiver of time limitations under this paragraph applies only in the case of awards for acts of valor for which a request for consideration is submitted under subsection (c).

(2) Paragraph (1) applies to any decoration (including any device in lieu of a decoration) that, during or after the Vietnam era and before the date of the enactment of this Act, was authorized by law or under regulations of the Department of Defense or the military department concerned to be awarded to members of the Armed Forces for acts of valor.

(c) REVIEW OF REQUESTS FOR CONSIDERATION OF AWARDS.—(1) The Secretary of each military department shall review each request for consideration of award of a decoration described in subsection (b) that are received by the Secretary during the one-year period beginning on the date of enactment of this Act.

(2) The Secretaries shall begin the review within 30 days after the date of the enactment of this Act and shall complete the review of each request for consideration not later than one year after the date on which the request is received.

(3) The Secretary may use the same process for carrying out the review as the Secretary uses for reviewing other recommendations for award of decorations to members of the Armed Forces under the Secretary's jurisdiction for valorous acts.

(d) REPORT.—(1) Upon completing the review of each such request under subsection (c), the Secretary shall submit a report on the review to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(2) The report shall include, with respect to each request for consideration received, the following information:

(A) A summary of the request for consideration.

(B) The findings resulting from the review.

(C) The final action taken on the request for consideration.

(e) DEFINITION.—For purposes of this section:

(1) The term "Vietnam era" has the meaning given that term in section 101 of title 38, United States Code.

(2) The term "active duty" has the meaning given that term in section 101 of title 10, United States Code.

SEC. 523. MILITARY INTELLIGENCE PERSONNEL PREVENTED BY SECRECY FROM BEING CONSIDERED FOR DECORATIONS AND AWARDS.

(a) WAIVER ON RESTRICTIONS OF AWARDS.—(1) Any decoration covered by paragraph (2) may be awarded, without regard to any time limit imposed by law or regulation for a recommendation for such award, to any person for an act, achievement, or service that the person performed in carrying out military intelligence duties during the period beginning on January 1, 1940, and ending on December 31, 1990.

(2) Paragraph (1) applies to any decoration (including any device in lieu of a decoration) that, during or after the period described in paragraph (1) and before the date of the enactment of this Act, was authorized by law or under the regulations of the Department of Defense or the military department concerned to be awarded to a person for an act, achievement, or service performed by that person while serving on active duty.

(b) REVIEW OF REQUESTS FOR CONSIDERATION OF AWARDS.—(1) The Secretary of each military department shall review each request for consideration of award of a decoration described in subsection (a) that is received by the Secretary during the one-year period beginning on the date of the enactment of this Act.

(2) The Secretaries shall begin the review within 30 days after the date of the enactment of this Act and shall complete the review of each request for consideration not later than one year after the date on which the request is received.

(3) The Secretary may use the same process for carrying out the review as the Secretary uses for reviewing other recommendations for awarding decorations to members of the Armed Forces under the Secretary's jurisdiction for acts, achievements, or service.

(c) REPORT.—(1) Upon completing the review of each such request under subsection (b), the Secretary shall submit a report on the review to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(2) The report shall include, with respect to each request for consideration reviewed, the following information:

(A) A summary of the request for consideration.

(B) The findings resulting from the review.

(C) The final action taken on the request for consideration.

(D) Administrative or legislative recommendations to improve award procedures with respect to military intelligence personnel.

(d) DEFINITION.—For purposes of this section, the term "active duty" has the meaning given such term in section 101 of title 10, United States Code.

SEC. 524. REVIEW REGARDING UPGRADING OF DISTINGUISHED-SERVICE CROSSES AND NAVY CROSSES AWARDED TO ASIAN-AMERICANS AND NATIVE AMERICAN PACIFIC ISLANDERS FOR WORLD WAR II SERVICE.

(a) REVIEW REQUIRED.—(1) The Secretary of the Army shall review the records relating to each award of the Distinguished-Service Cross, and the Secretary of the Navy shall review the records relating to each award of the Navy Cross, that was awarded to an Asian-American or a Native American Pacific Islander with respect to service as a member of the Armed Forces during World War II. The purpose of the review shall be to determine whether any such award should be upgraded to the Medal of Honor.

(2) If the Secretary concerned determines, based upon the review under paragraph (1), that such an upgrade is appropriate in the case of any person, the Secretary shall submit to the President a recommendation that the President award the Medal of Honor to that person.

(b) WAIVER OF TIME LIMITATIONS.—A Medal of Honor may be awarded to a person referred to in subsection (a) in accordance with a recommendation of the Secretary concerned under that subsection without regard to—

(1) section 3744, 6248, or 8744 of title 10, United States Code, as applicable; and

(2) any regulation or other administrative restriction on—

(A) the time for awarding the Medal of Honor; or

(B) the awarding of the Medal of Honor for service for which a Distinguished-Service Cross or Navy Cross has been awarded.

(c) DEFINITION.—For purposes of this section, the term "Native American Pacific Islander" means a Native Hawaiian and any other Native American Pacific Islander within the meaning of the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.).

SEC. 525. ELIGIBILITY FOR ARMED FORCES EXPEDITIONARY MEDAL BASED UPON SERVICE IN EL SALVADOR.

(a) IN GENERAL.—For the purpose of determining eligibility of members and former members of the Armed Forces for the Armed Forces Expeditionary Medal, the country of El Salvador during the period beginning on January 1, 1981 and ending on February 1, 1992, shall be treated as having been designated as an area and a period of time in which members of the Armed Forces participated in operations in significant numbers and otherwise met the general requirements for the award of that medal.

(b) INDIVIDUAL DETERMINATION.—The Secretary of the military department concerned shall determine whether individual members or former members of the Armed Forces who served in El Salvador during the period beginning on January 1, 1981 and ending on February 1, 1992 meet the individual service requirements for award of the Armed Forces Expeditionary Medal as established in applicable regulations. Such determinations shall be made as expeditiously as possible after the date of the enactment of this Act.

SEC. 526. PROCEDURE FOR CONSIDERATION OF MILITARY DECORATIONS NOT PREVIOUSLY SUBMITTED IN TIMELY FASHION.

(a) IN GENERAL.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1130. Consideration of proposals for decorations not previously submitted in timely fashion: procedures for review and recommendation

"(a) Upon request of a Member of Congress, the Secretary concerned shall review a proposal for the award or presentation of a decoration (or the upgrading of a decoration), either for an individual or a unit, that is not otherwise authorized to be presented or awarded due to limitations established by law or policy for timely submission of a recommendation for such award or presentation. Based upon such review, the Secretary shall make a determination as to the merits of approving the award or presentation of the decoration and the other determinations necessary to comply with subsection (b).

"(b) Upon making a determination under subsection (a) as to the merits of approving the award or presentation of the decoration, the Secretary concerned shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives and to the requesting member of Congress notice in writing of one of the following:

"(1) The award or presentation of the decoration does not warrant approval on the merits.

"(2) The award or presentation of the decoration warrants approval and a waiver by law of time restrictions prescribed by law is recommended.

"(3) The award or presentation of the decoration warrants approval on the merits and has been approved as an exception to policy.

"(4) The award or presentation of the decoration warrants approval on the merits, but a waiver of the time restrictions prescribed by law or policy is not recommended.

A notice under paragraph (1) or (4) shall be accompanied by a statement of the reasons for the decision of the Secretary.

"(c) Determinations under this section regarding the award or presentation of a decoration shall be made in accordance with the same procedures that apply to the approval or disapproval of the award or presentation of a decoration when a recommendation for such award or presentation is submitted in a timely manner as prescribed by law or regulation.

"(d) In this section:

"(1) The term 'Member of Congress' means—

"(A) a Senator; or

"(B) a Representative in, or a Delegate or Resident Commissioner to, Congress.

"(2) The term 'decoration' means any decoration or award that may be presented or awarded to a member or unit of the armed forces.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1130. Consideration of proposals for decorations not previously submitted in timely fashion: procedures for review and recommendation.".

Subtitle D—Officer Education Programs

PART I—SERVICE ACADEMIES

SEC. 531. REVISION OF SERVICE OBLIGATION FOR GRADUATES OF THE SERVICE ACADEMIES.

(a) MILITARY ACADEMY.—Section 4348(a)(2)(B) of title 10, United States Code, is amended by striking out "six years" and inserting in lieu thereof "five years".

(b) NAVAL ACADEMY.—Section 6959(a)(2)(B) of such title is amended by striking out "six years" and inserting in lieu thereof "five years".

(c) AIR FORCE ACADEMY.—Section 9348(a)(2)(B) of such title is amended by striking out "six years" and inserting in lieu thereof "five years".

(d) REQUIREMENT FOR REVIEW AND REPORT.—(1) The Secretary of Defense shall review the effects that each of various periods of obligated active duty service for graduates of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy would have on the number and quality of the eligible and qualified applicants seeking appointment to such academies.

(2) Not later than April 1, 1996, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the Secretary's findings under the review, together with any recommended legislation regarding the minimum periods of obligated active duty service for graduates of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

(e) APPLICABILITY.—The amendments made by this section apply to persons first admitted to the United States Military Academy, United States Naval Academy, and United States Air Force Academy after December 31, 1991.

SEC. 532. NOMINATIONS TO SERVICE ACADEMIES FROM COMMONWEALTH OF THE NORTHERN MARIANAS ISLANDS.

(a) MILITARY ACADEMY.—Section 4342(a) of title 10, United States Code, is amended by inserting after paragraph (9) the following new paragraph:

"(10) One cadet from the Commonwealth of the Northern Marianas Islands, nominated by the resident representative from the commonwealth.".

(b) NAVAL ACADEMY.—Section 6954(a) of title 10, United States Code, is amended by inserting after paragraph (9) the following new paragraph:

"(10) One from the Commonwealth of the Northern Marianas Islands, nominated by the resident representative from the commonwealth.".

(c) AIR FORCE ACADEMY.—Section 9342(a) of title 10, United States Code, is amended by inserting after paragraph (9) the following new paragraph:

"(10) One cadet from the Commonwealth of the Northern Marianas Islands, nominated by the resident representative from the commonwealth.".

SEC. 533. REPEAL OF REQUIREMENT FOR ATHLETIC DIRECTOR AND NONAPPROPRIATED FUND ACCOUNT FOR THE ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Section 4357 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 403 of such title is amended by striking out the item relating to section 4357.

(b) UNITED STATES NAVAL ACADEMY.—Section 556 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2774) is amended by striking out subsections (b) and (e).

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Section 9356 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 903 of such title is amended by striking out the item relating to section 9356.

SEC. 534. REPEAL OF REQUIREMENT FOR PROGRAM TO TEST PRIVATIZATION OF SERVICE ACADEMY PREPARATORY SCHOOLS.

Section 536 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 4331 note) is repealed.

PART II—RESERVE OFFICER TRAINING CORPS

SEC. 541. ROTC ACCESS TO CAMPUSES.

(a) IN GENERAL.—Chapter 49 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 983. Institutions of higher education that prohibit Senior ROTC units: denial of Department of Defense grants and contracts

"(a) DENIAL OF DEPARTMENT OF DEFENSE GRANTS AND CONTRACTS.—(1) No funds appropriated or otherwise available to the Department of Defense may be made obligated by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education that, as determined by the Secretary of Defense, has an anti-ROTC policy and at which, as determined by the Secretary, the Secretary would otherwise maintain or seek to establish a unit of the Senior Reserve Officer Training Corps or at which the Secretary would otherwise enroll or seek to enroll students for participation in a unit of the Senior Reserve Officer Training Corps at another nearby institution of higher education.

"(2) In the case of an institution of higher education that is ineligible for Department of Defense grants and contracts by reason of paragraph (1), the prohibition under that paragraph shall cease to apply to that institution upon a determination by the Secretary that the institution no longer has an anti-ROTC policy.

"(b) NOTICE OF DETERMINATION.—Whenever the Secretary makes a determination under subsection (a) that an institution has an anti-ROTC policy, or that an institution previously determined to have an anti-ROTC policy no longer has such a policy, the Secretary—

"(1) shall transmit notice of that determination to the Secretary of Education and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives; and

"(2) shall publish in the Federal Register notice of that determination and of the effect of that determination under subsection (a)(1) on the eligibility of that institution for Department of Defense grants and contracts.

"(c) SEMIANNUAL NOTICE IN FEDERAL REGISTER.—The Secretary shall publish in the Federal Register once every six months a list of each institution of higher education that is currently ineligible for Department of Defense grants and contracts by reason of a determination of the Secretary under subsection (a).

"(d) ANTI-ROTC POLICY.—In this section, the term 'anti-ROTC policy' means a policy or practice of an institution of higher education that—

"(1) prohibits, or in effect prevents, the Secretary of Defense from maintaining or establishing a unit of the Senior Reserve Officer Training Corps at that institution, or

"(2) prohibits, or in effect prevents, a student at that institution from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"983. Institutions of higher education that prohibit Senior ROTC units: denial of Department of Defense grants and contracts.".

SEC. 542. ROTC SCHOLARSHIPS FOR THE NATIONAL GUARD.

(a) CLARIFICATION OF RESTRICTION ON ACTIVE DUTY.—Paragraph (2) of section 2107(h) of title 10, United States Code, is amended by inserting "full-time" before "active duty" in the second sentence.

(b) REDESIGNATION OF ROTC SCHOLARSHIPS.—Such paragraph is further amended by inserting after the first sentence the following new sentence: "A cadet designated under this paragraph who, having initially contracted for service as provided in subsection (b)(5)(A) and having received financial assistance for two years under an award providing for four years of financial assistance under this section, modifies such contract with the consent of the Secretary of the Army to provide for service as described in subsection (b)(5)(B), may be counted, for the year in which the contract is modified, toward the number of appointments required under the preceding sentence for financial assistance awarded for a period of four years.".

SEC. 543. DELAY IN REORGANIZATION OF ARMY ROTC REGIONAL HEADQUARTERS STRUCTURE.

(a) DELAY.—The Secretary of the Army may not take any action to reorganize the regional headquarters and basic camp structure of the Reserve Officers Training Corps program of the Army until six months after the date on which the report required by subsection (d) is submitted.

(b) COST-BENEFIT ANALYSIS.—The Secretary of the Army shall conduct a comparative cost-benefit analysis of various options for the reorganization of the regional headquarters and basic camp structure of the Army ROTC program. As part of such analysis, the Secretary shall measure each reorganization option considered against a common set of criteria.

(c) SELECTION OF REORGANIZATION OPTION FOR IMPLEMENTATION.—Based on the findings resulting from the cost-benefit analysis under subsection (b) and such other factors as the Secretary considers appropriate, the Secretary shall select one reorganization option for implementation. The Secretary may select an option for implementation only if the Secretary finds that the cost-benefit analysis and other factors considered clearly demonstrate that such option, better than any other option considered—

(1) provides the structure to meet projected mission requirements;

(2) achieves the most significant personnel and cost savings;

(3) uses existing basic and advanced camp facilities to the maximum extent possible;

(4) minimizes additional military construction costs; and

(5) makes maximum use of the reserve components to support basic and advanced camp operations, thereby minimizing the effect of those operations on active duty units.

(d) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report describing the reorganization option selected under subsection (c). The report shall include the results of the cost-benefit analysis under subsection (b) and a detailed rationale for the reorganization option selected.

SEC. 544. DURATION OF FIELD TRAINING OR PRACTICE CRUISE REQUIRED UNDER THE SENIOR RESERVE OFFICERS' TRAINING CORPS PROGRAM.

Section 2104(b)(6)(A)(ii) of title 10, United States Code, is amended by striking out "not less than six weeks' duration" and inserting in lieu thereof "a duration".

SEC. 545. ACTIVE DUTY OFFICERS DETAILED TO ROTC DUTY AT SENIOR MILITARY COLLEGES TO SERVE AS COMMANDANT AND ASSISTANT COMMANDANT OF CADETS AND AS TACTICAL OFFICERS.

(a) IN GENERAL.—Chapter 103 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2111a. Detail of officers to senior military colleges

"(a) DETAIL OF OFFICERS TO SERVE AS COMMANDANT OR ASSISTANT COMMANDANT OF CADETS.—(1) Upon the request of a senior military college, the Secretary of Defense may detail an officer on the active-duty list to serve as Commandant of Cadets at that college or (in the case of a college with an Assistant Commandant of Cadets) detail an officer on the active-duty list to serve as Assistant Commandant of Cadets at that college (but not both).

"(2) In the case of an officer detailed as Commandant of Cadets, the officer may, upon the request of the college, be assigned from among the Professor of Military Science, the Professor of Naval Science (if any), and the Professor of Aerospace Science (if any) at that college or may be in addition to any other officer detailed to that college in support of the program.

"(3) In the case of an officer detailed as Assistant Commandant of Cadets, the officer may, upon the request of the college, be assigned from among officers otherwise detailed to duty at that college in support of the program or may be in addition to any other officer detailed to that college in support of the program.

"(b) DESIGNATION OF OFFICERS AS TACTICAL OFFICERS.—Upon the request of a senior military college, the Secretary of Defense may authorize officers (other than officers covered by subsection (a)) who are detailed to duty as instructors at that college to act simultaneously as tactical officers (with or without compensation) for the Corps of Cadets at that college.

"(c) DETAIL OF OFFICERS.—The Secretary of a military department shall designate officers for detail to the program at a senior military college in accordance with criteria provided by the college. An officer may not be detailed to a senior military college without the approval of that college.

"(d) SENIOR MILITARY COLLEGES.—The senior military colleges are the following:

"(1) Texas A&M University.

"(2) Norwich College.

"(3) The Virginia Military Institute.

"(4) The Citadel.

"(5) Virginia Polytechnic Institute and State University.

"(6) North Georgia College.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2111a. Detail of officers to senior military colleges.".

Subtitle E—Miscellaneous Reviews, Studies, and Reports

SEC. 551. REPORT CONCERNING APPROPRIATE FORUM FOR JUDICIAL REVIEW OF DEPARTMENT OF DEFENSE PERSONNEL ACTIONS.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish an advisory committee to consider issues relating to the appropriate forum for judicial review of Department of Defense administrative personnel actions.

(b) MEMBERSHIP.—(1) The committee shall be composed of five members, who shall be appointed by the Secretary of Defense after consultation with the Attorney General and the Chief Justice of the United States.

(2) All members of the committee shall be appointed not later than 30 days after the date of the enactment of this Act.

(c) DUTIES.—The committee shall review, and provide findings and recommendations regarding, the following matters with respect to judicial review of administrative personnel actions of the Department of Defense:

(1) Whether the existing forum for such review through the United States district courts provides appropriate and adequate review of such actions.

(2) Whether jurisdiction to conduct judicial review of such actions should be established in a single court in order to provide a centralized review of such actions and, if so, in which court that jurisdiction should be vested.

(d) REPORT.—(1) Not later than December 15, 1996, the committee shall submit to the Secretary of Defense a report setting forth its findings and recommendations, including its recommendations pursuant to subsection (c).

(2) Not later than January 1, 1997, the Secretary of Defense, after consultation with the Attorney General, shall transmit the committee's report to Congress. The Secretary may include in the transmittal any comments on the report that the Secretary or the Attorney General consider appropriate.

(e) TERMINATION OF COMMITTEE.—The committee shall terminate 30 days after the date of the submission of its report to Congress under subsection (d)(2).

SEC. 552. COMPTROLLER GENERAL REVIEW OF PROPOSED ARMY END STRENGTH ALLOCATIONS.

(a) IN GENERAL.—During fiscal years 1996 through 2001, the Comptroller General of the United States shall analyze the plans of the Secretary of the Army for the allocation of assigned active component end strengths for the Army through the requirements process known as Total Army Analysis 2003 and through any subsequent similar requirements process of the Army that is conducted before 2002. The Comptroller General's analysis shall consider whether the proposed active component end strengths and planned allocation of forces for that period will be sufficient to implement the national military strategy. In monitoring those plans, the Comptroller General shall determine the extent to which the Army will be able during that period—

(1) to man fully the combat force based on the projected active component Army end strength for each of fiscal years 1996 through 2001;

(2) to meet the support requirements for the force and strategy specified in the report of the Bottom-Up Review, including requirements for operations other than war; and

(3) to streamline further Army infrastructure in order to eliminate duplication and inefficiencies and replace active duty personnel in overhead positions, whenever practicable, with civilian or reserve personnel.

(b) ACCESS TO DOCUMENTS, ETC.—The Secretary of the Army shall ensure that the Comptroller General is provided access, on a timely basis and in accordance with the needs of the Comptroller General, to all analyses, models, memoranda, reports, and other documents prepared or used in connection with the requirements process of the Army known as Total Army Analysis 2003 and any subsequent similar requirements process of the Army that is conducted before 2002.

(c) ANNUAL REPORT.—Not later than March 1 of each year through 2002, the Comptroller General shall submit to Congress a report on the findings and conclusions of the Comptroller General under this section.

SEC. 553. REPORT ON MANNING STATUS OF HIGHLY DEPLOYABLE SUPPORT UNITS.

(a) REPORT.—Not later than September 30, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the units of the Armed Forces under the Secretary's jurisdiction—

(1) that (as determined by the Secretary of the military department concerned) are high-priority support units that would deploy early in a contingency operation or other crisis; and

(2) that are, as a matter of policy, managed at less than 100 percent of their authorized strengths.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report—

(1) the number of such high-priority support units (shown by type of unit) that are so managed;

(2) the level of manning within such high-priority support units; and

(3) with respect to each such unit, either the justification for manning of less than 100 percent or the status of corrective action.

SEC. 554. REVIEW OF SYSTEM FOR CORRECTION OF MILITARY RECORDS.

(a) REVIEW OF PROCEDURES.—The Secretary of Defense shall review the system and procedures for the correction of military records used by the Secretaries of the military departments in the exercise of authority under section 1552 of title 10, United States Code, in order to identify potential improvements that could be made in the process for correcting military records to ensure fairness, equity, and (consistent with appropriate service to applicants) maximum efficiency. The Secretary may not delegate responsibility for the review to an officer or official of a military department.

(b) ISSUES REVIEWED.—In conducting the review, the Secretary shall consider (with respect to each Board for the Correction of Military Records) the following:

(1) The composition of the board and of the support staff for the board.

(2) Timeliness of final action.

(3) Independence of deliberations by the civilian board.

(4) The authority of the Secretary of the military department concerned to modify the recommendations of the board.

(5) Burden of proof and other evidentiary standards.

(6) Alternative methods for correcting military records.

(7) Whether the board should be consolidated with the Discharge Review Board of the military department.

(c) REPORT.—Not later than April 1, 1996, the Secretary of Defense shall submit a report on the results of the Secretary's review under this section to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The report shall contain the recommendations of the Secretary for improving the process for correcting military records in order to achieve the objectives referred to in subsection (a).

SEC. 555. REPORT ON THE CONSISTENCY OF REPORTING OF FINGERPRINT CARDS AND FINAL DISPOSITION FORMS TO THE FEDERAL BUREAU OF INVESTIGATION.

(a) REPORT.—The Secretary of Defense shall submit to Congress a report on the consistency with which fingerprint cards and final disposition forms, as described in Criminal Investigations Policy Memorandum 10 issued by the Defense Inspector General on March 25, 1987, are reported by the Defense Criminal Investigative Organizations to the Federal Bureau of Investigation for inclusion in the Bureau's criminal history identification files. The report shall be prepared in consultation with the Director of the Federal Bureau of Investigation.

(b) MATTERS TO BE INCLUDED.—In the report, the Secretary shall—

(1) survey fingerprint cards and final disposition forms filled out in the past 24 months by each investigative organization;

(2) compare the fingerprint cards and final disposition forms filled out to all judicial and nonjudicial procedures initiated as a result of actions taken by each investigative service in the past 24 months;

(3) account for any discrepancies between the forms filled out and the judicial and nonjudicial procedures initiated;

(4) compare the fingerprint cards and final disposition forms filled out with the information held by the Federal Bureau of Investigation criminal history identification files;

(5) identify any weaknesses in the collection of fingerprint cards and final disposition forms and in the reporting of that information to the Federal Bureau of Investigation; and

(6) determine whether or not other law enforcement activities of the military services collect and report such information or, if not, should collect and report such information.

(c) SUBMISSION OF REPORT.—The report shall be submitted not later than one year after the date of the enactment of this Act.

(d) DEFINITION.—For the purposes of this section, the term "criminal history identification files", with respect to the Federal Bureau of Investigation, means the criminal history record system maintained by the Federal Bureau of Investigation based on fingerprint identification and any other method of positive identification.

Subtitle F—Other Matters

SEC. 561. EQUALIZATION OF ACCRUAL OF SERVICE CREDIT FOR OFFICERS AND ENLISTED MEMBERS.

(a) ENLISTED SERVICE CREDIT.—Section 972 of title 10, United States Code, is amended—

(1) by inserting "(a) ENLISTED MEMBERS REQUIRED TO MAKE UP TIME LOST.—" before "An enlisted member";

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) is confined by military or civilian authorities for more than one day in connection with a trial, whether before, during, or after the trial; or"; and

(3) by redesignating paragraph (5) as paragraph (4).

(b) OFFICER SERVICE CREDIT.—Such section is further amended by adding at the end the following:

"(b) OFFICERS NOT ALLOWED SERVICE CREDIT FOR TIME LOST.—In the case of an officer of an armed force who after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996—

"(1) deserts;

"(2) is absent from his organization, station, or duty for more than one day without proper authority, as determined by competent authority;

"(3) is confined by military or civilian authorities for more than one day in connection with a trial, whether before, during, or after the trial; or

"(4) is unable for more than one day, as determined by competent authority, to perform his duties because of intemperate use of drugs or alcoholic liquor, or because of disease or injury resulting from his misconduct;

the period of such desertion, absence, confinement, or inability to perform duties may not be counted in computing, for any purpose other than basic pay under section 205 of title 37, the officer's length of service.".

(c) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 972. Members: effect of time lost

(2) The item relating to section 972 in the table of sections at the beginning of chapter 49 of such title is amended to read as follows:

"972. Members: effect of time lost.".

(d) CONFORMING AMENDMENTS.—(1) Section 1405(c) is amended—

(A) by striking out "MADE UP.—Time" and inserting in lieu thereof "MADE UP OR EXCLUDED.—(1) Time";

(B) by striking out "section 972" and inserting in lieu thereof "section 972(a)";

(C) by inserting after "of this title" the following: ", or required to be made up by an enlisted member of the Navy, Marine Corps, or Coast Guard under that section with respect to a period of time after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995,"; and

(D) by adding at the end the following:

"(2) Section 972(b) of this title excludes from computation of an officer's years of service for purposes of this section any time identified with respect to that officer under that section.".

(2) Chapter 367 of such title is amended—

(A) in section 3925(b), by striking out "section 972" and inserting in lieu thereof "section 972(a)"; and

(B) by adding at the end of section 3926 the following new subsection:

"(e) Section 972(b) of this title excludes from computation of an officer's years of service for purposes of this section any time identified with respect to that officer under that section.".

(3)(A) Chapter 571 of such title is amended by inserting after section 6327 the following new section:

"§ 6328. Computation of years of service: voluntary retirement

"(a) ENLISTED MEMBERS.—Time required to be made up under section 972(a) of this title after the date of the enactment of this section may not be counted in computing years of service under this chapter.

"(b) OFFICERS.—Section 972(b) of this title excludes from computation of an officer's years of service for purposes of this chapter any time identified with respect to that officer under that section.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 6327 the following new item:

"6328. Computation of years of service: voluntary retirement.".

(4) Chapter 867 of such title is amended—

(A) in section 8925(b), by striking out "section 972" and inserting in lieu thereof "section 972(a)"; and

(B) by adding at the end of section 8926 the following new subsection:

"(d) Section 972(b) of this title excludes from computation of an officer's years of service for purposes of this section any time identified with respect to that officer under that section.".

(e) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to any period of time covered by section 972 of title 10, United States Code, that occurs after that date.

SEC. 562. ARMY RANGER TRAINING.

(a) IN GENERAL.—(1) Chapter 401 of title 10, United States Code, is amended by inserting after section 4302 the following new section:

"§ 4303. Army Ranger training: instructor staffing; safety

"(a) LEVELS OF PERSONNEL ASSIGNED.—(1) The Secretary of the Army shall ensure that at all times the number of officers, and the number of enlisted members, permanently assigned to the Ranger Training Brigade (or other organizational element of the Army primarily responsible for ranger student training) are not less than 90 percent of the required manning spaces for officers, and for enlisted members, respectively, for that brigade.

"(2) In this subsection, the term 'required manning spaces' means the number of personnel spaces for officers, and the number of personnel spaces for enlisted members, that are designated in Army authorization documents as the number required to accomplish the missions of a particular unit or organization.

"(b) TRAINING SAFETY CELLS.—(1) The Secretary of the Army shall establish and maintain an organizational entity known as a 'safety cell' as part of the organizational elements of the Army responsible for conducting each of the three major phases of the Ranger Course. The safety cell in each different geographic area of Ranger Course training shall be comprised of personnel who have sufficient continuity and experience in that geographic area of such training to be knowledgeable of the local conditions year-round, including conditions of terrain, weather, water, and climate and other conditions and the potential effect on those conditions on Ranger student training and safety.

"(2) Members of each safety cell shall be assigned in sufficient numbers to serve as advisers to the officers in charge of the major phase of Ranger training and shall assist those officers in making informed daily 'go' and 'no-go' decisions regarding training in light of all relevant conditions, including conditions of terrain, weather, water, and climate and other conditions.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4302 the following new item:

"4303. Army Ranger training: instructor staffing; safety.".

(b) ACCOMPLISHMENT OF REQUIRED MANNING LEVELS.—(1) If, as of the date of the enactment of this Act, the number of officers, and the number of enlisted members, permanently assigned to the Army Ranger Training Brigade are not each at (or above) the requirement specified in subsection (a) of section 4303 of title 10, United States Code, as added by subsection (a), the Secretary of the Army shall—

(A) take such steps as necessary to accomplish that requirement within 12 months after such date of enactment; and

(B) submit to Congress, not later than 90 days after such date of enactment, a plan to achieve and maintain that requirement.

(2) The requirement specified in subsection (a) of section 4303 of title 10, United States Code, as added by subsection (a), shall expire two years after the date (on or after the date of the enactment of this Act) on which the required manning levels referred to in paragraph (1) are first attained.

(c) GAO ASSESSMENT.—(1) Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report providing a preliminary assessment of the implementation and effectiveness of all corrective actions taken by the Army as a result of the February 1995 accident at the Florida Ranger Training Camp, including an evaluation of the implementation of the required manning levels established by subsection (a) of section 4303 of title 10, United States Code, as added by subsection (a).

(2) At the end of the two-year period specified in subsection (b)(2), the Comptroller General shall submit to Congress a report providing a final assessment of the matters covered in the preliminary report under paragraph (1). The report shall include the Comptroller General's recommendation as to the need to continue required statutory manning levels as specified in subsection (a) of section 4303 of title 10, United States Code, as added by subsection (a).

(d) SENSE OF CONGRESS.—In light of requirement that particularly dangerous training activities (such as Ranger training, Search, Evasion, Rescue, and Escape (SERE) training, SEAL training, and Airborne training) must be adequately manned and resourced to ensure safety and effective oversight, it is the sense of Congress—

(1) that the Secretary of Defense, in conjunction with the Secretaries of the military departments, should review and, if necessary, enhance oversight of all such training activities; and

(2) that organizations similar to the safety cells required to be established for Army Ranger training in section 4303 of title 10, United States Code, as added by subsection (a), should (when appropriate) be used for all such training activities.

SEC. 563. SEPARATION IN CASES INVOLVING EXTENDED CONFINEMENT.

(a) SEPARATION.—(1)(A) Chapter 59 of title 10, United States Code, is amended by inserting after section 1166 the following new section:

"§ 1167. Members under confinement by sentence of court-martial: separation after six months confinement

"Except as otherwise provided in regulations prescribed by the Secretary of Defense, a member sentenced by a court-martial to a period of confinement for more than six months may be separated from the member's armed force at any time after the sentence to confinement has become final under chapter 47 of this title and the person has served in confinement for a period of six months.".

(B) The table of sections at the beginning of chapter 59 of such title is amended by inserting after the item relating to section 1166 the following new item:

"1167. Members under confinement by sentence of court-martial: separation after six months confinement.".

(2)(A) Chapter 1221 of title 10, United States Code, is amended by adding at the end the following:

"§ 12687. Reserves under confinement by sentence of court-martial: separation after six months confinement

"Except as otherwise provided in regulations prescribed by the Secretary of Defense, a Reserve sentenced by a court-martial to a period of confinement for more than six months may be separated from that Reserve's armed force at any time after the sentence to confinement has become final under chapter 47 of this title and the Reserve has served in confinement for a period of six months.".

(B) The table of sections at the beginning of chapter 1221 of such title is amended by inserting at the end thereof the following new item:

"12687. Reserves under confinement by sentence of court-martial: separation after six months confinement.".

(b) DROP FROM ROLLS.—(1) Section 1161(b) of title 10, United States Code, is amended by striking out "or (2)" and inserting in lieu thereof "(2) who may be separated under section 1178 of this title by reason of a sentence to confinement adjudged by a court-martial, or (3)".

(2) Section 12684 of such title is amended—

(A) by striking out "or" at the end of paragraph (1);

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following new paragraph (2):

"(2) who may be separated under section 12687 of this title by reason of a sentence to confinement adjudged by a court-martial; or".

SEC. 564. LIMITATIONS ON REDUCTIONS IN MEDICAL PERSONNEL.

(a) IN GENERAL.—(1) Chapter 3 of title 10, United States Code, is amended by inserting after section 129b the following new section:

"§ 129c. Medical personnel: limitations on reductions

"(a) LIMITATION ON REDUCTION.—For any fiscal year, the Secretary of Defense may not make a reduction in the number of medical personnel of the Department of Defense described in subsection (b) unless the Secretary makes a certification for that fiscal year described in subsection (c).

"(b) COVERED REDUCTIONS.—Subsection (a) applies to a reduction in the number of medical personnel of the Department of Defense as of the end of a fiscal year to a number that is less than—

"(1) 95 percent of the number of such personnel at the end of the immediately preceding fiscal year; or

"(2) 90 percent of the number of such personnel at the end of the third fiscal year preceding the fiscal year.

"(c) CERTIFICATION.—A certification referred to in subsection (a) with respect to reductions in medical personnel of the Department of Defense for any fiscal year is a certification by the Secretary of Defense to Congress that—

"(1) the number of medical personnel being reduced is excess to the current and projected needs of the Department of Defense; and

"(2) such reduction will not result in an increase in the cost of health care services provided under the Civilian Health and Medical Program of the Uniformed Services under chapter 55 of this title.

"(d) POLICY FOR IMPLEMENTING REDUCTIONS.—Whenever the Secretary of Defense directs that there be a reduction in the total number of military medical personnel of the Department of Defense, the Secretary shall require that the reduction be carried out so as to ensure that the reduction is not exclusively or disproportionatly borne by any one of the armed forces and is not exclusively or disproportionatly borne by either the active or the reserve components.

"(e) DEFINITION.—In this section, the term 'medical personnel' means—

"(1) the members of the armed forces covered by the term 'medical personnel' as defined in section 115a(g)(2) of this title; and

"(2) the civilian personnel of the Department of Defense assigned to military medical facilities.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 129b the following new item:

"129c. Medical personnel: limitations on reductions.".

(b) SPECIAL TRANSITION RULE FOR FISCAL YEAR 1996.—For purposes of applying subsection (b)(1) of section 129c of title 10, United States Code, as added by subsection (a), during fiscal year 1996, the number against which the percentage limitation of 95 percent is computed shall be the number of medical personnel of the Department of Defense as of the end of fiscal year 1994 (rather than the number as of the end of fiscal year 1995).

(c) REPORT ON PLANNED REDUCTIONS.—(1) Not later than March 1, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan for the reduction of the number of medical personnel of the Department of Defense over the five-year period beginning on October 1, 1996.

(2) The Secretary shall prepare the plan through the Assistant Secretary of Defense having responsibility for health affairs, who shall consult in the preparation of the plan with the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Air Force.

(3) For purposes of this subsection, the term "medical personnel of the Department of Defense" shall have the meaning given the term "medical personnel" in section 129c(e) of title 10, United States Code, as added by subsection (a).

(d) REPEAL OF SUPERSEDED PROVISIONS OF LAW.—The following provisions of law are repealed:

(1) Section 711 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 115 note).

(2) Subsection (b) of section 718 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 10 U.S.C. 115 note).

(3) Section 518 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 10 U.S.C. 12001 note).

SEC. 565. SENSE OF CONGRESS CONCERNING PERSONNEL TEMPO RATES.

(a) FINDINGS.—Congress makes the following findings:

(1) Excessively high personnel tempo rates for members of the Armed Forces resulting from high-tempo unit operations degrades unit readiness and morale and eventually can be expected to adversely affect unit retention.

(2) The Armed Forces have begun to develop methods to measure and manage personnel tempo rates.

(3) The Armed Forces have attempted to reduce operations and personnel tempo for heavily tasked units by employing alternative capabilities and reducing tasking requirements.

(b) SENSE OF CONGRESS.—The Secretary of Defense should continue to enhance the knowledge within the Armed Forces of personnel tempo and to improve the techniques by which personnel tempo is defined and managed with a view toward establishing and achieving reasonable personnel tempo standards for all personnel, regardless of service, unit, or assignment.

SEC. 566. SEPARATION BENEFITS DURING FORCE REDUCTION FOR OFFICERS OF COMMISSIONED CORPS OF NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

(a) SEPARATION BENEFITS.—Subsection (a) of section 3 of the Act of August 10, 1956 (33 U.S.C. 857a), is amended by adding at the end the following new paragraph:

"(15) Section 1174a, special separation benefits (except that benefits under subsection (b)(2)(B) of such section are subject to the availability of appropriations for such purpose and are provided at the discretion of the Secretary of Commerce).".

(b) TECHNICAL CORRECTIONS.—Such section is further amended—

(1) by striking out "Coast and Geodetic Survey" in subsections (a) and (b) and inserting in lieu thereof "commissioned officer corps of the National Oceanic and Atmospheric Administration"; and

(2) in subsection (a), by striking out "including changes in those rules made after the effective date of this Act" in the matter preceding paragraph (1) and inserting in lieu thereof "as those provisions are in effect from time to time".

(c) TEMPORARY EARLY RETIREMENT AUTHORITY.—Section 4403 (other than subsection (f)) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2702; 10 U.S.C. 1293 note) shall apply to the commissioned officer corps of the National Oceanic and Atmospheric Administration in the same manner and to the same extent as that section applies to the Department of Defense. The Secretary of Commerce shall implement the provisions of that section with respect to such commissioned officer corps and shall apply the provisions of that section to the provisions of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 relating to the retirement of members of such commissioned officer corps.

(d) EFFECTIVE DATE.—This section shall apply only to members of the commissioned officer corps of the National Oceanic and Atmospheric Administration who are separated after September 30, 1995.

SEC. 567. DISCHARGE OF MEMBERS OF THE ARMED FORCES WHO HAVE THE HIV-1 VIRUS.

(a) IN GENERAL.—(1) Section 1177 of title 10, United States Code, is amended to read as follows:

"§ 1177. Members infected with HIV-1 virus: mandatory discharge or retirement

"(a) MANDATORY SEPARATION.—A member of the armed forces who is HIV-positive shall be separated. Such separation shall be made on a date determined by the Secretary concerned, which shall be as soon as practicable after the date on which the determination is made that the member is HIV-positive and not later than the last day of the sixth month beginning after such date.

"(b) FORM OF SEPARATION.—If a member to be separated under this section is eligible to retire under any provision of law or to be transferred to the Fleet Reserve or Fleet Marine Corps Reserve, the member shall be so retired or so transferred. Otherwise, the member shall be discharged. The characterization of the service of the member shall be determined without regard to the determination that the member is HIV-positive.

"(c) DEFERRAL OF SEPARATION FOR MEMBERS IN 18-YEAR RETIREMENT SANCTUARY.—In the case of a member to be discharged under this section who on the date on which the member is to be discharged is within two years of qualifying for retirement under any provision of law, or of qualifying for transfer to the Fleet Reserve or Fleet Marine Corps Reserve under section 6330 of this title, the member may, as determined by the Secretary concerned, be retained on active duty until the member is qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve, as the case may be, and then be so retired or transferred, unless the member is sooner retired or discharged under any other provision of law.

"(d) SEPARATION TO BE CONSIDERED INVOLUNTARY.—A separation under this section shall be considered to be an involuntary separation for purposes of any other provision of law.

"(e) ENTITLEMENT TO HEALTH CARE.—A member separated under this section shall be entitled to medical and dental care under chapter 55 of this title to the same extent and under the same conditions as a person who is entitled to such care under section 1074(b) of this title.

"(f) COUNSELING ABOUT AVAILABLE MEDICAL CARE.—A member to be separated under this section shall be provided information, in writing, before such separation of the available medical care (through the Department of Veterans Affairs and otherwise) to treat the member's condition. Such information shall include identification of specific medical locations near the member's home of record or point of discharge at which the member may seek necessary medical care.

"(g) HIV-POSITIVE MEMBERS.—A member shall be considered to be HIV-positive for purposes of this section if there is serologic evidence that the member is infected with the virus known as Human Immunodeficiency Virus-1 (HIV-1), the virus most commonly associated with the acquired immune deficiency syndrome (AIDS) in the United States. Such serologic evidence shall be considered to exist if there is a reactive result given by an enzyme-linked immunosorbent assay (ELISA) serologic test that is confirmed by a reactive and diagnostic immunoelectrophoresis test (Western blot) on two separate samples. Any such serologic test must be one that is approved by the Food and Drug Administration.".

(2) The item relating to such section in the table of sections at the beginning of chapter 59 of such title is amended to read as follows:

"1177. Members infected with HIV-1 virus: mandatory discharge or retirement.".

(b) EFFECTIVE DATE.—Section 1177 of title 10, United States Code, as amended by subsection (a), applies with respect to members of the Armed Forces determined to be HIV-positive before, on, or after the date of the enactment of this Act. In the case of a member of the Armed Forces determined to be HIV-positive before such date, the deadline for separation of the member under subsection (a) of such section, as so amended, shall be determined from the date of the enactment of this Act (rather than from the date of such determination).

SEC. 568. REVISION AND CODIFICATION OF MILITARY FAMILY ACT AND MILITARY CHILD CARE ACT.

(a) IN GENERAL.—(1) Subtitle A of title 10, United States Code, is amended by inserting after chapter 87 the following new chapter:

"CHAPTER 88—MILITARY FAMILY PROGRAMS AND MILITARY CHILD CARE

"Subchapter	Sec.
"I. Military Family Programs	1781
"II. Military Child Care	1791

"SUBCHAPTER I—MILITARY FAMILY PROGRAMS

"Sec.
"1781. Office of Family Policy.
"1782. Surveys of military families.
"1783. Family members serving on advisory committees.
"1784. Employment opportunities for military spouses.
"1785. Youth sponsorship program.
"1786. Dependent student travel within the United States.
"1787. Reporting of child abuse.

"§ 1781. Office of Family Policy

"(a) ESTABLISHMENT.—There is in the Office of the Secretary of Defense an Office of Family Policy (hereinafter in this section referred to as the 'Office'). The Office shall be under the Assistant Secretary of Defense for Force Management and Personnel.

"(b) DUTIES.—The Office—

"(1) shall coordinate programs and activities of the military departments to the extent that they relate to military families; and

"(2) shall make recommendations to the Secretaries of the military departments with respect to programs and policies regarding military families.

"(c) STAFF.—The Office shall have not less than five professional staff members.

"§ 1782. Surveys of military families

"(a) AUTHORITY.—The Secretary of Defense may conduct surveys of members of the armed forces on active duty or in an active status, members of the families of such members, and retired members of the armed forces to determine the effectiveness of Federal programs relating to military families and the need for new programs.

"(b) RESPONSES TO BE VOLUNTARY.—Responses to surveys conducted under this section shall be voluntary.

"(c) FEDERAL RECORDKEEPING REQUIREMENTS.—With respect to such surveys, family members of members of the armed forces and reserve and retired members of the armed forces shall be considered to be employees of the United States for purposes of section 3502(3)(A)(i) of title 44.

"§ 1783. Family members serving on advisory committees

"A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

"§ 1784. Employment opportunities for military spouses

"(a) AUTHORITY.—The President shall order such measures as the President considers necessary to increase employment opportunities for spouses of members of the armed forces. Such measures may include—

"(1) excepting, pursuant to section 3302 of title 5, from the competitive service positions in the Department of Defense located outside of the United States to provide employment opportunities for qualified spouses of members of the armed forces in the same geographical area as the permanent duty station of the members; and

"(2) providing preference in hiring for positions in nonappropriated fund activities to qualified spouses of members of the armed forces stationed in the same geographical area as the nonappropriated fund activity for positions in wage grade UA-8 and below and equivalent positions and for positions paid at hourly rates.

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations—

"(1) to implement such measures as the President orders under subsection (a);

"(2) to provide preference to qualified spouses of members of the armed forces in hiring for any civilian position in the Department of Defense if the spouse is among persons determined to be best qualified for the position and if the position is located in the same geographical area as the permanent duty station of the member;

"(3) to ensure that notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the armed forces whose permanent duty stations are in the same geographic area as the area in which the position is located; and

"(4) to ensure that the spouse of a member of the armed forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographic area as the permanent duty station of the member.

"(c) STATUS OF PREFERENCE ELIGIBLES.—Nothing in this section shall be construed to provide a spouse of a member of the armed forces with preference in hiring over an individual who is a preference eligible.

"§ 1785. Youth sponsorship program

"(a) REQUIREMENT.—The Secretary of Defense shall require that there be at each military installation a youth sponsorship program to facilitate the integration of dependent children of members of the armed forces into new surroundings when moving to that military installation as a result of a parent's permanent change of station.

"(b) DESCRIPTION OF PROGRAMS.—The program at each installation shall provide for involvement of dependent children of members presently stationed at the military installation and shall be directed primarily toward children in their preteen and teenage years.

"§ 1786. Dependent student travel within the United States

"Funds available to the Department of Defense for the travel and transportation of dependent students of members of the armed forces stationed overseas may be obligated for transportation allowances for travel within or between the contiguous States.

"§ 1787. Reporting of child abuse

"(a) IN GENERAL.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the armed forces (or the spouse of the member).

"(b) DEFINITION.—In this section, the term 'child abuse and neglect' has the meaning provided in section 3(1) of the Child Abuse

Prevention and Treatment Act (42 U.S.C. 5102).

"SUBCHAPTER II—MILITARY CHILD CARE

"Sec.

"1791. Funding for military child care.
"1792. Child care employees.
"1793. Parent fees.
"1794. Child abuse prevention and safety at facilities.
"1795. Parent partnerships with child development centers.
"1796. Subsidies for family home day care.
"1797. Early childhood education program.
"1798. Definitions.

"§ 1791. Funding for military child care

"It is the policy of Congress that the amount of appropriated funds available during a fiscal year for operating expenses for military child development centers and programs shall be not less than the amount of child care fee receipts that are estimated to be received by the Department of Defense during that fiscal year.

"§ 1792. Child care employees

"(a) REQUIRED TRAINING.—(1) The Secretary of Defense shall prescribe regulations implementing, a training program for child care employees. Those regulations shall apply uniformly among the military departments. Subject to paragraph (2), satisfactory completion of the training program shall be a condition of employment of any person as a child care employee.

"(2) Under those regulations, the Secretary shall require that each child care employee complete the training program not later than six months after the date on which the employee is employed as a child care employee.

"(3) The training program established under this subsection shall cover, at a minimum, training in the following:

"(A) Early childhood development.

"(B) Activities and disciplinary techniques appropriate to children of different ages.

"(C) Child abuse prevention and detection.

"(D) Cardiopulmonary resuscitation and other emergency medical procedures.

"(b) TRAINING AND CURRICULUM SPECIALISTS.—(1) The Secretary of Defense shall require that at least one employee at each military child development center be a specialist in training and curriculum development. The Secretary shall ensure that such employees have appropriate credentials and experience.

"(2) The duties of such employees shall include the following:

"(A) Special teaching activities at the center.

"(B) Daily oversight and instruction of other child care employees at the center.

"(C) Daily assistance in the preparation of lesson plans.

"(D) Assistance in the center's child abuse prevention and detection program.

"(E) Advising the director of the center on the performance of other child care employees.

"(3) Each employee referred to in paragraph (1) shall be an employee in a competitive service position.

"(c) COMPETITIVE RATES OF PAY.—For the purpose of providing military child development centers with a qualified and stable civilian workforce, employees at a military installation who are directly involved in providing child care and are paid from nonappropriated funds—

"(1) in the case of entry-level employees, shall be paid at rates of pay competitive with the rates of pay paid to other entry-level employees at that installation who are drawn from the same labor pool; and

"(2) in the case of other employees, shall be paid at rates of pay substantially equivalent to the rates of pay paid to other employees at that installation with similar training, seniority, and experience.

"(d) EMPLOYMENT PREFERENCE PROGRAM FOR MILITARY SPOUSES.—(1) The Secretary of Defense shall conduct a program under which qualified spouses of members of the armed forces shall be given a preference in hiring for the position of child care employee in a position paid from nonappropriated funds if the spouse is among persons determined to be best qualified for the position.

"(2) A spouse who is provided a preference under this subsection at a military child development center may not be precluded from obtaining another preference, in accordance with section 1794 of this title, in the same geographic area as the military child development center.

"(e) COMPETITIVE SERVICE POSITION DEFINED.—In this section, the term 'competitive service position' means a position in the competitive service, as defined in section 2102(a)(1) of title 5.

"§ 1793. Parent fees

"(a) IN GENERAL.—The Secretary of Defense shall prescribe regulations establishing fees to be charged parents for the attendance of children at military child development centers. Those regulations shall be uniform for the military departments and shall require that, in the case of children who attend the centers on a regular basis, the fees shall be based on family income.

"(b) LOCAL WAIVER AUTHORITY.—The Secretary of Defense may provide authority to installation commanders, on a case-by-case basis, to establish fees for attendance of children at child development centers at rates lower than those prescribed under subsection (a) if the rates prescribed under subsection (a) are not competitive with rates at local non-military child development centers.

"§ 1794. Child abuse prevention and safety at facilities

"(a) CHILD ABUSE TASK FORCE.—The Secretary of Defense shall maintain a special task force to respond to allegations of widespread child abuse at a military installation. The task force shall be composed of personnel from appropriate disciplines, including, where appropriate, medicine, psychology, and childhood development. In the case of such allegations, the task force shall provide assistance to the commander of the installation, and to parents at the installation, in helping them to deal with such allegations.

"(b) NATIONAL HOTLINE.—(1) The Secretary of Defense shall maintain a national telephone number for persons to use to report suspected child abuse or safety violations at a military child development center or family home day care site. The Secretary shall ensure that such reports may be made anonymously if so desired by the person making the report. The Secretary shall establish procedures for following up on complaints and information received over that number.

"(2) The Secretary shall publicize the existence of the number.

"(c) ASSISTANCE FROM LOCAL AUTHORITIES.—The Secretary of Defense shall prescribe regulations requiring that, in a case of allegations of child abuse at a military child development center or family home day care site, the commander of the military installation or the head of the task force established under subsection (a) shall seek the assistance of local child protective authorities if such assistance is available.

"(d) SAFETY REGULATIONS.—The Secretary of Defense shall prescribe regulations on safety and operating procedures at military child development centers. Those regulations shall apply uniformly among the military departments.

"(e) INSPECTIONS.—The Secretary of Defense shall require that each military child development center be inspected not less often than four times a year. Each such inspection shall be unannounced. At least one inspection a year shall be carried out by a representative of the installation served by the center, and one inspection a year shall be carried out by a representative of the major command under which that installation operates.

"(f) REMEDIES FOR VIOLATIONS.—(1) Except as provided in paragraph (2), any violation of a safety, health, or child welfare law or regulation (discovered at an inspection or otherwise) at a military child development center shall be remedied immediately.

"(2) In the case of a violation that is not life threatening, the commander of the major command under which the installation concerned operates may waive the requirement that the violation be remedied immediately for a period of up to 90 days beginning on the date of the discovery of the violation. If the violation is not remedied as of the end of that 90-day period, the military child development center shall be closed until the violation is remedied. The Secretary of the military department concerned may waive the preceding sentence and authorize the center to remain open in a case in which the violation cannot reasonably be remedied within that 90-day period or in which major facility reconstruction is required.

"§ 1795. Parent partnerships with child development centers

"(a) PARENT BOARDS.—The Secretary of Defense shall require that there be established at each military child development center a board of parents, to be composed of parents of children attending the center. The board shall meet periodically with staff of the center and the commander of the installation served by the center for the purpose of discussing problems and concerns. The board, together with the staff of the center, shall be responsible for coordinating the parent participation program described in subsection (b).

"(b) PARENT PARTICIPATION PROGRAMS.—The Secretary of Defense shall require the establishment of a parent participation program at each military child development center. As part of such program, the Secretary of Defense may establish fees for attendance of children at such a center, in the case of parents who participate in the parent participation program at that center, at rates lower than the rates that otherwise apply.

"§ 1796. Subsidies for family home day care

"The Secretary of Defense may use appropriated funds available for military child care purposes to provide assistance to family home day care providers so that family home day care services can be provided to members of the armed forces at a cost comparable to the cost of services provided by military child development centers. The Secretary shall prescribe regulations for the provision of such assistance.

"§ 1797. Early childhood education program

"The Secretary of Defense shall require that all military child development centers meet standards of operation necessary for accreditation by an appropriate national early childhood programs accrediting body.

"§1798. Definitions

"In this subchapter:

"(1) The term 'military child development center' means a facility on a military installation (or on property under the jurisdiction of the commander of a military installation) at which child care services are provided for members of the armed forces or any other facility at which such child care services are provided that is operated by the Secretary of a military department.

"(2) The term 'family home day care' means home-based child care services that are provided for members of the armed forces by an individual who (A) is certified by the Secretary of the military department concerned as qualified to provide those services, and (B) provides those services on a regular basis for compensation.

"(3) The term 'child care employee' means a civilian employee of the Department of Defense who is employed to work in a military child development center (regardless of whether the employee is paid from appropriated funds or nonappropriated funds).

"(4) The term 'child care fee receipts' means those nonappropriated funds that are derived from fees paid by members of the armed forces for child care services provided at military child development centers.".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of title 10, United States Code, are amended by inserting after the item relating to chapter 87 the following new item:

"88. Military Family Programs and Military Child Care .... 1781".

(b) REPORT ON FIVE-YEAR DEMAND FOR CHILD CARE.—(1) Not later than the date of the submission of the budget for fiscal year 1997 pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a report on the expected demand for child care by military and civilian personnel of the Department of Defense during fiscal years 1997 through 2001.

(2) The report shall include—

(A) a plan for meeting the expected child care demand identified in the report; and

(B) an estimate of the cost of implementing that plan.

(3) The report shall also include a description of methods for monitoring family home day care programs of the military departments.

(c) PLAN FOR IMPLEMENTATION OF ACCREDITATION REQUIREMENT.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan for carrying out the requirements of section 1787 of title 10, United States Code, as added by subsection (a). The plan shall be submitted not later than April 1, 1997.

(d) CONTINUATION OF DELEGATION OF AUTHORITY WITH RESPECT TO HIRING PREFERENCE FOR QUALIFIED MILITARY SPOUSES.—The provisions of Executive Order No. 12568, issued October 2, 1986 (10 U.S.C. 113 note), shall apply as if the reference in that Executive order to section 806(a)(2) of the Department of Defense Authorization Act of 1986 refers to section 1784 of title 10, United States Code, as added by subsection (a).

(e) REPEALER.—The following provisions of law are repealed:

(1) The Military Family Act of 1985 (title VIII of Public Law 99–145; 10 U.S.C. 113 note).

(2) The Military Child Care Act of 1989 (title XV of Public Law 101–189; 10 U.S.C. 113 note).

SEC. 569. DETERMINATION OF WHEREABOUTS AND STATUS OF MISSING PERSONS.

(a) PURPOSE.—The purpose of this section is to ensure that any member of the Armed Forces (and any Department of Defense civilian employee or contractor employee who serves with or accompanies the Armed Forces in the field under orders) who becomes missing or unaccounted for is ultimately accounted for by the United States and, as a general rule, is not declared dead solely because of the passage of time.

(b) IN GENERAL.—(1) Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 75 the following new chapter:

"CHAPTER 76—MISSING PERSONS

"Sec.

"1501. System for accounting for missing persons.

"1502. Missing persons: initial report.

"1503. Actions of Secretary concerned; initial board inquiry.

"1504. Subsequent board of inquiry.

"1505. Further review.

"1506. Personnel files.

"1507. Recommendation of status of death.

"1508. Judicial review.

"1509. Preenactment, special interest cases.

"1510. Applicability to Coast Guard.

"1511. Return alive of person declared missing or dead.

"1512. Effect on State law.

"1513. Definitions.

"§1501. System for accounting for missing persons

"(a) OFFICE FOR MISSING PERSONNEL.—(1) The Secretary of Defense shall establish within the Office of the Secretary of Defense an office to have responsibility for Department of Defense policy relating to missing persons. Subject to the authority, direction, and control of the Secretary of Defense, the responsibilities of the office shall include—

"(A) policy, control, and oversight within the Department of Defense of the entire process for investigation and recovery related to missing persons (including matters related to search, rescue, escape, and evasion); and

"(B) coordination for the Department of Defense with other departments and agencies of the United States on all matters concerning missing persons.

"(2) In carrying out the responsibilities of the office established under this subsection, the head of the office shall be responsible for the coordination for such purposes within the Department of Defense among the military departments, the Joint Staff, and the commanders of the combatant commands.

"(3) The office shall establish policies, which shall apply uniformly throughout the Department of Defense, for personnel recovery (including search, rescue, escape, and evasion).

"(4) The office shall establish procedures to be followed by Department of Defense boards of inquiry, and by officials reviewing the reports of such boards, under this chapter.

"(b) UNIFORM DOD PROCEDURES.—(1) The Secretary of Defense shall prescribe procedures, to apply uniformly throughout the Department of Defense, for—

"(A) the determination of the status of persons described in subsection (c); and

"(B) for the systematic, comprehensive, and timely collection, analysis, review, dissemination, and periodic update of information related to such persons.

"(2) Such procedures may provide for the delegation by the Secretary of Defense of any responsibility of the Secretary under this chapter to the Secretary of a military department.

"(3) Such procedures shall be prescribed in a single directive applicable to all elements of the Department of Defense.

"(4) As part of such procedures, the Secretary may provide for the extension, on a case-by-case basis, of any time limit specified in section 1502, 1503, or 1504 of this title. Any such extension may not be for a period in excess of the period with respect to which the extension is provided. Subsequent extensions may be provided on the same basis.

"(c) COVERED PERSONS.—Section 1502 of this title applies in the case of the following persons:

"(1) Any member of the armed forces on active duty who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.

"(2) Any civilian employee of the Department of Defense, and any employee of a contractor of the Department of Defense, who serves with or accompanies the armed forces in the field under orders who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.

"(d) PRIMARY NEXT OF KIN.—The individual who is primary next of kin of any person prescribed in subsection (c) may for purposes of this chapter designate another individual to act on behalf of that individual as primary next of kin. The Secretary concerned shall treat an individual so designated as if the individual designated were the primary next of kin for purposes of this chapter. A designation under this subsection may be revoked at any time by the person who made the designation.

"(e) TERMINATION OF APPLICABILITY OF PROCEDURES WHEN MISSING PERSON IS ACCOUNTED FOR.—The provisions of this chapter relating to boards of inquiry and to the actions by the Secretary concerned on the reports of those boards shall cease to apply in the case of a missing person upon the person becoming accounted for or otherwise being determined to be in a status other than missing.

"(f) SECRETARY CONCERNED.—In this chapter, the term 'Secretary concerned' includes, in the case of a civilian employee of the Department of Defense or contractor of the Department of Defense, the Secretary of the military department or head of the element of the Department of Defense employing the employee or contracting with the contractor, as the case may be.

"§1502. Missing persons: initial report

"(a) PRELIMINARY ASSESSMENT AND RECOMMENDATION BY COMMANDER.—After receiving information that the whereabouts and status of a person described in section 1501(c) of this title is uncertain and that the absence of the person may be involuntary, the commander of the unit, facility, or area to or in which the person is assigned shall make a preliminary assessment of the circumstances. If, as a result of that assessment, the commander concludes that the person is missing, the commander shall—

"(1) recommend that the person be placed in a missing status; and

"(2) not later than 48 hours after receiving such information, transmit a report containing that recommendation to the theater component commander with jurisdiction over the missing person in accordance with procedures prescribed under section 1501(b) of this title.

"(b) TRANSMISSION THROUGH THEATER COMPONENT COMMANDER.—Upon reviewing a report under subsection (a) recommending that a person be placed in a missing status, the theater component commander shall ensure that all necessary actions are being taken, and all appropriate assets are being used, to resolve the status of the missing person. Not later than 14 days after receiving the report, the theater component commander shall forward the report to the Secretary of Defense or the Secretary concerned in accordance with procedures prescribed under section 1501(b) of this title. The theater component commander shall include with such report a certification that all necessary actions are being taken, and all appropriate assets are being used, to resolve the status of the missing person.

"(c) SAFEGUARDING AND FORWARDING OF RECORDS.—A commander making a preliminary assessment under subsection (a) with respect to a missing person shall (in accordance with procedures prescribed under section 1501 of this title) safeguard and forward for official use any information relating to the whereabouts and status of the missing person that results from the preliminary assessment or from actions taken to locate the person. The theater component commander through whom the report with respect to the missing person is transmitted under subsection (b) shall ensure that all pertinent information relating to the whereabouts and status of the missing person that results from the preliminary assessment or from actions taken to locate the person is properly safeguarded to avoid loss, damage, or modification.

"§ 1503. Actions of Secretary concerned; initial board inquiry

"(a) DETERMINATION BY SECRETARY.—Upon receiving a recommendation under section 1502(b) of this title that a person be placed in a missing status, the Secretary receiving the recommendation shall review the recommendation and, not later than 10 days after receiving such recommendation, shall appoint a board under this section to conduct an inquiry into the whereabouts and status of the person.

"(b) INQUIRIES INVOLVING MORE THAN ONE MISSING PERSON.—If it appears to the Secretary who appoints a board under this section that the absence or missing status of two or more persons is factually related, the Secretary may appoint a single board under this section to conduct the inquiry into the whereabouts and status of all such persons.

"(c) COMPOSITION.—(1) A board appointed under this section to inquire into the whereabouts and status of a person shall consist of at least one individual described in paragraph (2) who has experience with and understanding of military operations or activities similar to the operation or activity in which the person disappeared.

"(2) An individual referred to in paragraph (1) is the following:

"(A) A military officer, in the case of an inquiry with respect to a member of the armed forces.

"(B) A civilian, in the case of an inquiry with respect to a civilian employee of the Department of Defense or of a contractor of the Department of Defense.

"(3) An individual may be appointed as a member of a board under this section only if the individual has a security clearance that affords the individual access to all information relating to the whereabouts and status of the missing persons covered by the inquiry.

"(4) A Secretary appointing a board under this subsection shall, for purposes of providing legal counsel to the board, assign to the board a judge advocate, or appoint to the board an attorney, who has expertise in the law relating to missing persons, the determination of death of such persons, and the rights of family members and dependents of such persons.

"(d) DUTIES OF BOARD.—A board appointed to conduct an inquiry into the whereabouts and status of a missing person under this section shall—

"(1) collect, develop, and investigate all facts and evidence relating to the disappearance or whereabouts and status of the person;

"(2) collect appropriate documentation of the facts and evidence covered by the board's investigation;

"(3) analyze the facts and evidence, make findings based on that analysis, and draw conclusions as to the current whereabouts and status of the person; and

"(4) with respect to each person covered by the inquiry, recommend to the Secretary who appointed the board that—

"(A) the person be placed in a missing status; or

"(B) the person be declared to have deserted, to be absent without leave, or (subject to the requirements of section 1507 of this title) to be dead.

"(e) BOARD PROCEEDINGS.—During the proceedings of an inquiry under this section, a board shall—

"(1) collect, record, and safeguard all facts, documents, statements, photographs, tapes, messages, maps, sketches, reports, and other information (whether classified or unclassified) relating to the whereabouts and status of each person covered by the inquiry;

"(2) gather information relating to actions taken to find the person, including any evidence of the whereabouts and status of the person arising from such actions; and

"(3) maintain a record of its proceedings.

"(f) COUNSEL FOR MISSING PERSON.—(1) The Secretary appointing a board to conduct an inquiry under this section shall appoint counsel to represent each person covered by the inquiry or, in a case covered by subsection (b), one counsel to represent all persons covered by the inquiry. Counsel appointed under this paragraph may be referred to as 'missing person's counsel' and represents the interests of the person covered by the inquiry (and not any member of the person's family or other interested parties).

"(2) To be appointed as a missing person's counsel, a person must—

"(A) have the qualifications specified in section 827(b) of this title (article 27(b) of the Uniform Code of Military Justice) for trial counsel or defense counsel detailed for a general court-martial;

"(B) have a security clearance that affords the counsel access to all information relating to the whereabouts and status of the person or persons covered by the inquiry; and

"(C) have expertise in the law relating to missing persons, the determination of the death of such persons, and the rights of family members and dependents of such persons.

"(3) A missing person's counsel—

"(A) shall have access to all facts and evidence considered by the board during the proceedings under the inquiry for which the counsel is appointed;

"(B) shall observe all official activities of the board during such proceedings;

"(C) may question witnesses before the board; and

"(D) shall monitor the deliberations of the board.

"(4) A missing person's counsel shall assist the board in ensuring that all appropriate information concerning the case is collected, logged, filed, and safeguarded.

"(5) A missing person's counsel shall review the report of the board under subsection (h) and submit to the Secretary concerned who appointed the board an independent review of that report. That review shall be made an official part of the record of the board.

"(g) ACCESS TO PROCEEDINGS.—The proceedings of a board during an inquiry under this section shall be closed to the public (including, with respect to the person covered by the inquiry, the primary next of kin, other members of the immediate family, and any other previously designated person of the person).

"(h) REPORT.—(1) A board appointed under this section shall submit to the Secretary who appointed the board a report on the inquiry carried out by the board. The report shall include—

"(A) a discussion of the facts and evidence considered by the board in the inquiry;

"(B) the recommendation of the board under subsection (d) with respect to each person covered by the report; and

"(C) disclosure of whether classified documents and information were reviewed by the board or were otherwise used by the board in forming recommendations under subparagraph (B).

"(2) A board shall submit a report under this subsection with respect to the inquiry carried out by the board not later than 30 days after the date of the appointment of the board to carry out the inquiry. The report may include a classified annex.

"(3) The Secretary of Defense shall prescribe procedures for the release of a report submitted under this subsection with respect to a missing person. Such procedures shall provide that the report may not be made public (except as provided for in subsection (j)) until one year after the date on which the report is submitted.

"(i) DETERMINATION BY SECRETARY.—(1) Not later than 30 days after receiving a report from a board under subsection (h), the Secretary receiving the report shall review the report.

"(2) In reviewing a report under paragraph (1), the Secretary shall determine whether or not the report is complete and free of administrative error. If the Secretary determines that the report is incomplete, or that the report is not free of administrative error, the Secretary may return the report to the board for further action on the report by the board.

"(3) Upon a determination by the Secretary that a report reviewed under this subsection is complete and free of administrative error, the Secretary shall make a determination concerning the status of each person covered by the report, including whether the person shall—

"(A) be declared to be missing;

"(B) be declared to have deserted;

"(C) be declared to be absent without leave; or

"(D) be declared to be dead.

"(j) REPORT TO FAMILY MEMBERS AND OTHER INTERESTED PERSONS.—Not later than 30 days after the date on which the Secretary concerned makes a determination of the status of a person under subsection (i), the Secretary shall take reasonable actions to—

"(1) provide to the primary next of kin, the other members of the immediate family, and any other previously designated person of the person—

"(A) an unclassified summary of the unit commander's report with respect to the person under section 1502(a) of this title; and

"(B) the report of the board (including the names of the members of the board) under subsection (h); and

"(2) inform each individual referred to in paragraph (1) that the United States will conduct a subsequent inquiry into the whereabouts and status of the person on or about one year after the date of the first official notice of the disappearance of the person, unless information becomes available sooner that may result in a change in status of the person.

"(k) TREATMENT OF DETERMINATION.—Any determination of the status of a missing person under subsection (i) shall be treated as the determination of the status of the person by all departments and agencies of the United States.

"§ 1504. Subsequent board of inquiry

"(a) ADDITIONAL BOARD.—If information that may result in a change of status of a person covered by a determination under section 1503(i) of this title becomes available within one year after the date of the transmission of a report with respect to the person under section 1502(a)(2) of this title, the Secretary concerned shall appoint a board under this section to conduct an inquiry into the information.

"(b) DATE OF APPOINTMENT.—The Secretary concerned shall appoint a board under this section to conduct an inquiry into the whereabouts and status of a missing person on or about one year after the date of the transmission of a report concerning the person under section 1502(a)(2) of this title.

"(c) COMBINED INQUIRIES.—If it appears to the Secretary concerned that the absence or status of two or more persons is factually related, the Secretary may appoint one board under this section to conduct the inquiry into the whereabouts and status of such persons.

"(d) COMPOSITION.—(1) A board appointed under this section shall be composed of at least three members as follows:

"(A) In the case of a board that will inquire into the whereabouts and status of one or more members of the armed forces (and no civilians described in subparagraph (B)), the board shall be composed of officers having the grade of major or lieutenant commander or above.

"(B) In the case of a board that will inquire into the whereabouts and status of one or more civilian employees of the Department of Defense or contractors of the Department of Defense (and no members of the armed forces), the board shall be composed of—

"(i) not less than three employees of the Department of Defense whose rate of annual pay is equal to or greater than the rate of annual pay payable for grade GS–13 of the General Schedule under section 5332 of title 5; and

"(ii) such members of the armed forces as the Secretary considers advisable.

"(C) In the case of a board that will inquire into the whereabouts and status of both one or more members of the armed forces and one or more civilians described in subparagraph (B)—

"(i) the board shall include at least one officer described in subparagraph (A) and at least one employee of the Department of Defense described in subparagraph (B)(i); and

"(ii) the ratio of such officers to such employees on the board shall be roughly proportional to the ratio of the number of members of the armed forces who are subjects of the board's inquiry to the number of civilians who are subjects of the board's inquiry.

"(2) The Secretary concerned shall designate one member of a board appointed under this section as president of the board. The president of the board shall have a security clearance that affords the president access to all information relating to the whereabouts and status of each person covered by the inquiry.

"(3) One member of each board appointed under this subsection shall be an individual who—

"(A) has an occupational specialty similar to that of one or more of the persons covered by the inquiry; and

"(B) has an understanding of and expertise in the type of official activities that one or more such persons were engaged in at the time such person or persons disappeared.

"(4) The Secretary who appoints a board under this subsection shall, for purposes of providing legal counsel to the board, assign to the board a judge advocate, or appoint to the board an attorney, with the same qualifications as specified in section 1503(c)(4) of this title.

"(e) DUTIES OF BOARD.—A board appointed under this section to conduct an inquiry into the whereabouts and status of a person shall—

"(1) review the reports with respect to the person transmitted under section 1502(a)(2) of this title and submitted under section 1503(h) of this title;

"(2) collect and evaluate any document, fact, or other evidence with respect to the whereabouts and status of the person that has become available since the determination of the status of the person under section 1503 of this title;

"(3) draw conclusions as to the whereabouts and status of the person;

"(4) determine on the basis of the activities under paragraphs (1) and (2) whether the status of the person should be continued or changed; and

"(5) submit to the Secretary concerned a report describing the findings and conclusions of the board, together with a recommendation for a determination by the Secretary concerning the whereabouts and status of the person.

"(f) COUNSEL FOR MISSING PERSONS.—(1) When the Secretary concerned appoints a board to conduct an inquiry under this section, the Secretary shall appoint counsel to represent each person covered by the inquiry.

"(2) A person appointed as counsel under this subsection shall meet the qualifications and have the duties set forth in section 1503(f) of this title for a missing person's counsel appointed under that section.

"(3) The review of the report of a board on an inquiry that is submitted by such counsel shall be made an official part of the record of the board with respect to the inquiry.

"(g) ATTENDANCE OF FAMILY MEMBERS AND CERTAIN OTHER INTERESTED PERSONS AT PROCEEDINGS.—(1) With respect to any person covered by an inquiry under this section, the primary next of kin, other members of the immediate family, and any other previously designated person of the person may attend the proceedings of the board during the inquiry.

"(2) The Secretary concerned shall take reasonable actions to notify each individual referred to in paragraph (1) of the opportunity to attend the proceedings of a board. Such notice shall be provided not less than 60 days before the first meeting of the board.

"(3) An individual who receives notice under paragraph (2) shall notify the Secretary of the intent, if any, of that individual to attend the proceedings of the board not later than 21 days after the date on which the individual receives the notice.

"(4) Each individual who notifies the Secretary under paragraph (3) of the individual's intent to attend the proceedings of the board—

"(A) in the case of an individual who is the primary next of kin or the previously designated person, may attend the proceedings of the board with private counsel;

"(B) shall have access to the personnel file of the missing person, to unclassified reports, if any, of the board appointed under section 1503 of this title to conduct the inquiry into the whereabouts and status of the person, and to any other unclassified information or documents relating to the whereabouts and status of the person;

"(C) shall be afforded the opportunity to present information at the proceedings of the board that such individual considers to be relevant to those proceedings; and

"(D) subject to paragraph (5), shall be given the opportunity to submit in writing an objection to any recommendation of the board under subsection (i) as to the status of the missing person.

"(5)(A) Individuals who wish to file objections under paragraph (4)(D) to any recommendation of the board shall—

"(i) submit a letter of intent to the president of the board not later than 15 days after the date on which the recommendations are made; and

"(ii) submit to the president of the board the objections in writing not later than 30 days after the date on which the recommendations are made.

"(B) The president of a board shall include any objections to a recommendation of the board that are submitted to the president of the board under subparagraph (A) in the report of the board containing the recommendation under subsection (i).

"(6) An individual referred to in paragraph (1) who attends the proceedings of a board under this subsection shall not be entitled to reimbursement by the United States for any costs (including travel, lodging, meals, local transportation, legal fees, transcription costs, witness expenses, and other expenses) incurred by that individual in attending such proceedings.

"(h) AVAILABILITY OF INFORMATION TO BOARDS.—(1) In conducting proceedings in an inquiry under this section, a board may secure directly from any department or agency of the United States any information that the board considers necessary in order to conduct the proceedings.

"(2) Upon written request from the president of a board, the head of a department or agency of the United States shall release information covered by the request to the board. In releasing such information, the head of the department or agency shall—

"(A) declassify to an appropriate degree classified information; or

"(B) release the information in a manner not requiring the removal of markings indicating the classified nature of the information.

"(3)(A) If a request for information under paragraph (2) covers classified information that cannot be declassified, or if the classification markings cannot be removed before release from the information covered by the request, or if the material cannot be summarized in a manner that prevents the release of classified information, the classified information shall be made available only to the president of the board making the request and the counsel for the missing person appointed under subsection (f).

"(B) The president of a board shall close to persons who do not have appropriate security clearances the proceeding of the board at which classified information is discussed. Participants at a proceeding of a board at which classified information is discussed shall comply with all applicable laws and regulations relating to the disclosure of classified information. The Secretary concerned shall assist the president of a board in ensuring that classified information is not compromised through board proceedings.

"(i) RECOMMENDATION ON STATUS.—(1) Upon completion of an inquiry under this subsection, a board shall make a recommendation as to the current whereabouts and status of each missing person covered by the inquiry.

"(2) A board may not recommend under paragraph (1) that a person be declared dead unless in making the recommendation the board complies with section 1507 of this title.

"(j) REPORT.—A board appointed under this section shall submit to the Secretary concerned a report on the inquiry carried out by the board, together with the evidence considered by the board during the inquiry. The report may include a classified annex.

"(k) ACTIONS BY SECRETARY CONCERNED.—(1) Not later than 30 days after the receipt of a report from a board under subsection (j), the Secretary shall review—

"(A) the report;

"(B) the review of the report submitted to the Secretary under subsection (f)(3) by the counsel for each person covered by the report; and

"(C) the objections, if any, to the report submitted to the president of the board under subsection (g)(5).

"(2) In reviewing a report under paragraph (1) (including the objections described in subparagraph (C) of that paragraph), the Secretary concerned shall determine whether or not the report is complete and free of administrative error. If the Secretary determines that the report is incomplete, or that the report is not free of administrative error, the Secretary may return the report to the board for further action on the report by the board.

"(3) Upon a determination by the Secretary that a report reviewed under this subsection is complete and free of administrative error, the Secretary shall make a determination concerning the status of each person covered by the report.

"(l) REPORT TO FAMILY MEMBERS AND OTHER INTERESTED PERSONS.—Not later than 60 days after the date on which the Secretary concerned makes a determination with respect to a missing person under subsection (k), the Secretary shall—

"(1) provide the report reviewed by the Secretary in making the determination to the primary next of kin, the other members of the immediate family, and any other previously designated person of the person; and

"(2) in the case of a person who continues to be in a missing status, inform each individual referred to in paragraph (1) that the United States will conduct a further investigation into the whereabouts and status of the person as specified in section 1505 of this title.

"(m) TREATMENT OF DETERMINATION.—Any determination of the status of a missing person under subsection (k) shall supersede the determination of the status of the person under section 1503 of this title and shall be treated as the determination of the status of the person by all departments and agencies of the United States.

"§ 1505. Further review

"(a) SUBSEQUENT REVIEW.—The Secretary concerned shall conduct subsequent inquiries into the whereabouts and status of any person determined by the Secretary under section 1504 of this title to be in a missing status.

"(b) FREQUENCY OF SUBSEQUENT REVIEWS.—(1) In the case of a missing person who was last known to be alive or who was last suspected of being alive, the Secretary shall appoint a board to conduct an inquiry with respect to a person under this subsection—

"(A) on or about three years after the date of the initial report of the disappearance of the person under section 1502(a) of this title; and

"(B) not later than every three years thereafter.

"(2) In addition to appointment of boards under paragraph (1), the Secretary shall appoint a board to conduct an inquiry with respect to a missing person under this subsection upon receipt of information that could result in a change of status of the missing person. When the Secretary appoints a board under this paragraph, the time for subsequent appointments of a board under paragraph (1)(B) shall be determined from the date of the receipt of such information.

"(3) The Secretary is not required to appoint a board under paragraph (1) with respect to the disappearance of any person—

"(A) more than 30 years after the initial report of the disappearance of the missing person required by section 1502 of this title; or

"(B) if, before the end of such 30-year period, the missing person is accounted for.

"(c) ACTION UPON DISCOVERY OR RECEIPT OF INFORMATION.—(1) Whenever any United States intelligence agency or other element of the Government finds or receives information that may be related to a missing person, the information shall promptly be forwarded to the office established under section 1501 of this title.

"(2) Upon receipt of information under paragraph (1), the head of the office established under section 1501 of this title shall as expeditiously as possible ensure that the information is added to the appropriate case file for that missing person and notify (A) the designated missing person's counsel for that person, and (B) the primary next of kin and any previously designated person for the missing person of the existence of that information.

"(3) The head of the office established under section 1501 of this title, with the advice of the missing person's counsel notified under paragraph (2), shall determine whether the information is significant enough to require a board review under this section.

"(d) CONDUCT OF PROCEEDINGS.—If it is determined that such a board should be appointed, the appointment of, and activities before, a board appointed under this section shall be governed by the provisions of section 1504 of this title with respect to a board appointed under that section.

"§ 1506. Personnel files

"(a) INFORMATION IN FILES.—Except as provided in subsections (b), (c), and (d), the Secretary concerned shall, to the maximum extent practicable, ensure that the personnel file of a missing person contains all information in the possession of the United States relating to the disappearance and whereabouts and status of the person.

"(b) CLASSIFIED INFORMATION.—The Secretary concerned may withhold classified information from a personnel file under this section. If the Secretary concerned withholds classified information from a personnel file, the Secretary shall ensure that the file contains the following:

"(1) A notice that the withheld information exists.

"(2) A notice of the date of the most recent review of the classification of the withheld information.

"(c) PROTECTION OF PRIVACY.—The Secretary concerned shall maintain personnel files under this section, and shall permit disclosure of or access to such files, in accordance with the provisions of section 552a of title 5 and with other applicable laws and regulations pertaining to the privacy of the persons covered by the files.

"(d) PRIVILEGED INFORMATION.—(1) The Secretary concerned shall withhold from personnel files under this section, as privileged information, debriefing reports provided by missing persons returned to United States control which are obtained under a promise of confidentiality made for the purpose of ensuring the fullest possible disclosure of information.

"(2) If a debriefing report contains non-derogatory information about the status and whereabouts of a missing person other than the source of the debriefing report, the Secretary concerned shall prepare an extract of the non-derogatory information. That extract, following a review by the source of the debriefing report, shall be placed in the personnel file of the missing person in such a manner as to protect the identity of the source providing the information.

"(3) Whenever the Secretary concerned withholds a debriefing report from a personnel file under this subsection, the Secretary shall ensure that the file contains a notice that withheld information exists.

"(e) WRONGFUL WITHHOLDING.—Except as provided in subsections (a) through (d), any person who knowingly and willfully withholds from the personnel file of a missing person any information relating to the disappearance or whereabouts and status of a missing person shall be fined as provided in title 18 or imprisoned not more than one year, or both.

"(f) AVAILABILITY OF INFORMATION.—The Secretary concerned shall, upon request, make available the contents of the personnel file of a missing person to the primary next of kin, the other members of the immediate family, or any other previously designated person of the person.

"§ 1507. Recommendation of status of death

"(a) REQUIREMENTS RELATING TO RECOMMENDATION.—A board appointed under section 1503, 1504, or 1505 of this title may not recommend that a person be declared dead unless—

"(1) credible evidence exists to suggest that the person is dead;

"(2) the United States possesses no credible evidence that suggests that the person is alive; and

"(3) representatives of the United States—

"(A) have made a complete search of the area where the person was last seen (unless, after making a good faith effort to obtain access to such area, such representatives are not granted such access); and

"(B) have examined the records of the government or entity having control over the area where the person was last seen (unless, after making a good faith effort to obtain access to such records, such representatives are not granted such access).

"(b) Submittal of Information on Death.—If a board appointed under section 1503, 1504, or 1505 of this title makes a recommendation that a missing person be declared dead, the board shall include in the report of the board with respect to the person under that section the following:

"(1) A detailed description of the location where the death occurred.

"(2) A statement of the date on which the death occurred.

"(3) A description of the location of the body, if recovered.

"(4) If the body has been recovered and is not identifiable through visual means, a certification by a practitioner of an appropriate forensic science that the body recovered is that of the missing person.

"§ 1508. Judicial review

"(a) Right of Review.—A person who is the primary next of kin (or the previously designated person) of a person who is the subject of a finding described in subsection (b) may obtain judicial review in a United States district court of that finding, but only on the basis of a claim that there is information that could affect the status of the missing person's case that was not adequately considered during the administrative review process under this chapter. Any such review shall be as provided in section 706 of title 5.

"(b) Findings for Which Judicial Review May Be Sought.—Subsection (a) applies to the following findings:

"(1) A finding by a board appointed under section 1504 or 1505 of this title that a missing person is dead.

"(2) A finding by a board appointed under section 1509 of this title that confirms that a missing person formerly declared dead is in fact dead.

"(c) Subsequent Review.—Appeals from a decision of the district court shall be taken to the appropriate United States court of appeals and to the Supreme Court as provided by law.

"§ 1509. Preenactment, special interest cases

"(a) Review of Status.—In the case of an unaccounted for person covered by section 1501(c) of this title who is described in subsection (b), if new information that could change the status of that person is found or received by a United States intelligence agency, by a Department of Defense agency, or by a person specified in section 1504(g) of this title, that information shall be provided to the Secretary of Defense with a request that the Secretary evaluate the information in accordance with sections 1505(c) and 1505(d) of this title.

"(b) Cases Eligible for Review.—The cases eligible for review under this section are the following:

"(1) With respect to the Korean conflict, any unaccounted for person who was classified as a prisoner of war or as missing in action during that conflict and who (A) was known to be or suspected to be alive at the end of that conflict, or (B) was classified as missing in action and whose capture was possible.

"(2) With respect to the Cold War, any unaccounted for person who was engaged in intelligence operations (such as aerial 'ferret' reconnaissance missions over and around the Soviet Union and China) during the Cold War.

"(3) With respect to the Indochina war era, any unaccounted for person who was classified as a prisoner of war or as missing in action during the Indochina conflict.

"(c) Special Rule for Persons Classified as 'KIA/BNR'.—In the case of a person described in subsection (b) who was classified as 'killed in action/body not recovered', the case of that person may be reviewed under this section only if the new information referred to in subsection (a) is compelling.

"(d) Definitions.—In this section:

"(1) The term 'Korean conflict' means the period beginning on June 27, 1950, and ending on January 31, 1955.

"(2) The term 'Cold War' means the period beginning on September 2, 1945, and ending on August 21, 1991.

"(3) The term 'Indochina war era' means the period beginning on July 8, 1959, and ending on May 15, 1975.

"§ 1510. Applicability to Coast Guard

"(a) Designated Officer To Have Responsibility.—The

Secretary of Transportation shall designate an officer of the Department of Transportation to have responsibility within the Department of Transportation for matters relating to missing persons who are members of the Coast Guard.

"(b) Procedures.—The Secretary of Transportation shall prescribe procedures for the determination of the status of persons described in section 1501(c) of this title who are members of the Coast Guard and for the collection, analysis, review, and update of information on such persons. To the maximum extent practicable, the procedures prescribed under this section shall be similar to the procedures prescribed by the Secretary of Defense under section 1501(b) of this title.

"§ 1511. Return alive of person declared missing or dead

"(a) Pay and Allowances.—Any person (except for a person subsequently determined to have been absent without leave or a deserter) in a missing status or declared dead under subchapter VII of chapter 55 of title 5 or chapter 10 of title 37 or by a board appointed under this chapter who is found alive and returned to the control of the United States shall be paid for the full time of the absence of the person while given that status or declared dead under the law and regulations relating to the pay and allowances of persons returning from a missing status.

"(b) Effect on Gratuities Paid as a Result of Status.—Subsection (a) shall not be interpreted to invalidate or otherwise affect the receipt by any person of a death gratuity or other payment from the United States on behalf of a person referred to in subsection (a) before the date of the enactment of this chapter.

"§ 1512. Effect on State law

"(a) Nonpreemption of State Authority.—Nothing in this chapter shall be construed to invalidate or limit the power of any State court or administrative entity, or the power of any court or administrative entity of any political subdivision thereof, to find or declare a person dead for purposes of such State or political subdivision.

"(b) State Defined.—In this section, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"§ 1513. Definitions

"In this chapter:

"(1) The term 'missing person' means—

"(A) a member of the Armed Forces on active duty who is in a missing status; or

"(B) a civilian employee of the Department of Defense or an employee of a contractor of the Department of Defense who serves with or accompanies the Armed Forces in the field under orders and who is in a missing status.

"(2) The term 'missing status' means the status of a missing person who is determined to be absent in a category of any of the following:

"(A) Missing.

"(B) Missing in action.

"(C) Interned in a foreign country.

"(D) Captured.

"(E) Beleaguered.

"(F) Besieged.

"(G) Detained in a foreign country against that person's will.

"(3) The term 'accounted for', with respect to a person in a missing status, means that—

"(A) the person is returned to United States control alive;

"(B) the remains of the person are recovered and, if not identifiable through visual means as those of the missing person, are identified as those of the missing person by a practitioner of an appropriate forensic science; or

"(C) credible evidence exists to support another determination of the person's status.

"(4) The term 'primary next of kin', in the case of a missing person, means the individual authorized to direct disposition of the remains of the person under section 1482(c) of this title.

"(5) The term 'member of the immediate family', in the case of a missing person, means the following:

"(A) The spouse of the person.

"(B) A natural child, adopted child, stepchild, or illegitimate child (if acknowledged by the person or parenthood has been established by a court of competent jurisdiction) of the person, except that if such child has not attained the age of 18 years, the term means a surviving parent or legal guardian of such child.

"(C) A biological parent of the person, unless legal custody of the person by the parent has been previously terminated by reason of a court decree or otherwise under law and not restored.

"(D) A brother or sister of the person, if such brother or sister has attained the age of 18 years.

"(E) Any other blood relative or adoptive relative of the person, if such relative was given sole legal custody of the person by a court decree or otherwise under law before the person attained the age of 18 years and such custody was not subsequently terminated before that time.

"(6) The term 'previously designated person', in the case of a missing person, means an individual designated by the person under section 655 of this title for purposes of this chapter.

"(7) The term 'classified information' means any information the unauthorized disclosure of which (as determined under applicable law and regulations) could reasonably be expected to damage the national security.

"(8) The term 'theater component commander' means, with respect to any of the combatant commands, an officer of any of the armed forces who (A) is commander of all forces of that armed force assigned to that combatant command, and (B) is directly subordinate to the commander of the combatant command.".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of title 10, United States Code, are amended by inserting after the item relating to chapter 75 the following new item:

"76. Missing Persons .... 1501".

(c) Conforming Amendments.—Chapter 10 of title 37, United States Code, is amended as follows:

(1) Section 555 is amended—

(A) in subsection (a), by striking out "When a member" and inserting in lieu thereof "Except as provided in subsection (d), when a member"; and

(B) by adding at the end the following new subsection:

"(d) This section does not apply in a case to which section 1502 of title 10 applies.".

(2) Section 552 is amended—

(A) in subsection (a), by striking out "for all purposes," in the second sentence of the matter following paragraph (2) and all that follows through the end of the sentence and inserting in lieu thereof "for all purposes.";

(B) in subsection (b), by inserting "or under chapter 76 of title 10" before the period at the end; and

(C) in subsection (e), by inserting "or under chapter 76 of title 10" after "section 555 of this title".

(3) Section 553 is amended—

(A) in subsection (f), by striking out "the date the Secretary concerned receives evidence that" and inserting in lieu thereof "the date on which, in a case covered by section 555 of this title, the Secretary concerned receives evidence, or, in a case covered by chapter 76 of title 10, the Secretary concerned determines pursuant to that chapter, that"; and

(B) in subsection (g), by inserting "or under chapter 76 of title 10" after "section 555 of this title".

(4) Section 556 is amended—

(A) in subsection (a), by inserting after paragraph (7) the following:

"Paragraphs (1), (5), (6), and (7) only apply with respect to a case to which section 555 of this title applies.";

(B) in subsection (b), by inserting ", in a case to which section 555 of this title applies," after "When the Secretary concerned"; and

(C) in subsection (h)—

(i) in the first sentence, by striking out "status" and inserting in lieu thereof "pay"; and

(ii) in the second sentence, by inserting "in a case to which section 555 of this title applies" after "under this section".

(d) DESIGNATION OF PERSONS HAVING INTEREST IN STATUS OF SERVICE MEMBERS.—(1) Chapter 37 of title 10, United States Code, is amended by adding at the end the following new section:

"§655. Designation of persons having interest in status of a missing member

"(a) The Secretary concerned shall, upon the enlistment or appointment of a person in the armed forces, require that the person specify in writing the person or persons, if any, other than that person's primary next of kin or immediate family, to whom information on the whereabouts and status of the member shall be provided if such whereabouts and status are investigated under chapter 76 of this title. The Secretary shall periodically, and whenever the member is deployed as part of a contingency operation or in other circumstances specified by the Secretary, require that such designation be reconfirmed, or modified, by the member.

"(b) The Secretary concerned shall, upon the request of a member, permit the member to revise the person or persons specified by the member under subsection (a) at any time. Any such revision shall be in writing.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"655. Designation of persons having interest in status of a missing member.".

(e) ACCOUNTING FOR CIVILIAN EMPLOYEE AND CONTRACTORS OF THE UNITED STATES.—(1) The Secretary of State shall carry out a comprehensive study of the provisions of subchapter VII of chapter 55 of title 5, United States Code (commonly referred to as the "Missing Persons Act of 1942") (5 U.S.C. 5561 et seq.) and any other law or regulation establishing procedures for the accounting for of civilian employees of the United States or contractors of the United States who serve with or accompany the Armed Forces in the field. The purpose of the study shall be to determine the means, if any, by which those procedures may be improved.

(2) The Secretary of State shall carry out the study required under paragraph (1) in consultation with the Secretary of Defense, the Secretary of Transportation, the Director of Central Intelligence, and the heads of such other departments and agencies of the United States as the President designates for that purpose.

(3) In carrying out the study, the Secretary of State shall examine the procedures undertaken when a civilian employee referred to in paragraph (1) becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for, including procedures for—

(A) search and rescue for the employee;

(B) determining the status of the employee;

(C) reviewing and changing the status of the employee;

(D) determining the rights and benefits accorded to the family of the employee; and

(E) maintaining and providing appropriate access to the records of the employee and the investigation into the status of the employee.

(4) Not later than one year after the date of the enactment of this Act, the Secretary of State shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the study carried out by the Secretary under this subsection. The report shall include the recommendations, if any, of the Secretary for legislation to improve the procedures covered by the study.

SEC. 570. ASSOCIATE DIRECTOR OF CENTRAL INTELLIGENCE FOR MILITARY SUPPORT.

Section 102 of the National Security Act of 1947 (50 U.S.C. 403) is amended by adding at the end the following:

"(e) In the event that neither the Director nor Deputy Director of Central Intelligence is a commissioned officer of the Armed Forces, a commissioned officer of the Armed Forces appointed to the position of Associate Director of Central Intelligence for Military Support, while serving in such position, shall not be counted against the numbers and percentages of commissioned officers of the rank and grade of such officer authorized for the armed force of which such officer is a member.".

Subtitle G—Support for Non-Department of Defense Activities

SEC. 571. REPEAL OF CERTAIN CIVIL-MILITARY PROGRAMS.

(a) REPEAL OF CIVIL-MILITARY COOPERATIVE ACTION PROGRAM.—The following provisions of law are repealed:

(1) Section 410 of title 10, United States Code.

(2) Section 1081(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 10 U.S.C. 410 note).

(b) REPEAL OF RELATED PROVISION.—Section 1045 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 10 U.S.C. 410 note), relating to a pilot outreach program to reduce demand for illegal drugs, is repealed.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Chapter 20 of title 10, United States Code, is amended—

(1) by striking out the table of subchapters after the chapter heading;

(2) by striking out the subchapter heading for subchapter I; and

(3) by striking out the subchapter heading for subchapter II and the table of sections following that subchapter heading.

SEC. 572. TRAINING ACTIVITIES RESULTING IN INCIDENTAL SUPPORT AND SERVICES FOR ELIGIBLE ORGANIZATIONS AND ACTIVITIES OUTSIDE THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—(1) Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

"§2012. Support and services for eligible organizations and activities outside Department of Defense

"(a) AUTHORITY TO PROVIDE SERVICES AND SUPPORT.—Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may in accordance with this section authorize units or individual members of the armed forces under that Secretary's jurisdiction to provide support and services to non-Department of Defense organizations and activities specified in subsection (e), but only if—

"(1) such assistance is authorized by a provision of law (other than this section); or

"(2) the provision of such assistance is incidental to military training.

"(b) SCOPE OF COVERED ACTIVITIES SUBJECT TO SECTION.—This section does not—

"(1) apply to the provision by the Secretary concerned, under regulations prescribed by the Secretary of Defense, of customary community relations and public affairs activities conducted in accordance with Department of Defense policy; or

"(2) prohibit the Secretary concerned from encouraging members of the armed forces under the Secretary's jurisdiction to provide volunteer support for community relations activities under regulations prescribed by the Secretary of Defense.

"(c) REQUIREMENT FOR SPECIFIC REQUEST.—Assistance under subsection (a) may only be provided if—

"(1) the assistance is requested by a responsible official of the organization to which the assistance is to be provided; and

"(2) the assistance is not reasonably available from a commercial entity or (if so available) the official submitting the request for assistance certifies that the commercial entity that would otherwise provide such services has agreed to the provision of such services by the armed forces.

"(d) RELATIONSHIP TO MILITARY TRAINING.—(1) Assistance under subsection (a) may only be provided if the following requirements are met:

"(A) The provision of such assistance—

"(i) in the case of assistance by a unit, will accomplish valid unit training requirements; and

"(ii) in the case of assistance by an individual member, will involve tasks directly related to the specific military occupational specialty of the member.

"(B) The provision of such assistance will not adversely affect the quality of training or otherwise interfere with the ability of a member or unit of the armed forces to perform the military functions of the member or unit.

"(C) The provision of such assistance will not result in a significant increase in the cost of the training.

"(2) Subparagraph (A)(i) of paragraph (1) does not apply in a case in which the assistance to be provided consists primarily of military manpower and the total amount of such assistance in the case of a particular project does not exceed 100 man-hours.

"(e) ELIGIBLE ENTITIES.—The following organizations and activities are eligible for assistance under this section:

"(1) Any Federal, regional, State, or local governmental entity.

"(2) Youth and charitable organizations specified in section 508 of title 32.

"(3) Any other entity as may be approved by the Secretary of Defense on a case-by-case basis.

"(f) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing the provision of assistance under this section. The regulations shall include the following:

"(1) Rules governing the types of assistance that may be provided.

"(2) Procedures governing the delivery of assistance that ensure, to the maximum extent practicable, that such assistance is provided in conjunction with, rather than separate from, civilian efforts.

"(3) Procedures for appropriate coordination with civilian officials to ensure that the assistance—

"(A) meets a valid need; and

"(B) does not duplicate other available public services.

"(4) Procedures to ensure that Department of Defense resources are not applied exclusively to the program receiving the assistance.

"(g) ADVISORY COUNCILS.—(1) The Secretary of Defense shall encourage the establishment of advisory councils at regional, State, and local levels, as appropriate, in order to obtain recommendations and guidance concerning assistance under this section from persons who are knowledgeable about regional, State, and local conditions and needs.

"(2) The advisory councils should include officials from relevant military organizations, representatives of appropriate local, State, and Federal agencies, representatives of civic and social service organizations, business representatives, and labor representatives.

"(3) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to such councils.

"(h) CONSTRUCTION OF PROVISION.—Nothing in this section shall be construed as authorizing—

"(1) the use of the armed forces for civilian law enforcement purposes or for response to natural or manmade disasters; or

"(2) the use of Department of Defense personnel or resources for any program, project, or activity that is prohibited by law.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2012. Support and services for eligible organizations and activities outside Department of Defense.".

SEC. 573. NATIONAL GUARD CIVILIAN YOUTH OPPORTUNITIES PILOT PROGRAM.

(a) TERMINATION.—The authority under subsection (a) of section 1091 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 32 U.S.C. 501 note) to carry out a pilot program under that section is hereby continued through the end of the 18-month period beginning on the date of the enactment of this Act and such authority shall terminate as of the end of that period.

(b) LIMITATION ON NUMBER OF PROGRAMS.—During the period beginning on the date of the enactment of this Act and ending on the termination of the pilot program under subsection (a), the number of programs carried out under subsection (d) of that section as part of the pilot program may not exceed the number of such programs as of September 30, 1995.

SEC. 574. TERMINATION OF FUNDING FOR OFFICE OF CIVIL-MILITARY PROGRAMS IN OFFICE OF THE SECRETARY OF DEFENSE.

No funds may be obligated or expended after the date of the enactment of this Act (1) for the office that as of the date of the enactment of this Act is designated, within the Office of the Assistant Secretary of Defense for Reserve Affairs, as the Office of Civil-Military Programs, or (2) for any other entity within the Office of the Secretary of Defense that has an exclusive or principal mission of providing centralized direction for activities under section 2012 of title 10, United States Code, as added by section 572.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1996.

(a) RESCISSION OF PRIOR SECTION 1009 ADJUSTMENT.—The adjustment made as of January 1, 1996, pursuant to section 4 of Executive Order No. 12984 (issued December 28, 1995), in elements of compensation of members of the uniformed services pursuant to section 1009 of title 37, United States Code, is hereby rescinded.

(b) INCREASE IN BASIC PAY AND BAS.—The rates of basic pay and basic allowance for subsistence of members of the uniformed services, as in effect on December 31, 1995, are hereby increased by 2.4 percent.

(c) INCREASE IN BAQ.—The rates of basic allowance for quarters of members of the uniformed services, as in effect on December 31, 1995, are hereby increased by 5.2 percent.

(d) EFFECTIVE DATE.—This section shall take effect as of January 1, 1996.

SEC. 602. LIMITATION ON BASIC ALLOWANCE FOR SUBSISTENCE FOR MEMBERS RESIDING WITHOUT DEPENDENTS IN GOVERNMENT QUARTERS.

(a) PERCENTAGE LIMITATION.—Subsection (b) of section 402 of title 37, United States Code, is amended by adding after the last sentence the following new paragraph:

"(4) In the case of enlisted members of the Army, Navy, Air Force, or Marine Corps who, when present at their permanent duty station, reside without dependents in Government quarters, the Secretary concerned may not provide a basic allowance for subsistence to more than 12 percent of such members under the jurisdiction of the Secretary concerned. The Secretary concerned may exceed such percentage if the Secretary determines that compliance would increase costs to the Government, would impose financial hardships on members otherwise entitled to a basic allowance for subsistence, or would reduce the quality of life for such members. This paragraph shall not apply to members described in the first sentence when the members are not residing at their permanent duty station. The Secretary concerned shall achieve the percentage limitation specified in this paragraph as soon as possible after the date of the enactment of this paragraph, but in no case later than September 30, 1996.".

(b) STYLISTIC AMENDMENTS.—Such subsection is further amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C);

(2) by inserting "(1)" after "(b)";

(3) by designating the text composed of the second, third, and fourth sentences as paragraph (2); and

(4) by designating the text composed of the fifth and sixth sentences as paragraph (3).

(c) CONFORMING AMENDMENTS.—(1) Subsection (e) of such section is amended—

(A) in paragraph (1), by striking out "the third sentence of subsection (b)" and inserting in lieu thereof "subsection (b)(2)"; and

(B) in paragraph (2), by striking out "subsection (b)" and inserting in lieu thereof "subsection (b)(2)".

(2) Section 1012 of title 37, United States Code, is amended by striking out "the last sentence of section 402(b)" and inserting in lieu thereof "section 402(b)(3)".

(d) REPORT REQUIRED.—Not later than March 31, 1996, the Secretary of Defense shall submit to Congress a report identifying, for the Army, Navy, Air Force, and Marine Corps—

(1) the number of members who reside without dependents in Government quarters at their permanent duty stations and receive a basic allowance for subsistence under section 402 of title 37, United States Code;

(2) such number as a percentage of the total number of members who reside without dependents in Government quarters;

(3) a recommended maximum percentage of the members residing without dependents in Government quarters at their permanent duty station who should receive a basic allowance for subsistence; and

(4) the reasons such maximum percentage is recommended.

SEC. 603. ELECTION OF BASIC ALLOWANCE FOR QUARTERS INSTEAD OF ASSIGNMENT TO INADEQUATE QUARTERS.

(a) ELECTION AUTHORIZED.—Section 403(b) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(b)";

(2) by designating the second sentence as paragraph (2) and, as so designated, by striking out "However, subject" and inserting in lieu thereof "Subject"; and

(3) by adding at the end the following new paragraph:

"(3) A member without dependents who is in pay grade E-6 and who is assigned to quarters of the United States that do not meet the minimum adequacy standards established by the Department of Defense for members in such pay grade, or to a housing facility under the jurisdiction of a uniformed service that does not meet such standards, may elect not to occupy such quarters or facility and instead to receive the basic allowance for quarters prescribed for the member's pay grade by this section.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1996.

SEC. 604. PAYMENT OF BASIC ALLOWANCE FOR QUARTERS TO MEMBERS IN PAY GRADE E-6 WHO ARE ASSIGNED TO SEA DUTY.

(a) PAYMENT AUTHORIZED.—Section 403(c)(2) of title 37, United States Code, is amended—

(1) in the first sentence, by striking out "E-7" and inserting in lieu thereof "E-6"; and

(2) in the second sentence, by striking out "E-6" and inserting in lieu thereof "E-5".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1996.

SEC. 605. LIMITATION ON REDUCTION OF VARIABLE HOUSING ALLOWANCE FOR CERTAIN MEMBERS.

(a) LIMITATION ON REDUCTION IN VHA.—(1) Subsection (c)(3) of section 403a of title 37, United States Code, is amended by adding at the end the following new sentence: "However, so long as a member of a uniformed service retains uninterrupted eligibility to receive a variable housing allowance within an area and the member's certified housing costs are not reduced (as indicated by certifications provided by the member under subsection (b)(4)), the monthly amount of a variable housing allowance under this section for the member within that area may not be reduced as a result of systematic adjustments required by changes in housing costs within that area.".

(2) The amendment made by paragraph (1) shall apply for fiscal years after fiscal year 1995.

(b) EFFECT ON TOTAL AMOUNT AVAILABLE FOR VHA.—Subsection (d)(3) of such section is amended by inserting after the first sentence the following new sentence: "In addition, the total amount determined under paragraph (1) shall be adjusted to ensure that sufficient amounts are available to allow payment of any additional amounts of variable housing allowance necessary as a result of the requirements of the second sentence of subsection (c)(3).".

(c) REPORT ON IMPLEMENTATION.—Not later than June 1, 1996, the Secretary of Defense shall submit to Congress a report describing the procedures to be used to implement the amendments made by this section and the costs of such amendments.

(d) RESOLVING VHA INADEQUACIES IN HIGH HOUSING COST AREAS.—If the Secretary of Defense determines that, despite the amendments made by this section, inadequacies exist in the provision of variable housing allowances under section 403a of title 37, United States Code, the Secretary shall submit to Congress a report containing a legislative proposal to address the inadequacies. The Secretary shall make the determination required by this subsection and submit the report, if necessary, not later than May 31, 1996.

SEC. 606. CLARIFICATION OF LIMITATION ON ELIGIBILITY FOR FAMILY SEPARATION ALLOWANCE.

Section 427(b)(4) of title 37, United States Code, is amended in the first sentence by inserting "paragraph (1)(A) of" after "not entitled to an allowance under".

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(c) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(e) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1997".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(c) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(d) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(e) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(f) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

(g) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997".

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997".

(i) COVERAGE OF PERIOD OF LAPSED AGREEMENT AUTHORITY.—(1) In the case of an officer described in section 301b(b) of title 37, United States Code, who executes an agreement described in paragraph (2) during the 90-day period beginning on the date of the enactment of this Act, the Secretary concerned may treat the agreement for purposes of the retention bonus authorized under the agreement as having been executed and accepted on the first date on which the officer would have qualified for such an agreement had the amendment made by subsection (a) taken effect on October 1, 1995.

(2) An agreement referred to in this subsection is a service agreement with the Secretary concerned that is a condition for the payment of a retention bonus under section 301b of title 37, United States Code.

(3) For purposes of this subsection, the term "Secretary concerned" has the meaning given that term in section 101(5) of title 37, United States Code.

SEC. 614. CODIFICATION AND EXTENSION OF SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVES.

(a) SPECIAL PAY AUTHORIZED.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 302f the following new section:

"§ 302g. Special pay: Selected Reserve health care professionals in critically short wartime specialties

"(a) SPECIAL PAY AUTHORIZED.—An officer of a reserve component of the armed forces described in subsection (b) who executes a written agreement under which the officer agrees to serve in the Selected Reserve of an armed force for a period of not less than one year nor more than three years, beginning on the date the officer accepts the award of special pay under this section, may be paid special pay at an annual rate not to exceed $10,000.

"(b) ELIGIBLE OFFICERS.—An officer referred to in subsection (a) is an officer in a health care profession who is qualified in a specialty designated by regulations as a critically short wartime specialty.

"(c) TIME FOR PAYMENT.—Special pay under this section shall be paid annually at the beginning of each twelve-month period for which the officer has agreed to serve.

"(d) REFUND REQUIREMENT.—An officer who voluntarily terminates service in the Selected Reserve of an armed force before the end of the period for which a payment was made to such officer under this section shall refund to the United States the full amount of the payment made for the period on which the payment was based.

"(e) INAPPLICABILITY OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement under this section does not discharge the person receiving special pay under the agreement from the debt arising under the agreement.

"(f) TERMINATION OF AGREEMENT AUTHORITY.—No agreement under this section may be entered into after September 30, 1997.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302f the following new item:

"302g. Special pay: Selected Reserve health care professionals in critically short wartime specialties.".

(b) CONFORMING AMENDMENT.—Section 303a of title 37, United States Code, is amended by striking out "302, 302a, 302b, 302c, 302d, 302e," each place it appears and inserting in lieu thereof "302 through 302g,".

(c) CONFORMING REPEAL.—(1) Section 613 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 37 U.S.C. 302 note) is repealed.

(2) The provisions of section 613 of the National Defense Authorization Act, Fiscal Year 1989, as in effect on the day before the date of the enactment of this Act, shall continue to apply to agreements entered into under such section before such date.

SEC. 615. HAZARDOUS DUTY INCENTIVE PAY FOR WARRANT OFFICERS AND ENLISTED MEMBERS SERVING AS AIR WEAPONS CONTROLLERS.

(a) INCLUSION OF ADDITIONAL MEMBERS.—Subsection (a)(11) of section 301 of title 37, United States Code, is amended by striking out "an officer (other than a warrant officer)" and inserting in lieu thereof "a member".

(b) CALCULATION OF HAZARDOUS DUTY INCENTIVE PAY.—The table in subparagraph (A) of subsection (c)(2) of such section is amended to read as follows:

"Pay grade	Years of service as an air weapons controller 2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
"O–7 and above	$200	$200	$200	$200	$200	$200	$200
"O–6	225	250	300	325	350	350	350
"O–5	200	250	300	325	350	350	350
"O–4	175	225	275	300	350	350	350
"O–3	125	156	188	206	350	350	350
"O–2	125	156	188	206	250	300	300
"O–1	125	156	188	206	250	250	250
"W–4	200	225	275	300	325	325	325
"W–3	175	225	275	300	325	325	325
"W–2	150	200	250	275	325	325	325
"W–1	100	125	150	175	325	325	325
"E–9	200	225	250	275	300	300	300
"E–8	200	225	250	275	300	300	300
"E–7	175	200	225	250	275	275	275
"E–6	156	175	200	225	250	250	250
"E–5	125	156	175	188	200	200	200
"E–4 and below	125	156	175	188	200	200	200

"Pay grade	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 24	Over 25
"O–7 and above	$200	$200	$200	$200	$200	$200	$200	$110
"O–6	350	350	350	350	300	250	250	225
"O–5	350	350	350	350	300	250	250	225
"O–4	350	350	350	350	300	250	250	225
"O–3	350	350	350	300	275	250	225	200
"O–2	300	300	300	275	245	210	200	180
"O–1	250	250	250	245	210	200	180	150
"W–4	325	325	325	325	276	250	225	200
"W–3	325	325	325	325	325	250	225	200
"W–2	325	325	325	325	275	250	225	200
"W–1	325	325	325	325	275	250	225	200
"E–9	300	300	300	300	275	230	200	200
"E–8	300	300	300	300	265	230	200	200
"E–7	300	300	300	300	265	230	200	200
"E–6	300	300	300	300	265	230	200	200
"E–5	250	250	250	250	225	200	175	150
"E–4 and below	200	200	200	200	175	150	125	125".

(c) CONFORMING AMENDMENTS.—Subsection (c)(2) of such section is further amended—

(1) by striking out "an officer" each place it appears and inserting in lieu thereof "a member"; and

(2) by striking out "the officer" each place it appears and inserting in lieu thereof "the member".

SEC. 616. AVIATION CAREER INCENTIVE PAY.

(a) YEARS OF OPERATIONAL FLYING DUTIES REQUIRED.—Paragraph (4) of section 301a(a) of title 37, United States Code, is amended in the first sentence by striking out "9" and inserting in lieu thereof "8".

(b) EXERCISE OF WAIVER AUTHORITY.—Paragraph (5) of such section is amended by inserting after the second sentence the following new sentence: "The Secretary concerned may not delegate the authority in the preceding sentence to permit the payment of incentive pay under this subsection.".

SEC. 617. CLARIFICATION OF AUTHORITY TO PROVIDE SPECIAL PAY FOR NURSES.

Section 302c(d)(1) of title 37, United States Code, is amended—

(1) by striking out "or" after "Air Force,"; and

(2) by inserting before the semicolon the following: ", an officer of the Nurse Corps of the Army or Navy, or an officer of the Air Force designated as a nurse".

SEC. 618. CONTINUOUS ENTITLEMENT TO CAREER SEA PAY FOR CREW MEMBERS OF SHIPS DESIGNATED AS TENDERS.

Subparagraph (A) of section 305a(d)(1) of title 37, United States Code, is amended to read as follows:

"(A) while permanently or temporarily assigned to a ship, ship-based staff, or ship-based aviation unit and—

"(i) while serving on a ship the primary mission of which is accomplished while under way;

"(ii) while serving as a member of the off-crew of a two-crewed submarine; or

"(iii) while serving as a member of a tender-class ship (with the hull classification of submarine or destroyer); or".

SEC. 619. INCREASE IN MAXIMUM RATE OF SPECIAL DUTY ASSIGNMENT PAY FOR ENLISTED MEMBERS SERVING AS RECRUITERS.

(a) SPECIAL MAXIMUM RATE FOR RECRUITERS.—Section 307(a) of title 37, United States Code, is amended by adding at the end the following new sentence: "In the case of a member who is serving as a military recruiter and is eligible for special duty assignment pay under this subsection on account of such duty, the Secretary concerned may increase the monthly rate of special duty assignment pay for the member to not more than $375.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1996.

Subtitle C—Travel and Transportation Allowances

SEC. 621. REPEAL OF REQUIREMENT REGARDING CALCULATION OF ALLOWANCES ON BASIS OF MILEAGE TABLES.

Section 404(d)(1)(A) of title 37, United States Code, is amended by striking out ", based on distances established over the shortest usually traveled route, under mileage tables prepared under the direction of the Secretary of Defense".

SEC. 622. DEPARTURE ALLOWANCES.

(a) ELIGIBILITY WHEN EVACUATION AUTHORIZED BUT NOT ORDERED.—Section 405a(a) of title 37, United States Code, is amended by striking out "ordered" each place it appears and inserting in lieu thereof "authorized or ordered".

(b) APPLICATION OF AMENDMENT.—The amendment made by subsection (a) shall apply with respect to persons authorized or ordered to depart as described in section 405a(a) of title 37, United States Code, on or after October 1, 1995.

SEC. 623. TRANSPORTATION OF NONDEPENDENT CHILD FROM MEMBER'S STATION OVERSEAS AFTER LOSS OF DEPENDENT STATUS WHILE OVERSEAS.

Section 406(h)(1) of title 37, United States Code, is amended in the last sentence—

(1) by striking out "who became 21 years of age" and inserting in lieu thereof "who, by reason of age or graduation from (or cessation of enrollment in) an institution of higher education, would otherwise cease to be a dependent of the member"; and

(2) by inserting "still" after "shall".

SEC. 624. AUTHORIZATION OF DISLOCATION ALLOWANCE FOR MOVES IN CONNECTION WITH BASE REALIGNMENTS AND CLOSURES.

(a) DISLOCATION ALLOWANCE AUTHORIZED.—Subsection (a) of section 407 of title 37, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4)(B) and inserting in lieu thereof "; or"; and

(3) by inserting after paragraph (4)(B) the following new paragraph:

"(5) the member is ordered to move in connection with the closure or realignment of a military installation and, as a result, the member's dependents actually move or, in the case of a member without dependents, the member actually moves.".

(b) CONFORMING AMENDMENTS.—(1) The last sentence of such subsection is amended—

(A) by striking out "clause (3) or (4)(B)" and inserting in lieu thereof "paragraph (3) or (4)(B)"; and

(B) by striking out "clause (1)" and inserting in lieu thereof "paragraph (1) or (5)".

(2) Subsection (b) of such section is amended—

(A) by striking out "subsection (a)(3) or (a)(4)(B)" in the first sentence and inserting in lieu thereof "paragraph (3) or (4)(B) of subsection (a)"; and

(B) by striking out "subsection (a)(1)" in the second sentence and inserting in lieu thereof "paragraph (1) or (5) of subsection (a)".

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

SEC. 631. EFFECTIVE DATE FOR MILITARY RETIREE COST-OF-LIVING ADJUSTMENTS FOR FISCAL YEARS 1996, 1997, AND 1998.

(a) ADJUSTMENT OF EFFECTIVE DATES.—Subparagraph (B) of section 1401a(b)(2) of title 10, United States Code, is amended to read as follows:

"(B) SPECIAL RULES FOR FISCAL YEARS 1996 AND 1998.—

"(i) FISCAL YEAR 1996.—In the case of the increase in retired pay that, pursuant to paragraph (1), becomes effective on December 1, 1995, the initial month for which such increase is payable as part of such retired pay shall (notwithstanding such December 1 effective date) be March 1996.

"(ii) FISCAL YEAR 1998.—In the case of the increase in retired pay that, pursuant to paragraph (1), becomes effective on December 1, 1997, the initial month for which such increase is payable as part of such retired pay shall (notwithstanding such December 1 effective date) be September 1998.".

(b) CONTINGENT ALTERNATIVE DATE FOR FISCAL YEAR 1998.—(1) If a civil service retiree cola that becomes effective during fiscal year 1998 becomes effective on a date other than the date on which a military retiree cola during that fiscal year is specified to become effective under subparagraph (B) of section 1401a(b)(2) of title 10, United States Code, as amended by subsection (a), then the increase in military retired and retainer pay shall become payable as part of such retired and retainer pay effective on the same date on which such civil service retiree cola becomes effective (notwithstanding the date otherwise specified in such subparagraph (B)).

(2) Paragraph (1) does not apply with respect to the retired pay of a person retired under chapter 61 of title 10, United States Code.

(3) For purposes of this subsection:

(A) The term "civil service retiree cola" means an increase in annuities under the Civil Service Retirement System either under section 8340(b) of title 5, United States Code, or pursuant to a law providing a general increase in such annuities.

(B) The term "military retiree cola" means an adjustment in retired and retainer pay pursuant to section 1401a(b) of title 10, United States Code.

(c) REPEAL OF PRIOR CONDITIONAL ENACTMENT.—Section 8114A(b) of Public Law 103-335 (108 Stat. 2648) is repealed.

SEC. 632. DENIAL OF NON-REGULAR SERVICE RETIRED PAY FOR RESERVES RECEIVING CERTAIN COURT-MARTIAL SENTENCES.

(a) IN GENERAL.—(1) Chapter 1223 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 12740. Eligibility: denial upon certain punitive discharges or dismissals

"A person who—

"(1) is convicted of an offense under the Uniform Code of Military Justice (chapter 47 of this title) and whose sentence includes death; or

"(2) is separated pursuant to sentence of a court-martial with a dishonorable discharge, a bad conduct discharge, or (in the case of an officer) a dismissal,

is not eligible for retired pay under this chapter.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"12740. Eligibility: denial upon certain punitive discharges or dismissals.".

(b) EFFECTIVE DATE.—Section 12740 of title 10, United States Code, as added by subsection (a), shall apply with respect to court-martial sentences adjudged after the date of the enactment of this Act.

SEC. 633. REPORT ON PAYMENT OF ANNUITIES FOR CERTAIN MILITARY SURVIVING SPOUSES.

(a) STUDY REQUIRED.—(1) The Secretary of Defense shall conduct a study to determine the number of potential beneficiaries there would be if Congress were to enact authority for the Secretary of the military department concerned to pay an annuity to the qualified surviving spouse of each member of the Armed Forces who—

(A) died before March 21, 1974, and was entitled to retired or retainer pay on the date of death; or

(B) was a member of a reserve component who died during the period beginning on September 21, 1972, and ending on October 1, 1978, and at the time of death would have been entitled to retired pay under chapter 67 of title 10, United States Code, but for the fact that he was under 60 years of age.

(2) A qualified surviving spouse for purposes of paragraph (1) is a surviving spouse who has not remarried and who is not eligible for an annuity under section 4 of Public Law 92-425 (10 U.S.C. 1448 note).

(b) REQUIRED DETERMINATIONS.—As part of the study under subsection (a), the Secretary shall determine the following:

(1) The number of unremarried surviving spouses of deceased members and deceased former members of the Armed Forces referred to in subparagraph (A) of subsection (a)(1) who would be eligible for an annuity under authority described in such subsection.

(2) The number of unremarried surviving spouses of deceased members and deceased former members of reserve components referred to in subparagraph (B) of subsection (a)(1) who would be eligible for an annuity under authority described in such subsection.

(3) The number of persons in each group of unremarried former spouses described in paragraphs (1) and (2) who are receiving a widow's insurance benefit or a widower's insurance benefit under title II of the Social Security Act on the basis of employment of a deceased member or deceased former member referred to in subsection (a)(1).

(c) REPORT.—Not later than March 1, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the study under this section. The Secretary shall include in the report a recommendation on the amount of the annuity that should be authorized to be paid under any authority described in subsection (a)(1), together with a recommendation on whether the annuity should be adjusted annually to offset increases in the cost of living.

SEC. 634. PAYMENT OF BACK QUARTERS AND SUBSISTENCE ALLOWANCES TO WORLD WAR II VETERANS WHO SERVED AS GUERRILLA FIGHTERS IN THE PHILIPPINES.

(a) IN GENERAL.—The Secretary of the military department concerned shall pay, upon request, to an individual described in subsection (b) the amount determined with respect to that individual under subsection (c).

(b) COVERED INDIVIDUALS.—A payment under subsection (a) shall be made to any individual who as a member of the Armed Forces during World War II—

(1) was captured on the Island of Bataan in the territory of the Philippines by Japanese forces;

(2) participated in the Bataan Death March;

(3) escaped from captivity; and

(4) served as a guerrilla fighter in the Philippines during the period from January 1942 through February 1945.

(c) AMOUNT TO BE PAID.—The amount of a payment under subsection (a) shall be the amount of quarters and subsistence allowance which accrued to an individual described in subsection (b) during the period specified in paragraph (4) of subsection (b) and which was not paid to that individual. The Secretary shall apply interest compounded at the three-month Treasury bill rate.

(d) PAYMENT TO SURVIVORS.—In the case of any individual described in subsection (b) who is deceased, payment under this section with respect to that individual shall be made to that individual's nearest surviving relative, as determined by the Secretary concerned.

SEC. 635. AUTHORITY FOR RELIEF FROM PREVIOUS OVERPAYMENTS UNDER MINIMUM INCOME WIDOWS PROGRAM.

(a) AUTHORITY.—The Secretary of Defense may waive recovery by the United States of any overpayment by the United States described in subsection (b). In the case of any such waiver, any debt to the United States arising from such overpayment is forgiven.

(b) COVERED OVERPAYMENTS.—Subsection (a) applies in the case of an overpayment by the United States that—

(1) was made before the date of the enactment of this Act under section 4 of Public Law 92-425 (10 U.S.C. 1448 note); and

(2) is attributable to failure by the Department of Defense to apply the eligibility provisions of subsection (a) of such section in the case of the person to whom the overpayment was made.

SEC. 636. TRANSITIONAL COMPENSATION FOR DEPENDENTS OF MEMBERS OF THE ARMED FORCES SEPARATED FOR DEPENDENT ABUSE.

(a) COVERAGE OF PROGRAM.—Subsection (a) of section 1059 of title 10, United States Code, is amended by adding at the end the following: "Upon establishment of such a program, the program shall apply in the case of each such member described in subsection (b) who is under the jurisdiction of the Secretary establishing the program.".

(b) CLARIFICATION OF PAYMENT TO DEPENDENTS OF MEMBERS NOT DISCHARGED.—Subsection (d) of such section is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking out "any case of a separation from active duty as described in subsection (b)" and inserting in lieu thereof "the case of any individual described in subsection (b)"; and

(B) by striking "former member" and inserting in lieu thereof "individual";

(2) in paragraph (1)—

(A) by striking out "former member" and inserting in lieu thereof "individual"; and

(B) by striking out "member" and inserting in lieu thereof "individual";

(3) in paragraph (2), by striking out "former member" both places it appears and inserting in lieu thereof "individual described in subsection (b)";

(4) in paragraph (3), by striking out "former member" and inserting in lieu thereof "individual described in subsection (b)"; and

(5) in paragraph (4), by striking out "member" both places it appears and inserting in lieu thereof "individual described in subsection (b)".

(c) EFFECTIVE DATE.—Section 554(b) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 1059 note) is amended—

(1) in paragraph (1), by striking out "on or after the date of the enactment of this Act" and inserting in lieu thereof "after November 29, 1993"; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Payments of transitional compensation under that section in the case of any person eligible to receive payments under that section shall be made for each month after November 1993 for which that person may be paid transitional compensation in accordance with that section.".

Subtitle E—Other Matters

SEC. 641. PAYMENT TO SURVIVORS OF DECEASED MEMBERS FOR ALL LEAVE ACCRUED.

(a) INAPPLICABILITY OF 60-DAY LIMITATION.—Section 501(d) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking out the third sentence; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) The limitations in the second sentence of subsection (b)(3), subsection (f), and the second sentence of subsection (g) shall not apply with respect to a payment made under this subsection.".

(b) CONFORMING AMENDMENT.—Section 501(f) of such title is amended by striking out ", (d)," in the first sentence.

SEC. 642. REPEAL OF REPORTING REQUIREMENTS REGARDING COMPENSATION MATTERS.

(a) REPORT ON TRAVEL AND TRANSPORTATION ALLOWANCES FOR DEPENDENTS.—(1) Section 406 of title 37, United States Code, is amended—

(A) by striking out subsection (i); and

(B) by redesignating subsections (j), (k), (l), (m), and (n) as subsections (i), (j), (k), (l), and (m), respectively.

(2) Section 2634(d) of title 10, United States Code, is amended by striking out "section 406(l) of title 37" and inserting in lieu thereof "section 406(k) of title 37".

(b) ANNUAL REVIEW OF PAY AND ALLOWANCES.—Section 1008(a) of title 37, United States Code, is amended by striking out the second sentence.

(c) REPORT ON QUADRENNIAL REVIEW OF ADJUSTMENTS IN COMPENSATION.—Section 1009(f) of such title is amended by striking out "of this title," and all that follows through the period at the end and inserting in lieu thereof "of this title.".

SEC. 643. RECOUPMENT OF ADMINISTRATIVE EXPENSES IN GARNISHMENT ACTIONS.

(a) IN GENERAL.—Subsection (j) of section 5520a of title 5, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) Such regulations shall provide that an agency's administrative costs incurred in executing legal process to which the agency is subject under this section shall be deducted from the amount withheld from the pay of the employee concerned pursuant to the legal process.".

(b) INVOLUNTARY ALLOTMENTS OF PAY OF MEMBERS OF THE UNIFORMED SERVICES.—Subsection (k) of such section is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) Regulations under this subsection may also provide that the administrative costs incurred in establishing and maintaining an involuntary allotment be deducted from the amount withheld from the pay of the member of the uniformed services concerned pursuant to such regulations.".

(c) DISPOSITION OF AMOUNTS WITHHELD FOR ADMINISTRATIVE EXPENSES.—Such section is further amended by adding at the end the following:

"(l) The amount of an agency's administrative costs deducted under regulations prescribed pursuant to subsection (j)(2) or (k)(3) shall be credited to the appropriation, fund, or account from which such administrative costs were paid.".

SEC. 644. REPORT ON EXTENDING TO JUNIOR NONCOMMISSIONED OFFICERS PRIVILEGES PROVIDED FOR SENIOR NONCOMMISSIONED OFFICERS.

(a) REPORT REQUIRED.—Not later than February 1, 1996, the Secretary of Defense shall submit to Congress a report containing the determinations of the Secretary regarding whether, in order to improve the working conditions of noncommissioned officers in pay grades E-5 and E-6, any of the privileges afforded noncommissioned officers in any of the pay grades above E-6 should be extended to noncommissioned officers in pay grades E-5 and E-6.

(b) SPECIFIC RECOMMENDATION REGARDING ELECTION OF BAS.—The Secretary shall include in the report a determination on whether noncommissioned officers in pay grades E-5 and E-6 should be afforded the same privilege as noncommissioned officers in pay grades above E-6 to elect to mess separately and receive the basic allowance for subsistence.

(c) ADDITIONAL MATTERS.—The report shall also contain a discussion of the following matters:

(1) The potential costs of extending additional privileges to noncommissioned officers in pay grades E-5 and E-6.

(2) The effects on readiness that would result from extending the additional privileges.

(3) The options for extending the privileges on an incremental basis over an extended period.

(d) RECOMMENDED LEGISLATION.—The Secretary shall include in the report any recommended legislation that the Secretary considers necessary in order to authorize extension of a privilege as determined appropriate under subsection (a).

SEC. 645. STUDY REGARDING JOINT PROCESS FOR DETERMINING LOCATION OF RECRUITING STATIONS.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study regarding the feasibility of—

(1) using a joint process among the Armed Forces for determining the location of recruiting stations and the number of military personnel required to operate such stations; and

(2) basing such determinations on market research and analysis conducted jointly by the Armed Forces.

(b) REPORT.—Not later than March 31, 1996, the Secretary of Defense shall submit to Congress a report describing the results of the study. The report shall include a recommended method for measuring the efficiency of individual recruiting stations, such as cost per accession or other efficiency standard, as determined by the Secretary.

SEC. 646. AUTOMATIC MAXIMUM COVERAGE UNDER SERVICEMEN'S GROUP LIFE INSURANCE.

Effective April 1, 1996, section 1967 of title 38, United States Code, is amended—

(1) in subsections (a) and (c), by striking out "$100,000" each place it appears and inserting in lieu thereof in each instance "$200,000";

(2) by striking out subsection (e); and

(3) by redesignating subsection (f) as subsection (e).

SEC. 647. TERMINATION OF SERVICEMEN'S GROUP LIFE INSURANCE FOR MEMBERS OF THE READY RESERVE WHO FAIL TO PAY PREMIUMS.

(a) AUTHORITY.—Section 1969(a)(2) of title 38, United States Code, is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) If an individual who is required pursuant to subparagraph (A) to make a direct remittance of costs to the Secretary concerned fails to make the required remittance within 60 days of the date on which such remittance is due, such individual's insurance with respect to which such remittance is required shall be terminated by the Secretary concerned. Such termination shall be made by written notice to the individual's official address and shall be effective 60 days after the date of such notice. Such termination of insurance may be vacated if, before the effective date of termination, the individual remits all amounts past due for such insurance and demonstrates to the satisfaction of the Secretary concerned that the failure to make timely remittances was justifiable.".

(b) CONFORMING AMENDMENT.—Section 1968(a) is amended by inserting "(or discontinued pursuant to section 1969(a)(2)(B) of this title)" in the matter preceding paragraph (1) after "upon the written request of the insured".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1996.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

SEC. 701. MODIFICATION OF REQUIREMENTS REGARDING ROUTINE PHYSICAL EXAMINATIONS AND IMMUNIZATIONS UNDER CHAMPUS.

Section 1079(a) of title 10, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) consistent with such regulations as the Secretary of Defense may prescribe regarding the content of health promotion and disease prevention visits, the schedule of pap smears and mammograms, and the types and schedule of immunizations—

"(A) for dependents under six years of age, both health promotion and disease prevention visits and immunizations may be provided; and

"(B) for dependents six years of age or older, health promotion and disease prevention visits may be provided in connection with immunizations or with diagnostic or preventive pap smears and mammograms;".

SEC. 702. CORRECTION OF INEQUITIES IN MEDICAL AND DENTAL CARE AND DEATH AND DISABILITY BENEFITS FOR CERTAIN RESERVES.

(a) MEDICAL AND DENTAL CARE.—Section 1074a(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) Each member of the armed forces who incurs or aggravates an injury, illness, or disease in the line of duty while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance from the member's residence.".

(b) RECOVERY, CARE, AND DISPOSITION OF REMAINS.—Section 1481(a)(2) of title 10, United States Code, is amended—

(1) in subparagraph (C), by striking out "or" at the end of the subparagraph;

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance from the member's residence; or".

(c) ENTITLEMENT TO BASIC PAY.—(1) Subsection (g)(1) of section 204 of title 37, United States Code, is amended—

(A) in subparagraph (B), by striking out "or" at the end of the subparagraph;

(B) in subparagraph (C), by striking out the period at the end of the subparagraph and inserting in lieu thereof "; or"; and

(C) by inserting after subparagraph (C) the following new subparagraph:

"(D) in line of duty while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance from the member's residence.".

(2) Subsection (h)(1) of such section is amended—

(A) in subparagraph (B), by striking out "or" at the end of the subparagraph;

(B) in subparagraph (C), by striking out the period at the end of the subparagraph and inserting in lieu thereof "; or"; and

(C) by inserting after subparagraph (C) the following new subparagraph:

"(D) in line of duty while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance from the member's residence.".

(d) COMPENSATION FOR INACTIVE-DUTY TRAINING.—Section 206(a)(3) of title 37, United States Code, is amended—

(1) in subparagraph (A), by striking out "or" at the end of clause (ii);

(2) in subparagraph (B), by striking out the period at the end of the subparagraph and inserting in lieu thereof "; or"; and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) in line of duty while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training, if the site is outside reasonable commuting distance from the member's residence.".

SEC. 703. MEDICAL CARE FOR SURVIVING DEPENDENTS OF RETIRED RESERVES WHO DIE BEFORE AGE 60.

(a) CHANGE IN ELIGIBILITY REQUIREMENTS.—Paragraph (2) of section 1076(b) of title 10, United States Code, is amended—

(1) by striking out "death (A) would" and inserting in lieu thereof "death would"; and

(2) by striking out ", and (B) had elected to participate in the Survivor Benefit Plan established under subchapter II of chapter 73 of this title".

(b) CONFORMING AMENDMENTS.—Such paragraph is further amended—

(1) in the matter following paragraph (2), by striking out "clause (2)" the first place it appears and inserting in lieu thereof "paragraph (2)"; and

(2) by striking out the second sentence.

SEC. 704. MEDICAL AND DENTAL CARE FOR MEMBERS OF THE SELECTED RESERVE ASSIGNED TO EARLY DEPLOYING UNITS OF THE ARMY SELECTED RESERVE.

(a) ANNUAL MEDICAL AND DENTAL SCREENINGS AND CARE.—Section 1074a of title 10, United States Code, is amended—

(1) in subsection (c), by striking out "this section" and inserting in lieu thereof "subsection (b)"; and

(2) by adding at the end the following new subsection:

"(d)(1) The Secretary of the Army shall provide to members of the Selected Reserve of the Army who are assigned to units scheduled for deployment within 75 days after mobilization the following medical and dental services:

"(A) An annual medical screening.

"(B) For members who are over 40 years of age, a full physical examination not less often than once every two years.

"(C) An annual dental screening.

"(D) The dental care identified in an annual dental screening as required to ensure that a member meets the dental standards required for deployment in the event of mobilization.

"(2) The services provided under this subsection shall be provided at no cost to the member.".

(b) CONFORMING REPEALS.—Sections 1117 and 1118 of the Army National Guard Combat Readiness Reform Act of 1992 (title XI of Public Law 102–484; 10 U.S.C. 3077 note) are repealed.

SEC. 705. DENTAL INSURANCE FOR MEMBERS OF THE SELECTED RESERVE.

(a) PROGRAM AUTHORIZATION.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076a the following new section:

"§ 1076b. Selected Reserve dental insurance

"(a) AUTHORITY TO ESTABLISH PLAN.—The Secretary of Defense shall establish a dental insurance plan for members of the Selected Reserve of the Ready Reserve. The plan shall provide for voluntary enrollment and for premium sharing between the Department of Defense and the members enrolled in the plan. The plan shall be administered under regulations prescribed by the Secretary of Defense.

"(b) PREMIUM SHARING.—(1) A member enrolling in the dental insurance plan shall pay a share of the premium charged for the insurance coverage. The member's share may not exceed $25 per month.

"(2) The Secretary of Defense may reduce the monthly premium required to be paid by enlisted members under paragraph (1) if the Secretary determines that the reduction is appropriate in order to assist enlisted members to participate in the dental insurance plan.

"(3) A member's share of the premium for coverage by the dental insurance plan shall be deducted and withheld from the basic pay payable to the member for inactive duty training and from the basic pay payable to the member for active duty.

"(4) The Secretary of Defense shall pay the portion of the premium charged for coverage of a member under the dental insurance plan that exceeds the amount paid by the member.

"(c) BENEFITS AVAILABLE UNDER THE PLAN.—The dental insurance plan shall provide benefits for basic dental care and treatment, including diagnostic services, preventative services, basic restorative services, and emergency oral examinations.

"(d) TERMINATION OF COVERAGE.—The coverage of a member by the dental insurance plan shall terminate on the last day of the month in which the member is discharged, transfers to the Individual Ready Reserve, Standby Reserve, or Retired Reserve, or is ordered to active duty for a period of more than 30 days.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076a the following:

"1076b. Selected Reserve dental insurance.".

(b) IMPLEMENTATION.—Beginning not later than October 1, 1996, the Secretary of Defense shall offer members of the Selected Reserve the opportunity to enroll in the dental insurance plan required under section 1076b of title 10, United States Code (as added by subsection (a)). During fiscal year 1996, the Secretary shall collect such information and complete such planning and other preparations as are necessary to offer and administer the dental insurance plan by that date. The activities undertaken by the Secretary under this subsection during fiscal year 1996 may include—

(1) surveys; and

(2) tests, in not more than three States, of a dental insurance plan or alternative dental insurance plans meeting the requirements of section 1076b of title 10, United States Code.

SEC. 706. PERMANENT AUTHORITY TO CARRY OUT SPECIALIZED TREATMENT FACILITY PROGRAM.

Section 1105 of title 10, United States Code, is amended by striking out subsection (h).

Subtitle B—TRICARE Program

SEC. 711. DEFINITION OF TRICARE PROGRAM.

For purposes of this subtitle, the term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 712. PRIORITY USE OF MILITARY TREATMENT FACILITIES FOR PERSONS ENROLLED IN MANAGED CARE INITIATIVES.

Section 1097(c) of title 10, United States Code, is amended in the third sentence by striking out "However, the Secretary may" and inserting in lieu thereof "Notwithstanding the preferences established by sections 1074(b) and 1076 of this title, the Secretary shall".

SEC. 713. STAGGERED PAYMENT OF ENROLLMENT FEES FOR TRICARE PROGRAM.

Section 1097(e) of title 10, United States Code, is amended by adding at the end the following new sentence: "Without imposing additional costs on covered beneficiaries who participate in contracts for health care services under this section or health care plans offered under section 1099 of this title, the Secretary shall permit such covered beneficiaries to pay, on a quarterly basis, any enrollment fee required for such participation.".

SEC. 714. REQUIREMENT OF BUDGET NEUTRALITY FOR TRICARE PROGRAM TO BE BASED ON ENTIRE PROGRAM.

(a) CHANGE IN BUDGET NEUTRALITY REQUIREMENTS.—Subsection (c) of section 731 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 1073 note) is amended—

(1) by striking out "each managed health care initiative that includes the option" and inserting in lieu thereof "the TRICARE program"; and

(2) by striking out "covered beneficiaries who enroll in the option" and inserting in lieu thereof "members of the uniformed services and covered beneficiaries who participate in the TRICARE program".

(b) ADDITION OF DEFINITION OF TRICARE PROGRAM.—Subsection (d) of such section is amended to read as follows:

"(d) DEFINITIONS.—For purposes of this section:

"(1) The term 'covered beneficiary' means a beneficiary under chapter 55 of title 10, United States Code, other than a beneficiary under section 1074(a) of such title.

"(2) The term 'TRICARE program' means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.".

SEC. 715. TRAINING IN HEALTH CARE MANAGEMENT AND ADMINISTRATION FOR TRICARE LEAD AGENTS.

(a) PROVISION OF TRAINING.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall implement a professional educational program to provide appropriate training in health care management and administration—

(1) to each commander of a military medical treatment facility of the Department of Defense who is selected to serve as a lead agent to coordinate the delivery of health care by military and civilian providers under the TRICARE program; and

(2) to appropriate members of the support staff of the treatment facility who will be responsible for daily operation of the TRICARE program.

(b) REPORT ON IMPLEMENTATION.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report describing the professional educational program implemented pursuant to this section.

SEC. 716. PILOT PROGRAM OF INDIVIDUALIZED RESIDENTIAL MENTAL HEALTH SERVICES.

(a) PROGRAM REQUIRED.—(1) During fiscal year 1996, the Secretary of Defense, in consultation with the other administering Secretaries under chapter 55 of title 10, United States Code, shall implement a pilot program to provide residential and wraparound services to children described in paragraph (2) who are in need of mental health services. The Secretary shall implement the pilot program for an initial period of at least two years in a military health care region in which the TRICARE program has been implemented.

(2) A child shall be eligible for selection to participate in the pilot program if the child is a dependent (as described in subparagraph (D) or (I) of section 1072(2) of title 10, United States Code) who—

(A) is eligible for health care under section 1079 or 1086 of such title; and

(B) has a serious emotional disturbance that is generally regarded as amenable to treatment.

(b) WRAPAROUND SERVICES DEFINED.—For purposes of this section, the term "wraparound services" means individualized mental health services that are provided principally to allow a child to remain in the family home or other least-restrictive and least-costly setting, but also are provided as an aftercare planning service for children who have received acute or residential care. Such term includes nontraditional mental health services that will assist the child to be maintained in the least-restrictive and least-costly setting.

(c) PILOT PROGRAM AGREEMENT.—Under the pilot program the Secretary of Defense shall enter into one or more agreements that require a mental health services provider under the agreement—

(1) to provide wraparound services to a child described in subsection (a)(2);

(2) to continue to provide such services as needed during the period of the agreement even if the child moves to another location within the same TRICARE program region during that period; and

(3) to share financial risk by accepting as a maximum annual payment for such services a case-rate reimbursement not in excess of the amount of the annual standard CHAMPUS residential treatment benefit payable (as determined in accordance with section 8.1 of chapter 3 of volume II of the CHAMPUS policy manual).

(d) REPORT.—Not later than March 1, 1998, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the program carried out under this section. The report shall contain—

(1) an assessment of the effectiveness of the program; and

(2) the Secretary's views regarding whether the program should be implemented throughout the military health care system.

SEC. 717. EVALUATION AND REPORT ON TRICARE PROGRAM EFFECTIVENESS.

(a) EVALUATION REQUIRED.—The Secretary of Defense shall arrange for an on-going evaluation of the effectiveness of the TRICARE program in meeting the goals of increasing the access of covered beneficiaries under chapter 55 of title 10, United States Code, to health care and improving the quality of health care provided to covered beneficiaries, without increasing the costs incurred by the Government or covered beneficiaries. The evaluation shall specifically address—

(1) the impact of the TRICARE program on military retirees with regard to access, costs, and quality of health care services; and

(2) identify noncatchment areas in which the health maintenance organization option of the TRICARE program is available or is proposed to become available.

(b) ENTITY TO CONDUCT EVALUATION.—The Secretary may use a federally funded research and development center to conduct the evaluation required by subsection (a).

(c) ANNUAL REPORT.—Not later than March 1, 1997, and each March 1 thereafter, the Secretary shall submit to Congress a report describing the results of the evaluation under subsection (a) during the preceding year.

SEC. 718. SENSE OF CONGRESS REGARDING ACCESS TO HEALTH CARE UNDER TRICARE PROGRAM FOR COVERED BENEFICIARIES WHO ARE MEDICARE ELIGIBLE.

(a) FINDINGS.—Congress finds the following:

(1) Medical care provided in facilities of the uniformed services is generally less expensive to the Federal Government than the same care provided at Government expense in the private sector.

(2) Covered beneficiaries under the military health care provisions of chapter 55, United States Code, who are eligible for medicare under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) deserve health care options that empower them to choose the health plan that best fits their needs.

(b) SENSE OF CONGRESS.—In light of the findings specified in subsection (a), it is the sense of Congress that—

(1) the Secretary of Defense should develop a program to ensure that such covered beneficiaries who reside in a region in which the TRICARE program has been implemented continue to have adequate access to health care services after the implementation of the TRICARE program; and

(2) as a means of ensuring such access, the budget for fiscal year 1997 submitted by the President under section 1105 of title 31, United States Code, should provide for reimbursement by the Health Care Financing Administration to the Department of Defense for health care services provided to such covered beneficiaries in medical treatment facilities of the Department of Defense.

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. DELAY OF TERMINATION OF STATUS OF CERTAIN FACILITIES AS UNIFORMED SERVICES TREATMENT FACILITIES.

Section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)) is amended by striking out "December 31, 1996" in the first sentence and inserting in lieu thereof "September 30, 1997".

SEC. 722. LIMITATION ON EXPENDITURES TO SUPPORT UNIFORMED SERVICES TREATMENT FACILITIES.

Subsection (f) of section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d), is amended to read as follows:

"(f) LIMITATION ON EXPENDITURES.—The total amount of expenditures by the Secretary of Defense to carry out this section and section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c), for fiscal year 1996 may not exceed $300,000,000, adjusted by the Secretary to reflect the inflation factor used by the Department of Defense for such fiscal year.".

SEC. 723. APPLICATION OF CHAMPUS PAYMENT RULES IN CERTAIN CASES.

Section 1074 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of Defense may require, by regulation, a private CHAMPUS provider to apply the CHAMPUS payment rules (subject to any modifications considered appropriate by the Secretary) in imposing charges for health care that the private CHAMPUS provider provides to a member of the uniformed services who is enrolled in a health care plan of a facility deemed to be a facility of the uniformed services under section 911(a) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(a)) when the health care is provided outside the catchment area of the facility.

"(2) In this subsection:

"(A) The term 'private CHAMPUS provider' means a private facility or health care provider that is a health care provider under the Civilian Health and Medical Program of the Uniformed Services.

"(B) The term 'CHAMPUS payment rules' means the payment rules referred to in subsection (c).

"(3) The Secretary of Defense shall prescribe regulations under this subsection after consultation with the other administering Secretaries.".

SEC. 724. APPLICATION OF FEDERAL ACQUISITION REGULATION TO PARTICIPATION AGREEMENTS WITH UNIFORMED SERVICES TREATMENT FACILITIES.

(a) Section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1587) is amended—

(1) in the second sentence of paragraph (1), by striking out "A participation agreement" and inserting in lieu thereof "Except as provided in paragraph (4), a participation agreement";

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) APPLICATION OF FEDERAL ACQUISITION REGULATION.—On and after the date of the enactment of this paragraph, Uniformed Services Treatment Facilities and any participation agreement between Uniformed Services Treatment Facilities and the Secretary of Defense shall be subject to the Federal Acquisition Regulation issued pursuant to section 25(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)) notwithstanding any provision to the contrary in such a participation agreement. The requirements regarding competition in the Federal Acquisition Regulation shall apply with regard to the negotiation of any new participation agreement between the Uniformed Services Treatment Facilities and the Secretary of Defense under this subsection or any other provision of law.".

(b) SENSE OF CONGRESS.—(1) Congress finds that the Uniformed Services Treatment Facilities provide quality health care to the 120,000 Department of Defense beneficiaries enrolled in the Uniformed Services Family Health Plan provided by these facilities.

(2) In light of such finding, it is the sense of Congress that the Uniformed Services Family Health Plan provided by the Uniformed Services Treatment Facilities should not be terminated for convenience under provisions of the Federal Acquisition Regulation by the Secretary of Defense before the expiration of the current participation agreements.

(3) For purposes of this subsection, the term "Uniformed Services Treatment Facility" means a facility deemed to be a facility of the uniformed services by virtue of section 911(a) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(a)).

SEC. 725. DEVELOPMENT OF PLAN FOR INTEGRATING UNIFORMED SERVICES TREATMENT FACILITIES IN MANAGED CARE PROGRAMS OF DEPARTMENT OF DEFENSE.

Section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1587) is amended by inserting after paragraph (4), as added by section 722, the following new paragraph:

"(5) PLAN FOR INTEGRATING FACILITIES.—(A) The Secretary of Defense shall develop a plan under which Uniformed Services Treatment Facilities could be included, before the expiration date of the participation agreements entered into under this section, in the exclusive health care provider networks established by the Secretary for the geographic regions in which the facilities are located. The Secretary shall address in the plan the feasibility of implementing the managed care plan of the Uniformed Services Treatment Facilities, known as Option II, on a mandatory basis for all USTF Medicare-eligible beneficiaries and the potential cost savings to the Military Health Care Program that could be achieved under such option.

"(B) The Secretary shall submit the plan developed under this paragraph to Congress not later than March 1, 1996.

"(C) The plan developed under this paragraph shall be consistent with the requirements specified in paragraph (4). If the plan is not submitted to Congress by the expiration date of the participation agreements entered into under this section, the participation agreements shall remain in effect, at the option of the Uniformed Services Treatment Facilities, until the end of the 180-day period beginning on the date the plan is finally submitted.

"(D) For purposes of this paragraph, the term 'USTF Medicare-eligible beneficiaries' means covered beneficiaries under chapter 55 of title 10, United States Code, who are enrolled in a managed health plan offered by the Uniformed Services Treatment Facilities and entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).".

SEC. 726. EQUITABLE IMPLEMENTATION OF UNIFORM COST SHARING REQUIREMENTS FOR UNIFORMED SERVICES TREATMENT FACILITIES.

(a) TIME FOR FEE IMPLEMENTATION.—The uniform managed care benefit fee and copayment schedule developed by the Secretary of Defense for use in all managed care initiatives of the military health service system, including the managed care program of the Uniformed Services Treatment Facilities, shall be extended to the managed care program of a Uniformed Services Treatment Facility only after the later of—

(1) the implementation of the TRICARE regional program covering the service area of the Uniformed Services Treatment Facility; or

(2) October 1, 1996.

(b) SUBMISSION OF ACTUARIAL ESTIMATES.—Paragraph (2) of subsection (a) shall operate as a condition on the extension of the uniform managed care benefit fee and copayment schedule to the Uniformed Services Treatment Facilities only if the Uniformed Services Treatment Facilities submit to the Comptroller General of the United States, within 30 days after the date of the enactment of this Act, actuarial estimates in support of their contention that the extension of such fees and copayments will have an adverse effect on the operation of the Uniformed Services Treatment Facilities and the enrollment of participants.

(c) EVALUATION.—(1) Except as provided in paragraph (2), not later than 90 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress the results of an evaluation of the effect on the Uniformed Services Treatment Facilities of the extension of the uniform benefit fee and copayment schedule to the Uniformed Services Treatment Facilities. The evaluation shall include an examination of whether the benefit fee and copayment schedule may—

(A) cause adverse selection of enrollees;

(B) be inappropriate for a fully at-risk program similar to civilian health maintenance organizations; or

(C) result in an enrolled population dissimilar to the general beneficiary population.

(2) The Comptroller General shall not be required to prepare or submit the evaluation under paragraph (1) if the Uniformed Services Treatment Facilities fail to satisfactorily comply with subsection (b), as determined by the Comptroller General.

SEC. 727. ELIMINATION OF UNNECESSARY ANNUAL REPORTING REQUIREMENT REGARDING UNIFORMED SERVICES TREATMENT FACILITIES.

Section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d), is amended by striking out subsection (d).

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. MAXIMUM ALLOWABLE PAYMENTS TO INDIVIDUAL HEALTH-CARE PROVIDERS UNDER CHAMPUS.

(a) MAXIMUM PAYMENT.—Subsection (h) of section 1079 of title 10, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) Payment for a charge for services by an individual health care professional (or other noninstitutional health care provider) for which a claim is submitted under a plan contracted for under subsection (a) may not exceed the lesser of—

"(A) the amount equivalent to the 80th percentile of billed charges made for similar services in the same locality during the base period; or

"(B) an amount determined to be appropriate, to the extent practicable, in accordance with the same reimbursement rules as apply to payments for similar services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).".

(b) COMPARISON TO MEDICARE PAYMENTS.—Such subsection is further amended by adding at the end the following new paragraph:

"(3) For the purposes of paragraph (1)(B), the appropriate payment amount shall be determined by the Secretary of Defense, in consultation with the other administering Secretaries.".

(c) EXCEPTIONS AND LIMITATIONS.—Such subsection is further amended by inserting after paragraph (3), as added by subsection (b), the following new paragraphs:

"(4) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations to provide for such exceptions to the payment limitations under paragraph (1) as the Secretary determines to be necessary to assure that covered beneficiaries retain adequate access to health care services. Such exceptions may include the payment of amounts higher than the amount allowed under paragraph (1) when enrollees in managed care programs obtain covered emergency services from nonparticipating providers. To provide a suitable transition from the payment methodologies in effect before the date of the enactment of this paragraph to the methodology required by paragraph (1), the amount allowable for any service may not be reduced by more than 15 percent below the amount allowed for the same service during the immediately preceding 12-month period (or other period as established by the Secretary of Defense).

"(5) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations to establish limitations (similar to the limitations established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)) on beneficiary liability for charges of an individual health care professional (or other noninstitutional health care provider).".

(d) CONFORMING AMENDMENT.—Paragraph (2) of such subsection is amended by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1)(A)".

(e) REPORT ON EFFECT OF AMENDMENTS.—Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report analyzing the effect of the amendments made by this section on the ability or willingness of individual health care professionals and other noninstitutional health care providers to participate in the Civilian Health and Medical Program of the Uniformed Services.

SEC. 732. NOTIFICATION OF CERTAIN CHAMPUS COVERED BENEFICIARIES OF LOSS OF CHAMPUS ELIGIBILITY.

Section 1086(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) The administering Secretaries shall develop a mechanism by which persons described in paragraph (1) who satisfy only the criteria specified in subparagraphs (A) and (B) of paragraph (2), but not subparagraph (C) of such paragraph, are promptly notified of their ineligibility for health benefits under this section. In developing the notification mechanism, the administering Secretaries shall consult with the administrator of the Health Care Financing Administration.".

SEC. 733. PERSONAL SERVICES CONTRACTS FOR MEDICAL TREATMENT FACILITIES OF THE COAST GUARD.

(a) CONTRACTING AUTHORITY.—Section 1091(a) of title 10, United States Code, is amended—

(1) by inserting after "Secretary of Defense" the following: ", with respect to medical treatment facilities of the Department of Defense, and the Secretary of Transportation, with respect to medical treatment facilities of the Coast Guard when the Coast Guard is not operating as a service in the Navy,"; and

(2) by striking out "medical treatment facilities of the Department of Defense" and inserting in lieu thereof "such facilities".

(b) RATIFICATION OF EXISTING CONTRACTS.—Any exercise of authority under section 1091 of title 10, United States Code, to enter into a personal services contract on behalf of the Coast Guard before the effective date of the amendments made by subsection (a) is hereby ratified.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as of October 1, 1995.

SEC. 734. IDENTIFICATION OF THIRD-PARTY PAYER SITUATIONS.

Section 1095 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(k)(1) To improve the administration of this section and sections 1079(j)(1) and 1086(d) of this title, the Secretary of Defense, in consultation with the other administering Secretaries, may prescribe regulations providing for the collection of information regarding insurance, medical service, or health plans of third-party payers held by covered beneficiaries.

"(2) The collection of information under regulations prescribed under paragraph (1) shall be conducted in the same manner as is provided in section 1862(b)(5) of the Social Security Act (42 U.S.C. 1395y(b)(5)). The Secretary may provide for obtaining from the Commissioner of Social Security employment information comparable to the information provided to the Administrator of the Health Care Financing Administration pursuant to such section. Such regulations may require the mandatory disclosure of Social Security account numbers for all covered beneficiaries.

"(3) The Secretary may disclose relevant employment information collected under this subsection to fiscal intermediaries or other designated contractors.

"(4) The Secretary may provide for contacting employers of covered beneficiaries to obtain group health plan information comparable to the information authorized to be obtained under section 1862(b)(5)(C) of the Social Security Act (42 U.S.C. 1395y(b)(5)(C)). Notwithstanding clause (iii) of such section, clause (ii) of such section regarding the imposition of civil money penalties shall apply to the collection of information under this paragraph.

"(5) Information obtained under this subsection may not be disclosed for any purpose other than to carry out the purpose of this section and sections 1079(j)(1) and 1086(d) of this title.".

SEC. 735. REDESIGNATION OF MILITARY HEALTH CARE ACCOUNT AS DEFENSE HEALTH PROGRAM ACCOUNT AND TWO-YEAR AVAILABILITY OF CERTAIN ACCOUNT FUNDS.

(a) REDESIGNATION.—Section 1100 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "Military Health Care Account" and inserting in lieu thereof "Defense Health Program Account"; and

(B) by striking out "the Civilian Health and Medical Program of the Uniformed Services" and inserting in lieu thereof "medical and health care programs of the Department of Defense"; and

(2) in subsection (b)—

(A) by striking out "entering into a contract" and inserting in lieu thereof "conducting programs and activities under this chapter, including contracts entered into"; and

(B) by inserting a comma after "title".

(b) TWO YEAR AVAILABILITY OF CERTAIN APPROPRIATIONS.—Subsection (a)(2) of such section is amended to read as follows:

"(2) Of the total amount appropriated for a fiscal year for programs and activities carried out under this chapter, the amount equal to three percent of such total amount shall remain available for obligation until the end of the following fiscal year.".

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking out subsections (c), (d), and (f); and

(2) by redesignating subsection (e) as subsection (c).

(d) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§1100. Defense Health Program Account".

(2) The item relating to such section in the table of sections at the beginning of chapter 55 of such title is amended to read as follows:

"1100. Defense Health Program Account.".

SEC. 736. EXPANSION OF FINANCIAL ASSISTANCE PROGRAM FOR HEALTH-CARE PROFESSIONALS IN RESERVE COMPONENTS TO INCLUDE DENTAL SPECIALTIES.

Section 16201(b) of title 10, United States Code, is amended—

(1) in the subsection heading, by inserting "AND DENTISTS" after "PHYSICIANS";

(2) in paragraph (1)(A), by inserting "or dental school" after "medical school";

(3) in paragraphs (1)(B) and (2)(B), by inserting "or dental officer" after "medical officer"; and

(4) in paragraph (1)(C), by striking out "physicians in a medical specialty" and inserting in lieu thereof "physicians or dentists in a medical or dental specialty".

SEC. 737. APPLICABILITY OF LIMITATION ON PRICES OF PHARMACEUTICALS PROCURED FOR COAST GUARD.

(a) INCLUSION OF COAST GUARD.—Section 8126(b) of title 38, United States Code, is amended by adding at the end the following new paragraph:

"(4) The Coast Guard.".

(b) EFFECTIVE DATE; APPLICATION OF AMENDMENT.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 603 of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4971).

SEC. 738. RESTRICTION ON USE OF DEPARTMENT OF DEFENSE FACILITIES FOR ABORTIONS.

(a) IN GENERAL.—Section 1093 of title 10, United States Code, is amended—

(1) by inserting "(a) RESTRICTION ON USE OF FUNDS.—" before "Funds available"; and

(2) by adding at the end the following:

"(b) RESTRICTION ON USE OF FACILITIES.—No medical treatment facility or other facility of the Department of Defense may be used to perform an abortion except where the life of the mother would be endangered if the fetus were carried to term or in a case in which the pregnancy is the result of an act of rape or incest.".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§1093. Performance of abortions: restrictions".

(2) The item relating to such section in the table of sections at the beginning of chapter 55 of such title is amended to read as follows:

"1093. Performance of abortions: restrictions.".

Subtitle E—Other Matters

SEC. 741. TRISERVICE NURSING RESEARCH.

(a) PROGRAM AUTHORIZED.—Chapter 104 of title 10, United States Code, is amended by adding at the end the following new section:

"§2116. Military nursing research

"(a) DEFINITIONS.—In this section:

"(1) The term 'military nursing research' means research on the furnishing of care and services by nurses in the armed forces.

"(2) The term 'TriService Nursing Research Program' means the program of military nursing research authorized under this section.

"(b) PROGRAM AUTHORIZED.—The Secretary of Defense may establish at the University a program of military nursing research.

"(c) TRISERVICE RESEARCH GROUP.—The TriService Nursing Research Program shall be administered by a TriService Nursing Research Group composed of Army, Navy, and Air Force nurses who are involved in military nursing research and are designated by the Secretary concerned to serve as members of the group.

"(d) DUTIES OF GROUP.—The TriService Nursing Research Group shall—

"(1) develop for the Department of Defense recommended guidelines for requesting, reviewing, and funding proposed military nursing research projects; and

"(2) make available to Army, Navy, and Air Force nurses and Department of Defense officials concerned with military nursing research—

"(A) information about nursing research projects that are being developed or carried out in the Army, Navy, and Air Force; and

"(B) expertise and information beneficial to the encouragement of meaningful nursing research.

"(e) RESEARCH TOPICS.—For purposes of this section, military nursing research includes research on the following issues:

"(1) Issues regarding how to improve the results of nursing care and services provided in the armed forces in time of peace.

"(2) Issues regarding how to improve the results of nursing care and services provided in the armed forces in time of war.

"(3) Issues regarding how to prevent complications associated with battle injuries.

"(4) Issues regarding how to prevent complications associated with the transporting of patients in the military medical evacuation system.

"(5) Issues regarding how to improve methods of training nursing personnel.

"(6) Clinical nursing issues, including such issues as prevention and treatment of child abuse and spouse abuse.

"(7) Women's health issues.

"(8) Wellness issues.

"(9) Preventive medicine issues.

"(10) Home care management issues.

"(11) Case management issues.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 104 of such title is amended by adding at the end the following:

"2116. Military nursing research.".

SEC. 742. TERMINATION OF PROGRAM TO TRAIN MILITARY PSYCHOLOGISTS TO PRESCRIBE PSYCHOTROPIC MEDICATIONS.

(a) TERMINATION.—Not later than June 30, 1997, the Secretary of Defense shall terminate the demonstration pilot program for training military psychologists in the prescription of psychotropic medications, which is referred to in section 8097 of the Department of Defense Appropriations Act, 1991 (Public Law 101-511; 104 Stat. 1897).

(b) PROHIBITION ON ADDITIONAL ENROLLEES PENDING TERMINATION.—After the date of the enactment of this Act, the Secretary of Defense may not enroll any new participants for the demonstration pilot program described in subsection (a).

(c) EFFECT ON CURRENT PARTICIPANTS.—The requirement to terminate the demonstration pilot program described in subsection (a) shall not be construed to affect the training or utilization of military psychologists in the prescription of psychotropic medications who are participating in the demonstration pilot program on the date of the enactment of this Act or who have completed such training before that date.

(d) EVALUATION.—As soon as possible after the date of the enactment of this Act, but not later than April 1, 1997, the Comptroller General of the United States shall submit to Congress a report evaluating the success of the demonstration pilot program described in subsection (a). The report shall include—

(1) a cost-benefit analysis of the program;

(2) a discussion of the utilization requirements under the program; and

(3) recommendations regarding—

(A) whether the program should be extended so as to continue to provide training to military psychologists in the prescription of psychotropic medications; and

(B) any modifications that should be made in the manner in which military psychologists are trained and used to prescribe psychotropic medications so as to improve the training provided under the program, if the program is extended.

SEC. 743. WAIVER OF COLLECTION OF PAYMENTS DUE FROM CERTAIN PERSONS UNAWARE OF LOSS OF CHAMPUS ELIGIBILITY.

(a) AUTHORITY TO WAIVE COLLECTION.—The administering Secretaries may waive the collection of payments otherwise due from a person described in subsection (b) as a result of the receipt by the person of health benefits under section 1086 of title 10, United States Code, after the termination of the person's eligibility for such benefits.

(b) PERSONS ELIGIBLE FOR WAIVER.—A person shall be eligible for relief under subsection (a) if the person—

(1) is a person described in paragraph (1) of subsection (d) of section 1086 of title 10, United States Code;

(2) in the absence of such paragraph, would have been eligible for health benefits under such section; and

(3) at the time of the receipt of such benefits, satisfied the criteria specified in subparagraphs (A) and (B) of paragraph (2) of such subsection.

(c) EXTENT OF WAIVER AUTHORITY.—The authority to waive the collection of payments pursuant to this section shall apply with regard to health benefits provided under section 1086 of title 10, United States Code, to persons described in subsection (b) during the period beginning on January 1, 1967, and ending on the later of—

(1) the termination date of any special enrollment period provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) specifically for such persons; and

(2) July 1, 1996.

(d) DEFINITIONS.—For purposes of this section, the term "administering Secretaries" has the meaning given such term in section 1072(3) of title 10, United States Code.

SEC. 744. DEMONSTRATION PROGRAM TO TRAIN MILITARY MEDICAL PERSONNEL IN CIVILIAN SHOCK TRAUMA UNITS.

(a) DEMONSTRATION PROGRAM.—(1) Not later than April 1, 1996, the Secretary of Defense shall implement a demonstration program to evaluate the feasibility of providing shock trauma training for military medical personnel through one or more public or nonprofit hospitals. The Secretary shall carry out the program pursuant to an agreement with such hospitals.

(2) Under the agreement with a hospital, the Secretary shall assign military medical personnel participating in the demonstration program to temporary duty in shock trauma units operated by the hospitals that are parties to the agreement.

(3) The agreement shall require, as consideration for the services provided by military medical personnel under the agreement, that the hospital provide appropriate care to members of the Armed Forces and to other persons whose care in the hospital would otherwise require reimbursement by the Secretary. The value of the services provided by the hospitals shall be at least equal to the value of the services provided by military medical personnel under the agreement.

(b) TERMINATION OF PROGRAM.—The authority of the Secretary of Defense to conduct the demonstration program under this section, and any agreement entered into under the demonstration program, shall expire on March 31, 1998.

(c) REPORT AND EVALUATION OF PROGRAM.—(1) Not later than March 1 of each year in which the demonstration program is conducted under this section, the Secretary of Defense shall submit to Congress a report describing the scope and activities of the demonstration program during the preceding year.

(2) Not later than May 1, 1998, the Comptroller General of the United States shall submit to Congress a report evaluating the effectiveness of the demonstration program in providing shock trauma training for military medical personnel.

SEC. 745. STUDY REGARDING DEPARTMENT OF DEFENSE EFFORTS TO DETERMINE APPROPRIATE FORCE LEVELS OF WARTIME MEDICAL PERSONNEL.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study to evaluate the reasonableness of the models used by each military department for determining the appropriate wartime force level for medical personnel in the department. The study shall include the following:

(1) An assessment of the modeling techniques used by each department.

(2) An analysis of the data used in the models to identify medical personnel requirements.

(3) An identification of the ability of the models to integrate personnel of reserve components to meet department requirements.

(4) An evaluation of the ability of the Secretary of Defense to integrate the various modeling efforts into a comprehensive, coordinated plan for obtaining the optimum force level for wartime medical personnel.

(b) REPORT OF STUDY.—Not later than June 30, 1996, the Comptroller General shall report to Congress on the results of the study conducted under subsection (a).

SEC. 746. REPORT ON IMPROVED ACCESS TO MILITARY HEALTH CARE FOR COVERED BENEFICIARIES ENTITLED TO MEDICARE.

Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report evaluating the feasibility, costs, and consequences for the military health care system of improving access to the system for covered beneficiaries under chapter 55 of title 10, United States Code, who have limited access to military medical treatment facilities and are ineligible for the Civilian Health and Medical Program of the Uniformed Services under section 1086(d)(1) of such title. The alternatives that the Secretary shall consider to improve access for such covered beneficiaries shall include—

(1) whether CHAMPUS should serve as a second payer for covered beneficiaries who are entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.); and

(2) whether such covered beneficiaries should be offered enrollment in the Federal Employees Health Benefits program under chapter 89 of title 5, United States Code.

SEC. 747. REPORT ON EFFECT OF CLOSURE OF FITZSIMONS ARMY MEDICAL CENTER, COLORADO, ON PROVISION OF CARE TO MILITARY PERSONNEL, RETIRED MILITARY PERSONNEL, AND THEIR DEPENDENTS.

(a) EFFECT OF CLOSURE ON MEMBERS EXPERIENCING HEALTH DIFFICULTIES ASSOCIATED WITH PERSIAN GULF SYNDROME.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that—

(1) assesses the effects of the closure of Fitzsimons Army Medical Center, Colorado, on the capability of the Department of Defense to provide appropriate and adequate health care to members and former members of the Armed Forces who suffer from undiagnosed illnesses (or combination of illnesses) as a result of service in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf conflict; and

(2) describes the plans of the Secretary of Defense and the Secretary of the Army to ensure that adequate and appropriate health care is provided to such members for such illnesses (or combination of illnesses).

(b) EFFECT OF CLOSURE ON OTHER COVERED BENEFICIARIES.—The report required by subsection (a) shall also include—

(1) an assessment of the effects of the closure of Fitzsimons Army Medical Center on the capability of the Department of Defense to provide appropriate and adequate health care to the dependents of members and former members of the Armed Forces and retired members and their dependents who currently obtain care at the medical center; and

(2) a description of the plans of the Secretary of Defense and the Secretary of the Army to ensure that adequate and appropriate health care is provided to such persons, as called for in the recommendations of the Secretary of Defense for the closure of Fitzsimons Army Medical Center.

SEC. 748. SENSE OF CONGRESS ON CONTINUITY OF HEALTH CARE SERVICES FOR COVERED BENEFICIARIES ADVERSELY AFFECTED BY CLOSURES OF MILITARY MEDICAL TREATMENT FACILITIES.

(a) FINDINGS.—Congress finds the following:

(1) Military installations selected for closure in the 1991 and 1993 rounds of the base closure process will soon close.

(2) Additional military installations have been selected for closure in the 1995 round of the base closure process.

(3) Some of the military installations selected for closure include military medical treatment facilities.

(4) As a result of these base closures, tens of thousands of covered beneficiaries under chapter 55 of title 10, United States Code, who reside in the vicinity of such installations will be left without immediate access to military medical treatment facilities.

(b) SENSE OF CONGRESS.—In light of the findings specified in subsection (a), it is the sense of Congress that the Secretary of Defense should take all appropriate steps necessary to ensure the continuation of medical and pharmaceutical benefits for covered beneficiaries adversely affected by the closure of military installations.

SEC. 749. STATE RECOGNITION OF MILITARY ADVANCE MEDICAL DIRECTIVES.

(a) REQUIREMENT FOR RECOGNITION BY STATES.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1044b the following new section:

"§ 1044c. Advance medical directives of members and dependents: requirement for recognition by States

"(a) INSTRUMENTS TO BE GIVEN LEGAL EFFECT WITHOUT REGARD TO STATE LAW.—An advance medical directive executed by a person eligible for legal assistance—

"(1) is exempt from any requirement of form, substance, formality, or recording that is provided for advance medical directives under the laws of a State; and

"(2) shall be given the same legal effect as an advance medical directive prepared and executed in accordance with the laws of the State concerned.

"(b) ADVANCE MEDICAL DIRECTIVES.—For purposes of this section, an advance medical directive is any written declaration that—

"(1) sets forth directions regarding the provision, withdrawal, or withholding of life-prolonging procedures, including hydration and sustenance, for the declarant whenever the declarant has a terminal physical condition or is in a persistent vegetative state; or

"(2) authorizes another person to make health care decisions for the declarant, under circumstances stated in the declaration, whenever the declarant is incapable of making informed health care decisions.

"(c) STATEMENT TO BE INCLUDED.—(1) Under regulations prescribed by the Secretary concerned, an advance medical directive prepared by an attorney authorized to provide legal assistance shall contain a statement that sets forth the provisions of subsection (a).

"(2) Paragraph (1) shall not be construed to make inapplicable the provisions of subsection (a) to an advance medical directive that does not include a statement described in that paragraph.

"(d) STATES NOT RECOGNIZING ADVANCE MEDICAL DIRECTIVES.—Subsection (a) does not make an advance medical directive enforceable in a State that does not otherwise recognize and enforce advance medical directives under the laws of the State.

"(e) DEFINITIONS.—In this section:

"(1) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and a possession of the United States.

"(2) The term 'person eligible for legal assistance' means a person who is eligible for legal assistance under section 1044 of this title.

"(3) The term 'legal assistance' means legal services authorized under section 1044 of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1044b the following:

"1044c. Advance medical directives of members and dependents: requirement for recognition by States.".

(b) EFFECTIVE DATE.—Section 1044c of title 10, United States Code, shall take effect on the date of the enactment of this Act and shall apply to advance medical directives referred to in that section that are executed before, on, or after that date.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Reform

SEC. 801. INAPPLICABILITY OF LIMITATION ON EXPENDITURE OF APPROPRIATIONS TO CONTRACTS AT OR BELOW SIMPLIFIED ACQUISITION THRESHOLD.

Section 2207 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Money appropriated"; and

(2) by adding at the end the following new subsection:

"(b) This section does not apply to a contract that is for an amount not greater than the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)))."

SEC. 802. AUTHORITY TO DELEGATE CONTRACTING AUTHORITY.

(a) REPEAL OF DUPLICATIVE AUTHORITY AND RESTRICTION.—Section 2356 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 139 of title 10, United States Code, is amended by striking out the item relating to section 2356.

SEC. 803. CONTROL IN PROCUREMENTS OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS.

(a) REPEAL.—Section 2383 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2383.

SEC. 804. FEES FOR CERTAIN TESTING SERVICES.

Section 2539b(c) of title 10, United States Code, is amended by inserting "and indirect" after "recoup the direct" in the second sentence.

SEC. 805. COORDINATION AND COMMUNICATION OF DEFENSE RESEARCH ACTIVITIES.

Section 2364 of title 10, United States Code, is amended—

(1) in subsection (b)(5), by striking out "milestone O, milestone I, and milestone II" and inserting in lieu thereof "acquisition program"; and

(2) in subsection (c), by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) The term 'acquisition program decision' has the meaning prescribed by the Secretary of Defense in regulations.".

SEC. 806. ADDITION OF CERTAIN ITEMS TO DOMESTIC SOURCE LIMITATION.

(a) LIMITATION.—(1) Paragraph (3) of section 2534(a) of title 10, United States Code, is amended to read as follows:

"(3) COMPONENTS FOR NAVAL VESSELS.—(A) The following components:

"(i) Air circuit breakers.

"(ii) Welded shipboard anchor and mooring chain with a diameter of four inches or less.

"(iii) Vessel propellers with a diameter of six feet or more.

"(B) The following components of vessels, to the extent they are unique to marine applications: gyrocompasses, electronic navigation chart systems, steering controls, pumps, propulsion and machinery control systems, and totally enclosed lifeboats.".

(2) Subsection (b) of section 2534 of such title is amended by adding at the end the following:

"(3) MANUFACTURER OF VESSEL PROPELLERS.—In the case of a procurement of vessel propellers referred to in subsection (a)(3)(A)(ii), the manufacturer of the propellers meets the requirements of this subsection only if—

"(A) the manufacturer meets the requirements set forth in paragraph (1); and

"(B) all castings incorporated into such propellers are poured and finished in the United States.".

(3) Paragraph (1) of section 2534(c) of such title is amended to read as follows:

"(1) COMPONENTS FOR NAVAL VESSELS.—Subsection (a) does not apply to a procurement of spare or repair parts needed to support components for naval vessels produced or manufactured outside the United States.".

(4) Section 2534 of such title is amended by adding at the end the following new subsection:

"(h) IMPLEMENTATION OF NAVAL VESSEL COMPONENT LIMITATION.—In implementing subsection (a)(3)(B), the Secretary of Defense—

"(1) may not use contract clauses or certifications; and

"(2) shall use management and oversight techniques that achieve the objective of the subsection without imposing a significant management burden on the Government or the contractor involved.".

(5) Subsection (a)(3)(B) of section 2534 of title 10, United States Code, as amended by paragraph (1), shall apply only to contracts entered into after March 31, 1996.

(b) EXTENSION OF LIMITATION RELATING TO BALL BEARINGS AND ROLLER BEARINGS.—Section 2534(c)(3) of such title is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 2000".

(c) TERMINATION OF VESSEL PROPELLER LIMITATION.—Section 2534(c) of such title is amended by adding at the end the following new paragraph:

"(4) VESSEL PROPELLERS.—Subsection (a)(3)(A)(iii) and this paragraph shall cease to be effective on the date occurring two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996.".

(d) INAPPLICABILITY OF SIMPLIFIED ACQUISITION LIMITATION TO CONTRACTS FOR BALL BEARINGS AND ROLLER BEARINGS.—Section 2534(g) of title 10, United States Code, is amended—

(1) by inserting "(1)" before "This section"; and

(2) by adding at the end the following new paragraph:

"(2) Paragraph (1) does not apply to contracts for items described in subsection (a)(5) (relating to ball bearings and roller bearings), notwithstanding section 33 of the Office of Federal Procurement Policy Act (41 U.S.C. 429).".

SEC. 807. ENCOURAGEMENT OF USE OF LEASING AUTHORITY.

(a) IN GENERAL.—(1) Section 2401a of title 10, United States Code, is amended—

(A) by inserting before "The Secretary of Defense" the following subsection heading: "(b) LIMITATION ON CONTRACTS WITH TERMS OF 18 MONTHS OR MORE.—";

(B) by inserting after the section heading the following:

"(a) LEASING OF COMMERCIAL VEHICLES AND EQUIPMENT.—The Secretary of Defense may use leasing in the acquisition of commercial vehicles and equipment whenever the Secretary determines that leasing of such vehicles is practicable and efficient."; and

(C) by amending the section heading to read as follows:

"§2401a. Lease of vehicles, equipment, vessels, and aircraft".

(2) The item relating to section 2401a in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

"2401a. Lease of vehicles, equipment, vessels, and aircraft.".

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth changes in legislation that would be required to facilitate the use of leasing in the acquisition of equipment by the Department of Defense.

(c) PILOT PROGRAM.—(1) The Secretary of the Army may conduct a pilot program for leasing commercial utility cargo vehicles in accordance with this subsection.

(2) Under the pilot program—

(A) the Secretary may trade existing commercial utility cargo vehicles of the Army for credit against the costs of leasing new replacement commercial utility cargo vehicles for the Army;

(B) the quantities and trade-in value of commercial utility cargo vehicles to be traded in shall be subject to negotiation between the Secretary and the lessors of the new replacement commercial utility cargo vehicles;

(C) the lease agreement for a new commercial utility cargo vehicle may be executed with or without an option to purchase at the end of the lease period;

(D) the lease period for a new commercial utility cargo vehicle may not exceed the warranty period for the vehicle; and

(E) up to 40 percent of the validated requirement for commercial utility cargo vehicles may be satisfied by leasing such vehicles, except that one or more options for satisfying the remainder of the validated requirement may be provided for and exercised (subject to the requirements of paragraph (6)).

(3) In awarding contracts under the pilot program, the Secretary shall comply with section 2304 of title 10, United States Code.

(4) The pilot program may not be commenced until—

(A) the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that contains the plans of the Secretary for implementing the program and that sets forth in detail the savings in operating and support costs expected to be derived from retiring older commercial utility cargo vehicles, as compared to the expected costs of leasing newer commercial utility cargo vehicles; and

(B) a period of 30 calendar days has elapsed after submission of such report.

(5) Not later than one year after the date on which the first lease under the pilot program is entered into, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the status of the pilot program. Such report shall be based on at least six months of experience in operating the pilot program.

(6) The Secretary may exercise an option provided for under paragraph (2) only after a period of 60 days has elapsed after the submission of the report.

(7) No lease of commercial utility cargo vehicles may be entered into under the pilot program after September 30, 2000.

SEC. 808. COST REIMBURSEMENT RULES FOR INDIRECT COSTS ATTRIBUTABLE TO PRIVATE SECTOR WORK OF DEFENSE CONTRACTORS.

(a) DEFENSE CAPABILITY PRESERVATION AGREEMENT.—The Secretary of Defense may enter into an agreement, to be known as a "defense capability preservation agreement", with a defense contractor under which the cost reimbursement rules described in subsection (b) shall be applied. Such an agreement may be entered into in any case in which the Secretary determines that the application of such cost reimbursement rules would facilitate the achievement of the policy objectives set forth in section 2501(b) of title 10, United States Code.

(b) COST REIMBURSEMENT RULES.—(1) The cost reimbursement rules applicable under an agreement entered into under subsection (a) are as follows:

(A) The Department of Defense shall, in determining the reimbursement due a contractor for its indirect costs of performing a defense contract, allow the contractor to allocate indirect costs to its private sector work only to the extent of the contractor's allocable indirect private sector costs, subject to subparagraph (C).

(B) For purposes of subparagraph (A), the allocable indirect private sector costs of a contractor are those costs of the contractor that are equal to the sum of—

(i) the incremental indirect costs attributable to such work; and

(ii) the amount by which the revenue attributable to such private sector work exceeds the sum of—

(I) the direct costs attributable to such private sector work; and

(II) the incremental indirect costs attributable to such private sector work.

(C) The total amount of allocable indirect private sector costs for a contract in any year of the agreement may not exceed the amount of indirect costs that a contractor would have allocated to its private sector work during that year in accordance with the contractor's established accounting practices.

(2) The cost reimbursement rules set forth in paragraph (1) may be modified by the Secretary of Defense if the Secretary of Defense determines that modifications are appropriate to the particular situation to facilitate achievement of the policy set forth in section 2501(b) of title 10, United States Code.

(c) IMPLEMENTATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall establish application procedures and procedures for expeditious consideration of defense capability preservation agreements as authorized by this section.

(d) CONTRACTS COVERED.—An agreement entered into with a contractor under subsection (a) shall apply to each Department of Defense contract with the contractor in effect on the date on which the agreement is entered into and each Department of Defense contract that is awarded to the contractor during the term of the agreement.

(e) REPORTS.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report setting forth—

(1) the number of applications received and the number of applications approved for defense capability preservation agreements; and

(2) any changes to the authority in this section that the Secretary recommends to further facilitate the policy set forth in section 2501(b) of title 10, United States Code.

SEC. 809. SUBCONTRACTS FOR OCEAN TRANSPORTATION SERVICES.

Notwithstanding any other provision of law, neither section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)) nor section 2631 of title 10, United States Code, shall be included before May 1, 1996, on any list promulgated under section 34(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 430(b)).

SEC. 810. PROMPT RESOLUTION OF AUDIT RECOMMENDATIONS.

Section 6009 of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355; 108 Stat. 3367) is amended to read as follows:

"SEC. 6009. PROMPT MANAGEMENT DECISIONS AND IMPLEMENTATION OF AUDIT RECOMMENDATIONS.

"(a) MANAGEMENT DECISIONS.—(1) The head of a Federal agency shall make management decisions on all findings and recommendations set forth in an audit report of the inspector general of the agency within a maximum of six months after the issuance of the report.

"(2) The head of a Federal agency shall make management decisions on all findings and recommendations set forth in an audit report of any auditor from outside the Federal Government within a maximum of six months after the date on which the head of the agency receives the report.

"(b) COMPLETION OF FINAL ACTION.—The head of a Federal agency shall complete final action on each management decision required with regard to a recommendation in an inspector general's report under subsection (a)(1) within 12 months after the date of the inspector general's report. If the head of the agency fails to complete final action with regard to a management decision within the 12-month period, the inspector general concerned shall identify the matter in each of the inspector general's semiannual reports pursuant to section 5(a)(3) of the Inspector General Act of 1978 (5 U.S.C. App.) until final action on the management decision is completed.".

SEC. 811. TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SUBCONTRACTING PLANS.

(a) Revision of Authority.—Subsection (a) of section 834 of National Defense Authorization Act for Fiscal Years 1990 and 1991 (15 U.S.C. 637 note) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Secretary of Defense shall establish a test program under which contracting activities in the military departments and the Defense Agencies are authorized to undertake one or more demonstration projects to determine whether the negotiation and administration of comprehensive subcontracting plans will reduce administrative burdens on contractors while enhancing opportunities provided under Department of Defense contracts for small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals. In selecting the contracting activities to undertake demonstration projects, the Secretary shall take such action as is necessary to ensure that a broad range of the supplies and services acquired by the Department of Defense are included in the test program.".

(b) Covered Contractors.—Subsection (b) of such section is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) A Department of Defense contractor referred to in paragraph (1) is, with respect to a comprehensive subcontracting plan negotiated in any fiscal year, a business concern that, during the immediately preceding fiscal year, furnished the Department of Defense with supplies or services (including professional services, research and development services, and construction services) pursuant to at least three Department of Defense contracts having an aggregate value of at least $5,000,000.".

(c) Technical Amendments.—Such section is amended—

(1) by striking out subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

SEC. 812. PROCUREMENT OF ITEMS FOR EXPERIMENTAL OR TEST PURPOSES.

Section 2373(b) of title 10, United States Code, is amended by inserting "only" after "applies" in the second sentence.

SEC. 813. USE OF FUNDS FOR ACQUISITION OF DESIGNS, PROCESSES, TECHNICAL DATA, AND COMPUTER SOFTWARE.

Section 2386(3) of title 10, United States Code, is amended to read as follows:

"(3) Design and process data, technical data, and computer software.".

SEC. 814. INDEPENDENT COST ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

Section 2434(b)(1)(A) of title 10, United States Code, is amended to read as follows:

"(A) be prepared—

"(i) by an office or other entity that is not under the supervision, direction, or control of the military department, Defense Agency, or other component of the Department of Defense that is directly responsible for carrying out the development or acquisition of the program; or

"(ii) if the decision authority for the program has been delegated to an official of a military department, Defense Agency, or other component of the Department of Defense, by an office or other entity that is not directly responsible for carrying out the development or acquisition of the program; and".

SEC. 815. CONSTRUCTION, REPAIR, ALTERATION, FURNISHING, AND EQUIPPING OF NAVAL VESSELS.

(a) Applicability of Certain Law.—Chapter 633 of title 10, United States Code, is amended by inserting after section 7297 the following:

"§ 7299. Contracts: applicability of Walsh-Healey Act

"Each contract for the construction, alteration, furnishing, or equipping of a naval vessel is subject to the Walsh-Healey Act (41 U.S.C. 35 et seq.) unless the President determines that this requirement is not in the interest of national defense.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7297 the following:

"7299. Contracts: applicability of Walsh-Healey Act.".

Subtitle B—Other Matters

SEC. 821. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) Funding.—Of the amount authorized to be appropriated under section 301(5), $12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) Specific Programs.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1996 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 822. DEFENSE FACILITY-WIDE PILOT PROGRAM.

(a) Authority To Conduct Defense Facility-Wide Pilot Program.—The Secretary of Defense may conduct a pilot program, to be known as the "defense facility-wide pilot program", for the purpose of determining the potential for increasing the efficiency and effectiveness of the acquisition process in facilities by using commercial practices on a facility-wide basis.

(b) Designation of Participating Facilities.—(1) Subject to paragraph (2), the Secretary may designate up to two facilities as participants in the defense facility-wide pilot program.

(2) The Secretary may designate for participation in the pilot program only those facilities that are authorized to be so designated in a law authorizing appropriations for national defense programs that is enacted after the date of the enactment of this Act.

(c) Scope of Program.—At a facility designated as a participant in the pilot program, the pilot program shall consist of the following:

(1) All contracts and subcontracts for defense supplies and services that are performed at the facility.

(2) All Department of Defense contracts and all subcontracts under Department of Defense contracts performed elsewhere that the Secretary determines are directly and substantially related to the production of defense supplies and services at the facility and are necessary for the pilot program.

(d) Criteria for Designation of Participating Facilities.—The Secretary shall establish criteria for selecting a facility for designation as a participant in the pilot program. In developing such criteria, the Secretary shall consider the following:

(1) The number of existing and anticipated contracts and subcontracts performed at the facility—

(A) for which contractors are required to provide certified cost or pricing data pursuant to section 2306a of title 10, United States Code; and

(B) which are administered with the application of cost accounting standards under section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)).

(2) The relationship of the facility to other organizations and facilities performing under contracts with the Department of Defense and subcontracts under such contracts.

(3) The impact that the participation of the facility under the pilot program would have on competing domestic manufacturers.

(4) Such other factors as the Secretary considers appropriate.

(e) Notification.—(1) The Secretary shall transmit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a written notification of each facility proposed to be designated by the Secretary for participation in the pilot program.

(2) The Secretary shall include in the notification regarding a facility designated for participation in the program a management plan addressing the following:

(A) The proposed treatment of research and development contracts or subcontracts to be performed at the facility during the pilot program.

(B) The proposed treatment of the cost impact of the use of commercial practices on the award and administration of contracts and subcontracts performed at the facility.

(C) The proposed method for reimbursing the contractor for existing and new contracts.

(D) The proposed method for measuring the performance of the facility for meeting the management goals of the Secretary.

(E) Estimates of the annual amount and the total amount of the contracts and subcontracts covered under the pilot program.

(3)(A) The Secretary shall ensure that the management plan for a facility provides for attainment of the following objectives:

(i) A significant reduction of the cost to the Government for programs carried out at the facility.

(ii) A reduction of the schedule associated with programs carried out at the facility.

(iii) An increased use of commercial practices and procedures for programs carried out at the facility.

(iv) Protection of a domestic manufacturer competing for contracts at such facility from being placed at a significant competitive disadvantage by the participation of the facility in the pilot program.

(B) The management plan for a facility shall also require that all or substantially all of the contracts to be awarded and performed at the facility after the designation of that facility under subsection (b), and all or substantially all of the subcontracts to be awarded under those contracts and performed at the facility after the designation, be—

(i) for the production of supplies or services on a firm-fixed price basis;

(ii) awarded without requiring the contractors or subcontractors to provide certified cost or pricing data pursuant to section 2306a of title 10, United States Code; and

(iii) awarded and administered without the application of cost accounting standards under section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)).

(f) Exemption From Certain Requirements.—In the case of a contract or subcontract that is to be performed at a facility designated for participation in the defense facility-wide pilot program and that is subject to section 2306a of title 10, United States Code, or section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)), the Secretary of Defense may exempt such contract or subcontract from the requirement to obtain certified cost or pricing data under such section 2306a or the requirement to apply mandatory cost accounting standards under such section 26(f) if the Secretary determines that the contract or subcontract—

(1) is within the scope of the pilot program (as described in subsection (c)); and

(2) is fairly and reasonably priced based on information other than certified cost and pricing data.

(g) Special Authority.—The authority provided under subsection (a) includes authority for the Secretary of Defense—

(1) to apply any amendment or repeal of a provision of law made in this Act to the pilot program before the effective date of such amendment or repeal; and

(2) to apply to a procurement of items other than commercial items under such program—

(A) the authority provided in section 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 430) to waive a provision of law in the case of commercial items, and

(B) any exception applicable under this Act or the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) (or an amendment made by a provision of either Act) in the case of commercial items,

before the effective date of such provision (or amendment) to the extent that the Secretary determines necessary to test the application of such waiver or exception to procurements of items other than commercial items.

(h) Applicability.—(1) Subsections (f) and (g) apply to the following contracts, if such contracts are within the scope of the pilot program at a facility designated for the pilot program under subsection (b):

(A) A contract that is awarded or modified during the period described in paragraph (2).

(B) A contract that is awarded before the beginning of such period, that is to be performed (or may be performed), in whole or in part, during such period, and that may be modified as appropriate at no cost to the Government.

(2) The period referred to in paragraph (1), with respect to a facility designated under subsection (b), is the period that—

(A) begins 45 days after the date of the enactment of the Act authorizing the designation of that facility in accordance with paragraph (2) of such subsection; and

(B) ends on September 30, 2000.

(i) Commercial Practices Encouraged.—With respect to contracts and subcontracts within the scope of the defense facility-wide pilot program, the Secretary of Defense may, to the extent the Secretary determines appropriate and in accordance with applicable law, adopt commercial practices in the administration of contracts and subcontracts. Such commercial practices may include the following:

(1) Substitution of commercial oversight and inspection procedures for Government audit and access to records.

(2) Incorporation of commercial oversight, inspection, and acceptance procedures.

(3) Use of alternative dispute resolution techniques (including arbitration).

(4) Elimination of contract provisions authorizing the Government to make unilateral changes to contracts.

SEC. 823. TREATMENT OF DEPARTMENT OF DEFENSE CABLE TELEVISION FRANCHISE AGREEMENTS.

Not later than 180 days after the date of the enactment of this Act, the chief judge of the United States Court of Federal Claims shall transmit to Congress a report containing an advisory opinion on the following two questions:

(1) Is it within the power of the executive branch to treat cable television franchise agreements for the construction, installation, or capital improvement of cable television systems at military installations of the Department of Defense as contracts under part 49 of the Federal Acquisition Regulation without violating title VI of the Communications Act of 1934 (47 U.S.C. 521 et seq.)?

(2) If the answer to the question in paragraph (1) is in the affirmative, is the executive branch required by law to so treat such franchise agreements?

SEC. 824. EXTENSION OF PILOT MENTOR-PROTEGE PROGRAM.

Section 831(j)(1) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2301 note) is amended by striking out "1995" and inserting in lieu thereof "1996".

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

SEC. 901. ORGANIZATION OF THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) Findings.—Congress makes the following findings:

(1) The statutory provisions that as of the date of the enactment of this Act govern the organization of the Office of the Secretary of Defense have evolved from enactment of a number of executive branch legislative proposals and congressional initiatives over a period of years.

(2) The May 1995 report of the congressionally mandated Commission on Roles and Missions of the Armed Forces included a number of recommendations relating to the Office of the Secretary of Defense.

(3) The Secretary of Defense has decided to create a special Department task force and to conduct other reviews to review many of the Commission's recommendations.

(4) The Secretary of Defense has decided to institute a 5 percent per year reduction of civilian personnel assigned to the Office of the Secretary of Defense, including the Washington Headquarters Service and the Defense Support Activities, for the period from fiscal year 1996 through fiscal year 2001.

(5) Over the ten-year period from 1986 through 1995, defense spending in real dollars has been reduced by 34 percent and military end-strengths have been reduced by 28 percent. During the same period, the number of civilian employees of the Office of the Secretary of Defense has increased by 22 percent.

(6) To achieve greater efficiency and to revalidate the role and mission of the Office of the Secretary of Defense, a comprehensive review of the organizations and functions of that Office and of the personnel needed to carry out those functions is required.

(b) Review.—The Secretary of Defense shall conduct a further review of the organizations and functions of the Office of the Secretary of Defense, including the Washington Headquarters Service and the Defense Support Activities, and the personnel needed to carry out those functions. The review shall include the following:

(1) An assessment of the appropriate functions of the Office and whether the Office of the Secretary of Defense or some of its component parts should be organized along mission lines.

(2) An assessment of the adequacy of the present organizational structure to efficiently and effectively support the Secretary in carrying out his responsibilities in a manner that ensures civilian authority in the Department of Defense.

(3) An assessment of the advantages and disadvantages of the use of political appointees to fill the positions of the various Under Secretaries of Defense, Assistant Secretaries of Defense, and Deputy Under Secretaries of Defense.

(4) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the Joint Staff.

(5) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the military departments.

(6) An assessment of the appropriate number of positions referred to in paragraph (3) and of Deputy Assistant Secretaries of Defense.

(7) An assessment of whether some or any of the functions currently performed by the Office of Humanitarian and Refugee Affairs are more properly or effectively performed by another agency of Government or elsewhere within the Department of Defense.

(8) An assessment of the efficacy of the Joint Requirements Oversight Council and whether it is advisable or necessary to establish a statutory charter for this organization.

(9) An assessment of any benefits or efficiencies derived from decentralizing certain functions currently performed by the Office of the Secretary of Defense.

(10) An assessment of the appropriate size, number, and functional responsibilities of the Defense Agencies and other Department of Defense support organizations.

(c) Report.—Not later than March 1, 1996, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) his findings and conclusions resulting from the review under subsection (b); and

(2) a plan for implementing resulting recommendations, including proposals for legislation (with supporting rationale) that would be required as a result of the review.

(d) Personnel Reduction.—(1) Effective October 1, 1999, the number of OSD personnel may not exceed 75 percent of the number of OSD personnel as of October 1, 1994.

(2) For purposes of this subsection, the term "OSD personnel" means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in the Office of the Secretary of Defense (including Direct Support Activities of that Office and the Washington Headquarters Services of the Department of Defense).

(3) In carrying out reductions in the number of personnel assigned to, or employed in, the Office of the Department of Defense in order to comply with paragraph (1), the Secretary may not reassign functions solely in order to evade the requirement contained in that paragraph.

(4) If the Secretary of Defense determines, and certifies to Congress, that the limitation in paragraph (1) would adversely affect United States national security, the limitation under paragraph (1) shall be applied by substituting "80 percent" for "75 percent".

SEC. 902. REDUCTION IN NUMBER OF ASSISTANT SECRETARY OF DEFENSE POSITIONS.

(a) REDUCTION.—Section 138(a) of title 10, United States Code, is amended by striking out "eleven" and inserting in lieu thereof "ten".

(b) CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended by striking out "(11)" after "Assistant Secretaries of Defense" and inserting in lieu thereof "(10)".

SEC. 903. DEFERRED REPEAL OF VARIOUS STATUTORY POSITIONS AND OFFICES IN OFFICE OF THE SECRETARY OF DEFENSE.

(a) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 31, 1997.

(b) TERMINATION OF SPECIFICATION BY LAW OF ASD POSITIONS.—Subsection (b) of section 138 of title 10, United States Code, is amended to read as follows:

"(b) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.".

(c) REPEAL OF CERTAIN OSD PRESIDENTIAL APPOINTMENT POSITIONS.—The following sections of chapter 4 of such title are repealed:

(1) Section 133a, relating to the Deputy Under Secretary of Defense for Acquisition and Technology.

(2) Section 134a, relating to the Deputy Under Secretary of Defense for Policy.

(3) Section 134a, relating to the Director of Defense Research and Engineering.

(4) Section 142, relating to the Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs.

(d) DIRECTOR OF MILITARY RELOCATION ASSISTANCE PROGRAMS.—Section 1056 of such title is amended by striking out subsection (d).

(e) CONFORMING AMENDMENTS RELATING TO REPEAL OF VARIOUS OSD POSITIONS.—Chapter 4 of such title is further amended—

(1) in section 131(b)—

(A) by striking out paragraphs (6) and (8); and

(B) by redesignating paragraphs (7), (9), (10), and (11), as paragraphs (6), (7), (8), and (9), respectively;

(2) in section 138(d), by striking out "the Under Secretaries of Defense, and the Director of Defense Research and Engineering" and inserting in lieu thereof "and the Under Secretaries of Defense"; and

(3) in the table of sections at the beginning of the chapter, by striking out the items relating to sections 133a, 134a, 137, 139, and 142.

(f) CONFORMING AMENDMENTS RELATING TO REPEAL OF SPECIFICATION OF ASD POSITIONS.—

(1) Section 176(a)(3) of title 10, United States Code, is amended—

(A) by striking out "Assistant Secretary of Defense for Health Affairs" and inserting in lieu thereof "official in the Department of Defense with principal responsibility for health affairs"; and

(B) by striking out "Chief Medical Director of the Department of Veterans Affairs" and inserting in lieu thereof "Under Secretary for Health of the Department of Veterans Affairs".

(2) Section 1216(d) of such title is amended by striking out "Assistant Secretary of Defense for Health Affairs" and inserting in lieu thereof "official in the Department of Defense with principal responsibility for health affairs".

(3) Section 1587(d) of such title is amended by striking out "Assistant Secretary of Defense for Manpower and Logistics" and inserting in lieu thereof "official in the Department of Defense with principal responsibility for personnel and readiness".

(4) The text of section 10201 of such title is amended to read as follows:

"The official in the Department of Defense with responsibility for overall supervision of reserve component affairs of the Department of Defense is the official designated by the Secretary of Defense to have that responsibility.".

(5) Section 1211(b)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (P.L. 100–180; 101 Stat 1155; 10 U.S.C. 167 note) is amended by striking out "the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict" and inserting in lieu thereof "the official designated by the Secretary of Defense to have principal responsibility for matters relating to special operations and low intensity conflict".

(g) REPEAL OF MINIMUM NUMBER OF SENIOR STAFF FOR SPECIFIED ASSISTANT SECRETARY OF DEFENSE.—Section 355 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1540) is repealed.

SEC. 904. REDESIGNATION OF THE POSITION OF ASSISTANT TO THE SECRETARY OF DEFENSE FOR ATOMIC ENERGY.

(a) IN GENERAL.—(1) Section 142 of title 10, United States Code, is amended—

(A) by striking out the section heading and inserting in lieu thereof the following:

"§ 142. Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs";

(B) in subsection (a), by striking out "Assistant to the Secretary of Defense for Atomic Energy" and inserting in lieu thereof "Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs"; and

(C) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Assistant to the Secretary shall—

"(1) advise the Secretary of Defense on nuclear energy, nuclear weapons, and chemical and biological defense;

"(2) serve as the Staff Director of the Nuclear Weapons Council established by section 179 of this title; and

"(3) perform such additional duties as the Secretary may prescribe.".

(2) The item relating to such section in the table of sections at the beginning of chapter 4 of such title is amended to read as follows:

"142. Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs.".

(b) CONFORMING AMENDMENTS.—(1) Section 179(c)(2) of title 10, United States Code, is amended by striking out "The Assistant to the Secretary of Defense for Atomic Energy" and inserting in lieu thereof "The Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs".

(2) Section 5316 of title 5, United States Code, is amended by striking out "The Assistant to the Secretary of Defense for Atomic Energy, Department of Defense." and inserting in lieu thereof the following:

"Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs, Department of Defense.".

SEC. 905. JOINT REQUIREMENTS OVERSIGHT COUNCIL.

(a) IN GENERAL.—(1) Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 181. Joint Requirements Oversight Council

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Joint Requirements Oversight Council in the Department of Defense.

"(b) MISSION.—In addition to other matters assigned to it by the President or Secretary of Defense, the Joint Requirements Oversight Council shall—

"(1) assist the Chairman of the Joint Chiefs of Staff in identifying and assessing the priority of joint military requirements (including existing systems and equipment) to meet the national military strategy;

"(2) assist the Chairman in considering alternatives to any acquisition program that has been identified to meet military requirements by evaluating the cost, schedule, and performance criteria of the program and of the identified alternatives; and

"(3) as part of its mission to assist the Chairman in assigning joint priority among existing and future programs meeting valid requirements, ensure that the assignment of such priorities conforms to and reflects resource levels projected by the Secretary of Defense through defense planning guidance.

"(c) COMPOSITION.—(1) The Joint Requirements Oversight Council is composed of—

"(A) the Chairman of the Joint Chiefs of Staff, who is the chairman of the Council;

"(B) an Army officer in the grade of general;

"(C) a Navy officer in the grade of admiral;

"(D) an Air Force officer in the grade of general; and

"(E) a Marine Corps officer in the grade of general.

"(2) Members of the Council, other than the Chairman of the Joint Chiefs of Staff, shall be selected by the Chairman of the Joint Chiefs of Staff, after consultation with the Secretary of Defense, from officers in the grade of general or admiral, as the case may be, who are recommended for such selection by the Secretary of the military department concerned.

"(3) The functions of the Chairman of the Joint Chiefs of Staff as chairman of the Council may only be delegated to the Vice Chairman of the Joint Chiefs of Staff.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"181. Joint Requirements Oversight Council.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 31, 1997.

SEC. 906. RESTRUCTURING OF DEPARTMENT OF DEFENSE ACQUISITION ORGANIZATION AND WORKFORCE.

(a) RESTRUCTURING REPORT.—Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report on the acquisition organization and workforce of the Department of Defense. The report shall include—

(1) the plan described in subsection (b); and

(2) the assessment of streamlining and restructuring options described in subsection (c).

(b) Plan for Restructuring.—(1) The Secretary shall include in the report under subsection (a) a plan on how to restructure the current acquisition organization of the Department of Defense in a manner that would enable the Secretary to accomplish the following:

(A) Reduce the number of military and civilian personnel assigned to, or employed in, acquisition organizations of the Department of Defense (as defined by the Secretary) by 25 percent over a period of five years, beginning on October 1, 1995.

(B) Eliminate duplication of functions among existing acquisition organizations of the Department of Defense.

(C) Maximize opportunity for consolidation among acquisition organizations of the Department of Defense to reduce management overhead.

(2) In the report, the Secretary shall also identify any statutory requirement or congressional directive that inhibits any proposed restructuring plan or reduction in the size of the defense acquisition organization.

(3) In designing the plan under paragraph (1), the Secretary shall give full consideration to the process efficiencies expected to be achieved through the implementation of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355), the Federal Acquisition Reform Act of 1995 (division D of this Act), and other ongoing initiatives to increase the use of commercial practices and reduce contract overhead in the defense procurement system.

(c) Assessment of Specified Restructuring Options.—The Secretary shall include in the report under subsection (a) a detailed assessment of each of the following options for streamlining and restructuring the existing defense acquisition organization, together with a specific recommendation as to whether each such option should be implemented:

(1) Consolidation of certain functions of the Defense Contract Audit Agency and the Defense Contract Management Command.

(2) Contracting for performance of a significant portion of the workload of the Defense Contract Audit Agency and other Defense Agencies that perform acquisition functions.

(3) Consolidation or selected elimination of Department of Defense acquisition organizations.

(4) Any other defense acquisition infrastructure streamlining or restructuring option the Secretary may determine.

(d) Reduction of Acquisition Workforce.—(1) The Secretary of Defense shall accomplish reductions in defense acquisition personnel positions during fiscal year 1996 so that the total number of such personnel as of October 1, 1996, is less than the total number of such personnel as of October 1, 1995, by at least 15,000.

(2) For purposes of this subsection, the term "defense acquisition personnel" means military and civilian personnel assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992) with the exception of personnel who possess technical competence in trade-skill maintenance and repair positions involved in performing depot maintenance functions.

SEC. 907. REPORT ON NUCLEAR POSTURE REVIEW AND ON PLANS FOR NUCLEAR WEAPONS MANAGEMENT IN EVENT OF ABOLITION OF DEPARTMENT OF ENERGY.

(a) Report Required.—The Secretary of Defense shall submit to Congress a report concerning the nuclear weapons complex. The report shall set forth—

(1) the Secretary's views on the effectiveness of the Department of Energy in managing the nuclear weapons complex, including the fulfillment of the requirements for nuclear weapons established for the Department of Energy in the Nuclear Posture Review; and

(2) the Secretary's recommended plan for the incorporation into the Department of Defense of the national security programs of the Department of Energy if the Department of Energy should be abolished and those programs be transferred to the Department of Defense.

(b) Definition.—For purposes of this section, the term "Nuclear Posture Review" means the Department of Defense Nuclear Posture Review as contained in the report entitled "Report of the Secretary of Defense to the President and the Congress", dated February 19, 1995, or in subsequent such reports.

(c) Submission Of Report.—The report under subsection (a) shall be submitted not later than March 15, 1996.

SEC. 908. REDESIGNATION OF ADVANCED RESEARCH PROJECTS AGENCY.

(a) Redesignation.—The agency in the Department of Defense known as the Advanced Research Projects Agency shall after the date of the enactment of this Act be designated as the Defense Advanced Research Projects Agency.

(b) References.—Any reference in any law, regulation, document, record, or other paper of the United States or in any provision of this Act to the Advanced Research Projects Agency shall be considered to be a reference to the Defense Advanced Research Projects Agency.

Subtitle B—Financial Management

SEC. 911. TRANSFER AUTHORITY REGARDING FUNDS AVAILABLE FOR FOREIGN CURRENCY FLUCTUATIONS.

(a) Transfers to Military Personnel Accounts Authorized.—Section 2779 of title 10, United States Code, is amended by adding at the end the following:

"(c) Transfers to Military Personnel Accounts.—The Secretary of Defense may transfer funds to military personnel appropriations for a fiscal year out of funds available to the Department of Defense for that fiscal year under the appropriation 'Foreign Currency Fluctuations, Defense'.".

(b) Revision and Codification of Authority for Transfers to Foreign Currency Fluctuations Account.—Section 2779 of such title, as amended by subsection (a), is further amended by adding at the end the following:

"(d) Transfers to Foreign Currency Fluctuations Account.—(1) The Secretary of Defense may transfer to the appropriation 'Foreign Currency Fluctuations, Defense' unobligated amounts of funds appropriated for operation and maintenance and unobligated amounts of funds appropriated for military personnel.

"(2) Any transfer from an appropriation under paragraph (1) shall be made not later than the end of the second fiscal year following the fiscal year for which the appropriation is provided.

"(3) Any transfer made pursuant to the authority provided in this subsection shall be limited so that the amount in the appropriation 'Foreign Currency Fluctuations, Defense' does not exceed $970,000,000 at the time the transfer is made.".

(c) Conditions of Availability for Transferred Funds.—Section 2779 of such title, as amended by subsection (b), is further amended by adding at the end the following:

"(e) Conditions of Availability for Transferred Funds.—Amounts transferred under subsection (c) or (d) shall be merged with and be available for the same purposes and for the same period as the appropriations to which transferred.".

(d) Repeal of Superseded Provisions.—(1) Section 767A of Public Law 96–527 (94 Stat. 3093) is repealed.

(2) Section 791 of the Department of Defense Appropriation Act, 1983 (enacted in section 101(c) of Public Law 97–377; 96 Stat. 1865) is repealed.

(e) Technical Amendments.—Section 2779 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "(a)(1)" and inserting in lieu thereof "(a) Transfers Back to Foreign Currency Fluctuations Appropriation.—(1)";

(2) in subsection (a)(2), by striking out "2d fiscal year" and inserting in lieu thereof "second fiscal year"; and

(3) in subsection (b), by striking out "(b)(1)" and inserting in lieu thereof "(b) Funding for Losses in Military Construction and Family Housing.—(1)".

(f) Effective Date.—Subsections (c) and (d) of section 2779 of title 10, United States Code, as added by subsections (a) and (b), and the repeals made by subsection (d), shall apply only with respect to amounts appropriated for a fiscal year after fiscal year 1995.

SEC. 912. DEFENSE MODERNIZATION ACCOUNT.

(a) Establishment and Use.—(1) Chapter 131 of title 10, United States Code, is amended by inserting after section 2215 the following new section:

"§ 2216. Defense Modernization Account

"(a) Establishment.—There is established in the Treasury an account to be known as the 'Defense Modernization Account'.

"(b) Transfers to Account.—(1)(A) Upon a determination by the Secretary of a military department or the Secretary of Defense with respect to Defense-wide appropriations accounts of the availability and source of funds described in subparagraph (B), that Secretary may transfer to the Defense Modernization Account during any fiscal year any amount of funds available to the Secretary described in that subparagraph. Such funds may be transferred to that account only after the Secretary concerned notifies the congressional defense committees in writing of the amount and source of the proposed transfer.

"(B) This subsection applies to the following funds available to the Secretary concerned:

"(i) Unexpired funds in appropriations accounts that are available for procurement and that, as a result of economies, efficiencies, and other savings achieved in carrying out a particular procurement, are excess to the requirements of that procurement.

"(ii) Unexpired funds that are available during the final 30 days of a fiscal year for support of installations and facilities and that, as a result of economies, efficiencies, and other savings, are excess to the requirements for support of installations and facilities.

"(C) Any transfer under subparagraph (A) shall be made under regulations prescribed by the Secretary of Defense.

"(2) Funds referred to in paragraph (1) may not be transferred to the Defense Modernization Account if—

"(A) the funds are necessary for programs, projects, and activities that, as determined by the Secretary, have a higher priority than the purposes for which the funds would be available if transferred to that account; or

"(B) the balance of funds in the account, after transfer of funds to the account, would exceed $1,000,000,000.

"(3) Amounts credited to the Defense Modernization Account shall remain available for transfer until the end of the third fiscal year that follows the fiscal year in which the amounts are credited to the account.

"(4) The period of availability of funds for expenditure provided for in sections 1551 and 1552 of title 31 may not be extended by transfer into the Defense Modernization Account.

"(c) SCOPE OF USE OF FUNDS.—Funds transferred to the Defense Modernization Account from funds appropriated for a military department, Defense Agency, or other element of the Department of Defense shall be available in accordance with subsections (f) and (g) only for transfer to funds available for that military department, Defense Agency, or other element.

"(d) AUTHORIZED USE OF FUNDS.—Funds available from the Defense Modernization Account pursuant to subsection (f) or (g) may be used for the following purposes:

"(1) For increasing, subject to subsection (e), the quantity of items and services procured under a procurement program in order to achieve a more efficient production or delivery rate.

"(2) For research, development, test, and evaluation and for procurement necessary for modernization of an existing system or of a system being procured under an ongoing procurement program.

"(e) LIMITATIONS.—(1) Funds in the Defense Modernization Account may not be used to increase the quantity of an item or services procured under a particular procurement program to the extent that doing so would—

"(A) result in procurement of a total quantity of items or services in excess of—

"(i) a specific limitation provided by law on the quantity of the items or services that may be procured; or

"(ii) the requirement for the items or services as approved by the Joint Requirements Oversight Council and reported to Congress by the Secretary of Defense; or

"(B) result in an obligation or expenditure of funds in excess of a specific limitation provided by law on the amount that may be obligated or expended, respectively, for that procurement program.

"(2) Funds in the Defense Modernization Account may not be used for a purpose or program for which Congress has not authorized appropriations.

"(3) Funds may not be transferred from the Defense Modernization Account in any year for the purpose of—

"(A) making an expenditure for which there is no corresponding obligation; or

"(B) making an expenditure that would satisfy an unliquidated or unrecorded obligation arising in a prior fiscal year.

"(f) TRANSFER OF FUNDS.—(1) The Secretary of Defense may transfer funds in the Defense Modernization Account to appropriations available for purposes set forth in subsection (d).

"(2) Funds in the Defense Modernization Account may not be transferred under paragraph (1) until 30 days after the date on which the Secretary concerned notifies the congressional defense committees in writing of the amount and purpose of the proposed transfer.

"(3) The total amount of transfers from the Defense Modernization Account during any fiscal year under this subsection may not exceed $500,000,000.

"(g) AVAILABILITY OF FUNDS BY APPROPRIATION.—In addition to transfers under subsection (f), funds in the Defense Modernization Account may be made available for purposes set forth in subsection (d) in accordance with the provisions of appropriations Acts, but only to the extent authorized in an Act other than an appropriations Act.

"(h) SECRETARY TO ACT THROUGH COMPTROLLER.—The Secretary of Defense shall carry out this section through the Under Secretary of Defense (Comptroller), who shall be authorized to implement this section through the issuance of any necessary regulations, policies, and procedures after consultation with the General Counsel and Inspector General of the Department of Defense.

"(i) QUARTERLY REPORTS.—(1) Not later than 15 days after the end of each calendar quarter, the Secretary of Defense shall submit to the congressional committees specified in paragraph (2) a report on the Defense Modernization Account. Each such report shall set forth the following:

"(A) The amount and source of each credit to the account during that quarter.

"(B) The amount and purpose of each transfer from the account during that quarter.

"(C) The balance in the account at the end of the quarter and, of such balance, the amount attributable to transfers to the account from each Secretary concerned.

"(2) The committees referred to in paragraph (1) are the congressional defense committees and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives.

"(j) DEFINITIONS.—In this section:

"(1) The term 'Secretary concerned' includes the Secretary of Defense with respect to Defense-wide appropriations accounts.

"(2) The term 'unexpired funds' means funds appropriated for a definite period that remain available for obligation.

"(3) The term 'congressional defense committees' means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(2) The table of sections at the beginning of chapter 131 of such title is amended by inserting after the item relating to section 2215 the following new item:

"2216. Defense Modernization Account.".

(b) EFFECTIVE DATE.—Section 2216 of title 10, United States Code (as added by subsection (a)), shall apply only to funds appropriated for fiscal years after fiscal year 1995.

(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—(1) The authority under section 2216(b) of title 10, United States Code (as added by subsection (a)), to transfer funds into the Defense Modernization Account terminates at the close of September 30, 2003.

(2) Three years after the termination date specified in paragraph (1), the Defense Modernization Account shall be closed and any remaining balance in the account shall be canceled and thereafter shall not be available for any purpose.

(d) GAO REVIEWS.—(1) The Comptroller General of the United States shall conduct two reviews of the administration of the Defense Modernization Account. In each review, the Comptroller General shall assess the operations and benefits of the account.

(2) Not later than March 1, 2000, the Comptroller General shall—

(A) complete the first review; and

(B) submit to the specified committees of Congress an initial report on the administration and benefits of the Defense Modernization Account.

(3) Not later than March 1, 2003, the Comptroller General shall—

(A) complete the second review; and

(B) submit to the specified committees of Congress a final report on the administration and benefits of the Defense Modernization Account.

(4) Each such report shall include any recommended legislation regarding the account that the Comptroller General considers appropriate.

(5) For purposes of this subsection, the term "specified committees of Congress" means the congressional committees referred to in section 2216(i)(2) of title 10, United States Code, as added by subsection (a).

SEC. 913. DESIGNATION AND LIABILITY OF DISBURSING AND CERTIFYING OFFICIALS.

(a) DISBURSING OFFICIALS.—(1) Section 3321(c) of title 31, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The Department of Defense.".

(2) Section 2773 of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking out "With the approval of a Secretary of a military department when the Secretary considers it necessary, a disbursing official of the military department" and inserting in lieu thereof "Subject to paragraph (3), a disbursing official of the Department of Defense"; and

(ii) by adding at the end the following new paragraph:

"(3) A disbursing official may make a designation under paragraph (1) only with the approval of the Secretary of Defense or, in the case of a disbursing official of a military department, the Secretary of that military department."; and

(B) in subsection (b)(1), by striking out "any military department" and inserting in lieu thereof "the Department of Defense".

(b) DESIGNATION OF MEMBERS OF THE ARMED FORCES TO HAVE AUTHORITY TO CERTIFY VOUCHERS.—Section 3325(b) of title 31, United States Code, is amended to read as follows:

"(b) In addition to officers and employees referred to in subsection (a)(1)(B) of this section as having authorization to certify vouchers, members of the armed forces under the jurisdiction of the Secretary of Defense may certify vouchers when authorized, in writing, by the Secretary to do so.".

(c) CONFORMING AMENDMENTS.—(1) Section 1012 of title 37, United States Code, is amended by striking out "Secretary concerned" both places it appears and inserting in lieu thereof "Secretary of Defense".

(2) Section 1007(a) of title 37, United States Code, is amended by striking out "Secretary concerned" and inserting in lieu thereof "Secretary of Defense, or upon the denial of relief of an officer pursuant to section 3527 of title 31".

(3)(A) Section 7863 of title 10, United States Code, is amended—

(i) in the first sentence, by striking out "disbursements of public moneys or" and "the money was paid or"; and

(ii) in the second sentence, by striking out "disbursement or".

(B)(i) The heading of such section is amended to read as follows:

"§7863. Disposal of public stores by order of commanding officer".

(ii) The item relating to such section in the table of sections at the beginning of chapter 661 of such title is amended to read as follows:

"7863. Disposal of public stores by order of commanding officer.".

(4) Section 3527(b)(1) of title 31, United States Code, is amended—

(A) by striking out "a disbursing official of the armed forces" and inserting in lieu thereof "an official of the armed forces referred to in subsection (a)";

(B) by striking out "records," and inserting in lieu thereof "records, or a payment described in section 3528(a)(4)(A) of this title,";

(C) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), and realigning such clauses four ems from the left margin;

(D) by inserting before clause (i), as so redesignated, the following:

"(A) in the case of a physical loss or deficiency—";

(E) in clause (iii), as so redesignated, by striking out the period at the end and inserting in lieu thereof "; or"; and

(F) by adding at the end the following:

"(B) in the case of a payment described in section 3528(a)(4)(A) of this title, the Secretary of Defense or the Secretary of the appropriate military department, after taking a diligent collection action, finds that the criteria of section 3528(b)(1) of this title are satisfied.".

(5) Section 3528 of title 31, United States Code, is amended by striking out subsection (d).

SEC. 914. FISHER HOUSE TRUST FUNDS.

(a) ESTABLISHMENT.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2221. Fisher House trust funds

"(a) ESTABLISHMENT.—The following trust funds are established on the books of the Treasury:

"(1) The Fisher House Trust Fund, Department of the Army.

"(2) The Fisher House Trust Fund, Department of the Air Force.

"(b) INVESTMENT.—Funds in the trust funds may be invested in securities of the United States. Earnings and gains realized from the investment of funds in a trust fund shall be credited to the trust fund.

"(c) USE OF FUNDS.—(1) Amounts in the Fisher House Trust Fund, Department of the Army, that are attributable to earnings or gains realized from investments shall be available for the operation and maintenance of Fisher houses that are located in proximity to medical treatment facilities of the Army.

"(2) Amounts in the Fisher House Trust Fund, Department of the Air Force, that are attributable to earnings or gains realized from investments shall be available for the operation and maintenance of Fisher houses that are located in proximity to medical treatment facilities of the Air Force.

"(3) The use of funds under this section is subject to section 1321(b)(2) of title 31.

"(d) FISHER HOUSE DEFINED.—In this section, the term 'Fisher house' means a housing facility that—

"(1) is located in proximity to a medical treatment facility of the Army or the Air Force; and

"(2) is available for residential use on a temporary basis by patients at such facilities, members of the family of such patients, and others providing the equivalent of familial support for such patients.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2221. Fisher House trust funds.".

(b) CORPUS OF TRUST FUNDS.—(1) The Secretary of the Treasury shall—

(A) close the accounts established with the funds that were required by section 8019 of Public Law 102–172 (105 Stat. 1175) and section 9023 of Public Law 102–396 (106 Stat. 1905) to be transferred to an appropriated trust fund; and

(B) transfer the amounts in such accounts to the Fisher House Trust Fund, Department of the Army, established by subsection (a)(1) of section 2221 of title 10, United States Code, as added by subsection (a).

(2) The Secretary of the Air Force shall transfer to the Fisher House Trust Fund, Department of the Air Force, established by subsection (a)(2) of section 2221 of title 10, United States Code (as added by section (a)), all amounts in the accounts for Air Force installations and other facilities that, as of the date of the enactment of this Act, are available for operation and maintenance of Fisher houses (as defined in subsection (d) of such section 2221).

(c) CONFORMING AMENDMENTS.—Section 1321 of title 31, United States Code, is amended—

(1) by adding at the end of subsection (a) the following:

"(92) Fisher House Trust Fund, Department of the Army.

"(93) Fisher House Trust Fund, Department of the Air Force."; and

(2) in subsection (b)—

(A) by inserting "(1)" after "(b)";

(B) in the second sentence, by striking out "Amounts accruing to these funds (except to the trust fund 'Armed Forces Retirement Home Trust Fund')" and inserting in lieu thereof "Except as provided in paragraph (2), amounts accruing to these funds";

(C) by striking out the third sentence; and

(D) by adding at the end the following:

"(2) Expenditures from the following trust funds may be made only under annual appropriations and only if the appropriations are specifically authorized by law:

"(A) Armed Forces Retirement Home Trust Fund.

"(B) Fisher House Trust Fund, Department of the Army.

"(C) Fisher House Trust Fund, Department of the Air Force.".

(d) REPEAL OF SUPERSEDED PROVISIONS.—The following provisions of law are repealed:

(1) Section 8019 of Public Law 102–172 (105 Stat. 1175).

(2) Section 9023 of Public Law 102–396 (106 Stat. 1905).

(3) Section 8019 of Public Law 103–139 (107 Stat. 1441).

(4) Section 8017 of Public Law 103–335 (108 Stat. 2620; 10 U.S.C. 1074 note).

SEC. 915. LIMITATION ON USE OF AUTHORITY TO PAY FOR EMERGENCY AND EXTRAORDINARY EXPENSES.

Section 127 of title 10, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

"(c)(1) Funds may not be obligated or expended in an amount in excess of $500,000 under the authority of subsection (a) or (b) until the Secretary of Defense has notified the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives of the intent to obligate or expend the funds, and—

"(A) in the case of an obligation or expenditure in excess of $1,000,000, 15 days have elapsed since the date of the notification; or

"(B) in the case of an obligation or expenditure in excess of $500,000, but not in excess of $1,000,000, 5 days have elapsed since the date of the notification.

"(2) Subparagraph (A) or (B) of paragraph (1) shall not apply to an obligation or expenditure of funds otherwise covered by such subparagraph if the Secretary of Defense determines that the national security objectives of the United States will be compromised by the application of the subparagraph to the obligation or expenditure. If the Secretary makes a determination with respect to an obligation or expenditure under the preceding sentence, the Secretary shall immediately notify the committees referred to in paragraph (1) that such obligation or expenditure is necessary and provide any relevant information (in classified form, if necessary) jointly to the chairman and ranking minority member (or their designees) of such committees.

"(3) A notification under paragraph (1) and information referred to in paragraph (2) shall include the amount to be obligated or expended, as the case may be, and the purpose of the obligation or expenditure.".

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1996 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the committee on conference to accompany the bill H.R. 1530 of the One Hundred Fourth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. IMPROVED FUNDING MECHANISMS FOR UNBUDGETED OPERATIONS.

(a) REVISION OF FUNDING MECHANISM.—(1) Section 127a of title 10, United States Code, is amended to read as follows:

"§ 127a. Operations for which funds are not provided in advance: funding mechanisms

"(a) IN GENERAL.—(1) The Secretary of Defense shall use the procedures prescribed by this section with respect to any operation specified in paragraph (2) that involves—

"(A) the deployment (other than for a training exercise) of elements of the Armed Forces for a purpose other than a purpose for which funds have been specifically provided in advance; or

"(B) the provision of humanitarian assistance, disaster relief, or support for law enforcement (including immigration control) for which funds have not been specifically provided in advance.

"(2) This section applies to—

"(A) any operation the incremental cost of which is expected to exceed $50,000,000; and

"(B) any other operation the expected incremental cost of which, when added to the expected incremental costs of other operations that are currently ongoing, is expected to result in a cumulative incremental cost of ongoing operations of the Department of Defense in excess of $100,000,000.

Any operation the incremental cost of which is expected not to exceed $10,000,000 shall be disregarded for the purposes of subparagraph (B).

"(3) Whenever an operation to which this section applies is commenced or subsequently becomes covered by this section, the Secretary of Defense shall designate and identify that operation for the purposes of this section and shall promptly notify Congress of that designation (and of the identification of the operation).

"(4) This section does not provide authority for the President or the Secretary of Defense to carry out any operation, but establishes mechanisms for the Department of Defense by which funds are provided for operations that the armed forces are required to carry out under some other authority.

"(b) WAIVER OF REQUIREMENT TO REIMBURSE SUPPORT UNITS.—(1) The Secretary of Defense shall direct that, when a unit of the Armed Forces participating in an operation described in subsection (a) receives services from an element of the Department of Defense that operates through the Defense Business Operations Fund (or a successor fund), such unit of the Armed Forces may not be required to reimburse that element for the incremental costs incurred by that element in providing such services, notwithstanding any other provision of law or any Government accounting practice.

"(2) The amounts which but for paragraph (1) would be required to be reimbursed to an element of the Department of Defense (or a fund) shall be recorded as an expense attributable to the operation and shall be accounted for separately.

"(c) TRANSFER AUTHORITY.—(1) Whenever there is an operation of the Department of Defense described in subsection (a), the Secretary of Defense may transfer amounts described in paragraph (3) to accounts from which incremental expenses for that operation were incurred in order to reimburse those accounts for those incremental expenses. Amounts so transferred shall be merged with and be available for the same purposes as the accounts to which transferred.

"(2) The total amount that the Secretary of Defense may transfer under the authority of this section in any fiscal year is $200,000,000.

"(3) Transfers under this subsection may only be made from amounts appropriated to the Department of Defense for any fiscal year that remain available for obligation, other than amounts within any operation and maintenance appropriation that are available for (A) an account (known as a budget activity 1 account) that is specified as being for operating forces, or (B) an account (known as a budget activity 2 account) that is specified as being for mobilization.

"(4) The authority provided by this subsection is in addition to any other authority provided by law authorizing the transfer of amounts available to the Department of Defense. However, the Secretary may not use any such authority under another provision of law for a purpose described in paragraph (1) if there is authority available under this subsection for that purpose.

"(5) The authority provided by this subsection to transfer amounts may not be used to provide authority for an activity that has been denied authorization by Congress.

"(6) A transfer made from one account to another under the authority of this subsection shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

"(d) REPORT UPON DESIGNATION OF AN OPERATION.—Within 45 days after the Secretary of Defense identifies an operation pursuant to subsection (a)(2), the Secretary of Defense shall submit to Congress a report that sets forth the following:

"(1) The manner by which the Secretary proposes to obtain funds for the cost to the United States of the operation, including a specific discussion of how the Secretary proposes to restore balances in—

"(A) the Defense Business Operations Fund (or a successor fund), or

"(B) the accounts from which the Secretary transfers funds under the authority of subsection (c), to the levels that would have been anticipated but for the provisions of subsection (c).

"(2) If the operation is described in subsection (a)(1)(B), a justification why the budgetary resources of another department or agency of the Federal Government, instead of resources of the Department of Defense, are not being used for carrying out the operation.

"(3) The objectives of the operation.

"(4) The estimated duration of the operation and of any deployment of armed forces personnel in such operation.

"(5) The estimated incremental cost of the operation to the United States.

"(6) The exit criteria for the operation and for the withdrawal of the elements of the armed forces involved in the operation.

"(e) LIMITATIONS.—(1) The Secretary may not restore balances in the Defense Business Operations Fund through increases in rates charged by that fund in order to compensate for costs incurred and not reimbursed due to subsection (b).

"(2) The Secretary may not restore balances in the Defense Business Operations Fund or any other fund or account through the use of unobligated amounts in an operation and maintenance appropriation that are available within that appropriation for (A) an account (known as a budget activity 1 account) that is specified as being for operating forces, or (B) an account (known as a budget activity 2 account) that is specified as being for mobilization.

"(f) SUBMISSION OF REQUESTS FOR SUPPLEMENTAL APPROPRIATIONS.—It is the sense of Congress that whenever there is an operation described in subsection (a), the President should, not later than 90 days after the date on which notification is provided pursuant to subsection (a)(3), submit to Congress a request for the enactment of supplemental appropriations for the then-current fiscal year in order to provide funds to replenish the Defense Business Operations Fund or any other fund or account of the Department of Defense from which funds for the incremental expenses of that operation were derived under this section and should, as necessary, submit subsequent requests for the enactment of such appropriations.

"(g) INCREMENTAL COSTS.—For purposes of this section, incremental costs of the Department of Defense with respect to an operation are the costs of the Department that are directly attributable to the operation (and would not have been incurred but for the operation). Incremental costs do not include the cost of property or services acquired by the Department that are paid for by a source outside the Department or out of funds contributed by such a source.

"(h) RELATIONSHIP TO WAR POWERS RESOLUTION.—This section may not be construed as altering or superseding the War Powers Resolution. This section does not provide authority to conduct any military operation.

"(i) GAO COMPLIANCE REVIEWS.—The Comptroller General of the United States shall from time to time, and when requested by a committee of Congress, conduct a review of the defense funding structure under this section to determine whether the Department of Defense is complying with the requirements and limitations of this section.".

(2) The item relating to section 127a in the table of sections at the beginning of chapter 3 of such title is amended to read as follows:

"127a. Operations for which funds are not provided in advance: funding mechanisms.".

(b) EFFECTIVE DATE.—The amendment to section 127a of title 10, United States Code, made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to any operation of the Department of Defense that is in effect on or after that date, whether such operation is begun before, on, or after such date of enactment. In the case of an operation begun before such date, any reference in such section to the commencement of such operation shall be treated as referring to the effective date under the preceding sentence.

SEC. 1004. OPERATION PROVIDE COMFORT.

(a) AUTHORIZATION OF AMOUNTS AVAILABLE.—Within the total amounts authorized to be appropriated in titles III and IV, there is hereby authorized to be appropriated for fiscal year 1996 for costs associated with Operation Provide Comfort—

(1) $136,300,000 for operation and maintenance costs; and

(2) $7,000,000 for incremental military personnel costs.

(b) REPORT.—Not more than $70,000,000 of the amount appropriated under subsection (a) may be obligated until the Secretary of

Defense submits to the congressional defense committees a report on Operation Provide Comfort which includes the following:

(1) A detailed presentation of the projected costs to be incurred by the Department of Defense for Operation Provide Comfort during fiscal year 1996, together with a discussion of missions and functions expected to be performed by the Department as part of that operation during that fiscal year.

(2) A detailed presentation of the projected costs to be incurred by other departments and agencies of the Federal Government participating in or providing support to Operation Provide Comfort during fiscal year 1996.

(3) A discussion of available options to reduce the involvement of the Department of Defense in those aspects of Operation Provide Comfort that are not directly related to the military mission of the Department of Defense.

(4) A plan establishing an exit strategy for United States involvement in, and support for, Operation Provide Comfort.

(c) OPERATION PROVIDE COMFORT.—For purposes of this section, the term "Operation Provide Comfort" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Provide Comfort.

SEC. 1005. OPERATION ENHANCED SOUTHERN WATCH.

(a) AUTHORIZATION OF AMOUNTS AVAILABLE.—Within the total amounts authorized to be appropriated in titles III and IV, there is hereby authorized to be appropriated for fiscal year 1996 for costs associated with Operation Enhanced Southern Watch—

(1) $433,400,000 for operation and maintenance costs; and

(2) $70,400,000 for incremental military personnel costs.

(b) REPORT.—(1) Of the amounts specified in subsection (a), not more than $250,000,000 may be obligated until the Secretary of Defense submits to the congressional defense committees a report designating Operation Enhanced Southern Watch, or significant elements thereof, as a forward presence operation for which funding should be budgeted as part of the annual defense budget process in the same manner as other activities of the Armed Forces involving forward presence or forward deployed forces.

(2) The report shall set forth the following:

(A) The expected duration and annual costs of the various elements of Operation Enhanced Southern Watch.

(B) Those elements of Operation Enhanced Southern Watch that are semi-permanent in nature and should be budgeted in the future as part of the annual defense budget process in the same manner as other activities of the Armed Forces involving forward presence or forward deployed forces.

(C) The political and military objectives associated with Operation Enhanced Southern Watch.

(D) The contributions (both in-kind and actual) by other nations to the costs of conducting Operation Enhanced Southern Watch.

(c) OPERATION ENHANCED SOUTHERN WATCH.—For purposes of this section, the term "Operation Enhanced Southern Watch" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Enhanced Southern Watch.

SEC. 1006. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1995 DEFENSE APPROPRIATIONS.

(a) AUTHORITY.—The amounts described in subsection (b) may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1995 defense appropriations.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1995 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1995 defense authorizations.

(c) DEFINITIONS.—For the purposes of this section:

(1) FISCAL YEAR 1995 DEFENSE APPROPRIATIONS.—The term "fiscal year 1995 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1995 in the Department of Defense Appropriations Act, 1995 (Public Law 103–335).

(2) FISCAL YEAR 1995 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1995 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1995 in the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337).

SEC. 1007. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1995.

(a) ADJUSTMENT TO PREVIOUS AUTHORIZATIONS.—Amounts authorized to be appropriated to the Department of Defense for fiscal year 1995 in the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in title I of the Emergency Supplemental Appropriations and Rescissions for the Department of Defense to Preserve and Enhance Military Readiness Act of 1995 (Public Law 104–6; 109 Stat. 73).

(b) NEW AUTHORIZATION.—The appropriation provided in section 104 of such Act (109 Stat. 79) is hereby authorized.

SEC. 1008. AUTHORIZATION REDUCTIONS TO REFLECT SAVINGS FROM REVISED ECONOMIC ASSUMPTIONS.

(a) REDUCTION.—The total amount authorized to be appropriated in titles I, II, and III of this Act is hereby reduced by $832,000,000 to reflect savings from revised economic assumptions. Such reduction shall be made from accounts in those titles as follows:

Operation and Maintenance, Army, $54,000,000.

Operation and Maintenance, Navy, $80,000,000.

Operation and Maintenance, Marine Corps, $9,000,000.

Operation and Maintenance, Air Force, $51,000,000.

Operation and Maintenance, Defense-Wide, $36,000,000.

Operation and Maintenance, Army Reserve, $4,000,000.

Operation and Maintenance, Navy Reserve, $4,000,000.

Operation and Maintenance, Marine Corps Reserve, $1,000,000.

Operation and Maintenance, Air Force Reserve, $3,000,000.

Operation and Maintenance, Army National Guard, $7,000,000.

Operation and Maintenance, Air National Guard, $7,000,000.

Drug Interdiction and Counter-Drug Activities, Defense, $5,000,000.

Environmental Restoration, Defense, $11,000,000.

Overseas Humanitarian, Disaster, and Civic Aid, $1,000,000.

Former Soviet Union Threat Reduction, $2,000,000.

Defense Health Program, $51,000,000.

Aircraft Procurement, Army, $9,000,000.

Missile Procurement, Army, $5,000,000.

Procurement of Weapons and Tracked Combat Vehicles, Army, $10,000,000.

Procurement of Ammunition, Army, $6,000,000.

Other Procurement, Army, $17,000,000.

Aircraft Procurement, Navy, $29,000,000.

Weapons Procurement, Navy, $13,000,000.

Shipbuilding and Conversion, Navy, $42,000,000.

Other Procurement, Navy, $18,000,000.

Procurement, Marine Corps, $4,000,000.

Aircraft Procurement, Air Force, $50,000,000.

Missile Procurement, Air Force, $29,000,000.

Other Procurement, Air Force, $45,000,000.

Procurement, Defense-Wide, $16,000,000.

Chemical Agents and Munitions Destruction, Defense, $5,000,000.

Research, Development, Test and Evaluation, Army, $20,000,000.

Research, Development, Test and Evaluation, Navy, $50,000,000.

Research, Development, Test and Evaluation, Air Force, $79,000,000.

Research, Development, Test and Evaluation, Defense-Wide, $57,000,000.

Research, Development, Test and Evaluation, Defense, $2,000,000.

(b) REDUCTIONS TO BE APPLIED PROPORTIONALLY.—Reductions under this section shall be applied proportionally to each budget activity, activity group, and subactivity group and to each program, project, and activity within each account.

Subtitle B—Naval Vessels and Shipyards

SEC. 1011. IOWA CLASS BATTLESHIPS.

(a) RETURN TO NAVAL VESSEL REGISTER.—The Secretary of the Navy shall list on the Naval Vessel Register, and maintain on such register, at least two of the Iowa-class battleships that were stricken from the register in February 1995.

(b) SUPPORT.—The Secretary shall retain the existing logistical support necessary for support of at least two operational Iowa class battleships in active service, including technical manuals, repair and replacement parts, and ordnance.

(c) SELECTION OF SHIPS.—The Secretary shall select for listing on the Naval Vessel Register under subsection (a) Iowa class battleships that are in good material condition and can provide adequate fire support for an amphibious assault.

(d) REPLACEMENT FIRE-SUPPORT CAPABILITY.—(1) If the Secretary of the Navy makes a certification described in paragraph (2), the requirements of subsections (a) and (b) shall terminate, effective 60 days after the date of the submission of such certification.

(2) A certification referred to in paragraph (1) is a certification submitted by the Secretary of the Navy in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Navy has within the fleet an operational surface fire-support capability that equals or exceeds the fire-support capability that the Iowa class battleships listed on the Naval Vessel Register pursuant to subsection (a) would, if in active service, be able to provide for Marine Corps amphibious assaults and operations ashore.

SEC. 1012. TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) TRANSFERS BY GRANT.—The Secretary of the Navy is authorized to transfer on a grant basis under section 516 of the Foreign

Assistance Act of 1961 (22 U.S.C. 2321j) frigates of the Oliver Hazard Perry class to other countries as follows:

(1) To the Government of Bahrain, the guided missile frigate Jack Williams (FFG 24).

(2) To the Government of Egypt, the frigate Copeland (FFG 25).

(3) To the Government of Turkey, the frigates Clifton Sprague (FFG 16) and Antrim (FFG 20).

(b) TRANSFERS BY LEASE OR SALE.—The Secretary of the Navy is authorized to transfer on a lease basis under section 61 of the Arms Export Control Act (22 U.S.C. 2796) or on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) frigates of the Oliver Hazard Perry class to other countries as follows:

(1) To the Government of Egypt, the frigate Duncan (FFG 10).

(2) To the Government of Oman, the guided missile frigate Mahlon S. Tisdale (FFG 27).

(3) To the Government of Turkey, the frigate Flatley (FFG 21).

(4) To the Government of the United Arab Emirates, the guided missile frigate Gallery (FFG 26).

(c) FINANCING FOR TRANSFERS BY LEASE.—Section 23 of the Arms Export Control Act (22 U.S.C. 2763) may be used to provide financing for any transfer by lease under subsection (b) in the same manner as if such transfer were a procurement by the recipient nation of a defense article.

(d) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by subsection (a) or (b) shall be charged to the recipient.

(e) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under subsection (a) and under subsection (b) shall expire at the end of the two-year period beginning on the date of the enactment of this Act, except that a lease entered into during that period under any provision of subsection (b) may be renewed.

(f) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—The Secretary of the Navy shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(g) PROHIBITION ON CERTAIN TRANSFERS OF VESSELS ON GRANT BASIS.—(1) Section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) is amended by adding at the end the following new subsection:

"(g) PROHIBITION ON CERTAIN TRANSFERS OF VESSELS ON GRANT BASIS.—(1) The President may not transfer on a grant basis under this section a vessel that is in excess of 3,000 tons or that is less than 20 years of age.

"(2) If the President determines that it is in the national security interests of the United States to transfer a particular vessel on a grant basis under this section, the President may request that Congress enact legislation exempting the transfer from the prohibition in paragraph (1).".

(2) The amendment made by paragraph (1) shall apply with respect to the transfer of a vessel on or after the date of the enactment of this Act (other than a vessel the transfer of which is authorized by subsection (a) or by law before the date of the enactment of this Act).

SEC. 1013. CONTRACT OPTIONS FOR LMSR VESSELS.

(a) FINDINGS.—Congress makes the following findings:

(1) A requirement for the Department of the Navy to acquire 19 large, medium-speed, roll-on/roll-off (LMSR) vessels was established by the Secretary of Defense in the Mobility Requirements Study conducted after the Persian Gulf War pursuant to section 909 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1623) and was revalidated by the Secretary of Defense in the report entitled "Mobility Requirements Study Bottom-Up Review Update", submitted to Congress in April 1995.

(2) The Strategic Sealift Program is a vital element of the national military strategy calling for the Nation to be able to fight and win two nearly simultaneous major regional contingencies.

(3) The Secretary of the Navy has entered into contracts with shipyards covering acquisition of a total of 17 such LMSR vessels, of which five are vessel conversions and 12 are new construction vessels. Under those contracts, the Secretary has placed orders for the acquisition of 11 vessels and has options for the acquisition of six more, all of which would be new construction vessels. The options allow the Secretary to place orders for one vessel to be constructed at each of two shipyards for award before December 31, 1995, December 31, 1996, and December 31, 1997, respectively.

(4) Acquisition of an additional two such LMSR vessels, for a total of 19 vessels (the requirement described in paragraph (1)) would contribute to preservation of the industrial base of United States shipyards capable of building auxiliary and sealift vessels.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Navy should plan for, and budget to provide for, the acquisition as soon as possible of a total of 19 large, medium-speed, roll-on/roll-off (LMSR) vessels (the number determined to be required in the Mobility Requirements Study referred to in subsection (a)(1)), rather than only 17 such vessels (the number of vessels under contract as of May 1995).

(c) ADDITIONAL NEW CONSTRUCTION CONTRACT OPTION.—The Secretary of the Navy should negotiate with each of the two shipyards holding new construction contracts referred to in subsection (a)(3) (Department of the Navy contracts numbered N00024–93–C–2203 and N00024–93–C–2205) for an option under each such contract for construction of one additional such LMSR vessel, with such option to be available to the Secretary for exercise during 1995, 1996, or 1997, subject to the availability of funds authorized and appropriated for such purpose. Nothing in this subsection shall be construed to preclude the Secretary of the Navy from competing the award of the two options between the two shipyards holding new construction contracts referred to in subsection (a)(3).

(d) REPORT.—The Secretary of the Navy shall submit to the congressional defense committees, by March 31, 1996, a report stating the intentions of the Secretary regarding the acquisition of options for the construction of two additional LMSR vessels as described in subsection (c).

SEC. 1014. NATIONAL DEFENSE RESERVE FLEET.

(a) AVAILABILITY OF NATIONAL DEFENSE SEALIFT FUND.—Section 2218 of title 10, United States Code, is amended—

(1) in subsection (c)(1)—

(A) by striking out "only for—" in the matter preceding subparagraph (A) and inserting in lieu thereof "only for the following purposes:";

(B) by capitalizing the first letter of the first word of subparagraphs (A), (B), (C), and (D);

(C) by striking out the semicolon at the end of subparagraphs (A) and (B) and inserting in lieu thereof a period;

(D) by striking out "; and" at the end of subparagraph (C) and inserting in lieu thereof a period; and

(E) by adding at the end the following new subparagraph:

"(E) Expenses for maintaining the National Defense Reserve Fleet under section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the costs of acquisition of vessels for, and alteration and conversion of vessels in (or to be placed in), the fleet, but only for vessels built in United States shipyards."; and

(2) in subsection (i), by inserting "(other than subsection (c)(1)(E))" after "Nothing in this section".

(b) CLARIFICATION OF EXEMPTION OF NDRF VESSELS FROM RETROFIT REQUIREMENT.—Section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744) is amended by adding at the end the following new subsection:

"(e) Vessels in the National Defense Reserve Fleet are exempt from the provisions of section 3703a of title 46, United States Code.".

(c) AUTHORITY TO USE NATIONAL DEFENSE SEALIFT FUND TO CONVERT TWO VESSELS.—Of the amount authorized to be appropriated in section 302 for fiscal year 1996 for the National Defense Sealift Fund under section 2218 of title 10, United States Code, not more than $20,000,000 shall be available for conversion work on the following two roll-on/roll-off vessels, which were acquired by the Maritime Administration during fiscal year 1995:

(1) M/V Cape Knox (ON–1036323).

(2) M/V Cape Kennedy (ON–1036324).

SEC. 1015. NAVAL SALVAGE FACILITIES.

Chapter 637 of title 10, United States Code, is amended to read as follows:

"CHAPTER 637—SALVAGE FACILITIES

"Sec.

"7361. Authority to provide for necessary salvage facilities.

"7362. Acquisition and transfer of vessels and equipment.

"7363. Settlement of claims.

"7364. Disposition of receipts.

"§7361. Authority to provide for necessary salvage facilities

"(a) AUTHORITY.—The Secretary of the Navy may provide, by contract or otherwise, necessary salvage facilities for public and private vessels.

"(b) COORDINATION WITH SECRETARY OF TRANSPORTATION.—The Secretary shall submit to the Secretary of Transportation for comment each proposed contract for salvage facilities that affects the interests of the Department of Transportation.

"(c) LIMITATION.—The Secretary of the Navy may enter into a term contract under subsection (a) only if the Secretary determines that available commercial salvage facilities are inadequate to meet the requirements of national defense.

"(d) PUBLIC NOTICE.—The Secretary may not enter into a contract under subsection (a) until the Secretary has provided public notice of the intent to enter into such a contract.

"§7362. Acquisition and transfer of vessels and equipment

"(a) AUTHORITY.—The Secretary of the Navy may acquire or transfer for operation by private salvage companies such vessels and equipment as the Secretary considers necessary.

"(b) AGREEMENT ON USE.—Before any salvage vessel or salvage gear is transferred by the Secretary to a private party, the private party must agree in writing with the Secretary that the vessel or gear will be used to support organized offshore salvage facilities for a period of as many years as the Secretary considers appropriate.

"(c) REFERENCE TO AUTHORITY TO ADVANCE FUNDS FOR IMMEDIATE SALVAGE OPERATIONS.—For authority for the Secretary of the Navy to advance to private salvage companies such funds as the Secretary considers necessary to provide for the immediate financing of salvage operations, see section 2307(g)(2) of this title.

"§ 7363. Settlement of claims

"The Secretary of the Navy may settle any claim by the United States for salvage services rendered by the Department of the Navy and may receive payment of any such claim.

"§ 7364. Disposition of receipts

"Amounts received under this chapter shall be credited to appropriations for maintaining naval salvage facilities. However, any amount received under this chapter in any fiscal year in excess of naval salvage costs incurred by the Navy during that fiscal year shall be deposited into the general fund of the Treasury.".

SEC. 1016. VESSELS SUBJECT TO REPAIR UNDER PHASED MAINTENANCE CONTRACTS.

(a) IN GENERAL.—The Secretary of the Navy shall ensure that any vessel that is covered by the contract referred to in subsection (b) remains covered by that contract, regardless of the operating command to which the vessel is subsequently assigned, unless the vessel is taken out of service for the Department of the Navy.

(b) COVERED CONTRACT.—The contract referred to in subsection (a) is the contract entered into before the date of the enactment of this Act for the phased maintenance of AE class ships.

SEC. 1017. CLARIFICATION OF REQUIREMENTS RELATING TO REPAIRS OF VESSELS.

Section 7310(a) of title 10, United States Code, is amended by inserting "or Guam" after "the United States" the second place it appears.

SEC. 1018. SENSE OF CONGRESS CONCERNING NAMING OF AMPHIBIOUS SHIPS.

It is the sense of Congress that the Secretary of the Navy—

(1) should name the vessel to be designated LHD–7 as the U.S.S. Iwo Jima; and

(2) should name the vessel to be designated LPD–17, and each subsequent ship of the LPD–17 class, after a Marine Corps battle or a member of the Marine Corps.

SEC. 1019. SENSE OF CONGRESS CONCERNING NAMING OF NAVAL VESSEL.

It is the sense of Congress that the Secretary of the Navy should name an appropriate ship of the United States Navy the U.S.S. Joseph Vittori, in honor of Marine Corporal Joseph Vittori (1929–1951) of Beverly, Massachusetts, who was posthumously awarded the Medal of Honor for actions against the enemy in Korea on September 15–16, 1951.

SEC. 1020. TRANSFER OF RIVERINE PATROL CRAFT.

(a) AUTHORITY TO TRANSFER VESSEL.—Notwithstanding subsections (a) and (d) of section 7306 of title 10, United States Code, but subject to subsections (b) and (c) of that section, the Secretary of the Navy may transfer a vessel described in subsection (b) to Tidewater Community College, Portsmouth, Virginia, for scientific and educational purposes.

(b) VESSEL.—The authority under subsection (a) applies in the case of a riverine patrol craft of the U.S.S. Swift class.

(c) LIMITATION.—The transfer authorized by subsection (a) may be made only if the Secretary determines that the vessel to be transferred is of no further use to the United States for national security purposes.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

Subtitle C—Counter-Drug Activities

SEC. 1021. REVISION AND CLARIFICATION OF AUTHORITY FOR FEDERAL SUPPORT OF DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES OF THE NATIONAL GUARD.

(a) FUNDING ASSISTANCE AUTHORIZED.—Subsection (a) of section 112 of title 32, United States Code, is amended to read as follows:

"(a) FUNDING ASSISTANCE.—The Secretary of Defense may provide funds to the Governor of a State who submits to the Secretary a State drug interdiction and counter-drug activities plan satisfying the requirements of subsection (c). Such funds shall be used for—

"(1) the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses, as authorized by State law, of personnel of the National Guard of that State used, while not in Federal service, for the purpose of drug interdiction and counter-drug activities;

"(2) the operation and maintenance of the equipment and facilities of the National Guard of that State used for the purpose of drug interdiction and counter-drug activities; and

"(3) the procurement of services and leasing of equipment for the National Guard of that State used for the purpose of drug interdiction and counter-drug activities.".

(b) REORGANIZATION OF SECTION.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (h);

(2) by redesignating subsection (d) as subsection (g) and transferring that subsection to appear before subsection (h), as redesignated by paragraph (1); and

(3) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively.

(c) STATE DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES PLAN.—Subsection (c) of such section, as redesignated by subsection (b)(3), is amended—

(1) in the matter preceding paragraph (1), by striking out "A plan referred to in subsection (a)" and inserting in lieu thereof "A State drug interdiction and counter-drug activities plan";

(2) by striking out "and" at the end of paragraph (2); and

(3) in paragraph (3)—

(A) by striking out "annual training" and inserting in lieu thereof "training";

(B) by striking out the period at the end and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following new paragraphs:

"(4) include a certification by the Attorney General of the State (or, in the case of a State with no position of Attorney General, a civilian official of the State equivalent to a State attorney general) that the use of the National Guard of the State for the activities proposed under the plan is authorized by, and is consistent with, State law; and

"(5) certify that the Governor of the State or a civilian law enforcement official of the State designated by the Governor has determined that any activities included in the plan that are carried out in conjunction with Federal law enforcement agencies serve a State law enforcement purpose.".

(d) EXAMINATION OF STATE PLAN.—Subsection (d) of such section, as redesignated by subsection (b)(3), is amended—

(1) in paragraph (1)—

(A) by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)"; and

(B) by inserting after "Before funds are provided to the Governor of a State under this section" the following: "and before members of the National Guard of that State are ordered to full-time National Guard duty as authorized in subsection (b)"; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)"; and

(B) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) pursuant to the plan submitted for a previous fiscal year, funds were provided to the State in accordance with subsection (a) or personnel of the National Guard of the State were ordered to perform full-time National Guard duty in accordance with subsection (b).".

(e) USE OF PERSONNEL PERFORMING FULL-TIME NATIONAL GUARD DUTY.—Such section is further amended by inserting after subsection (a) the following new subsection (b):

"(b) USE OF PERSONNEL PERFORMING FULL-TIME NATIONAL GUARD DUTY.—Under regulations prescribed by the Secretary of Defense, personnel of the National Guard of a State may, in accordance with the State drug interdiction and counter-drug activities plan referred to in subsection (c), be ordered to perform full-time National Guard duty under section 502(f) of this title for the purpose of carrying out drug interdiction and counter-drug activities.".

(f) END STRENGTH LIMITATION.—Such section is further amended by inserting after subsection (e) the following new subsection (f):

"(f) END STRENGTH LIMITATION.—(1) Except as provided in paragraph (2), at the end of a fiscal year there may not be more than 4000 members of the National Guard—

"(A) on full-time National Guard duty under section 502(f) of this title to perform drug interdiction or counter-drug activities pursuant to an order to duty for a period of more than 180 days; or

"(B) on duty under State authority to perform drug interdiction or counter-drug activities pursuant to an order to duty for a period of more than 180 days with State pay and allowances being reimbursed with funds provided under subsection (a)(1).

"(2) The Secretary of Defense may increase the end strength authorized under paragraph (1) by not more than 20 percent for any fiscal year if the Secretary determines that such an increase is necessary in the national security interests of the United States.".

(g) DEFINITIONS.—Subsection (h) of such section, as redesignated by subsection (b)(1), is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The term 'drug interdiction and counter-drug activities', with respect to the National Guard of a State, means the use of National Guard personnel in drug interdiction and counter-drug law enforcement activities authorized by the law of the State and requested by the Governor of the State.".

(h) TECHNICAL AMENDMENTS.—Subsection (e) of such section is amended—

(1) in paragraph (1), by striking out "sections 517 and 524" and inserting in lieu thereof "sections 12011 and 12012"; and

(2) in paragraph (2), by striking out "the Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

Subtitle D—Civilian Personnel

SEC. 1031. MANAGEMENT OF DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL.

Section 129 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "man-year constraint or limitation" and inserting in lieu thereof "constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees"; and

(B) by adding at the end the following new sentence: "The Secretary of Defense and the Secretaries of the military departments may not be required to make a reduction in the number of full-time equivalent positions in the Department of Defense unless such reduction is necessary due to a reduction in funds available to the Department or is required under a law that is enacted after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996 and that refers specifically to this subsection.";

(2) in subsection (b)(2), by striking out "any end-strength" and inserting in lieu thereof "any constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees"; and

(3) by adding at the end the following new subsection:

"(d) With respect to each budget activity within an appropriation for a fiscal year for operations and maintenance, the Secretary of Defense shall ensure that there are employed during that fiscal year employees in the number and with the combination of skills and qualifications that are necessary to carry out the functions within that budget activity for which funds are provided for that fiscal year.".

SEC. 1032. CONVERSION OF MILITARY POSITIONS TO CIVILIAN POSITIONS.

(a) Conversion Requirement.—(1) By September 30, 1997, the Secretary of Defense shall convert at least 10,000 military positions to civilian positions.

(2) At least 3,000 of the military positions converted to satisfy the requirement of paragraph (1) shall be converted to civilian positions not later than September 30, 1996.

(3) In this subsection:

(A) The term "military position" means a position that, as of the date of the enactment of this Act, is authorized to be filled by a member of the Armed Forces on active duty.

(B) The term "civilian position" means a position that is required to be filled by a civilian employee of the Department of Defense.

(b) Implementation Plan.—Not later than March 31, 1996, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan for the implementation of subsection (a).

SEC. 1033. ELIMINATION OF 120-DAY LIMITATION ON DETAILS OF CERTAIN EMPLOYEES.

(a) Elimination of Limitation.—Subsection (b) of section 3341 of title 5, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2) The 120-day limitation in paragraph (1) for details and renewals of details does not apply to the Department of Defense in the case of a detail—

"(A) made in connection with the closure or realignment of a military installation pursuant to a base closure law or an organizational restructuring of the Department as part of a reduction in the size of the armed forces or the civilian workforce of the Department; and

"(B) in which the position to which the employee is detailed is eliminated on or before the date of the closure, realignment, or restructuring.

"(c) For purposes of this section—

"(1) the term 'base closure law' means—

"(A) section 2687 of title 10;

"(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note); and

"(C) the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note); and

"(2) the term 'military installation'—

"(A) in the case of an installation covered by section 2687 of title 10, has the meaning given such term in subsection (e)(1) of such section;

"(B) in the case of an installation covered by the Act referred to in subparagraph (B) of paragraph (1), has the meaning given such term in section 209(6) of such Act; and

"(C) in the case of an installation covered by the Act referred to in subparagraph (C) of that paragraph, has the meaning given such term in section 2910(4) of such Act.".

(b) Applicability.—The amendments made by subsection (a) apply to details made before the date of the enactment of this Act but still in effect on that date and details made on or after that date.

SEC. 1034. AUTHORITY FOR CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE TO PARTICIPATE VOLUNTARILY IN REDUCTIONS IN FORCE.

Section 3502 of title 5, United States Code, is amended by adding at the end the following:

"(f)(1) The Secretary of Defense or the Secretary of a military department may—

"(A) release in a reduction in force an employee who volunteers for the release even though the employee is not otherwise subject to release in the reduction in force under the criteria applicable under the other provisions of this section; and

"(B) for each employee voluntarily released in the reduction in force under subparagraph (A), retain an employee in a similar position who would otherwise be released in the reduction in force under such criteria.

"(2) A voluntary release of an employee in a reduction in force pursuant to paragraph (1) shall be treated as an involuntary release in the reduction in force.

"(3) An employee with critical knowledge and skills (as defined by the Secretary concerned) may not participate in a voluntary release under paragraph (1) if the Secretary concerned determines that such participation would impair the performance of the mission of the Department of Defense or the military department concerned.

"(4) The regulations prescribed under this section shall incorporate the authority provided in this subsection.

"(5) The authority under paragraph (1) may not be exercised after September 30, 1996.".

SEC. 1035. AUTHORITY TO PAY SEVERANCE PAYMENTS IN LUMP SUMS.

Section 5595 of title 5, United States Code, is amended by adding at the end the following:

"(i)(1) In the case of an employee of the Department of Defense who is entitled to severance pay under this section, the Secretary of Defense or the Secretary of the military department concerned may, upon application by the employee, pay the total amount of the severance pay to the employee in one lump sum.

"(2)(A) If an employee paid severance pay in a lump sum under this subsection is reemployed by the Government of the United States or the government of the District of Columbia at such time that, had the employee been paid severance pay in regular pay periods under subsection (b), the payments of such pay would have been discontinued under subsection (d) upon such reemployment, the employee shall repay to the Department of Defense (for the military department that formerly employed the employee, if applicable) an amount equal to the amount of severance pay to which the employee was entitled under this section that would not have been paid to the employee under subsection (d) by reason of such reemployment.

"(B) The period of service represented by an amount of severance pay repaid by an employee under subparagraph (A) shall be considered service for which severance pay has not been received by the employee under this section.

"(C) Amounts repaid to an agency under this paragraph shall be credited to the appropriation available for the pay of employees of the agency for the fiscal year in which received. Amounts so credited shall be merged with, and shall be available for the same purposes and the same period as, the other funds in that appropriation.

"(3) If an employee fails to repay to an agency an amount required to be repaid under paragraph (2)(A), that amount is recoverable from the employee as a debt due the United States.

"(4) This subsection applies with respect to severance pay payable under this section for separations taking effect on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996 and before October 1, 1999.".

SEC. 1036. CONTINUED HEALTH INSURANCE COVERAGE.

Section 8905a(d)(4) of title 5, United States Code, is amended—

(1) in subparagraph (A), by inserting ", or a voluntary separation from a surplus position," after "an involuntary separation from a position"; and

(2) by adding at the end the following new subparagraph:

"(C) For the purpose of this paragraph, 'surplus position' means a position which is identified in pre-reduction-in-force planning as no longer required, and which is expected to be eliminated under formal reduction-in-force procedures.".

SEC. 1037. REVISION OF AUTHORITY FOR APPOINTMENTS OF INVOLUNTARILY SEPARATED MILITARY RESERVE TECHNICIANS.

(a) Revision of Authority.—Section 3329 of title 5, United States Code, as added by section 544 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2415), is amended—

(1) in subsection (b), by striking out "be offered" and inserting in lieu thereof "be provided placement consideration in a position described in subsection (c) through a priority placement program of the Department of Defense"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c)(1) The position for which placement consideration shall be provided to a former military technician under subsection (b) shall be a position—

"(A) in either the competitive service or the excepted service;

"(B) within the Department of Defense; and

"(C) in which the person is qualified to serve, taking into consideration whether the employee in that position is required to be a member of a reserve component of the armed forces as a condition of employment.

"(2) To the maximum extent practicable, the position shall also be in a pay grade or other pay classification sufficient to ensure that the rate of basic pay of the former military technician, upon appointment to the position, is not less than the rate of basic pay last received by the former military technician for technician service before separation.".

(b) TECHNICAL AND CLERICAL AMENDMENTS.—(1) The section 3329 of title 5, United States Code, that was added by section 4431 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2719) is redesignated as section 3330 of such title.

(2) The table of sections at the beginning of chapter 33 of such title is amended by striking out the item relating to section 3329, as added by section 4431(b) of such Act (106 Stat. 2720), and inserting in lieu thereof the following new item:

"3330. Government-wide list of vacant positions.".

SEC. 1038. WEARING OF UNIFORM BY NATIONAL GUARD TECHNICIANS.

(a) REQUIREMENT.—Section 709(b) of title 32, United States Code, is amended to read as follows:

"(b) Except as prescribed by the Secretary concerned, a technician employed under subsection (a) shall, while so employed—

"(1) be a member of the National Guard;

"(2) hold the military grade specified by the Secretary concerned for that position; and

"(3) wear the uniform appropriate for the member's grade and component of the armed forces while performing duties as a technician.".

(b) UNIFORM ALLOWANCES FOR OFFICERS.—Section 417 of title 37, United States Code, is amended by adding at the end the following:

"(d)(1) For purposes of sections 415 and 416 of this title, a period for which an officer of an armed force, while employed as a National Guard technician, is required to wear a uniform under section 709(b) of title 32 shall be treated as a period of active duty (other than for training).

"(2) A uniform allowance may not be paid, and uniforms may not be furnished, to an officer under section 1593 of title 10 or section 5901 of title 5 for a period of employment referred to in paragraph (1) for which an officer is paid a uniform allowance under section 415 or 416 of this title.".

(c) CLOTHING OR ALLOWANCES FOR ENLISTED MEMBERS.—Section 418 of title 37, United States Code, is amended—

(1) by inserting "(a)" before "The President"; and

(2) by adding at the end the following:

"(b) In determining the quantity and kind of clothing or allowances to be furnished pursuant to regulations prescribed under this section to persons employed as National Guard technicians under section 709 of title 32, the President shall take into account the requirement under subsection (b) of such section for such persons to wear a uniform.

"(c) A uniform allowance may not be paid, and uniforms may not be furnished, under section 1593 of title 10 or section 5901 of title 5 to a person referred to in subsection (b) for a period of employment referred to in that subsection for which a uniform allowance is paid under section 415 or 416 of this title.".

SEC. 1039. MILITARY LEAVE FOR MILITARY RESERVE TECHNICIANS FOR CERTAIN DUTY OVERSEAS.

Section 6323 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) A military reserve technician described in section 8401(30) is entitled at such person's request to leave without loss of, or reduction in, pay, leave to which such person is otherwise entitled, credit for time or service, or performance or efficiency rating for each day, not to exceed 44 workdays in a calendar year, in which such person is on active duty without pay, as authorized pursuant to section 12315 of title 10, under section 12301(b) or 12301(d) of title 10 (other than active duty during a war or national emergency declared by the President or Congress) for participation in noncombat operations outside the United States, its territories and possessions.

"(2) An employee who requests annual leave or compensatory time to which the employee is otherwise entitled, for a period during which the employee would have been entitled upon request to leave under this subsection, may be granted such annual leave or compensatory time without regard to this section or section 5519.".

SEC. 1040. PERSONNEL ACTIONS INVOLVING EMPLOYEES OF NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) CLARIFICATION OF DEFINITION OF NONAPPROPRIATED FUND INSTRUMENTALITY EMPLOYEE.—Subsection (a)(1) of section 1587 of title 10, United States Code, is amended by adding at the end the following new sentence: "Such term includes a civilian employee of a support organization within the Department of Defense or a military department, such as the Defense Finance and Accounting Service, who is paid from nonappropriated funds on account of the nature of the employee's duties.".

(b) DIRECT REPORTING OF VIOLATIONS.—Subsection (e) of such section is amended in the second sentence by inserting before the period the following: "and to permit the reporting of alleged violations of subsection (b) directly to the Inspector General of the Department of Defense".

(c) TECHNICAL AMENDMENT.—Subsection (a)(1) of such section is further amended by striking out "Navy Resale and Services Support Office" and inserting in lieu thereof "Navy Exchange Service Command".

(d) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 1587. Employees of nonappropriated fund instrumentalities: reprisals".

(2) The item relating to such section in the table of sections at the beginning of chapter 81 of such title is amended to read as follows:

"1587. Employees of nonappropriated fund instrumentalities: reprisals.".

SEC. 1041. COVERAGE OF NONAPPROPRIATED FUND EMPLOYEES UNDER AUTHORITY FOR FLEXIBLE AND COMPRESSED WORK SCHEDULES.

Paragraph (2) of section 6121 of title 5, United States Code, is amended to read as follows:

"(2) 'employee' has the meaning given the term in subsection (a) of section 2105 of this title, except that such term also includes an employee described in subsection (c) of that section;".

SEC. 1042. LIMITATION ON PROVISION OF OVERSEAS LIVING QUARTERS ALLOWANCES FOR NONAPPROPRIATED FUND INSTRUMENTALITY EMPLOYEES.

(a) CONFORMING ALLOWANCE TO ALLOWANCES FOR OTHER CIVILIAN EMPLOYEES.—Subject to subsection (b), an overseas living quarters allowance paid from nonappropriated funds and provided to a nonappropriated fund instrumentality employee after the date of the enactment of this Act may not exceed the amount of a quarters allowance provided under subchapter III of chapter 59 of title 5 to a similarly situated civilian employee of the Department of Defense paid from appropriated funds.

(b) APPLICATION TO CERTAIN CURRENT EMPLOYEES.—In the case of a nonappropriated fund instrumentality employee who, as of the date of the enactment of this Act, receives an overseas living quarters allowance under any other authority, subsection (a) shall apply to such employee only after the earlier of—

(1) September 30, 1997; or

(2) the date on which the employee otherwise ceases to be eligible for such an allowance under such other authority.

(c) NONAPPROPRIATED FUND INSTRUMENTALITY EMPLOYEE DEFINED.—For purposes of this section, the term "nonappropriated fund instrumentality employee" has the meaning given such term in section 1587(a)(1) of title 10, United States Code.

SEC. 1043. ELECTIONS RELATING TO RETIREMENT COVERAGE.

(a) IN GENERAL.—

(1) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8347(q) of title 5, United States Code, is amended—

(A) in paragraph (1)—

(i) by striking "of the Department of Defense or the Coast Guard" in the matter before subparagraph (A); and

(ii) by striking "3 days" and inserting "1 year"; and

(B) in paragraph (2)(C)—

(i) by striking "3 days" and inserting "1 year"; and

(ii) by striking "in the Department of Defense or the Coast Guard, respectively,".

(2) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8461(n) of title 5, United States Code, is amended—

(A) in paragraph (1)—

(i) by striking "of the Department of Defense or the Coast Guard" in the matter before subparagraph (A); and

(ii) by striking "3 days" and inserting "1 year"; and

(B) in paragraph (2)(C)—

(i) by striking "3 days" and inserting "1 year"; and

(ii) by striking "in the Department of Defense or the Coast Guard, respectively,".

(b) REGULATIONS.—Not later than 6 months after the date of the enactment of this Act, the Office of Personnel Management (and each of the other administrative authorities, within the meaning of subsection (c)(2)(C)(iii)) shall prescribe any regulations (or make any modifications in existing regulations) necessary to carry out this section and the amendments made by this section, including regulations to provide for the notification of individuals who may be affected by the enactment of this section. All regulations (and modifications to regulations) under the preceding sentence shall take effect on the same date.

(c) APPLICABILITY; RELATED PROVISIONS.—

(1) PROSPECTIVE RULES.—Except as otherwise provided in this subsection, the amendments made by this section shall apply with respect to moves occurring on or after the effective date of the regulations under subsection (b). Moves occurring on or after the date of the enactment of this Act and before the effective date of such regulations shall be subject to applicable provisions of title 5, United States Code, disregarding the amendments made by this section, except that any individual making an election pursuant to this sentence shall be ineligible to make an election otherwise allowable under paragraph (2).

(2) RETROACTIVE RULES.—

(A) IN GENERAL.—The regulations under subsection (b) shall include provisions for the application of sections 8347(q) and 8461(n) of title 5, United States Code, as amended by this section, with respect to any individual who, at any time after December 31, 1965, and before the effective date of such regulations, moved between positions in circumstances that would have qualified such individual to make an election under the provisions of such section 8347(q) or 8461(n), as so amended, if such provisions had then been in effect.

(B) DEADLINE; RELATED PROVISIONS.—An election pursuant to this paragraph—

(i) shall be made within 1 year after the effective date of the regulations under subsection (b), and

(ii) shall have the same force and effect as if it had been timely made at the time of the move,

except that no such election may be made by any individual—

(I) who has previously made, or had an opportunity to make, an election under section 8347(q) or 8461(n) of title 5, United States Code (as in effect before being amended by this section); however, this subclause shall not be considered to render an individual ineligible, based on an opportunity arising out of a move occurring during the period described in the second sentence of paragraph (1), if no election has in fact been made by such individual based on such move;

(II) who has not, since the move on which eligibility for the election is based, remained continuously subject (disregarding any break in service of less than 3 days) to CSRS or FERS or both seriatim (if the move was from a NAFI position) or any retirement system (or 2 or more such systems seriatim) established for employees described in section 2105(c) of such title (if the move was to a NAFI position); or

(III) if such election would be based on a move to the Civil Service Retirement System from a retirement system established for employees described in section 2105(c) of such title.

(C) TRANSFERS OF CONTRIBUTIONS.—

(i) IN GENERAL.—If an individual makes an election under this paragraph to be transferred back to a retirement system in which such individual previously participated (in this section referred to as the "previous system"), all individual contributions (including interest) and Government contributions to the retirement system in which such individual is then currently participating (in this section referred to as the "current system"), excluding those made to the Thrift Savings Plan or any other defined contribution plan, which are attributable to periods of service performed since the move on which the election is based, shall be paid to the fund, account, or other repository for contributions made under the previous system. For purposes of this section, the term "current system" shall be considered also to include any retirement system (besides the one in which the individual is participating at the time of making the election) in which such individual previously participated since the move on which the election is based.

(ii) CONDITION SUBSEQUENT RELATING TO REPAYMENT OF LUMP-SUM CREDIT.—In the case of an individual who has received such individual's lump-sum credit (within the meaning of section 8401(19) of title 5, United States Code, or a similar payment) from such individual's previous system, the payment described in clause (i) shall not be made (and the election to which it relates shall be ineffective) unless such lump-sum credit is redeposited or otherwise paid at such time and in such manner as shall be required under applicable regulations. Regulations to carry out this clause shall include provisions for the computation of interest (consistent with section 8334(e) (2) and (3) of title 5, United States Code), if no provisions for such computation otherwise exist.

(iii) CONDITION SUBSEQUENT RELATING TO DEFICIENCY IN PAYMENTS RELATIVE TO AMOUNTS NEEDED TO ENSURE THAT BENEFITS ARE FULLY FUNDED.—

(I) IN GENERAL.—Except as provided in subclause (II), the payment described in clause (i) shall not be made (and the election to which it relates shall be ineffective) if the actuarial present value of the future benefits that would be payable under the previous system with respect to service performed by such individual after the move on which the election under this paragraph is based and before the effective date of the election, exceeds the total amounts required to be transferred to the previous system under the preceding provisions of this subparagraph with respect to such service, as determined by the authority administering such previous system (in this section referred to as the "administrative authority").

(II) PAYMENT OF DEFICIENCY.—A determination of a deficiency under this clause shall not render an election ineffective if the individual pays or arranges to pay, at a time and in a manner satisfactory to such administrative authority, the full amount of the deficiency described in subclause (I).

(D) ALTERNATIVE ELECTION FOR AN INDIVIDUAL THEN PARTICIPATING IN FERS.—

(i) APPLICABILITY.—This subparagraph applies with respect to any individual who—

(I) is then currently participating in FERS; and

(II) would then otherwise be eligible to make an election under subparagraphs (A) through (C) of this paragraph, determined disregarding the matter in subclause (I) of subparagraph (B) before the first semicolon therein.

(ii) ELECTION.—An individual described in clause (i) may, instead of making an election for which such individual is otherwise eligible under this paragraph, elect to have all prior qualifying NAFI service of such individual treated as creditable service for purposes of any annuity under FERS payable out of the Civil Service Retirement and Disability Fund.

(iii) QUALIFYING NAFI SERVICE.—For purposes of this subparagraph, the term "qualifying NAFI service" means any service which, but for this subparagraph, would be creditable for purposes of any retirement system established for employees described in section 2105(c) of title 5, United States Code.

(iv) SERVICE CEASES TO BE CREDITABLE FOR NAFI RETIREMENT SYSTEM PURPOSES.—Any qualifying NAFI service that becomes creditable for FERS purposes by virtue of an election made under this subparagraph shall not be creditable for purposes of any retirement system referred to in clause (iii).

(v) CONDITIONS.—An election under this subparagraph shall be subject to requirements, similar to those set forth in subparagraph (C), to ensure that—

(I) appropriate transfers of individual and Government contributions are made to the Civil Service Retirement and Disability Fund; and

(II) the actuarial present value of future benefits under FERS attributable to service made creditable by such election is fully funded.

(E) ALTERNATIVE ELECTION FOR AN INDIVIDUAL THEN PARTICIPATING IN A NAFI RETIREMENT SYSTEM.—

(i) APPLICABILITY.—This subparagraph applies with respect to any individual who—

(I) is then currently participating in any retirement system established for employees described in section 2105(c) of title 5, United States Code (in this subparagraph referred to as a "NAFI retirement system"); and

(II) would then otherwise be eligible to make an election under subparagraphs (A) through (C) of this paragraph (determined disregarding the matter in subclause (I) of subparagraph (B) before the first semicolon therein) based on a move from FERS.

(ii) ELECTION.—An individual described in clause (i) may, instead of making an election for which such individual is otherwise eligible under this paragraph, elect to have all prior qualifying FERS service of such individual treated as creditable service for purposes of determining eligibility for benefits under a NAFI retirement system, but not for purposes of computing the amount of any such benefits except as provided in clause (v)(II).

(iii) QUALIFYING FERS SERVICE.—For purposes of this subparagraph, the term "qualifying FERS service" means any service which, but for this subparagraph, would be creditable for purposes of the Federal Employees' Retirement System.

(iv) SERVICE CEASES TO BE CREDITABLE FOR PURPOSES OF FERS.—Any qualifying FERS service that becomes creditable for NAFI purposes by virtue of an election made under this subparagraph shall not be creditable for purposes of the Federal Employees' Retirement System.

(v) FUNDING REQUIREMENTS.—

(I) IN GENERAL.—Except as provided in subclause (II), nothing in this section or in any other provision of law or any other authority shall be considered to require any payment or transfer of monies in order for an election under this subparagraph to be effective.

(II) CONTRIBUTION REQUIRED ONLY IF INDIVIDUAL ELECTS TO HAVE SERVICE MADE CREDITABLE FOR COMPUTATION PURPOSES AS WELL.—Under regulations prescribed by the appropriate administrative authority, an individual making an election under this subparagraph may further elect to have the qualifying FERS service made creditable for computation purposes under a NAFI retirement system, but only if the individual pays or arranges to pay, at a time and in a manner satisfactory to such administrative authority, the amount necessary to fully fund the actuarial present value of future benefits under the NAFI retirement system attributable to the qualifying FERS service.

(3) INFORMATION.—The regulations under subsection (b) shall include provisions under which any individual—

(A) shall, upon request, be provided information or assistance in determining whether such individual is eligible to make an election under paragraph (2) and, if so, the exact amount of any payment which would be required of such individual in connection with any such election; and

(B) may seek any other information or assistance relating to any such election.

(d) CREDITABILITY OF NAFI SERVICE FOR RIF PURPOSES.—

(1) IN GENERAL.—Clause (ii) of section 3502(a)(C) of title 5, United States Code, is amended by striking "January 1, 1987" and inserting "January 1, 1966".

(2) EFFECTIVE DATE.—Notwithstanding any provision of subsection (c), the amendment made by paragraph (1) shall—

(A) take effect on the date of the enactment of this Act; and

(B) apply with respect to any reduction in force carried out on or after such date.

SEC. 1044. EXTENSION OF TEMPORARY AUTHORITY TO PAY CIVILIAN EMPLOYEES WITH RESPECT TO THE EVACUATION FROM GUANTANAMO, CUBA.

(a) EXTENSION OF AUTHORITY.—The Secretary of Defense may, until the end of January 31, 1996, and without regard to the time limitations specified in subsection (a) of section 5523 of title 5, United States Code, make payments under the provisions of such section from funds available for the pay of civilian personnel in the case of employees, or an employee's dependents or immediate family, evacuated from Guantanamo Bay, Cuba, pursuant to the August 26, 1994 order of the Secretary. This section shall take effect as of October 1, 1995, and shall apply with respect to payments made for periods occurring on or after that date.

(b) MONTHLY REPORT.—On the first day of each month beginning after the date of the enactment of this Act and ending before March 1996, the Secretary of the Navy shall transmit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report regarding the payment of employees pursuant to subsection (a). Each such report shall include, for the month preceding the month in which the report is transmitted, a statement of the following:

(1) The number of the employees paid pursuant to such section.

(2) The positions of employment of the employees.

(3) The number and location of the employees' dependents and immediate families.

(4) The actions taken by the Secretary to eliminate the conditions which necessitated the payments.

Subtitle E—Miscellaneous Reporting Requirements

SEC. 1051. REPORT ON FISCAL YEAR 1997 BUDGET SUBMISSION REGARDING GUARD AND RESERVE COMPONENTS.

(a) REPORT.—The Secretary of Defense shall submit to the congressional defense committees, at the same time that the President submits the budget for fiscal year 1997 under section 1105(a) of title 31, United States Code, a report on amounts requested in that budget for the Guard and Reserve components.

(b) CONTENT.—The report shall include the following:

(1) A description of the anticipated effect that the amounts requested (if approved by Congress) will have to enhance the capabilities of each of the Guard and Reserve components.

(2) A listing, with respect to each such component, of each of the following:

(A) The amount requested for each major weapon system for which funds are requested in the budget for that component.

(B) The amount requested for each item of equipment (other than a major weapon system) for which funds are requested in the budget for that component.

(C) The amount requested for each military construction project, together with the location of each such project, for which funds are requested in the budget for that component.

(c) INCLUSION OF INFORMATION IN NEXT FYDP.—The Secretary of Defense shall specifically display in the next future-years defense program (or program revision) submitted to Congress after the date of the enactment of this Act the amounts programmed for procurement of equipment and for military construction for each of the Guard and Reserve components.

(d) DEFINITION.—For purposes of this section, the term "Guard and Reserve components" means the following:

(1) The Army Reserve.

(2) The Army National Guard of the United States.

(3) The Naval Reserve.

(4) The Marine Corps Reserve.

(5) The Air Force Reserve.

(6) The Air National Guard of the United States.

SEC. 1052. REPORT ON DESIRABILITY AND FEASIBILITY OF PROVIDING AUTHORITY FOR USE OF FUNDS DERIVED FROM RECOVERED LOSSES RESULTING FROM CONTRACTOR FRAUD.

(a) REPORT.—Not later than April 1, 1996, the Secretary of Defense shall submit to Congress a report on the desirability and feasibility of authorizing by law the retention and use by the Department of Defense of a specified portion (not to exceed three percent) of amounts recovered by the Government during any fiscal year from losses and expenses incurred by the Department of Defense as a result of contractor fraud at military installations.

(b) MATTERS TO BE INCLUDED.—The report shall include the views of the Secretary of Defense regarding—

(1) the degree to which such authority would create enhanced incentives for the discovery, investigation, and resolution of contractor fraud at military installations; and

(2) the appropriate allocation for funds that would be available for expenditure pursuant to such authority.

SEC. 1053. REPORT OF NATIONAL POLICY ON PROTECTING THE NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACKS.

Not later than 120 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth the results of a review of the national policy on protecting the national information infrastructure against strategic attacks. The report shall include the following:

(1) A description of the national policy and architecture governing the plans for establishing procedures, capabilities, systems, and processes necessary to perform indications, warning, and assessment functions regarding strategic attacks by foreign nations, groups, or individuals, or any other entity against the national information infrastructure.

(2) An assessment of the future of the National Communications System (NCS), which has performed the central role in ensuring national security and emergency preparedness communications for essential United States Government and private sector users, including a discussion of—

(A) whether there is a Federal interest in expanding or modernizing the National Communications System in light of the changing strategic national security environment and the revolution in information technologies; and

(B) the best use of the National Communications System and the assets and experience it represents as an integral part of a larger national strategy to protect the United States against a strategic attack on the national information infrastructure.

SEC. 1054. REPORT ON DEPARTMENT OF DEFENSE BOARDS AND COMMISSIONS.

(a) STUDY.—The Secretary of Defense shall conduct a study of the boards and commissions described in subsection (c). As part of such study, the Secretary shall determine, with respect to each such board or commission that received support from the Department of Defense during fiscal year 1995, whether that board or commission merits continued support from the Department.

(b) REPORT.—Not later than April 1, 1996, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the study. The report shall include the following:

(1) A list of each board and commission described in subsection (c) that received support from the Department of Defense during fiscal year 1995.

(2) With respect to the boards and commissions specified on the list under paragraph (1)—

(A) a list of each such board or commission concerning which the Secretary determined under subsection (a) that continued support from the Department of Defense is merited; and

(B) a list of each such board or commission concerning which the Secretary determined under subsection (a) that continued support from the Department is not merited.

(3) For each board and commission specified on the list under paragraph (2)(A), a description of—

(A) the purpose of the board or commission;

(B) the nature and cost of the support provided by the Department to the board or commission during fiscal year 1995;

(C) the nature and duration of the support that the Secretary proposes to provide to the board or commission;

(D) the anticipated cost to the Department of providing such support; and

(E) a justification of the determination that the board or commission merits the continued support of the Department.

(4) For each board and commission specified on the list under paragraph (2)(B), a description of—

(A) the purpose of the board or commission;

(B) the nature and cost of the support provided by the Department to the board or commission during fiscal year 1995; and

(C) a justification of the determination that the board or commission does not merit the continued support of the Department.

(c) COVERED BOARDS AND COMMISSIONS.—Subsection (a) applies to any board or commission (including any board or commission authorized by law) that operates within or for the Department of Defense and that—

(1) provides only policy-making assistance or advisory services for the Department; or

(2) carries out only activities that are not routine activities, on-going activities, or activities necessary to the routine, on-going operations of the Department.

(d) SUPPORT DEFINED.—For purposes of this section, the term "support" includes the provision of any of the following:

(1) Funds.

(2) Equipment, materiel, or other assets.

(3) Services of personnel.

SEC. 1055. DATE FOR SUBMISSION OF ANNUAL REPORT ON SPECIAL ACCESS PROGRAMS.

Section 119(a) of title 10, United States Code, is amended by striking out "February 1" and inserting in lieu thereof "March 1".

Subtitle F—Repeal of Certain Reporting and Other Requirements and Authorities

SEC. 1061. REPEAL OF MISCELLANEOUS PROVISIONS OF LAW.

(a) VOLUNTEERS INVESTING IN PEACE AND SECURITY PROGRAM.—(1) Chapter 89 of title 10, United States Code, is repealed.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of such title are each amended by striking out the item relating to chapter 89.

(b) SECURITY AND CONTROL OF SUPPLIES.—(1) Chapter 171 of such title is repealed.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of such title are each amended by striking out the item relating to chapter 171.

(c) ANNUAL AUTHORIZATION OF MILITARY TRAINING STUDENT LOADS.—Section 115 of such title is amended—

(1) in subsection (a), by striking out paragraph (3);

(2) in subsection (b)—

(A) by inserting "or" at the end of paragraph (1);

(B) by striking out "; or" at the end of paragraph (2) and inserting in lieu thereof a period; and

(C) by striking out paragraph (3); and

(3) by striking out subsection (f).

(d) PORTIONS OF ANNUAL MANPOWER REQUIREMENTS REPORT.—Section 115a of such title is amended—

(1) in subsection (b)(2), by striking out subparagraph (C);

(2) by striking out subsection (d);

(3) by redesignating subsection (e) as subsection (d) and striking out paragraphs (4) and (5) thereof;

(4) by striking out subsection (f); and

(5) by redesignating subsection (g) as subsection (e).

(e) OBSOLETE AUTHORITY FOR PAYMENT OF STIPENDS FOR MEMBERS OF CERTAIN ADVISORY COMMITTEES AND BOARDS OF VISITORS OF SERVICE ACADEMIES.—(1) The second sentence of each of sections 173(b) and 174(b) of such title is amended to read as follows: "Other members and part-time advisers shall (except as otherwise specifically authorized by law) serve without compensation for such service.".

(2) Sections 4355(h), 6968(h), and 9355(h) of such title are amended by striking out "is entitled to not more than $5 a day and".

(f) ANNUAL BUDGET INFORMATION CONCERNING RECRUITING COSTS.—(1) Section 227 of such title is repealed.

(2) The table of sections at the beginning of chapter 9 of such title is amended by striking out the item relating to section 227.

(g) EXPIRED AUTHORITY RELATING TO PEACEKEEPING ACTIVITIES.—(1) Section 403 of such title is repealed.

(2) The table of sections at the beginning of subchapter I of chapter 20 of such title is amended by striking out the item relating to section 403.

(h) PROCUREMENT OF GASOHOL FOR DEPARTMENT OF DEFENSE MOTOR VEHICLES.—(1) Subsection (a) of section 2398 of such title is repealed.

(2) Such section is further amended—

(A) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively; and

(B) in subsection (b), as so redesignated, by striking out "subsection (b)" and inserting in lieu thereof "subsection (a)".

(i) REQUIREMENT OF NOTICE OF CERTAIN DISPOSALS AND GIFTS BY SECRETARY OF NAVY.—Section 7545 of such title is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(j) ANNUAL REPORT ON BIOLOGICAL DEFENSE RESEARCH PROGRAM.—(1) Section 2370 of such title is repealed.

(2) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to such section.

(k) REPORTS AND NOTIFICATIONS RELATING TO CHEMICAL AND BIOLOGICAL AGENTS.—Subsection (a) of section 409 of Public Law 91–121 (50 U.S.C. 1511) is repealed.

(l) ANNUAL REPORT ON BALANCED TECHNOLOGY INITIATIVE.—Subsection (e) of section 211 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1394) is repealed.

(m) REPORT ON ENVIRONMENTAL RESTORATION COSTS FOR INSTALLATIONS TO BE CLOSED UNDER 1990 BASE CLOSURE LAW.—Section 2827 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 2687 note) is amended by striking out subsection (b).

(n) LIMITATION ON AMERICAN DIPLOMATIC FACILITIES IN GERMANY.—Section 1432 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1833) is repealed.

SEC. 1062. REPORTS REQUIRED BY TITLE 10, UNITED STATES CODE.

(a) ANNUAL REPORT ON RELOCATION ASSISTANCE PROGRAMS.—Section 1056 of title 10, United States Code, is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsection (g) as subsection (f).

(b) NOTICE OF SALARY INCREASES FOR FOREIGN NATIONAL EMPLOYEES.—Section 1584 of such title is amended—

(1) by striking out subsection (b); and

(2) in subsection (a), by striking out "(a) WAIVER OF EMPLOYMENT RESTRICTIONS FOR CERTAIN PERSONNEL.—".

(c) NOTICE REGARDING CONTRACTS PERFORMED FOR PERIODS EXCEEDING 10 YEARS.—(1) Section 2352 of such title is repealed.

(2) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2352.

(d) REPORT ON LOW-RATE PRODUCTION UNDER NAVAL VESSEL AND MILITARY SATELLITE PROGRAMS.—Section 2400(c) of such title is amended—

(1) by striking out paragraph (2); and

(2) in paragraph (1)—

(A) by striking out "(1)"; and

(B) by redesignating clauses (A) and (B) as clauses (1) and (2), respectively.

(e) REPORT ON WAIVERS OF PROHIBITION ON EMPLOYMENT OF FELONS.—Section 2408(a)(3) of such title is amended by striking out the second sentence.

(f) REPORT ON DETERMINATION NOT TO DEBAR FOR FRAUDULENT USE OF LABELS.—Section 2410f(a) of such title is amended by striking out the second sentence.

(g) NOTICE OF MILITARY CONSTRUCTION CONTRACTS ON GUAM.—Section 2864(b) of such title is amended by striking out "after the 21-day period" and all that follows through "determination".

SEC. 1063. REPORTS REQUIRED BY DEFENSE AUTHORIZATION AND APPROPRIATIONS ACTS.

(a) PUBLIC LAW 99–661 REQUIREMENT FOR REPORT ON FUNDING FOR NICARAGUAN DEMOCRATIC RESISTANCE.—Section 1351 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99–661; 100 Stat. 3995; 10 U.S.C. 114 note) is amended—

(1) by striking out subsection (b); and

(2) in subsection (a), by striking out "(a) LIMITATION.—".

(b) ANNUAL REPORT ON OVERSEAS MILITARY FACILITY INVESTMENT RECOVERY ACCOUNT.—Section 2921 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

(c) SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION MASTER PLAN.—Section 829 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1444; 10 U.S.C. 2192 note) is repealed.

(d) REPORT REGARDING HEATING FACILITY MODERNIZATION AT KAISERSLAUTERN.—Section 8008 of the Department of Defense Appropriations Act, 1994 (Public Law 103–139; 107 Stat. 1438), is amended by inserting "but without regard to the notification requirement in subsection (b)(2) of such section," after "section 2690 of title 10, United States Code,".

SEC. 1064. REPORTS REQUIRED BY OTHER PROVISIONS OF LAW.

(a) REQUIREMENT UNDER ARMS EXPORT CONTROL ACT FOR QUARTERLY REPORT ON PRICE AND AVAILABILITY ESTIMATES.—Section 28 of the Arms Export Control Act (22 U.S.C. 2768) is repealed.

(b) ANNUAL REPORT ON NATIONAL SECURITY AGENCY EXECUTIVE PERSONNEL.—Section 12(a) of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by striking out paragraph (5).

(c) REPORTS CONCERNING CERTAIN FEDERAL CONTRACTING AND FINANCIAL TRANSACTIONS.—Section 1352 of title 31, United States Code, is amended—

(1) in subsection (b)(6)(A), by inserting "(other than the Secretary of Defense and Secretary of a military department)" after "The head of each agency"; and

(2) in subsection (d)(1), by inserting "(other than in the case of the Department of Defense or a military department)" after "paragraph (3) of this subsection".

(d) ANNUAL REPORT ON WATER RESOURCES PROJECT AGREEMENTS.—Section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b) is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(e) ANNUAL REPORT ON CONSTRUCTION OF TENNESSEE-TOMBIGBEE WATERWAY.—Section 185 of the Water Resources Development Act of 1976 (33 U.S.C. 544c) is amended by striking out the second sentence.

(f) ANNUAL REPORT ON MONITORING OF NAVY HOME PORT WATERS.—Section 7 of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2406) is amended—

(1) by striking out subsection (d); and

(2) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

Subtitle G—Department of Defense Education Programs

SEC. 1071. CONTINUATION OF UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) POLICY.—Congress reaffirms—

(1) the prohibition set forth in subsection (a) of section 922 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2829; 10 U.S.C. 2112 note) regarding closure of the Uniformed Services University of the Health Sciences; and

(2) the expression of the sense of Congress set forth in subsection (b) of such section regarding the budgetary commitment to continuation of the university.

(b) PERSONNEL STRENGTH.—During the five-year period beginning on October 1, 1995, the personnel staffing levels for the Uniformed Services University of the Health Services may not be reduced below the personnel staffing levels for the university as of October 1, 1993.

(c) BUDGETARY COMMITMENT TO CONTINUATION.—It is the sense of Congress that the Secretary of Defense should budget for the operation of the Uniformed Services University of the Health Sciences during fiscal year 1997 at a level at least equal to the level of operations conducted at the University during fiscal year 1995.

SEC. 1072. ADDITIONAL GRADUATE SCHOOLS AND PROGRAMS AT UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) ADDITIONAL SCHOOLS AND PROGRAMS.—Subsection (h) of section 2113 of title 10, United States Code, is amended to read as follows:

"(h) The Secretary of Defense may establish the following educational programs at the University:

"(1) Postdoctoral, postgraduate, and technological institutes.

"(2) A graduate school of nursing.

"(3) Other schools or programs that the Secretary determines necessary in order to operate the University in a cost-effective manner.".

(b) CONFORMING AMENDMENTS TO REFLECT ADVISORY NATURE OF BOARD OF REGENTS.—(1) Section 2112(b) of such title is amended by striking out ", upon recommendation of the Board of Regents,".

(2) Section 2113 of such title is amended—

(A) in subsection (a)—

(i) by striking out "a Board of Regents (hereinafter in this chapter referred to as the 'Board')" in the first sentence and inserting in lieu thereof "the Secretary of Defense"; and

(ii) by inserting after the first sentence the following new sentence: "To assist the Secretary in an advisory capacity, there is a Board of Regents for the University.";

(B) in subsection (d), by striking out "Board" the first place it appears and inserting in lieu thereof "Secretary";

(C) in subsection (e), by striking out "of Defense";

(D) in subsection (f)(1), by striking out "of Defense";

(E) in subsection (g)—

(i) by striking out "Board is authorized to" in the first sentence and inserting in lieu thereof "Secretary may";

(ii) by striking out "Board is also authorized to" in the third sentence and inserting in lieu thereof "Secretary may"; and

(iii) by striking out "Board may also, subject to the approval of the Secretary of Defense," in the fifth sentence and inserting in lieu thereof "Secretary may"; and

(F) by striking out "Board" each place it appears in subsections (f), (i), and (j) and inserting in lieu thereof "Secretary".

(3) Section 2114(e)(1) of such title is amended by striking out "Board, upon approval of the Secretary of Defense," and inserting in lieu thereof "Secretary of Defense".

(c) CLERICAL AMENDMENTS.—(1) The heading of section 2113 of such title is amended to read as follows:

"§ 2113. Administration of University".

(2) The item relating to such section in the table of sections at the beginning of chapter 104 of such title is amended to read as follows:

"2113. Administration of University.".

SEC. 1073. FUNDING FOR ADULT EDUCATION PROGRAMS FOR MILITARY PERSONNEL AND DEPENDENTS OUTSIDE THE UNITED STATES.

Of amounts appropriated pursuant to section 301, $600,000 shall be available to carry out adult education programs, consistent with the Adult Education Act (20 U.S.C. 1201 et seq.), for the following:

(1) Members of the Armed Forces who are serving in locations—

(A) that are outside the United States; and

(B) for which amounts are not required to be allotted under section 313(b) of such Act (20 U.S.C. 1201b(b)).

(2) The dependents of such members.

SEC. 1074. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 1996.—(1) Of the amounts authorized to be appropriated in section 301(5)—

(A) $30,000,000 shall be available for providing educational agencies assistance (as defined in paragraph (4)(A)) to local educational agencies; and

(B) $5,000,000 shall be available for making educational agencies payments (as defined in paragraph (4)(B)) to local educational agencies.

(2) Not later than June 30, 1996, the Secretary of Defense shall—

(A) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1996 of that agency's eligibility for such assistance and the amount of such assistance for which that agency is eligible; and

(B) notify each local educational agency that is eligible for an educational agencies payment for fiscal year 1996 of that agency's eligibility for such payment and the amount of the payment for which that agency is eligible.

(3) The Secretary of Defense shall disburse funds made available under subparagraphs (A) and (B) of paragraph (1) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to paragraph (2).

(4) In this section:

(A) The term "educational agencies assistance" means assistance authorized under subsection (b) of section 386 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 20 U.S.C. 238 note).

(B) The term "educational agencies payments" means payments authorized under subsection (d) of that section, as amended by subsection (d).

(b) SPECIAL RULE FOR 1994 PAYMENTS.—The Secretary of Education shall not consider any payment to a local educational agency by the Department of Defense, that is available to such agency for current expenditures and used for capital expenses, as funds available to such agency for purposes of making a determination for fiscal year 1994 under section 3(d)(2)(B)(i) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on September 30, 1994).

(c) REDUCTION IN IMPACT THRESHOLD.—Subsection (c)(1) of section 386 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 20 U.S.C. 238 note) is amended—

(1) by striking out "30 percent" and inserting in lieu thereof "20 percent"; and

(2) by striking out "counted under subsection (a) or (b) of section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress; 20 U.S.C. 238)" and inserting in lieu thereof "counted under section 8003(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a))".

(d) ADJUSTMENTS RELATED TO BASE CLOSURES AND REALIGNMENTS.—Subsection (d) of section 386 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 28 U.S.C. 238 note) is amended to read as follows:

"(d) ADJUSTMENTS RELATED TO BASE CLOSURES AND REALIGNMENTS.—To assist communities in making adjustments resulting from reductions in the size of the Armed Forces, the Secretary of Defense shall, in consultation with the Secretary of Education, make payments to local educational agencies that, during the period between the end of the school year preceding the fiscal year for which the payments are authorized and the beginning of the school year immediately preceding that school year, had an overall reduction of not less than 20 percent in the number of military dependent students as a result of the closure or realignment of military installations.".

(e) EXTENSION OF REPORTING REQUIREMENT.—Subsection (e)(1) of section 386 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 20 U.S.C. 238 note) is amended by striking out "and 1995" and inserting in lieu thereof "1995, and 1996".

(f) PAYMENTS FOR ELIGIBLE FEDERALLY CONNECTED CHILDREN.—Subsection (f) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) is amended—

(1) in paragraph (2)—

(A) in the matter preceding clause (i) of subparagraph (A), by striking "only if such agency" and inserting "if such agency is eligible for a supplementary payment in accordance with subparagraph (B) or such agency"; and

(B) by adding at the end the following new subparagraph:

"(D) A local educational agency shall only be eligible to receive additional assistance under this subsection if the Secretary determines that—

"(i) such agency is exercising due diligence in availing itself of State and other financial assistance; and

"(ii) the eligibility of such agency under State law for State aid with respect to the free public education of children described in subsection (a)(1) and the amount of such aid are determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount of such aid, with respect to the free public education of other children in the State."; and

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by inserting "(other than any amount received under paragraph (2)(B))" after "subsection";

(ii) in subclause (I) of clause (i), by striking "or the average per-pupil expenditure of all the States";

(iii) by amending clause (ii) to read as follows:

"(ii) The Secretary shall next multiply the amount determined under clause (i) by the total number of students in average daily attendance at the schools of the local educational agency."; and

(iv) by amending clause (iii) to read as follows:

"(iii) The Secretary shall next subtract from the amount determined under clause (ii) all funds available to the local educational agency for current expenditures, but shall not so subtract funds provided—

"(I) under this Act; or

"(II) by any department or agency of the Federal Government (other than the Department) that are used for capital expenses."; and

(B) by amending subparagraph (B) to read as follows:

"(B) SPECIAL RULE.—With respect to payments under this subsection for a fiscal year for a local educational agency described in clause (ii) or (iii) of paragraph (2)(A), the maximum amount of payments under this subsection shall be equal to—

"(i) the product of—

"(I) the average per-pupil expenditure in all States multiplied by 0.7, except that such amount may not exceed 125 percent of the average per-pupil expenditure in all local educational agencies in the State; multiplied by

"(II) the number of students described in subparagraph (A) or (B) of subsection (a)(1) for such agency; minus

"(ii) the amount of payments such agency receives under subsections (b) and (d) for such year.".

(g) CURRENT YEAR DATA.—Paragraph (4) of section 8003(f) of such Act (20 U.S.C. 7703(f)) is amended to read as follows:

"(4) CURRENT YEAR DATA.—For purposes of providing assistance under this subsection the Secretary—

"(A) shall use student and revenue data from the fiscal year for which the local educational agency is applying for assistance under this subsection; and

"(B) shall derive the per pupil expenditure amount for such year for the local educational agency's comparable school districts by increasing or decreasing the per pupil expenditure data for the second fiscal year preceding the fiscal year for which the determination is made by the same percentage increase or decrease reflected between the per pupil expenditure data for the fourth fiscal year preceding the fiscal year for which the determination is made and the per pupil expenditure data for such second year.".

(h) TECHNICAL AMENDMENTS TO CORRECT REFERENCES TO REPEALED LAW.—Section 386 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 238 note) is amended—

(1) in subsection (e)(2)—

(A) in subparagraph (C), by inserting after "et seq.)," the following: "title VIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701 et seq.),"; and

(B) in subparagraph (D)(iii), by striking out "under subsections (a) and (b) of section 3 of such Act (20 U.S.C. 238)"; and

(2) in subsection (h)—

(A) in paragraph (1), by striking out "section 14101 of the Elementary and Secondary Education Act of 1965" and inserting in lieu thereof "section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9))"; and

(B) by striking out paragraph (3) and inserting in lieu thereof the following new paragraph:

"(3) The term 'State' means each of the 50 States and the District of Columbia.".

SEC. 1075. SHARING OF PERSONNEL OF DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOLS AND DEFENSE DEPENDENTS' EDUCATION SYSTEM.

Section 2164(e) of title 10, United States Code, is amended by adding at the end the following:

"(4)(A) The Secretary may, without regard to the provisions of any law relating to the number, classification, or compensation of employees—

"(i) transfer employees from schools established under this section to schools in the defense dependents' education system in order to provide the services referred to in subparagraph (B) to such system; and

"(ii) transfer employees from such system to schools established under this section in order to provide such services to those schools.

"(B) The services referred to in subparagraph (A) are the following:

"(i) Administrative services.

"(ii) Logistical services.

"(iii) Personnel services.

"(iv) Such other services as the Secretary considers appropriate.

"(C) Transfers under this paragraph shall extend for such periods as the Secretary considers appropriate. The Secretary shall provide appropriate compensation for employees so transferred.

"(D) The Secretary may provide that the transfer of an employee under this paragraph occur without reimbursement of the school or system concerned.

"(E) In this paragraph, the term 'defense dependents' education system' means the program established and operated under section 1402(a) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 921(a)).".

SEC. 1076. INCREASE IN RESERVE COMPONENT MONTGOMERY GI BILL EDUCATIONAL ASSISTANCE ALLOWANCE WITH RESPECT TO SKILLS OR SPECIALTIES FOR WHICH THERE IS A CRITICAL SHORTAGE OF PERSONNEL.

Section 16131 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(j)(1) In the case of a person who has a skill or specialty designated by the Secretary concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, the Secretary concerned may increase the rate of the educational assistance allowance applicable to that person to such rate in excess of the rate prescribed under subparagraphs (A) through (D) of subsection (b)(1) as the Secretary of Defense considers appropriate, but the amount of any such increase may not exceed $350 per month.

"(2) In the case of a person who has a skill or specialty designated by the Secretary concerned as a skill or specialty in which there is a critical shortage of personnel or for which it is difficult to recruit or, in the case of critical units, retain personnel, who is eligible for educational benefits under chapter 30 (other than section 3012) of title 38 and who meets the eligibility criteria specified in subparagraphs (A) and (B) of section 16132(a)(1) of this title, the Secretary concerned may increase the rate of the educational assistance allowance applicable to that person to such rate in excess of the rate prescribed under section 3015 of title 38 as the Secretary of Defense considers appropriate, but the amount of any such increase may not exceed $350 per month.

"(3) The authority provided by paragraphs (1) and (2) shall be exercised by the Secretaries concerned under regulations prescribed by the Secretary of Defense.".

SEC. 1077. DATE FOR ANNUAL REPORT ON RESERVE COMPONENT MONTGOMERY GI BILL EDUCATIONAL ASSISTANCE PROGRAM.

Section 16137 of title 10, United States Code, is amended by striking out "December 15 of each year" and inserting in lieu thereof "March 1 of each year".

SEC. 1078. SCOPE OF EDUCATION PROGRAMS OF COMMUNITY COLLEGE OF THE AIR FORCE.

(a) LIMITATION TO MEMBERS OF THE AIR FORCE.—Section 9315(a)(1) of title 10, United States Code, is amended by striking out "for enlisted members of the armed forces" and inserting in lieu thereof "for enlisted members of the Air Force".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to enrollments in the Community College of the Air Force after March 31, 1996.

SEC. 1079. AMENDMENTS TO EDUCATION LOAN REPAYMENT PROGRAMS.

(a) GENERAL EDUCATION LOAN REPAYMENT PROGRAM.—Section 2171(a)(1) of title 10, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph (B):

"(B) any loan made under part D of such title (the William D. Ford Federal Direct Loan Program, 20 U.S.C. 1087a et seq.); or".

(b) EDUCATION LOAN REPAYMENT PROGRAM FOR ENLISTED MEMBERS OF SELECTED RESERVE WITH CRITICAL SPECIALTIES.—Section 16301(a)(1) of such title is amended—

(1) by striking out "or" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph (B):

"(B) any loan made under part D of such title (the William D. Ford Federal Direct Loan Program, 20 U.S.C. 1087a et seq.); or".

(c) EDUCATION LOAN REPAYMENT PROGRAM FOR HEALTH PROFESSIONS OFFICERS SERVING IN SELECTED RESERVE WITH WARTIME CRITICAL MEDICAL SKILL SHORTAGES.—Section 16302(a) of such title is amended—

(1) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5) respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) any loan made under part D of such title (the William D. Ford Federal Direct Loan Program, 20 U.S.C. 1087a et seq.); or".

Subtitle H—Other Matters

SEC. 1081. NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE, DEFENSE REINVESTMENT, AND DEFENSE CONVERSION PROGRAMS.

(a) NATIONAL SECURITY OBJECTIVES FOR NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.—(1) Section 2501 of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by striking out "DEFENSE POLICY" in the subsection heading and inserting in lieu thereof "NATIONAL SECURITY"; and

(ii) by striking out paragraph (5);

(B) by striking out subsection (b); and

(C) by redesignating subsection (c) as subsection (b).

(2) The heading of such section is amended to read as follows:

"§2501. National security objectives concerning national technology and industrial base".

(b) NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE COUNCIL.—Section 2502(c) of such title is amended—

(1) in paragraph (1), by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

"(B) programs for achieving such national security objectives; and";

(2) by striking out paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(c) MODIFICATION OF DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS PROGRAM.—Section 2511 of such title is amended to read as follows:

"§2511. Defense dual-use critical technology program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall conduct a program to further the national security objectives set forth in section 2501(a) of this title by encouraging and providing for research, development, and application of dual-use critical technologies. The Secretary may make grants, enter into contracts, or enter into cooperative agreements and other transactions pursuant to section 2371 of this title in furtherance of the program. The Secretary shall identify projects to be conducted as part of the program.

"(b) ASSISTANCE AUTHORIZED.—The Secretary of Defense may provide technical and other assistance to facilitate the achievement of the purposes of projects conducted under the program. In providing such assistance, the Secretary shall make available, as appropriate for the work to be performed, equipment and facilities of Department of Defense laboratories (including the scientists and engineers at those laboratories) for purposes of projects selected by the Secretary.

"(c) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The total amount of funds provided by the Federal Government for a project conducted under the program may not exceed 50 percent of the total cost of the project. However, the Secretary of Defense may agree to a project in which the total amount of funds provided by the Federal Government exceeds 50 percent if the Secretary determines the project is particularly meritorious, but the project would not otherwise have sufficient non-Federal funding or in-kind contributions.

"(2) The Secretary may prescribe regulations to provide for consideration of in-kind contributions by non-Federal Government participants in a project conducted under the program for the purpose of calculating the share of the project costs that has been or is being undertaken by such participants. In such regulations, the Secretary may authorize a participant that is a small business concern to use funds received under the Small Business Innovation Research Program or the Small Business Technology Transfer Program to help pay the costs of project activities. Any such funds so used may be considered in calculating the amount of the financial commitment undertaken by the non-Federal Government participants unless the Secretary determines that the small business concern has not made a significant equity percentage contribution in the project from non-Federal sources.

"(3) The Secretary shall consider a project proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated project costs. Upon the selection of a project proposal submitted by a small business concern, the small business concern shall have a period of not less than 120 days in which to arrange to meet its financial commitment requirements under the project from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated project costs, the Secretary shall revoke the selection of the project proposal submitted by the small business concern.

"(d) SELECTION PROCESS.—Competitive procedures shall be used in the conduct of the program.

"(e) SELECTION CRITERIA.—The criteria for the selection of projects under the program shall include the following:

"(1) The extent to which the proposed project advances and enhances the national security objectives set forth in section 2501(a) of this title.

"(2) The technical excellence of the proposed project.

"(3) The qualifications of the personnel proposed to participate in the research activities of the proposed project.

"(4) An assessment of timely private sector investment in activities to achieve the goals and objectives of the proposed project other than through the project.

"(5) The potential effectiveness of the project in the further development and application of each technology proposed to be developed by the project for the national technology and industrial base.

"(6) The extent of the financial commitment of eligible firms to the proposed project.

"(7) The extent to which the project does not unnecessarily duplicate projects undertaken by other agencies.

"(f) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the purposes of this section.".

(d) FEDERAL DEFENSE LABORATORY DIVERSIFICATION PROGRAM.—Section 2519 of such title is amended—

(1) in subsection (b), by striking out "referred to in section 2511(b) of this title"; and

(2) in subsection (f), by striking out "section 2511(f)" and inserting in lieu thereof "section 2511(e)".

(e) MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.—Subsection (b) of section 2525 of such title is amended to read as follows:

"(b) PURPOSE OF PROGRAM.—The Secretary of Defense shall use the program—

"(1) to provide centralized guidance and direction (including goals, milestones, and priorities) to the military departments and the Defense Agencies on all matters relating to manufacturing technology;

"(2) to direct the development and implementation of Department of Defense plans, programs, projects, activities, and policies that promote the development and application of advanced technologies to manufacturing processes, tools, and equipment;

"(3) to improve the manufacturing quality, productivity, technology, and practices of businesses and workers providing goods and services to the Department of Defense;

"(4) to promote dual-use manufacturing processes;

"(5) to disseminate information concerning improved manufacturing improvement concepts, including information on such matters as best manufacturing practices, product data exchange specifications, computer-aided acquisition and logistics support, and rapid acquisition of manufactured parts;

"(6) to sustain and enhance the skills and capabilities of the manufacturing work force;

"(7) to promote high-performance work systems (with development and dissemination of production technologies that build upon the skills and capabilities of the work force), high levels of worker education and training; and

"(8) to ensure appropriate coordination between the manufacturing technology programs and industrial preparedness programs of the Department of Defense and similar programs undertaken by other departments and agencies of the Federal Government or by the private sector.".

(f) REPEAL OF VARIOUS ASSISTANCE PROGRAMS.—Sections 2512, 2513, 2520, 2521, 2522, 2523, and 2524 of such title are repealed.

(g) REPEAL OF MILITARY-CIVILIAN INTEGRATION AND TECHNOLOGY TRANSFER ADVISORY BOARD.—Section 2516 of such title is repealed.

(h) REPEAL OF OBSOLETE DEFINITIONS.—Section 2491 of such title is amended—

(1) by striking out paragraphs (11) and (12); and

(2) by redesignating paragraphs (13), (14), (15), and (16) as paragraphs (11) (12), (13), and (14), respectively.

(i) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of subchapter II of chapter 148 of such title is amended by striking out the item relating to section 2501 and inserting in lieu thereof the following new item:

"2501. National security objectives concerning national technology and industrial base.".

(2) The table of sections at the beginning of subchapter III of such chapter is amended—

(A) by striking out the item relating to section 2511 and inserting in lieu thereof the following new item:

"2511. Defense dual-use critical technology program."; and

(B) by striking out the items relating to sections 2512, 2513, 2516, and 2520.

(3) The table of sections at the beginning of subchapter IV of such chapter is amended by striking out the items relating to sections 2521, 2522, 2523, and 2524.

SEC. 1082. AMMUNITION INDUSTRIAL BASE.

(a) REVIEW OF AMMUNITION PROCUREMENT PROGRAMS.—The Secretary of Defense shall carry out a review of the programs of the Department of Defense for the procurement of ammunition. The review shall include the Department of Defense management of ammunition procurement programs, including the procedures of the Department for the planning for, budgeting for, administration, and carrying out of such programs. The Secretary shall begin the review not later than 30 days after the date of the enactment of this Act.

(b) MATTERS TO BE REVIEWED.—The review under subsection (a) shall include an assessment of the following:

(1) The practicability and desirability of (A) continuing to use centralized procurement practices (through a single executive agent) for the procurement of ammunition required by the Armed Forces, and (B) using such centralized procurement practices for the procurement of all such ammunition.

(2) The capability of the ammunition production facilities of the Government to meet the requirements of the Armed Forces for procurement of ammunition.

(3) The practicability and desirability of converting those ammunition production facilities to ownership or operation by private sector entities.

(4) The practicability and desirability of integrating the budget planning for the procurement of ammunition among the Armed Forces.

(5) The practicability and desirability of establishing an advocate within the Department of Defense for matters relating to the ammunition industrial base, with such an advocate to be responsible for—

(A) establishing the quantity and price of ammunition procured by the Armed Forces; and

(B) establishing and implementing policy to ensure the continuing capability of the ammunition industrial base in the United States to meet the requirements of the Armed Forces.

(6) The practicability and desirability of providing information on the ammunition procurement practices of the Armed Forces to Congress through a single source.

(c) REPORT.—Not later than April 1, 1996, the Secretary shall submit to the congressional defense committees a report on the review carried out under subsection (a). The report shall include the following:

(1) The results of the review.

(2) A discussion of the methodologies used in carrying out the review.

(3) An assessment of various methods of ensuring the continuing capability of the ammunition industrial base of the United States to meet the requirements of the Armed Forces.

(4) Recommendations of means (including legislation) of implementing those methods in order to ensure such continuing capability.

SEC. 1083. POLICY CONCERNING EXCESS DEFENSE INDUSTRIAL CAPACITY.

No funds appropriated pursuant to an authorization of appropriations in this Act may be used for capital investment in, or the development and construction of, a Government-owned, Government-operated defense industrial facility unless the Secretary of Defense certifies to the Congress that no similar capability or minimally used capacity exists in any other Government-owned, Government-operated defense industrial facility.

SEC. 1084. SENSE OF CONGRESS CONCERNING ACCESS TO SECONDARY SCHOOL STUDENT INFORMATION FOR RECRUITING PURPOSES.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the States (with respect to public schools) and entities operating private secondary schools should not have a policy of denying, or otherwise effectively preventing, the Secretary of Defense from obtaining for military recruiting purposes—

(A) entry to any secondary school or access to students at any secondary school equal to that of other employers; or

(B) access to directory information pertaining to students at secondary schools equal to that of other employers (other than in a case in which an objection has been raised as described in paragraph (2)); and

(2) any State, and any entity operating a private secondary school, that releases directory information secondary school students should—

(A) give public notice of the categories of such information to be released; and

(B) allow a reasonable period after such notice has been given for a student or (in the case of an individual younger than 18 years of age) a parent to inform the school that any or all of such information should not be released without obtaining prior consent from the student or the parent, as the case may be.

(b) REPORT ON DOD PROCEDURES.—Not later than March 1, 1996, the Secretary of Defense shall submit to Congress a report on Department of Defense procedures for determining if and when a State or an entity operating a private secondary school has denied or prevented access to students or information as described in subsection (a)(1).

(c) DEFINITIONS.—For purposes of this section:

(1) The term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and (if available) the most recent previous educational program enrolled in by the student.

(2) The term "student" means an individual enrolled in any program of education who is 17 years of age or older.

SEC. 1085. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL FROM THE KOREAN CONFLICT, THE VIETNAM ERA, AND THE COLD WAR.

Section 1082 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 50 U.S.C. 401 note) is amended—

(1) in subsection (b)(3)(A), by striking out "cannot be located after a reasonable effort." and inserting in lieu thereof "cannot be located by the Secretary of Defense—

"(i) in the case of a person missing from the Vietnam era, after a reasonable effort; and

"(ii) in the case of a person missing from the Korean Conflict or Cold War, after a period of 90 days from the date on which any record or other information referred to in paragraph (2) is received by the Department of Defense for disclosure review from the Archivist of the United States, the Library of Congress, or the Joint United States-Russian Commission on POW/MIAs."; and

(2) in subsection (c)(1), by striking out "not later than September 30, 1995" and inserting in lieu thereof "not later than January 2, 1996".

SEC. 1086. OPERATIONAL SUPPORT AIRLIFT AIRCRAFT FLEET.

(a) SUBMITTAL OF JCS REPORT ON AIRCRAFT.—Not later than February 1, 1996, the Secretary of Defense shall submit to Congress the report that, as of the date of the enactment of this Act, is in preparation by the Chairman of the Joint Chiefs of Staff on operational support airlift aircraft.

(b) CONTENT OF REPORT.—(1) The report referred to in subsection (a) shall contain findings and recommendations on the following:

(A) Requirements for the modernization and safety of the operational support airlift aircraft fleet.

(B) The disposition of aircraft that would be excess to that fleet upon fulfillment of the requirements referred to in subparagraph (A).

(C) Plans and requirements for the standardization of the fleet, including plans and requirements for the provision of a single manager for all logistical support and operational requirements.

(D) Central scheduling of all operational support airlift aircraft.

(E) Needs of the Department for helicopter support in the National Capital Region, including the acceptable uses of that support.

(2) In preparing the report, the Chairman of the Joint Chiefs of Staff shall take into account the recommendation of the Commission on Roles and Missions of the Armed Forces to reduce the size of the operational support airlift aircraft fleet.

(c) REGULATIONS.—(1) Upon completion of the report referred to in subsection (a), the Secretary shall prescribe regulations, consistent with the findings and recommendations set forth in the report, for the operation, maintenance, disposition, and use of operational support airlift aircraft.

(2) The regulations shall, to the maximum extent practicable, provide for, and encourage the use of, commercial airlines in lieu of the use of such aircraft.

(3) The regulations shall apply uniformly throughout the Department.

(4) The regulations shall not require exclusive use of such aircraft for any particular class of government personnel.

(d) REDUCTIONS IN FLYING HOURS.—(1) The Secretary shall ensure that the number of hours flown during fiscal year 1996 by operational support airlift aircraft does not exceed the number equal to 85 percent of the number of hours flown during fiscal year 1995 by operational support airlift aircraft.

(2) The Secretary should ensure that the number of hours flown in the National Capital Region during fiscal year 1996 by helicopters of the operational support airlift aircraft fleet does not exceed the number equal to 85 percent of the number of hours flown in the National Capital Region during fiscal year 1995 by helicopters of the operational support airlift aircraft fleet.

(e) RESTRICTION ON AVAILABILITY OF FUNDS.—Of the funds appropriated pursuant to section 301 for the operation and use of operational support airlift aircraft, not more than 50 percent is available for obligation until the Secretary submits to Congress the report referred to in subsection (a).

(f) DEFINITIONS.—In this section:

(1) The term "operational support airlift aircraft" means aircraft of the Department of Defense designated within the Department as operational support airlift aircraft.

(2) The term "National Capital Region" has the meaning given such term in section 2674(f)(2) of title 10, United States Code.

SEC. 1087. CIVIL RESERVE AIR FLEET.

Section 9512 of title 10, United States Code, is amended by striking out "full Civil Reserve Air Fleet" in subsections (b)(2) and (e) and inserting in lieu thereof "Civil Reserve Air Fleet".

SEC. 1088. DAMAGE OR LOSS TO PERSONAL PROPERTY DUE TO EMERGENCY EVACUATION OR EXTRAORDINARY CIRCUMSTANCES.

(a) SETTLEMENT OF CLAIMS OF PERSONNEL.—Section 3721(b)(1) of title 31, United States Code, is amended by inserting after the first sentence the following: "If, however, the claim arose from an emergency evacuation or from extraordinary circumstances, the amount settled and paid under the authority of the preceding sentence may exceed $40,000, but may not exceed $100,000.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to claims arising before, on, or after the date of the enactment of this Act.

(c) REPRESENTMENTS OF PREVIOUSLY PRESENTED CLAIMS.—(1) A claim under subsection (b) of section 3721 of title 31, United States Code, that was settled under such section before the date of the enactment of this

Act may be represented under such section, as amended by subsection (a), to the head of the agency concerned to recover the amount equal to the difference between the actual amount of the damage or loss and the amount settled and paid under the authority of such section before the date of the enactment of this Act, except that—

(A) the claim shall be represented in writing within two years after the date of the enactment of this Act;

(B) a determination of the actual amount of the damage or loss shall have been made by the head of the agency concerned pursuant to settlement of the claim under the authority of such section before the date of the enactment of this Act;

(C) the claimant shall have proof of the determination referred to in subparagraph (B); and

(D) the total of all amounts paid in settlement of the claim under the authority of such section may not exceed $100,000.

(2) Subsection (k) of such section shall not apply to bar representment of a claim described in paragraph (1), but shall apply to such a claim that is represented and settled under that section after the date of the enactment of this Act.

SEC. 1089. AUTHORITY TO SUSPEND OR TERMINATE COLLECTION ACTIONS AGAINST DECEASED MEMBERS.

Section 3711 of title 31, United States Code, is amended by adding at the end the following:

"(g)(1) The Secretary of Defense may suspend or terminate an action by the Secretary or by the Secretary of a military department under subsection (a) to collect a claim against the estate of a person who died while serving on active duty as a member of the Army, Navy, Air Force, or Marine Corps if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.

"(2) In this subsection, the term 'active duty' has the meaning given that term in section 101 of title 10.".

SEC. 1090. CHECK CASHING AND EXCHANGE TRANSACTIONS FOR DEPENDENTS OF UNITED STATES GOVERNMENT PERSONNEL.

(a) AUTHORITY TO CARRY OUT TRANSACTIONS.—Subsection (b) of section 3342 of title 31, United States Code, is amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) a dependent of personnel of the Government, but only—

"(A) at a United States installation at which adequate banking facilities are not available; and

"(B) in the case of negotiation of negotiable instruments, if the dependent's sponsor authorizes, in writing, the presentation of negotiable instruments to the disbursing official for negotiation.".

(b) PAY OFFSET.—Subsection (c) of such section is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) The amount of any deficiency resulting from cashing a check for a dependent under subsection (b)(3), including any charges assessed against the disbursing official by a financial institution for insufficient funds to pay the check, may be offset from the pay of the dependent's sponsor.".

(c) DEFINITIONS.—Such section is further amended by adding at the end the following:

"(e) Regulations prescribed under subsection (d) shall include regulations that define the terms 'dependent' and 'sponsor' for the purposes of this section. In the regulations, the term 'dependent', with respect to a member of a uniformed service, shall have the meaning given that term in section 401 of title 37.".

SEC. 1091. DESIGNATION OF NATIONAL MARITIME CENTER.

(a) DESIGNATION OF NATIONAL MARITIME CENTER.—The NAUTICUS building, located at one Waterside Drive, Norfolk, Virginia, shall be known and designated as the "National Maritime Center".

(b) REFERENCE TO NATIONAL MARITIME CENTER.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in subsection (a) shall be deemed to be a reference to the "National Maritime Center".

SEC. 1092. SENSE OF CONGRESS REGARDING HISTORIC PRESERVATION OF MIDWAY ISLANDS.

(a) FINDINGS.—Congress makes the following findings:

(1) September 2, 1995, marks the 50th anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against United States or allied forces.

(3) During the Battle of Midway, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to erect a memorial to the Battle of Midway that is suitable to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Midway Islands and the surrounding seas deserve to be memorialized;

(2) the historic structures related to the Battle of Midway should be maintained, in accordance with the National Historic Preservation Act (16 U.S.C. 470–470t), and subject to the availability of appropriations for that purpose.

(3) appropriate access to the Midway Islands by survivors of the Battle of Midway, their families, and other visitors should be provided in a manner that ensures the public health and safety on the Midway Islands and the conservation of the natural resources of those islands in accordance with existing Federal law.

SEC. 1093. SENSE OF SENATE REGARDING FEDERAL SPENDING.

It is the sense of the Senate that in pursuit of a balanced Federal budget, Congress should exercise fiscal restraint, particularly in authorizing spending not requested by the executive branch and in proposing new programs.

SEC. 1094. EXTENSION OF AUTHORITY FOR VESSEL WAR RISK INSURANCE.

Section 1214 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1294), is amended by striking "June 30, 1995" and inserting in lieu thereof "June 30, 2000".

TITLE XI—UNIFORM CODE OF MILITARY JUSTICE

SEC. 1101. SHORT TITLE.

This title may be cited as the "Military Justice Amendments of 1995".

SEC. 1102. REFERENCES TO UNIFORM CODE OF MILITARY JUSTICE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).

Subtitle A—Offenses

SEC. 1111. REFUSAL TO TESTIFY BEFORE COURT-MARTIAL.

Section 847(b) (article 47(b)) is amended—

(1) in the first sentence, by inserting "indictment or" after "shall be tried on"; and

(2) in the second sentence, by striking out "shall be" and all that follows and inserting in lieu thereof "shall be fined or imprisoned, or both, at the court's discretion.".

SEC. 1112. FLIGHT FROM APPREHENSION.

(a) IN GENERAL.—Section 895 (article 95) is amended to read as follows:

"§ 895. Art. 95. Resistance, flight, breach of arrest, and escape

"Any person subject to this chapter who—

"(1) resists apprehension;

"(2) flees from apprehension;

"(3) breaks arrest; or

"(4) escapes from custody or confinement; shall be punished as a court-martial may direct.".

(b) CLERICAL AMENDMENT.—The item relating to section 895 (article 95) in the table of sections at the beginning of subchapter X is amended to read as follows:

"895. Art. 95. Resistance, flight, breach of arrest, and escape.".

SEC. 1113. CARNAL KNOWLEDGE.

(a) GENDER NEUTRALITY.—Subsection (b) of section 920 (article 120) is amended to read as follows:

"(b) Any person subject to this chapter who, under circumstances not amounting to rape, commits an act of sexual intercourse with a person—

"(1) who is not that person's spouse; and

"(2) who has not attained the age of sixteen years;

is guilty of carnal knowledge and shall be punished as a court-martial may direct.".

(b) MISTAKE OF FACT.—Such section (article) is further amended by adding at the end the following new subsection:

"(d)(1) In a prosecution under subsection (b), it is an affirmative defense that—

"(A) the person with whom the accused committed the act of sexual intercourse had at the time of the alleged offense attained the age of twelve years; and

"(B) the accused reasonably believed that that person had at the time of the alleged offense attained the age of sixteen years.

"(2) The accused has the burden of proving a defense under paragraph (1) by a preponderance of the evidence.".

Subtitle B—Sentences

SEC. 1121. EFFECTIVE DATE FOR FORFEITURES OF PAY AND ALLOWANCES AND REDUCTIONS IN GRADE BY SENTENCE OF COURT-MARTIAL.

(a) EFFECTIVE DATE OF SPECIFIED PUNISHMENTS.—Subsection (a) of section 857 (article 57) is amended to read as follows:

"(a)(1) Any forfeiture of pay or allowances or reduction in grade that is included in a sentence of a court-martial takes effect on the earlier of—

"(A) the date that is 14 days after the date on which the sentence is adjudged; or

"(B) the date on which the sentence is approved by the convening authority.

"(2) On application by an accused, the convening authority may defer a forfeiture of pay or allowances or reduction in grade that would otherwise become effective under paragraph (1)(A) until the date on which the sentence is approved by the convening authority. Such a deferment may be rescinded at any time by the convening authority.

"(3) A forfeiture of pay or allowances shall be applicable to pay and allowances accruing on and after the date on which the sentence takes effect.

"(4) In this subsection, the term 'convening authority', with respect to a sentence of a court-martial, means any person authorized to act on the sentence under section 860 of this title (article 60).".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to a case in which a sentence is adjudged by a court-martial on or after the first day of the first month that begins at least 30 days after the date of the enactment of this Act.

SEC. 1122. REQUIRED FORFEITURE OF PAY AND ALLOWANCES DURING CONFINEMENT.

(a) EFFECT OF PUNITIVE SEPARATION OR CONFINEMENT FOR MORE THAN SIX MONTHS.—(1) Subchapter VIII is amended by inserting after section 858a (article 58a) the following:

"§858b. Art. 58b. Sentences: forfeiture of pay and allowances during confinement

"(a)(1) A court-martial sentence described in paragraph (2) shall result in the forfeiture of pay and allowances due that member during any period of confinement or parole. The forfeiture pursuant to this section shall take effect on the date determined under section 857(a) of this title (article 57(a)) and may be deferred as provided in that section. The pay and allowances forfeited, in the case of a general court-martial, shall be all pay and allowances due that member during such period and, in the case of a special court-martial, shall be two-thirds of all pay and allowances due that member during such period.

"(2) A sentence covered by this section is any sentence that includes—

"(A) confinement for more than six months or death; or

"(B) confinement for six months or less and a dishonorable or bad-conduct discharge or dismissal.

"(b) In a case involving an accused who has dependents, the convening authority or other person acting under section 860 of this title (article 60) may waive any or all of the forfeitures of pay and allowances required by subsection (a) for a period not to exceed six months. Any amount of pay or allowances that, except for a waiver under this subsection, would be forfeited shall be paid, as the convening authority or other person taking action directs, to the dependents of the accused.

"(c) If the sentence of a member who forfeits pay and allowances under subsection (a) is set aside or disapproved or, as finally approved, does not provide for a punishment referred to in subsection (a)(2), the member shall be paid the pay and allowances which the member would have been paid, except for the forfeiture, for the period during which the forfeiture was in effect.".

(2) The table of sections at the beginning of subchapter VIII is amended by adding at the end the following new item:

"858b. 58b. Sentences: forfeiture of pay and allowances during confinement.".

(b) APPLICABILITY.—The section (article) added by the amendment made by subsection (a)(1) shall apply to a case in which a sentence is adjudged by a court-martial on or after the first day of the first month that begins at least 30 days after the date of the enactment of this Act.

(c) CONFORMING AMENDMENT.—(1) Section 804 of title 37, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 15 of such title is amended by striking out the item relating to section 804.

SEC. 1123. DEFERMENT OF CONFINEMENT.

(a) DEFERMENT.—Subchapter VIII is amended—

(1) by inserting after subsection (c) of section 857 (article 57) the following:

"§857a. Art. 57a. Deferment of sentences";

(2) by redesignating the succeeding two subsections as subsection (a) and (b);

(3) in subsection (b), as redesignated by paragraph (2), by striking out "postpone" and inserting in lieu thereof "defer"; and

(4) by inserting after subsection (b), as redesignated by paragraph (2), the following:

"(c) In any case in which a court-martial sentences a person to confinement and the sentence to confinement has been ordered executed, but in which review of the case under section 867(a)(2) of this title (article 67(a)(2)) is pending, the Secretary concerned may defer further service of the sentence to confinement while that review is pending.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 857 (article 57) the following new item:

"857a. 57a. Deferment of sentences.".

Subtitle C—Pretrial and Post-Trial Actions

SEC. 1131. ARTICLE 32 INVESTIGATIONS.

Section 832 (article 32) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) If evidence adduced in an investigation under this article indicates that the accused committed an uncharged offense, the investigating officer may investigate the subject matter of that offense without the accused having first been charged with the offense if the accused—

"(1) is present at the investigation;

"(2) is informed of the nature of each uncharged offense investigated; and

"(3) is afforded the opportunities for representation, cross-examination, and presentation prescribed in subsection (b).".

SEC. 1132. SUBMISSION OF MATTERS TO THE CONVENING AUTHORITY FOR CONSIDERATION.

Section 860(b)(1) (article 60(b)(1)) is amended by inserting after the first sentence the following: "Any such submission shall be in writing.".

SEC. 1133. COMMITMENT OF ACCUSED TO TREATMENT FACILITY BY REASON OF LACK OF MENTAL CAPACITY OR MENTAL RESPONSIBILITY.

(a) APPLICABLE PROCEDURES.—(1) Subchapter IX is amended by inserting after section 876a (article 76a) the following:

"§876b. Art. 76b. Lack of mental capacity or mental responsibility: commitment of accused for examination and treatment

"(a) PERSONS INCOMPETENT TO STAND TRIAL.—(1) In the case of a person determined under this chapter to be presently suffering from a mental disease or defect rendering the person mentally incompetent to the extent that the person is unable to understand the nature of the proceedings against that person or to conduct or cooperate intelligently in the defense of the case, the general court-martial convening authority for that person shall commit the person to the custody of the Attorney General.

"(2) The Attorney General shall take action in accordance with section 4241(d) of title 18.

"(3) If at the end of the period for hospitalization provided for in section 4241(d) of title 18, it is determined that the committed person's mental condition has not so improved as to permit the trial to proceed, action shall be taken in accordance with section 4246 of such title.

"(4)(A) When the director of a facility in which a person is hospitalized pursuant to paragraph (2) determines that the person has recovered to such an extent that the person is able to understand the nature of the proceedings against the person and to conduct or cooperate intelligently in the defense of the case, the director shall promptly transmit a notification of that determination to the Attorney General and to the general court-martial convening authority for the person. The director shall send a copy of the notification to the person's counsel.

"(B) Upon receipt of a notification, the general court-martial convening authority shall promptly take custody of the person unless the person covered by the notification is no longer subject to this chapter. If the person is no longer subject to this chapter, the Attorney General shall take any action within the authority of the Attorney General that the Attorney General considers appropriate regarding the person.

"(C) The director of the facility may retain custody of the person for not more than 30 days after transmitting the notifications required by subparagraph (A).

"(5) In the application of section 4246 of title 18 to a case under this subsection, references to the court that ordered the commitment of a person, and to the clerk of such court, shall be deemed to refer to the general court-martial convening authority for that person. However, if the person is no longer subject to this chapter at a time relevant to the application of such section to the person, the United States district court for the district where the person is hospitalized or otherwise may be found shall be considered as the court that ordered the commitment of the person.

"(b) PERSONS FOUND NOT GUILTY BY REASON OF LACK OF MENTAL RESPONSIBILITY.—(1) If a person is found by a court-martial not guilty only by reason of lack of mental responsibility, the person shall be committed to a suitable facility until the person is eligible for release in accordance with this section.

"(2) The court-martial shall conduct a hearing on the mental condition in accordance with subsection (c) of section 4243 of title 18. Subsections (b) and (d) of that section shall apply with respect to the hearing.

"(3) A report of the results of the hearing shall be made to the general court-martial convening authority for the person.

"(4) If the court-martial fails to find by the standard specified in subsection (d) of section 4243 of title 18 that the person's release would not create a substantial risk of bodily injury to another person or serious damage of property of another due to a present mental disease or defect—

"(A) the general court-martial convening authority may commit the person to the custody of the Attorney General; and

"(B) the Attorney General shall take action in accordance with subsection (e) of section 4243 of title 18.

"(5) Subsections (f), (g), and (h) of section 4243 of title 18 shall apply in the case of a person hospitalized pursuant to paragraph (4)(B), except that the United States district court for the district where the person is hospitalized shall be considered as the court that ordered the person's commitment.

"(c) General Provisions.—(1) Except as otherwise provided in this subsection and subsection (d)(1), the provisions of section 4247 of title 18 apply in the administration of this section.

"(2) In the application of section 4247(d) of title 18 to hearings conducted by a court-martial under this section or by (or by order of) a general court-martial convening authority under this section, the reference in that section to section 3006A of such title does not apply.

"(d) Applicability.—(1) The provisions of chapter 313 of title 18 referred to in this section apply according to the provisions of this section notwithstanding section 4247(j) of title 18.

"(2) If the status of a person as described in section 802 of this title (article 2) terminates while the person is, pursuant to this section, in the custody of the Attorney General, hospitalized, or on conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment, the provisions of this section establishing requirements and procedures regarding a person no longer subject to this chapter shall continue to apply to that person notwithstanding the change of status.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 876a (article 76a) the following:

"876b. 76b. Lack of mental capacity or mental responsibility: commitment of accused for examination and treatment.".

(b) Conforming Amendment.—Section 802 (article 2) is amended by adding at the end the following new subsection:

"(e) The provisions of this section are subject to section 876b(d)(2) of this title (article 76b(d)(2)).".

(c) Effective Date.—Section 876b of title 10, United States Code (article 76b of the Uniform Code of Military Justice), as added by subsection (a), shall take effect at the end of the six-month period beginning on the date of the enactment of this Act and shall apply with respect to charges referred to courts-martial after the end of that period.

Subtitle D—Appellate Matters

SEC. 1141. APPEALS BY THE UNITED STATES.

(a) Appeals Relating to Disclosure of Classified Information.—Section 862(a)(1) (article 62(a)(1)) is amended to read as follows:

"(a)(1) In a trial by court-martial in which a military judge presides and in which a punitive discharge may be adjudged, the United States may appeal the following (other than an order or ruling that is, or that amounts to, a finding of not guilty with respect to the charge or specification):

"(A) An order or ruling of the military judge which terminates the proceedings with respect to a charge or specification.

"(B) An order or ruling which excludes evidence that is substantial proof of a fact material in the proceeding.

"(C) An order or ruling which directs the disclosure of classified information.

"(D) An order or ruling which imposes sanctions for nondisclosure of classified information.

"(E) A refusal of the military judge to issue a protective order sought by the United States to prevent the disclosure of classified information.

"(F) A refusal by the military judge to enforce an order described in subparagraph (E) that has previously been issued by appropriate authority.".

(b) Definitions.—Section 801 (article 1) is amended by inserting after paragraph (14) the following new paragraphs:

"(15) The term 'classified information' means (A) any information or material that has been determined by an official of the United States pursuant to law, an Executive order, or regulation to require protection against unauthorized disclosure for reasons of national security, and (B) any restricted data, as defined in section 11(y) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

"(16) The term 'national security' means the national defense and foreign relations of the United States.".

SEC. 1142. REPEAL OF TERMINATION OF AUTHORITY FOR CHIEF JUSTICE OF THE UNITED STATES TO DESIGNATE ARTICLE III JUDGES FOR TEMPORARY SERVICE ON COURT OF APPEALS FOR THE ARMED FORCES.

Subsection (i) of section 1301 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 10 U.S.C. 942 note) is repealed.

Subtitle E—Other Matters

SEC. 1151. ADVISORY COMMITTEE ON CRIMINAL LAW JURISDICTION OVER CIVILIANS ACCOMPANYING THE ARMED FORCES IN TIME OF ARMED CONFLICT.

(a) Establishment.—Not later than 45 days after the date of the enactment of this Act, the Secretary of Defense and the Attorney General shall jointly appoint an advisory committee to review and make recommendations concerning the appropriate forum for criminal jurisdiction over civilians accompanying the Armed Forces in the field outside the United States in time of armed conflict.

(b) Membership.—The committee shall be composed of at least five individuals, including experts in military law, international law, and Federal civilian criminal law. In making appointments to the committee, the Secretary and the Attorney General shall ensure that the members of the committee reflect diverse experiences in the conduct of prosecution and defense functions.

(c) Duties.—The committee shall do the following:

(1) Review historical experiences and current practices concerning the use, training, discipline, and functions of civilians accompanying the Armed Forces in the field.

(2) Based upon such review and other information available to the committee, develop specific recommendations concerning the advisability and feasibility of establishing United States criminal law jurisdiction over persons who as civilians accompany the Armed Forces in the field outside the United States during time of armed conflict not involving a war declared by Congress, including whether such jurisdiction should be established through any of the following means (or a combination of such means depending upon the degree of the armed conflict involved):

(A) Establishing court-martial jurisdiction over such persons.

(B) Extending the jurisdiction of the Article III courts to cover such persons.

(C) Establishing an Article I court to exercise criminal jurisdiction over such persons.

(3) Develop such additional recommendations as the committee considers appropriate as a result of the review.

(d) Report.—(1) Not later than December 15, 1996, the advisory committee shall transmit to the Secretary of Defense and the Attorney General a report setting forth its findings and recommendations, including the recommendations required under subsection (c)(2).

(2) Not later than January 15, 1997, the Secretary of Defense and the Attorney General shall jointly transmit the report of the advisory committee to Congress. The Secretary and the Attorney General may include in the transmittal any joint comments on the report that they consider appropriate, and either such official may include in the transmittal any separate comments on the report that such official considers appropriate.

(e) Definitions.—For purposes of this section:

(1) The term "Article I court" means a court established under Article I of the Constitution.

(2) The term "Article III court" means a court established under Article III of the Constitution.

(f) Termination of Committee.—The advisory committee shall terminate 30 days after the date on which the report of the committee is submitted to Congress under subsection (d)(2).

SEC. 1152. TIME AFTER ACCESSION FOR INITIAL INSTRUCTION IN THE UNIFORM CODE OF MILITARY JUSTICE.

Section 937(a)(1) (article 137(a)(1)) is amended by striking out "within six days" and inserting in lieu thereof "within fourteen days".

SEC. 1153. TECHNICAL AMENDMENT.

Section 866(f) (article 66(f)) is amended by striking out "Courts of Military Review" both places it appears and inserting in lieu thereof "Courts of Criminal Appeals".

TITLE XII—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

SEC. 1201. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) In General.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in subsection (b).

(b) Specified Programs.—The programs referred to in subsection (a) are the following programs with respect to states of the former Soviet Union:

(1) Programs to facilitate the elimination, and the safe and secure transportation and storage, of nuclear, chemical, and other weapons and their delivery vehicles.

(2) Programs to facilitate the safe and secure storage of fissile materials derived from the elimination of nuclear weapons.

(3) Programs to prevent the proliferation of weapons, weapons components, and weapons-related technology and expertise.

(4) Programs to expand military-to-military and defense contacts.

SEC. 1202. FISCAL YEAR 1996 FUNDING ALLOCATIONS.

(a) In General.—Of the amount appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For elimination of strategic offensive weapons in Russia, Ukraine, Belarus, and Kazakhstan, $90,000,000.

(2) For weapons security in Russia, $42,500,000.

(3) For the Defense Enterprise Fund, $0.

(4) For nuclear infrastructure elimination in Ukraine, Belarus, and Kazakhstan, $35,000,000.

(5) For planning and design of a storage facility for Russian fissile material, $29,000,000.

(6) For planning and design of a chemical weapons destruction facility in Russia, $73,000,000.

(7) For activities designated as Defense and Military Contacts/General Support/Training in Russia, Ukraine, Belarus, and Kazakhstan, $10,000,000.

(8) For activities designated as Other Assessments/Support $20,500,000.

(b) Limited Authority To Vary Individual Amounts.—(1) If the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may, subject to paragraph (2), obligate amounts for the purposes stated in any of the paragraphs of subsection (a) in excess of the amount specified for those purposes in that paragraph, but not in excess of 115 percent of that amount. However, the total amount obligated for the purposes stated in the paragraphs in subsection (a) may not by reason of the use of the authority provided in the preceding sentence exceed the sum of the amounts specified in those paragraphs.

(2) An obligation for the purposes stated in any of the paragraphs in subsection (a) in excess of the amount specified in that paragraph may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress a notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(c) Reimbursement of Pay Accounts.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs may be transferred to military personnel accounts for reimbursement of those accounts for the amount of pay and allowances paid to reserve component personnel for service while engaged in any activity under a Cooperative Threat Reduction program.

SEC. 1203. PROHIBITION ON USE OF FUNDS FOR PEACEKEEPING EXERCISES AND RELATED ACTIVITIES WITH RUSSIA.

None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs may be obligated or expended for the purpose of conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

SEC. 1204. REVISION TO AUTHORITY FOR ASSISTANCE FOR WEAPONS DESTRUCTION.

Section 211 of Public Law 102–228 (22 U.S.C. 2551 note) is amended by adding at the end the following new subsection:

"(c) As part of a transmission to Congress under subsection (b) of a certification that a proposed recipient of United States assistance under this title is committed to carrying out the matters specified in each of paragraphs (1) through (6) of that subsection, the President shall include a statement setting forth, in unclassified form (together with a classified annex if necessary), the determination of the President, with respect to each such paragraph, as to whether that proposed recipient is at that time in fact carrying out the matter specified in that paragraph.".

SEC. 1205. PRIOR NOTICE TO CONGRESS OF OBLIGATION OF FUNDS.

(a) Annual Requirement.—(1) Not less than 15 days before any obligation of any funds appropriated for any fiscal year for a program specified under section 1201 as a Cooperative Threat Reduction program, the Secretary of Defense shall submit to the congressional committees specified in paragraph (2) a report on that proposed obligation for that program for that fiscal year.

(2) The congressional committees referred to in paragraph (1) are the following:

(A) The Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

(B) The Committee on National Security, the Committee on International Relations, and the Committee on Appropriations of the House of Representatives.

(b) Matters To Be Specified in Reports.—Each such report shall specify—

(1) the activities and forms of assistance for which the Secretary of Defense plans to obligate funds;

(2) the amount of the proposed obligation; and

(3) the projected involvement (if any) of any department or agency of the United States (in addition to the Department of Defense) and of the private sector of the United States in the activities and forms of assistance for which the Secretary of Defense plans to obligate such funds.

SEC. 1206. REPORT ON ACCOUNTING FOR UNITED STATES ASSISTANCE.

(a) Report.—(1) The Secretary of Defense shall submit to Congress an annual report on the efforts made by the United States (including efforts through the use of audits, examinations, and on-site inspections) to ensure that assistance provided under Cooperative Threat Reduction programs is fully accounted for and that such assistance is being used for its intended purposes.

(2) A report shall be submitted under this section not later than January 31 of each year until the Cooperative Threat Reduction programs are completed.

(b) Information To Be Included.—Each report under this section shall include the following:

(1) A list of cooperative threat reduction assistance that has been provided before the date of the report.

(2) A description of the current location of the assistance provided and the current condition of such assistance.

(3) A determination of whether the assistance has been used for its intended purpose.

(4) A description of the activities planned to be carried out during the next fiscal year to ensure that cooperative threat reduction assistance provided during that fiscal year is fully accounted for and is used for its intended purpose.

(c) Comptroller General Assessment.—Not later than 30 days after the date on which a report of the Secretary under subsection (a) is submitted to Congress, the Comptroller General of the United States shall submit to Congress a report giving the Comptroller General's assessment of the report and making any recommendations that the Comptroller General considers appropriate.

SEC. 1207. LIMITATION ON ASSISTANCE TO NUCLEAR WEAPONS SCIENTISTS OF FORMER SOVIET UNION.

Amounts appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs may not be obligated for any program established primarily to assist nuclear weapons scientists in states of the former Soviet Union until 30 days after the date on which the Secretary of Defense certifies in writing to Congress that the funds to be obligated will not be used (1) to contribute to the modernization of the strategic nuclear forces of such states, or (2) for research, development, or production of weapons of mass destruction.

SEC. 1208. LIMITATION RELATING TO OFFENSIVE BIOLOGICAL WARFARE PROGRAM OF RUSSIA.

(a) Limitation.—Of the amount appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs that is available for the purpose stated in section 1202(a)(6), $60,000,000 may not be obligated or expended until the President submits to Congress either a certification as provided in subsection (b) or a certification as provided in subsection (c).

(b) Certification With Respect to Offensive Biological Warfare Program of Russia.—A certification under this subsection is a certification by the President of each of the following:

(1) That Russia is in compliance with its obligations under the Biological Weapons Convention.

(2) That Russia has agreed with the United States and the United Kingdom on a common set of procedures to govern visits by officials of the United States and United Kingdom to military biological facilities of Russia, as called for under the Joint Statement on Biological Weapons issued by officials of the United States, the United Kingdom, and Russia on September 14, 1992.

(3) That visits by officials of the United States and United Kingdom to the four declared military biological facilities of Russia have occurred.

(c) Alternative Certification.—A certification under this subsection is a certification by the President that the President is unable to make a certification under subsection (b).

(d) Use of Funds Upon Alternative Certification.—If the President makes a certification under subsection (c), the $60,000,000 specified in subsection (a)—

(1) shall not be available for the purpose stated in section 1202(a)(6); and

(2) shall be available for activities in Ukraine, Kazakhstan, and Belarus—

(A) for the elimination of strategic offensive weapons (in addition to the amount specified in section 1202(a)(1)); and

(B) for nuclear infrastructure elimination (in addition to the amount specified in section 1202(a)(4)).

SEC. 1209. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION FACILITY.

(a) Limitation.—Of the amount appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs that is available for planning and design of a chemical weapons destruction facility, not more than one-half of such amount may be obligated or expended until the President certifies to Congress the following:

(1) That the United States and Russia have completed a joint laboratory study to determine the feasibility of an appropriate technology for destruction of chemical weapons of Russia.

(2) That Russia is making reasonable progress, with the assistance of the United States (if necessary), toward the completion of a comprehensive implementation plan for managing and funding the dismantlement and destruction of Russia's chemical weapons stockpile.

(3) That the United States and Russia have made substantial progress toward resolution, to the satisfaction of the United States, of outstanding compliance issues under the 1989

Wyoming Memorandum of Understanding and the 1990 Bilateral Destruction Agreement.

(b) DEFINITIONS.—In this section:

(1) The term "1989 Wyoming Memorandum of Understanding" means the Memorandum of Understanding between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on September 23, 1989.

(2) The term "1990 Bilateral Destruction Agreement" means the Agreement between the United States of America and the Union of Soviet Socialist Republics on destruction and nonproduction of chemical weapons and on measures to facilitate the multilateral convention on banning chemical weapons signed on June 1, 1990.

TITLE XIII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—Peacekeeping Provisions

SEC. 1301. LIMITATION ON USE OF DEPARTMENT OF DEFENSE FUNDS FOR UNITED STATES SHARE OF COSTS OF UNITED NATIONS PEACEKEEPING ACTIVITIES.

(a) IN GENERAL.—Chapter 20 of title 10, United States Code, is amended by inserting after section 404, the following new section:

"§ 405. Use of Department of Defense funds for United States share of costs of United Nations peacekeeping activities: limitation

"(a) PROHIBITION ON USE OF FUNDS.—Funds available to the Department of Defense may not be used to make a financial contribution (directly or through another department or agency of the United States) to the United Nations—

"(1) for the costs of a United Nations peacekeeping activity; or

"(2) for any United States arrearage to the United Nations.

"(b) APPLICATION OF PROHIBITION.—The prohibition in subsection (a) applies to voluntary contributions, as well as to contributions pursuant to assessment by the United Nations for the United States share of the costs of a peacekeeping activity.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following new item:

"405. Use of Department of Defense funds for United States share of costs of United Nations peacekeeping activities: limitation.".

Subtitle B—Humanitarian Assistance Programs

SEC. 1311. OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID PROGRAMS.

(a) COVERED PROGRAMS.—For purposes of section 301 and other provisions of this Act, programs of the Department of Defense designated as Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) programs are the programs provided by sections 401, 402, 404, 2547, and 2551 of title 10, United States Code.

(b) GAO REPORT.—Not later than March 1, 1996, the Comptroller General of the United States shall provide to the congressional defense committees a report on—

(1) existing funding mechanisms available to cover the costs associated with the Overseas Humanitarian, Disaster, and Civic Assistance activities through funds provided to the Department of State or the Agency for International Development, and

(2) if such mechanisms do not exist, actions necessary to institute such mechanisms, including any changes in existing law or regulations.

SEC. 1312. HUMANITARIAN ASSISTANCE.

Section 2551 of title 10, United States Code, is amended—

(1) by striking out subsections (b) and (c);

(2) by redesignating subsection (d) as subsection (b);

(3) by striking out subsection (e) and inserting in lieu thereof the following:

"(c) STATUS REPORTS.—(1) The Secretary of Defense shall submit to the congressional committees specified in subsection (f) an annual report on the provision of humanitarian assistance pursuant to this section for the prior fiscal year. The report shall be submitted each year at the time of the budget submission by the President for the next fiscal year.

"(2) Each report required by paragraph (1) shall cover all provisions of law that authorize appropriations for humanitarian assistance to be available from the Department of Defense for the purposes of this section.

"(3) Each report under this subsection shall set forth the following information regarding activities during the previous fiscal year:

"(A) The total amount of funds obligated for humanitarian relief under this section.

"(B) The number of scheduled and completed transportation missions for purposes of providing humanitarian assistance under this section.

"(C) A description of any transfer of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of this title. The description shall include the date of the transfer, the entity to whom the transfer is made, and the quantity of items transferred.";

(4) by redesignating subsection (f) as subsection (d) and in that subsection striking out "the Committees on" and all that follows through "House of Representatives of the" and inserting in lieu thereof "the congressional committees specified in subsection (f) and the Committees on Appropriations of the Senate and House of Representatives of the";

(5) by redesignating subsection (g) as subsection (e); and

(6) by adding at the end the following new subsection:

"(f) CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsections (c)(1) and (d) are the following:

"(1) The Committee on Armed Services and the Committee on Foreign Relations of the Senate.

"(2) The Committee on National Security and the Committee on International Relations of the House of Representatives.".

SEC. 1313. LANDMINE CLEARANCE PROGRAM.

(a) INCLUSION IN GENERAL HUMANITARIAN ASSISTANCE PROGRAM.—Subsection (e) of section 401 of title 10, United States Code, is amended—

(1) by striking out "means—" and inserting in lieu thereof "means:";

(2) by revising the first word in each of paragraphs (1) through (4) so that the first letter of such word is upper case;

(3) by striking out the semicolon at the end of paragraphs (1) and (2) and inserting in lieu thereof a period;

(4) by striking out "; and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(5) by adding at the end the following new paragraph:

"(5) Detection and clearance of landmines, including activities relating to the furnishing of education, training, and technical assistance with respect to the detection and clearance of landmines.".

(b) LIMITATION ON LANDMINE ASSISTANCE BY MEMBERS OF ARMED FORCES.—Subsection (a) of such section is amended by adding at the end the following new paragraph:

"(4) The Secretary of Defense shall ensure that no member of the Armed Forces, while providing assistance under this section that is described in subsection (e)(5)—

"(A) engages in the physical detection, lifting, or destroying of landmines (unless the member does so for the concurrent purpose of supporting a United States military operation); or

"(B) provides such assistance as part of a military operation that does not involve the Armed Forces.".

(c) REPEAL.—Section 1413 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2913; 10 U.S.C. 401 note) is repealed.

Subtitle C—Arms Exports and Military Assistance

SEC. 1321. DEFENSE EXPORT LOAN GUARANTEES.

(a) ESTABLISHMENT OF PROGRAM.—(1) Chapter 148 of title 10, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER VI—DEFENSE EXPORT LOAN GUARANTEES

"Sec.
"2540. Establishment of loan guarantee program.
"2540a. Transferability.
"2540b. Limitations.
"2540c. Fees charged and collected.
"2540d. Definitions.

"§ 2540. Establishment of loan guarantee program

"(a) ESTABLISHMENT.—In order to meet the national security objectives in section 2501(a) of this title, the Secretary of Defense shall establish a program under which the Secretary may issue guarantees assuring a lender against losses of principal or interest, or both principal and interest, arising out of the financing of the sale or long-term lease of defense articles, defense services, or design and construction services to a country referred to in subsection (b).

"(b) COVERED COUNTRIES.—The authority under subsection (a) applies with respect to the following countries:

"(1) A member nation of the North Atlantic Treaty Organization (NATO).

"(2) A country designated as of March 31, 1995, as a major non-NATO ally pursuant to section 2350a(i)(3) of this title.

"(3) A country in Central Europe that, as determined by the Secretary of State—

"(A) has changed its form of national government from a nondemocratic form of government to a democratic form of government since October 1, 1989; or

"(B) is in the process of changing its form of national government from a nondemocratic form of government to a democratic form of government.

"(4) A noncommunist country that was a member nation of the Asia Pacific Economic Cooperation (APEC) as of October 31, 1993.

"(c) AUTHORITY SUBJECT TO PROVISIONS OF APPROPRIATIONS.—The Secretary may guarantee a loan under this subchapter only to such extent or in such amounts as may be provided in advance in appropriations Acts.

"§ 2540a. Transferability

"A guarantee issued under this subchapter shall be fully and freely transferable.

"§ 2540b. Limitations

"(a) TERMS AND CONDITIONS OF LOAN GUARANTEES.—In issuing a guarantee under this subchapter for a medium-term or long-term loan, the Secretary may not offer terms and conditions more beneficial than those that would be provided to the recipient by the Export-Import Bank of the United States under similar circumstances in conjunction with the provision of guarantees for nondefense articles and services.

"(b) Losses Arising From Fraud or Misrepresentation.—No payment may be made under a guarantee issued under this subchapter for a loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"(c) No Right of Acceleration.—The Secretary of Defense may not accelerate any guaranteed loan or increment, and may not pay any amount, in respect of a guarantee issued under this subchapter, other than in accordance with the original payment terms of the loan.

"§ 2540c. Fees charged and collected

"(a) Exposure Fees.—The Secretary of Defense shall charge a fee (known as 'exposure fee') for each guarantee issued under this subchapter.

"(b) Amount of Exposure Fee.—To the extent that the cost of the loan guarantees under this subchapter is not otherwise provided for in appropriations Acts, the fee imposed under subsection (a) with respect to a loan guarantee shall be fixed in an amount that is sufficient to meet potential liabilities of the United States under the loan guarantee.

"(c) Payment Terms.—The fee under subsection (a) for each guarantee shall become due as the guarantee is issued. In the case of a guarantee for a loan which is disbursed incrementally, and for which the guarantee is correspondingly issued incrementally as portions of the loan are disbursed, the fee shall be paid incrementally in proportion to the amount of the guarantee that is issued.

"(d) Administrative Fees.—The Secretary of Defense shall charge a fee for each guarantee issued under this subchapter to reflect the additional administrative costs of the Department of Defense that are directly attributable to the administration of the program under this subchapter. Such fees shall be credited to a special account in the Treasury. Amounts in the special account shall be available, to the extent and in amounts provided in appropriations Acts, for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under this subchapter.

"§ 2540d. Definitions

"In this subchapter:

"(1) The terms 'defense article', 'defense services', and 'design and construction services' have the meanings given those terms in section 47 of the Arms Export Control Act (22 U.S.C. 2794).

"(2) The term 'cost', with respect to a loan guarantee, has the meaning given that term in section 502 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 661a).".

(2) The table of subchapters at the beginning of such chapter is amended by adding at the end the following new item:

"VI. Defense Export Loan Guarantees .... 2540".

(b) Report.—Not later than two years after the date of the enactment of this Act, the President shall submit to Congress a report on the loan guarantee program established pursuant to section 2540 of title 10, United States Code, as added by subsection (a). The report shall include—

(1) an analysis of the costs and benefits of the loan guarantee program; and

(2) any recommendations for modification of the program that the President considers appropriate, including—

(A) any recommended addition to the list of countries for which a guarantee may be issued under the program; and

(B) any proposed legislation necessary to authorize a recommended modification.

(c) First Year Costs.—The Secretary of Defense shall make available, from amounts appropriated to the Department of Defense for fiscal year 1996 for operations and maintenance, such amounts as may be necessary, not to exceed $500,000, for the expenses of the Department of Defense during fiscal year 1996 that are directly attributable to the administration of the defense export loan guarantee program under subchapter VI of chapter 148 of title 10, United States Code, as added by subsection (a).

(d) Replenishment of Operations and Maintenance Accounts for First Year Costs.—The Secretary of Defense shall, using funds in the special account referred to in section 2540c(d) of title 10, United States Code (as added by subsection (b)), replenish operations and maintenance accounts for amounts expended from such accounts for expenses referred to in subsection (c).

SEC. 1322. NATIONAL SECURITY IMPLICATIONS OF UNITED STATES EXPORT CONTROL POLICY.

(a) Findings.—Congress makes the following findings:

(1) Export controls remain an important element of the national security policy of the United States.

(2) It is in the national security interest that United States export control policy be effective in preventing the transfer, to potential adversaries or combatants of the United States, of technology that threatens the national security or defense of the United States.

(3) It is in the national security interest that the United States monitor aggressively the export of militarily critical technology in order to prevent its diversion to potential adversaries or combatants of the United States.

(4) The Department of Defense relies increasingly on commercial and dual-use technologies, products, and processes to support United States military capabilities and economic strength.

(5) The maintenance of the military advantage of the United States depends on effective export controls on dual-use items and technologies that are critical to the military capabilities of the Armed Forces.

(b) Sense of Congress.—It is the sense of Congress that—

(1) the Secretary of Defense should evaluate license applications for the export of militarily critical commodities the export of which is controlled for national security reasons if those commodities are to be exported to certain countries of concern;

(2) the Secretary of Defense should identify the dual-use items and technologies that are critical to the military capabilities of the Armed Forces, including the military use made of such items and technologies;

(3) upon identification by the Secretary of Defense of the dual-use items and technologies referred to in paragraph (2), the President should ensure effective export controls or use unilateral export controls on dual-use items and technologies that are critical to the military capabilities of the Armed Forces (regardless of the availability of such items or technologies overseas) with respect to the countries that—

(A) pose a threat to the national security interests of the United States; and

(B) are not members in good standing of bilateral or multilateral agreements to which the United States is a party on the use of such items and technologies; and

(4) the President, upon recommendation of the Secretary of Defense, should ensure effective controls on the re-export by other countries of dual-use items and technologies that are critical to the military capabilities of the Armed Forces.

(c) Annual Report.—(1) Not later than December 1 of each year through 1999, the President shall submit to the committees specified in paragraph (4) a report on the effect of the export control policy of the United States on the national security interests of the United States.

(2) The report shall include the following:

(A) A list setting forth each country determined by the Secretary of Defense, the intelligence community, and other appropriate agencies to be a rogue nation or potential adversary or combatant of the United States.

(B) For each country so listed, a list of—

(i) the categories of items that the United States currently prohibits for export to the country;

(ii) the categories of items that may be exported from the United States with an individual license, and in such cases, any licensing conditions normally required and the policy grounds used for approvals and denials; and

(iii) the categories of items that may be exported under a general license designated "G-DEST".

(C) For each category of items listed under subparagraph (B)—

(i) a statement whether a prohibition, control, or licensing requirement on a category of items is imposed pursuant to an international multilateral agreement or is unilateral;

(ii) a statement whether a prohibition, control, or licensing requirement on a category of items is imposed by the other members of an international agreement or is unilateral;

(iii) when the answer under either clause (i) or clause (ii) is unilateral, a statement concerning the efforts being made to ensure that the prohibition, control, or licensing requirement is made multilateral; and

(iv) a statement on what impact, if any, a unilateral prohibition is having, or would have, on preventing the rogue nation or potential adversary from attaining the items in question for military purposes.

(D) A description of United States policy on sharing satellite imagery that has military significance and a discussion of the criteria for determining the imagery that has that significance.

(E) A description of the relationship between United States policy on the export of space launch vehicle technology and the Missile Technology Control Regime.

(F) An assessment of United States efforts to support the inclusion of additional countries in the Missile Technology Control Regime.

(G) An assessment of the ongoing efforts made by potential participant countries in the Missile Technology Control Regime to meet the guidelines established by the Missile Technology Control Regime.

(H) A discussion of the history of the space launch vehicle programs of other countries, including a discussion of the military origins and purposes of such programs and the current level of military involvement in such programs.

(3) The President shall submit the report in unclassified form, but may include a classified annex.

(4) The committees referred to in paragraph (1) are the following:

(A) The Committee on Armed Services and the Committee on Foreign Relations of the Senate.

(B) The Committee on National Security and the Committee on International Relations of the House of Representatives.

(5) For purposes of this subsection, the term "Missile Technology Control Regime" means the policy statement announced on April 16, 1987, between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan to restrict sensitive missile-relevant transfers based on the Missile Technology Control Regime Annex, and any amendment thereto.

SEC. 1323. DEPARTMENT OF DEFENSE REVIEW OF EXPORT LICENSES FOR CERTAIN BIOLOGICAL PATHOGENS.

(a) DEPARTMENT OF DEFENSE REVIEW.—Any application to the Secretary of Commerce for a license for the export of a class 2, class 3, or class 4 biological pathogen to a country identified to the Secretary under subsection (c) as a country that is known or suspected to have a biological weapons program shall be referred to the Secretary of Defense for review. The Secretary of Defense shall notify the Secretary of Commerce within 15 days after receipt of an application under the preceding sentence whether the export of such biological pathogen pursuant to the license would be contrary to the national security interests of the United States.

(b) DENIAL OF LICENSE IF CONTRARY TO NATIONAL SECURITY INTEREST.—A license described in subsection (a) shall be denied by the Secretary of Commerce if it is determined that the export of such biological pathogen to that country would be contrary to the national security interests of the United States.

(c) IDENTIFICATION OF COUNTRIES KNOWN OR SUSPECTED TO HAVE A PROGRAM TO DEVELOP OFFENSIVE BIOLOGICAL WEAPONS.—(1) The Secretary of Defense shall determine, for the purposes of this section, those countries that are known or suspected to have a program to develop offensive biological weapons. Upon making such determination, the Secretary shall provide to the Secretary of Commerce a list of those countries.

(2) The Secretary of Defense shall update the list under paragraph (1) on a regular basis. Whenever a country is added to or deleted from such list, the Secretary shall notify the Secretary of Commerce.

(3) Determination under this subsection of countries that are known or suspected to have a program to develop offensive biological weapons shall be made in consultation with the Secretary of State and the intelligence community.

(d) DEFINITION.—For purposes of this section, the term "class 2, class 3, or class 4 biological pathogen" means any biological pathogen that is characterized by the Centers for Disease Control as a class 2, class 3, or class 4 biological pathogen.

SEC. 1324. ANNUAL REPORTS ON IMPROVING EXPORT CONTROL MECHANISMS AND ON MILITARY ASSISTANCE.

(a) JOINT REPORTS BY SECRETARIES OF STATE AND COMMERCE.—Not later than April 1 of each of 1996 and 1997, the Secretary of State and the Secretary of Commerce shall submit to Congress a joint report, prepared in consultation with the Secretary of Defense, relating to United States export-control mechanisms. Each such report shall set forth measures to be taken to strengthen United States export-control mechanisms, including—

(1) steps being taken by each Secretary (A) to share on a regular basis the export licensing watchlist of that Secretary's department with the other Secretary, and (B) to incorporate the export licensing watchlist data received from the other Secretary into the watchlist of that Secretary's department;

(2) steps being taken by each Secretary to incorporate into the watchlist of that Secretary's department similar data from systems maintained by the Department of Defense and the United States Customs Service; and

(3) a description of such further measures to be taken to strengthen United States export-control mechanisms as the Secretaries consider to be appropriate.

(b) REPORTS BY INSPECTORS GENERAL.—(1) Not later than April 1 of each of 1996 and 1997, the Inspector General of the Department of State and the Inspector General of the Department of Commerce shall each submit to Congress a report providing that official's evaluation of the effectiveness during the preceding year of the export licensing watchlist screening process of that official's department. The reports shall be submitted in both a classified and unclassified version.

(2) Each report of an Inspector General under paragraph (1) shall (with respect to that official's department)—

(A) set forth the number of export licenses granted to parties on the export licensing watchlist;

(B) set forth the number of end-use checks performed with respect to export licenses granted to parties on the export licensing watchlist the previous year;

(C) assess the screening process used in granting an export license when an applicant is on the export licensing watchlist; and

(D) assess the extent to which the export licensing watchlist contains all relevant information and parties required by statute or regulation.

(c) ANNUAL MILITARY ASSISTANCE REPORT.—The Foreign Assistance Act of 1961 is amended by inserting after section 654 (22 U.S.C. 2414) the following new section:

"SEC. 655. ANNUAL REPORT ON MILITARY ASSISTANCE, MILITARY EXPORTS, AND MILITARY IMPORTS.

"(a) REPORT REQUIRED.—Not later than February 1 of each of 1996 and 1997, the President shall transmit to Congress a report concerning military assistance authorized or furnished for the fiscal year ending the previous September 30.

"(b) INFORMATION RELATING TO MILITARY ASSISTANCE AND MILITARY EXPORTS.—Each such report shall show the aggregate dollar value and quantity of defense articles (including excess defense articles) and defense services, and of military education and training, authorized or furnished by the United States to each foreign country and international organization. The report shall specify, by category, whether those articles and services, and that education and training, were furnished by grant under chapter 2 or chapter 5 of part II of this Act or by sale under chapter 2 of the Arms Export Control Act or were authorized by commercial sale licensed under section 38 of the Arms Export Control Act.

"(c) INFORMATION RELATING TO MILITARY IMPORTS.—Each such report shall also include the total amount of military items of non-United States manufacture that were imported into the United States during the fiscal year covered by the report. The report shall show the country of origin, the type of item being imported, and the total amount of items.".

SEC. 1325. REPORT ON PERSONNEL REQUIREMENTS FOR CONTROL OF TRANSFER OF CERTAIN WEAPONS.

Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense and the Secretary of Energy shall submit to the committees of Congress referred to in subsection (c) of section 1154 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1761) the report required under subsection (a) of that section. The Secretary of Defense and the Secretary of Energy shall include with the report an explanation of the failure of such Secretaries to submit the report in accordance with such subsection (a) and with all other previous requirements for the submittal of the report.

Subtitle D—Burdensharing and Other Cooperative Activities Involving Allies and NATO

SEC. 1331. ACCOUNTING FOR BURDENSHARING CONTRIBUTIONS.

(a) AUTHORITY TO MANAGE CONTRIBUTIONS IN LOCAL CURRENCY, ETC.—Subsection (b) of section 2350j of title 10, United States Code, is amended to read as follows:

"(b) ACCOUNTING.—Contributions accepted under subsection (a) which are not related to security assistance may be accepted, managed, and expended in dollars or in the currency of the host nation (or, in the case of a contribution from a regional organization, in the currency in which the contribution was provided). Any such contribution shall be placed in an account established for such purpose and shall remain available until expended for the purposes specified in subsection (c). The Secretary of Defense shall establish a separate account for such purpose for each country or regional organization from which such contributions are accepted under subsection (a).".

(b) CONFORMING AMENDMENT.—Subsection (d) of such section is amended by striking out "credited under subsection (b) to an appropriation account of the Department of Defense" and inserting in lieu thereof "placed in an account established under subsection (b)".

(c) TECHNICAL AMENDMENT.—Such section is further amended—

(1) in subsection (e)(1), by striking out "a report to the congressional defense committees" and inserting in lieu thereof "to the congressional committees specified in subsection (g) a report"; and

(2) by adding at the end the following new subsection:

"(g) CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsection (e)(1) are—

"(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

SEC. 1332. AUTHORITY TO ACCEPT CONTRIBUTIONS FOR EXPENSES OF RELOCATION WITHIN HOST NATION OF UNITED STATES ARMED FORCES OVERSEAS.

(a) IN GENERAL.—(1) Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350k. Relocation within host nation of elements of armed forces overseas

"(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—The Secretary of Defense may accept contributions from any nation because of or in support of the relocation of elements of the armed forces from or to any location within that nation. Such contributions may be accepted in dollars or in the currency of the host nation. Any such contribution shall be placed in an account established for such purpose and shall remain available until expended for the purposes specified in subsection (b). The Secretary shall establish a separate account for such purpose for each country from which such contributions are accepted.

"(b) USE OF CONTRIBUTIONS.—The Secretary may use a contribution accepted under subsection (a) only for payment of costs incurred in connection with the relocation concerning which the contribution was made. Those costs include the following:

"(1) Design and construction services, including development and review of statements of work, master plans and designs, acquisition of construction, and supervision and administration of contracts relating thereto.

"(2) Transportation and movement services, including packing, unpacking, storage, and transportation.

"(3) Communications services, including installation and deinstallation of communications equipment, transmission of messages and data, and rental of transmission capability.

"(4) Supply and administration, including acquisition of expendable office supplies, rental of office space, budgeting and accounting services, auditing services, secretarial services, and translation services.

"(5) Personnel costs, including salary, allowances and overhead of employees whether full-time or part-time, temporary or permanent (except for military personnel), and travel and temporary duty costs.

"(6) All other clearly identifiable expenses directly related to relocation.

"(c) METHOD OF CONTRIBUTION.—Contributions may be accepted in any of the following forms:

"(1) Irrevocable letter of credit issued by a financial institution acceptable to the Treasurer of the United States.

"(2) Drawing rights on a commercial bank account established and funded by the host nation, which account is blocked such that funds deposited cannot be withdrawn except by or with the approval of the United States.

"(3) Cash, which shall be deposited in a separate trust fund in the United States Treasury pending expenditure and which shall accrue interest in accordance with section 9702 of title 31.

"(d) ANNUAL REPORT TO CONGRESS.—Not later than 30 days after the end of each fiscal year, the Secretary shall submit to Congress a report specifying—

"(1) the amount of the contributions accepted by the Secretary during the preceding fiscal year under subsection (a) and the purposes for which the contributions were made; and

"(2) the amount of the contributions expended by the Secretary during the preceding fiscal year and the purposes for which the contributions were expended.".

(2) The table of sections at the beginning of subchapter II of chapter 138 of such title is amended by adding at the end the following new item:

"2350k. Relocation within host nation of elements of armed forces overseas.".

(b) EFFECTIVE DATE.—Section 2350k of title 10, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act and shall apply to contributions for relocation of elements of the Armed Forces in or to any nation received on or after such date.

SEC. 1333. REVISED GOAL FOR ALLIED SHARE OF COSTS FOR UNITED STATES INSTALLATIONS IN EUROPE.

Section 1304(a) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2890) is amended—

(1) by inserting "(1)" after "so that"; and

(2) by inserting before the period at the end the following: ", and (2) by September 30, 1997, those nations have assumed 42.5 percent of such costs".

SEC. 1334. EXCLUSION OF CERTAIN FORCES FROM EUROPEAN END STRENGTH LIMITATION.

(a) EXCLUSION OF MEMBERS PERFORMING DUTIES UNDER MILITARY-TO-MILITARY CONTACT PROGRAM.—Paragraph (3) of section 1002(c) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note) is amended to read as follows:

"(3) For purposes of this subsection, the following members of the Armed Forces are excluded in calculating the end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO:

"(A) Members assigned to permanent duty ashore in Iceland, Greenland, and the Azores.

"(B) Members performing duties in Europe for more than 179 days under a military-to-military contact program under section 168 of title 10, United States Code.".

SEC. 1335. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS WITH NATO ORGANIZATIONS.

Section 2350b(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "or a NATO organization" after "a participant (other than the United States)"; and

(2) in paragraph (2), by striking out "a cooperative project" and inserting in lieu thereof "such a cooperative project or a NATO organization".

SEC. 1336. SUPPORT SERVICES FOR THE NAVY AT THE PORT OF HAIFA, ISRAEL.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should promptly seek to undertake such actions as are necessary—

(1) to ensure that suitable port services are available to the Navy at the Port of Haifa, Israel; and

(2) to ensure the availability to the Navy of suitable services at that port in light of the continuing increase in commercial activities at the port.

(b) REPORT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Navy shall submit to Congress a report on the availablity of port services for the Navy in the eastern Mediterranean Sea region. The report shall specify—

(1) the services required by the Navy when calling at the port of Haifa, Israel; and

(2) the availability of those services at ports elsewhere in the region.

Subtitle E—Other Matters

SEC. 1341. PROHIBITION ON FINANCIAL ASSISTANCE TO TERRORIST COUNTRIES.

(a) PROHIBITION.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following:

"§ 2249a. Prohibition on providing financial assistance to terrorist countries

"(a) PROHIBITION.—Funds available to the Department of Defense may not be obligated or expended to provide financial assistance to—

"(1) any country with respect to which the Secretary of State has made a determination under section 6(j)(1)(A) of the Export Administration Act of 1979 (50 App. 2405(j));

"(2) any country identified in the latest report submitted to Congress under section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f), as providing significant support for international terrorism; or

"(3) any other country that, as determined by the President—

"(A) grants sanctuary from prosecution to any individual or group that has committed an act of international terrorism; or

"(B) otherwise supports international terrorism.

"(b) WAIVER.—(1) The President may waive the application of subsection (a) to a country if the President determines—

"(A) that it is in the national security interests of the United States to do so; or

"(B) that the waiver should be granted for humanitarian reasons.

"(2) The President shall—

"(A) notify the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives at least 15 days before the waiver takes effect; and

"(B) publish a notice of the waiver in the Federal Register.

"(c) DEFINITION.—In this section, the term 'international terrorism' has the meaning given that term in section 140(d) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(d)).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter I of such chapter is amended by adding at the end the following:

"2249a. Prohibition on providing financial assistance to terrorist countries.".

SEC. 1342. JUDICIAL ASSISTANCE TO THE INTERNATIONAL TRIBUNAL FOR YUGOSLAVIA AND TO THE INTERNATIONAL TRIBUNAL FOR RWANDA.

(a) SURRENDER OF PERSONS.—

(1) APPLICATION OF UNITED STATES EXTRADITION LAWS.—Except as provided in paragraphs (2) and (3), the provisions of chapter 209 of title 18, United States Code, relating to the extradition of persons to a foreign country pursuant to a treaty or convention for extradition between the United States and a foreign government, shall apply in the same manner and extent to the surrender of persons, including United States citizens, to—

(A) the International Tribunal for Yugoslavia, pursuant to the Agreement Between the United States and the International Tribunal for Yugoslavia; and

(B) the International Tribunal for Rwanda, pursuant to the Agreement Between the United States and the International Tribunal for Rwanda.

(2) EVIDENCE ON HEARINGS.—For purposes of applying section 3190 of title 18, United States Code, in accordance with paragraph (1), the certification referred to in that section may be made by the principal diplomatic or consular officer of the United States resident in such foreign countries where the International Tribunal for Yugoslavia or the International Tribunal for Rwanda may be permanently or temporarily situated.

(3) PAYMENT OF FEES AND COSTS.—(A) The provisions of the Agreement Between the

United States and the International Tribunal for Yugoslavia and of the Agreement Between the United States and the International Tribunal for Rwanda shall apply in lieu of the provisions of section 3195 of title 18, United States Code, with respect to the payment of expenses arising from the surrender by the United States of a person to the International Tribunal for Yugoslavia or the International Tribunal for Rwanda, respectively, or from any proceedings in the United States relating to such surrender.

(B) The authority of subparagraph (A) may be exercised only to the extent and in the amounts provided in advance in appropriations Acts.

(4) NONAPPLICABILITY OF THE FEDERAL RULES.—The Federal Rules of Evidence and the Federal Rules of Criminal Procedure do not apply to proceedings for the surrender of persons to the International Tribunal for Yugoslavia or the International Tribunal for Rwanda.

(b) ASSISTANCE TO FOREIGN AND INTERNATIONAL TRIBUNALS AND TO LITIGANTS BEFORE SUCH TRIBUNALS.—Section 1782(a) of title 28, United States Code, is amended by inserting in the first sentence after "foreign or international tribunal" the following: ", including criminal investigations conducted before formal accusation".

(c) DEFINITIONS.—For purposes of this section:

(1) INTERNATIONAL TRIBUNAL FOR YUGOSLAVIA.—The term "International Tribunal for Yugoslavia" means the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law in the Territory of the Former Yugoslavia, as established by United Nations Security Council Resolution 827 of May 25, 1993.

(2) INTERNATIONAL TRIBUNAL FOR RWANDA.—The term "International Tribunal for Rwanda" means the International Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighboring States, as established by United Nations Security Council Resolution 955 of November 8, 1994.

(3) AGREEMENT BETWEEN THE UNITED STATES AND THE INTERNATIONAL TRIBUNAL FOR YUGOSLAVIA.—The term "Agreement Between the United States and the International Tribunal for Yugoslavia" means the Agreement on Surrender of Persons Between the Government of the United States and the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Law in the Territory of the Former Yugoslavia, signed at The Hague, October 5, 1994.

(4) AGREEMENT BETWEEN THE UNITED STATES AND THE INTERNATIONAL TRIBUNAL FOR RWANDA.—The term "Agreement between the United States and the International Tribunal for Rwanda" means the Agreement on Surrender of Persons Between the Government of the United States and the International Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighboring States, signed at The Hague, January 24, 1995.

SEC. 1343. SEMIANNUAL REPORTS CONCERNING UNITED STATES-PEOPLE'S REPUBLIC OF CHINA JOINT DEFENSE CONVERSION COMMISSION.

(a) REPORTS REQUIRED.—The Secretary of Defense shall submit to Congress a semiannual report on the United States-People's Republic of China Joint Defense Conversion Commission. Each such report shall include the following:

(1) A description of the extent to which the activities conducted in, through, or as a result of the Commission could have directly or indirectly assisted, or may directly or indirectly assist, the military modernization efforts of the People's Republic of China.

(2) A discussion of the activities and operations of the Commission, including—

(A) United States funding;

(B) a listing of participating United States officials;

(C) specification of meeting dates and locations (prospective and retrospective);

(D) summary of discussions; and

(E) copies of any agreements reached.

(3) A discussion of the relationship between the "defense conversion" activities of the People's Republic of China and its defense modernization efforts.

(4) A discussion of the extent to which United States business activities pursued, or proposed to be pursued, under the imprimatur of the Commission, or the importation of western technology in general, contributes to the modernization of China's military industrial base, including any steps taken by the United States or by United States commercial entities to safeguard the technology or intellectual property rights associated with any materials or information transferred.

(5) An assessment of the benefits derived by the United States from its participation in the Commission, including whether or to what extent United States participation in the Commission has resulted or will result in the following:

(A) Increased transparency in the current and projected military budget and doctrine of the People's Republic of China.

(B) Improved behavior and cooperation by the People's Republic of China in the areas of missile and nuclear proliferation.

(C) Increased transparency in the plans of the People's Republic of China's for nuclear and missile force modernization and testing.

(6) Efforts undertaken by the Secretary of Defense to—

(A) establish a list of enterprises controlled by the People's Liberation Army, including those which have been successfully converted to produce products solely for civilian use; and

(B) provide estimates of the total revenues of those enterprises.

(7) A description of current or proposed mechanisms for improving the ability of the United States to track the flow of revenues from the enterprises specified on the list established under paragraph (6)(A).

(b) SUBMITTAL OF REPORTS.—A report shall be submitted under subsection (a) not later than August 1 of each year with respect to the first six months of that year and shall be submitted not later than February 1 of each year with respect to the last six months of the preceding year. The first report under such subsection shall be submitted not less than 60 days after the date of the enactment of this Act and shall apply with respect to the six-month period preceding the date of the enactment of this Act.

(c) FINAL REPORT UPON TERMINATION OF COMMISSION.—Upon the termination of the United States-People's Republic of China Joint Defense Conversion Commission, the Secretary of Defense shall submit a final report under this section covering the period from the end of the period covered by the last such report through the termination of the Commission, and subsection (a) shall cease to apply after the submission of such report.

TITLE XIV—ARMS CONTROL MATTERS

SEC. 1401. REVISION OF DEFINITION OF LANDMINE FOR PURPOSES OF LANDMINE EXPORT MORATORIUM.

Section 1423(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1832) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) in subparagraph (C), as so redesignated, by striking out "by remote control or";

(3) by inserting "(1)" before "For purposes of"; and

(4) by adding at the end the following new paragraph:

"(2) The term does not include command detonated antipersonnel land mines (such as the M18A1 'Claymore' mine).".

SEC. 1402. REPORTS ON MORATORIUM ON USE BY ARMED FORCES OF ANTIPERSONNEL LANDMINES.

Not later than April 30 of each of 1996, 1997, and 1998, the Chairman of the Joint Chiefs of Staff shall submit to the congressional defense committees a report on the projected effects of a moratorium on the defensive use of antipersonnel mines and antitank mines by the Armed Forces. The report shall include a discussion of the following matters:

(1) The extent to which current doctrine and practices of the Armed Forces on the defensive use of antipersonnel mines and antitank mines adhere to applicable international law.

(2) The effects that a moratorium would have on the defensive use of the current United States inventory of remotely delivered, self-destructing antitank systems, antipersonnel mines, and antitank mines.

(3) The reliability of the self-destructing antipersonnel mines and self-destructing antitank mines of the United States.

(4) The cost of clearing the antipersonnel minefields currently protecting Naval Station Guantanamo Bay, Cuba, and other United States installations.

(5) The cost of replacing antipersonnel mines in such minefields with substitute systems such as the Claymore mine, and the level of protection that would be afforded by use of such a substitute.

(6) The extent to which the defensive use of antipersonnel mines and antitank mines by the Armed Forces is a source of civilian casualties around the world, and the extent to which the United States, and the Department of Defense particularly, contributes to alleviating the illegal and indiscriminate use of such munitions.

(7) The extent to which the threat to the security of United States forces during operations other than war and combat operations would increase as a result of such a moratorium.

SEC. 1403. EXTENSION AND AMENDMENT OF COUNTER-PROLIFERATION AUTHORITIES.

(a) ONE-YEAR EXTENSION OF PROGRAM.—Section 1505 of the Weapons of Mass Destruction Control Act of 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a) is amended—

(1) in subsection (a), by striking out "during fiscal years 1994 and 1995";

(2) in subsection (e)(1), by striking out "fiscal years 1994 and 1995" and inserting in lieu

thereof "a fiscal year during which the authority of the Secretary of Defense to provide assistance under this section is in effect"; and

(3) by adding at the end the following new subsection:

"(f) TERMINATION OF AUTHORITY.—The authority of the Secretary of Defense to provide assistance under this section terminates at the close of fiscal year 1996.".

(b) PROGRAM AUTHORITIES.—(1) Subsections (b)(2) and (d)(3) of such section are amended by striking out "the On-Site Inspection Agency" and inserting in lieu thereof "the Department of Defense".

(2) Subsection (c)(3) of such section is amended by striking out "will be counted" and all that follows and inserting in lieu thereof "will be counted as discretionary spending in the national defense budget function (function 050).".

(c) AMOUNT OF ASSISTANCE.—Subsection (d) of such section is amended—

(1) in paragraph (1)—

(A) by striking out "for fiscal year 1994" the first place it appears and all that follows through the period at the end of the second sentence and inserting in lieu thereof "for any fiscal year shall be derived from amounts made available to the Department of Defense for that fiscal year."; and

(B) by striking out "referred to in this paragraph"; and

(2) in paragraph (3)—

(A) by striking out "may not exceed" and all that follows through "1995"; and

(B) by inserting before the period at the end the following: ", may not exceed $25,000,000 for fiscal year 1994, $20,000,000 for fiscal year 1995, or $15,000,000 for fiscal year 1996".

SEC. 1404. LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that, unless and until the START II Treaty enters into force, the Secretary of Defense should not take any action to retire or dismantle, or to prepare to retire or dismantle, any of the following strategic nuclear delivery systems:

(1) B-52H bomber aircraft.

(2) Trident ballistic missile submarines.

(3) Minuteman III intercontinental ballistic missiles.

(4) Peacekeeper intercontinental ballistic missiles.

(b) LIMITATION ON USE OF FUNDS.—Funds available to the Department of Defense may not be obligated or expended during fiscal year 1996 for retiring or dismantling, or for preparing to retire or dismantle, any of the strategic nuclear delivery systems specified in subsection (a).

SEC. 1405. CONGRESSIONAL FINDINGS AND SENSE OF CONGRESS CONCERNING TREATY VIOLATIONS.

(a) REAFFIRMATION OF PRIOR FINDINGS CONCERNING THE KRASNOYARSK RADAR.—Congress, noting its previous findings with respect to the large phased-array radar of the Soviet Union known as the "Krasnoyarsk radar" stated in paragraphs (1) through (4) of section 902(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1135) (and reaffirmed in section 1006(a) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1543)), hereby reaffirms those findings as follows:

(1) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying ballistic missile early warning radars except at locations along the periphery of its national territory and oriented outward.

(2) The 1972 Anti-Ballistic Missile Treaty prohibits each party from deploying an ABM system to defend its national territory and from providing a base for any such nationwide defense.

(3) Large phased-array radars were recognized during negotiation of the Anti-Ballistic Missile Treaty as the critical long leadtime element of a nationwide defense against ballistic missiles.

(4) In 1983 the United States discovered the construction, in the interior of the Soviet Union near the town of Krasnoyarsk, of a large phased-array radar that has subsequently been judged to be for ballistic missile early warning and tracking.

(b) FURTHER REFERENCE TO 1987 CONGRESSIONAL STATEMENTS.—Congress further notes that in section 902 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1135) Congress also—

(1) noted that the President had certified that the Krasnoyarsk radar was an unequivocal violation of the 1972 Anti-Ballistic Missile Treaty; and

(2) stated it to be the sense of the Congress that the Soviet Union was in violation of its legal obligation under that treaty.

(c) FURTHER REFERENCE TO 1989 CONGRESSIONAL STATEMENTS.—Congress further notes that in section 1006(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1543) Congress also—

(1) again noted that in 1987 the President declared that radar to be a clear violation of the 1972 Anti-Ballistic Missile Treaty and noted that on October 23, 1989, the Foreign Minister of the Soviet Union conceded that the Krasnoyarsk radar is a violation of the 1972 Anti-Ballistic Missile Treaty; and

(2) stated it to be the sense of the Congress that the Soviet Union should dismantle the Krasnoyarsk radar expeditiously and without conditions and that until such radar was completely dismantled it would remain a clear violation of the 1972 Anti-Ballistic Missile Treaty.

(d) ADDITIONAL FINDINGS.—Congress also finds, with respect to the Krasnoyarsk radar, that retired Soviet General Y.V. Votintsev, Director of the Soviet National Air Defense Forces from 1967 to 1985, has publicly stated—

(1) that he was directed by the Chief of the Soviet General staff to locate the large phased-array radar at Krasnoyarsk despite the recognition by Soviet authorities that the location of such a radar at that location would be a clear violation of the 1972 Anti-Ballistic Missile Treaty; and

(2) that Marshal D.F. Ustinov, Soviet Minister of Defense, threatened to relieve from duty any Soviet officer who continued to object to the construction of a large-phased array radar at Krasnoyarsk.

(e) SENSE OF CONGRESS CONCERNING SOVIET TREATY VIOLATIONS.—It is the sense of Congress that the government of the Soviet Union intentionally violated its legal obligations under the 1972 Anti-Ballistic Missile Treaty in order to advance its national security interests.

(f) SENSE OF CONGRESS CONCERNING COMPLIANCE BY RUSSIA WITH ARMS CONTROL OBLIGATIONS.—In light of subsections (a) through (e), it is the sense of Congress that the United States should remain vigilant in ensuring compliance by Russia with its arms control obligations and should, when pursuing future arms control agreements with Russia, bear in mind violations of arms control obligations by the Soviet Union.

SEC. 1406. SENSE OF CONGRESS ON RATIFICATION OF CHEMICAL WEAPONS CONVENTION AND START II TREATY.

(a) FINDINGS.—Congress makes the following findings:

(1) Proliferation of chemical or nuclear weapons materials poses a danger to United States national security, and the threat or use of such materials by terrorists would directly threaten United States citizens at home and abroad.

(2) Events such as the March 1995 terrorist release of a chemical nerve agent in the Tokyo subway, the threatened use of chemical weapons during the 1991 Persian Gulf War, and the widespread use of chemical weapons during the Iran-Iraq War of the 1980's are all potent reminders of the menace posed by chemical weapons, of the fact that the threat of chemical weapons is not sufficiently addressed, and of the need to outlaw the development, production, and possession of chemical weapons.

(3) The Chemical Weapons Convention negotiated and signed by President Bush would make it more difficult for would-be proliferators, including terrorists, to acquire or use chemical weapons, if ratified and fully implemented, as signed, by all signatories.

(4) United States military authorities, including Chairman of the Joint Chiefs of Staff General John Shalikashvili, have stated that United States military forces will deter and respond to chemical weapons threats with a robust chemical defense and an overwhelming superior conventional response, as demonstrated in the Persian Gulf War, and have testified in support of the ratification of the Chemical Weapons Convention.

(5) The United States intelligence community has testified that the Convention will provide new and important sources of information, through regular data exchanges and routine and challenge inspections, to improve the ability of the United Status to assess the chemical weapons status in countries of concern.

(6) The Convention has not entered into force for lack of the requisite number of ratifications.

(7) Russia has signed the Convention, but has not yet ratified it.

(8) There have been reports by Russian sources of continued Russian production and testing of chemical weapons, including a statement by a spokesman of the Russian Ministry of Defense on December 5, 1994, that "We cannot say that all chemical weapons production and testing has stopped altogether.".

(9) The Convention will impose a legally binding obligation on Russia and other nations that possess chemical weapons and that ratify the Convention to cease offensive chemical weapons activities and to destroy their chemical weapons stockpiles and production facilities.

(10) The United States must be prepared to exercise fully its rights under the Convention, including the request of challenge inspections when warranted, and to exercise leadership in pursuing punitive measures against violators of the Convention, when warranted.

(11) The United States should strongly encourage full implementation at the earliest possible date of the terms and conditions of the United States-Russia bilateral chemical weapons destruction agreement signed in 1990.

(12) The START II Treaty negotiated and signed by President Bush would help reduce

the danger of potential proliferators, including terrorists, acquiring nuclear warheads and materials, and would contribute to United States-Russian bilateral efforts to secure and dismantle nuclear warheads, if ratified and fully implemented as signed by both parties.

(13) It is in the national security interest of the United States to take effective steps to make it more difficult for proliferators or would-be terrorists to obtain chemical or nuclear materials for use in weapons.

(14) The President has urged prompt Senate action on, and advice and consent to ratification of, the START II Treaty and the Chemical Weapons Convention.

(15) The Chairman of the Joint Chiefs of Staff has testified to Congress that ratification and full implementation of both treaties by all parties is in the United States national interest and has strongly urged prompt Senate advice and consent to their ratification.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States, Russia, and all other parties to the START II Treaty and the Chemical Weapons Convention should promptly ratify and fully implement, as negotiated, both treaties.

SEC. 1407. IMPLEMENTATION OF ARMS CONTROL AGREEMENTS.

(a) FUNDING.—Of the amounts appropriated pursuant to authorizations in sections 102, 103, 104, 201, and 301, the Secretary of Defense may use an amount not to exceed $239,941,000 for implementing arms control agreements to which the United States is a party.

(b) LIMITATION.—(1) Funds made available pursuant to subsection (a) for the costs of implementing an arms control agreement may not (except as provided in paragraph (2)) be used to reimburse expenses incurred by any other party to the agreement for which (without regard to any executive agreement or any policy not part of an arms control agreement)—

(A) the other party is responsible under the terms of the arms control agreement; and

(B) the United States has no responsibility under the agreement.

(2) The limitation in paragraph (1) does not apply to a use of funds to carry out an arms control expenses reimbursement policy of the United States described in subsection (c).

(c) COVERED ARMS CONTROL EXPENSES REIMBURSEMENT POLICIES.—Subsection (b)(2) applies to a policy of the United States to reimburse expenses incurred by another party to an arms control agreement if—

(1) the policy does not modify any obligation imposed by the arms control agreement;

(2) the President—

(A) issued or approved the policy before the date of the enactment of this Act; or

(B) entered into an agreement on the policy with the government of another country or approved an agreement on the policy entered into by an official of the United States and the government of another country; and

(3) the President has notified the designated congressional committees of the policy or the policy agreement (as the case may be), in writing, at least 30 days before the date on which the President issued or approved the policy or has entered into or approved the policy agreement.

(d) DEFINITIONS.—For the purposes of this section:

(1) The term "arms control agreement" means an arms control treaty or other form of international arms control agreement.

(2) The term "executive agreement" means an international agreement entered into by the President that is not authorized by law or entered into as a Treaty to which the Senate has given its advice and consent to ratification.

(3) The term "designated congressional committees" means the following:

(A) The Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Appropriations of the Senate.

(B) The Committee on International Relations, the Committee on National Security, and the Committee on Appropriations of the House of Representatives.

SEC. 1408. IRAN AND IRAQ ARMS NONPROLIFERATION.

(a) SANCTIONS AGAINST TRANSFERS OF PERSONS.—Section 1604(a) of the Iran-Iraq Arms Non-Proliferation Act of 1992 (title XVI of Public Law 102-484; 50 U.S.C. 1701 note) is amended by inserting "to acquire chemical, biological, or nuclear weapons or" before "to acquire".

(b) SANCTIONS AGAINST TRANSFERS OF FOREIGN COUNTRIES.—Section 1605(a) of such Act is amended by inserting "to acquire chemical, biological, or nuclear weapons or" before "to acquire".

(c) CLARIFICATION OF UNITED STATES ASSISTANCE.—Subparagraph (A) of section 1608(7) of such Act is amended to read as follows:

"(A) any assistance under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), other than urgent humanitarian assistance or medicine;".

(d) NOTIFICATION OF CERTAIN WAIVERS UNDER MTCR PROCEDURES.—Section 73(e)(2) of the Arms Export Control Act (22 U.S.C. 2797b(e)(2)) is amended—

(1) by striking out "the Congress" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives"; and

(2) by striking out "20 working days" and inserting in lieu thereof "45 working days".

TITLE XV—TECHNICAL AND CLERICAL AMENDMENTS

SEC. 1501. AMENDMENTS RELATED TO RESERVE OFFICER PERSONNEL MANAGEMENT ACT.

(a) PUBLIC LAW 103-337.—The Reserve Officer Personnel Management Act (title XVI of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337)) is amended as follows:

(1) Section 1624 (108 Stat. 2961) is amended—

(A) by striking out "641" and all that follows through "(2)" and inserting in lieu thereof "620 is amended"; and

(B) by redesignating as subsection (d) the subsection added by the amendment made by that section.

(2) Section 1625 (108 Stat. 2962) is amended by striking out "Section 689" and inserting in lieu thereof "Section 12320".

(3) Section 1626(1) (108 Stat. 2962) is amended by striking out "(W-5)" in the second quoted matter therein and inserting in lieu thereof ", W-5,".

(4) Section 1627 (108 Stat. 2962) is amended by striking out "Section 1005(b)" and inserting in lieu thereof "Section 12645(b)".

(5) Section 1631 (108 Stat. 2964) is amended—

(A) in subsection (a), by striking out "Section 510" and inserting in lieu thereof "Section 12102"; and

(B) in subsection (b), by striking out "Section 591" and inserting in lieu thereof "Section 12201".

(6) Section 1632 (108 Stat. 2965) is amended by striking out "Section 593(a)" and inserting in lieu thereof "Section 12203(a)".

(7) Section 1635(a) (108 Stat. 2968) is amended by striking out "section 1291" and inserting in lieu thereof "section 1691(b)".

(8) Section 1671 (108 Stat. 3013) is amended—

(A) in subsection (b)(3), by striking out "512, and 517" and inserting in lieu thereof "and 512"; and

(B) in subsection (c)(2), by striking out the comma after "861" in the first quoted matter therein.

(9) Section 1684(b) (108 Stat. 3024) is amended by striking out "section 14110(d)" and inserting in lieu thereof "section 14111(c)".

(b) SUBTITLE E OF TITLE 10.—Subtitle E of title 10, United States Code, is amended as follows:

(1) The tables of chapters preceding part I and at the beginning of part IV are amended by striking out "Repayments" in the item relating to chapter 1609 and inserting in lieu thereof "Repayment Programs".

(2)(A) The heading for section 10103 is amended to read as follows:

"§10103. Basic policy for order into Federal service".

(B) The item relating to section 10103 in the table of sections at the beginning of chapter 1003 is amended to read as follows:

"10103. Basic policy for order into Federal service.".

(3) The table of sections at the beginning of chapter 1005 is amended by striking out the third word in the item relating to section 10142.

(4) The table of sections at the beginning of chapter 1007 is amended—

(A) by striking out the third word in the item relating to section 10205; and

(B) by capitalizing the initial letter of the sixth word in the item relating to section 10211.

(5) The table of sections at the beginning of chapter 1011 is amended by inserting "Sec." at the top of the column of section numbers.

(6) Section 10507 is amended—

(A) by striking out "section 124402(b)" and inserting in lieu thereof "section 12402(b)"; and

(B) by striking out "Air Forces" and inserting in lieu thereof "Air Force".

(7)(A) Section 10508 is repealed.

(B) The table of sections at the beginning of chapter 1011 is amended by striking out the item relating to section 10508.

(8) Section 10542 is amended by striking out subsection (d).

(9) Section 12004(a) is amended by striking out "active-status" and inserting in lieu thereof "active status".

(10) Section 12012 is amended by inserting "**the**" in the section heading before the penultimate word.

(11)(A) The heading for section 12201 is amended to read as follows:

"§12201. Reserve officers: qualifications for appointment".

(B) The item relating to that section in the table of sections at the beginning of chapter 1205 is amended to read as follows:

"12201. Reserve officers: qualifications for appointment.".

(12)(A) The heading for section 12209 is amended to read as follows:

"§12209. Officer candidates: enlisted Reserves".

(B) The heading for section 12210 is amended to read as follows:

"§ 12210. Attending Physician to the Congress: reserve grade while so serving".

(13)(A) The headings for sections 12211, 12212, 12213, and 12214 are amended by inserting "**the**" after "**National Guard of**"

(B) The table of sections at the beginning of chapter 1205 is amended by inserting "the" in the items relating to sections 12211, 12212, 12213, and 12214 after "National Guard of".

(14) Section 12213(a) is amended by striking out "section 593" and inserting in lieu thereof "section 12203".

(15) The table of sections at the beginning of chapter 1207 is amended by striking out "promotions" in the item relating to section 12243 and inserting in lieu thereof "promotion".

(16) The table of sections at the beginning of chapter 1209 is amended—

(A) in the item relating to section 12304, by striking out the colon and inserting in lieu thereof a semicolon; and

(B) in the item relating to section 12308, by striking out the second, third, and fourth words.

(17) Section 12307 is amended by striking out "Ready Reserve" in the second sentence and inserting in lieu thereof "Retired Reserve".

(18)(A) The table of sections at the beginning of chapter 1211 is amended by inserting "the" in the items relating to sections 12401, 12402, 12403, and 12404 after "Army and Air National Guard of".

(B) The headings for sections 12402, 12403, and 12404 are amended by inserting "**the**" after "**Army and Air National Guard of**"

(19) Section 12407(b) is amended—

(A) by striking out "of those jurisdictions" and inserting in lieu thereof "State"; and

(B) by striking out "jurisdictions" and inserting in lieu thereof "States".

(20) Section 12731(f) is amended by striking out "the date of the enactment of this subsection" and inserting in lieu thereof "October 5, 1994,".

(21) Section 12731a(c)(3) is amended by inserting a comma after "Defense Conversion".

(22) Section 14003 is amended by inserting "**lists**" in the section heading immediately before the colon.

(23) The table of sections at the beginning of chapter 1403 is amended by striking out "selection board" in the item relating to section 14105 and inserting in lieu thereof "promotion board".

(24) The table of sections at the beginning of chapter 1405 is amended—

(A) in the item relating to section 14307, by striking out "Numbers" and inserting in lieu thereof "Number";

(B) in the item relating to section 14309, by striking out the colon and inserting in lieu thereof a semicolon; and

(C) in the item relating to section 14314, by capitalizing the initial letter of the antepenultimate word.

(25) Section 14315(a) is amended by striking out "a Reserve officer" and inserting in lieu thereof "a reserve officer".

(26) Section 14317(e) is amended—

(A) by inserting "Officers Ordered to Active Duty in Time of War or National Emergency.—" after "(e)"; and

(B) by striking out "section 10213 or 644" and inserting in lieu thereof "section 123 or 10213".

(27) The table of sections at the beginning of chapter 1407 is amended—

(A) in the item relating to section 14506, by inserting "reserve" after "Marine Corps and"; and

(B) in the item relating to section 14507, by inserting "reserve" after "Removal from the"; and

(C) in the item relating to section 14509, by inserting "in grades" after "reserve officers".

(28) Section 14501(a) is amended by inserting "Officers Below the Grade of Colonel or Navy Captain.—" after "(a)".

(29) The heading for section 14506 is amended by inserting a comma after "**Air Force**".

(30) Section 14508 is amended by striking out "this" after "from an active status under" in subsections (c) and (d).

(31) Section 14515 is amended by striking out "inactive status" and inserting in lieu thereof "inactive-status".

(32) Section 14903(b) is amended by striking out "chapter" and inserting in lieu thereof "title".

(33) The table of sections at the beginning of chapter 1606 is amended in the item relating to section 16133 by striking out "limitations" and inserting in lieu thereof "limitation".

(34) Section 16132(c) is amended by striking out "section" and inserting in lieu thereof "sections".

(35) Section 16135(b)(1)(A) is amended by striking out "section 2131(a)" and inserting in lieu thereof "section 16131(a)".

(36) Section 18236(b)(1) is amended by striking out "section 2233(e)" and inserting in lieu thereof "section 18233(e)".

(37) Section 18237 is amended—

(A) in subsection (a), by striking out "section 2233(a)(1)" and inserting in lieu thereof "section 18233(a)(1)"; and

(B) in subsection (b), by striking out "section 2233(a)" and inserting in lieu thereof "section 18233(a)".

(c) Other Provisions of Title 10.—Effective as of December 1, 1994 (except as otherwise expressly provided), and as if included as amendments made by the Reserve Officer Personnel Management Act (title XVI of Public Law 103–360) as originally enacted, title 10, United States Code, is amended as follows:

(1) Section 101(d)(6)(B)(i) is amended by striking out "section 175" and inserting in lieu thereof "section 10301".

(2) Section 114(b) is amended by striking out "chapter 133" and inserting in lieu thereof "chapter 1803".

(3) Section 115(d) is amended—

(A) in paragraph (1), by striking out "section 673" and inserting in lieu thereof "section 12302";

(B) in paragraph (2), by striking out "section 673b" and inserting in lieu thereof "section 12304"; and

(C) in paragraph (3), by striking out "section 3500 or 8500" and inserting in lieu thereof "section 12406".

(4) Section 123(a) is amended—

(A) by striking out "281, 592, 1002, 1005, 1006, 1007, 1374, 3217, 3218, 3219, 3220, 3352(a) (last sentence),", "5414, 5457, 5458, 5506,", and "8217, 8218, 8219,"; and

(B) by striking out "and 8855" and inserting in lieu thereof "8855, 10214, 12003, 12004, 12005, 12007, 12202, 12213(a) (second sentence), 12642, 12645, 12646, 12647, 12771, 12772, and 12773".

(5) Section 582(1) is amended by striking out "section 672(d)" in subparagraph (B) and "section 673b" in subparagraph (D) and inserting in lieu thereof "section 12301(d)" and "section 12304", respectively.

(6) Section 641(1)(B) is amended by striking out "10501" and inserting in lieu thereof "10502, 10505, 10506(a), 10506(b), 10507".

(7) The table of sections at the beginning of chapter 39 is amended by striking out the items relating to sections 687 and 690.

(8) Sections 1053(a)(1) and 1064 are amended by striking out "chapter 67" and inserting in lieu thereof "chapter 1223".

(9) Section 1063(a)(1) is amended by striking out "section 1332(a)(2)" and inserting in lieu thereof "section 12732(a)(2)".

(10) Section 1074b(b)(2) is amended by striking out "section 673c" and inserting in lieu thereof "section 12305".

(11) Section 1076(b)(2)(A) is amended by striking out "before the effective date of the Reserve Officer Personnel Management Act" and inserting in lieu thereof "before December 1, 1994".

(12) Section 1176(b) is amended by striking out "section 1332" in the matter preceding paragraph (1) and in paragraphs (1) and (2) and inserting in lieu thereof "section 12732".

(13) Section 1208(b) is amended by striking out "section 1333" and inserting in lieu thereof "section 12733".

(14) Section 1209 is amended by striking out "section 1332", "section 1335", and "chapter 71" and inserting in lieu thereof "section 12732", "section 12735", and "section 12739", respectively.

(15) Section 1407 is amended—

(A) in subsection (c)(1) and (d)(1), by striking out "section 1331" and inserting in lieu thereof "section 12731"; and

(B) in the heading for paragraph (1) of subsection (d), by striking out "CHAPTER 67" and inserting in lieu thereof "CHAPTER 1223".

(16) Section 1408(a)(5) is amended by striking out "section 1331" and inserting in lieu thereof "section 12731".

(17) Section 1431(a)(1) is amended by striking out "section 1376(a)" and inserting in lieu thereof "section 12774(a)".

(18) Section 1463(a)(2) is amended by striking out "chapter 67" and inserting in lieu thereof "chapter 1223".

(19) Section 1482(f)(2) is amended by inserting "section" before "12731 of this title".

(20) The table of sections at the beginning of chapter 533 is amended by striking out the item relating to section 5454.

(21) Section 2006(b)(1) is amended by striking out "chapter 106 of this title" and inserting in lieu thereof "chapter 1606 of this title".

(22) Section 2121(c) is amended by striking out "section 3353, 5600, or 8353" and inserting in lieu thereof "section 12207", effective on the effective date specified in section 1691(b)(1) of Public Law 103–337.

(23) Section 2130a(b)(3) is amended by striking out "section 591" and inserting in lieu thereof "section 12201".

(24) The table of sections at the beginning of chapter 337 is amended by striking out the items relating to section 3351 and 3352.

(25) Sections 3850, 6389(c), 6391(c), and 8850 are amended by striking out "section 1332" and inserting in lieu thereof "section 12732".

(26) Section 5600 is repealed, effective on the effective date specified in section 1691(b)(1) of Public Law 103–337.

(27) Section 5892 is amended by striking out "section 5457 or section 5458" and inserting in lieu thereof "section 12004 or section 12005".

(28) Section 6410(a) is amended by striking out "section 1005" and inserting in lieu thereof "section 12645".

(29) The table of sections at the beginning of chapter 837 is amended by striking out the items relating to section 8351 and 8352.

(30) Section 8360(b) is amended by striking out "section 1002" and inserting in lieu thereof "section 12642".

(31) Section 8380 is amended by striking out "section 524" in subsections (a) and (b) and inserting in lieu thereof "section 12011".

(32) Sections 8819(a), 8846(a), and 8846(b) are amended by striking out "sections 1005 and 1006" and inserting in lieu thereof "sections 12645 and 12646".

(33) Section 8819 is amended by striking out "section 1005" and "section 1006" and inserting in lieu thereof "section 12645" and "section 12646", respectively.

(d) CROSS REFERENCES IN OTHER DEFENSE LAWS.—

(1) Section 337(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2717) is amended by inserting before the period at the end the following: "or who after November 30, 1994, transferred to the Retired Reserve under section 10154(2) of title 10, United States Code, without having completed the years of service required under section 12731(a)(2) of such title for eligibility for retired pay under chapter 1223 of such title".

(2) Section 525 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190, 105 Stat. 1363) is amended by striking out "section 690" and inserting in lieu thereof "section 12321".

(3) Subtitle B of title XLIV of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 12681 note) is amended—

(A) in section 4415, by striking out "section 1331a" and inserting in lieu thereof "section 12731a";

(B) in subsection 4416—

(i) in subsection (a), by striking out "section 1331" and inserting in lieu thereof "section 12731";

(ii) in subsection (b)—

(I) by inserting "or section 12732" in paragraph (1) after "under that section"; and

(II) by inserting "or 12731(a)" in paragraph (2) after "section 1331(a)";

(iii) in subsection (e)(2), by striking out "section 1332" and inserting in lieu thereof "section 12732"; and

(iv) in subsection (g), by striking out "section 1331a" and inserting in lieu thereof "section 12731a"; and

(C) in section 4418—

(i) in subsection (a), by striking out "section 1332" and inserting in lieu thereof "section 12732"; and

(ii) in subsection (b)(1)(A), by striking out "section 1333" and inserting in lieu thereof "section 12733".

(4) Title 37, United States Code, is amended—

(A) in section 302f(b), by striking out "section 673c of title 10" in paragraphs (2) and (3)(A) and inserting in lieu thereof "section 12305 of title 10"; and

(B) in section 433(a), by striking out "section 687 of title 10" and inserting in lieu thereof "section 12319 of title 10".

(e) CROSS REFERENCES IN OTHER LAWS.—

(1) Title 14, United States Code, is amended—

(A) in section 705(f), by striking out "600 of title 10" and inserting in lieu thereof "12209 of title 10"; and

(B) in section 741(c), by striking out "section 1006 of title 10" and inserting in lieu thereof "section 12646 of title 10".

(2) Title 38, United States Code, is amended—

(A) in section 3011(d)(3), by striking out "section 672, 673, 673b, 674, or 675 of title 10" and inserting in lieu thereof "section 12301, 12302, 12304, 12306, or 12307 of title 10";

(B) in sections 3012(b)(1)(B)(iii) and 3701(b)(5)(B), by striking out "section 268(b) of title 10" and inserting in lieu thereof "section 10143(a) of title 10";

(C) in section 3501(a)(3)(C), by striking out "section 511(d) of title 10" and inserting in lieu thereof "section 12103(d) of title 10"; and

(D) in section 4211(4)(C), by striking out "section 672(a), (d), or (g), 673, or 673b of title 10" and inserting in lieu thereof "section 12301(a), (d), or (g), 12302, or 12304 of title 10".

(3) Section 702(a)(1) of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 592(a)(1)) is amended—

(A) by striking out "section 672 (a) or (g), 673, 673b, 674, 675, or 688 of title 10" and inserting in lieu thereof "section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12307 of title 10"; and

(B) by striking out "section 672(d) of such title" and inserting in lieu thereof "section 12301(d) of such title".

(4) Section 463A of the Higher Education Act of 1965 (20 U.S.C. 1087cc–1) is amended in subsection (a)(10) by striking out "(10 U.S.C. 2172)" and inserting in lieu thereof "(10 U.S.C. 16302)".

(5) Section 179 of the National and Community Service Act of 1990 (42 U.S.C. 12639) is amended in subsection (a)(2)(C) by striking out "section 216(a) of title 5" and inserting in lieu thereof "section 10101 of title 10".

(f) EFFECTIVE DATES.—

(1) Section 1636 of the Reserve Officer Personnel Management Act shall take effect on the date of the enactment of this Act.

(2) The amendments made by sections 1672(a), 1673(a) (with respect to chapters 541 and 549), 1673(b)(2), 1673(b)(4), 1674(a), and 1674(b)(7) shall take effect on the effective date specified in section 1691(b)(1) of the Reserve Officer Personnel Management Act (notwithstanding section 1691(a) of such Act).

(3) The amendments made by this section shall take effect as if included in the Reserve Officer Personnel Management Act as enacted on October 5, 1994.

SEC. 1502. AMENDMENTS TO REFLECT NAME CHANGE OF COMMITTEE ON ARMED SERVICES OF THE HOUSE OF REPRESENTATIVES.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Sections 503(b)(5), 520a(d), 526(d)(1), 619a(h)(2), 806a(b), 838(b)(7), 946(c)(1)(A), 1098(b)(2), 2313(b)(4), 2361(c)(1), 2371(h), 2391(c), 2430(b), 2432(b)(3)(B), 2432(c)(2), 2432(h)(1), 2667(d)(3), 2672a(b), 2687(b)(1), 4342(g), 7307(b)(1)(A), and 9342(g) are amended by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(2) Sections 178(c)(1)(A), 942(e)(5), 2350f(c), 7426(e), 7431(a), 7431(b)(1), 7431(c), 7438(b), 12302(b), 18235(a), and 18236(a) are amended by striking out "Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(3) Section 113(j)(1) is amended by striking out "Committees on Armed Services and Committees on Appropriations of the Senate and" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(4) Section 119(g) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) the Committee on Armed Services and the Committee on Appropriations, and the Defense Subcommittee of the Committee on Appropriations, of the Senate; and

"(2) the Committee on National Security and the Committee on Appropriations, and the National Security Subcommittee of the Committee on Appropriations, of the House of Representatives.".

(5) Section 127(c) is amended by striking out "Committees on Armed Services and Appropriations of the Senate and" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of".

(6) Section 135(e) is amended—

(A) by inserting "(1)" after "(e)";

(B) by striking out "the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives are each" and inserting in lieu thereof "each congressional committee specified in paragraph (2) is"; and

(C) by adding at the end the following:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(7) Section 179(e) is amended by striking out "to the Committees on Armed Services and Appropriations of the Senate and" and inserting in lieu thereof "to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(8) Sections 401(d) and 402(d) are amended by striking out "submit to the" and all that follows through "Foreign Affairs" and inserting in lieu thereof "submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations".

(9) Section 2367(d)(2) is amended by striking out "the Committees on Armed Services and the Committees on Appropriations of the Senate and" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(10) Sections 2306b(g), 2801(c)(4), and 18233a(a)(1) are amended by striking out "the Committees on Armed Services and on Appropriations of the Senate and" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the".

(11) Section 1599(e)(2) is amended—

(A) in subparagraph (A), by striking out "The Committees on Armed Services and Appropriations" and inserting in lieu thereof "The Committee on National Security, the Committee on Appropriations,"; and

(B) in subparagraph (B), by striking out "The Committees on Armed Services and Appropriations" and inserting in lieu thereof "The Committee on Armed Services, the Committee on Appropriations,".

(12) Sections 4355(a)(3), 6968(a)(3), and 9355(a)(3) are amended by striking out "Armed Services" and inserting in lieu thereof "National Security".

(13) Section 1060(d) is amended by striking out "Committee on Armed Services and the

Committee on Foreign Affairs" and inserting in lieu thereof "Committee on National Security and the Committee on International Relations".

(14) Section 2215 is amended—

(A) by inserting "(a) CERTIFICATION REQUIRED.—" at the beginning of the text of the section;

(B) by striking out "to the Committees" and all that follows through "House of Representatives" and inserting in lieu thereof "to the congressional committees specified in subsection (b)"; and

(C) by adding at the end the following:

"(b) CONGRESSIONAL COMMITTEES.—The committees referred to in subsection (a) are—

"(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(15) Section 2218 is amended—

(A) in subsection (j), by striking out "the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives" and inserting in lieu thereof "the congressional defense committees"; and

(B) by adding at the end of subsection (k) the following new paragraph:

"(4) The term 'congressional defense committees' means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(16) Section 2342(b) is amended—

(A) in the matter preceding paragraph (1), by striking out "section—" and inserting in lieu thereof "section unless—";

(B) in paragraph (1), by striking out "unless"; and

(C) in paragraph (2), by striking out "notifies the" and all that follows through "House of Representatives" and inserting in lieu thereof "the Secretary submits to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives notice of the intended designation".

(17) Section 2350a(f)(2) is amended by striking out "submit to the Committees" and all that follows through "House of Representatives" and inserting in lieu thereof "submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives".

(18) Section 2366 is amended—

(A) in subsection (d), by striking out "the Committees on Armed Services and on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "the congressional defense committees"; and

(B) by adding at the end of subsection (e) the following new paragraph:

"(7) The term 'congressional defense committees' means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(19) Section 2399(h)(2) is amended by striking out "means" and all the follows and inserting in lieu thereof the following: "means—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(20) Section 2401(b)(1) is amended—

(A) in subparagraph (B), by striking out "the Committees on Armed Services and on Appropriations of the Senate and" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committees on Appropriations of the"; and

(B) in subparagraph (C), by striking out "the Committees on Armed Services and on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "those committees".

(21) Section 2403(e) is amended—

(A) by inserting "(1)" before "Before making";

(B) by striking out "shall notify the Committees on Armed Services and on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "shall submit to the congressional committees specified in paragraph (2) notice"; and

(C) by adding at the end the following new paragraph:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(22) Section 2515(d) is amended—

(A) by striking out "REPORTING" and all that follows through "same time" and inserting in lieu thereof "ANNUAL REPORT.—(1) The Secretary of Defense shall submit to the congressional committees specified in paragraph (2) an annual report on the activities of the Office. The report shall be submitted each year at the same time"; and

(B) by adding at the end the following new paragraph:

"(2) The committees referred to in paragraph (1) are—

"(A) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(B) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(23) Section 2662 is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking out "the Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(ii) in the matter following paragraph (6), by striking out "to be submitted to the Committees on Armed Services of the Senate and House of Representatives";

(B) in subsection (b), by striking out "shall report annually to the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "shall submit annually to the congressional committees named in subsection (a) a report";

(C) in subsection (e), by striking out "the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "the congressional committees named in subsection (a)"; and

(D) in subsection (f), by striking out "the Committees on Armed Services of the Senate and the House of Representatives shall" and inserting in lieu thereof "the congressional committees named in subsection (a) shall".

(24) Section 2674(a) is amended—

(A) in paragraph (2), by striking out "Committees on Armed Services of the Senate and the House of Representatives, the Committee on Environment and Public Works of the Senate, and the Committee on Public Works and Transportation of the House of Representatives" and inserting in lieu thereof "congressional committees specified in paragraph (3)"; and

(B) by adding at the end the following new paragraph:

"(3) The committees referred to in paragraph (2) are—

"(A) the Committee on Armed Services and the Committee on Environment and Public Works of the Senate; and

"(B) the Committee on National Security and the Committee on Transportation and Infrastructure of the House of Representatives.".

(25) Section 2813(c) is amended by striking out "Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "appropriate committees of Congress".

(26) Sections 2825(b)(1) and 2832(b)(2) are amended by striking out "Committees on Armed Services and the Committees on Appropriations of the Senate and of the House of Representatives" and inserting in lieu thereof "appropriate committees of Congress".

(27) Section 2865(e)(2) and 2866(c)(2) are amended by striking out "Committees on Armed Services and Appropriations of the Senate and House of Representatives" and inserting in lieu thereof "appropriate committees of Congress".

(28)(A) Section 7434 of such title is amended to read as follows:

"§ 7434. Annual report to congressional committees

"Not later than October 31 of each year, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the production from the naval petroleum reserves during the preceding calendar year.".

(B) The item relating to such section in the table of contents at the beginning of chapter 641 is amended to read as follows:

"7434. Annual report to congressional committees.".

(b) TITLE 37, UNITED STATES CODE.—Sections 301b(i)(2) and 406(i) of title 37, United States Code, are amended by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(c) ANNUAL DEFENSE AUTHORIZATION ACTS.—

(1) The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended in sections 2922(b) and 2925(b) (10 U.S.C. 2687 note) by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(2) The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended—

(A) in section 326(a)(5) (10 U.S.C. 2301 note) and section 1304(a) (10 U.S.C. 113 note), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(B) in section 1505(e)(2)(B) (22 U.S.C. 5859a), by striking out "the Committee on Armed Services, the Committee on Appropriations, the Committee on Foreign Affairs, and the Committee on Energy and Commerce" and inserting in lieu thereof "the Committee on National Security, the Committee on Appropriations, the Committee on International Relations, and the Committee on Commerce".

(3) Section 1097(a)(1) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 22 U.S.C. 2751 note) is amended by striking out "the Committees on Armed Services and Foreign Affairs" and inserting in lieu thereof "the Committee on National Security and the Committee on International Relations".

(4) The National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) is amended as follows:

(A) Section 402(a) and section 1208(b)(3) (10 U.S.C. 1701 note) are amended by striking out "Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(B) Section 1403 (50 U.S.C. 404b) is amended—

(i) in subsection (a), by striking out "the Committees on" and all that follows through "each year" and inserting in lieu thereof "the congressional committees specified in subsection (d) each year"; and

(ii) by adding at the end the following new subsection:

"(d) SPECIFIED CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsection (a) are the following:

"(1) The Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate.

"(2) The Committee on National Security, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives.".

(C) Section 1457 (50 U.S.C. 404c) is amended—

(i) in subsection (a), by striking out "shall submit to the" and all that follows through "each year" and inserting in lieu thereof "shall submit to the congressional committees specified in subsection (d) each year";

(ii) in subsection (c)—

(I) by striking out "(1) Except as provided in paragraph (2), the President" and inserting in lieu thereof "The President"; and

(II) by striking out paragraph (2); and

(iii) by adding at the end the following new subsection:

"(d) SPECIFIED CONGRESSIONAL COMMITTEES.—The congressional committees referred to in subsection (a) are the following:

"(1) The Committee on Armed Services and the Committee on Foreign Relations of the Senate.

"(2) The Committee on National Security and the Committee on International Relations of the House of Representatives.".

(D) Section 2921 (10 U.S.C. 2687 note) is amended—

(i) in subsection (e)(3)(A), by striking out "the Committee on Armed Services, the Committee on Appropriations, and the Defense Subcommittees" and inserting in lieu thereof "the Committee on National Security, the Committee on Appropriations, and the National Security Subcommittee"; and

(ii) in subsection (g)(2), by striking out "the Committee on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(5) Section 613(h)(1) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 37 U.S.C. 302 note), is amended by striking out "the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(6) Section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521), is amended in subsections (b)(4) and (k)(2), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(7) Section 1002(d) of the Department of Defense Authorization Act, 1985 (Public Law 98–525; 22 U.S.C. 1928 note), is amended by striking out "the Committees on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "the Committee on Armed Services of the Senate, the Committee on National Security of the House of Representatives".

(8) Section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d), is amended—

(A) in subsection (d), by striking out "Committees on Appropriations and on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Appropriations and the Committee on Armed Services of the Senate and the Committee on Appropriations and the Committee on National Security of the House of Representatives"; and

(B) in subsection (e), by striking out "Committees on Appropriations and on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "congressional committees specified in subsection (d)".

(d) BASE CLOSURE LAW.—The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended as follows:

(1) Sections 2902(e)(2)(B)(ii) and 2908(b) are amended by striking out "Armed Services" the first place it appears and inserting in lieu thereof "National Security".

(2) Section 2910(2) is amended by striking out "the Committees on Armed Services and the Committees on Appropriations of the Senate and of the House of Representatives" and inserting in lieu thereof "the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives".

(e) NATIONAL DEFENSE STOCKPILE.—The Strategic and Critical Materials Stock Piling Act is amended—

(1) in section 6(d) (50 U.S.C. 98e(d))—

(A) in paragraph (1), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives"; and

(B) in paragraph (2), by striking out "the Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "such congressional committees"; and

(2) in section 7(b) (50 U.S.C. 98f(b)), by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(f) OTHER DEFENSE-RELATED PROVISIONS.—

(1) Section 8125(g)(2) of the Department of Defense Appropriations Act, 1989 (Public Law 100–463; 10 U.S.C. 113 note), is amended by striking out "Committees on Appropriations and Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Appropriations and the Committee on Armed Services of the Senate and the Committee on Appropriations and the Committee on National Security of the House of Representatives".

(2) Section 9047A of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 10 U.S.C. 2687 note), is amended by striking out "the Committees on Appropriations and Armed Services of the House of Representatives and the Senate" and inserting in lieu thereof "the Committee on Appropriations and the Committee on Armed Services of the Senate and the Committee on Appropriations and the Committee on National Security of the House of Representatives".

(3) Section 3059(c)(1) of the Defense Drug Interdiction Assistance Act (subtitle A of title III of Public Law 99–570; 10 U.S.C. 9441 note) is amended by striking out "Committees on Appropriations and on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives".

(4) Section 7606(b) of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 10 U.S.C. 9441 note) is amended by striking out "Committees on Appropriations and the Committee on Armed Services of the Senate and the House of Representatives" and inserting in lieu thereof "Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives".

(5) Section 104(d)(5) of the National Security Act of 1947 (50 U.S.C. 403–4(d)(5)) is amended by striking out "Committees on Armed Services of the Senate and House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

(6) Section 8 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) in subsection (b)(3), by striking out "Committees on Armed Services and Government Operations" and inserting in lieu thereof "Committee on National Security and the Committee on Government Reform and Oversight";

(B) in subsection (b)(4), by striking out "Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives" and inserting in lieu thereof "congressional committees specified in paragraph (3)";

(C) in subsection (f)(1), by striking out "Committees on Armed Services and Government Operations" and inserting in lieu thereof "Committee on National Security and the Committee on Government Reform and Oversight"; and

(D) in subsection (f)(2), by striking out "Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives" and inserting in lieu thereof "congressional committees specified in paragraph (1)".

(7) Section 204(h)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(3)) is amended by striking out "Committees on Armed Services of the Senate and of the House of Representatives" and inserting in lieu thereof "Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives".

SEC. 1503. MISCELLANEOUS AMENDMENTS TO TITLE 10, UNITED STATES CODE.

(a) SUBTITLE A.—Subtitle A of title 10, United States Code, is amended as follows:

(1) Section 113(i)(2)(B) is amended by striking out "the 5 years covered" and all that follows through "section 114(g)" and inserting in lieu thereof "the period covered by the future-years defense program submitted to Congress during that year pursuant to section 221".

(2) Section 136(c) is amended by striking out "Comptroller" and inserting in lieu thereof "Under Secretary of Defense (Comptroller)".

(3) Section 526 is amended—

(A) in subsection (a), by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following:

"(1) For the Army, 302.

"(2) For the Navy, 216.

"(3) For the Air Force, 279.";

(B) by striking out subsection (b);

(C) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d);

(D) in subsection (b), as so redesignated, by striking out "that are applicable on and after October 1, 1995"; and

(E) in paragraph (2)(B) of subsection (c), as redesignated by subparagraph (C), is amended—

(i) by striking out "the" after "in the";

(ii) by inserting "to" after "reserve component, or"; and

(iii) by inserting "than" after "in a grade other".

(4) Section 528(a) is amended by striking out "after September 30, 1995,".

(5) Section 573(a)(2) is amended by striking out "active duty list" and inserting in lieu thereof "active-duty list".

(6) Section 661(d)(2) is amended—

(A) in subparagraph (B), by striking out "Until January 1, 1994" and all that follows through "each position so designated" and inserting in lieu thereof "Each position designated by the Secretary under subparagraph (A)";

(B) in subparagraph (C), by striking out "the second sentence of"; and

(C) by striking out subparagraph (D).

(7) Section 706(c)(1) is amended by striking out "section 4301 of title 38" and inserting in lieu thereof "chapter 43 of title 38".

(8) Section 1059 is amended by striking out "subsection (j)" in subsections (c)(2) and (g)(3) and inserting in lieu thereof "subsection (k)".

(9) Section 1060a(f)(2)(B) is amended by striking out "(as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)))" and inserting in lieu thereof ", as determined in accordance with the Immigration and Nationality Act (8 U.S.C. 1101 et seq.)".

(10) Section 1151 is amended—

(A) in subsection (b), by striking out "(20 U.S.C. 2701 et seq.)" in paragraphs (2)(A) and (3)(A) and inserting in lieu thereof "(20 U.S.C. 6301 et seq.)"; and

(B) in subsection (e)(1)(B), by striking out "not later than one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995" and inserting in lieu thereof "not later than October 5, 1995".

(11) Section 1152(g)(2) is amended by striking out "not later than 180 days after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995" and inserting in lieu thereof "not later than April 3, 1994,".

(12) Section 1177(b)(2) is amended by striking out "provison of law" and inserting in lieu thereof "provision of law".

(13) The heading for chapter 67 is amended by striking out "**NONREGULAR**" and inserting in lieu thereof "**NON-REGULAR**".

(14) Section 1598(a)(2)(A) is amended by striking out "2701" and inserting in lieu thereof "6301".

(15) Section 1745(a) is amended by striking out "section 4107(d)" both places it appears and inserting in lieu thereof "section 4107(b)".

(16) Section 1746(a) is amended—

(A) by striking out "(1)" before "The Secretary of Defense"; and

(B) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(17) Section 2006(b)(2)(B)(ii) is amended by striking out "section 1412 of such title" and inserting in lieu thereof "section 3012 of such title".

(18) Section 2011(a) is amended by striking out "TO" and inserting in lieu thereof "To".

(19) Section 2194(e) is amended by striking out "(20 U.S.C. 2891(12))" and inserting in lieu thereof "(20 U.S.C. 8801)".

(20) Sections 2217(b) and 2220(a)(2) are amended by striking out "Comptroller of the Department of Defense" and inserting in lieu thereof "Under Secretary of Defense (Comptroller)".

(21) Section 2401(c)(2) is amended by striking out "pursuant to" and all that follows through "September 24, 1983,".

(22) Section 2410f(b) is amended by striking out "For purposes of" and inserting in lieu thereof "In".

(23) Section 2410j(a)(2)(A) is amended by striking out "2701" and inserting in lieu thereof "6301".

(24) Section 2457(e) is amended by striking out "title III of the Act of March 3, 1933 (41 U.S.C. 10a)," and inserting in lieu thereof "the Buy American Act (41 U.S.C. 10a)".

(25) Section 2465(b)(3) is amended by striking out "under contract" and all that follows through the period and inserting in lieu thereof "under contract on September 24, 1983.".

(26) Section 2471(b) is amended—

(A) in paragraph (2), by inserting "by" after "as determined"; and

(B) in paragraph (3), by inserting "of" after "arising out".

(27) Section 2524(e)(4)(B) is amended by inserting a comma before "with respect to".

(28) The heading of section 2525 is amended by capitalizing the initial letter of the second, fourth, and fifth words.

(29) Chapter 152 is amended by striking out the table of subchapters at the beginning and the headings for subchapters I and II.

(30) Section 2534(c) is amended by capitalizing the initial letter of the third and fourth words of the subsection heading.

(31) The table of sections at the beginning of subchapter I of chapter 169 is amended by adding a period at the end of the item relating to section 2811.

(b) OTHER SUBTITLES.—Subtitles B, C, and D of title 10, United States Code, are amended as follows:

(1) Sections 3022(a)(1), 5025(a)(1), and 8022(a)(1) are amended by striking out "Comptroller of the Department of Defense" and inserting in lieu thereof "Under Secretary of Defense (Comptroller)".

(2) Section 6241 is amended by inserting "or" at the end of paragraph (2).

(3) Section 6333(a) is amended by striking out the first period after "section 1405" in formula C in the table under the column designated "Column 2".

(4) The item relating to section 7428 in the table of sections at the beginning of chapter 641 is amended by striking out "Agreement" and inserting in lieu thereof "Agreements".

(5) The item relating to section 7577 in the table of sections at the beginning of chapter 649 is amended by striking out "Officers" and inserting in lieu thereof "officers".

(6) The center heading for part IV in the table of chapters at the beginning of subtitle D is amended by inserting a comma after "SUPPLY".

SEC. 1504. MISCELLANEOUS AMENDMENTS TO ANNUAL DEFENSE AUTHORIZATION ACTS.

(a) PUBLIC LAW 103-337.—Effective as of October 5, 1994, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337) is amended as follows:

(1) Section 322(1) (108 Stat. 2711) is amended by striking out "SERVICE" in both sets of quoted matter and inserting in lieu thereof "SERVICES".

(2) Section 531(g)(2) (108 Stat. 2758) is amended by inserting "item relating to section 1034 in the" after "The".

(3) Section 541(c)(1) is amended—

(A) in subparagraph (B), by inserting a comma after "chief warrant officer"; and

(B) in the matter after subparagraph (C), by striking out "this".

(4) Section 721(f)(2) (108 Stat. 2806) is amended by striking out "revaluated" and inserting in lieu thereof "reevaluated".

(5) Section 722(d)(2) (108 Stat. 2808) is amended by striking out "National Academy of Science" and inserting in lieu thereof "National Academy of Sciences".

(6) Section 904(d) (108 Stat. 2827) is amended by striking out "subsection (c)" the first place it appears and inserting in lieu thereof "subsection (b)".

(7) Section 1202 (108 Stat. 2882) is amended—

(A) by striking out "(title XII of Public Law 103-60" and inserting in lieu thereof "(title XII of Public Law 103-160"; and

(B) in paragraph (2), by inserting "in the first sentence" before "and inserting in lieu thereof".

(8) Section 1312(a)(2) (108 Stat. 2894) is amended by striking out "adding at the end" and inserting in lieu thereof "inserting after the item relating to section 123a".

(9) Section 2813(c) (108 Stat. 3055) is amended by striking out "above paragraph (1)" both places it appears and inserting in lieu thereof "preceding subparagraph (A)".

(b) PUBLIC LAW 103-160.—The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) is amended in section 1603(d) (22 U.S.C. 2751 note)—

(1) in the matter preceding paragraph (1), by striking out the second comma after "Not later than April 30 of each year";

(2) in paragraph (4), by striking out "contributes" and inserting in lieu thereof "contribute"; and

(3) in paragraph (5), by striking out "is" and inserting in lieu thereof "are".

(c) Public Law 102–484.—The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended as follows:

(1) Section 326(a)(5) (106 Stat. 2370; 10 U.S.C. 2301 note) is amended by inserting "report" after "each".

(2) Section 3163(1)(E) is amended by striking out "paragraphs (1) through (4)" and inserting in lieu thereof "subparagraphs (A) through (D)".

(3) Section 4403(a) (10 U.S.C. 1293 note) is amended by striking out "through 1995" and inserting in lieu thereof "through fiscal year 1999".

(d) Public Law 102–190.—Section 1097(d) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1490) is amended by striking out "the Federal Republic of Germany, France" and inserting in lieu thereof "France, Germany".

SEC. 1505. MISCELLANEOUS AMENDMENTS TO OTHER LAWS.

(a) Officer Personnel Act of 1947.—Section 437 of the Officer Personnel Act of 1947 is repealed.

(b) Title 5, United States Code.—Title 5, United States Code, is amended—

(1) in section 8171—

(A) in subsection (a), by striking out "903(3)" and inserting in lieu thereof "903(a)";

(B) in subsection (c)(1), by inserting "section" before "39(b)"; and

(C) in subsection (d), by striking out "(33 U.S.C. 18 and 21, respectively)" and inserting in lieu thereof "(33 U.S.C. 918 and 921)";

(2) in sections 8172 and 8173, by striking out "(33 U.S.C. 2(2))" and inserting in lieu thereof "(33 U.S.C. 902(2))"; and

(3) in section 8339(d)(7), by striking out "Court of Military Appeals" and inserting in lieu thereof "Court of Appeals for the Armed Forces".

(c) Public Law 90–485.—Effective as of August 13, 1968, and as if included therein as originally enacted, section 1(6) of Public Law 90–485 (82 Stat. 753) is amended—

(1) by striking out the close quotation marks after the end of clause (4) of the matter inserted by the amendment made by that section; and

(2) by adding close quotation marks at the end.

(d) Title 37, United States Code.—Section 406(b)(1)(E) of title 37, United States Code, is amended by striking out "of this paragraph".

(e) Base Closure Laws.—(1) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(A) in section 2905(b)(1)(C), by striking out "of the Administrator to grant approvals and make determinations under section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g))" and inserting in lieu thereof "to dispose of surplus property for public airports under sections 47151 through 47153 of title 49, United States Code";

(B) in section 2906(d)(1), by striking out "section 204(b)(4)(C)" and inserting in lieu thereof "section 204(b)(7)(C)"; and

(C) in section 2910—

(i) by designating the second paragraph (10), as added by section 2(b) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103–421; 108 Stat. 4352), as paragraph (11); and

(ii) in such paragraph, as so designated, by striking out "section 501(h)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(h)(4))" and inserting in lieu thereof "section 501(i)(4) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(i)(4))".

(2) Section 2921(d)(1) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2687 note) is amended by striking out "section 204(b)(4)(C)" and inserting in lieu thereof "section 204(b)(7)(C)".

(3) Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended—

(A) in subsection (b)(1)(C), by striking out "of the Administrator to grant approvals and make determinations under section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g))" and inserting in lieu thereof "to dispose of surplus property for public airports under sections 47151 through 47153 of title 49, United States Code"; and

(B) in subsection (b)(7)(A)(i), by striking out "paragraph (3)" and inserting in lieu thereof "paragraphs (3) through (6)".

(f) Public Law 103–421.—Section 2(e)(5) of Public Law 103–421 (108 Stat. 4354) is amended—

(1) by striking out "(A)" after "(5)"; and

(2) by striking out "clause" in subparagraph (B)(iv) and inserting in lieu thereof "clauses".

(g) Atomic Energy Act.—Section 123a. of the Atomic Energy Act (42 U.S.C. 2153a.) is amended by striking out "144b., or 144d." and inserting ", 144b., or 144d.".

SEC. 1506. COORDINATION WITH OTHER AMENDMENTS.

For purposes of applying amendments made by provisions of this Act other than provisions of this title, this title shall be treated as having been enacted immediately before the other provisions of this Act.

TITLE XVI—CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND FIREARMS SAFETY

SEC. 1601. SHORT TITLE.

This title may be cited as the "Corporation for the Promotion of Rifle Practice and Firearms Safety Act".

Subtitle A—Establishment and Operation of Corporation

SEC. 1611. ESTABLISHMENT OF THE CORPORATION.

(a) Establishment.—There is established a private, nonprofit corporation to be known as the "Corporation for the Promotion of Rifle Practice and Firearms Safety" (in this title referred to as the "Corporation").

(b) Private, Nonprofit Status.—(1) The Corporation shall not be considered to be a department, agency, or instrumentality of the Federal Government. An officer or employee of the Corporation shall not be considered to be an officer or employee of the Federal Government.

(2) The Corporation shall be operated in a manner and for purposes that qualify the Corporation for exemption from taxation under section 501(a) of the Internal Revenue Code of 1986 as an organization described in section 501(c)(3) of such Code.

(c) Board of Directors.—(1) The Corporation shall have a Board of Directors consisting of not less than nine members.

(2) The Board of Directors may adopt bylaws, policies, and procedures for the Corporation and may take any other action that the Board of Directors considers necessary for the management and operation of the Corporation.

(3) Each member of the Board of Directors shall serve for a term of 2 years. Members of the Board of Directors are eligible for reappointment.

(4) A vacancy on the Board of Directors shall be filled by a majority vote of the remaining members of the Board.

(5) The Secretary of the Army shall appoint the initial Board of Directors. Four of the members of the initial Board of Directors, to be designated by the Secretary at the time of appointment, shall (notwithstanding paragraph (3)) serve for a term of 1 year.

(d) Director of Civilian Marksmanship.—(1) The Board of Directors shall appoint an individual to serve as the Director of Civilian Marksmanship.

(2) The Director shall be responsible for the performance of the daily operations of the Corporation and the functions described in section 1612.

SEC. 1612. CONDUCT OF CIVILIAN MARKSMANSHIP PROGRAM.

(a) Functions.—The Corporation shall have responsibility for the overall supervision, oversight, and control of the Civilian Marksmanship Program, pursuant to the transfer of the program under subsection (d), including the performance of the following:

(1) The instruction of citizens of the United States in marksmanship.

(2) The promotion of practice and safety in the use of firearms, including the conduct of matches and competitions in the use of those firearms.

(3) The award to competitors of trophies, prizes, badges, and other insignia.

(4) The provision of security and accountability for all firearms, ammunition, and other equipment under the custody and control of the Corporation.

(5) The issue, loan, or sale of firearms, ammunition, supplies, and appliances under section 1614.

(6) The procurement of necessary supplies, appliances, clerical services, other related services, and labor to carry out the Civilian Marksmanship Program.

(b) Priority for Youth Activities.—In carrying out the Civilian Marksmanship Program, the Corporation shall give priority to activities that benefit firearms safety, training, and competition for youth and that reach as many youth participants as possible.

(c) Access to Surplus Property.—(1) The Corporation may obtain surplus property and supplies from the Defense Reutilization Marketing Service to carry out the Civilian Marksmanship Program.

(2) Any transfer of property and supplies to the Corporation under paragraph (1) shall be made without cost to the Corporation.

(d) Transfer of Civilian Marksmanship Program to Corporation.—(1) The Secretary of the Army shall provide for the transition of the Civilian Marksmanship Program, as defined in section 4308(e) of title 10, United States Code (as such section was in effect on the day before the date of the enactment of this Act), from conduct by the Department of the Army to conduct by the Corporation. The transition shall be completed not later than September 30, 1996.

(2) To carry out paragraph (1), the Secretary shall provide such assistance and take such action as is necessary to maintain the viability of the program and to maintain the security of firearms, ammunition, and other

property that are transferred or reserved for transfer to the Corporation under section 1615, 1616, or 1621.

SEC. 1613. ELIGIBILITY FOR PARTICIPATION IN CIVILIAN MARKSMANSHIP PROGRAM.

(a) CERTIFICATION REQUIREMENT.—(1) Before a person may participate in any activity sponsored or supported by the Corporation, the person shall be required to certify by affidavit the following:

(A) The person has not been convicted of any Federal or State felony or violation of section 922 of title 18, United States Code.

(B) The person is not a member of any organization that advocates the violent overthrow of the United States Government.

(2) The Director of Civilian Marksmanship may require any person to attach to the person's affidavit a certification from the appropriate State or Federal law enforcement agency for purposes of paragraph (1)(A).

(b) INELIGIBILITY RESULTING FROM CERTAIN CONVICTIONS.—A person who has been convicted of a Federal or State felony or a violation of section 922 of title 18, United States Code, shall not be eligible to participate in any activity sponsored or supported by the Corporation through the Civilian Marksmanship Program.

(c) AUTHORITY TO LIMIT PARTICIPATION.—The Director of Civilian Marksmanship may limit participation as necessary to ensure—

(1) quality instruction in the use of firearms;

(2) the safety of participants; and

(3) the security of firearms, ammunition, and equipment.

SEC. 1614. ISSUANCE, LOAN, AND SALE OF FIREARMS AND AMMUNITION BY THE CORPORATION.

(a) ISSUANCE AND LOAN.—For purposes of training and competition, the Corporation may issue or loan, with or without charges to recover administrative costs, caliber .22 rimfire and caliber .30 surplus rifles, caliber .22 and .30 ammunition, air rifles, targets, and other supplies and appliances necessary for activities related to the Civilian Marksmanship Program to the following:

(1) Organizations affiliated with the Corporation that provide training in the use of firearms to youth.

(2) The Boy Scouts of America.

(3) 4-H Clubs.

(4) Future Farmers of America.

(5) Other youth-oriented organizations.

(b) SALES.—(1) The Corporation may sell at fair market value caliber .22 rimfire and caliber .30 surplus rifles, caliber .22 and .30 ammunition, air rifles, repair parts, and accouterments to organizations affiliated with the Corporation that provide training in the use of firearms.

(2) Subject to subsection (e), the Corporation may sell at fair market value caliber .22 rimfire and caliber .30 surplus rifles, ammunition, targets, repair parts and accouterments, and other supplies and appliances necessary for target practice to citizens of the United States over 18 years of age who are members of a gun club affiliated with the Corporation. In addition to any other requirement, the Corporation shall establish procedures to obtain a criminal records check of the person with appropriate Federal and State law enforcement agencies.

(c) LIMITATIONS ON SALES.—(1) The Corporation may not offer for sale any repair part designed to convert any firearm to fire in a fully automatic mode.

(2) The Corporation may not sell rifles, ammunition, or any other item available for sale to individuals under the Civilian Marksmanship Program to a person who has been convicted of a felony or a violation of section 922 of title 18, United States Code.

(d) OVERSIGHT AND ACCOUNTABILITY.—The Corporation shall be responsible for ensuring adequate oversight and accountability of all firearms issued or loaned under this section. The Corporation shall prescribe procedures for the security of issued or loaned firearms in accordance with Federal, State, and local laws.

(e) APPLICABILITY OF OTHER LAW.—(1) Subject to paragraph (2), sales under subsection (b)(2) are subject to applicable Federal, State, and local laws.

(2) Paragraphs (1), (2), (3), and (5) of section 922(a) of title 18, United States Code, do not apply to the shipment, transportation, receipt, transfer, sale, issuance, loan, or delivery by the Corporation of any item that the Corporation is authorized to issue, loan, sell, or receive under this title.

SEC. 1615. TRANSFER OF FIREARMS AND AMMUNITION FROM THE ARMY TO THE CORPORATION.

(a) TRANSFERS REQUIRED.—The Secretary of the Army shall, in accordance with subsection (b), transfer to the Corporation all firearms and ammunition that on the day before the date of the enactment of this Act are under the control of the Director of the Civilian Marksmanship Program, including—

(1) all firearms on loan to affiliated clubs and State associations;

(2) all firearms in the possession of the Civilian Marksmanship Support Detachment; and

(3) all M-1 Garand and caliber .22 rimfire rifles stored at Anniston Army Depot, Anniston, Alabama.

(b) TIME FOR TRANSFER.—The Secretary shall transfer firearms and ammunition under subsection (a) as and when necessary to enable the Corporation—

(1) to issue or loan such items in accordance with section 1614(a); or

(2) to sell such items to purchasers in accordance with section 1614(b).

(c) PARTS.—The Secretary may make available to the Corporation any part from a rifle designated to be demilitarized in the inventory of the Department of the Army.

(d) VESTING OF TITLE IN TRANSFERRED ITEMS.—Title to an item transferred to the Corporation under this section shall vest in the Corporation—

(1) upon the issuance of the item to a recipient eligible under section 1614(a) to receive the item; or

(2) immediately before the Corporation delivers the item to a purchaser of the item in accordance with a contract for a sale of the item that is authorized under section 1614(b).

(e) COSTS OF TRANSFERS.—Any transfer of firearms, ammunition, or parts to the Corporation under this section shall be made without cost to the Corporation, except that the Corporation shall assume the cost of preparation and transportation of firearms and ammunition transferred under this section.

SEC. 1616. RESERVATION BY THE ARMY OF FIREARMS AND AMMUNITION FOR THE CORPORATION.

(a) RESERVATION OF FIREARMS AND AMMUNITION.—The Secretary of the Army shall reserve for the Corporation the following:

(1) All firearms referred to in section 1615(a).

(2) Ammunition for such firearms.

(3) All M-16 rifles used to support the small arms firing school that are held by the Department of the Army on the date of the enactment of this Act.

(4) Any parts from, and accessories and accouterments for, surplus caliber .30 and caliber .22 rimfire rifles.

(b) STORAGE OF FIREARMS AND AMMUNITION.—Firearms stored at Anniston Army Depot, Anniston, Alabama, before the date of the enactment of this Act and used for the Civilian Marksmanship Program shall remain at that facility, or another storage facility designated by the Secretary of the Army, without cost to the Corporation, until the firearms are issued, loaned, or sold by, or otherwise transferred to, the Corporation.

(c) LIMITATION ON DEMILITARIZATION OF M-1 RIFLES.—After the date of the enactment of this Act, the Secretary may not demilitarize any M-1 Garand rifle in the inventory of the Army unless that rifle is determined by the Defense Logistics Agency to be unserviceable.

(d) EXCEPTION FOR TRANSFERS TO FEDERAL AND STATE AGENCIES FOR COUNTERDRUG PURPOSES.—The requirement specified in subsection (a) does not supersede the authority provided in section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 10 U.S.C. 372 note).

SEC. 1617. ARMY LOGISTICAL SUPPORT FOR THE PROGRAM.

(a) LOGISTICAL SUPPORT.—The Secretary of the Army shall provide logistical support to the Civilian Marksmanship Program and for competitions and other activities conducted by the Corporation. The Corporation shall reimburse the Secretary for incremental direct costs incurred in providing such support. Such reimbursements shall be credited to the appropriations account of the Department of the Army that is charged to provide such support.

(b) RESERVE COMPONENT PERSONNEL.—The Secretary shall provide, without cost to the Corporation, for the use of members of the National Guard and Army Reserve to support the National Matches as part of the performance of annual training pursuant to titles 10 and 32, United States Code.

(c) USE OF DEPARTMENT OF DEFENSE FACILITIES FOR NATIONAL MATCHES.—The National Matches may continue to be held at those Department of Defense facilities at which the National Matches were held before the date of the enactment of this Act.

(d) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

SEC. 1618. GENERAL AUTHORITIES OF THE CORPORATION.

(a) DONATIONS AND FEES.—(1) The Corporation may solicit, accept, hold, use, and dispose of donations of money, property, and services received by gift, devise, bequest, or otherwise.

(2) The Corporation may impose, collect, and retain such fees as are reasonably necessary to cover the direct and indirect costs of the Corporation to carry out the Civilian Marksmanship Program.

(3) Amounts collected by the Corporation under the authority of this subsection, including the proceeds from the sale of firearms, ammunition, targets, and other supplies and appliances, may be used only to support the Civilian Marksmanship Program.

(b) CORPORATE SEAL.—The Corporation may adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) CONTRACTS.—The Corporation may enter into contracts, leases, agreements, or other transactions.

(d) OBLIGATIONS AND EXPENDITURES.—The Corporation may determine the character of, and necessity for, its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid and may incur, allow, and pay such obligations and expenditures.

(e) RELATED AUTHORITY.—The Corporation may take such other actions as are necessary or appropriate to carry out the authority provided in this section.

SEC. 1619. DISTRIBUTION OF CORPORATE ASSETS IN EVENT OF DISSOLUTION.

(a) DISTRIBUTION.—If the Corporation dissolves, then—

(1) upon the dissolution of the Corporation, title to all firearms stored at Anniston Army Depot, Anniston, Alabama, on the date of the dissolution, all M-16 rifles that are transferred to the Corporation under section 1615(a)(2), that are referred to in section 1616(a)(3), or that are otherwise under the control of the Corporation, and all trophies received by the Corporation from the National Board for the Promotion of Rifle Practice as of such date, shall vest in the Secretary of the Army, and the Secretary shall have the immediate right to the possession of such items;

(2) assets of the Corporation, other than assets described in paragraph (1), may be distributed by the Corporation to an organization that—

(A) is exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 as an organization described in section 501(c)(3) of such Code; and

(B) performs functions similar to the functions described in section 1612(a); and

(3) all assets of the Corporation that are not distributed pursuant to paragraphs (1) and (2) shall be sold, and the proceeds from the sale of such assets shall be deposited in the Treasury.

(b) PROHIBITION.—Assets of the Corporation that are distributed pursuant to the authority of subsection (a) may not be distributed to an individual.

Subtitle B—Transitional Provisions

SEC. 1621. TRANSFER OF FUNDS AND PROPERTY TO THE CORPORATION.

(a) FUNDS.—(1) On the date of the submission of a certification in accordance with section 1623 or, if earlier, October 1, 1996, the Secretary of the Army shall transfer to the Corporation—

(A) the amounts that are available to the National Board for the Promotion of Rifle Practice from sales programs and fees collected in connection with competitions sponsored by the Board; and

(B) all funds that are in the nonappropriated fund account known as the National Match Fund.

(2) The funds transferred under paragraph (1)(A) shall be used to carry out the Civilian Marksmanship Program.

(3) Transfers under paragraph (1)(B) shall be made without cost to the Corporation.

(b) PROPERTY.—The Secretary of the Army shall, as soon as practicable, transfer to the Corporation the following:

(1) All automated data equipment, all other office equipment, targets, target frames, vehicles, and all other property under the control of the Director of Civilian Marksmanship and the Civilian Marksmanship Support Detachment on the day before the date of the enactment of this Act (other than property to which section 1615(a) applies).

(2) Title to property under the control of the National Match Fund on such day.

(3) All supplies and appliances under the control of the Director of the Civilian Marksmanship Program on such day.

(c) OFFICES.—The Corporation may use the office space of the Office of the Director of Civilian Marksmanship until the date on which the Secretary of the Army completes the transfer of the Civilian Marksmanship Program to the Corporation. The Corporation shall assume control of the leased property occupied as of the date of the enactment of this Act by the Civilian Marksmanship Support Detachment, located at the Erie Industrial Park, Port Clinton, Ohio.

(d) COSTS OF TRANSFERS.—Any transfer of items to the Corporation under this section shall be made without cost to the Corporation.

SEC. 1622. CONTINUATION OF ELIGIBILITY FOR CERTAIN CIVIL SERVICE BENEFITS FOR FORMER FEDERAL EMPLOYEES OF CIVILIAN MARKSMANSHIP PROGRAM.

(a) CONTINUATION OF ELIGIBILITY.—Notwithstanding any other provision of law, a Federal employee who is employed by the Department of Defense to support the Civilian Marksmanship Program as of the day before the date of the transfer of the Program to the Corporation and is offered employment by the Corporation as part of the transition described in section 1612(d) may, if the employee becomes employed by the Corporation, continue to be eligible during continuous employment with the Corporation for the Federal health, retirement, and similar benefits (including life insurance) for which the employee would have been eligible had the employee continued to be employed by the Department of Defense. The employer's contribution for such benefits shall be paid by the Corporation.

(b) REGULATIONS.—The Director of the Office of Personnel Management shall prescribe regulations to carry out subsection (a).

SEC. 1623. CERTIFICATION OF COMPLETION OF TRANSITION.

(a) CERTIFICATION REQUIREMENT.—Upon completion of the appointment of the Board of Directors for the Corporation under section 1611(c)(5) and of the transition required under section 1612(d), the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a certification of the completion of such actions.

(b) PUBLICATION OF CERTIFICATION.—The Secretary shall take such actions as are necessary to ensure that the certification is published in the Federal Register promptly after the submission of the certification under subsection (a).

SEC. 1624. REPEAL OF AUTHORITY FOR CONDUCT OF CIVILIAN MARKSMANSHIP PROGRAM BY THE ARMY.

(a) REPEALS.—(1) Sections 4307, 4308, 4310, and 4311 of title 10, United States Code, are repealed.

(2) The table of sections at the beginning of chapter 401 of such title is amended by striking out the items relating to sections 4307, 4308, 4310, and 4311.

(b) CONFORMING AMENDMENTS.—(1) Section 4313 of title 10, United States Code, is amended—

(A) by striking out subsection (b); and

(B) in subsection (a)—

(i) by striking out "(a) JUNIOR COMPETITORS.—" and inserting in lieu thereof "(a) ALLOWANCES FOR PARTICIPATION OF JUNIOR COMPETITORS.—"; and

(ii) in paragraph (3), by striking out "(3) For the purposes of this subsection" and inserting in lieu thereof "(b) JUNIOR COMPETITOR DEFINED.—For the purposes of subsection (a)".

(2) Section 4316 of such title is amended by striking out ", including fees charged and amounts collected pursuant to subsections (b) and (c) of section 4308,".

(3) Section 925(a)(2)(A) of title 18, United States Code, is amended by inserting after "section 4308 of title 10" the following: "before the repeal of such section by section 1624(a) of the Corporation for the Promotion of Rifle Practice and Firearms Safety Act".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) the date on which the Secretary of the Army submits a certification in accordance with section 1623; or

(2) October 1, 1996.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1996".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Fort Rucker	$5,900,000
	Redstone Arsenal	$5,000,000
Arizona	Fort Huachuca	$16,000,000
California	Fort Irwin	$25,500,000
	Presidio of San Francisco	$3,000,000
Colorado	Fort Carson	$30,850,000
District of Columbia.	Fort McNair	$13,500,000
Georgia	Fort Benning	$37,900,000
	Fort Gordon	$5,750,000
	Fort Stewart	$8,400,000
Hawaii	Schofield Barracks	$30,000,000
Kansas	Fort Riley	$7,000,000
Kentucky	Fort Campbell	$10,000,000
	Fort Knox	$5,600,000
New Jersey	Picatinny Arsenal	$5,500,000
New Mexico	White Sands Missile Range	$2,050,000
New York	Fort Drum	$8,800,000
	United States Military Academy	$8,300,000
	Watervliet Arsenal	$680,000
North Carolina	Fort Bragg	$29,700,000
Oklahoma	Fort Sill	$14,300,000
South Carolina	Naval Weapons Station, Charleston	$25,700,000
	Fort Jackson	$32,000,000
Texas	Fort Hood	$32,500,000
	Fort Bliss	$56,900,000
	Fort Sam Houston	$7,000,000
Virginia	Fort Eustis	$16,400,000
Washington	Fort Lewis	$32,100,000
CONUS Classified	Classified Location	$1,900,000
	Total:	$478,230,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Korea	Camp Casey	$4,150,000
	Camp Hovey	$13,500,000
	Camp Pelham	$5,600,000

Army: Outside the United States—Continued

Country	Installation or location	Amount
	Camp Stanley	$6,800,000
	Yongsan	$4,500,000
Overseas Classified	Classified Location	$48,000,000
Worldwide	Host Nation Support	$20,000,000
	Total:	$102,550,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Amount
Kentucky	Fort Knox	150 units	$19,000,000
New York	United States Military Academy, West Point	119 units	$16,500,000
Virginia	Fort Lee	135 units	$19,500,000
Washington	Fort Lewis	84 units	$10,800,000
		Total:	$65,800,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $2,000,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $48,856,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1995, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,147,427,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $478,230,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $102,550,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $9,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $34,194,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvements of military family housing and facilities, $116,656,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,337,596,000.

(6) For the Homeowners Assistance Program, as authorized by section 2832 of title 10, United States Code, $75,586,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $6,385,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), and, in the case of the project described in section 2204(b)(2), other amounts appropriated pursuant to authorizations enacted after this Act for that project, the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	$2,490,000
	Marine Corps Base, Camp Pendleton	$27,584,000
	Naval Command, Control, and Ocean Surveillance Center, San Diego	$3,170,000
	Naval Air Station, Lemoore	$7,600,000
	Naval Air Station, North Island	$99,150,000
	Naval Air Warfare Center Weapons Division, China Lake	$3,700,000
	Naval Air Warfare Center Weapons Division, Point Mugu	$1,300,000
	Naval Construction Batallion Center, Port Hueneme	$16,700,000
	Naval Station, San Diego	$19,960,000
Florida	Naval School Explosive Ordinance Disposal, Eglin Air Force Base	$16,150,000
	Naval Technical Training Center, Corry Station, Pensacola	$2,565,000
Georgia	Strategic Weapons Facility, Atlantic, Kings Bay	$2,450,000
Hawaii	Honolulu Naval Computer and Telecommunications Area, Master Station Eastern Pacific	$1,980,000
	Intelligence Center Pacific, Pearl Harbor	$2,200,000
	Naval Submarine Base, Pearl Harbor	$22,500,000
Illinois	Naval Training Center, Great Lakes	$12,440,000
Indiana	Crane Naval Surface Warfare Center	$3,300,000
Maryland	Naval Academy, Annapolis	$3,600,000
New Jersey	Naval Air Warfare Center Aircraft Division, Lakehurst	$1,700,000
North Carolina	Marine Corps Air Station, Cherry Point	$11,430,000
	Marine Corps Air Station, New River	$14,650,000
	Marine Corps Base, Camp LeJeune	$59,300,000
Pennsylvania	Philadelphia Naval Shipyard	$6,000,000
South Carolina	Marine Corps Air Station, Beaufort	$15,000,000
Texas	Naval Air Station, Corpus Christi	$4,400,000
	Naval Air Station, Kingsville	$2,710,000
	Naval Station, Ingleside	$2,640,000
Virginia	Fleet and Industrial Supply Center, Williamsburg	$8,390,000
	Henderson Hall, Arlington	$1,900,000
	Marine Corps Combat Development Command, Quantico	$3,500,000
	Naval Hospital, Portsmouth	$9,500,000
	Naval Station, Norfolk	$10,580,000
	Naval Weapons Station, Yorktown	$1,300,000
Washington	Naval Undersea Warfare Center Division, Keyport	$5,300,000
	Puget Sound Naval Shipyard, Bremerton	$19,870,000
West Virginia	Naval Security Group Detachment	$7,200,000
CONUS Classified	Classified Locations	$1,200,000
	Total:	$435,409,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Guam	Naval Computer and Telecommunications Area, Master Station Western Pacific	$2,250,000
	Navy Public Works Center, Guam	$16,180,000
Italy	Naval Air Station, Sigonella	$12,170,000
	Naval Support Activity, Naples	$24,950,000
Puerto Rico	Naval Security Group Activity, Sabana Seca	$2,200,000
	Naval Station, Roosevelt Roads	$11,500,000
	Total	$69,250,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
California	Marine Corps Base, Camp Pendleton	138 units	$20,000,000
	Marine Corps Base, Camp Pendleton	Community Center.	$1,438,000
	Marine Corps Base, Camp Pendleton	Housing Office	$707,000
	Naval Air Station, Lemoore	240 units	$34,900,000
	Pacific Missile Test Center, Point Mugu	Housing Office	$1,020,000
	Public Works Center, San Diego	346 units	$49,310,000
Hawaii	Naval Complex, Oahu	252 units	$48,400,000
Maryland	Naval Air Test Center, Patuxent River	Warehouse	$890,000
	US Naval Academy, Annapolis	Housing Office	$800,000
North Carolina	Marine Corps Air Station, Cherry Point	Community Center.	$1,003,000
Pennsylvania	Navy Ships Parts Control Center, Mechanicsburg	Housing Office	$300,000
Puerto Rico	Naval Station, Roosevelt Roads	Housing Office	$710,000
Virginia	Naval Surface Warfare Center, Dahlgren	Housing Office	$520,000
	Public Works Center, Norfolk	320 units	$42,500,000
	Public Works Center, Norfolk	Housing Office	$1,390,000
West Virginia	Security Group Naval Detachment, Sugar Grove	23 units	$3,590,000
		Total:	$207,478,000

(b) Planning and Design.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $24,390,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $290,831,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) In General.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1995, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,119,317,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $427,709,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $69,250,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,200,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $50,515,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $522,699,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $1,048,329,000.

(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $7,700,000 (the balance of the amount authorized under section 2201(a) for the construction of a bachelor enlisted quarters at the Naval Construction Batallion Center, Port Hueneme, California).

(c) Adjustment.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $6,385,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. REVISION OF FISCAL YEAR 1995 AUTHORIZATION OF APPROPRIATIONS TO CLARIFY AVAILABILITY OF FUNDS FOR LARGE ANECHOIC CHAMBER FACILITY, PATUXENT RIVER NAVAL WARFARE CENTER, MARYLAND.

Section 2204(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3033) is amended—

(1) in the matter preceding paragraph (1), by striking out "$1,591,824,000" and inserting in lieu thereof "$1,601,824,000"; and

(2) by adding at the end the following:

"(6) For the construction of the large anechoic chamber facility at the Patuxent River Naval Warfare Center, Aircraft Division, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,000,000.".

SEC. 2206. AUTHORITY TO CARRY OUT LAND ACQUISITION PROJECT, HAMPTON ROADS, VIRGINIA.

The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2589) is amended—

(1) in the item relating to Damneck, Fleet Combat Training Center, Virginia, by striking out "$19,427,000" in the amount column and inserting in lieu thereof "$14,927,000"; and

(2) by inserting after the item relating to Damneck, Fleet Combat Training Center, Virginia, the following new item:

	Hampton Roads	$4,500,000

SEC. 2207. ACQUISITION OF LAND, HENDERSON HALL, ARLINGTON, VIRGINIA.

(a) Authority To Acquire.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire all right, title, and interest of any party in and to a parcel of real property, including an abandoned mausoleum, consisting of approximately 0.75 acres and located in Arlington, Virginia, the site of Henderson Hall.

(b) Demolition of Mausoleum.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary may—

(1) demolish the mausoleum located on the parcel acquired under subsection (a); and

(2) provide for the removal and disposition in an appropriate manner of the remains contained in the mausoleum.

(c) Authority To Design Public Works Facility.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary may obtain architectural and engineering services and construction design for a warehouse and office facility for the Marine Corps to be constructed on the property acquired under subsection (a).

(d) Description of Property.—The exact acreage and legal description of the real property authorized to be acquired under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the Secretary.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the acquisition under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2208. ACQUISITION OR CONSTRUCTION OF MILITARY FAMILY HOUSING IN VICINITY OF SAN DIEGO, CALIFORNIA.

(a) Authority To Use Litigation Proceeds.—Upon final settlement in the case of Rossmoor Liquidating Trust against United States, in the United States District Court for the Central District of California (Case No. CV 82–0956 LEW (Px)), the Secretary of the Treasury shall deposit in a separate account any funds paid to the United States in settlement of such case. At the request of the Secretary of the Navy, the Secretary of the Treasury shall make available amounts in the account to the Secretary of the Navy solely for the acquisition or construction of military family housing, including the acquisition of land necessary for such acquisition or construction, for members of the Armed Forces and their dependents stationed in, or in the vicinity of, San Diego, California. In using amounts in the account, the Secretary of the Navy may use the authorities provided in subchapter IV of chapter 169 of title 10, United States Code, as added by section 2801 of this Act.

(b) Units Authorized.—Not more than 150 military family housing units may be acquired or constructed with funds referred to in subsection (a). The units authorized by this subsection are in addition to any other units of military family housing authorized to be acquired or constructed in, or in the vicinity of, San Diego, California.

(c) Payment of Excess Into Treasury.—The Secretary of the Treasury shall deposit into the Treasury as miscellaneous receipts funds referred to in subsection (a) that have not been obligated for construction under this section within four years after receipt thereof.

(d) Limitation.—The Secretary may not enter into any contract for the acquisition or construction of military family housing under this section until after the expiration of the 21-day period beginning on the day after the day on which the Secretary transmits to the congressional defense committees a report containing the details of such contract.

(e) Repeal of Existing Authority.—Section 2848 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1666) is repealed.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) Inside the United States.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), and, in the case of the project described in section 2304(b)(2), other amounts appropriated pursuant to authorizations enacted after this Act for that project, the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$5,200,000
Alaska	Eielson Air Force Base	$7,850,000
	Elmendorf Air Force Base	$9,100,000
	Tin City Long Range RADAR Site	$2,500,000
Arizona	Davis-Monthan Air Force Base	$4,800,000
	Luke Air Force Base	$5,200,000
Arkansas	Little Rock Air Force Base	$2,500,000
California	Beale Air Force Base	$7,500,000
	Edwards Air Force Base	$33,800,000
	Travis Air Force Base	$26,700,000
	Vandenberg Air Force Base	$6,000,000
Colorado	Buckley Air National Guard Base	$5,500,000
	Peterson Air Force Base	$4,390,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
	US Air Force Academy	$12,874,000
Delaware	Dover Air Force Base	$5,500,000
District of Columbia.	Bolling Air Force Base	$12,100,000
Florida	Cape Canaveral Air Force Station	$1,600,000
	Eglin Air Force Base	$13,500,000
	Tyndall Air Force Base	$1,200,000
Georgia	Moody Air Force Base	$25,190,000
	Robins Air Force Base	$12,400,000
Hawaii	Hickam Air Force Base	$10,700,000
Idaho	Mountain Home Air Force Base	$18,650,000
Illinois	Scott Air Force Base	$12,700,000
Kansas	McConnell Air Force Base	$9,450,000
Louisiana	Barksdale Air Force Base	$2,500,000
Maryland	Andrews Air Force Base	$12,886,000
Mississippi	Columbus Air Force Base	$1,150,000
	Keesler Air Force Base	$6,500,000
Missouri	Whiteman Air Force Base	$24,600,000
Nevada	Nellis Air Force Base	$17,500,000
New Jersey	McGuire Air Force Base	$16,500,000
New Mexico	Cannon Air Force Base	$13,420,000
	Holloman Air Force Base	$6,000,000
	Kirtland Air Force Base	$9,156,000
North Carolina	Pope Air Force Base	$8,250,000
	Seymour Johnson Air Force Base	$5,530,000
North Dakota	Grand Forks Air Force Base	$14,800,000
	Minot Air Force Base	$1,550,000
Ohio	Wright Patterson Air Force Base	$4,100,000
Oklahoma	Altus Air Force Base	$4,800,000
	Tinker Air Force Base	$11,100,000
South Carolina	Charleston Air Force Base	$12,500,000
	Shaw Air Force Base	$1,300,000
South Dakota	Ellsworth Air Force Base	$7,800,000
Tennessee	Arnold Air Force Base	$5,000,000
Texas	Dyess Air Force Base	$5,400,000
	Goodfellow Air Force Base	$1,000,000
	Kelly Air Force Base	$3,244,000
	Laughlin Air Force Base	$1,400,000
	Randolph Air Force Base	$3,100,000
	Sheppard Air Force Base	$1,500,000
Utah	Hill Air Force Base	$8,900,000
Virginia	Langley Air Force Base	$1,000,000
Washington	Fairchild Air Force Base	$15,700,000
	McChord Air Force Base	$9,900,000
Wyoming	F.E. Warren Air Force Base	$9,000,000
CONUS Classified	Classified Location	$700,000
	Total:	$504,690,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and may carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Spangdahlem Air Base	$8,380,000
	Vogelweh Annex	$2,600,000
Greece	Araxos Radio Relay Site	$1,950,000
Italy	Aviano Air Base	$2,350,000
	Ghedi Radio Relay Site	$1,450,000
Turkey	Ankara Air Station	$7,000,000
	Incirlik Air Base	$4,500,000
United Kingdom	Lakenheath Royal Air Force Base	$1,820,000
	Mildenhall Royal Air Force Base	$2,250,000
Overseas Classified	Classified Location	$17,100,000
	Total:	$49,400,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State/Country	Installation	Purpose	Amount
Alaska	Elmendorf Air Force Base	Housing Office/Maintenance Facility	$3,000,000
Arizona	Davis-Monthan Air Force Base	80 units	$9,498,000
Arkansas	Little Rock Air Force Base	Replace 1 General Officer Quarters	$210,000
California	Beale Air Force Base.	Family Housing Office	$842,000
	Edwards Air Force Base	127 units	$20,750,000
	Vandenberg Air Force Base	Family Housing Office	$900,000
	Vandenberg Air Force Base	143 units	$20,200,000
Colorado	Peterson Air Force Base	Family Housing Office	$570,000
District of Columbia	Bolling Air Force Base	32 units	$4,100,000
Florida	Eglin Air Force Base	Family Housing Office	$500,000
	Eglin Auxiliary Field 9	Family Housing Office	$880,000
	MacDill Air Force Base	Family Housing Office	$646,000
	Patrick Air Force Base	70 units	$7,947,000
	Tyndall Air Force Base	82 units	$9,800,000
Georgia	Moody Air Force Base	1 Officer & 1 General Officer Quarter	$513,000
	Robins Air Force Base	83 units	$9,800,000
Guam	Andersen Air Force Base	Housing Maintenance Facility	$1,700,000
Idaho	Mountain Home Air Force Base	Housing Management Facility	$844,000
Kansas	McConnell Air Force Base	39 units	$5,193,000
Louisiana	Barksdale Air Force Base	62 units	$10,299,000
Massachusetts.	Hanscom Air Force Base	32 units	$4,900,000
Mississippi	Keesler Air Force Base	98 units	$9,300,000
Missouri	Whiteman Air Force Base	72 units	$9,948,000
Nevada	Nellis Air Force Base	102 units	$16,357,000
New Mexico	Holloman Air Force Base	1 General Officer Quarters	$225,000
	Kirtland Air Force Base	105 units	$11,000,000
North Carolina.	Pope Air Force Base	104 units	$9,984,000
	Seymour Johnson Air Force Base	1 General Officer Quarters	$204,000
South Carolina.	Shaw Air Force Base	Housing Maintenance Facility	$715,000
Texas	Dyess Air Force Base	Housing Maintenance Facility	$580,000
	Lackland Air Force Base	67 units	$6,200,000
	Sheppard Air Force Base	Management Office	$500,000
	Sheppard Air Force Base	Housing Maintenance Facility	$600,000
Turkey	Incirlik Air Base	150 units	$10,146,000
Washington	McChord Air Force Base	50 units	$9,504,000
		Total:	$198,355,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $8,989,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $90,959,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1995, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,735,086,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $504,690,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $49,400,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,030,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $30,835,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $298,303,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $849,213,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $5,400,000 (the balance of the amount authorized under section 2301(a) for the construction of a corrosion control facility at Tinker Air Force Base, Oklahoma).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $6,385,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2305. RETENTION OF ACCRUED INTEREST ON FUNDS DEPOSITED FOR CONSTRUCTION OF FAMILY HOUSING, SCOTT AIR FORCE BASE, ILLINOIS.

(a) RETENTION OF INTEREST.—Section 2310 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1874) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) RETENTION OF INTEREST.—Interest accrued on the funds transferred to the County pursuant to subsection (a) shall be retained in the same account as the transferred funds and shall be available to the County for the same purpose as the transferred funds.".

(b) LIMITATION ON UNITS CONSTRUCTED.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended by adding at the end the following new sentence: "The number of units constructed using the transferred funds (and interest accrued on such funds) may not exceed the number of units of military family housing authorized for Scott Air Force Base in section 2302(a) of the Military Construction Authorization Act for Fiscal Year 1993.".

(c) EFFECT OF COMPLETION OF CONSTRUCTION.—Such section is further amended by adding at the end the following new subsection:

"(d) COMPLETION OF CONSTRUCTION.—Upon the completion of the construction authorized by this section, all funds remaining from the funds transferred pursuant to subsection (a), and the remaining interest accrued on such funds, shall be deposited in the general fund of the Treasury of the United States.".

(d) REPORTS ON ACCRUED INTEREST.—Such section is further amended by adding at the end the following new subsection:

"(e) REPORTS ON ACCRUED INTEREST.—Not later than March 1 of each year following a year in which funds available to the County under this section are used by the County for the purpose referred to in subsection (c), the Secretary shall submit to the congressional defense committees a report setting forth the amount of interest that accrued on such funds during the preceding year.".

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), and, in the case of the project described in section 2405(b)(2), other amounts appropriated pursuant to authorizations enacted after this Act for that project, the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency/State	Installation or location	Amount
Ballistic Missile Defense Organization		
Texas	Fort Bliss	$13,600,000
Defense Finance & Accounting Service		
Ohio	Columbus Center	$72,403,000
Defense Intelligence Agency		
District of Columbia	Bolling Air Force Base	$498,000
Defense Logistics Agency		
Alabama	Defense Distribution Anniston	$3,550,000
California	Defense Distribution Stockton	$15,000,000
	DFSC, Point Mugu	$750,000
Delaware	DFSC, Dover Air Force Base	$15,554,000
Florida	DFSC, Eglin Air Force Base	$2,400,000
Louisiana	DFSC, Barksdale Air Force Base	$13,100,000
New Jersey	DFSC, McGuire Air Force Base	$12,000,000
Pennsylvania	Defense Distribution New Cumberland—DDSP	$4,600,000
Virginia	Defense Distribution Depot—DDNV	$10,400,000
Defense Mapping Agency		
Missouri	Defense Mapping Agency Aerospace Center	$40,300,000
Defense Medical Facility Office		
Alabama	Maxwell Air Force Base	$10,000,000
Arizona	Luke Air Force Base	$8,100,000
California	Fort Irwin	$6,900,000
	Marine Corps Base, Camp Pendleton	$1,700,000
	Vandenberg Air Force Base	$5,700,000
Delaware	Dover Air Force Base	$4,400,000
Georgia	Fort Benning	$5,600,000
Louisiana	Barksdale Air Force Base	$4,100,000
Maryland	Bethesda Naval Hospital	$1,300,000
	Walter Reed Army Institute of Research	$1,550,000
Texas	Fort Hood	$5,500,000
	Lackland Air Force Base	$6,100,000
Virginia	Northwest Naval Security Group Activity	$4,300,000
National Security Agency		
Maryland	Fort Meade	$18,733,000
Office of the Secretary of Defense		
Inside the United States	Classified location	$11,500,000
Department of Defense Dependents Schools		
Alabama	Maxwell Air Force Base	$5,479,000
Georgia	Fort Benning	$1,116,000
South Carolina	Fort Jackson	$576,000
Special Operations Command		
California	Camp Pendleton	$5,200,000
Florida	Eglin Air Force Base (Duke Field)	$2,400,000
	Eglin Auxiliary Field 9	$14,150,000
North Carolina	Fort Bragg	$23,800,000
Pennsylvania	Olmstead Field, Harrisburg IAP	$1,643,000
Virginia	Dam Neck	$4,500,000
	Naval Amphibious Base, Little Creek	$6,100,000
	Total:	$364,602,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency/Country	Installation name	Amount
Defense Logistics Agency		
Puerto Rico	Defense Fuel Support Point, Roosevelt Roads	$6,200,000
Spain	DFSC Rota	$7,400,000
Defense Medical Facility Office		
Italy	Naval Support Activity, Naples	$5,000,000
Department of Defense Dependents Schools		
Germany	Ramstein Air Force Base	$19,205,000
Italy	Naval Air Station, Sigonella	$7,595,000
National Security Agency		
United Kingdom	Menwith Hill Station	$677,000
Special Operations Command		
Guam	Naval Station, Guam	$8,800,000
	Total:	$54,877,000

SEC. 2402. MILITARY FAMILY HOUSING PRIVATE INVESTMENT.

(a) AVAILABILITY OF FUNDS FOR INVESTMENT.—Of the amount authorized to be appropriated pursuant to section 2405(a)(11)(A), $22,000,000 shall be available for crediting to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code (as added by section 2801 of this Act).

(b) USE OF FUNDS.—The Secretary of Defense may use funds credited to the Department of Defense Family Housing Improvement Fund under subsection (a) to carry out any activities authorized by subchapter IV of chapter 169 of such title (as added by such section) with respect to military family housing.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(11)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $3,772,000.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(9), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1995, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $4,629,491,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $329,599,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $54,877,000.

(3) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1640), $47,900,000.

(4) For military construction projects at Elmendorf Air Force Base, Alaska, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $28,100,000.

(5) For military construction projects at Walter Reed Army Institute of Research, Maryland, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $27,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $23,007,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $11,037,000.

(8) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $68,837,000.

(9) For energy conservation projects authorized by section 2404, $40,000,000.

(10) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $3,897,892,000.

(11) For military family housing functions:

(A) For construction and acquisition and improvement of military family housing and facilities, $25,772,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $40,467,000, of which not more than $24,874,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) Limitation of Total Cost of Construction Projects.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $35,003,000 (the balance of the amount authorized under section 2401(a) for the construction of a center of the Defense Finance and Accounting Service at Columbus, Ohio).

SEC. 2406. LIMITATIONS ON USE OF DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT 1990.

(a) Set Aside for 1995 Round.—Of the amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(10), $784,569,000 shall be available only for the purposes described in section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) with respect to military installations approved for closure or realignment in 1995.

(b) Construction.—Amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(10) may not be obligated to carry out a construction project with respect to military installations approved for closure or realignment in 1995 until after the date on which the Secretary of Defense submits to Congress a five-year program for executing the 1995 base realignment and closure plan. The limitation contained in this subsection shall not prohibit site surveys, environmental baseline surveys, environmental analysis under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and planning and design work conducted in anticipation of such construction.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1995 PROJECTS.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), under the agency heading relating to Chemical Weapons and Munitions Destruction, is amended—

(1) in the item relating to Pine Bluff Arsenal, Arkansas, by striking out "$3,000,000" in the amount column and inserting in lieu thereof "$115,000,000"; and

(2) in the item relating to Umatilla Army Depot, Oregon, by striking out "$12,000,000" in the amount column and inserting in lieu thereof "$186,000,000".

SEC. 2408. REDUCTION IN AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR FISCAL YEAR 1994 CONTINGENCY CONSTRUCTION PROJECTS.

Section 2403(a) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1876) is amended—

(1) in the matter preceding paragraph (1), by striking out "$3,268,394,000" and inserting in lieu thereof "$3,260,263,000"; and

(2) in paragraph (10), by striking out "$12,200,000" and inserting in lieu thereof "$4,069,000".

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1995, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure program, as authorized by section 2501, in the amount of $161,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1995, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $134,802,000; and

(B) for the Army Reserve, $73,516,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $19,055,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $170,917,000; and

(B) for the Air Force Reserve, $36,232,000.

SEC. 2602. REDUCTION IN AMOUNT AUTHORIZED TO BE APPROPRIATED FOR FISCAL YEAR 1994 AIR NATIONAL GUARD PROJECTS.

Section 2601(3)(A) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1878) is amended by striking out "$236,341,000" and inserting in lieu thereof "$229,641,000".

SEC. 2603. CORRECTION IN AUTHORIZED USES OF FUNDS FOR ARMY NATIONAL GUARD PROJECTS IN MISSISSIPPI.

(a) In General.—Subject to subsection (b), amounts appropriated pursuant to the authorization of appropriations in section 2601(1)(A) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1878) for the addition or alteration of Army National Guard Armories at various locations in the State of Mississippi shall be available for the addition, alteration, or new construction of armory facilities and an operation and maintenance shop facility (including the acquisition of land for such facilities) at various locations in the State of Mississippi.

(b) Notice and Wait.—The amounts referred to in subsection (a) shall not be available for construction with respect to a facility referred to in that subsection until 21 days after the date on which the Secretary of the Army submits to Congress a report describing the construction (including any land acquisition) to be carried out with respect to the facility.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) Expiration of Authorizations After Three Years.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1998; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999.

(b) Exception.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 1998; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1999 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1993 PROJECTS.

(a) Extensions.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2602), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 2601 of that Act or in section 2201 of that Act (as amended by section 2206 of this Act), shall remain in effect until October 1, 1996, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1997, whichever is later.

(b) Tables.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility	$15,000,000
Hawaii	Schofield Barracks	Add/Alter Sewage Treatment Plant	$17,500,000

Navy: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Treatment Plant Modifications	$19,740,000
Maryland	Patuxent River Naval Warfare Center	Large Anechoic Chamber, Phase I	$60,990,000
Mississippi	Meridian Naval Air Station	Child Development Center	$1,100,000
Virginia	Hampton Roads	Land Acquisition	$4,500,000

Air Force: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
Arkansas	Little Rock Air Force Base	Fire Training Facility	$710,000
District of Columbia	Bolling Air Force Base	Civil Engineer Complex	$9,400,000
Mississippi	Keesler Air Force Base	Alter Student Dormitory	$3,100,000
North Carolina	Pope Air Force Base	Construct Bridge Road and Utilities	$4,000,000
	Pope Air Force Base	Munitions Storage Complex	$4,300,000
Virginia	Langley Air Force Base	Base Engineer Complex	$5,300,000
Guam	Andersen Air Base	Landfill	$10,000,000
Portugal	Lajes Field	Water Wells	$865,000
	Lajes Field	Fire Training Facility	$950,000

Army National Guard: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Tuscaloosa	Armory	$2,273,000
	Union Springs	Armory	$813,000
Oregon	La Grande	Organizational Maintenance Shop	$1,220,000
	La Grande	Armory Addition	$3,049,000
Pennsylvania	Indiana	Armory	$1,700,000
Rhode Island	North Kingston	Add/Alter Armory	$3,330,000

Army Reserve: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
West Virginia	Bluefield	United States Army Reserve Center	$1,921,000
	Clarksburg	United States Army Reserve Center	$1,566,000
	Grantville	United States Army Reserve Center	$2,785,000
	Lewisburg	United States Army Reserve Center	$1,631,000
	Weirton	United States Army Reserve Center	$3,481,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101 or 2601 of that Act, and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047), shall remain in effect until October 1, 1996, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1997, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or Location	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Army Depot	Ammunition Demilitarization Utilities	$7,500,000

Army National Guard: Extension of 1992 Project Authorization

State	Installation or Location	Project	Amount
Ohio	Toledo	Armory	$3,183,000

Army Reserve: Extension of 1992 Project Authorization

State	Installation or Location	Project	Amount
Tennessee	Jackson	Joint Training Facility	$1,537,000

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Housing Privatization Initiative

SEC. 2801. ALTERNATIVE AUTHORITY FOR CONSTRUCTION AND IMPROVEMENT OF MILITARY HOUSING.

(a) Alternative Authority To Construct and Improve Military Housing.—(1) Chapter 169 of title 10, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER IV—ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING

"Sec.
"2871. Definitions.
"2872. General authority.
"2873. Direct loans and loan guarantees.
"2874. Leasing of housing to be constructed.
"2875. Investments in nongovernmental entities.
"2876. Rental guarantees.
"2877. Differential lease payments.
"2878. Conveyance or lease of existing property and facilities.
"2879. Interim leases.
"2880. Unit size and type.
"2881. Ancillary supporting facilities.
"2882. Assignment of members of the armed forces to housing units.
"2883. Department of Defense Housing Funds.
"2884. Reports.
"2885. Expiration of authority.

"§ 2871. Definitions

"In this subchapter:

"(1) The term 'ancillary supporting facilities' means facilities related to military housing units, including child care centers, day care centers, tot lots, community centers, housing offices, dining facilities, unit offices, and other similar facilities for the support of military housing.

"(2) The term 'base closure law' means the following:

"(A) Section 2687 of this title.

"(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

"(C) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(3) The term 'construction' means the construction of military housing units and ancillary supporting facilities or the improvement or rehabilitation of existing units or ancillary supporting facilities.

"(4) The term 'contract' includes any contract, lease, or other agreement entered into under the authority of this subchapter.

"(5) The term 'Fund' means the Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund established under section 2883(a) of this title.

"(6) The term 'military unaccompanied housing' means military housing intended to be occupied by members of the armed forces serving a tour of duty unaccompanied by dependents.

"(7) The term 'United States' includes the Commonwealth of Puerto Rico.

"§ 2872. General authority

"In addition to any other authority provided under this chapter for the acquisition or construction of military family housing or military unaccompanied housing, the Secretary concerned may exercise any authority or any combination of authorities provided under this subchapter in order to provide for the acquisition or construction by private persons of the following:

"(1) Family housing units on or near military installations within the United States and its territories and possessions.

"(2) Military unaccompanied housing units on or near such military installations.

"§ 2873. Direct loans and loan guarantees

"(a) Direct Loans.—(1) Subject to subsection (c), the Secretary concerned may make direct loans to persons in the private sector in order to provide funds to such persons for the acquisition or construction of housing units that the Secretary determines are suitable for use as military family housing or as military unaccompanied housing.

"(2) The Secretary concerned shall establish such terms and conditions with respect to loans made under this subsection as the Secretary considers appropriate to protect the interests of the United States, including the period and frequency for repayment of such loans and the obligations of the obligors on such loans upon default.

"(b) Loan Guarantees.—(1) Subject to subsection (c), the Secretary concerned may guarantee a loan made to any person in the private sector if the proceeds of the loan are to be used by the person to acquire, or construct housing units that the Secretary determines are suitable for use as military family housing or as military unaccompanied housing.

"(2) The amount of a guarantee on a loan that may be provided under paragraph (1) may not exceed the amount equal to the lesser of—

"(A) the amount equal to 80 percent of the value of the project; or

"(B) the amount of the outstanding principal of the loan.

"(3) The Secretary concerned shall establish such terms and conditions with respect to guarantees of loans under this subsection as the Secretary considers appropriate to protect the interests of the United States, including the rights and obligations of obligors of such loans and the rights and obligations of the United States with respect to such guarantees.

"(c) Limitation on Direct Loan and Guarantee Authority.—Direct loans and loan guarantees may be made under this section only to the extent that appropriations of budget authority to cover their cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) are made in advance, or authority is otherwise provided in appropriation Acts. If such appropriation or other authority is provided, there may be established a financing account (as defined in section 502(7) of such Act (2 U.S.C. 661a(7))), which shall be available for the disbursement of direct loans or payment of claims for payment on loan guarantees under this section and for all other cash flows to and from the Government as a result of direct loans and guarantees made under this section.

"§ 2874. Leasing of housing to be constructed

"(a) Build and Lease Authorized.—The Secretary concerned may enter into contracts for the lease of military family housing units or military unaccompanied housing units to be constructed under this subchapter.

"(b) Lease Terms.—A contract under this section may be for any period that the Secretary concerned determines appropriate and may provide for the owner of the leased property to operate and maintain the property.

"§ 2875. Investments in nongovernmental entities

"(a) Investments Authorized.—The Secretary concerned may make investments in nongovernmental entities carrying out projects for the acquisition or construction of housing units suitable for use as military family housing or as military unaccompanied housing.

"(b) Forms of Investment.—An investment under this section may take the form of an acquisition of a limited partnership interest by the United States, a purchase of stock or other equity instruments by the United States, a purchase of bonds or other debt instruments by the United States, or any combination of such forms of investment.

"(c) Limitation on Value of Investment.—(1) The cash amount of an investment under this section in a nongovernmental entity may not exceed an amount equal to 33⅓ percent of the capital cost (as determined by the Secretary concerned) of the project or projects that the entity proposes to carry out under this section with the investment.

"(2) If the Secretary concerned conveys land or facilities to a nongovernmental entity as all or part of an investment in the entity under this section, the total value of the investment by the Secretary under this section may not exceed an amount equal to 45 percent of the capital cost (as determined by the Secretary) of the project or projects that the entity proposes to carry out under this section with the investment.

"(3) In this subsection, the term 'capital cost', with respect to a project for the acquisition or construction of housing, means the total amount of the costs included in the basis of the housing for Federal income tax purposes.

"(d) Collateral Incentive Agreements.—The Secretary concerned shall enter into collateral incentive agreements with nongovernmental entities in which the Secretary makes an investment under this section to ensure that a suitable preference will be afforded members of the armed forces and their dependents in the lease or purchase, as the case may be, of a reasonable number of the housing units covered by the investment.

"§ 2876. Rental guarantees

"The Secretary concerned may enter into agreements with private persons that acquire or construct military family housing units or military unaccompanied housing units under this subchapter in order to assure—

"(1) the occupancy of such units at levels specified in the agreements; or

"(2) rental income derived from rental of such units at levels specified in the agreements.

"§ 2877. Differential lease payments

"Pursuant to an agreement entered into by the Secretary concerned and a private lessor of military family housing or military unaccompanied housing to members of the armed forces, the Secretary may pay the lessor an amount in addition to the rental payments for the housing made by the members as the Secretary determines appropriate to encourage the lessor to make the housing available to members of the armed forces as military family housing or as military unaccompanied housing.

"§ 2878. Conveyance or lease of existing property and facilities

"(a) Conveyance or Lease Authorized.—The Secretary concerned may convey or lease property or facilities (including ancillary supporting facilities) to private persons for purposes of using the proceeds of such conveyance or lease to carry out activities under this subchapter.

"(b) INAPPLICABILITY TO PROPERTY AT INSTALLATION APPROVED FOR CLOSURE.—The authority of this section does not apply to property or facilities located on or near a military installation approved for closure under a base closure law.

"(c) TERMS AND CONDITIONS.—(1) The conveyance or lease of property or facilities under this section shall be for such consideration and upon such terms and conditions as the Secretary concerned considers appropriate for the purposes of this subchapter and to protect the interests of the United States.

"(2) As part or all of the consideration for a conveyance or lease under this section, the purchaser or lessor (as the case may be) shall enter into an agreement with the Secretary to ensure that a suitable preference will be afforded members of the armed forces and their dependents in the lease or sublease of a reasonable number of the housing units covered by the conveyance or lease, as the case may be, or in the lease of other suitable housing units made available by the purchaser or lessee.

"(d) INAPPLICABILITY OF CERTAIN PROPERTY MANAGEMENT LAWS.—The conveyance or lease of property or facilities under this section shall not be subject to the following provisions of law:

"(1) Section 2667 of this title.

"(2) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

"(3) Section 321 of the Act of June 30, 1932 (commonly known as the Economy Act) (40 U.S.C. 303b).

"(4) Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401).

"§2879. Interim leases

"Pending completion of a project to acquire or construct military family housing units or military unaccompanied housing units under this subchapter, the Secretary concerned may provide for the interim lease of such units of the project as are complete. The term of a lease under this section may not extend beyond the date of the completion of the project concerned.

"§2880. Unit size and type

"(a) CONFORMITY WITH SIMILAR HOUSING UNITS IN LOCALE.—The Secretary concerned shall ensure that the room patterns and floor areas of military family housing units and military unaccompanied housing units acquired or constructed under this subchapter are generally comparable to the room patterns and floor areas of similar housing units in the locality concerned.

"(b) INAPPLICABILITY OF LIMITATIONS ON SPACE BY PAY GRADE.—(1) Section 2826 of this title shall not apply to military family housing units acquired or constructed under this subchapter.

"(2) The regulations prescribed under section 2856 of this title shall not apply to any military unaccompanied housing unit acquired or constructed under this subchapter unless the unit is located on a military installation.

"§2881. Ancillary supporting facilities

"Any project for the acquisition or construction of military family housing units or military unaccompanied housing units under this subchapter may include the acquisition or construction of ancillary supporting facilities for the housing units concerned.

"§2882. Assignment of members of the armed forces to housing units

"(a) IN GENERAL.—The Secretary concerned may assign members of the armed forces to housing units acquired or constructed under this subchapter.

"(b) EFFECT OF CERTAIN ASSIGNMENTS ON ENTITLEMENT TO HOUSING ALLOWANCES.—(1) Except as provided in paragraph (2), housing referred to in subsection (a) shall be considered as quarters of the United States or a housing facility under the jurisdiction of a uniformed service for purposes of section 403(b) of title 37.

"(2) A member of the armed forces who is assigned in accordance with subsection (a) to a housing unit not owned or leased by the United States shall be entitled to a basic allowance for quarters under section 403 of title 37 and, if in a high housing cost area, a variable housing allowance under section 403a of that title.

"(c) LEASE PAYMENTS THROUGH PAY ALLOTMENTS.—The Secretary concerned may require members of the armed forces who lease housing in housing units acquired or constructed under this subchapter to make lease payments for such housing pursuant to allotments of the pay of such members under section 701 of title 37.

"§2883. Department of Defense Housing Funds

"(a) ESTABLISHMENT.—There are hereby established on the books of the Treasury the following accounts:

"(1) The Department of Defense Family Housing Improvement Fund.

"(2) The Department of Defense Military Unaccompanied Housing Improvement Fund.

"(b) COMMINGLING OF FUNDS PROHIBITED.—(1) The Secretary of Defense shall administer each Fund separately.

"(2) Amounts in the Department of Defense Family Housing Improvement Fund may be used only to carry out activities under this subchapter with respect to military family housing.

"(3) Amounts in the Department of Defense Military Unaccompanied Housing Improvement Fund may be used only to carry out activities under this subchapter with respect to military unaccompanied housing.

"(c) CREDITS TO FUNDS.—(1) There shall be credited to the Department of Defense Family Housing Improvement Fund the following:

"(A) Amounts authorized for and appropriated to that Fund.

"(B) Subject to subsection (f), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military family housing.

"(C) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military family housing.

"(D) Income derived from any activities under this subchapter with respect to military family housing, including interest on loans made under section 2873 of this title, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

"(2) There shall be credited to the Department of Defense Military Unaccompanied Housing Improvement Fund the following:

"(A) Amounts authorized for and appropriated to that Fund.

"(B) Subject to subsection (f), any amounts that the Secretary of Defense transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Defense for the acquisition or construction of military unaccompanied housing.

"(C) Proceeds from the conveyance or lease of property or facilities under section 2878 of this title for the purpose of carrying out activities under this subchapter with respect to military unaccompanied housing.

"(D) Income derived from any activities under this subchapter with respect to military unaccompanied housing, including interest on loans made under section 2873 of this title, income and gains realized from investments under section 2875 of this title, and any return of capital invested as part of such investments.

"(d) USE OF AMOUNTS IN FUNDS.—(1) In such amounts as provided in appropriation Acts and except as provided in subsection (e), the Secretary of Defense may use amounts in the Department of Defense Family Housing Improvement Fund to carry out activities under this subchapter with respect to military family housing, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this subchapter.

"(2) In such amounts as provided in appropriation Acts and except as provided in subsection (e), the Secretary of Defense may use amounts in the Department of Defense Military Unaccompanied Housing Improvement Fund to carry out activities under this subchapter with respect to military unaccompanied housing, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this subchapter.

"(3) Amounts made available under this subsection shall remain available until expended. The Secretary of Defense may transfer amounts made available under this subsection to the Secretaries of the military departments to permit such Secretaries to carry out the activities for which such amounts may be used.

"(e) LIMITATION ON OBLIGATIONS.—The Secretary may not incur an obligation under a contract or other agreement entered into under this subchapter in excess of the unobligated balance, at the time the contract is entered into, of the Fund required to be used to satisfy the obligation.

"(f) NOTIFICATION REQUIRED FOR TRANSFERS.—A transfer of appropriated amounts to a Fund under paragraph (1)(B) or (2)(B) of subsection (c) may be made only after the end of the 30-day period beginning on the date the Secretary of Defense submits written notice of, and justification for, the transfer to the appropriate committees of Congress.

"(g) LIMITATION ON AMOUNT OF BUDGET AUTHORITY.—The total value in budget authority of all contracts and investments undertaken using the authorities provided in this subchapter shall not exceed—

"(1) $850,000,000 for the acquisition or construction of military family housing; and

"(2) $150,000,000 for the acquisition or construction of military unaccompanied housing.

"§2884. Reports

"(a) PROJECT REPORTS.—(1) The Secretary of Defense shall transmit to the appropriate committees of Congress a report describing—

"(A) each contract for the acquisition or construction of family housing units or unaccompanied housing units that the Secretary proposes to solicit under this subchapter; and

"(B) each conveyance or lease proposed under section 2878 of this title.

"(2) The report shall describe the proposed contract, conveyance, or lease and the intended method of participation of the United States in the contract, conveyance, or lease and provide a justification of such method of participation. The report shall be submitted not later than 30 days before the date on which the Secretary issues the contract solicitation or offers the conveyance or lease.

"(b) ANNUAL REPORTS.—The Secretary of Defense shall include each year in the materials that the Secretary submits to Congress in support of the budget submitted by the President pursuant to section 1105 of title 31 the following:

"(1) A report on the expenditures and receipts during the preceding fiscal year covering the Funds established under section 2883 of this title.

"(2) A methodology for evaluating the extent and effectiveness of the use of the authorities under this subchapter during such preceding fiscal year.

"(3) A description of the objectives of the Department of Defense for providing military family housing and military unaccompanied housing for members of the armed forces.

"§ 2885. Expiration of authority

"The authority to enter into a contract under this subchapter shall expire five years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996.".

(2) The table of subchapters at the beginning of such chapter is amended by inserting after the item relating to subchapter III the following new item:

"IV. Alternative Authority for Acquisition and Improvement of Military Housing .... 2871".

(b) FINAL REPORT.—Not later than March 1, 2000, the Secretary of Defense shall submit to the congressional defense committees a report on the use by the Secretary of Defense and the Secretaries of the military departments of the authorities provided by subchapter IV of chapter 169 of title 10, United States Code, as added by subsection (a). The report shall assess the effectiveness of such authority in providing for the construction and improvement of military family housing and military unaccompanied housing.

SEC. 2802. EXPANSION OF AUTHORITY FOR LIMITED PARTNERSHIPS FOR DEVELOPMENT OF MILITARY FAMILY HOUSING.

(a) PARTICIPATION OF OTHER MILITARY DEPARTMENTS.—(1) Subsection (a)(1) of section 2837 of title 10, United States Code, is amended by striking out "of the naval service" and inserting in lieu thereof "of the armed forces".

(2) Subsection (b)(1) of such section is amended by striking out "of the naval service" and inserting in lieu thereof "of the armed forces".

(b) ADMINISTRATION.—(1) Subsection (a)(1) of such section is further amended by striking out "the Secretary of the Navy" in the first sentence and inserting in lieu thereof "the Secretary of a military department".

(2) Subsections (a)(2), (b), (c), (g), and (h) of such section are amended by striking out "Secretary" each place it appears and inserting in lieu thereof "Secretary concerned".

(c) ACCOUNT.—Subsection (d) of such section is amended to read as follows:

"(d) ACCOUNT.—(1) There is hereby established on the books of the Treasury an account to be known as the 'Defense Housing Investment Account'.

"(2) There shall be deposited into the Account—

"(A) such funds as may be authorized for and appropriated to the Account;

"(B) any proceeds received by the Secretary concerned from the repayment of investments or profits on investments of the Secretary under subsection (a); and

"(C) any unobligated balances which remain in the Navy Housing Investment Account as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996.

"(3) From such amounts as are provided in advance in appropriation Acts, funds in the Account shall be available to the Secretaries concerned in amounts determined by the Secretary of Defense for contracts, investments, and expenses necessary for the implementation of this section.

"(4) The Secretary concerned may not enter into a contract in connection with a limited partnership under subsection (a) or a collateral incentive agreement under subsection (b) unless a sufficient amount of the unobligated balance of the funds in the Account is available to the Secretary, as of the time the contract is entered into, to satisfy the total obligations to be incurred by the United States under the contract.".

(d) TERMINATION OF NAVY HOUSING INVESTMENT BOARD.—Such section is further amended—

(1) by striking out subsection (e); and

(2) in subsection (h)—

(A) by striking out "AUTHORITIES" in the subsection heading and inserting in lieu thereof "AUTHORITY";

(B) by striking out "(1)"; and

(C) by striking out paragraph (2).

(e) REPORT.—Subsection (f) of such section is amended—

(1) by striking out "the Secretary carries out activities" and inserting in lieu thereof "activities are carried out"; and

(2) by striking out "the Secretary shall" and inserting in lieu thereof "the Secretaries concerned shall jointly".

(f) EXTENSION OF AUTHORITY.—Subsection (h) of such section is further amended by striking out "September 30, 1999" and inserting in lieu thereof "September 30, 2000".

(g) CONFORMING AMENDMENT.—Subsection (g) of such section is further amended by striking out "NAVY" in the subsection heading.

Subtitle B—Other Military Construction Program and Military Family Housing Changes

SEC. 2811. SPECIAL THRESHOLD FOR UNSPECIFIED MINOR CONSTRUCTION PROJECTS TO CORRECT LIFE, HEALTH, OR SAFETY DEFICIENCIES.

(a) SPECIAL THRESHOLD.—Section 2805 of title 10, United States Code, is amended—

(1) in subsection (a)(1), by adding at the end the following new sentence: "However, if the military construction project is intended solely to correct a deficiency that is life-threatening, health-threatening, or safety-threatening, a minor military construction project may have an approved cost equal to or less than $3,000,000."; and

(2) in subsection (c)(1), by striking out "not more than $300,000." and inserting in lieu thereof "not more than—

"(A) $1,000,000, in the case of an unspecified military construction project intended solely to correct a deficiency that is life-threatening, health-threatening, or safety-threatening; or

"(B) $300,000, in the case of any other unspecified military construction project.".

(b) TECHNICAL AMENDMENT.—Section 2861(b)(6) of such title is amended by striking out "section 2805(a)(2)" and inserting in lieu thereof "section 2805(a)(1)".

SEC. 2812. CLARIFICATION OF SCOPE OF UNSPECIFIED MINOR CONSTRUCTION AUTHORITY.

Section 2805(a)(1) of title 10, United States Code, as amended by section 2811 of this Act, is further amended by striking out "(1) that is for a single undertaking at a military installation, and (2)" in the second sentence.

SEC. 2813. TEMPORARY AUTHORITY TO WAIVE NET FLOOR AREA LIMITATION FOR FAMILY HOUSING ACQUIRED IN LIEU OF CONSTRUCTION.

Section 2824(c) of title 10, United States Code, is amended by adding at the end the following new sentence: "The Secretary concerned may waive the limitation set forth in the preceding sentence to family housing units acquired under this section during the five-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996.".

SEC. 2814. REESTABLISHMENT OF AUTHORITY TO WAIVE NET FLOOR AREA LIMITATION ON ACQUISITION BY PURCHASE OF CERTAIN MILITARY FAMILY HOUSING.

Section 2826(e) of title 10, United States Code, is amended by striking out the second sentence.

SEC. 2815. TEMPORARY AUTHORITY TO WAIVE LIMITATIONS ON SPACE BY PAY GRADE FOR MILITARY FAMILY HOUSING UNITS.

Section 2826 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i)(1) The Secretary concerned may waive the provisions of subsection (a) with respect to military family housing units constructed, acquired, or improved during the five-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996.

"(2) The total number of military family housing units constructed, acquired, or improved during any fiscal year in the period referred to in paragraph (1) shall be the total number of such units authorized by law for that fiscal year.".

SEC. 2816. RENTAL OF FAMILY HOUSING IN FOREIGN COUNTRIES.

Section 2828(e) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking out "300 units" in the first sentence and inserting in lieu thereof "450 units"; and

(B) by striking out "220 such units" in the second sentence and inserting in lieu thereof "350 such units"; and

(2) in paragraph (2), by striking out "300 units" and inserting in lieu thereof "450 units".

SEC. 2817. CLARIFICATION OF SCOPE OF REPORT REQUIREMENT ON COST INCREASES UNDER CONTRACTS FOR MILITARY FAMILY HOUSING CONSTRUCTION.

Subsection (d) of section 2853 of title 10, United States Code, is amended to read as follows:

"(d) The limitation on cost increases in subsection (a) does not apply to the settlement of a contractor claim under a contract.".

SEC. 2818. AUTHORITY TO CONVEY DAMAGED OR DETERIORATED MILITARY FAMILY HOUSING.

(a) AUTHORITY.—(1) Subchapter III of chapter 169 of title 10, United States Code, is amended by inserting after section 2854 the following new section:

"§ 2854a. Conveyance of damaged or deteriorated military family housing; use of proceeds

"(a) AUTHORITY TO CONVEY.—(1) The Secretary concerned may convey any family housing facility that, due to damage or deterioration, is in a condition that is uneconomical to repair. Any conveyance of a family housing facility under this section may include a conveyance of the real property associated with the facility conveyed.

"(2) The authority of this section does not apply to family housing facilities located at military installations approved for closure under a base closure law or family housing facilities located at an installation outside the United States at which the Secretary of Defense terminates operations.

"(3) The aggregate total value of the family housing facilities conveyed by the Department of Defense under the authority in this subsection in any fiscal year may not exceed $5,000,000.

"(4) For purposes of this subsection, a family housing facility is in a condition that is uneconomical to repair if the cost of the necessary repairs for the facility would exceed the amount equal to 70 percent of the cost of constructing a family housing facility to replace such facility.

"(b) CONSIDERATION.—(1) As consideration for the conveyance of a family housing facility under subsection (a), the person to whom the facility is conveyed shall pay the United States an amount equal to the fair market value of the facility conveyed, including any real property conveyed along with the facility.

"(2) The Secretary concerned shall determine the fair market value of any family housing facility and associated real property that is conveyed under subsection (a). Such determination shall be final.

"(c) NOTICE AND WAIT REQUIREMENTS.—The Secretary concerned may not enter into an agreement to convey a family housing facility under this section until—

"(1) the Secretary submits to the appropriate committees of Congress, in writing, a justification for the conveyance under the agreement, including—

"(A) an estimate of the consideration to be provided the United States under the agreement;

"(B) an estimate of the cost of repairing the family housing facility to be conveyed; and

"(C) an estimate of the cost of replacing the family housing facility to be conveyed; and

"(2) a period of 21 calendar days has elapsed after the date on which the justification is received by the committees.

"(d) INAPPLICABILITY OF CERTAIN PROPERTY DISPOSAL LAWS.—The following provisions of law do not apply to the conveyance of a family housing facility under this section:

"(1) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

"(2) Title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

"(e) USE OF PROCEEDS.—(1) The proceeds of any conveyance of a family housing facility under this section shall be credited to the appropriate fund established under section 2883 of this title and shall be available—

"(A) to construct family housing units to replace the family housing facility conveyed under this section, but only to the extent that the number of units constructed with such proceeds does not exceed the number of units of military family housing of the facility conveyed;

"(B) to repair or restore existing military family housing; and

"(C) to reimburse the Secretary concerned for the costs incurred by the Secretary in conveying the family housing facility.

"(2) Notwithstanding section 2883(d) of this title, proceeds derived from a conveyance of a family housing facility under this section shall be available under paragraph (1) without any further appropriation.

"(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of any family housing facility conveyed under this section, including any real property associated with such facility, shall be determined by such means as the Secretary concerned considers satisfactory, including by survey in the case of real property.

"(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary concerned may require such additional terms and conditions in connection with the conveyance of family housing facilities under this section as the Secretary considers appropriate to protect the interests of the United States.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2854 the following new item:

"2854a. Conveyance of damaged or deteriorated military family housing; use of proceeds.".

(b) CONFORMING AMENDMENT.—Section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph (4):

"(4) This subsection does not apply to damaged or deteriorated military family housing facilities conveyed under section 2854a of title 10, United States Code.".

SEC. 2819. ENERGY AND WATER CONSERVATION SAVINGS FOR THE DEPARTMENT OF DEFENSE.

(a) INCLUSION OF WATER EFFICIENT MAINTENANCE IN ENERGY PERFORMANCE PLAN.—Paragraph (3) of section 2865(a) of title 10, United States Code, is amended by striking out "energy efficient maintenance" and inserting in lieu thereof "energy efficient maintenance or water efficient maintenance".

(b) SCOPE OF TERM.—Paragraph (4) of such section is amended—

(1) in the matter preceding subparagraph (A), by striking out "'energy efficient maintenance'" and inserting in lieu thereof "'energy efficient maintenance or water efficient maintenance'";

(2) in subparagraph (A), by striking out "systems or industrial processes," in the matter preceding clause (i) and inserting in lieu thereof "systems, industrial processes, or water efficiency applications,"; and

(3) in subparagraph (B), by inserting "or water cost savings" before the period at the end.

SEC. 2820. EXTENSION OF AUTHORITY TO ENTER INTO LEASES OF LAND FOR SPECIAL OPERATIONS ACTIVITIES.

(a) EXTENSION OF AUTHORITY.—Subsection (d) of section 2680 of title 10, United States Code, is amended in the first sentence by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 2000".

(b) REPORTING REQUIREMENT.—Such section is further amended by adding at the end the following new subsection:

"(e) REPORTS.—Not later than March 1 of each year, the Secretary of Defense shall submit to the Committee on the Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that—

"(1) identifies each leasehold interest acquired during the previous fiscal year under subsection (a); and

"(2) contains a discussion of each project for the construction or modification of facilities carried out pursuant to subsection (c) during such fiscal year.".

(c) CONFORMING REPEAL.—Section 2863 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 10 U.S.C. 2680 note) is amended by striking out subsection (b).

SEC. 2821. DISPOSITION OF AMOUNTS RECOVERED AS A RESULT OF DAMAGE TO REAL PROPERTY.

(a) IN GENERAL.—Chapter 165 of title 10, United States Code, is amended by inserting after section 2781 the following new section:

"§ 2782. Damage to real property: disposition of amounts recovered

"Except as provided in section 2775 of this title, amounts recovered for damage caused to real property under the jurisdiction of the Secretary of a military department or, with respect to the Defense Agencies, under the jurisdiction of the Secretary of Defense shall be credited to the account available for the repair or replacement of the real property at the time of recovery. In such amounts as are provided in advance in appropriation Acts, amounts so credited shall be available for use for the same purposes and under the same circumstances as other funds in the account.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2781 the following new item:

"2782. Damage to real property: disposition of amounts recovered.".

SEC. 2822. PILOT PROGRAM TO PROVIDE INTEREST RATE BUY DOWN AUTHORITY ON LOANS FOR HOUSING WITHIN HOUSING SHORTAGE AREAS AT MILITARY INSTALLATIONS.

(a) SHORT TITLE.—This section may be cited as the "Military Housing Assistance Act of 1995".

(b) MORTGAGE ASSISTANCE PAYMENT AUTHORITY OF THE SECRETARY OF VETERANS AFFAIRS.—(1) Chapter 37 of title 38, United States Code, is amended by inserting after section 3707 the following:

"§ 3708. Authority to buy down interest rates: pilot program

"(a) In order to enable the purchase of housing in areas where the supply of suitable military housing is inadequate, the Secretary may conduct a pilot program under which the Secretary may make periodic or lump sum assistance payments on behalf of an eligible veteran for the purpose of buying down the interest rate on a loan to that veteran that is guaranteed under this chapter for a purpose described in paragraph (1), (6), or (10) of section 3710(a) of this title.

"(b) An individual is an eligible veteran for the purposes of this section if—

"(1) the individual is a veteran, as defined in section 3701(b)(4) of this title;

"(2) the individual submits an application for a loan guaranteed under this chapter within one year of an assignment of the individual to duty at a military installation in the United States designated by the Secretary of Defense as a housing shortage area;

"(3) at the time the loan referred to in subsection (a) is made, the individual is an enlisted member, warrant officer, or an officer (other than a warrant officer) at a pay grade of O-3 or below;

"(4) the individual has not previously used any of the individual's entitlement to housing loan benefits under this chapter; and

"(5) the individual receives comprehensive prepurchase counseling from the Secretary (or the designee of the Secretary) before making application for a loan guaranteed under this chapter.

"(c) Loans with respect to which the Secretary may exercise the buy down authority under subsection (a) shall—

"(1) provide for a buy down period of not more than three years in duration;

"(2) specify the maximum and likely amounts of increases in mortgage payments that the loans would require; and

"(3) be subject to such other terms and conditions as the Secretary may prescribe by regulation.

"(d) The Secretary shall promulgate underwriting standards for loans for which the interest rate assistance payments may be made under subsection (a). Such standards shall be based on the interest rate for the second year of the loan.

"(e) The Secretary or lender shall provide comprehensive prepurchase counseling to eligible veterans explaining the features of interest rate buy downs under subsection (a), including a hypothetical payment schedule that displays the increases in monthly payments to the mortgagor over the first five years of the mortgage term. For the purposes of this subsection, the Secretary may assign personnel to military installations referred to in subsection (b)(2).

"(f) There is authorized to be appropriated $3,000,000 annually to carry out this section.

"(g) The Secretary may not guarantee a loan under this chapter after September 30, 1998, on which the Secretary is obligated to make payments under this section.".

(2) The table of sections at the beginning of chapter 37 of title 38, United States Code, is amended by inserting after the item relating to section 3707 to following new item:

"3708. Authority to buy down interest rates: pilot program.".

(c) AUTHORITY OF SECRETARY OF DEFENSE.—

(1) REIMBURSEMENT FOR BUY DOWN COSTS.—The Secretary of Defense shall reimburse the Secretary of Veterans Affairs for amounts paid by the Secretary of Veterans Affairs to mortgagees under section 3708 of title 38, United States Code, as added by subsection (b).

(2) DESIGNATION OF HOUSING SHORTAGE AREAS.—For purposes of section 3708 of title 38, United States Code, the Secretary of Defense may designate as a housing shortage area a military installation in the United States at which the Secretary determines there is a shortage of suitable housing to meet the military family needs of members of the Armed Forces and the dependents of such members.

(3) REPORT.—Not later than March 30, 1998, the Secretary shall submit to Congress a report regarding the effectiveness of the authority provided in section 3708 of title 38, United States Code, in ensuring that members of the Armed Forces and their dependents have access to suitable housing. The report shall include the recommendations of the Secretary regarding whether the authority provided in this subsection should be extended beyond the date specified in paragraph (5).

(4) EARMARK.—Of the amount provided in section 2405(a)(11)(B), $10,000,000 for fiscal year 1996 shall be available to carry out this subsection.

(5) SUNSET.—This subsection shall not apply with respect to housing loans guaranteed after September 30, 1998, for which assistance payments are paid under section 3708 of title 38, United States Code.

Subtitle C—Defense Base Closure and Realignment

SEC. 2831. DEPOSIT OF PROCEEDS FROM LEASES OF PROPERTY LOCATED AT INSTALLATIONS BEING CLOSED OR REALIGNED.

(a) EXCEPTION TO EXISTING REQUIREMENTS.—Section 2667(d) of title 10, United States Code, is amended—

(1) in paragraph (1)(A)(ii), by inserting "or (5)" after "paragraph (4)"; and

(2) by adding at the end the following new paragraph:

"(5) Money rentals received by the United States from a lease under subsection (f) shall be deposited into the account established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).".

(b) CORRESPONDING AMENDMENTS TO BASE CLOSURE LAWS.—(1) Section 207(a)(7) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by striking out "transfer or disposal" and inserting in lieu thereof "lease, transfer, or disposal".

(2) Section 2906(a)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2867 note) is amended—

(A) in subparagraph (C), by striking out "transfer or disposal" and inserting in lieu thereof "lease, transfer, or disposal"; and

(B) in subparagraph (D), by striking out "transfer or disposal" and inserting in lieu thereof "lease, transfer, or disposal".

SEC. 2832. IN-KIND CONSIDERATION FOR LEASES AT INSTALLATIONS TO BE CLOSED OR REALIGNED.

Section 2667(f) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) The Secretary concerned may accept under subsection (b)(5) services of a lessee for an entire installation to be closed or realigned under a base closure law, or for any part of such installation, without regard to the requirement in subsection (b)(5) that a substantial part of the installation be leased.".

SEC. 2833. INTERIM LEASES OF PROPERTY APPROVED FOR CLOSURE OR REALIGNMENT.

Section 2667(f) of title 10, United States Code, is amended by adding after paragraph (4), as added by section 2832 of this Act, the following new paragraph:

"(5)(A) Notwithstanding the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the scope of any environmental impact analysis necessary to support an interim lease of property under this subsection shall be limited to the environmental consequences of activities authorized under the proposed lease and the cumulative impacts of other past, present, and reasonably foreseeable future actions during the period of the proposed lease.

"(B) Interim leases entered into under this subsection shall be deemed not to prejudice the final disposal decision with respect to the property, even if final disposal of the property is delayed until completion of the term of the interim lease. An interim lease under this subsection shall not be entered into without prior consultation with the redevelopment authority concerned.

"(C) Subparagraphs (A) and (B) shall not apply to an interim lease under this subsection if authorized activities under the lease would—

"(i) significantly affect the quality of the human environment; or

"(ii) irreversibly alter the environment in a way that would preclude any reasonable disposal alternative of the property concerned.".

SEC. 2834. AUTHORITY TO LEASE PROPERTY REQUIRING ENVIRONMENTAL REMEDIATION AT INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

Section 120(h)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(3)) is amended in the matter following subparagraph (C)—

(1) by striking out the first sentence; and

(2) by adding at the end, flush to the paragraph margin, the following:

"The requirements of subparagraph (B) shall not apply in any case in which the person or entity to whom the real property is transferred is a potentially responsible party with respect to such property. The requirements of subparagraph (B) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the lessee has agreed to purchase the property or whether the duration of the lease is longer than 55 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (B) that has not been taken on the date of the lease.".

SEC. 2835. FINAL FUNDING FOR DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION.

Section 2902(k) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by adding at the end the following new paragraph:

"(3)(A) The Secretary may transfer not more than $300,000 from unobligated funds in the account referred to in subparagraph (B) for the purpose of assisting the Commission in carrying out its duties under this part during October, November, and December 1995. Funds transferred under the preceding sentence shall remain available until December 31, 1995.

"(B) The account referred to in subparagraph (A) is the Department of Defense Base Closure Account established under section 207(a) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).".

SEC. 2836. EXERCISE OF AUTHORITY DELEGATED BY THE ADMINISTRATOR OF GENERAL SERVICES.

Section 2905(b)(2) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A)—

(A) by striking out "Subject to subparagraph (C)" in the matter preceding clause (i) and inserting in lieu thereof "Subject to subparagraph (B)"; and

(B) by striking out "in effect on the date of the enactment of this Act" each place it appears in clauses (i) and (ii);

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following new subparagraph (B):

"(B) The Secretary may, with the concurrence of the Administrator of General Services—

"(i) prescribe general policies and methods for utilizing excess property and disposing of surplus property pursuant to the authority delegated under paragraph (1); and

"(ii) issue regulations relating to such policies and methods, which shall supersede the regulations referred to in subparagraph (A) with respect to that authority."; and

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

SEC. 2837. LEASE BACK OF PROPERTY DISPOSED FROM INSTALLATIONS APPROVED FOR CLOSURE OR REALIGNMENT.

(a) AUTHORITY.—Section 2905(b)(4) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively; and

(2) by inserting after subparagraph (B) the following new subparagraph (C):

"(C)(i) The Secretary may transfer real property at an installation approved for closure or realignment under this part (including property at an installation approved for realignment which will be retained by the Department of Defense or another Federal agency after realignment) to the redevelopment authority for the installation if the redevelopment authority agrees to lease, directly upon transfer, one or more portions of the property transferred under this subparagraph to the Secretary or to the head of another department or agency of the Federal Government. Subparagraph (B) shall apply to a transfer under this subparagraph.

"(ii) A lease under clause (i) shall be for a term of not to exceed 50 years, but may provide for options for renewal or extension of the term by the department or agency concerned.

"(iii) A lease under clause (i) may not require rental payments by the United States.

"(iv) A lease under clause (i) shall include a provision specifying that if the department or agency concerned ceases requiring the use of the leased property before the expiration of the term of the lease, the remainder of the lease term may be satisfied by the same or another department or agency of the Federal Government using the property for a use similar to the use under the lease. Exercise of the authority provided by this clause shall be made in consultation with the redevelopment authority concerned.".

(b) USE OF FUNDS TO IMPROVE LEASED PROPERTY.—Notwithstanding any other provision of law, a department or agency of the Federal Government that enters into a lease of property under section 2905(b)(4)(C) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), as amended by subsection (a), may improve the leased property using funds appropriated or otherwise available to the department or agency for such purpose.

SEC. 2838. IMPROVEMENT OF BASE CLOSURE AND REALIGNMENT PROCESS REGARDING DISPOSAL OF PROPERTY.

(a) APPLICABILITY.—Subparagraph (A) of section 2905(b)(7) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended to read as follows:

"(A) The disposal of buildings and property located at installations approved for closure or realignment under this part after October 25, 1994, shall be carried out in accordance with this paragraph rather than paragraph (6).".

(b) AGREEMENTS UNDER REDEVELOPMENT PLANS.—Subparagraph (F)(ii)(I) of such section is amended in the second sentence by striking out "the approval of the redevelopment plan by the Secretary of Housing and Urban Development under subparagraph (H) or (J)" and inserting in lieu thereof "the decision regarding the disposal of the buildings and property covered by the agreements by the Secretary of Defense under subparagraph (K) or (L)".

(c) REVISION OF REDEVELOPMENT PLANS.—Subparagraph (I) of such section is amended—

(1) in clause (i)(II), by inserting "the Secretary of Defense and" before "the Secretary of Housing and Urban Development"; and

(2) in clause (ii), by striking out "the Secretary of Housing and Urban Development" and inserting in lieu thereof "such Secretaries".

(d) DISPOSAL OF BUILDINGS AND PROPERTY.—(1) Subparagraph (K) of such section is amended to read as follows:

"(K)(i) Upon receipt of a notice under subparagraph (H)(iv) or (J)(ii) of the determination of the Secretary of Housing and Urban Development that a redevelopment plan for an installation meets the requirements set forth in subparagraph (H)(i), the Secretary of Defense shall dispose of the buildings and property at the installation.

"(ii) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary of Defense shall treat the redevelopment plan for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation.

"(iii) The Secretary of Defense shall dispose of buildings and property under clause (i) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.). In preparing the record of decision or other decision document, the Secretary shall give substantial deference to the redevelopment plan concerned.

"(iv) The disposal under clause (i) of buildings and property to assist the homeless shall be without consideration.

"(v) In the case of a request for a conveyance under clause (i) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or sections 47151 through 47153 of title 49, United States Code, the sponsoring Federal agency shall use the eligibility criteria set forth in such section or such subchapter (as the case may be) to determine the eligibility of the applicant and use proposed in the request for the public benefit conveyance. The determination of such eligibility should be made before submission of the redevelopment plan concerned under subparagraph (G).".

(2) Subparagraph (L) of such section is amended by striking out clauses (iii) and (iv) and inserting in lieu thereof the following new clauses (iii) and (iv):

"(iii) Not later than 90 days after the date of the receipt of a revised plan for an installation under subparagraph (J), the Secretary of Housing and Urban Development shall—

"(I) notify the Secretary of Defense and the redevelopment authority concerned of the buildings and property at an installation under clause (i)(IV) that the Secretary of Housing and Urban Development determines are suitable for use to assist the homeless; and

"(II) notify the Secretary of Defense of the extent to which the revised plan meets the criteria set forth in subparagraph (H)(i).

"(iv)(I) Upon notice from the Secretary of Housing and Urban Development with respect to an installation under clause (iii), the Secretary of Defense shall dispose of buildings and property at the installation in consultation with the Secretary of Housing and Urban Development and the redevelopment authority concerned.

"(II) For purposes of carrying out an environmental assessment of the closure or realignment of an installation, the Secretary of Defense shall treat the redevelopment plan submitted by the redevelopment authority for the installation (including the aspects of the plan providing for disposal to State or local governments, representatives of the homeless, and other interested parties) as part of the proposed Federal action for the installation. The Secretary of Defense shall incorporate the notification of the Secretary of Housing and Urban Development under clause (iii)(I) as part of the proposed Federal action for the installation only to the extent, if any, that the Secretary of Defense considers such incorporation to be appropriate and consistent with the best and highest use of the installation as a whole, taking into consideration the redevelopment plan submitted by the redevelopment authority.

"(III) The Secretary of Defense shall dispose of buildings and property under subclause (I) in accordance with the record of decision or other decision document prepared by the Secretary in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.). In preparing the record of decision or other decision document, the Secretary shall give deference to the redevelopment plan submitted by the redevelopment authority for the installation.

"(IV) The disposal under subclause (I) of buildings and property to assist the homeless shall be without consideration.

"(V) In the case of a request for a conveyance under subclause (I) of buildings and property for public benefit under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or sections 47151 through 47153 of title 49, United States Code, the sponsoring Federal agency shall use the eligibility criteria set forth in such section or such subchapter (as the case may be) to determine the eligibility of the applicant and use proposed in the request for the public benefit conveyance. The determination of such eligibility should be made before submission of the redevelopment plan concerned under subparagraph (G).".

(e) CONFORMING AMENDMENT.—Subparagraph (M)(i) of such section is amended by inserting "or (L)" after "subparagraph (K)".

(f) CLARIFICATION OF PARTICIPANTS IN PROCESS.—Such section is further amended by adding at the end the following new subparagraph:

"(P) For purposes of this paragraph, the term 'other interested parties', in the case of an installation, includes any parties eligible for the conveyance of property of the installation under section 203(k) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(k)) or sections 47151 through 47153 of title 49, United States Code, whether or not the parties assist the homeless.".

SEC. 2839. AGREEMENTS FOR CERTAIN SERVICES AT INSTALLATIONS BEING CLOSED.

(a) 1988 LAW.—Section 204(b)(8) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(A) Subject to subparagraph (C), the Secretary may enter into agreements (including contracts, cooperative agreements, or other arrangements for reimbursement) with local governments for the provision of police or security services, fire protection services, airfield operation services, or other community services by such governments at military installations to be closed under this title if the Secretary determines that the provision of such services under such agreements is in the best interests of the Department of Defense.".

(b) 1990 LAW.—Section 2905(b)(8) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2867 note) is amended by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(A) Subject to subparagraph (C), the Secretary may enter into agreements (including contracts, cooperative agreements, or other arrangements for reimbursement) with local governments for the provision of police or security services, fire protection services, airfield operation services, or other community services by such governments at military installations to be closed under this part if the Secretary determines that the provision of such services under such agreements is in the best interests of the Department of Defense.".

SEC. 2840. AUTHORITY TO TRANSFER PROPERTY AT MILITARY INSTALLATIONS TO BE CLOSED TO PERSONS WHO CONSTRUCT OR PROVIDE MILITARY FAMILY HOUSING.

(a) 1988 LAW.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(e) TRANSFER AUTHORITY IN CONNECTION WITH CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUSING.—(1) Subject to paragraph (2), the Secretary may enter into an agreement to transfer by deed real property or facilities located at or near an installation closed or to be closed under this title with any person who agrees, in exchange for the real property or facilities, to transfer to the Secretary housing units that are constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable housing to meet the requirements of members of the Armed Forces and their dependents. The Secretary may not select real property for transfer under this paragraph if the property is identified in the redevelopment plan for the installation as items essential to the reuse or redevelopment of the installation.

"(2) A transfer of real property or facilities may be made under paragraph (1) only if—

"(A) the fair market value of the housing units to be received by the Secretary in exchange for the property or facilities to be transferred is equal to or greater than the fair market value of such property or facilities, as determined by the Secretary; or

"(B) in the event the fair market value of the housing units is less than the fair market value of property or facilities to be transferred, the recipient of the property or facilities agrees to pay to the Secretary the amount equal to the excess of the fair market value of the property or facilities over the fair market value of the housing units.

"(3) Notwithstanding section 207(a)(7), the Secretary may deposit funds received under paragraph (2)(B) in the Department of Defense Family Housing Improvement Fund established under section 2873(a) of title 10, United States Code.

"(4) The Secretary shall submit to the appropriate committees of Congress a report describing each agreement proposed to be entered into under paragraph (1), including the consideration to be received by the United States under the agreement. The Secretary may not enter into the agreement until the end of the 21-day period beginning on the date the appropriate committees of Congress receive the report regarding the agreement.

"(5) The Secretary may require any additional terms and conditions in connection with an agreement authorized by this subsection as the Secretary considers appropriate to protect the interests of the United States.".

(b) 1990 LAW.—Section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(f) TRANSFER AUTHORITY IN CONNECTION WITH CONSTRUCTION OR PROVISION OF MILITARY FAMILY HOUSING.—(1) Subject to paragraph (2), the Secretary may enter into an agreement to transfer by deed real property or facilities located at or near an installation closed or to be closed under this part with any person who agrees, in exchange for the real property or facilities, to transfer to the Secretary housing units that are constructed or provided by the person and located at or near a military installation at which there is a shortage of suitable housing to meet the requirements of members of the Armed Forces and their dependents. The Secretary may not select real property for transfer under this paragraph if the property is identified in the redevelopment plan for the installation as property essential to the reuse or redevelopment of the installation.

"(2) A transfer of real property or facilities may be made under paragraph (1) only if—

"(A) the fair market value of the housing units to be received by the Secretary in exchange for the property or facilities to be transferred is equal to or greater than the fair market value of such property or facilities, as determined by the Secretary; or

"(B) in the event the fair market value of the housing units is less than the fair market value of property or facilities to be transferred, the recipient of the property or facilities agrees to pay to the Secretary the amount equal to the excess of the fair market value of the property or facilities over the fair market value of the housing units.

"(3) Notwithstanding paragraph (2) of section 2906(a), the Secretary may deposit funds received under paragraph (2)(B) in the Department of Defense Family Housing Improvement Fund established under section 2873(a) of title 10, United States Code.

"(4) The Secretary shall submit to the congressional defense committees a report describing each agreement proposed to be entered into under paragraph (1), including the consideration to be received by the United States under the agreement. The Secretary may not enter into the agreement until the end of the 30-day period beginning on the date the congressional defense committees receive the report regarding the agreement.

"(5) The Secretary may require any additional terms and conditions in connection with an agreement authorized by this subsection as the Secretary considers appropriate to protect the interests of the United States.".

(c) REGULATIONS.—Not later than nine months after the date of the enactment of this Act, the Secretary of Defense shall prescribe any regulations necessary to carry out subsection (e) of section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), as added by subsection (a), and subsection (f) of section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), as added by subsection (b).

SEC. 2841. USE OF SINGLE BASE CLOSURE AUTHORITIES FOR DISPOSAL OF PROPERTY AND FACILITIES AT FORT HOLABIRD, MARYLAND.

(a) CONSOLIDATION OF BASE CLOSURE AUTHORITIES.—In the case of the property and facilities at Fort Holabird, Maryland, described in subsection (b), the Secretary of Defense shall dispose of such property and facilities in accordance with section 2905(b)(7) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), as amended by section 2838 of this Act.

(b) COVERED PROPERTY AND FACILITIES.—Subsection (a) applies to the following property and facilities at Fort Holabird, Maryland:

(1) Property and facilities that were approved for closure or realignment under title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), but have not been disposed of as of the date of the enactment of this Act, including buildings 305 and 306 and the parking lots and other property associated with such buildings.

(2) Property and facilities that were approved in 1995 for closure or realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(c) USE OF SURVEYS AND OTHER EVALUATIONS OF PROPERTY.—In carrying out the disposal of the property and facilities referred to in subsection (b)(1), the Secretary shall utilize any surveys and other evaluations of such property and facilities that were prepared by the Corps of Engineers before the date of the enactment of this Act as part of the process for the disposal of such property and facilities.

Subtitle D—Land Conveyances Generally

PART I—ARMY CONVEYANCES

SEC. 2851. TRANSFER OF JURISDICTION, FORT SAM HOUSTON, TEXAS.

(a) TRANSFER OF LAND FOR NATIONAL CEMETERY.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property (including any improvements thereon) consisting of approximately 53 acres and comprising a portion of Fort Sam Houston, Texas.

(b) USE OF LAND.—The Secretary of Veterans Affairs shall use the real property transferred under subsection (a) as a national cemetery under chapter 24 of title 38, United States Code.

(c) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the Secretary of Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Army considers appropriate to protect the interests of the United States.

SEC. 2852. TRANSFER OF JURISDICTION, FORT BLISS, TEXAS.

(a) TRANSFER OF LAND FOR NATIONAL CEMETERY.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property (including any improvements thereon) consisting of approximately 22 acres and comprising a portion of Fort Bliss, Texas.

(b) USE OF LAND.—The Secretary of Veterans Affairs shall use the real property transferred under subsection (a) as an addition to the Fort Bliss National Cemetery and administer such real property pursuant to chapter 24 of title 38, United States Code.

(c) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the Secretary of Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Army considers appropriate to protect the interests of the United States.

SEC. 2853. TRANSFER OF JURISDICTION AND LAND CONVEYANCE, FORT DEVENS MILITARY RESERVATION, MASSACHUSETTS.

(a) TRANSFER OF LAND FOR WILDLIFE REFUGE.—Subject to subsections (b) and (c), the Secretary of the Army shall transfer, without reimbursement, to the administrative jurisdiction of the Secretary of the Interior that portion of Fort Devens Military Reservation, Massachusetts, that is situated south of Massachusetts State Route 2, for inclusion in the Oxbow National Wildlife Refuge.

(b) LAND CONVEYANCE.—Subject to subsection (c), the Secretary of the Army shall convey to the Town of Lancaster, Massachusetts (in this section referred to as the "Town"), all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 100 acres of the parcel available for transfer under subsection (a) and located adjacent to Massachusetts State Highway 70.

(c) REQUIREMENTS RELATING TO TRANSFER AND CONVEYANCE.—(1) The transfer under subsection (a) and the conveyance under subsection (b) may not be made unless the property to be transferred and conveyed is determined to be excess to the needs of the Department of Defense.

(2) The transfer and conveyance shall be made as soon as practicable after the date on which the property is determined to be excess to the needs of the Department of Defense.

(d) LEGAL DESCRIPTION.—(1) The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey mutually satisfactory to the Secretary of the Army and the Secretary of the Interior. The cost of the survey shall be borne by the Secretary of the Interior.

(2) The exact acreage and legal description of the real property to be conveyed under subsection (b) shall be determined by a survey mutually satisfactory to the Secretary of the Army, the Secretary of the Interior, and the Board of Selectmen of the Town. The cost of the survey shall be borne by the Town.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the transfer under subsection (a) and the conveyance under subsection (b) as the Secretary of the Army considers appropriate to protect the interests of the United States.

SEC. 2854. MODIFICATION OF LAND CONVEYANCE, FORT BELVOIR, VIRGINIA.

(a) DESIGNATION OF RECIPIENT.—Subsection (a) of section 2821 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1658) is amended by striking out "any grantee selected in accordance with subsection (e)" and inserting in lieu thereof "the County of Fairfax, Virginia (in this section referred to as the 'grantee'),".

(b) CONSIDERATION.—Subsection (b)(1) of such section is amended by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

"(B) grant title, free of liens and other encumbrances, to the Department to such facilities and, if not already owned by the Department, to the underlying land; and".

(c) CONTENT OF AGREEMENT.—Subsection (c) of such section is amended to read as follows:

"(c) CONTENT OF AGREEMENT.—An agreement entered into under this section shall include the following:

"(1) A requirement that the grantee construct facilities and make infrastructure improvements for the Department of the Army that the Secretary determines are necessary for the Department at Fort Belvoir and at other sites at which activities will be relocated as a result of the conveyance made under this section.

"(2) A requirement that the construction of facilities and infrastructure improvements referred to in paragraph (1) be carried out in accordance with plans and specifications approved by the Secretary.

"(3) A requirement that the Secretary retain a lien or other security interest against the property conveyed to the grantee in the amount of the fair market value of the property, as determined under subsection (b)(2). The agreement will specify the terms for releasing the lien or other security interest, in whole or in part. In the event of default by the County on its obligations under the terms of the agreement, the Secretary shall enforce the lien or security interest. The proceeds obtained through enforcing the lien or security interest may be used by the Secretary to construct facilities and make infrastructure improvements in lieu of those provided for in the agreement.".

(d) SURVEYS.—Subsection (g) of such section is amended by striking out the last sentence and inserting in lieu thereof the following: "The grantee shall be responsible for completing any such survey without cost to the United States.".

(e) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking out "Subject to subsections (b) through (h), the" and inserting in lieu thereof "The";

(2) in subsection (b)(1), by striking out "subsection (c)(1)(D)" both places it appears and inserting in lieu thereof "subsection (c)(1)(A)";

(3) by striking out subsections (e) and (f); and

(4) by redesignating subsections (g) and (h) as subsections (e) and (f), respectively.

SEC. 2855. LAND EXCHANGE, FORT LEWIS, WASHINGTON.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Weyerhaeuser Real Estate Company, Tacoma, Washington (in this section referred to as "WRECO"), all right, title, and interest of the United States in and to a parcel of real property at Fort Lewis, Washington, known as an unimproved portion of Tract 1000 (formerly being in the DuPont Steilacoom Road, consisting of approximately 1.23 acres), and Tract 26E (consisting of 0.03 acre).

(b) CONSIDERATION.—As consideration for the conveyance authorized by subsection (a), WRECO shall convey or cause to be conveyed to the United States, by warranty deed acceptable to the Secretary, a 0.39 acre parcel of real property located adjacent to Fort Lewis, Washington, together with other consideration acceptable to the Secretary. The total consideration conveyed to the United States shall not be less than the fair market value of the land conveyed under subsection (a).

(c) DETERMINATION OF FAIR MARKET VALUE.—The determinations of the Secretary regarding the fair market values of the parcels of real property and improvements to be conveyed pursuant to subsections (a) and (b) shall be final.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by WRECO.

(e) EFFECT ON EXISTING REVERSIONARY INTEREST.—The Secretary may enter into an agreement with the appropriate officials of Pierce County, Washington, under which—

(1) the existing reversionary interest of Pierce County in the lands to be conveyed by the United States under subsection (a) is extinguished; and

(2) the conveyance to the United States under subsection (b) is made subject to a similar reversionary interest in favor of Pierce County in the lands conveyed under such subsection.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2856. LAND EXCHANGE, ARMY RESERVE CENTER, GAINESVILLE, GEORGIA.

(a) LAND EXCHANGE AUTHORIZED.—The Secretary of the Army may convey to the City of Gainesville, Georgia (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 4.2 acres and located on Shallowford Road in Gainesville, Georgia, the site of the Army Reserve Center, Gainesville, Georgia.

(b) CONSIDERATION.—As consideration for the conveyance authorized by subsection (a), the City shall—

(1) convey to the United States all right, title, and interest in and to a parcel of real property consisting of approximately 8 acres located in the Atlas Industrial Park, Gainesville, Georgia, that is acceptable to the Secretary;

(2) design and construct on such real property suitable facilities (as determined by the Secretary) for training activities of the Army Reserve to replace facilities conveyed under subsection (a);

(3) carry out, at cost to the City, any environmental assessments and any other studies, analyses, and assessments that may be required under Federal law in connection with the land conveyances under subsection (a) and paragraph (1) and the construction under paragraph (2);

(4) pay the Secretary the amount (as determined by the Secretary) equal to the cost of relocating Army Reserve units from the real property to be conveyed under subsection (a) to the replacement facilities to be constructed under paragraph (2); and

(5) if the fair market value of the real property conveyed by the Secretary under subsection (a) exceeds the fair market value of the consideration provided by the City under paragraphs (1) through (4), pay the United States the amount equal to the amount of such excess.

(c) Determination of Fair Market Value.—The Secretary shall determine the fair market value of the real property to be conveyed under subsection (a) and of the consideration to be furnished by the City under subsection (b). Such determination shall be final.

(d) Description of Property.—The exact acreage and legal description of the parcels of real property to be conveyed under subsections (a) and (b) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyances authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2857. LAND CONVEYANCE, HOLSTON ARMY AMMUNITION PLANT, MOUNT CARMEL, TENNESSEE.

(a) Conveyance Authorized.—The Secretary of the Army may convey, without reimbursement, to the City of Mount Carmel, Tennessee (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 6.5 acres located at Holston Army Ammunition Plant, Tennessee. The property is located adjacent to the Mount Carmel Cemetery and is intended for expansion of the cemetery.

(b) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(c) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2858. LAND CONVEYANCE, INDIANA ARMY AMMUNITION PLANT, CHARLESTOWN, INDIANA.

(a) Conveyance Authorized.—The Secretary of the Army may convey, without consideration, to the State of Indiana (in this section referred to as the "State"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, that consists of approximately 1125 acres at the inactivated Indiana Army Ammunition Plant in Charlestown, Indiana, and is the subject of a 25-year lease between the Secretary and the State.

(b) Condition of Conveyance.—The conveyance authorized under subsection (a) shall be subject to the condition that the State use the conveyed property for recreational purposes.

(c) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the State.

(d) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2859. LAND CONVEYANCE, FORT ORD, CALIFORNIA.

(a) Conveyance Authorized.—The Secretary of the Army may convey to the City of Seaside, California (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property (including improvements thereon) consisting of approximately 477 acres located in Monterey County, California, and comprising a portion of the former Fort Ord Military Complex. The real property to be conveyed to the City includes the two Fort Ord Golf Courses, Black Horse and Bayonet, and a portion of the Hayes Housing Facilities.

(b) Consideration.—As consideration for the conveyance of the real property and improvements under subsection (a), the City shall pay to the United States an amount equal to the fair market value of the property to be conveyed, as determined by the Secretary.

(c) Use and Deposit of Proceeds.—(1) From the funds paid by the City under subsection (b), the Secretary shall deposit in the Morale, Welfare, and Recreation Fund Account of the Department of the Army such amounts as may be necessary to cover morale, welfare, and recreation activities at Army installations in the general vicinity of Fort Ord during fiscal years 1996 through 2000. The amount deposited by the Secretary into the Account shall not exceed the fair market value, as established under subsection (b), of the two Fort Ord Golf Courses conveyed under subsection (a). The Secretary shall notify Congress of the amount to be deposited not later than 90 days after the date of the conveyance.

(2) The Secretary shall deposit the balance of any funds paid by the City under subsection (b), after deducting the amount deposited under paragraph (1), in the Department of Defense Base Closure Account 1990.

(d) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey mutually satisfactory to the Secretary and the City. The cost of the survey shall be borne by the City.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2860. LAND CONVEYANCE, PARKS RESERVE FORCES TRAINING AREA, DUBLIN, CALIFORNIA.

(a) Conveyance Authorized.—(1) Except as provided in paragraph (2), the Secretary of the Army may convey to the County of Alameda, California (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 42 acres located at Parks Reserve Forces Training Area, Dublin, California.

(2) The conveyance authorized by this section shall not include any oil, gas, or mineral interest of the United States in the real property to be conveyed.

(b) Consideration.—(1) As consideration for the conveyance under subsection (a)(1), the County shall provide the Army with the following services at the portion of Parks Reserve Forces Training Area retained by the Army:

(A) Relocation of the main gate of the retained Training Area from Dougherty Road to Dublin Boulevard across from the Bay Area Rapid Transit District East Dublin station, including the closure of the existing main gate on Dougherty Road, construction of a security facility, and construction of a roadway from the new entrance to Fifth Street.

(B) Enclosing and landscaping of the southern boundary of the retained Training Area installation located northerly of Dublin Boulevard.

(C) Enclosing and landscaping of the eastern boundary of the retained Training Area from Dublin Boulevard to Gleason Drive.

(D) Resurfacing of roadways within the retained Training Area.

(E) Provision of such other services in connection with the retained Training Area, including relocation or reconstruction of water lines, relocation or reconstruction of sewer lines, construction of drainage improvements, and construction of buildings, as the Secretary and the County may determine to be appropriate.

(F) Provision for and funding of any environmental mitigation that is necessary as a result of a change in use of the conveyed property by the County.

(2) The detailed specifications for the services to be provided under paragraph (1) may be determined and approved on behalf of the Secretary by the Commander of Parks Reserve Forces Training Area. The preparation costs of such specifications shall be borne by the County.

(3) The fair market value of improvements and services received by the United States from the County under paragraph (1) must be equal to or exceed the appraised fair market value of the real property to be conveyed under subsection (a)(1). The appraisal of the fair market value of the property shall be subject to the Secretary's review and approval.

(c) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a)(1) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(d) Time for Transfer of Title.—The transfer of title to the County under subsection (a)(1) may be executed by the Secretary only upon the satisfactory guarantee by the County of completion of the services to be provided under subsection (b).

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a)(1) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2861. LAND CONVEYANCE, ARMY RESERVE CENTER, YOUNGSTOWN, OHIO.

(a) Conveyance Authorized.—The Secretary of the Army may convey, without consideration, to the City of Youngstown, Ohio (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of excess real property, including improvements thereon, that is located at 399 Miller Street in Youngstown, Ohio, and contains the Kefurt Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the City retain the conveyed property for the use and benefit of the Youngstown Fire Department.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2862. LAND CONVEYANCE, ARMY RESERVE PROPERTY, FORT SHERIDAN, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may convey to any transferee selected under subsection (g) all right, title, and interest of the United States in and to a parcel of real property (including improvements thereon) at Fort Sheridan, Illinois, consisting of approximately 114 acres and comprising an Army Reserve area.

(b) REQUIREMENT FOR FEDERAL SCREENING OF PROPERTY.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(c) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the transferee selected under subsection (g) shall—

(A) convey to the United States a parcel of real property that meets the requirements of subsection (d);

(B) design for and construct on the property conveyed under subparagraph (A) such facilities (including support facilities and infrastructure) to replace the facilities conveyed pursuant to the authority in subsection (a) as the Secretary considers appropriate; and

(C) pay the cost of relocating Army personnel in the facilities located on the real property conveyed pursuant to the authority in subsection (a) to the facilities constructed under subparagraph (B).

(2) The Secretary shall ensure that the fair market value of the consideration provided by the transferee under paragraph (1) is not less than the fair market value of the real property conveyed by the Secretary under subsection (a).

(d) REQUIREMENTS RELATING TO PROPERTY TO BE CONVEYED TO UNITED STATES.—The real property conveyed to the United States under subsection (c)(1)(A) by the transferee selected under subsection (g) shall—

(1) be located not more than 25 miles from Fort Sheridan;

(2) be located in a neighborhood or area having social and economic conditions similar to the social and economic conditions of the area in which Fort Sheridan is located; and

(3) be acceptable to the Secretary.

(e) INTERIM RELOCATION OF ARMY PERSONNEL.—Pending completion of the construction of all the facilities proposed to be constructed under subsection (c)(1)(B) by the transferee selected under subsection (g), the Secretary may relocate Army personnel in the facilities located on the property to be conveyed pursuant to the authority in subsection (a) to the facilities that have been constructed by the transferee under such subsection (c)(1)(B).

(f) DETERMINATION OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the real property to be conveyed under subsection (a) and of the consideration to be provided under subsection (c)(1). Such determination shall be final.

(g) SELECTION OF TRANSFEREE.—(1) The Secretary shall use competitive procedures for the selection of a transferee under subsection (a).

(2) In evaluating the offers of prospective transferees, the Secretary shall—

(A) consider such criteria as the Secretary considers to be appropriate to determine whether prospective transferees will be able to satisfy the consideration requirements specified in subsection (c)(1); and

(B) consult with the communities and jurisdictions in the vicinity of Fort Sheridan (including the City of Lake Forest, the City of Highwood, and the City of Highland Park and the County of Lake, Illinois) in order to determine the most appropriate use of the property to be conveyed.

(h) DESCRIPTIONS OF PROPERTY.—The exact acreage and legal descriptions of the real property to be conveyed by the Secretary under subsection (a) and the real property to be conveyed under subsection (c)(1)(A) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee selected under subsection (g).

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2863. LAND CONVEYANCE, PROPERTY UNDERLYING CUMMINS APARTMENT COMPLEX, FORT HOLABIRD, MARYLAND.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law, the Secretary of the Army may convey to the existing owner of the improvements thereon all right, title, and interest of the United States in and to a parcel of real property underlying the Cummins Apartment Complex at Fort Holabird, Maryland, that consists of approximately 6 acres, and any interest the United States may have in the improvements thereon.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the owner of the improvements referred to in that subsection shall provide compensation to the United States in an amount equal to the fair market value (as determined by the Secretary) of the property interest to be conveyed.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2864. MODIFICATION OF EXISTING LAND CONVEYANCE, ARMY PROPERTY, HAMILTON AIR FORCE BASE, CALIFORNIA.

(a) APPLICATION OF SECTION.—The authority provided in subsection (b) shall apply only in the event that the purchaser purchases only a portion of the Sale Parcel referred to in section 9099 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1924) and exercises the purchaser's option to withdraw from the sale as to the rest of the Sale Parcel.

(b) CONVEYANCE AUTHORITY IN EVENT OF PARTIAL SALE.—The Secretary of the Army may convey to the City of Novato, California (in this section referred to as the "City")—

(1) that portion of the Sale Parcel (other than Landfill 26 and an appropriate buffer area around it and the groundwater treatment facility site) that is not purchased as provided in subsection (a); and

(2) any of the land referred to in subsection (e) of such section 9099 that is not purchased by the purchaser.

(c) CONSIDERATION AND CONDITIONS ON CONVEYANCE.—The conveyance under subsection (b) shall be made as a public benefit transfer to the City for the sum of One Dollar, subject to the condition that the conveyed property be used for school, classroom, or other educational purposes or as a public park or recreation area.

(d) SUBSEQUENT CONVEYANCE BY THE CITY.—(1) If, within 10 years after the conveyance under subsection (b), the City conveys all or any part of the conveyed property to a third party without the use restrictions specified in subsection (c), the City shall pay to the Secretary of the Army an amount equal to the proceeds received by the City from the conveyance, minus the demonstrated reasonable costs of making the conveyance and of any improvements made by the City to the property following its acquisition of the land (but only to the extent such improvements increase the value of the property conveyed). The Secretary of the Army shall deliver into the applicable closing escrow an acknowledgement of receipt of the proceeds and a release of the reverter right under subsection (e) as to the affected land, effective upon such receipt.

(2) Until one year after the completion of the cleanup of contaminated soil in the Landfill located on the Sale Parcel and completion of the groundwater treatment facilities, any conveyance by the City must be at a per-acre price for the portion sold that is at least equal to the per-acre contract price paid by the purchaser for the portion of the Sale Parcel purchased under the Agreement and Modification for the purchase of the Sale Parcel by the purchaser. Thereafter, any conveyance by the City must be at a price at least equal to the fair market value of the portion sold.

(3) This subsection shall not apply to a conveyance by the City to another public or quasi-public agency for public uses of the kind described in subsection (c).

(e) REVERSION.—If the Secretary of the Army determines that the City has failed to make a payment as required by subsection (d)(1) or that any portion of the conveyed property retained by the City or conveyed under subsection (d)(3) is not being utilized in accordance with subsection (c), title to the applicable portion of such property shall revert to the United States at the election of the Administrator of the General Services Administration.

(f) SPECIAL CONVEYANCE REGARDING BUILDING 138 PARCEL.—The Secretary of the Army may convey to the purchaser of the Sale Parcel the Building 138 parcel, which has been designated by the parties as Parcel A4. The per-acre price for the portion conveyed under this subsection shall be at least equal to the per-acre contract price paid by the purchaser for the portion of the Sale Parcel purchased under the Agreement and Modification, dated September 25, 1990, as amended.

PART II—NAVY CONVEYANCES

SEC. 2865. TRANSFER OF JURISDICTION, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, CALVERTON, NEW YORK.

(a) TRANSFER AUTHORIZED.—Notwithstanding section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626), as amended by section 2823 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3058), the Secretary of the Navy may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property consisting of approximately 150 acres located adjacent to the Calverton National Cemetery, Calverton, New York, and comprising a portion of the buffer zone of the Naval Weapons Industrial Reserve Plant, Calverton, New York.

(b) USE OF PROPERTY.—The Secretary of Veterans Affairs shall use the real property transferred under subsection (a) as an addition to the Calverton National Cemetery and administer such real property pursuant to chapter 24 of title 38, United States Code.

(c) SURVEY.—The cost of any survey necessary for the transfer of jurisdiction of the real property described in subsection (a) from the Secretary of the Navy to the Secretary of Veterans Affairs shall be borne by the Secretary of Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the transfer under this section as the Secretary of the Navy considers appropriate to protect the interests of the United States.

SEC. 2866. MODIFICATION OF LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, CALVERTON, NEW YORK.

(a) REMOVAL OF REVERSIONARY INTEREST; ADDITION OF LEASE AUTHORITY.—Subsection (c) of section 2833 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3061) is amended to read as follows:

"(c) LEASE AUTHORITY.—Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary may lease the property, along with improvements thereon, to the Community Development Agency in exchange for security services, fire protection services, and maintenance services provided by the Community Development Agency for the property.".

(b) CONFORMING AMENDMENT.—Subsection (e) of such section is amended by striking out "subsection (a)" and inserting in lieu thereof "subsection (a) or a lease under subsection (c)".

SEC. 2867. LAND CONVEYANCE ALTERNATIVE TO EXISTING LEASE AUTHORITY, NAVAL SUPPLY CENTER, OAKLAND, CALIFORNIA.

Section 2834(b) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2614), as amended by section 2833 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1896) and section 2821 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3057), is further amended by adding at the end the following new paragraphs:

"(4) In lieu of entering into a lease under paragraph (1), or in place of an existing lease under that paragraph, the Secretary may convey, without consideration, the property described in that paragraph to the City of Oakland, California, the Port of Oakland, California, the City of Alameda, California, or the City of Richmond, California, under such terms and conditions as the Secretary considers appropriate.

"(5) The exact acreage and legal description of any property conveyed under paragraph (4) shall be determined by a survey satisfactory to the Secretary. The cost of each survey shall be borne by the recipient of the property.".

SEC. 2868. LAND CONVEYANCE, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, MCGREGOR, TEXAS.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey, without consideration, to the City of McGregor, Texas (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, containing the Naval Weapons Industrial Reserve Plant, McGregor, Texas.

(2) After screening the facilities, equipment, and fixtures (including special tooling and special test equipment) located on the parcel for other uses by the Department of the Navy, the Secretary may include in the conveyance under paragraph (1) any facilities, equipment, and fixtures on the parcel not to be so used if the Secretary determines that manufacturing activities requiring the use of such facilities, equipment, and fixtures are likely to continue or be reinstated on the parcel after conveyance under paragraph (1).

(b) LEASE AUTHORITY.—Until such time as the real property described in subsection (a)(1) is conveyed by deed, the Secretary may lease the property, along with improvements thereon, to the City in exchange for security services, fire protection services, and maintenance services provided by the City for the property.

(c) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the City, directly or through an agreement with a public or private entity, use the conveyed property (or offer the conveyed property for use) for economic redevelopment to replace all or a part of the economic activity being lost at the parcel.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a)(1) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) or a lease under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2869. LAND CONVEYANCE, NAVAL SURFACE WARFARE CENTER, MEMPHIS, TENNESSEE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the Memphis and Shelby County Port Commission, Memphis, Tennessee (in this section referred to as the "Port"), all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) consisting of approximately 26 acres that is located at the Carderock Division, Naval Surface Warfare Center, Memphis Detachment, Presidents Island, Memphis, Tennessee.

(b) CONSIDERATION.—As consideration for the conveyance of real property under subsection (a), the Port shall—

(1) grant to the United States a restrictive easement in and to a parcel of real property consisting of approximately 100 acres that is adjacent to the Memphis Detachment, Presidents Island, Memphis, Tennessee; and

(2) if the fair market value of the easement granted under paragraph (1) is less than the fair market value of the real property conveyed under subsection (a), provide the United States such additional consideration as the Secretary and the Port jointly determine appropriate so that the value of the consideration received by the United States under this subsection is equal to or greater than the fair market value of the real property conveyed under subsection (a).

(c) CONDITION OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be carried out in accordance with the provisions of the Land Exchange Agreement between the United States and the Memphis and Shelby County Port Commission, Memphis, Tennessee.

(d) DETERMINATION OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the real property to be conveyed under subsection (a) and of the easement to be granted under subsection (b)(1). Such determinations shall be final.

(e) USE OF PROCEEDS.—The Secretary shall deposit any proceeds received under subsection (b)(2) as consideration for the conveyance of real property authorized under subsection (a) in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) and the easement to be granted under subsection (b)(1) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Port.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance authorized by subsection (a) and the easement granted under subsection (b)(1) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2870. LAND CONVEYANCE, NAVY PROPERTY, FORT SHERIDAN, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (b), the Secretary of the Navy may convey to any transferee selected under subsection (i) all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) at Fort Sheridan, Illinois, consisting of approximately 182 acres and comprising the Navy housing areas at Fort Sheridan.

(b) REQUIREMENT FOR FEDERAL SCREENING OF PROPERTY.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(c) CONSIDERATION.—(1) As consideration for the conveyance under subsection (a), the transferee selected under subsection (i) shall—

(A) convey to the United States a parcel of real property that meets the requirements of subsection (d);

(B) design for and construct on the property conveyed under subparagraph (A) such housing facilities (including support facilities and infrastructure) to replace the housing facilities conveyed pursuant to the authority in subsection (a) as the Secretary considers appropriate;

(C) pay the cost of relocating members of the Armed Forces residing in the housing facilities located on the real property conveyed pursuant to the authority in subsection (a) to the housing facilities constructed under subparagraph (B);

(D) provide for the education of dependents of such members under subsection (e); and

(E) carry out such activities for the operation, maintenance, and improvement of the facilities constructed under subparagraph (B) as the Secretary and the transferee jointly determine appropriate.

(2) The Secretary shall ensure that the fair market value of the consideration provided by the transferee under paragraph (1) is not less than the fair market value of the property interest conveyed by the Secretary under subsection (a).

(d) Requirements Relating to Property To Be Conveyed to United States.—The property interest conveyed to the United States under subsection (c)(1)(A) by the transferee selected under subsection (i) shall—

(1) be located not more than 25 miles from the Great Lakes Naval Training Center, Illinois;

(2) be located in a neighborhood or area having social and economic conditions similar to the social and economic conditions of the area in which Fort Sheridan is located; and

(3) be acceptable to the Secretary.

(e) Education of Dependents of Members of the Armed Forces.—In providing for the education of dependents of members of the Armed Forces under subsection (c)(1)(D), the transferee selected under subsection (i) shall ensure that such dependents may enroll at the schools of one or more school districts in the vicinity of the real property conveyed to the United States under subsection (c)(1)(A) which schools and districts—

(1) meet such standards for schools and schools districts as the Secretary shall establish; and

(2) will continue to meet such standards after the enrollment of such dependents regardless of the receipt by such school districts of Federal impact aid.

(f) Interim Relocation of Members of the Armed Forces.—Pending completion of the construction of all the housing facilities proposed to be constructed under subsection (c)(1)(B) by the transferee selected under subsection (i), the Secretary may relocate—

(1) members of the Armed Forces residing in housing facilities located on the property to be conveyed pursuant to the authority in subsection (a) to the housing facilities that have been constructed by the transferee under such subsection (c)(1)(B); and

(2) other Government tenants located on such property to other facilities.

(g) Applicability of Certain Agreements.—The property conveyed by the Secretary pursuant to the authority in subsection (a) shall be subject to the Memorandum of Understanding concerning the Transfer of Certain Properties at Fort Sheridan, Illinois, dated August 8, 1991, between the Department of the Army and the Department of the Navy.

(h) Determination of Fair Market Value.—The Secretary shall determine the fair market value of the real property interest to be conveyed under subsection (a) and of the consideration to be provided under subsection (c)(1). Such determination shall be final.

(i) Selection of Transferee.—(1) The Secretary shall use competitive procedures for the selection of a transferee under subsection (a).

(2) In evaluating the offers of prospective transferees, the Secretary shall—

(A) consider such criteria as the Secretary considers to be appropriate to determine whether prospective transferees will be able to satisfy the consideration requirements specified in subsection (c)(1); and

(B) consult with the communities and jurisdictions in the vicinity of Fort Sheridan (including the City of Lake Forest, the City of Highwood, and the City of Highland Park and the County of Lake, Illinois) in order to determine the most appropriate use of the property to be conveyed.

(j) Descriptions of Property.—The exact acreage and legal descriptions of the real property to be conveyed by the Secretary under subsection (a) and the real property to be conveyed under subsection (c)(1)(A) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee selected under subsection (i).

(k) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2871. LAND CONVEYANCE, NAVAL COMMUNICATIONS STATION, STOCKTON, CALIFORNIA.

(a) Conveyance Authorized.—Subject to subsection (b), the Secretrary of the Navy may convey to the Port of Stockton, California (in this section referred to as the "Port"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 1,450 acres at the Naval Communication Station, Stockton, California.

(b) Requirement for Federal Screening of Property.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(c) Interim Lease.—Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary may lease the property, along with improvements thereon, to the Port under terms and conditions satisfactory to the Secretary.

(d) Consideration.—The conveyance may be made as a public benefit conveyance for port development as defined in section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) if the Port satisfies the criteria in such section and the regulations prescribed to implement such section. If the Port fails to qualify for a public benefit conveyance and still desires to acquire the property, the Port shall pay to the United States an amount equal to the fair market value of the property to be conveyed, as determined by the Secretary.

(e) Federal Lease of Conveyed Property.—As a condition for transfer of this property under subparagraph (a), the Secretary may require that the Port lease to the Department of Defense or any other Federal agency all or any part of the property being used by the Federal Government at the time of conveyance. Any such lease shall be made under the same terms and conditions as in force at the time of the conveyance. Such terms and conditions will continue to include payment to the Port for maintenance of facilities leased to the Federal Government. Such maintenance of the Federal premises shall be to the reasonable satisfaction of the United States, or as required by all applicable Federal, State, and local laws and ordinances.

(f) Description of Property.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Port.

(g) Additional Terms.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) or the lease under subsection (c) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2872. LEASE OF PROPERTY, NAVAL AIR STATION AND MARINE CORPS AIR STATION, MIRAMAR, CALIFORNIA.

(a) Lease Authorized.—Notwithstanding section 2692(a)(1) of title 10, United States Code, the Secretary of the Navy may lease to the City of San Diego, California (in this subsection referred to as the "City"), the parcel of real property, including improvements thereon, described in subsection (b) in order to permit the City to carry out activities on the parcel relating to solid waste management, including the operation and maintenance of one or more solid waste landfills. Pursuant to the lease, the Secretary may authorize the City to construct and operate on the parcel facilities related to solid waste management, including a sludge processing facility.

(b) Covered Property.—The parcel of property to be leased under subsection (a) is a parcel of real property consisting of approximately 1,400 acres that is located at Naval Air Station, Miramar, California, or Marine Corps Air Station, Miramar, California.

(c) Lease Term.—The lease authorized under subsection (a) shall be for an initial term of not more than 50 years. Under the lease, the Secretary may provide the City with an option to extend the lease for such number of additional periods of such length as the Secretary considers appropriate.

(d) Form of Consideration.—The Secretary may provide in the lease under subsection (a) for the provision by the City of in-kind consideration under the lease.

(e) Use of Money Rentals.—In such amounts as are provided in advance in appropriation Acts, the Secretary may use money rentals received by the Secretary under the lease authorized under subsection (a) to carry out the following programs at Department of the Navy installations that utilize the solid waste landfill or landfills located on the leased property:

(1) Environmental programs, including natural resource management programs, recycling programs, and pollution prevention programs.

(2) Programs to improve the quality of military life, including programs to improve military unaccompanied housing and military family housing.

(f) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(g) Definitions.—In this section, the terms "sludge", "solid waste", and "solid waste management" have the meanings given such terms in paragraphs (26A), (27), and (28), respectively, of section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

PART III—AIR FORCE CONVEYANCES

SEC. 2874. LAND ACQUISITION OR EXCHANGE, SHAW AIR FORCE BASE, SOUTH CAROLINA.

(a) LAND ACQUISITION.—By means of an exchange of property, acceptance as a gift, or other means that do not require the use of appropriated funds, the Secretary of the Air Force may acquire all right, title, and interest in and to a parcel of real property (together with any improvements thereon) consisting of approximately 1,100 acres and located adjacent to the eastern end of Shaw Air Force Base, South Carolina, and extending to Stamey Livestock Road in Sumter County, South Carolina.

(b) LAND EXCHANGE AUTHORIZED.—For purposes of acquiring the real property described in subsection (a), the Secretary may participate in a land exchange and convey all right, title, and interest of the United States in and to a parcel of real property in the possession of the Air Force if—

(1) the Secretary determines that the land exchange is in the best interests of the Air Force; and

(2) the fair market value of the parcel to be conveyed by the Secretary does not exceed the fair market value of the parcel to be acquired by the Secretary.

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the parcels of real property to be exchanged, accepted, or otherwise acquired pursuant to subsection (a) and exchanged pursuant to subsection (b). Such determinations shall be final.

(d) REVERSION OF GIFT CONVEYANCE.—If the Secretary acquires the real property described in subsection (a) by way of gift, the Secretary may accept in the deed of conveyance terms or conditions that require that the land be reconveyed to the donor, or the heirs of the donor, if Shaw Air Force Base ceases operations and is closed.

(e) DESCRIPTIONS OF PROPERTY.—The exact acreage and legal descriptions of the parcels of real property to be to be exchanged, accepted, or otherwise acquired pursuant to subsection (a) and exchanged pursuant to subsection (b) shall be determined by a survey satisfactory to the Secretary.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the acquisition under subsection (a) or conveyance under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2875. LAND CONVEYANCE, ELMENDORF AIR FORCE BASE, ALASKA.

(a) CONVEYANCE TO PRIVATE PERSON AUTHORIZED.—The Secretary of the Air Force may convey to such private person as the Secretary considers appropriate, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 31.69 acres that is located at Elmendorf Air Force Base, Alaska, and identified in land lease W-95-507-ENG-58.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the purchaser shall pay to the United States an amount equal to the fair market value of the real property to be conveyed, as determined by the Secretary. In determining the fair market value of the real property, the Secretary shall consider the property as encumbered by land lease W-95-507-ENG-58, with an expiration date of June 13, 2024.

(c) CONDITION OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the condition that the purchaser of the property—

(1) permit the lease of the apartment complex located on the property by members of the Armed Forces stationed at Elmendorf Air Force Base and their dependents; and

(2) maintain the apartment complex in a condition suitable for such leases.

(d) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the amount received from the purchaser under subsection (b) in the special account established under section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the purchaser of the real property.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2876. LAND CONVEYANCE, RADAR BOMB SCORING SITE, FORSYTH, MONTANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the City of Forsyth, Montana (in this section referred to as the "City"), all right, title, and interest of the United States in and to the parcel of property (including any improvements thereon) consisting of approximately 58 acres located in Forsyth, Montana, which has served as a support complex and recreational facilities for the Radar Bomb Scoring Site, Forsyth, Montana.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the City—

(1) utilize the property and recreational facilities conveyed under that subsection for housing and recreation purposes; or

(2) enter into an agreement with an appropriate public or private entity to lease such property and facilities to that entity for such purposes.

(c) REVERSION.—If the Secretary determines at any time that the property conveyed under subsection (a) is not being utilized in accordance with paragraph (1) or paragraph (2) of subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2877. LAND CONVEYANCE, RADAR BOMB SCORING SITE, POWELL, WYOMING.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Northwest College Board of Trustees (in this section referred to as the "Board"), all right, title, and interest of the United States in and to a parcel of real property (including any improvements thereon) consisting of approximately 24 acres located in Powell, Wyoming, which has served as the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Powell, Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Board use the property conveyed under that subsection for housing and recreation purposes and for such other purposes as the Secretary and the Board jointly determine appropriate.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date that the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed property is not being used in accordance with subsection (b), all right, title, and interest in and to the conveyed property, including any improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Board.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2878. LAND CONVEYANCE, AVON PARK AIR FORCE RANGE, FLORIDA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to Highlands County, Florida (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, located within the boundaries of the Avon Park Air Force Range near Sebring, Florida, which has previously served as the location of a support complex and recreational facilities for the Avon Park Air Force Range.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the County, directly or through an agreement with an appropriate public or private entity, use the conveyed property, including the support complex and recreational facilities, for operation of a juvenile or other correctional facility.

(c) REVERSIONARY INTEREST.—If the Secretary determines at any time that the property conveyed under subsection (a) is not being used in accordance with subsection (b), all right, title, and interest in the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

Subtitle E—Land Conveyances Involving Utilities

SEC. 2881. CONVEYANCE OF RESOURCE RECOVERY FACILITY, FORT DIX, NEW JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Burlington County, New Jersey (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property at Fort Dix, New Jersey, consisting of approximately six acres and containing a resource recovery facility, known as the Fort Dix resource recovery facility.

(b) RELATED EASEMENTS.—The Secretary may grant to the County any easement that is necessary for access to and operation of the resource recovery facility conveyed under subsection (a).

(c) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance of the resource recovery facility authorized by subsection (a) unless the County agrees to accept the facility in its existing condition at the time of the conveyance.

(d) CONDITIONS ON CONVEYANCE.—The conveyance of the resource recovery facility authorized by subsection (a) is subject to the following conditions:

(1) That the County provide refuse and steam service to Fort Dix, New Jersey, at the rate established by the appropriate Federal or State regulatory authority.

(2) That the County comply with all applicable environmental laws and regulations (including any permit or license requirements) relating to the resource recovery facility.

(3) That the County assume full responsibility for ownership, operation, maintenance, repair, and all regulatory compliance requirements for the resource recovery facility.

(4) That the County not commence any expansion of the resource recovery facility without approval of such expansion by the Secretary.

(e) DESCRIPTION OF THE PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a), and of any easements to be granted under subsection (b), shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the County.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) and the grant of any easement under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2882. CONVEYANCE OF WATER AND WASTEWATER TREATMENT PLANTS, FORT GORDON, GEORGIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the city of Augusta, Georgia (in this section referred to as the "City"), all right, title, and interest of the United States to several parcels of real property located at Fort Gordon, Georgia, and consisting of approximately seven acres each. The parcels are improved with a water filtration plant, water distribution system with storage tanks, sewage treatment plant, and sewage collection system.

(b) RELATED EASEMENTS.—The Secretary may grant to the City any easement that is necessary for access to the real property conveyed under subsection (a) and operation of the water and wastewater treatment plants and distribution and collection systems conveyed under subsection (a).

(c) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance of the water and wastewater treatment plants and distribution and collection systems authorized by subsection (a) unless the City agrees to accept the water and wastewater treatment plants and distribution and collection systems in their existing condition at the time of the conveyance.

(d) CONDITIONS ON CONVEYANCE.—The conveyance authorized by subsection (a) is subject to the following conditions:

(1) That the City provide water and sewer service to Fort Gordon, Georgia, at a rate established by the appropriate Federal or State regulatory authority.

(2) That the City comply with all applicable environmental laws and regulations (including any permit or license requirements) regarding the real property conveyed under subsection (a).

(3) That the City assume full responsibility for ownership, operation, maintenance, repair, and all regulatory compliance requirements for the water and wastewater treatment plants and distribution and collection systems.

(4) That the City not commence any expansion of the water and wastewater treatment plants and distribution and collection systems without approval of such expansion by the Secretary.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a), and of any easements granted under subsection (b), shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) and the grant of any easement under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2883. CONVEYANCE OF ELECTRICITY DISTRIBUTION SYSTEM, FORT IRWIN, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Southern California Edison Company, California (in this section referred to as the "Company"), all right, title, and interest of the United States in and to the electricity distribution system located at Fort Irwin, California.

(b) DESCRIPTION OF SYSTEM AND CONVEYANCE.—The electricity distribution system authorized to be conveyed under subsection (a) consists of approximately 115 miles of electricity distribution lines (including poles, switches, reclosers, transformers, regulators, switchgears, and service lines) and includes the equipment, fixtures, structures, and other improvements the Federal Government utilizes to provide electricity services at Fort Irwin. The system does not include any real property.

(c) RELATED EASEMENTS.—The Secretary may grant to the Company any easement that is necessary for access to and operation of the electricity distribution system conveyed under subsection (a).

(d) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not carry out the electricity distribution system authorized by subsection (a) unless the Company agrees to accept the electricity distribution system in its existing condition at the time of the conveyance.

(e) CONDITIONS ON CONVEYANCE.—The conveyance authorized by subsection (a) is subject to the following conditions:

(1) That the Company provide electricity service to Fort Irwin, California, at a rate established by the appropriate Federal or State regulatory authority.

(2) That the Company comply with all applicable environmental laws and regulations (including any permit or license requirements) regarding the electricity distribution system.

(3) That the Company assume full responsibility for ownership, operation, maintenance, repair, and all regulatory compliance requirements for the electricity distribution system.

(4) That the Company not commence any expansion of the electricity distribution system without approval of such expansion by the Secretary.

(f) DESCRIPTION OF EASEMENT.—The exact acreage and legal description of any easement granted under subsection (c) shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the Company.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) and the grant of any easement under subsection (c) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2884. CONVEYANCE OF WATER TREATMENT PLANT, FORT PICKETT, VIRGINIA.

(a) AUTHORITY TO CONVEY.—(1) The Secretary of the Army may convey to the Town of Blackstone, Virginia (in this section referred to as the "Town"), all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) The property referred to in paragraph (1) is the following property located at Fort Pickett, Virginia:

(A) A parcel of real property consisting of approximately 10 acres, including a reservoir and improvements thereon, the site of the Fort Pickett water treatment plant.

(B) Any equipment, fixtures, structures, or other improvements (including any water transmission lines, water distribution and service lines, fire hydrants, water pumping stations, and other improvements) not located on the parcel described in subparagraph (A) that are jointly identified by the Secretary and the Town as owned and utilized by the Federal Government in order to provide water to and distribute water at Fort Pickett.

(b) RELATED EASEMENTS.—The Secretary may grant to the Town the following easements relating to the conveyance of the property authorized by subsection (a):

(1) Such easements, if any, as the Secretary and the Town jointly determine are necessary in order to provide access to the water distribution system referred to in paragraph (2) of such subsection for maintenance, safety, and other purposes.

(2) Such easements, if any, as the Secretary and the Town jointly determine are necessary in order to provide access to the finished water lines from the system to the Town.

(3) Such rights of way appurtenant, if any, as the Secretary and the Town jointly determine are necessary in order to satisfy requirements imposed by any Federal, State, or municipal agency relating to the maintenance of a buffer zone around the water distribution system.

(c) WATER RIGHTS.—The Secretary shall grant to the Town as part of the conveyance under subsection (a) all right, title, and interest of the United States in and to any water of the Nottoway River, Virginia, that is connected with the reservoir referred to in paragraph (2)(A) of such subsection. The grant of such water rights shall not impair the right that any other local jurisidiction may have to withdraw water from the Nottoway River, on or after the date of the enactment of this Act, pursuant to the law of the Commonwealth of Virginia.

(d) Requirements Relating to Conveyance.—(1) The Secretary may not carry out the conveyance of the water distribution system authorized under subsection (a) unless the Town agrees to accept the system in its existing condition at the time of the conveyance.

(2) The Secretary shall complete any environmental removal or remediation required under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) with respect to the system to be conveyed under this section before carrying out the conveyance.

(e) Conditions on Conveyance.—The conveyance authorized in subsection (a) shall be subject to the following conditions:

(1) That the Town reserve for provision to Fort Pickett, and provide to Fort Pickett on demand, not less than 1,500,000 million gallons per day of treated water from the water distribution system.

(2) That the Town provide water to and distribute water at Fort Pickett at a rate established by the appropriate Federal or State regulatory authority.

(3) That the Town maintain and operate the water distribution system in compliance with all applicable Federal and State environmental laws and regulations (including any permit and license requirements).

(f) Description of Property.—The exact legal description of the property to be conveyed under subsection (a), of any easements granted under subsection (b), and of any water rights granted under subsection (c) shall be determined by a survey and other means satisfactory to the Secretary. The cost of any survey or other services performed at the direction of the Secretary under the authority in the preceding sentence shall be borne by the Town.

(g) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance authorized under subsection (a), the easements granted under subsection (b), and the water rights granted under subsection (c) that the Secretary considers appropriate to protect the interests of the United States.

Subtitle F—Other Matters

SEC. 2891. AUTHORITY TO USE FUNDS FOR CERTAIN EDUCATIONAL PURPOSES.

Section 2008 of title 10, United States Code, is amended by striking out "section 10" and all that follows through the period at the end and inserting in lieu thereof "construction, as defined in section 8013(3) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(3)), or to carry out section 8008 of such Act (20 U.S.C. 7708), relating to the provision of assistance to certain school facilities under the impact aid program.".

SEC. 2892. DEPARTMENT OF DEFENSE LABORATORY REVITALIZATION DEMONSTRATION PROGRAM.

(a) Program Authorized.—The Secretary of Defense may carry out a program (to be known as the "Department of Defense Laboratory Revitalization Demonstration Program") for the revitalization of Department of Defense laboratories. Under the program, the Secretary may carry out minor military construction projects in accordance with subsection (b) and other applicable law to improve Department of Defense laboratories covered by the program.

(b) Increased Maximum Amounts Applicable to Minor Construction Projects.—For purpose of any military construction project carried out under the program—

(1) the amount provided in the second sentence of subsection (a)(1) of section 2805 of title 10, United States Code, shall be deemed to be $3,000,000;

(2) the amount provided in subsection (b)(1) of such section shall be deemed to be $1,500,000; and

(3) the amount provided in subsection (c)(1)(B) of such section shall be deemed to be $1,000,000.

(c) Program Requirements.—(1) Not later than 30 days before commencing the program, the Secretary shall—

(A) designate the Department of Defense laboratories at which construction may be carried out under the program; and

(B) establish procedures for the review and approval of requests from such laboratories to carry out such construction.

(2) The laboratories designated under paragraph (1)(A) may not include Department of Defense laboratories that are contractor owned.

(3) The Secretary shall notify Congress of the laboratories designated under paragraph (1)(A).

(d) Report.—Not later than February 1, 1998, the Secretary shall submit to Congress a report on the program. The report shall include the Secretary's conclusions and recommendations regarding the desirability of extending the authority set forth in subsection (b) to cover all Department of Defense laboratories.

(e) Exclusivity of Program.—Nothing in this section may be construed to limit any other authority provided by law for any military construction project at a Department of Defense laboratory covered by the program.

(f) Definitions.—In this section:

(1) The term "laboratory" includes—

(A) a research, engineering, and development center;

(B) a test and evaluation activity owned, funded, and operated by the Federal Government through the Department of Defense; and

(C) a supporting facility of a laboratory.

(2) The term "supporting facility", with respect to a laboratory, means any building or structure that is used in support of research, development, test, and evaluation at the laboratory.

(g) Expiration of Authority.—The Secretary may not commence a construction project under the program after September 30, 1998.

SEC. 2893. AUTHORITY FOR PORT AUTHORITY OF STATE OF MISSISSIPPI TO USE NAVY PROPERTY AT NAVAL CONSTRUCTION BATTALION CENTER, GULFPORT, MISSISSIPPI.

(a) Joint Use Agreement Authorized.—The Secretary of the Navy may enter into an agreement with the Port Authority of the State of Mississippi (in this section referred to as the "Port Authority"), under which the Port Authority may use real property comprising up to 50 acres located at the Naval Construction Battalion Center, Gulfport, Mississippi (in this section referred to as the "Center").

(b) Term of Agreement.—The agreement authorized under subsection (a) may be for an initial period of not more than 15 years. Under the agreement, the Secretary shall provide the Port Authority with an option to extend the agreement for at least three additional periods of five years each.

(c) Conditions on Use.—The agreement authorized under subsection (a) shall require the Port Authority—

(1) to suspend operations under the agreement in the event Navy contingency operations are conducted at the Center; and

(2) to use the property covered by the agreement in a manner consistent with Navy operations conducted at the Center.

(d) Consideration.—(1) As consideration for the use of the property covered by the agreement under subsection (a), the Port Authority shall pay to the Navy an amount equal to the fair market rental value of the property, as determined by the Secretary taking into consideration the Port Authority's use of the property.

(2) The Secretary may include a provision in the agreement requiring the Port Authority—

(A) to pay the Navy an amount (as determined by the Secretary) to cover the costs of replacing at the Center any facilities vacated by the Navy on account of the agreement or to construct suitable replacement facilities for the Navy; and

(B) to pay the Navy an amount (as determined by the Secretary) for the costs of relocating Navy operations from the vacated facilities to the replacement facilities.

(e) Congressional Notification.—The Secretary may not enter into the agreement authorized by subsection (a) until the end of the 21-day period beginning on the date on which the Secretary submits to Congress a report containing an explanation of the terms of the proposed agreement and a description of the consideration that the Secretary expects to receive under the agreement.

(f) Use of Payment.—(1) In such amounts as are provided in advance in appropriation Acts, the Secretary may use amounts paid under subsection (d)(1) to pay for general supervision, administration, and overhead expenses and for improvement, maintenance, repair, construction, or restoration of the roads, railways, and facilities serving the Center.

(2) In such amounts as are provided in advance in appropriation Acts, the Secretary may use amounts paid under subsection (d)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy on account of the agreement under subsection (a) and for relocating operations of the Navy from the vacated facilities to replacement facilities.

(g) Construction by Port Authority.—The Secretary may authorize the Port Authority to demolish existing facilities located on the property covered by the agreement under subsection (a) and, consistent with the restriction specified in subsection (c)(2), construct new facilities on the property for joint use by the Port Authority and the Navy.

(h) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the agreement authorized under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2894. PROHIBITION ON JOINT USE OF NAVAL AIR STATION AND MARINE CORPS AIR STATION, MIRAMAR, CALIFORNIA.

The Secretary of the Navy may not enter into any agreement that provides for or permits civil aircraft to regularly use Naval Air Station or Marine Corps Air Station, Miramar, California.

SEC. 2895. REPORT REGARDING ARMY WATER CRAFT SUPPORT FACILITIES AND ACTIVITIES.

Not later than February 15, 1996, the Secretary of the Army shall submit to Congress a report setting forth—

(1) the location, assets, and mission of each Army facility, active or reserve component, that supports water transportation operations;

(2) an infrastructure inventory and utilization rate of each Army facility supporting water transportation operations;

(3) options for consolidating these operations to reduce overhead; and

(4) actions that can be taken to respond affirmatively to requests from the residents of Marcus Hook, Pennsylvania, to close the Army Reserve facility located in Marcus Hook and make the facility available for use by the community.

SEC. 2896. RESIDUAL VALUE REPORTS.

(a) REPORTS REQUIRED.—The Secretary of Defense, in coordination with the Director of the Office of Management and Budget, shall submit to the congressional defense committees status reports on the results of residual value negotiations between the United States and Germany. Such status reports shall be submitted within 30 days after the receipt of such reports by the Office of Management and Budget.

(b) CONTENT OF STATUS REPORTS.—The status reports required by subsection (a) shall include the following information:

(1) The estimated residual value of United States capital value and improvements to facilities in Germany that the United States has turned over to Germany.

(2) The actual value obtained by the United States for each facility or installation turned over to Germany.

(3) The reasons for any difference between the estimated and actual value obtained.

SEC. 2897. SENSE OF CONGRESS AND REPORT REGARDING FITZSIMONS ARMY MEDICAL CENTER, COLORADO.

(a) FINDINGS.—Congress makes the following findings:

(1) Fitzsimons Army Medical Center in Aurora, Colorado, was approved for closure in 1995 under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

(2) The University of Colorado Health Sciences Center and the University of Colorado Hospital Authority are in urgent need of space to maintain their ability to deliver health care to meet the growing demand for their services.

(3) Reuse of the Fitzsimons Army Medical Center at the earliest opportunity would provide significant benefit to the cities of Aurora, Colorado, and Denver, Colorado.

(4) Reuse of the Fitzsimons Army Medical Center by the communities in the vicinity of the center will ensure that the center is fully utilized, thereby providing a benefit to such communities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) determinations as to the use by other departments and agencies of the Federal Government of buildings and property at military installations approved for closure under the Defense Base Closure and Realignment Act of 1990, including Fitzsimons Army Medical Center, Colorado, should be completed as soon as practicable;

(2) the Secretary of Defense should consider the expedited transfer of appropriate facilities (including facilities that remain operational) at such installations to the redevelopment authorities for such installations in order to ensure continuity of use of such facilities after the closure of such installations. in particular, the Secretary should consider the expedited transfer of the Fitzsimons Army Medical Center because of the significant preparation underway by the redevelopment authority concerned;

(3) the Secretary should not enter into leases with redevelopment authorities for facilities at such installations until the Secretary determines that such leases fall within the categorical exclusions established by the Secretary pursuant to the National Environmental Policy Act (42 U.S.C. 4321 et seq.).

(c) REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the closure and redevelopment of Fitzsimons Army Medical Center.

(2) The report shall include the following:

(A) The results of the determinations as to the use of buildings and property at Fitzsimons Army Medical Center by other departments and agencies of the Federal Government under section 2905(b)(1) of the Defense Base Closure and Realignment Act of 1990.

(B) A description of any actions taken to expedite such determinations.

(C) A discussion of any impediments raised as a result of such determinations to the transfer or lease of Fitzsimons Army Medical Center.

(D) A description of any actions taken by the Secretary to lease Fitzsimons Army Medical Center to the redevelopment authority.

(E) The results of any environmental reviews under the National Environmental Policy Act in which such a lease would fall into the categorical exclusions established by the Secretary of the Army.

(F) The results of the environmental baseline survey regarding Fitzsimons Army Medical Center and a finding of suitability or nonsuitability.

TITLE XXIX—LAND CONVEYANCES INVOLVING JOLIET ARMY AMMUNITION PLANT, ILLINOIS

SEC. 2901. SHORT TITLE.

This title may be cited as the "Illinois Land Conservation Act of 1995".

SEC. 2902. DEFINITIONS.

For purposes of this title, the following definitions apply:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the United States Environmental Protection Agency.

(2) AGRICULTURAL PURPOSES.—The term "agricultural purposes" means the use of land for row crops, pasture, hay, and grazing.

(3) ARSENAL.—The term "Arsenal" means the Joliet Army Ammunition Plant located in the State of Illinois.

(4) ARSENAL LAND USE CONCEPT.—The term "Arsenal land use concept" means the land use proposals that were developed and unanimously approved on May 30, 1995, by the Joliet Arsenal Citizen Planning Commission.

(5) CERCLA.—The term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(6) ENVIRONMENTAL LAW.—The term "environmental law" means all applicable Federal, State, and local laws, regulations, and requirements related to protection of human health, natural and cultural resources, or the environment. Such term includes CERCLA, the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.), the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), and the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

(7) HAZARDOUS SUBSTANCE.—The term "hazardous substance" has the meaning given such term by section 101(14) of CERCLA (42 U.S.C. 9601(14)).

(8) MNP.—The term "MNP" means the Midewin National Tallgrass Prairie established pursuant to section 2914 and managed as a part of the National Forest System.

(9) PERSON.—The term "person" has the meaning given such term by section 101(21) of CERCLA (42 U.S.C. 9601(21)).

(10) POLLUTANT OR CONTAMINANT.—The term "pollutant or contaminant" has the meaning given such term by section 101(33) of CERCLA (42 U.S.C. 9601(33)).

(11) RELEASE.—The term "release" has the meaning given such term by section 101(22) of CERCLA (42 U.S.C. 9601(22)).

(12) RESPONSE ACTION.—The term "response action" has the meaning given the term "response" by section 101(25) of CERCLA (42 U.S.C. 9601(25)).

Subtitle A—Conversion of Joliet Army Ammunition Plant to Midewin National Tallgrass Prairie

SEC. 2911. PRINCIPLES OF TRANSFER.

(a) LAND USE PLAN.—The Congress ratifies in principle the proposals generally identified by the land use plan which was developed by the Joliet Arsenal Citizen Planning Commission and unanimously approved on May 30, 1995.

(b) TRANSFER WITHOUT REIMBURSEMENT.—The area constituting the Midewin National Tallgrass Prairie shall be transferred, without reimbursement, to the Secretary of Agriculture.

(c) MANAGEMENT OF MNP.—Management by the Secretary of Agriculture of those portions of the Arsenal transferred to the Secretary under this title shall be in accordance with sections 2914 and 2915 regarding the Midewin National Tallgrass Prairie.

(d) SECURITY MEASURES.—The Secretary of the Army and the Secretary of Agriculture shall each provide and maintain physical and other security measures on such portion of the Arsenal as is under the administrative jurisdiction of such Secretary, unless the Secretary of the Army and the Secretary of Agriculture agree otherwise. Such security measures (which may include fences and natural barriers) shall include measures to prevent members of the public from gaining unauthorized access to such portions of the Arsenal as are under the administrative jurisdiction of such Secretary and that may endanger health or safety.

(e) COOPERATIVE AGREEMENTS.—The Secretary of the Army, the Secretary of Agriculture, and the Administrator are individually and collectively authorized to enter into cooperative agreements and memoranda of understanding among each other and with other affected Federal agencies, State and local governments, private organizations, and corporations to carry out the purposes for which the Midewin National Tallgrass Prairie is established.

(f) INTERIM ACTIVITIES OF THE SECRETARY OF AGRICULTURE.—Prior to transfer and subject to such reasonable terms and conditions as the Secretary of the Army may prescribe, the Secretary of Agriculture may enter upon the Arsenal property for purposes related to planning, resource inventory, fish and wildlife habitat manipulation (which may include prescribed burning), and other such activities consistent with the purposes for which the Midewin National Tallgrass Prairie is established.

SEC. 2912. TRANSFER OF MANAGEMENT RESPONSIBILITIES AND JURISDICTION OVER ARSENAL.

(a) GENERAL RULE FOR TRANSFER OF JURISDICTION.—

(1) TRANSFER REQUIRED SUBJECT TO RESPONSE ACTIONS.—Subject to subsection (d),

not later than 270 days after the date of the enactment of this title, the Secretary of the Army shall transfer, without reimbursement, to the Secretary of Agriculture those portions of the Arsenal that—

(A) are identified on the map described in subsection (e)(1) as appropriate for transfer under this subsection to the Secretary of Agriculture; and

(B) the Secretary of the Army and the Administrator concur in finding that all response actions have been taken under CERCLA necessary to protect human health and the environment with respect to any hazardous substance remaining on the property.

(2) EFFECT OF LESS THAN COMPLETE TRANSFER.—If the concurrence requirement in paragraph (1)(B) results in the transfer, within such 270-day period, of less than all of the Arsenal property covered by paragraph (1)(A), the Secretary of the Army and the Secretary of Agriculture shall enter into a memorandum of understanding providing for the performance by the Secretary of the Army of the additional response actions necessary to allow fulfillment of the concurrence requirement with respect to such Arsenal property. The memorandum of understanding shall be entered into within 60 days of the end of such 270-day period and shall include a schedule for the completion of the additional response actions as soon as practicable. Subject to subsection (d), the Secretary of the Army shall transfer Arsenal property covered by this paragraph to the Secretary of Agriculture as soon as possible after the Secretary of the Army and the Administrator concur that all additional response actions have been taken under CERCLA necessary to protect human health and the environment with respect to any hazardous substance remaining on the property. The Secretary of the Army may make transfers under this paragraph on a parcel-by-parcel basis.

(3) RULE OF CONSTRUCTION REGARDING CONCURRENCES.—For the purpose of reaching the concurrences required by this subsection and subsection (b), if a response action requires construction and installation of an approved remedial design, the response action shall be considered to have been taken when the construction and installation of the approved remedial design is completed and the remedy is demonstrated to the satisfaction of the Administrator to be operating properly and successfully.

(b) SPECIAL TRANSFER REQUIREMENTS FOR CERTAIN PARCELS.—Subject to subsection (d), the Secretary of the Army shall transfer, without reimbursement, to the Secretary of Agriculture the Arsenal property known as LAP Area Sites L2, L3, and L5 and Manufacturing Area Site 1. The transfer shall occur as soon as possible after the Secretary of the Army and the Administrator concur that all response actions have been taken under CERCLA necessary to protect human health and the environment with respect to any hazardous substance remaining on the property. The Secretary of the Army may make transfers under this subsection on a parcel-by-parcel basis.

(c) DOCUMENTATION OF ENVIRONMENTAL CONDITION OF PARCELS; ASSESSMENT OF REQUIRED ACTIONS UNDER OTHER ENVIRONMENTAL LAWS.—

(1) DOCUMENTATION.—The Secretary of the Army and the Administrator shall provide to the Secretary of Agriculture all documentation and information that exists on the date the documentation and information is provided relating to the environmental condition of the Arsenal property proposed for transfer under subsection (a) or (b), including documentation that supports the finding that all response actions have been taken under CERCLA necessary to protect human health and the environment with respect to any hazardous substance remaining on the property.

(2) ASSESSMENT.—The Secretary of the Army shall provide to the Secretary of Agriculture an assessment, based on information in existence at the time the assessment is provided, indicating what further action, if any, is required under any environmental law (other than CERCLA) on the Arsenal property proposed for transfer under subsection (a) or (b).

(3) TIME FOR SUBMISSION OF DOCUMENTATION AND ASSESSMENT.—The documentation and assessments required to be submitted to the Secretary of Agriculture under this subsection shall be submitted—

(A) in the case of the transfers required by subsection (a), not later than 210 days after the date of the enactment of this title; and

(B) in the case of the transfers required by subsection (b), not later than 60 days before the earliest date on which the property could be transferred.

(4) SUBMISSION OF ADDITIONAL INFORMATION.—The Secretary of the Army and the Administrator shall have a continuing obligation to provide to the Secretary of Agriculture any additional information regarding the environmental condition of property to be transferred under subsection (a) or (b) as such information becomes available.

(d) EFFECT OF ENVIRONMENTAL ASSESSMENT.—

(1) AUTHORITY OF SECRETARY OF AGRICULTURE TO DECLINE IMMEDIATE TRANSFER.—If a parcel of Arsenal property to be transferred under subsection (a) or (b) includes property for which the assessment under subsection (c)(2) concludes further action is required under any environmental law (other than CERCLA), the Secretary of Agriculture may decline immediate transfer of the parcel. With respect to such a parcel, the Secretary of the Army and the Secretary of Agriculture shall enter into a memorandum of understanding providing for the performance by the Secretary of the Army of the required actions identified in the Army assessment. The memorandum of understanding shall be entered into within 90 days after the date on which the Secretary of Agriculture declines immediate transfer of the parcel and shall include a schedule for the completion of the required actions as soon as practicable.

(2) EVENTUAL TRANSFER.—In the case of a parcel of Arsenal property that the Secretary of Agriculture declines immediate transfer under paragraph (1), the Secretary may accept transfer of the parcel at any time after the original finding with respect to the parcel that all response actions have been taken under CERCLA necessary to protect human health and the environment with respect to any hazardous substance remaining on the property. The Secretary of Agriculture shall accept transfer of the parcel as soon as possible after the date on which all required further actions identified in the assessment have been taken and the terms of any memorandum of understanding have been satisfied.

(e) IDENTIFICATION OF ARSENAL PROPERTY FOR TRANSFER.—

(1) MAP OF PROPOSED TRANSFERS.—The lands subject to transfer to the Secretary of Agriculture under subsections (a) and (b) and section 2916 are depicted on the map dated September 22, 1995, which is on file and available for public inspection at the Office of the Chief of the Forest Service and the Office of the Assistant Secretary of the Army for Installations, Logistics and the Environment.

(2) METHOD OF EFFECTING TRANSFER.—The Secretary of the Army shall effect the transfer of jurisdiction of Arsenal property under subsections (a) and (b) and section 2916 by publication of notices in the Federal Register. The Secretary of Agriculture shall give prior concurrence to the publication of such notices. Each notice published in the Federal Register shall refer to the parcel being transferred by legal description, references to maps or surveys, or other forms of description mutually acceptable to the Secretary of the Army and the Secretary of Agriculture. The Secretary of the Army shall provide, without reimbursement, to the Secretary of Agriculture copies of all surveys and land title information on lands transferred under this section or section 2916.

(f) SURVEYS.—All costs of necessary surveys for the transfer of jurisdiction of Arsenal property from the Secretary of the Army to the Secretary of Agriculture shall be borne by the Secretary of Agriculture.

SEC. 2913. RESPONSIBILITY AND LIABILITY.

(a) CONTINUED LIABILITY OF SECRETARY OF THE ARMY.—The transfers of Arsenal property under sections 2912 and 2916, and the requirements of such sections, shall not in any way affect the responsibilities and liabilities of the Secretary of the Army specified in this section. The Secretary of the Army shall retain any obligation or other liability at the Arsenal that the Secretary of the Army has under CERCLA or other environmental laws. Following transfer of a portion of the Arsenal under this subtitle, the Secretary of the Army shall be accorded any easement or access to the property that may be reasonably required by the Secretary to carry out the obligation or satisfy the liability.

(b) SPECIAL PROTECTIONS FOR SECRETARY OF AGRICULTURE.—The Secretary of Agriculture shall not be liable under any environmental law for matters which are related directly or indirectly to activities of the Secretary of the Army at the Arsenal or any party acting under the authority of the Secretary of the Army at the Arsenal, including any of the following:

(1) Costs or performance of response actions required under CERCLA at or related to the Arsenal.

(2) Costs, penalties, fines, or performance of actions related to noncompliance with any environmental law at or related to the Arsenal or related to the presence, release, or threat of release of any hazardous substance, pollutant or contaminant, hazardous waste, or hazardous material of any kind at or related to the Arsenal, including contamination resulting from migration of a hazardous substance, pollutant or contaminant, hazardous waste, hazardous material, or petroleum products or their derivatives.

(3) Costs or performance of actions necessary to remedy noncompliance or another problem specified in paragraph (2).

(c) LIABILITY OF OTHER PERSONS.—Nothing in this title shall be construed to effect, modify, amend, repeal, alter, limit or otherwise change, directly or indirectly, the responsibilities or liabilities under any environmental law of any person (including the Secretary of Agriculture), except as provided in subsection (b) with respect to the Secretary of Agriculture.

(d) PAYMENT OF RESPONSE ACTION COSTS.—A Federal agency that had or has operations at the Arsenal resulting in the release or threatened release of a hazardous substance or pollutant or contaminant for which that agency would be liable under any environmental law, subject to the provisions of this subtitle, shall pay the costs of related response actions and shall pay the costs of related actions to remediate petroleum products or the derivatives of the products, including motor oil and aviation fuel.

(e) CONSULTATION.—

(1) RESPONSIBILITY OF SECRETARY OF AGRICULTURE.—The Secretary of Agriculture shall consult with the Secretary of the Army with respect to the management by the Secretary of Agriculture of real property included in the Midewin National Tallgrass Prairie subject to any response action or other action at the Arsenal being carried out by or under the authority of the Secretary of the Army under any environmental law. The Secretary of Agriculture shall consult with the Secretary of the Army prior to undertaking any activities on the Midewin National Tallgrass Prairie that may disturb the property to ensure that such activities will not exacerbate contamination problems or interfere with performance by the Secretary of the Army of response actions at the property.

(2) RESPONSIBILITY OF SECRETARY OF THE ARMY.—In carrying out response actions at the Arsenal, the Secretary of the Army shall consult with the Secretary of Agriculture to ensure that such actions are carried out in a manner consistent with the purposes for which the Midewin National Tallgrass Prairie is established, as specified in section 2914(c), and the other provisions of sections 2914 and 2915.

SEC. 2914. ESTABLISHMENT AND ADMINISTRATION OF MIDEWIN NATIONAL TALLGRASS PRAIRIE.

(a) ESTABLISHMENT.—On the effective date of the initial transfer of jurisdiction of portions of the Arsenal to the Secretary of Agriculture under section 2912(a), the Secretary of Agriculture shall establish the Midewin National Tallgrass Prairie. The MNP shall—

(1) be administered by the Secretary of Agriculture; and

(2) consist of the real property so transferred and such other portions of the Arsenal subsequently transferred under section 2912(b) or 2916 or acquired under section 2914(d).

(b) ADMINISTRATION.—

(1) IN GENERAL.—The Secretary of Agriculture shall manage the Midewin National Tallgrass Prairie as a part of the National Forest System in accordance with this title and the laws, rules, and regulations pertaining to the National Forest System, except that the Bankhead-Jones Farm Tenant Act of 1937 (7 U.S.C. 1010–1012) shall not apply to the MNP.

(2) INITIAL MANAGEMENT ACTIVITIES.—In order to expedite the administration and public use of the Midewin National Tallgrass Prairie, the Secretary of Agriculture may conduct management activities at the MNP to effectuate the purposes for which the MNP is established, as set forth in subsection (c), in advance of the development of a land and resource management plan for the MNP.

(3) LAND AND RESOURCE MANAGEMENT PLAN.—In developing a land and resource management plan for the Midewin National Tallgrass Prairie, the Secretary of Agriculture shall consult with the Illinois Department of Natural Resources and local governments adjacent to the MNP and provide an opportunity for public comment. Any parcel transferred to the Secretary of Agriculture under this title after the development of a land and resource management plan for the MNP may be managed in accordance with such plan without need for an amendment to the plan.

(c) PURPOSES OF THE MIDEWIN NATIONAL TALLGRASS PRAIRIE.—The Midewin National Tallgrass Prairie is established to be managed for National Forest System purposes, including the following:

(1) To manage the land and water resources of the MNP in a manner that will conserve and enhance the native populations and habitats of fish, wildlife, and plants.

(2) To provide opportunities for scientific, environmental, and land use education and research.

(3) To allow the continuation of agricultural uses of lands within the MNP consistent with section 2915(b).

(4) To provide a variety of recreation opportunities that are not inconsistent with the preceding purposes.

(d) OTHER LAND ACQUISITION FOR MNP.—

(1) AVAILABILITY OF LAND ACQUISITION FUNDS.—Notwithstanding section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9), the Secretary of Agriculture may use monies appropriated from the Land and Water Conservation Fund established under section 2 of such Act (16 U.S.C. 460*l*–5) for the acquisition of lands and interests in land for inclusion in the Midewin National Tallgrass Prairie.

(2) ACQUISITION OF LANDS.—The Secretary of Agriculture may acquire lands or interests therein for inclusion in the Midewin National Tallgrass Prairie by donation, purchase, or exchange, except that the acquisition of private lands for inclusion in the MNP shall be on a willing seller basis only.

(e) COOPERATION WITH STATES, LOCAL GOVERNMENTS AND OTHER ENTITIES.—In the management of the Midewin National Tallgrass Prairie, the Secretary of Agriculture is authorized and encouraged to cooperate with appropriate Federal, State and local governmental agencies, private organizations and corporations. Such cooperation may include cooperative agreements as well as the exercise of the existing authorities of the Secretary under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.) and the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641 et seq.). The objects of such cooperation may include public education, land and resource protection, and cooperative management among government, corporate, and private landowners in a manner which furthers the purposes for which the Midewin National Tallgrass Prairie is established.

SEC. 2915. SPECIAL MANAGEMENT REQUIREMENTS FOR MIDEWIN NATIONAL TALLGRASS PRAIRIE.

(a) PROHIBITION AGAINST THE CONSTRUCTION OF NEW THROUGH ROADS.—No new construction of any highway, public road, or any part of the interstate system, whether Federal, State, or local, shall be permitted through or across any portion of the Midewin National Tallgrass Prairie. Nothing in this title shall preclude construction and maintenance of roads for use within the MNP, the granting of authorizations for utility rights-of-way under applicable Federal law, or such access as is necessary. Nothing in this title shall preclude necessary access by the Secretary of the Army for purposes of restoration and cleanup as provided in this title.

(b) AGRICULTURAL LEASES AND SPECIAL USE AUTHORIZATIONS.—Within the Midewin National Tallgrass Prairie, use of the lands for agricultural purposes shall be permitted subject to the following terms and conditions:

(1) If at the time of transfer of jurisdiction under section 2912 or 2916 there exists any lease issued by the Secretary of the Army or the Secretary of Defense for agricultural purposes upon the parcel transferred, the Secretary of Agriculture shall issue a special use authorization to supersede the lease. The terms of the special use authorization shall be identical in substance to the lease that the special use authorization is superseding, including the expiration date and any payments owed the United States. On issuance of the special use authorization, the lease shall become void.

(2) In addition to the authority provided in paragraph (1), the Secretary of Agriculture may issue special use authorizations to persons for use of the Midewin National Tallgrass Prairie for agricultural purposes. Special use authorizations issued pursuant to this paragraph shall include terms and conditions as the Secretary of Agriculture may deem appropriate.

(3) No agricultural special use authorization shall be issued for agricultural purposes which has a term extending beyond the date 20 years from the date of the enactment of this title, except that nothing in this title shall preclude the Secretary of Agriculture from issuing agricultural special use authorizations or grazing permits which are effective after twenty years from the date of enactment of this title for purposes primarily related to erosion control, provision for food and habitat for fish and wildlife, or other resource management activities consistent with the purposes of the Midewin National Tallgrass Prairie.

(c) TREATMENT OF RENTAL FEES.—Monies received under a special use authorization issued under subsection (b) shall be subject to distribution to the State of Illinois and affected counties pursuant to the Act of May 23, 1908, and section 13 of the Act of March 1, 1911 (16 U.S.C. 500). All monies not distributed pursuant to such Acts shall be covered into the Treasury and shall constitute a special fund (to be known as the "MNP Rental Fee Account"). The Secretary of Agriculture may use amounts in the fund, until expended and without fiscal year limitation, to cover the cost to the United States of prairie improvement work at the Midewin National Tallgrass Prairie. Any amounts in the fund that the Secretary of Agriculture determines to be in excess of the cost of doing such work shall be transferred, upon such determination, to miscellaneous receipts, Forest Service Fund, as a National Forest receipt of the fiscal year in which the transfer is made.

(d) USER FEES.—The Secretary of Agriculture is authorized to charge reasonable fees for the admission, occupancy, and use of the Midewin National Tallgrass Prairie and may prescribe a fee schedule providing for reduced or a waiver of fees for persons or groups engaged in authorized activities including those providing volunteer services, research, or education. The Secretary shall permit admission, occupancy, and use at no additional charge for persons possessing a valid Golden Eagle Passport or Golden Age Passport.

(e) SALVAGE OF IMPROVEMENTS.—The Secretary of Agriculture may sell for salvage value any facilities and improvements which have been transferred to the Secretary pursuant to this title.

(f) TREATMENT OF USER FEES AND SALVAGE RECEIPTS.—Monies collected pursuant to subsections (d) and (e) shall be covered into the Treasury and constitute a special fund (to be known as the "Midewin National Tallgrass Prairie Restoration Fund"). The

Secretary of Agriculture may use amounts in the fund, in such amounts as are provided in advance in appropriation Acts, for restoration and administration of the Midewin National Tallgrass Prairie, including construction of a visitor and education center, restoration of ecosystems, construction of recreational facilities (such as trails), construction of administrative offices, and operation and maintenance of the MNP. The Secretary of Agriculture shall include the MNP among the areas under the jurisdiction of the Secretary selected for inclusion in any cost recovery or any pilot program of the Secretary for the collection, use, and distribution of user fees.

SEC. 2916. SPECIAL TRANSFER RULES FOR CERTAIN ARSENAL PARCELS INTENDED FOR MNP.

(a) DESCRIPTION OF PARCELS.—The following areas of the Arsenal may be transferred under this section:

(1) Study Area 2, explosive burning ground.

(2) Study Area 3, flashing ground.

(3) Study Area 4, lead azide area.

(4) Study Area 10, toluene tank farms.

(5) Study Area 11, landfill.

(6) Study Area 12, sellite manufacturing area.

(7) Study Area 14, former pond area.

(8) Study Area 15, sewage treatment plan.

(9) Study Area L1, load assemble packing area, group 61.

(10) Study Area L4, landfill area.

(11) Study Area L7, group 1.

(12) Study Area L8, group 2.

(13) Study Area L9, group 3.

(14) Study Area L10, group 3A.

(15) Study Area L14, group 4.

(16) Study Area L15, group 5.

(17) Study Area L18, group 8.

(18) Study Area L19, group 9.

(19) Study Area L33, PVC area.

(20) Any other lands proposed for transfer as depicted on the map described in section 2912(e)(1) and not otherwise specifically identified for transfer under this subtitle.

(b) INFORMATION REGARDING ENVIRONMENTAL CONDITION OF PARCELS; ASSESSMENT OF REQUIRED ACTIONS UNDER OTHER ENVIRONMENTAL LAWS.—

(1) INFORMATION.—Not later than 180 days after the date on which the Secretary of the Army and the Administrator concur in finding that, with respect to a parcel of Arsenal property described in subsection (a), all response actions have been taken under CERCLA necessary to protect human health and the environment with respect to any hazardous substance remaining on the parcel, the Secretary of the Army and the Administrator shall provide to the Secretary of Agriculture all information that exists on such date regarding the environmental condition of the parcel and the implementation of any response action, including information regarding the effectiveness of the response action.

(2) ASSESSMENT.—At the same time as information is provided under paragraph (1) with regard to a parcel of Arsenal property described in subsection (a), the Secretary of the Army shall provide to the Secretary of Agriculture an assessment, based on information in existence at the time the assessment is provided, indicating what further action, if any, is required under any environmental law (other than CERCLA) with respect to the parcel.

(3) SUBMISSION OF ADDITIONAL INFORMATION.—The Secretary of the Army and the Administrator shall have a continuing obligation to provide to the Secretary of Agriculture any additional information regarding the environmental condition of a parcel of the Arsenal property described in subsection (a) as such information becomes available.

(c) OFFER OF TRANSFER.—Not later than 180 days after the date on which information is provided under subsection (b)(1) with regard to a parcel of the Arsenal property described in subsection (a), the Secretary of the Army shall offer the Secretary of Agriculture the option of accepting a transfer of the parcel, without reimbursement, to be added to the Midewin National Tallgrass Prairie. The transfer shall be subject to the terms and conditions of this subtitle, including the liability provisions contained in section 2913. The Secretary of Agriculture has the option to accept or decline the offered transfer. The transfer of property under this section may be made on a parcel-by-parcel basis.

(d) EFFECT OF ENVIRONMENTAL ASSESSMENT.—

(1) AUTHORITY OF SECRETARY OF AGRICULTURE TO DECLINE TRANSFER.—If a parcel of Arsenal property described in subsection (a) includes property for which the assessment under subsection (b)(2) concludes further action is required under any other environmental law, the Secretary of Agriculture may decline any transfer of the parcel. Alternatively, the Secretary of Agriculture may decline immediate transfer of the parcel and enter into a memorandum of understanding with the Secretary of the Army providing for the performance by the Secretary of the Army of the required actions identified in the Army assessment with respect to the parcel. The memorandum of understanding shall be entered into within 90 days, or such later date as the Secretaries may establish, after the date on which the Secretary of Agriculture declines immediate transfer of the parcel and shall include a schedule for the completion of the required actions as soon as practicable.

(2) EVENTUAL TRANSFER.—The Secretary of Agriculture may accept or decline at any time for any reason the transfer of a parcel covered by this section. However, if the Secretary of Agriculture and the Secretary of the Army enter into a memorandum of understanding under paragraph (1) providing for transfer of the parcel, the Secretary of Agriculture shall accept transfer of the parcel as soon as possible after the date on which all required further actions identified in the assessment have been taken and the requirements of the memorandum of understanding have been satisfied.

(e) RULE OF CONSTRUCTION REGARDING CONCURRENCES.—For the purpose of the reaching the concurrence required by subsection (b)(1), if a response action requires construction and installation of an approved remedial design, the response action shall be considered to have been taken when the construction and installation of the approved remedial design is completed and the remedy is demonstrated to the satisfaction of the Administrator to be operating properly and successfully.

(f) INCLUSIONS AND EXCEPTIONS.—

(1) INCLUSIONS.—The parcels of Arsenal property described in subsection (a) shall include all associated inventoried buildings and structures as identified in the Joliet Army Ammunition Plant Plantwide Building and Structures Report and the contaminate study sites for both the manufacturing and load assembly and packing sites of the Arsenal as shown in the Dames and Moore Final Report, Phase 2 Remedial Investigation Manufacturing (MFG) Area Joliet Army Ammunition Plant, Joliet, Illinois (May 30, 1993, Contract No. DAAA15-90-D-0015 task order No. 6 prepared for the United States Army Environmental Center).

(2) EXCEPTION.—The parcels described in subsection (a) shall not include the property at the Arsenal designated for transfer or conveyance under subtitle B.

Subtitle B—Other Land Conveyances Involving Joliet Army Ammunition Plant

SEC. 2921. CONVEYANCE OF CERTAIN REAL PROPERTY AT ARSENAL FOR A NATIONAL CEMETERY.

(a) CONVEYANCE AUTHORIZED.—Subject to section 2931, the Secretary of the Army may transfer, without reimbursement, to the Secretary of Veterans Affairs the parcel of real property at the Arsenal described in subsection (b) for use as a national cemetery operated as part of the National Cemetery System of the Department of Veterans Affairs under chapter 24 of title 38, United States Code.

(b) DESCRIPTION OF PROPERTY.—The real property authorized to be transferred under subsection (a) is a parcel of real property at the Arsenal consisting of approximately 982 acres, the approximate legal description of which includes part of sections 30 and 31, Jackson Township, Township 34 North, Range 10 East, and part of sections 25 and 36, Channahon Township, Township 34 North, Range 10 East, Will County, Illinois, as depicted in the Arsenal land use concept.

(c) SECURITY MEASURES.—The Secretary of Veterans Affairs shall provide and maintain physical and other security measures on the real property transferred under subsection (a). Such security measures (which may include fences and natural barriers) shall include measures to prevent members of the public from gaining unauthorized access to the portion of the Arsenal that is under the administrative jurisdiction of the Secretary of Veterans Affairs and that may endanger health or safety.

(d) SURVEYS.—All costs of necessary surveys for the transfer of jurisdiction of Arsenal properties from the Secretary of the Army to the Secretary of Veterans Affairs shall be borne solely by the Secretary of Veterans Affairs.

SEC. 2922. CONVEYANCE OF CERTAIN REAL PROPERTY AT ARSENAL FOR A COUNTY LANDFILL.

(a) CONVEYANCE AUTHORIZED.—Subject to section 2931, the Secretary of the Army may convey, without compensation, to Will County, Illinois, all right, title, and interest of the United States in and to the parcel of real property at the Arsenal described in subsection (b), which shall be operated as a landfill by the County.

(b) DESCRIPTION OF PROPERTY.—The real property authorized to be conveyed under subsection (a) is a parcel of real property at the Arsenal consisting of approximately 455 acres, the approximate legal description of which includes part of sections 8, 9, 16, and 17, Florence Township, Township 33 North, Range 10 East, Will County, Illinois, as depicted in the Arsenal land use concept.

(c) CONDITION ON CONVEYANCE.—The conveyance shall be subject to the condition that the Department of the Army, the Department of Veterans Affairs, and the Department of Agriculture (or their agents or assigns) may use the landfill established on the real property conveyed under subsection (a) for the disposal of construction debris, refuse, and other materials related to any restoration and cleanup of Arsenal property. Such use shall be subject to applicable environmental laws and at no cost to the Federal Government.

(d) REVERSIONARY INTEREST.—If, at the end of the five-year period beginning on the date of the conveyance under subsection (a), the Secretary of Agriculture determines that the conveyed property is not opened for operation as a landfill, then, at the option of the Secretary of Agriculture, all right, title, and interest in and to the property, including improvements thereon, shall revert to the United States. Upon any such reversion, the property shall be included in the Midewin National Tallgrass Prairie. In the event the United States exercises its option to cause the property to revert, the United States shall have the right of immediate entry onto the property.

(e) INFORMATION REGARDING ENVIRONMENTAL CONDITIONS.—At the request of the Secretary of Agriculture, Will County, the Secretary of the Army, and the Administrator shall provide to the Secretary of Agriculture all information in their possession at the time of the request regarding the environmental condition of the real property to be conveyed under this section. The liability and responsibility of any person under any environmental law shall remain unchanged with respect to the landfill, except as provided in this title, including section 2913.

(f) SURVEYS.—All costs of necessary surveys for the conveyance of real property under this section shall be borne by Will County, Illinois.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the conveyance under this section as the Secretary of the Army considers appropriate to protect the interests of the United States.

SEC. 2923. CONVEYANCE OF CERTAIN REAL PROPERTY AT ARSENAL FOR INDUSTRIAL PARKS.

(a) CONVEYANCE AUTHORIZED.—Subject to section 2931, the Secretary of the Army may convey to the State of Illinois, all right, title, and interest of the United States in and to the parcels of real property at the Arsenal described in subsection (b), which shall be used as industrial parks to replace all or a part of the economic activity lost at the Arsenal.

(b) DESCRIPTION OF PROPERTY.—The real property at the Arsenal authorized to be transferred under subsection (a) consists of the following parcels:

(1) A parcel of approximately 1,900 acres, the approximate legal description of which includes part of section 30, Jackson Township, Township 34 North, Range 10 East, and sections or parts of sections 24, 25, 26, 35, and 36, Township 34 North, Range 9 East, in Channahon Township, an area of 9.77 acres around the Des Plaines River Pump Station located in the southeast quarter of section 15, Township 34 North, Range 9 East of the Third Principal Meridian, in Channahon Township, and an area of 511 feet by 596 feet around the Kankakee River Pump Station in the Northwest Quarter of section 5, Township 33 North, Range 9 East, east of the Third Principal Meridian in Wilmington Township, containing 6.99 acres, located along the easterly side of the Kankakee Cut-Off in Will County, Illinois, as depicted in the Arsenal land use concept, and the connecting piping to the northern industrial site, as described by the United States Army Report of Availability, dated 13 December 1993.

(2) A parcel of approximately 1,100 acres, the approximate legal description of which includes part of sections 16, 17, and 18 in Florence Township, Township 33 North, Range 10 East, Will County, Illinois, as depicted in the Arsenal land use concept.

(c) CONSIDERATION.—

(1) DELAY IN PAYMENT OF CONSIDERATION.—After the end of the 20-year period beginning on the date on which the conveyance under subsection (a) is completed, the State of Illinois shall pay to the United States an amount equal to fair market value of the conveyed property as of the time of the conveyance.

(2) EFFECT OF RECONVEYANCE BY STATE.—If the State of Illinois reconveys all or any part of the conveyed property during such 20-year period, the State shall pay to the United States an amount equal to the fair market value of the reconveyed property as of the time of the reconveyance, excluding the value of any improvements made to the property by the State.

(3) DETERMINATION OF FAIR MARKET VALUE.—The Secretary of the Army shall determine fair market value in accordance with Federal appraisal standards and procedures.

(4) TREATMENT OF LEASES.—The Secretary of the Army may treat a lease of the property within such 20-year period as a reconveyance if the Secretary determines that the lease is being used to avoid application of paragraph (2).

(5) DEPOSIT OF PROCEEDS.—The Secretary of the Army shall deposit any proceeds received under this subsection in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(d) CONDITIONS OF CONVEYANCE.—

(1) REDEVELOPMENT AUTHORITY.—The conveyance under subsection (a) shall be subject to the condition that the Governor of the State of Illinois, in consultation with the Mayor of the Village of Elwood, Illinois, and the Mayor of the City of Wilmington, Illinois, establish a redevelopment authority to be responsible for overseeing the development of the industrial parks on the conveyed property.

(2) TIME FOR ESTABLISHMENT.—To satisfy the condition specified in paragraph (1), the redevelopment authority shall be established within one year after the date of the enactment of this title.

(e) SURVEYS.—All costs of necessary surveys for the conveyance of real property under this section shall be borne by the State of Illinois.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

Subtitle C—Miscellaneous Provisions

SEC. 2931. DEGREE OF ENVIRONMENTAL CLEANUP.

(a) IN GENERAL.—Nothing in this title shall be construed to restrict or lessen the degree of cleanup at the Arsenal required to be carried out under provisions of any environmental law.

(b) RESPONSE ACTION.—The establishment of the Midewin National Tallgrass Prairie under subtitle A and the additional real property transfers or conveyances authorized under subtitle B shall not restrict or lessen in any way any response action or degree of cleanup under CERCLA or other environmental law, or any action required under any environmental law to remediate petroleum products or their derivatives (including motor oil and aviation fuel), required to be carried out under the authority of the Secretary of the Army at the Arsenal and surrounding areas.

(c) ENVIRONMENTAL QUALITY OF PROPERTY.—Any contract for sale, deed, or other transfer of real property under subtitle B shall be carried out in compliance with all applicable provisions of section 120(h) of CERCLA and other environmental laws.

SEC. 2932. RETENTION OF PROPERTY USED FOR ENVIRONMENTAL CLEANUP.

(a) RETENTION OF CERTAIN PROPERTY.—Unless and until the Arsenal property described in this subsection is actually transferred or conveyed under this title or other applicable law, the Secretary of the Army may retain jurisdiction, authority, and control over real property at the Arsenal to be used for—

(1) water treatment;

(2) the treatment, storage, or disposal of any hazardous substance, pollutant or contaminant, hazardous material, or petroleum products or their derivatives;

(3) other purposes related to any response action at the Arsenal; and

(4) other actions required at the Arsenal under any environmental law to remediate contamination or conditions of noncompliance with any environmental law.

(b) CONDITIONS.—The Secretary of the Army shall consult with the Secretary of Agriculture regarding the identification and management of the real property retained under this section and ensure that activities carried out on that property are consistent, to the extent practicable, with the purposes for which the Midewin National Tallgrass Prairie is established, as specified in section 2914(c), and with the other provisions of sections 2914 and 2915.

(c) PRIORITY OF RESPONSE ACTIONS.—In the case of any conflict between management of the property by the Secretary of Agriculture and any response action required under CERCLA, or any other action required under any other environmental law, including actions to remediate petroleum products or their derivatives, the response action or other action shall take priority.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) STOCKPILE STEWARDSHIP.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $1,567,175,000, to be allocated as follows:

(1) For core stockpile stewardship, $1,159,708,000, to be allocated as follows:

(A) For operation and maintenance, $1,078,403,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $81,305,000, to be allocated as follows:

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $2,520,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $8,400,000.

Project 96–D–104, processing and environmental technology laboratory (PETL), Sandia National Laboratories, Albuquerque, New Mexico, $1,800,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $6,600,000.

Project 95–D–102, Chemical and Metallurgy Research Building upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,940,000.

Project 94–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $12,200,000.

Project 93–D–102, Nevada support facility, North Las Vegas, Nevada, $15,650,000.

Project 90–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $6,200,000.

Project 88–D–106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $17,995,000.

(2) For inertial fusion, $240,667,000, to be allocated as follows:

(A) For operation and maintenance, $203,267,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $37,400,000:

Project 96–D–111, national ignition facility, location to be determined, $37,400,000.

(3) For technology transfer and education, $160,000,000.

(4) For Marshall Islands, $6,800,000.

(b) STOCKPILE MANAGEMENT.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $2,025,083,000, to be allocated as follows:

(1) For operation and maintenance, $1,911,458,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $113,625,000, to be allocated as follows:

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $600,000.

Project 96–D–123, retrofit heating, ventilation, and air conditioning and chillers for ozone protection, Y–12 Plant, Oak Ridge, Tennessee, $3,100,000.

Project 96–D–125, Washington measurements operations facility, Andrews Air Force Base, Camp Springs, Maryland, $900,000.

Project 96–D–126, tritium loading line modifications, Savannah River Site, South Carolina, $12,200,000.

Project 95–D–122, sanitary sewer upgrade, Y–12 Plant, Oak Ridge, Tennessee, $6,300,000.

Project 94–D–124, hydrogen fluoride supply system, Y–12 Plant, Oak Ridge, Tennessee, $8,700,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $5,500,000.

Project 94–D–127, emergency notification system, Pantex Plant, Amarillo, Texas, $2,000,000.

Project 94–D–128, environmental safety and health analytical laboratory, Pantex Plant, Amarillo, Texas, $4,000,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $7,200,000.

Project 93–D–123, complex–21, various locations, $41,065,000.

Project 88–D–122, facilities capability assurance program, various locations, $8,660,000.

Project 88–D–123, security enhancement, Pantex Plant, Amarillo, Texas, $13,400,000.

(c) PROGRAM DIRECTION.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for program direction in carrying out weapons activities necessary for national security programs in the amount of $115,000,000.

(d) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (c) reduced by the sum of—

(1) $37,200,000, for savings resulting from procurement reform; and

(2) $209,744,000, for use of prior year balances.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ENVIRONMENTAL RESTORATION.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for environmental restoration in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,635,973,000.

(b) WASTE MANAGEMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $2,470,598,000, to be allocated as follows:

(1) For operation and maintenance, $2,295,994,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $174,604,000, to be allocated as follows:

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $42,000,000.

Project 96–D–407, mixed waste/low-level waste treatment projects, Rocky Flats Plant, Golden, Colorado, $2,900,000.

Project 96–D–408, waste management upgrades, various locations, $5,615,000.

Project 95–D–402, install permanent electrical service, Waste Isolation Pilot Plant, Carlsbad, New Mexico, $4,314,000.

Project 95–D–405, industrial landfill V and construction/demolition landfill VII, Phase III, Y–12 Plant, Oak Ridge, Tennessee, $4,600,000.

Project 95–D–406, road 5–01 reconstruction, area 5, Nevada Test Site, Nevada, $1,023,000.

Project 95–D–407, 219–S secondary containment upgrade, Richland Washington, $1,000,000.

Project 94–D–400, high explosive wastewater treatment system, Los Alamos National Laboratory, Los Alamos, New Mexico, $4,445,000.

Project 94–D–402, liquid waste treatment system, Nevada Test Site, Nevada, $282,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $11,000,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $12,000,000.

Project 94–D–411, solid waste operation complex, Richland, Washington, $6,606,000.

Project 93–D–178, building 374 liquid waste treatment facility, Rocky Flats Plant, Golden, Colorado, $3,900,000.

Project 93–D–181, radioactive liquid waste line replacement, Richland, Washington, $5,000,000.

Project 93–D–182, replacement of cross-site transfer system, Richland, Washington, $19,795,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, South Carolina, $19,700,000.

Project 92–D–171, mixed waste receiving and storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,105,000.

Project 92–D–188, waste management environmental, safety and health (ES&H) and compliance activities, various locations, $1,100,000.

Project 90–D–172, aging waste transfer lines, Richland, Washington, $2,000,000.

Project 90–D–177, RWMC transuranic (TRU) waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $1,428,000.

Project 90–D–178, TSA retrieval enclosure, Idaho National Engineering Laboratory, Idaho, $2,606,000.

Project 89–D–173, tank farm ventilation upgrade, Richland, Washington, $800,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River Site, Aiken, South Carolina, $11,500,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $8,885,000.

Project 83–D–148, nonradioactive hazardous waste management, Savannah River Site, Aiken, South Carolina, $1,000,000.

(c) TECHNOLOGY DEVELOPMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $440,510,000.

(d) TRANSPORTATION MANAGEMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for transportation management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $13,158,000.

(e) NUCLEAR MATERIALS AND FACILITIES STABILIZATION.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for nuclear materials and facilities stabilization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,561,854,000 to be allocated as follows:

(1) For operation and maintenance, $1,447,108,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $114,746,000, to be allocated as follows:

Project 96–D–457, thermal treatment system, Richland Washington, $1,000,000.

Project 96–D–458, site drainage control, Mound Plant, Miamisburg, Ohio, $885,000.

Project 96–D–461, electrical distribution upgrade, Idaho National Engineering Laboratory, Idaho, $1,539,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $4,952,000.

Project 96–D–468, residue elimination project, Rocky Flats Plant, Golden, Colorado, $33,100,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $1,500,000.

Project 95–D–155, upgrade site road infrastructure, Savannah River Site, South Carolina, $2,900,000.

Project 95–D–156, radio trunking system, Savannah River Site, South Carolina, $6,000,000.

Project 95–D–454, 324 facility compliance/renovation, Richland, Washington, $3,500,000.

Project 95–D–456, security facilities upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $8,382,000.

Project 94–D–122, underground storage tanks, Rocky Flats Plant, Golden, Colorado, $5,000,000.

Project 94–D–401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $5,074,000.

Project 94–D–412, 300 area process sewer piping upgrade, Richland, Washington, $1,000,000.

Project 94–D–415, medical facilities, Idaho National Engineering Laboratory, Idaho, $3,601,000.

Project 94–D–451, infrastructure replacement, Rocky Flats Plant, Golden, Colorado, $2,940,000.

Project 93–D–147, domestic water system upgrade, Phase I and II, Savannah River Site, Aiken, South Carolina, $7,130,000.

Project 92–D–123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado, $9,560,000.

Project 92–D–125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $7,000,000.

Project 92–D–181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $6,883,000.

Project 91–D–127, criticality alarm and plant annunciation utility replacement, Rocky Flats Plant, Golden, Colorado, $2,800,000.

(f) COMPLIANCE AND PROGRAM COORDINATION.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for compliance and program coordination in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $46,251,000, to be allocated as follows:

(1) For operation and maintenance, $31,251,000.

(2) For the following plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of a project authorized in prior years, and land acquisition related thereto):

Project 95–E–600, hazardous materials training center, Richland, Washington, $15,000,000.

(g) ANALYSIS, EDUCATION, AND RISK MANAGEMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for analysis, education, and risk management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $78,522,000.

(h) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsections (a) through (g) reduced by the sum of—

(1) $652,334,000, for use of prior year balances; and

(2) $37,000,000, for Savannah River Pension Refund.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) OTHER DEFENSE ACTIVITIES.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for other defense activities in carrying out programs necessary for national security in the amount of $1,351,975,600, to be allocated as follows:

(1) For verification and control technology, $428,205,600, to be allocated as follows:

(A) For nonproliferation and verification research and development, $224,905,000.

(B) For arms control, $160,964,600.

(C) For intelligence, $42,336,000.

(2) For nuclear safeguards and security, $83,395,000.

(3) For security investigations, $20,000,000.

(4) For security evaluations, $14,707,000.

(5) For the Office of Nuclear Safety, $17,679,000.

(6) For worker and community transition assistance, $82,500,000.

(7) For fissile materials disposition, $70,000,000.

(8) For emergency management, $23,321,000.

(9) For naval reactors development, $682,168,000, to be allocated as follows:

(A) For operation and infrastructure, $652,568,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $29,600,000, to be allocated as follows:

Project GPN–101, general plant projects, various locations, $6,600,000.

Project 95–D–200, laboratory systems and hot cell upgrades, various locations, $11,300,000.

Project 95–D–201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $4,800,000.

Project 93–D–200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $3,900,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $3,000,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the amount authorized to be appropriated in subsection (a) reduced by $70,000,000, for use of prior year balances.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1996 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $248,400,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by sections 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authorizations of the Federal agency to which the amounts are transferred.

(b) Transfer Within Department of Energy; Limitations.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(3) The authority provided by this section to transfer authorizations—

(A) may only be used to provide funds for items relating to weapons activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(B) may not be used to provide authority for an item that has been denied funds by Congress.

(c) Notice to Congress.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) Requirement for Conceptual Design.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $2,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) Authority for Construction Design.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) Authority.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) Limitation.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) Specific Authority.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. AUTHORITY TO CONDUCT PROGRAM RELATING TO FISSILE MATERIALS.

(a) Authority.—The Secretary of Energy may conduct programs designed to improve the protection, control, and accountability of fissile materials in Russia.

(b) Semi-Annual Reports on Obligation of Funds.—(1) Not later than 30 days after the date of the enactment of this Act, and thereafter not later than April 1 and October 1 of each year, the Secretary of Energy shall submit to Congress a report on each obligation during the preceding six months of funds appropriated for a program described in subsection (a).

(2) Each such report shall specify—

(A) the activities and forms of assistance for which the Secretary of Energy has obligated funds;

(B) the amount of the obligation;

(C) the activities and forms of assistance for which the Secretary anticipates obligating funds during the six months immediately following the report, and the amount of each such anticipated obligation; and

(D) the projected involvement (if any) of any department or agency of the United States (in addition to the Department of Energy) and of the private sector of the United States in the activities and forms of assistance for which the Secretary of Energy has obligated funds referred to in subparagraph (A).

SEC. 3132. NATIONAL IGNITION FACILITY.

None of the funds authorized to be appropriated pursuant to this title for construction of the National Ignition Facility may be obligated until—

(1) the Secretary of Energy determines that the construction of the National Ignition Facility will not impede the nuclear nonproliferation objectives of the United States; and

(2) the Secretary of Energy notifies the congressional defense committees of that determination.

SEC. 3133. TRITIUM PRODUCTION PROGRAM.

(a) Establishment of Program.—The Secretary of Energy shall establish a tritium production program that is capable of meeting the tritium requirements of the United States for nuclear weapons. In carrying out the tritium production program, the Secretary shall—

(1) complete the tritium supply and recycling environmental impact statement in preparation by the Secretary as of the date of the enactment of this Act; and

(2) assess alternative means for tritium production, including production through—

(A) types of new and existing reactors, including multipurpose reactors (such as advanced light water reactors and gas turbine gas-cooled reactors) capable of meeting both the tritium production requirements and the plutonium disposition requirements of the United States for nuclear weapons;

(B) an accelerator; and

(C) multipurpose reactor projects carried out by the private sector and the Government.

(b) Funding.—Of funds authorized to be appropriated to the Department of Energy pursuant to section 3101, not more than $50,000,000 shall be available for the tritium production program established pursuant to subsection (a).

(c) Location of Tritium Production Facility.—The Secretary shall locate any new tritium production facility of the Department of Energy at the Savannah River Site, South Carolina.

(d) Cost-Benefit Analysis.—(1) The Secretary shall include in the statements referred to in paragraph (2) a comparison of the costs and benefits of carrying out two projects for the separate performance of the tritium production mission of the Department and the plutonium disposition mission of the Department with the costs and benefits of carrying out one multipurpose project for the performance of both such missions.

(2) The statements referred to in paragraph (1) are—

(A) the environmental impact statement referred to in subsection (a)(1);

(B) the plutonium disposition environmental impact statement in preparation by the Secretary as of the date of the enactment of this Act; and

(C) assessments related to the environmental impact statements referred to in subparagraphs (A) and (B).

(e) Report.—Not later than 45 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the tritium production program established pursuant to subsection (a). The report shall include a specification of—

(1) the planned expenditures of the Department during fiscal year 1996 for any of the alternative means for tritium production assessed under subsection (a)(2);

(2) the amount of funds required to be expended by the Department, and the program milestones (including feasibility demonstrations) required to be met, during fiscal years 1997 through 2001 to ensure tritium production beginning not later than 2005 that is adequate to meet the tritium requirements of the United States for nuclear weapons; and

(3) the amount of such funds to be expended and such program milestones to be met during such fiscal years to ensure such tritium production beginning not later than 2011.

(f) Tritium Targets.—Of the funds made available pursuant to subsection (b), not more than $5,000,000 shall be available for the

Idaho National Engineering Laboratory for the test and development of nuclear reactor tritium targets for the types of reactors assessed under subsection (a)(2)(A).

SEC. 3134. PAYMENT OF PENALTIES.

The Secretary of Energy may pay to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507), from funds appropriated to the Department of Energy for environmental restoration and waste management activities pursuant to section 3102, stipulated civil penalties in the amount of $350,000 assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against the Rocky Flats Site, Colorado.

SEC. 3135. FISSILE MATERIALS DISPOSITION.

(a) IN GENERAL.—Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1996 pursuant to section 3103, $70,000,000 shall be available only for purposes of completing the evaluation of, and commencing implementation of, the interim- and long-term storage and disposition (including storage and disposition through the use of advanced light water reactors and gas turbine gas-cooled reactors) of fissile materials (including plutonium, highly enriched uranium, and other fissile materials) that are excess to the national security needs of the United States.

(b) AVAILABILITY OF FUNDS FOR MULTIPURPOSE REACTORS.—Of funds made available pursuant to subsection (a), sufficient funds shall be made available for the complete consideration of multipurpose reactors for the disposition of fissile materials in the programmatic environmental impact statement of the Department.

(c) LIMITATION.—Of funds made available pursuant to subsection (a), $10,000,000 shall be available only for a plutonium resource assessment.

SEC. 3136. TRITIUM RECYCLING.

(a) IN GENERAL.—Except as provided in subsection (b), the following activities shall be carried out at the Savannah River Site, South Carolina:

(1) All tritium recycling for weapons, including tritium refitting.

(2) All activities regarding tritium formerly carried out at the Mound Plant, Ohio.

(b) EXCEPTION.—The following activities may be carried out at the Los Alamos National Laboratory, New Mexico:

(1) Research on tritium.

(2) Work on tritium in support of the defense inertial confinement fusion program.

(3) Provision of technical assistance to the Savannah River Site regarding the weapons surveillance program.

SEC. 3137. MANUFACTURING INFRASTRUCTURE FOR REFABRICATION AND CERTIFICATION OF NUCLEAR WEAPONS STOCKPILE.

(a) MANUFACTURING PROGRAM.—The Secretary of Energy shall carry out a program for purposes of establishing within the Government a manufacturing infrastructure that has the capabilities of meeting the following objectives as specified in the Nuclear Posture Review:

(1) To provide a stockpile surveillance engineering base.

(2) To refabricate and certify weapon components and types in the enduring nuclear weapons stockpile, as necessary.

(3) To fabricate and certify new nuclear warheads, as necessary.

(4) To support nuclear weapons.

(5) To supply sufficient tritium in support of nuclear weapons to ensure an upload hedge in the event circumstances require.

(b) REQUIRED CAPABILITIES.—The manufacturing infrastructure established under the program under subsection (a) shall include the following capabilities (modernized to attain the objectives referred to in that subsection):

(1) The weapons assembly capabilities of the Pantex Plant.

(2) The weapon secondary fabrication capabilities of the Y-12 Plant, Oak Ridge, Tennessee.

(3) The tritium production, recycling, and other weapons-related capabilities of the Savannah River Site.

(4) The non-nuclear component capabilities of the Kansas City Plant.

(c) NUCLEAR POSTURE REVIEW.—For purposes of subsection (a), the term "Nuclear Posture Review" means the Department of Defense Nuclear Posture Review as contained in the Report of the Secretary of Defense to the President and the Congress dated February 19, 1995, or subsequent such reports.

(d) FUNDING.—Of the funds authorized to be appropriated under section 3101(b), $143,000,000 shall be available for carrying out the program required under this section, of which—

(1) $35,000,000 shall be available for activities at the Pantex Plant;

(2) $30,000,000 shall be available for activities at the Y-12 Plant, Oak Ridge, Tennessee;

(3) $35,000,000 shall be available for activities at the Savannah River Site; and

(4) $43,000,000 shall be available for activities at the Kansas City Plant.

(e) PLAN AND REPORT.—The Secretary shall develop a plan for the implementation of this section. Not later than March 1, 1996, the Secretary shall submit to Congress a report on the obligations the Secretary has incurred, and plans to incur, during fiscal year 1996 for the program referred to in subsection (a).

SEC. 3138. HYDRONUCLEAR EXPERIMENTS.

Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, $30,000,000 shall be available to prepare for the commencement of a program of hydronuclear experiments at the nuclear weapons design laboratories at the Nevada Test Site, Nevada. The purpose of the program shall be to maintain confidence in the reliability and safety of the nuclear weapons stockpile.

SEC. 3139. LIMITATION ON AUTHORITY TO CONDUCT HYDRONUCLEAR TESTS.

Nothing in this Act may be construed to authorize the conduct of hydronuclear tests or to amend or repeal the requirements of section 507 of the Energy and Water Development Appropriations Act, 1993 (Public Law 102-377; 106 Stat. 1343; 42 U.S.C. 2121 note).

SEC. 3140. FELLOWSHIP PROGRAM FOR DEVELOPMENT OF SKILLS CRITICAL TO THE DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX.

(a) IN GENERAL.—The Secretary of Energy shall conduct a fellowship program for the development of skills critical to the ongoing mission of the Department of Energy nuclear weapons complex. Under the fellowship program, the Secretary shall—

(1) provide educational assistance and research assistance to eligible individuals to facilitate the development by such individuals of skills critical to maintaining the ongoing mission of the Department of Energy nuclear weapons complex;

(2) employ eligible individuals at the facilities described in subsection (c) in order to facilitate the development of such skills by these individuals; or

(3) provide eligible individuals with the assistance and the employment.

(b) ELIGIBLE INDIVIDUALS.—Individuals eligible for participation in the fellowship program are the following:

(1) Students pursuing graduate degrees in fields of science or engineering that are related to nuclear weapons engineering or to the science and technology base of the Department of Energy.

(2) Individuals engaged in postdoctoral studies in such fields.

(c) COVERED FACILITIES.—The Secretary shall carry out the fellowship program at or in connection with the following facilities:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Pantex Plant, Amarillo, Texas.

(3) The Y-12 Plant, Oak Ridge, Tennessee.

(4) The Savannah River Site, Aiken, South Carolina.

(d) ADMINISTRATION.—The Secretary shall carry out the fellowship program at a facility referred to in subsection (c) through the stockpile manager of the facility.

(e) ALLOCATION OF FUNDS.—The Secretary shall, in consultation with the Assistant Secretary of Energy for Defense Programs, allocate funds available for the fellowship program under subsection (f) among the facilities referred to in subsection (c). The Secretary shall make the allocation after evaluating an assessment by the weapons program director of each such facility of the personnel and critical skills necessary at the facility for carrying out the ongoing mission of the facility.

(f) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1996 under section 3101(b), $10,000,000 may be used for the purpose of carrying out the fellowship program under this section.

SEC. 3141. LIMITATION ON USE OF FUNDS FOR CERTAIN RESEARCH AND DEVELOPMENT PURPOSES.

Funds appropriated or otherwise made available to the Department of Energy for fiscal year 1996 under section 3101 may be obligated and expended for activities under the Department of Energy Laboratory Directed Research and Development Program or under Department of Energy technology transfer programs only if such activities support the national security mission of the Department.

SEC. 3142. PROCESSING AND TREATMENT OF HIGH-LEVEL NUCLEAR WASTE AND SPENT NUCLEAR FUEL RODS.

(a) PROCESSING OF SPENT NUCLEAR FUEL RODS.—Of the amounts appropriated pursuant to section 3102, there shall be available to the Secretary of Energy to respond effectively to new requirements for managing spent nuclear fuel—

(1) not more than $30,000,000, for the Savannah River Site for the development and implementation of a program for the processing, reprocessing, separation, reduction, isolation, and interim storage of high-level nuclear waste associated with aluminum clad spent fuel rods and foreign spent fuel rods; and

(2) not more than $15,000,000, for the Idaho National Engineering Laboratory for the development and implementation of a program for the treatment, preparation, and conditioning of high-level nuclear waste and spent nuclear fuel (including naval spent nuclear fuel), nonaluminum clad fuel rods, and foreign fuel rods for interim storage and final disposition.

(b) IMPLEMENTATION PLAN.—Not later than April 30, 1996, the Secretary shall submit to

Congress a five-year plan for the implementation of the programs referred to in subsection (a). The plan shall include—

(1) an assessment of the facilities required to be constructed or upgraded to carry out the processing, separation, reduction, isolation and interim storage of high-level nuclear waste;

(2) a description of the technologies, including stabilization technologies, that are required to be developed for the efficient conduct of the programs;

(3) a projection of the dates upon which activities under the programs are sufficiently completed to provide for the transfers of such waste to permanent repositories; and

(4) a projection of the total cost to complete the programs.

(c) ELECTROMETALLURGICAL WASTE TREATMENT TECHNOLOGIES.—Of the amount appropriated pursuant to section 3102(c), not more than $25,000,000 shall be available for development of electrometallurgical waste treatment technologies at the Argonne National Laboratory.

(d) USE OF FUNDS FOR SETTLEMENT AGREEMENT.—Funds made available pursuant to subsection (a)(2) for the Idaho National Engineering Laboratory shall be considered to be funds made available in partial fulfillment of the terms and obligations set forth in the settlement agreement entered into by the United States with the State of Idaho in the actions captioned Public Service Co. of Colorado v. Batt, Civil No. 91-0035-S-EJL, and United States v. Batt, Civil No. 91-0054-S-EJL, in the United States District Court for the District of Idaho and the consent order of the United States District Court for the District of Idaho, dated October 17, 1995, that effectuates the settlement agreement.

SEC. 3143. PROTECTION OF WORKERS AT NUCLEAR WEAPONS FACILITIES.

Of the funds authorized to be appropriated to the Department of Energy under section 3102, $10,000,000 shall be available to carry out activities authorized under section 3131 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1571; 42 U.S.C. 7274d), relating to worker protection at nuclear weapons facilities.

SEC. 3144. DEPARTMENT OF ENERGY DECLASSIFICATION PRODUCTIVITY INITIATIVE.

Of the funds authorized to be appropriated to the Department of Energy under section 3103, $3,000,000 shall be available for the Declassification Productivity Initiative of the Department of Energy.

Subtitle D—Other Matters

SEC. 3151. REPORT ON FOREIGN TRITIUM PURCHASES.

(a) REPORT.—Not later than May 1, 1996, the President shall submit to the congressional defense committees a report on the feasibility of, the cost of, and the policy, legal, and other issues associated with purchasing tritium from various foreign suppliers in order to ensure an adequate supply of tritium in the United States for nuclear weapons.

(b) FORM OF REPORT.—The report shall be submitted in unclassified form, but may contain a classified appendix.

SEC. 3152. STUDY ON NUCLEAR TEST READINESS POSTURES.

Not later than February 15, 1996, the Secretary of Energy shall submit to Congress a report on the costs, programmatic issues, and other issues associated with sustaining the capability of the Department of Energy—

(1) to conduct an underground nuclear test 6 months after the date on which the President determines that such a test is necessary to ensure the national security of the United States;

(2) to conduct such a test 18 months after such date; and

(3) to conduct such a test 36 months after such date.

SEC. 3153. MASTER PLAN FOR THE CERTIFICATION, STEWARDSHIP, AND MANAGEMENT OF WARHEADS IN THE NUCLEAR WEAPONS STOCKPILE.

(a) MASTER PLAN REQUIREMENT.—Not later than March 15, 1996, the President shall submit to Congress a master plan for maintaining the nuclear weapons stockpile. The President shall submit to Congress an update of the master plan not later than March 15 of each year thereafter.

(b) PLAN ELEMENTS.—The master plan and each update of the master plan shall set forth the following:

(1) The numbers of weapons (including active and inactive weapons) for each type of weapon in the nuclear weapons stockpile.

(2) The expected design lifetime of each weapon type, the current age of each weapon type, and any plans (including the analytical basis for such plans) for lifetime extensions of a weapon type.

(3) An estimate of the lifetime of the nuclear and nonnuclear components of the weapons (including active weapons and inactive weapons) in the nuclear weapons stockpile, and any plans (including the analytical basis for such plans) for lifetime extensions of such components.

(4) A schedule of the modifications, if any, required for each weapon type (including active and inactive weapons) in the nuclear weapons stockpile and the cost of such modifications.

(5) The process to be used in recertifying the safety, reliability, and performance of each weapon type (including active weapons and inactive weapons) in the nuclear weapons stockpile.

(6) The manufacturing infrastructure required to maintain the nuclear weapons stockpile stewardship and management programs, including a detailed project plan that demonstrates the manner by which the Government will develop by 2002 the capability to refabricate and certify warheads in the nuclear weapons stockpile and to design, fabricate, and certify new warheads.

(c) FORM OF PLAN.—The master plan and each update of the master plan shall be submitted in unclassified form, but may contain a classified appendix.

SEC. 3154. PROHIBITION ON INTERNATIONAL INSPECTIONS OF DEPARTMENT OF ENERGY FACILITIES UNLESS PROTECTION OF RESTRICTED DATA IS CERTIFIED.

(a) PROHIBITION ON INSPECTIONS.—(1) The Secretary of Energy may not allow an inspection of a nuclear weapons facility by the International Atomic Energy Agency until the Secretary certifies to Congress that no restricted data will be revealed during such inspection.

(2) For purposes of paragraph (1), the term "restricted data" has the meaning provided by section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

(b) EXTENSION OF NOTICE-AND-WAIT REQUIREMENT REGARDING PROPOSED COOPERATION AGREEMENTS.—Section 3155(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 3092) is amended by striking out "December 31, 1995" and inserting in lieu thereof "October 1, 1996".

SEC. 3155. REVIEW OF CERTAIN DOCUMENTS BEFORE DECLASSIFICATION AND RELEASE.

(a) IN GENERAL.—The Secretary of Energy shall ensure that, before a document of the Department of Energy that contains national security information is released or declassified, such document is reviewed to determine whether it contains restricted data.

(b) LIMITATION ON DECLASSIFICATION.—The Secretary may not implement the automatic declassification provisions of Executive Order 12958 if the Secretary determines that such implementation could result in the automatic declassification and release of documents containing restricted data.

(c) RESTRICTED DATA DEFINED.—In this section, the term "restricted data" has the meaning provided by section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 3156. ACCELERATED SCHEDULE FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACTIVITIES.

(a) ACCELERATED CLEANUP.—The Secretary of Energy shall accelerate the schedule for environmental restoration and waste management activities and projects for a site at a Department of Energy defense nuclear facility if the Secretary determines that such an accelerated schedule will achieve meaningful, long-term cost savings to the Federal Government and could substantially accelerate the release of land for local reuse.

(b) CONSIDERATION OF FACTORS.—In making a determination under subsection (a), the Secretary shall consider the following:

(1) The cost savings achievable by the Federal Government.

(2) The amount of time for completion of environmental restoration and waste management activities and projects at the site that can be reduced from the time specified for completion of such activities and projects in the baseline environmental management report required to be submitted for 1995 under section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 7274k).

(3) The potential for reuse of the site.

(4) The risks that the site poses to local health and safety.

(5) The proximity of the site to populated areas.

(c) REPORT.—Not later than May 1, 1996, the Secretary shall submit to Congress a report on each site for which the Secretary has accelerated the schedule for environmental restoration and waste management activities and projects under subsection (a). The report shall include an explanation of the basis for the determination for that site required by such subsection, including an explanation of the consideration of the factors described in subsection (b).

(d) SAVINGS PROVISION.—Nothing in this section may be construed to affect a specific statutory requirement for a specific environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment.

SEC. 3157. SENSE OF CONGRESS REGARDING CERTAIN ENVIRONMENTAL RESTORATION REQUIREMENTS.

It is the sense of Congress that—

(1) an individual acting within the scope of that individual's employment with a Federal agency should not be personally subject to civil or criminal sanctions (to the extent such sanctions are provided for by law) as a result of the failure to comply with an environmental cleanup requirement under the

Solid Waste Disposal Act or the Comprehensive Environmental Response, Compensation, and Liability Act or an analogous requirement under a comparable Federal, State, or local law, in any circumstance under which such failure to comply is due to an insufficiency of funds appropriated to carry out such requirement;

(2) Federal and State enforcement authorities should refrain from an enforcement action in a circumstance described in paragraph (1); and

(3) if funds appropriated for a fiscal year after fiscal year 1995 are insufficient to carry out any such environmental cleanup requirement, Congress should elicit the views of Federal agencies, affected States, and the public, and consider appropriate legislative action to address personal criminal liability in a circumstance described in paragraph (1) and any related issues pertaining to potential liability of a Federal agency.

SEC. 3158. RESPONSIBILITY FOR DEFENSE PROGRAMS EMERGENCY RESPONSE PROGRAM.

The Office of Military Applications under the Assistant Secretary of Energy for Defense Programs shall retain responsibility for the Defense Programs Emergency Response Program within the Department of Energy.

SEC. 3159. REQUIREMENTS FOR DEPARTMENT OF ENERGY WEAPONS ACTIVITIES BUDGETS FOR FISCAL YEARS AFTER FISCAL YEAR 1996.

(a) In General.—The weapons activities budget of the Department of Energy shall be developed in accordance with the Nuclear Posture Review, the Post Nuclear Posture Review Stockpile Memorandum currently under development, and the programmatic and technical requirements associated with the review and memorandum.

(b) Required Detail.—The Secretary of Energy shall include in the materials that the Secretary submits to Congress in support of the budget for a fiscal year submitted by the President pursuant to section 1105 of title 31, United States Code, a long-term program plan, and a near-term program plan, for the certification and stewardship of the nuclear weapons stockpile.

(c) Definition.—In this section, the term "Nuclear Posture Review" means the Department of Defense Nuclear Posture Review as contained in the report of the Secretary of Defense to the President and the Congress dated February 19, 1995, or in subsequent such reports.

SEC. 3160. REPORT ON HYDRONUCLEAR TESTING.

(a) Report.—The Secretary of Energy shall direct the joint preparation by the Directors of the Lawrence Livermore National Laboratory and the Los Alamos National Laboratory of a report on the advantages and disadvantages with respect to the safety and reliability of the nuclear weapons stockpile of permitting alternative limits to the current limit on the explosive yield of hydronuclear and other explosive tests. The report shall address the following explosive yield limits:

(1) 4 pounds (TNT equivalent).

(2) 400 pounds (TNT equivalent).

(3) 4,000 pounds (TNT equivalent).

(4) 40,000 pounds (TNT equivalent).

(5) 400 tons (TNT equivalent).

(b) Funding.—The Secretary shall make available funds appropriated to the Department of Energy pursuant to section 3101 for preparation of the report required under subsection (a).

SEC. 3161. APPLICABILITY OF ATOMIC ENERGY COMMUNITY ACT OF 1955 TO LOS ALAMOS, NEW MEXICO.

(a) Date of Transfer of Utilities.—Section 72 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2372) is amended by striking out "not later than five years after the date it is included within this Act" and inserting in lieu thereof "not later than June 30, 1998".

(b) Date of Transfer of Municipal Installations.—Section 83 of such Act (42 U.S.C. 2383) is amended by striking out "not later than five years after the date it is included within this Act" and inserting in lieu thereof "not later than June 30, 1998".

(c) Recommendation for Further Assistance Payments.—Section 91d. of such Act (42 U.S.C. 2391) is amended—

(1) by striking out ", and the Los Alamos School Board;" and all that follows through "county of Los Alamos, New Mexico" and inserting in lieu thereof "; or not later than June 30, 1996, in the case of the Los Alamos School Board and the county of Los Alamos, New Mexico"; and

(2) by adding at the end the following new sentence: "If the recommendation under the preceding sentence regarding the Los Alamos School Board or the county of Los Alamos, New Mexico, indicates a need for further assistance for the school board or the county, as the case may be, after June 30, 1997, the recommendation shall include a report and plan describing the actions required to eliminate the need for further assistance for the school board or the county, including a proposal for legislative action to carry out the plan.".

(d) Contract To Make Payments.—Section 94 of such Act (42 U.S.C. 2394) is amended—

(1) by striking out "June 30, 1996" each place it appears in the proviso in the first sentence and inserting in lieu thereof "June 30, 1997"; and

(2) by striking out "July 1, 1996" in the second sentence and inserting in lieu thereof "July 1, 1997".

SEC. 3162. SENSE OF CONGRESS REGARDING SHIPMENTS OF SPENT NUCLEAR FUEL.

(a) Findings.—Congress makes the following findings:

(1) The United States has entered into a settlement agreement with the State of Idaho in the actions captioned Public Service Co. of Colorado v. Batt, Civil No. 91-0035-S-EJL, and United States v. Batt, Civil No. 91-0054-S-EJL, in the United States District Court for the District of Idaho, regarding shipment of naval spent nuclear fuel to Idaho, examination and storage of such fuel in Idaho, and other matters.

(2) Under this court enforceable agreement—

(A) the State of Idaho has agreed—

(i) to accept 575 shipments of naval spent nuclear fuel from the Navy into Idaho between October 17, 1995 and 2035;

(ii) to accept certain shipments of spent nuclear fuel from the Department of Energy into Idaho between October 17, 1995 and 2035; and

(iii) to allow the Navy and the Department of Energy, on an interim basis, to store the spent nuclear fuel in Idaho over the next 40 years; and

(B) the United States has made commitments—

(i) to remove all spent nuclear fuel (except certain quantities for testing) from Idaho by 2035; and

(ii) to facilitate the cleanup and stabilization of radioactive waste at the Idaho National Engineering Laboratory.

(3) The settlement agreement allows the Department of Energy and the Department of the Navy to meet responsibilities that are important to the national security interests of the United States.

(4) Authorizations and appropriations of funds will be necessary in order to provide for fulfillment of the terms and obligations set forth in the settlement agreement.

(b) Sense of Congress.—(1) Congress recognizes the need to implement the terms, conditions, rights, and obligations contained in the settlement agreement referred to in subsection (a)(1) and the consent order of the United States District Court for the District of Idaho, dated October 17, 1995, that effectuates the settlement agreement in accordance with those terms, conditions, rights, and obligations.

(2) It is the sense of Congress that funds requested by the President to carry out the settlement agreement and such consent order should be appropriated for that purpose.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1996, $17,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

SEC. 3301. DEFINITIONS.

For purposes of this subtitle:

(1) The term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term "National Defense Stockpile Transaction Fund" means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) Obligation of Stockpile Funds.—During fiscal year 1996, the National Defense Stockpile Manager may obligate up to $77,100,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

(b) Additional Obligations.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date Congress receives the notification.

(c) Limitations.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. DISPOSAL OF CHROMITE AND MANGANESE ORES AND CHROMIUM FERRO AND MANGANESE METAL ELECTROLYTIC.

(a) Domestic Upgrading.—In offering to enter into agreements pursuant to any provision of law for the disposal from the National Defense Stockpile of chromite and manganese ores or chromium ferro and manganese metal electrolytic, the President shall give a right of first refusal on all such offers to domestic ferroalloy upgraders.

(b) DOMESTIC FERROALLOY UPGRADER DEFINED.—For purposes of this section, the term "domestic ferroalloy upgrader" means a company or other business entity that, as determined by the President—

(1) is engaged in operations to upgrade chromite or manganese ores of metallurgical grade or chromium ferro and manganese metal electrolytic; and

(2) conducts a significant level of its research, development, engineering, and upgrading operations in the United States.

SEC. 3304. RESTRICTIONS ON DISPOSAL OF MANGANESE FERRO.

(a) DISPOSAL OF LOWER GRADE MATERIAL FIRST.—The President may not dispose of high carbon manganese ferro in the National Defense Stockpile that meets the National Defense Stockpile classification of Grade One, Specification 30(a), as revised on May 22, 1992, until completing the disposal of all manganese ferro in the National Defense Stockpile that does not meet such classification. The President may not reclassify manganese ferro in the National Defense Stockpile after the date of the enactment of this Act.

(b) REQUIREMENT FOR REMELTING BY DOMESTIC FERROALLOY PRODUCERS.—Manganese ferro in the National Defense Stockpile that does not meet the classification specified in subsection (a) may be sold only for remelting by a domestic ferroalloy producer unless the President determines that a domestic ferroalloy producer is not available to acquire the material.

(c) DOMESTIC FERROALLOY PRODUCER DEFINED.—For purposes of this section, the term "domestic ferroalloy producer" means a company or other business entity that, as determined by the President—

(1) is engaged in operations to upgrade manganese ores of metallurgical grade or manganese ferro; and

(2) conducts a significant level of its research, development, engineering, and upgrading operations in the United States.

SEC. 3305. TITANIUM INITIATIVE TO SUPPORT BATTLE TANK UPGRADE PROGRAM.

During each of the fiscal years 1996 through 2003, the Secretary of Defense shall transfer from stocks of the National Defense Stockpile up to 250 short tons of titanium sponge to the Secretary of the Army for use in the weight reduction portion of the main battle tank upgrade program. Transfers under this section shall be without charge to the Army, except that the Secretary of the Army shall pay all transportation and related costs incurred in connection with the transfer.

Subtitle B—Programmatic Change

SEC. 3311. TRANSFER OF EXCESS DEFENSE-RELATED MATERIALS TO STOCKPILE FOR DISPOSAL.

(a) TRANSFER AND DISPOSAL.—Section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) is amended by adding at the end the following new subsection:

"(c)(1) The Secretary of Energy, in consultation with the Secretary of Defense, shall transfer to the stockpile for disposal in accordance with this Act uncontaminated materials that are in the Department of Energy inventory of materials for the production of defense-related items, are excess to the requirements of the Department for that purpose, and are suitable for transfer to the stockpile and disposal through the stockpile.

"(2) The Secretary of Defense shall determine whether materials are suitable for transfer to the stockpile under this subsection, are suitable for disposal through the stockpile, and are uncontaminated.".

(b) CONFORMING AMENDMENT.—Subsection (a) of such section is amended by adding at the end the following:

"(10) Materials transferred to the stockpile under subsection (c).".

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Subtitle A—Administration of Naval Petroleum Reserves

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated to the Secretary of Energy $148,786,000 for fiscal year 1996 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title). Funds appropriated pursuant to such authorization shall remain available until expended. Of the amount appropriated pursuant to the authorization of appropriations in the preceding sentence, the Secretary may use not more than $7,000,000 for carrying out activities related to the sale of Naval Petroleum Reserve Numbered 1 under section 3412.

SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PETROLEUM DURING FISCAL YEAR 1996.

Notwithstanding section 7430(b)(2) of title 10, United States Code, during fiscal year 1996, any sale of any part of the United States share of petroleum produced from Naval Petroleum Reserves Numbered 1, 2, and 3 shall be made at a price not less than 90 percent of the current sales price, as estimated by the Secretary of Energy, of comparable petroleum in the same area.

SEC. 3403. EXTENSION OF OPERATING CONTRACT FOR NAVAL PETROLEUM RESERVE NUMBERED 1.

Section 3503 of the National Defense Authorization Act of Fiscal Year 1995 (Public Law 103-337; 108 Stat. 3111) is amended by striking out "two years" in the first sentence and inserting in lieu thereof "three years".

Subtitle B—Sale of Naval Petroleum Reserve

SEC. 3411. DEFINITIONS.

For purposes of this subtitle:

(1) The terms "Naval Petroleum Reserve Numbered 1" and "reserve" mean Naval Petroleum Reserve Numbered 1, commonly referred to as the Elk Hills Unit, located in Kern County, California, and established by Executive order of the President, dated September 2, 1912.

(2) The term "naval petroleum reserves" has the meaning given that term in section 7420(2) of title 10, United States Code, except that the term does not include Naval Petroleum Reserve Numbered 1.

(3) The term "unit plan contract" means the unit plan contract between equity owners of the lands within the boundaries of Naval Petroleum Reserve Numbered 1 entered into on June 19, 1944.

(4) The term "effective date" means the date of the enactment of this Act.

(5) The term "Secretary" means the Secretary of Energy.

(6) The term "appropriate congressional committees means the Committee on Armed Services of the Senate and the Committee on National Security and the Committee on Commerce of the House of Representatives.

SEC. 3412. SALE OF NAVAL PETROLEUM RESERVE NUMBERED 1.

(a) SALE OF RESERVE REQUIRED.—Subject to section 3414, not later than two years after the effective date, the Secretary of Energy shall enter into one or more contracts for the sale of all right, title, and interest of the United States in and to all lands owned or controlled by the United States inside Naval Petroleum Reserve Numbered 1. Chapter 641 of title 10, United States Code, shall not apply to the sale of the reserve.

(b) EQUITY FINALIZATION.—(1) Not later than eight months after the effective date, the Secretary shall finalize equity interests of the known oil and gas zones in Naval Petroleum Reserve Numbered 1 in the manner provided by this subsection.

(2) The Secretary shall retain the services of an independent petroleum engineer, mutually acceptable to the equity owners, who shall prepare a recommendation on final equity figures. The Secretary may accept the recommendation of the independent petroleum engineer for final equity in each known oil and gas zone and establish final equity interest in Naval Petroleum Reserve Numbered 1 in accordance with the recommendation, or the Secretary may use such other method to establish final equity interest in the reserve as the Secretary considers appropriate.

(3) If, on the effective date, there is an ongoing equity redetermination dispute between the equity owners under section 9(b) of the unit plan contract, the dispute shall be resolved in the manner provided in the unit plan contract within eight months after the effective date. The resolution shall be considered final for all purposes under this section.

(c) NOTICE OF SALE.—Not later than two months after the effective date, the Secretary shall publish a notice of intent to sell Naval Petroleum Reserve Numbered 1. The Secretary shall make all technical, geological, and financial information relevant to the sale of the reserve available to all interested and qualified buyers upon request. The Secretary, in consultation with the Administrator of General Services, shall ensure that the sale process is fair and open to all interested and qualified parties.

(d) ESTABLISHMENT OF MINIMUM SALE PRICE.—(1) Not later than seven months after the effective date, the Secretary shall retain the services of five independent experts in the valuation of oil and gas fields to conduct separate assessments, in a manner consistent with commercial practices, of the value of the interest of the United States in Naval Petroleum Reserve Numbered 1. The independent experts shall complete their assessments within 11 months after the effective date. In making their assessments, the independent experts shall consider (among other factors)—

(A) all equipment and facilities to be included in the sale;

(B) the estimated quantity of petroleum and natural gas in the reserve; and

(C) the net present value of the anticipated revenue stream that the Secretary and the Director of the Office of Management and Budget jointly determine the Treasury would receive from the reserve if the reserve were not sold, adjusted for any anticipated increases in tax revenues that would result if the reserve were sold.

(2) The independent experts retained under paragraph (1) shall also determine and submit to the Secretary the estimated total amount of the cost of any environmental restoration and remediation necessary at the reserve. The Secretary shall report the estimate to the Director of the Office of Management and Budget, the Secretary of the Treasury, and Congress.

(3) The Secretary, in consultation with the Director of the Office of Management and Budget, shall set the minimum acceptable price for the reserve. The Secretary may not

set the minimum acceptable price below the higher of—

(A) the average of the five assessments prepared under paragraph (1); and

(B) the average of three assessments after excluding the high and low assessments.

(e) Administration of Sale; Draft Contract.—(1) Not later than two months after the effective date, the Secretary shall retain the services of an investment banker or an appropriate equivalent financial adviser to independently administer, in a manner consistent with commercial practices and in a manner that maximizes sale proceeds to the Government, the sale of Naval Petroleum Reserve Numbered 1 under this section. Costs and fees of retaining the investment banker or financial adviser may be paid out of the proceeds of the sale of the reserve.

(2) Not later than 11 months after the effective date, the investment banker or financial adviser retained under paragraph (1) shall complete a draft contract or contracts for the sale of Naval Petroleum Reserve Numbered 1, which shall accompany the solicitation of offers and describe the terms and provisions of the sale of the interest of the United States in the reserve.

(3) The draft contract or contracts shall identify—

(A) all equipment and facilities to be included in the sale; and

(B) any potential claim or liability (including liability for environmental restoration and remediation), and the extent of any such claim or liability, for which the United States is responsible under subsection (g).

(4) The draft contract or contracts, including the terms and provisions of the sale of the interest of the United States in the reserve, shall be subject to review and approval by the Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget. Each of those officials shall complete the review of, and approve or disapprove, the draft contract or contracts not later than 12 months after the effective date.

(f) Solicitation of Offers.—(1) Not later than 13 months after the effective date, the Secretary shall publish the solicitation of offers for Naval Petroleum Reserve Numbered 1.

(2) Not later than 18 months after the effective date, the Secretary shall identify the highest responsible offer or offers for purchase of the interest of the United States in Naval Petroleum Reserve Numbered 1 that, in total, meet or exceed the minimum acceptable price determined under subsection (d)(3).

(3) The Secretary shall take such action immediately after the effective date as is necessary to obtain from an independent petroleum engineer within 10 months after that date a reserve report prepared in a manner consistent with commercial practices. The Secretary shall use the reserve report in support of the preparation of the solicitation of offers for the reserve.

(g) Future Liabilities.—To effectuate the sale of the interest of the United States in Naval Petroleum Reserve Numbered 1, the Secretary may extend such indemnities and warranties as the Secretary considers reasonable and necessary to protect the purchaser from claims arising from the ownership in the reserve by the United States.

(h) Maintaining Production.—Until the sale of Naval Petroleum Reserve Numbered 1 is completed under this section, the Secretary shall continue to produce the reserve at the maximum daily oil or gas rate from a reservoir, which will permit maximum economic development of the reservoir consistent with sound oil field engineering practices in accordance with section 3 of the unit plan contract.

(i) Noncompliance With Deadlines.—At any time during the two-year period beginning on the effective date, if the Secretary determines that the actions necessary to complete the sale of the reserve within that period are not being taken or timely completed, the Secretary shall transmit to the appropriate congressional committees a written notification of that determination together with a plan setting forth the actions that will be taken to ensure that the sale of the reserve will be completed within that period. The Secretary shall consult with the Director of the Office of Management and Budget in preparing the plan for submission to the committees.

(j) Oversight.—The Comptroller General shall monitor the actions of the Secretary relating to the sale of the reserve and report to the appropriate congressional committees any findings on such actions that the Comptroller General considers appropriate to report to the committees.

(k) Acquisition of Services.—The Secretary may enter into contracts for the acquisition of services required under this section under the authority of paragraph (7) of section 303(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)), except that the notification required under subparagraph (B) of such paragraph for each contract shall be submitted to Congress not less than 7 days before the award of the contract.

SEC. 3413. EFFECT OF SALE OF RESERVE.

(a) Effect on Existing Contracts.—(1) In the case of any contract, in effect on the effective date, for the purchase of production from any part of the United States' share of Naval Petroleum Reserve Numbered 1, the sale of the interest of the United States in the reserve shall be subject to the contract for a period of three months after the closing date of the sale or until termination of the contract, whichever occurs first. The term of any contract entered into after the effective date for the purchase of the production shall not exceed the anticipated closing date for the sale of the reserve.

(2) The Secretary shall exercise the termination procedures provided in the contract between the United States and Bechtel Petroleum Operation, Inc., Contract Number DE–AC01–85FE60520 so that the contract terminates not later than the date of closing of the sale of Naval Petroleum Reserve Numbered 1 under section 3412.

(3) The Secretary shall exercise the termination procedures provided in the unit plan contract so that the unit plan contract terminates not later than the date of closing of the sale of reserve.

(b) Effect on Antitrust Laws.—Nothing in this subtitle shall be construed to alter the application of the antitrust laws of the United States to the purchaser or purchasers (as the case may be) of Naval Petroleum Reserve Numbered 1 or to the lands in the reserve subject to sale under section 3412 upon the completion of the sale.

(c) Preservation of Private Right, Title, and Interest.—Nothing in this subtitle shall be construed to adversely affect the ownership interest of any other entity having any right, title, and interest in and to lands within the boundaries of Naval Petroleum Reserve Numbered 1 and which are subject to the unit plan contract.

(d) Transfer of Otherwise Nontransferable Permit.—The Secretary may transfer to the purchaser or purchasers (as the case may be) of Naval Petroleum Reserve Numbered 1 the incidental take permit regarding the reserve issued to the Secretary by the United States Fish and Wildlife Service and in effect on the effective date if the Secretary determines that transfer of the permit is necessary to expedite the sale of the reserve in a manner that maximizes the value of the sale to the United States. The transferred permit shall cover the identical activities, and shall be subject to the same terms and conditions, as apply to the permit at the time of the transfer.

SEC. 3414. CONDITIONS ON SALE PROCESS.

(a) Notice Regarding Sale Conditions.—The Secretary may not enter into any contract for the sale of Naval Petroleum Reserve Numbered 1 under section 3412 until the end of the 31-day period beginning on the date on which the Secretary submits to the appropriate congressional committees a written notification—

(1) describing the conditions of the proposed sale; and

(2) containing an assessment by the Secretary of whether it is in the best interests of the United States to sell the reserve under such conditions.

(b) Authority to Suspend Sale.—(1) The Secretary may suspend the sale of Naval Petroleum Reserve Numbered 1 under section 3412 if the Secretary and the Director of the Office of Management and Budget jointly determine that—

(A) the sale is proceeding in a manner inconsistent with achievement of a sale price that reflects the full value of the reserve; or

(B) a course of action other than the immediate sale of the reserve is in the best interests of the United States.

(2) Immediately after making a determination under paragraph (1) to suspend the sale of Naval Petroleum Reserve Numbered 1, the Secretary shall submit to the appropriate congressional committees a written notification describing the basis for the determination and requesting a reconsideration of the merits of the sale of the reserve.

(c) Effect of Reconsideration Notice.—After the Secretary submits a notification under subsection (b), the Secretary may not complete the sale of Naval Petroleum Reserve Numbered 1 under section 3412 or any other provision of law unless the sale of the reserve is authorized in an Act of Congress enacted after the date of the submission of the notification.

SEC. 3415. TREATMENT OF STATE OF CALIFORNIA CLAIM REGARDING RESERVE.

(a) Reservation of Funds.—After the costs incurred in the conduct of the sale of Naval Petroleum Reserve Numbered 1 under section 3412 are deducted, nine percent of the remaining proceeds from the sale of the reserve shall be reserved in a contingent fund in the Treasury for payment to the State of California for the Teachers' Retirement Fund of the State in the event that, and to the extent that, the claims of the State against the United States regarding production and proceeds of sale from Naval Petroleum Reserve Numbered 1 are—

(1) settled by agreement with the United States under subsection (c); or

(2) finally resolved in favor of the State by a court of competent jurisdiction, if a settlement agreement is not reached.

(b) Disposition of Funds.—In such amounts as may be provided in appropriation Acts, amounts in the contingent fund shall be available for paying a claim described in subsection (a). After final disposition of the claims, any unobligated balance in the contingent fund shall be credited to the general fund of the Treasury. If no payment is made from the contingent fund within 10 years after the effective date, amounts in the contingent fund shall be credited to the general fund of the Treasury.

(c) SETTLEMENT OFFER.—Not later than 30 days after the date of the sale of Naval Petroleum Reserve Numbered 1 under section 3412, the Secretary shall offer to settle all claims of the State of California against the United States with respect to lands in the reserve located in sections 16 and 36 of township 30 south, range 23 east, Mount Diablo Principal Meridian, California, and production or proceeds of sale from the reserve, in order to provide proper compensation for the State's claims. The Secretary shall base the amount of the offered settlement payment from the contingent fund on the fair value for the State's claims, including the mineral estate, not to exceed the amount reserved in the contingent fund.

(d) RELEASE OF CLAIMS.—Acceptance of the settlement offer made under subsection (c) shall be subject to the condition that all claims against the United States by the State of California for the Teachers' Retirement Fund of the State be released with respect to lands in Naval Petroleum Reserve Numbered 1, including sections 16 and 36 of township 30 south, range 23 east, Mount Diablo Principal Meridian, California, or production or proceeds of sale from the reserve.

SEC. 3416. STUDY OF FUTURE OF OTHER NAVAL PETROLEUM RESERVES.

(a) STUDY REQUIRED.—The Secretary of Energy shall conduct a study to determine which of the following options, or combinations of options, regarding the naval petroleum reserves (other than Naval Petroleum Reserve Numbered 1) would maximize the value of the reserves to the United States:

(1) Retention and operation of the naval petroleum reserves by the Secretary under chapter 641 of title 10, United States Code.

(2) Transfer of all or a part of the naval petroleum reserves to the jurisdiction of another Federal agency for administration under chapter 641 of title 10, United States Code.

(3) Transfer of all or a part of the naval petroleum reserves to the Department of the Interior for leasing in accordance with the Mineral Leasing Act (30 U.S.C. 181 et seq.) and surface management in accordance with the Federal Land Policy and Management Act (43 U.S.C. 1701 et seq.).

(4) Sale of the interest of the United States in the naval petroleum reserves.

(b) CONDUCT OF STUDY.—The Secretary shall retain an independent petroleum consultant to conduct the study.

(c) CONSIDERATIONS UNDER STUDY.—An examination of the value to be derived by the United States from the transfer or sale of the naval petroleum reserves shall include an assessment and estimate of the fair market value of the interest of the United States in the naval petroleum reserves. The assessment and estimate shall be made in a manner consistent with customary property valuation practices in the oil and gas industry.

(d) REPORT AND RECOMMENDATIONS REGARDING STUDY.—Not later than June 1, 1996, the Secretary shall submit to Congress a report describing the results of the study and containing such recommendations (including proposed legislation) as the Secretary considers necessary to implement the option, or combination of options, identified in the study that would maximize the value of the naval petroleum reserves to the United States.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the "Panama Canal Commission Authorization Act for Fiscal Year 1996".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, and improvement of the Panama Canal for fiscal year 1996.

(b) LIMITATIONS.—For fiscal year 1996, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $50,741,000 for administrative expenses, of which—

(1) not more than $15,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $10,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $45,000 may be used for official reception and representation expenses of the Administrator of the Commission.

(c) REPLACEMENT VEHICLES.—Funds available to the Panama Canal Commission shall be available for the purchase of not to exceed 38 passenger motor vehicles (including large heavy-duty vehicles to be used to transport Commission personnel across the isthmus of Panama) at a cost per vehicle of not more than $19,500. A vehicle may be purchased with such funds only as necessary to replace another passenger motor vehicle of the Commission.

SEC. 3503. EXPENDITURES IN ACCORDANCE WITH OTHER LAWS.

Expenditures authorized under this subtitle may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

Subtitle B—Reconstitution of Commission as Government Corporation

SEC. 3521. SHORT TITLE.

This subtitle may be cited as the "Panama Canal Amendments Act of 1995".

SEC. 3522. RECONSTITUTION OF COMMISSION AS GOVERNMENT CORPORATION.

(a) IN GENERAL.—Section 1101 of the Panama Canal Act of 1979 (22 U.S.C. 3611) is amended to read as follows:

"ESTABLISHMENT, PURPOSES, OFFICES, AND RESIDENCE OF COMMISSION

"SEC. 1101. (a) For the purposes of managing, operating, and maintaining the Panama Canal and its complementary works, installations and equipment, and of conducting operations incident thereto, in accordance with the Panama Canal Treaty of 1977 and related agreements, the Panama Canal Commission (hereinafter in this Act referred to as the 'Commission') is established as a wholly owned government corporation (as that term is used in chapter 91 of title 31, United States Code) within the executive branch of the Government of the United States. The authority of the President with respect to the Commission shall be exercised through the Secretary of Defense.

"(b) The principal office of the Commission shall be located in the Republic of Panama in one of the areas made available for use of the United States under the Panama Canal Treaty of 1977 and related agreements, but the Commission may establish branch offices in such other places as it considers necessary or appropriate for the conduct of its business. Within the meaning of the laws of the United States relating to venue in civil actions, the Commission is an inhabitant and resident of the District of Columbia and the eastern judicial district of Louisiana.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of contents in section 1 of such Act is amended to read as follows:

"1101. Establishment, Purposes, Offices, and Residence of Commission.".

SEC. 3523. SUPERVISORY BOARD.

Section 1102 of the Panama Canal Act of 1979 (22 U.S.C. 3612) is amended by striking out so much as precedes subsection (b) and inserting in lieu thereof the following:

"SUPERVISORY BOARD

"SEC. 1102. (a) The Commission shall be supervised by a Board composed of nine members, one of whom shall be the Secretary of Defense or an officer of the Department of Defense designated by the Secretary. Not less than five members of the Board shall be nationals of the United States and the remaining members of the Board shall be nationals of the Republic of Panama. Three members of the Board who are nationals of the United States shall hold no other office in, and shall not be employed by, the Government of the United States, and shall be chosen for the independent perspective they can bring to the Commission's affairs. Members of the Board who are nationals of the United States shall cast their votes as directed by the Secretary of Defense or a designee of the Secretary of Defense.".

SEC. 3524. GENERAL AND SPECIFIC POWERS OF COMMISSION.

(a) IN GENERAL.—The Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) is amended by inserting after section 1102 the following new sections:

"GENERAL POWERS OF COMMISSION

"SEC. 1102a. (a) The Commission may adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(b) The Commission may by action of the Board of Directors adopt, amend, and repeal bylaws governing the conduct of its general business and the performance of the powers and duties granted to or imposed upon it by law.

"(c) The Commission may sue and be sued in its corporate name, except that—

"(1) the amenability of the Commission to suit is limited by Article VIII of the Panama Canal Treaty of 1977, section 1401 of this Act, and otherwise by law;

"(2) an attachment, garnishment, or similar process may not be issued against salaries or other moneys owed by the Commission to its employees except as provided by section 5520a of title 5, United States Code, and sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, 662), or as otherwise specifically authorized by the laws of the United States; and

"(3) the Commission is exempt from the payment of interest on claims and judgments.

"(d) The Commission may enter into contracts, leases, agreements, or other transactions.

"(e) The Commission—

"(1) may determine the character of, and necessity for, its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid; and

"(2) may incur, allow, and pay its obligations and expenditures, subject to pertinent provisions of law generally applicable to Government corporations.

"(f) The Commission shall have the priority of the Government of the United States in the payment of debts out of bankrupt estates.

"(g) The authority of the Commission under this section and section 1102B is subject to the Panama Canal Treaty of 1977 and related agreements, and to chapter 91 of title 31, United States Code.

"SPECIFIC POWERS OF COMMISSION

"SEC. 1102b. (a) The Commission may manage, operate, and maintain the Panama Canal.

"(b) The Commission may construct or acquire, establish, maintain, and operate such activities, facilities, and appurtenances as necessary and appropriate for the accomplishment of the purposes of this Act, including the following:

"(1) Docks, wharves, piers, and other shoreline facilities.

"(2) Shops and yards.

"(3) Marine railways, salvage and towing facilities, fuel-handling facilities, and motor transportation facilities.

"(4) Power systems, water systems, and a telephone system.

"(5) Construction facilities.

"(6) Living quarters and other buildings.

"(7) Warehouses, storehouses, a printing plant, and manufacturing, processing, or service facilities in connection therewith.

"(8) Recreational facilities.

"(c) The Commission may use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

"(d) The Commission may take such actions as are necessary or appropriate to carry out the powers specifically conferred upon it.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of such Act is amended by inserting after the item relating to section 1102 the following new items:

"1102a. General powers of Commission.

"1102b. Specific powers of Commission.".

SEC. 3525. CONGRESSIONAL REVIEW OF BUDGET.

Section 1302 of the Panama Canal Act of 1979 (22 U.S.C. 3712) is amended—

(1) in subsection (c)—

(A) by striking out "and subject to paragraph (2)" in paragraph (1);

(B) by striking out paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2); and

(2) by striking out subsection (e) and inserting in lieu thereof the following new subsection (e):

"(e) In accordance with section 9104 of title 31, United States Code, Congress shall review the annual budget of the Commission.".

SEC. 3526. AUDITS.

(a) IN GENERAL.—Section 1313 of the Panama Canal Act of 1979 (22 U.S.C. 3723) is amended—

(1) by striking out the heading for the section and inserting in lieu thereof the following: "AUDITS";

(2) in subsection (a)—

(A) by striking out "Financial transactions" and inserting in lieu thereof "Notwithstanding any other provision of law, and subject to subsection (d), financial transactions";

(B) by striking out "pursuant to the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)";

(C) by striking out "audit pursuant to such Act" in the second sentence and inserting in lieu thereof "such audit";

(D) by striking out "An audit pursuant to such Act" in the last sentence and inserting in lieu thereof "Any such audit"; and

(E) by adding at the end the following new sentence: "An audit performed under this section is subject to the requirements of paragraphs (2), (3), and (5) of section 9105(a) of title 31, United States Code.";

(3) in subsection (b), by striking out "The Comptroller General" in the first sentence and inserting in lieu thereof "Subject to subsection (d), the Comptroller General"; and

(4) by adding at the end the following new subsections:

"(d) At the discretion of the Board provided for in section 1102, the Commission may hire independent auditors to perform, in lieu of the Comptroller General, the audit and reporting functions prescribed in subsections (a) and (b).

"(e) In addition to auditing the financial statements of the Commission, the Comptroller General (or the independent auditor if one is employed pursuant to subsection (d)) shall, in accordance with standards for an examination of a financial forecast established by the American Institute of Certified Public Accountants, examine and report on the Commission's financial forecast that it will be in a position to meet its financial liabilities on December 31, 1999.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of contents in section 1 of such Act is amended to read as follows:

"1313. Audits.".

SEC. 3527. PRESCRIPTION OF MEASUREMENT RULES AND RATES OF TOLLS.

Section 1601 of the Panama Canal Act of 1979 (22 U.S.C. 3791) is amended to read as follows:

"PRESCRIPTION OF MEASUREMENT RULES AND RATES OF TOLLS

"SEC. 1601. The Commission may, subject to the provisions of this Act, prescribe and from time to time change—

"(1) the rules for the measurement of vessels for the Panama Canal; and

"(2) the tolls that shall be levied for use of the Panama Canal.".

SEC. 3528. PROCEDURES FOR CHANGES IN RULES OF MEASUREMENT AND RATES OF TOLLS.

Section 1604 of the Panama Canal Act of 1979 (22 U.S.C. 3794) is amended—

(1) in subsection (a), by striking out "1601(a)" in the first sentence and inserting in lieu thereof "1601";

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c) After the proceedings have been conducted pursuant to subsections (a) and (b), the Commission may change the rules of measurement or rates of tolls, as the case may be. The Commission shall publish notice of any such change in the Federal Register not less than 30 days before the effective date of the change."; and

(3) by striking out subsections (d) and (e) and redesignating subsection (f) as subsection (d).

SEC. 3529. MISCELLANEOUS TECHNICAL AMENDMENTS.

The Panama Canal Act of 1979 is amended—

(1) in section 1205 (22 U.S.C. 3645), by striking out "appropriation" in the last sentence and inserting in lieu thereof "fund";

(2) in section 1303 (22 U.S.C. 3713), by striking out "The authority of this section may not be used for administrative expenses.";

(3) in section 1321(d) (22 U.S.C. 3731(d)), by striking out "appropriations or" in the second sentence;

(4) in section 1401(c) (22 U.S.C. 3761(c)), by striking out "appropriated for or" in the first sentence;

(5) in section 1415 (22 U.S.C. 3775), by striking out "appropriated or" in the second sentence; and

(6) in section 1416 (22 U.S.C. 3776), by striking out "appropriated or" in the third sentence.

SEC. 3530. CONFORMING AMENDMENT TO TITLE 31, UNITED STATES CODE.

Section 9101(3) of title 31, United States Code, is amended by adding at the end the following:

"(P) the Panama Canal Commission.".

DIVISION D—FEDERAL ACQUISITION REFORM

SEC. 4001. SHORT TITLE.

This division may be cited as the "Federal Acquisition Reform Act of 1996".

TITLE XLI—COMPETITION

SEC. 4101. EFFICIENT COMPETITION.

(a) ARMED SERVICES ACQUISITIONS.—Section 2304 of title 10, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection (j):

"(j) The Federal Acquisition Regulation shall ensure that the requirement to obtain full and open competition is implemented in a manner that is consistent with the need to efficiently fulfill the Government's requirements.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h) The Federal Acquisition Regulation shall ensure that the requirement to obtain full and open competition is implemented in a manner that is consistent with the need to efficiently fulfill the Government's requirements.".

(c) REVISIONS TO NOTICE THRESHOLDS.—Section 18(a)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(1)(B)) is amended—

(A) by striking out "subsection (f)—" and all that follows through the end of the subparagraph and inserting in lieu thereof "subsection (b); and"; and

(B) by inserting after "property or services" the following: "for a price expected to exceed $10,000, but not to exceed $25,000,".

SEC. 4102. EFFICIENT APPROVAL PROCEDURES.

(a) ARMED SERVICES ACQUISITIONS.—Section 2304(f)(1)(B) of title 10, United States Code, is amended—

(1) in clause (i)—

(A) by striking out "$100,000 (but equal to or less than $1,000,000)" and inserting in lieu thereof "$500,000 (but equal to or less than $10,000,000)"; and

(B) by striking out "(ii), (iii), or (iv)" and inserting in lieu thereof "(ii) or (iii)";

(2) in clause (ii)—

(A) by striking out "$1,000,000 (but equal to or less than $10,000,000)" and inserting in lieu thereof "$10,000,000 (but equal to or less than $50,000,000)"; and

(B) by adding "or" at the end;

(3) by striking out clause (iii); and

(4) by redesignating clause (iv) as clause (iii).

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303(f)(1)(B) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(1)(B)) is amended—

(1) in clause (i)—

(A) by striking out "$100,000 (but equal to or less than $1,000,000)" and inserting in lieu thereof "$500,000 (but equal to or less than $10,000,000)"; and

(B) by striking out "(ii), (iii), or (iv);" and inserting in lieu thereof "(ii) or (iii); and";

(2) in clause (ii)—

(A) by striking out "$1,000,000 (but equal to or less than $10,000,000)" and inserting in lieu thereof "$10,000,000 (but equal to or less than $50,000,000)"; and

(B) by striking out the semicolon after "civilian" and inserting in lieu thereof a comma; and

(3) in clause (iii), by striking out "$10,000,000" and inserting in lieu thereof "$50,000,000".

SEC. 4103. EFFICIENT COMPETITIVE RANGE DETERMINATIONS.

(a) ARMED SERVICES ACQUISITIONS.—Paragraph (4) of 2305(b) of title 10, United States Code, is amended—

(1) in subparagraph (C), by striking out "(C)", by transferring the text to the end of subparagraph (B), and in that text by striking out "Subparagraph (B)" and inserting in lieu thereof "This subparagraph";

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting before subparagraph (C) (as so redesignated) the following new subparagraph (B):

"(B) If the contracting officer determines that the number of offerors that would otherwise be included in the competitive range under subparagraph (A)(i) exceeds the number at which an efficient competition can be conducted, the contracting officer may limit the number of proposals in the competitive range, in accordance with the criteria specified in the solicitation, to the greatest number that will permit an efficient competition among the offerors rated most highly in accordance with such criteria.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303B(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(d)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting before paragraph (3) (as so redesignated) the following new paragraph (2):

"(2) If the contracting officer determines that the number of offerors that would otherwise be included in the competitive range under paragraph (1)(A) exceeds the number at which an efficient competition can be conducted, the contracting officer may limit the number of proposals in the competitive range, in accordance with the criteria specified in the solicitation, to the greatest number that will permit an efficient competition among the offerors rated most highly in accordance with such criteria.".

SEC. 4104. PREAWARD DEBRIEFINGS.

(a) ARMED SERVICES ACQUISITIONS.—Section 2305(b) of title 10, United States Code, is amended—

(1) by striking out subparagraph (F) of paragraph (5);

(2) by redesignating paragraph (6) as paragraph (9); and

(3) by inserting after paragraph (5) the following new paragraphs:

"(6)(A) When the contracting officer excludes an offeror submitting a competitive proposal from the competitive range (or otherwise excludes such an offeror from further consideration prior to the final source selection decision), the excluded offeror may request in writing, within three days after the date on which the excluded offeror receives notice of its exclusion, a debriefing prior to award. The contracting officer shall make every effort to debrief the unsuccessful offeror as soon as practicable but may refuse the request for a debriefing if it is not in the best interests of the Government to conduct a debriefing at that time.

"(B) The contracting officer is required to debrief an excluded offeror in accordance with paragraph (5) of this section only if that offeror requested and was refused a preaward debriefing under subparagraph (A) of this paragraph.

"(C) The debriefing conducted under this subsection shall include—

"(i) the executive agency's evaluation of the significant elements in the offeror's offer;

"(ii) a summary of the rationale for the offeror's exclusion; and

"(iii) reasonable responses to relevant questions posed by the debriefed offeror as to whether source selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the executive agency.

"(D) The debriefing conducted pursuant to this subsection may not disclose the number or identity of other offerors and shall not disclose information about the content, ranking, or evaluation of other offerors' proposals.

"(7) The contracting officer shall include a summary of any debriefing conducted under paragraph (5) or (6) in the contract file.

"(8) The Federal Acquisition Regulation shall include a provision encouraging the use of alternative dispute resolution techniques to provide informal, expeditious, and inexpensive procedures for an offeror to consider using before filing a protest, prior to the award of a contract, of the exclusion of the offeror from the competitive range (or otherwise from further consideration) for that contract.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended—

(1) by striking out paragraph (6) of subsection (e);

(2) by redesignating subsections (f), (g), (h), and (i) as subsections (i), (j), (k), and (l), respectively; and

(3) by inserting after subsection (e) the following new subsections:

"(f)(1) When the contracting officer excludes an offeror submitting a competitive proposal from the competitive range (or otherwise excludes such an offeror from further consideration prior to the final source selection decision), the excluded offeror may request in writing, within 3 days after the date on which the excluded offeror receives notice of its exclusion, a debriefing prior to award. The contracting officer shall make every effort to debrief the unsuccessful offeror as soon as practicable but may refuse the request for a debriefing if it is not in the best interests of the Government to conduct a debriefing at that time.

"(2) The contracting officer is required to debrief an excluded offeror in accordance with subsection (e) of this section only if that offeror requested and was refused a preaward debriefing under paragraph (1) of this subsection.

"(3) The debriefing conducted under this subsection shall include—

"(A) the executive agency's evaluation of the significant elements in the offeror's offer;

"(B) a summary of the rationale for the offeror's exclusion; and

"(C) reasonable responses to relevant questions posed by the debriefed offeror as to whether source selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the executive agency.

"(4) The debriefing conducted pursuant to this subsection may not disclose the number or identity of other offerors and shall not disclose information about the content, ranking, or evaluation of other offerors' proposals.

"(g) The contracting officer shall include a summary of any debriefing conducted under subsection (e) or (f) in the contract file.

"(h) The Federal Acquisition Regulation shall include a provision encouraging the use of alternative dispute resolution techniques to provide informal, expeditious, and inexpensive procedures for an offeror to consider using before filing a protest, prior to the award of a contract, of the exclusion of the offeror from the competitive range (or otherwise from further consideration) for that contract.".

SEC. 4105. DESIGN-BUILD SELECTION PROCEDURES.

(a) ARMED SERVICES ACQUISITIONS.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Design-build selection procedures

"(a) AUTHORIZATION.—Unless the traditional acquisition approach of design-bid-build established under the Brooks Architect-Engineers Act (41 U.S.C. 541 et seq.) is used or another acquisition procedure authorized by law is used, the head of an agency shall use the two-phase selection procedures authorized in this section for entering into a contract for the design and construction of a public building, facility, or work when a determination is made under subsection (b) that the procedures are appropriate for use.

"(b) CRITERIA FOR USE.—A contracting officer shall make a determination whether two-phase selection procedures are appropriate for use for entering into a contract for the design and construction of a public building, facility, or work when the contracting officer anticipates that three or more offers will be received for such contract, design work must be performed before an offeror can develop a price or cost proposal for such contract, the offeror will incur a substantial amount of expense in preparing the offer, and the contracting officer has considered information such as the following:

"(1) The extent to which the project requirements have been adequately defined.

"(2) The time constraints for delivery of the project.

"(3) The capability and experience of potential contractors.

"(4) The suitability of the project for use of the two-phase selection procedures.

"(5) The capability of the agency to manage the two-phase selection process.

"(6) Other criteria established by the agency.

"(c) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

"(1) The agency develops, either in-house or by contract, a scope of work statement for inclusion in the solicitation that defines the project and provides prospective offerors with sufficient information regarding the Government's requirements (which may include criteria and preliminary design, budget parameters, and schedule or delivery requirements) to enable the offerors to submit proposals which meet the Government's needs. If the agency contracts for development of the scope of work statement, the agency shall contract for architectural and engineering services as defined by and in accordance with the Brooks Architect-Engineers Act (40 U.S.C. 541 et seq.).

‘‘(2) The contracting officer solicits phase-one proposals that—

‘‘(A) include information on the offeror's—

‘‘(i) technical approach; and

‘‘(ii) technical qualifications; and

‘‘(B) do not include—

‘‘(i) detailed design information; or

‘‘(ii) cost or price information.

‘‘(3) The evaluation factors to be used in evaluating phase-one proposals are stated in the solicitation and include specialized experience and technical competence, capability to perform, past performance of the offeror's team (including the architect-engineer and construction members of the team) and other appropriate factors, except that cost-related or price-related evaluation factors are not permitted. Each solicitation establishes the relative importance assigned to the evaluation factors and subfactors that must be considered in the evaluation of phase-one proposals. The agency evaluates phase-one proposals on the basis of the phase-one evaluation factors set forth in the solicitation.

‘‘(4) The contracting officer selects as the most highly qualified the number of offerors specified in the solicitation to provide the property or services under the contract and requests the selected offerors to submit phase-two competitive proposals that include technical proposals and cost or price information. Each solicitation establishes with respect to phase two—

‘‘(A) the technical submission for the proposal, including design concepts or proposed solutions to requirements addressed within the scope of work (or both), and

‘‘(B) the evaluation factors and subfactors, including cost or price, that must be considered in the evaluations of proposals in accordance with paragraphs (2), (3), and (4) of section 2305(a) of this title.

The contracting officer separately evaluates the submissions described in subparagraphs (A) and (B).

‘‘(5) The agency awards the contract in accordance with section 2305(b)(4) of this title.

‘‘(d) SOLICITATION TO STATE NUMBER OF OFFERORS TO BE SELECTED FOR PHASE TWO REQUESTS FOR COMPETITIVE PROPOSALS.—A solicitation issued pursuant to the procedures described in subsection (c) shall state the maximum number of offerors that are to be selected to submit competitive proposals pursuant to subsection (c)(4). The maximum number specified in the solicitation shall not exceed 5 unless the agency determines with respect to an individual solicitation that a specified number greater than 5 is in the Government's interest and is consistent with the purposes and objectives of the two-phase selection process.

‘‘(e) REQUIREMENT FOR GUIDANCE AND REGULATIONS.—The Federal Acquisition Regulation shall include guidance—

‘‘(1) regarding the factors that may be considered in determining whether the two-phase contracting procedures authorized by subsection (a) are appropriate for use in individual contracting situations;

‘‘(2) regarding the factors that may be used in selecting contractors; and

‘‘(3) providing for a uniform approach to be used Government-wide.’’.

(2) The table of sections at the beginning of chapter 137 of such title is amended by adding after the item relating to section 2305 the following new item:

‘‘2305a. Design-build selection procedures.’’.

(b) CIVILIAN AGENCY ACQUISITIONS.—(1) Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended by inserting after section 303L the following new section:

‘‘SEC. 303M. DESIGN-BUILD SELECTION PROCEDURES.

‘‘(a) AUTHORIZATION.—Unless the traditional acquisition approach of design-bid-build established under the Brooks Architect-Engineers Act (title IX of this Act) is used or another acquisition procedure authorized by law is used, the head of an executive agency shall use the two-phase selection procedures authorized in this section for entering into a contract for the design and construction of a public building, facility, or work when a determination is made under subsection (b) that the procedures are appropriate for use.

‘‘(b) CRITERIA FOR USE.—A contracting officer shall make a determination whether two-phase selection procedures are appropriate for use for entering into a contract for the design and construction of a public building, facility, or work when the contracting officer anticipates that three or more offers will be received for such contract, design work must be performed before an offeror can develop a price or cost proposal for such contract, the offeror will incur a substantial amount of expense in preparing the offer, and the contracting officer has considered information such as the following:

‘‘(1) The extent to which the project requirements have been adequately defined.

‘‘(2) The time constraints for delivery of the project.

‘‘(3) The capability and experience of potential contractors.

‘‘(4) The suitability of the project for use of the two-phase selection procedures.

‘‘(5) The capability of the agency to manage the two-phase selection process.

‘‘(6) Other criteria established by the agency.

‘‘(c) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

‘‘(1) The agency develops, either in-house or by contract, a scope of work statement for inclusion in the solicitation that defines the project and provides prospective offerors with sufficient information regarding the Government's requirements (which may include criteria and preliminary design, budget parameters, and schedule or delivery requirements) to enable the offerors to submit proposals which meet the Government's needs. If the agency contracts for development of the scope of work statement, the agency shall contract for architectural and engineering services as defined by and in accordance with the Brooks Architect-Engineers Act (40 U.S.C. 541 et seq.).

‘‘(2) The contracting officer solicits phase-one proposals that—

‘‘(A) include information on the offeror's—

‘‘(i) technical approach; and

‘‘(ii) technical qualifications; and

‘‘(B) do not include—

‘‘(i) detailed design information; or

‘‘(ii) cost or price information.

‘‘(3) The evaluation factors to be used in evaluating phase-one proposals are stated in the solicitation and include specialized experience and technical competence, capability to perform, past performance of the offeror's team (including the architect-engineer and construction members of the team) and other appropriate factors, except that cost-related or price-related evaluation factors are not permitted. Each solicitation establishes the relative importance assigned to the evaluation factors and subfactors that must be considered in the evaluation of phase-one proposals. The agency evaluates phase-one proposals on the basis of the phase-one evaluation factors set forth in the solicitation.

‘‘(4) The contracting officer selects as the most highly qualified the number of offerors specified in the solicitation to provide the property or services under the contract and requests the selected offerors to submit phase-two competitive proposals that include technical proposals and cost or price information. Each solicitation establishes with respect to phase two—

‘‘(A) the technical submission for the proposal, including design concepts or proposed solutions to requirements addressed within the scope of work (or both), and

‘‘(B) the evaluation factors and subfactors, including cost or price, that must be considered in the evaluations of proposals in accordance with subsections (b), (c), and (d) of section 303A.

The contracting officer separately evaluates the submissions described in subparagraphs (A) and (B).

‘‘(5) The agency awards the contract in accordance with section 303B of this title.

‘‘(d) SOLICITATION TO STATE NUMBER OF OFFERORS TO BE SELECTED FOR PHASE TWO REQUESTS FOR COMPETITIVE PROPOSALS.—A solicitation issued pursuant to the procedures described in subsection (c) shall state the maximum number of offerors that are to be selected to submit competitive proposals pursuant to subsection (c)(4). The maximum number specified in the solicitation shall not exceed 5 unless the agency determines with respect to an individual solicitation that a specified number greater than 5 is in the Government's interest and is consistent with the purposes and objectives of the two-phase selection process.

‘‘(e) REQUIREMENT FOR GUIDANCE AND REGULATIONS.—The Federal Acquisition Regulation shall include guidance—

‘‘(1) regarding the factors that may be considered in determining whether the two-phase contracting procedures authorized by subsection (a) are appropriate for use in individual contracting situations;

‘‘(2) regarding the factors that may be used in selecting contractors; and

‘‘(3) providing for a uniform approach to be used Government-wide.’’.

(2) The table of sections at the beginning of such Act is amended by inserting after the item relating to section 303L the following new item:

‘‘Sec. 303M. Design-build selection procedures.’’.

TITLE XLII—COMMERCIAL ITEMS

SEC. 4201. COMMERCIAL ITEM EXCEPTION TO REQUIREMENT FOR CERTIFIED COST OR PRICING DATA.

(a) ARMED SERVICES ACQUISITIONS.—(1) Subsections (b), (c), and (d) of section 2306a of title 10, United States Code, are amended to read as follows:

‘‘(b) EXCEPTIONS.—

‘‘(1) IN GENERAL.—Submission of certified cost or pricing data shall not be required under subsection (a) in the case of a contract, a subcontract, or modification of a contract or subcontract—

‘‘(A) for which the price agreed upon is based on—

‘‘(i) adequate price competition; or

‘‘(ii) prices set by law or regulation;

"(B) for the acquisition of a commercial item; or

"(C) in an exceptional case when the head of the procuring activity, without delegation, determines that the requirements of this section may be waived and justifies in writing the reasons for such determination.

"(2) MODIFICATIONS OF CONTRACTS AND SUBCONTRACTS FOR COMMERCIAL ITEMS.—In the case of a modification of a contract or subcontract for a commercial item that is not covered by the exception to the submission of certified cost or pricing data in paragraph (1)(A) or (1)(B), submission of certified cost or pricing data shall not be required under subsection (a) if—

"(A) the contract or subcontract being modified is a contract or subcontract for which submission of certified cost or pricing data may not be required by reason of paragraph (1)(A) or (1)(B); and

"(B) the modification would not change the contract or subcontract, as the case may be, from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of an item other than a commercial item.

"(c) COST OR PRICING DATA ON BELOW-THRESHOLD CONTRACTS.—

"(1) AUTHORITY TO REQUIRE SUBMISSION.—Subject to paragraph (2), when certified cost or pricing data are not required to be submitted by subsection (a) for a contract, subcontract, or modification of a contract or subcontract, such data may nevertheless be required to be submitted by the head of the procuring activity, but only if the head of the procuring activity determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract, subcontract, or modification of a contract or subcontract. In any case in which the head of the procuring activity requires such data to be submitted under this subsection, the head of the procuring activity shall justify in writing the reason for such requirement.

"(2) EXCEPTION.—The head of the procuring activity may not require certified cost or pricing data to be submitted under this paragraph for any contract or subcontract, or modification of a contract or subcontract, covered by the exceptions in subparagraph (A) or (B) of subsection (b)(1).

"(3) DELEGATION OF AUTHORITY PROHIBITED.—The head of a procuring activity may not delegate functions under this paragraph.

"(d) SUBMISSION OF OTHER INFORMATION.—

"(1) AUTHORITY TO REQUIRE SUBMISSION.—When certified cost or pricing data are not required to be submitted under this section for a contract, subcontract, or modification of a contract or subcontract, the contracting officer shall require submission of data other than certified cost or pricing data to the extent necessary to determine the reasonableness of the price of the contract, subcontract, or modification of the contract or subcontract. Except in the case of a contract or subcontract covered by the exceptions in subsection (b)(1)(A), the data submitted shall include, at a minimum, appropriate information on the prices at which the same item or similar items have previously been sold that is adequate for evaluating the reasonableness of the price for the procurement.

"(2) LIMITATIONS ON AUTHORITY.—The Federal Acquisition Regulation shall include the following provisions regarding the types of information that contracting officers may require under paragraph (1):

"(A) Reasonable limitations on requests for sales data relating to commercial items.

"(B) A requirement that a contracting officer limit, to the maximum extent practicable, the scope of any request for information relating to commercial items from an offeror to only that information that is in the form regularly maintained by the offeror in commercial operations.

"(C) A statement that any information received relating to commercial items that is exempt from disclosure under section 552(b) of title 5 shall not be disclosed by the Federal Government.".

(2) Section 2306a of such title is further amended—

(A) by striking out subsection (h); and

(B) by redesignating subsection (i) as subsection (h).

(b) CIVILIAN AGENCY ACQUISITIONS.—(1) Subsections (b), (c) and (d) of section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b) are amended to read as follows:

"(b) EXCEPTIONS.—

"(1) IN GENERAL.—Submission of certified cost or pricing data shall not be required under subsection (a) in the case of a contract, a subcontract, or a modification of a contract or subcontract—

"(A) for which the price agreed upon is based on—

"(i) adequate price competition; or

"(ii) prices set by law or regulation;

"(B) for the acquisition of a commercial item; or

"(C) in an exceptional case when the head of the procuring activity, without delegation, determines that the requirements of this section may be waived and justifies in writing the reasons for such determination.

"(2) MODIFICATIONS OF CONTRACTS AND SUBCONTRACTS FOR COMMERCIAL ITEMS.—In the case of a modification of a contract or subcontract for a commercial item that is not covered by the exception to the submission of certified cost or pricing data in paragraph (1)(A) or (1)(B), submission of certified cost or pricing data shall not be required under subsection (a) if—

"(A) the contract or subcontract being modified is a contract or subcontract for which submission of certified cost or pricing data may not be required by reason of paragraph (1)(A) or (1)(B); and

"(B) the modification would not change the contract or subcontract, as the case may be, from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of an item other than a commercial item.

"(c) COST OR PRICING DATA ON BELOW-THRESHOLD CONTRACTS.—

"(1) AUTHORITY TO REQUIRE SUBMISSION.—Subject to paragraph (2), when certified cost or pricing data are not required to be submitted by subsection (a) for a contract, subcontract, or modification of a contract or subcontract, such data may nevertheless be required to be submitted by the head of the procuring activity, but only if the head of the procuring activity determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract, subcontract, or modification of a contract or subcontract. In any case in which the head of the procuring activity requires such data to be submitted under this subsection, the head of the procuring activity shall justify in writing the reason for such requirement.

"(2) EXCEPTION.—The head of the procuring activity may not require certified cost or pricing data to be submitted under this paragraph for any contract or subcontract, or modification of a contract or subcontract, covered by the exceptions in subparagraph (A) or (B) of subsection (b)(1).

"(3) DELEGATION OF AUTHORITY PROHIBITED.—The head of a procuring activity may not delegate the functions under this paragraph.

"(d) SUBMISSION OF OTHER INFORMATION.—

"(1) AUTHORITY TO REQUIRE SUBMISSION.—When certified cost or pricing data are not required to be submitted under this section for a contract, subcontract, or modification of a contract or subcontract, the contracting officer shall require submission of data other than certified cost or pricing data to the extent necessary to determine the reasonableness of the price of the contract, subcontract, or modification of the contract or subcontract. Except in the case of a contract or subcontract covered by the exceptions in subsection (b)(1)(A), the data submitted shall include, at a minimum, appropriate information on the prices at which the same item or similar items have previously been sold that is adequate for evaluating the reasonableness of the price for the procurement.

"(2) LIMITATIONS ON AUTHORITY.—The Federal Acquisition Regulation shall include the following provisions regarding the types of information that contracting officers may require under paragraph (1):

"(A) Reasonable limitations on requests for sales data relating to commercial items.

"(B) A requirement that a contracting officer limit, to the maximum extent practicable, the scope of any request for information relating to commercial items from an offeror to only that information that is in the form regularly maintained by the offeror in commercial operations.

"(C) A statement that any information received relating to commercial items that is exempt from disclosure under section 552(b) of title 5 shall not be disclosed by the Federal Government.".

(2) Section 304A of such Act is further amended—

(A) by striking out subsection (h); and

(B) by redesignating subsection (i) as subsection (h).

SEC. 4202. APPLICATION OF SIMPLIFIED PROCEDURES TO CERTAIN COMMERCIAL ITEMS.

(a) ARMED SERVICES ACQUISITIONS.—(1) Section 2304(g) of title 10, United States Code, is amended—

(A) in paragraph (1), by striking out "shall provide for special simplified procedures for purchases of" and all that follows through the end of the paragraph and inserting in lieu thereof the following: "shall provide for—

"(A) special simplified procedures for purchases of property and services for amounts not greater than the simplified acquisition threshold; and

"(B) special simplified procedures for purchases of property and services for amounts greater than the simplified acquisition threshold but not greater than $5,000,000 with respect to which the contracting officer reasonably expects, based on the nature of the property or services sought and on market research, that offers will include only commercial items."; and

(B) by adding at the end the following new paragraph:

"(4) The head of an agency shall comply with the Federal Acquisition Regulation provisions referred to in section 31(g) of the Office of Federal Procurement Policy Act (41 U.S.C. 427).".

(2) Section 2305 of title 10, United States Code, is amended in subsection (a)(2) by inserting after "(other than for" the following: "a procurement for commercial items using special simplified procedures or".

(b) CIVILIAN AGENCY ACQUISITIONS.—(1) Section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)) is amended—

(A) in paragraph (1), by striking out "shall provide for special simplified procedures for purchases of" and all that follows through the end of the paragraph and inserting in lieu thereof the following: "shall provide for—

"(A) special simplified procedures for purchases of property and services for amounts not greater than the simplified acquisition threshold; and

"(B) special simplified procedures for purchases of property and services for amounts greater than the simplified acquisition threshold but not greater than $5,000,000 with respect to which the contracting officer reasonably expects, based on the nature of the property or services sought and on market research, that offers will include only commercial items."; and

(B) by adding at the end the following new paragraph:

"(5) An executive agency shall comply with the Federal Acquisition Regulation provisions referred to in section 31(g) of the Office of Federal Procurement Policy Act (41 U.S.C. 427).".

(2) Section 303A of such Act (41 U.S.C. 253a) is amended in subsection (b) by inserting after "(other than for" the following: "a procurement for commercial items using special simplified procedures or".

(c) ACQUISITIONS GENERALLY.—Section 31 of the Office of Federal Procurement Policy Act (41 U.S.C. 427) is amended—

(1) in subsection (a), by striking out "shall provide for special simplified procedures for purchases of" and all that follows through the end of the subsection and inserting in lieu thereof the following: "shall provide for—

"(1) special simplified procedures for purchases of property and services for amounts not greater than the simplified acquisition threshold; and

"(2) special simplified procedures for purchases of property and services for amounts greater than the simplified acquisition threshold but not greater than $5,000,000 with respect to which the contracting officer reasonably expects, based on the nature of the property or services sought and on market research, that offers will include only commercial items."; and

(2) by adding at the end the following new subsection:

"(g) SPECIAL RULES FOR COMMERCIAL ITEMS.—The Federal Acquisition Regulation shall provide that, in the case of a purchase of commercial items using special simplified procedures, an executive agency—

"(1) shall publish a notice in accordance with section 18 and, as provided in subsection (b)(4) of such section, permit all responsible sources to submit a bid, proposal, or quotation (as appropriate) which shall be considered by the agency;

"(2) may not conduct the purchase on a sole source basis unless the need to do so is justified in writing and approved in accordance with section 2304 of title 10, United States Code, or section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253), as applicable; and

"(3) shall include in the contract file a written description of the procedures used in awarding the contract and the number of offers received.".

(d) SIMPLIFIED NOTICE.—(1) Section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(A) in subsection (a)(6), by inserting before "submission" the following: "issuance of solicitations and the"; and

(B) in subsection (b)(6), by striking out "threshold—" and inserting in lieu thereof "threshold, or a contract for the procurement of commercial items using special simplified procedures—".

(e) EFFECTIVE DATE.—The authority to issue solicitations for purchases of commercial items in excess of the simplified acquisition threshold pursuant to the special simplified procedures authorized by section 2304(g)(1) of title 10, United States Code, section 303(g)(1) of the Federal Property and Administrative Services Act of 1949, and section 31(a) of the Office of Federal Procurement Policy Act, as amended by this section, shall expire three years after the date on which such amendments take effect pursuant to section 4401(b). Contracts may be awarded pursuant to solicitations that have been issued before such authority expires, notwithstanding the expiration of such authority.

SEC. 4203. INAPPLICABILITY OF CERTAIN PROCUREMENT LAWS TO COMMERCIALLY AVAILABLE OFF-THE-SHELF ITEMS.

(a) LAWS LISTED IN THE FAR.—The Office of Federal Procurement Policy Act (41 U.S.C. 401) et seq.) is amended by adding at the end the following:

"SEC. 35. COMMERCIALLY AVAILABLE OFF-THE-SHELF ITEM ACQUISITIONS: LISTS OF INAPPLICABLE LAWS IN FEDERAL ACQUISITION REGULATION.

"(a) LISTS OF INAPPLICABLE PROVISIONS OF LAW.—(1) The Federal Acquisition Regulation shall include a list of provisions of law that are inapplicable to contracts for the procurement of commercially available off-the-shelf items.

"(2) A provision of law that, pursuant to paragraph (3), is properly included on a list referred to in paragraph (1) may not be construed as being applicable to contracts referred to in paragraph (1). Nothing in this section shall be construed to render inapplicable to such contracts any provision of law that is not included on such list.

"(3) A provision of law described in subsection (b) shall be included on the list of inapplicable provisions of law required by paragraph (1) unless the Administrator for Federal Procurement Policy makes a written determination that it would not be in the best interest of the United States to exempt such contracts from the applicability of that provision of law. Nothing in this section shall be construed as modifying or superseding, or as being intended to impair or restrict authorities or responsibilities under—

"(A) section 15 of the Small Business Act (15 U.S.C. 644); or

"(B) bid protest procedures developed under the authority of subchapter V of chapter 35 of title 31, United States Code; subsections (e) and (f) of section 2305 of title 10, United States Code; or subsections (h) and (i) of section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b).

"(b) COVERED LAW.—Except as provided in subsection (a)(3), the list referred to in subsection (a)(1) shall include each provision of law that, as determined by the Administrator, imposes on persons who have been awarded contracts by the Federal Government for the procurement of commercially available off-the-shelf items Government-unique policies, procedures, requirements, or restrictions for the procurement of property or services, except the following:

"(1) A provision of law that provides for criminal or civil penalties.

"(2) A provision of law that specifically refers to this section and provides that, notwithstanding this section, such provision of law shall be applicable to contracts for the procurement of commercial off-the-shelf items.

"(c) DEFINITION.—(1) As used in this section, the term 'commercially available off-the-shelf item' means, except as provided in paragraph (2), an item that—

"(A) is a commercial item (as described in section 4(12)(A));

"(B) is sold in substantial quantities in the commercial marketplace; and

"(C) is offered to the Government, without modification, in the same form in which it is sold in the commercial marketplace.

"(2) The term 'commercially available off-the-shelf item' does not include bulk cargo, as defined in section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702), such as agricultural products and petroleum products.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by inserting after the item relating to section 34 the following:

"Sec. 35. Commercially available off-the-shelf item acquisitions: lists of inapplicable laws in Federal Acquisition Regulation.".

SEC. 4204. AMENDMENT OF COMMERCIAL ITEMS DEFINITION.

Section 4(12)(F) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)(F)) is amended by inserting "or market" after "catalog".

SEC. 4205. INAPPLICABILITY OF COST ACCOUNTING STANDARDS TO CONTRACTS AND SUBCONTRACTS FOR COMMERCIAL ITEMS.

Paragraph (2)(B) of section 26(f) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)) is amended—

(1) by striking out clause (i) and inserting in lieu thereof the following:

"(i) Contracts or subcontracts for the acquisition of commercial items."; and

(2) by striking out clause (iii).

TITLE XLIII—ADDITIONAL REFORM PROVISIONS

Subtitle A—Additional Acquisition Reform Provisions

SEC. 4301. ELIMINATION OF CERTAIN CERTIFICATION REQUIREMENTS.

(a) ELIMINATION OF CERTAIN STATUTORY CERTIFICATION REQUIREMENTS.—(1) Section 2410b of title 10, United States Code, is amended in paragraph (2) by striking out "certification and".

(2) Section 1352(b)(2) of title 31, United States Code, is amended—

(A) by striking out subparagraph (C); and

(B) by inserting "and" after the semicolon at the end of subparagraph (A).

(3) Section 5152 of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701) is amended—

(A) in subsection (a)(1), by striking out "has certified to the contracting agency that it will" and inserting in lieu thereof "agrees to";

(B) in subsection (a)(2), by striking out "contract includes a certification by the individual" and inserting in lieu thereof "individual agrees"; and

(C) in subsection (b)(1)—

(i) by striking out subparagraph (A);

(ii) by redesignating subparagraph (B) as subparagraph (A) and in that subparagraph by striking out "such certification by failing to carry out"; and

(iii) by redesignating subparagraph (C) as subparagraph (B).

(b) ELIMINATION OF CERTAIN REGULATORY CERTIFICATION REQUIREMENTS.—

(1) CURRENT CERTIFICATION REQUIREMENTS.—(A) Not later than 210 days after the date of the enactment of this Act, the Administrator for Federal Procurement Policy shall issue for public comment a proposal to amend the Federal Acquisition Regulation to remove from the Federal Acquisition Regulation certification requirements for contractors and offerors that are not specifically imposed by statute. The Administrator may omit such a certification requirement from the proposal only if—

(i) the Federal Acquisition Regulatory Council provides the Administrator with a written justification for the requirement and a determination that there is no less burdensome means for administering and enforcing the particular regulation that contains the certification requirement; and

(ii) the Administrator approves in writing the retention of the certification requirement.

(B)(i) Not later than 210 days after the date of the enactment of this Act, the head of each executive agency that has agency procurement regulations containing one or more certification requirements for contractors and offerors that are not specifically imposed by statute shall issue for public comment a proposal to amend the regulations to remove the certification requirements. The head of the executive agency may omit such a certification requirement from the proposal only if—

(I) the senior procurement executive for the executive agency provides the head of the executive agency with a written justification for the requirement and a determination that there is no less burdensome means for administering and enforcing the particular regulation that contains the certification requirement; and

(II) the head of the executive agency approves in writing the retention of such certification requirement.

(ii) For purposes of clause (i), the term "head of the executive agency" with respect to a military department means the Secretary of Defense.

(2) FUTURE CERTIFICATION REQUIREMENTS.—(A) Section 29 of the Office of Federal Procurement Policy Act (41 U.S.C. 425) is amended—

(i) by amending the heading to read as follows:

"SEC. 29. CONTRACT CLAUSES AND CERTIFICATIONS.";

(ii) by inserting "(a) NONSTANDARD CONTRACT CLAUSES.—" before "The Federal Acquisition"; and

(iii) by adding at the end the following new subsection:

"(c) PROHIBITION ON CERTIFICATION REQUIREMENTS.—(1) A requirement for a certification by a contractor or offeror may not be included in the Federal Acquisition Regulation unless—

"(A) the certification requirement is specifically imposed by statute; or

"(B) written justification for such certification requirement is provided to the Administrator for Federal Procurement Policy by the Federal Acquisition Regulatory Council, and the Administrator approves in writing the inclusion of such certification requirement.

"(2)(A) A requirement for a certification by a contractor or offeror may not be included in a procurement regulation of an executive agency unless—

"(i) the certification requirement is specifically imposed by statute; or

"(ii) written justification for such certification requirement is provided to the head of the executive agency by the senior procurement executive of the agency, and the head of the executive agency approves in writing the inclusion of such certification requirement.

"(B) For purposes of subparagraph (A), the term 'head of the executive agency' with respect to a military department means the Secretary of Defense.".

(B) The item relating to section 29 in the table of contents for the Office of Federal Procurement Policy Act (contained in section 1(b)) (41 U.S.C. 401 note) is amended to read as follows:

"Sec. 29. Contract clauses and certifications.".

(c) POLICY OF CONGRESS.—Section 29 of the Office of Federal Procurement Policy Act (41 U.S.C. 425) is further amended by adding after subsection (a) the following new subsection:

"(b) CONSTRUCTION OF CERTIFICATION REQUIREMENTS.—A provision of law may not be construed as requiring a certification by a contractor or offeror in a procurement made or to be made by the Federal Government unless that provision of law specifically provides that such a certification shall be required.".

SEC. 4302. AUTHORITIES CONDITIONED ON FACNET CAPABILITY.

(a) COMMENCEMENT AND EXPIRATION OF AUTHORITY TO CONDUCT CERTAIN TESTS OF PROCUREMENT PROCEDURES.—Subsection (j) of section 5061 of the Federal Acquisition Streamlining Act of 1994 (41 U.S.C. 413 note; 108 Stat. 3355) is amended to read as follows:

"(j) COMMENCEMENT AND EXPIRATION OF AUTHORITY.—The authority to conduct a test under subsection (a) in an agency and to award contracts under such a test shall take effect on January 1, 1997, and shall expire on January 1, 2001. A contract entered into before such authority expires in an agency pursuant to a test shall remain in effect, in accordance with the terms of the contract, the notwithstanding of expiration the authority to conduct the test under this section.".

(b) USE OF SIMPLIFIED ACQUISITION PROCEDURES.—Subsection (e) of section 31 of the Office of Federal Procurement Policy Act (41 U.S.C. 427) is amended—

(1) by striking out "ACQUISITION PROCEDURES.—" and all that follows through "(B) The simplified acquisition" in paragraph (2)(B) and inserting in lieu thereof "ACQUISITION PROCEDURES.—The simplified acquisition"; and

(2) by striking out "pursuant to this section" in the remaining text and inserting in lieu thereof "pursuant to section 2304(g)(1)(A) of title 10, United States Code, section 303(g)(1)(A) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)(1)(A)), and subsection (a)(1) of this section".

SEC. 4303. INTERNATIONAL COMPETITIVENESS.

(a) ADDITIONAL AUTHORITY TO WAIVE RESEARCH, DEVELOPMENT, AND PRODUCTION COSTS.—Subject to subsection (b), section 21(e)(2) of the Arms Export Control Act (22 U.S.C. 2761(e)(2)) is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following new subparagraphs:

"(B) The President may waive the charge or charges which would otherwise be considered appropriate under paragraph (1)(B) for a particular sale if the President determines that—

"(i) imposition of the charge or charges likely would result in the loss of the sale; or

"(ii) in the case of a sale of major defense equipment that is also being procured for the use of the Armed Forces, the waiver of the charge or charges would (through a resulting increase in the total quantity of the equipment purchased from the source of the equipment that causes a reduction in the unit cost of the equipment) result in a savings to the United States on the cost of the equipment procured for the use of the Armed Forces that substantially offsets the revenue foregone by reason of the waiver of the charge or charges.

"(C) The President may waive, for particular sales of major defense equipment, any increase in a charge or charges previously considered appropriate under paragraph (1)(B) if the increase results from a correction of an estimate (reasonable when made) of the production quantity base that was used for calculating the charge or charges for purposes of such paragraph.".

(b) CONDITIONS.—Subsection (a) shall be effective only if—

(1) the President, in the budget of the President for fiscal year 1997, proposes legislation that if enacted would be qualifying offsetting legislation; and

(2) there is enacted qualifying offsetting legislation.

(c) EFFECTIVE DATE.—If the conditions in subsection (b) are met, then the amendments made by subsection (a) shall take effect on the date of the enactment of qualifying offsetting legislation.

(d) DEFINITIONS.—For purposes of this section:

(1) The term "qualifying offsetting legislation" means legislation that includes provisions that—

(A) offset fully the estimated revenues lost as a result of the amendments made by subsection (a) for each of the fiscal years 1997 through 2005;

(B) expressly state that they are enacted for the purpose of the offset described in subparagraph (A); and

(C) are included in full on the PayGo scorecard.

(2) The term "PayGo scorecard" means the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 4304. PROCUREMENT INTEGRITY.

(a) AMENDMENT OF PROCUREMENT INTEGRITY PROVISION.—Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended to read as follows:

"SEC. 27. RESTRICTIONS ON DISCLOSING AND OBTAINING CONTRACTOR BID OR PROPOSAL INFORMATION OR SOURCE SELECTION INFORMATION.

"(a) PROHIBITION ON DISCLOSING PROCUREMENT INFORMATION.—(1) A person described in paragraph (2) shall not, other than as provided by law, knowingly disclose contractor bid or proposal information or source selection information before the award of a Federal agency procurement contract to which the information relates.

"(2) Paragraph (1) applies to any person who—

"(A) is a present or former official of the United States, or a person who is acting or has acted for or on behalf of, or who is advising or has advised the United States with respect to, a Federal agency procurement; and

"(B) by virtue of that office, employment, or relationship has or had access to contractor bid or proposal information or source selection information.

"(b) PROHIBITION ON OBTAINING PROCUREMENT INFORMATION.—A person shall not, other than as provided by law, knowingly obtain contractor bid or proposal information or source selection information before the award of a Federal agency procurement contract to which the information relates.

"(c) ACTIONS REQUIRED OF PROCUREMENT OFFICERS WHEN CONTACTED BY OFFERORS REGARDING NON-FEDERAL EMPLOYMENT.—(1) If an agency official who is participating personally and substantially in a Federal agency procurement for a contract in excess of the simplified acquisition threshold contacts or is contacted by a person who is a bidder or offeror in that Federal agency procurement regarding possible non-Federal employment for that official, the official shall—

"(A) promptly report the contact in writing to the official's supervisor and to the designated agency ethics official (or designee) of the agency in which the official is employed; and

"(B)(i) reject the possibility of non-Federal employment; or

"(ii) disqualify himself or herself from further personal and substantial participation in that Federal agency procurement until such time as the agency has authorized the official to resume participation in such procurement, in accordance with the requirements of section 208 of title 18, United States Code, and applicable agency regulations on the grounds that—

"(I) the person is no longer a bidder or offeror in that Federal agency procurement; or

"(II) all discussions with the bidder or offeror regarding possible non-Federal employment have terminated without an agreement or arrangement for employment.

"(2) Each report required by this subsection shall be retained by the agency for not less than two years following the submission of the report. All such reports shall be made available to the public upon request, except that any part of a report that is exempt from the disclosure requirements of section 552 of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public.

"(3) An official who knowingly fails to comply with the requirements of this subsection shall be subject to the penalties and administrative actions set forth in subsection (e).

"(4) A bidder or offeror who engages in employment discussions with an official who is subject to the restrictions of this subsection, knowing that the official has not complied with subparagraph (A) or (B) of paragraph (1), shall be subject to the penalties and administrative actions set forth in subsection (e).

"(d) PROHIBITION ON FORMER OFFICIAL'S ACCEPTANCE OF COMPENSATION FROM CONTRACTOR.—(1) A former official of a Federal agency may not accept compensation from a contractor as an employee, officer, director, or consultant of the contractor within a period of one year after such former official—

"(A) served, at the time of selection of the contractor or the award of a contract to that contractor, as the procuring contracting officer, the source selection authority, a member of the source selection evaluation board, or the chief of a financial or technical evaluation team in a procurement in which that contractor was selected for award of a contract in excess of $10,000,000;

"(B) served as the program manager, deputy program manager, or administrative contracting officer for a contract in excess of $10,000,000 awarded to that contractor; or

"(C) personally made for the Federal agency—

"(i) a decision to award a contract, subcontract, modification of a contract or subcontract, or a task order or delivery order in excess of $10,000,000 to that contractor;

"(ii) a decision to establish overhead or other rates applicable to a contract or contracts for that contractor that are valued in excess of $10,000,000;

"(iii) a decision to approve issuance of a contract payment or payments in excess of $10,000,000 to that contractor; or

"(iv) a decision to pay or settle a claim in excess of $10,000,000 with that contractor.

"(2) Nothing in paragraph (1) may be construed to prohibit a former official of a Federal agency from accepting compensation from any division or affiliate of a contractor that does not produce the same or similar products or services as the entity of the contractor that is responsible for the contract referred to in subparagraph (A), (B), or (C) of such paragraph.

"(3) A former official who knowingly accepts compensation in violation of this subsection shall be subject to penalties and administrative actions as set forth in subsection (e).

"(4) A contractor who provides compensation to a former official knowing that such compensation is accepted by the former official in violation of this subsection shall be subject to penalties and administrative actions as set forth in subsection (e).

"(5) Regulations implementing this subsection shall include procedures for an official or former official of a Federal agency to request advice from the appropriate designated agency ethics official regarding whether the official or former official is or would be precluded by this subsection from accepting compensation from a particular contractor.

"(e) PENALTIES AND ADMINISTRATIVE ACTIONS.—

"(1) CRIMINAL PENALTIES.—Whoever engages in conduct constituting a violation of subsection (a) or (b) for the purpose of either—

"(A) exchanging the information covered by such subsection for anything of value, or

"(B) obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract,

shall be imprisoned for not more than 5 years or fined as provided under title 18, United States Code, or both.

"(2) CIVIL PENALTIES.—The Attorney General may bring a civil action in an appropriate United States district court against any person who engages in conduct constituting a violation of subsection (a), (b), (c), or (d). Upon proof of such conduct by a preponderance of the evidence, the person is subject to a civil penalty. An individual who engages in such conduct is subject to a civil penalty of not more than $50,000 for each violation plus twice the amount of compensation which the individual received or offered for the prohibited conduct. An organization that engages in such conduct is subject to a civil penalty of not more than $500,000 for each violation plus twice the amount of compensation which the organization received or offered for the prohibited conduct.

"(3) ADMINISTRATIVE ACTIONS.—(A) If a Federal agency receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d), the Federal agency shall consider taking one or more of the following actions, as appropriate:

"(i) Cancellation of the Federal agency procurement, if a contract has not yet been awarded.

"(ii) Rescission of a contract with respect to which—

"(I) the contractor or someone acting for the contractor has been convicted for an offense punishable under paragraph (1), or

"(II) the head of the agency that awarded the contract has determined, based upon a preponderance of the evidence, that the contractor or someone acting for the contractor has engaged in conduct constituting such an offense.

"(iii) Initiation of suspension or debarment proceedings for the protection of the Government in accordance with procedures in the Federal Acquisition Regulation.

"(iv) Initiation of adverse personnel action, pursuant to the procedures in chapter 75 of title 5, United States Code, or other applicable law or regulation.

"(B) If a Federal agency rescinds a contract pursuant to subparagraph (A)(ii), the United States is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.

"(C) For purposes of any suspension or debarment proceedings initiated pursuant to subparagraph (A)(iii), engaging in conduct constituting an offense under subsection (a), (b), (c), or (d) affects the present responsibility of a Government contractor or subcontractor.

"(f) DEFINITIONS.—As used in this section:

"(1) The term 'contractor bid or proposal information' means any of the following information submitted to a Federal agency as part of or in connection with a bid or proposal to enter into a Federal agency procurement contract, if that information has not been previously made available to the public or disclosed publicly:

"(A) Cost or pricing data (as defined by section 2306a(h) of title 10, United States Code, with respect to procurements subject to that section, and section 304A(h) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(h)), with respect to procurements subject to that section).

"(B) Indirect costs and direct labor rates.

"(C) Proprietary information about manufacturing processes, operations, or techniques marked by the contractor in accordance with applicable law or regulation.

"(D) Information marked by the contractor as 'contractor bid or proposal information', in accordance with applicable law or regulation.

"(2) The term 'source selection information' means any of the following information prepared for use by a Federal agency for the purpose of evaluating a bid or proposal to enter into a Federal agency procurement contract, if that information has not been previously made available to the public or disclosed publicly:

"(A) Bid prices submitted in response to a Federal agency solicitation for sealed bids, or lists of those bid prices before public bid opening.

"(B) Proposed costs or prices submitted in response to a Federal agency solicitation, or lists of those proposed costs or prices.

"(C) Source selection plans.

"(D) Technical evaluation plans.

"(E) Technical evaluations of proposals.

"(F) Cost or price evaluations of proposals.

"(G) Competitive range determinations that identify proposals that have a reasonable chance of being selected for award of a contract.

"(H) Rankings of bids, proposals, or competitors.

"(I) The reports and evaluations of source selection panels, boards, or advisory councils.

"(J) Other information marked as 'source selection information' based on a case-by-case determination by the head of the agency, his designee, or the contracting officer that its disclosure would jeopardize the integrity or successful completion of the Federal agency procurement to which the information relates.

"(3) The term 'Federal agency' has the meaning provided such term in section 3 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472).

"(4) The term 'Federal agency procurement' means the acquisition (by using competitive procedures and awarding a contract) of goods or services (including construction) from non-Federal sources by a Federal agency using appropriated funds.

"(5) The term 'contracting officer' means a person who, by appointment in accordance with applicable regulations, has the authority to enter into a Federal agency procurement contract on behalf of the Government and to make determinations and findings with respect to such a contract.

"(6) The term 'protest' means a written objection by an interested party to the award or proposed award of a Federal agency procurement contract, pursuant to subchapter V of chapter 35 of title 31, United States Code.

"(7) The term 'official' means the following:

"(A) An officer, as defined in section 2104 of title 5, United States Code.

"(B) An employee, as defined in section 2105 of title 5, United States Code.

"(C) A member of the uniformed services, as defined in section 2101(3) of title 5, United States Code.

"(g) LIMITATION ON PROTESTS.—No person may file a protest against the award or proposed award of a Federal agency procurement contract alleging a violation of subsection (a), (b), (c), or (d), nor may the Comptroller General of the United States consider such an allegation in deciding a protest, unless that person reported to the Federal agency responsible for the procurement, no later than 14 days after the person first discovered the possible violation, the information that the person believed constitutes evidence of the offense.

"(h) SAVINGS PROVISIONS.—This section does not—

"(1) restrict the disclosure of information to, or its receipt by, any person or class of persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(2) restrict a contractor from disclosing its own bid or proposal information or the recipient from receiving that information;

"(3) restrict the disclosure or receipt of information relating to a Federal agency procurement after it has been canceled by the Federal agency before contract award unless the Federal agency plans to resume the procurement;

"(4) prohibit individual meetings between a Federal agency official and an offeror or potential offeror for, or a recipient of, a contract or subcontract under a Federal agency procurement, provided that unauthorized disclosure or receipt of contractor bid or proposal information or source selection information does not occur;

"(5) authorize the withholding of information from, nor restrict its receipt by, Congress, a committee or subcommittee of Congress, the Comptroller General, a Federal agency, or an inspector general of a Federal agency;

"(6) authorize the withholding of information from, nor restrict its receipt by, the Comptroller General of the United States in the course of a protest against the award or proposed award of a Federal agency procurement contract; or

"(7) limit the applicability of any requirements, sanctions, contract penalties, and remedies established under any other law or regulation.".

(b) REPEALS.—The following provisions of law are repealed:

(1) Sections 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 33 of the Federal Energy Administration Act of 1974 (15 U.S.C. 789).

(3) Section 281 of title 18, United States Code.

(4) Subsection (c) of section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428).

(5) The first section 19 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5918).

(6) Part A of title VI of the Department of Energy Organization Act and its catchline (42 U.S.C. 7211, 7212, and 7218).

(7) Section 308 of the Energy Research and Development Administration Appropriation Authorization Act for Fiscal Year 1977 (42 U.S.C. 5816a).

(8) Section 522 of the Energy Policy and Conservation Act (42 U.S.C. 6392).

(c) CLERICAL AMENDMENTS.—

(1) The table of sections at the beginning of chapter 141 of title 10, United States Code, is amended by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) The table of sections at the beginning of chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) Section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428) is amended by redesignating subsections (d), (e), (f), and (g) as subsections (c), (d), (e), and (f), respectively.

(4) The table of contents for the Department of Energy Organization Act is amended by striking out the items relating to part A of title VI including sections 601 through 603.

(5) The table of contents for the Energy Policy and Conservation Act is amended by striking out the item relating to section 522.

SEC. 4305. FURTHER ACQUISITION STREAMLINING PROVISIONS.

(a) PURPOSE OF OFFICE OF FEDERAL PROCUREMENT POLICY.—

(1) REVISED STATEMENT OF PURPOSE.—Section 5(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 404) is amended to read as follows:

"(a) There is in the Office of Management and Budget an Office of Federal Procurement Policy (hereinafter referred to as the 'Office') to provide overall direction of Government-wide procurement policies, regulations, procedures, and forms for executive agencies and to promote economy, efficiency, and effectiveness in the procurement of property and services by the executive branch of the Federal Government.".

(2) REPEAL OF FINDINGS, POLICIES, AND PURPOSES.—Sections 2 and 3 of such Act (41 U.S.C. 401 and 402) are repealed.

(b) REPEAL OF REPORT REQUIREMENT.—Section 8 of the Office of Federal Procurement Policy Act (41 U.S.C. 407) is repealed.

(c) OBSOLETE PROVISIONS.—

(1) RELATIONSHIP TO FORMER REGULATIONS.—Section 10 of the Office of Federal Procurement Policy Act (41 U.S.C. 409) is repealed.

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 11 of such Act (41 U.S.C. 410) is amended to read as follows:

"SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated for the Office of Federal Procurement Policy each fiscal year such sums as may be necessary for carrying out the responsibilities of that office for such fiscal year.".

(d) CLERICAL AMENDMENTS.—The table of contents for the Office of Federal Procurement Policy Act (contained in section 1(b)) is amended by striking out the items relating to sections 2, 3, 8, and 10.

SEC. 4306. VALUE ENGINEERING FOR FEDERAL AGENCIES.

(a) USE OF VALUE ENGINEERING.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 4203, is further amended by adding at the end the following new section:

"SEC. 36. VALUE ENGINEERING.

"(a) IN GENERAL.—Each executive agency shall establish and maintain cost-effective value engineering procedures and processes.

"(b) DEFINITION.—As used in this section, the term 'value engineering' means an analysis of the functions of a program, project, system, product, item of equipment, building, facility, service, or supply of an executive agency, performed by qualified agency or contractor personnel, directed at improving performance, reliability, quality, safety, and life cycle costs.".

(b) CLERICAL AMENDMENT.—The table of contents for such Act, contained in section 1(b), is amended by adding at the end the following new item:

"Sec. 36. Value engineering.".

SEC. 4307. ACQUISITION WORKFORCE.

(a) ACQUISITION WORKFORCE.—(1) The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 4306, is further amended by adding at the end the following new section:

"SEC. 37. ACQUISITION WORKFORCE.

"(a) APPLICABILITY.—This section does not apply to an executive agency that is subject to chapter 87 of title 10, United States Code.

"(b) MANAGEMENT POLICIES.—

"(1) POLICIES AND PROCEDURES.—The head of each executive agency, after consultation with the Administrator for Federal Procurement Policy, shall establish policies and procedures for the effective management (including accession, education, training, career development, and performance incentives) of the acquisition workforce of the agency. The development of acquisition workforce policies under this section shall be carried out consistent with the merit system principles set forth in section 2301(b) of title 5, United States Code.

"(2) UNIFORM IMPLEMENTATION.—The head of each executive agency shall ensure that, to the maximum extent practicable, acquisition workforce policies and procedures established are uniform in their implementation throughout the agency.

"(3) GOVERNMENT-WIDE POLICIES AND EVALUATION.—The Administrator shall issue policies to promote uniform implementation of this section by executive agencies, with due regard for differences in program requirements among agencies that may be appropriate and warranted in view of the agency mission. The Administrator shall coordinate with the Deputy Director for Management of the Office of Management and Budget to ensure that such policies are consistent with the policies and procedures established and enhanced system of incentives provided pursuant to section 5051(c) of the Federal Acquisition Streamlining Act of 1994 (41 U.S.C. 263 note). The Administrator shall evaluate the implementation of the provisions of this section by executive agencies.

"(c) SENIOR PROCUREMENT EXECUTIVE AUTHORITIES AND RESPONSIBILITIES.—Subject to the authority, direction, and control of the head of an executive agency, the senior procurement executive of the agency shall carry out all powers, functions, and duties of the head of the agency with respect to implementation of this section. The senior procurement executive shall ensure that the policies of the head of the executive agency established in accordance with this section are implemented throughout the agency.

"(d) MANAGEMENT INFORMATION SYSTEMS.—The Administrator shall ensure that the heads of executive agencies collect and maintain standardized information on the acquisition workforce related to implementation of this section. To the maximum extent practicable, such data requirements shall conform to standards established by the Office of Personnel Management for the Central Personnel Data File.

"(e) APPLICABILITY TO ACQUISITION WORKFORCE.—The programs established by this section shall apply to the acquisition workforce of each executive agency. For purposes of this section, the acquisition workforce of an agency consists of all employees serving in acquisition positions listed in subsection (g)(1)(A).

"(f) CAREER DEVELOPMENT.—

"(1) CAREER PATHS.—The head of each executive agency shall ensure that appropriate career paths for personnel who desire to pursue careers in acquisition are identified in terms of the education, training, experience, and assignments necessary for career progression to the most senior acquisition positions. The head of each executive agency shall make information available on such career paths.

"(2) CRITICAL DUTIES AND TASKS.—For each career path, the head of each executive agency shall identify the critical acquisition-related duties and tasks in which, at minimum, employees of the agency in the career path shall be competent to perform at full performance grade levels. For this purpose, the head of the executive agency shall provide appropriate coverage of the critical duties and tasks identified by the Director of the Federal Acquisition Institute.

"(3) MANDATORY TRAINING AND EDUCATION.—For each career path, the head of each executive agency shall establish requirements for the completion of course work and related on-the-job training in the critical acquisition-related duties and tasks of the career path. The head of each executive agency shall also encourage employees to maintain the currency of their acquisition knowledge and generally enhance their knowledge of related acquisition management disciplines through academic programs and other self-developmental activities.

"(4) PERFORMANCE INCENTIVES.—The head of each executive agency shall provide for an enhanced system of incentives for the encouragement of excellence in the acquisition workforce which rewards performance of employees that contribute to achieving the agency's performance goals. The system of incentives shall include provisions that—

"(A) relate pay to performance (including the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs pursuant to section 313(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 263(b))); and

"(B) provide for consideration, in personnel evaluations and promotion decisions, of the extent to which the performance of personnel in such workforce contributes to achieving such cost goals, schedule goals, and performance goals.

"(g) QUALIFICATION REQUIREMENTS.—

"(1) IN GENERAL.—(A) Subject to paragraph (2), the Administrator shall establish qualification requirements, including education requirements, for the following positions:

"(i) Entry-level positions in the General Schedule Contracting series (GS–1102).

"(ii) Senior positions in the General Schedule Contracting series (GS–1102).

"(iii) All positions in the General Schedule Purchasing series (GS–1105).

"(iv) Positions in other General Schedule series in which significant acquisition-related functions are performed.

"(B) Subject to paragraph (2), the Administrator shall prescribe the manner and extent to which such qualification requirements shall apply to any person serving in a position described in subparagraph (A) at the time such requirements are established.

"(2) RELATIONSHIP TO REQUIREMENTS APPLICABLE TO DEFENSE ACQUISITION WORKFORCE.—The Administrator shall establish qualification requirements and make prescriptions under paragraph (1) that are comparable to those established for the same or equivalent positions pursuant to chapter 87 of title 10, United States Code, with appropriate modifications.

"(3) APPROVAL OF REQUIREMENTS.—The Administrator shall submit any requirement established or prescription made under paragraph (1) to the Director of the Office of Personnel Management for approval. If the Director does not disapprove a requirement or prescription within 30 days after the date on which the Director receives it, the requirement or prescription is deemed to be approved by the Director.

"(h) EDUCATION AND TRAINING.—

"(1) FUNDING LEVELS.—(A) The head of an executive agency shall set forth separately the funding levels requested for education and training of the acquisition workforce in the budget justification documents submitted in support of the President's budget submitted to Congress under section 1105 of title 31, United States Code.

"(B) Funds appropriated for education and training under this section may not be obligated for any other purpose.

"(2) TUITION ASSISTANCE.—The head of an executive agency may provide tuition reimbursement in education (including a full-time course of study leading to a degree) in accordance with section 4107 of title 5, United States Code, for personnel serving in acquisition positions in the agency.".

(2) The table of contents for such Act, contained in section 1(b), is amended by adding at the end the following new item:

"Sec. 37. Acquisition workforce.".

(b) ADDITIONAL AMENDMENTS.—Section 6(d) of the Office of Federal Procurement Policy Act (41 U.S.C. 405), is amended—

(1) by redesignating paragraphs (6), (7), (8), (9), (10), (11), and (12) (as transferred by section 4321(h)(1)) as paragraphs (7), (8), (9), (10), (11), (12), and (13), respectively;

(2) in paragraph (5)—

(A) in subparagraph (A), by striking out "Government-wide career management programs for a professional procurement work force" and inserting in lieu thereof "the development of a professional acquisition workforce Government-wide"; and

(B) in subparagraph (B)—

(i) by striking out "procurement by the" and inserting in lieu thereof "acquisition by the";

(ii) by striking out "and" at the end of the subparagraph; and

(iii) by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) collect data and analyze acquisition workforce data from the Office of Personnel Management, the heads of executive agencies, and, through periodic surveys, from individual employees;

"(D) periodically analyze acquisition career fields to identify critical competencies, duties, tasks, and related academic prerequisites, skills, and knowledge;

"(E) coordinate and assist agencies in identifying and recruiting highly qualified candidates for acquisition fields;

"(F) develop instructional materials for acquisition personnel in coordination with private and public acquisition colleges and training facilities;

"(G) evaluate the effectiveness of training and career development programs for acquisition personnel;

"(H) promote the establishment and utilization of academic programs by colleges and universities in acquisition fields;

"(I) facilitate, to the extent requested by agencies, interagency intern and training programs; and

"(J) perform other career management or research functions as directed by the Administrator."; and

(3) by inserting before paragraph (7) (as so redesignated) the following new paragraph (6):

"(6) administering the provisions of section 37;".

SEC. 4308. DEMONSTRATION PROJECT RELATING TO CERTAIN PERSONNEL MANAGEMENT POLICIES AND PROCEDURES.

(a) COMMENCEMENT.—The Secretary of Defense is encouraged to take such steps as may be necessary to provide for the commencement of a demonstration project, the purpose of which would be to determine the feasibility or desirability of one or more proposals for improving the personnel management policies or procedures that apply with respect to the acquisition workforce of the Department of Defense.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, any demonstration project described in subsection (a) shall be subject to section 4703 of title 5, United States Code, and all other provisions of such title that apply with respect to any demonstration project under such section.

(2) EXCEPTIONS.—Subject to paragraph (3), in applying section 4703 of title 5, United States Code, with respect to a demonstration project described in subsection (a)—

(A) "180 days" in subsection (b)(4) of such section shall be deemed to read "120 days";

(B) "90 days" in subsection (b)(6) of such section shall be deemed to read "30 days"; and

(C) subsection (d)(1)(A) of such section shall be disregarded.

(3) CONDITION.—Paragraph (2) shall not apply with respect to a demonstration project unless it—

(A) involves only the acquisition workforce of the Department of Defense (or any part thereof); and

(B) commences during the 3-year period beginning on the date of the enactment of this Act.

(c) DEFINITION.—For purposes of this section, the term "acquisition workforce" refers to the persons serving in acquisition positions within the Department of Defense, as designated pursuant to section 1721(a) of title 10, United States Code.

SEC. 4309. COOPERATIVE PURCHASING.

(a) DELAY IN OPENING CERTAIN FEDERAL SUPPLY SCHEDULES TO USE BY STATE, LOCAL, AND INDIAN TRIBAL GOVERNMENTS.—The Administrator of General Services may not use the authority of section 201(b)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(b)(2)) to provide for the use of Federal supply schedules of the General Services Administration until after the later of—

(1) the date on which the 18-month period beginning on the date of the enactment of this Act expires; or

(2) the date on which all of the following conditions are met:

(A) The Administrator has considered the report of the Comptroller General required by subsection (b).

(B) The Administrator has submitted comments on such report to Congress as required by subsection (c).

(C) A period of 30 days after the date of submission of such comments to Congress has expired.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to the Administrator of General Services and to Congress a report on the implementation of section 201(b) of the Federal Property and Administrative Services Act of 1949. The report shall include the following:

(1) An assessment of the effect on industry, including small businesses and local dealers, of providing for the use of Federal supply schedules by the entities described in section 201(b)(2)(A) of the Federal Property and Administrative Services Act of 1949.

(2) An assessment of the effect on such entities of providing for the use of Federal supply schedules by them.

(c) COMMENTS ON REPORT BY ADMINISTRATOR.—Not later than 30 days after receiving the report of the Comptroller General required by subsection (b), the Administrator of General Services shall submit to Congress comments on the report, including the Administrator's comments on whether the Administrator plans to provide any Federal supply schedule for the use of any entity described in section 201(b)(2)(A) of the Federal Property and Administrative Services Act of 1949.

(d) CALCULATION OF 30-DAY PERIOD.—For purposes of subsection (a)(2)(C), the calculation of the 30-day period shall exclude Saturdays, Sundays, and holidays, and any day on which neither House of Congress is in session because of an adjournment sine die, a recess of more than 3 days, or an adjournment of more than 3 days.

SEC. 4310. PROCUREMENT NOTICE TECHNICAL AMENDMENT.

Section 18(c)(1)(E) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(1)(E)) is amended by inserting after "requirements contract" the following: ", a task order contract, or a delivery order contract".

SEC. 4311. MICRO-PURCHASES WITHOUT COMPETITIVE QUOTATIONS.

Section 32(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 428), as redesignated by section 4304(c)(3), is amended by striking out "the contracting officer" and inserting in lieu thereof "an employee of an executive agency or a member of the Armed Forces of the United States authorized to do so".

Subtitle B—Technical Amendments

SEC. 4321. AMENDMENTS RELATED TO FEDERAL ACQUISITION STREAMLINING ACT OF 1994.

(a) PUBLIC LAW 103–355.—Effective as of October 13, 1994, and as if included therein as enacted, the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3243 et seq.) is amended as follows:

(1) Section 1073 (108 Stat. 3271) is amended by striking out "section 303I" and inserting in lieu thereof "section 303K".

(2) Section 1202(a) (108 Stat. 3274) is amended by striking out the closing quotation marks and second period at the end of paragraph (2)(B) of the subsection inserted by the amendment made by that section.

(3) Section 1251(b) (108 Stat. 3284) is amended by striking out "Office of Federal Procurement Policy Act" and inserting in lieu thereof "Federal Property and Administrative Services Act of 1949".

(4) Section 2051(e) (108 Stat. 3304) is amended by striking out the closing quotation marks and second period at the end of subsection (f)(3) in the matter inserted by the amendment made by that section.

(5) Section 2101(a)(6)(B)(ii) (108 Stat. 3308) is amended by replacing "regulation" with "regulations" in the first quoted matter.

(6) Section 2351(a) (108 Stat. 3322) is amended by inserting "(1)" before "Section 6".

(7) The heading of section 2352(b) (108 Stat. 3322) is amended by striking out "PROCEDURES TO SMALL BUSINESS GOVERNMENT CONTRACTORS.—" and inserting in lieu thereof "PROCEDURES.—".

(8) Section 3022 (108 Stat. 3333) is amended by striking out "each place" and all that follows through the end of the section and inserting in lieu thereof "in paragraph (1) and ', rent,' after 'sell' in paragraph (2).".

(9) Section 5092(b) (108 Stat. 3362) is amended by inserting "of paragraph (2)" after "second sentence".

(10) Section 6005(a) (108 Stat. 3364) is amended by striking out the closing quotation marks and second period at the end of subsection (e)(2) of the matter inserted by the amendment made by that section.

(11) Section 10005(f)(4) (108 Stat. 3409) is amended in the second matter in quotation marks by striking out "'SEC. 5. This Act" and inserting in lieu thereof "'SEC. 7. This title".

(b) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 2220(b) is amended by striking out "the date of the enactment of the Federal Acquisition Streamlining Act of 1994" and inserting in lieu thereof "October 13, 1994".

(2)(A) The section 2247 added by section 7202(a)(1) of Public Law 103–355 (108 Stat. 3379) is redesignated as section 2249.

(B) The item relating to that section in the table of sections at the beginning of subchapter I of chapter 134 is revised to conform to the redesignation made by subparagraph (A).

(3) Section 2302(3)(K) is amended by adding a period at the end.

(4) Section 2304(f)(2)(D) is amended by striking out "the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act," and inserting in lieu thereof "the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.),".

(5) Section 2304(h) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Walsh-Healey Act (41 U.S.C. 35 et seq.).".

(6)(A) The section 2304a added by section 848(a)(1) of Public Law 103–160 (107 Stat. 1724) is redesignated as section 2304e.

(B) The item relating to that section in the table of sections at the beginning of chapter 137 is revised to conform to the redesignation made by subparagraph (A).

(7) Section 2306a is amended—

(A) in subsection (d)(2)(A)(ii), by inserting "to" after "The information referred";

(B) in subsection (e)(4)(B)(ii), by striking out the second comma after "parties"; and

(C) in subsection (i)(3), by inserting "(41 U.S.C. 403(12))" before the period at the end.

(8) Section 2323 is amended—

(A) in subsection (a)(1)(C), by inserting a closing parenthesis after "1135d–5(3))" and after "1059c(b)(1))";

(B) in subsection (a)(3), by striking out "(issued under" and all that follows through "421(c))";

(C) in subsection (b), by inserting "(1)" after "AMOUNT.—"; and

(D) in subsection (i)(3), by adding at the end a subparagraph (D) identical to the subparagraph (D) set forth in the amendment made by section 811(e) of Public Law 103–160 (107 Stat. 1702).

(9) Section 2324 is amended—

(A) in subsection (e)(2)(C)—

(i) by striking out "awarding the contract" at the end of the first sentence; and

(ii) by striking out "title III" and all that follows through "Act)" and inserting in lieu thereof "the Buy American Act (41 U.S.C. 10b–1)"; and

(B) in subsection (h)(2), by inserting "the head of the agency or" after "in the case of any contract if".

(10) Section 2350b is amended—

(A) in subsection (c)(1)—

(i) by striking out "specifically—" and inserting in lieu thereof "specifically prescribes—"; and

(ii) by striking out "prescribe" in each of subparagraphs (A), (B), (C), and (D); and

(B) in subsection (d)(1), by striking out "subcontract to be" and inserting in lieu thereof "subcontract be".

(11) Section 2372(i)(1) is amended by striking out "section 2324(m)" and inserting in lieu thereof "section 2324(l)".

(12) Section 2384(b) is amended—

(A) in paragraph (2)—

(i) by striking "items, as" and inserting in lieu thereof "items (as"; and

(ii) by inserting a closing parenthesis after "403(12))"; and

(B) in paragraph (3), by inserting a closing parenthesis after "403(11))".

(13) Section 2400(a)(5) is amended by striking out "the preceding sentence" and inserting in lieu thereof "this paragraph".

(14) Section 2405 is amended—

(A) in paragraphs (1) and (2) of subsection (a), by striking out "the date of the enactment of the Federal Acquisition Streamlining Act of 1994" and inserting in lieu thereof "October 13, 1994"; and

(B) in subsection (c)(3)—

(i) by striking out "the later of—" and all that follows through "(B)"; and

(ii) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively, and realigning those subparagraphs accordingly.

(15) Section 2410d(b) is amended by striking out paragraph (3).

(16) Section 2410g(d)(1) is amended by inserting before the period at the end the following: "(as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)))".

(17) Section 2424(c) is amended—

(A) by inserting "EXCEPTION.—" after "(c)"; and

(B) by striking out "drink" the first and third places it appears in the second sentence and inserting in lieu thereof "beverage".

(18) Section 2431 is amended—

(A) in subsection (b)—

(i) by striking out "Any report" in the first sentence and inserting in lieu thereof "Any documents"; and

(ii) by striking out "the report" in paragraph (3) and inserting in lieu thereof "the documents"; and

(B) in subsection (c), by striking "reporting" and inserting in lieu thereof "documentation".

(19) Section 2461(e)(1) is amended by striking out "the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Wagner-O'Day Act" and inserting in lieu thereof "the Javits-Wagner-O'Day Act (41 U.S.C. 47)".

(20) Section 2533(a) is amended by striking out "title III of the Act" and all that follows through "such Act" and inserting in lieu thereof "the Buy American Act (41 U.S.C. 10a)) whether application of such Act".

(21) Section 2662(b) is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

(22) Section 2701(i)(1) is amended—

(A) by striking out "Act of August 24, 1935 (40 U.S.C. 270a–270d), commonly referred to as the 'Miller Act'," and inserting in lieu thereof "Miller Act (40 U.S.C. 270a et seq.)"; and

(B) by striking out "such Act of August 24, 1935" and inserting in lieu thereof "the Miller Act".

(c) SMALL BUSINESS ACT.—The Small Business Act (15 U.S.C. 632 et seq.) is amended as follows:

(1) Section 8(d) (15 U.S.C. 637(d)) is amended—

(A) in paragraph (1), by striking out the second comma after "small business concerns" the first place it appears; and

(B) in paragraph (6)(C), by striking out "and small business concerns owned and controlled by the socially and economically disadvantaged individuals" and inserting in lieu thereof ", small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women".

(2) Section 8(f) (15 U.S.C. 637(f)) is amended by inserting "and" after the semicolon at the end of paragraph (5).

(3) Section 15(g)(2) (15 U.S.C. 644(g)(2)) is amended by striking out the second comma after the first appearance of "small business concerns".

(d) TITLE 31, UNITED STATES CODE.—Title 31, United States Code, is amended as follows:

(1) Section 3551 is amended—

(A) by striking out "subchapter—" and inserting in lieu thereof "subchapter:"; and

(B) in paragraph (2), by striking out "or proposed contract" and inserting in lieu thereof "or a solicitation or other request for offers".

(2) Section 3553(b)(3) is amended by striking out "3554(a)(3)" and inserting in lieu thereof "3554(a)(4)".

(3) Section 3554(b)(2) is amended by striking out "section 3553(d)(2)(A)(i)" and inserting in lieu thereof "section 3553(d)(3)(C)(i)(I)".

(e) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.—The Federal Property and Administrative Services Act of 1949 is amended as follows:

(1) The table of contents in section 1 (40 U.S.C. 471 prec.) is amended—

(A) by striking out the item relating to section 104;

(B) by striking out the item relating to section 201 and inserting in lieu thereof the following:

"Sec. 201. Procurements, warehousing, and related activities.";

(C) by inserting after the item relating to section 315 the following new item:

"Sec. 316. Merit-based award of grants for research and development.";

(D) by striking out the item relating to section 603 and inserting in lieu thereof the following:

"Sec. 603. Authorizations for appropriations and transfer authority.";

and

(E) by inserting after the item relating to section 605 the following new item:

"Sec. 606. Sex discrimination.".

(2) Section 303(f)(2)(D) (41 U.S.C. 253(f)(2)(D)) is amended by striking out "the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act," and inserting in lieu thereof "the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.),".

(3) The heading for paragraph (1) of section 304A(c) (41 U.S.C. 254b(c)) is amended by changing each letter that is capitalized (other than the first letter of the first word) to lower case.

(4) Subsection (d)(2)(A)(ii) of section 304A (41 U.S.C. 254b) is amended by inserting "to" after "The information referred".

(5) Section 304C(a)(2) is amended by striking out "section 304B" and inserting in lieu thereof "section 304A".

(6) Section 307(b) is amended by striking out "section 305(c)" and inserting in lieu thereof "section 305(d)".

(7) The heading for section 314A (41 U.S.C. 264a) is amended to read as follows:

"SEC. 314A. DEFINITIONS RELATING TO PROCUREMENT OF COMMERCIAL ITEMS.".

(8) Section 315(b) (41 U.S.C. 265(b)) is amended by striking out "inspector general" both places it appears and inserting in lieu thereof "Inspector General".

(9) The heading for section 316 (41 U.S.C. 266) is amended by inserting at the end a period.

(f) WALSH-HEALEY ACT.—

(1) The Walsh-Healey Act (41 U.S.C. 35 et seq.) is amended—

(A) by transferring the second section 11 (as added by section 7201(4) of Public Law 103–355) so as to appear after section 10; and

(B) by redesignating the three sections following such section 11 (as so transferred) as sections 12, 13, and 14.

(2) Such Act is further amended in section 10—

(A) in subsection (b), by striking out "section 1(b)" and inserting in lieu thereof "section 1(a)"; and

(B) in subsection (c), by striking out the comma after "'locality'".

(g) ANTI-KICKBACK ACT OF 1986.—Section 7(d) of the Anti-Kickback Act of 1986 (41 U.S.C. 57(d)) is amended—

(1) by striking out "such Act" and inserting in lieu thereof "the Office of Federal Procurement Policy Act"; and

(2) by striking out the second period at the end.

(h) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended as follows:

(1) Section 6 (41 U.S.C. 405) is amended by transferring paragraph (12) of subsection (d) (as such paragraph was redesignated by section 5091(2) of the Federal Acquisition Streamlining Act of 1994 (P.L. 103–355; 108 Stat. 3361)) to the end of that subsection.

(2) Section 6(11) (41 U.S.C. 405(11)) is amended by striking out "small business" and inserting in lieu thereof "small businesses".

(3) Section 18(b) (41 U.S.C. 416(b)) is amended by inserting "and" after the semicolon at the end of paragraph (5).

(4) Section 26(f)(3) (41 U.S.C. 422(f)(3)) is amended in the first sentence by striking out "Not later than 180 days after the date of enactment of this section, the Administrator" and inserting in lieu thereof "The Administrator".

(i) OTHER LAWS.—

(1) The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended as follows:

(A) Section 126(c) (107 Stat. 1567) is amended by striking out "section 2401 of title 10, United States Code, or section 9081 of the Department of Defense Appropriations Act, 1990 (10 U.S.C. 2401 note)." and inserting in lieu thereof "section 2401 or 2401a of title 10, United States Code.".

(B) Section 127 (107 Stat. 1568) is amended—

(i) in subsection (a), by striking out "section 2401 of title 10, United States Code, or section 9081 of the Department of Defense Appropriations Act, 1990 (10 U.S.C. 2401 note)." and inserting in lieu thereof "section 2401 or 2401a of title 10, United States Code."; and

(ii) in subsection (e), by striking out "section 9081 of the Department of Defense Appropriations Act, 1990 (10 U.S.C. 2401 note)." and inserting in lieu thereof "section 2401a of title 10, United States Code.".

(2) The National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) is amended by striking out section 824.

(3) Section 117 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 10 U.S.C. 2431 note) is amended by striking out subsection (c).

(4) The National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180) is amended by striking out section 825 (10 U.S.C. 2432 note).

(5) Section 11 of Public Law 101–552 (5 U.S.C. 581 note) is amended by inserting "under" before "the amendments made by this Act".

(6) The last sentence of section 6 of the Federal Power Act (16 U.S.C. 799) is repealed.

(7) Section 101(a)(11)(A) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)(A)) is amended by striking out "the Act entitled 'An Act to create a Committee on Purchases of Blind-made Products, and for other purposes', approved June 25, 1938 (commonly known as the Wagner-O'Day Act; 41 U.S.C. 46 et seq.)" and inserting in lieu thereof "the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.)".

(8) The first section 5 of the Miller Act (40 U.S.C. 270a note) is redesignated as section 7 and, as so redesignated, is transferred to the end of that Act.

(9) Section 3737(g) of the Revised Statutes of the United States (41 U.S.C. 15(g)) is amended by striking out "rights of obligations" and inserting in lieu thereof "rights or obligations".

(10) The Act of June 15, 1940 (41 U.S.C. 20a; Chapter 367; 54 Stat. 398), is repealed.

(11) The Act of November 28, 1943 (41 U.S.C. 20b; Chapter 328; 57 Stat. 592), is repealed.

(12) Section 3741 of the Revised Statutes of the United States (41 U.S.C. 22), as amended by section 6004 of Public Law 103-355 (108 Stat. 3364), is amended by striking out "No member" and inserting in lieu thereof "SEC. 3741. No Member".

(13) Section 5152(a)(1) of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701(a)(1)) is amended by striking out "as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403)" and inserting in lieu thereof "(as defined in section 4(12) of such Act (41 U.S.C. 403(12)))".

SEC. 4322. MISCELLANEOUS AMENDMENTS TO FEDERAL ACQUISITION LAWS.

(a) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended as follows:

(1) Section 6(b) (41 U.S.C. 405(b)) is amended by striking out the second comma after "under subsection (a)" in the first sentence.

(2) Section 25(b)(2) (41 U.S.C. 421(b)(2)) is amended by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology".

(b) OTHER LAWS.—

(1) Section 11(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking out the second comma after "Community Service".

(2) Section 908(e) of the Defense Acquisition Improvement Act of 1986 (10 U.S.C. 2326 note) is amended by striking out "section 2325(g)" and inserting in lieu thereof "section 2326(g)".

(3) Effective as of August 9, 1989, and as if included therein as enacted, Public Law 101-73 is amended in section 501(b)(1)(A) (103 Stat. 393) by striking out "be," and inserting in lieu thereof "be;" in the second quoted matter therein.

(4) Section 3732(a) of the Revised Statutes of the United States (41 U.S.C. 11(a)) is amended by striking out the second comma after "quarters".

(5) Section 2 of the Contract Disputes Act of 1978 (41 U.S.C. 601) is amended in paragraphs (3), (5), (6), and (7), by striking out "The" and inserting in lieu thereof "the".

(6) Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended in subsections (d) and (e) by inserting after "United States Code" each place it appears the following: "(as in effect on September 30, 1995)".

(7) Section 13 of the Contract Disputes Act of 1978 (41 U.S.C. 612) is amended—

(A) in subsection (a), by striking out "section 1302 of the Act of July 27, 1956, (70 Stat. 694, as amended; 31 U.S.C. 724a)" and inserting in lieu thereof "section 1304 of title 31, United States Code"; and

(B) in subsection (c), by striking out "section 1302 of the Act of July 27, 1956, (70 Stat. 694, as amended; 31 U.S.C. 724a)" and inserting in lieu thereof "section 1304 of title 31, United States Code,".

TITLE XLIV—EFFECTIVE DATES AND IMPLEMENTATION

SEC. 4401. EFFECTIVE DATE AND APPLICABILITY.

(a) EFFECTIVE DATE.—Except as otherwise provided in this division, this division and the amendments made by this division shall take effect on the date of the enactment of this Act.

(b) APPLICABILITY OF AMENDMENTS.—

(1) SOLICITATIONS, UNSOLICITED PROPOSALS, AND RELATED CONTRACTS.—An amendment made by this division shall apply, in the manner prescribed in the final regulations promulgated pursuant to section 4402 to implement such amendment, with respect to any solicitation that is issued, any unsolicited proposal that is received, and any contract entered into pursuant to such a solicitation or proposal, on or after the date described in paragraph (3).

(2) OTHER MATTERS.—An amendment made by this division shall also apply, to the extent and in the manner prescribed in the final regulations promulgated pursuant to section 4402 to implement such amendment, with respect to any matter related to—

(A) a contract that is in effect on the date described in paragraph (3);

(B) an offer under consideration on the date described in paragraph (3); or

(C) any other proceeding or action that is ongoing on the date described in paragraph (3).

(3) DEMARCATION DATE.—The date referred to in paragraphs (1) and (2) is the date specified in such final regulations. The date so specified shall be January 1, 1997, or any earlier date that is not within 30 days after the date on which such final regulations are published.

SEC. 4402. IMPLEMENTING REGULATIONS.

(a) PROPOSED REVISIONS.—Proposed revisions to the Federal Acquisition Regulation and such other proposed regulations (or revisions to existing regulations) as may be necessary to implement this Act shall be published in the Federal Register not later than 210 days after the date of the enactment of this Act.

(b) PUBLIC COMMENT.—The proposed regulations described in subsection (a) shall be made available for public comment for a period of not less than 60 days.

(c) FINAL REGULATIONS.—Final regulations shall be published in the Federal Register not later than 330 days after the date of enactment of this Act.

(d) MODIFICATIONS.—Final regulations promulgated pursuant to this section to implement an amendment made by this Act may provide for modification of an existing contract without consideration upon the request of the contractor.

(e) SAVINGS PROVISIONS.—

(1) VALIDITY OF PRIOR ACTIONS.—Nothing in this division shall be construed to affect the validity of any action taken or any contract entered into before the date specified in the regulations pursuant to section 4401(b)(3) except to the extent and in the manner prescribed in such regulations.

(2) RENEGOTIATION AND MODIFICATION OF PREEXISTING CONTRACTS.—Except as specifically provided in this division, nothing in this division shall be construed to require the renegotiation or modification of contracts in existence on the date of the enactment of this Act.

(3) CONTINUED APPLICABILITY OF PREEXISTING LAW.—Except as otherwise provided in this division, a law amended by this division shall continue to be applied according to the provisions thereof as such law was in effect on the day before the date of the enactment of this Act until—

(A) the date specified in final regulations implementing the amendment of that law (as promulgated pursuant to this section); or

(B) if no such date is specified in regulations, January 1, 1997.

DIVISION E—INFORMATION TECHNOLOGY MANAGEMENT REFORM

SEC. 5001. SHORT TITLE.

This division may be cited as the "Information Technology Management Reform Act of 1996".

SEC. 5002. DEFINITIONS.

In this division:

(1) DIRECTOR.—The term "Director" means the Director of the Office of Management and Budget.

(2) EXECUTIVE AGENCY.—The term "executive agency" has the meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

(3) INFORMATION TECHNOLOGY.—(A) The term "information technology", with respect to an executive agency means any equipment or interconnected system or subsystem of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the executive agency. For purposes of the preceding sentence, equipment is used by an executive agency if the equipment is used by the executive agency directly or is used by a contractor under a contract with the executive agency which (i) requires the use of such equipment, or (ii) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product.

(B) The term "information technology" includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources.

(C) Notwithstanding subparagraphs (A) and (B), the term "information technology" does not include any equipment that is acquired by a Federal contractor incidental to a Federal contract.

(4) INFORMATION RESOURCES.—The term "information resources" has the meaning given such term in section 3502(6) of title 44, United States Code.

(5) INFORMATION RESOURCES MANAGEMENT.—The term "information resources management" has the meaning given such term in section 3502(7) of title 44, United States Code.

(6) INFORMATION SYSTEM.—The term "information system" has the meaning given such term in section 3502(8) of title 44, United States Code.

(7) COMMERCIAL ITEM.—The term "commercial item" has the meaning given that term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

TITLE LI—RESPONSIBILITY FOR ACQUISITIONS OF INFORMATION TECHNOLOGY

Subtitle A—General Authority

SEC. 5101. REPEAL OF CENTRAL AUTHORITY OF THE ADMINISTRATOR OF GENERAL SERVICES.

Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is repealed.

Subtitle B—Director of the Office of Management and Budget

SEC. 5111. RESPONSIBILITY OF DIRECTOR.

In fulfilling the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Director shall comply with this title with respect to the specific matters covered by this title.

SEC. 5112. CAPITAL PLANNING AND INVESTMENT CONTROL.

(a) FEDERAL INFORMATION TECHNOLOGY.—The Director shall perform the responsibilities set forth in this section in fulfilling the responsibilities under section 3504(h) of title 44, United States Code.

(b) USE OF INFORMATION TECHNOLOGY IN FEDERAL PROGRAMS.—The Director shall promote and be responsible for improving the acquisition, use, and disposal of information technology by the Federal Government to improve the productivity, efficiency, and effectiveness of Federal programs, including through dissemination of public information and the reduction of information collection burdens on the public.

(c) USE OF BUDGET PROCESS.—The Director shall develop, as part of the budget process, a process for analyzing, tracking, and evaluating the risks and results of all major capital investments made by an executive agency for information systems. The process shall cover the life of each system and shall include explicit criteria for analyzing the projected and actual costs, benefits, and risks associated with the investments. At the same time that the President submits the budget for a fiscal year to Congress under section 1105(a) of title 31, United States Code, the Director shall submit to Congress a report on the net program performance benefits achieved as a result of major capital investments made by executive agencies in information systems and how the benefits relate to the accomplishment of the goals of the executive agencies.

(d) INFORMATION TECHNOLOGY STANDARDS.—The Director shall oversee the development and implementation of standards and guidelines pertaining to Federal computer systems by the Secretary of Commerce through the National Institute of Standards and Technology under section 5131 and section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3).

(e) DESIGNATION OF EXECUTIVE AGENTS FOR ACQUISITIONS.—The Director shall designate (as the Director considers appropriate) one or more heads of executive agencies as executive agent for Government-wide acquisitions of information technology.

(f) USE OF BEST PRACTICES IN ACQUISITIONS.—The Director shall encourage the heads of the executive agencies to develop and use the best practices in the acquisition of information technology.

(g) ASSESSMENT OF OTHER MODELS FOR MANAGING INFORMATION TECHNOLOGY.—The Director shall assess, on a continuing basis, the experiences of executive agencies, State and local governments, international organizations, and the private sector in managing information technology.

(h) COMPARISON OF AGENCY USES OF INFORMATION TECHNOLOGY.—The Director shall compare the performances of the executive agencies in using information technology and shall disseminate the comparisons to the heads of the executive agencies.

(i) TRAINING.—The Director shall monitor the development and implementation of training in information resources management for executive agency personnel.

(j) INFORMING CONGRESS.—The Director shall keep Congress fully informed on the extent to which the executive agencies are improving the performance of agency programs and the accomplishment of agency missions through the use of the best practices in information resources management.

(k) PROCUREMENT POLICY AND ACQUISITIONS OF INFORMATION TECHNOLOGY.—The Director shall coordinate the development and review by the Administrator of the Office of Information and Regulatory Affairs of policy associated with Federal acquisition of information technology with the Office of Federal Procurement Policy.

SEC. 5113. PERFORMANCE-BASED AND RESULTS-BASED MANAGEMENT.

(a) IN GENERAL.—The Director shall encourage the use of performance-based and results-based management in fulfilling the responsibilities assigned under section 3504(h), of title 44, United States Code.

(b) EVALUATION OF AGENCY PROGRAMS AND INVESTMENTS.—

(1) REQUIREMENT.—The Director shall evaluate the information resources management practices of the executive agencies with respect to the performance and results of the investments made by the executive agencies in information technology.

(2) DIRECTION FOR EXECUTIVE AGENCY ACTION.—The Director shall issue to the head of each executive agency clear and concise direction that the head of such agency shall—

(A) establish effective and efficient capital planning processes for selecting, managing, and evaluating the results of all of its major investments in information systems;

(B) determine, before making an investment in a new information system—

(i) whether the function to be supported by the system should be performed by the private sector and, if so, whether any component of the executive agency performing that function should be converted from a governmental organization to a private sector organization; or

(ii) whether the function should be performed by the executive agency and, if so, whether the function should be performed by a private sector source under contract or by executive agency personnel;

(C) analyze the missions of the executive agency and, based on the analysis, revise the executive agency's mission-related processes and administrative processes, as appropriate, before making significant investments in information technology to be used in support of those missions; and

(D) ensure that the information security policies, procedures, and practices are adequate.

(3) GUIDANCE FOR MULTIAGENCY INVESTMENTS.—The direction issued under paragraph (2) shall include guidance for undertaking efficiently and effectively interagency and Government-wide investments in information technology to improve the accomplishment of missions that are common to the executive agencies.

(4) PERIODIC REVIEWS.—The Director shall implement through the budget process periodic reviews of selected information resources management activities of the executive agencies in order to ascertain the efficiency and effectiveness of information technology in improving the performance of the executive agency and the accomplishment of the missions of the executive agency.

(5) ENFORCEMENT OF ACCOUNTABILITY.—

(A) IN GENERAL.—The Director may take any authorized action that the Director considers appropriate, including an action involving the budgetary process or appropriations management process, to enforce accountability of the head of an executive agency for information resources management and for the investments made by the executive agency in information technology.

(B) SPECIFIC ACTIONS.—Actions taken by the Director in the case of an executive agency may include—

(i) recommending a reduction or an increase in any amount for information resources that the head of the executive agency proposes for the budget submitted to Congress under section 1105(a) of title 31, United States Code;

(ii) reducing or otherwise adjusting apportionments and reapportionments of appropriations for information resources;

(iii) using other authorized administrative controls over appropriations to restrict the availability of funds for information resources; and

(iv) designating for the executive agency an executive agent to contract with private sector sources for the performance of information resources management or the acquisition of information technology.

Subtitle C—Executive Agencies

SEC. 5121. RESPONSIBILITIES.

In fulfilling the responsibilities assigned under chapter 35 of title 44, United States Code, the head of each executive agency shall comply with this subtitle with respect to the specific matters covered by this subtitle.

SEC. 5122. CAPITAL PLANNING AND INVESTMENT CONTROL.

(a) DESIGN OF PROCESS.—In fulfilling the responsibilities assigned under section 3506(h) of title 44, United States Code, the head of each executive agency shall design and implement in the executive agency a process for maximizing the value and assessing and managing the risks of the information technology acquisitions of the executive agency.

(b) CONTENT OF PROCESS.—The process of an executive agency shall—

(1) provide for the selection of information technology investments to be made by the executive agency, the management of such investments, and the evaluation of the results of such investments;

(2) be integrated with the processes for making budget, financial, and program management decisions within the executive agency;

(3) include minimum criteria to be applied in considering whether to undertake a particular investment in information systems, including criteria related to the quantitatively expressed projected net, risk-adjusted return on investment and specific quantitative and qualitative criteria for comparing and prioritizing alternative information systems investment projects;

(4) provide for identifying information systems investments that would result in shared benefits or costs for other Federal agencies or State or local governments;

(5) provide for identifying for a proposed investment quantifiable measurements for determining the net benefits and risks of the investment; and

(6) provide the means for senior management personnel of the executive agency to obtain timely information regarding the progress of an investment in an information system, including a system of milestones for measuring progress, on an independently verifiable basis, in terms of cost, capability of the system to meet specified requirements, timeliness, and quality.

SEC. 5123. PERFORMANCE AND RESULTS-BASED MANAGEMENT.

In fulfilling the responsibilities under section 3506(h) of title 44, United States Code, the head of an executive agency shall—

(1) establish goals for improving the efficiency and effectiveness of agency operations and, as appropriate, the delivery of services to the public through the effective use of information technology;

(2) prepare an annual report, to be included in the executive agency's budget submission to Congress, on the progress in achieving the goals;

(3) ensure that performance measurements are prescribed for information technology used by or to be acquired for, the executive agency and that the performance measurements measure how well the information technology supports programs of the executive agency;

(4) where comparable processes and organizations in the public or private sectors exist, quantitatively benchmark agency process performance against such processes in terms of cost, speed, productivity, and quality of outputs and outcomes;

(5) analyze the missions of the executive agency and, based on the analysis, revise the executive agency's mission-related processes and administrative processes as appropriate before making significant investments in information technology that is to be used in support of the performance of those missions; and

(6) ensure that the information security policies, procedures, and practices of the executive agency are adequate.

SEC. 5124. ACQUISITIONS OF INFORMATION TECHNOLOGY.

(a) In General.—The authority of the head of an executive agency to conduct an acquisition of information technology includes the following authorities:

(1) To acquire information technology as authorized by law.

(2) To enter into a contract that provides for multiagency acquisitions of information technology in accordance with guidance issued by the Director.

(3) If the Director finds that it would be advantageous for the Federal Government to do so, to enter into a multiagency contract for procurement of commercial items of information technology that requires each executive agency covered by the contract, when procuring such items, either to procure the items under that contract or to justify an alternative procurement of the items.

(b) FTS 2000 Program.—Notwithstanding any other provision of this or any other law, the Administrator of General Services shall continue to manage the FTS 2000 program, and to coordinate the follow-on to that program, on behalf of and with the advice of the heads of executive agencies.

SEC. 5125. AGENCY CHIEF INFORMATION OFFICER.

(a) Designation of Chief Information Officers.—Section 3506 of title 44, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (2)(A), by striking out "senior official" and inserting in lieu thereof "Chief Information Officer";

(B) in paragraph (2)(B)—

(i) by striking out "senior officials" in the first sentence and inserting in lieu thereof "Chief Information Officers";

(ii) by striking out "official" in the second sentence and inserting in lieu thereof "Chief Information Officer"; and

(iii) by striking out "officials" in the second sentence and inserting in lieu thereof "Chief Information Officers"; and

(C) in paragraphs (3) and (4), by striking out "senior official" each place it appears and inserting in lieu thereof "Chief Information Officer"; and

(2) in subsection (c)(1), by striking out "official" in the matter preceding subparagraph (A) and inserting in lieu thereof "Chief Information Officer".

(b) General Responsibilities.—The Chief Information Officer of an executive agency shall be responsible for—

(1) providing advice and other assistance to the head of the executive agency and other senior management personnel of the executive agency to ensure that information technology is acquired and information resources are managed for the executive agency in a manner that implements the policies and procedures of this division, consistent with chapter 35 of title 44, United States Code, and the priorities established by the head of the executive agency;

(2) developing, maintaining, and facilitating the implementation of a sound and integrated information technology architecture for the executive agency; and

(3) promoting the effective and efficient design and operation of all major information resources management processes for the executive agency, including improvements to work processes of the executive agency.

(c) Duties and Qualifications.—The Chief Information Officer of an agency that is listed in section 901(b) of title 31, United States Code, shall—

(1) have information resources management duties as that official's primary duty;

(2) monitor the performance of information technology programs of the agency, evaluate the performance of those programs on the basis of the applicable performance measurements, and advise the head of the agency regarding whether to continue, modify, or terminate a program or project; and

(3) annually, as part of the strategic planning and performance evaluation process required (subject to section 1117 of title 31, United States Code) under section 306 of title 5, United States Code, and sections 1105(a)(29), 1115, 1116, 1117, and 9703 of title 31, United States Code—

(A) assess the requirements established for agency personnel regarding knowledge and skill in information resources management and the adequacy of such requirements for facilitating the achievement of the performance goals established for information resources management;

(B) assess the extent to which the positions and personnel at the executive level of the agency and the positions and personnel at management level of the agency below the executive level meet those requirements;

(C) in order to rectify any deficiency in meeting those requirements, develop strategies and specific plans for hiring, training, and professional development; and

(D) report to the head of the agency on the progress made in improving information resources management capability.

(d) Information Technology Architecture Defined.—In this section, the term "information technology architecture", with respect to an executive agency, means an integrated framework for evolving or maintaining existing information technology and acquiring new information technology to achieve the agency's strategic goals and information resources management goals.

(e) Executive Level IV.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chief Information Officer, Department of Agriculture.

"Chief Information Officer, Department of Commerce.

"Chief Information Officer, Department of Defense (unless the official designated as the Chief Information Officer of the Department of Defense is an official listed under section 5312, 5313, or 5314 of this title).

"Chief Information Officer, Department of Education.

"Chief Information Officer, Department of Energy.

"Chief Information Officer, Department of Health and Human Services.

"Chief Information Officer, Department of Housing and Urban Development.

"Chief Information Officer, Department of Interior.

"Chief Information Officer, Department of Justice.

"Chief Information Officer, Department of Labor.

"Chief Information Officer, Department of State.

"Chief Information Officer, Department of Transportation.

"Chief Information Officer, Department of Treasury.

"Chief Information Officer, Department of Veterans Affairs.

"Chief Information Officer, Environmental Protection Agency.

"Chief Information Officer, National Aeronautics and Space Administration.

"Chief Information Officer, Agency for International Development.

"Chief Information Officer, Federal Emergency Management Agency.

"Chief Information Officer, General Services Administration.

"Chief Information Officer, National Science Foundation.

"Chief Information Officer, Nuclear Regulatory Agency.

"Chief Information Officer, Office of Personnel Management.

"Chief Information Officer, Small Business Administration.".

SEC. 5126. ACCOUNTABILITY.

The head of each executive agency, in consultation with the Chief Information Officer and the Chief Financial Officer of that executive agency (or, in the case of an executive agency without a Chief Financial Officer, any comparable official), shall establish policies and procedures that—

(1) ensure that the accounting, financial, and asset management systems and other information systems of the executive agency are designed, developed, maintained, and used effectively to provide financial or program performance data for financial statements of the executive agency;

(2) ensure that financial and related program performance data are provided on a reliable, consistent, and timely basis to executive agency financial management systems; and

(3) ensure that financial statements support—

(A) assessments and revisions of mission-related processes and administrative processes of the executive agency; and

(B) performance measurement of the performance in the case of investments made by the agency in information systems.

SEC. 5127. SIGNIFICANT DEVIATIONS.

The head of an executive agency shall identify in the strategic information resources management plan required under section 3506(b)(2) of title 44, United States Code, any major information technology acquisition program, or any phase or increment of such a program, that has significantly deviated from the cost, performance, or schedule goals established for the program.

SEC. 5128. INTERAGENCY SUPPORT.

Funds available for an executive agency for oversight, acquisition, and procurement of information technology may be used by the head of the executive agency to support jointly with other executive agencies the activities of interagency groups that are established to advise the Director in carrying out the Director's responsibilities under this title. The use of such funds for that purpose shall be subject to such requirements and limitations on uses and amounts as the Director may prescribe. The Director shall prescribe any such requirements and limitations during the Director's review of the executive agency's proposed budget submitted to the Director by the head of the executive agency for purposes of section 1105 of title 31, United States Code.

Subtitle D—Other Responsibilities

SEC. 5131. RESPONSIBILITIES REGARDING EFFICIENCY, SECURITY, AND PRIVACY OF FEDERAL COMPUTER SYSTEMS.

(a) Standards and Guidelines.—

(1) Authority.—The Secretary of Commerce shall, on the basis of standards and

guidelines developed by the National Institute of Standards and Technology pursuant to paragraphs (2) and (3) of section 20(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3(a)), promulgate standards and guidelines pertaining to Federal computer systems. The Secretary shall make such standards compulsory and binding to the extent to which the Secretary determines necessary to improve the efficiency of operation or security and privacy of Federal computer systems. The President may disapprove or modify such standards and guidelines if the President determines such action to be in the public interest. The President's authority to disapprove or modify such standards and guidelines may not be delegated. Notice of such disapproval or modification shall be published promptly in the Federal Register. Upon receiving notice of such disapproval or modification, the Secretary of Commerce shall immediately rescind or modify such standards or guidelines as directed by the President.

(2) EXERCISE OF AUTHORITY.—The authority conferred upon the Secretary of Commerce by this section shall be exercised subject to direction by the President and in coordination with the Director to ensure fiscal and policy consistency.

(b) APPLICATION OF MORE STRINGENT STANDARDS.—The head of a Federal agency may employ standards for the cost-effective security and privacy of sensitive information in a Federal computer system within or under the supervision of that agency that are more stringent than the standards promulgated by the Secretary of Commerce under this section, if such standards contain, at a minimum, the provisions of those applicable standards made compulsory and binding by the Secretary of Commerce.

(c) WAIVER OF STANDARDS.—The standards determined under subsection (a) to be compulsory and binding may be waived by the Secretary of Commerce in writing upon a determination that compliance would adversely affect the accomplishment of the mission of an operator of a Federal computer system, or cause a major adverse financial impact on the operator which is not offset by Government-wide savings. The Secretary may delegate to the head of one or more Federal agencies authority to waive such standards to the extent to which the Secretary determines such action to be necessary and desirable to allow for timely and effective implementation of Federal computer system standards. The head of such agency may redelegate such authority only to a Chief Information Officer designated pursuant to section 3506 of title 44, United States Code. Notice of each such waiver and delegation shall be transmitted promptly to Congress and shall be published promptly in the Federal Register.

(d) DEFINITIONS.—In this section, the terms "Federal computer system" and "operator of a Federal computer system" have the meanings given such terms in section 20(d) of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3(d)).

(e) TECHNICAL AMENDMENTS.—Chapter 35 of title 44, United States Code, is amended—

(1) in section 3504(g)—

(A) in paragraph (2), by striking out "the Computer Security Act of 1987 (40 U.S.C. 759 note)" and inserting in lieu thereof "sections 20 and 21 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3 and 278g–4), section 5131 of the Information Technology Management Reform Act of 1996, and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 759 note)"; and

(B) in paragraph (3), by striking out "the Computer Security Act of 1987 (40 U.S.C. 759 note)" and inserting in lieu thereof "the standards and guidelines promulgated under section 5131 of the Information Technology Management Reform Act of 1996 and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 759 note)"; and

(2) in section 3518(d), by striking out "Public Law 89–306 on the Administrator of the General Services Administration, the Secretary of Commerce, or" and inserting in lieu thereof "section 5131 of the Information Technology Management Reform Act of 1996 and the Computer Security Act of 1987 (40 U.S.C. 759 note) on the Secretary of Commerce or".

SEC. 5132. SENSE OF CONGRESS.

It is the sense of Congress that, during the next five-year period beginning with 1996, executive agencies should achieve each year at least a 5 percent decrease in the cost (in constant fiscal year 1996 dollars) that is incurred by the agency for operating and maintaining information technology, and each year a 5 percent increase in the efficiency of the agency operations, by reason of improvements in information resources management by the agency.

Subtitle E—National Security Systems

SEC. 5141. APPLICABILITY TO NATIONAL SECURITY SYSTEMS.

(a) IN GENERAL.—Except as provided in subsection (b), this title does not apply to national security systems.

(b) EXCEPTIONS.—

(1) IN GENERAL.—Sections 5123, 5125, and 5126 apply to national security systems.

(2) CAPITAL PLANNING AND INVESTMENT CONTROL.—The heads of executive agencies shall apply sections 5112 and 5122 to national security systems to the extent practicable.

(3) PERFORMANCE AND RESULTS OF INFORMATION TECHNOLOGY INVESTMENTS.—(A) Subject to subparagraph (B), the heads of executive agencies shall apply section 5113 to national security systems to the extent practicable.

(B) National security systems shall be subject to section 5113(b)(5) except for subparagraph (B)(iv) of that section.

SEC. 5142. NATIONAL SECURITY SYSTEM DEFINED.

(a) DEFINITION.—In this subtitle, the term "national security system" means any telecommunications or information system operated by the United States Government, the function, operation, or use of which—

(1) involves intelligence activities;

(2) involves cryptologic activities related to national security;

(3) involves command and control of military forces;

(4) involves equipment that is an integral part of a weapon or weapons system; or

(5) subject to subsection (b), is critical to the direct fulfillment of military or intelligence missions.

(b) LIMITATION.—Subsection (a)(5) does not include a system that is to be used for routine administrative and business applications (including payroll, finance, logistics, and personnel management applications).

TITLE LII—PROCESS FOR ACQUISITIONS OF INFORMATION TECHNOLOGY

SEC. 5201. PROCUREMENT PROCEDURES.

The Federal Acquisition Regulatory Council shall ensure that, to the maximum extent practicable, the process for acquisition of information technology is a simplified, clear, and understandable process that specifically addresses the management of risk, incremental acquisitions, and the need to incorporate commercial information technology in a timely manner.

SEC. 5202. INCREMENTAL ACQUISITION OF INFORMATION TECHNOLOGY.

(a) POLICY.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"SEC. 35. MODULAR CONTRACTING FOR INFORMATION TECHNOLOGY.

"(a) IN GENERAL.—The head of an executive agency should, to the maximum extent practicable, use modular contracting for an acquisition of a major system of information technology.

"(b) MODULAR CONTRACTING DESCRIBED.—Under modular contracting, an executive agency's need for a system is satisfied in successive acquisitions of interoperable increments. Each increment complies with common or commercially accepted standards applicable to information technology so that the increments are compatible with other increments of information technology comprising the system.

"(c) IMPLEMENTATION.—The Federal Acquisition Regulation shall provide that—

"(1) under the modular contracting process, an acquisition of a major system of information technology may be divided into several smaller acquisition increments that—

"(A) are easier to manage individually than would be one comprehensive acquisition;

"(B) address complex information technology objectives incrementally in order to enhance the likelihood of achieving workable solutions for attainment of those objectives;

"(C) provide for delivery, implementation, and testing of workable systems or solutions in discrete increments each of which comprises a system or solution that is not dependent on any subsequent increment in order to perform its principal functions; and

"(D) provide an opportunity for subsequent increments of the acquisition to take advantage of any evolution in technology or needs that occur during conduct of the earlier increments;

"(2) a contract for an increment of an information technology acquisition should, to the maximum extent practicable, be awarded within 180 days after the date on which the solicitation is issued and, if the contract for that increment cannot be awarded within such period, the increment should be considered for cancellation; and

"(3) the information technology provided for in a contract for acquisition of information technology should be delivered within 18 months after the date on which the solicitation resulting in award of the contract was issued.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by inserting after the item relating to section 34 the following new item:

"Sec. 35. Modular contracting for information technology.".

TITLE LIII—INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAMS

Subtitle A—Conduct of Pilot Programs

SEC. 5301. AUTHORITY TO CONDUCT PILOT PROGRAMS.

(a) IN GENERAL.—

(1) PURPOSE.—The Administrator for Federal Procurement Policy (hereinafter referred to as the "Administrator"), in consultation with the Administrator for the Office of Information and Regulatory Affairs, may conduct pilot programs in order to test alternative approaches for acquisition of information technology by executive agencies.

(2) MULTIAGENCY, MULTI-ACTIVITY CONDUCT OF EACH PROGRAM.—Except as otherwise provided in this title, each pilot program conducted under this title shall be carried out in not more than two procuring activities in each of the executive agencies that are designated by the Administrator in accordance with this title to carry out the pilot program. The head of each designated executive agency shall, with the approval of the Administrator, select the procuring activities of the executive agency that are to participate in the test and shall designate a procurement testing official who shall be responsible for the conduct and evaluation of the pilot program within the executive agency.

(b) LIMITATIONS.—

(1) NUMBER.—Not more than two pilot programs may be conducted under the authority of this title, including one pilot program each pursuant to the requirements of sections 5311 and 5312.

(2) AMOUNT.—The total amount obligated for contracts entered into under the pilot programs conducted under the authority of this title may not exceed $750,000,000. The Administrator shall monitor such contracts and ensure that contracts are not entered into in violation of the limitation in the preceding sentence.

(c) PERIOD OF PROGRAMS.—

(1) IN GENERAL.—Subject to paragraph (2), any pilot program may be carried out under this title for the period, not in excess of five years, that is determined by the Administrator as being sufficient to establish reliable results.

(2) CONTINUING VALIDITY OF CONTRACTS.—A contract entered into under the pilot program before the expiration of that program shall remain in effect according to the terms of the contract after the expiration of the program.

SEC. 5302. EVALUATION CRITERIA AND PLANS.

(a) MEASURABLE TEST CRITERIA.—The head of each executive agency conducting a pilot program under section 5301 shall establish, to the maximum extent practicable, measurable criteria for evaluating the effects of the procedures or techniques to be tested under the program.

(b) TEST PLAN.—Before a pilot program may be conducted under section 5301, the Administrator shall submit to Congress a detailed test plan for the program, including a detailed description of the procedures to be used and a list of any regulations that are to be waived.

SEC. 5303. REPORT.

(a) REQUIREMENT.—Not later than 180 days after the completion of a pilot program under this title, the Administrator shall—

(1) submit to the Director a report on the results and findings under the program; and

(2) provide a copy of the report to Congress.

(b) CONTENT.—The report shall include the following:

(1) A detailed description of the results of the program, as measured by the criteria established for the program.

(2) A discussion of any legislation that the Administrator recommends, or changes in regulations that the Administrator considers necessary, in order to improve overall information resources management within the Federal Government.

SEC. 5304. RECOMMENDED LEGISLATION.

If the Director determines that the results and findings under a pilot program under this title indicate that legislation is necessary or desirable in order to improve the process for acquisition of information technology, the Director shall transmit the Director's recommendations for such legislation to Congress.

SEC. 5305. RULE OF CONSTRUCTION.

Nothing in this title shall be construed as authorizing the appropriation or obligation of funds for the pilot programs authorized under this title.

Subtitle B—Specific Pilot Programs

SEC. 5311. SHARE-IN-SAVINGS PILOT PROGRAM.

(a) REQUIREMENT.—The Administrator may authorize the heads of two executive agencies to carry out a pilot program to test the feasibility of—

(1) contracting on a competitive basis with a private sector source to provide the Federal Government with an information technology solution for improving mission-related or administrative processes of the Federal Government; and

(2) paying the private sector source an amount equal to a portion of the savings derived by the Federal Government from any improvements in mission-related processes and administrative processes that result from implementation of the solution.

(b) LIMITATIONS.—The head of an executive agency authorized to carry out the pilot program may, under the pilot program, carry out one project and enter into not more than five contracts for the project.

(c) SELECTION OF PROJECTS.—The projects shall be selected by the Administrator, in consultation with the Administrator for the Office of Information and Regulatory Affairs.

SEC. 5312. SOLUTIONS-BASED CONTRACTING PILOT PROGRAM.

(a) IN GENERAL.—The Administrator may authorize the heads of any of the executive agencies, in accordance with subsection (d)(2), to carry out a pilot program to test the feasibility of using solutions-based contracting for acquisition of information technology.

(b) SOLUTIONS-BASED CONTRACTING DESCRIBED.—For purposes of this section, solutions-based contracting is an acquisition method under which the acquisition objectives are defined by the Federal Government user of the technology to be acquired, a streamlined contractor selection process is used, and industry sources are allowed to provide solutions that attain the objectives effectively.

(c) PROCESS REQUIREMENTS.—The Administrator shall require use of a process with the following aspects for acquisitions under the pilot program:

(1) ACQUISITION PLAN EMPHASIZING DESIRED RESULT.—Preparation of an acquisition plan that defines the functional requirements of the intended users of the information technology to be acquired, identifies the operational improvements to be achieved, and defines the performance measurements to be applied in determining whether the information technology acquired satisfies the defined requirements and attains the identified results.

(2) RESULTS-ORIENTED STATEMENT OF WORK.—Use of a statement of work that is limited to an expression of the end results or performance capabilities desired under the acquisition plan.

(3) SMALL ACQUISITION ORGANIZATION.—Assembly of a small acquisition organization consisting of the following:

(A) An acquisition management team, the members of which are to be evaluated and rewarded under the pilot program for contributions toward attainment of the desired results identified in the acquisition plan.

(B) A small source selection team composed of representatives of the specific mission or administrative area to be supported by the information technology to be acquired, together with a contracting officer and persons with relevant expertise.

(4) USE OF SOURCE SELECTION FACTORS EMPHASIZING SOURCE QUALIFICATIONS AND COSTS.—Use of source selection factors that emphasize—

(A) the qualifications of the offeror, including such factors as personnel skills, previous experience in providing other private or public sector organizations with solutions for attaining objectives similar to the objectives of the acquisition, past contract performance, qualifications of the proposed program manager, and the proposed management plan; and

(B) the costs likely to be associated with the conceptual approach proposed by the offeror.

(5) OPEN COMMUNICATIONS WITH CONTRACTOR COMMUNITY.—Open availability of the following information to potential offerors:

(A) The agency mission to be served by the acquisition.

(B) The functional process to be performed by use of information technology.

(C) The process improvements to be attained.

(6) SIMPLE SOLICITATION.—Use of a simple solicitation that sets forth only the functional work description, the source selection factors to be used in accordance with paragraph (4), the required terms and conditions, instructions regarding submission of offers, and the estimate of the Federal Government's budget for the desired work.

(7) SIMPLE PROPOSALS.—Submission of oral presentations and written proposals that are limited in size and scope and contain information on—

(A) the offeror's qualifications to perform the desired work;

(B) past contract performance;

(C) the proposed conceptual approach; and

(D) the costs likely to be associated with the proposed conceptual approach.

(8) SIMPLE EVALUATION.—Use of a simplified evaluation process, to be completed within 45 days after receipt of proposals, which consists of the following:

(A) Identification of the most qualified offerors that are within the competitive range.

(B) Issuance of invitations for at least three and not more than five of the identified offerors to make oral presentations to, and engage in discussions with, the evaluating personnel regarding, for each offeror—

(i) the qualifications of the offeror, including how the qualifications of the offeror relate to the approach proposed to be taken by the offeror in the acquisition; and

(ii) the costs likely to be associated with the approach.

(C) Evaluation of the qualifications of the identified offerors and the costs likely to be associated with the offerors' proposals on the basis of submissions required under the process and any oral presentations made by, and any discussions with, the offerors.

(9) SELECTION OF MOST QUALIFIED OFFEROR.—A selection process consisting of the following:

(A) Identification of the most qualified source, and ranking of alternative sources, primarily on the basis of the oral proposals, presentations, and discussions, and written proposals submitted in accordance with paragraph (7).

(B) Conduct for 30 to 60 days of a program definition phase (funded, in the case of the source ultimately awarded the contract, by the Federal Government)—

(i) during which the selected source, in consultation with one or more intended users, develops a conceptual system design and technical approach, defines logical phases for the project, and estimates the total cost and the cost for each phase; and

(ii) after which a contract for performance of the work may be awarded to that source on the basis of cost, the responsiveness, reasonableness, and quality of the proposed performance, and a sharing of risk and benefits between the source and the Government.

(C) Conduct of as many successive program definition phases with alternative sources (in the order ranked) as is necessary in order to award a contract in accordance with subparagraph (B).

(10) SYSTEM IMPLEMENTATION PHASING.—System implementation to be executed in phases that are tailored to the solution, with various contract arrangements being used, as appropriate, for various phases and activities.

(11) MUTUAL AUTHORITY TO TERMINATE.—Authority for the Federal Government or the contractor to terminate the contract without penalty at the end of any phase defined for the project.

(12) TIME MANAGEMENT DISCIPLINE.—Application of a standard for awarding a contract within 105 to 120 days after issuance of the solicitation.

(d) PILOT PROGRAM DESIGN.—

(1) JOINT PUBLIC-PRIVATE WORKING GROUP.—The Administrator, in consultation with the Administrator for the Office of Information and Regulatory Affairs, shall establish a joint working group of Federal Government personnel and representatives of the information technology industry to design a plan for conduct of any pilot program carried out under this section.

(2) CONTENT OF PLAN.—The plan shall provide for use of solutions-based contracting in the Department of Defense and not more than two other executive agencies for a total of—

(A) not more than 10 projects, each of which has an estimated cost of between $25,000,000 and $100,000,000; and

(B) not more than 10 projects, each of which has an estimated cost of between $1,000,000 and $5,000,000, to be set aside for small business concerns.

(3) COMPLEXITY OF PROJECTS.—(A) Subject to subparagraph (C), each acquisition project under the pilot program shall be sufficiently complex to provide for meaningful evaluation of the use of solutions-based contracting for acquisition of information technology for executive agencies.

(B) In order for an acquisition project to satisfy the requirement in subparagraph (A), the solution for attainment of the executive agency's objectives under the project should not be obvious, but rather shall involve a need for some innovative development and systems integration.

(C) An acquisition project should not be so extensive or lengthy as to result in undue delay in the evaluation of the use of solutions-based contracting.

(e) MONITORING BY GAO.—The Comptroller General of the United States shall—

(1) monitor the conduct, and review the results, of acquisitions under the pilot program; and

(2) submit to Congress periodic reports containing the views of the Comptroller General on the activities, results, and findings under the pilot program.

TITLE LIV—ADDITIONAL INFORMATION RESOURCES MANAGEMENT MATTERS

SEC. 5401. ON-LINE MULTIPLE AWARD SCHEDULE CONTRACTING.

(a) AUTOMATION OF MULTIPLE AWARD SCHEDULE CONTRACTING.—In order to provide for the economic and efficient procurement of information technology and other commercial items, the Administrator of General Services shall provide through the Federal Acquisition Computer Network (in this section referred to as "FACNET"), not later than January 1, 1998, Government-wide online computer access to information on products and services that are available for ordering under the multiple award schedules. If the Administrator determines it is not practicable to provide such access through FACNET, the Administrator shall provide such access through another automated system that has the capability to perform the functions listed in subsection (b)(1) and meets the requirement of subsection (b)(2).

(b) ADDITIONAL FACNET FUNCTIONS.—(1) In addition to the functions specified in section 30(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 426(b)), the FACNET architecture shall have the capability to perform the following functions:

(A) Provide basic information on prices, features, and performance of all products and services available for ordering through the multiple award schedules.

(B) Provide for updating that information to reflect changes in prices, features, and performance as soon as information on the changes becomes available.

(C) Enable users to make on-line computer comparisons of the prices, features, and performance of similar products and services offered by various vendors.

(2) The FACNET architecture shall be used to place orders under the multiple award schedules in a fiscal year for an amount equal to at least 60 percent of the total amount spent for all orders under the multiple award schedules in that fiscal year.

(c) STREAMLINED PROCEDURES.—

(1) PILOT PROGRAM.—Upon certification by the Administrator of General Services that the FACNET architecture meets the requirements of subsection (b)(1) and was used as required by subsection (b)(2) in the fiscal year preceding the fiscal year in which the certification is made, the Administrator for Federal Procurement Policy may establish a pilot program to test streamlined procedures for the procurement of information technology products and services available for ordering through the multiple award schedules.

(2) APPLICABILITY TO MULTIPLE AWARD SCHEDULE CONTRACTS.—Except as provided in paragraph (4), the pilot program shall be applicable to all multiple award schedule contracts for the purchase of information technology and shall test the following procedures:

(A) A procedure under which negotiation of the terms and conditions for a covered multiple award schedule contract is limited to terms and conditions other than price.

(B) A procedure under which the vendor establishes the prices under a covered multiple award schedule contract and may adjust those prices at any time in the discretion of the vendor.

(C) A procedure under which a covered multiple award schedule contract is awarded to any responsible offeror that—

(i) has a suitable record of past performance, which may include past performance on multiple award schedule contracts;

(ii) agrees to terms and conditions that the Administrator determines as being required by law or as being appropriate for the purchase of commercial items; and

(iii) agrees to establish and update prices, features, and performance and to accept orders electronically through the automated system established pursuant to subsection (a).

(3) COMPTROLLER GENERAL REVIEW AND REPORT.—(A) Not later than three years after the date on which the pilot program is established, the Comptroller General of the United States shall review the pilot program and report to the Congress on the results of the pilot program.

(B) The report shall include the following:

(i) An evaluation of the extent to which there is competition for the orders placed under the pilot program.

(ii) The effect that the streamlined procedures under the pilot program have on prices charged under multiple award schedule contracts.

(iii) The effect that such procedures have on paperwork requirements for multiple award schedule contracts and orders.

(iv) The impact of the pilot program on small businesses and socially and economically disadvantaged small businesses.

(4) WITHDRAWAL OF SCHEDULE OR PORTION OF SCHEDULE FROM PILOT PROGRAM.—The Administrator may withdraw a multiple award schedule or portion of a schedule from the pilot program if the Administrator determines that (A) price competition is not available under such schedule or portion thereof, or (B) the cost to the Government for that schedule or portion thereof for the previous year was higher than it would have been if the contracts for such schedule or portion thereof had been awarded using procedures that would apply if the pilot program were not in effect. The Administrator shall notify Congress at least 30 days before the date on which the Administrator withdraws a schedule or portion thereof under this paragraph. The authority under this paragraph may not be delegated.

(5) TERMINATION OF PILOT PROGRAM.—Unless reauthorized by law, the authority of the Administrator to award contracts under the pilot program shall expire four years after the date on which the pilot program is established. Contracts entered into before the authority expires shall remain in effect in accordance with their terms notwithstanding the expiration of the authority to award new contracts under the pilot program.

(d) DEFINITION.—In this section, the term "FACNET" means the Federal Acquisition Computer Network established under section 30 of the Office of Federal Procurement Policy Act (41 U.S.C. 426).

SEC. 5402. IDENTIFICATION OF EXCESS AND SURPLUS COMPUTER EQUIPMENT.

Not later than six months after the date of the enactment of this Act, the head of an executive agency shall inventory all computer equipment under the control of that official. After completion of the inventory, the head of the executive agency shall maintain, in accordance with title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.), an inventory of any such equipment that is excess or surplus property.

SEC. 5403. ACCESS OF CERTAIN INFORMATION IN INFORMATION SYSTEMS TO THE DIRECTORY ESTABLISHED UNDER SECTION 4101 OF TITLE 44, UNITED STATES CODE.

Notwithstanding any other provision of this division, if in designing an information technology system pursuant to this division, the head of an executive agency determines that a purpose of the system is to disseminate information to the public, then the head of such executive agency shall reasonably ensure that an index of information disseminated by such system is included in the directory created pursuant to section 4101 of title 44, United States Code. Nothing in this section authorizes the dissemination of information to the public unless otherwise authorized.

TITLE LV—PROCUREMENT PROTEST AUTHORITY OF THE COMPTROLLER GENERAL

SEC. 5501. PERIOD FOR PROCESSING PROTESTS.

Title 31, United States Code, is amended as follows:

(1) Section 3553(b)(2)(A) is amended by striking out "35" and inserting in lieu thereof "30".

(2) Section 3554 is amended—

(A) in subsection (a)(1), by striking out "125" and inserting in lieu thereof "100"; and

(B) in subsection (e)—

(i) in paragraph (1), by striking out "Government Operations" and inserting in lieu thereof "Government Reform and Oversight"; and

(ii) in paragraph (2), by striking out "125" and inserting in lieu thereof "100".

SEC. 5502. AVAILABILITY OF FUNDS FOLLOWING GAO RESOLUTION OF CHALLENGE TO CONTRACTING ACTION.

(a) In General.—Section 1558 of title 31, United States Code, is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting "or other action referred to in subsection (b)" after "protest" the first place it appears;

(B) by striking out "90 working days" and inserting in lieu thereof "100 days"; and

(C) by inserting "or other action" after "protest" the second place it appears; and

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) Subsection (a) applies with respect to—

"(1) any protest filed under subchapter V of chapter 35 of this title; or

"(2) an action commenced under administrative procedures or for a judicial remedy if—

"(A) the action involves a challenge to—

"(i) a solicitation for a contract;

"(ii) a proposed award of a contract;

"(iii) an award of a contract; or

"(iv) the eligibility of an offeror or potential offeror for a contract or of the contractor awarded the contract; and

"(B) commencement of the action delays or prevents an executive agency from making an award of a contract or proceeding with a procurement.".

(b) Conforming Amendment.—The heading of such section is amended to read as follows:

"§ 1558. Availability of funds following resolution of a formal protest or other challenge".

(c) Clerical Amendment.—The item relating to such section in the table of sections at the beginning of chapter 15 of title 31, United States Code, is amended to read as follows:

"1558. Availability of funds following resolution of a formal protest or other challenge.".

TITLE LVI—CONFORMING AND CLERICAL AMENDMENTS

SEC. 5601. AMENDMENTS TO TITLE 10, UNITED STATES CODE.

(a) Protest File.—Section 2305(e) is amended by striking out paragraph (3).

(b) Multiyear Contracts.—Section 2306b of such title is amended—

(1) by striking out subsection (k); and

(2) by redesignating subsection (l) as subsection (k).

(c) Law Inapplicable to Procurement of Information Technology.—Section 2315 of title 10, United States Code, is amended by striking out "Section 111" and all that follows through "use of equipment or services if," and inserting in lieu thereof the following: "For the purposes of the Information Technology Management Reform Act of 1996, the term 'national security systems' means those telecommunications and information systems operated by the Department of Defense, the functions, operation or use of which".

SEC. 5602. AMENDMENTS TO TITLE 28, UNITED STATES CODE.

(a) References to Brooks Automatic Data Processing Act.—Section 612 of title 28, United States Code, is amended—

(1) in subsection (f), by striking out "section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759)" and inserting in lieu thereof "the provisions of law, policies, and regulations applicable to executive agencies under the Information Technology Management Reform Act of 1996";

(2) in subsection (g), by striking out "sections 111 and 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 and 759)" and inserting in lieu thereof "section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481)";

(3) by striking out subsection (l); and

(4) by redesignating subsection (m) as subsection (l).

(b) References to Automatic Data Processing.—Section 612 of title 28, United States Code, is further amended—

(1) in the heading, by striking out the second word and inserting in lieu thereof "**Information Technology**";

(2) in subsection (a), by striking out "Judiciary Automation Fund" and inserting in lieu thereof "Judiciary Information Technology Fund"; and

(3) by striking out "automatic data processing" and inserting in lieu thereof "information technology" each place it appears in subsections (a), (b), (c)(2), (e), (f), and (h)(1).

SEC. 5603. AMENDMENT TO TITLE 31, UNITED STATES CODE.

Section 3552 of title 31, United States Code, is amended by striking out the second sentence.

SEC. 5604. AMENDMENTS TO TITLE 38, UNITED STATES CODE.

Section 310 of title 38, United States Code, is amended to read as follows:

"§ 310. Chief Information Officer

"(a) The Chief Information Officer for the Department is designated pursuant to section 3506(a)(2) of title 44.

"(b) The Chief Information Officer performs the duties provided for chief information officers of executive agencies under chapter 35 of title 44 and the Information Technology Management Reform Act of 1996.".

SEC. 5605. PROVISIONS OF TITLE 44, UNITED STATES CODE, RELATING TO PAPERWORK REDUCTION.

(a) Definition.—Section 3502 of title 44, United States Code, is amended by striking out paragraph (9) and inserting in lieu thereof the following:

"(9) the term 'information technology' has the meaning given that term in section 5002 of the Information Technology Management Reform Act of 1996 but does not include national security systems as defined in section 5142 of that Act;".

(b) Development of Standards and Guidelines by National Institute of Standards and Technology.—Section 3504(h)(1)(B) of such title is amended by striking out "section 111(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(d))" and inserting in lieu thereof "section 5131 of the Information Technology Management Reform Act of 1996".

(c) Compliance With Directives.—Section 3504(h)(2) of such title is amended by striking out "sections 110 and 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757 and 759)" and inserting in lieu thereof "the Information Technology Management Reform Act of 1996 and directives issued under section 110 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757)".

(d) Collection of Information.—Section 3507(j)(2) of such title is amended by striking out "90 days" in the second sentence and inserting in lieu thereof "180 days".

SEC. 5606. AMENDMENT TO TITLE 49, UNITED STATES CODE.

Section 40112(a) of title 49, United States Code, is amended by striking out "or a contract to purchase property to which section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) applies".

SEC. 5607. OTHER LAWS.

(a) National Institute of Standards and Technology Act.—Section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) is amended—

(1) in subsection (a)—

(A) by striking out "section 3502(2) of title 44" each place it appears in paragraphs (2) and (3)(A) and inserting in lieu thereof "section 3502(9) of title 44"; and

(B) in paragraph (4), by striking out "section 111(d) of the Federal Property and Administrative Services Act of 1949" and inserting in lieu thereof "section 5131 of the Information Technology Management Reform Act of 1996";

(2) in subsection (b)—

(A) by striking out paragraph (2);

(B) in paragraph (3), by striking out "section 111(d) of the Federal Property and Administrative Services Act of 1949" and inserting in lieu thereof "section 5131 of the Information Technology Management Reform Act of 1996"; and

(C) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5); and

(3) in subsection (d)—

(A) in paragraph (1)(B)(v), by striking out "as defined" and all that follows and inserting in lieu thereof a semicolon; and

(B) in paragraph (2)—

(i) by striking out "system'—" and all that follows through "means" in subparagraph (A) and inserting in lieu thereof "system' means"; and

(ii) by striking out "; and" at the end of subparagraph (A) and all that follows through the end of subparagraph (B) and inserting in lieu thereof a semicolon.

(b) Computer Security Act of 1987.—

(1) Purposes.—Section 2(b)(2) of the Computer Security Act of 1987 (Public Law 100–235; 101 Stat. 1724) is amended by striking out "by amending section 111(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(d))".

(2) Security plan.—Section 6(b) of such Act (101 Stat. 1729; 40 U.S.C. 759 note) is amended—

(A) by striking out "Within one year after the date of enactment of this Act, each such agency shall, consistent with the standards, guidelines, policies, and regulations prescribed pursuant to section 111(d) of the Federal Property and Administrative Services

Act of 1949," and inserting in lieu thereof "Each such agency shall, consistent with the standards, guidelines, policies, and regulations prescribed pursuant to section 5131 of the Information Technology Management Reform Act of 1996,"; and

(B) by striking out "Copies" and all that follows through "Code.".

(c) Federal Property and Administrative Services Act of 1949.—Section 303B(h) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(h)) is amended by striking out paragraph (3).

(d) Office of Federal Procurement Policy Act.—Section 6(h)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(h)(1)) is amended by striking out "of automatic data processing and telecommunications equipment and services or".

(e) National Energy Conservation Policy Act.—Section 801(b)(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287(b)(3)) is amended by striking out the second sentence.

(f) Central Intelligence Agency Act of 1949.—Section 3 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403c) is amended by striking out subsection (e).

SEC. 5608. CLERICAL AMENDMENTS.

(a) Federal Property and Administrative Services Act of 1949.—The table of contents in section 1(b) of the Federal Property and Administrative Services Act of 1949 is amended by striking out the item relating to section 111.

(b) Title 38, United States Code.—The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by striking out the item relating to section 310 and inserting in lieu thereof the following:

"310. Chief Information Officer.".

TITLE LVII—EFFECTIVE DATE, SAVINGS PROVISIONS, AND RULES OF CONSTRUCTION

SEC. 5701. EFFECTIVE DATE.

This division and the amendments made by this division shall take effect 180 days after the date of the enactment of this Act.

SEC. 5702. SAVINGS PROVISIONS.

(a) Regulations, Instruments, Rights, and Privileges.—All rules, regulations, contracts, orders, determinations, permits, certificates, licenses, grants, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the Administrator of General Services or the General Services Board of Contract Appeals, or by a court of competent jurisdiction, in connection with an acquisition activity carried out under the section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), and

(2) which are in effect on the effective date of this division,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the Director or any other authorized official, by a court of competent jurisdiction, or by operation of law.

(b) Proceedings.—

(1) Proceedings generally.—This division and the amendments made by this division shall not affect any proceeding, including any proceeding involving a claim, application, or protest in connection with an acquisition activity carried out under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) that is pending before the Administrator of General Services or the General Services Board of Contract Appeals on the effective date of this division.

(2) Orders.—Orders may be issued in any such proceeding, appeals may be taken therefrom, and payments may be made pursuant to such orders, as if this division had not been enacted. An order issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked in accordance with law by the Director or any other authorized official, by a court of competent jurisdiction, or by operation of law.

(3) Discontinuance or modification of proceedings not prohibited.—Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(4) Other authority and prohibition.—Section 1558(a) of title 31, United States Code, and the second sentence of section 3552 of such title shall continue to apply with respect to a protest process in accordance with this subsection.

(5) Regulations for transfer of proceedings.—The Director may prescribe regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) Standards and Guidelines for Federal Computer Systems.—Standards and guidelines that are in effect for Federal computer systems under section 111(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(d)) on the day before the effective date of this division shall remain in effect until modified, terminated, superseded, revoked, or disapproved under the authority of section 5131 of this Act.

SEC. 5703. RULES OF CONSTRUCTION.

(a) Relationship to Title 44, United States Code.—Nothing in this division shall be construed to amend, modify, or supersede any provision of title 44, United States Code, other than chapter 35 of such title.

(b) Relationship to Computer Security Act of 1987.—Nothing in this division shall affect the limitations on authority that is provided for in the administration of the Computer Security Act of 1987 (Public Law 100-235) and the amendments made by such Act.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the House amendment, amend the title so as to read: "An Act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, to reform acquisition laws and information technology management of the Federal Government, and for other purposes.".

And the House agree to the same.

Floyd Spence,
Bob Stump,
Duncan Hunter,
Herbert H. Bateman,
Curt Weldon,
G.V. Montgomery,
John M. Spratt, Jr.,
Managers on the Part of the House.

Strom Thurmond,
John Warner,
Bill Cohen,
Trent Lott,
Sam Nunn,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

All references in this joint statement to provisions of the House bill refer to the provisions of H.R. 1530 (The National Defense Authorization Act for Fiscal Year 1996), as passed by the House on June 15, 1995. All references to provisions of the Senate amendment refer to the Senate amendment to the text of H.R. 1530, as passed by the Senate on September 6, 1995.

The conference report on H.R. 1530 is set forth in House Report 104-406. The President vetoed H.R. 1530 on December 28, 1995.

In those cases in which the conference agreement requires the submission of a report to Congress or a committee of Congress, the report shall be submitted not later than the later of the date established in the Act or the statement of managers language for submission of the report or the date that is 45 days after the date of the enactment of this Act. The reason for this extension is that, while the conferees expect that reports will be submitted in a timely fashion, they recognize that the circumstances associated with this legislation may in some cases make compliance with deadlines impractical. The conferees intend that this authority be used sparingly and only in those few cases where an extension in filing the report is essential.

SUMMARY STATEMENT OF CONFERENCE ACTION

The conferees recommend authorizations for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and civil defense that have a budget authority implication of $264.7 billion.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not generally provide budget authority. Budget authority is generally provided in appropriation acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this bill must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, this authorization bill would establish personnel levels and include a number of legislative provisions affecting military compensation.

The following table summarizes authorizations included in the bill in fiscal year 1996 and, in addition, summarizes the implications of the conference action for the budget totals for national defense (budget function 050).

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)

	Authorization Request	House	Senate	Conference	Conference	Request BA	BA Implications		
Account Title	1996	Authorized	Authorized	Change	Authorization	1996	House	Senate	Conference
DIVISION A									
TITLE I									
Aircraft Procurement, Army	1,223.067	1,423.067	1,396.451	335.738	1,558.805	1,223.067	1,423.067	1,396.451	1,558.805
Missile Procurement, Army	676.430	862.830	894.430	189.125	865.555	676.430	862.830	894.430	865.555
Procurement of Weapons and Tracked Combat Vehicles,	1,298.986	1,359.664	1,547.964	353.759	1,652.745	1,298.986	1,359.664	1,547.964	1,652.745
Procurement of Ammunition, Army	795.015	1,062.715	1,120.115	298.976	1,093.991	795.015	1,062.715	1,120.115	1,093.991
Other Procurement, Army	2,256.601	2,545.587	2,811.101	506.842	2,763.443	2,256.601	2,545.587	2,811.101	2,763.443
Aircraft Procurement, Navy	3,886.488	4,106.488	4,916.588	685.906	4,572.394	3,886.488	4,106.488	4,916.588	4,572.394
Weapons Procurement, Navy	1,787.121	1,626.411	1,771.421	(127.294)	1,659.827	1,787.121	1,626.411	1,771.421	1,659.827
Shipbuilding and Conversion, Navy	5,051.935	6,227.958	7,111.935	1,592.023	6,643.958	5,051.935	6,227.958	7,111.935	6,643.958
Procurement of Ammunition, Navy and Marine Corps	-	461.779	-	430.053	430.053	-	461.779	-	430.053
Other Procurement, Navy	2,396.080	2,461.472	2,471.861	18.691	2,414.771	2,396.080	2,461.472	2,471.861	2,414.771
Procurement, Marine Corps	474.116	399.247	683.416	(15.169)	458.947	474.116	399.247	683.416	458.947
Aircraft Procurement, Air Force	6,183.886	7,031.952	6,318.586	1,165.897	7,349.783	6,183.886	7,031.952	6,318.586	7,349.783
Missile Procurement, Air Force	3,647.711	3,430.083	3,627.499	(708.828)	2,938.883	3,647.711	3,430.083	3,627.499	2,938.883
Procurement of Ammunition, Air Force	-	321.328	-	343.848	343.848	-	321.328	-	343.848
Other Procurement, Air Force	6,804.696	6,784.801	6,516.001	(536.266)	6,268.430	6,804.696	6,784.801	6,516.001	6,268.430
Procurement, Defense-wide	2,179.917	2,205.917	2,118.324	(55.538)	2,124.379	2,179.917	2,205.917	2,118.324	2,124.379
National Guard and Reserve Equipment	-	770.000	777.400	777.000	777.000	-	770.000	777.400	777.000
Chemical Agents and Munitions Destruction, Army									
O&M	393.850	393.850	393.850	(40.000)	353.850	393.850	393.850	393.850	353.850
Proc	299.448	299.448	224.448	(34.448)	265.000	299.448	299.448	224.448	265.000
R&D	53.400	53.400	53.400	-	53.400	53.400	53.400	53.400	53.400
Defense Production Act Purchases	-	-	-		-	-			
Defense Health, Procurement	288.033	288.033	288.033	-	288.033	-			
Office of the Inspector General, Procurement	1.000	1.000	1.000	-	1.000	-			
Total Procurement	39,697.780	44,117.030	45,043.823	5,180.315	44,878.095	39,408.747	43,827.997	44,754.790	44,589.062
TITLE II									
Research, Development, Test, and Evaluation, Army	4,444.175	4,774.947	4,845.097	293.406	4,737.581	4,444.175	4,774.947	4,845.097	4,737.581
Research, Development, Test, and Evaluation, Navy	8,204.530	8,516.509	8,624.230	270.253	8,474.783	8,204.530	8,516.509	8,624.230	8,474.783

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)	Authorization					Request	BA Implications		
	Request	House	Senate	Conference	Conference	BA			
Account Title	1996	Authorized	Authorized	Change	Authorization	1996	House	Senate	Conference
Research, Development, Test, and Evaluation, Air Force	12,598.439	13,184.102	13,087.389	316.429	12,914.868	12,598.439	13,184.102	13,087.389	12,914.868
Research, Development, Test, and Evaluation, Defense-w	8,802.881	9,287.058	9,271.220	616.630	9,419.511	8,802.881	9,287.058	9,271.220	9,419.511
Operational Test and Evaluation, Defense	22.587	22.587	22.587	-	22.587	22.587	22.587	22.587	22.587
Developmental Test and Evaluation, Defense	259.341	239.341	239.341	(8.259)	251.082	259.341	239.341	239.341	251.082
Undistributed Reduction			(40.000)	-	-			(40.000)	
FFRDC Reduction	-	(90.000)	(90.000)	(90.000)	(90.000)	-	(90.097)	(90.000)	(90.000)
Total Research & Development	34,331.953	35,934.544	35,959.864	1,398.459	35,730.412	34,331.953	35,934.447	35,959.864	35,730.412
TITLE III									
Operation and Maintenance, Army	18,184.736	19,339.936	18,064.436	561.959	18,746.695	18,184.736	19,339.936	18,064.436	18,746.695
Operation and Maintenance, Navy	21,225.710	21,677.510	21,346.910	267.445	21,493.155	21,225.710	21,677.510	21,346.910	21,493.155
Operation and Maintenance, Marine Corps	2,269.722	2,603.622	2,405.722	252.100	2,521.822	2,269.722	2,603.622	2,405.722	2,521.822
Operation and Maintenance, Air Force	18,256.597	18,984.162	18,230.097	462.680	18,719.277	18,256.597	18,984.162	18,230.097	18,719.277
Operation and Maintenance, Defense-wide	10,366.782	10,680.371	10,035.867	(456.306)	9,910.476	10,366.782	10,681.871	10,035.867	9,910.476
Defense Health Program,O&M	9,865.525	9,876.525	9,943.825	11.000	9,876.525	9,865.525	9,876.525	9,943.825	9,876.525
Defense Health Program,PROC	-	-	-	-	-	288.033	288.033	288.033	288.033
Operation and Maintenance, Army Reserve	1,068.591	1,139.591	1,062.591	60.600	1,129.191	1,068.591	1,139.591	1,062.591	1,129.191
Operation and Maintenance, Navy Reserve	826.042	838.042	840.842	42.300	868.342	826.042	838.042	840.842	868.342
Operation and Maintenance, Marine Corps Reserve	90.283	91.783	90.283	10.000	100.283	90.283	91.783	90.283	100.283
Operation and Maintenance, Air Force Reserve	1,485.947	1,507.447	1,482.947	30.340	1,516.287	1,485.947	1,507.447	1,482.947	1,516.287
Operation and Maintenance, Army National Guard	2,304.108	2,394.108	2,304.108	57.700	2,361.808	2,304.108	2,394.108	2,304.108	2,361.808
Operation and Maintenance, Air National Guard	2,712.221	2,734.221	2,734.221	47.900	2,760.121	2,712.221	2,734.221	2,734.221	2,760.121
Office of the Inspector General, O&M	138.226	177.226	138.226		138.226	138.226	177.226	138.226	138.226
Office of the Inspector General, Proc						1.000	1.000	1.000	1.000
United States Courts of Appeals for the Armed Forces	6.521	6.521	6.521		6.521	6.521	6.521	6.521	6.521
Environmental Restoration, Defense	1,622.200	1,422.200	1,601.800	(200.000)	1,422.200	1,622.200	1,422.200	1,601.800	1,422.200
Drug Interdiction and Counter-drug Activities, Defense	680.432	680.432	680.432		680.432	680.432	680.432	680.432	680.432
Former Soviet Union Threat Reduction Account	371.000	200.000	365.000	(71.000)	300.000	371.000	200.000	365.000	300.000
Summer Olympics	15.000	15.000	15.000	-	15.000	15.000	15.000	15.000	15.000
Contributions for International Peacekeeping and Peace E	65.000	-	-	(65.000)	-	65.000	-	-	-
Humanitarian Assistance	79.790	-	60.000	(79.790)	-	79.790	-	60.000	-

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions) Account Title	Authorization Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization	Request BA 1996	BA Implications House	BA Implications Senate	BA Implications Conference
Disposal and Lease of DOD Real Property	-	-	-		-	8.000	8.000	8.000	8.000
DOD 50th Anniversary of World War II Commemoration	-	-	-		-	0.100	0.100	0.100	0.100
Overseas Humanitarian, Disaster, & Civic Aid	-	50.000	-	50.000	50.000	-	50.000	-	50.000
National Science Center, Army	-	-	-	-	-	0.085	0.085	0.085	0.085
Total Operation & Maintenance	91,634.433	94,418.697	91,408.828	981.928	92,616.361	91,931.651	94,717.415	91,706.046	92,913.579
Revolving Funds									
Defense Business OperationsFund	878.700	878.700	878.700	-	878.700	878.700	878.700	878.700	878.700
National Defense Sealift Fund	974.220	1,574.220	1,084.220	50.000	1,024.220	974.220	1,574.220	1,084.220	1,024.220
National Defense Stockpile Transaction Fund	-	-	-	-	-	(150.000)	(150.000)	(150.000)	(150.000)
Stockpile Fund-Public Enterprise	-	-	-	-	-	(202.000)	(202.000)	(202.000)	(202.000)
Totals	1,852.920	2,452.920	1,962.920	50.000	1,902.920	1,500.920	2,100.920	1,610.920	1,550.920
TITLE IV-V-VI-VII									
Total Military Personnel (Sec 431)		68,951.663	68,814.863	494.345	69,191.008	68,696.663	68,951.663	68,814.863	69,191.008
GENERAL PROVISIONS DIVISION B									
Military Construction, Army	472.724	631.608	547.877	144.865	617.589	472.724	631.608	547.877	617.589
Military Construction, Navy	488.086	588.243	542.885	60.203	548.289	488.086	588.243	542.885	548.289
Military Construction, Air Force	495.655	586.841	587.517	91.915	587.570	495.655	586.841	587.517	587.570
Military Construction, Defense-wide	857.405	728.332	601.450	(235.179)	622.226	857.405	728.332	601.450	622.226
North Atlantic Treaty Organization Infrastructure	179.000	161.000	179.000	(18.000)	161.000	179.000	161.000	179.000	161.000
Military Construction, Army Reserve	42.963	42.963	79.895	30.553	73.516	42.963	42.963	79.895	73.516
Military Construction, Naval Reserve	7.920	19.655	7.920	11.135	19.055	7.920	19.655	7.920	19.055
Military Construction, Air Force Reserve	27.002	31.502	35.132	9.230	36.232	27.002	31.502	35.132	36.232
Military Construction, Army National Guard	18.480	72.537	148.586	116.322	134.802	18.480	72.537	148.586	134.802
Military Construction, Air National Guard	85.647	118.267	160.807	78.570	164.217	85.647	118.267	160.807	164.217
Foreign Currency Fluctuations, Construction	-	-	-	-	-	-	-	-	-
Base Realignment and Closure Account	3,897.892	3,897.892	3,799.192	-	3,897.892	3,897.892	3,897.892	3,799.192	3,897.892
Total Military Construction	6,572.774	6,878.840	6,690.261	289.614	6,862.388	6,572.774	6,878.840	6,690.261	6,862.388

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)	Authorization					Request	——BA Implications——		
	Request	House	Senate	Conference	Conference	BA			
Account Title	1996	Authorized	Authorized	Change	Authorization	1996	House	Senate	Conference
Family Housing, Army	43.500	126.400	66.552	73.156	116.656	43.500	126.400	66.552	116.656
Family Housing Support, Army	1,337.596	1,333.596	1,337.596	-	1,337.596	1,337.596	1,333.596	1,337.596	1,337.596
Family Housing, Navy and Marine Corps	465.755	531.289	486.247	56.944	522.699	465.755	531.289	486.247	522.699
Family Housing Support, Navy and Marine Corps	1,048.329	1,045.329	1,048.329		1,048.329	1,048.329	1,045.329	1,048.329	1,048.329
Family Housing, Air Force	249.003	294.503	287.965	49.300	298.303	249.003	294.503	287.965	298.303
Family Housing Support, Air Force	849.213	846.213	849.213		849.213	849.213	846.213	849.213	849.213
Family Housing, Defense-wide	25.772	25.772	25.772	-	25.772	25.772	25.772	25.772	25.772
Family Housing Support, Defense-wide	30.467	40.467	30.467	10.000	40.467	30.467	40.467	30.467	40.467
Homeowners Assistance Fund, Defense	75.586	75.586	75.586	-	75.586	75.586	75.586	75.586	75.586
Sec 2809-Authority to convey Family Housing	-		5.000		-	-	-	-	-
Total Family Housing	4,125.221	4,319.155	4,212.727	189.400	4,314.621	4,125.221	4,319.155	4,207.727	4,314.621
DIVISION C									
TITLE XXXI, XXXII									
Weapons Activities	3,540.175	3,610.914	3,666.219	(79.861)	3,460.314	3,540.175	3,610.914	3,666.219	3,460.314
Defense Nuclear Waste Disposal	198.400	198.400	198.400	50.000	248.400	198.400	198.400	198.400	248.400
Defense Environmental Restoration and Waste Managem	6,008.002	5,265.478	5,905.955	(450.470)	5,557.532	6,008.002	5,265.478	5,905.955	5,557.532
Other Defense Activities	1,432.159	1,328.841	1,408.162	(80.183)	1,351.976	1,432.159	1,328.841	1,408.162	1,351.976
Salaries and Expenses	18.500	17.000	18.500	(1.500)	17.000	18.500	17.000	18.500	17.000
Total DOE	11,197.236	10,420.633	11,197.236	(562.014)	10,635.222	11,197.236	10,420.633	11,197.236	10,635.222
TITLE XXXIII									
National Defense Stockpile Transaction Fund	-	-	-	-	-	(150.000)	(150.000)	(150.000)	(150.000)
OTHER									
Salaries and Expenses	44.006	-	-	(44.01)	-	44.006	-	-	-
Emergency Management Planning and Assistance	24.025	-	-	(24.03)	-	24.025	-	-	-
FEMA Civil Defense (Total)	68.031	-	-	(68.031)	-	68.031	-	-	-

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)	Authorization Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization	Request BA 1996	BA Implications		
Account Title							House	Senate	Conference
RECAPITULATION									
Department of Defense (Division A)	167,517.086	245,426.039	243,190.298	8,105.047	244,318.796	236,019.934	245,682.442	242,996.483	244,124.981
Department of Defense (Division B)	10,697.995	11,197.995	10,902.988	479.014	11,177.009	10,697.995	11,197.995	10,897.988	11,177.009
National Defense Stockpile Transaction Fund	-	-	-	-	-	(150.000)	(150.000)	(150.000)	(150.000)
Other Funds	28.010	-	-	(28.010)	-	482.995	454.985	454.985	454.985
Offsetting Receipts	-	-	-	-	-	(1,207.785)	(1,207.785)	(1,207.785)	(1,207.785)
General Provisions (Sec. 1008)	-	-	-	(832.000)	(832.000)	-	-	-	(832.000)
Total DoD Military (051)	178,243.091	256,624.034	254,093.286	7,724.051	254,663.805	245,843.139	255,977.637	252,991.671	253,567.190
Total Atomic Energy Defense Act (053)	11,197.236	10,420.633	11,197.236	(562.014)	10,635.222	11,197.236	10,420.633	11,197.236	10,635.222
Total Other Defense (054)	68.031	-	-	(68.031)	-	562.261	494.230	494.230	494.230
Total National Defense Function (050)	189,508.358	267,044.667	265,290.522	7,094.006	265,299.027	257,602.636	266,892.500	264,683.137	264,696.642
Total National Defense Function (050)/Outlays									
Military Retirement Trust Fund	-	403.000	-	-	-	-	403.000	-	-

Congressional defense committees

The term "congressional defense committees" is often used in this statement of the managers. It means the Defense Authorization and Appropriations Committees of the Senate and House of Representatives.

DIVISION A: DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Overview

The budget request for fiscal year 1996 contained an authorization of $39,697.8 million for procurement in the Department of Defense. The House bill would authorize $44,117.0 million. The Senate amendment would authorize $45,043.8 million. The conferees recommended an authorization of $44,878.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)

Account Title	Authorization Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization
TITLE I					
Aircraft Procurement, Army	1,223.067	1,423.067	1,396.451	335.738	1,558.805
Missile Procurement, Army	676.430	862.830	894.430	189.125	865.555
Procurement of Weapons and Tracked Combat Vehicles,	1,298.986	1,359.664	1,547.964	353.759	1,652.745
Procurement of Ammunition, Army	795.015	1,062.715	1,120.115	298.976	1,093.991
Other Procurement, Army	2,256.601	2,545.587	2,811.101	506.842	2,763.443
Aircraft Procurement, Navy	3,886.488	4,106.488	4,916.588	685.906	4,572.394
Weapons Procurement, Navy	1,787.121	1,626.411	1,771.421	(127.294)	1,659.827
Shipbuilding and Conversion, Navy	5,051.935	6,227.958	7,111.935	1,592.023	6,643.958
Procurement of Ammunition, Navy and Marine Corps	-	461.779	-	430.053	430.053
Other Procurement, Navy	2,396.080	2,461.472	2,471.861	18.691	2,414.771
Procurement, Marine Corps	474.116	399.247	683.416	(15.169)	458.947
Aircraft Procurement, Air Force	6,183.886	7,031.952	6,318.586	1,165.897	7,349.783
Missile Procurement, Air Force	3,647.711	3,430.083	3,627.499	(708.828)	2,938.883
Procurement of Ammunition, Air Force	-	321.328	-	343.848	343.848
Other Procurement, Air Force	6,804.696	6,784.801	6,516.001	(536.266)	6,268.430
Procurement, Defense-wide	2,179.917	2,205.917	2,118.324	(55.538)	2,124.379
National Guard and Reserve Equipment	-	770.000	777.400	777.000	777.000
Chemical Agents and Munitions Destruction, Army					
O&M	393.850	393.850	393.850	(40.000)	353.850
Proc	299.448	299.448	224.448	(34.448)	265.000
R&D	53.400	53.400	53.400	-	53.400
Defense Production Act Purchases	-	-	-		-
Defense Health, Procurement	288.033	288.033	288.033	-	288.033
Office of the Inspector General, Procurement	1.000	1.000	1.000	-	1.000
Total Procurement	39,697.780	44,117.030	45,043.823	5,180.315	44,878.095

Overview

The budget request for fiscal year 1996 contained an authorization of $1,223.1 million for Aircraft Procurement, Army in the Department of Defense. The House bill would authorize $1,423.1 million. The Senate amendment would authorize $1,396.5 million. The conferees recommended an authorization of $1,558.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	AIRCRAFT PROCUREMENT, ARMY										
	AIRCRAFT										
	FIXED WING										
1	ARL (TIARA)	1	18,403	1	18,403	1	18,403			1	18,403
2	C21A AIRCRAFT		-		-		-				-
3	C-XX (MEDIUM RANGE) AIRCRAFT		-		-	4	23,000		23,000	4	23,000
4	GUARDRAIL COMMON SENSOR (TIARA)		6,014		6,014		6,014				6,014
	ROTARY										
5	TOTAL PACKAGE FIELDING		-		-		-				-
6	AH-64 ATTACK HELICOPTER (APACHE)		3,268		3,268		3,268				3,268
7	UH-60 BLACKHAWK (MYP)	60	526,041	60	526,041	50	472,825			60	526,041
7	LESS: ADVANCE PROCUREMENT (PY)		(191,161)		(191,161)		(191,161)				(191,161)
8	ADVANCE PROCUREMENT (CY)		-		75,000		-		70,000		70,000
9	HELICOPTER NEW TRAINING		458		458		458				458
	MODIFICATION OF AIRCRAFT										
	MODIFICATION OF AIRCRAFT										
10	TRACTOR DEW		-		-		-				-
11	GUARDRAIL MODS (TIARA)		48,969		48,969		48,969		9,000		57,969
12	AH1F MODS		2,165		2,165		2,165				2,165
13	AH-64 MODS		53,596		53,596		53,596				53,596
14	CH-47 CARGO HELICOPTER MODS (MYP)		14,081		14,081		14,081				14,081
15	C-12 CARGO AIRPLANE MODS		675		675		675				675
16	OH-58 MODS		2,886		2,886		2,886				2,886
17	C-20 AIRCRAFT MODS		929		929		929				929
18	LONGBOW		421,406		421,406		503,406		76,200		497,606
18	LESS: ADVANCE PROCUREMENT (PY)		(79,438)		(79,438)		(79,438)				(79,438)
19	ADVANCE PROCUREMENT (CY)		12,879		12,879		12,879				12,879
20	UH-1 MODS		4,975		4,975		4,975				4,975
21	UH-1 HUEY SLEP		-		-		-				-
22	UH-60 MODS		19,300		19,300		19,300				19,300
23	KIOWA WARRIOR		71,334		196,334	20	196,334		140,000	20	211,334
24	EH-60 QUICKFIX MODS		38,049		38,049		38,049				38,049
25	AIRBORNE AVIONICS		30,424		30,424		30,424				30,424
26	ASE MODS		4,215		4,215		4,215				4,215
27	MODIFICATIONS < $2.0M		1,882		1,882		1,882				1,882
	SPARES AND REPAIR PARTS				-		-				
	SPARES AND REPAIR PARTS										
28	SPARES AND REPAIR PARTS		49,177		49,177		49,177		(14,562)		34,615
	SUPPORT EQUIPMENT AND FACILITIES				-		-				
	GROUND SUPPORT AVIONICS										
29	AIRCRAFT SURVIVABILITY EQUIPMENT		22,304		22,304		22,304		32,100		54,404
	OTHER SUPPORT										
30	AIRBORNE COMMAND & CONTROL		3,981		3,981		3,981				3,981
31	AVIONICS SUPPORT EQUIPMENT		22,168		22,168		22,168				22,168
32	TRAINING DEVICES		37,206		37,206		37,206				37,206
33	COMMON GROUND EQUIPMENT		30,539		30,539		27,139				30,539
34	AVIATION LIFE SUPPORT EQUIPMENT (ALSE)		9,732		9,732		9,732				9,732
35	AIR TRAFFIC CONTROL		8,187		8,187		8,187				8,187
36	INDUSTRIAL FACILITIES		2,826		2,826		2,826				2,826

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
37	AIRBORNE COMMUNICATIONS		25,597		25,597		25,597				25,597
38	CLOSED ACCOUNT ADJUSTMENT				-		-				-
	AIRCRAFT PROCUREMENT, ARMY -TOTAL		1,223,067		1,423,067		1,396,451		335,738		1,558,805

Airborne reconnaissance low

The budget request included $18.4 million to procure one additional aircraft.

The House bill and the Senate amendment would approve the budget request.

The conferees agree to authorize the budget request and express a continued strong support for the Airborne Reconnaissance Low (ARL) program, to include the procurement of a total of 9 aircraft as soon as possible.

The conferees expect the Department to evaluate the advantages of linking the airborne workstations of the ARL to an Unmanned Aerial Vehicle, to provide for airborne analysis and assured dissemination of information.

UH-60 Black Hawk helicopter

The budget request included $526.0 million for the procurement of 60 Black Hawk helicopters in the final year of a five-year multiyear procurement. No funds were requested for advance procurement.

The House bill would approve the budget request and add $75.0 million for advance procurement.

The Senate amendment would decrease procurement funds to $475.8 million to procure 50 helicopters, and would not provide funds for advance procurement.

The conferees agree to authorize $526.0 million for the procurement of 60 Black Hawk helicopters and $70.0 million for advance procurement. The conferees also agree to provide authority for multiyear procurement for the Black Hawk helicopter program.

Overview

The budget request for fiscal year 1996 contained an authorization of $676.4 million for Missile Procurement, Army in the Department of Defense. The House bill would authorize $862.8 million. The Senate amendment would authorize $894.4 million. The conferees recommended an authorization of $865.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	MISSILE PROCUREMENT, ARMY										
	OTHER MISSILES										
	SURFACE-TO-AIR MISSILE SYSTEM										
1	HAWK SYSTEM SUMMARY		-		-		-				-
2	PATRIOT SYSTEM SUMMARY		5,070		5,070		5,070				5,070
3	STINGER SYSTEM SUMMARY		-		-		-				-
4	AVENGER SYSTEM SUMMARY		31,441		31,441		31,441				31,441
4	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
	AIR-TO-SURFACE MISSILE SYSTEM										
5	HELLFIRE SYS SUMMARY	352	209,460		249,460	1102	249,460		37,225	1102	246,685
	ANTI-TANK/ASSAULT MISSILE SYSTEM										
6	JAVELIN (AAWS-M) SYSTEM SUMMARY	557	171,428		210,428	1010	210,428		35,500	1010	206,928
6	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
7	TOW 2 SYSTEM SUMMARY		7,378		27,378	1000	27,378		5,000	500	12,378
8	MLRS ROCKET		3,086		46,086	1500	46,086		43,000	1500	46,086
9	MLRS LAUNCHER SYSTEMS		48,158		64,558		96,158		50,400		98,558
10	ARMY TACTICAL MSL SYS (ATACMS) - SYS	91	106,971		124,971	120	124,971		18,000	120	124,971
10	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
	MODIFICATION OF MISSILES										
	MODIFICATIONS										
11	PATRIOT MODS		6,988		6,988		6,988				6,988
12	STINGER MODS		10,095		20,095		20,095				10,095
13	AVENGER MODS		-		-		-				
14	TOW MODS		33,358		33,358		33,358				33,358
15	MLRS MODS		17,996		17,996		17,996				17,996
16	MODIFICATIONS LESS THAN $2.0M		-		-		-				-
	SPARES AND REPAIR PARTS				-		-				
	SPARES AND REPAIR PARTS										
17	SPARES AND REPAIR PARTS		11,841		11,841		11,841				11,841
	SUPPORT EQUIPMENT AND FACILITIES				-		-				
	SUPPORT EQUIPMENT AND FACILITIES										
18	AIR DEFENSE TARGETS		6,791		6,791		6,791				6,791
19	ITEMS LESS THAN $2.0M (MISSILES)		1,000		1,000		1,000				1,000
20	MISSILE DEMILITARIZATION		1,693		1,693		1,693				1,693
21	PRODUCTION BASE SUPPORT		3,676		3,676		3,676				3,676
22	CLOSED ACCOUNT ADJUSTMENTS		-		-		-				-
	MISSILE PROCUREMENT, ARMY-TOTAL		676,430		862,830		894,430		189,125		865,555

Hellfire missile

The budget request included $197.5 million to procure 352 Longbow Hellfire missiles and $12.0 million for post-production support.

The House bill and the Senate amendment would provide an additional $40.0 million, which when combined with $12.0 million of post-production funds, would enable the Army to buy 750 Hellfire II missiles.

The conferees agree to provide an additional $37.2 million for the procurement of 750 Hellfire II missiles.

Javelin medium anti-tank weapon

The budget request included $171.4 million to procure 557 Javelin missiles.

The House bill and the Senate amendment would authorize an increase of $39.0 million for an additional 453 Javelin missiles.

The conferees agree to authorize an additional $35.5 million, which when added to the budget request of $171.4 million, will procure a total of 1,010 Javelin missiles.

TOW missile

The budget request included $7.4 million for plant closure and production support of prior year TOW missile deliveries. No funds were requested for additional missile production.

The House bill and the Senate amendment would authorize an increase of $20.0 million for procurement of 1,000 TOW 2B missiles.

The conferees agree to authorize an increase of $5.0 million for procurement of 500 TOW 2B missiles.

Multiple launch rocket system

The budget request included $48.2 million for annual support and fielding of the Army's Multiple Launch Rocket System (MLRS), but this amount did not include funding for procurement of any new launchers.

The House bill would authorize an increase of $16.4 million to procure MLRS launchers to complete equipping a National Guard MLRS battalion, for which funds were authorized in fiscal year 1995.

The Senate amendment would authorize an increase of $16.4 million to complete fielding the same National Guard battalion described in the House bill. In addition, the Senate amendment would authorize an increase of $48.0 million to recondition sufficient MLRS launchers and ancillary equipment for one additional National Guard MLRS battalion.

The conferees agree to authorize $98.6 million to provide sufficient reconditioned MLRS launchers and ancillary equipment to complete the fielding of the National Guard battalion authorized in fiscal year 1995, and to fully equip another National Guard battalion in fiscal year 1996.

Overview

The budget request for fiscal year 1996 contained an authorization of $1,298.9 million for Weapons and Tracked Combat Vehicles Procurement, Army in the Department of Defense. The House bill would authorize $1,359.7 million. The Senate amendment would authorize $1,547.9 million. The conferees recommended an authorization of $1,652.7 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF W&TCV, ARMY										
	TRACKED COMBAT VEHICLES										
1	ABRAMS TRNG DEV MOD		3,115		3,115		3,115				3,115
2	BRADLEY FIGHTING VEHICLE FAMILY (MYP)		-		-		-				-
3	BRADLEY BASE SUSTAINMENT		138,308		138,308		138,308				138,308
4	BRADLEY FVS TRAINING DEVICES		-		-		-		-		-
5	BRADLEY FVS TRAINING DEVICES (MOD)		1,872		1,872		1,872				1,872
6	ABRAMS TANK TRAINING DEVICES		6,259		6,259		6,259				6,259
7	ARMORED GUN SYSTEM (AGS)	26	141,551	26	141,551	26	141,551		6,000	26	147,551
8	M1 ABRAMS TANK SERIES (MYP)		-		-		15,000		3,000		3,000
9	COMMAND & CONTROL VEHICLE		-		-		-				-
	MODIFICATION OF TRACKED COMBAT VEHICLES										
10	CARRIER, MOD		48,067		48,067		48,067		1,600		49,667
11	BFVS SERIES (MOD)		74,336		88,336		88,336		14,000		88,336
11a	BFV ARMOR TILES		-		-		-				-
12	HOWITZER, MED SP FT 155MM M109A6 (MOD)		220,239		220,239		220,239		81,800		302,039
13	HOWITZER, MED SP FT 155MM M109A5 (MOD)		131		131		131				131
14	FAASV PIP TO FLEET		4,065		4,065		4,065				4,065
15	IMPROVED RECOVERY VEHICLE (M88 MOD)		23,492		23,492		57,392		33,900		57,392
16	BREACHER SYSTEM (MOD)		-		-		-				-
17	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)		15,095		15,095		15,095				15,095
18	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)		-		-		-				-
19	M1 ABRAMS TANK (MOD)		77,076		46,754		51,754		(25,322)		51,754
20	ABRAMS UPGRADE PROGRAM		393,884		393,884		503,884		110,000		503,884
20	LESS: ADVANCE PROCUREMENT (PY)		(52,973)		(52,973)		(52,973)				(52,973)
21	ADVANCE PROCUREMENT (CY)		132,959		132,959		132,959				132,959
22	ABRAMS UPGRADE PROGRAM (MCR)		-		-		-				-
23	MODIFICATIONS LESS THAN $2.0M (TCV-WTCV)		581		581		581				581
	SUPPORT EQUIPMENT AND FACILITIES										
24	SPARES AND REPAIR PARTS		-		-		-				-
25	ITEMS LESS THAN $2.0M (TCV-WTCV)		152		152		152				152
26	TANK ENGINE INDUSTRIAL BASE		-		-		-				-
27	PRODUCTION BASE SUPPORT (TCV-WTCV)		11,619		11,619		11,619		(6,119)		5,500
28	REGIONAL MAINTENANCE TRAINING SITES-EQUIP		1,452		1,452		1,452				1,452
	FAASV				-				44,000		44,000
	WEAPONS AND OTHER COMBAT VEHICLES				-		-				
	WEAPONS AND OTHER COMBAT VEHICLES										
29	PERSONAL DEFENSE WEAPON (ROLL)		-		2,000	10000	4,000	4660	2,000	4660	2,000
30	HOWITZER, LIGHT, TOWED, 105MM, M119		-		-		-				-
31	MACHINE GUN, 5.56MM (SAW)		-		28,500	10420	28,500	10265	28,500	10265	28,500
32	GRENADE LAUNCHER, AUTO, 40MM, MK19-3		-		20,000	2100	33,900		33,900	2100	33,900
33	MORTAR, 120MM		3,007		3,007		3,007				3,007
34	M16 RIFLE		-		13,500	27500	13,500		13,500	27500	13,500
35	5.56 CARBINE M4		-		6,500	12000	13,500		6,500	12000	6,500
35a	MED MACHINE GUN MOD		-		6,500	1434	6,500		6,500	1434	6,500
	MODIFICATION OF WEAPONS AND OTHER COMBAT VEH										
36	M4 CARBINE MODS		930		930		930				930
37	SQUAD AUTOMATIC WEAPON (MOD)		-		-		-				-
38	M16 RIFLE MODS		2,842		2,842		2,842				2,842

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
39	MODIFICATIONS LESS THAN $2.0M (WOCV-WTCV)		1,383		1,383		2,883				1,383
	SUPPORT EQUIPMENT AND FACILITIES										
40	SPARES AND REPAIR PARTS		-		-		-				-
41	ITEMS LESS THAN $2.0M (WOCV-WTCV)		1,150		1,150		1,150				1,150
42	PRODUCTION BASE SUPPORT (WOCV-WTCV)		6,049		6,049		6,049				6,049
43	INDUSTRIAL PREPAREDNESS		5,574		5,574		5,574				5,574
44	SMALL ARMS (SOLDIER ENH PROG)		2,428		2,428		2,428				2,428
	SPARE AND REPAIR PARTS				-		-				
	SPARES										
45	SPARES AND REPAIR PARTS (WTCV)		34,343		34,343		34,343				34,343
	PROCUREMENT OF W&TCV, ARMY-TOTAL		1,298,986		1,359,664		1,547,964		353,759		1,652,745

Direct support electronic system test sets

The budget request included $1.5 million for calibration of the direct support electronic system test sets (DSESTS).

The House bill included no additional funding for DSESTS.

The Senate amendment would authorize an increase of $15.0 million for additional procurement of DSESTS for M1 Abrams series tanks and Bradley infantry fighting vehicles.

The conferees agree to authorize an increase of $15.0 million for DSESTS for both procurement and research and development, as indicated below:

	Million
Procurement:	
M1 Abrams tank series	$3.0
Armored Gun System	6.0
Research & Development:	
PE23735A Abrams Block Improvements	4.0
PE23735A Armored Gun System	2.0

M113 Carrier modifications

The budget request included $48.1 million for modification of M113 personnel carriers.

The House bill and the Senate amendment would approve the budget request.

The conferees agree to authorize an increase of $1.6 million for an additional 12 carrier modification upgrades to be used as opposing force vehicles at the National Training Center.

M109A6 Paladin 155mm howitzer, self-propelled

The budget request included $220.2 million for retrofitting 215 M109A6 Paladin howitzer systems.

The House bill and the Senate amendment would approve the budget request.

The conferees agree to authorize an increase of $81.8 million to procure an additional 48 Paladin retrofits to equip two additional National Guard battalions and to retrofit the fire control processor for 340 systems.

Improved Recovery Vehicle

The budget request included $23.5 million to procure nine M88A1E1 Improved Recovery Vehicles (IRV).

The House bill would approve the budget request.

The Senate amendment would authorize an increase of $33.9 million to procure an additional 12 IRVs.

The House recedes.

M1 Abrams tank upgrade program

The budget request included $473.8 million for 100 M1A2 tank upgrades for the Army.

The House bill would approve the budget request.

The Senate amendment would authorize an increase of $110.0 million for 24 additional M1A2 tank upgrades and, in accordance with the Statement of Managers accompanying the National Defense Authorization Act of Fiscal Year 1995 (H. Rept. 103–701), would direct the Army to transfer 24 M1A1 tanks to the Marine Corps Reserve.

The House recedes.

The conferees continue to support a multiyear procurement for M1A2 tank upgrades, as authorized in the National Defense Authorization Act of Fiscal Year 1995. However, the conferees agree with guidance and direction to the Army Acquisition Executive (AAE) regarding the need to maintain an appropriate balance between the heavy and medium portions of the tracked combat vehicle fleets, included in the Senate report (S. Rept. 104–112). The conferees expect the AAE to comply with that guidance and direction.

Mark–19 universal mounting bracket

The budget request included $1.4 million for program modifications under $2.0 million.

The Senate amendment would recommend an increase of $1.5 million to begin initial production of a nondevelopmental universal bracket.

The House bill would authorize the budget request.

The Senate recedes.

The conferees encourage the Army to reprogram funds to provide $1.5 million to initiate production of a nondevelopmental universal mounting bracket for the Mark–19 automatic grenade launcher.

The conferees provide $.5 million in PE 64802A to type classify this bracket.

Overview

The budget request for fiscal year 1996 contained an authorization of $795.0 million for Ammunition Procurement, Army in the Department of Defense. The House bill would authorize $1,062.7 million. The Senate amendment would authorize $1,120.1 million. The conferees recommended an authorization of $1,093.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF AMMUNITION, ARMY										
	AMMUNITION										
	SMALL/MEDIUM CAL AMMUNITION										
1	CTG, 5.56MM, ALL TYPES		58,579		58,579		58,579				58,579
2	CTG, 7.62MM, ALL TYPES		2,573		12,573		12,573		5,000		7,573
3	CTG, 9MM, ALL TYPES		3,837		3,837		3,837				3,837
4	CTG, .50 CAL, ALL TYPES		27,584		27,584		27,584				27,584
5	CTG, 20MM, ALL TYPES		-		-		-				-
6	CTG, 25MM, ALL TYPES		35,139		55,139		35,139		35,000		70,139
6a	CTG, 25MM, HEIT M792		-				20,000				
7	CTG, 30MM, ALL TYPES		4,289		4,289		4,289				4,289
8	CTG, 40MM, ALL TYPES		40,278		50,278		40,278		10,000		50,278
	CTG, 40MM, M430A1		-				10,000				
	MORTAR AMMUNITION										
9	CTG MORTAR 60MM 1/10 PRAC M766		-		-		-				-
10	CTG MORTAR 60MM ILLUM M721	31	13,021		23,021		20,021		10,000		23,021
11	CTG MORTAR 81MM PRAC 1/10 RANGE M880		-		6,600		-		6,600		6,600
12	CTG MORTAR 120MM FULL RANGE PRACTICE XM931	45	18,768		18,768		18,768			45	18,768
13	CTG MORTAR 120MM HE XM933 W/PD FUZE		-		-		-				-
14	CTG MORTAR 120MM SMOKE XM929 W/MO FUZE	44	47,704		69,704		67,704		20,000		67,704
	TANK AMMUNITION										
15	CTG TANK 35MM SUBCAL PRAC M968		-		-		-				-
16	CTG 120MM APFSDS-T M829A2		-		82,100		87,100		82,100		82,100
17	CTG 120MM HEAT-MP-T M830A1		-		-		20,000				-
18	CTG TANK 120MM TP-T M831/M831A1	41	29,400		29,400		29,400			41	29,400
19	CTG TANK 120MM TPCSDS-T M865	136	91,041		91,041		91,041			136	91,041
	ARTILLERY AMMUNITION										
20	CTG ARTY 75MM BLANK M337A1	102	3,749		3,749		3,749		(2,249)	102	1,500
21	CTG ARTY 105MM DPICM XM915		-		-		-				-
22	CTG ARTY 105MM HERA M913		-		-		-				-
23	PROJ ARTY 155MM SMOKE WP M825		10,607		10,607		10,607		(5,475)		5,132
24	PROJ ARTY 155MM HE M795	75	37,040		57,040		57,040		20,000	75	57,040
25	PROJ ARTY 155MM SADARM XM898	77	24,284		24,284		24,284		18,000		42,284
26	PROJ ARTY 155MM PRAC M804		-		22,000		-				-
	MINES										
27	MINE, TRAINING, ALL TYPES		3,853		3,853		3,853				3,853
28	MINE AT/AP M87 (VOLCANO)		-		30,000		30,000		30,000		30,000
29	WIDE AREA MINE	134	15,000		15,000		15,000			134	15,000
	ROCKETS										
30	BUNKER DEFEATING MUNITION (BDM)		-		15,000		15,000		15,000		15,000
31	ROCKET, HYDRA 70, ALL TYPES		28,087		48,087		48,087				28,087
	OTHER AMMUNITION										
32	DEMOLITION MUNITIONS, ALL TYPES		26,269		26,269		32,269		6,000		32,269
33	GRENADES, ALL TYPES		27,496		27,496		27,496				27,496
34	SIGNALS, ALL TYPES		18,314		18,314		18,314				18,314
35	SIMULATORS, ALL TYPES		6,070		6,070		6,070				6,070
35a	SELECTABLE LIGHTWEIGHT ATTACK MUNITIONS, XM94				-		11,000				-
	MISCELLANEOUS										
36	AMMO COMPONENTS, ALL TYPES		4,100		4,100		4,100				4,100

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
37	M483 TO M864 CONVERSION		-		-		-				-
38	UPGRADE/IMPROVEMENT OF AT4		-		-		-				-
39	CAD/PAD ALL TYPES		3,523		3,523		3,523				3,523
40	ITEMS LESS THAN $2 MILLION		855		855		855				855
41	EOD EXPLOSIVE ITEMS		-		-		-				-
42	AMMUNITION PECULIAR EQUIPMENT		5,000		5,000		5,000				5,000
43	FIRST DESTINATION TRANSPORTATION (AMMO)		3,925		3,925		3,925				3,925
	AMMUNITION PRODUCTION BASE SUPPORT				-		-				
	PRODUCTION BASE SUPPORT										
44	PROVISION OF INDUSTRIAL FACILITIES		41,906		41,906		41,906				41,906
45	COMPONENTS FOR PROVE-OUT		1,456		1,456		1,456				1,456
46	LAYAWAY OF INDUSTRIAL FACILITIES		13,663		13,663		13,663				13,663
47	PROVING GROUND MODERNIZATION		-		-		-				-
48	MAINTENANCE OF INACTIVE FACILITIES		51,325		51,325		51,325				51,325
48a	ARMAMENT RETOOLING & MANUFACTURING SUPPORT (ARMS)				-		45,000		45,000		45,000
49	CONVENTIONAL AMMO DEMILITARIZATION		96,280		96,280		100,280		4,000		100,280
50	FLEXIBLE MANUFACTURING CENTERS		-		-		-				-
	PROCUREMENT OF AMMUNITION, ARMY-TOTAL		795,015		1,062,715		1,120,115		298,976		1,093,991

Overview

The budget request for fiscal year 1996 contained an authorization of $2,256.6 million for Other Procurement, Army in the Department of Defense. The House bill would authorize $2,545.6 million. The Senate amendment would authorize $2,811.1 million. The conferees recommended an authorization of $2,763.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER PROCUREMENT, ARMY										
	TACTICAL AND SUPPORT VEHICLES										
	TACTICAL VEHICLES										
1	TACTICAL TRAILERS/DOLLY SETS		13,803		13,803		13,803				13,803
2	SEMITRAILER FB BB/CONT TRANS 22 1/2 T		-		-		-				-
3	SEMITRAILER, TANK, 5000G		-		-		-				-
4	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2	58	3,179		3,179		3,179			58	3,179
5	HI MOB MULTI-PURP WHLD VEH (HMMWV)(MYP)	546	57,690		96,690	1846	129,690		72,000	1846	129,690
6	FAMILY OF MEDIUM TACTICAL VEH (MYP)		39,692		149,692		149,692		110,000		149,692
7	HEAVY EQUIPMENT TRANSPORTER SYS		-		-		-				-
8	FAMILY OF HEAVY TACTICAL VEHICLES (MYP)		596		100,596		125,596		125,000		125,596
9	ARMORED SECURITY VEHICLES (COMBAT SPT) TAC		-		-		-				-
10	MEDIUM TRUCK EXTENDED SVC PGM(ESP) (PREV S		-		-		30,000		20,000		20,000
11	MODIFICATION OF IN SVC EQUIP		2,802		2,802		2,802				2,802
12	ITEMS LESS THAN $2.0M (TAC VEH)		200		200		200				200
	NON-TACTICAL VEHICLES										
13	PASSENGER CARRYING VEHICLES	41	994	41	994	41	994			41	994
14	GENERAL PURPOSE VEHICLES		993		993		993				993
15	SPECIAL PURPOSE VEHICLES		993		993		993				993
	SUPPORT EQUIPMENT AND FACILITIES										
16	SYSTEM FIELDING SUPPORT PEO		4,189		4,189		4,189				4,189
17	PROJECT MANAGEMENT SUPPORT		697		697		697				697
18	SYSTEM FIELDING SUPPORT (TACOM)		2,000		2,000		2,000				2,000
19	SPARES AND REPAIR PARTS		-		-		-				-
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT				-		-				
	COMM - JOINT COMMUNICATIONS										
20	JCSE EQUIPMENT (USREDCOM)		2,271		2,271		2,271				2,271
	COMM - SATELLITE COMMUNICATIONS										
21	DEFENSE SATELLITE COMMUNICATIONS SYSTEM		78,232		78,232		78,232				78,232
22	SAT TERM, EMUT	618	17,498	618	17,498	618	17,498			618	17,498
23	NAVSTAR GLOBAL POSITIONING SYSTEM	15,025	32,502	15025	32,502	15025	32,502		17,500		50,002
24	GROUND COMMAND POST		1,049		1,049		1,049				1,049
25	SMART-T		66,714		66,714		66,714				66,714
26	SCAMP		25,816		25,816		25,816				25,816
27	MOD OF IN-SVC EQUIP (TAC SAT)		4,166		4,166		4,166				4,166
	COMM - COMBAT SUPPORT COMM										
28	MSE MOD IN SERVICE		14,683		14,683		14,683				14,683
	COMM - C3 SYSTEM										
29	COMMAND CENTER IMPROVEMENT PROG (CCIP)		920		920		920				920
30	SOUTHCOM C3 UPGRADE		11,424		11,424		11,424				11,424
31	STD THEATER CMD & CONTROL SYS (STACCS)		14,526		14,526		17,826				14,526
	COMM - COMBAT COMMUNICATIONS										
32	ARMY DATA DISTRIBUTION SYSTEM (ADDS)		19,968		44,968		44,968		25,000		44,968
33	MOBILE SUBSCRIBER EQUIP (MSE)		3,477		3,477		3,477				3,477
34	SINCGARS FAMILY		310,620		310,620		364,720		54,100		364,720
35	SW ASIA COMM INFRASTRUCTURE		-		-		-				-
36	EAC COMMUNICATIONS		5,896		5,896		45,896		40,000		45,896
37	MOD OF IN-SVC EQUIP (EAC COMM)		11,637		11,637		11,637				11,637
38	TAC RADIO	700	24,803	700	24,803	700	24,803			700	24,803

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
39	C-E CONTINGENCY/FIELDING EQUIP		5,108		5,108		5,108				5,108
	INFORMATION SECUTITY										
40	TSEC - INFORMATION SYSTEM SECURITY		11,105		11,105		11,105				11,105
41	TSEC - JCSE EQIP		-		-		-				-
	COMM - LONG HAUL COMMUNICATIONS										
42	TERRESTRIAL TRANSMISSION		9,596		9,596		9,596				9,596
43	BASE SUPPORT COMMUNICATIONS		2,205		2,205		2,205				2,205
44	DEFENSE DATA NETWORK (DDN)		4,927		4,927		4,927				4,927
45	ELECTROMAG COMP PROG (EMCP)		498		498		498				498
46	WW TECH CON IMP PROG (WWTCIP)		4,811		4,811		4,811				4,811
	COMM - BASE COMMUNICATIONS										
47	INFORMATION SYSTEMS		64,142		64,142		64,142		(12,000)		52,142
48	DEFENSE MESSAGE SYSTEM (DMS)		7,963		7,963		10,763				7,963
49	LOCAL AREA NETWORK (LAN)		61,547		61,547		61,547		(10,000)		51,547
50	PENTAGON TELECOM CTR (PTC)		2,741		2,741		2,741				2,741
	ELECT EQUIP - NAT FOR INT PROG (NFIP)										
51	FOREIGN COUNTERINTELLIGENCE PROG (FCI)		536		536		536				536
52	GENERAL DEFENSE INTELL PROG (GDIP)		29,409		29,409		29,409		(5,221)		24,188
53	ITEMS LESS THAN $2.0M (INTEL SPT) - TIARA		2,826		2,826		2,826				2,826
	ELECT EQUIP - TACT INT REL ACT (TIARA)										
54	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)		9,886		9,886		16,286				9,886
55	COMMANDERS TACTICAL TERM (CTT) (TIARA)	33	11,314		30,014		30,014		18,700		30,014
56	HF COMINT SYSTEM (TIARA)		-		-		-				-
57	IEW - GND BASE COMMON SENSORS (TIARA)		46,937		46,937		46,937				46,937
58	DEFENSE AIRBORNE RECONN PROGRAM (DARP)		-		-		-				-
59	JOINT STARS (ARMY) (TIARA)		82,984		82,984		82,984				82,984
60	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)	5	6,954	5	6,954	5	6,954			5	6,954
61	DRUG INTERDICTION PROGRAM (DIP) (TIARA)		-		-		-				-
62	TACTICAL EXPLOITATION OF NATIONAL CAPABILI		4,617		4,617		4,617				4,617
63	JOINT TACTICAL GROUND STATION		30,914		-		30,914				30,914
64	TROJAN (TIARA)		19,313		19,313		19,313				19,313
65	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)		19,491		19,491		19,491				19,491
66	ITEMS LESS THAN $2.0M (TIARA)		517		517		517				517
	ELECT EQUIP - ELECTRONIC WARFARE (EW)										
67	MOD OF IN-SVC EQUIP (EW)		-		-		-				-
68	COUNTERINTELLIGENCE/SECURITY COUNTERMEASUR		2,582		2,582		2,582				2,582
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)										
69	LT SPEC DIV INTERIM SENSOR (LSDIS)		-		-		-				-
70	FAAD GBS		44,678		63,878		63,878		19,200		63,878
71	NIGHT VISION DEVICES		77,132		77,132		85,132		8,000		85,132
72	PHYSICAL SECURITY SYSTEMS		-		-		-				-
73	ARTILLERY ACCURACY EQUIP		12,364		12,364		12,364				12,364
74	MOD OF IN-SVC EQUIP (TAC SURV)		26,860		26,860		26,860				26,860
75	LIGHTWEIGHT LEADER COMPUTER (LLC)		-		-		-				-
76	COMPUTER BALLISTICS: MORTAR XM-23		5,019		5,019		5,019				5,019
77	INTEGRATED MET SYS SENSORS (IMETS) - TIARA	12	7,029	12	7,029	12	7,029			12	7,029
	ELECT EQUIP - TACTICAL C2 SYSTEMS										
78	ADV FIELD ARTILLERY TACT DATA SYS (AFATDS)	221	30,897	221	30,897	221	30,897		(1,500)	221	29,397
79	FIRE SUPPORT ADA CONVERSION		-		-		-				-

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
80	INITIAL FIRE SPT AUTOMATIC SYSTEM (IFSAS)		-		-		-				-
81	CMBT SVC SUPT CONTROL SYS (CSSCS)	29	5,915	29	5,915	29	5,915			29	5,915
82	CORPS/THEATER ADP SVC CTR (CTASC)		-		-		-				-
83	FAAD C2	5	32,942	5	32,942	5	32,942		7,400	5	40,342
84	FORWARD ENTRY DEVICE (FED)		-		-		-				-
85	COMMON HARDWARE SOFTWARE		-		-		-		-		-
86	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		2,096		2,096		2,096				2,096
87	LOGTECH		4,534		4,534		4,534				4,534
88	ISYSCON EQUIPMENT		13,178		13,178		13,178				13,178
89	MANEUVER CONTROL SYSTEM (MCS)		13,808		13,808		18,808		5,000		18,808
90	STAMIS TACTICAL COMPUTERS (STACOMP)	1,830	23,465	1830	23,465	1830	23,465			1830	23,465
91	STANDARD INTEGRATED CMD POST SYSTEM		28,914		28,914		28,914				28,914
	ELECT EQUIP - AUTOMATION										
92	AUTOMATED DATA PROCESSING EQUIP		132,751		120,751		132,751				132,751
93	RESERVE COMPONENT AUTOMATION SYS (RCAS)		83,174		83,174		83,174				83,174
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)										
94	AFRTS		2,586		2,586		2,586				2,586
95	ITEMS LESS THAN $2.0M (A/V)		5,102		5,102		5,102				5,102
	ELECT EQUIP-TEST MEAS&DIAG EQUIP (TMDE)										
96	CALIBRATION SETS EQUIPMENT		11,457		11,457		11,457				11,457
97	INTEGRATED FAMILY OF TEST EQUIP (IFTE)		26,449		46,449		26,449		18,500		44,949
98	TMDE MODERNIZATION (TMOD)		9,470		9,470		9,470				9,470
	ELECT EQUIP - SUPPORT										
99	INITIAL SPARES - PEO CCS		-		-		-				-
100	INITIAL SPARES - PEO COMM		-		-		-				-
101	INITIAL SPARES - PEO IEW		-		-		-				-
102	INITIAL SPARES - PEO STAMIS		-		-		-				-
103	INITIAL SPARES - NON PEO		-		-		-				-
104	ARMY PRINTING AND BINDING EQUIPMENT		-		-		-				-
105	INSTALLATION C4 UPGRADE (ICU)		1,762		1,762		1,762				1,762
106	PRODUCTION BASE SUPPORT (C-E)		717		717		717				717
	OTHER SUPPORT EQUIPMENT				-		-				
	CHEMICAL DEFENSIVE EQUIPMENT										
107	SIMP COLL PROT EQUIP M20		-		-		-				-
108	COLL PROT EQUIP, NBC TEMPER, TENT M28		-		-		-				-
109	MASK, PROTECTIVE, NBC M40/M42		-		-		-				-
110	REMOTE SENSING CHEMICAL AGENT ALARM XM21		-		-		-				-
111	IMPROVED CHEMICAL AGENT MONITOR		-		-		-				-
112	AUTO CHEMICAL AGENT ALARM (ACADA), XM22		-		-		-				-
113	DECONTAMINATE APP PWR DR LT WT M17		-		-		-				-
114	GEN SMK MECH:MTRZD DUAL PURP XM56		-		-		-				-
115	GENERATOR, SMOKE, MECH XM58	34	12,698	34	12,698	34	12,698			34	12,698
116	GEN SET, SMOKE, MECH: PUL JET,XM157	170	5,214	170	5,214	170	5,214			170	5,214
117	RADIATION MONITORING SYSTEM (OPA-3)		-		-		-				-
118	JOINT BIOLOGICAL DEFENSE PROGRAM		-		-		-				-
	BRIDGING EQUIPMENT										
119	RIBBON BRIDGE		3,828		3,828		3,828				3,828
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT										
120	DISPENSER, MINE M139		953		953		953				953

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
121	METALLIC MINE DETECTOR, VEHICLE MOUNTED		-		-		-				-
	COMBAT SERVICE SUPPORT EQUIPMENT										
122	AIR CONDITIONERS VARIOUS SIZE/CAPACITY		3,176		3,176		3,176				3,176
123	STANDARD INTEGRATED CMD POST SYSTEM		-		-		-				-
124	CHEM/BIO PROTECTIVE SHELTER		-		-		-				-
125	SPACE HEATER	290	1,440	290	1,440	290	1,440		-	290	1,440
126	SOLDIER ENHANCEMENT		-		-		-				-
127	FORCE PROVIDER	2	12,275	2	12,275	2	12,275			2	12,275
128	REFRIGERATION EQUIPMENT		2,562		2,562		2,562				2,562
129	ITEMS LESS THAN $2.0M (CSS-EQ)		2,222		2,222		2,222				2,222
	PETROLEUM EQUIPMENT										
130	LAB PETROLEUM MODULAR BASE	1	2,786	1	2,786	1	2,786			1	2,786
131	INLAND PETROLEUM DISTRIBUTION SYSTEM		1,115		1,115		1,115				1,115
132	HEMTT AVIATION REFUELING SYSTEM	21	546	21	546	21	546			21	546
133	ITEMS LESS THAN $2.0M (POL)		5,537		5,537		5,537		(837)		4,700
	WATER EQUIPMENT										
134	FWD AREA WTR POINT SUP SYSTEM	148	2,692	148	2,692	148	2,692			148	2,692
135	SMALL MOBILE WATER CHILLER (SMWC)	387	3,953	387	3,953	387	3,953			387	3,953
136	ITEMS LESS THAN $2.0M (WATER EQ)		2,394		2,394		2,394				2,394
	MEDICAL EQUIPMENT										
137	COMBAT SUPPORT MEDICAL		14,310		14,310		14,310				14,310
	MAINTENANCE EQUIPMENT										
138	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	71	1,778	71	1,778	71	1,778			71	1,778
139	TOOL OUTFIT HYDRAULIC REPAIR 3/4 TRL MTD		-		-		-				-
140	ITEMS LESS THAN $2.0M (MAINT EQ)		1,450		1,450		1,450				1,450
	CONSTRUCTION EQUIPMENT										
141	COMPACTOR HI-SPEED TAMP SELF PROP (CCE)		-		-		-				-
142	ROLLER, VIBRATORY, SELF-PROPELLED (CCE)	47	7,115	47	7,115	47	7,115			47	7,115
143	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS	18	9,938	18	9,938	18	9,938			18	9,938
144	CRANE, WHEEL MTD, 25T, 3/4 CU YD, RT	7	1,987	7	1,987	7	1,987			7	1,987
145	ITEMS LESS THAN $2.0M (CONST EQUIP)		1,981		1,981		1,981				1,981
	RAIL FLOAT CONTAINERIZATION EQUIPMENT										
146	PUSHER TUG, SMALL	1	3,576	1	3,576	1	3,576			1	3,576
147	FLOATING CRANE, 100-250 TON		-		-		-				-
148	CAUSEWAY SYSTEMS		-		-		-				-
149	RAILWAY CAR, FLAT, 100 TON	238	11,767	238	11,767	238	11,767			238	11,767
150	ITEMS LESS THAN $2.0M (FLOAT/RAIL)		3,602		3,602		3,602		(1,000)		2,602
	GENERATORS										
151	GENERATORS AND ASSOCIATED EQUIP		13,761		13,761		48,761				13,761
	MATERIAL HANDLING EQUIPMENT										
152	TRUCK, FORK LIFT, DE, PT, RT, 50000 LB	33	10,928	33	10,928	33	10,928			33	10,928
153	ALL TERRAIN LIFTING ARTICULATING SYSTEM	112	14,403	112	14,403	112	14,403			112	14,403
154	ITEMS LESS THAN $2.0M (MHE)		2,843		2,843		2,843				2,843
	TRAINING EQUIPMENT										
155	COMBAT TRAINING CENTERS SUPPORT		22,208		22,208		22,208				22,208
156	TRAINING DEVICES, NONSYSTEM		71,561		71,561		71,561		4,500		76,061
157	SIMNET/CLOSE COMBAT TACTICAL TRAINER		30,655		30,655		30,655				30,655
158	FIRE SUPPORT COMBINED ARMS TACTICAL TRAINE		-		-		-				-
	OTHER SUPPORT EQUIPMENT										

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
159	RECONFIGURABLE SIMULATORS		12,616		12,616		12,616				12,616
160	PHYSICAL SECURITY SYSTEMS (OPA3)		6,190		6,190		6,190				6,190
161	SYSTEM FIELDING SUPPORT (OPA-3)		10,030		10,030		10,030				10,030
162	BASE LEVEL COM'L EQUIPMENT		-		-		-				-
163	ARMS CONTROL COMPLIANCE		-		-		-				-
164	COMBINED DEFENSE IMPROVEMENT PROJECT (CDIP		-		-		-				-
165	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)		21,911		21,911		21,911		(7,500)		14,411
166	PRODUCTION BASE SUPPORT (OTH)		1,835		1,835		1,835				1,835
167	INDUSTRIAL MODERNIZATION INCENTIVE PROG		-		-		-				-
168	SPECIAL EQUIPMENT FOR USER TESTING		9,165		9,165		9,165				9,165
169	ITEMS LESS THAN $2.0M (OTH SPT EQ)		-		-		-				-
170	OPA INITIAL SPARES		-		-		-				-
171	TRACTOR VAPOR		2,223		2,223		2,223				2,223
172	NATURAL GAS UTILIZATION		-		-		-				-
173	CLOSED ACCOUNT ADJUSTMENTS		-		-		-				-
	SPARE AND REPAIR PARTS				-		-				
	OPA1										
174	INITIAL SPARES - TSV		1,093		1,093		1,093				1,093
	OPA2										
175	INITIAL SPARES - C&E		82,994		82,994		82,994				82,994
	OPA3										
176	INITIAL SPARES - OTHER SUPPORT EQUIP		2,038		2,038		2,038				2,038
	OTHER PROCUREMENT, ARMY-TOTAL		2,256,601		2,545,587		2,811,101		506,842		2,763,443

High mobility multipurpose wheeled vehicle

The budget request included $57.7 million for 546 high mobility multipurpose wheeled vehicles (HMMWVs).

The House bill would authorize an increase of $39.0 million to procure approximately 700 additional HMMWVs.

The Senate amendment would authorize an increase of $72.0 million to procure approximately 1300 additional HMMWVs.

The House recedes.

The conferees agree that additional HMMWVs are required for both the Army and the Marine Corps, and expect the military services to include in future budget requests adequate funds to procure sufficient HMMWVs to meet validated service requirements and to meet minimum annual required production rates necessary to sustain the essential elements of the HMMWV industrial base.

Family of heavy tactical vehicles

The budget request included $0.6 million for the family of heavy tactical vehicles (FHTV).

The House bill would authorize an increase of $100.0 million for the FHTV program.

The Senate amendment would authorize an increase of $125.0 million for the FHTV program.

The House recedes.

The conferees agree to authorize an increase to the budget request of $125.0 million to procure the heavy tactical vehicles, as indicated below:

	Dollars (in millions)	Quantity
Heavy equipment transporter	$40.0	83
Heavy expanded mobility tactical transporter	33.0	115
Palletized loading system	52.0	147

Medium truck extended service program

The budget request did not include funds for the medium truck extended service program (ESP).

The House bill would not authorize funds for medium truck ESP.

The Senate amendment would authorize $30.0 million for medium truck ESP.

The conferees agree to authorize $20.0 million for medium truck ESP. The conferees express their concern regarding the possibility of initiating multiple truck remanufacture programs, thereby creating excess capacity in the industry. The conferees prefer that maximum use be made of the medium truck ESP currently underway, that separate, additional procurements be kept to a minimum to avoid industrial overcapacity, and that, for future procurements, consideration be given to reliable manufacturers with demonstrated capabilities to produce military trucks.

GUARDRAIL tactical information broadcast service

The budget request included $48.9 million for the GUARDRAIL common sensor program.

Both the House bill and the Senate amendment would authorize funding at the requested level.

The conferees have determined that there is a need for GUARDRAIL aircraft to be equipped with improved intelligence data dissemination capability and interoperability with other intelligence data producers. Therefore, the conferees agree to authorize an increase of $9.0 million to the budget request for procurement and integration of tactical information broadcast service to provide this capability for existing GUARDRAIL aircraft.

Nonsystem training devices

The budget request included $71.6 million for nonsystem training devices.

The House bill and the Senate amendment authorized the request.

The conferees are concerned that the Army is currently training firefighters using fossil-fueled techniques that are not only hazardous to the trainees but, in some cases, in violation of environmental regulations. Moreover, the conferees are aware that there are computer-controlled natural gas/propane firefighter training systems, currently used by other services, that provide safe training for individuals and minimize destruction to the environment. Accordingly, the conferees authorize $4.5 million to procure an initial set of these systems.

Further, the conferees believe that the Army should develop a plan to replace current firefighting training sites in regions where multiple commands can take advantage of a single site.

Overview

The budget request for fiscal year 1996 contained an authorization of $3,886.5 million for Aircraft Procurement, Navy in the Department of Defense. The House bill would authorize $4,106.5 million. The Senate amendment would authorize $4,916.6 million. The conferees recommended an authorization of $4,572.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	AIRCRAFT PROCUREMENT, NAVY										
	COMBAT AIRCRAFT										
	COMBAT AIRCRAFT										
1	EA-6B/REMFG (ELECTRONIC WARFARE) PROWLER		-		-		180,000				-
2	AV-8B (V/STOL)HARRIER	4	163,582	12	323,582	8	263,582	4	81,251	8	244,833
2	LESS: ADVANCE PROCUREMENT (PY)		(15,419)		(15,419)		(15,419)				(15,419)
3	ADVANCE PROCUREMENT (CY)		21,582		21,582		21,582				21,582
4	F/A-18C/D (FIGHTER) HORNET	12	694,101	12	694,101	24	1,258,101	6	212,765	18	906,866
4	LESS: ADVANCE PROCUREMENT (PY)		(84,197)		(84,197)		(84,197)				(84,197)
5	ADVANCE PROCUREMENT (CY)		-		-		-				-
6	F/A-18E/F (FIGHTER) HORNET		-		-		-				-
6	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
7	ADVANCE PROCUREMENT (CY)		236,882		236,882		236,882				236,882
8	CH/MH-53E (HELICOPTER) SUPER STALLION		-		-	3	90,000				-
8	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
9	V-22 (MEDIUM LIFT)		-		-		-				-
9	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
10	ADVANCE PROCUREMENT (CY)		48,022		48,022		48,022				48,022
11	AH-1W (HELICOPTER) SEA COBRA		10,385		10,385		10,385		64,615	6	75,000
12	SH-60B (ASW HELICOPTER) SEAHAWK		13,744		13,744		13,744				13,744
12	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
13	SH-60F CV (ASW HELICOPTER)		-		-		-				-
13	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
14	E-2C (EARLY WARNING) HAWKEYE	3	212,589	4	282,589	3	212,589			3	212,589
14	LESS: ADVANCE PROCUREMENT (PY)		(41,376)		(41,376)		(41,376)				(41,376)
15	ADVANCE PROCUREMENT (CY)		43,020		43,020		43,020				43.020
	TRAINER AIRCRAFT				-		-				
	TRAINER AIRCRAFT										-
16	T-45TS (TRAINER) GOSHAWK	12	317,143	12	317,143	12	317,143			12	317,143
16	LESS: ADVANCE PROCUREMENT (PY)		(30,961)		(30,961)		(30,961)				(30,961)
17	ADVANCE PROCUREMENT (CY)		29,902		29,902		29,902				29,902
17a	T-39N		-		-				45,000	17	45,000
	OTHER AIRCRAFT				-		-				
	OTHER AIRCRAFT										
18	HH-60H (HELICOPTER)		23,750		23,750		23,750				23,750
	MODIFICATION OF AIRCRAFT				-		-				
	MODIFICATION OF AIRCRAFT										
19	A-6 SERIES		-		-		-				-
20	EA-6 SERIES		-		-		36,000		165,000		165,000
21	AV-8 SERIES		16,007		16,007		16,007				16,007
22	F-14 SERIES		59,047		59,047		76,147		42,475		101,522
23	ADVERSARY		153		153		153				153
24	ES-3 SERIES		20,608		20,608		20,608				20,608
25	F-18 SERIES		91,606		91,606		91,606				91,606
26	H-46 SERIES		83,665		83,665		83,665				83.665
27	H-53 SERIES		46,152		46,152		46,152				46.152
28	SH-60 SERIES		66,770		66,770		66,770				66,770
29	H-1 SERIES		54,530		54,530		67,530		13,000		67,530
30	H-3 SERIES		6,975		6,975		6,975				6.975

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
31	EP-3 SERIES		32,405		32,405		32,405				32,405
32	P-3 SERIES		178,557		178,557		178,557		31,800		210,357
33	S-3 SERIES		40,232		40,232		40,232				40,232
34	E-2 SERIES		19,636		19,636		19,636				19,636
35	TRAINER A/C SERIES		727		727		727				727
36	C-130 SERIES		6,939		6,939		6,939				6,939
37	FEWSG		550		550		550				550
38	CARGO/TRANSPORT A/C SERIES		31,354		31,354		31,354				31,354
39	E-6 SERIES		112,904		112,904		112,904				112,904
40	EXECUTIVE HELICOPTERS SERIES		35,965		35,965		35,965				35,965
41	T-45 SERIES		4,949		4,949		4,949				4,949
42	POWER PLANT CHANGES		17,525		17,525		17,525				17,525
43	MISC FLIGHT SAFETY CHANGES		167		167		167				167
44	COMMON ECM EQUIPMENT		4,234		4,234		34,234		30,000		34,234
45	COMMON AVIONICS CHANGES		73,947		73,947		73,947				73,947
	AIRCRAFT SPARES AND REPAIR PARTS				-		-				
	AIRCRAFT SPARES AND REPAIR PARTS				-		-				
46	SPARES AND REPAIR PARTS		784,782		784,782		784,782				784,782
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE				-		-				
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES				-		-				
47	COMMON GROUND EQUIPMENT		367,017		357,017		367,017				367,017
48	AIRCRAFT INDUSTRIAL FACILITIES		30,656		30,656		30,656				30,656
49	WAR CONSUMABLES		20,191		20,191		20,191				20,191
50	OTHER PRODUCTION CHARGES		21,881		21,881		21,881				21,881
51	SPECIAL SUPPORT EQUIPMENT		11,743		11,743		11,743				11,743
52	FIRST DESTINATION TRANSPORTATION		1,865		1,865		1,865				1.865
53	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-				-
	AVIATION MULTIYEAR FUND				-						
	AIRCRAFT PROCUREMENT, NAVY-TOTAL		3,886,488		4,106,488		4,916,588		685,906		4,572,394

AV–8B remanufacture

The budget request included $148.2 million for the remanufacture of four Marine Corps AV–8B aircraft.

The House bill would add $160.0 million for the remanufacture of eight additional aircraft.

The Senate amendment would authorize an additional $100.0 million for the remanufacture of four more aircraft.

The conferees agree to authorize a total of $229.4 million, $81.3 million above the budget request, for the remanufacture of four additional aircraft.

Electronic warfare

The budget request included no funds to either expand the Navy's fleet of EA–6B Block 89 aircraft to accommodate the retirement of the EF–111 jammer aircraft or to improve the capabilities of the existing Block 89 EA–6B fleet.

The House bill would approve the budget request.

The Senate amendment would authorize $216.0 million to modernize airborne electronic warfare (EW) capabilities of the EA–6B Block 89 aircraft and to expand the number of Block 89 aircraft by 20.

The conferees agree that modernization of the Department's tactical electronic warfare aircraft fleet is a priority item of special interest. Accordingly, the conferees agree to authorize $165.0 million to initiate procurement of EA–6B modifications, as set forth below:

(1) $100.0 million to modernize up to 20 older EA–6B Block 82 aircraft to the newer Block 89 configuration to offset EF–111 retirements;

(2) $40.0 million to procure 60 band 9/10 transmitters; and

(3) $25.0 million for 30 USQ–113 enhanced radio countermeasure sets.

The conferees also authorize an increase of $10.0 million to Navy EW development (PE 64270N), to develop a low-cost, reactive jamming capability for the EA–6B. The conferees are especially interested in the Navy's completion of an affordable upgrade to the EA–6B reactive processor capability.

The conferees note the inconsistent nature of the Navy's actions regarding airborne tactical EW in recent years and are deeply concerned with the Navy's vacillating commitment and support for meaningful upgrades to the EA–6B aircraft. Accordingly, the Secretary of the Navy is directed to:

(1) initiate the EA–6B modifications identified above.

(2) provide the congressional defense committees with the following:

(a) a program and budget plan for completing the directed modifications.

(b) the Joint Tactical Airborne EW Study (JTAEWS).

In addition, the conferees agree that the Secretary of the Navy shall not obligate more than 75 percent of funds appropriated for procurement of the F/A–18C/D for fiscal year 1996 until he has accomplished the actions specified above.

F–14 modifications

The budget request included $59.0 million for F–14 modifications. This amount did not include any funds for a forward-looking infrared (FLIR)/laser designator system for the F–14. The budget request included $25.4 million in research and development funds for a precision strike upgrade, an effort to integrate the joint direct attack munition (JDAM) into the F–14.

The House bill would approve the budget request for F–14 modifications.

After completion of the House bill, the Navy informed the Senate that the requirements validation process had documented an operational requirement for a FLIR/laser designator system for the F–14, in lieu of the JDAM integration. The Senate considered this requirement to be a high priority for carrier operations. Therefore, the Senate amendment would authorize an increase of $17.1 million for F–14 aircraft modifications in fiscal year 1996. This action was taken with the understanding that the Department of Defense would provide funding for the system in future budget requests.

The conferees agree to provide $101.5 million for F–14 modifications, with an increase of $42.5 million provided for the FLIR/laser designator effort. The conferees also agree to reduce the F–14 research and development request by $25.4 million.

Additionally, the conferees agree to invite the Navy to reprogram funds originally authorized for JDAM integration into the FLIR/laser designator procurement effort, to expedite meeting the need for improving F–14 strike capability.

Overview

The budget request for fiscal year 1996 contained an authorization of $1,787.1 million for Weapons Procurement, Navy in the Department of Defense. The House bill would authorize $1,626.4 million. The Senate amendment would authorize $1,771.4 million. The conferees recommended an authorization of $1,659.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
	BALLISTIC MISSILES		-		-		-				
1	TRIDENT I		-		-		-				-
2	TRIDENT II	6	343,392	6	343,392	6	343,392			6	343,392
2	LESS: ADVANCE PROCUREMENT (PY)		(15,960)		(15,960)		(15,960)				(15,960)
3	ADVANCE PROCUREMENT (CY)		190,920		190,920		190,920				190,920
	SUPPORT EQUIPMENT AND FACILITIES				-		-				
4	MISSILE INDUSTRIAL FACILITIES		2,199		2,199		2,199				2,199
	OTHER MISSILES				-		-				-
	STRATEGIC MISSILES				-		-				
5	TOMAHAWK	164	161,727	164	161,727	164	120,027		(41,700)	164	120,027
	TACTICAL MISSILES				-		-				
6	AMRAAM	115	81,691	115	81,691	115	77,691		(4,200)	115	77,491
7	HARPOON	30	46,368	30	86,368	30	46,368		40,000	75	86,368
8	JSOW		26,218		26,218		26,218				26,218
9	STANDARD MISSILE	151	231,540	151	231,540	151	231,540			151	231,540
10	RAM	230	69,208	230	69,208	230	69,208			230	69,208
11	HELLFIRE		-		-		-				-
12	AERIAL TARGETS		68,620		68,620		68,620				68,620
13	DRONES AND DECOYS		-		-		-				-
14	OTHER MISSILE SUPPORT		22,203		22,203		22,203				22,203
	MODIFICATION OF MISSILES				-		-				
15	TOMAHAWK MODS		684		684		684		49,316		50,000
16	SPARROW MODS		4,338		4,338		4,338				4,338
17	SIDEWINDER MODS		17,861		17,861		17,861				17,861
18	HARPOON MODS		4,370		4,370		4,370				4.370
19	HARM MODS		-		-		-				-
20	STANDARD MISSILES MODS		35,055		35,055		35,055				35,055
	SUPPORT EQUIPMENT AND FACILITIES				-		-				
21	WEAPONS INDUSTRIAL FACILITIES		13,094		13,094		13,094		30,000		43,094
22	FLEET SATELLITE COMM (MYP)		51,764		51,764		81,764				51.764
	ORDNANCE SUPPORT EQUIPMENT				-		-				
23	ORDNANCE SUPPORT EQUIPMENT		5,012		5,012		5,012				5,012
	TORPEDOES AND RELATED EQUIPMENT				-		-				
	TORPEDOES AND RELATED EQUIPMENT				-		-				
24	MK-48 ADCAP TORPEDO (MYP)		-		-		-				-
24	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
25	MK-50 ALWT		-		-		-				-
26	ASW TARGETS		652		652		652				652
27	VERTICAL LAUNCHED ASROC (VLA)		-		-		-				-
27	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
	MOD OF TORPEDOES AND RELATED EQUIP				-		-				
28	MK-46 TORPEDO MODS		3,613		3,613		3,613				3,613
29	MK-48 TORPEDO ADCAP MODS		61,022		61,022		61,022				61,022
30	QUICKSTRIKE MINE		-		-		-				-
	SUPPORT EQUIPMENT				-		-				
31	TORPEDO SUPPORT EQUIPMENT		31,237		31,237		31,237			-	31.237
32	ASW RANGE SUPPORT		18,128		18,128		18,128			-	18,128

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	DESTINATION TRANSPORTATION				-		-				
33	FIRST DESTINATION TRANSPORTATION		4,032		4,032		4,032				4,032
	OTHER WEAPONS				-		-				
	GUNS AND GUN MOUNTS				-		-				
34	SMALL ARMS AND WEAPONS		922		922		922				922
	MODIFICATION OF GUNS AND GUN MOUNTS				-		-				
35	CIWS MODS		37,328		37,328		37,328				37,328
36	5/54 GUN MOUNT MODS		2,605		2,605		2,605				2,605
37	MK-75 76MM GUN MOUNT MODS		901		901		901				901
38	MODS UNDER $2 MILLION		1,645		1,645		1,645				1,645
	OTHER										
39	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-				-
	OTHER ORDNANCE				-		-				
	AIR LAUNCHED ORDNANCE				-		-				
40	GENERAL PURPOSE BOMBS		46,142		-		46,142		(46,142)		-
41	2.75 INCH ROCKETS		14,806		-		14,806		(14,806)		-
42	MACHINE GUN AMMUNITION		11,469		-		11,469		(11,469)		-
43	PRACTICE BOMBS		11,195		-		11,195		(11,195)		-
44	CARTRIDGES & CART ACTUATED DEVICES		17,974		-		17,974		(17,974)		-
45	AIRCRAFT ESCAPE ROCKETS		10,586		-		10,586		(10,586)		-
46	AIR EXPENDABLE COUNTERMEASURES		22,828		-		22,828		(22,828)		-
47	MARINE LOCATION MARKERS		871		-		871		(871)		-
48	JATOS		4,940		-		4,940		(4,940)		-
	SHIP ORDNANCE				-						
49	5 INCH/54 GUN AMMUNITION		21,501		-		21,501		(21,501)		
50	CIWS AMMUNITION		93		-		93		(93)		-
51	76MM GUN AMMUNITION		6,432		-		6,432		(6,432)		-
52	OTHER SHIP GUN AMMUNITION		5,148		-		5,148		(5,148)		-
	OTHER ORDNANCE				-		-				
53	SMALL ARMS & LANDING PARTY AMMO		5,814		-		5,814		(5,814)		-
54	PYROTECHNIC AND DEMOLITION		11,253		-		11,253		(11,253)		-
55	MINE NEUTRALIZATION DEVICES		787		-		787		(787)		-
56	SHIP EXPENDABLE COUNTERMEASURES		8,871		-		8,871		(8,871)		-
	SPARES AND REPAIR PARTS				-		-				
	SPARES AND REPAIR PARTS				-		-				
57	SPARES AND REPAIR PARTS		64,022		64,022		64,022				64.022
	WEAPONS PROCUREMENT, NAVY-TOTAL		1,787,121		1,626,411		1,771,421		(127,294)		1,659,827

Overview

The budget request for fiscal year 1996 contained an authorization of $5,051.9 million for Shipbuilding and Conversion Procurement, Navy in the Department of Defense. The House bill would authorize $6,227.9 million. The Senate amendment would authorize $7,111.9 million. The conferees recommended an authorization of $6,643.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	SHIPBUILDING & CONVERSION, NAVY										
	OTHER WARSHIPS										
	OTHER WARSHIPS										
1	CARRIER REPLACEMENT PROGRAM		-		-		-				
1	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
2	SSN-21	1	1,876,102		368,625	1	1,876,102		(807,477)	1	1,068,625
2	LESS: ADVANCE PROCUREMENT (PY)		(368,625)		(368,625)		(368,625)				(368,625)
3	NEW SSN		704,498		704,498		814,498		100,000		804,498
3a	ENHANCED SSN CAPABILITIES		-		1,000,000						-
4	CVN REFUELING OVERHAULS		221,988		221,988		221,988				221,988
5	CGN REFUELING OVERHAULS		1,719		1,719		1,719				1,719
5	LESS: ADVANCE PROCUREMENT (PY)		(1,719)		(1,719)		(1,719)				(1,719)
6	DDG-51	2	2,162,457	3	2,812,457	4	2,812,457			3	2,162,457
6	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
7	ADVANCE PROCUREMENT (CY)		6,800		6,800		6,800				6,800
	AMPHIBIOUS SHIPS				-		-				
	AMPHIBIOUS SHIPS				-		-				
8	LHD-1 AMPHIBIOUS ASSAULT SHIP (MYP)		-		-	1	1,400,000		1,400,000	1	1,400,000
8	LESS: ADVANCE PROCUREMENT (PY)		-		-		(100,000)		(100,000)		(100,000)
8a	LPD-17				974,000		-		974,000	1	974,000
9	ADVANCE PROCUREMENT (CY)		-		-		-				-
	MINE WARFARE AND PATROL SHIPS				-		-				-
	MINE WARFARE AND PATROL SHIPS				-		-				
10	MCS CONV		-		-		-				
10a	FAST PATROL CRAFT		-		9,500				9,500		9,500
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGR				-		-				
	AUXILIARIES, CRAFT AND PRIOR YEAR PROGRAM COS				-		-				
11	AE(C)	2	62,130	2	62,130	2	62,130			2	62,130
12	OCEANOGRAPHIC SHIPS		-		-		-				-
12a	T-AGS 64		-		70,000				16,000		16,000
12b	LSD-52 SELF DEFENSE								20,000		20,000
13	SERVICE CRAFT		16,996		16,996		16,996				16,996
14	OUTFITTING		144,791		134,791		144,791		(10,000)		134,791
15	POST DELIVERY		174,991		164,991		174,991		(10,000)		164,991
16	AFS (C)	2	47,096	2	47,096	2	47,096			2	47,096
17	FIRST DESTINATION TRANSPORTATION		2,711		2,711		2,711				2,711
18	SSN MAIN STEAM CONDENSERS		-		-		-				-
	SHIPBUILDING & CONVERSION, NAVY-TOTAL		5,051,935		6,227,958		7,111,935		1,592,023		6,643,958

Overview

The budget request for fiscal year 1996 contained no authorization for Ammunition Procurement, Navy and Marine Corps in the Department of Defense. The House bill would authorize $461.8 million. The Senate amendment contained no authorization. The conferees recommended an authorization of $430.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF AMMUNITION, NAVY & MARINE CORP										
	PROC AMMO, NAVY										
	NAVY AMMUNITION										
1	GENERAL PURPOSE BOMBS		-		46,142		-		43,000		43,000
2	2.75 INCH ROCKETS		-		14,806		-		14,806		14,806
3	MACHINE GUN AMMUNITION		-		11,469		-		11,469		11,469
4	PRACTICE BOMBS		-		11,195		-		19,000		19,000
5	CARTRIDGES & CART ACTUATED DEVICES		-		17,974		-		17,974		17,974
6	AIRCRAFT ESCAPE ROCKETS		-		10,586		-		10,586		10,586
7	AIR EXPENDABLE COUNTERMEASURES		-		22,828		-		24,828		24,828
8	MARINE LOCATION MARKERS		-		871		-		871		871
9	DEFENSE NUCLEAR AGENCY MATERIAL		-		-		-				-
10	JATOS		-		4,940		-		4,940		4,940
	NAVY AMMUNITION						-				
11	5 INCH/54 GUN AMMUNITION		-		51,701		-		36,000		36,000
12	CIWS AMMUNITION		-		93		-		93		93
13	76MM GUN AMMUNITION		-		6,432		-		6,432		6,432
14	OTHER SHIP GUN AMMUNITION		-		5,148		-		10,148		10,148
	NAVY AMMUNITION						-				
15	SMALL ARMS & LANDING PARTY AMMO		-		5,814		-		5,814		5,814
16	PYROTECHNIC AND DEMOLITION		-		11,253		-		11,253		11,253
17	MINE NEUTRALIZATION DEVICES		-		787		-		787		787
18	SHIP EXPENDABLE COUNTERMEASURES		-		8,871		-		8,871		8,871
	PROC AMMO, MC				-		-				
	MARINE CORPS AMMUNITION						-				
19	5.56 MM, ALL TYPES		-		28,487		-		28,487		28,487
20	7.62 MM, ALL TYPES		-		12,082		-		12,082		12,082
21	.50 CALIBER		-		66,688		-		45,000		45,000
22	40 MM, ALL TYPES		-		3,939		-		3,939		3,939
23	60 MM HE M888		-		9,855		-		9,855		9,855
24	81 MM HE		-		4,724		-		14,724		14,724
25	81 MM SMOKE SCREEN		-		5,445		-		5,445		5,445
26	81MM ILLUMINATION (M853)		-		-		-		-		-
26a	81MM ILLUMINATION (M816)		-		6,700				6,700		6,700
27	120MM TPCSDS-T M865		-		8,902		-		8,902		8,902
28	120 MM TP-T M831		-		3,314		-		3,314		3,314
	155MM CHG, PROP, RED BAG								16,000		16,000
	155MM PROP CHARGE M203A1				32,000		-		-		-
29	FUZE, ET, XM762		-		10,000		-		10,000		10,000
30	CTG 25MM, ALL TYPES		-		6,724		-		6,724		6,724
31	9 MM ALL TYPES		-		2,979		-		2,979		2,979
32	ROCKETS, ALL TYPES		-		7,034		-		7,034		7,034
33	AMMO MODERNIZATION		-		9,611		-		9,611		9,611
	GRENADES, ALL TYPES				1,174				1,174		1,174
	MARINE CORPS AMMUNITION						-				
34	ITEMS LESS THAN $2 MIL		-		11,211		-		11,211		11,211
	PROCUREMENT OF AMMUNITION, NAVY & MARINE CORP		-		461,779		-		430,053		430,053

Overview

The budget request for fiscal year 1996 contained an authorization of $2,396.1 million for Other Procurement, Navy in the Department of Defense. The House bill would authorize $2,461.5 million. The Senate amendment would authorize $2,471.9 million. The conferees recommended an authorization of $2,414.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
	SHIP PROPULSION EQUIPMENT										
1	LM-2500 GAS TURBINE		7,973		7,973		7,973				7,973
2	ALLISON 501K GAS TURBINE		7,143		7,143		7,143				7,143
3	STEAM PROPULSION IMPROVEMENT		781		781		781				781
4	OTHER PROPULSION EQUIPMENT		3,185		3,185		3,185				3,185
	GENERATORS				-		-				
5	OTHER GENERATORS		7,754		7,754		7,754				7,754
	PUMPS				-		-				
6	OTHER PUMPS		1,014		1,014		1,014				1,014
7	SUBMARINE PUMP RETROFIT KITS		-		-		-				-
	AIR COMPRESSORS				-		-				
8	HIGH PRESSURE AIR COMPRESSORS		-		-		-				-
	PROPELLERS				-		-				-
9	SUBMARINE PROPELLERS		-		-		-				
10	OTHER PROPELLERS AND SHAFTS		1,543		1,543		1,543				1,543
	NAVIGATION EQUIPMENT				-		-				
11	ELEC SUSPENDED GYRO NAVIGATOR		4,108		-		1,608		(4,108)		-
12	OTHER NAVIGATION EQUIPMENT		17,688		27,688		27,688		10,000		27,688
	UNDERWAY REPLENISHMENT EQUIPMENT				-		-				
13	UNDERWAY REPLENISHMENT EQUIPMENT		14,008		14,008		14,008				14,008
	PERISCOPES				-		-				
14	SUB PERISCOPES & IMAGING EQUIP		24,157		24,157		24,157				24,157
	OTHER SHIPBOARD EQUIPMENT				-		-				
15	FIREFIGHTING EQUIPMENT		19,652		19,652		19,652				19,652
16	COMMAND AND CONTROL SWITCHBOARD		4,702		4,702		4,702				4,702
17	POLLUTION CONTROL EQUIPMENT		104,493		104,493		104,493				104,493
18	SUBMARINE SILENCING EQUIPMENT		4,539		4,539		4,539				4,539
19	SURFACE SHIP SILENCING EQUIPMENT		-		-		-				-
20	SUBMARINE BATTERIES		7,347		7,347		7,347				7,347
21	SSN21 CLASS SUPPORT EQUIPMENT		4,982		4,982		4,982				4,982
22	STRATEGIC PLATFORM SUPPORT EQUIP		4,500		4,500		4,500				4,500
23	DSSP EQUIPMENT		6,622		6,622		6,622				6,622
24	MINESWEEPING EQUIPMENT		12,985		12,985		12,985		(6,000)		6,985
25	HM&E ITEMS UNDER $2 MILLION		43,389		33,389		43,389		(10,000)		33,389
26	LASER ARTICULATION ROBOTIC SYSTEM (LARS)		-		-		-				-
27	SURFACE IMA		1,407		1,407		1,407				1,407
28	DEGAUSSING EQUIPMENT		-		-		-				-
29	RADIOLOGICAL CONTROLS		151		151		151				151
30	MINI/MICROMINI ELECTRONIC REPAIR		990		990		990				990
31	SUBMARINE LIFE SUPPORT SYSTEM		-		-		-				-
	REACTOR PLANT EQUIPMENT				-		-				
32	REACTOR POWER UNITS		-		-		-				-
33	REACTOR COMPONENTS		187,943		187,943		187,943				187,943
	OCEAN ENGINEERING				-		-				
34	DIVING AND SALVAGE EQUIPMENT		8,234		8,234		8,234				8,234
35	NAVAL SPECIAL WARFARE EQUIPMENT		4,784		4,784		4,784				4,784
	SMALL BOATS				-		-				

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36	STANDARD BOATS		8,072		8,072		8,072				8,072
	TRAINING EQUIPMENT				-		-				-
37	OTHER SHIPS TRAINING EQUIPMENT		5,388		5,388		5,388				5,388
	PRODUCTION FACILITIES EQUIPMENT				-		-				
38	PRODUCTION SUPPORT FACILITIES		3,258		3,258		3,258				3,258
39	OPERATING FORCES IPE		821		821		821				821
	OTHER SHIP SUPPORT				-		-				
40	NUCLEAR ALTERATIONS		120,452		120,452		120,452				120,452
41	FLEET MODERNIZATION PROGRAM		-		3,000		-		3,000		3,000
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT				-		-				
	SHIP RADARS				-		-				
42	AN/SPS-40		-		-		-				-
43	AN/SPS-48		2,167		2,167		2,167				2,167
44	AN/SPS-49		10,038		10,038		10,038				10,038
45	AN/SYS-0		311		311		311				311
46	MK-23 TARGET ACQUISITION SYSTEM		5,283		5,283		5,283				5,283
47	RADAR SUPPORT		466		9,466		466		9,000		9,466
48	SURFACE ELECTRO-OPTICAL SYSTEM		3,542		3,542		3,542				3,542
	SHIP SONARS				-		-				
49	SURFACE SONAR SUPPORT EQUIPMENT		9,349		9,349		9,349				9,349
50	AN/SQQ-89 SURF ASW COMBAT SYSTEM		30,297		30,297		30,297		(5,000)		25,297
51	SSN ACOUSTICS		42,269		42,269		42,269				42,269
52	SURFACE SONAR WINDOWS AND DOME		-		6,000		-		6,000		6,000
53	SONAR SUPPORT EQUIPMENT		25,836		25,836		25,836				25,836
54	SONAR SWITCHES AND TRANSDUCERS		9,069		9,069		9,069				9,069
55	FBM SYSTEM SONARS		-		-		-				-
	ASW ELECTRONIC EQUIPMENT				-		-				
56	SUBMARINE ACOUSTIC WARFARE SYSTEM		7,973		7,973		7,973				7,973
57	SSTD		13,751		13,751		13,751				13,751
58	ACOUSTIC COMMUNICATIONS		225		225		225				225
59	SOSUS		19,725		19,725		19,725				19,725
60	AN/SQR-18 TOWED ARRAY SONAR		-		-		-				-
61	SURTASS		18,513		18,513		18,513				18,513
62	ASW OPERATIONS CENTER		8,358		8,358		8,358				8,358
63	CARRIER ASW MODULE		169		169		169				169
	ELECTRONIC WARFARE EQUIPMENT				-		-				
64	AN/SLQ-32		19,076		19,076		42,076				19,076
65	AN/WLR-1		2,898		2,898		2,898				2,898
66	AN/WLR-8		-		-		-				-
67	ICAD SYSTEMS		1,449		1,449		1,449				1,449
68	EW SUPPORT EQUIPMENT		8,351		8,351		8,351				8,351
69	C-3 COUNTERMEASURES		9,540		9,540		9,540		15,000		24,540
	RECONNAISSANCE EQUIPMENT				-		-				
70	COMBAT DF		4,967		4,967		4,967				4,967
71	OUTBOARD		1,505		1,505		1,505				1,505
72	BATTLE GROUP PASSIVE HORIZON EXTEN		-		-		-				-
	SUBMARINE SURVEILLANCE EQUIPMENT				-		-				
73	AN/WLQ-4		2,977		2,977		2,977				2,977
74	SUBMARINE SUPPORT EQUIPMENT PROG		4,432		4,432		4,432				4,432

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	OTHER SHIP ELECTRONIC EQUIPMENT				-		-				
75	NAVY TACTICAL DATA SYSTEM		301		301		301				301
76	TACTICAL FLAG COMMAND CENTER		15,330		15,330		15,330				15,330
77	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)		31,380		31,380		31,380				31,380
78	LINK 16 HARDWARE		15,452		15,452		15,452				15,452
79	MINESWEEPING SYSTEM REPLACEMENT		5,019		5,019		5,019				5,019
80	SHALLOW WATER MCM		398		398		398				398
81	EMSP (MYP)		26,100		26,100		26,100				26,100
82	NAVSTAR GPS RECEIVERS		1,487		1,487		1,487				1,487
83	HF LINK-11 DATA TERMINALS		3,578		3,578		3,578				3,578
84	ARMED FORCES RADIO AND TV		3,549		3,549		3,549				3,549
85	STRATEGIC PLATFORM SUPPORT EQUIP		10,007		10,007		10,007				10,007
	TRAINING EQUIPMENT				-		-				
86	OTHER SPAWAR TRAINING EQUIPMENT		2,298		2,298		2,298				2,298
87	OTHER TRAINING EQUIPMENT		11,602		11,602		11,602				11,602
	AVIATION ELECTRONIC EQUIPMENT				-		-				
88	MATCALS		1,588		1,588		1,588				1,588
89	SHIPBOARD AIR TRAFFIC CONTROL		7,704		7,704		7,704				7,704
90	AUTOMATIC CARRIER LANDING SYSTEM		6,659		6,659		6,659				6,659
91	NATIONAL AIR SPACE SYSTEM		-		-		-				-
92	TACAN		28		28		28				28
93	AIR STATION SUPPORT EQUIPMENT		5,801		5,801		5,801				5,801
94	MICROWAVE LANDING SYSTEM		507		507		507				507
95	FACSFAC		6,388		6,388		6,388				6,388
96	ID SYSTEMS		10,202		10,202		10,202		(500)		9,702
97	SURFACE IDENTIFICATION SYSTEMS		10,248		10,248		10,248				10,248
	OTHER SHORE ELECTRONIC EQUIPMENT				-		-				-
98	TADIX-B		4,450		4,450		4,450				4,450
99	NAVAL SPACE SURVEILLANCE SYSTEM		-		-		-				-
100	NATIONAL IMAGERY SUPPORT		1,292		1,292		1,292				1,292
101	NCCS ASHORE		7,730		7,730		7,730				7,730
102	RADIAC		4,877		4,877		4,877				4,877
103	GPETE		13,452		13,452		13,452				13,452
104	INTEG COMBAT SYSTEM TEST FACILITY		6,164		6,164		6,164				6,164
105	CALIBRATION STANDARDS		2,384		2,384		2,384				2,384
106	EMI CONTROL INSTRUMENTATION		5,917		5,917		5,917				5,917
107	SHORE ELEC ITEMS UNDER $2 MILLION		8,558		8,558		8,558				8,558
	SHIPBOARD COMMUNICATIONS				-		-				
108	SHIPBOARD TACTICAL COMMUNICATIONS		6,635		6,635		10,135		6,300		12,935
109	PORTABLE RADIOS		1,436		1,436		1,436				1,436
110	SINCGARS		3,132		3,132		3,132				3,132
111	SHIP COMMUNICATIONS AUTOMATION		6,110		6,110		6,110				6,110
112	SHIP COMM ITEMS UNDER $2 MILLION		11,104		11,104		11,104				11,104
	SUBMARINE COMMUNICATIONS				-		-				
113	SHORE LF/VLF COMMUNICATIONS		4,288		4,288		4,288				4,288
114	SUBMARINE COMMUNICATION EQUIPMENT		17,961		17,961		17,961				17,961
	SATELLITE COMMUNICATIONS				-		-				
115	SATCOM SHIP TERMINALS		98,099		98,099		112,499		14,400		112,499
116	SATCOM SHORE TERMINALS		12,228		12,228		12,228				12,228

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		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	SHORE COMMUNICATIONS				-		-				
117	JCS COMMUNICATIONS EQUIPMENT		1,551		1,551		1,551				1,551
118	ELECTRICAL POWER SYSTEMS		-		-		-				-
119	SHORE HF COMMUNICATIONS		795		795		795				795
120	WWMCCS COMMUNICATIONS EQUIPMENT		2,361		2,361		2,361				2,361
121	NAVAL SHORE COMMUNICATIONS		34,160		34,160		34,160				34,160
	CRYPTOGRAPHIC EQUIPMENT				-		-				
122	SECURE VOICE SYSTEM		4,204		4,204		4,204				4,204
123	SECURE DATA SYSTEM		8,636		8,636		8,636		(2,599)		6,037
124	KEY MANAGEMENT SYSTEMS		12,913		12,913		12,913				12,913
125	SIGNAL SECURITY		-		-		-				-
126	CRYPTOGRAPHIC ITEMS UNDER $2 MILL		-		-		-				-
	CRYPTOLOGIC EQUIPMENT				-		-				
127	CRYPTOLOGIC COMMUNICATIONS EQUIP		5,925		5,925		5,925				5,925
128	CRYPTOLOGIC ITEMS UNDER $2 MILLION		-		-		-				-
129	CRYPTOLOGIC FIELD TRAINING EQUIP		-		-		-				-
	OTHER ELECTRONIC SUPPORT				-		-				
130	ELEC ENGINEERED MAINT (NAVSEA)		-		-		-				-
131	ELECT ENGINEERED MAINTENANCE		1,781		1,781		1,781				1,781
	DRUG INTERDICTION SUPPORT				-		-				
132	OTHER DRUG INTERDICTION SUPPORT		-		-		-				-
	AVIATION SUPPORT EQUIPMENT				-		-				-
	SONOBUOYS				-		-				
133	AN/SSQ-36 (BT)		-		-		200		200		200
134	AN/SSQ-53 (DIFAR)		8,902		-		-		(8,902)		-
135	AN/SSQ-62 (DICASS)		-				4,100		4,090		4,090
136	AN/SSQ-110 (EER)		-		8,902		21,900		21,910		21,910
137	AN/SSQ-86 (DLC)		-		-		-				-
138	SIGNAL, UNDERWATER SOUND (SUS)		-		-		-				-
	AIR LAUNCHED ORDNANCE				-		-				
139	CARTRIDGES & CART ACTUATED DEVELOP		-		-		-				-
140	AIRCRAFT ESCAPE ROCKETS		-		-		-				-
141	AIR EXPENDABLE COUNTERMEASURES		-		-		-				-
142	MARINE LOCATION MARKERS		-		-		-				-
143	DEFENSE NUCLEAR AGENCY MATERIAL		-		-		-				-
144	JATOS		-		-		-				-
	AIRCRAFT SUPPORT EQUIPMENT				-		-				
145	WEAPONS RANGE SUPPORT EQUIPMENT		40,280		40,280		40,280				40,280
146	EXPEDITIONARY AIRFIELDS		4,924		4,924		4,924				4,924
147	AIRCRAFT REARMING EQUIPMENT		7,505		7,505		7,505				7,505
148	CATAPULTS & ARRESTING GEAR		15,876		15,876		15,876				15,876
149	METEOROLOGICAL EQUIPMENT		20,196		20,196		20,196				20,196
150	OTHER PHOTOGRAPHIC EQUIPMENT		732		732		732				732
151	AVIATION LIFE SUPPORT		17,708		17,708		17,708				17,708
152	AIRBORNE MINE COUNTERMEASURES		19,506		19,506		19,506				19,506
153	LAMPS MK III SHIPBOARD EQUIPMENT		17,914		17,914		17,914		(1,200)		16,714
154	REWSON PHOTOGRAPHIC EQUIPMENT		612		612		612				612
155	JSIPS-N		-		-		-				-
156	STOCK SURVEILLANCE EQUIPMENT		1,518		1,518		1,518				1,518

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157	OTHER AVIATION SUPPORT EQUIPMENT		12,577		12,577		12,577				12,577
	ORDNANCE SUPPORT EQUIPMENT				-		-				
	SHIP GUN SYSTEM EQUIPMENT				-		-				
158	GUN FIRE CONTROL EQUIPMENT		4,076		4,076		4,076				4,076
	SHIP MISSILE SYSTEMS EQUIPMENT				-		-				
159	MK-92 FIRE CONTROL SYSTEM		739		739		739				739
160	HARPOON SUPPORT EQUIPMENT		2,952		2,952		2,952				2,952
161	TARTAR SUPPORT EQUIPMENT		-		-		-				-
162	POINT DEFENSE SUPPORT EQUIPMENT		-		-		-				-
163	AIRBORNE ECM/ECCM		520		520		520				520
164	ENGAGEMENT SYSTEMS SUPPORT		24,994		24,994		24,994				24,994
165	NATO SEASPARROW		6,619		6,619		6,619				6,619
166	RAM GMLS		50,037		50,037		50,037				50,037
167	SHIP SELF DEFENSE SYSTEM		15,643		15,643		15,643				15,643
168	AEGIS SUPPORT EQUIPMENT		64,288		64,288		64,288				64,288
169	SURFACE TOMAHAWK SUPPORT EQUIPMENT		71,293		71,293		71,293		(10,000)		61,293
170	SUBMARINE TOMAHAWK SUPPORT EQUIP		1,391		1,391		1,391				1,391
171	VERTICAL LAUNCH SYSTEMS		10,617		10,617		8,700				10,617
	FBM SUPPORT EQUIPMENT				-		-				
172	STRATEGIC PLATFORM SUPPORT EQUIP		-		-		-				-
173	STRATEGIC MISSILE SYSTEMS EQUIP		106,189		137,689		106,189				106,189
	ASW SUPPORT EQUIPMENT				-		-				
174	MK-117 FIRE CONTROL SYSTEM		12,917		12,917		12,917				12,917
175	SUBMARINE ASW SUPPORT EQUIPMENT		6,730		6,730		6,730				6,730
176	SURFACE ASW SUPPORT EQUIPMENT		8,169		8,169		8,169				8,169
177	ASW RANGE SUPPORT EQUIPMENT		5,118		5,118		5,118				5,118
	OTHER ORDNANCE SUPPORT EQUIPMENT				-		-				
178	EXPLOSIVE ORDNANCE DISPOSAL EQUIP		9,690		9,690		9,690				9,690
179	UNMANNED SEABORNE TARGET		4,333		4,333		4,333				4,333
180	ANTI-SHIP MISSILE DECOY SYSTEM		15,199		15,199		15,199		(12,600)		2,599
181	INDUSTRIAL FACILITIES (CALIBRATION EQUIPMENT)		5,316		5,316		5,316				5,316
182	STOCK SURVEILLANCE EQUIPMENT		1,483		1,483		1,483				1,483
183	OTHER ORDNANCE TRAINING EQUIPMENT		-		-		-				-
	OTHER EXPENDABLE ORDNANCE				-		-				
184	FLEET MINE SUPPORT EQUIPMENT		4,452		4,452		4,452		1,700		6,152
185	MINE NEUTRALIZATION DEVICES		-		-		-				-
186	DEFENSE NUCLEAR AGENCY MATERIAL		-		-		-				-
187	SHIP EXPENDABLE COUNTERMEASURE		-		-		-				-
	CIVIL ENGINEERING SUPPORT EQUIPMENT				-		-				-
	CIVIL ENGINEERING SUPPORT EQUIPMENT				-		-				
188	PASSENGER CARRYING VEHICLES	213	2,881	213	2,881	213	2,881			213	2,881
189	SPECIAL PURPOSE VEHICLES		6,298		6,298		6,298				6,298
190	GENERAL PURPOSE TRUCKS		7,045		7,045		7,045				7,045
191	TRAILERS/TRUCK TRACTORS		1,345		1,345		1,345				1,345
192	EARTH MOVING EQUIPMENT		2,293		2,293		2,293				2,293
193	CONSTRUCTION & MAINTENANCE EQUIP		1,329		1,329		1,329				1,329
194	FIRE FIGHTING EQUIPMENT		2,224		2,224		2,224				2,224
195	WEIGHT HANDLING EQUIPMENT		1,017		1,017		1,017				1,017
196	AMPHIBIOUS EQUIPMENT		3,010		3,010		3,010				3,010

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197	COMBAT CONSTRUCTION SUPPORT EQUIP		1,026		1,026		1,026				1,026
198	MOBILE UTILITIES SUPPORT EQUIPMENT		710		710		710				710
199	COLLATERAL EQUIPMENT		577		577		577				577
200	OCEAN CONSTRUCTION EQUIPMENT		139		139		139				139
201	FLEET MOORINGS		-		-		-				-
202	POLLUTION CONTROL EQUIPMENT		18,141		18,141		18,141				18,141
203	OTHER CIVIL ENG SUPPORT EQUIPMENT		100		100		100				100
204	NATURAL GAS UTILIZATION EQUIPMENT		-		-		-				-
	SUPPLY SUPPORT EQUIPMENT				-		-				-
	SUPPLY SUPPORT EQUIPMENT				-		-				
205	FORKLIFT TRUCKS		3,750		3,750		1,750		(2,000)		1,750
206	OTHER MATERIALS HANDLING EQUIPMENT		1,559		1,559		1,559				1,559
207	OTHER SUPPLY SUPPORT EQUIPMENT		48		48		48				48
208	FIRST DESTINATION TRANSPORTATION		6,827		6,827		6,827				6,827
209	SPECIAL PURPOSE SUPPLY SYSTEMS		74,934		74,934		88,934				74,934
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT				-		-				
	TRAINING DEVICES				-		-				
210	SUBMARINE SONAR TRAINERS		-		-		-				-
211	SURFACE COMBAT SYSTEM TRAINERS		745		745		745				745
212	SHIP SYSTEM TRAINERS		-		-		-				-
213	TRAINING SUPPORT EQUIPMENT		2,622		2,622		2,622				2,622
214	TRAINING DEVICE MODIFICATIONS		21,954		21,954		21,954				21,954
	COMMAND SUPPORT EQUIPMENT				-		-				
215	COMMAND SUPPORT EQUIPMENT		33,298		33,298		33,298				33,298
216	EDUCATION SUPPORT EQUIPMENT		385		385		385				385
217	MEDICAL SUPPORT EQUIPMENT		7,462		7,462		7,462				7,462
218	INTELLIGENCE SUPPORT EQUIPMENT		-		-		-				-
219	ITEMS UNDER $2 MILLION		-		-		-				-
220	OPERATING FORCES SUPPORT EQUIPMENT		-		-		-				-
221	NAVAL RESERVE SUPPORT EQUIPMENT		596		596		596				596
222	ENVIRONMENTAL SUPPORT EQUIPMENT		647		647		647				647
223	PHYSICAL SECURITY EQUIPMENT		4,567		4,567		4,567				4,567
224	INDUSTRIAL DEPOT MAINTENANCE EQUIP		6,953		6,953		6,953				6,953
	COMPUTER ACQUISITION PROGRAM				-		-				
225	COMPUTER ACQUISITION PROGRAM		-		-		-				-
	OTHER				-		-				-
226	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-				-
226a	SAFETY AND SURVIABLITY ITEMS		-		20,000				10,000		10,000
	SPARES AND REPAIR PARTS				-		-				
	SPARES AND REPAIR PARTS				-		-				
227	SPARES AND REPAIR PARTS		210,213		210,213		210,213		(20,000)		190,213
	OTHER PROCUREMENT, NAVY-TOTAL		2,396,080		2,461,472		2,471,861		18,691		2,414,771

Submarine navigation sets

The budget request included $4.1 million for the electrically suspended gyro navigator (ESGN), the navigation system currently installed on Navy submarines. It also included $17.7 million for other navigation equipment.

The House bill would reduce ESGN funding by $4.1 million and increase funding for other navigation equipment by $10.0 million to purchase and install MK-49 ring laser gyro (RLG) navigators on Navy submarines.

The Senate amendment would reduce ESGN funding by $2.5 million, the amount budgeted for ESGN reliability modifications. It would also increase funding for other navigation equipment by $10.0 million to purchase and install MK-49 RLG navigators on Navy submarines.

The Senate recedes.

AN/BPS-16 submarine radar

The budget request included $0.5 million for ship radar support .

The House bill would add $9.0 million for procurement of AN/BPS-16 submarine radar systems because of a concern about the reliability and operational suitability of the existing AN/BPS-15 submarine navigation radar.

The Senate amendment would authorize the budget request.

The conferees are aware that there is a commercial off-the-shelf (COTS) variant of the AN/BPS-16 that could be procured and installed at a substantially lower cost than the AN/BPS-16 built to military specifications. The conferees are also aware that the reliability and maintenance challenges associated with the existing AN/BPS-15 have induced many Navy submarine crews to procure inexpensive commercial navigation radars with limited capability.

Based on these considerations, the conferees agree to authorize an increase of $9.0 million for the procurement and installation of AN/BPS-16 submarine radar sets. The conferees encourage the Navy to take advantage of the new COTS variant of the AN/BPS-16 to achieve the maximum benefit from this additional funding.

Afloat planning system

The conferees have fully supported the Tomahawk cruise missile program and the associated support systems necessary for employment of Tomahawk for precision strike missions. The conferees note that the Tomahawk afloat planning system (APS) complements the Tomahawk mission planning system, located at the shore-based mission planning centers, and provides afloat battle group and battle force commanders or deployed joint staffs with an organic capability to plan for the tactical employment of the conventional Tomahawk land attack missile (TLAM). APS is also an integral part of the Joint Service Imagery Processing System—Navy (JSIPS-N) and Challenge Athena systems. These systems support Tomahawk strike planning, but can also provide mission planning support for other precision guided munitions.

The conferees encourage the Department of Defense to:

(1) continue support and funding for APS; and

(2) consider extending APS's targeting and mission planning capabilities to other tactical command echelons, in order to meet the expanding requirement for tactical utilization of the Tomahawk system and improve its responsiveness to the demands of land battle.

Overview

The budget request for fiscal year 1996 contained an authorization of $474.1 million for Marine Corps Procurement, Navy in the Department of Defense. The House bill would authorize $399.2 million. The Senate amendment would authorize $683.4 million. The conferees recommended an authorization of $458.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
	PROCUREMENT, MARINE CORPS										
	AMMUNITION										
	AMMUNITION										
1	5.56 MM, ALL TYPES		28,487		-		28,487		(28,487)		-
2	7.62 MM, ALL TYPES		2,082		-		12,082		(2,082)		-
3	LINEAR CHARGES, ALL TYPES		-		-		-				-
4	.50 CALIBER		8,588		-		8,588		(8,588)		-
4a	.50 CALIBER SLAP				-		10,000				-
4b	.50 CALIBER 4 & 1				-		15,000				-
5	40 MM, ALL TYPES		3,939		-		3,939		(3,939)		-
6	60 MM HE M888		9,855		-		9,855		(9,855)		-
7	81 MM HE		4,724		-		4,724		(4,724)		-
7a	81 MM HE M889A1				-						-
8	81 MM SMOKE SCREEN		5,445		-		5,445		(5,445)		-
8a	81 MM IR M 816				-		11,400				-
9	120MM TPCSDS-T M865		8,902		-		8,902		(8,902)		-
10	120 MM TP-T M831		3,314		-		3,314		(3,314)		-
10a	CTG TANK 120MM APFSDS-T M7829A2		-		-		5,000				-
10b	CTG TANK 120MM MP-T M830A1		-		-		5,000				-
11	FUZE, ET, XM762		-		-		-				-
12	FUZE, ET, XM767		-		-		-				-
13	CTG 25MM, ALL TYPES		6,724		-		6,724		(6,724)		-
14	9 MM ALL TYPES		2,979		-		2,979		(2,979)		-
15	MINES, ALL TYPES		-		-		-				-
16	GRENADES, ALL TYPES		474		-		474		(474)		-
17	ROCKETS, ALL TYPES		7,034		-		7,034		(7,034)		-
18	AMMO MODERNIZATION		9,611		-		9,611		(9,611)		-
	PROP CHARGE M203A1				-		26,000				-
	GRENADE, SMOKE VIOLET				-		700				-
	IGNITER M776				-		400				-
	DEMO SHEET				-		2,200				-
	OTHER SUPPORT				-		-				
19	ITEMS LESS THAN $2 MIL		8,711		-		8,711		(8,711)		-
	WEAPONS AND COMBAT VEHICLES				-		-				-
	TRACKED COMBAT VEHICLES				-		-				
20	AAV7A1 PIP		11,779		11,779		11,779				11,779
21	LAV PIP		23,291		23,291		23,291				23,291
22	LIGHT ARMORED VEHICLE		-		-		-				-
23	MODIFICATION KITS (TRKD VEH)		3,273		3,273		17,773		12,300		15,573
24	ITEMS UNDER $2M (TRKD VEH)		100		100		100				100
	ARTILLERY AND OTHER WEAPONS										
25	MOD KITS (ARTILLERY)		498		498		498				498
26	ITEMS UNDER $2M (ALL OTHER)		120		120		120				120
	GUIDED MISSILES AND EQUIPMENT										
	GUIDED MISSILES										
27	HAWK MOD		3,040		3,040		4,640				3,040
28	AAWS-MEDIUM		-		-		-				-
29	PEDESTAL MOUNTED STINGER (PMS) (MYP)		25,833		25,833		25,833				25,833
	OTHER SUPPORT										

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
30	MODIFICATION KITS		1,991		1,991		1,991				1,991
31	ITEMS LESS THAN $2 MILLION		100		100		100				100
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										-
	MANPACK RADIOS										
32	MANPACK RADIOS AND EQUIP		9,735		9,735		12,735		3,000		12,735
33	GPS		-		-		-				-
	VEHICLE MOUNTED RADIOS AND EQUIPMENT										
34	VEHICLE MTD RADIOS & EQUIP (MYP)		-		-		-				-
35	TSC-96 PIP FLEET SATCOM TERMINAL		-		-		-				-
	TELEPHONE AND TELETYPE EQUIPMENT										
36	UNIT LEVEL CIRCUIT SWITCH (ULCS)		-		-		-				-
37	TACT COMM CENTER EQUIP		-		-		-				-
38	TACTICAL DATA NETWORK		-		-		-				-
39	JOINT TACT INFO DIST SYS (CL I)		5,375		5,375		5,375				5,375
40	GROUND MOBILE FORCES		-		-		-				-
	REPAIR AND TEST EQUIPMENT										
41	AUTO TEST EQUIP SYS		9,747		9,747		9,747				9,747
42	ELECTRONIC TEST EQUIP (TEL)		6,184		6,184		6,184				6,184
	OTHER COMM/ELEC EQUIPMENT										
43	SINGLE CHAN GRD & AIR RADIO		48,027		48,027		48,027				48,027
	OTHER SUPPORT (TEL)				-		-				
44	MODIFICATION KITS (TEL)		1,095		1,095		1,095				1,095
45	ITEMS LESS THAN $2M (TEL)		1,443		1,443		2,443				1,443
	COMMAND AND CONTROL SYSTEM (NON-TEL)										
46	POS LOCATING RPTG SYSTEM (PLRS)		-		-		-				-
47	TACTICAL AIR OPER MODULE (TAOM)		2,421		2,421		2,421				2,421
48	ADVANCED TACT AIR COMMAND CENTER		7,214		7,214		7,214				7,214
49	MARINE TACTICAL C2		-		-		-				-
50	MULTI-SERV ADF FIELD ART TACTICAL DATA SYS	188	12,140		12,140		23,140			188	12,140
51	TACTICAL COMBAT OPERATIONS SYS		11,025		11,025		11,025				11,025
	INTELL/COMM EQUIPMENT (NON-TEL)										
52	AN/TPQ-36 FIRE FINDER RADAR UPGRADE		-		-		-				-
53	METEOROLOGICAL SYSTEMS	7	3,393		3,393		3,393			7	3,393
54	INTELLIGENCE SUPPORT EQUIPMENT		6,283		6,283		6,283		29,000		35,283
55	MOD KITS (INTEL)		943		943		943				943
56	ITEMS LESS THAN $2M (INTELL)		1,755		1,755		1,755				1,755
	REPAIR AND TEST EQUIPMENT (NON-TEL)										
57	ELECTRONIC TMDE REPAIR FACILITY		-		-		-				-
58	MECH TEST TMDE		3,042		3,042		3,042				3,042
59	SHOP SET ELECT AN/GRM-32		-		-		-				-
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)										
60	NIGHT VISION EQUIPMENT		2,283		2,283		4,283		2,000		4,283
61	ADP EQUIPMENT		22,839		22,839		44,439				22,839
	OTHER SUPPORT (NON-TEL)										
62	MARINE ENHANCEMENT PROGRAM		3,401		3,401		6,401		3,000		6,401
63	TEST CALIB & MAINT SPT		-		-		-				-
64	MODIFICATION KITS (NONTEL)		6,738		6,738		6,738				6,738
65	ITEMS LESS THAN $2M (NONTEL)		1,480		1,480		1,480				1,480
	SUPPORT VEHICLES										

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	ADMINISTRATIVE VEHICLES										
66	COMMERCIAL PASSENGER VEHICLES	194	2,824		2,824		2,824				2,824
67	COMMERCIAL CARGO VEHICLES		9,771		9,771		9,771				9,771
	TACTICAL VEHICLES										
68	5/4T TRUCK HMMWV (MYP)		-		-		-				-
68a	Light Recon Vehicle		-		2,000						-
69	LOGISTICS VEHICLE SYSTEM		-		-		-				-
70	TRAILERS		4,932		4,932		10,432		5,500		10,432
	OTHER SUPPORT										
71	MODIFICATION KITS		6,496		6,496		6,496		1,000		7,496
72	ITEMS LESS THAN $2 MIL		100		100		100				100
	ENGINEER AND OTHER EQUIPMENT				-		-				
	ENGINEER AND OTHER EQUIPMENT										
73	ENVIRONMENTAL CONTROL EQUIP ASSORT		2,338		2,338		2,338				2,338
74	TACTICAL FUEL SYSTEM (TFS) EQUIP		-		-		2,400				-
75	POWER EQUIPMENT ASSORTED		2,372		2,372		2,372				2,372
76	MINE/COUNTERMEASURES SYSTEM		-		-		-				-
77	AUTOMATIC BUILDING MACHINES		-		-		-				-
78	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-				-
	MATERIALS HANDLING EQUIPMENT										
79	COMMAND SUPPORT EQUIPMENT		-		-		-				-
80	AMPHIBIOUS RAID EQUIPMENT		257		257		257				257
81	PHYSICAL SECURITY EQUIPMENT		1,839		1,839		1,839				1,839
82	GARRISON MOBILE ENGR EQUIP		5,169		5,169		5,169				5,169
83	TELEPHONE SYSTEM		8,268		8,268		8,268				8,268
84	WAREHOUSE MODERNIZATION		2,927		2,927		2,927				2,927
85	MATERIAL HANDLING EQUIP		3,105		3,105		3,105				3,105
86	FIRST DESTINATION TRANSPORTATION		1,726		1,726		1,726				1,726
	GENERAL PROPERTY										
87	FIELD MEDICAL EQUIPMENT		3,215		3,215		3,215				3,215
88	TRAINING DEVICES		17,792		51,792		51,792		34,000		51,792
89	CONTAINER FAMILY		-		-		-				-
	OTHER SUPPORT										
90	MODIFICATION KITS		1,471		1,471		1,471				1,471
91	CHEMICAL AGENT MONITOR		-		-		-				-
92	ITEMS LESS THAN $2 MIL		75		75		75				75
93	DRUG INTERDICTION		-		-		-				-
	SPARES AND REPAIR PARTS				-		-				
	SPARES AND REPAIR PARTS										
94	SPARES AND REPAIR PARTS		51,982		51,982		51,982				51,982
	PRECISION GUNNERY TRAINING SYSTEMS								5,900		5,900
	M240 MACHINE GUN MODS										
	ASSET TRACKING LOGISTICS SYSTEM										
	LIGHT COMPUTER UNITS										
	PROCUREMENT, MARINE CORPS-TOTAL		474,116		399,247		683,416		(15,169)		458,947

Commander's Tactical Terminal

The budget request included no funding for USMC procurement of Commander's Tactical Terminal (CTT) radios.

Neither the House bill nor the Senate amendment authorized additional funding for CTT radios.

The conferees note that the Department's integrated (intelligence) broadcast service plan included migration to an interoperable family of transceivers known as the Joint Tactical Terminal. The conferees have been informed that Marine Corps procurement of CTTs will play a vital role in this plan, and therefore authorize an increase of $12.5 million for this purpose.

Marine Corps intelligence support equipment

The budget request included no funding for Marine Corps procurement of Joint Surveillance and Target Attack Radar System (JSTARS) ground support module.

Neither the House bill nor the Senate amendment included additional funds for this purpose.

The conferees believe the Marine Corps should have more responsibility over its own procurement actions, and therefore agree to authorize an increase of $16.5 million for Marine procurement of two JSTARS ground support modules.

Light reconnaissance/strike vehicles

The budget request did not include funds for procurement of any light reconnaissance/strike vehicles (LRV/LSV).

The House bill would add $2.0 million to buy LRVs for the Marine Corps and $6.0 million to buy LSVs for the special operations forces.

The conferees agree to authorize $6.0 million for LSVs for the special operations forces.

The conferees understand that the Marine Corps has completed a mission needs statement (MNS) for an LRV. The MNS calls for fielding an LRV with the Fleet Marine Forces by fiscal year 1995. However, the Marine Corps has neither established a formal requirement nor budgeted any resources against a possible requirement.

Therefore, the conferees direct the Secretary of the Navy to report to the congressional defense committees on whether the Marine Corps will translate the MNS into an operational requirement and the risks the Fleet Marine Force will incur if an LRV is not procured. The conferees expect the Secretary to submit this report by February 28, 1996.

Overview

The budget request for fiscal year 1996 contained an authorization of $6,183.9 million for Aircraft Procurement, Air Force in the Department of Defense. The House bill would authorize $7,032.0 million. The Senate amendment would authorize $6,318.6 million. The conferees recommended an authorization of $7,349.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	AIRCRAFT PROCUREMENT, AIR FORCE										
	COMBAT AIRCRAFT										
	STRATEGIC OFFENSIVE										
1	B-1B (MYP)		56,336		56,336		141,336				56,336
2	B-2A (MYP)		279,921		832,921		279,921		493,000		772,921
	TACTICAL FORCES										
3	ADVANCED TACTICAL FIGHTER		-		-		-				-
4	F-15A		-		-		-				-
4a	F-15E		-		250,000		-		311,210		311,210
4b	F-15E Adv Proc				-				50,190		50,190
5	F-16 C/D (MYP)		-		175,000		-		159,400		159,400
5	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
	AIRLIFT AIRCRAFT				-		-				
	TACTICAL AIRLIFT										
6	C-17 (MYP)	8	2,592,391	8	2,592,391	8	2,592,391			8	2,592,391
6	LESS: ADVANCE PROCUREMENT (PY)		(189.900)		(189,900)		(189,900)				(189,900)
7	ADVANCE PROCUREMENT (CY)		-		-		-				-
	OTHER AIRLIFT										
8	C-130H		-		-		-				-
9	C-130J	2	88,608	2	88,608	2	88,608			2	88,608
9a	WC-130				-				132,700	3	132,700
	STRATEGIC AIRLIFT										
10	STRATEGIC AIRLIFT		183,757		183,757		183,757				183,757
10a	NONDEVELOPMENTAL AIRLIFT AIRCRAFT		-		70,000						-
	NON DEVELOPMENT AIRLIFT										
11	NON DEVELOPMENT AIRLIFT AIRCRAFT		-		-		-				-
	TRAINER AIRCRAFT				-		-				
	OPERATIONAL TRAINERS										
12	ENHANCED FLIGHT SCREENER		-		-		-				-
13	JPATS	3	54,968	3	54,968	3	54,968			8	54,968
14	TANKER, TRANSPORT, TRAINER SYSTEM		4,374		4,374		4,374				4,374
	OTHER AIRCRAFT				-		-				
	MISSION SUPPORT AIRCRAFT										
15	CIVIL AIR PATROL A/C	27	2,597	27	2,597	27	2,597			27	2,597
16	DRUG INTERDICTION		-		-		-				-
	OTHER AIRCRAFT										
17	E-8B	2	536,334	2	536,334	2	536,334		(17,200)	2	519,134
17	LESS: ADVANCE PROCUREMENT (PY)		(141,700)		(141,700)		(141,700)				(141,700)
18	ADVANCE PROCUREMENT (CY)		97,140		97,140		97,140				97,140
19	SOF A/C CSE		-		-		-				-
	MODIFICATION OF INSERVICE AIRCRAFT				-		-				
	STRATEGIC AIRCRAFT										
20	B-2A		17,286		17,286		17,286				17,286
21	B-1B		75,383		75,383		86,983		(6,900)		68,483
22	B-52		4,908		4,908		4,908				4,908
23	F-117		47,660		47,660		47,660				47,660
	TACTICAL AIRCRAFT										
24	A-10		79,424		79,424		79,424		(38,400)		41,024
25	F/RF-4		61		61		61				61

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
26	F-15		79,488		79,488		79,488		(1,200)		78,288
27	F-16		118,606		118,606		118,606				118,606
28	EF-111		1,900		1,900		1,900				1,900
29	F-111		-		-		-				-
30	T/AT-37		502		502		502				502
	AIRLIFT AIRCRAFT										
31	C-5		45,431		45,431		45,431				45,431
32	C-9		4,066		4,066		4,066				4,066
33	C-17A		12,687		12,687		12,687				12,687
34	C-21		4,654		4,654		4,654				4,654
35	C-22		670		670		670				670
36	C-STOL		298		298		298				298
37	C-137		2,402		2,402		2,402				2,402
38	C-141		95,162		95,162		95,162				95,162
	TRAINER AIRCRAFT										
39	T-1		5,762		5,762		5,762				5,762
40	T-3 (EFS) AIRCRAFT		78		78		78				78
41	T-38		11,487		11,487		11,487				11,487
42	T-41 AIRCRAFT		25		25		25				25
43	T-43		5,441		5,441		5,441				5,441
	OTHER AIRCRAFT										
44	KC-10A (ATCA)		20,690		20,690		20,690				20,690
45	C-12		3,237		3,237		3,237				3,237
46	C-18		2,675		2,675		2,675				2,675
47	C-20 MODS		7,765		7,765		7,765				7,765
48	VC-25A MOD		7,772		7,772		7,772				7,772
49	C-130		84,399		84,399		84,399		10,000		94,399
50	C-135		142,764		132,764		142,764		96,000		238,764
51	E-3		230,439		220,439		230,439				230,439
52	E-4		957		957		957				957
53	H-1		6,160		6,160		6,160				6,160
54	H-60		-		-		-				-
55	OTHER AIRCRAFT		29,433		29,433		29,433				29,433
	OTHER MODIFICATIONS										
56	CLASSIFIED PROJECTS		-		-		-				-
57	DARP		-		37,000		48,000		53,000		53,000
	AIRCRAFT SPARES AND REPAIR PARTS				-		-				
	AIRCRAFT SPARES + REPAIR PARTS										
58	SPARES AND REPAIR PARTS		603,619		598,112		583,719		(17,338)		586,281
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE				-		-				
	COMMON AGE										
59	COMMON AGE		216,048		223,248		216,048		(3,538)		212,510
	POST PRODUCTION SUPPORT										
60	F-15 POST PRODUCTION SUPPORT		13,955		-		13,955		(6,977)		6,978
61	F-16 POST PRODUCTION SUPPORT		194,672		-		194,672		(68,050)		126,622
	INDUSTRIAL PREPAREDNESS										
62	INDUSTRIAL PREPAREDNESS		48,694		48,694		48,694				48,694
63	BOMBER INDUSTRIAL BASE SUPPORT		-		-		-				-
	WAR CONSUMABLES										

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
64	WAR CONSUMABLES		25,479		25,479		10,479				25,479
	OTHER PRODUCTION CHARGES										
65	OTHER PRODUCTION CHARGES		167,676		157,676		192,676		20,000		187,676
66	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-				-
	COMMON ECM EQUIPMENT										
67	COMMON ECM EQUIPMENT		4,871		4,871		4,871				4,871
	DARP										
68	DARP		194,374		194,374		194,374				194,374
	AIRCRAFT PROCUREMENT, AIR FORCE-TOTAL		6,183,886		7,031,952		6,318,586		1,165,897		7,349,783

Air Force fighter aircraft data link

The budget request included $79.5 million for F-15 modifications.

The House bill would authorize the requested amount based on assurances from the Department of Defense that Air Force efforts to procure a tactical information data link for a portion of the F-15 fleet would be conducted within the scope of the Department's multifunction information distribution system (MIDS) program.

The Senate amendment would authorize the budget request. The Senate report (S. Rept. 104-112) expressed support for the Air Force's efforts to equip its fighter aircraft with "Link 16" data link capability, but questioned the Air Force's decision to pursue this capability for only a portion of the F-15 fleet. The Senate report also recommended that the Department continue MIDS acquisition and stated that it would not support any Air Force effort to start a new program, redundant to MIDS, to meet similar requirements.

The conferees note that the Under Secretary of Defense for Acquisition and Technology has terminated the F-15 data link procurement and that the Air Force now intends to pursue a MIDS variant data link to meet its requirements. The Department has informed the conferees that this program is to be a competitive solicitation that will require adherence to the MIDS architecture, MIDS software modularity, and MIDS hardware modulatory as a design objective, and, for the F-15, reduced hardware and software functionality to reduce costs.

The conferees agree to authorize $78.3 million for F-15 modifications. The conferees direct the Under Secretary of Defense for Acquisition and Technology to ensure that the Department uses a competitive acquisition strategy for fighter data link procurement. The strategy should promote full opportunity for U.S. companies to compete within the competitive solicitation outlined by the Under Secretary.

Defense support program procurement

The budget request included $102.9 million for Defense Support Program (DSP) procurement.

The Senate amendment would authorize $67.0 million, a reduction of $35.9 million to the budget request.

The House bill would authorize the budget request.

The House recedes. The conferees are aware that $35.9 million in fiscal year 1995 funds are excess and subject to consideration for reprogramming for non-DSP purposes. Therefore, the conferees agree to reduce the fiscal year 1996 DSP procurement budget by $35.9 million, leaving $67.0 million. The conferees direct the Air Force to use the excess fiscal year 1995 funds currently identified as a source on the fiscal year 1995 omnibus reprogramming request to fulfill fiscal year 1996 DSP requirements. Given that the fiscal year 1995 DSP procurement source has been denied as part of this year's omnibus reprogramming, the conferees direct that the full amount be restored to DSP.

RC-135 re-engining

The budget request included no funding for the Defense Airborne Reconnaissance Program (DARP) modifications line (P-1, line 57) in the Aircraft Procurement, Air Force account.

The House bill would authorize an increase of $37.0 million for modification of an existing C-135 aircraft to the RC-135 RIVET JOINT configuration.

The Senate amendment would authorize an increase of $48.0 million for re-engining of two existing RIVET JOINT aircraft. The Senate amendment would also authorize an increase of $31.5 million in PE 64268F for nonrecurring integration activity to facilitate an affordable program for converting two retired EC-135 aircraft to the RIVET JOINT configuration.

ENGINES AND INSTALLATION

The conferees concur with the cost effectiveness and increase in operational effectiveness that could be provided by re-engining the existing fleet of RIVET JOINT aircraft and agree to authorize an increase of $48.0 million to procure and install re-engining kits for two existing RIVET JOINT aircraft.

The conferees note that the theater Commanders-in-Chief (CINCs) have addressed additional RIVET JOINT aircraft as one of their highest intelligence priorities. The need for additional RIVET JOINT aircraft is further reinforced by the extremely high operational tempo currently experienced by this reconnaissance asset. The conferees support the theater CINCs' requirements for additional RIVET JOINT aircraft and strongly urge the Department to seek reprogramming authority to modify other existing C-135 assets to the RC-135 configuration.

SR-71

The conferees agree to provide an additional $5.0 million for costs associated with the refurbishment of SR-71 aircraft.

ENGINE COMPONENT IMPROVEMENT PROGRAM

The conferees agree to authorize $133.2 million for the engine component improvement program, an increase of $29.5 million, consisting of two adjustments: (1) an additional $31.5 million for the integration activity described in the Senate report (S. Rept. 104-112); and (2) a reduction of the $2.0 million requested for the B-2 engine.

Overview

The budget request for fiscal year 1996 contained an authorization of $3,647.7 million for Missile Procurement, Air Force in the Department of Defense. The House bill would authorize $3,430.1 million. The Senate amendment would authorize $3,627.5 million. The conferees recommended an authorization of $2,938.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	MISSILE PROCUREMENT, AIR FORCE										
	BALLISTIC MISSILES										
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC										
1	MISSILE REPLACEMENT EQ-BALLISTIC		18,749		18,749		18,749				18,749
	OTHER MISSILES				-		-				
	STRATEGIC										
2	HAVE NAP		-		39,000	50	38,000		38,000	54	38,000
3	TRI-SERVICE ATTACK MISSILE		-		-		-				
4	ADVANCED CRUISE MISSILE		1,873		1,873		1,873				1,873
	TACTICAL										
5	GPS AIDED MUNITION		-		-		-				-
6	JOINT STANDOFF WEAPON		-		-		-				-
7	AMRAAM	291	190,672	291	190,672	291	182,672		(8,000)	291	182,672
8	AGM-130 POWERED GBU-15		69,303		109,303		109,303		40,000	100	109,303
8a	Interim JSOW				-		10,400				-
	TARGET DRONES										
9	TARGET DRONES	88	39,150	88	39,150	88	39,150		(3,000)	88	36,150
10	INDUSTRIAL FACILITIES		8,100		8,100		8,100				8,100
	MISSILE REPLACEMENT EQUIPMENT - OTHER										
11	MISSILE REPLACEMENT EQ-OTHER		147		147		147				147
	MODIFICATION OF INSERVICE MISSILES				-		-				
	CLASS IV										
12	CONVENTIONAL ALCM		-		27,200		27,200		15,000	100	15,000
13	PEACEKEEPER (M-X)		-		-		-				-
14	AIM-9 SIDEWINDER		15,379		15,379		15,379				15,379
15	MM III MODIFICATIONS		19,344		29,344		29,344		10,000		29,344
16	AGM-65D MAVERICK		-		-		-				-
17	AGM-88A HARM		1,602		1,602		1,602				1,602
18	MODIFICATIONS UNDER $2.0M		1,370		1,370		1,370				1,370
	SPARES AND REPAIR PARTS				-		-				
	MISSILE SPARES + REPAIR PARTS										
19	SPARES AND REPAIR PARTS		53,914		53,914		53,914				53,914
	OTHER SUPPORT				-		-				
	SPACE PROGRAMS										
20	SPACEBORNE EQUIP (COMSEC)		19,158		19,158		19,158				19,158
21	GLOBAL POSITIONING (MYP)	4	202,910	4	202,910	4	202,910		(10,000)	4	192,910
21	LESS: ADVANCE PROCUREMENT (PY)		(66,850)		(66,850)		(66,850)				(66,850)
22	ADVANCE PROCUREMENT (CY)		38,412		33,412		-		(5,000)		33,412
23	SPACE SHUTTLE OPERATIONS		56,963		56,963		56,963				56,963
23	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
24	SPACE BOOSTERS		464,953		459,953		449,953		(31,100)		433,853
25	ADVANCE PROCUREMENT (CY)		-		-		-				-
26	MEDIUM LAUNCH VEHICLE	4	179,493	4	179,493	4	179,493			4	179,493
26	LESS: ADVANCE PROCUREMENT (PY)		(28,564)		(28,564)		(28,564)				(28,564)
27	ADVANCE PROCUREMENT (CY)		38,856		38,856		38,856				38,856
28	DEF METEOROLOGICAL SAT PROG		29,265		29,265		29,265				29,265
29	DEFENSE SUPPORT PROGRAM (MYP)		102,911		102,911		67,011		(35,900)		67,011
29	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
30	ADVANCE PROCUREMENT (CY)		-		-		-		-		-

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
31	DEFENSE SATELLITE COMM SYSTEM		25,666		23,166		18,166		(2,500)		23,166
	SPECIAL PROGRAMS										
32	IONDS (MYP)	4	29,045	4	29,045	4	29,045			4	29,045
32	LESS: ADVANCE PROCUREMENT (PY)		(9,954)		(9,954)		(9,954)				(9,954)
33	ADVANCE PROCUREMENT (CY)		-		-		-				-
34	SPECIAL UPDATE PROGRAMS		218,751		218,751		218,751				218,751
35	SPECIAL PROGRAMS		1,605,765		1,605,765		1,534,765		(395,000)		1,210,765
	MUNITIONS & RELATED EQUIPMENT				-		-				-
	ROCKETS + LAUNCHERS				-		-				
36	2.75 INCH ROCKET MOTOR	30,000	10,402		-		10,402		(10,402)		-
37	2.75	24,320	1,993		-		1,993		(1,993)		-
38	ITEMS LESS THAN $2,000,000		950		-		950		(950)		-
	CARTRIDGES				-		-				
39	5.56 MM	13,835	5,534		-		5,534		(5,534)		-
40	20MM TRAINING		-		-		-				-
41	30 MM TRAINING	1,360	14,480		-		14,480		(14,480)		-
42	CARTRIDGE CHAFF RR-180	720	10,030		-		10,030		(10,030)		-
43	CARTRIDGE CHAFF RR-188	903	1,192		-		1,192		(1,192)		-
44	SIGNAL MK-4 MOD 3		-		-		-				-
45	CART IMP 3000 FT/LBS		-		-		-		-		-
46	ITEMS LESS THAN $2,000,000		5,162		-		5,162		(5,162)		-
	BOMBS				-		-				
47	MK-82 INERT/BDU-50	12,586	8,253		-		8,253		(8,253)		-
48	TIMER ACTUATOR FIN FUZE	10,000	6,242		-		6,242		(6,242)		-
49	BOMB PRACTICE 25 POUND	400,000	5,928		-		5,928		(5,928)		-
50	MK-84 BOMB-EMPTY	3,718	9,261		-		9,261		(9,261)		-
51	SENSOR FUZED WEAPON	500	165,447		-		165,447		(165,447)		-
	CBU-87(COMBINED EFFECTS MUNITIONS)		-		-		30,000				-
52	CBU-89 GATOR INERT	236	6,531		-		6,531		(6,531)		-
53	ITEMS LESS THAN $2,000,000		1,500		-		1,500		(1,500)		-
	OTHER ITEMS				-		-				-
54	FLARE, IR MJU-7B	945,049	21,859		-		21,859		(21,859)		-
55	MJU-23 FLARE	7,426	6,483		-		6,483		(6,483)		-
56	MJU-10B	110,436	7,204		-		7,204		(7,204)		-
57	M-206 CARTRIDGE FLARE	331,564	11,250		-		11,250		(11,250)		-
58	INITIAL SPARES		621		-		621		(621)		-
59	REPLENISHMENT SPARES		2,329		-		2,329		(2,329)		-
60	MODIFICATIONS		2,340		-		2,340		(2,340)		-
61	ITEMS LESS THAN $2,000,000		11,289		-		11,289		(11,289)		-
	FUZES										-
62	JOINT PROGRAMMABLE FUSE(JPF)		-		-		-				-
	OTHER WEAPONS										
63	M-16 A2 RIFLE		5,048		-		5,048		(5,048)		-
	MISSILE PROCUREMENT, AIR FORCE-TOTAL		3,647,711		3,430,083		3,627,499		(708,828)		2,938,883

Overview

The budget request for fiscal year 1996 contained no authorization for Ammunition Procurement, Air Force in the Department of Defense. The House bill would authorize $321.3 million. The Senate amendment contained no authorization. The conferees recommended an authorization of $343.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
	PROCUREMENT OF AMMUNITION, AIR FORCE										
	PROCUREMENT OF AMMO, AIR FORCE										
	PROC AMMO, AF										
1	2.75 INCH ROCKET MOTOR		-		10,402		-		10,402		10,402
1a	2.75 INCH HEAD SIGNATURE				1,993				1,993		1,993
2	ITEMS LESS THAN $2,000,000		-		950		-		950		950
	CARTRIDGE CHAFF RR-180								-		-
3	5.56 MM		-		5,534		-		5,534		5,534
4	20MM TRAINING		-		-		-				-
5	30 MM TRAINING		-		14,480		-		7,000		7,000
6	CARTRIDGE CHAFF RR-180		-		10,030		-		10,030		10,030
7	CARTRIDGE CHAFF RR-188		-		1,192		-		1,192		1,192
8	SIGNAL MK-4 MOD 3		-		-		-				-
	CART IMP 3000 FT/LBS		-		-		-				-
9	ITEMS LESS THAN $2,000,000		-		5,162		-		5,162		5,162
9a	MK-82 INERT/BDU-50		-		8,253				8,253		8,253
	TIMER ACTUATOR FIN FUZE										
10	TIMER ACTUATOR FIN FUZE		-		6,242		-		6,242		6,242
11	GBU-15		-		-		-				-
12	BOMB PRACTICE 25 POUND		-		5,928		-		5,928		5,928
12a	MK-84 BOMB EMPTY				9,261				9,261		9,261
13	SENSOR FUZED WEAPON		-		165,447		-		165,447		165,447
13a	CBU-89 GATOR INERT				6,531				6,531		6,531
13b	CBU COMBINED EFFECTS MUNITIONS										
14	ITEMS LESS THAN $2,000,000		-		1,500		-		1,500		1,500
	ITEMS LESS THAN $2,000,000										
15	ITEMS LESS THAN $2,000,000		-		-		-				-
	FLARE, IR MJU-7B										
16	FLARE, IR MJU-7B		-		21,859		-		21,859		21,859
16a	MJU-23 FLARE				6,483				6,483		6,483
16b	MJU-10B				7,204				7,204		7,204
17	PARACHUTE FLARE LUU-2 B/B		-		-		-				-
18	M-206 CARTRIDGE FLARE		-		11,250		-		11,250		11,250
19	INITIAL SPARES		-		621		-		621		621
20	REPLENISHMENT SPARES		-		2,329		-		2,329		2,329
21	MODIFICATIONS		-		2,340		-		2,340		2,340
22	ITEMS LESS THAN $2,000,000		-		11,289		-		11,289		11,289
	FMU-139 FUZE										
23	FMU-139 FUZE		-		-		-				-
24	ITEMS LESS THAN $2,000,000		-		-		-				-
	MUNITIONS UNDISTRIBUTED										
25	M-16 A2 RIFLE		-		5,048		-		5,048		5,048
	CBU 87(Combined Effects Munitions)		-		-		-		30,000		30,000
	PROCUREMENT OF AMMUNITION, AIR FORCE		-		321,328		-		343,848		343,848

Overview

The budget request for fiscal year 1996 contained an authorization of $6,804.7 million for Other Procurement, Air Force in the Department of Defense. The House bill would authorize $6,784.8 million. The Senate amendment would authorize $6,516.0 million. The conferees recommended an authorization of $6,268.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
	OTHER PROCUREMENT, AIR FORCE										
	MUNITIONS AND ASSOCIATED EQUIPMENT										
	ROCKETS + LAUNCHERS										
1	ITEMS LESS THAN $2,000,000		-		-		-				-
	CARTRIDGES (THOUSANDS)				-		-				
2	5.56 MM		-		-		-				-
3	20MM TRAINING		-		-		-				-
4	30 MM TRAINING		-		-		-				-
5	CARTRIDGE CHAFF RR-180		-		-		-				-
6	CARTRIDGE CHAFF RR-188		-		-		-				-
7	SIGNAL MK-4 MOD 3		-		-		-				-
8	CART IMP 3000 FT/LBS		-		-		-				-
9	ITEMS LESS THAN $2,000,000		-		-		-				-
	MK-82 INERT/BDU-50		-		-		-				-
	BOMBS				-		-				-
10	BSU-49 INFLATABLE RETARDER		-		-		-				-
11	GBU-15		-		-		-				-
12	BOMB PRACTICE 25 POUND		-		-		-				-
13	SENSOR FUZED WEAPON		-		-		-				-
14	CBU-87(COMBINED EFFECTS MUNITIONS)		-		-		-				-
15	ITEMS LESS THAN $2,000,000		-		-		-				-
	TARGETS				-		-				
16	ITEMS LESS THAN $2,000,000		-		-		-				-
	OTHER ITEMS				-		-				-
17	FLARE, IR MJU-7B		-		-		-				-
	MJU-28 FLARE		-		-		-				-
18	MJU-10B		-		-		-				-
19	ALA-17 FLARE		-		-		-				-
20	SPARES AND REPAIR PARTS		-		-		-				-
21	MODIFICATIONS		-		-		-				-
22	ITEMS LESS THAN $2,000,000		-		-		-				-
	FUZES				-		-				
23	FMU-139 FUZE		-		-		-				-
24	ITEMS LESS THAN $2,000,000		-		-		-				-
	OTHER WEAPONS				-		-				
25	M-16 A2 RIFLE		-		-		-				-
26	.50 CAL RIFLE		-		-		-				-
	VEHICULAR EQUIPMENT				-		-				
	PASSENGER CARRYING VEHICLES				-		-				
27	SEDAN, 4 DR 4X2	186	1,798	186	1,798	186	1,798			186	1,798
28	STATION WAGON, 4X2	69	1,053	69	1,053	69	1,053			69	1,053
29	BUS, 28 PASSENGER		-		-		-				-
30	BUS - 32-44 PASSENGER		-		-		-				-
31	BUSES	43	2,339	43	2,339	43	2,339			43	2,339
32	AMBULANCE, BUS		-		-		-				-
33	AMBULANCES		-		-		-				-
34	MODULAR AMBULANCE		-		-		-				-
35	14-23 PASSENGER BUS		-		-		-				-
36	LAW ENFORCEMENT VEHICLE	86	1,327	86	1,327	86	1,327			86	1,327

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
37	ARMORED SEDAN	1	202	1	202	1	202		58	1	260
	CARGO + UTILITY VEHICLES										
38	TRUCK, CARGO-UTILITY, 3/4T, 4X4	134	2,760	134	2,760	134	2,760			134	2,760
39	TRUCK, PICKUP, 1/2T, 4X2	235	2,469	235	2,469	235	2,469			235	2,469
40	TRUCK, PICKUP, COMPACT	435	4,777	435	4,777	435	4,777			435	4,777
41	TRUCK MULTI-STOP 1 TON 4X2	164	3,671	164	3,671	164	3,671			164	3,671
42	TRUCK CARRYALL		-		-		-				-
43	TRUCK, CARGO, 2 1/2T, 6X6, M-35	50	2,705	50	2,705	50	2,705			50	2,705
44	MEDIUM TACTICAL VEHICLE	56	5,860	56	5,860	56	5,860			56	5,860
45	TRUCK TRACTOR, OVER 5T	57	2,799	57	2,799	57	2,799			57	2,799
46	CAP VEHICLES		781		781		781				781
47	ITEMS LESS THAN $2,000,000		7,258		7,258		7,258				7,258
	SPECIAL PURPOSE VEHICLES										
48	TRUCK TANK FUEL R-11	154	22,339	154	22,339	154	22,339			154	22,339
49	HMMWV, ARMORED	56	7,170	56	7,170	56	7,170			56	7,170
50	TRACTOR, TOW, FLIGHTLINE	152	4,460	152	4,460	152	4,460			152	4,460
51	ITEMS LESS THAN $2,000,000		6,603		6,603		6,603				6,603
	FIRE FIGHTING EQUIPMENT										
52	TRUCK CRASH P-23		-		-		-				-
53	TRUCK WATER P-26 (P-18)		-		-		-				-
54	HEAVY RESCUE VEHICLE	15	2,616	15	2,616	15	2,616			15	2,616
55	TRUCK PUMPER P-24		-		-		-				-
56	TRUCK PUMPER P-22		-		-		-				-
57	ITEMS LESS THAN $2,000,000		1,314		1,314		1,314				1,314
	MATERIALS HANDLING EQUIPMENT										
58	TRUCK, F/L 10,000 LB		-		-		-				-
59	60K A/C LOADER	28	35,336	28	35,336	28	35,336	8	7,000	36	42,336
60	50K CONTAINER HANDLER		-		-		-				-
61	ITEMS LESS THAN $2,000,000		1,670		1,670		1,670				1,670
	BASE MAINTENANCE SUPPORT										
62	WELL DRILLING SYSTEM		-		-		-				-
63	SPARES AND REPAIR PARTS		-		-		-				-
64	MODIFICATIONS		200		200		200				200
65	ITEMS LESS THAN $2,000,000		2,352		2,352		2,352		11,824		14,176
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP				-		-				
	COMM SECURITY EQUIPMENT(COMSEC)										
66	COMSEC EQUIPMENT		39,422		39,422		39,422				39,422
67	SPARES AND REPAIR PARTS		-		-		-				-
68	MODIFICATIONS (COMSEC)		462		462		462				462
	INTELLIGENCE PROGRAMS										
69	INTELLIGENCE DATA HANDLING SYS		11,966		11,966		11,966				11,966
70	INTELLIGENCE TRAINING EQUIPMENT		2,368		2,368		2,368				2,368
71	INTELLIGENCE COMM EQUIP		5,510		5,510		5,510				5,510
72	ITEMS LESS THAN $2,000,000		995		995		995				995
	ELECTRONICS PROGRAMS										
73	AIR TRAFFIC CTRL/LAND SYS (ATCALS)		-		-		-				-
74	NATIONAL AEROSPACE SYSTEM		-		-		-				-
75	THEATER AIR CONTROL SYS IMPROVEMENT		32,345		32,345		32,345		(4,600)		27,745
76	WEATHER OBSERV/FORCAST		7,103		7,103		7,103				7,103

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
77	DEFENSE SUPPORT PROGRAM		36,909		36,909		36,909				36,909
78	STRATEGIC COMMAND AND CONTROL		67,596		67,596		67,596		(9,501)		58,095
79	CHEYENNE MOUNTAIN COMPLEX		8,667		8,667		8,667				8,667
80	SPACE BASED IR SENSOR PROG		19,895		-		-		(19,895)		-
81	NAVSTAR GPS		1,170		1,170		1,170				1,170
82	DEFENSE METEOROLOGICAL SAT PROG		14,350		14,350		14,350				14,350
83	TAC SIGINT SUPPORT		5,879		5,879		5,879				5,879
84	DRUG INTERDICTION PROGRAM		-		-		-				-
85	NUDET DETECTION SYSTEM (NDS)		5,770		5,770		5,770				5,770
86	DARP		-		-		-				-
	SPECIAL COMM-ELECTRONICS PROJECTS										
87	AUTOMATIC DATA PROCESSING EQUIP		23,958		23,958		23,958				23,958
88	ADP OPERATIONS CONSOLIDATION		-		-		-				-
89	WWMCCS/GLOBAL COMMAND & CONTROL SYS		5,173		5,173		5,173				5,173
90	MOBILITY COMMAND AND CONTROL		-		-		-				-
91	PENTAGON RENOVATION		-		-		-				-
92	AIR FORCE PHYSICAL SECURITY SYSTEM		15,247		15,247		15,247				15,247
93	COMBAT TRAINING RANGES		2,079		2,079		2,079				2,079
94	C3 COUNTERMEASURES		7,548		7,548		7,548				7,548
95	BASE LEVEL DATA AUTO PROGRAM		26,851		26,851		26,851				26,851
96	AIR FORCE SATELLITE CONTROL NETWORK		25,495		25,495		25,495				25,495
97	THEATER BATTLE MGT C2 SYS		52,616		52,616		52,616				52,616
98	EASTERN/WESTERN RANGE I&M		114,505		114,505		114,505				114,505
	AIR FORCE COMMUNICATIONS										
99	INFORMATION TRANSMISSION SYSTEMS		-		-		-				-
100	BASE INFORMATION INFRASTRUCTURE		73,138		73,138		58,138		(16,753)		56,385
101	USCENTCOM		2,219		2,219		2,219				2,219
102	AUTOMATED TELECOMMUNICATIONS PRG		18,058		18,058		18,058				18,058
103	MILSATCOM		43,362		43,362		43,362				43,362
104	SATELLITE TERMINALS		-		-		-				-
	DISA PROGRAMS										
105	WIDEBAND SYSTEMS UPGRADE		-		-		-				-
106	MINIMUM ESSENTIAL EMER COMM NET		-		-		-				-
	ORGANIZATION AND BASE										
107	TACTICAL C-E EQUIPMENT		24,628		24,628		24,628				24,628
108	RADIO EQUIPMENT		7,172		7,172		7,172				7,172
109	TV EQUIPMENT (AFRTV)		2,492		2,492		2,492				2,492
110	CCTV/AUDIOVISUAL EQUIPMENT		5,764		5,764		5,764				5,764
111	BASE COMM INFRASTRUCTURE		-		-		-				-
112	SPARES AND REPAIR PARTS		-		-		-				-
113	CAP COM & ELECT		-		-		-				-
114	ITEMS LESS THAN $2,000,000		6,638		6,638		6,638				6,638
	MODIFICATIONS										
115	COMM ELECT MODS		20,424		20,424		20,424		(10,700)		9,724
116	ANTIJAM VOICE		-		-		-				-
117	SPACE MODS		37,142		37,142		37,142				37,142
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP				-		-				
	TEST EQUIPMENT										-
118	BASE/ALC CALIBRATION PACKAGE		10,024		10,024		10,024				10,024

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
119	PRIMARY STANDARDS LABORATORY PACKAGE		1,604		1,604		1,604				1,604
120	ITEMS LESS THAN $2,000,000		11,820		11,820		11,820				11,820
	PERSONAL SAFETY AND RESCUE EQUIP										-
121	NIGHT VISION GOGGLES		976		976		976				976
122	BREATHING APPARATUS TWO HOUR		3,134		3,134		3,134				3,134
123	UNIVERSAL WATER ACTIVATED REL SYS		7,460		7,460		7,460				7,460
124	CHEMICAL/BIOLOGICAL DEF PROG		-		-		-				-
125	ITEMS LESS THAN $2,000,000		4,802		4,802		4,802				4,802
	DEPOT PLANT + MATERIALS HANDLING EQ										
126	MECHANIZED MATERIAL HANDLING EQUIP		3,525		3,525		3,525				3,525
127	BASE MECHANIZATION EQUIPMENT		-		-		-				-
128	AIR TERMINAL MECHANIZATION EQUIP		-		-		-				-
129	ITEMS LESS THAN $2,000,000		4,090		4,090		4,090				4,090
	ELECTRICAL EQUIPMENT										-
130	GENERATORS-MOBILE ELECTRIC		3,186		3,186		3,186				3,186
131	FLOODLIGHTS SET TYPE NF2D		325		325		325				325
132	ITEMS LESS THAN $2,000,000		3,294		3,294		3,294				3,294
	BASE SUPPORT EQUIPMENT										
133	BASE PROCURED EQUIPMENT		-		-		-				-
134	NATURAL GAS UTILIZATION EQUIPMENT		-		-		-				-
135	MEDICAL/DENTAL EQUIPMENT		12,843		12,843		12,843				12,843
136	ENVIRONMENTAL PROJECTS		-		-		-				-
137	AIR BASE OPERABILITY		4,316		4,316		4,316				4,316
138	PALLET AIR CARGO	4,000	3,677	4000	3,677	4000	3,677			4000	3,677
139	NET ASSEMBLY, 108		1,952		1,952		1,952				1,952
140	BLADDERS FUEL		3,933		3,933		3,933				3,933
141	AERIAL BULK FUEL DELIVERY SYSTEM		-		-		-				-
142	PHOTOGRAPHIC EQUIPMENT		6,231		6,231		6,231				6,231
143	PRODUCTIVITY ENHANCEMENT		-		-		-				-
144	PRODUCTIVITY INVESTMENTS		-		-		-				-
145	MOBILITY EQUIPMENT		17,670		17,670		17,670		11,900		29,570
146	WARTIME HOST NATION SUPPORT		1,699		1,699		1,699		(1,699)		-
147	SPARES AND REPAIR PARTS		-		-		-				-
148	DEPLOYMENT/EMPLOYMENT CONTAINERS		3,320		3,320		3,320				3,320
149	SPATIAL DISORIENTATION DEMONSTRATOR		-		-		-				-
150	AIR CONDITIONERS		-		-		-				-
151	ITEMS LESS THAN $2,000,000		9,269		9,269		9,269				9,269
	SPECIAL SUPPORT PROJECTS										
152	INTELLIGENCE PRODUCTION ACTIVITY		67,928		67,928		61,228		1,200		69,128
153	TECH SURV COUNTERMEASURES EQ		1,049		1,049		1,049				1,049
154	SR YR GROUND STATIONS		-		-		-				-
155	DARP		74,051		74,051		74,051				74,051
156	SELECTED ACTIVITIES		5,409,357		5,409,357		5,162,257		(505,100)		4,904,257
157	SPECIAL UPDATE PROGRAM		158,402		158,402		158,402				158,402
158	INDUSTRIAL PREPAREDNESS		1,156		1,156		1,156				1,156
159	MODIFICATIONS		199		199		199				199
160	FIRST DESTINATION TRANSPORTATION		12,914		12,914		12,914				12,914
	SPARE AND REPAIR PARTS				-		-				
	SPARES AND REPAIR PARTS										

Line No	Title	FY 1996 Request Quantity	FY 1996 Request Amount	House Authorized Quantity	House Authorized Amount	Senate Authorized Quantity	Senate Authorized Amount	Change to Request Quantity	Change to Request Amount	Conference Agreement Quantity	Conference Agreement Amount
161	SPARES AND REPAIR PARTS		61,715		61,715		61,715				61,715
	OTHER PROCUREMENT, AIR FORCE-TOTAL		6,804,696		6,784,801		6,516,001		(536,266)		6,268,430

Overview

The budget request for fiscal year 1996 contained an authorization of $2,179.9 million for Defense-wide Procurement in the Department of Defense. The House bill would authorize $2,205.9 million. The Senate amendment would authorize $2,118.3 million. The conferees recommended an authorization of $2,124.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT, DEFENSE-WIDE										
	MAJOR EQUIPMENT										
	MAJOR EQUIPMENT, OSD/WHS										
1	MOTOR VEHICLES		304		304		304				304
2	MAJOR EQUIPMENT, OSD		193,321		193,321		193,321				193,321
3	MAJOR EQUIPMENT, WHS		15,670		15,670		15,670				15,670
4	ARMED FORCE INFORMATION SERVICE		4,907		4,907		4,907				4,907
5	DEPARTMENT OF DEFENSE EDUCATION ACTIVITY		1,612		1,612		1,612				1,612
6	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION		770		770		770				770
7	DARP		179,307		179,307		183,807		(17,732)		161,575
8	CORPORATE INFORMATION MANAGEMENT		4,933		4,933		4,933				4,933
9	DEFENSE INFORMATION INFRASTRUCTURE		54,234		54,234		54,234		4,500		58,734
	MAJOR EQUIPMENT, NSA										
11	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM		16,978		16,978		16,978				16,978
	MAJOR EQUIPMENT, DNA										
12	VEHICLES		130		130		130				130
13	OTHER MAJOR EQUIPMENT		7,971		7,971		7,971				7,971
	MAJOR EQUIPMENT, DISA										
14	WWMCCS ADP SYSTEMS		4,446		4,446		4,446				4,446
15	INFORMATION SERVICES TRANSFER		-		-		-				-
16	PLANS & PROGRAM ANALYSIS SUPPORT CENTER		1,498		1,498		1,498				1,498
17	ITEMS LESS THAN $2 MILLION		294		294		294				294
18	DRUG INTERDICTION SUPPORT		-		-		-				-
	MAJOR EQUIPMENT, DIA				-		-				
	MAJOR EQUIPMENT, DLA										
21	DEFENSE SUPPORT ACTIVITIES		7,291		7,291		7,291				7,291
21a	AUTOMATED DOCUMENT CONVERSION SYSTEM		-		20,000						-
	MAJOR EQUIPMENT, DMA										
22	COMMUNICATION EQUIPMENT		-		-		-				-
23	AUTOMATED INFORMATION SYSTEM EQUIPMENT		-		-		-				-
24	VECTOR PRODUCT EQUIPMENT		-		-		-				-
25	DEVELOPMENT TEST FACILITY		-		-		-				-
26	MC & G MAINFRAME UPGRADE		-		-		-				-
27	VEHICLES		1,211		1,211		1,211				1,211
28	OTHER CAPITAL EQUIPMENT		-		-		-				-
29	DEFENSE HYDROGRAPHIC EQUIPMENT		-		-		-				-
	MAJOR EQUIPMENT, DIS										
30	VEHICLES	333	3,117	333	3,117	333	3,117			333	3,117
31	OTHER CAPITAL EQUIPMENT		6,801		6,801		6,801				6,801
	MAJOR EQUIPMENT, DCAA										
32	ITEMS LESS THAN $2 MILLION		3,980		3,980		3,980				3,980
	MAJOR EQUIPMENT, DSPO				-		-				
33	MAJOR EQUIPMENT , DSPO		25,104		25,104		25,104				25,104
34	MAJOR EQUIPMENT , DSPO		-		-		-				-
35	MAJOR EQUIPMENT		-		-		-				-
	MAJOR EQUIPMENT, TJS										
36	MAJOR EQUIPMENT, TJS		38,717		38,717		38,717				38,717
	ON-SITE INSPECTION AGENCY										
37	VEHICLES		-		-		-				-

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
38	OTHER CAPITAL EQUIPMENT		2,941		2,941		2,941				2,941
	BALLISTIC MISSILE DEFENSE ORGANIZATION										
40	C4I		32,242		32,242		32,242				32,242
41	HAWK BN/C3 MODS		5,106		5,106		5,106				5,106
	CENTRAL IMAGERY OFFICE										
	CLASSIFIED PROGRAMS										-
	SPECIAL OPERATIONS COMMAND										
	AVIATION PROGRAMS										
44	RADIO FREQUENCY MOBILE ELECTRONIC TEST SET		29,801		29,801		29,801				29,801
45	SOF ROTARY WING UPGRADES		9,042		9,042		9,042				9,042
46	SOF TRAINING SYSTEMS		26,818		26,818		26,818				26,818
47	MC-130H COMBAT TALON II		12,134		12,134		12,134				12,134
48	AC-130U GUNSHIP ACQUISITION		57,165		57,165		57,165				57,165
49	C-130 MODIFICATIONS		115,518		115,518		115,518				115,518
49	LESS: ADVANCE PROCUREMENT (PY)		(5,101)		(5,101)		(5,101)				(5,101)
50	ADVANCE PROCUREMENT (CY)		-		-		-				-
51	HH-53 MODIFICATIONS		-		-		-				-
52	MH-47/MH-60 MODIFICATIONS		-		-		-				-
53	OH-6 PROCUREMENT & MODIFICATIONS		-		-		-				-
54	AIRCRAFT SUPPORT		5.946		5,946		5,946				5,946
	SHIPBUILDING										-
55	PC,CYCLONE CLASS		-		-		-		20,000		20,000
56	ADVANCED SEAL DELIVERY SYSTEM (ASDS)		-		-		-				-
57	MK VIII MOD 1 - SEAL DELIVERY VEHICLE	4	11,115	4	11,115	4	11,115			4	11,115
58	SUBMARINE CONVERSION		6,770		6,770		6,770				6,770
58	LESS: ADVANCE PROCUREMENT (PY)		(2.086)		(2,086)		(2,086)				(2,086)
59	ADVANCE PROCUREMENT (CY)		-		-		-				-
60	MK V SPECIAL OPERATIONS CRAFT (MK V SOC)	2	19.501	2	19,501	4	37,201	2	17,700	4	37,201
	AMMUNITION PROGRAMS										
61	SOF PYRO/DEMO		23.887		23,887		23,887				23,887
62	SOF PLATFORM GUN AMMUNITION		-		-		-				-
63	SOF INDIV WEAPONS AMMUNITION		45,412		45,412		45,412				45,412
	OTHER PROCUREMENT PROGRAMS										
64	MARITIME EQUIPMENT MODIFICATIONS		8.559		8,559		8,559				8,559
65	SPARES AND REPAIR PARTS		35.876		35,876		35,876				35,876
66	COMM EQUIPMENT & ELECTRONICS		32,824		32,824		32,824				32,824
67	SOF INTELLIGENCE SYSTEMS		19,510		19,510		19,510				19,510
68	SOF SMALL ARMS & WEAPONS		9,972		9,972		9,972				9,972
69	SPECIAL WARFARE EQUIPMENT		11.776		11,776		7,483		(4,293)		7,483
69a	LIGHT STRIKE VEHICLE				6,000		-		6,000		6,000
70	DRUG INTERDICTION		-		-		-				-
71	MISCELLANEOUS EQUIPMENT		809		809		809				809
72	SOF PLANNING AND REHEARSAL SYSTEM (SOFPARS)		595		595		595				595
73	CLASSIFIED PROGRAMS		77,656		77,656		77,656				77,656
74	PSYOP EQUIPMENT		28,106		28,106		28,106				28,106
	CHEMICAL/BIOLOGICAL DEFENSE				-		-				-
	CBDP										
75	PROTECTIVE MASK		24,819		24,819		24,819				24,819
76	AIRCREW MASK		-		-		-				-

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
77	REMOTE CHEM AGT ALARM (RSCAAL)		4,190		4,190		4,190				4,190
78	IMPROVED CHEM AGENT MONITOR (ICAM)	237	7,232	237	7,232	237	7,232			237	7,232
79	AUTO CHEM AGENT ALARM (ACADA)		-		-		-				-
80	NBC RECON SYS (NBCRS) MODS		46,033		46,033		46,033				46,033
81	MODULAR DECON SYSTEM		-		-		-				-
82	M17 DECON MODS		3,165		3,165		3,165				3,165
83	POCKET RADIAC AN/UDR- 13	4,636	3,729	4636	3,729	4636	3,729			4636	3,729
84	CB PROTECTIVE SHELTER	62	11,494	62	11,494	62	11,494			62	11,494
85	JOINT BIO DEFENSE PRGM		22,860		22,860		22,860				22,860
86	CHME/BIO DEFENSE EQ (AF)		11,049		11,049		11,049				11,049
87	CHEM WARFARE DETECTORS		5,455		5,455		5,455				5,455
88	CB HELO NDI		-		-		-				-
89	CBR EQUIP-SHIPBOARD	-	498		498		498				498
999	CLASSIFIED PROGRAMS		844,903		844,903		765,403		(81,713)		763,190
	PROCUREMENT, DEFENSE-WIDE-TOTAL		2,179,917		2,205,917		2,118,324		(55,538)		2,124,379

Defense airborne reconnaissance program procurement

The budget request included $179.3 million in procurement for the Defense airborne reconnaissance program (DARP).

The House bill would approve the budget request.

The Senate amendment would increase the requested amount by $4.5 million, and would direct the Department to change the priorities of some program elements. The conferees agree to an authorization of $161.6 million, a reduction of $17.7 million from the budget request.

JOINT TACTICAL UAV

The conferees agree to authorize a total of $42.4 million for the joint tactical UAV (JT-UAV), a reduction of $17.7 million from the budget request.

The conferees are particularly concerned about the continuing problems with the Hunter UAV in the JT-UAV program. Therefore, the conferees direct that none of the funds appropriated for fiscal year 1996 be used to procure production Hunter systems or additional low-rate initial production units, beyond those already ordered, until the Secretary of Defense provides to the Congressional defense committees the results of the Defense Acquisition Board (DAB) review of the Hunter program.

PIONEER UAV

Of the funds authorized and appropriated for defense-wide procurement, Defense Airborne Reconnaissance Programs (DARP), the conferees direct that the Department use $4.5 million to equip nine Pioneer UAV systems with the common automatic landing and recovery system (CARLS).

The conferees note the Department's continuing failure to equip UAVs with the CARLS system. The conferees are concerned with this result, particularly since the Department agrees that CARLS installation on UAVs in general, and Pioneer in particular, would reduce landing accidents and associated losses.

Automated document conversion system

The budget request did not include any additional funds for the automated document conversion system (ADCS). This is a program for converting the Department of Defense's engineering drawings from hard copy to electronic format.

The House bill would authorize $20.0 million for this purpose.

The Senate amendment would approve the budget request.

The conferees are concerned with the lack of progress by the Department toward achieving major cost savings through the adoption of automated document conversion technology. The conferees are encouraged, however, that the Department has recently acknowledged such savings and has produced a roadmap to realize these savings by changing from raster to vector conversion. The conferees also understand this plan brings an upgrade and expansion of UNIX-based systems and will test several personal computer (PC)-based systems.

However, the conferees are concerned with the Department's plan for using $10.0 million of these funds for "bulk" conversion purposes, since these funds were specifically appropriated for the purchase of ADCS equipment. The conferees are concerned that there may be a greater requirement for ADCS software and equipment than the Department currently has planned and that some or all of the funds planned for bulk conversion may be needed for software and equipment. Should the results of the Department's ongoing conversion survey confirm that additional software and equipment is needed, the conferees feel that the Department should address first the needs of UNIX-based engineering systems as the UNIX-based system has undergone extensive testing per Congressional direction. The conferees direct that the Secretary of Defense provide a report to the congressional defense committees by March 29, 1996, on the results of the PC-based system testing.

Overview

The budget request for fiscal year 1996 contained no authorization for National Guard and Reserve Procurement in the Department of Defense. The House bill would authorize $770.0 million. The Senate amendment would authorize $777.4 million. The conferees recommended an authorization of $777.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
No		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	NATIONAL GUARD & RESERVE EQUIPMENT										
	RESERVE EQUIPMENT										
	ARMY RESERVE		-								
	TACTICAL VEHICLES		-		20,000		-		15,000		15,000
	SINCGARS		-		3,500		5,000		3,000		3,000
	MEDIUM TRUCK ESP		-		-		10,000		10,000		10,000
	HEAVY TRUCK MODERNIZATION		-		-		15,000		10,000		10,000
	NIGHT VISION EQUIPMENT		-		5,800		5,000		5,700		5,700
	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT		-		-		2,000		2,000		2,000
	ENGINEER EQUIPMENT		-		10,000		-		10,000		10,000
	VARI-REACH LIFT TRUCKS		-		4,500		-				-
	ALL-TERRAIN FORK LIFT TRUCKS										4,500
	CH-47D		-		16,000		-		16,000		16,000
	ENGINE SERVICE ADAPTERS		-		500		-		500		500
	GENERATORS/POWER EQUIP/SPT EQUIP		-		5,000		-		5,000		5,000
	MK-19 GRENADE LAUNCHERS		-		10,000		-				-
	SIMULATORS		-		2,000		-		2,000		2,000
	MEDICAL EQUIPMENT		-		2,000		-		2,000		2,000
	MISCELLANEOUS EQUIPMENT		-		5,000		25,000				-
	NAVY RESERVE										
	DECM EQUIPMENT		-		8,000		-		8,000		8,000
	F/A-18 UPGRADES		-		28,000		24,000		24,000		24,000
	MIUW TSW-108		-		10,000		10,000		10,000		10,000
	C-9 AIRCRAFT AVIONIC UPGRADE		-		35,000		25,000		25,000		25,000
	MISCELLANEOUS EQUIPMENT		-		5,000		15,000				-
	MARINE CORPS RESERVE										
	CBT VEHICLE TRAINER		-		3,800		-		3,800		3,800
	CH-53 HELICOPTERS		-		30,000		-		50,000	2	50,000
	DIGITAL COMMAND & CONTROL NETWORK		-		4,300		-		4,300		4,300
	COMM COMPANY EQUIPMENT		-		5,000		-		5,000		5,000
	UH-1N NAV/FLIR UPGRADES		-		2,600		-		2,600		2,600
	AH-1W HELICOPTERS (3)		-		-		35,000				-
	SINCGARS		-		-		5,000		3,000		3,000
	NIGHT VISION EQUIPMENT		-		-		5,000		5,000		5,000
	MISCELLANEOUS EQUIPMENT		-		5,000		10,000				-
	AIR FORCE RESERVE										
	KC-135R REEINGINING		-		26,000		-				-
	C-130H		-	4	145,200		-		135,600	4	135,600
	C-130J		-		-		210,000				-
	C-20G		-		-		30,000				-
	MISCELLANEOUS EQUIPMENT		-		-		-				-
	TOTAL RESERVE EQUIPMENT		-		392,200		431,000		362,000		362,000
	NATIONAL GUARD EQUIPMENT										
	ARMY NATIONAL GUARD										
	AVENGER		-		-		54,000		50,000		50,000
	PALADIN/FAASV		-		-		55,000				-
	MLRS		-		-		16,400				-
	M113A3 UPGRADES		-		-		10,000		10,000		10,000

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	M113A3 NIGHT VIEWERS		-		-		2,000		2,000		2,000
	MEDIUM TRUCK ESP		-		-		10,000		15,000		15,000
	HEAVY TRUCK MODERNIZATION		-		-		10,000		10,000		10,000
	TACTICAL TRUCK PROC/SLELP		-		-		-				-
	TACTICAL VEHICLES										10,000
	NEW PROCUREMENT		-		10,000		-		-		-
	SLEP (5 TON)		-		10,000		-				-
	SLEP (2 1/2 TON)		-		10,000		-				-
	SINCGARS		-		10,000		5,000		5,000		5,000
	M109 ACE		-		10,000		-		5,000		5,000
	IFTE		-		10,000		-		10,000		10,000
	NIGHT VISION EQUIPMENT		-		10,000		5,000		5,000		5,000
	CHEM/BIO EQUIPMENT		-		5,000		2,000		2,000		2,000
	HIGH CAPACITY AIR AMBULANCE		-		30,000		-				-
	AH-1 (C-NITE)		-		10,000		-				-
	FADEC		-		10,000		-		5,000		5,000
	TRNG & SIM EQUIPMENT		-		-		-				-
	AH-64 COMBAT MISSION SIMULATOR		-		15,000		15,000		15,000		15,000
	UH-1 SLEP		-		-		-				-
	AH-1 BORESIGHT EQUIPMENT		-		-		5,000		5,000		5,000
	FULL AUTHORITY DIGITAL ELECTRONIC CONTROL (CH-47)		-		-		5,000				-
	C-26									2	11,000
	MISCELLANEOUS EQUIPMENT		-		10,000		15,000				-
	AIR NATIONAL GUARD										
	F-16 220E ENGINES		-		10,000		-		5,000		5,000
	C-130H		-	4	145,200		102,000	6	203,400	6	203,400
	AIRLIFT DEFENSIVE SYSTEMS		-		10,000		-		10,000		10,000
	KC-135R REENGINING		-		26,000		26,000				-
	KC-135 MODS		-		-		-				-
	AIRLIFT REPLACEMENT RADAR		-		6,600		-		6,600		6,600
	C-20G		-		30,000		-		30,000		30,000
	C-26		-		-		9,000				-
	MISCELLANEOUS EQUIPMENT		-		-		-				-
	TOTAL NATIONAL GUARD EQUIPMENT		-		377,800		346,400		415,000		415,000
	TOTAL NATIONAL GUARD & RESERVE EQUIPMENT		-								
	MISC EQUIPMENT GUARD & RESERVE AIRCRAFT										
	TOTAL NATIONAL GUARD & RESERVE EQUIPMENT				770,000		777,400		777,000		777,000

Overview

The budget request for fiscal year 1996 contained an authorization of $746.7 million for Chemical Agent and Munitions Destruction, Army in the Department of Defense. The House bill would authorize $746.7 million. The Senate amendment would authorize $671.7 million. The conferees recommended an authorization of $672.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line No	Title	FY 1996 Request		House Authorized		Senate Authorized		Change to Request		Conference Agreement	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	CHEM AGENTS & MUNITIONS DESTRUCTION, DEF										
	CHEM AGENTS & MUNITIONS DESTRUCT-RDT&E										
	RESEARCH AND DEVELOPMENT										
1	CHEM DEMILITARIZATION - RDTE		53,400		53,400		53,400				53,400
			53,400		53,400		53,400				53,400
	CHEM AGENTS & MUNITIONS DESTRUCT-PROC										
	PROCUREMENT										265,000
2	CHEM DEMILITARIZATION - PROC		299,448		299,448		224,448		(34,448)		265,000
	CHEM AGENTS & MUNITIONS DESTRUCT-O&M										
	OPERATION AND MAINTENANCE										
3	CHEM DEMILITARIZATION - O&M		393,850		393,850		393,850		(40,000)		353,850
			393,850		393,850		393,850		(40,000)		353,850

ITEMS OF SPECIAL INTEREST

Aerial targets

The budget request included $68.6 million for aerial targets.

The House bill and the Senate amendment authorized the request.

The conferees understand the Navy's current acquisition strategy for subscale subsonic aerial targets is to procure only the BQM-74E. However, the conferees understand the contractor may have taken some recent cost reduction initiatives on the BQM-34S subscale target. Therefore, the conferees believe that the Navy's non-competitive procurement of the BQM-74E may not provide the service with the best value target. Accordingly, the conferees urge the Navy to reassess its acquisition strategy for this target and conduct a competition based upon meeting a performance specification. The conferees believe that such a competition could result in buying a target that truly represents the best value to the Navy.

AN/ALE-47

The conferees are concerned that the current Air Force acquisition strategy for the follow-on production of lots IV through VII of the AN/ALE-47 Countermeasure Dispenser System may involve significant and unnecessary risks for the program. The conferees direct the Air Force to delay any procurement action regarding lots IV through VII of the AN/ALE-47 until 14 days after the date on which the Air Force has provided the congressional defense committees with a report that assesses the cost and acquisition strategy related to the introduction of new suppliers for the system.

Engineer construction equipment

The conferees are aware of the significant contribution National Guard engineer construction units have made to securing the southwest border. The construction efforts of the National Guard have been of singular assistance in providing for increased safety for U.S. Border Patrol agents and in facilitating the U.S. Border Patrol efforts to counter illegal drugs and illegal immigration along the southwest border. The conferees agree that sufficient funds should be allocated by the National Guard to purchase appropriate loaders, dozers, and road-grading equipment for use by National Guard engineer construction units that rotate to continue construction on projects along the United States-Mexican border.

The conferees have indicated elsewhere in this statement of managers, that the Department of Defense should, through normal reprogramming procedures, use available funds provided for counterdrug activities to continue construction to extend the fence constructed by the National Guard on the southwest border.

LPD-17 radio communications systems engineering support

The conferees note that, as a result of the base realignment and closure decisions, the Navy has reorganized and consolidated its radio communications systems (RCS) engineering, production, testing, integration, and training support activities. In assigning RCS engineering support workload for the LPD-17 class of ships, the conferees expect that the Navy will assign such workload to the most appropriate facility.

SH-60 modifications

The conferees understand that there are at least 60 AN/AQS-13F dipping sonars currently installed in the Navy's SH-60F helicopters that will not be replaced under the SH-60R program. These sonars could be upgraded to meet current shallow water operational requirements based on a modification already developed through the FMS program.

The conferees direct the Secretary of the Navy to evaluate the cost effectiveness of a modification program for the AQS-13F dipping sonars that will not be replaced in conjunction with the SH-60R program, and report the results to the congressional defense committees by March 15, 1996.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Subtitle B—Army Programs

Procurement of OH-58D Armed Kiowa Warrior helicopters (sec. 111)

The House bill contained a provision (sec. 111) that would modify current law to permit procurement of twenty additional OH-58D AHIP scout helicopters.

The Senate amendment contained an identical provision (sec. 122).

The conferees understand that the procurement of twenty additional OH-58D Armed Kiowa Warrior helicopters will cost up to $140.0 million and agree to amend the provision to authorize $140.0 million to procure these helicopters.

Repeal of requirements for armored vehicle upgrades (sec. 112)

The House bill contained a provision (sec. 112) that would repeal subsection (j) of section 21 of the Arms Export Control Act (22 U.S.C. 2761).

The Senate amendment contained no similar provision.

The Senate recedes.

Multiyear procurement of helicopters (sec. 113)

The budget request included $354.0 million to buy 18 AH-64D aircraft and 13 Longbow fire control radars.

The House bill would authorize the budget request.

The Senate amendment contained a provision (sec. 111) that would authorize an increase of $82.0 million and the multiyear procurement of Longbow Apache helicopters.

The House recedes with an amendment.

The conferees agree to authorize an increase of $76.2 million for the Longbow Apache attack helicopter program and multiyear procurement contracts for both the AH-64D Longbow Apache attack helicopter program and the UH-60 Black Hawk utility helicopter program.

Report on AH-64D engine upgrades (sec. 114)

The Senate amendment contained a provision (sec. 114) that would require the Secretary of the Army to submit a report to Congress on plans to procure T700-701C engine upgrade kits for Army AH-64D helicopters.

The House bill contained no similar provision.

The House recedes.

Requirement for use of previously authorized multiyear procurement authority for Army small arms procurement (sec. 115)

The budget request did not include any funds for procurement of small arms.

The House bill and the Senate amendment would authorize funds for the following small arms programs as indicated below:

[In millions of dollars]

	House	Senate
M–16 rifle	$13.5	$13.5
M4 carbine	6.5	13.5
M9 personal defense weapon	2.0	4.0
M249 squad automatic weapon	28.5	28.5
MK–19 grenade launcher	20.0	33.9
Medium machine gun (mod kits)	6.5	6.5

The conferees agree to provide funds for small arms programs as indicated below:

	Dollars (millions)	Quantity
M–16 rifle	$13.5	27,500
M4 carbine	6.5	12,000
M9 personal defense weapon	2.0	4,660
M249 squad automatic weapon	28.5	10,265
MK–19 grenade launcher	33.9	2,100
Medium machine gun (mod kits)	6.5	1,434

The conferees express their concern that the Army did not include funds for small arms programs in the fiscal year 1996 budget request, despite specific direction regarding multiyear procurement for small arms included in the Statement of Managers accompanying the National Defense Authorization Act for Fiscal Year 1995 (S. Rept. 103-701). The conferees expect the Secretary of the Army to comply with both the letter and intent of the law in this regard. The conferees further expect the Secretary of the Army to ensure that small arms programs are funded at levels approximating those in this report until requirements for each separate class of small arms are fully achieved and that appropriate multiyear contracts are executed. The conferees include a provision (sec. 116) that would direct the Secretary of the Army to enter into multiyear procurement contracts during fiscal year 1997, in accordance with section 115(b)(2) of the National Defense Authorization Act for Fiscal Year 1995.

Subtitle C—Navy Programs

Nuclear attack submarines (sec. 131)

The budget request reflected a policy, adopted by the Department of Defense as a consequence of its Bottom Up Review, that would cause all future nuclear submarines to be constructed by General Dynamics Electric Boat Division (Electric Boat). The budget request included the following funding for submarine construction programs:

(1) $1.5 billion for SSN-23, the final increment required for full funding of this *Seawolf* class submarine;

(2) $704.5 million advance procurement for the first of a new class of nuclear attack submarines, designated as the new attack submarine (NAS), whose construction would begin in fiscal year 1998; and

(3) a total of $455.4 million for research, development, test, and evaluation for the NAS program.

The House report (H. Rept. 104-131) reflected the view that changes in the Navy's plan for acquisition of nuclear attack submarines should be made to incorporate advanced technologies into these submarines' designs. These recommendations were based on an underlying premise that the Navy's NAS program would not provide an adequate technological advantage over foreign submarines presently under construction or in design. The House bill would:

(1) not authorize SSN-23;

(2) authorize $550.0 million for Electric Boat to design, build, and incorporate a hull section into SSN-22 to create a lengthened, expanded capability variant of the basic *Seawolf* design, while retaining its full weapons load;

(3) authorize $704.5 million advance procurement for the fiscal year 1998 submarine that would be built by Electric Boat;

(4) authorize $300.0 million for Electric Boat to design and build a second hull section that would be incorporated into a fiscal year 1998 submarine, and convert that submarine from the lead ship of a serial-production class, based on the current NAS design, into an additional, one-of-a-kind, expanded capability platform that would be derived from the current NAS design;

(5) directs that $10.0 million of the funds in the budget request for NAS detailed design work be used only for establishing and maintaining a cadre of Newport News submarine designers at Electric Boat and for transfer of all NAS design data from Electric Boat's design data base to Newport News';

(6) authorize $150.0 million to begin an effort at Newport News to design, develop, and build prototype versions of major submarine components that would result in a follow-on submarine design for serial production that represents a substantial improvement in affordability and capability over the current NAS design;

(7) direct the Advanced Research Projects Agency (ARPA) and the national laboratories to make new technologies available to both Electric Boat and Newport News that show potential for achieving a follow-on submarine design for serial production that represents a substantial improvement over the current NAS design; and

(8) include a provision (sec. 133) that would direct the Secretary of the navy to award, on a competitive basis, contracts for attack submarines built after the fiscal year 1998 submarine.

The Senate amendment reflected an alternate view on how to acquire nuclear attack submarines. It contained a provision (sec. 121) that would:

(1) authorize the SSN-23 at $1.5 billion, the budget request;

(2) limit the ability of the Secretary of the Navy to obligate or expend funds for SSN-23 until he restructures the NAS program to provide for:

(a) procurement of the lead NAS from Electric Boat in fiscal year 1998;

(b) procurement of the second NAS from Newport News Shipbuilding and Drydock (Newport News) in fiscal year 1999; and

(c) competitive procurement of any additional NAS vessels after the second. Potential competitors for these additional vessels would be contractors that have been awarded a contract by the Secretary of the Navy for construction of nuclear attack submarines during the past 10 years;

(3) place additional limits on the total amount of funds that may be expended for SSN-23 in fiscal years 1996, 1997, 1998, and 1999;

(4) direct the Secretary of the Navy to solicit competitive proposals and award the contract or contracts for NAS, after the second NAS, on the basis of price;

(5) direct the Secretary of the Navy to take no action that would impair the design, engineering, construction, and maintenance competencies of either Electric Boat or Newport News to construct the NAS;

(6) direct the Secretary of the Navy to report every six months to the Committee on Armed Services of the Senate and the Committee on National Security of the House the obligation and expenditure of funds for SSN-23 and the NAS;

(7) authorize $814.5 million in fiscal year 1996 for design and advance procurement of the lead and second NAS, of which $10.0 million would be available only for participation of Newport News in the NAS design, and $100.0 million would be available only for advance procurement and design of the second submarine under the NAS program;

(8) place limits on the expenditure of advance procurement funds in fiscal year 1996 for the lead NAS, unless funds are also obligated or expended for the second NAS;

(9) authorized $802.0 million in fiscal year 1997 for advance procurement of the lead and second NAS, of which $75.0 million would be available only for participation by Newport News in the design of the NAS, and $427.0 million would be available only for advance procurement and design of the second submarine under the NAS program; and

(10) authorized $455.4 million, the budget request, for research, development, test, and evaluation for the NAS program.

The conferees agree to adopt a new provision dealing with the design and procurement of future Navy attack submarines. This provision would:

(1) authorize the SSN-23 at $700.0 million;

(2) authorize $804.5 million in fiscal year 1996 for design and advance procurement of the fiscal year 1998 and fiscal year 1999 submarines (previously designated by the Navy as the NAS), of which;

(a) $704.5 million would be available only for long-lead and advance construction and procurement for the fiscal year 1998 submarine, which would be built by Electric Boat; and

(b) $100.0 million would be available only for long-lead and advance construction and procurement for the fiscal year 1999 submarine, which would be built by Newport News;

(3) authorize $10.0 million only for participation of Newport News in the design of the submarine previously designated by the Navy as the NAS;

(4) establish a special bipartisan congressional panel that would be briefed, at least annually, by the Secretary of the Navy on the status of the submarine modernization program and submarine-related research and development;

(5) direct the Secretary of Defense, not later than March 15, 1996, to accomplish the following:

(a) develop and submit a detailed plan for development of a program that will lead to production of more capable, less expensive submarines than the submarine previously designated as the NAS;

(b) ensure the plan includes a program for the design, development, and procurement of four nuclear attack submarines that would be procured during fiscal years 1998 through 2001 with each successive submarine being more capable and more affordable;

(c) structure the program so that:

(i) one of the four submarines would be constructed with funds appropriated for each fiscal year from fiscal year 1998 through fiscal year 2001;

(ii) to ensure flexibility for innovation, the fiscal year 1998 and the fiscal year 2000 submarines would be constructed by Electric Boat and the fiscal year 1999 and the fiscal year 2001 submarines would be constructed by Newport News;

(iii) the design previously designated as the NAS would be used as the base design by both contractors:

(iv) each contractor would be called on to propose improvements, including design improvements, for each successive submarine so that each of them would be more capable, more affordable, and their design would lead to a design for a future class of nuclear attack submarines that would possess the latest, best, and most affordable technology; and

(v) the fifth and subsequent nuclear attack submarines, proposed for construction after SSN-23, would be procured after a competition based on price;

(d) the Secretary of Defense's plan would also:

(i) set forth a program to accomplish the design, development, and construction of the four submarines that would take maximum advantage of a streamlined acquisition process;

(ii) culminate in selection of a design for a next submarine for serial production not earlier than fiscal year 2003 with procurement to occur after a competition based on price;

(iii) identify advanced technologies that are in various phases of research and development, as well as those that are commercially available off-the-shelf, that are candidates for incorporation into the plan to design, develop, and procure the submarines;

(iv) designate the fifth submarine procured after SSN-23 to be the lead ship in a next generation submarine class, unless the Secretary of the Navy, in consultation with the special congressional submarine review panel, determines that more submarines should be built before the design of a new class of submarines is fixed, in which case the fifth and each successive submarine would be procured after a competition based on price; and

(v) identify the impact of the submarine program on the remainder of the Navy's shipbuilding account;

(6) impose certain limits on the amounts that can be obligated and expended on the SSN-23 and the fiscal year 1998 and 1999 submarines until:

(a) the Secretary of the Navy has certified in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House that procurement of future nuclear attack submarines, except as stipulated elsewhere in this provision, would be accomplished through a competition based on price; and

(b) the Secretary of Defense, not later than March 15, 1996, has:

(i) submitted the submarine design and procurement plan that would be required by the provision;

(ii) directed the Under Secretary of Defense (Comptroller) to incorporate the costs of the submarine design and procurement plan into the future years defense program, even if the total cost of the plan's program exceeds the President's budget; and

(iii) directed that the Under Secretary of Defense for Acquisition and Technology conduct oversight of the development and improvement of the nuclear attack submarine program of the Navy and established reporting procedures to ensure that officials of the Department of the Navy, who exercise management oversight of the program, report to the Under Secretary of Defense for Acquisition and Technology with respect to that program;

(7) direct the Secretary of Defense to use streamlined acquisition policies to reduce the cost and increase the efficiency of the submarine program;

(8) direct the Secretary of Defense to submit to Congress an annual update of the submarine design and procurement plan with the submission of the President's budget, for each of fiscal years 1998 through 2002;

(9) direct that funds authorized for fiscal year 1996 by this provision may not be obligated or expended during fiscal year 1996 for the fiscal year 1998 submarine unless funds are also obligated and expended during fiscal year 1996 for the fiscal year 1999 submarine;

(10) authorize the Secretary of the Navy to enter into contracts with Electric Boat and Newport News, and suppliers of components during fiscal year 1996 for:

(a) the procurement of long-lead components for the fiscal year 1998 submarine and the fiscal year 1999 submarine; and

(b) advance construction of long-lead components and other components for such submarines;

(11) authorize that, of the amount provided in section 201(4) of this Act for ARPA, that $100.0 million would be available only for development and demonstration of advanced technologies for incorporation into the submarines constructed as part of the submarine design and procurement plan specified under this provision, to include electric drive, hydrodynamic quieting, ship control automation, solid-state power electronics, wake reduction technologies, superconductor technologies, torpedo defense technologies, advanced control concepts, fuel cell technologies, and propulsors;

(12) direct that the Director of ARPA shall implement a rapid prototype acquisition strategy for both land-based and at-sea subsystem and system demonstrations of advanced technologies in concert with Electric Boat and Newport News: and

(13) define potential competitors, for the purposes of this provision, as those that have been awarded a contract by the Secretary of the Navy for construction of nuclear attack submarines during the past 10 years.

Research for advanced submarine technology (sec. 132)

The conferees agree to adopt a new provision that would direct that, of the amount appropriated for fiscal year 1996 for the national defense sealift fund, $50.0 million would be available only for the Director of the Advance Research Projects Agency for advanced submarine technology activities.

Cost limitation for Seawolf submarine program (sec. 133)

The Senate amendment would authorize the third *Seawolf* class submarine SSN–23. Consistent with this authorization, the Senate amendment included a provision (sec. 125) that would establish a combined cost cap on all three *Seawolf* submarines (SSN–21, SSN–22 and SSN–23). This cost cap would be in addition to a cost cap that Congress imposed on the first two *Seawolf* class submarines, SSN–21 and SSN–22, in fiscal year 1995.

The House bill included a provision (sec. 132) that would repeal the cost cap on SSN–21 and SSN–22.

The conferees agree to adopt a new provision that would:

(1) establish a combined cost cap on the three *Seawolf* submarines (SSN–21, SSN–22, and SSN–23); and

(2) repeal the combined cost cap on SSN–21 and SSN–22 that was imposed by the National Defense Authorization Act for Fiscal Year 1995.

Repeal of prohibition on backfit of Trident submarines (sec. 134)

The House bill contained a provision (sec. 131) that would repeal the provision of law that prohibits the backfit of Trident II (D–5) missiles into Trident I (C–4) missile-carrying submarines.

The Senate amendment contained an identical provision (sec. 122).

The conference agreement contains this provision.

The conferees endorse an all D–5 fleet of Trident submarines. But the conferees also believe that it is premature to rule out the option of retaining all 18 Trident submarines. Although the Nuclear Posture Review recommended a force of 14 Trident submarines equipped with the D–5 missile, circumstances may require the United States to retain a higher number of such submarines or, alternatively, reduce to a lower level.

Given this uncertainty, the conferees direct the Secretary of the Navy to take several actions: (1) fully fund all activities necessary for the backfitting of Trident II missiles into at least four west coast Trident submarines on the schedule recommended in the Nuclear Posture Review; and (2) continue to fund, in the fiscal year 1997 budget and in the Future Years Defense Program, adequate operational support for Trident I missiles to ensure the option of retaining all 18 Trident submarines on full operational status, assuming backfits of the final four submarines with D–5 missiles following the completion of the first four conversions.

Arleigh Burke class destroyer program (sec. 135)

The Senate amendment contained a provision (sec. 123) that would:

(1) authorize $650.0 million as the first increment of split funding for two *Arleigh Burke* class destroyers in accordance with a split funding provision (sec. 124) that was included elsewhere in the Senate amendment; and

(2) express the sense of Congress that the Secretary of the Navy should plan for and request the final increment of funding for the two *Arleigh Burke* class destroyers in fiscal year 1997, also in accordance with the split funding provision (sec. 124) of the Senate amendment.

The House bill contained no similar provision.

The conferees adopt a new provision that would:

(1) authorize six *Arleigh Burke* class destroyers;

(2) authorize $2.17 billion, the budget request, for the construction, including advance procurement, for *Arleigh Burke* class destroyers;

(3) authorize the Secretary of the Navy to enter into contracts in fiscal year 1996 for the construction of three *Arleigh Burke* class destroyers;

(4) authorize the Secretary of the Navy to enter into contracts in fiscal year 1997 for the construction of three *Arleigh Burke* class destroyers, subject to the availability of appropriations for such destroyers;

(5) continue the contract award pattern and sequence used by the Navy for the procurement of *Arleigh Burke* class destroyers in fiscal years 1994 and 1995;

(6) limit the liability of the government for these vessels to the amounts appropriated for them; and

(7) encourage, subject to a prior notification to the congressional defense committees, the Secretary of the Navy to use shipbuilding and conversion savings, that become excess to the needs of the Navy from other programs, to fully fund *Arleigh Burke* class destroyer contracts entered into under the terms of the provision.

Acquisition program for crash attenuating seats (sec. 136)

The Senate amendment contained a provision (sec. 126) that would allow the Secretary of the Navy to establish a program to procure and install commercially developed, energy absorbing, crash attenuating seats in H-53E helicopters. The Senate provision would allow the Secretary to use up to $10.0 million for the program out of unobligated balances in the Legacy Resource Management Program.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary to establish such a program.

The conferees acknowledge the potential value of crash attenuating seats for passengers in military helicopters, and expect the Department to proceed quickly to define the technical specification and qualification for non-developmental seats. The conferees further expect the Department to ensure the acquisition program incorporates full and open competition.

T–39N trainer aircraft (sec. 137)

The budget request did not include funds to purchase the T–39N aircraft the Department of the Navy now uses to train naval flight officers. The government leases these aircraft as part of a service contract. The lessor has offered to sell these aircraft to the government, rather than continue the current leasing arrangement.

The House bill and the Senate amendment would support the budget request.

The Senate report (S. Rept 104–112) would direct the Secretary of the Navy to provide an analysis of the contractor's proposal to the Armed Services Committee of the Senate, so the proposal and the analysis could be reviewed for possible further action.

The conferees recommend $45.0 million for purchasing T–39N aircraft, subject to certain conditions. The conferees believe that the proposal deserves further review before purchasing these aircraft. The conferees expect the Department's analysis to answer, at a minimum, the following questions:

(1) What would be the status of the training program for which T–39Ns are currently leased?

(2) For what purpose would the Navy spend procurement funds in fiscal year 1996?

(3) Is funding for this project contained anywhere in the future years defense program (FYDP)? If there is funding, how much?

(4) Is there an approved requirement in the Navy for acquiring this capability? Does this requirement supplant or supplement the current mission that is being filled by the T–39N leasing program?

(5) How much funding beyond $45.0 million would be required to enable the T–39N system to meet future training requirements? If additional funds are required, how much of the additional cost is budgeted in the FYDP?

(6) What savings, in terms of both current and constant dollars, would accrue to the Navy by purchasing aircraft for this requirement on a non-competitive basis in fiscal year 1996, rather than selecting an aircraft under competitive procedures when the current lease program expires in fiscal year 1998? If savings will accrue, are they attributable to factors other than inflation? Are there savings in life cycle support costs beyond the initial acquisition costs?

(7) Would additional funding for the project now interfere with the Navy's opportunity to conduct a competitive procurement or better define the program's requirements?

(8) Are there other reasons that would prevent executing the program in fiscal year 1996?

(9) The conferees understand that the T–39N leasing contract provided for amortizing the full purchase price of the aircraft over the first five years of the lease. Since the contractor has already been reimbursed in full for purchase price, why would it be in the government's interests to pay more than a nominal amount for aircraft?

The conferees believe that the proposal to buy the aircraft could have merit; however, the conferees recommend a provision that would prohibit obligation of these acquisition funds until 60 days after the Under Secretary of Defense for Acquisition and Technology has submitted the analysis described above and has certified to the Armed Services Committee of the Senate and the National Security Committee of the House of Representatives that acquisition of the T-39N aircraft is in the best interest of the government and is the most cost effective alternative in meeting the requirements for training naval flight officers.

Pioneer unmanned aerial vehicle program (sec. 138)

The Senate amendment contained a provision (sec. 132) that would prohibit the Secretary of the Navy from spending more than one-sixth of the funds appropriated for fiscal year 1996, or any unobligated balances available from previous years, until the Secretary certifies that funds have been obligated to equip nine Pioneer Unmanned Aerial Vehicle systems with the Common Automatic Landing and Recovery System (CARLS).

The House bill contained no similar provision.

The House recedes.

Subtitle D—Air Force Programs

Repeal of limitations (secs. 141 and 142)

The budget request included $279.9 million for B-2 procurement and $623.6 million for B-2 research and development for a B-2 program consisting of twenty aircraft. The House bill contained a provision (sec. 141) that would repeal limitations on the B-2 program, and provide an increase of $553 million for B-2 procurement. The House bill would repeal:

Section 112 of the National Defense Act for Fiscal Years 1990 and 1991, which requires certification from the Secretary of Defense that the B-2 is meeting certain performance criteria.

Section 151(c) of the National Defense Authorization Act for Fiscal Year 1993, which limits B-2 procurement to 20 bombers and one test aircraft.

Section 131(c) of the National Defense Authorization Act for Fiscal Year 1994, which reaffirms the twenty one aircraft limitation.

Section 131(d) of the National Defense Authorization Act for Fiscal Year 1994, which limits the total program costs to $28,968,000,000 in Fiscal Year 1981 constant dollars.

Section 133(e) of the National Defense Authorization Act for Fiscal Year 1995, which provides that none of the $125.0 million authorized and appropriated for the Enhanced Bomber Capability Fund may be obligated for advance procurement of new B-2 aircraft (including long lead items).

The Senate amendment contained no additional funds, nor did it contain any repeal of the limitations provision.

The conferees agree to an amendment that would repeal the limitations imposed on the scope of the B-2 program, while retaining requirements for B-2 performance compliance in both the present authorization and any possible future acquisition of the aircraft.

The conferees agree to authorize the budget request for research and development and to increase the authorization for procurement by $493.0 million. The conferees further agree that the $493.0 million may not be spent until March 31, 1996.

The conferees believe that the B-2 bomber represents a major technological advance in strategic bomber capabilities. However, if a decision were made to acquire additional B-2 bombers, their high cost would result in funding reductions in the Administration's five year defense program. Therefore, the Senate conferees believe that the increased authorization of $493.0 million provided for the B-2 bomber program may be expended only for procurement of B-2 components, upgrades, and modifications that would be of value for the existing fleet of B-2 bombers.

The conferees are concerned over the cost of producing modern, highly capable, long range bombers, and therefore strongly urge the Secretary of Defense to: (1) complete the study called for in section 133(d)(3) of the National Defense Act of 1995 (Public Law 103-337) for requirements formulation and conceptual studies for a conventional-conflict-oriented, lower-cost, next generation bomber; and (2) explore options, including adoption of streamlined acquisition policies and procedures, for reducing the costs of producing long-range bombers. Accordingly, the conferees agree to repeal the requirements contained in section 133(d)(3), which states that such a study may be carried out only if the previously-produced bomber force study found bomber capabilities to be inadequate.

The conferees note that section 133(d) permitted the Secretary to obligate up to $25.0 million of the $125.0 million authorized and appropriated in fiscal year 1995 for the Enhanced Bomber Capability Fund for such a study. The conferees direct that any remaining unobligated fiscal year 1995 funds from the $125.0 million made available for B-2 bomber industrial base preservation and next-generation bomber study shall promptly be merged with the $493.0 million in additional B-2 funds authorized in this Act.

In order to compare force capabilities with relative costs, the conferees urge the Secretary of Defense to provide a summary and detailed listing of program reductions and adjustments to the fiscal year 1997 budget request and the future years' defense program (FYDP) required by the possible acquisition of additional B-2 bombers. The Secretary should use the standard cost analysis approach used in the March 1995 Air Force cost estimate for further B-2 acquisition of one and one-half and three aircraft per year.

MC-130H Aircraft Program (sec. 143)

The conference agreement includes a new provision that would amend section 161 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (P.L. 101-189) to enable obligation of funds for award fee and procurement of contractor furnished equipment.

The conferees understand that the Air Force desires to grant an award fee to the MC-130H Combat Talon II development contractor, but is prohibited from doing so by a provision of Public Law 101-189. The conferees note that the prohibitive legislative provision requires the Director of Operational Test and Evaluation (DOT&E) to certify that the MC-130H Combat Talon II terrain avoidance radar performs in accordance with requirements outlined in the test and Evaluation Master Plan (TEMP) approved by the DOT&E in September 1988. The conferees have been informed that the aircraft cannot be certified as having met TEMP criteria because a specific test criterion referred to in the TEMP has been determined to be unmeasurable.

The conferees agree to include a provision that would allow the DOT&E to certify to the congressional defense committees that the MC-130H terrain avoidance radar is operationally effective in order to release the award fee for the MC-130H. The conferees direct the DOT&E to include in his report a statement that all unmeasurable test criteria included in the September 1988 TEMP have been appropriately corrected.

Subtitle E—Chemical Demilitarization Program

Chemical agents and munitions destruction program (secs. 107, 151–153)

The budget request contained $746.7 million for operation and maintenance, research and development and procurement, for the defense chemical agents and munitions destruction program.

The House bill contained a series of provisions (secs. 106, 151–153, and 2407) that would: authorize the budget request; repeal a legislative requirement to develop a chemical demilitarization cryofracture facility; express congressional concern about the cost growth of destroying the unitary chemical stockpile and express a view that the Secretary of Defense should consider measures to reduce the overall cost; direct the Secretary of Defense to conduct a review and evaluation of issues associated with closure and reuse of the Department of Defense facilities that are co-located with the unitary chemical stockpile and demilitarization operations; and prohibit the obligation or expenditure of fiscal year 1996 funds, prior to March 1, 1996, for the construction of a chemical munitions incinerator facility at Umatilla Army Depot, Oregon.

The Senate amendment contained provisions (sec. 107 and 1099C) that would authorize $671.7 million for the chemical agents and munitions destruction program, and direct the Department of Defense to review and assess the risk associated with the transportation of any portion of the unitary chemical stockpile, such as drained chemical agents or munitions from one location to another within the continental United States, and review and evaluate issues associated with closure and reuse of the Department of Defense facilities that are co-located with the unitary chemical stockpile and demilitarization operations. The Senate report (S. Rept. 104-112) would recommend the use of unobligated fiscal years 1994 and 1995 procurement funds for procurement of equipment at Pine Bluff, Arkansas and Umatilla, Oregon.

The conferees agree to provisions that would authorize $672.3 million for the defense chemical agents and munitions program, to include: $265.0 million for procurement; $353.8 million for operations and maintenance; and $53.4 million for research and development. The provision would repeal the legislative requirement to develop a chemical demilitarization cryofracture facility.

Further, the conferees agree to provisions that would direct the Secretary of Defense to proceed with the destruction of the U.S. chemical stockpile using the current baseline technology. The conferees would also require the Secretary to ensure that support measures have been provided at each installation where a chemical agent and munitions demilitarization facility would be constructed, as required by the Department of Defense and the Department of Army regulations, the chemical demilitarization plans, and the Solid Waste Disposal Act permit. The conferees direct the Secretary to conduct an assessment of the current chemical demilitarization program and recommend measures that could reduce the total cost of the program. The provision would also direct the Secretary to review and evaluate issues associated with the closure and reutilization of Department of Defense facilities co-located with continuing chemical stockpile and chemical demilitarization operations.

The conferees agree to authorize the use of funds appropriated for the defense chemical agents and munitions destruction program to support travel and associated travel costs of Commissioners of the Citizens' Advisory Commissions, when such travel is conducted at the invitation of the Assistant Secretary of the Army for Research, Development and Acquisition. The provision would modify existing law to permit the appointment of a civilian as project manager for the chemical agent and munitions destruction program. The Department would also be required to provide a quarterly report to Congress on the use of such funds to pay for the travel and associated travel costs.

COST OF THE CHEMICAL AGENTS AND MUNITIONS DESTRUCTION PROGRAM

The conferees remain concerned about the escalating costs associated with the chemical agents and munitions destruction program. The program has grown from its original estimate of $1.7 billion in 1986 to the current estimated cost of $11.9 billion, with expectations that costs will further increase. Continued delays in proceeding with the demilitarization and destruction of the chemical stockpile have added to the overall increases in the program. The conferees believe that the program should proceed expeditiously and utilize technology that minimizes risks to the public and the environment.

The conferees are concerned that continued delays, related to site operation systemization, environmental permits, and construction of the demilitarization and destruction facilities, would increase the overall program costs and risks to the public and the environment.

Finally, as the Department reviews measures that could be implemented to reduce the growth of the program costs, the conferees expect the Secretary to consider the potential for reconfiguration of the stockpile, as described in the October 19, 1995 letter from the Assistant Secretary of the Army for Research, Development and Acquisition, and to ensure protection of the public and environment.

ALTERNATIVE TECHNOLOGIES

The Department of the Army is currently conducting research and development of chemical neutralization and biodegradation, in conjunction with neutralization, for use at the bulk-only storage sites. The conferees believe there is potential for the implementation of these processes at future demilitarization and destruction sites, which could reduce the requirement for a liquid incinerator. The conferees support the National Research Council's (NRC's) recommendation that the Army continues its current baseline incineration program until such time as the evaluation of these alternative technologies is concluded.

If the evaluation of the alternative technologies research and development program proves successful, the conferees would support inclusion of this process into the baseline process. In conducting the chemical demilitarization and destruction program and assessing measures to significantly reduce program costs, the conferees expect the Department to consider a wide range of alternatives to the current baseline incineration program, to include the use of alternative technologies.

Additionally, the conferees expect the Secretary's assessment of the current chemical demilitarization program and measures to reduce the overall cost of the program, to include a risk analysis specific to each chemical stockpile storage and demilitarization site, the results of the stockpile surveillance and stability analysis related to the physical and chemical integrity of the stockpile, and the potential reconfiguration of the chemical stockpile. In making such an assessment, the Secretary shall ensure the maximum protection of the environment, the general public, and the personnel involved in the destruction of the chemical stockpile, while minimizing total program costs. The conferees expect the assessment to yield potential revisions to the chemical agents and munitions destruction program that could reduce program costs and increase public safety.

LEGISLATIVE PROVISIONS NOT ADOPTED

Repeal of limitation on total cost for SSN–21 and SSN–22 Seawolf submarines

The budget request included $1.5 billion for construction of the third *Seawolf* class submarine, SSN–23.

The House bill would not authorize SSN–23. However, consistent with other actions taken by the House on SSN–22, the House bill contained a provision (sec. 132) that would eliminate the existing cost cap on the first two *Seawolf* class submarines.

The Senate amendment would authorize SSN–23. It did not contain a provision that would repeal the cost cap on SSN–21 and SSN–22.

The House recedes.

Competition required for selection of shipyards for construction of vessels for next generation attack submarine program

The House bill contained a provision (sec. 133) that would:

(1) require the Secretary of the Navy to select on a competitive basis the shipyard for construction of each vessel of the next generation attack submarine program; and

(2) stipulate that the next generation attack submarine program shall begin with the first submarine that is programmed to be constructed after the submarine that is programmed to be constructed in fiscal year 1998.

The Senate amendment contained a provision (sec. 121) that would address competition as an integral part of the broader issue of current and future nuclear submarine construction programs.

The House recedes.

The conferees agree to incorporate the issue of competition for future submarines into a new, more comprehensive provision dealing with future submarine development and procurement.

Sonobuoy programs

The budget request included $8.9 million for the procurement of AN/SSQ–53 sonobuoys and no funding for the procurement of AN/SSQ–110 sonobuoys.

The House bill contained a provision (sec. 134) that would:

(1) stipulate that no fiscal year 1996 funds could be used for procurement of AN/SSQ–53 sonobuoys; and

(2) authorize $8.9 million for AN/SSQ–110 sonobuoys.

While the Senate amendment contained no similar provision, it did recommend funding adjustments to these two sonobuoy programs that would accomplish the intent underlying the House provision.

The conferees agree that the funding adjustment included in the House provision should be adopted, but do not believe that a legislative provision to that effect is necessary.

The House recedes.

Split funding for construction of naval vessels and incremental funding of procurement items

The Senate amendment contained a provision (sec. 124) that would authorize the Secretary of Defense to employ split funding for construction of certain naval vessels when developing the future years defense program. The provision would permit the Secretary to provide funding for these vessels over two years, but enter into a contract based on the first increment of funding. The intent of the provision would be to provide the Secretary with more flexibility to develop a uniform and cost effective shipbuilding program.

The House bill contained a provision (sec. 1007) that would prohibit the use of incremental funding, including split funding, for:

(1) the procurement of aircraft, missiles, or naval vessels;

(2) the procurement of tracked combat vehicles;

(3) the procurement of other weapons; and

(4) the procurement of naval torpedoes and related support equipment.

The House provision would not apply to funding classified as advance procurement funding.

These provisions were not included in the conference agreement.

Tier II predator unmanned aerial vehicle program

The Senate amendment contained a provision (sec. 131) that would prohibit the obligation of funds appropriated or otherwise made available for the Department of Defense in fiscal year 1996 for the Tier II Predator Unmanned Aerial Vehicle.

The House bill contained no similar provision.

The Senate recedes.

Joint primary aircraft training system program

The budget request included $55.0 million for three joint primary aircraft training system (JPATS) aircraft. At the time of the budget submission, the Department of Defense (DOD) had not completed the JPATS competition. This amount was derived from an estimate of funding required to procure three aircraft from any of the potential competitors. After source selection, the Department determined that it could procure eight JPATS aircraft with the requested funds.

The Senate amendment contained a provision (sec. 133) that would increase the number of aircraft that the Department could procure, from three to eight, without changing the amount of the authorization.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree that the Air Force should buy up to eight aircraft with authorized funds.

Weapons industrial facilities

The budget request included $13.1 million for naval weapons industrial facilities.

The Senate amendment included a provision (sec. 391) that would authorize an increase of $2.0 million in operations and maintenance accounts for essential safety functions for the Allegany Ballistics Laboratory.

The House bill contained no similar provision.

The Senate recedes. The conferees agree to provide an increase of $30.0 million for naval weapons industrial facilities for continuation of the facility restoration program at Allegany Ballistics Laboratory.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Overview

The budget request for fiscal year 1996 contained an authorization of $34,331.9 million for Research and Development in the Department of Defense. The House bill would authorize $35,934.5 million. The Senate amendment would authorize $35,959.9 million. The conferees recommended an authorization of $35,730.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)

Account Title	Authorization Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization
TITLE II					
Research, Development, Test, and Evaluation, Army	4,444.175	4,774.947	4,845.097	293.406	4,737.581
Research, Development, Test, and Evaluation, Navy	8,204.530	8,516.509	8,624.230	270.253	8,474.783
Research, Development, Test, and Evaluation, Air Force	12,598.439	13,184.102	13,087.389	316.429	12,914.868
Research, Development, Test, and Evaluation, Defense-w	8,802.881	9,287.058	9,271.220	616.630	9,419.511
Operational Test and Evaluation, Defense	22.587	22.587	22.587	-	22.587
Developmental Test and Evaluation, Defense	259.341	239.341	239.341	(8.259)	251.082
Undistributed Reduction			(40.000)	-	-
FFRDC Reduction	-	(90.000)	(90.000)	(90.000)	(90.000)
Total Research & Development	34,331.953	35,934.544	35,959.864	1,398.459	35,730.412

Overview

The budget request for fiscal year 1996 contained an authorization of $4,444.2 million for Army, Research and Development in the Department of Defense. The House bill would authorize $4,774.9 million. The Senate amendment would authorize $4,845.1 million. The conferees recommended an authorization of $4,737.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
ACCOUNT		**RESEARCH DEVELOPMENT TEST & EVAL ARMY**					
0601101A	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	14,340	14,340	14,340		14,340
0601102A	2	DEFENSE RESEARCH SCIENCES	127,565	127,565	127,565		127,565
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	62,715	62,715	62,715	(14,936)	47,779
0602104A	4	TRACTOR ROSE	2,618	2,618	2,618		2,618
0602105A	5	MATERIALS TECHNOLOGY	10,176	14,176	14,176		10,176
0602120A	6	SENSORS AND ELECTRONIC SURVIVABILITY	21,918	27,918	21,918	6,000	27,918
0602122A	7	TRACTOR HIP	5,885	5,885	5,885		5,885
0602211A	8	AVIATION TECHNOLOGY	20,381	20,381	23,381	(1,911)	18,470
0602270A	9	EW TECHNOLOGY	15,311	15,311	15,311		15,311
0602303A	10	MISSILE TECHNOLOGY	17,985	17,985	22,985		17,985
0602307A	11	LASER WEAPONS TECHNOLOGY	-	4,000	-		-
0602308A	12	MODELING AND SIMULATION	23,770	23,770	23,770	(3,244)	20,526
0602601A	13	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	39,207	39,207	39,207		39,207
0602618A	14	BALLISTICS TECHNOLOGY	28,126	35,126	28,126	8,000	36,126
0602622A	15	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	1,891	1,891	1,891		1,891
0602623A	16	JOINT SERVICE SMALL ARMS PROGRAM	5,114	5,114	5,114		5,114
0602624A	17	WEAPONS AND MUNITIONS TECHNOLOGY	23,968	25,968	26,968		23,968
0602705A	18	ELECTRONICS AND ELECTRONIC DEVICES	17,525	20,525	17,525	2,000	19,525
0602709A	19	NIGHT VISION TECHNOLOGY	17,086	17,086	19,086		17,086
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	12,534	12,534	12,534		12,534
0602720A	21	ENVIRONMENTAL QUALITY TECHNOLOGY	21,304	21,304	24,304		21,304
0602727A	22	NON-SYSTEM TRAINING DEVICE TECHNOLOGY	-	-	-		-
0602782A	23	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	15,726	15,726	17,726	(2,148)	13,578
0602783A	24	COMPUTER AND SOFTWARE TECHNOLOGY	3,992	3,992	3,992		3,992
0602784A	25	MILITARY ENGINEERING TECHNOLOGY	35,220	35,220	35,220		35,220
0602785A	26	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	7,500	7,500	7,500		7,500
0602786A	27	LOGISTICS TECHNOLOGY	28,036	28,036	28,036		28,036
0602787A	28	MEDICAL TECHNOLOGY	56,658	61,658	56,658		56,658
0602788A	29	TRACTOR FLOP	-	-	-		-
0602789A	30	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY	2,166	2,166	2,166		2,166
0603001A	31	LOGISTICS ADVANCED TECHNOLOGY	10,569	13,669	10,569	(1,862)	8,707
0603002A	32	MEDICAL ADVANCED TECHNOLOGY	11,760	11,760	14,760	9,000	20,760
0603003A	33	AVIATION ADVANCED TECHNOLOGY	48,593	65,093	48,593	8,000	56,593
0603004A	34	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	18,518	20,518	18,518	9,000	27,518
0603005A	35	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	30,616	30,616	30,616	(2,445)	28,171
0603006A	36	COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	16,922	16,922	23,922	9,000	25,922
0603007A	37	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	4,826	4,826	4,826		4,826
0603009A	38	TRACTOR HIKE	14,588	31,588	24,588	10,000	24,588

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0603012A	39	TRACTOR HOLE	-	-	-		-
0603013A	40	TRACTOR DIRT	1,805	1,805	1,805		1,805
0603017A	41	TRACTOR RED	5,663	5,663	5,663		5,663
0603020A	42	TRACTOR ROSE	4,513	4,513	18,013		4,513
0603105A	43	ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) RESEARCH	2,946	2,946	2,946		2,946
0603122A	44	TRACTOR HIP	-	-	-		-
0603238A	45	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHNOLOGY DEMONSTRATION	39,824	43,824	39,824	(1,500)	38,324
0603270A	46	EW TECHNOLOGY	4,022	4,022	4,022		4,022
0603313A	47	MISSILE AND ROCKET ADVANCED TECHNOLOGY	123,913	111,813	135,913	(5,000)	118,913
0603322A	48	TRACTOR CAGE	8,530	8,530	8,530		8,530
0603606A	49	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	18,820	28,820	18,820	6,000	24,820
0603607A	50	JOINT SERVICE SMALL ARMS PROGRAM	4,487	6,487	7,487		4,487
0603654A	51	LINE-OF-SIGHT, ANTITANK (LOSAT)	14,727	14,727	14,727		14,727
0603710A	52	NIGHT VISION ADVANCED TECHNOLOGY	37,969	42,969	37,969	(4,166)	33,803
0603734A	53	MILITARY ENGINEERING ADVANCED TECHNOLOGY	12,380	12,380	18,380		12,380
0603759A	54	CHEMICAL BIOLOGICAL DEFENSE AND SMOKE ADVANCED TECHNOLOGY	-	-	-		-
0603771A	55	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	17,776	-	17,776	(17,776)	-
0603772A	56	ADVANCED TACTICAL COMPUTER SCIENCE AND TECHNOLOGY	33,989	33,989	33,989	(5,037)	28,952
0603018A	57	TRACTOR TREAD	14,930	14,930	14,930		14,930
0603019A	58	TRACTOR DUMP	15,025	15,025	15,025	(15,025)	-
0603308A	59	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	2,985	2,985	2,985	21,000	23,985
0603604A	60	NUCLEAR MUNITIONS - ADV DEV	-	-	-		-
0603617A	61	NON-LINE OF SIGHT (N-LOS)	-	-	-		-
0603619A	62	LANDMINE WARFARE AND BARRIER - ADV DEV	32,839	32,839	32,839		32,839
0603627A	63	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	3,248	3,248	3,248		3,248
0603639A	64	ARMAMENT ENHANCEMENT INITIATIVE	61,491	61,491	61,491		61,491
0603640A	65	ARTILLERY PROPELLANT DEVELOPMENT	10,946	30,546	21,646	11,000	21,946
0603645A	66	ARMORED SYSTEM MODERNIZATION - ADV DEV	201,513	201,513	201,513	(10,000)	191,513
0603647A	67	TRACTOR DIRT	-	-	-		-
0603649A	68	ENGINEER MOBILITY EQUIPMENT ADVANCED DEVELOPMENT	5,615	10,115	10,115	4,500	10,115
0603653A	69	ADVANCED TANK ARMAMENT SYSTEM (ATAS)	9,955	9,955	9,955		9,955
0603713A	70	ARMY DATA DISTRIBUTION SYSTEM	6,694	6,694	6,694		6,694
0603730A	71	TACTICAL SURVEILLANCE SYSTEM - ADV DEV	-	-	-		-
0603745A	72	TACTICAL ELECTRONIC SUPPORT SYSTEMS - ADV DEV	2,937	5,937	2,937	3,000	5,937
0603746A	73	SINGLE CHANNEL GROUND AND AIRBORNE RADIO SYSTEM (SINCGARS)	-	3,000	-		-
0603747A	74	SOLDIER SUPPORT AND SURVIVABILITY	33,848	33,848	33,848	(25,935)	7,913
0603760A	75	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ADVANCED DEVELOPMENT	-	-	-		-
0603766A	76	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV	28,369	28,369	28,369		28,369
0603774A	77	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	2,960	2,960	2,960		2,960

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0603801A	78	AVIATION - ADV DEV	8,430	14,430	8,430	6,000	14,430
0603802A	79	WEAPONS AND MUNITIONS - ADV DEV	-	-	5,000	1,000	1,000
0603804A	80	LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	7,427	7,427	7,427		7,427
0603805A	81	COMBAT SERVICE SUPPORT COMPUTER SYSTEM EVALUATION AND ANALYSIS	13,969	13,969	13,969		13,969
0603806A	82	NBC DEFENSE SYSTEM-ADV DEV	-	-	-		-
0603807A	83	MEDICAL SYSTEMS - ADV DEV	10,576	10,576	10,576		10,576
0603851A	84	TRACTOR CAGE (DEM/VAL)	3,411	3,411	3,411		3,411
0603889A	85	COUNTERDRUG RDT&E PROJECTS	-	-	-		-
0604018A	87	TRACTOR TREAD	-	-	-		-
0604201A	88	AIRCRAFT AVIONICS	22,044	33,044	33,044		22,044
0604220A	89	ARMED, DEPLOYABLE OH-58D	726	726	726		726
0604223A	90	COMANCHE	199,103	299,103	373,103	100,000	299,103
0604270A	91	EW DEVELOPMENT	65,222	65,222	65,222		65,222
0604315A	92	TRI-SERVICE STANDOFF ATTACK MISSILE	-	-	-		-
0604321A	93	ALL SOURCE ANALYSIS SYSTEM	52,698	52,698	52,698		52,698
0604325A	94	ADVANCED MISSILE SYSTEM-HEAVY	995	-	995		995
0604328A	95	TRACTOR CAGE	-	-	-		-
0604604A	96	MEDIUM TACTICAL VEHICLES	-	-	10,000	1,500	1,500
0604609A	97	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	2,000	2,000	2,000		2,000
0604611A	98	JAVELIN	-	2,000	-	1,000	1,000
0604619A	99	LANDMINE WARFARE	31,028	31,028	31,028		31,028
0604622A	100	HEAVY TACTICAL VEHICLES	-	2,745	1,900	2,745	2,745
0604633A	101	AIR TRAFFIC CONTROL	1,813	1,813	1,813		1,813
0604640A	102	ADVANCED COMMAND AND CONTROL VEHICLE (AC2V)	18,238	18,238	18,238		18,238
0604641A	103	TACTICAL UNMANNED GROUND VEHICLE (TUGV)	-	-	-		-
0604642A	104	LIGHT TACTICAL WHEELED VEHICLES	2,187	2,187	7,187	2,000	4,187
0604645A	105	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	38,465	43,825	43,825	1,600	40,065
0604649A	106	ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	21,831	35,984	35,984	2,600	24,431
0604710A	107	NIGHT VISION SYSTEMS - ENG DEV	39,697	39,697	39,697		39,697
0604713A	108	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	17,959	17,959	17,959		17,959
0604715A	109	NON-SYSTEM TRAINING DEVICES - ENG DEV	55,303	55,303	55,303	(3,000)	52,303
0604716A	110	TERRAIN INFORMATION - ENG DEV	9,011	9,011	9,011		9,011
0604726A	111	INTEGRATED METEOROLOGICAL SUPPORT SYSTEM	-	-	-		-
0604740A	112	TACTICAL SURVEILLANCE SYSTEM - ENG DEV	-	3,100	3,000	3,000	3,000
0604741A	113	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DEV	22,030	32,030	32,030	(1,200)	20,830
0604746A	114	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	5,437	15,437	5,437	10,000	15,437
0604760A	115	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINEERING DEVELOPMENT	-	-	-		-
0604766A	116	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ENG DEV	24,699	24,699	24,699		24,699
0604768A	117	TRACTOR BAT	193,303	200,303	200,303	7,000	200,303

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0604770A	118	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	18,771	18,771	18,771	9,500	28,271
0604778A	119	POSITIONING SYSTEMS DEVELOPMENT	460	460	460		460
0604780A	120	COMBINED ARMS TACTICAL TRAINER (CATT)	59,475	59,475	59,475		59,475
0604801A	121	AVIATION - ENG DEV	5,142	5,142	5,142		5,142
0604802A	122	WEAPONS AND MUNITIONS - ENG DEV	15,928	20,228	16,428	2,100	18,028
0604804A	123	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	20,756	22,756	20,756		20,756
0604805A	124	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	13,432	13,432	13,432		13,432
0604806A	125	NBC DEFENSE SYSTEM-ENG DEV	-	-	-		-
0604807A	126	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV	4,738	4,738	4,738		4,738
0604808A	127	LANDMINE WARFARE/BARRIER - ENG DEV	7,382	7,382	7,382		7,382
0604814A	128	SENSE AND DESTROY ARMAMENT MISSILE - ENG DEV	16,617	16,617	16,617		16,617
0604816A	129	LONGBOW - ENG DEV	23,590	23,590	23,590		23,590
0604817A	130	NON-COOPERATIVE TARGET RECOGNITION - ENG DEV	30,466	30,466	30,466	(8,000)	22,466
0604818A	131	ARMY TACTICAL COMMAND & CONTROL SYSTEMS (ATCCS) ENG DEV	18,769	18,769	18,769		18,769
0604820A	132	RADAR DEVELOPMENT	-	-	-		-
0604256A	133	THREAT SIMULATOR DEVELOPMENT	14,397	14,397	14,397		14,397
0604258A	134	TARGET SYSTEMS DEVELOPMENT	14,292	14,292	14,292		14,292
0604759A	135	MAJOR T&E INVESTMENT	66,874	66,874	56,874		66,874
0605103A	136	RAND ARROYO CENTER	21,872	21,872	16,872	(3,000)	18,872
0605104A	137	LOS ALAMOS MESON PHYSICS FACILITY	-	-	-		-
0605301A	138	ARMY KWAJALEIN ATOLL	149,769	149,769	149,769		149,769
0605502A	139	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605601A	140	ARMY TEST RANGES AND FACILITIES	147,330	147,330	147,330		147,330
0605602A	141	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	27,600	27,600	27,600		27,600
0605604A	142	SURVIVABILITY/LETHALITY ANALYSIS	34,535	34,535	34,535		34,535
0605605A	143	DOD HIGH ENERGY LASER TEST FACILITY	3,000	3,000	34,800	32,000	35,000
0605606A	144	AIRCRAFT CERTIFICATION	2,976	2,976	2,976		2,976
0605702A	145	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	6,660	6,660	6,660		6,660
0605706A	146	MATERIEL SYSTEMS ANALYSIS	17,864	17,864	17,864		17,864
0605709A	147	EXPLOITATION OF FOREIGN ITEMS	8,869	8,869	8,869		8,869
0605710A	148	JOINT NUCLEAR BIOLOGICAL CHEMICAL TEST, ASSESSMENT & SURVIVABILITY	-	-	-		-
0605712A	149	SUPPORT OF OPERATIONAL TESTING	46,491	47,991	46,491		46,491
0605801A	150	PROGRAMWIDE ACTIVITIES	63,649	63,649	63,649		63,649
0605802A	151	INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT	1,606	1,606	1,606		1,606
0605803A	152	TECHNICAL INFORMATION ACTIVITIES	16,401	16,401	16,401	(2,564)	13,837
0605805A	153	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	6,903	6,903	6,903		6,903
0605810A	154	RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	-	-	-		-
0605853A	155	ENVIRONMENTAL CONSERVATION	2,533	2,533	2,533		2,533
0605854A	156	POLLUTION PREVENTION	13,005	13,005	13,005		13,005

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0605856A	157	ENVIRONMENTAL COMPLIANCE	66,101	66,101	66,101		66,101
0605876A	158	MINOR CONSTRUCTION (RPM) - RDT&E	5,497	5,497	5,497		5,497
0605878A	159	MAINTENANCE AND REPAIR (RPM) - RDT&E	95,696	95,696	95,696		95,696
0605896A	160	BASE OPERATIONS - RDT&E	329,978	329,978	309,978	(10,500)	319,478
0605898A	161	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	8,766	8,766	8,766		8,766
0909999A	162	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	-	-	-		-
0603778A	163	MLRS PRODUCT IMPROVEMENT PROGRAM	68,786	72,486	72,486	3,700	72,486
0203726A	164	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	39,422	45,622	45,622	(3,000)	36,422
0203735A	165	COMBAT VEHICLE IMPROVEMENT PROGRAMS	197,669	198,978	198,978	17,334	215,003
0203740A	166	MANEUVER CONTROL SYSTEM	38,327	51,327	38,327	13,000	51,327
0203744A	167	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	2,326	2,326	2,326		2,326
0203752A	168	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	3,012	3,012	3,012		3,012
0203758A	169	DIGITIZATION	88,567	88,567	88,567	1,500	90,067
0203801A	170	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	17,069	26,869	61,869	44,800	61,869
0203802A	171	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	57,949	57,949	57,949	10,000	67,949
0203806A	172	TRACTOR RIG	3,215	3,215	3,215		3,215
0203808A	173	TRACTOR CARD	10,156	10,156	10,156		10,156
0208010A	174	JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	13,368	13,368	20,568		13,368
0301359A	175	SPECIAL ARMY PROGRAM	8,690	11,690	8,690		8,690
0303140A	176	INFORMATION SYSTEMS SECURITY PROGRAM	3,644	3,644	3,644		3,644
0303142A	177	SATCOM GROUND ENVIRONMENT	56,355	56,355	58,655		56,355
0303152A	178	WORLD-WIDE MILITARY COMMAND AND CONTROL SYSTEMS, INFORMATION SYSTEM	-	-	-		-
0305127A	179	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	-	-	-		-
0305150A	180	AIR RECONNAISSANCE LOW	-	-	-		-
0708045A	181	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	-	27,776	-	26,776	26,776
		Depressed Altitude Guided Gun Round System			5,000		
		Undistributed Reduction			(5,000)		
		TASK FORCE XXI					
		TASK FORCE XXI - Soldier				30,000	30,000
XXXXXXXXXX	999	Classified Programs	-	-	-		-
		Total Army RDT&E	4,444,175	4,774,947	4,845,097	293,406	4,737,581

Passive millimeter wave camera

The budget request did not include funds for the passive millimeter wave camera.

The House bill would add $6.0 million in PE 62120A for continuation of the program.

The Senate amendment contained no similar provision.

The Senate recedes.

Tractor rose

The budget request included $4.5 million for Tractor Rose.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $13.5 million.

The conferees are aware of recent progress in the activities related to this program. As a consequence, the conferees recommend authorization of this project at the level of funds appropriated in fiscal year 1996. In addition, the conferees urge the Department of the Army to consider reprogramming funds below threshold to capitalize on the potential of this technology.

Electric gun technology

The budget request included $9.0 million for the electric gun exploratory development program.

The House bill would authorize an additional $6.0 million in PE 62618A to complete research team data gathering and assessment in order to refocus the effort on the most promising technologies.

The conferees agree to authorize an additional $7.0 million for electric gun technology and an additional $1.0 million for the electrothermal chemical gun.

Objective individual combat weapon (OICW)

The budget request included $5.1 million in PE 62623A and $4.5 million in PE 63607A for continuation of the joint service small arms program.

The House bill would authorize an additional $2.0 million in PE 63607A for an advanced technology demonstration of lightweight, medium caliber, multi-shot, antiarmor weapon technology for application to a next-generation objective individual combat weapon system (OICW) for the Army and the Marines. The House report (H. Rept. 104–131) expressed the concern that funds requested for the OICW in fiscal year 1996 are insufficient to adequately conduct this advanced technology program. The House report also encouraged the Secretary of the Army to examine the current development strategy for the OICW to support the joint small arms master plan (JSAMP) and to request reprogramming of funds to carry out the plan.

The Senate amendment would authorize the requested amount.

The House recedes. The conferees strongly support the development of advanced technology for advanced individual weapons systems, as outlined in the JSAMP, and share the concerns expressed in the House report regarding adequacy of funding for development of the OICW. The conferees encourage the Secretary of the Army to request reprogramming of additional funds to compensate for any fiscal year 1996 funding shortfalls in the OICW program. The conferees also encourage the Secretary to include additional funds in the fiscal year 1997 budget request for OICW.

Advanced battery technology

The budget request did not include funding for advanced batteries.

The House bill would authorize $3.0 million in PE 62705A for non-metallic lithium and low-cost reusable alkaline batteries.

The Senate amendment contained no similar provision.

The conferees agree to the House authorization, but agree to provide only $2.0 million in PE 62705A.

Environmental policy simulation laboratory

The conferees agree that $3.0 million of the funds appropriated in PE 62720A shall be authorized for the establishment of an environmental policy simulation lab under the direction of the Army Environmental Policy Institute. The conferees further direct the Department of Defense to comply with the direction contained in the Senate report (S. Rept. 104–112) regarding the establishment of this lab.

Command, control, and communications technology

The budget request included $15.7 million in PE 62782A for the exploratory development of command, control, and communications technology.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $2.0 million in PE 62782A as part of a general increase to address underfunding in the Army technology base.

The Senate recedes.

The conferees agree that the Army technology base has been underfunded in recent years. The conferees urge the Army leadership and the Office of the Secretary of Defense provide for balanced funding of the Army technology base program, as related to other Defense program accounts in the fiscal year 1997 budget request.

Medical advanced technology

The budget request included $11.8 million for medical advanced technology.

The House bill would include an additional $5.0 million for continuation of the battlefield tissue replacement program.

The Senate amendment would include an additional $3.0 million for telemedicine.

The conferees agree to authorize an additional $8.0 million for both of these programs and an additional $1.0 million for Army standardized testing of Trichloromelamine (TCM) in PE 63002A.

Aviation advanced technology

The budget request included $48.6 million for aviation advanced technology.

The House bill provided an additional authorization of $6.5 million for evaluation of the Starstreak missile and $10.0 million for tactical mobility technologies and designs, particularly related to the CH–47.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an additional $4.0 million in PE 63003A for the completion of the phase II air-to-air test and evaluation for Starstreak during fiscal year 1996 and $4.0 for modernization technologies and improvement designs for the CH–47D.

The Army is encouraged to provide sufficient funding in its fiscal year 1997 budget request for completion of the air-to-air Starstreak evaluation program and continuation of the CH–47D modernization program.

Weapons and munitions-advanced technology

The budget request included $18.8 million for weapons and munitions advanced technology.

The House bill would authorize an additional $2.0 million for the XM 982/155mm projectile development.

The Senate amendment would authorize the request.

The conferees agree to authorize $2.0 million for the XM 982/155mm projectile development, an additional $6.0 million for the precision guided mortar munition, and an additional $1.0 million for electrorheological fluid recoil in PE 63004A.

Command, control, and communications-advanced technology

The budget request included $16.9 million in PE 63006A for advanced development of command, control, and communications technology.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $3.0 million to partially address funding shortfalls in the Army technology base for fiscal year 1996. The Senate amendment would also authorize an increase of $4.0 million in PE 63006A to develop and test wave net technology for possible application to the Army's digitization initiatives.

The conferees agree to authorize the additional $4.0 million to PE 63006A for development and testing of wave net technology.

Space applications technology program

The budget request included $16.9 million in PE 63006A for command, control, and communications advanced technology, including $498,000 for the Army's space applications technology program.

Both the House bill and the Senate amendment would authorize the budget request for the Army's space applications technology program.

The conferees agree to an additional $5.0 million in PE 63006A for the space applications technology program. The conferees are aware of the program's success in demonstrating global positioning system and Wrasse weather data receivers during Operation Desert Storm/Desert Shield and other space technology applications, such as, the location of high value targets using hyperspectral sensing techniques, high data rate satellite communications on the move, and down link weather satellite technology. The conferees encourage the Army to continue support to the program in future budget requests.

Acquired immune deficiency syndrome

The budget request included $2.9 million in PE 63105A.

Both the House bill and the Senate amendment authorized the requested amount.

The conferees agree to authorize the requested amount and concur with the Senate report (S. Rept. 104–112) that directed at least $1.0 million of the authorized amount be used to continue domestic clinical HIV programs.

Joint precision strike demonstration programs

The budget request included $34.1 million in PE 63238A for the joint air-land-sea precision strike demonstration (JPSD) program.

The House bill would direct that the JPSD program be expanded into a jointly manned program, with participation by all military services, and would recommend an increase of $4.0 million for this purpose.

The Senate amendment would authorize the requested amount.

The House recedes. The conferees agree with the views expressed in the House report (H. Rept. 104–131) on the progress made by the Army in demonstrating advanced concepts for attack of time-critical targets. The conferees also agree with the House report recommendations for increased participation by the other military services in the JPSD. Attack of time-critical targets on the battlefield is a joint issue which requires the coordinated efforts of all the military services.

Missile and rocket advanced technology

The budget request included $123.9 million in PE 63313A for missile and rocket advanced technology.

The House bill would reduce the requested amount by $12.1 million by making the following adjustments: adding $2.5 million for low cost autonomous attack submunition (LOCAAS) and $5.0 million for low-cost guidance development for the multiple launch rocket system (MLRS); and reducing the amount requested for the rapid force projection initiative by $19.6 million.

The Senate amendment would increase the requested amount by $12.0 million, with $5.0 million for LOCAAS and $7.0 million for low-cost guidance for MLRS.

The conferees agree to authorize a total of $118.9 million in PE 63313A. The conferees agree to reduce the requested amount by $7.5 million for the Enhanced-Fiber Optic Guided (E–FOG) missile system, as a result of concerns expressed in the House report (H. Rept. 104–131), and to add $2.5 million for LOCAAS within PE 63313A. The conferees would also increase the requested amount by $2.5 million for LOCAAS in PE 63601F for the Air Force. The conferees continue to support low-cost guidance for the MLRS and urge the Army to reprogram funds for this program in fiscal year 1996 and to request adequate funds in the fiscal year 1997 budget request.

Landmine warfare and barrier advanced technology

The budget request included $18.8 million for landmine warfare, and barrier advanced technology.

The House bill would authorize an additional $10.0 million for continuation of the landmine neutralization program.

The Senate amendment would approve the budget request.

The conferees agree to authorize an increase of $6.0 million for PE 63606A. Of this increase, $3.0 million will be used for landmine detection and clearance technology development, and $3.0 million will be used for the accelerated development and testing of the Ground Penetrating Radar.

Intelligence fusion analysis demonstration

The budget request included $2.9 million in PE 63745A for the Intelligence Fusion Analysis Demonstration program.

The House bill would authorize an additional $3.0 million for development and evaluation in Army Warfighter Experiments and the joint precision strike demonstration program of advanced large screen, automated graphical displays that would provide enhanced situational awareness for tactical commanders.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Aviation advanced development

The budget request contained $8.4 million for aviation advanced development.

The House bill would authorize an additional $6.0 million for the common helicopter helmet development in PE 63801A.

The Senate amendment would authorize the budget request.

The Senate recedes.

Comanche helicopter (RAH–66)

The budget request included $199.1 million to continue development of the Comanche scout/attack helicopter.

The House bill would authorize an increase of $100.0 million for Comanche research and development.

The Senate amendment would authorize an increase of $174.0 million and require the Department of Defense and the Department of the Army to develop a plan to provide for procurement of Comanche helicopters, not later than fiscal year 2001, with initial operating capability by fiscal year 2003.

The Senate recedes.

The conferees agree to authorize an increase of $100.0 million to accelerate development of the electro-optical system and integrated communication navigation package, and mission equipment software development for the second aircraft.

Medium truck extended service program

The House bill would authorize an additional $9.4 million for the Marine Corps medium truck variant.

The Senate amendment would add $10.0 million to PE 64604A for initiation of a five-ton truck extended service program (ESP), and $9.4 million to PE 26624M for additional medium truck variants and development of simulation models and testing.

The conferees agree to provide $1.5 million in PE 64604A for the Army's five-ton ESP and $3.5 million for the Marine Corps in PE 26624M for initiation of a medium tactical vehicle replacement (MTVR).

The conferees agree with the section of the Senate Report (S. Rept. 104–112) that deals with the medium tactical truck extended service program, including the requirements for a report from the Secretary of the Army on the medium truck ESP.

As the manager of tactical vehicles for the Department of Defense, the conferees expect the Army to manage the Army five-ton truck ESP and the Marine Corps MTVR program and ensure that Air Force and Navy requirements are included in executing the Army ESP. The conferees expect the Army to take maximum advantage of medium truck ESP currently underway, to minimize additional procurements to avoid industrial overcapacity, and to give consideration to reliable manufacturers that have demonstrated capabilities to produce military trucks.

Heavy tactical vehicles

The House bill would provide an increase of $2.75 million in PE 64622A, $1.9 million for water heater/chiller development for the Army's water tank semitrailer, and $.85 million for a palletized loading system technology demonstration.

The Senate amendment would provide an increase of $1.9 million in PE 64622A for water heater/chiller development for the Army's water tank semitrailer.

The Senate recedes.

High mobility multipurpose wheeled vehicle extended service program

The Senate amendment would include an increase of $5.0 million in PE 64642A to initiate an extended service program (ESP) for the high mobility multipurpose wheeled vehicle (HMMWV).

The conferees recognize that the HMMWV fleet is reaching age and mileage levels leading to increased maintenance and operating costs and lower reliability. The conferees agree to provide an increase of $2.0 million for initiation and prototype development for HMMWV ESP.

The conferees direct the Secretary of the Army to submit, with the fiscal year 1997 budget request, a report to the congressional defense committees that describes a program to develop and test prototypes, and to initiate a joint program to remanufacture HMMWV's for the Army and the Marine Corps, harmonizing their requirements for ESP. The conferees further direct the Secretary of the Army and the Secretary of the Navy to ensure this program is fully funded in future budgets.

Automated test equipment development

The budget request included $5.4 million for automated test equipment development.

The House bill would authorize an additional $10.0 million in PE 64746A for the integrated family of test equipment.

The Senate amendment contained no similar provision.

The Senate recedes.

Joint surveillance target attack radar system

The budget request included $18.8 million for the Army and $169.7 million for the Air Force for the Joint Surveillance Target Attack Radar System (JSTARS).

The House bill would authorize an increase in the Air Force requested amount, $14.0 million to establish a NATO program office and $20.0 million for development of an improved data modem and satellite communications capability.

The Senate amendment would authorize no additional funding for these programs.

The conferees agree to authorize an additional $9.5 million in PE 64770A for the Army Ground Station Module, in support of the NATO Alliance Ground Surveillance program, and an additional $24.5 million in PE 64770F, with $4.5 million for the Air Force portion of the JSTARS NATO Alliance Ground Surveillance program and $20.0 million for development of an improved data modem and satellite communications capability.

Weapons and munitions-engineering development

The budget request included $15.9 million for weapons and munitions-engineering development.

The House bill would authorize an additional $2.7 million for type classification of a soft mount for the MK–19 and $1.6 million for the 120mm practice cartridge XM–931 training round.

The Senate amendment would authorize $0.5 million for type classification of a non-developmental universal mounting bracket for the MK–19 grenade machine gun.

The conferees agree to authorize $0.5 million for the type classification of the MK–19 mounting bracket and $1.6 million for the 120mm practice cartridge in PE 64802A.

Battlefield combat identification system (BCIS)

The conferees are disappointed with the fiscal constraints that precluded full funding of the administration's $30.5 million request for non-cooperative target recognition (PE 64817A), particularly in relation to the battlefield combat identification system (BCIS). Fratricide on the battlefield is of great concern to our fighting forces, and BCIS is expected to significantly enhance the Army's ability to deal with this critical issue. The system has performed extremely well in Army testing to date, and the program enjoys widespread support, both within the military services and the warfighting Commanders-in-Chief. The conferees encourage the Secretary of the Army to aggressively pursue the program, and would entertain a reprogramming request to fund additional BCIS units or accelerated BCIS development.

Joint warfighter interoperability demonstration

The budget request included $46.5 million in PE 65712A for support of Army operational testing.

The House bill would recommend an additional $1.5 million for support of a joint warfighter interoperability demonstration, one of the key fiscal year 1996 funding shortfalls identified during evaluation of the Department of the Army budget request.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an additional $1.5 million in PE 23758A for support of the joint warfighting interoperability demonstration, as recommended in the House bill.

Missile/air defense product improvement

The budget request included $17.1 million for the missile/air defense product improvement program element.

The House bill would authorize an increase of $9.8 million for the evaluation of Stinger block II.

The Senate amendment would also authorize $9.8 million for Stinger, and an additional $35.0 million for Patriot cruise missile defense.

The conferees agree to authorize $61.9 million in PE 23801A, an increase of $44.8 million for both programs.

Instrumented factory for gear development

The budget request did not include funding for the continuation of the instrumented factory gear (INFAC).

The House bill would authorize an additional $5.0 million for INFAC in PE 78045A.

The Senate amendment contained no similar provision.

The Senate recedes.

Polycrylonitrile carbon fibers

The budget request did not include funding for polycrylonitrile (PAN) fiber development.

The House bill would authorize an additional $4.0 million for PAN fibers in the Army MANTECH program.

The Senate amendment would authorize an additional $4.0 million for PAN fibers in the Army materials technology program.

The conferees agree to authorize an additional $4.0 million for this PAN fibers program in PE 78045A.

Rotary winged aircraft repair

The budget request included no funding for manufacturing technology related to rotary winged aircraft repair.

The House bill would fence $1.5 million of the Army MANTECH program for technologies related to industrial-academic partnerships for repair technology development and insertion for rotary winged aircraft.

The Senate amendment contained no similar provision.

The conferees agree to authorize $1.5 million for the program in PE 78045A.

Task force XXI soldier

The conferees agree to authorize $30.0 million for a program that consolidates the Army's Land warrior and Generation II (GEN II) soldier programs. The conferees agree to the following adjustment for the purpose of program consolidation:

	Millions
PE 63001A—Logistics Advanced Technology	−$4.9
PE 63710A—Night Vision Advanced Technology	−4.2
PE 63772A—Advanced Tactical Computer Science and Technology	−5.0
PE 63747A—Soldier Support and Survivability	−25.9
Task Force XXI Soldier	+30.0

The conferees believe that the Army must examine and consider a full range of alternatives, including expansion of the dismounted soldier system of the applique program, execution of the Land Warrior program, and acceleration of the GEN II advanced technology demonstrator, to the extent that they support the new consolidated program.

Overview

The budget request for fiscal year 1996 contained an authorization of $8,204.5 million for Navy Research and Development in the Department of Defense. The House bill would authorize $8,516.5 million. The Senate amendment would authorize $8,624.2 million. The conferees recommended an authorization of $8,474.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
ACCOUNT		**RESEARCH DEVELOPMENT TEST & EVAL NAVY**					
0601152N	1	IN-HOUSE INDEPENDENT LABORATORY RESEARCH	16,084	16,084	16,084		16,084
0601153N	2	DEFENSE RESEARCH SCIENCES	385,917	391,917	373,917	(12,000)	373,917
0602111N	3	SURFACE/AEROSPACE SURVEILLANCE AND WEAPONS TECHNOLOGY	32,658	36,658	42,058	2,000	34,658
0602121N	4	SURFACE SHIP TECHNOLOGY	36,786	52,786	42,786	31,000	67,786
0602122N	5	AIRCRAFT TECHNOLOGY	22,238	24,738	22,238	2,500	24,738
0602131M	6	MARINE CORPS LANDING FORCE TECHNOLOGY	17,623	18,623	17,623		17,623
0602232N	7	COMMAND, CONTROL, AND COMMUNICATIONS TECHNOLOGY	60,090	64,090	60,090		60,090
0602233N	8	READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECHNOLOGY	40,511	43,211	40,511		40,511
0602234N	9	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	74,849	77,849	74,849	3,000	77,849
0602270N	10	ELECTRONIC WARFARE TECHNOLOGY	18,341	18,341	18,341		18,341
0602314N	11	UNDERSEA SURVEILLANCE WEAPON TECHNOLOGY	51,182	51,682	55,982	5,300	56,482
0602315N	12	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	43,384	43,384	43,384		43,384
0602435N	13	OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY	45,526	50,526	45,526	2,500	48,026
0602633N	14	UNDERSEA WARFARE WEAPONRY TECHNOLOGY (H)	35,582	35,582	35,582		35,582
0603217N	15	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	17,082	52,082	26,082	54,000	71,082
0603238N	16	PRECISION STRIKE AND AIR DEFENSE	64,502	64,502	124,502		64,502
0603270N	17	ADVANCED ELECTRONIC WARFARE TECHNOLOGY	14,532	14,532	14,532		14,532
0603508N	18	SHIP PROPULSION SYSTEM	43,544	17,986	17,986	(25,558)	17,986
0603528N	18a	NON-ACOUSTIC ANTI-SUBMARINE WARFARE		23,200		10,000	10,000
0603640M	19	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	25,896	25,896	25,896		25,896
0603706N	20	MEDICAL DEVELOPMENT	27,754	27,754	27,754	3,000	30,754
0603707N	21	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV	17,797	19,297	17,797		17,797
0603712N	22	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	21,504	33,504	21,504		21,504
0603747N	23	UNDERSEA WARFARE ADVANCED TECHNOLOGY	51,816	51,816	51,816	(3,323)	48,493
0603771N	24	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	41,251	-	41,251	(41,251)	-
0603782N	25	SHALLOW WATER MCM DEMOS	50,958	50,958	50,958	(10,000)	40,958
0603792N	26	ADVANCED TECHNOLOGY TRANSITION	96,825	99,825	96,825	(15,825)	81,000
0603794N	27	C3 ADVANCED TECHNOLOGY	26,794	26,794	26,794		26,794
0603207N	28	AIR/OCEAN TACTICAL APPLICATIONS	16,621	16,621	16,621		16,621
0603208N	29	TRAINING SYSTEM AIRCRAFT	3,069	3,069	3,069		3,069
0603216N	30	AVIATION SURVIVABILITY	7,477	14,877	7,477	7,400	14,877
0603254N	31	ASW SYSTEMS DEVELOPMENT	30,202	30,202	30,202		30,202
0603261N	32	TACTICAL AIRBORNE RECONNAISSANCE	18,924	18,924	18,924		18,924
0603382N	33	ADVANCED COMBAT SYSTEMS TECHNOLOGY	2,803	2,803	2,803		2,803
0603451N	34	TACTICAL SPACE OPERATIONS	1,383	1,383	1,383		1,383
0603502N	35	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	54,527	56,177	62,027	1,650	56,177
0603504N	36	ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT	21,281	28,181	21,281	6,900	28,181
0603506N	37	SURFACE SHIP TORPEDO DEFENSE	10,049	10,049	10,049		10,049

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0603512N	38	CARRIER SYSTEMS DEVELOPMENT	16,164	16,164	16,164	(3,400)	12,764
0603513N	39	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	16,804	16,804	16,804		16,804
0603514N	40	SHIP COMBAT SURVIVABILITY	11,649	11,649	11,649		11,649
0603525N	41	PILOT FISH	78,960	78,960	78,960		78,960
0603536N	42	RETRACT JUNIPER	10,002	10,002	10,002		10,002
0603542N	43	RADIOLOGICAL CONTROL	3,202	3,202	3,202		3,202
0603553N	44	SURFACE ASW	6,655	6,655	6,655		6,655
0603561N	45	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	35,748	48,848	35,748	20,000	55,748
0603562N	46	SUBMARINE TACTICAL WARFARE SYSTEMS	5,070	5,070	5,070		5,070
0603563N	47	SHIP CONCEPT ADVANCED DESIGN	16,736	16,736	16,736		16,736
0603564N	48	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	9,708	9,708	9,708		9,708
0603570N	49	ADVANCED NUCLEAR POWER SYSTEMS	141,835	141,835	141,835		141,835
0603573N	50	ADVANCED SURFACE MACHINERY SYSTEMS	39,156	86,214	64,714	43,708	82,864
0603576N	51	CHALK EAGLE	114,175	114,175	114,175		114,175
0603582N	52	COMBAT SYSTEM INTEGRATION	5,414	5,414	5,414		5,414
0603609N	53	CONVENTIONAL MUNITIONS	31,537	31,537	31,537		31,537
0603610N	54	ADVANCED WARHEAD DEVELOPMENT (MK-50)	2,993	2,993	2,993		2,993
0603611M	55	MARINE CORPS ASSAULT VEHICLES	34,157	40,157	40,157	6,000	40,157
0603612M	56	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	2,470	2,470	2,470		2,470
0603634N	57	ELECTROMAGNETIC EFFECTS PROTECTION DEVELOPMENT	-	-	-		-
0603635M	58	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	46,733	50,933	50,933	4,200	50,933
0603654N	59	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,298	7,298	7,298		7,298
0603709N	60	ADVANCED MARINE BIOLOGICAL SYSTEM	-	-	-		-
0603711N	61	FLEET TACTICAL DEVELOPMENT	4,268	4,268	4,268		4,268
0603713N	62	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	5,166	5,166	5,166		5,166
0603721N	63	ENVIRONMENTAL PROTECTION	65,947	65,947	65,947		65,947
0603724N	64	NAVY ENERGY PROGRAM	1,976	1,976	1,976		1,976
0603725N	65	FACILITIES IMPROVEMENT	1,803	1,803	1,803		1,803
0603734N	66	CHALK CORAL	71,085	71,085	71,085		71,085
0603746N	67	RETRACT MAPLE	82,932	90,932	87,932	5,000	87,932
0603748N	68	LINK PLUMERIA	17,879	17,879	21,879	3,700	21,579
0603751N	69	RETRACT ELM	32,561	32,561	32,561	(1,000)	31,561
0603755N	70	SHIP SELF DEFENSE	245,620	245,620	288,120	42,500	288,120
0603763N	71	WARFARE SYSTEMS ARCHITECTURE AND ENGINEERING	-	-	-		-
0603785N	72	COMBAT SYSTEMS OCEANOGRAPHIC PERFORMANCE ASSESSMENT	16,042	16,042	16,042		16,042
0603787N	73	SPECIAL PROCESSES	72,251	72,251	72,251		72,251
0603795N	74	GUN WEAPON SYSTEM TECHNOLOGY	12,028	37,028	31,228	22,000	34,028
0603800N	75	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	149,295	123,795	324,295	(65,500)	83,795
0604707N	76	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SPT	5,742	5,742	5,742		5,742

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0603889N	77	COUNTERDRUG RDT&E PROJECTS	-	-	-		-
0604212N	78	ASW AND OTHER HELO DEVELOPMENT	91,803	80,175	91,803	(2,167)	89,636
0604214N	79	AV-8B AIRCRAFT - ENG DEV	11,309	26,909	11,309	15,600	26,909
0604215N	80	STANDARDS DEVELOPMENT	10,567	10,567	10,567-		10,567
0604217N	81	S-3 WEAPON SYSTEM IMPROVEMENT	12,872	27,872	26,072		12,872
0604218N	82	AIR/OCEAN EQUIPMENT ENGINEERING	6,182	6,182	6,182		6,182
0604221N	83	P-3 MODERNIZATION PROGRAM	1,945	16,945	1,945	15,000	16,945
0604231N	84	TACTICAL COMMAND SYSTEM	27,389	27,389	27,389	(2,639)	24,750
0604261N	85	ACOUSTIC SEARCH SENSORS	9,680	9,680	9,680		9,680
0604262N	86	V-22A	762,548	762,548	762,548	(5,000)	757,548
0604264N	87	AIR CREW SYSTEMS DEVELOPMENT	9,788	17,688	9,788	7,900	17,688
0604265N	88	AIR LAUNCHED SATURATION SYSTEM (ALSS)	-	-	-		-
0604270N	89	EW DEVELOPMENT	87,440	87,440	112,440	10,000	97,440
0604301N	90	MK 92 FIRE CONTROL SYSTEM UPGRADE	-	-	-		-
0604307N	91	AEGIS COMBAT SYSTEM ENGINEERING	105,683	89,883	105,683	(11,000)	94,683
0604312N	92	TRI-SERVICE STANDOFF ATTACK MISSILE	-	37,500	-		-
0604366N	93	STANDARD MISSILE IMPROVEMENTS	8,572	8,572	8,572		8,572
0604372N	94	NEW THREAT UPGRADE	-	-	-		-
0604373N	95	AIRBORNE MCM	42,226	42,226	42,226	(7,758)	34,468
0604503N	96	SSN-688 AND TRIDENT MODERNIZATION	70,315	70,315	70,315		70,315
0604504N	97	AIR CONTROL	7,815	7,815	7,815		7,815
0604507N	98	ENHANCED MODULAR SIGNAL PROCESSOR	8,342	8,342	8,342	6,500	14,842
0604512N	99	SHIPBOARD AVIATION SYSTEMS	11,343	11,343	11,343		11,343
0604516N	100	SHIP SURVIVABILITY	4,907	4,907	4,907		4,907
0604518N	101	COMBAT INFORMATION CENTER CONVERSION	15,859	15,859	15,859		15,859
0604524N	102	SUBMARINE COMBAT SYSTEM	43,302	37,151	43,302		43,302
0604558N	103	NEW DESIGN SSN	347,415	347,415	347,415		347,415
0604561N	104	SSN-21 DEVELOPMENTS	83,503	83,503	83,503		83,503
0604562N	105	SUBMARINE TACTICAL WARFARE SYSTEM	38,479	20,487	38,479		38,479
0604567N	106	SHIP CONTRACT DESIGN/ LIVE FIRE T&E	17,994	17,994	17,994		17,994
0604574N	107	NAVY TACTICAL COMPUTER RESOURCES	5,499	5,499	5,499		5,499
0604601N	108	MINE DEVELOPMENT	3,045	3,045	3,045		3,045
0604603N	109	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	40,517	40,517	40,517		40,517
0604610N	110	LIGHTWEIGHT TORPEDO DEVELOPMENT	22,027	22,027	22,027		22,027
0604612M	111	MARINE CORPS MINE COUNTERMEASURES SYSTEMS - ENG DEV	263	263	263		263
0604618N	112	JOINT DIRECT ATTACK MUNITION	37,832	37,832	37,832	475	38,307
0604654N	113	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	5,408	5,408	5,408		5,408
0604703N	114	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,043	1,043	1,043		1,043
0604710N	115	NAVY ENERGY PROGRAM	2,628	2,628	2,628		2,628

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0604719M	116	MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	15,380	10,380	15,380		15,380
0604721N	117	BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	7,600	7,600	7,600		7,600
0604727N	118	JOINT STANDOFF WEAPON SYSTEMS	81,837	81,837	81,837		81,837
0604755N	119	SHIP SELF DEFENSE	165,997	165,997	184,497	17,500	183,497
0604761N	120	INTELLIGENCE ENGINEERING	-	-	-		-
0604771N	121	MEDICAL DEVELOPMENT	3,402	3,402	3,402		3,402
0604777N	122	NAVIGATION/ID SYSTEM	56,472	56,472	56,472	(2,368)	54,104
0604784N	123	DISTRIBUTED SURVEILLANCE SYSTEM	93,507	103,507	93,507	10,000	103,507
0604256N	124	THREAT SIMULATOR DEVELOPMENT	25,911	25,911	25,911		25,911
0604258N	125	TARGET SYSTEMS DEVELOPMENT	24,364	24,364	24,364		24,364
0604759N	126	MAJOR T&E INVESTMENT	46,586	46,586	46,586		46,586
0605152N	127	STUDIES AND ANALYSIS SUPPORT - NAVY	9,281	9,281	9,281	(2,281)	7,000
0605154N	128	CENTER FOR NAVAL ANALYSES	44,429	44,429	44,429		44,429
0605155N	129	FLEET TACTICAL DEVELOPMENT	2,620	2,620	2,620		2,620
0605502N	130	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605804N	131	TECHNICAL INFORMATION SERVICES	2,027	2,027	2,027		2,027
0605853N	132	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	20,371	20,371	20,371	(1,949)	18,422
0605856N	133	STRATEGIC TECHNICAL SUPPORT	3,584	3,584	3,584	(584)	3,000
0605861N	134	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	61,001	61,001	61,001		61,001
0605862N	135	RDT&E INSTRUMENTATION MODERNIZATION	8,278	8,278	8,278		8,278
0605863N	136	RDT&E SHIP AND AIRCRAFT SUPPORT	63,232	63,232	63,232		63,232
0605864N	137	TEST AND EVALUATION SUPPORT	245,911	247,911	240,911	(6,000)	239,911
0605865N	138	OPERATIONAL TEST AND EVALUATION CAPABILITY	5,675	5,675	5,675		5,675
0605866N	139	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	3,638	3,638	3,638		3,638
0605867N	140	SEW SURVEILLANCE/RECONAISSANCE SUPPORT	12,134	12,134	12,134		12,134
0605871M	141	MARINE CORPS TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES	2,984	2,984	2,984		2,984
0605873M	142	MARINE CORPS PROGRAM WIDE SUPPORT	5,914	5,914	5,914		5,914
0101221N	143	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	39,511	39,511	41,711	(2,902)	36,609
0101224N	144	SSBN SECURITY TECHNOLOGY PROGRAM	25,078	34,578	25,078	5,500	30,578
0101226N	145	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	7,937	7,937	7,937		7,937
0101402N	146	NAVY STRATEGIC COMMUNICATIONS	20,416	20,416	20,416		20,416
0102427N	147	NAVAL SPACE SURVEILLANCE	752	752	752		752
0204136N	148	F/A-18 SQUADRONS	919,484	919,484	919,484		919,484
0204152N	149	E-2 SQUADRONS	52,965	52,965	52,965		52,965
0204163N	150	FLEET TELECOMMUNICATIONS (TACTICAL)	24,032	24,032	24,032		24,032
0204229N	151	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	141,440	141,440	141,440	4,000	145,440
0204311N	152	INTEGRATED SURVEILLANCE SYSTEM	16,440	16,440	16,440		16,440
0204413N	153	AMPHIBIOUS TACTICAL SUPPORT UNITS	4,364	4,364	4,364		4,364
0204571N	154	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	48,058	51,058	48,058	3,000	51,058

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0205601N	155	HARM IMPROVEMENT	3,348	6,348	3,348		3,348
0205604N	156	TACTICAL DATA LINKS	54,869	54,869	54,869		54,869
0205620N	157	SURFACE ASW COMBAT SYSTEM INTEGRATION	9,955	9,955	9,955		9,955
0205632N	158	MK-48 ADCAP	22,214	22,214	22,214		22,214
0205633N	159	AVIATION IMPROVEMENTS	66,875	66,875	66,875		66,875
0205658N	160	NAVY SCIENCE ASSISTANCE PROGRAM	6,036	6,036	6,036		6,036
0205667N	161	F-14 UPGRADE	44,490	44,490	44,490	(25,375)	19,115
0205675N	162	OPERATIONAL NUCLEAR POWER SYSTEMS	58,065	58,065	58,065		58,065
0206313M	163	MARINE CORPS COMMUNICATIONS SYSTEMS	3,250	3,250	3,250		3,250
0206623M	164	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	13,386	13,386	23,386		13,386
0206624M	165	MARINE CORPS COMBAT SERVICES SUPPORT	3,915	16,315	13,315	3,500	7,415
	165a	ATV	-	-	-		-
0206625M	166	MARINE CORPS INTELLIGENCE/ELECTRONICS WARFARE SYSTEMS	5,131	5,131	5,131		5,131
0206626M	167	MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	19,793	19,793	19,793		19,793
0207161N	168	TACTICAL AIM MISSILES	29,721	29,721	29,721		29,721
0207163N	169	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	4,491	4,491	4,491		4,491
0303109N	171	SATELLITE COMMUNICATIONS	38,472	38,472	38,472		38,472
0303140N	172	INFORMATION SYSTEMS SECURITY PROGRAM	25,848	25,848	25,848		25,848
0305160N	174	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (DMSP)	18,416	18,416	18,416		18,416
0708011N	175	INDUSTRIAL PREPAREDNESS	-	51,251	-	88,000	88,000
XXXXXXXXXX	999	Classified Programs	539,680	579,680	545,480	45,800	585,480
		FREE ELECTRON LASER PROGRAM	-	9,000		9,000	9,000
		Total Navy RDT&E	8,204,530	8,525,509	8,624,230	270,253	8,474,783

Long-range guided projectile technology

The budget request contained $32.7 million for development and demonstration of the advanced global positioning system/inertial navigation system (GPS/INS) guidance and control technology for long range precision guided munitions used by Navy surface fire support and Army long-range artillery.

The House bill would authorize an additional $9.0 million to accelerate the development and demonstration of the GPS/INS.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to an additional $2.0 million in PE 62111N for the purposes indicated in the House report (H. Rept. 104–131). The conferees are aware of a demonstrated rapid progress in the development and demonstration of miniaturized, gun-hardened GPS/INS technology in the Army's Low-Cost Competent Munition (LCCM) Program, the Navy's advanced technology demonstration program for an extended range guided projectile, and the cooperative LCCM technology program established between Departments of the Army and the Navy. The conferees believe that the technology may significantly improve the accuracy of existing and future gun-fired projectiles, missiles, and rockets, and that an opportunity exists to accelerate development and demonstration in these areas. The conferees strongly encourage increased funding in this area in future Army and Navy budget requests.

Surface ship technology

The budget request included $36.8 million for surface ship technology.

The House bill would authorize an additional $6.0 million for power electronics building blocks and $10.0 million for advanced submarine technology development.

The Senate amendment would authorize an additional $6.0 million for power electronics building blocks.

The conferees agree to authorize $67.8 million in PE 62121N; an increase of $31.0 million. That authorization includes $6.0 million for power electronics building blocks, $10.0 million for advanced submarine technology development and $15.0 million for curved plate technology for ship construction.

Power electronic building blocks

The budget request did not include funding for the power electronic building blocks project.

Both the House bill and the Senate amendment contained $6.0 million in PE 62121N to initiate a power electronics program based on metal oxide semiconductor (MOS) control thyristors for high speed switching.

The conferees agree that the program should be affiliated with academic institutions and, as recommended by the Senate, involve a computational test bed for system simulation. The conferees agree that at least one-third of the funding should be for university participation.

Flat panel, helmet-mounted display

The budget request included $7.0 million in PE 62122N for exploratory development of air vehicle technology.

The House bill would authorize an additional $2.5 million to continue exploratory development of flat panel, helmet-mounted displays for air crew helmets.

The Senate amendment would authorize the budget request.

The Senate recedes.

Communications technology

The budget request included $9.2 million in PE 62232N to continue development of key communications technologies for air, ship, and submarine platforms.

The House bill would authorize an additional $4.0 million for support of wireless and satellite communications research in the areas of integrated antenna systems, communications hardware design, communication algorithm development and high-frequency device modeling and measurements.

The Senate amendment contained no similar recommendation.

The House recedes. The conferees recognize the importance of continued wireless and satellite communications research in the areas recommended in the House report (H. Rept. 104–131).

Air crew adaptive automation technology

The budget request included $40.5 million in PE 62233N for exploratory development of enabling readiness, training, and environmental technologies that support the manning, operation, and maintenance of fleet assets, and that provide the necessary training, facilities, and equipment to maintain operational forces in a high state of readiness.

The House bill would authorize an additional $2.7 million to continue development of adaptable automation technology for management of air crew workloads.

The Senate amendment would authorize the budget request.

The House recedes.

Embedded sensors

The budget request included $74.8 million in PE 62234N for exploratory development in the areas of materials, electronics, and computer technology in support of Navy advanced weapon and platform systems.

The House bill would authorize an additional $3.0 million to complete the exploratory development of embedded, remotely queried, microelectromechanical sensors in thick composites, which would be suitable for use in submarines, ships, and armored vehicles.

The Senate amendment would authorize the budget request.

The Senate recedes.

Parametric airborne dipping sonar

The budget request included $51.2 million for exploratory development of undersea surveillance and weapons technology.

The Senate amendment would authorize an additional $4.8 million in PE 62314N to expand the current scope of the demonstration and evaluation of parametric sonar technology to provide three dimensional stabilized steerable beams, around 360 degrees, at full source level, further characterize the technology for mine avoidance implications, and evaluate whether parametric sonar technology merits further development.

The House bill contained no similar provision.

The House recedes. The conferees agree that the Navy should complete evaluation of the limited capability laboratory prototype, in-depth technical review and assessment of the potential of parametric sonar for helicopter application, and in-water testing and evaluation of the parametric airborne dipping sonar prototype.

Polar Ozone Aerosol Monitor III

The budget request included $45.5 million for exploratory development of oceanographic and atmospheric technology, in support of joint warfare mission area capabilities.

The House bill would authorize an additional $5.0 million to complete engineering, integration and test of the Polar Ozone Aerosol Monitor (POAM) III payload on the SPOT 4 spacecraft, in anticipation of system launch in 1997.

The Senate amendment included no similar provision.

The conferees agree to authorize an additional $2.5 million in PE 62435N to continue engineering, integration and test of the POAM III payload on the SPOT 4 spacecraft. The conferees encourage the Secretary of the Navy to reprogram those funds necessary to complete the program and launch the POAM III payload on the SPOT 4 spacecraft in 1997.

Air crew protective clothing and devices

The budget request included $1.7 million in PE 63216N for demonstration and validation of air crew protective clothing and devices.

The House bill would authorize an additional $7.4 million to the budget request to continue development of the advanced integrated life support system and of an advanced technology escape system for air crews. The House report (H. Rept. 104–131) also directed the Navy to provide, by March 2, 1996, a report that would describe the program plan for these two programs and the coordination of each plan with programs under consideration in the Air Force and the Army.

The Senate amendment would authorize the budget request.

The Senate recedes.

The conferees direct the Secretary of the Navy to submit the report described in the House report (H. Rpt. 104–131).

Air systems and weapons advanced technology

The budget request included $17.1 million for air systems advanced technology in PE 63217N. The request contained no specific funding for the maritime avionics subsystems and technology (MAST) program. MAST is a fiscal year 1995 "new start" that focuses on the development of scaleable, open, fault-tolerant, and common avionics architectures.

The House bill would authorize an additional $35.0 million for the advanced anti-radiation guided missile (AARGM). The House report (H. Rept. 104–131) encouraged the Navy and the Air Force to pursue the technology objectives of the MAST program under respective avionics technology development programs and the Joint Advanced Strike Technology (JAST) program.

The Senate amendment would authorize an additional $9.0 million for rapid response technologies.

The conferees agree to authorize an additional $35.0 million in PE 63217N for AARGM and $9.0 million for rapid response technologies for the specific purposes detailed in the respective House and Senate reports (H. Rept. 104–131; S. Rept. 104–112). The conferees also agree to authorize an additional $10.0 million for continuation of the MAST program in fiscal year 1996, and recommend that the Secretary of the Navy consider requirements for continuation of the MAST program in the Navy's fiscal year 1997 budget request.

Mobile off-shore base (MOBS)

The budget request included $14.7 million in PE 63238N to begin using ARPA developed technology for a mobile offshore base (MOB) and to initiate sub-scale tests of a complete system for the purpose of evaluating risks associated with full scale construction.

The House bill would authorize the budget request. The House report (H. Rept. 104–131), citing the potential cost of the MOBS system, noted that the Department of Defense had failed to comply with guidance provided in the Statement of Managers (H. Rept. 103–

701) accompanying the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337). The House report directed that any fiscal year 1996 funds authorized and appropriated for MOBS or for the Landing Ship Quay/Causeway not be obligated until the Department provides the reports and certification previously directed by Congress.

The Senate amendment would authorize the budget request.

The House recedes from its restriction on the obligation of fiscal year 1996 funds for the MOBS project. The conferees note, however, the point made in the House report (H. Rept. 104–131) about the large potential cost of the MOBS program if carried to completion. The conferees further note that, in accordance with section 2430, title 10, United States Code, MOBS qualifies as an Acquisition Category I major defense acquisition program. Therefore, it is subject to the review and approval procedures for major defense acquisition programs established in Department of Defense instructions, regulations, and procedures. Under these review and approval procedures, a Milestone 0 (concept exploration and definition) review of the MOBS project is required by the Defense Acquisition Board (DAB). The conferees direct the Secretary of Defense to report to the congressional defense committees, by March 31, 1996, the plan and schedule for incorporating MOBS into the DAB process and accomplishing a Milestone 0 review.

Medical development

The conferees agreed to authorize an additional $1.0 million (PE 63706N) for acceleration of blood storage development and an additional $3.0 million (PE 63706N) for the Naval Biodynamics Laboratory (NBDL) for infrastructure transfer activities.

Sensor integration and decision support systems

The budget request contained $17.8 million in PE 63707N for advanced development of manpower, personnel, and training technology, including $1.1 million for air human factors engineering.

The House bill would authorize an additional $1.5 million in PE 63707N for development and evaluation of intelligent, multi-source, multi-platform sensor integration and cockpit decision support systems.

The Senate amendment would authorize the budget request.

The House recedes.

Navy advanced technology demonstration

The budget request included $96.8 million in PE 63792N for advanced development and demonstration of high payoff, emerging technologies that could significantly improve Navy warfighting capabilities.

Both the House bill and the Senate amendment would authorize the budget request.

The conferees agree that the program for advanced technology demonstration of low cost, highly accurate guidance and control for improved naval surface fire support from surface 5" guns shall be fully funded at the level established in the budget request.

Remote controlled minehunting vehicle

The budget request included $7.6 million in PE 63502N for development and demonstration of improvements in minehunting sonar and remotely controlled minehunting systems.

The House bill would authorize an additional $1.65 million in PE 63502N to accelerate the remote minehunting operational prototype (RMOP) development program and provide an interim operational capability to the fleet.

The Senate amendment would authorize an additional $7.5 million in PE 63502N to accelerate development of RMOP.

The Senate recedes. The conferees agree that the mine detection and location capability demonstrated by the RMOP vehicle during a joint amphibious exercise in March–April 1995 suggests that it has the potential to fill a gap in the Navy's mine countermeasures operational capabilities. Therefore, the conferees conclude that the RMOP program should be accelerated to provide a contingency capability for fleet use. The conferees encourage the Secretary of the Navy to include additional funds for this purpose in the fiscal year 1997 budget request.

Non-acoustic antisubmarine warfare program

The House bill would authorize $23.2 million to reestablish a separate Navy non-acoustic antisubmarine warfare (NAASW) program in PE 63528N that would be on par with the Department of Defense's advanced sensor applications program.

The Senate amendment contained no funding for a Navy specific research and development program. However, the Senate amendment did provide $10.0 million of additional funding in PE 63714D, the Department of Defense's advanced sensor applications program, to continue development for a NAASW program, ATD–111, that is being executed by the Navy.

The conferees authorize an increase of $10.0 million in PE 63528N for the ATD–111 NAASW program. The funding is authorized to: (1) test system upgrades; (2) correct system defects identified during field tests; (3) bring the test systems to a common configuration; and (4) evaluate carriage on alternate airborne platforms.

The conferees recommend that the Navy conduct a comparative evaluation of the ATD–111 laser radar (LIDAR) system with other approaches. Comparative testing of competing non-acoustic approaches to antisubmarine warfare and other applications should provide a basis for establishing a firm requirement for follow-on systems.

The conferees also agree that there is a need for two viable, independent, but coordinated and complementary NAASW programs, one in the Navy and one in the Office of the Secretary of Defense. To reestablish the Navy's independent NAASW program, the conferees encourage the Secretary of the Navy to provide funding for it in the fiscal year 1997 budget request. Further guidance with respect to the NAASW program is contained in the classified annex.

Advanced submarine technology development

The budget request included $18.4 million in PE 62121N for exploratory development of submarine systems technology and $30.9 million in PE 63561N for advanced submarine systems development.

The House bill would authorize an increase of $10.0 million in PE 62121N. Of this amount, $7.0 million is to continue the transfer of technology to the Navy for active control of machinery platforms demonstrated in the Advanced Research Projects Agency's (ARPA's) Project M. The House bill would also authorize an additional $13.1 million in PE 63561N. The House report (H. Rept. 104–131) expressed concern over the overall reduction in submarine research and development funding, reflecting in the budget request, and the belief that this level of funding would be inadequate to support the type of long-term research necessary to ensure the availability of advanced technologies that could maintain the superior technological capability of the U.S. submarine force. The House report directed the Secretary of Defense to develop a plan for long-term submarine research and development aimed at ensuring U.S. technological superiority and to report this plan to the congressional defense committees with the submission of the fiscal year 1997 budget request.

The Senate amendment would approve the budget request.

The conferees agree to an increase of $10.0 million in PE 62121N. This increase would not include any reservations for ARPA's Project M. The conferees would authorize the transition effort associated with Project M in PE 63569E. The conferees also agree to an increase of $20.0 million in PE 63561N. The conferees would also adopt a provision, discussed in greater detail in the procurement section of the conference report, that would direct the Secretary of the Defense to develop a plan for long-term submarine research and development aimed at ensuring U.S. technological superiority and to report this plan to the congressional defense committees no later than March 15, 1996.

Intercooled recuperated gas turbine engine

The budget request included $25.6 million in PE 63508N, a technology base program element, for continued development of the intercooled recuperated (ICR) gas turbine.

The House bill expressed concern that the budget request had transferred the ICR gas turbine engine from the Advanced Surface Machinery (ASM) Program (PE 63573N), where it had been previously budgeted, because of the possibility of disruption in the relationship between the ICR program and other elements of the ASM program. In order to restore ASM program integrity, the House bill would direct the transfer of $25.6 million from PE 63508N to PE 63573N. Additionally, the House bill would increase funding for the ICR engine by $21.5 million to support ICR engine tests at the Navy's land-based test site and, based on elements of the Navy's revised ICR development plan, direct the Navy to proceed with a second 500 hour engine test and other associated testing at the site.

The Senate amendment also directed transfer of $25.6 million from PE 63508N to PE 63573N, but did not increase funding for the ICR engine.

The conferees agree to a funding level of $82.9 million in PE 63573N. The conferees direct that, of the total amount authorized for PE 63573N, $41.0 million is authorized for the ICR program.

Cooperative engagement capability

The budget request included $180.0 million in PE 63755N for development of the cooperative engagement capability (CEC).

The House bill would authorize the requested amount, but would direct that no more than $102.0 million be obligated until the Secretary of Defense notifies the congressional defense committees that the test and evaluation master plan for the CEC program has been approved by the Director, Operational Test and Evaluation.

The Senate amendment would add $22.5 million to continue accelerated development of the airborne component of CEC and an additional $20.0 million to accelerate joint Army-Navy and Air Force-Navy exploitation of CEC for cruise missile defense and theater missile defense.

The conferees agree to an additional $42.5 million for CEC for the purposes described in Senate amendment. The House recedes from its funding limitation. The conferees note the concerns expressed in the House report (H. Rept. 104–131) regarding developmental testing and independent operational testing required to insure that the CEC is operationally effective and suitable when deployed to the fleet. They direct the Secretary of the

Navy to submit to the congressional defense committees, by March 31, 1996, a report on the status of plans for developmental and independent operational testing of the CEC.

Naval surface fire support

The Navy's budget request included $12.0 million in PE 63795N to develop the gun weapon system technology needed by the Navy to resolve major deficiencies in its ability to provide naval surface fire support (NSFS) to amphibious operations.

The House report (H. Rept. 104–131) noted that the budget request was sharply reduced during the budget formulation process. It further observed that the future years defense plan for gun system technology had been left under funded by over $160 million and did not include an adequate plan to meet long-term requirements for advanced NSFS weapons systems. To address these concerns the House bill would increase funding in PE 63795N by $25.0 million to:

(1) accelerate the development of a long range guided projectile that would incorporate advanced low cost global positioning system/inertial navigation system (GPS/INS) guidance;

(2) improve the existing MK–45 5-inch naval gun; and

(3) permit the Navy to place increased emphasis on satisfying long-term requirements for advanced gun systems in addition to its near-term focus on modifications to the MK–45 gun.

The Senate amendment would add $19.2 million to PE 63795N. The Senate's evaluation noted in the Senate report (S. Rept. 104–112) of the Navy's NSFS program, as reflected in the budget request, yielded conclusions similar to those of the House.

The conferees note that in May 1995 the Secretary of the Navy, based on a recently completed cost and operational effectiveness analysis (COEA), reported the following conclusions to Congress regarding NSFS:

(1) a 155 millimeter/60-caliber naval gun, employing precision guided munitions, is the most cost effective NSFS solution; and

(2) a combination of guns, missiles, and tactical aviation is needed to fully meet NSFS requirements.

The Secretary also reported that, as a result of the NSFS COEA, the Navy's NSFS program had been structured to:

(1) proceed with the long-term development of a 155 millimeter gun;

(2) develop a gun-launched precision guided munition; and

(3) modify the Navy's existing MK–45, 5-inch gun to deal with long-term and near-term challenges.

However, as reflected in the budget request, affordability constraints and a desire to field an enhanced NSFS capability prior to Fiscal Year 2001 have moved the Navy to embrace a near-term program reflecting the following priorities:

(1) develop a global positioning system/inertial navigation system 5-inch guided projectile;

(2) improve the existing MK–45 5-inch gun; and

(3) demonstrate the NSFS capabilities of Army Tactical Missile System (ATACMS), Sea Standoff Land Attack Missile (SLAM), and STANDARD Missiles.

To confirm the cost effectiveness of this near-term approach, which was not thoroughly evaluated in the NSFS COEA, the Navy has directed the Center for Naval Analysis to perform supplemental analysis to evaluate its cost effectiveness. The need for this supplemental analysis was reinforced by the General Accounting Office, which strongly recommended in May 1995 that the Navy revalidate its NSFS requirements and conduct a comprehensive supplemental analysis to the COEA that would include all available gun and missile alternatives.

The conferees agree to authorize $34.0 million, an increase of $22.0 million, in PE 63795N. Over the past several years, the conferees have repeatedly stressed the issue of NSFS, but have found the Navy's response to be highly variable as new programs or approaches have succeeded one another from year to year. Because of a strong need and the Navy's apparent commitment to pursue the program to completion, the conferees are willing to provide initial support, in fiscal year 1996, to the Navy's effort to upgrade the capability of its 5-inch guns and projectiles. The conferees take this action based on the Navy leadership's assurances that the Navy will follow through with consistent, stable, and adequate future years funding.

The conferees affirm their conclusion that the Navy needs to place increased emphasis on pursuing a long-term program to satisfy NSFS mission requirements. The conferees direct that the Secretary of the Navy include a report on the plans for such a program in the fiscal year 1997 budget submission. The conferees also affirm the need for an updated COEA that considers all available gun and missile alternatives, including extended range multiple launch rockets and existing and improved 5-inch guns, to support future acquisition milestone decisions related to the Navy's near-term and long-term programs.

AH–1W integrated weapons system upgrade

The budget request included $14.9 million in PE 64212N for engineering and manufacturing development of upgrades to the AH–1W Cobra attack helicopter for the Marine Corps.

The House bill recommended a reduction of $11.6 million to the budget request, based on the understanding that the Marine Corps had decided to suspend development of the integrated weapon systems (IWS) for the AH–1W.

The Senate amendment would authorize the budget request.

The House recedes. The conferees understand that the Department of the Navy has suspended the IWS upgrade, based on identification of other urgent requirements for modification of Marine Corps helicopters. The upgrade program would now focus on the adaptation of both the AH–1W attack helicopter and the UH–1N utility helicopter, and their respective power trains, to a 4-blade rotor system which will increase the operational safety power margin and useful mission payload of both helicopters. The IWS upgrade for the AH–1W will be deferred until later in the program. The conferees further understand, based upon the Department's analysis, that the revised program will provide growth potential to bridge the gap until the joint replacement aircraft would become available around the year 2020, and is reportedly more cost effective than the adoption of other, more modern attack and utility helicopters that have already been fielded or are under development.

The conferees note that the Department plans a defense acquisition milestone II decision to proceed with engineering and manufacturing development in late fiscal year 1996 and also plans to use the fiscal year 1996 funds made available for the program for pre-milestone IV/II engineering studies. The conferees are aware of a Department of the Navy experience with harmonic coupling problems encountered during a previous major helicopter power train upgrade that contributed to a number of aircraft mishaps. Accordingly, this issue must be addressed in detail during pre-milestone engineering studies and in the milestone II decision process, and the absence of the problem demonstrated prior to milestone III. The Secretary of the Navy is directed to report the results of these engineering studies and the milestone II decision with the submission of the fiscal year 1998 budget request.

AV–8B Harrier weapons system improvements

The budget request included $11.3 million in PE 64214N for integration and testing of weapons and aircraft improvements for the AV–8B Harrier aircraft.

The House bill would authorize an increase of $15.6 million to the budget request to support the United States' share of the AV–8B production memorandum of understanding between the United States, Spain, and Italy, and for concurrent integration of the AIM–120 missile and 1760 data bus during remanufacture of the day-only AV–8As to the AV–8B radar configuration.

The Senate amendment would authorize the budget request.

The Senate recedes. The conferees agree to authorize the increase of $15.6 million to the budget request with the understanding that the Department of the Navy would include in the fiscal year 1997 budget request the balance of the $11.7 million required by the memorandum of understanding.

S–3B Project Gray Wolf

The budget request included $12.9 million in PE 64217N for continued development of weapon system improvements for the S–3 aircraft.

The House bill would authorize an additional $15.0 million for continued evaluation and potential establishment of an advanced concept technology demonstration of “Project Gray Wolf”, a fleet proof of concept demonstration of the ability of an S–3B aircraft equipped with a multi-mode synthetic aperture radar designed to provide real time stand-off surveillance, targeting, and strike support for littoral operations.

The Senate amendment would authorize an additional $13.2 million for the same purpose.

The conferees agree to authorize the requested amount.

The conferees agree that “Project Gray Wolf” demonstrates potential for providing the Department of the Navy with a versatile carrier-based capability to provide real time, stand-off surveillance, targeting, and strike support. The conferees encourage the Secretary of the Navy to consider a reprogramming request to support this program, should any funds become available during fiscal year 1996. The conferees further encourage the Secretary to include funds for the program in his fiscal year 1997 budget request.

P–3 maritime patrol aircraft sensor integration

The budget request included $1.9 million in PE 64221N for the P–3 maritime patrol aircraft (MPA) modernization program.

The House bill would authorize an increase of $15.0 million to the budget request. That increase would include $12.0 million to restore the schedule for integration of the improved extended echo ranging (IEER) and the anti-surface warfare improvement program (AIP) capabilities in the P–3, and $3.0 million for upgrade of P–3 stores management, to permit integration of advanced weapons systems. In relation to the fiscal year 1995 budget projections for fiscal year 1996, the House report (H. Rept. 104–131) noted that sharp funding reductions in the P–3 modernization program would result in an overall program cost increase and multi-year delays in fielding capability improvements needed to offset decreases in MPA force structure. The House report also expressed the House's expectation that the Navy's future budget requests would include the increased funding necessary to complete the IEER and AIP capabilities integration in the P-3, the P-3 stores management upgrades, and procurement of sufficient quantities of the AIP and update III kits to appropriately outfit the active and reserve MPA force.

The Senate amendment would authorize the budget request.

The Senate recedes.

Air crew systems development

The budget request included $9.8 million in PE 64264N for the development of aviation life support systems for air crews.

The House bill would authorize an increase of $7.9 million to transition the Navy's Day/Night/All Weather Helmet Mounted Display to operational evaluation in F/A-18 and AV-8B aircraft, to upgrade current escape systems, and to develop crashworthy troop seats in the H-1, H-3 and H-46 helicopters.

The Senate amendment would authorize the budget request.

The Senate recedes.

AEGIS combat systems engineering

The budget request included $105.9 million in PE 64307N, including $90.0 million for continued development of improvements in the AEGIS combat system.

The House bill would authorize $89.9 million, a reduction of $15.8 million from the requested amount. In support of the funding reduction, the House report (H. Rept. 104-131) cited the deferred release of fiscal year 1995 funds, which led to a corresponding, but unnecessary, increase in the Navy's budget request. The House report (H. Rept. 104-131) also expressed concern about the Navy's revised strategy for development of the AEGIS baseline 6.

The Senate amendment would authorize the requested amount.

The conferees agree to a reduction of $11.0 million in PE 64307N for AEGIS combat systems engineering. The conferees note that the Navy included the $11.0 million in its budget request in anticipation of losing $15.8 million of fiscal year 1995 funds through the omnibus reprogramming process. The use of these fiscal year 1995 funds as a reprogramming source has been specifically denied by Congress. The conferees direct the Office of the Secretary of Defense to return these funds to the Navy without delay to permit orderly execution of the AEGIS program. Further, the navy should review its program for development of the AEGIS baseline 6 with a view to minimizing concurrency.

Enhanced modular signal processor

The budget request included $8.3 million in PE 64507N for development and risk mitigation testing of the AN/UYS-2 enhanced modular signal processor (EMSP) and software development, integration, testing, and critical engineering design support in the airborne low-frequency sonar (ALFS), surveillance towed array sensor system (SURTASS), AN/SQQ-89 surface combat system, and AN/BSY-2 submarine combat system.

Both the House bill and the Senate amendment would authorize the budget request.

The conferees understand that the Navy is considering development of a commercial-off-the-shelf (COTS) variant of the EMSP, as discussed in the House report (H. Rept. 104-131). The conferees authorize an increase of $6.5 million in PE 64507N for development of this COTS variant. The conferees encourage the Navy to include additional funds that may be required to complete the EMSP COTS development in its fiscal year 1997 budget request.

Submarine combat system

The budget request included $42.3 million in PE 64524N for development of the AN/BSY-2 submarine combat system.

The House bill would reduce the authorization by $6.2 million, the amount requested for delivery of the AN/BSY-2 system for the SSN-23.

The Senate amendment would authorize the budget request.

The House recedes.

Submarine tactical warfare system

The budget request included $38.5 million in PE 64562N for continued development of improvements in SSN combat control systems.

The House bill recommended a reduction of $18.0 million to the budget request.

The Senate amendment would authorize the requested amount.

The House recedes.

Advanced tactical air command central

The budget request included $8.4 million in PE 604719M to continue development of the advanced tactical air command central (ATACC) for the Marine Corps.

The House bill would reduce the PE by $5.0 million and direct that the details of the operational requirement and a revised program plan be provided with the fiscal year 1997 budget request. The house report (H. Rept. 104-131) expressed concerns regarding the marked growth in program costs for fiscal year 1996 and succeeding years, changes in the acquisition strategy, and significant revisions in the program schedule. These concerns raise questions regarding how well the operational requirement is defined and whether the system should continue in engineering and manufacturing systems development, or whether a demonstration/validation program would be more appropriate.

The Senate amendment would authorize the requested amount.

The House recedes.

The conferees agree that the concerns expressed by the House should be addressed following submission of the fiscal year 1997 defense budget request.

Ship self-defense system

SUMMARY

The budget request included $166.0 million in PE 64755N for the ship self-defense program.

The House bill would approve the budget request. The House report (H. Rept. 104-131) expressed concern that the Navy had failed to include funding in its budget request to continue development of either the infrared search and track (IRST) system or NULKA, an electronic warfare countermeasures system, despite the apparently high priority that the Navy has placed on these systems in the past. The House report argued that such funding lapses point to the absence of clearly defined program baselines in the ship self-defense programs.

The Senate amendment would authorize $184.5 million in PE 64755N, an increase of $18.5 million. It would authorize an additional $9.5 million for IRST and $9.0 million for NULKA. The Senate report (S. Rept. 104-112) also discussed evaluation of existing self-defense systems, such as the BARAK 1 missile system, for installation on active and new construction Navy ships.

The conferees agree to authorize $183.5 million for the ship self-defense program in PE 64755N. Funding increases and areas of emphasis are discussed in the following paragraphs. The conferees also agree that the year-to-year volatility of the Navy's budget requests for ship self-defense programs appear to contradict the Navy's oft stated emphasis on littoral warfare. Therefore, the conferees direct the Secretary of the Navy to provide to the congressional defense committees, as a part of the annual update of the "Ship Anti-Air Warfare (AAW) Report", an assessment of progress in establishing program baselines for the ship self-defense program and the degree to which these baselines are being met.

IRST

The budget requested reduced funding for and restructured the infrared search and track (IRST) program for affordability reasons. The conferees believe that the IRST system has the potential to play a very important role in defending naval ships against sea skimming antiship missiles. A recently completed cost and operational effectiveness analysis (COEA) supports this conclusion. The conferees agree that the Navy should emphasize early integration of the IRST system with both Aegis and non-Aegis ships, and place priority on early completion of its development. Therefore, the conferees authorize an increase of $9.5 million in PE 64755N to accelerate plans for combat system integration and design of the IRST system.

NULKA

NULKA is a joint United States/Australian project to develop an anti-ship missile decoy system. Increased funding in fiscal year 1996 would allow the Navy to integrate NULKA with the ship self-defense system (SSDS), for installation on amphibious ships and other self-defense ships, to conduct testing of the integrated system, and to commence development of improvements to the payload needed to counter improvements in anti-ship missile technology. The conferees strongly support these objectives and authorize an increase of $8.0 million in PE 64755N.

BARAK 1

The Senate report expressed concern about the need to protect Navy ships from the proliferation of maneuvering, sea-skimming, low observable, anti-ship cruise missiles. It also recognizes the fact that the Navy's evaluation of existing systems, such as the BARAK 1 missile, as candidates for the LPD-17 class's self-defense suite, could produce the most cost-effective solution to this threat. Development costs could be avoided through such an approach.

While addressing ship self-defense in some detail, the House report did not discuss this aspect of the requirement.

The conferees agree that the incorporation of weapons systems that are already in production, such as BARAK 1, into the combat systems of active or new construction ships could be a cost effective means to deal with a rapidly proliferating and evolving cruise missile threat. The conferees desire to be kept informed on the progress and results of the LPD-17 cost and operational effectiveness analysis (COEA). Furthermore, the conferees direct the Navy to present, by February 1996, a plan that could lead to testing of the BARAK 1 system in the United States during fiscal year 1996, should the LPD-17 COEA demonstrate that self-defense systems such as BARAK 1 would be cost effective.

Because of the advantage to the fleet of an early deployment of a robust ship self-defense system, the committee directs the Navy to also examine and report on BARAK 1 applicability to other ship classes. The results of this analysis should be provided to the congressional defense committees by February 1996.

Fixed distributed system—deployable

The budget request included $93.5 million in PE 64784N for the fixed distribution surveillance system (FDS), but included no funding for the deployable (FDS-D) prototype.

The House bill would add $10.0 million to the budget request to refurbish the FDS-D prototype and improve its capability to provide an interim deployable undersea surveillance, until the Advanced Deployable System becomes available.

The Senate amendment would authorize the budget request.

The conferees authorize $103.5 million in PE 64784N, of which $10.0 million would be used to refurbish the FDS-D prototype and improve its surveillance capability. Further guidance is contained in the classified annex.

SSBN security and survivability program

The budget request included $25.1 million in PE 12224N for the SSBN security and survivability program.

The House bill would provide an increase of $9.5 million to the budget request. The House bill would also direct the Secretary of the Navy to provide to the congressional defense committees, within 60 days of enactment, an assessment of the potential threat to the U.S. SSBN force an analysis of the SSBN security program needed to counter that threat.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an additional $5.5 million in PE 12224N for the SSBN security and survivability program. The conferees agree with the House direction to the Secretary of Defense regarding the SSBN security program, contained in the House report (H. Rept. 104-131). Further guidance regarding the program is provided in the classified annex.

Cryptologic system trainer

The budget request included $7.0 million in PE 24571N to continue development and evaluation of the Navy's surface tactical team trainer.

The House bill would authorize an additional $3.0 million for:

(1) integration and evaluation of the cryptologic systems trainer in the battle force tactical training system; and

(2) the development of related information warfare/command and control warfare shipboard training systems.

The Senate amendment would authorize the budget request.

The conferees authorize $10.0 million in PE 24571N. Of this amount, $3.0 million is for the purposes discussed in the House report (H. Rept. 104-131).

Optoelectronics

The budget request did not include funding for optoelectronics manufacturing.

The House bill would provide $10.0 million to initiate partnerships with industry, government laboratories and other research organizations to allow the development of manufacturing technologies that would support optoelectronics devices and components.

The Senate amendment contained no similar provision.

The conferees agree to authorize an additional $10.0 million for this program in PE 78011N. The conferees also agree to authorize an additional $2.0 million for advanced bulk manufacturing of mercury cadmium telluride (MCT) for low cost sensors, also in PE 78011N.

Overview

The budget request for fiscal year 1996 contained an authorization of $12,598.4 million for Air Force, Research and Development in the Department of Defense. The House bill would authorize $13,184.1 million. The Senate amendment would authorize $13,087.4 million. The conferees recommended an authorization of $12,914.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
ACCOUNT		**RESEARCH DEVELOPMENT TEST & EVAL AF**					
0601101F	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	-	-	-		-
0601102F	2	DEFENSE RESEARCH SCIENCES	239,893	244,893	235,893	9,585	249,478
0602101F	3	GEOPHYSICS	-	-	-		-
0602102F	4	MATERIALS	74,534	82,534	75,284		74,534
0602201F	5	AEROSPACE FLIGHT DYNAMICS	66,268	66,268	66,268	(1,918)	64,350
0602202F	6	HUMAN SYSTEMS TECHNOLOGY	90,311	90,311	75,311	(3,400)	86,911
0602203F	7	AEROSPACE PROPULSION	78,592	81,592	81,592	(3,522)	75,070
0602204F	8	AEROSPACE AVIONICS	74,256	74,256	74,256	(5,756)	68,500
0602205F	9	PERSONNEL, TRAINING AND SIMULATION	-	-	-		-
0602206F	10	CIVIL ENGINEERING AND ENVIRONMENTAL QUALITY	-	-	-		-
0602269F	11	HYPERSONIC TECHNOLOGY PROGRAM	19,900	19,900	19,900		19,900
0602302F	12	ROCKET PROPULSION AND ASTRONAUTICS TECHNOLOGY	-	-	-		-
0602601F	13	ADVANCED WEAPONS	124,446	130,446	124,446	11,000	135,446
0602602F	14	CONVENTIONAL MUNITIONS	44,954	44,954	44,954		44,954
0602702F	15	COMMAND CONTROL AND COMMUNICATIONS	98,477	96,477	98,477	(2,000)	96,477
0603106F	16	LOGISTICS SYSTEMS TECHNOLOGY	17,960	17,960	17,960		17,960
0603112F	17	ADVANCED MATERIALS FOR WEAPON SYSTEMS	23,283	23,283	23,283		23,283
0603202F	18	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION	29,818	29,818	29,818		29,818
0603203F	19	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	32,131	32,131	32,131		32,131
0603205F	20	AEROSPACE VEHICLE TECHNOLOGY	10,793	10,793	10,793		10,793
0603211F	21	AEROSPACE STRUCTURES	13,269	13,269	13,269		13,269
0603216F	22	AEROSPACE PROPULSION AND POWER TECHNOLOGY	41,779	41,779	41,779		41,779
0603227F	23	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY	8,930	8,930	8,930		8,930
0603231F	24	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	18,953	21,953	18,953	3,000	21,953
0603238F	25	GLOBAL SURVEILLANCE	2,483	2,483	2,483		2,483
0603245F	26	ADVANCED FIGHTER TECHNOLOGY INTEGRATION	12,491	12,491	12,491		12,491
0603250F	27	LINCOLN LABORATORY	-	-	-		-
0603253F	28	ADVANCED AVIONICS INTEGRATION	20,421	20,421	20,421	(2,800)	17,621
0603269F	29	NATIONAL AERO SPACE PLANE TECHNOLOGY PROGRAM	-	-	-		-
0603270F	30	EW TECHNOLOGY	25,079	25,079	25,079	(2,500)	22,579
0603302F	31	SPACE AND MISSILE ROCKET PROPULSION	15,203	20,203	15,203	5,000	20,203
0603311F	32	BALLISTIC MISSILE TECHNOLOGY	3,085	8,785	8,085	5,700	8,785
0603319F	33	AIRBORNE LASER TECHNOLOGY	-	-	-		-
0603401F	34	ADVANCED SPACECRAFT TECHNOLOGY	32,627	140,127	52,627	70,000	102,627
0603410F	35	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY	3,479	3,479	3,479		3,479
0603428F	36	SPACE SUBSYSTEMS TECHNOLOGY	-	-	-		-
0603601F	37	CONVENTIONAL WEAPONS TECHNOLOGY	31,637	34,137	31,637	2,500	34,137
0603605F	38	ADVANCED RADIATION TECHNOLOGY	47,919	47,919	47,919		47,919

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0603707F	39	WEATHER SYSTEMS TECHNOLOGY	4,577	4,577	4,577		4,577
0603723F	40	CIVIL AND ENVIRONMENTAL ENGINEERING TECHNOLOGY	9,835	9,835	9,835	(1,000)	8,835
0603726F	41	C3I SUBSYSTEM INTEGRATION	12,008	12,008	12,008		12,008
0603728F	42	ADVANCED COMPUTING TECHNOLOGY	11,005	11,005	11,005		11,005
0603771F	43	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	53,332	-	53,332	(53,332)	-
0603789F	44	C3 ADVANCED DEVELOPMENT	12,617	12,617	12,617		12,617
0603260F	45	INTELLIGENCE ADVANCED DEVELOPMENT	5,109	5,109	5,109		5,109
0603307F	46	AIR BASE OPERABILITY ADVANCED DEVELOPMENT	-	-	-		-
0603319F	47	AIRBORNE LASER TECHNOLOGY	19,954	19,954	19,954		19,954
0603402F	48	SPACE TEST PROGRAM	-	-	-		-
0603430F	49	ADVANCED MILSATCOM	30,038	30,038	30,038		30,038
	49a	POLAR SATCOM	-	-	58,000	58,000	58,000
0603434F	50	NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYSTEM	23,861	18,861	13,861	(5,000)	18,861
0603438F	51	SATELLITE SYSTEMS SURVIVABILITY	-	-	-		-
0603440F	52	BRILLIANT EYES	-	-	-		-
0603441F	53	SPACE BASED INFRARED ARCHITECTURE (SBIR) - DEM/VAL	130,744	265,744	265,744	135,000	265,744
0603617F	54	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS	6,437	6,437	6,437		6,437
0603714F	55	DOD PHYSICAL SECURITY EQUIPMENT - EXTERIOR	-	-	-		-
0603742F	56	COMBAT IDENTIFICATION TECHNOLOGY	4,571	4,571	4,571		4,571
0603800F	57	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	151,186	125,686	151,186	(65,500)	85,686
0603851F	58	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	20,265	34,765	24,565		20,265
0603852F	60	C-130J - DEM/VAL	-	-	-		-
0603853F	61	EVOLVED EXPENDABLE LAUNCH VEHICLE (EELV) PROGRAM - DEM/VAL	39,226	39,226	39,226		39,226
0604201F	62	AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	16,892	16,892	16,892		16,892
0604212F	63	AIRCRAFT EQUIPMENT DEVELOPMENT	-	-	-		-
0604218F	64	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	756	756	756		756
0604222F	65	NUCLEAR WEAPONS SUPPORT	4,822	4,822	4,822		4,822
0604226F	66	B-1B	173,838	194,838	287,638	28,600	202,438
0604227F	67	TRAINING SYSTEMS DEVELOPMENT	8,786	8,786	8,786		8,786
0604231F	68	C-17 PROGRAM	85,753	85,753	85,753	(11,950)	73,803
0604233F	69	SPECIALIZED UNDERGRADUATE PILOT TRAINING	63,042	63,042	63,042		63,042
0604237F	70	VARIABLE STABILITY IN-FLIGHT SIMULATOR TEST AIRCRAFT	-	-	-		-
0604239F	71	F-22 EMD	2,138,718	2,138,718	2,138,718		2,138,718
0604240F	72	B-2 ADVANCED TECHNOLOGY BOMBER	623,616	623,616	623,616		623,616
0604243F	73	MANPOWER, PERSONNEL AND TRAINING DEVELOPMENT	5,300	5,300	5,300		5,300
0604249F	74	NIGHT/PRECISION ATTACK	8,708	8,708	8,708		8,708
0604268F	75	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	-	-	-		-
0604270F	76	EW DEVELOPMENT	50,203	50,203	50,203		50,203
0604321F	77	COMBAT INTELLIGENCE SYSTEM -EMD	3,938	3,938	3,938		3,938

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0604441F	78	SPACE BASED INFRARED ARCHITECTURE (SBIR) - EMD	152,219	162,219	162,219	10,000	162,219
0604479F	79	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS	649,666	649,666	577,666	(72,000)	577,666
0604480F	80	GLOBAL POSITIONING SYSTEM BLOCK IIF	19,699	19,699	29,699		19,699
0604600F	81	MUNITIONS DISPENSER DEVELOPMENT	53,254	53,254	53,254		53,254
0604601F	82	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	-	-	-		-
0604602F	83	ARMAMENT/ORDNANCE DEVELOPMENT	8,075	8,075	8,075		8,075
0604604F	84	SUBMUNITIONS	4,953	4,953	14,953	10,000	14,953
0604609F	85	R&M MATURATION/TECHNOLOGY INSERTION	-	-	-		-
0604617F	86	AIR BASE OPERABILITY	9,692	9,692	9,692		9,692
0604618F	87	JOINT DIRECT ATTACK MUNITION	92,161	92,161	99,161	475	92,636
0604703F	88	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS	6,235	6,235	6,235		6,235
0604704F	89	COMMON SUPPORT EQUIPMENT DEVELOPMENT	1,167	1,167	1,167		1,167
0604706F	90	LIFE SUPPORT SYSTEMS	4,035	4,035	4,035		4,035
0604707F	91	WEATHER SYSTEMS - ENG DEV	-	-	-		-
0604708F	92	CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENGINEERING	2,737	2,737	2,737		2,737
0604711F	93	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	37	-	37	(37)	-
0604727F	94	JOINT STANDOFF WEAPONS SYSTEMS	44,025	44,025	44,025		44,025
0604733F	95	SURFACE DEFENSE SUPPRESSION	-	5,000	-		-
0604735F	96	COMBAT TRAINING RANGES	10,418	10,418	10,418		10,418
0604740F	97	COMPUTER RESOURCE TECHNOLOGY TRANSITION (CRTT)	2,166	2,166	2,166		2,166
0604750F	98	INTELLIGENCE EQUIPMENT	1,294	1,294	1,294		1,294
0604754F	99	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	10,146	10,146	10,146		10,146
0604770F	100	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)	169,702	203,702	169,702	12,500	182,202
0604779F	101	JOINT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL SYSTEMS (JINTACCS)	6,356	6,356	6,356		6,356
0604851F	102	INTERCONTINENTAL BALLISTIC MISSILE - EMD	192,719	200,719	192,719		192,719
0303606F	103	UHF SATELLITE COMMUNICATIONS	15,568	13,068	9,068	(2,500)	13,068
0603402F	104	SPACE TEST PROGRAM	57,710	64,710	57,710	(10,710)	47,000
0604256F	105	THREAT SIMULATOR DEVELOPMENT	53,377	53,377	53,377		53,377
0604258F	106	TARGET SYSTEMS DEVELOPMENT	5,362	5,362	5,362		5,362
0604759F	107	MAJOR T&E INVESTMENT	37,879	37,879	37,879		37,879
0605101F	108	RAND PROJECT AIR FORCE	25,924	25,924	25,924		25,924
0605306F	109	RANCH HAND II EPIDEMIOLOGY STUDY	3,139	3,139	3,139		3,139
0605502F	110	SMALL BUSINESS INNOVATIVE RESEARCH (H)	-	-	-		-
0605708F	111	NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	-	-	-		-
0605712F	112	INITIAL OPERATIONAL TEST & EVALUATION	24,506	24,506	24,506		24,506
0605807F	113	TEST AND EVALUATION SUPPORT	454,067	444,167	424,167	(19,900)	434,167
0605808F	114	DEVELOPMENT PLANNING	6,745	6,745	6,745		6,745
0605853F	115	ENVIRONMENTAL CONSERVATION	14,169	4,169	14,169	(10,000)	4,169
0605854F	116	POLLUTION PREVENTION	14,046	14,046	14,046		14,046

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0605856F	117	ENVIRONMENTAL COMPLIANCE	26,423	26,423	26,423		26,423
0605860F	118	ROCKET SYSTEMS LAUNCH PROGRAM (RSLP)	5,949	5,949	5,949		5,949
0605863F	119	RDT&E AIRCRAFT SUPPORT	-	-	-		-
0605876F	120	MINOR CONSTRUCTION (RPM) - RDT&E	-	-	-		-
0605878F	121	MAINTENANCE AND REPAIR (RPM) - RDT&E	-	-	-		-
0605896F	122	BASE OPERATIONS - RDT&E	117,083	126,983	126,983	6,900	123,983
0604268F	125	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	103,700	103,700	135,200	29,530	133,230
0101113F	126	B-52 SQUADRONS	16,505	16,505	36,505	4,500	21,005
0101120F	127	ADVANCED CRUISE MISSILE	7,060	7,060	7,060		7,060
0101213F	128	MINUTEMAN SQUADRONS	-	-	-		-
0102325F	129	JOINT SURVEILLANCE SYSTEM	4,711	4,711	4,711		4,711
0102411F	130	NORTH ATLANTIC DEFENSE SYSTEM	9,351	9,351	9,351		9,351
0102412F	131	NORTH WARNING SYSTEM (NWS)	1,015	1,015	1,015		1,015
0207129F	132	F-111 SQUADRONS	597	597	597		597
0207133F	133	F-16 SQUADRONS	175,600	175,600	175,600		175,600
0207134F	134	F-15E SQUADRONS	171,337	171,337	171,337		171,337
0207136F	135	MANNED DESTRUCTIVE SUPPRESSION	2,908	12,908	2,908		2,908
0207141F	136	F-117A SQUADRONS	3,881	3,881	3,881		3,881
		JASSM	-	-	50,000	25,000	25,000
0207160F	137	TRI-SERVICE STANDOFF ATTACK MISSILE	-	37,500	-		-
0207161F	138	TACTICAL AIM MISSILES	20,082	20,082	20,082		20,082
0207163F	139	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	42,311	50,311	47,311	5,000	47,311
0207217F	140	FOLLOW-ON TACTICAL RECONNAISSANCE SYSTEM	-	-	-		-
0207247F	141	AF TENCAP	21,966	21,966	21,966		21,966
0207248F	142	SPECIAL EVALUATION PROGRAM	87,184	87,184	87,184		87,184
0207411F	143	OVERSEAS AIR WEAPON CONTROL SYSTEM	-	-	-		-
0207412F	144	THEATER AIR CONTROL SYSTEMS	290	290	290		290
0207417F	145	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	96,696	96,696	96,696		96,696
0207419F	146	TACTICAL AIRBORNE COMMAND AND CONTROL SYSTEMS	2,093	2,093	2,093		2,093
0207422F	147	DEPLOYABLE C3 SYSTEMS	-	-	-		-
0207423F	148	ADVANCED COMMUNICATIONS SYSTEMS	1,934	1,934	1,934		1,934
0207424F	149	EVALUATION AND ANALYSIS PROGRAM	77,688	77,688	77,688		77,688
0207433F	151	ADVANCED PROGRAM TECHNOLOGY	157,397	157,397	157,397		157,397
0207438F	152	THEATER BATTLE MANAGEMENT (TBM) C4I	24,813	24,813	24,813		24,813
0207579F	153	ADVANCED SYSTEMS IMPROVEMENTS	105,548	105,548	65,548	(41,800)	63,748
0207590F	154	SEEK EAGLE	17,390	17,390	17,390		17,390
0207591F	155	ADVANCED PROGRAM EVALUATION	140,571	140,571	140,571		140,571
0207601F	156	USAF WARGAMING AND SIMULATION	19,762	19,762	19,762		19,762
0208006F	157	MISSION PLANNING SYSTEMS	20,585	20,585	20,585		20,585

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0208060F	159	THEATER MISSILE DEFENSES	25,102	25,102	53,102		25,102
0303110F	166	DEFENSE SATELLITE COMMUNICATIONS SYSTEM	32,555	32,555	32,555		32,555
0303131F	167	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	15,777	15,777	15,777		15,777
0303140F	168	INFORMATION SYSTEMS SECURITY PROGRAM	11,261	11,261	12,761	1,500	12,761
0303144F	169	ELECTROMAGNETIC COMPATIBILITY ANALYSIS CENTER (ECAC)	-	-	-		-
0303601F	170	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	42,591	42,591	42,591		42,591
0303605F	171	SATELLITE COMMUNICATIONS TERMINALS	-	-	-		-
0305110F	173	SATELLITE CONTROL NETWORK	89,717	89,717	89,717	(5,100)	84,617
0305111F	174	WEATHER SERVICE	5,771	5,771	5,771		5,771
0305114F	175	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATCALS)	3,968	3,968	3,968		3,968
0305119F	176	MEDIUM LAUNCH VEHICLES	21,898	21,898	21,898		21,898
0305128F	178	SECURITY AND INVESTIGATIVE ACTIVITIES	299	299	299		299
0305137F	179	NATIONAL AIRSPACE SYSTEM (NAS) PLAN	13,759	13,759	13,759		13,759
0305138F	180	UPPER STAGE SPACE VEHICLES	3,554	3,554	3,554		3,554
0305144F	182	TITAN SPACE LAUNCH VEHICLES	140,514	140,514	140,514	(5,000)	135,514
0305145F	183	ARMS CONTROL IMPLEMENTATION	998	998	998		998
0305158F	184	CONSTANT SOURCE	3,089	3,089	3,089		3,089
0305160F	185	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (DMSP)	21,464	21,464	21,464		21,464
0305164F	186	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT)	17,371	17,371	17,371		17,371
0305165F	187	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL SEGMENTS)	26,921	26,921	26,921	(1,000)	25,921
0305181F	189	WESTERN SPACE LAUNCH FACILITY (WSLF)	-	-	-		-
0305182F	190	EASTERN SPACE LAUNCH FACILITY (ESLF)	52,272	52,272	52,272		52,272
0305887F	191	ELECTRONIC COMBAT INTELLIGENCE SUPPORT	-	-	-		-
0305905F	193	IMPROVED SPACE BASED TW/AA	-	-	-		-
0305906F	194	NCMC - TW/AA SYSTEM	60,897	60,897	60,897	7,900	68,797
0305910F	195	SPACETRACK	35,583	35,583	35,583		35,583
0305911F	196	DEFENSE SUPPORT PROGRAM	43,672	43,672	38,672	(6,231)	37,441
0305913F	197	NUDET DETECTION SYSTEM	16,277	16,277	16,277	(3,000)	13,277
0401119F	198	C-5 AIRLIFT SQUADRONS	-	-	-		-
0401218F	199	KC-135S	12,727	12,727	12,727		12,727
0401840F	200	AMC COMMAND AND CONTROL SYSTEM	-	-	-		-
0404102F	201	AEROSPACE RESCUE AND RECOVERY	5,369	5,369	5,369		5,369
0701111F	202	SUPPLY DEPOT OPERATIONS (NON-IF)	-	-	-		-
0702207F	203	DEPOT MAINTENANCE (NON-IF)	1,464	1,464	1,464		1,464
0708011F	204	INDUSTRIAL PREPAREDNESS	-	53,332	-	60,932	60,932
0708012F	205	LOGISTICS SUPPORT ACTIVITIES	-	-	-		-
0708026F	206	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	15,719	15,719	15,719		15,719
0708054F	207	POLLUTION PREVENTION	-	-	-		-
0708611F	208	SUPPORT SYSTEMS DEVELOPMENT	5,906	5,906	5,906		5,906

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0804734F	209	CRYPTOLOGIC/SIGINT-RELATED SKILL TRAINING	1,139	1,139	1,139		1,139
0901218F	210	CIVILIAN COMPENSATION PROGRAM	5,827	5,827	5,827		5,827
1001004F	211	INTERNATIONAL ACTIVITIES	3,713	3,713	3,713		3,713
		Joint Seismic Program and Global Seismic Network		-	9,500		
		FY95 Unobligated Balances		-	(9,500)		
XXXXXXXXXX	999	Classified Programs	3,203,479	3,396,479	3,312,079	149,763	3,353,242
		POLAR SATCOM					-
		Total Air Force RDT&E	12,598,439	13,182,102	13,087,389	316,429	12,914,868

Defense research sciences

The budget request included $239.893 million for defense research sciences in PE 61102F.

The House bill would authorize an additional $5.0 million for adaptive optics research.

The Senate amendment would reduce the budget request by $9.0 million and authorize $5.0 million for adaptive optics research.

The conferees agree, that of the $249.5 million authorized in this program element, $5.0 million shall be authorized for adaptive optics research.

Robotics corrosion inspection system

The House bill would authorize $8.0 million in PE 62102F to conduct a competitive program to demonstrate the feasibility of non-contact robotic corrosion inspection for detection of hidden corrosion and metal fatigue.

The Senate amendment did not include such authorization.

The conferees strongly encourage the Air Force to consider environmentally benign technologies that demonstrate the potential to provide a 25 percent savings in cargo and fighter aircraft inspection and repair costs through the use of non-contact robotic corrosion inspection.

Firefighting clothing

The conferees encourage the Department of Defense to continue to make greater use of commercial off-the-shelf technologies that meet military requirements without extensive development programs. The conferees are aware of recent commercial developments in thermal absorbing materials that would have the potential to significantly increase personnel protection for fighting aircraft, ship-board, and chemical fires. Accordingly, the conferees authorize an additional $1.25 million in PE 62201F for the development of a firefighting suit that would incorporate these technologies.

Aerospace propulsion

The budget request included $3.7 million in PE 62203F for the high thermal stability and the endothermic hydrocarbon fuels project 3048.

The House bill and Senate amendment would authorize an additional $3.0 million for the acceleration of this project.

The conferees agree that of the $75.0 million authorized for this program element that $6.7 million be authorized for project 3048.

High frequency active auroral research program (HAARP)

The conferees agree to a $5.0 million increase in PE 62601F for the high frequency active auroral research program (HAARP).

Rocket propulsion technology

The House bill would authorize an additional $13.0 million for rocket propulsion technology programs in PE 62601F, PE 63302F, and PE 62111N.

The Senate amendment contained no similar provision.

The conferees agree to provide an additional $13.0 million, as specified in the House report (H. Rept. 104–131).

Computer security

The budget request included $98.5 million for Command, Control, and Communications in PE 62702F.

The House bill would authorize an additional $3.0 million to evaluate voice recognition computer security systems.

The Senate amendment contained no similar authorization.

The conferees direct that, of the $96.5 million authorized, $3.0 million be authorized for evaluation of voice recognition computer security systems, as specified in the House report (H. Rept. 104–131).

Aircraft ejection seats

The budget request included $19.0 million in PE 63231F for crew systems and personnel protection technology.

The House bill would authorize an additional $3.0 million to test existing Navy, Marine Corps, and Air Force front-line trainer and tactical aircraft ejection seats. Ejection seat tests would be conducted to verify predicted performance and to identify existing problems and the required corrective action.

The Senate amendment had no similar provision.

The conferees agree to authorize an additional $3.0 million in PE 63231F for the purposes specified in the House report (H. Rept. 104–131).

Micro-satellite development program

The budget request included $32.6 million in PE 63401F for Advanced Spacecraft Technology.

The Senate amendment would authorize an additional $20.0 million for a micro-satellite development program.

The House bill would authorize the budget request.

The House recedes.

The Air Force Phillips Laboratory, in conjunction with the Air Force Space Command's Space Warfare Center, has initiated a small satellite program to develop and demonstrate a variety of miniaturized space technologies. The micro-satellite program builds upon the highly successful Clementine satellite program. The conferees strongly support this effort and direct that it be placed under the control of the Space Warfare Center and be executed by the Clementine Team (Phillips Laboratory, Naval Research Laboratory, and Lawrence Livermore National Laboratory).

Intercontinental ballistic missile (ICBM) research and development and associated issues

ICBM DEMONSTRATION/VALIDATION

The budget request included $20.3 million in PE 63851F for six Minuteman-related projects.

The House bill would authorize an additional $14.5 million to complete acquisition and requirement documentation efforts and to conduct missile guidance technology experiments. The House report (H. Rept. 104–131) expressed concern that the budget request failed to include pre-milestone 0 and phase 0 funding for the command signal decoder, the modified miniature receive terminal for launch control centers, the safety enhanced reentry vehicle, and inertial measurement modifications.

The Senate amendment would authorize an additional $4.3 million to bolster the Air Force reentry vehicle applications project. The Senate report (S. Rept. 104–112) expressed concern that the reentry vehicle nose tip requirements were not adequately funded.

The conferees agree to authorize the budget request. The conferees also reiterate the concerns expressed in the House and Senate reports. The conferees understand that the Air Force is considering options to address these concerns from within their existing fiscal year 1996 budget, in particular the documentation issues identified in the House report. The conferees strongly urge the Air Force to fulfill these requirements.

ICBM ENGINEERING AND MANUFACTURING DEVELOPMENT

The budget request contained $192.7 million in PE 64851F to fund the Minuteman guidance and propulsion replacement programs.

The House bill would authorize an additional $8.0 million to fund the initial integration design and testing of the capability to integrate the Mk21 warhead on the new Minuteman guidance set. The House report (H. Rept. 104–131) endorsed using the Mk21, the safest warhead in the inventory, on the Minuteman, if and when it becomes available as a result of arms control treaties. The House report expressed concern that the current guidance replacement program fails to fund the design and testing necessary to ensure the Mk21 capability prior to initiation of the guidance set production.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request. The conferees, however, reiterate the concerns expressed in the House report (H. Rept. 104–131), and support the recommendations made therein. The conferees are concerned that the Department of Defense and the Air Force have failed to take the necessary action to ensure that the safest nuclear warheads are compatible with the new Minuteman guidance sets. Therefore, the conferees direct that, of the funds authorized for fiscal year 1996 in PE 64851F, up to $4.0 million shall be available to initiate efforts to ensure that the new Minuteman guidance sets are capable of accommodating the Mk21 warhead. The conferees further direct the Secretary of Defense to ensure that the funds necessary to continue this effort are included in the fiscal year 1997 budget request.

REENTRY VEHICLE MATERIALS

The Senate amendment would authorize $750,000 above the budget request in PE 62102F for the Thermal Protection Materials Reentry Vehicle project to purchase, test, and evaluate three nose tip billets and related technologies.

The House bill would not authorize additional funds for reentry vehicle materials.

The Senate recedes. Nevertheless, the conferees reiterate the concerns expressed in the Senate report (S. Rept. 104–112) regarding the adequacy of the reentry vehicle applications program, and, in particular, the reentry vehicle materials program. Therefore, the conferees direct that, of the funds available in PE 62102F, up to $750,000 shall be available for the Thermal Protection Materials Reentry Vehicle project to purchase, test, and evaluate three ICBM reentry vehicle nose tip billets and related thermal technologies.

BALLISTIC MISSILE TECHNOLOGY

The budget request contained $3.1 million in PE 63311F to conduct guidance and range safety technology experiments.

The House bill would authorize an additional $5.7 million for Minuteman class range tracking and safety equipment based on Global Positioning System (GPS) equipment developments.

The Senate amendment would authorize an additional $5.0 million for suborbital flight testing conducted at White Sands Missile Range for ballistic missile guidance, range tracking, and safety equipment, based on existing GPS equipment.

The conferees agree to authorize $5.7 million above the budget request to enhance ballistic missile technology experiments and to proceed with a follow-on to the successful Missile Technology Demonstration Flight 1

(MTD-1). The conferees commend the participants in this joint effort and encourage the Air Force, the Ballistic Missile Defense Organization, the Defense Nuclear Agency, and the Phillips Laboratory to continue to pursue such joint efforts. Prior to completing plans for a MTD follow-on, the conferees direct the Air Force to consult with the Senate Committee on Armed Services and the House Committee on National Security on the issues and options associated with the following: (1) the technologies to be tested; (2) the type of booster configuration to be employed; and (3) the test range to be used.

PEACEKEEPER CONTINGENCY PLANNING

The conferees direct the Secretary of the Air Force to submit a report to the congressional defense committees, by March 1, 1996, that outlines the Air Force's current plans for retiring Peacekeeper, and maintaining the system in the interim. The report should also address the additional actions and funding that would be required to maintain the option of retaining up to 50 Peacekeeper ICBMs in an operational status beyond 2003. The report should include a timetable that outlines when such actions and funding would be needed.

Weapon impact assessment system

The conferees are aware of innovative technologies that may significantly resolve the battlefield damage assessment problems related to tactical aviation. The conferees support the priorities established in the fiscal year 1996 Department of Defense Small Business Innovative Research Program solicitation (96.1) to expeditiously pursue weapon impact assessment technology. Accordingly, the conferees authorize $950,000, distributed equally between PE 64618N and PE 64618F, for a joint Navy-Air Force flight demonstration of a weapon impact assessment system that uses a video sensor-transmitter with precision guided munitions.

Stand-off land attack missiles

The budget request contained $40.5 million in PE 64603N for continued development of the stand-off land attack missile-enhanced response (SLAM-ER) as an interim replacement for the canceled tri-service stand-off attack missile (TSSAM) for the Navy.

The House bill would authorize the budget request for SLAM-ER. However, the House report (H. Rept. 104-131) would prohibit the Navy from obligating more than $10.0 million for the program without specific approval by the congressional defense committees.

The House bill would also provide an additional $37.5 million in PE 64312N for the Navy and an additional $37.5 million in PE 27160F for the Air Force to establish a joint program for accelerated development and evaluation of candidate joint air-to-surface stand-off missile (JASSM) systems as a near-term replacement for TSSAM. The House report would direct the Secretary of Defense to establish immediately such a program and would further direct the Secretary to report to the congressional defense committees within 60 days of the enactment of the Act on:

(1) the Department's plan to address near-term Navy and Air Force requirements for an interim TSSAM replacement;

(2) the Department's plans to satisfy these near-term requirements; and

(3) the long-term plan for development of a TSSAM replacement that will satisfy the requirements of both services.

The Senate amendment would authorize the budget request in PE 64603N for continued development of SLAM-ER, and would provide an additional $50.0 million for the Air Force in PE 27160F to initiate a JASSM program, with the expectation that the Department of Defense would establish a joint program to meet Air Force and Navy needs for a replacement for TSSAM.

The House recedes with an amendment. The conferees agree to:

(1) authorize the SLAM-ER budget request;

(2) provide $25.0 million for JASSM in the Air Force budget; and

(3) require the Department to report on plans for meeting near-term and long-term Air Force and Navy requirements for stand-off weapons systems.

JOINT AIR-TO-SURFACE STAND-OFF MISSILE (JASSM)

In testimony before the Congress this year, the Air Force and the Navy continued to support the requirement for a survivable, precision strike stand-off weapon. The DOD decision to cancel the TSSAM program exacerbated an already significant shortfall in this capability. The conferees stress the urgent need for the operational capability that would be provided by the TSSAM, and expect the Secretary of Defense to establish a joint program in the Air Force and the Navy for development of a TSSAM replacement, as recommended in both the House report (H. Rept. 104-131) and the Senate report (S. Rept. 104-112).

The conferees are concerned about the approach the services may pursue to fulfill the JASSM requirement. The conferees note that there are a number of competing alternatives upon which the JASSM could be based. The conferees believe that JASSM could evolve from a existing, or planned interim weapons system. The conferees believe that, if the Department decides that a new weapon development is appropriate, the new development program should be based on technologies that have already been developed in the TSSAM program, or in other existing or planned stand-off weapons systems, including technologies relating to low and very low observability/stealth.

The conferees note that there are a number of competing alternatives upon which the JASSM could be based, and want to ensure that due consideration is given to all competing approaches. Therefore, the conferees direct the Department to consider the following in conducting the JASSM program: (1) the results of the TSSAM development program, and the potential for using technology and components derived from that program; and (2) the results of programs for development of other stand-off weapons systems, and the potential for using technologies derived from those programs. The conferees direct the Secretary of Defense to include, in his report on precision guided munitions, information on the extent to which the Department may avail itself of TSSAM-derivative components and technology, as well as, components and technologies derived from other stand-off weapons programs, in meeting the JASSM requirement.

REQUIRED REPORT

The conferees direct the Secretary of Defense to include in the report on the analysis required by the provision on precision guided munitions, the Department's plan for meeting near-term Navy and Air Force requirements for an interim TSSAM replacement and the long-term plan for development of a TSSAM replacement that will meet the requirements of both services. The conferees expect that the Department would establish the following for JASSM weapons system at the next milestone: design-to-unit cost goals; minimum performance parameters; and interface requirements between JASSM and launch platforms.

Mobile missile launch detection and tracking

The conferees are aware of a proposal to use specialized processing techniques on synthetic aperture radar data to detect medium-rage ballistic missiles shortly after launch. The conferees urge the Air Force to consider this promising concept and agree to authorize the use of up to $1.0 million in funds made available in PE 28060F to demonstrate the feasibility of this concept.

Rivet joint technology transfer program

The Senate amendment recommended a $28.0 million increase to the theater missile defense program element (PE 28060F) to initiate the migration of the Cobra Ball medium wave infrared acquisition technology for the Rivet Joint RC-135 tactical reconnaissance fleet.

The House bill did not contain a similar recommendation.

The Senate recedes.

The conferees encourage the Air Force to move forward with this near term, cost effective program. With the transfer of this mature technology, the Rivet Joint fleet would offer early deployment and provide a significant improvement to the Department of Defense's capabilities in long range surveillance, warning, rapid cueing for attack operations, and impact point prediction. To achieve this goal, the conferees would consider a reprogramming in fiscal year 1996. The conferees understand that funds for the completion of this technology migration are included in the Air Force future year defense plans for this program.

Information systems security

The budget request included $11.3 million in PE 33140F for the Air Force's Information Systems Security program.

The Senate amendment would authorize an additional $1.5 million to complete research and development of the Trusted RUBIX multi-level security database management system.

The House bill would authorize the budget request.

The House recedes.

Computer-assisted technology transfer

The conferees agree to authorize $7.2 million in PE 78011F to continue the computer-assisted technology transfer program.

Overview

The budget request for fiscal year 1996 contained an authorization of $8,802.9 million for Defense-Wide, Research and Development in the Department of Defense. The House bill would authorize $9,287.1 million. The Senate amendment would authorize $9,271.2 million. The conferees recommended an authorization of $9,419.5 million. Unless noted explicity in the statement of managers, all changes are made without prejudice.

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
ACCOUNT		RESEARCH DEVELOPMENT TEST & EVAL DEFENSE-WIDE				-	
0601101D	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	3,551	3,551	3,551		3,551
0601101E	2	DEFENSE RESEARCH SCIENCES	89,732	84,732	89,732	(8,400)	81,332
0601103D	3	UNIVERSITY RESEARCH INITIATIVES	236,165	256,165	231,165	(5,000)	231,165
0601110D	4	FOCUSED RESEARCH INITIATIVES	14,009	9,009	14,009	(5,000)	9,009
0601384BP	5	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	23,947	28,547	23,947	4,600	28,547
0602160D	6	COUNTERPROLIFERATION SUPPORT	9,952	9,952	9,952		9,952
0602173C	7	SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES EXPLORATORY DEVELOPMENT	93,308	93,308	93,308		93,308
0602227D	8	MEDICAL FREE ELECTRON LASER	13,258	13,258	21,258	13,000	26,258
0602228D	9	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE AND ENGINEER	14,779	14,779	14,779		14,779
0602234D	10	LINCOLN LABORATORY RESEARCH PROGRAM	19,903	10,000	19,903	(7,000)	12,903
0602301E	11	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	403,875	389,875	406,875	(7,550)	396,325
0602384BP	12	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	60,665	84,165	60,665	7,850	68,515
0602702E	13	TACTICAL TECHNOLOGY	113,168	122,868	101,818	(4,350)	108,818
0602708E	14	INTEGRATED COMMAND AND CONTROL TECHNOLOGY	48,000	48,000	48,000		48,000
0602712E	15	MATERIALS AND ELECTRONICS TECHNOLOGY	226,045	253,545	242,045	16,000	242,045
0602715H	16	DEFENSE NUCLEAR AGENCY	219,003	223,003	242,003	22,700	241,703
0602787D	17	MEDICAL TECHNOLOGY	7,501	7,501	7,501		7,501
0305108K	18	COMMAND AND CONTROL RESEARCH	1,999	1,999	1,999		1,999
		DEFENSE HEALTH R&D					-
0603002D	19	MEDICAL ADVANCED TECHNOLOGY	4,088	4,088	4,088		4,088
0603104D	20	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	-	-	-	15,000	15,000
0603122D	21	COUNTERTERROR TECHNICAL SUPPORT	12,044	12,044	14,044	2,000	14,044
0603160D	22	COUNTERPROLIFERATION SUPPORT - ADV DEV	55,331	55,331	91,631		55,331
		ASAT PROGRAM		-		30,000	30,000
0603173C	23	SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES - ADVANCED TECHNOLOGY	79,387	79,387	149,387	50,000	129,387
0603215C	24	LIMITED DEFENSE SYSTEM	-	-	-		-
0603216C	25	THEATER MISSILE DEFENSE ADVANCED DEVELOPMENT	-	-	-		-
0603218C	26	RESEARCH AND SUPPORT ACTIVITIES	-	-	-		-
0603225D	27	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	16,799	31,799	16,799	5,000	21,799
0603226E	28	EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES	618,005	673,805	626,005	(14,300)	603,705
0603384BP	29	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT	25,684	38,284	25,684	10,000	35,684
0603569E	30	ADVANCED SUBMARINE TECHNOLOGY	7,473	30,473	7,473	23,000	30,473
0603570D	31	DEFENSE LABORATORY PARTNERSHIP PROGRAM	16,106	-	10,106	(16,106)	-
0603570E	32	DEFENSE DUAL USE TECHNOLOGY INITIATIVE	500,000	-	238,000	(305,000)	195,000
0603704D	33	SPECIAL TECHNICAL SUPPORT	18,187	18,187	18,187		18,187
0603711H	34	VERIFICATION TECHNOLOGY DEMONSTRATION	33,971	33,971	33,971		33,971
0603716D	35	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	58,435	54,155	58,435	(280)	58,155
0603724D	36	BIOLOGICAL DEFENSE - ADVANCED DEVELOPMENT	-	-	-		-

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0603725D	37	COMPUTERS & COMMUNICATIONS TO REDUCE MEDICAL COSTS	-	-	-		-
0603726D	38	JOINT TECHNOLOGY INSERTION PROGRAM	4,976	-	4,976	(1,500)	3,476
0603736D	39	CALS INITIATIVE	6,545	6,545	18,545	12,000	18,545
0603738D	40	COOPERATIVE DOD/VA MEDICAL RESEARCH	-	-	-		-
0603739E	41	ADVANCED ELECTRONICS TECHNOLOGIES	419,863	421,221	369,863	(10,845)	409,018
0603744E	42	ADVANCED SIMULATION	5,799	5,799	5,799		5,799
0603745E	43	SEMICONDUCTOR MANUFACTURING TECHNOLOGY	89,554	89,554	89,554		89,554
0603746E	44	MARITIME TECHNOLOGY	49,657	49,657	49,657		49,657
0603747E	45	ELECTRIC VEHICLES	-	-	-		-
0603748E	46	NATURAL GAS VEHICLES	-	-	-		-
0603749E	47	EARTH CONSERVANCY	-	-	-		-
0603750D	48	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	63,251	71,251	59,851	(18,400)	44,851
0603755D	49	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	89,682	89,682	89,682		89,682
0603756D	50	CONSOLIDATED DOD SOFTWARE INITIATIVE	-	-	-		-
0603771S	51	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	7,007	-	7,007	(7,007)	-
0603800E	52	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	30,675	30,675	30,675		30,675
0603832D	53	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	77,690	77,690	77,690		77,690
0305889E	55	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-
0603228D	56	PHYSICAL SECURITY EQUIPMENT	20,092	27,092	20,092		20,092
0603708D	57	INTEGRATED DIAGNOSTICS	10,266	10,266	10,266		10,266
0603709D	58	JOINT ROBOTICS PROGRAM	17,382	27,382	17,382	5,000	22,382
0603714D	59	ADVANCED SENSOR APPLICATIONS PROGRAM	25,923	35,923	35,923		25,923
0603715D	60	AIM-9 CONSOLIDATED PROGRAM	-	-	-		-
0603734J	61	ISLAND SUN SUPPORT	1,584	1,584	1,584		1,584
0603790D	62	NATO RESEARCH AND DEVELOPMENT	45,642	25,642	40,642	(22,142)	23,500
0603851D	63	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	14,939	14,939	26,939	12,000	26,939
0603861C	64	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - DEM/VAL	576,327	576,327	576,327		576,327
0603862C	65	THEATER MISSILE DEFENSE GROUND BASED RADAR (GBR-T) - DEM/VAL	-	-	-		-
0603863C	66	HAWK UPGRADES THEATER MISSILE DEFENSE ACQUISITION - DEM/VAL	23,188	23,188	23,188		23,188
0603864C	67	BATTLE MANAGEMENT AND C4I FOR TMD ACQUISITION - DEM/VAL	24,231	24,231	24,231		24,231
0603867C	68	NAVY LOWER TIER TMD ACQUISITION - DEM/VAL	-	-	-	185,000	185,000
0603868C	69	NAVY UPPER TIER TMD - DEM/VAL	30,442	200,442	200,442	170,000	200,442
0603869C	70	CORPS SURFACE-TO-AIR MISSILE - TMD - DEM/VAL	30,442	20,442	-	(10,000)	20,442
0603870C	71	BOOST PHASE INTERCEPT THEATER MISSILE DEFENSE ACQUISITION	49,061	29,061	-	(49,061)	-
0603871C	72	NATIONAL MISSILE DEFENSE - DEM/VAL	370,621	820,621	670,621	450,000	820,621
0603872C	73	OTHER THEATER MISSILE DEFENSE/FOLLOW-ON TMD ACTIVITIES ACQUISITION	460,470	423,470	475,470	(22,000)	438,470
0603884BP	74	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	32,461	36,861	32,461	1,600	34,061
0604225C	75	THEATER MISSILE DEFENSE ACQUISITION EMD PROGRAMS	-	-	-		-
0604705D	76	MOBILE OFFSHORE BASE ANALYSIS	-	-	-		-

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0201135J	77	CINC C2 INITIATIVES	-	-	-		-
0604160D	78	COUNTERPROLIFERATION SUPPORT - EMD	2,786	2,786	2,786		2,786
0604384BP	79	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	95,324	107,324	95,324	(3,707)	91,617
0604771D	80	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	62,068	62,068	62,068		62,068
0604861C	81	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	-	50,000	-		-
0604864C	82	BATTLE MANAGEMENT AND C4I FOR TMD ACQUISITION - EMD	14,301	14,301	14,301		14,301
0604865C	83	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD	247,921	247,921	352,421	104,500	352,421
0604866C	84	ERINT/PATRIOT PAC-3 RISK REDUCTION - TMD - EMD	19,485	19,485	19,485		19,485
0604867C	85	NAVY LOWER TIER TMD ACQUISITION - EMD	237,473	282,473	282,473	(140,000)	97,473
0604889K	86	COUNTERDRUG ENGINEERING AND MANUFACTURING DEVELOPMENT PROJECTS	-	-	-		-
0603710D	87	CLASSIFIED PROGRAM - C3I	2,510	2,510	2,510		2,510
0603712S	88	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	16,800	16,800	16,800	(4,500)	12,300
0605104D	89	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	39,302	24,302	34,302	(15,000)	24,302
0605110D	90	TECHNICAL SUPPORT TO USD(A)--CRITICAL TECHNOLOGY	2,651	2,651	2,651		2,651
0605114E	91	BLACK LIGHT	4,745	4,745	4,745		4,745
0605117D	92	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	46,338	46,338	46,338		46,338
0605129D	93	TECHNICAL ASSISTANCE	4,927	-	-	(4,927)	-
0605160D	94	COUNTERPROLIFERATION SUPPORT	6,468	6,468	6,468		6,468
0605218C	95	BALLISTIC MISSILE DEFENSE RDT&E PROGRAM MANAGEMENT AND SUPPORT	185,542	165,542	155,542	(30,000)	155,542
0605384BP	96	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	4,936	4,936	4,936		4,936
0605502D	97	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605790D	98	SMALL BUSINESS INNOVATIVE RESEARCH ADMINISTRATION	1,574	1,574	-		1,574
0605798S	99	DEFENSE SUPPORT ACTIVITIES	14,752	14,752	14,752		14,752
0605801S	100	DEFENSE TECHNICAL INFORMATION CENTER	42,989	42,989	42,989		42,989
0605898E	101	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	32,643	32,643	32,643		32,643
0305154D	102	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	10,000	-	30,000		10,000
0305889D	103	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-
0708011S	104	INDUSTRIAL PREPAREDNESS	-	17,007	-	7,007	7,007
0201135J	105	CINC C2 INITIATIVES	200	200	200		200
0208045K	106	C3 INTEROPERABILITY (JOINT TACTICAL C3 AGENCY)	25,338	25,338	25,338		25,338
0302016K	109	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	2,153	2,153	2,153		2,153
0302019K	110	JOINT/DEFENSE INFORMATION SYSTEMS ENGINEERING AND INTEGRATION	5,138	5,138	5,138		5,138
0303126K	111	LONG-HAUL COMMUNICATIONS (DCS)	20,538	20,538	20,538		20,538
0303127K	112	SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM	4,062	4,062	4,062		4,062
0303131K	113	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	2,269	2,269	2,269		2,269
0303140D	114	INFORMATION SYSTEMS SECURITY PROGRAM	23,884	23,884	23,884	(6,470)	17,414
0303153K	116	JOINT SPECTRUM CENTER	4,859	4,859	4,859		4,859
0303154J	117	WWMCCS ADP MODERNIZATION	-	-	-		-
0305139B	122	DMA MAPPING, CHARTING, AND GEODESY (MC&G) PRODUCTION SYSTEM IMPR	80,131	98,131	80,131	(5,386)	74,745

PE	No	Title	FY 1996 Request	House Authorized	Senate Authorized	Change to Request	Conference Agreement
0305141D	123	JOINT REMOTELY PILOTED VEHICLES PROGRAM	-	-	-		-
0305154D	124	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	515,148	646,748	528,148	115,800	630,948
0305154I	126	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	-	-	-		-
0305157I	127	LAND REMOTE SENSING SATELLITE SYSTEM	-	-	-		-
0305159B	128	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES	-	-	-		-
0305159I	130	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES	59,183	59,183	59,183		59,183
0305190D	131	C3I INTELLIGENCE PROGRAMS	7,907	7,907	7,907		7,907
1160401BB	136	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	4,090	4,090	4,090		4,090
1160402BB	137	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	13,288	14,788	13,288	1,500	14,788
1160404BB	138	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	101,602	107,102	109,895	8,293	109,895
	138a	ATV	-	-	-		-
1160405BB	139	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	2,901	2,901	2,901		2,901
1160407BB	140	SOF MEDICAL TECHNOLOGY DEVELOPMENT	1,891	1,891	1,891		1,891
1160408BB	141	SOF OPERATIONAL ENHANCEMENTS	16,534	16,534	16,534		16,534
		NON-LETHAL WEAPONS TECHNOLOGIES		-	37,200	37,200	37,200
XXXXXXXXXX	999	Classified Programs	1,194,090	1,237,401	1,224,890	31,511	1,225,601
		READINESS FOR PROCUREMENT TECH ASST(Transfer to O&M)		-	(12,000)		
		Total Defense Wide	8,802,881	9,280,058	9,271,220	616,630	9,419,511
ACCOUNT		**DIRECTOR OF TEST & EVAL DEFENSE**					
0604940D	1	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	119,714	119,714	109,714	(5,000)	114,714
0605130D	2	FOREIGN COMPARATIVE TESTING	34,062	14,062	34,062	(1,609)	32,453
0605131D	3	LIVE FIRE TESTING	-	-	-		-
0605804D	4	DEVELOPMENT TEST AND EVALUATION	105,565	105,565	95,565	(1,650)	103,915
			259,341	239,341	239,341	(8,259)	251,082
ACCOUNT		**DIRECTOR OF OPERATIONAL TEST & EVALUATION**					
0605118D	1	OPERATIONAL TEST AND EVALUATION	12,183	12,183	12,183		12,183
0605131D	2	LIVE FIRE TESTING	10,404	10,404	10,404		10,404
			22,587	22,587	22,587		22,587

University research initiative

The budget request included $236.2 million in PE 61103D.

The House bill would authorize an additional $20.0 million above the requested amount for the continuation of the Defense Experimental Program to Stimulate Competitive Research (DEPSCoR).

The Senate amendment would apply a general reduction of $15.0 million to the requested amount and would add $10.0 million for the acceleration of research activities at universities affecting combat readiness. The Senate amendment would also authorize $10.0 million within the authorized amount for the continuation of the DODDS Director's fund for Science, Mathematics, and Engineering.

The conferees agree to an authorization of $231.2 million in PE 61103D, of which $20.0 million shall be for the continuation of the DEPSCoR program and $10.0 million for the continuation of the DODDS Director's fund for Science, Mathematics, and Engineering. The conferees also agree to authorize an additional $10.0 million for the Combat Readiness Research program described on page 169 of the Senate report (104–112) and direct that an institution awarded a contract, grant or agreement under the program be required to contribute at least three times the amount provided by the Federal government to execute the program.

Chemical-biological defense program

The budget request contained $383.5 million for the Department of Defense chemical-biological defense program, including $243.0 million for research, development, test and evaluation and $140.5 million for procurement of chemical and biological defense non-medical and medical systems.

The House bill would authorize a $57.1 million increase to the budget request for the following chemical-biological defense research and development programs: $4.6 million for PE 61384BP; $23.5 million for PE 62384BP; $12.6 million for PE 63384BP; $4.4 million for PE 63884BP; and $12.0 million for PE 64384BP. The House bill would also authorize a total of an additional $50.0 million in operations and maintenance funding for chemical defense training and chemical medical defense training in the Army, Navy, Marine Corps, and Air Force.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase to the budget request in the following program elements: $4.6 million for PE 61384BP; $7.8 million for PE 62384BP; $10.0 million for PE 63384BP; and $1.6 million for PE 63884BP. The increased authorizations would augment and accelerate research and development in medical and non-medical chemical and biological defense. Prior to obligation or expenditure of funds authorized above the budget request, the conferees direct the Department to report on the projected use of these funds.

The conferees also agree to a $50.0 million increase in the military services operations and maintenance accounts for chemical defense training and chemical medical defense training. The conferees direct the Department to provide a report to Congress on the use of this increased funding in the Department's chemical defense training and chemical medical defense training. Additionally, the Department is directed to notify Congress 15 days in advance of obligation or expenditure of funds, and to provide a justification for the use of such funds in connection with the procurement of chemical-biological defense equipment.

Computing systems and communications technology

The budget request included $403.9 million for computing systems and communications technology in PE 62301E.

The House bill would reduce the budget request by $25.0 million. The House bill would authorize an additional $11.0 million for accelerated development of improved nuclear detection and forensic analysis capabilities.

The Senate amendment would authorize an additional $3.0 million for software reuse activities and $30.0 million in procurement for the global broadcast service.

The conferees agree to authorize $396.3 million in PE 62301E, to include: $11.0 million for nuclear monitoring and detection; $8.0 million for global broadcast service; $7.5 million for software reuse; and a general reduction of $29.6 million.

Global broadcast service

The budget request contained no funds for global broadcast service (GBS).

The Senate amendment would authorize $30.0 million in weapons procurement, Navy, for a GBS pilot program. The Senate report (S. Rept. 104–112) endorsed insertion of this technology into the military communications master plan and the Navy's proposal to use the ultra-high frequency follow-on (UFO) satellite system as a host for an interim GBS capability.

Neither the House bill nor the House report (H. Rept. 104–131) addressed the subject.

The Senate recedes on the $30.0 million authorization in weapons procurement, Navy. The conferees, however, agree to authorize $8.0 million for fiscal year 1996 in PE 62301E to support this effort.

The conferees endorse the Senate language regarding the insertion of DBS/GBS technology into the communications master plan. The conferees, however, do not believe that the Department of Defense (DOD) has adequately evaluated all alternatives and associated issues. The conferees support proceeding swiftly with this program, but require additional information before endorsing any particular technical approach or acquisition strategy.

The conferees are aware of the time-sensitivity surrounding the Navy's proposal to use UFO satellites 8, 9, and 10 as host platforms, and that a protracted period of study and review may preclude this option (insofar as it is dependent on use of satellite 8, which is currently scheduled to be launched no later than December 1997). The conferees are also aware that the Deputy Under Secretary of Defense for Space has tentatively endorsed the UFO approach as an interim bridge to an objective GBS system.

Nonetheless, the conferees remain concerned that no detailed analysis of options and requirements has been presented to Congress. Not wanting to prematurely endorse any particular GBS option nor preclude any promising alternative, the conferees direct the Under Secretary of Defense for Acquisition and Technology to submit a report to the congressional defense committees that addresses the following issues regarding the development and deployment of interim and objective GBS capabilities: (1) the military requirement to be satisfied; (2) the cost, schedule, technical risk, and operational effectiveness of all hosted and free-flyer options; (3) the issues involved with the use of competitive procedures or other than competitive procedures; and (4) the role of GBS capabilities in the DOD's future military satellite communications architecture and the Department's strategy for acquiring and integrating such capabilities.

The conferees encourage early involvement by the Commanders-in-Chief (CINCs) to ensure that GBS capabilities support a broad range of joint missions in the CINCs' areas of responsibility. The conferees also believe that the Under Secretary for Acquisition and Technology should conduct a broad survey of the capabilities and views of industry prior to selecting a particular technical approach or acquisition strategy.

Once the congressional defense committees have received the report described above, the conferees would consider a reprogramming request to satisfy any outstanding fiscal year 1996 funding requirements. The conferees' approval of such a request would depend largely on the content of the report submitted, the offsets identified, and the degree to which the chosen GBS acquisition strategy is funded in the Secretary of Defense's fiscal year 1997 budget request and Future Years Defense Program.

Materials and electronics technology

The budget request included $226.1 million for material and electronics technology.

The House bill would authorize an additional $3.0 million for chemical vapor deposition (CVD) and $2.0 million for chemical vapor composite (CVC) deposition. The bill would also provide an additional $5.0 million for higher transition temperature superconducting (HTS) materials, $7.5 million for seamless high off-chip connectivity (SHOCC) and $10.0 million for non-woven aramide fiber packaging.

The Senate amendment would authorize an additional $8.0 million for CVD and $8.0 million for HTS.

The conferees agree to authorize $242.0 million in PE 62712E, an increase of $16.0 million. This increase provides $4.0 million each for CVC deposition and CVD diamond material development and $8.0 million for HTS. The HTS authorization shall include HTS wire applications and precision band pass filters and high "Q" antennae for military communication systems that operate in signal rich environments.

Counterterror technical support

The budget request included $12.0 million for the counterterror technical support program.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $2.0 million to the budget request for the continued development of pulsed fast neutron analysis (PFNA) cargo inspection technology.

The House recedes.

Joint Department of Defense/Department of Energy munitions technology development

The budget request included $16.8 million for the joint Department of Defense and Department of Energy munitions program.

The House bill would authorize $31.8 million for the program, a $15.0 million increase to the budget request for environmentally compliant demilitarization and disposal of unserviceable, obsolete, or non-treaty compliant munitions, rocket motors, and explosives.

The Senate amendment would authorize the budget request.

The conferees agree to a $5.0 million increase to the budget request for joint DOD/DOE munitions technology development (PE 63225D). In addition, the conferees agree to provide $15.0 million for explosives demilitarization technology (PE 63104D), discussed elsewhere in the report.

Experimental evaluation of major innovative technologies (EEMIT)

The budget request included $618.0 million for Experimental Evaluation of Major Innovative Technologies (EEMIT).

The House bill would authorize an additional $55.8 million for several programs, to include: global grid communications ($5.0 million); safety and survivability ($2.0 million); synthetic theater of war ($6.8 million); cruise missile defense ($35.0 million); and antisubmarine warfare (ASW) ($7.0 million).

The Senate amendment would authorize an increase of $18.0 million for several programs, to include: cruise missile defense ($10.0 million); thermophotovoltaics ($5.0 million); and funding for a large millimeter wave telescope ($3.0 million). The Senate would also authorize a general reduction of $10.0 million to the EEMIT program element.

The conferees agree to authorize $613.7 million in PE 63226E, the highest level of appropriation, and specifically identify the following programs for authorization: cruise missile defense ($10.0 million); large millimeter wave telescope ($3.0 million); safety and survivability ($2.0 million); ASW ($5.0 million); deep ocean relocation ($2.5 million); and Crown Royal ($5.0 million).

Safety and survivability

The House bill would authorize an additional $2.0 million in PE 65864N and an additional $2.0 million in PE 63226E for safety and survivability enhancements.

The Senate amendment contained no additional authorization for these purposes.

The conferees direct that of the funds authorized in PE 64864N and PE 63226E, $2.0 million each shall be used for safety and survivability enhancements, as specified in the House report (H. Rept. 104–131).

Shallow water anti-submarine warfare

The budget request included $16.5 million in PE 63226E for development and demonstration of advanced technologies for shallow water anti-submarine warfare operations.

The House bill would authorize an additional $7.0 million to begin an assessment by ARPA and the Navy of the use of newly developed and maturing multi-static acoustic, electromagnetic and electro-optic sensor technologies integrated into existing aircraft, ship, and submarine platforms in a combined system of sensors to provide the joint amphibious operational commander an integrated picture of the littoral maritime environment.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to authorize an additional $5.0 million to the budget request to continue the development and demonstration of advanced technologies for shallow water anti-submarine warfare.

Synthetic theater of war

The budget request included $79.1 million in PE 63226E for the Advanced Distributed Simulation program.

The House bill would authorize an additional $6.8 million to maintain the program and schedule for the 1997 Synthetic Theater of War (STOW–97) advanced concept technology demonstration.

The Senate amendment would authorize the budget request.

The House recedes. The conferees are impressed by the results of the STOW–95 demonstration and the potential to meet the warfighting commanders' requirements for development and integration of improved simulation technologies for training and mission rehearsal. The conferees recognize that the STOW program could prove to be the foundation for the future Joint Simulations System for all the military services. The conferees strongly encourage the Secretary of Defense to maintain funding levels necessary to sustain the objectives and schedule of the STOW–97 advanced concept technology demonstration.

Tactical technology

The budget request included $113.2 million for this tactical technology program.

The House bill would authorize an additional $7.0 million for the tactical landing system project and an additional $7.0 million for a high resolution, mobile multiple object tracking system project.

The Senate amendment would authorize an additional $6.5 million for the tactical landing system project.

The conferees agree to authorize an additional $6.5 million in PE 63226E for completion of the tactical landing system project and an additional $7.0 million in PE 63226E for a high resolution, mobile multiple object tracking system.

Advanced submarine technology development

The budget request included $7.5 million in PE 63569E for the Advanced Research Projects Agency's (ARPA's) advanced submarine technology program.

The House bill would authorize an additional $23.0 million in PE 63569E. This increase would permit ARPA to pursue innovative technologies that could improve the capability of Navy submarines to operate in littoral regions, develop and demonstrate new concepts for structural acoustics and management of submarine signatures, and enhance the multi-mission capabilities of Navy submarines.

The Senate amendment would authorize the budget request.

The conferees agree to authorize $30.5 million in PE 63569E, an increase of $23.0 million. Of the $23.0 million, $7.0 million shall only be available to continue transfer of technology to the Navy for active control of machinery platforms demonstrated in ARPA's Project M.

Rapid acquisition of manufactured parts

The House bill would authorize an increase of $12.0 million above the requested amount of $21.5 million in PE 63712N for the continuation of the rapid acquisition of manufactured parts (RAMP) program.

The Senate amendment would authorize an increase of $12.0 million above the requested amount of $6.5 million in PE 63736D for the RAMP program.

The House recedes.

Advanced lithography program

The budget request included $39.0 million in PE 63739E for advanced lithography programs.

The House bill would authorize an additional $25.0 million in PE 63739E for advanced lithography programs.

The Senate amendment would authorize the requested amount.

The conferees agree to authorize $60.0 million, an additional $21.0 million, in PE 63739E, for advanced lithography programs.

Advanced electronics technologies

The budget request included $420.0 million for advanced electronics technologies in PE 63739E.

The House bill would authorize an additional $25.0 million for advanced lithography and a reduction of $23.6 million in project MT–07.

The Senate amendment reduced the budget request by a cumulative $50.0 million for three separate programs.

The conferees agree to a funding level of $409.0 million, which includes an additional $21.0 million for advanced lithography, $7.5 million for seamless high off-chip connectivity, and full funding for project MT–08. The conferees consider the work of the Center for Advanced Technologies to be worthy of continuation. The conferees note that the Department of Defense may, at its discretion, use funds authorized in PE 61101E to continue the program at the requested level.

Joint robotics program

The budget request included $17.4 million for the joint robotics program.

The House bill would authorize an additional $10.0 million for the mobile detection assessment response system (MDARS).

The Senate amendment contained no similar provision.

The conferees agree to an increased funding authorization of $5.0 million for MDARS in PE 63709D.

Advanced sensor applications program

The budget request included $17.4 million in PE 63714D for the advanced sensor applications program.

The House bill would authorize an increase of $10.0 million to the budget request, including $5.0 million for continued development of a research prototype laser radar anti-submarine warfare (LIDAR ASW) system concept, which is being investigated by the Office of the Secretary of Defense advanced sensor applications program (OSD ASAP), and $5.0 million for continued development of the Navy ATD–111 LIDAR ASW system. The House bill would encourage comparative testing of the two systems as a basis for establishing the requirement for a follow-on system.

The Senate amendment would authorize an additional $10.0 million for upgrade test and evaluation of the ATD–111 system, and would direct the Secretary of the Navy to prepare a plan for acquisition and deployment of the ATD–111.

The conferees have agreed to provide $10.0 million in PE 63528N for the Navy ATD–111 non-acoustic anti-submarine warfare program, as discussed elsewhere in this statement of managers. The conferees strongly support the comparative evaluation of the LIDAR ASW alternatives, and direct the Department of the Navy and the OSD ASAP to develop jointly a plan for testing these two alternative approaches to LIDAR ASW. The conferees expect that funds to complete the evaluation will be included in the fiscal year 1997 defense budget request.

Industrial preparedness (manufacturing technology) programs

The budget request included $17.8 million for the Army, $41.2 million for the Navy, $53.3 million for the Air Force, and $7.0 million for the Defense Agencies to fund the manufacturing technology (MANTECH) programs within these agencies.

The House bill would include an additional $10.0 million for the Army, an additional $10.0 million for the Navy, and approve the requested amount for the Air Force and the Defense. The House bill would also transfer funding from advanced development (6.3) program elements to industrial preparedness (7.8) program elements.

The Senate amendment would authorize all the manufacturing technology programs at the requested amounts and would transfer the funding from the program elements in the budget request.

The conferees agree to authorize funding for manufacturing technology programs, as follows:

	Millions
Army (PE 78045A)	$26.8
Navy (PE 78011N)	88.0
Air Force (PE 78011F)	60.9
Def. Ag. (PE 78011S)	7.0

Integrated bridge system for MK V special operations craft

The budget request included $13.3 million in PE 1160402BB for special operations advanced technology development.

The House bill would authorize an additional $1.5 million for development of a prototype maritime integrated bridge system for the MK V special operations craft to demonstrate the potential for advanced display and control technologies to enhance mission performance.

The Senate amendment would authorize the budget request.

The Senate recedes.

Quiet Knight advanced concept and technology demonstration

The budget request included $101.6 million in PE 1160404BB for Special Operations tactical systems development, to include $3.5 million allocated by the U.S. Special Operations Command to continue the Quiet Knight advanced avionics technology demonstration.

The House bill would authorize the budget request. The House report (H. Rept. 104–131) expressed strong support for a Phase I (component development and demonstration) of an advanced concept technology demonstration of Quiet Knight for both fixed and rotary wing aircraft, and the continuation to a Phase II full scale demonstration and flight test of the integrated Quiet Knight capability. The House report also expressed the expectation that funding requirements for completion of the Phase II demonstration would be included in the fiscal year 1997 budget request.

The Senate amendment would authorize the budget request.

The conferees support completion of the Quiet Knight technology demonstration, and encourage the Department of Defense to validate the requirements for advanced low probability of intercept/low probability of detection avionics for special operations aircraft.

Advanced SEAL delivery system

The budget request included $24.6 million in PE 1160404BB to complete fabrication and integration of the first Advanced SEAL Delivery System (ASDS) and begin system level testing.

The House bill would authorize an additional $4.0 million to complete evaluation of the ASDS employed on the SSN-688 class submarine.

The Senate amendment contained a similar provision.

The conferees are pleased with the joint efforts of the U.S. Special Operations Command and the Navy in the development of ASDS. The conferees agree to increase the budget request by $4.0 million to complete evaluation of the ASDS.

Rigid hull inflatable boat

The budget request contained $11.7 million for procurement of special warfare equipment, including $10.1 million for procurement of the Naval Special Warfare 10 meter Rigid Hull Inflatable Boat (RHIB).

The House bill would authorize the budget request.

The Senate amendment noted that the U.S. Special Operations Command had reported that the 10 meter RHIB, on which initial developmental effort had been focused, performed unsatisfactorily during operational testing. As a result, a new strategy was adopted for development of a RHIB to meet Special Operations Forces' requirements. The Senate amendment would authorize an increase of $4.3 million in PE 1160404BB to support this developmental effort and would direct a corresponding reduction in the procurement account for special warfare equipment to offset the increase.

The House recedes. The conferees understand that the $4.3 million increase in PE 1160404BB for this purpose will support the competitive procurement of three to four prototype RHIBs for developmental testing and early operational assessment. The remaining $5.8 million authorized for procurement of special warfare RHIBs will be used to procure approximately 30 interim 24-foot RHIBs to alleviate deficiencies caused by the estimated three-year delay in initial operation capability for the new RHIBs.

Ballistic missile defense funding and programmatic guidance

The budget request contained $2,912.9 million for the Ballistic Missile Defense Organization (BMDO), including $2,442.2 million for Research, Development, Test, and Evaluation (RDT&E), $453.7 million for Procurement, and $17.0 million for Military Construction.

The House bill would authorize an additional $628.0 million for BMDO.

The Senate amendment would authorize an additional $490.5 million for BMDO.

The conferees agree to authorize a total of $3,516.9 million for BMDO, an increase of $603.9 million above the budget request. The conferees set forth specific funding allocations and programmatic guidance below.

BMDO FUNDING ALLOCATION

[In thousands of dollars]

Program	Budget Request	House Change	Senate Change	Conference Change	Conference Outcome
Support Tech	93,308				93,308
Support Tech	79,387		+70,000	+50,000	129,387
THAAD Dem/Val	576,327				576,327
Hawk	23,188				23,188
BM/C3 Dem/Val	24,231				24,231
Navy LT Dem/Val				+185,000	185,000
Navy UT Dem/Val	30,442	+170,000	+170,000	+170,000	200,442
Corps SAM	30,442	−10,000	+4,558	−10,000	20,442
BPI	49,061	−20,000	−49,061	−49,061	
NMD	370,621	+450,000	+300,000	+450,000	820,621
Other TMD	460,470	−37,000	+15,000	−22,000	438,470
THAAD EMD		+50,000			
BM/C3 EMD	14,301				14,301
PAC-3 EMD	247,921		+104,500	+104,500	352,421
PAC-3 EMD/RR	19,485				19,485
Navy LT EMD	237,473	+45,000	+45,000	−140,000	97,473
Management	185,542	−20,000	−30,000	−30,000	155,542
Patriot Proc	399,463		−104,500	−104,500	294,963
Navy LT Proc	16,897				16,897
Hawk Proc	5,106				5,106
BM/C3 Proc	32,242				32,242
BMDO Milcon	17,009				17,009

Theater High Altitude Area Defense (THAAD)—The conferees agree to authorize the budget request of $576.3 million in PE 63861C for THAAD Demonstration/Validation (Dem/Val).

The conferees endorse the language in the House report (H. Rept. 104–131) and the Senate report (S. Rept. 104–112) regarding the THAAD User Operational Evaluation System (UOES) option, and the need to ensure a smooth and timely transition from the Dem/Val phase to the Engineering and Manufacturing Development (EMD) phase. The conferees direct the Secretary of Defense to restructure the THAAD program so as to achieve a First Unit Equipped (FUE) by fiscal year 2000. The conferees believe that this objective can be facilitated by making only minor modifications to the UOES design and beginning Low-Rate Initial Production as soon as the EMD missiles have been adequately tested. Subsequent performance improvements to the initial system configuration should be incorporated through block upgrades, as appropriate and necessary. The conferees note that this approach would reduce overall THAAD development costs while significantly accelerating fielding of an operational system. Therefore, the conferees urge the Secretary of Defense to release the THAAD engineering and manufacturing development (EMD) request for proposal. Finally, the conferees direct the Secretary of Defense to promptly initiate development of all battle management software for the THADD system, including that necessary to receive cuing information from external sensors.

Navy Upper Tier—The budget request included $30.4 million in PE 63868C for the Navy Upper Tier program.

The conferees agree to authorize an increase of $170.0 million for a total Navy Upper Tier authorization of $200.4 million. The conferees direct the Secretary of Defense to include the Navy Upper Tier program in the core theater missile defense (TMD) program and to structure the Navy Upper Tier development and acquisition program so as to achieve an initial operational capability (IOC) not later than fiscal year 2001, with a UOES capability not later than fiscal year 1999. The conferees look forward to receiving the results of the various studies that are assessing Navy Upper Tier technical issues and deployment options. The conferees agree to require the Director of BMDO to provide a status report to the congressional defense committees, not later than March 1, 1996, that summarizes the findings and recommendations (as available) of these analyses. The Director of BMDO should include in such report an assessment of options for reducing risk and enhancing competition in the Navy Upper Tier program, including the option of establishing a competitive development and flight test program between the Lightweight Exoatomospheric Projectile (LEAP) and THAAD kill vehicles.

The conferees believe that competition within the Navy Upper Tier program is desirable, but do not support the notion of competition between the Navy Upper Tier and THAAD programs. The conferees are convinced that the United States can and should develop and deploy both sea-based and land-based upper tier programs. Although there may be an opportunity to reduce the number of TMD programs being developed by the Department of Defense, the conferees strongly oppose the notion of a competition and down-select between the THAAD and Navy Upper Tier systems. The conferees view these as critical and complementary systems.

Patriot—The budget request included $247.9 in PE 64865C for PAC–3 EMD, $19.5 million in PE 64866C for PAC–3 risk reduction, and $399.5 million for Patriot procurement.

The conferees agree to authorize the overall amount requested for the Patriot program and related activities. Within this overall authorization, the conferees agree to transfer $104.5 million from Patriot procurement to PAC–3 EMD, a total authorization of $352.4 million in PE 64865C.

Navy Lower Tier—The budget request included $237.5 million in PE 64867C for Navy Lower Tier EMD and $16.9 million for Navy Lower Tier procurement.

The conferees agree to authorize an increase of $45.0 million for Navy Lower Tier Dem/Val and to transfer $140.0 million from Navy Lower Tier EMD to Navy Lower Tier Dem/Val, a total of $185.0 million in PE 63867C.

Corps SAM—The budget request included $30.4 million in PE 63869C for the Corps Surface to Air Missile (Corps SAM) system.

The conferees agree to authorize $20.4 million for Corps SAM, a reduction of $10.0 million. Although the conferees support the Corps SAM requirement, they remain concerned by several aspects of the current Corps SAM program, now known as the medium extended air defense system (MEADS). The conferees support an effort to explore alternative means to satisfy the Corps SAM requirement. Given the investments that have already been made in developing systems such as PAC–3 and THAAD, reintegration of existing systems and technologies may offer an achievable, cost-effective, and expeditious alternative. The conferees direct the Secretary of Defense to submit a report to the congressional defense committees on the options associated with the use of existing systems, technologies, and program management mechanisms to satisfy the Corps SAM requirement, including an assessment of cost and schedule implications. The conferees direct that, of the funds authorized in fiscal year 1996 for the Corps SAM program, not more than $15.0 million may be obligated until such report has been submitted to the congressional defense committees.

Boost-Phase Intercept—The budget request included $49.1 million in PE 63870C for the kinetic energy Boost-Phase Intercept (BPI) program.

The House bill would authorize $29.1 million for the kinetic BPI program.

The Senate amendment would authorize no funds for the kinetic BPI program in PE 63870C. However, the Senate amendment would authorize $15.0 million in the Other TMD (OTMD) program element (PE 63872C) to initiate a joint United States-Israel BPI program based on unmanned aerial vehicles (UAVs).

The conferees agree to authorize no funds for the kinetic BPI program due to continuing skepticism about the operational and technical effectiveness of a BPI system based on a manned tactical aircraft. However, the conferees agree to authorize the use of up to $15.0 million, from within funds made available in the OTMD program element, for a UAV-based BPI program. The conferees support a joint U.S.-Israel UAV–BPI program focused on risk mitigation, provided that an equitable cost-sharing arrangement can be reached and that the program will be structured to satisfy the BPI requirements of both sides. The conferees also support continuation of the Atmospheric Interceptor Technology (AIT) program, which is being developed as an advanced multi-purpose kill vehicle. The conferees authorize the use of up to $30.0 million, from within funds made available in the OTMD program element, to continue the AIT program. The conferees are disappointed that the Department has not completed its review of BPI programs and options in time to inform the conferees' deliberations and decisions. Therefore, the conferees agree to require the Director of BMDO to submit a report to the congressional defense committees, not later than February 1, 1996, that summarizes the findings and recommendations of the Department's BPI study. This report should also address promising options and technical approaches associated with a UAV BPI program.

Other TMD—The budget request contained $460.5 million in PE 63872C for OTMD programs, projects, and activities.

The House bill would authorize $423.5 million for OTMD.

The Senate amendment would authorize $475.5 million, including the $15.0 million for the UAV–BPI program cited above.

The conferees agree to authorize $438.5 million for OTMD. Of this amount, the conferees authorize the use of up to $15.0 million to explore a UAV–BPI program and up to $30.0 million to continue the AIT advanced kill vehicle program.

National Missile Defense—The budget request contained $370.6 million in PE 63871C for National Missile Defense (NMD).

The House bill would authorize $820.6 million for NMD.

The Senate amendment would authorize $670.6 million for NMD.

The conferees agree to authorize $820.6 million for NMD.

Support Technologies—The budget request contained $93.3 million in PE 62173C and $79.4 million in PE 63173C for ballistic missile defense (BMD) support technologies.

The House bill would authorize the budget request for BMD Support Technologies.

The Senate amendment would authorize an increase of $70.0 million in PE 63173C for the Space-Based Laser (SBL) program.

The conferees agree to authorize the budget request in PE 62173C and to authorize an increase in the SBL program of $50.0 million, for a total authorization of $129.4 million in PE 63173C. The conferees believe that it is critical for the United States to continue developing the technology for space-based defenses, to preserve the option of deploying highly effective global defenses in the future. The conferees note that a space-based laser would likely be the most effective system for intercepting ballistic missiles of virtually all ranges in the boost phase. Therefore, the conferees direct the Secretary of Defense to take the following actions: (1) continue integration and testing of the laser, mirror, and beam control components of the Alpha-Lamp Integration program; (2) accelerate design activities on the StarLITE space demonstration configuration; (3) produce the concept of operations and design requirements for a follow-on operational space-based laser deployment; and (4) revitalize the technology development efforts most likely to yield significant cost and weight savings for a future SBL spacecraft. The conferees direct the Secretary of Defense to ensure that sufficient funds are provided in the outyears for continuation of a robust SBL effort, and submit to the congressional defense committees, by March 1, 1996, a report that outlines a program and funding profile that could lead to an on-orbit test of a demonstration system by the end of 1999 if approved.

The conferees note that the Director, BMDO, has testified to Congress that BMDO's follow-on technology programs are severely under-funded and that the Director is seeking to increase such funding to approximately 12 percent of the overall BMDO budget. The conferees support the efforts of the Director of BMDO to increase funding for advanced technology development. However, the conferees note that such increases will require an overall increase in the funds allocated to BMDO. The conferees support such an increase in order to reinvigorate and advanced technology programs and to help sustain the development and acquisition activities endorsed by the conferees.

BMDO is required to set aside 2.15 percent of extramural research, development, test, and evaluation authorized and appropriated (RDT&E) funds for Small Business Innovative Research (SBIR) efforts. Since the conferees recommend a level of funding for BMD programs exceeding the budget request, and programmed funding for SBIR represents a level below the mandated percentage, the Director of BMDO is authorized to transfer such funds as necessary from BMD program elements into PE 62173C to achieve the required percentage for SBIR.

BMDO Management—The budget request contained $185.5 million in PE 65218C for BMD Management.

The House bill would authorize $165.5 million for BMDO Management.

The Senate amendment would authorize $155.5 million for BMDO Management.

The conferees agree to authorize $155.5 million for BMDO Management. The conferees recognize that BMDO must maintain the integrity of its oversight of the overall BMD program. The conferees are concerned, however, that BMD management infrastructure may be unnecessarily duplicated in one or more of the services. Therefore, the conferees direct that BMDO identify any such duplication and take actions to eliminate it. The conferees request that the Director of BMDO consult with the Senate Committee on Armed Services and the House Committee on National Security regarding the Director's findings and proposed actions. The conferees further direct that BMDO show no increase in fiscal year 1997, after adjustments for inflation and any change in mission, over the level appropriated for management in fiscal year 1996.

Cruise missile defense funding

The House bill would authorize an increase of $76.0 million above the budget request for cruise missile defense programs, projects, and activities.

The Senate amendment would authorize an increase of $145.0 million above the budget request for a similar group of programs, projects, and activities.

The conferees agree to authorize an increase of $85.0 million above the budget request for cruise missile defense programs, projects, and activities. The conferees provide additional guidance in the classified annex.

ITEMS OF SPECIAL INTEREST

Anti-submarine warfare program

The conferees share the concerns raised in the House report (H. Rept. 104–131), and in the classified annex to that report, regarding the apparent decline in priority of the Navy's anti-submarine warfare (ASW) program. The conferees agree that there is a need for an assessment of the nation's overall ASW program. The conferees' concerns are addressed further in the classified annex to this Statement of Managers.

The conferees direct the Secretary of Defense to assess the current and projected United States ASW capability in light of the continuing development of quieter nuclear submarines, the proliferation of very capable diesel submarines, the sale of sophisticated, submarine launched weapons, and the declining trend in budget resources associated with ASW programs. This assessment should identify both short-term and long-term improvements that are needed to cope with the evolving submarine threat in both littoral and open ocean areas. The results of this assessment and the plan for the United States ASW program shall be reported to the congressional defense committees by July 1, 1996.

Geosat follow-on program

The House report (H. Rept. 104–131) addressed the issue of converging the Navy's Geosat Follow-On (GFO) altimetry program with the National Aeronautics and Space Administration's TOPEX/Poseidon Follow-On (TPFO) altimetry program.

The Senate report (S. Rept. 104–112) did not address the issue.

The conferees share the concerns raised in the House report. The conferees are dismayed that the report to Congress on altimetry convergence was submitted more than three months later than an already extended deadline. The conferees are also troubled that the report recommends proceeding with the TPFO option, despite the fact that this approach would cost more, not involve U.S. construction and control of the satellite, and not provide the same level of data security. The TPFO option would require the Navy to spend an additional $5.2 million, for which it has not budgeted, to add global positioning system (GPS) and direct downlink capabilities critical for satisfying Navy requirements. The conferees direct that no funds authorized for the Department of Defense be obligated or expended during fiscal year 1996 for activities associated with adding GPS and direct downlink capabilities to TPFO.

High performance computing modernization program

In addition to supporting efforts to reduce the RDT&E infrastructure, the conferees continue to support investment in high performance computing (HPC) resources for use in the developmental test and evaluation (DT&E) community and recognize the need for a transition to HPC-based resources, integrated DT&E, and operational test and evaluation (OT&E). The conferees direct the Secretary of Defense to prepare a long-term plan for modernization of HPC resources at test and evaluation centers, and for the integration of HPC-based models, advanced data bases, and other decision support resources into the RDT&E infrastructure. In preparing the plan, the Secretary should rely on the collaborative input from the Director of Defense Research and Engineering, the Director of Test Systems Engineering and Evaluation, and the Director of Operational Test and Evaluation. The plan shall address budgeting options that provide for a realistic program and propose financing methods that can insure that needed infrastructure investments are made in a timely manner. The conferees direct the Secretary to submit the proposed plan with the Department of Defense budget recommendations to the congressional defense committees, no later than March 31, 1996.

Low-low frequency acoustics

The conferees share the understanding expressed in the House report (H. Rept. 104–131) that of the funds authorized and appropriated in fiscal year 1994 and 1995 for the low-low frequency acoustics (LLFA) technology program approximately $30.0 million remain available and are sufficient to continue the program through fiscal year 1996. The conferees further understand that the fiscal year 1996 program will focus on operational concepts for the LLFA, technical performance, command and control, environmental considerations, and the transition of the LLFA technology to existing fleet platforms. The conferees agree with the House that based on the emerging results of the fiscal year 1996 program consideration of additional funding for LLFA technology program, should be deferred until the fiscal year 1997 budget request.

Machine tool controller

The conferees are aware of a recent cooperative research and development agreement, entered into by the Department of Energy, two national laboratories, and a private sector consortium, to develop and test an open-architecture machine tool controller. The conferees encourage the Secretary of Defense to develop a plan to ensure a thorough evaluation of the technology and its application to the specific needs of defense contractors.

National security space policy, management, and oversight

The House report (H. Rept. 104–131) and the Senate report (S. Rept. 104–112) each contained reporting requirements concerning policy, management, and oversight of U.S. national security space programs. In lieu of the reporting requirements contained in those reports, the conferees direct the Secretary of Defense to submit a report to the Congress, not later than April 15, 1996, that addresses in detail the following matters:

(1) *The results of the Administration's reviews of U.S. national and military space policies*—The conferees direct that copies of any updated policy directives (including unclassified and classified forms) that result from the reviews be included as attachments to the Secretary's report. The conferees view the Administration's decision to initiate such reviews as appropriate in light of changes in the international security environment, and expect the reviews will be completed in time to permit Departmental witnesses to discuss the results in hearings on the President's fiscal year 1997 budget request.

(2) *The activities of the Joint Department of Defense Intelligence Community Space Management Board (JSMB)*—The report shall include a copy of the charter for the Board and a description of its planned functions, operations, and staffing. The report shall address the responsibilities for the development of an integrated national security space architecture and the integrated acquisition of national security space systems. In addition, the report shall describe the Board's plans for reviewing military and intelligence satellite communications architectures and systems. The conferees endorse the establishment of the JSMB, noting that improved integration of military and intelligence satellite architectures and systems can result in significant cost-savings and efficiencies in the acquisition and operation of those systems.

(3) *The status of and plans for completing a national security space master plan to guide investments in military and intelligence space architectures and systems for the coming decade*—The conferees note with concern that the Department failed in a similar, but more narrowly focused, undertaking when, in the Statement of Managers to accompany the National Defense Authorization Act for Fiscal Year 1993 (H. Rept. 102–966), the conferees directed the Department to develop "a comprehensive acquisition strategy for developing, fielding, and operating DOD space programs." Nonetheless, the conferees applaud the decision of the Deputy Under Secretary of Defense for Space to begin drafting such a master plan, and request that the report include an estimated completion date for the plan.

(4) *The Department's plans for ensuring that, even as oversight of national security space acquisition and planning is centralized, each of the military services is able to influence decisions regarding space architectures and systems*—The conferees direct that the report include: (a) an assessment of progress to date in centralizing DOD space management; (b) the organizational structure that will be achieved upon completion of the planned consolidation, and an estimated completion date for such consolidation; (c) a description of how the DOD plans to protect service-unique interests and other equities in the new centralized organization; (d) the anticipated reductions in personnel and infrastructure that will result from such consolidation; and (e) the degree to which effectiveness and efficiency will be enhanced by the new structure and associated procedures.

The conferees are aware that the Department has established a Space Architect Office as part of the space management reorganization. Given that this is a new function and organization, budget planning was not completed prior to submittal of the amended fiscal year 1996 budget request. Therefore, the conferees agree to authorize the use of up to $10.0 million in Air Force research, development, test, and evaluation funds to operate the Space Architect Office in fiscal year 1996.

Shortstop

The conferees stress the need to move forward without delay on the Shortstop countermeasure system, and encourage the Secretary of the Army to maintain funding for the currently planned program leading to procurement.

Softwar operations

The conferees direct the Air Force's Phillips Laboratory Combat Space Operations Program Office to examine the use of commercially developed Information Warfare

Systems that use television enhanced situational awareness for "softwar" operations. The Secretary of the Air Force shall report to the congressional defense committees by January 1, 1996 on the results of the Phillips Laboratory examination and the possibility to fund a technology demonstration in "softwar" operations. The conferees direct the Secretary to pursue this technology if the examination results in a favorable recommendation.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Modifications to strategic environmental research and development program (sec. 203)

The House bill contained a provision (sec. 203) that would make certain modifications to chapter 172 of title 10, United States Code, which governs the Strategic Environmental Research and Development Program.

Senate amendment contained no similar provision.

The Senate recedes with an amendment that would streamline and simplify program activities, facilitate program management, and promote cost effectiveness. The existing annual reporting requirement would continue until fiscal year 1997, at which point an abbreviated annual reporting requirement would become effective. The Senate amendment would ensure that the level of participation by the Secretary of Energy would not be subject to change. The conferees agree that there is a continuing need for Department of Energy participation in the program, and the retention of some reporting requirements.

Defense dual-use technology initiative (sec. 204)

The House bill would deny the entire funding request of $500.0 million for the Defense Reinvestment Program (PE 63570E).

The Senate amendment would rename the program the Defense Dual-Use Technology Initiative and reduce the requested authorization for the program by $262.0 million.

The conferees agree to change the name of the program and to authorize $195.0 million for the program. The conferees have included a provision that would limit the availability of the funds authorized in PE 63570E only for the purpose of continuation or completion of projects initiated before October 1, 1995. The conferees have also included language that would require the Secretary of Defense, prior to obligation of funds, to provide the congressional defense committees with notice regarding the projects to be funded with $145.0 million of the amount authorized for the program. The conferees have also required that, for the remaining $50.0 million of the total amount authorized, the Secretary should certify, prior to obligation of funds, that the projects that would be carried out using such funds have been determined by the Joint Requirements Oversight Council to be of significant military priority.

Subtitle B—Program Requirements, Restrictions, and Limitations

Space launch modernization (sec. 211)

The House bill contained a provision (sec. 211) that would authorize $100.0 million for a competitive reusable rocket technology program, and $7.5 million for evaluation of prototype hardware of low-cost expendable launch vehicles.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize $50.0 million for a competitive reusable rocket technology program, provided that the National Aeronautics and Space Administration allocates at least an equal amount for its reusable space launch program.

Tactical manned reconnaissance (sec. 212)

The House bill contained a provision (sec. 213) that would prohibit the Air Force from conducting any research and development on tactical manned reconnaissance systems.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require a report explaining the Air Force's planned uses of funds for the tactical manned reconnaissance mission.

Joint advanced strike technology (JAST) program (sec. 213)

The budget request included three requests for research and development funding for the joint advanced strike technology (JAST) program: $149.3 million for the Navy, $151.2 million for the Air Force, and $30.7 million for the Advanced Research Projects Agency.

The House bill contained a provision (sec. 216) that would reduce the request for JAST by $51.0 million, evenly divided between the Navy and the Air Force, and limit to 75 percent the obligation of fiscal year 1996 appropriations until the Secretary of Defense provides a report to the congressional defense committees. The provision would require that the Secretary's report specify the numbers and capabilities of JAST-derivative aircraft and related weapons systems necessary to support two major regional contingencies.

The Senate amendment would approve the JAST request. The Senate amendment also contained a provision (sec. 211) that would require the Navy to evaluate a variant of the F-117 stealth fighter to fulfill Navy requirements within the JAST program. The Senate amendment would add $175.0 million to the Navy program for this propose, with $25.0 million to provide initial engineering analysis and specific risk reduction efforts, and $150.0 million to develop a flying prototype. Authorization of a flying prototype would be contingent on approval by the Secretary of the Navy's approval of results of initial analytical efforts.

The Senate report (S. Rept. 104–112) questioned whether the program could fulfill the needs of the three services, and directed the Department to include two separate approaches in the JAST program to reduce program risk. The Senate amendment directed the Secretary of the Navy to:

(1) ensure that the JAST program leads to competitive demonstration involving tests of full scale, full thrust aircraft by competitors to provide test data for evaluation by the services; and

(2) evaluate at least two propulsion concepts from competing engine companies as part of those demonstrations.

Subsequent to passage of the Senate amendment and the House bill, the Department redefined the JAST program. Although additional resources will be necessary, from fiscal year 1997 onward, to execute this new program, these changes have led to fiscal year 1996 deferral of $131.0 million.

The conferees share the concerns expressed in the Senate report (S. Rept. 104–112) regarding the lack of engine competition and the size of flying prototypes. The conferees direct the Under Secretary of Defense (Acquisition & Technology) (USD (A&T)) to ensure that: (1) the Department's JAST program plan provides for adequate engine competition in the program; and (2) the scale of the proposed demonstrator aircraft is consistent with both adequately demonstrating JAST concepts and lowering the risk of entering engineering and manufacturing development (EMD). The conferees direct the Secretary of Defense to include in the report required by section 213(d) the Department's plan for competitive engine programs and demonstrator aircraft.

The conferees recommend authorization of funds reflecting these changes, and agree to a provision (sec. 213) that would:

(1) require that the Secretary of Defense provide a report to the congressional defense committees specifying the:

(a) the numbers and capabilities of JAST-derivative aircraft and related weapons systems required to support two major regional contingencies; and

(b) the department's plan for competitive engine programs and demonstrator aircraft;

(2) limit obligations for the JAST program to no more than 75 per cent of fiscal year 1996 appropriations, until the Secretary of Defense provides this report;

(3) authorize up to $25.0 million from Navy Research, Development, Test and Evaluation to conduct a six month program definition phase for the A/F-117X to determine whether such an aircraft could affordably meet the Navy's next generation aircraft strike requirements;

(a) if the USD (A&T) determines that a six month definition phase is warranted, he shall provide a report on the results of the concept definition phase to the congressional defense committees, not later than May 1, 1996;

(b) if the USD (A&T) determines otherwise and certifies that an A/F-117X aircraft is not needed to meet the Navy requirements and is not a cost effective approach to meeting Navy needs, the provision would allow the Department to use the $25.0 million for other JAST activities.

(4) authorize $7.0 million for competitive engine concepts.

Continous wave, superconducting radio frequency, free electron laser (sec. 214)

The House bill contained a provision (sec. 217) that would authorize $9.0 million in PE 62111N for the establishment of a continuous wave, superconducting radio frequency, free electron laser program within the Office of the Secretary of the Navy.

The Senate amendment contained no similar provision.

The Senate recedes.

Navy mine countermeasure program (sec. 215)

The Senate amendment contained a provision (sec. 212) that would transfer primary responsibility for developing and testing naval mine countermeasures from the Director, Defense Research and Engineering to the Under Secretary of Defense for Acquisition and Technology. It would provide for the exercise of this responsibility during fiscal years 1997 through 1999.

The House bill contained no similar provision.

The House recedes with an amendment that would establish fiscal years 1996 through 1999 as the period for exercise of the responsibility.

The conferees note that section 216(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190) provides that the Secretary of Defense may waive this assignment of responsibility if he annually certifies the adequacy of:

(1) the mine countermeasures master plan prepared by the Department of the Navy; and

(2) the budget resources provided for implementation of the plan.

Space-Based Infrared System (sec. 216)

The Senate amendment contained a provision (sec. 214) that would accelerate development and deployment of the Space and Missile Tracking System (SMTS), formerly known as Brilliant Eyes, and that would require the Secretary of the Air Force to obtain the concurrence of the Director of the Ballistic Missile Defense Organization (BMDO) before implementing any decision that would impact the SMTS program.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to establish a program baseline for the overall Space-Based Infrared System (SBIRS) program. The baseline would include the following:

(1) overall program structure, including: (A) program cost and an estimate of the funds required in each fiscal year in which development and acquisition activities are planned, (B) a comprehensive schedule with program milestones and exit criteria, and (C) optimized performance parameters for each segment of the integrated system;

(2) a development schedule for SMTS structured to achieve the first launch of a Block I satellite in fiscal year 2002, and initial operational capability (IOC) of the system in fiscal year 2003;

(3) full integration of SMTS into the overall SBIRS architecture; and

(4) establishment of the performance parameters of all space segment components so as to optimize the performance of the integrated system while minimizing unnecessary redundancy and cost.

The provision adopted by the conferees would require the Secretary of Defense to provide a report to the congressional defense committees on the SBIRS program baseline not later than 60 days after the enactment of this Act.

The conference provision would also establish the following program elements for the SBIRS program:

(1) Space Segment High;
(2) Space Segment Low (SMTS); and
(3) Ground Segment.

The conference provision requires the SBIRS baseline to include an SMTS IOC by fiscal year 2003 to support national and theater missile defenses. The conferees understand that the Air Force has defined this IOC as consisting of 12–18 satellites. The conferees urge the Air Force to make every effort to achieve an 18 satellite IOC by fiscal year 2003.

In accelerating the SMTS program, it is not the conferees' intent to reduce the priority and importance of the SBIRS High components. The conferees endorse the schedule that the Air Force has established for the SBIRS High components. The SBIRS program should feature complementary and mutually supportive elements that do not include excessive technical and functional redundancy.

Although SMTS can, over time, become a multi-functional sensor system capable of fulfilling missions such as technical intelligence and battlespace characterization, the conferees direct the Air Force to ensure that the SMTS Flight Demonstration System (FDS) and Block I system be designed primarily to satisfy the missile defense mission. Missions not related to theater and/or national ballistic missile defense should not be allowed to add significant cost, weight or delay to the SMTS FDS or Block I system. This scaled-down approach will ameliorate the technical challenges associated with an accelerated schedule while contributing to overall affordability.

To support this schedule and missile defense focus, the conferees direct the Secretary of Defense to commence SMTS pre-engineering and manufacturing development (EMD) activities in fiscal year 1996 and to ensure that the FDS and Block I satellites are equipped with long-wave infrared sensors. The conferees endorse the design characteristics specified in the Senate report (S. Rept. 104–112) regarding the objective SMTS system. The conferees have authorized sufficient funds in fiscal year 1996 to commence these activities and to prepare the way for a fiscal year 1998 FDS launch.

Over time, as the Air Force gains operational experience with the High and Low Block I systems, it is likely that SMTS will be able to assume a much larger share of the SBIRS requirements burden. In the meantime, the conferees urge the Secretary of Defense to initiate technical and cost trade studies among the SBIRS space systems and include any preliminary findings and recommendations in the SBIRS baseline report.

The budget request for SBIRS included $130.7 million for demonstration/validation (Dem/Val), $152.2 million for EMD, and $19.9 million for procurement. Of the funds requested for Dem/Val, $114.8 million was for SMTS. The conferees agree on the following authorizations:

(1) $265.7 million in PE 63441F for SBIRS Dem/Val, of which $249.8 million is for SMTS; and

(2) $162.2 million in PE 64441F for SBIRS EMD, of which $9.4 million is for the Miniature Sensor Technology Integration (MSTI) program.

The conferees are aware of a recent proposal to increase competition and reduce risk in the SMTS program through a low-cost flight experiment. The conferees direct the Air Force and BMDO to carefully assess the merits of this concept and to include their joint findings and recommendations in the SBIRS baseline report. If the Air Force Acquisition Executive and the Director of BMDO certify to the congressional defense committees that such a flight experiment is in the overall interest of the SMTS program (measured in terms of risk reduction and schedule acceleration), the conferees authorize the use of up to $40.0 million of the funds authorized for SMTS in fiscal year 1996 to begin a low-cost flight experiment.

The conferees congratulate the Air Force and BMDO for reaching agreement on the acquisition management relationship for execution of the SMTS program. In light of the Memorandum of Agreement between the Air Force Acquisition Executive and the Director of BMDO, the Senate recedes on its language dealing with management oversight of the SMTS program. As with all aspects of the SMTS program, however, the conferees will continue to monitor management oversight with great interest. If the present management structure does not fulfill the expectations of the conferees, or lead to implementation of the guidance provided above, the conferees will reconsider transferring SMTS back to BMDO.

Defense Nuclear Agency programs (sec. 217)

The budget request contained $219.0 million for research and development at the Defense Nuclear Agency.

The Senate amendment contained a provision (sec. 216) that would authorize $242.0 million for fiscal year 1996 for research and development programs (PE 62715H), a $23.0 increase to the budget request. The increase would provide: $3.0 million for the establishment of the tunnel characterization/neutralization program; $6.0 million for the establishment of a long-term radiation tolerant microelectronics program and require the Secretary to report to Congress on the program and future year funding; $4.0 million for the electro-thermal gun program; and transfer the Air Force thermionics program and any unobligated funds to the DNA and provide $10.0 to accelerate that program.

The House report (H. Rept. 104–131) would provide a $4.0 million increase to the budget request for the electro-thermal gun technology.

The conferees agree to a provision that would authorize $241.7 million, including a reduction of $5.0 for environmental pollutant research. This represents a $27.7 million increase over the budget request. Of that amount, $3.0 million shall be used for a tunnel characterization/neutralization program, $4.0 million shall be available for the electro-thermal gun technology program, $6.0 million shall be available for the establishment of a long-term radiation tolerant microelectronics program and development of long pulse, high power microwave technology, $10 million shall be available for the thermionics program; and $4.0 million shall be available for the counterterror explosives research program. Additionally, the Secretary is directed to provide a report to Congress, 120 days after enactment of this Act, on the conduct of the long-term radiation tolerant microelectronics program and future years funding for this program. The remainder of the increase should be used to supplement the tunnel characterization/neutralization program and the long-term radiation tolerant microelectronics program, as appropriate.

TUNNEL CHARACTERIZATION/NEUTRALIZATION PROGRAM

The conferees understand that the Department of Defense has allocated $10.0 million of funds requested in the budget for the counterproliferation support program for a tunnel characterization/neutralization program. Although the DNA tunnel characterization/neutralization target tests and program would be executed independently of the Department's counterproliferation efforts, the conferees expect close coordination between the two programs to ensure that common concerns are addressed. The conferees urge the DNA to utilize, to the maximum extent possible, the Nevada Test Site infrastructure for the tunnel target characterization/neutralization tests and program.

THERMIONICS

The conferees directed the transfer of the thermionics conversion technology from the Air Force Weapons program (PE 62601F), together with all unobligated funds authorized and appropriated in prior years, totalling up to $12.0 million, to the Defense Nuclear Agency program (PE 62715H).

Counterproliferation support program (sec. 218)

The budget request contained $108.2 million for the defense counterproliferation support program.

The Senate amendment contained a provision (sec. 217) that would authorize $144.5 million for the program, a $36.3 million increase to the budget request. Of the funds authorized in this section, $6.3 million would be available to the Special Operations Command (SOCOM) for purposes of broadening SOCOM's counterproliferation activities and $30.0 million would be available for the continuation of the Army tactical antisatellite technologies (ASAT) program (PE 63392A) for a user operation evaluation system (UOES) contingency capability. The provision would authorize the Department of Defense to transfer up to $50.0 million from fiscal year 1996 defense research and development accounts for counterproliferation support activities.

The House bill would authorize the budget request for the counterproliferation support program and include $11.0 million for the development of improved nuclear detection and forensics analysis by the Advanced Projects Research Agency (ARPA).

The conferees agree to a provision that would authorize $138.2 million for the counterproliferation support program, of which $30.0 million shall be available for the continuation of the Army tactical antisatellite technologies program. Of the funds authorized in fiscal year 1996, the conferees recommend that $1.5 million be available for the exploration of the "deep digger" concept for hard target characterization, and that $5.0 million be available for the high frequency active auroral research program (HAARP).

The conferees acknowledge concerns raised in the Senate report (S. Rept. 104–112) regarding the need for the Department to continue the aggressive pursuit of discriminate detection and attack capabilities of deep underground structures. The Department should continue to develop the capability to detect and defend against biological agents through the use of technologies, available through universities and non-profit industries, that have been developed for biological detection, emergency preparedness and response. The Department should also continue to develop a capability to counter technological gains by proliferant countries that could gain access to a broad mix of commercial-off-the-shelf space technologies which could provide these countries with significant space capabilities or access to space-derived data and could negatively impact a spectrum of multi-service and joint warfighting capabilities.

TACTICAL ANTISATELLITE TECHNOLOGY

The conferees direct the Secretary of Defense to include sufficient resources in fiscal year 1997, and throughout the future year defense plan (FYDP), for the following: a user operation evaluation system (UOES) contingency capability to produce 10 kill vehicles with the appropriate boosters by fiscal year 1999; a review to determine the appropriate management structure and military service responsibility; report on the current status of antisatellite development worldwide and the degree to which United States antisatellite development efforts may contribute to similar development among other nations and their impact on U.S. operational capabilities; and to report the Department's recommendations to Congress in the fiscal year 1997 budget request. To avoid significant or lengthy delays in developing a needed capability, the conferees direct the Department to leverage, or build upon the current Army tactical antisatellite technology program. The conferees note that authorization of funds for continued development of the tactical antisatellite system does not constitute a decision to deploy the system.

MISSION PLANNING AND ANALYSIS

The conferees recommend that $2.5 million from Air Force operation and maintenance (O&M) be made available for Strategic Air Command (STRATCOM) mission planning and analysis. The STRATCOM program provides support to the regional commanders-in-chief (CINCs) in advance planning for counterproliferation contingencies. This program aids commanders in identifying and characterizing current and emerging proliferation threats. In instances in which proliferation activities challenge the interests of the United States and its military forces and operations, STRATCOM mission planning and analysis capabilities allow defense planners to: identify a variety of potential military targets; assess the effectiveness, consequences and costs of military options; and develop alternative contingency plans that would maximize mission effectiveness, and minimize the risks, costs, and collateral effects.

IMPROVED NUCLEAR DETECTION AND FORENSIC ANALYSIS CAPABILITIES

Due to an increase in international terrorism and attempts by criminal elements to acquire weapons-grade nuclear material, the conferees recommend $11.0 million to accelerate the development of improved nuclear detection and forensic analysis capabilities in PE 62301E, project ST23. The conferees direct the ARPA to closely coordinate its efforts in this area closely coordinate with the counterproliferation support program manager in the Department of Defense and the interagency group on counterproliferation.

Nonlethal Weapons Program (sec. 219)

The Senate bill contained a provision (sec. 218) that would establish a new, consolidated program for non-lethal systems and technology. The program would be managed by the Office of Strategic and Tactical Systems of the Under Secretary of Defense for Acquisition and Technology. The provision would create a new program element within the defense budget for this program, and transfer funds from PE 603570D, PE 603750D, PE 603702E, and PE 603226E into this new program element.

The House bill contained no similar provision.

The House recedes with an amendment that would express congressional recognition of the U.S. armed forces increasing role in operations other than war, recognition of support for the use of nonlethal weapons and systems across the spectrum of conflict, and concern that development of these technologies is being spread across the budgets of the military services and defense agencies. The conferees direct the Department of Defense to submit a report to Congress by February 15, 1996 and direct the Secretary of Defense to assign responsibility for the nonlethal weapons program to an existing office within the Office of the Secretary of Defense or designate an executive agent from the military services, to establish centralized responsibility for development and fielding of nonlethal weapons technology. The conferees authorize $37.2 million in a new defense program element for nonlethal weapons programs and nonlethal technologies programs.

The conferees believe that centralized responsibility for the nonlethal weapons program will ensure effective program management and expeditious development, acquisition, and fielding of nonlethal weapons and systems. The conferees further understand that both the Department of the Army and the Marine Corps are the primary users of these technologies and recommend the designation of either military service as the executive agent for this important program. Further, the conferees understand that the Department of the Army and the Marine Corps have closely coordinated their efforts in this area and expect this coordination to continue to ensure centralized management and improved budgetary focus for the nonlethal weapons program. The provision would also require the Department to report to Congress by February 15, 1996 on the designation of the executive agent for oversight of the program, the acquisition plan, the time frame for fielding systems, current and anticipated military requirements, and the Department of Defense policy regarding the nonlethal weapons program.

Federally-Funded Research and Development Centers (sec. 220)

The House bill contained a provision (sec. 257) that would require the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force to reevaluate the functions of Federally-Funded Research and Development Centers (FFRDCs) and to achieve certain reductions, consolidations and management goals. The provision would limit FFRDC funding to $1.15 billion and reduce funding for FFRDCs and University-Affiliated Research Centers (UARC) by $90.1 million.

The Senate amendment contained a provision (sec. 219) that would require an undistributed reduction in FFRDC funding of $90.0 million, below the ceiling for fiscal year 1995, and would establish a statutory ceiling for FFRDCs of $1.2 billion in fiscal year 1996.

The Senate recedes with an amendment. The conferees agree to reduce the funding for FFRDCs and UARCs by $90.0 million in fiscal year 1996 and direct that not more than $9.0 million of this reduction be applied to funding for UARCs. The conferees have included language that would require the Secretary of Defense to manage the UARCs at the fiscal year 1995 level. The conferees direct the Secretary of Defense to ensure adequate funding in fiscal year 1996 for those FFRDCs that engage in studies and analysis for the Office of the Secretary of Defense and the services. The conferees also direct the Secretary to examine the possibility of increasing the use of the Software Engineering Institute in support of command, control, communications, computing, and intelligence programs managed by the Office of the Secretary of Defense.

Joint seismic program and global seismic network (sec. 221)

The Senate amendment contained a provision (sec. 224) that would authorize $9.5 million of unobligated fiscal year 1995 funds in Air Force research and development for the joint seismic program (JSP) and the global seismic network (GSN) to provide more robust monitoring research and expanded seismic monitoring of potential nuclear tests.

The House bill contained no similar provision.

The conferees agree to a provision that would authorize $9.5 million in fiscal year 1996 for the joint seismic and global seismic network programs. The conferees understand that no future year funds would be required for this program. Further, the conferees direct the Department of Defense Comptroller to release the funds in a timely manner so that the programs can be completed.

Hydra-70 rocket product improvement program (sec. 222)

The Senate amendment contained a provision (sec. 113) that would prohibit the obligation of funds to procure Hydra-70 rockets until the Secretary of the Army submitted certifications regarding: identification of causes and technical corrections of Hydra-70 rocket failures; comparative cost of correcting all Hydra-70 rockets versus the non-recurring costs of acquiring improved rockets; review and qualification of commercial, nondevelopmental systems to replace Hydra-70 rockets; the availability of training rockets to meet Army requirements; and the attainment of competition in future procurements of training rockets.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree to authorize up to $10.0 million for full qualification and operational platform certification of a Hydra-70 rocket with a 2.75-inch rocket motor with composite propellant, for use on the AH-64D Apache helicopter.

Limitation on obligation of funds until receipt of electronic combat consolidation master plan (sec. 223)

The conferees agree to a provision that limits the obligation of appropriations for PE 65896A, PE 65864N, PE 65807F, and PE 65804D until 14 days after the Department of Defense submits to the congressional defense committees its master plan for the consolidation of electronic combat test and evaluation assets.

The House report (H. Rept. 103-499) directed the Secretary of Defense to develop a master plan for future consolidation of all DOD electronic combat test and evaluation assets. Further, the House report directed that no fiscal year 1995 or prior year funds be used to transfer or consolidate electronic combat test and evaluation assets until 30 days after the submission of the master plan to the congressional defense committees. To date, the master plan has not been provided to the congressional defense committees and funds continue to be obligated for purposes that contravene the House report language.

Requirement for report on reductions in research, development, test, and evaluation (sec. 225)

The conferees agree to a provision that requires the Under Secretary of Defense (Comptroller) to submit a report to the congressional defense committees by March 15, 1996 detailing the allocation of the following reductions in research, development, test, and evaluation required by the Department of Defense Appropriations Act of 1996: (1) general reductions; (2) reductions to reflect savings from revised economic assumptions; (3) reductions to reflect the funding ceiling for federally funded research and development centers; and (4) reductions for savings through improved management of contractor automatic data processing cost charged through indirect rates on Department of Defense acquisition contracts.

Advanced field artillery system (Crusader) (sec. 226)

The House bill contained a provision (sec. 255) that would impose spending authority limitations on the Secretary of the Army, unless certain technical performance criteria are achieved in the Crusader program. The provision would permit the Secretary to significantly alter the Crusader acquisition plan for the cannon propellant, if it is required to achieve the objectives of the Advanced Field Artillery System, provided notification is given to the defense committees of the Senate and House of Representatives.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would terminate funding for the liquid propellant portion of the Crusader program in the event that the Secretary fails to provide a report to the congressional defense committees by August 1, 1996, documenting that significant progress has been made in the liquid propellant and regenerative liquid propellant gun, in accordance with the acquisition program baseline objectives.

Demilitarization of conventional munitions, rockets, and explosives (sec. 227)

The House bill contained a provision (sec. 263) that would authorize $15.0 million for the establishment of an integrated program for the development and demonstration of environmentally compliant technologies for the demilitarization of conventional munitions, explosives, and rocket motors, and indicated specific technologies that should be considered in the program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delete reference to specific technologies that should be considered in the program. The amendment reflects a conference agreement to authorize $15.0 million in PE 63104D for the Conventional Munitions, Rockets, and Explosives Demilitarization account.

The conferees are concerned about requirements for disposal by the military services and defense agencies of growing numbers of unserviceable, obsolete, or non-treaty compliant munitions, rocket motors and explosives. As environmental constraints increasingly restrict the traditional disposal methods of open burning or open detonation, development and demonstration of environmentally compliant technologies for this purpose become even more urgent.

The conferees believe that a centralized conventional munitions and explosives disposal program should be established for this purpose within the Department of Defense (DOD) under a single program element, and that consideration should be given to the model of the Large Rocket Motor Demilitarization program, centrally managed by the Army as executive agent, with the requirements of the military services integrated through the Joint Ordnance Commanders' Group. In such a program, the conferees encourage the consideration of a range of competitively selected potential resource recovery and alternative demilitarization technologies, including (but not limited to) cryogenic washout, supercritical water oxidation, molten metal pyrolysis, plasma arc, catalytic fluid bed oxidation, molten salt pyrolysis, plasma arc, catalytic fluid bed oxidation, molten salt oxidation, incineration, critical fluid extraction and ingredient recovery, and underground contained burning.

The conferees direct the Secretary of Defense to submit a report of the DOD plan for the establishment of such a program to the congressional defense committees by March 31, 1996.

Defense airborne reconnaissance program (sec. 228)

The budget request included $525.2 million for research and development for the Defense airborne reconnaissance program (DARP).

The House bill would add a total of $121.6 million to the requested amount. The Senate amendment would increase the request by $33.0 million. Details of the adjustments in the House bill and the Senate amendment, as well as the final conference agreement, are displayed in the table below:

	Budget request	House bill	Senate amendment	Conference agreement
Total	$525.2	+$121.6	+$33.0	+$114.8
UAV programs:				
Joint tactical maneuver		−36.8		−10.0
Hunter				
Navy variant (VTOL)				+12.5
Tier II		+25.9		+25.3
Tier II+		+60.0		
Tier III		+35.0		+18.0
U-2 upgrade programs:				
SYERS		+14.0		+14.0
Defensive systems			+13.0	+10.0
SIGINT			+20.0	+20.0
PGMs		−10		
Other programs:				
CIGGS		+16.0		+11.0
Common data link		+0.5		
EO framing sensors		+5.0		+7.0
MSAG		+12.0		+8.0

MANNED AND UNMANNED RECONNAISSANCE SYSTEMS

The conferees remain optimistic about the future contributions of unmanned aerial vehicle (UAV) systems to the Department of Defense's (DOD) reconnaissance missions. However, the conferees remain unwilling to sacrifice proven manned systems in the near-term for the promise of unproven future systems. Further, the conferees believe five major UAV programs are overly redundant. The conferees are aware of the Department's intent to reduce the number of UAVs to satisfy the tactical, theater, and strategic missions. The conferees agree that it is important for the Department to satisfy these three distinct missions.

Further, the conferees believe the Department's endurance UAV programs must be viewed in the larger context of the broad area search/wide area surveillance missions. The conferees are concerned that the current and projected array of sensors (including Tier II+ and Tier III− UAVs, SR-71, U-2, and national systems) are not simply "complementary", but are "duplicative". The conferees will, therefore, remain extremely interested in the Department's future directions with respect to high altitude endurance UAV efforts.

MANEUVER UAV

The budget request included $36.8 million for the maneuver UAV.

The House will would deny any authorization for the maneuver UAV because the Department had failed to provide either a joint operational requirements document (JORD) or a cost and operational effectiveness analysis (COEA) in a timely manner.

The Senate amendment would approve the budget request.

The conferees agree to authorize $26.8 million for the maneuver UAV. The conferees are disappointed that the Department took so long to complete the JORD and the COEA. The conferees hope that the results of the ongoing review of the various UAV programs will be provided to the congressional defense and intelligence committees in a more timely fashion.

JOINT TACTICAL UAV

The conferees remain particularly concerned about the Department's inability to develop and pursue a cohesive joint tactical UAV (JT-UAV) master plan for longer than a four month period. The conferees direct the Department not to use appropriated fiscal year 1996 funds to procure production Hunter UAV systems or additional low rate initial production units beyond those already ordered. The conferees intend that this prohibition remain in effect until the Department provides the congressional defense and intelligence committees with the results of its UAV program review. Accordingly, if the Department's review results in the cancellation of one or more of the currently planned UAV programs, the conferees direct the Department to seek reprogramming actions to use those funds to satisfy other CINC near-term reconnaissance support requirements. Any funds made available as a result of Department decisions on UAVs will remain within the DARP account. Of any resources made available from UAV restructuring, the conferees direct that the Department use them to fully fund the U–2 sensor upgrades described later in this section. Any additional excess resources over those used for U–2 sensor upgrades may be used for the naval variant (VTOL). Further, the conferees specifically deny authorization of any fiscal year 1996 funds for marinization of the Hunter UAV.

NAVAL VARIANT UAV

The conferees agree that development and evaluation of a joint tactical UAV (JT–UAV) short or vertical take-off and landing (STOL/VTOL) variant for naval applications should be continued and structured on existing successful efforts. The conferees agree to authorize an additional $12.5 million to support continued development and evaluation of VTOL JT–UAV variants, as detailed in the Senate report (S. Rept. 104–112). The conferees intend that the Department limit its air vehicle evaluation to items that are low risk, currently available off-the-shelf, and have the demonstrated potential to meet joint tactical UAV interoperability and performance requirements.

MEDIUM ALTITUDE ENDURANCE UAV (PREDATOR)

The House bill would authorize an additional $25.9 million for the Tier II medium altitude endurance UAV (Predator).

The Senate amendment included a provision (sec. 131) that would deny funds for the Tier II system.

The Senate recedes.

The conferees agree to authorize an additional $25.3 million for another Predator system (air vehicles and ground station) and replacement air vehicles. The conferees are encouraged by the successes of the Predator advanced concept technology program, and particularly by the theater commanders' praise for its contributions in the Bosnia area. The conferees strongly support continuation of this ACTD, and encourage the Department to take the necessary steps to make a full production decision. The conferees believe this vehicle could satisfy multiple operational roles, including the theater and maritime roles. The conferees encourage the Department to develop plans for a maritime use of this vehicle. Such planning should include conducting an operational demonstration at sea. Finally, the conferees agree to authorize all prior year allocated funds.

HIGH ALTITUDE ENDURANCE UAVS

The House bill would authorize an additional $60.0 million for the Tier II+ and $35.0 million for the Tier III–.

The Senate amendment would authorize the budget request for both programs.

The House recedes on Tier II+. The Senate recedes on the Tier III–. The conferees agree to authorize an additional $18.0 million for Tier III–.

As with the JT–UAV, the conferees expect the Department to make acquisition decisions on this issue based on operational requirements. However, the conferees emphasize that the Department needs a more capable, low observable vehicle. The conferees agree that the Department should use the additional $18.0 million for Tier III– to buy the third air vehicle in fiscal year 1996, instead of fiscal year 1997. The conferees direct the Department to provide the congressional defense and intelligence committees with a report on the operational user needs for such a vehicle. If the current estimate of the Tier III– system capabilities fall short of those needs, the Department should outline its technical proposals to improve this vehicle, in response to those user requirements.

U–2 SENSOR UPGRADES

The House bill would authorize an additional $14.0 million to upgrade all Senior Year electro-optical reconnaissance sensors (SYERS) to the newest configuration, upgrade existing ground stations, and improve geolocational accuracy through various product improvements.

The Senate amendment would authorize an additional $20.0 million to initiate the remote airborne SIGINT system upgrade program.

The Senate report (S. Rept. 104–112) contained a technical error in the table for Research, Development, Test, and Evaluation (RDT&E), Defense-Wide, that shows an increase in the DARP PE 35154D, line 102, rather than in line 124. This error was facilitated by the Department's budget exhibit for RDT&E programs (R–1) in which both of these budget lines are associated with the same program element. The conferees encourage the Defense Airborne Reconnaissance Office (DARO) to carry a single R–1 line for an individual program element in the future.

The conferees view with concern the DARO's lack of emphasis on manned reconnaissance upgrades, and include a provision that requires the Director of the DARO to expeditiously carry out those upgrades. The conferees agree to authorize $34.0 million to meet U–2 sensor upgrade requirements, and direct the Secretary of Defense to provide a report on the Department's plans to obligate funds for U–2 upgrades prior to February 1, 1996.

U–2 DEFENSIVE SYSTEMS

The conferees agree to authorize $10.0 million to upgrade U–2 defensive systems for the purposes specified in the Senate Report (S. Rept. 104–112).

COMMON IMAGERY GROUND/SURFACE SYSTEM (CIGSS)

The budget request included $161.8 million for the CIGSS effort.

The House bill would authorize an additional $16.0 million. This increase would be used to mitigate a near-term funding shortfall for DARO's "migration" of the various imagery ground stations to a common architecture.

The Senate amendment would approve the budget request.

The conferees agree to authorize an additional $11.0 million for this effort.

INTELLIGENCE DISSEMINATION

The budget request included funds for numerous intelligence dissemination systems and data links.

The House bill would restrict the use of funds pending the Department's development of a coherent, long-term intelligence dissemination architecture and a plan for development of a joint tactical transceiver (JTT).

The Senate amendment would authorize the requested amounts.

The House recedes.

The conferees are pleased with the Department's response to the House bill provision. The conferees believe that the Department is moving in the right direction to ensure service interoperability and to reduce the number of unique tactical intelligence transceivers. Additionally, the conferees are aware that the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence is monitoring efforts to develop advanced software reprogrammable radios. The conferees strongly encourage continued involvement in this technology development, as it appears to have great potential for future application in the JTT program. The conferees will continue to monitor the progress of the Department's approach.

ELECTRO-OPTICAL FRAMING SENSOR DEVELOPMENT

The House would authorize an additional $5.0 million to continue development and evaluation of airborne electro-optic framing sensor and multi-spectral framing technologies with on-chip forward motion compensation. These improved capabilities could be used to support precision targeting.

The Senate amendment included no similar adjustment.

The conferees agree to authorize $7.0 million for this purpose.

The conferees are pleased with the results of the four million picture element (four mega-pixel) framing demonstration. The conferees encourage the Department to program funding to accelerate the four mega-pixel and the 25 mega-pixel sensor initiatives.

MULTI-FUNCTION SELF-ALIGNED GATE TECHNOLOGY

The conferees agree to authorize $8.0 million for multi-function self-aligned gate (MSAG) technology for the purposes specified in the House report (H. Rept. 104–131).

JOINT AIRBORNE SIGINT ARCHITECTURE

The budget request included $88.8 million for the joint airborne signals intelligence (SIGINT) architecture (JASA) program.

The House bill would restrict obligation of fiscal year 1996 funds for JASA to no more than 25 percent of available funds until the Department submits an analysis and report that includes a comparison of future years defense programs (FYDP) and life cycle costs for development and fielding of the joint airborne SIGINT system (JASS), and that address a more conventional, evolutionary, product-improvement approach.

The Senate amendment would authorize the requested amount.

The House recedes on the funding restrictions.

Despite their support for the evolving concept and development of JASA, the conferees remain concerned about several issues:

(1) the Department's ability to sustain current operational systems;

(2) elimination of the potential for airborne SIGINT modernization gaps prior to fielding JASA components;

(3) the projected costs of the JASS program; and

(4) the risk that current approaches may sacrifice near and mid-term operational requirements for promised long-term common solutions.

The conferees believe that there is a need to continue interim, affordable, incremental upgrades, and to provide quick reaction capability improvements to meet emerging requirements, while continuing the JASA architectural approach. The conferees encourage competitive evolutionary solutions to satisfy existing and projected SIGINT requirements, and urge the earliest delivery of architecturally compliant components for evolving current and future systems. The conferees expect future budget requests for the DARO to include funding for these efforts. The conferees direct the DARO Director to certify to the congressional defense and intelligence committees that the individual SIGINT systems will be upgraded to incorporate these interim needs, as identified by the operational users.

The conferees direct the Department to provide an interim report by March 1, 1996, with a completed report by August 1, 1996, that includes:

(1) an independent cost and operational effectiveness analysis that compares the FYDP and life-cycle costs of the JASS program to an evolutionary product improvement approach, based on equivalent system performance;

(2) an evaluation of cost, technical and schedule risks, as well as a comparison of technical requirements and JASS performance; and

(3) the Department's assessment of its ability to predict both the future threat and technology environments necessary to determine whether a single approach is viable and in the nation's best interests.

Finally, to ensure that there are no airborne SIGINT capability gaps during the transition to JASA, DARO is directed to determine and implement necessary quick-reaction improvements to existing airborne systems. The conferees intend that the Department pursue a balanced approach to JASA development that allows the services to program funds for such evolutionary upgrades, provided there is compliance with an overall migration to the JASA architecture.

Ballistic missile defense policy (secs. 231–253)

The House bill contained eight provisions (secs. 231–238) that collectively would be called the "Ballistic Missile Defense Act of 1995." The House bill contained four additional provisions (secs. 241–244) that would also deal with matters related to ballistic missile defense (BMD).

The Senate amendment contained eleven provisions (secs. 231–241) that collectively would be called the "Missile Defense Act of 1995." The Senate amendment contained two additional provisions (secs. 227 and 243) that would also deal with matters related to BMD.

The conference agreement combines the House and the Senate BMD provisions into two subtitles as described below.

Subtitle C—Ballistic Missile Defense Act of 1995

Short title (sec. 231)

The House bill contained a provision (sec. 231) that would entitle this group of provisions the "Ballistic Missile Defense Act of 1995."

The Senate amendment contained a provision (sec. 231) that would use a different title—"Missile Defense Act of 1995"—reflecting the fact that the Senate version included a provision dealing with cruise missile defense.

The Senate recedes.

Findings (sec. 232)

The Senate amendment contained a provision (sec. 232) that would establish a series of congressional findings as the rationale for developing and deploying theater and national ballistic missile defenses.

The House bill contained a provision (sec. 242) that would make several similar findings.

The House recedes with an amendment merging the House and Senate findings.

Ballistic Missile Defense Policy (sec. 233)

The House bill contained a provision (sec. 232) that would establish a United States policy to: (1) deploy at the earliest practical date highly effective theater missile defenses; and (2) deploy at the earliest practical date a national missile defense (NMD) system that is capable of providing a highly effective defense of the United States against limited ballistic missile attacks.

The Senate amendment contained a similar provision (sec. 233) that would establish a United States policy to: (1) deploy as soon as possible affordable and operationally effective theater missile defenses; (2) develop for deployment a multiple-site national missile defense system (that can be augmented to a layered defense over time) while initiating negotiations to amend the Anti-Ballistic Missile (ABM) Treaty; (3) ensure congressional review prior to a decision to deploy the NMD system; (4) improve existing cruise missile defense systems and deploy as soon as practical defenses against advanced cruise missiles; (5) pursue a focused research and development program to provide follow-on ballistic missile defense options; (6) employ streamlined acquisition procedures in developing and deploying missile defenses; (7) seek a cooperative transition to a regime that does not feature mutual assured destruction and an offense-only form of deterrence as the basis for strategic stability; and (8) carry out the policies, programs, and requirements of the Missile Defense Act through processes specified within, or consistent with, the ABM Treaty.

The House recedes with an amendment to establish a United States policy to: (1) deploy affordable and operationally effective theater missile defenses to protect forward-deployed and expeditionary elements of the armed forces of the United States and to complement and support the missile defense capabilities of the forces of coalition partners and allies of the United States; and (2) seek a cooperative transition to a regime that does not feature mutual assured destruction and an offense-only form of deterrence as the basis of strategic stability.

Theater Missile Defense Architecture (sec. 234)

The House bill contained a provision (sec. 233) that, in part, would direct the Secretary of Defense to develop and deploy at the earliest practical date advanced theater missile defense (TMD) systems. The House bill contained another provision (sec. 236) that would establish a ballistic missile defense program accountability report.

The Senate amendment contained a provision (sec. 234) that would provide detailed policy guidance related to theater missile defense. The provision would establish a core theater missile defense program (the Theater High Altitude Area Defense system, the Navy Upper Tier system, the Patriot PAC–3 system, and the Navy Lower Tier system) with programmatic milestones for each core system, require that the systems in the core program be interoperable and mutually supporting, establish guidelines for creating new core systems, and require the Secretary of Defense to provide the congressional defense committees a TMD Architecture report along with the fiscal year 1997 budget submission.

The House recedes with an amendment to integrate elements of the House's ballistic missile defense program accountability provision into a revised TMD reporting requirement, and to make technical and clarifying changes. Included is a requirement that the Secretary of Defense report on the following matters to the Senate Committee on Armed Services and the House Committee on National Security whenever the Secretary issues an ABM Treaty compliance certification for any TMD system: (1) the compliance policy applied in preparing such a certification; (2) how the policy applied differs from the policy stated in section 235(b)(1) of this Act (the so-called "demonstrated standard"); and (3) how the application of that compliance policy (rather than the "demonstrated standard") will affect the cost, schedule, and performance of the TMD system being considered.

Prohibition on use of funds to implement an international agreement concerning theater missile defense systems (sec. 235)

The House bill contained a provision (sec. 235) that would establish a theater missile defense demarcation standard (the so-called "demonstrated standard" based on the range and speed of the target) and would prohibit the obligation or expenditure of funds appropriated for the Department of Defense to implement or employ any other standard.

The Senate amendment contained a related provision (sec. 238) that would: (1) express the sense of Congress that the "demonstrated standard" is the appropriate standard for defining a TMD demarcation; and (2) prohibit the use of funds appropriated for the Department of Defense in fiscal year 1996 to implement an international agreement that is inconsistent with this standard, unless such agreement receives Senate advice and consent to ratification, or is specifically approved in a subsequent Act.

The House recedes with a clarifying amendment.

Ballistic missile defense cooperation with allies (sec. 236)

The House bill contained a provision (sec. 242) that, in part, would endorse cooperation in the area of ballistic missile defense between the United States and its allies and coalition partners, and that would urge the President to: (1) pursue high-level discussions with allies of the United States and selected other states on the means and methods by which the parties can cooperate in the development, deployment, and operation of ballistic missile defenses; (2) take the initiative within the North Atlantic Treaty Organization to develop a consensus for deployment of BMD by the Alliance; and (3) seek agreement with U.S. allies and selected other states on steps the parties can take to reduce the risks posed by the threat of limited ballistic missile attacks.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to include the House language on BMD cooperation with allies as a free-standing provision.

ABM Treaty Defined (sec. 237)

The House bill contained a provision (sec. 237) that would define the ABM Treaty.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Repeal of Missile Defense Act of 1991 (sec. 238)

The House bill contained a provision, (sec. 238) that would repeal the Missile Defense Act of 1991.

The Senate amendment contained a similar provision (sec. 241(1)).

The Senate recedes.

Subtitle D—Other Ballistic Missile Defense Provisions

Ballistic Missile Defense Program Elements (sec. 251)

The Senate amendment contained a provision (sec. 239) that would establish seven program elements for the Ballistic Missile Defense Organization's budget.

The House bill contained no similar provision.

The House recedes with an amendment creating eight program elements.

Testing of theater missile defense interceptors (sec. 252)

The House bill contained a provision (sec. 243) that would amend subsection (a) of section 237 of Public Law 103–160, pertaining to the testing of theater missile defense interceptors.

The Senate amendment contained a similar provision (sec. 227) that also would relate to the testing of theater missile defense interceptors.

The Senate recedes.

Repeal of missile defense provisions (sec. 253)

The Senate amendment contained a provision (sec. 241) that would repeal ten outdated BMD-related provisions of law.

The House bill contained a similar provision (sec. 244) that would repeal six outdated BMD-related provisions of law.

The House recedes with an amendment. The Conferees agree to repeal nine outdated BMD-related provisions of law.

Subtitle E—Miscellaneous Reviews, Studies, and Reports

Precision guided munitions (sec. 261)

The Senate amendment contained a provision (sec. 215) that would require the Secretary of Defense, not later than February 1, 1996, to submit a report that contains an analysis of the full range of precision guided munitions (PGM) in production, and in research, development, test and evaluation. The analysis would address the following:

(1) The types of precision guided munitions needed to destroy various service target classes;

(2) The feasibility of joint development programs to meet the needs of various Services; and

(3) The economy and effectiveness of continued acquisition of "interim" PGMs.

The House bill contained no legislative provision on PGMs, but directed the Secretary to conduct a similar analysis in its report (H. Rept. 104–131) accompanying the bill.

The conferees agree to the Senate provision, with an amendment that would extend the reporting deadline to April 15, 1996.

Review of C4I by National Research Council (sec. 262)

The House bill contained a provision (sec. 256) that would direct the Secretary of Defense to enter into a contract with the National Research Council of the National Academy of Sciences to conduct a review of Department of Defense programs for command, control, communications, computers, and intelligence. The study would be conducted over a two-year period and $900.0 thousand would be available for the cost of the study.

The Senate amendment contained no similar provision.

The Senate recedes.

Analysis of consolidation of basic research accounts of military departments (sec. 263)

The House bill contained a provision (sec. 252) that would direct the Secretary of Defense to fund the equivalent of a cost and operational effectiveness study of the consolidation of the indivdiual services' basic research accounts to determine potential infrastructure savings.

The Senate amendment contained no similar provision.

The Senate recedes.

Change in the annual reporting period, from calendar to fiscal year, on certain contracts with colleges and universities. (sec. 264)

The House bill contained a provision (sec. 253) that would amend section 2361 of title 10, United States Code, to change the annual reporting period from the preceding "calendar" year to each preceding "fiscal" year on the use of competitive procedures for awards of research and development contracts, and the award of construction contracts to colleges and universities.

The Senate amendment contained no similar provision.

The Senate recedes.

Aeronautical research and test capabilities assessment (sec. 265)

The House bill contained a provision (sec. 260) that would require the Secretary of Defense to assess aeronautical research and test facilities and capabilities of the United States, and to provide a report to the congressional defense committees detailing the findings and recommendations of the assessment.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle F—Other Matters

Advanced lithography program (sec. 271)

The House bill contained a provision (sec. 214) that would amend section 216 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337). The provision would permit the Director of the Advanced Research Projects Agency (ARPA) to consider Semiconductor Industry Association and Semiconductor Technology Council recommendations as advisory and would allow ARPA to establish priorities and funding levels for the program, consistent with the best interests of national security. The provision would also add a goal that the program ensure that the use of lithographic processes, being developed by American-owned manufacturers in the United States, would lead to superior performance electronics systems for the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would clarify the term "American-owned manufacturer" to mean that it would be consistent with the definition of "United States-owned company" and "United States incorporated company" in section 278 (n) of title 15, United States Code.

Enhanced fiber optic guided missile system (sec. 272)

The House bill contained a provision (sec. 215) that would require the Secretary of the Army to certify whether there is a requirement for the enhanced fiber optic guided missile (EFOG–M) system, and whether there is a cost and effectiveness analysis supporting such requirement. The provision would also limit funding for the EFOG–M program if the test of operational missiles and associated fire units are not delivered on time and within current cost estimates.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the certification of the Secretary of the Army regarding a requirement and a cost and effectiveness analysis to support the requirement for the EFOG–M system to be provided following completion of the Advanced Concept Technology Demonstration (ACTD), instead of before the ACTD, as proposed by the House.

States eligible for assistance under Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) (sec. 273)

The Senate amendment contained a provision (sec. 220) that would modify the graduation criteria for states participating in the Department of Defense EPSCoR program.

The House bill contained no similar provision.

The House recedes with an amendment that would provide for the use of a three year average to determine, on a state-by-state basis, whether a state institution of higher learning receives 60 percent of the average amounts for research and engineering obligated by the Department of Defense.

Cruise missile defense initiative (sec. 274)

The Senate amendment contained a provision (sec. 236) that would establish a cruise missile defense initiative. The provision would require the Secretary of Defense to strengthen and coordinate the cruise missile defense programs of the Department of Defense, and provide Congress with a report describing the Secretary's plans for implementing this provision.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

University research initiative support program (sec. 275)

The House bill contained a provision (sec. 254) that would amend Section 802 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160). The provision would change the university research initiative support program from a mandatory program to a voluntary program and provide for improved review procedures.

The Senate amendment contained no similar provision.

The Senate recedes.

Revisions of manufacturing of science and technology program (sec. 276)

The House bill contained a provision that would eliminate the technology-based focus for the manufacturing of science and technology program, and provide new emphasis on near-term cost reduction applications. The provision would also require a larger non-federal government cost share for 25 percent of the program appropriation, and eliminate cost share for academic institutions.

The Senate amendment contained a provision (sec. 222) that would amend section 2525 of title 10, United States Code, in two ways. The provision clarified the role of the Joint Directors of Laboratories in establishing the Manufacturing Science and Technology Program. The provision included a requirement that manufacturing equipment producers be more directly involved in projects funded under this program.

The conferees agree to an amendment that would combine the House and Senate provisions.

The conferees support the transfer of the MANTECH program from advanced development to a Research, Development, Test & Evaluation (RDT&E) production support account to ensure direct impact of manufacturing technology on reduction of production and repair costs for todays systems. However, the conferees direct that a balance be maintained between near-term manufacturing solutions for weapons systems and the long range manufacturing design needs, such as implementing Integrated Products and Process Development (IPPD) in future systems.

The conferees would include the House provision to set aside 25 percent of the funding for the manufacturing technology program for entering into contracts and cooperative agreements, on a cost-share basis, in which the ration of funding provided by non-federal and federal participants is 2 to 1. The conferees have included a provision that would allow the Under Secretary of Defense for Acquisition and Technology to waive the requirement after July 15 of each fiscal year. The conferees direct that contracts and cooperative agreements awarded to meet this requirement be on a project-by-project basis. The conferees direct that the Department maximize the number of contracts and cooperative agreements, to the extent practicable.

The conferees expect the Department of Defense and the services to request an aggressive fiscal year 1997 MANTECH budget that reflects program needs. As a goal, the Department should consider funding this program at approximately one percent of the services' RDT&E budgets. The conferees also believe that the Secretary of Defense should place the highest priority on addressing the management and budget process issues that have adversely affected the MANTECH program.

Five-year plan for consolidation of defense laboratories and test and evaluation centers (sec. 277)

The House bill contained a provision (sec. 259) that would require the Secretary of Defense to prepare a five year strategic plan to consolidate and restructure the Department's research and development laboratories and test and evaluation centers.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to include additional study parameters and to adjust the limitation on funding obligations; from 40 percent to 75 percent for the central test and evaluation investment development program pending submission of the report to Congress.

Limitation on T-38 avionics upgrade program (sec. 278)

The House bill contained a provision (sec. 261) that would allow the Department of the Air Force to consider foreign companies for the award of the contract for the T-38 aircraft avionics upgrade program only if such companies are headquartered in countries that allow equal access to United States companies for such contracts.

The Senate amendment contained no similar provision.

The Senate recedes.

Global Positioning System (sec. 279)

The Senate amendment contained a provision (sec. 1081) that would require the Secretary of Defense to suspend use of the selective availability feature of the Global Positioning System (GPS) by May 1, 1996, unless the Secretary develops a plan for dealing with the challenges associated with GPS jamming and denial.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Army support for the National Science Center for Communications and Engineering (sec. 280)

The Senate amendment contained a provision (sec. 1085) that would modify the authority of the Army to provide support to the National Science Center outreach program.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Maneuver variant unmanned aerial vehicle

The House bill contained a provision (sec. 212) that would prohibit the obligation of funds appropriated or otherwise made available pursuant to authorizations in fiscal year 1996 for the Maneuver Variant Unmanned Aerial Vehicle.

The Senate amendment contained no similar provision.

The House recedes.

National missile defense

The House bill contained a provision (sec. 233) that, in part, would direct the Secretary of Defense to develop for deployment at the earliest practical date a national missile defense system consisting of: (1) up to 100 ground-based interceptors at a single site or a greater number of interceptors at a number of sites, as determined necessary by the Secretary; (2) fixed, ground-based radars; (3) space based sensors, including those sensor systems that are capable of cuing ground-based interceptors and providing initial targeting vectors; and (4) battle management, command, control, and communications.

The Senate amendment contained a provision (sec. 235) that would direct the Secretary of Defense to take the following steps regarding national missile defense (NMD): (1) develop for deployment an affordable and operationally effective NMD system (consisting of ground-based interceptors capable of being deployed at multiple sites, ground-based radars, space-based sensors, and battle management, command, control, and communications) to counter a limited, accidential, or unauthorized ballistic missile attack, and which is capable of attaining initial operational capability by the end of 2003; (2) develop an interim operational capability plan that would give the United States the ability to field a limited NMD system by the end of 1999; (3) prescribe and use streamlined acquisition procedures; (4) employ additional cost saving measures; and (5) report on his plan for NMD deployment and an analysis of options for supplementing the initial NMD architecture to improve cost and operational effectiveness. The Senate amendment also contained a provision (sec. 235(d)(2)) that would prohibit the use of Minuteman boosters in any NMD architecture.

The conference agreement does not include a provision on national missile defense.

Ballistic missile defense follow-on technology research and development

The House bill contained a provision (sec. 234) that would provide guidance on follow-on technology development for theater and national ballistic missile defense programs.

The Senate amendment contained no similar provision.

The House recedes.

Policy regarding the ABT Treaty

The Senate amendment contained a provision (sec. 237) that would clarify that the policies, programs, and requirements of the "Missile Defense Act of 1995" (subtitle C of title II of the Senate amendment) can be accomplished through processes specified in the ABM Treaty, and that would express the sense of Congress that the Senate should review the continuing value and validity of the ABM Treaty.

The House bill contained a provision (sec. 242(c)(2)) that would urge the President to pursue high-level discussions with Russia to amend the ABM Treaty.

The conference agreement does not include either provision.

Ballistic missile defense funding

The House bill contained a provision (sec. 241) that would authorize $3.070 billion in Defensewide research, development, test, and evaluation (RDT&E) funds for ballistic missile defense programs.

The Senate amendment contained no similar provision.

The House recedes. The conferees discuss funding for ballistic missile defense programs elsewhere in this Statement of Managers.

Allocation of funds for medical countermeasures against biowarfare threats

The House bill contained a provision (sec. 251) that would amend section 2370a of title 10, United States Code, to permit the obligation or expenditure of up to 50 percent of funds authorized for the medical component of the Department of Defense Biological Defense Research program for product development, or for research, development, test, or evaluation of medical countermeasures related to mid-term or far-term validated biowarfare threat agents.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note with concern that the recent progress in bio-technology could potentially lead to the development of new biological warfare agents and capabilities among potential adversaries of the United States. The conferees direct that the Department report to the congressional defense committees by March 1, 1996 on the national security threats posed by such potential developments of new agents through advances in bio-technology and genetic engineering. The report should also include recommendations related to reducing the impact of progress in these areas, examine the utility of increased emphasis on research and development of medical countermeasures related to mid-term or far-term biowarfare threat agents; and identify other measures that could reduce the threat of these technological advances and reduce the threat of biological agent and weapons proliferation.

Cross reference to congressional defense policy concerning national technology and industrial base, reinvestment, and conversion in operation of defense research and development programs

The House bill contained a provision (sec. 262) that would cross-reference sections 2358(a)(2)(B) and 2371(a) with section 2501 of title 10, United States Code, to encourage the use of dual-use technology programs in defense research and technology programs.

The Senate amendment contained no similar provision.

The House recedes.

Fiber optic acoustic sensor system

The budget request included $21.3 million in PE 63504N for the advanced submarine combat systems development program.

The House bill contained a provision (sec. 264) that would authorize $28.2 million for the advanced submarine combat systems development program in fiscal year 1996, including $6.9 million for research and development for a fiber optic acoustic sensor system and common optical towed array. The provision also reduced funding for the advanced submarine systems development program (PE 63561N) by $6.9 million.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree to the authorization of an additional $6.9 million above the budget request in PE 63504N for advanced development of fiber optic acoustic sensor systems, including the development of common optical towed arrays.

Joint targeting support system testbed

The budget request included $141.4 million in PE 24229N for the Tomahawk missile and the Tomahawk mission planning center programs.

The House bill contained a provision (sec. 265) that would reallocate project funding within PE 24229N. The provision would increase funding for Tomahawk theater mission planning by $10.0 million in order to establish a joint targeting support system testbed and would reduce funding for Tomahawk missile development by $10.0 million, as an offset.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree to an additional authorization of $4.0 million in PE 24229N to initiate development of a joint targeting support system testbed (JTSST) for demonstration of potential joint targeting operations. The conferees understand that an initial study would investigate the relative roles of the existing systems installed in the Tomahawk mission planning center and other mission planning systems that are being developed by the individual military services. It is recognized that these systems are projected to have embedded precision weapons planning capabilities.

The conferees expect that the results of the initial JTSST study and follow-on demonstrations will contribute to the definition of long-term objectives, guidelines, and schedule milestones for convergence of the Navy/Marine Corps tactical aircraft mission planning systems and the Air Force mission support system, and should lead to the development of a joint mission planning system architecture for the military services.

The conferees direct the Secretary of Defense to report to the congressional defense committees as soon as possible, but no later than the submission of the fiscal year 1998 budget request. This report shall describe the Secretary's plan for implementing the recommendations that result from the study.

Battlefield Integration Center

The Senate amendment contained a provision (sec. 201(4)(C)) that would authorize the use of up to $25.0 million in Defensewide research, development, test, and evaluation (RDT&E) funds made available for Other Theater Missile Defense activities for the Army's Battlefield Integration Center (BIC).

The House bill contained no similar provision.

The Senate recedes.

The conferees agree to authorize an increase of $21.0 million in PE 63308A for the BIC.

Marine Corps shore fire support

The Senate amendment contained a provision (sec. 213) that would not allow more than fifty percent of the funds appropriated in fiscal year 1996 for the Tomahawk Baseline Improvement Program to be obligated until the Secretary of the Navy certifies that a program has been established and fully funded. That program would lead to a live fire test of an Army Extended Range Multiple Launch Rocket from an Army launcher on a Navy ship before October 1, 1997.

The House bill contained no similar provision.

The Senate recedes. Further guidance relative to the consideration of the Army Extended Range Multiple Launch Rocket System in the Navy Surface Fire Support program is contained elsewhere in the Statement of Managers.

Depressed altitude guided gun round (DAGGR)

The budget request contained no funds for the depressed altitude guided gun round (DAGGR).

The Senate amendment contained a provision (sec. 225) that would authorize $5.0 million for continued development of the DAGGR system. 0

The House bill contained no similar provision.

The Senate recedes. DAGGR technology has indicated potential capability which might be used to counter threats such as 122-millimeter rockets and cruise missiles. The conferees encourage the Secretary of the Army to include this program in the fiscal year 1997 budget request, and, if warranted, consider a reprogramming request to provide funding for DAGGR in fiscal year 1996.

Army echelon above corps communication

The budget request included $5.9 million for Army echelon above corps communications.

The House bill would authorize the budget request.

The Senate amendment included a provision (sec. 226) that would provide an increase of $40.0 million to procure additional communications equipment for the Army's echelons above corps.

The Senate recedes.

The conferees agree to authorize the increase of $40.0 million for the procurement of additional communications equipment for the Army's echelons above corps.

Sense of the Senate on the Director of Operational Test and Evaluation

The Senate amendment contained a provision (sec. 242) that would express a sense of the Senate that would discourage any attempt to diminish or eliminate the Office of the Director of Operational Test and Evaluation or its functions.

The House bill contained no similar provision.

The Senate recedes.

Ballistic missile defense technology center

The Senate amendment contained a provision (sec. 243) that would establish a ballistic missile defense technology center within the Space and Strategic Defense Command of the Army.

The House bill contained no similar provision.

The Senate recedes.

TITLE III—OPERATION AND MAINTENANCE

Overview

The budget request for fiscal year 1996 contained an authorization of $91,634.4 million for Operation and Maintenance in the Department of Defense and $1,852.9 for Working Capital Fund Accounts in fiscal year 1996. The House bill would authorize $94,420.2 million for Operation and Maintenance and $2,452.9 for Working Capital Fund Accounts. The Senate amendment would authorize $91,408.8 million for Operation and Maintenance and $1,962.9 for Working Capital Fund Accounts. The conferees recommended an authorization of $92,616.4 million for Operation and Maintenance and $1,902.9 for Working Capital Fund Accounts for fiscal year 1996. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)

Account Title	Authorization Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization
TITLE III					
Operation and Maintenance, Army	18,184.736	19,339.936	18,064.436	561.959	18,746.695
Operation and Maintenance, Navy	21,225.710	21,677.510	21,346.910	267.445	21,493.155
Operation and Maintenance, Marine Corps	2,269.722	2,603.622	2,405.722	252.100	2,521.822
Operation and Maintenance, Air Force	18,256.597	18,984.162	18,230.097	462.680	18,719.277
Operation and Maintenance, Defense-wide	10,366.782	10,681.871	10,035.867	(456.306)	9,910.476
Defense Health Program,O&M	9,865.525	9,876.525	9,943.825	11.000	9,876.525
Defense Health Program,PROC	-	-	-	-	-
Operation and Maintenance, Army Reserve	1,068.591	1,139.591	1,062.591	60.600	1,129.191
Operation and Maintenance, Navy Reserve	826.042	838.042	840.842	42.300	868.342
Operation and Maintenance, Marine Corps Reserve	90.283	91.783	90.283	10.000	100.283
Operation and Maintenance, Air Force Reserve	1,485.947	1,507.447	1,482.947	30.340	1,516.287
Operation and Maintenance, Army National Guard	2,304.108	2,394.108	2,304.108	57.700	2,361.808
Operation and Maintenance, Air National Guard	2,712.221	2,734.221	2,734.221	47.900	2,760.121
Office of the Inspector General, O&M	138.226	177.226	138.226		138.226
Office of the Inspector General, Proc					
United States Courts of Appeals for the Armed Forces	6.521	6.521	6.521		6.521
Environmental Restoration, Defense	1,622.200	1,422.200	1,601.800	(200.000)	1,422.200
Drug Interdiction and Counter-drug Activities, Defense	680.432	680.432	680.432		680.432
Former Soviet Union Threat Reduction Account	371.000	200.000	365.000	(71.000)	300.000
Summer Olympics	15.000	15.000	15.000	-	15.000
Contributions for International Peacekeeping and Peace E	65.000	-	-	(65.000)	-
Humanitarian Assistance	79.790	-	60.000	(79.790)	-
Disposal and Lease of DOD Real Property	-	-	-		-
DOD 50th Anniversary of World War II Commemoration	-	-	-		-
Overseas Humanitarian, Disaster, & Civic Aid	-	50.000	-	50.000	50.000
National Science Center, Army	-	-	-	-	-
Total Operation & Maintenance	91,634.433	94,418.697	91,408.828	981.928	92,616.361

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	OPERATION AND MAINTENANCE, ARMY							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	LAND FORCES	9,069,646	300,000	9,369,646	25,000	9,094,646	191,270	9,260,916
10	COMBAT UNITS	1,882,069		1,882,069		1,882,069		1,882,069
20	TACTICAL SUPPORT	1,165,970		1,165,970		1,165,970		1,165,970
30	THEATER DEFENSE FORCES	178,670		178,670		178,670		178,670
40	FORCE RELATED TRAINING/SPECIAL ACTIVITIES	1,271,154		1,271,154		1,271,154		1,271,154
50	FORCE COMMUNICATIONS	73,584		73,584		73,584		73,584
60	DEPOT MAINTENANCE	861,426	100,000	961,426		861,426	89,270	950,696
70	JCS EXERCISES	54,467		54,467		54,467		54,467
80	BASE SUPPORT	3,582,306	200,000	3,782,306	25,000	3,607,306	100,000	3,684,306
	NTC INTERIM AIRHEAD						2,000	
85	REPROGRAMMING/CREDITS	0		0		0		0
	LAND OPERATIONS SUPPORT	251,301	0	251,301	0	251,301	0	251,301
90	COMBAT DEVELOPMENTS	214,364		214,364		214,364		214,364
100	UNIFIED COMMANDS	36,937		36,937		36,937		36,937
105	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 1:	9,320,947	300,000	9,620,947	25,000	9,345,947	191,270	9,512,217
	BUDGET ACTIVITY 2: MOBILIZATION							
	MOBILITY OPERATIONS	696,760	0	696,760	29,500	726,260	60,000	756,760
110	POMCUS	86,830		86,830		86,830		86,830
120	STRATEGIC MOBILIZATION	393,923		393,923		393,923		393,923
130	WAR RESERVE ACTIVITIES	72,166		72,166		101,666	60,000	132,166
	SWA AWR ACCELERATION	0		0	29,500			
140	INDUSTRIAL PREPAREDNESS	143,841		143,841		143,841		143,841
145	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 2:	696,760	0	696,760	29,500	726,260	60,000	756,760
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING							

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	ACCESSION TRAINING	314,798	0	314,798	0	314,798	0	314,798
150	OFFICER ACQUISITION	58,328		58,328		58,328		58,328
160	RECRUIT TRAINING	11,228		11,228		11,228		11,228
170	ONE STATION UNIT TRAINING	17,008		17,008		17,008		17,008
180	RESERVE OFFICER TRAINING CORPS (ROTC)	109,789		109,789		109,789		109,789
190	BASE SUPPORT (ACADEMY ONLY)	118,445		118,445		118,445		118,445
195	REPROGRAMMING/CREDITS	0		0		0		0
	BASIC SKILL/ ADVANCE TRAINING	2,060,143	20,000	2,080,143	45,000	2,105,143	75,000	2,135,143
200	SPECIALIZED SKILL TRAINING	236,760		236,760		236,760		281,760
	CHEMICAL DEFENSE TRAINING	0	10,000	10,000		0	10,000	
	CHEMICAL DEFENSE MEDICAL TRAINING	0	10,000	10,000		0	10,000	
	TNET						4,000	
	SIMULATION ENHANCEMENTS						21,000	
210	FLIGHT TRAINING	218,514		218,514		218,514		218,514
220	PROFESSIONAL DEVELOPMENT EDUCATION	68,981		68,981		68,981		68,981
230	TRAINING SUPPORT	375,528		375,528		375,528		375,528
240	BASE SUPPORT (OTHER TRAINING)	1,160,360		1,160,360	45,000	1,205,360	30,000	1,190,360
245	REPROGRAMMING/CREDITS	0		0		0		0
	RECRUITING/OTHER TRAINING	691,154	0	691,154	4,000	695,154	5,000	696,154
250	RECRUITING AND ADVERTISING	211,375		211,375	4,000	215,375	5,000	216,375
260	EXAMINING	64,333		64,333		64,333		64,333
270	OFF-DUTY AND VOLUNTARY EDUCATION	103,812		103,812		103,812		103,812
280	CIVILIAN EDUCATION AND TRAINING	81,108		81,108		81,108		81,108
290	JUNIOR ROTC	74,506		74,506		74,506		74,506
300	BASE SUPPORT (RECRUITING LEASES)	156,020		156,020		156,020		156,020
305	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 3:	3,066,095	20,000	3,086,095	49,000	3,115,095	80,000	3,146,095
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	SECURITY PROGRAMS (ARMS CONTROL)	362,333	12,000	374,333	(6,000)	356,333	(6,000)	356,333
310	SECURITY PROGRAMS (ARMS CONTROL)	362,333		362,333	(6,000)	356,333	(6,000)	356,333
	CLASSIFIED PROGRAMS	0	12,000	12,000				
	LOGISTICS OPERATIONS	1,630,274	0	1,630,274	0	1,630,274	3,750	1,634,024

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
320	SERVICEWIDE TRANSPORTATION	542,910		542,910		542,910		542,910
330	CENTRAL SUPPLY ACTIVITIES	487,281		487,281		487,281		491,031
	ACQUISITION WORKFORCE SAVINGS/ACQUISITION REFORM						(12,000)	
	DEPOT MAINTENANCE LOGISTICS TAIL						15,750	
340	LOGISTIC SUPPORT ACTIVITIES	299,230		299,230		299,230		299,230
350	AMMUNITION MANAGEMENT	300,853		300,853		300,853		300,853
355	REPROGRAMMING/CREDITS	0		0		0		0
	SERVICEWIDE SUPPORT	2,826,103	10,000	2,836,103	0	2,826,103	7,000	2,833,103
360	ADMINISTRATION	275,238		275,238		275,238		275,238
	WASTE WATER TREATMENT PLANNING							
370	SERVICEWIDE COMMUNICATIONS	686,446		686,446		686,446		686,446
380	MANPOWER MANAGEMENT	124,676		124,676		124,676		124,676
390	OTHER PERSONNEL SUPPORT	175,832		175,832		175,832		182,832
	PERSONNEL MANAGEMENT EFFICIENCIES						(3,000)	
	NEW PARENT SUPPORT	0	10,000	10,000		0	10,000	
400	OTHER SERVICE SUPPORT	568,225		568,225		568,225		568,225
	CONSERVATION AND ECOSYSTEM MANAGEMENT							
410	ARMY CLAIMS ACTIVITIES	173,290		173,290		173,290		173,290
420	REAL ESTATE MANAGEMENT	86,930		86,930		86,930		86,930
430	BASE SUPPORT	735,466		735,466		735,466		735,466
	PENTAGON RENOVATION TRANSFER							
432	ENVIRONMENTAL RESTORATION	0		0		0		0
435	PENTAGON RENOVATION TRANSFER	0		0		0		0
	SUPPORT OF OTHER NATIONS	282,224	0	282,224	0	282,224	0	282,224
440	INTERNATIONAL MILITARY HEADQUARTERS	252,778		252,778		252,778		252,778
450	MISC SUPPORT OF OTHER NATIONS	29,446		29,446		29,446		29,446
455	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 4:	5,100,934	22,000	5,122,934	(6,000)	5,094,934	4,750	5,105,684
	UNDISTRIBUTED		813,200	813,200	(217,800)	(217,800)	225,939	225,939
	CIVILIAN PAY				(233,000)	(116,000)	(116,000)	(116,000)
	HISTORICAL BLACK COLLEGES FELLOWSHIPS				(300)	(300)		
	REAL PROPERTY MAINTENANCE		350,000	350,000	110,000	167,000	235,000	235,000
	CLASSIFIED PROGRAMS				500	500	4,789	4,789
	FOREIGN CURRENCY FLUCATION		329,000				59,300	59,300

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	MILITARY/CIVILAIN CONVERSION		130,000				19,350	19,350
	PENTAGON RENOVATION				(13,000)	(13,000)	(13,000)	(13,000)
	UNDISTRIBUTED (DSATS)		0	0	(15,000)	(15,000)		
	CIVILIAN UNDEREXECUTION		(65,000)	(65,000)	(67,000)	(67,000)	(67,000)	(67,000)
	EXCHANGE TRANSPORT MANAGEMENT		35,000	35,000			35,000	35,000
	MWR PORTABILITY		25,000	25,000			0	0
	AAFESS DOWNSIZING COMPENSATION		70,000	70,000			70,000	70,000
	EDCARS/DSREDS		2,000	2,000			2,000	2,000
	ADVANCE BILLING RELIEF		62,000	62,000			0	0
	MILITARY END STRENGTH		54,400	54,400			54,400	54,400
	PRINTING EFFICIENCIES		(3,000)	(3,000)			(3,000)	(3,000)
	INSPECTOR GENERAL CONSOLIDATION		(12,500)	(12,500)				
	REDUCED AUDITS		(10,000)	(10,000)			(5,000)	(5,000)
	TRANSPORTATION IMPROVEMENTS		(26,200)	(26,200)			(26,200)	(26,200)
	INVENTORY REFORM		(60,000)	(60,000)			(60,000)	(60,000)
	FUEL SAVINGS		(50,000)	(50,000)				
	AAFES 2nd DESTIONATION TRANSPORTATION		(17,500)	(17,500)			(17,500)	(17,500)
	FAMILY HOUSING SURVEY & DEFICIT REDUCTION PROGRAM						3,500	3,500
	ADMINISTRATIVE TRAVEL SAVINGS						(28,500)	(28,500)
	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH						87,300	87,300
	SUPPLY MANAGEMENT REFORMS						(8,500)	(8,500)
	TOTAL, OPERATION AND MAINTENANCE, ARMY	18,184,736	1,155,200	19,339,936	(120,300)	18,064,436	561,959	18,746,695
	OPERATION AND MAINTENANCE, NAVY							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	AIR OPERATIONS	4,266,628	125,000	4,391,628	10,000	4,276,628	132,295	4,398,923
10	MISSION AND OTHER FLIGHT OPERATIONS	1,788,301		1,788,301		1,788,301		1,796,301
	P-3 FORCE STRUCTURE						8,000	
20	FLEET AIR TRAINING	627,871		627,871		627,871		642,166
	PACIFIC MISSILE RANGE FACILITY						14,295	
30	INTERMEDIATE MAINTENANCE	68,070		68,070		68,070		68,070
40	AIR OPERATIONS AND SAFETY SUPPORT	59,060		59,060		59,060		59,060
50	AIRCRAFT DEPOT MAINTENANCE	489,443	75,000	564,443		489,443	70,000	559,443

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
60	AIRCRAFT DEPOT OPERATIONS SUPPORT	28,232		28,232		28,232		28,232
70	BASE SUPPORT	1,205,651	50,000	1,255,651	10,000	1,215,651	40,000	1,245,651
75	REPROGRAMMING/CREDITS	0		0		0		0
	SHIP OPERATIONS	6,879,010	175,000	7,054,010	25,400	6,904,410	190,400	7,069,410
80	MISSION AND OTHER SHIP OPERATIONS	1,885,234		1,885,234	400	1,885,634	400	1,885,634
90	SHIP OPERATIONAL SUPPORT AND TRAINING	462,396		462,396		462,396		462,396
100	INTERMEDIATE MAINTENANCE	401,812		401,812		401,812		401,812
110	SHIP DEPOT MAINTENANCE	2,261,190	125,000	2,386,190		2,261,190	150,000	2,411,190
120	SHIP DEPOT OPERATIONS SUPPORT	758,320		758,320		758,320		758,320
130	BASE SUPPORT	1,110,058	50,000	1,160,058	25,000	1,135,058	40,000	1,150,058
135	REPROGRAMMING/CREDITS	0		0		0		0
	COMBAT OPERATIONS/SUPPORT	1,581,800	0	1,581,800	11,900	1,593,700	11,900	1,593,700
140	COMBAT COMMUNICATIONS	198,415		198,415		198,415		198,415
150	ELECTRONIC WARFARE	7,396		7,396		7,396		7,396
160	SPACE SYSTEMS AND SURVEILLANCE	153,881		153,881		153,881		153,881
170	WARFARE TACTICS	138,256		138,256		138,256		138,256
180	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	198,719		198,719		198,719		198,719
190	COMBAT SUPPORT FORCES	339,888		339,888		336,788		336,788
	NIMITZ CENTER			0	(3,100)		(3,100)	
200	EQUIPMENT MAINTENANCE	145,820		145,820		145,820		145,820
210	DEPOT OPERATIONS SUPPORT	1,127		1,127		1,127		1,127
220	BASE SUPPORT	398,298		398,298	15,000	413,298	15,000	413,298
225	REPROGRAMMING/CREDITS	0		0		0		0
	WEAPONS SUPPORT	2,119,219	10,000	2,129,219	0	2,119,219	(80,000)	2,039,219
230	CRUISE MISSILE	96,656		96,656		96,656		96,656
240	FLEET BALLISTIC MISSILE	788,463		788,463		788,463		788,463
250	IN-SERVICE WEAPONS SYSTEMS SUPPORT	25,945		25,945		25,945		35,945
	INSTALLATION SUPPORT AN/UYQ-70						10,000	
260	WEAPONS MAINTENANCE	401,879		411,879		401,879		411,879
	NAVY ORDNANCE		10,000				10,000	
270	BASE SUPPORT	111,176		111,176		111,176		111,176
275	REPROGRAMMING/CREDITS	0		0		0		0
276	DBOF SUPPORT	695,100		695,100		695,100	(100,000)	595,100
277	BRAC IV PROJECTED SAVINGS	0		0		0		0

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	TOTAL, BUDGET ACTIVITY 1:	14,846,657	310,000	15,156,657	47,300	14,893,957	254,595	15,101,252
	BUDGET ACTIVITY 2: MOBILIZATION							
	READY RESERVE AND PREPOSITIONING FORCES	511,034	0	511,034	0	511,034	0	511,034
280	SHIP PREPOSITIONING AND SURGE	511,034		511,034		511,034		511,034
285	REPROGRAMMING/CREDITS	0		0		0		0
	ACTIVATIONS/INACTIVATIONS	479,601	0	479,601	0	479,601	0	479,601
290	AIRCRAFT ACTIVATIONS/INACTIVATIONS	7,215		7,215		7,215		7,215
300	SHIP ACTIVATIONS/INACTIVATIONS	472,386		472,386		472,386		472,386
305	REPROGRAMMING/CREDITS	0		0		0		0
	MOBILIZATION PREPAREDNESS	39,593	0	39,593	0	39,593	0	39,593
310	FLEET HOSPITAL PROGRAM	16,162		16,162		16,162		16,162
320	INDUSTRIAL READINESS	1,917		1,917		1,917		1,917
330	COAST GUARD SUPPORT	21,514		21,514		21,514		21,514
335	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 2:	1,030,228	0	1,030,228	0	1,030,228	0	1,030,228
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING							
	ACCESSION TRAINING	249,069	0	249,069	0	249,069	0	249,069
340	OFFICER ACQUISITION	66,755		66,755		66,755		66,755
350	RECRUIT TRAINING	4,667		4,667		4,667		4,667
360	RESERVE OFFICERS TRAINING CORPS (ROTC)	64,836		64,836		64,836		64,836
370	BASE SUPPORT	112,811		112,811		112,811		112,811
375	REPROGRAMMING/CREDITS	0		0		0		0
	BASIC SKILLS AND ADVANCED TRAINING	1,087,406	10,000	1,097,406	0	1,087,406	10,000	1,097,406
380	SPECIALIZED SKILL TRAINING	212,121		212,121		212,121		222,121
	CHEMICAL DEFENSE TRAINING	0	5,000	5,000		0	5,000	
	CHEMICAL DEFENSE MEDICAL TRAINING	0	5,000	5,000		0	5,000	
390	FLIGHT TRAINING	273,004		273,004		273,004		273,004
400	PROFESSIONAL DEVELOPMENT EDUCATION	61,214		61,214		61,214		61,214
410	TRAINING SUPPORT	125,237		125,237		125,237		125,237
420	BASE SUPPORT	415,830		415,830		415,830		415,830

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
425	REPROGRAMMING/CREDITS	0		0		0		0
	RECRUITING, AND OTHER TRAINING AND EDUCATION	225,217	0	225,217	0	225,217	5,000	230,217
430	RECRUITING AND ADVERTISING	122,820		122,820		122,820	5,000	127,820
440	OFF-DUTY AND VOLUNTARY EDUCATION	54,970		54,970		54,970		54,970
450	CIVILIAN EDUCATION AND TRAINING	22,223		22,223		22,223		22,223
460	JUNIOR ROTC	24,382		24,382		24,382		24,382
470	BASE SUPPORT	822		822		822		822
475	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 3:	1,561,692	10,000	1,571,692	0	1,561,692	15,000	1,576,692
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	SERVICEWIDE SUPPORT	1,758,993	5,600	1,764,593	27,000	1,785,993	32,000	1,790,993
480	ADMINISTRATION	605,287		605,287		605,287		605,287
490	EXTERNAL RELATIONS	21,684		21,684		21,684		21,684
500	CIVILIAN MANPOWER AND PERSON MANAGEMENT	63,166		63,166		63,166		61,166
	PERSONNEL MANAGEMENT EFFICIENCIES						(2,000)	
510	MILITARY MANPOWER AND PERSON MANAGEMENT	139,864		139,864		139,864		139,864
520	OTHER PERSONNEL SUPPORT	395,629		401,229		395,629		402,629
	NEW PARENT SUPPORT		5,600			0	7,000	
530	SERVICEWIDE COMMUNICATIONS	261,463		261,463		261,463		288,463
	CHALLENGE ATHENA	0			27,000	27,000	27,000	
540	BASE SUPPORT	271,900		271,900		271,900		271,900
542	MEDICAL ACTIVITIES (DRUG TESTING LABS)	0		0		0		0
545	REPROGRAMMING/CREDITS	0		0		0		0
	LOGISTICS OPERATIONS AND TECHNICAL SUPPORT	1,453,266	0	1,453,266	0	1,453,266	(13,500)	1,439,766
550	SERVICEWIDE TRANSPORTATION	147,132		147,132		147,132		147,132
560	PLANNING, ENGINEERING AND DESIGN	249,620		249,620		249,620		249,620
570	ACQUISITION AND PROGRAM MANAGEMENT	426,404		426,404		426,404		412,904
	ACQUISITION WORKFORCE SAVINGS/ACQUISITION REFORM						(17,000)	
	REVERSE OSMOSIS DESALINATORS						3,500	
580	AIR SYSTEMS SUPPORT	302,011		302,011		302,011		302,011
590	HULL, MECHANICAL AND ELECTRICAL SUPPORT	60,022		60,022		60,022		60,022
600	COMBAT/WEAPONS SYSTEMS	41,632		41,632		41,632		41,632

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
610	SPACE AND ELECTRONIC WARFARE SYSTEMS	68,111		68,111		68,111		68,111
620	BASE SUPPORT	158,334		158,334		158,334		158,334
625	PENTAGON RENOVATION TRANSFER	0		0		0		0
	SECURITY PROGRAMS	567,479	5,500	572,979	(7,000)	560,479	(2,000)	565,479
630	SECURITY PROGRAMS (ARMS CONTROL)	556,805		562,305	(7,000)	549,805	(2,000)	554,805
	CLASSIFIED PROGRAMS	0	5,500			0		
640	BASE SUPPORT	10,674		10,674		10,674		10,674
	SUPPORT OF OTHER NATIONS	7,395	0	7,395	0	7,395	0	7,395
650	INTERNATIONAL HEADQUARTERS AND AGENCIES	7,395		7,395		7,395		7,395
	TOTAL, BUDGET ACTIVITY 4:	3,787,133	11,100	3,798,233	20,000	3,807,133	16,500	3,803,633
	UNDISTRIBUTED		120,700	120,700	53,900	53,900	(18,650)	(18,650)
	REAL PROPERTY MAINTENANCE		150,000	150,000	110,000	110,000	155,000	155,000
	CLASSIFIED PROGRAMS				(10,100)	(10,100)	2,350	2,350
	PENATGON RENOVATION				(13,000)	(13,000)	(13,000)	(13,000)
	ALLEGANNY BALLASTICS LAB				2,000	2,000		
	UNDISTRIBUTED(ALLEGANNY BALLASTICS LAB)				(2,000)	(2,000)		
	CIVILIAN UNDEREXECUTION		(125,000)	(125,000)	(33,000)	(33,000)	(17,000)	(17,000)
	FOREIGN CURRENCY FLUCTUATION		77,000	77,000			5,000	5,000
	MILITARY/CIVILIAN CONVERSIONS		60,000	60,000			9,000	9,000
	MWR PORTABILITY		10,000	10,000			0	0
	ADVANCE BILLING RELIEF		87,000	87,000			0	0
	MILITARY END STRENGTH		20,400	20,400			20,400	20,400
	PRINTING EFFICIENCIES		(4,000)	(4,000)			(4,000)	(4,000)
	INSPECTOR GENERAL CONSOLIDATION		(20,000)	(20,000)				
	REDUCED AUDITS		(10,000)	(10,000)			(5,000)	(5,000)
	TRANSPORTATION IMPROVEMENTS		(7,200)	(7,200)			(7,200)	(7,200)
	INVENTORY REFORM		(60,000)	(60,000)			(60,000)	(60,000)
	FUEL SAVINGS		(50,000)	(50,000)			(100,000)	(100,000)
	NEXCOM 2nd DESTINATION TRANSPORTATION		(7,500)	(7,500)			(7,500)	(7,500)
	ADMINISTRATIVE TRAVEL SAVINGS						(28,500)	(28,500)
	NSIPS						2,500	2,500
	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH						75,300	75,300
	TOMAHAWK MISSILE RECERTIFICATION						(9,000)	(9,000)
	SUPPLY MANAGEMENT REFORMS						(37,000)	(37,000)

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	TOTAL, OPERATION AND MAINTENANCE, NAVY	21,225,710	451,800	21,677,510	121,200	21,346,910	267,445	21,493,155
	OPERATION AND MAINTENANCE, MARINE CORPS							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	EXPEDITIONARY FORCES	1,544,019	105,000	1,649,019	94,000	1,638,019	130,000	1,674,019
10	OPERATIONAL FORCES	334,133		334,133		334,133		344,133
	OPERATING TEMPO						10,000	
20	FIELD LOGISTICS	158,299		158,299		158,299		158,299
30	DEPOT MAINTENANCE	148,574	55,000	203,574	54,000	202,574	54,000	202,574
40	BASE SUPPORT	903,013	25,000	953,013	30,000	933,013	25,000	969,013
	PERSONNEL SUPPORT EQUIPMENT	0	25,000			0	25,000	
	EXTENDED COLD WEATHER CLOTHING/INITIAL ISSUE EQUIP	0		0	10,000	10,000	16,000	
45	REPROGRAMMING/CREDITS	0		0		0		0
	USMC PREPOSITIONING	85,435	0	85,435	(4,000)	81,435	(2,100)	83,335
50	MARITIME PREPOSITIONING	77,416		77,416		77,416		77,416
60	NORWAY PREPOSITIONING	8,019		8,019	(4,000)	4,019	(2,100)	5,919
65	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 1:	1,629,454	105,000	1,734,454	90,000	1,719,454	127,900	1,757,354
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING							
	ACCESSION TRAINING	74,165	4,000	78,165	0	74,165	5,000	79,165
70	RECRUIT TRAINING	7,343		7,343		7,343		7,343
80	OFFICER ACQUISITION	268		268		268		268
90	BASE SUPPORT	66,554		70,554		66,554		71,554
	NEW PARENT SUPPORT	0	4,000			0	5,000	
95	REPROGRAMMING/CREDITS	0		0		0		0
	BASIC SKILLS AND ADVANCED TRAINING	175,769	10,000	185,769	0	175,769	10,000	185,769
100	SPECIALIZED SKILLS TRAINING	25,057		35,057		25,057		35,057
	CHEMICAL DEFENSE TRAINING	0	5,000			0	5,000	

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	CHEMICAL DEFENSE MEDICAL TRAINING	0	5,000			0	5,000	
110	FLIGHT TRAINING	165		165		165		165
120	PROFESSIONAL DEVELOPMENT EDUCATION	5,792		5,792		5,792		5,792
130	TRAINING SUPPORT	74,964		74,964		74,964		74,964
140	BASE SUPPORT	69,791		69,791		69,791		69,791
145	REPROGRAMMING/CREDITS	0		0		0		0
	RECRUITING AND OTHER TRAINING EDUCATION	93,176	6,800	99,976	5,000	98,176	4,000	97,176
150	RECRUITING AND ADVERTISING	61,037	6,800	67,837	5,000	66,037	4,000	65,037
160	OFF-DUTY AND VOLUNTARY EDUCATION	11,055		11,055		11,055		11,055
170	JUNIOR ROTC	7,588		7,588		7,588		7,588
180	BASE SUPPORT	13,496		13,496		13,496		13,496
185	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 3:	343,110	20,800	363,910	5,000	348,110	19,000	362,110
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	SERVICEWIDE SUPPORT	297,158	0	297,158	0	297,158	0	297,158
190	LOGISTICS SUPPORT	95,596		95,596		95,596		95,596
200	SPECIAL SUPPORT	131,023		131,023		131,023		131,023
210	SERVICEWIDE TRANSPORTATION	31,931		31,931		31,931		31,931
220	ADMINISTRATION	28,523		28,523		28,523		28,523
230	BASE SUPPORT	10,085		10,085		10,085		10,085
235	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 4:	297,158	0	297,158	0	297,158	0	297,158
	UNDISTRIBUTED		208,100	208,100	41,000	41,000	105,200	105,200
	REAL PROPERTY MAINTENANCE		100,000	100,000	40,000	40,000	100,000	100,000
	CLASSIFIED PROGRAMS				1,000	1,000	0	0
	FOREIGN CURRENCY FLUCTUATION		35,000	35,000			1,000	1,000
	MILITARY/CIVILIAN CONVERSIONS		20,000	20,000			10,000	10,000
	MWR PORTABILITY		2,000	2,000			0	0
	ADVANCED BILLING RELIEF		37,400	37,400			0	0
	MILITARY END STRENGTH		6,800	6,800			6,800	6,800
	TRANSPORTATION IMPROVEMENTS		(3,100)	(3,100)			(3,100)	(3,100)
	ADMINISTRTATIVE TRAVEL SAVINGS						(9,500)	(9,500)

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	INCLEMENT WEATHER GEAR		10,000	10,000			0	0
	TOTAL, O&M, MARINE CORPS	2,269,722	333,900	2,603,622	136,000	2,405,722	252,100	2,521,822
	OPERATION AND MAINTENANCE, AIR FORCE							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	AIR OPERATIONS	7,260,977	100,000	7,360,977	25,000	7,285,977	70,200	7,331,177
10	PRIMARY COMBAT FORCES	2,684,913		2,684,913		2,684,913		2,720,113
	EXCESS FUNDED CARRYOVER						(27,000)	
	MISSION READINESS TRAINING						25,200	
	PRECISION WEAPONS						1,000	
	SPARES FUNDING						36,000	
20	PRIMARY COMBAT WEAPONS	409,701		409,701		409,701	(20,000)	389,701
30	COMBAT ENHANCEMENT FORCES	257,139		257,139		257,139		257,139
40	AIR OPERATIONS TRAINING	647,570		647,570		647,570		655,470
	CARIBEAN BASIN RADARS						3,000	
	SIMULATION ENHANCEMENTS						4,900	
50	COMBAT COMMUNICATIONS	854,442		854,442		854,442	(7,900)	846,542
60	BASE SUPPORT	2,407,212	100,000	2,507,212	25,000	2,432,212	55,000	2,462,212
65	REPROGRAMMING/CREDITS	0		0		0		0
	COMBAT RELATED OPERATIONS	1,509,701	0	1,509,701	0	1,509,701	4,000	1,513,701
70	GLOBAL C3I AND EARLY WARNING	826,526		826,526		826,526		830,526
	RIVET JOINT						4,000	
80	NAVIGATION/WEATHER SUPPORT	128,374		128,374		128,374		128,374
90	OTHER COMBAT OPS SUPPORT PROGRAMS	210,481		210,481		210,481		210,481
100	JCS EXERCISES	41,793		41,793		41,793		41,793
110	MANAGEMENT/OPERATIONAL HEADQUARTERS	111,914		111,914		111,914		111,914
120	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	190,613		190,613		190,613		190,613
				0				
	SPACE OPERATIONS	1,245,644	0	1,245,644	0	1,245,644	0	1,245,644
130	LAUNCH FACILITIES	254,590		254,590		254,590		254,590
140	LAUNCH VEHICLES	117,482		117,482		117,482		117,482
150	SPACE CONTROL SYSTEMS	341,862		341,862		341,862		341,862
160	SATELLITE SYSTEMS	49,132		49,132		49,132		49,132

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
170	OTHER SPACE OPERATIONS	79,989		79,989		79,989		79,989
180	BASE SUPPORT	402,589		402,589		402,589		402,589
	TOTAL, BUDGET ACTIVITY 1:	10,016,322	100,000	10,116,322	25,000	10,041,322	74,200	10,090,522
	BUDGET ACTIVITY 2: MOBILIZATION							
	MOBILITY OPERATIONS	2,523,373	0	2,523,373	0	2,523,373	(31,000)	2,492,373
190	AIRLIFT OPERATIONS	1,544,785		1,544,785		1,544,785		1,533,785
	KC-135s						2,000	
	EXCESS FUNDING CARRYOVER						(13,000)	
200	AIRLIFT OPERATIONS C3I	10,961		10,961		10,961		10,961
210	MOBILIZATION PREPAREDNESS	160,110		160,110		160,110		160,110
220	PAYMENTS TO TRANSPORTATION BUSINESS AREA	293,027		293,027		293,027	(20,000)	273,027
230	BASE SUPPORT	514,490		514,490		514,490		514,490
	TOTAL, BUDGET ACTIVITY 2:	2,523,373	0	2,523,373	0	2,523,373	(31,000)	2,492,373
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING							
	ACCESSION TRAINING	183,970	0	183,970	0	183,970	0	183,970
240	OFFICER ACQUISITION	49,197		49,197		49,197		49,197
250	RECRUIT TRAINING	3,881		3,881		3,881		3,881
260	RESERVE OFFICER TRAINING CORPS (ROTC)	39,226		39,226		39,226		39,226
270	BASE SUPPORT (ACADEMIES ONLY)	91,666		91,666		91,666		91,666
275	REPROGRAMMING/CREDITS	0		0		0		0
	BASIC SKILLS AND ADVANCED TRAINING	1,230,608	10,000	1,240,608	0	1,230,608	0	1,230,608
280	SPECIALIZED SKILL TRAINING	204,465		204,465		204,465		214,465
	CHEMICAL DEFENSE TRAINING	0	5,000	5,000		0	5,000	
	CHEMICAL DEFENSE MEDICAL TRAINING	0	5,000	5,000		0	5,000	
290	FLIGHT TRAINING	336,956		336,956		336,956		326,956
	UNDERGRADUATE PILOT TRAINING						(10,000)	
300	PROFESSIONAL DEVELOPMENT EDUCATION	78,688		78,688		78,688		78,688
310	TRAINING SUPPORT	65,048		65,048		65,048		65,048
320	BASE SUPPORT (OTHER TRAINING)	545,451		545,451		545,451		545,451
325	REPROGRAMMING/CREDITS	0		0		0		0

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	RECRUITING, AND OTHER TRAINING AND EDUCATION	226,182	16,700	242,882	5,000	231,182	9,000	235,182
330	RECRUITING AND ADVERTISING	44,827	6,000	50,827	5,000	49,827	5,000	49,827
340	EXAMINING	3,122		3,122		3,122		3,122
350	OFF DUTY AND VOLUNTARY EDUCATION	75,537		75,537		75,537		79,537
	TUITION ASSISTANCE	0	10,700	10,700		0	4,000	
360	CIVILIAN EDUCATION AND TRAINING	77,304		77,304		77,304		77,304
370	JUNIOR ROTC	25,392		25,392		25,392		25,392
375	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 3:	1,640,760	26,700	1,667,460	5,000	1,645,760	9,000	1,649,760
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	LOGISTICS OPERATIONS	2,280,043	97,680	2,377,723	0	2,280,043	(36,020)	2,244,023
380	LOGISTICS OPERATIONS	790,324	85,000	875,324		790,324		754,304
	ACQUISITION WORKFORCE SAVINGS	0		0		0	(40,000)	
	B-1 MAINTENANCE	0	3,980	3,980		0	3,980	
390	TECHNICAL SUPPORT ACTIVITIES	365,535		365,535		365,535		365,535
400	SERVICEWIDE TRANSPORTATION	234,836		234,836		234,836		234,836
410	BASE SUPPORT	889,348		898,048		889,348	(9,200)	889,348
	TICARRS	0	8,700				8,700	
	CAMS/REMIS						500	
415	REPROGRAMMING/CREDITS	0		0		0		0
	SERVICEWIDE ACTIVITIES	1,335,859	3,600	1,339,459	0	1,335,859	(500)	1,335,359
420	ADMINISTRATION	118,319		118,319		118,319		112,819
	ADMINISTRATIVE EFFICIENCIES						(8,000)	
	STRATCOM						2,500	
430	SERVICEWIDE COMMUNICATIONS	318,240		318,240		318,240		318,240
440	PERSONNEL PROGRAMS	84,766		84,766		84,766	(3,000)	81,766
450	RESCUE AND RECOVERY SERVICES	40,426		40,426		40,426	4,400	44,826
460	SUBSISTENCE-IN-KIND	48,429		48,429		48,429		48,429
470	ARMS CONTROL	34,645		34,645		34,645		34,645
480	OTHER SERVICEWIDE ACTIVITIES	396,155		396,155		396,155		396,155
490	OTHER PERSONNEL SUPPORT	32,080		32,080		32,080		32,080
500	CIVIL AIR PATROL CORPORATION	14,704		14,704		14,704		14,704

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
510	BASE SUPPORT	248,095		248,095		248,095		251,695
	NEW PARENT SUPPORT	0	3,600	3,600		0	3,600	
515	PENTAGON RENOVATION TRANSFER	0		0		0		0
	SECURITY PROGRAMS	447,218	(18,515)	428,703	(8,000)	439,218	(2,000)	445,218
520	SECURITY PROGRAMS (ARMS CONTROL)	447,218		447,218	(8,000)	439,218	(2,000)	445,218
	CLASSIFIED PROGRAMS	0	(18,515)	(18,515)		0	0	0
	SUPPORT TO OTHER NATIONS	13,022	0	13,022	0	13,022	0	13,022
530	INTERNATIONAL SUPPORT	13,022		13,022		13,022		13,022
	TOTAL, BUDGET ACTIVITY 4:	4,076,142	82,765	4,158,907	(8,000)	4,068,142	(38,520)	4,037,622
	UNDISTRIBUTED		518,100	518,100	(48,500)	(48,500)	449,000	449,000
	REAL PROPERTY MAINTENANCE		320,000	320,000	15,000	15,000	205,000	205,000
	CLASSIFIED PROGRAMS				13,400	13,400	18,100	18,100
	REDUCTION(Civil Air Patrol)				(2,900)	(2,900)	0	0
	PENTAGON RENOVATION				(13,000)	(13,000)	(13,000)	(13,000)
	CIVILIAN UNDEREXECUTION		(65,000)	(65,000)	(61,000)	(61,000)	(72,000)	(72,000)
	FOREIGN CURRENCY FLUCTUATION		203,000	203,000			7,200	7,200
	MILITARY/CIVILIAN CONVERSIONS		90,000	90,000			13,500	13,500
	MWR PORTABILITY		13,000	13,000			0	0
	ADVANCE BILLING RELIEF		87,000	87,000			0	0
	MILITARY END STRENGTH		20,400	20,400			20,400	20,400
	EDCARS/DSREDS		2,000	2,000			2,000	2,000
	PRINTING EFFICIENCIES		(3,000)	(3,000)			(3,000)	(3,000)
	INSPECTOR GENERAL CONSOLIDATION		(11,000)	(11,000)				
	REDUCED AUDITS		(13,000)	(13,000)			(5,000)	(5,000)
	TRANSPORTATION IMPROVEMENTS		(15,300)	(15,300)			(15,300)	(15,300)
	INVENTORY REFORM		(60,000)	(60,000)			(60,000)	(60,000)
	FUEL SAVINGS		(50,000)	(50,000)				
	ADMINISTRATIVE TRAVEL SAVINGS						(28,500)	(28,500)
	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH						393,200	393,200
	SUPPLY MANAGEMENT REFORMS						(13,600)	(13,600)
	TOTAL, O&M, AIR FORCE	18,256,597	727,565	18,984,162	(26,500)	18,230,097	462,680	18,719,277

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	OPERATION AND MAINTENANCE, DEFENSE-WIDE							
	BUDGET ACTIVITY 1: OPERATING FORCES	1,494,453	100,000	1,594,453	0	1,494,453	64,500	1,558,953
10	JOINT CHIEFS OF STAFF	475,977		475,977		475,977		530,977
	MOBILITY ENHANCEMENTS		100,000	100,000			50,000	
	NORTHERN EDGE						5,000	
20	SPECIAL OPERATIONS COMMAND	1,018,476		1,018,476		1,018,476		1,027,976
	SEAL DELIVERY VEHICLE TEAM ONE						1,000	
	PROVIDE COMFORT/ENHANCED SOUTHERN WATCH						8,500	
	TOTAL, BUDGET ACTIVITY 1:	1,494,453	100,000	1,594,453	0	1,494,453	64,500	1,558,953
	BUDGET ACTIVITY 2: MOBILIZATION	71,438	0	71,438	(45,438)	26,000	(45,438)	26,000
30	DEFENSE LOGISTICS AGENCY	26,000		26,000		26,000		26,000
35	OFFICE OF THE SECRETARY OF DEFENSE	0		0		0		0
40	WASHINGTON HQ SERVICES (DISASTER RELIEF)	45,438	0	45,438	(45,438)	0	(45,438)	0
	TOTAL, BUDGET ACTIVITY 2:	71,438	0	71,438	(45,438)	26,000	(45,438)	26,000
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING		0					121,160
50	DEFENSE ACQUISITION UNIVERSITY	112,991		112,991	0	112,991	(11,500)	101,491
60	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	19,669		19,669	0	19,669		19,669
	TOTAL, BUDGET ACTIVITY 3:	132,660	0	132,660	0	132,660	(11,500)	121,160
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES	8,599,036	(35,178)	8,518,520	(245,982)	8,353,054	(372,806)	8,226,230
70	AMERICAN FORCES INFORMATION SERVICE	90,892	0	90,892		90,892		90,892
80	CORPORATE INFORMATION MANAGEMENT	127,967		127,967		127,967		139,167
	JOINT ANALYTIC MODEL IMPROVEMENT PLAN	0		0	11,200	11,200	11,200	
90	CLASSIFIED AND INTELLIGENCE	3,350,037	452	3,350,489		3,350,037		3,350,037
100	DEFENSE CIVILIAN PERSONNEL MANAGEMENT SERVICE	45,631		45,631		45,631	(2,400)	43,231
110	DEFENSE CONTRACT AUDIT AGENCY	342,926		342,926		342,926		332,126
	ACQUISITION WORK FORCE SAVINGS					0	(10,800)	
120	DEFENSE INVESTIGATIVE SERVICE	201,582		201,582		201,582	(2,000)	199,582
130	DEFENSE LOGISTICS AGENCY	1,055,996		1,070,996	(3,000)	1,052,996		1,059,296
	HOMELESS INITIATIVE						(3,000)	
	ACQUISITION WORK FORCE SAVINGS						(10,700)	
	PROCUREMENT TECHNICAL ASSISTANCE PROGRAM	0	10,000		12,000	12,000	12,000	

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	DEBT COLLECTION DEMONSTRATION	0	5,000			0	5,000	
140	DEFENSE LEGAL SERVICES AGENCY	6,540		6,540		6,540		6,540
150	DEFENSE MAPPING AGENCY	734,438		734,438		734,438		714,538
	MINOR EQUIPMENT						(13,800)	
	INTERNET ACCESS						(600)	
	PRODUCTIVITY IMPROVEMENTS						(4,500)	
	PERSONNEL REGIONALIZATION						(1,000)	
160	DEFENSE NUCLEAR AGENCY	96,105		96,105		96,105		96,105
170	DEFENSE POW/MIA OFFICE	13,486		13,486		13,486		13,486
180	FEDERAL ENERGY MANAGEMENT PROGRAM	234,682		234,682	(184,682)	50,000	(184,682)	50,000
190	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,292,684		1,292,684		1,292,684		1,281,129
	OVERHEAD						(10,000)	
	RELOCATION ASSITANCE						(2,055)	
	DoDDS MATHMATICS TEACHERS LEADERSHIP PROJECT						500	
200	DEFENSE SUPPORT ACTIVITIES	82,562		82,562		82,562		82,562
210	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	10,858		10,858		10,858		10,858
220	JOINT CHIEFS OF STAFF	97,873		97,873		97,873		97,873
230	OFFICE OF ECONOMIC ADJUSTMENT	59,078	1,500	60,578		59,078	1,500	60,578
240	OFFICE OF THE SECRETARY OF DEFENSE	349,291		297,161		349,291		213,422
	ACQUISITION WORK FORCE SAVIINGS						(400)	
	DFAS SAVINGS						(20,000)	
	ACQUISITION PROGRAM GROWTH						(4,200)	
	MANAGEMENT EFFICIENCIES						(24,669)	
	CONSULTING SERVICIES						(20,700)	
	STAFFING REDUCTIONS						(6,400)	
	NG YOUTH & CIVIL/MILITARY COOPERATION PROGRAMS	0	(68,830)		(69,500)	(69,500)	(69,500)	
	JOINT RECRUITING ADVERTISING PROGRAM	0	16,700			0	10,000	
245	OFFICE OF THE SECRETARY OF DEFENSE (NO YEAR)	0		0		0		0
250	ON SITE INSPECTION AGENCY (ARMS CONTROL)	97,987		97,987	(12,000)	85,987	(12,000)	85,987
260	WASHINGTON HEADQUARTERS SERVICES	308,421		263,083		308,421		298,821
	INVENTORY GROWTH						(9,600)	
	PENTAGON RENOVATION TRANSFER							
	DISASTER RELIEF		(45,338)					
	TOTAL, BUDGET ACTIVITY 4:	8,599,036	(80,516)	8,518,520	(245,982)	8,353,054	(372,806)	8,226,230
	BUDGET ACTIVITY 5: INTEREST							
270	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	0	0	0	0	0	0	0

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	TOTAL, BUDGET ACTIVITY 5:	0	0	0	0	0	0	0
	BUDGET ACTIVITY 6: CAPITAL LEASE							
280	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	69,195	(69,195)	0	0	69,195	0	69,195
	TOTAL, BUDGET ACTIVITY 6:	69,195	(69,195)	0	0	69,195	0	69,195
	UNDISTRIBUTED	0	364,800	364,800	(39,495)	(39,495)	(91,062)	(91,062)
	CLASSIFEID PROGRAMS				(18,500)	(18,500)	(9,867)	(9,867)
	TROOPS TO TEACHERS				42,000	42,000	0	0
	TROOPS TO COPS				10,000	10,000	0	0
	UNDISTRIBUTED (JROTC)				(12,295)	(12,295)		
	PENTAGON RENOVATION				(14,000)	(14,000)	(14,000)	(14,000)
	UNDISTRIBUTED REDUCTION (Air Force Reserve)				(10,000)	(10,000)		
	UNDISTRIBUTED (OHDACA)				(40,000)	(40,000)		
	MULTI-TECH AUTO READER CARD				8,000	8,000	8,000	8,000
	CIVILIAN UNDEREXECUTION		(125,000)	(125,000)	(57,700)	(57,700)	(45,000)	(45,000)
	TRAVEL				(72,000)	(72,000)	(33,500)	(33,500)
	ONGOING OPERATION (Not Budgeted)				125,000	125,000	5,300	5,300
	JOINT MARKET RESEARCH PROGRAM		2,000	2,000			2,000	2,000
	FAMILY ADVOCACY		30,000	30,000			30,000	30,000
	FOREIGN CURRENCY FLUCTUATION		56,000	56,000			6,400	6,400
	INNOVATIVE PROCESSES		350,000	350,000			0	0
	EDUCATIONAL IMPACT AID		58,000	58,000			35,000	35,000
	CONTRACTOR OUTSOURCING TRAINING		10,000	10,000			0	0
	DIGITAL IMAGING I.D.		2,000	2,000			0	0
	TRANSPORTATION IMPROVEMENTS		(18,200)	(18,200)			(18,200)	(18,200)
	INFORMATION TECHNOLOGY						12,000	12,000
	UNDISTRIBUTED (DBMU)						(69,195)	(69,195)
	TOTAL, O&M, DEFENSE-WIDE	10,366,782	315,089	10,681,871	(330,915)	10,035,867	(456,306)	9,910,476
	OPERATION AND MAINTENANCE, ARMY RESERVE							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	MISSION OPERATIONS	958,790	44,000	1,002,790	0	958,790	44,000	1,002,790

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10	BASE SUPPORT	284,036		284,036		284,036		284,036
20	DEPOT MAINTENANCE	57,377		57,377		57,377		57,377
30	RECRUITING AND RETENTION	43,963	4,000	47,963		43,963	4,000	47,963
40	TRAINING OPERATIONS	573,414	40,000	613,414		573,414	40,000	613,414
	TOTAL, BUDGET ACTIVITY 1:	958,790	44,000	1,002,790	0	958,790	44,000	1,002,790
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	109,801	0	109,801	0	109,801	0	109,801
50	INFORMATION MANAGEMENT	17,492		17,492		17,492		17,492
60	PUBLIC AFFAIRS	423		423		423		423
70	PERSONNEL ADMINISTRATION	61,941		61,941		61,941		61,941
80	STAFF MANAGEMENT	29,945		29,945		29,945		29,945
	TOTAL, BUDGET ACTIVITY 4:	109,801	0	109,801	0	109,801	0	109,801
	UNDISTRIBUTED		27,000	27,000	(6,000)	(6,000)	16,600	16,600
	CIVILIAN UNDEREXECUTION				(6,000)	(6,000)	(6,000)	(6,000)
	REAL PROPERTY MAINTENANCE		17,000	17,000			17,000	17,000
	RESERVE MILITARY/CIVILIAN TECHNICIAN RESTORATION		5,000	5,000			5,000	5,000
	MEDICAL/DENTAL COMPENSATION		5,000	5,000			5,000	5,000
	RESERVE COMPONENT AUTOMATION SYSTEM						(4,400)	(4,400)
	TOTAL, O&M, ARMY RESERVE	1,068,591	71,000	1,139,591	(6,000)	1,062,591	60,600	1,129,191
	OPERATION AND MAINTENANCE, NAVY RESERVE							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	RESERVE AIR OPERATIONS	491,949	0	491,949	14,800	506,749	19,800	511,749
10	MISSION AND OTHER FLIGHT OPERATIONS	291,673		291,673		291,673		306,473
	P-3 SQUADRON OPERATIONS	0		0	14,800	14,800	14,800	
20	INTERMEDIATE MAINTENANCE	17,813		17,813		17,813		17,813
30	AIR OPERATION AND SAFETY SUPPORT	1,915		1,915		1,915		1,915
40	AIRCRAFT DEPOT MAINTENANCE	49,338		49,338		49,338	5,000	54,338
50	AIRCRAFT DEPOT OPS SUPPORT	356		356		356		356

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60	BASE SUPPORT	130,854		130,854		130,854		130,854
	RESERVE SHIP OPERATIONS	157,940	0	157,940	0	157,940	0	157,940
70	MISSION AND OTHER SHIP OPERATIONS	60,895		60,895		60,895		60,895
80	SHIP OPERATIONAL SUPPORT AND TRAINING	658		658		658		658
90	INTERMEDIATE MAINTENANCE	23,990		23,990		23,990		23,990
100	SHIP DEPOT MAINTENANCE	70,930		70,930		70,930		70,930
110	SHIP DEPOT OPERATIONS SUPPORT	1,467		1,467		1,467		1,467
	RESERVE COMBAT OPERATIONS SUPPORT	78,434	0	78,434	0	78,434	0	78,434
120	COMBAT COMMUNICATIONS	817		817		817		817
130	COMBAT SUPPORT FORCES	25,207		25,207		25,207		25,207
140	BASE SUPPORT	52,410		52,410		52,410		52,410
	RESERVE WEAPONS SUPPORT	5,641	0	5,641	0	5,641	0	5,641
150	WEAPONS MAINTENANCE	5,641		5,641		5,641		5,641
	TOTAL, BUDGET ACTIVITY 1:	733,964	0	733,964	14,800	748,764	19,800	753,764
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES	92,078	0	92,078	0	92,078	0	92,078
160	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			0				0
170	ADMINISTRATION	8,029		8,029		0		8,029
180	CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT	3,222		3,222		8,029		3,222
190	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	31,209		31,209		3,222		31,209
200	OTHER PERSONNEL SUPPORT	21,247		21,247		31,209		21,247
210	SERVICEWIDE COMMUNICATIONS	25,723		25,723		21,247		25,723
220	BASE SUPPORT	2,648		2,648		25,723		2,648
	COMBAT/WEAPONS SYSTEMS					2,648		0
	TOTAL, BUDGET ACTIVITY 4:	92,078	0	92,078	0	92,078	0	92,078
	UNDISTRIBUTED	0	12,000	12,000	0	0	22,500	22,500
	REAL PROPERTY MAINTENANCE		12,000	12,000			20,000	20,000
	NSIPS						2,500	2,500
	TOTAL, O&M, NAVY RESERVE	826,042	12,000	838,042	14,800	840,842	42,300	868,342

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	MISSION FORCES	55,235	0	55,235	0	55,235	6,300	61,535
10	TRAINING	13,617		13,617		13,617	900	14,517
20	OPERATING FORCES	21,237		21,237		21,237	4,400	25,637
30	BASE SUPPORT	18,059		18,059		18,059		18,059
40	DEPOT MAINTENANCE	2,322		2,322		2,322	1,000	3,322
45	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 1:	55,235	0	55,235	0	55,235	6,300	61,535
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	35,048	0	35,048	0	35,048	2,200	37,248
50	RECRUITING AND ADVERTISING	7,609		7,609		7,609		7,609
60	SPECIAL SUPPORT	9,064		9,064		9,064		9,064
70	SERVICEWIDE TRANSPORTATION	5,381		5,381		5,381		5,381
80	ADMINISTRATION	6,274		6,274		6,274		6,274
90	BASE SUPPORT	6,720		6,720		6,720	2,200	8,920
	TOTAL, BUDGET ACTIVITY 4:	35,048	0	35,048	0	35,048	2,200	37,248
	UNDISTRIBUTED		1,500				1,500	1,500
	REAL PROPERTY MAINTENANCE	0	1,500	1,500	0	0	1,500	1,500
	OPERATIONAL SUPPORT AIRCRAFT							0
	TOTAL, O&M, MARINE CORPS RESERVE	90,283	1,500	91,783	0	90,283	10,000	100,283
	OPERATION AND MAINTENANCE, AIR FORCE RESERVE							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	AIR OPERATIONS	1,420,914	0	1,420,914	0	1,420,914	11,840	1,432,754
10	AIRCRAFT OPERATIONS	1,103,593		1,103,593		1,103,593	11,840	1,115,433
20	MISSION SUPPORT OPERATIONS	35,073		35,073		35,073		35,073
30	BASE SUPPORT	282,248		282,248		282,248		282,248

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
33	DEPOT MAINTENANCE	0		0		0		0
35	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 1:	1,420,914	0	1,420,914	0	1,420,914	11,840	1,432,754
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	65,033	0	65,033	0	65,033	0	65,033
40	ADMINISTRATION	33,107		33,107		33,107		33,107
50	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	17,746		17,746		17,746		17,746
60	RECRUITING AND ADVERTISING	7,743		7,743		7,743		7,743
70	OTHER PERSONNEL SUPPORT	6,063		6,063		6,063		6,063
80	AUDIOVISUAL	374		374		374		374
85	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 4:	65,033	0	65,033	0	65,033	0	65,033
	UNDISTRIBUTED		21,500	21,500	(3,000)	(3,000)	18,500	18,500
	CIVILIAN UNDER EXECUTION				(3,000)	(3,000)	(3,000)	(3,000)
	REAL PROPERTY MAINTENANCE		13,500	13,500			13,500	13,500
	RESERVE MILITARY/CIVILIAN TECHICIAN RESTORATION		8,000	8,000			8,000	8,000
	TOTAL, O&M, AIR FORCE RESERVE	1,485,947	21,500	1,507,447	(3,000)	1,482,947	30,340	1,516,287
	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	MISSION OPERATIONS	2,110,418	60,000	2,170,418	0	2,110,418	42,600	2,153,018
10	TRAINING OPERATIONS	1,720,134	60,000	1,780,134		1,720,134	40,000	1,760,134
20	RECRUITING AND RETENTION	20,110		20,110		20,110		20,110
30	MEDICAL SUPPORT	19,109		19,109		19,109		19,109
40	DEPOT MAINTENANCE	100,687		100,687		100,687		100,687
50	BASE SUPPORT	250,378		250,378		250,378	2,600	252,978
	TOTAL, BUDGET ACTIVITY 1:	2,110,418	60,000	2,170,418	0	2,110,418	42,600	2,153,018

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	193,690	0	193,690	0	193,690	(14,900)	178,790
60	INFORMATION MANAGEMENT	59,496		59,496		59,496	(14,900)	44,596
70	PUBLIC AFFAIRS	1,461		1,461		1,461		1,461
80	PERSONNEL ADMINISTRATION	89,665		89,665		89,665		89,665
90	STAFF MANAGEMENT	43,068		43,068		43,068		43,068
	TOTAL, BUDGET ACTIVITY 4:	193,690	0	193,690	0	193,690	(14,900)	178,790
	UNDISTRIBUTED		30,000	30,000	0	0	30,000	30,000
	REAL PROPERTY MAINTENANCE		21,000	21,000			21,000	21,000
	RESERVE MILITARY/CIVILIAN TECHNICIAN RESTORATION		9,000	9,000			9,000	9,000
	TOTAL, O&M, ARMY NATIONAL GUARD	2,304,108	90,000	2,394,108	0	2,304,108	57,700	2,361,808
	OPERATION AND MAINTENANCE, AIR NATIONAL GUARD							
	BUDGET ACTIVITY 1: OPERATING FORCES							
	AIR OPERATIONS	2,704,107	0	2,704,107	38,000	2,742,107	30,400	2,734,507
10	AIRCRAFT OPERATIONS	1,977,786		1,977,786		1,977,786	28,900	2,006,686
	ANG PAA STRUCTURE				38,000	38,000		
20	MISSION SUPPORT OPERATIONS	346,687		346,687		346,687		346,687
30	BASE SUPPORT	361,224		361,224		361,224		361,224
40	DEPOT MAINTENANCE	18,410		18,410		18,410	1,500	19,910
45	REPROGRAMMING/CREDITS	0		0		0		0
	TOTAL, BUDGET ACTIVITY 1:	2,704,107	0	2,704,107	38,000	2,742,107	30,400	2,734,507
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES							
	SERVICEWIDE ACTIVITIES	8,114	0	8,114	0	8,114	0	8,114
50	ADMINISTRATION	3,127		3,127		3,127		3,127
60	RECRUITING AND ADVERTISING	4,987		4,987		4,987		4,987
	TOTAL, BUDGET ACTIVITY 4:	8,114	0	8,114	0	8,114	0	8,114

ID	ACCOUNT/BA/AG/SAG	FY 1996	House Change	House Authorized	Senate Change	Senate Authorization	Change to Request	Conference Agreement
	UNDISTRIBUTED		22,000	22,000	(16,000)	(16,000)	17,500	17,500
	REAL PROPERTY MAINTENANCE		15,000	15,000			15,000	15,000
	RESERVE MILITARY/CIVILIAN TECHNICIAN RESTORATION		7,000	7,000			18,500	18,500
	CIVILIAN UNDER EXECUTION				(16,000)		(16,000)	(16,000)
	TOTAL, O&M, AIR NATIONAL GUARD	2,712,221	22,000	2,734,221	22,000	2,734,221	47,900	2,760,121
	MISCELLANEOUS	12,843,694	(415,790)	12,427,904	(32,890)	12,810,804	(354,790)	12,488,904
				0				
10	INSPECTOR GENERAL	138,226	39,000	177,226		138,226		138,226
10	RIFLE PRACTICE, ARMY	0		0		0		0
10	COURT OF MILITARY APPEALS	6,521		6,521		6,521		6,521
10	SUMMER OLYMPICS	15,000		15,000		15,000		15,000
10	SPECIAL OLYMPICS	0		0		0		0
10	ENVIRONMENTAL RESTORATION	1,622,200	(200,000)	1,422,200	(20,400)	1,601,800	(186,600)	1,422,200
	DEFENSE AND STATE MOU				(15,900)		(10,900)	
	RESTORATION ADVISORY BOARDS				(3,500)		(1,500)	
	ENVIRONMENTAL MANAGEMENT				(1,000)		(1,000)	
10	HUMANITARIAN ASSISTANCE	79,790	(79,790)	0	(19,790)	60,000	(79,790)	
10	DRUG INTERDICTION	680,432		680,432		680,432		680,432
10	INTERNATIONAL PEACEKEEPING	65,000	(65,000)	0	(65,000)	0	(65,000)	0
10	PAYMENT TO KAHO'OLAWE ISLAND	0		0		0		0
10	WORLD UNIVERSITY GAMES	0		0		0		0
10	WORLD CUP	0		0		0		0
10	DEFENSE HEALTH PROGRAM	9,865,525	11,000	9,876,525	78,300	9,943,825	11,000	9,876,525
10	DISASTER RELIEF	0				0		
	OVERSEAS HUMAN , DISASTER & CIVIC AID	0	50,000	50,000			50,000	50,000
10	FORMER SOVIET UNION THREAT REDUCTION	371,000	(171,000)	200,000	(6,000)	365,000	(71,000)	300,000
	TOTALS	91,634,433	2,785,764	94,420,197	(225,605)	91,408,828	981,928	92,616,361

PACER COIN

The budget request included $5.5 million in procurement and $19.5 million in operations and maintenance funding for the PACER COIN aircraft.

The House bill would deny all funding, effectively terminating this program.

The Senate amendment would authorize the Department's request.

The House recedes.

The conferees agree to authorize the budget request. Nevertheless, the conferees have serious reservations about whether the PACER COIN program, within its current mission tasking, provides such unique intelligence collection as to justify continued spending of limited resources on this mission. However, the conferees agree that:

(1) terminating the PACER COIN program immediately this fiscal year would place unacceptable stresses on the personnel system;

(2) the Department has already obligated fiscal year 1996 funds for this mission; and

(3) the Air Force would need funds to terminate the program and provide proper aircraft/equipment disposition.

The conferees direct the Department to determine whether or not the PACER COIN aircraft could be used in a dual use role. The conferees believe that the analysis should answer several questions, including at least the following:

(1) Could the aircraft be used, without certain PACER COIN systems, in an air drop role?

(2) Could the aircraft be configured to simultaneously perform the PACER COIN mission and carry the SENIOR SCOUT tactical intelligence system?

(3) What alternatives are there for filling the requirements of the regional Commander in Chief if the PACER COIN program is terminated?

(4) What would be the effects of failing to meet the requirements of the regional Commander in Chief for the PACER COIN capability?

The conferees direct the Secretary of Defense to report to the congressional defense and intelligence committees on the results of this analysis by May 1, 1995.

If the Department determines that dual use of the aircraft is not practical, the conferees direct the Department to determine proper disposition of the PACER COIN mission aircraft (e.g. permanent aircraft storage or deconfiguration from the current mission configuration).

If the Department determines that dual use of the aircraft is practical, and that the operational unit can fulfill multiple missions, the conferees direct the department to:

(1) maintain the PACER COIN aircraft in a reconfigurable state for use in those multiple roles and retain the PACER COIN mission equipment for future contingency or national disaster mission uses; and

(2) begin training for those appropriate new missions, including air drop, as soon as possible to ensure a smooth transition from the PACER COIN-unique mission.

ITEMS OF SPECIAL INTEREST

DBOF transfers

The conferees reduced the civilian personnel funding request by $226.0 million. Of this amount, the conferees expect that $96.0 million will be realized from projected savings from Defense Business Operations Fund (DBOF) activities. The conferees direct that $96.0 million be transferred from the DBOF to the accounts from which the reductions are taken.

The conferees also reduced the operation and maintenance (O&M) accounts of the services by $180.0 million, in anticipation of savings from efficiencies in the management of Department of Defense inventories. The conferees direct that $180.0 million be transferred from the DBOF to the following O&M accounts: Army, $60.0 million; Navy, $60.0 million; Air Force, $60.0 million.

Restriction on devolving the Defense Environmental Restoration Account to the military services

In a memorandum dated May 3, 1995, the Deputy Secretary of Defense announced a proposal to devolve the Defense Environmental Restoration Account (DERA), a single transfer account administered by the Department of Defense, to four separate transfer accounts administered by the individual military services. The execution of the Deputy Secretary of Defense's proposal would require modification of the DERA statutory framework.

The conferees are concerned the devolution of DERA would impede congressional oversight of the management and use of funds authorized for and appropriated to the account. In relation to devolvement, the conferees desire a thorough description of the means by which the Department of Defense would ensure consistent funding and accountability for environmental restoration activities. Moreover, the Department of Defense needs to identify the monetary savings and administrative efficiencies associated with DERA devolvement. The Department of Defense also must specify funding and staffing reductions for the office of the Deputy Under Secretary of Defense for Environmental Security that would result from DERA devolution.

The conferees agree that, in the event that the Department of Defense intends to pursue legislation to authorize devolvement for fiscal year 1997, the Secretary of Defense must submit a report to Congress, no later than March 31, 1996. The report should provide full justification for DERA devolvement and address the matters outlined above. In the absence of the requested information this year, the conferees decline to authorize a change to the existing statutory scheme for DERA at this time.

National defense sealift fund

SUMMARY

The budget request included $974.2 million in the national defense sealift fund (NDSF) for the procurement of two new strategic sealift ships, operations and maintenance of the national defense reserve fleet (NDRF), acquisition and modification of additional ships for the ready reserve force (RRF) of the NDRF, and research and development of midterm sealift ship technologies.

The House bill would authorize $974.2 million for the NDSF, the budget request.

The Senate amendment would authorize $1.08 billion for the NDSF, an increase of $110.0 million. This increase would be for the purpose of purchasing and converting one additional ship for enhancement of the Marine Corps' maritime prepositioning ship (MPS) program.

The conferees agree to authorize $1.02 billion for the NDSF, an increase of $50.0 million. Items of special interest are discussed in the following sections.

NATIONAL DEFENSE FEATURES

The House bill did not authorize the $70.0 million included in the NDSF budget request for the procurement and modification of additional roll-on/roll-off (RO/RO) ships for the RRF. Instead, it would authorize $70.0 million for the procurement and installation of national defense features (NDF) on commercial vehicle carriers built in and documented under the laws of the United States, as required by section 2218, title 10, United States Code.

The Senate amendment dealt with the $70.0 million included in the NDSF budget request for the procurement and modification of RRF RO/RO vessels as follows:

(1) $20.0 million to modify RO/RO vessels purchased in fiscal year 1995; and

(2) $50.0 million to procure and install defense features on commercial RO/RO vessels that would be built in United States shipyards.

The conferees agree that, of the amount authorized for the NDSF, $50.0 million shall be for the procurement and installation of NDF and $20.0 million shall be for modification of the RRF RO/RO vessels purchased in fiscal year 1995. The conferees also restrict the obligation of the $20.0 million authorized for the modification of RRF RO/RO vessels until 30 days after the Secretary of Defense has notified the congressional defense committees that a NDF program has been formally established and that at least $50.0 million has been made available to fund it.

MARITIME PREPOSITIONING SHIP ENHANCEMENT

The budget request of $974.2 million for the national defense sealift fund (NDSF) did not include funding for any enhancements to the Marine Corps' maritime prepositioning force.

In order to continue a program initiated last year, the Senate amendment would authorize $110.0 million above the NDSF budget request to purchase and convert an additional MPS ship.

The House bill would authorize the budget request. It did not address the issue of MPS enhancement.

The conferees would not authorize funds for MPS enhancement in the conference agreement. However, the conferees reaffirm their strong support for the MPS enhancement program. This program will enable the Marine Corps to add additional tanks, an expeditionary airfield, additional Navy construction battalion equipment, a fleet hospital, and other supplies to each MPS squadron, to better sustain the Marine Corps as an expeditionary force.

The conferees believe that there are substantial benefits inherent in an MPS enhancement program. Consequently, the conferees are troubled by the department's failure to include funding for a second MPS enhancement ship in the fiscal year 1996 budget request, and by the lack of progress in acquiring and converting the MPS enhancement ship authorized and appropriated in fiscal year 1995.

The conferees note, however, that the Navy appears to have made some recent progress in developing a well-defined program. In view of the above, the conferees strongly encourage the Secretary of Defense to accelerate the pace at which additional sealift capability is acquired (to include funding for a second MPS enhancement ship in fiscal year 1997). However, the conferees expect the Secretary to adhere to the prepositioning, surge, and RRF priorities established by the Mobility Requirements Study (MRS) and validated by the MRS Bottom Up Review Update.

The conferees also expect the Navy to aggressively pursue all possible procurement options, including multi-ship and commercial procurement, to achieve the cost savings associated with the acquisition, conversion, and delivery of MPS enhancement vessels. The Secretary of Defense is directed to report on the progress made in meeting this goal when he submits the fiscal year 1997 budget request.

ADVANCED SUBMARINE TECHNOLOGY RESEARCH

The conferees agree that, of the amount appropriated for fiscal year 1996 for the NDSF, $50.0 million shall be available only for the Director of the Advanced Research Projects Agency for advanced submarine technology activities.

National Security Agency oversight

The budget request included $5.0 million in operations and maintenance (O&M) funds and 82 new personnel billets for National Security Agency (NSA) oversight of tactical signals intelligence (SIGINT) system development.

The House bill would not authorize the $5.0 million O&M request.

The Senate amendment would authorize the budget request.

The conferees question the necessity for 82 persons to perform a function that could be significantly facilitated by automation and improved electronic connectivity, but recognize both the importance of the program and the commitment of the Deputy Secretary of Defense and the Director of NSA to this effort. Accordingly, the conferees agree to authorize the budget request, but direct that the 82 billets be transferred from the Consolidated Cryptological Program (CCP) to the Defense Cryptological Program (DCP), resulting in no net gain in United States SIGINT System activities. The conferees understand that this billet transfer may temporarily force NSA to exceed its personnel ceilings. The conferees agree to authorize NSA to remain above its personnel ceiling through fiscal year 1997 for this purpose, but expect that, as of September 30, 1997, NSA will meet its congressionally mandated 17.5 percent reduction target. The conferees also urge NSA to review the requirements for each of these billets for validity and consistency.

Department of Defense next generation weather radar-doppler

The Department of the Air Force operates 21 next generation weather radar-doppler (NEXRAD) weather radar equipment in CONUS that primarily function to protect military locations. Additionally, Department of Defense (DOD) radar provides supplementary data to the National Weather Service (NWS) and its national radar network.

DOD NEXRADs are maintained at operational standards that meet military requirements. Due to increasing NWS reliance on the DOD NEXRADS for primary and back-up coverage, efforts have been made to increase the reliability of the DOD radar to meet NWS operating standards.

The conferees direct the Secretary of the Air Force to report by March 31, 1996, on the measures needed to conform the operation of the NEXRADS to the NWS operating standards. The report should address any resource requirements, including personnel and funds.

Reengineering household goods moves

The conferees commend the Department of Defense for initiating efforts to incorporate efficient business practices in its household goods moving operations. The objective of these efforts should be to procure commercial services at the lowest possible cost while ensuring service members and their families receive the best possible service.

Current procurement practices are cumbersome and inefficient, resulting in clearly unacceptable costs for both DOD and the moving industry. It is not apparent that the time and expense associated with processing redundant paperwork and administering a government-unique system are necessary to ensure a level of service for DOD customers that meets the industry standard.

Further, current practices are structured in such a way that service members and their families are subjected to unnecessary administrative burdens. Claims procedures and the evaluation system are outdated and seemingly disconnected from the concept of quality control, and can be frustrating to customers. Because military relocations account for a substantial share of moving industry work, DOD should be able to implement simple, cost-effective procedures which simultaneously assure first class service for customers.

However, current DOD practices do not reflect best industry practices, such that the DOD operation should be reengineered, rather than simply reorganized. The conferees direct the Secretary of Defense to initiate a pilot program to reengineer household goods moves. The Secretary should direct the incorporation of commercial practices, and report on the program not later than February 15, 1996, prior to implementation of any element of the pilot program. The report should be accompanied by comments from the industry.

The Secretary may not implement any element of the pilot program that could adversely affect small businesses, including extension or application of Federal Acquisition Regulations into this matter, until 90 days after the submission of the report.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Armed Forces Retirement Home (sec. 303)

The House bill contained a provision (sec. 303) that would authorize an appropriation from the Armed Forces Retirement Home (AFRH) Trust Fund for operation of the AFRH in fiscal year 1996.

The Senate amendment contained a provision (sec. 303) that would authorize an identical appropriation from the trust fund, and authorize a new appropriation of $45.0 million to the trust fund. The recommendation for this new appropriation directly to the trust fund would address the problem of its potential insolvency due to unanticipated decreases in the long-established funding stream approved by Congress for operation of the AFRH.

The Senate recedes.

Congress established a funding program whereby the AFRH would be self-sustaining, and not dependent on public funds. The U.S. Soldiers' and Airmen's Home in Washington, DC, has operated successfully according to this program since its inception in 1851. The U.S. Naval Home (established in 1834 and located since 1976 in Gulfport, MS) had been funded differently, relying on public funds from 1935 until 1991, when both homes were incorporated into the AFRH (Armed Forces Retirement Home Act of 1991; P.L. 101–510). The Act brought both homes under the unified management of the Armed Forces Retirement Home Board and merged the trust funds of the two homes.

Subsequent to incorporation, the annual operating costs for both homes of the AFRH have been authorized by Congress, to be drawn (appropriated) from a single trust fund. Since the funding program provided that interest from the trust fund, fines and forfeitures, and a monthly assessment from the pay of active duty enlisted service members and warrant officers would maintain the solvency of the trust fund, no appropriation outside the fund was envisioned to be necessary.

However, Congress did not anticipate the magnitude of reductions in the armed forces prompted by the end of the Cold War. These reductions caused a decrease in the funding stream as the income derived from assessments decreased. The high quality of the force resulted in fewer disciplinary problems, which in turn resulted in less income from fines and forfeitures. This is significant because fines and forfeitures account for more than half the income.

The trust fund now has a negative cash flow because more money is required for operation of the AFRH than is available from income. The corpus of the trust fund is being depleted, and the conferees recognize the need to implement changes to prevent insolvency. The conferees believe it would be easier, preferable, and more advantageous to implement corrective measures in the next few years, rather than wait for the problem to become much more serious.

The conferees note that Congress addressed the funding problem in the National Defense Authorization Act for Fiscal Year 1995 by providing authority for an increase in the monthly assessment. The 1995 provision also established a schedule of increases for resident fees and required a comprehensive study by the Board on funding alternatives for the AFRH. However, the study will not be completed until December 1995, and the Department of Defense has declined to increase the assessment prior to completion of the study. The conferees note that an increase in the assessment, from 50 cents to one dollar per month, may not of itself resolve the cash flow problem. A combination of efficiencies and funding program changes may be appropriate.

The conferees strongly support the fine work of the Board, and agree to wait for the outcome of the study in order not to restrict the consideration of efficiencies. The conferees encourage the Secretary of Defense and the Board to continue their efforts to examine alternative methods of meeting the long-term financial requirements of the AFRH, while maintaining high quality service for the residents.

Transfer from National Defense Stockpile Transaction Fund (sec. 304)

The Senate amendment contained a provision (sec. 304) that would authorize the transfer of $150.0 million from the National Defense Stockpile Transition fund to the operation and maintenance accounts of the services.

The House bill contained no similar provision.

The House recedes.

Civil Air Patrol (sec. 305)

The Senate amendment contained a provision (sec. 305) that would reduce the level of Department of Defense support to the Civil Air Patrol (CAP) by $2.9 million from the budget request of $27.5 million.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

This reduction would realize savings by accelerating a CAP reorganization in which many of the functions performed by Air Force personnel in the past would then be performed by employees of the CAP. This reorganization, which was originally planned to be completed in fiscal year 1997, will now be completed during fiscal year 1996.

Subtitle B—Depot-Level Activities

Policy regarding performance of depot-level maintenance and repair for the Department of Defense (sec. 311)

The House bill contained a provision (sec. 395) that would amend current law to establish the importance to national security of maintaining a core depot-level maintenance and repair capability within Department of Defense (DOD) facilities. The provision would address core work determinations, interservicing, competition, and an exclusion from workload limitations for large individual maintenance projects. It would also repeal two limitations on the performance of depot-level work (10 U.S.C. 2466 and 2469), effective December 31, 1996.

The Senate amendment contained a provision (sec. 311) that would require the Secretary of Defense to develop a comprehensive policy on the performance of depot-level maintenance and repair, and submit a report on the policy to the congressional defense committees by March 31, 1996. The provision would condition the repeal of the two current limitations on congressional approval of the recommended policy.

The House recedes with an amendment that would clarify both the content of the policy and considerations to be made by the Secretary. The amendment would also affirm that it is the sense of Congress that DOD must articulate core workload requirements as a necessary first step toward developing a policy.

The conferees believe that it would be extremely difficult for Congress to approve a policy that does not provide for the performance of core depot-level workload in public facilities.

Although the conferees do not wish to prescribe more than a broad outline of the areas to be addressed by the Secretary, the conferees believe it is useful to direct the Secretary to consider numerous matters in developing the policy, and to report on items of interest.

The conferees believe it is both preferable and entirely possible for DOD to develop an acceptable, comprehensive policy that will serve the best interests of national security. The conferees also believe that such a policy could achieve efficiencies, and result in resolving the constant debate over how to apportion work between the public and private sectors.

With respect to the exclusion for large individual maintenance projects contained in the House provision, the conferees note that certain projects may account for a large share of a military department's maintenance and repair budget. This is the case with respect to complex overhauls of naval vessels, particularly nuclear-powered aircraft carriers, whose overhaul and refueling can absorb a large percentage of the Navy's maintenance and repair budget in a given fiscal year. Amounts expended for such large projects could, if counted against the limitation prescribed under current law (10 U.S.C. 2466), affect the application of the formula for the apportionment of work between the public and private sectors.

The conferees note that the impact of large maintenance projects could have unintended consequences on the application of section 2466. Until the workload limitations are repealed, the conferees direct the Secretary of the Navy to monitor the assignment of large individual maintenance projects closely and continue to administer depot maintenance programs to avoid unintended imbalances in workload distribution insofar as practicable.

Management of depot employees (sec. 312)

The House bill contained a provision (sec. 332) that would prohibit the management of depot employees by endstrength constraints.

The Senate amendment contained no similar provision.

The Senate recedes.

Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services (sec. 313)

The Senate amendment contained a provision (sec. 312) that would extend through fiscal year 1996 the authority provided by section 1425 of the National Defense Authorization Act of 1991, as amended, for naval shipyards and aviation depots of all the services to bid on defense-related production and services.

The House bill contained no similar provision.

The House recedes.

Modification of notification requirement regarding use of core logistics functions waiver (sec. 314)

The House bill contained a provision (sec. 374) that would modify section 2464(b) to title 10, United States Code, concerning notification to Congress regarding the effective date of the subject waiver.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Environmental Provisions

Revision of requirements for agreements for services under the defense environmental restoration program (sec. 321)

The Senate amendment contained a provision (sec. 321) that would amend section 2701(d) of title 10, United States Code, to ensure Department of Defense accountability for reimbursements provided to states or territories. The Senate amendment would limit the basis for state reimbursement. First, states or territories participating in agreements under the defense environmental restoration program would only receive reimbursement for providing technical and scientific services. Second, the provision would require the submission of a reprogramming request for amounts in excess of $5.0 million.

The House bill contained no similar provision.

The House recedes with an amendment that would increase the funding authorization to $10.0 million.

Addition of amounts creditable to the defense environmental remediation account (sec. 322)

The House bill contained a provision (sec. 322) that would provide for transfer account credit of amounts recovered under section 107 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) (42 U.S.C. 9601, et seq.) or from other reimbursements to the Department of Defense for environmental restoration activities.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Sense of Congress on use of defense environmental restoration account (sec. 323)

The House bill contained a provision (sec. 326) that would express the sense of Congress that by the end of fiscal year 1997 no more than 20 percent of the annual funding for the Defense Environmental Restoration Account should be spent for administration, support, studies, and investigations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish a goal that by the end of fiscal year 1997 no more than 20 percent of the annual funding for the Defense Environmental Restoration Account should be spent for administration, support, studies, and investigations. The amendment would also require the Department of Defense to submit a report to Congress by April 1, 1996. The report would specify issues related to attaining the 20 percent goal.

Revision of authorities relating to restoration advisory boards (sec. 324)

The Senate amendment contained a provision (sec. 323) that would amend section 2705 of title 10, United States Code, which authorizes establishment of restoration advisory boards (RABs) to assist the Department of Defense with environmental restoration activities at military installations. Section 2705 also provides a funding framework for local community members of RABs and existing technical review committees.

About 200 Restoration Advisory Boards have been established at operational and closing installations and formerly used defense sites. Under current law, the RAB funding sources for local community member participation and for technical assistance are the Defense Environmental Restoration Account (DERA) and the Base Realignment and Closure Account (BRAC). Section 2705(e)(3)(B) provides a $7.5 million limit on the use of DERA and BRAC funds to pay for RAB technical assistance and community participation in fiscal year 1995. Under section 2705(d)(3), routine administrative expenses for RABs may be paid out of funds available for the operation and maintenance of an installation, without any limit on the amount of funds that may be expended for that purpose.

The Senate amendment would amend section 2705 to limit funding sources to BRAC and DERA, not to exceed $4.0 million in fiscal year 1996. Funds would be made available only for routine administrative expenses and technical assistance. The installation commander could obtain technical assistance for a RAB to interpret scientific and engineering issues related to the environmental restoration activities at the installation where the RAB is functioning.

The House bill contained no similar provision.

The House recedes with an amendment that would increase the funding authorization to $6.0 million. As part of the amendment, the conferees have included language that would make funds unavailable after September 15, 1996, unless the Secretary of Defense publishes proposed final or interim final regulations. Based on section 2705(d)(2) of title 10, United States Code, the conferees anticipate that the Department would already have made some progress in the promulgation of regulations.

Funding for private sector sources of technical assistance would be contingent on the following: (1) a demonstration that the existing technical resources of the Federal, state, and local agencies responsible for overseeing environmental restoration at an installation could not serve the objective for which technical assistance is requested; or (2) outside assistance is likely to contribute to the efficiency, effectiveness, or timeliness of environmental restoration at an installation; and (3) outside assistance is likely to contribute to community acceptance of environmental restoration activities at an installation.

The conferees intend that the funds authorized pursuant to this section would be the primary funding source for technical assistance and administrative expenses associated with RABs. The conferees strongly encourage the Secretary of Defense to ensure that funds authorized for RABs are expended in a manner that is consistent with obtaining technical assistance and with payment of administrative expenses, and is dispensed in accordance with the funding mechanism established in this section. The RAB program should not serve as a drain on the Superfund.

Discharge from vessels of the Armed Forces (sec. 325)

The Senate amendment contained a provision (sec. 322) that would address incidental discharges from vessels of the armed forces through the development of uniform national discharge standards. The Federal Water pollution Control Act, 33 U.S.C. 1251 et seq., and implementing regulations currently exempt incidental vessel discharges from permitting requirements. Incidental discharges remain subject to varying state regulation. The lack of uniformity has presented operational problems for the Navy.

The Senate amendment is modeled after section 312 of the Federal Water Pollution Control Act, 33 U.S.C. 1322, which establishes uniform national discharge standards for sewage discharges from all vessels. The standards provision would extend this model to regulate non-sewage incidental discharges from vessels of the armed forces.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

Operation of commissary system (sec. 331)

The House bill contained a provision (sec. 341) that would revise the operation of the commissary store system, allow contracts with other agencies, and revise payments to vendor agents.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the revision of payments to vendor agents.

The conferees are concerned about the high cost of the Defense Finance and Accounting Service procedures to process the 1.5 million annual commissary invoices. The conferees believe that innovative practices need to be pursued to reduce this burden. The administrative costs consume funding that could otherwise be used to improve patron services or reduce costs.

The conferees direct the Secretary of Defense to conduct a review of innovative practices to reduce this cost. Included in this review should be an examination of the relationship between the current distribution and invoicing practices. The Secretary of Defense should report to the Senate Committee on Armed Services and the House Committee on National Security by February 15, 1996 on the recommended actions, if any, to reduce these costs and how any savings will be used.

Additionally, the conferees note that the Defense Commissary Information System and the Point-of-Sale Modernization programs are essentially off-the-shelf commercial grocery systems designed to improve patron service and increase efficiency of commissary operations. As such, the conferees believe the Secretary of Defense should get these systems on line and operating with the minimum of review required to ensure interface with other government data systems and compliance with legislation and regulations essential to protect the interests of the government.

Limited release of commissary store sales information to manufacturers, distributors, and other vendors doing business with Defense Commissary Agency (sec. 332)

The House bill contained a provision (sec. 343) that would amend the procedures for the release of commissary stores sales information.

The Senate amendment contained no similar provision.

The Senate recedes.

Economical distribution of distilled spirits by nonappropriated fund instrumentalities (sec. 333)

The House bill contained a provision (sec. 344) that would amend the procedures for the determination of the most economical distribution of distilled spirits.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Transportation by commissaries and exchanges to overseas locations (sec. 334)

The House bill contained a provision (sec. 345) that would allow officials responsible for the operation of commissaries and military exchanges the authority to negotiate directly with private carriers for the most cost-effective transportation of supplies by sea, without relying on the Military Sealift Command or the Military Traffic Management Command.

The Senate amendment contained no similar provision.

The Senate recedes.

Demonstration project for uniform funding of morale, welfare, and recreation activities at certain military installations (sec. 335)

The House bill contained a provision (sec. 346) that would require the Secretary of Defense to conduct a demonstration program at six military installations under which funds appropriated for the support of morale, welfare, and recreation programs at the installations are combined with nonappropriated funds available for these programs and treated as nonappropriated funds.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment which would extend the test to two years.

Operation of combined exchange and commissary stores (sec. 336)

The House bill contained a provision (sec. 347) that would permit the continued operation of the base exchange mart at Fort Worth Naval Air Station, Texas, and would allow for the expansion of the Base Exchange Mart Program.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

The conferees approve this expansion with the understanding that they do not intend that exchange marts replace viable commissaries. When a commissary is identified for closure, the exchange system will be permitted to conduct a market survey to determine the viability of an exchange mart in the closing commissary facility. The conferees do not expect that an exchange mart would be in direct competition with a commissary operating in close proximity to a proposed exchange mart.

The conferees expect that exchange marts will operate in a manner in which nonappropriated funds are not required to sustain their operation. The conferees expect that every effort will be made to operate the exchange marts in a manner which requires only a minimal amount of appropriated fund support.

Deferred payment programs of military exchanges (sec. 337)

The House bill contained a provision (sec. 348) that would require the Secretary of Defense to establish a uniform exchange credit program that could use commercial banking institutions to fund and operate the deferred payment programs of the Army and Air Force Exchange Service and the Navy Exchange Service.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would clarify the provision by ensuring that any proposal be competitively awarded and that prior to entering into any commercial program the Secretary determine that it is in the best interests of the exchange systems.

Availability of funds to offset expenses incurred by Army and Air Force Exchange Service on account of troop reductions in Europe (sec. 338)

The House bill contained a provision (sec. 349) that would require that the Secretary of Defense transfer not more than $70 million to the Army and Air Force Exchange Service to offset expenses incurred by the Army and Air Force Exchange Service on account of reductions in the number of military personnel in Europe.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

In order to avoid disruption of operations associated with currency fluctuations and, in recognition of the unique direct appropriation nature of commissaries as an entity of the Defense Business Operations Fund, the conferees direct that the military exchanges, other nonappropriated fund instrumentalities, and commissaries be permitted to be included in the Department of Defense foreign currency fluctuation fund.

Associated with the drawdown in Europe was an initiative to transfer operations of the Stars and Stripes Bookstores to the military exchanges. This transfer has a residual impact upon certain employees. The conferees direct that the Army and Air Force Exchange Service accept responsibility for resolving the issue of employment, severance, and back pay for the 15 local national employees formerly employed by the Stars and Stripes. The conferees expect that the Army and Air Force Exchange Service can, in conjunction with the Army and Air Force headquarters in Europe, resolve the current job action concerning these 15 local national employees using funds provided in this section.

Study regarding improving efficiencies in operation of military exchanges and other morale, welfare, and recreation activities and commissary stores (sec. 339)

The House bill contained a provision (sec. 350) that would require the Secretary of Defense to conduct a study and submit a report to Congress regarding the manner in which greater efficiencies can be achieved in the operation of military exchanges, commissary stores, and other morale, welfare, and recreation activities.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees agree with the findings and scope of the study called for in the House report (H. Rept 104-131). The conferees believe that the Department of Defense should seek opportunities to reduce labor costs in resale activities and to reduce excessive overhead. Additionally, the conferees agree that significant economies and revenue potential can be realized in the area of management and oversight of overseas slot machine operations. The conferees direct the Secretary of Defense consider and, if appropriate, submit a plan to have one service serve as the executive agent for the consolidated management and operation of this function.

Repeal of requirement to convert ships' stores to nonappropriated fund instrumentalities (sec. 340)

The House bill contained a provision (sec. 351) that would extend, to December 31, 1996, the deadline for the conversion of all Navy ships' stores to operate as nonappropriated fund activities.

The Senate amendment contained a provision (sec. 373) that would repeal section 371 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) requiring the Navy to convert ships' stores operations to a Navy Exchange System agency.

The House recedes with an amendment that would require the Inspector General of the Department of Defense to complete a review of the Navy Audit Agency report regarding the conversion of the Ships Stores pursuant to section 374 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337).

Disposition of excess morale, welfare, and recreation (MWR) funds (sec. 341)

The Senate amendment contained a provision (sec. 371) that would amend section 373 of the National Defense Authorization Act for Fiscal Year 1995 to permit the Marine Corps to retain the MWR funds transferred from Marine Corps installations.

The House bill contained no similar provision.

The House recedes.

Clarification of entitlement to use of morale, welfare, and recreation facilities by members of Reserve components and dependents (sec. 342)

The Senate amendment contained a provision (sec. 633) that would amend section 1065 of title 10, United States Code, to give members of the retired reserve who would be eligible for retired pay but for the fact that they are under 60 years of age the same priority of use of morale, welfare, and recreation facilities of the military services as members who retired after active duty careers.

The House bill contained no similar provision.

The House recedes.

Subtitle E—Performance of Functions by Private-Sector Sources

Competitive procurement of printing and duplication services (sec. 351)

The House bill contained a provision (sec. 359) that would direct the Defense Printing Service to procure at least 70 percent of printing and duplication work competitively.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would exempt classified printing and duplication work from this calculation.

Direct vendor delivery system for consumable inventory items of Department of Defense (sec. 352)

The House bill contained a provision (sec. 360) that would require the Department of Defense (DOD) to arrange for delivery of consumable inventory items directly from vendors to military installations in the United States. Complete implementation of this system would be required by September 30, 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require DOD to use direct vendor delivery of consumable inventory items whenever practicable.

Payroll, finance, and accounting functions of the Department of Defense (sec. 353)

The House bill contained a provision (sec. 362) that would require the Secretary of Defense to submit a plan to Congress for the privatization of the payroll functions for civilian employees of the Department of Defense and to implement the plan not later than October 1, 1996.

The House bill contained a provision (sec. 368) that would require the Secretary of Defense to conduct a pilot program to test and evaluate the cost savings and efficiencies of private operation of accounting and payroll functions of nonappropriated fund instrumentalities of the Department of Defense.

The Senate amendment contained a provision (sec. 352) that would require the department of Defense to conduct a review of the need for further expansion of Defense Finance and Accounting Service (DFAS) operating locations, and to report to the appropriate committees of the Congress prior to establishing any new DFAS operating locations.

The House recedes with an amendment that would combine and clarify the three provisions.

Demonstration program to identify overpayments made to vendors (sec. 354)

The House bill contained a provision (sec. 363) that would require the Secretary of Defense to conduct a demonstration program at the Defense Personnel Support Center, Philadelphia, Pennsylvania, to evaluate the feasibility of using private contractors to audit accounting and procurement records of the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes.

Pilot program on private operation of defense dependents' schools (sec. 355)

The House bill contained a provision (sec. 364) that would allow the Secretary of Defense to conduct a pilot program to assess the feasibility of using private contractors to operate overseas dependents' schools and to report the results of the pilot program to Congress.

The Senate amendment contained no similar provision.

The Senate recedes.

Program for improved travel process for the Department of Defense (sec. 356)

The House bill contained a provision (sec. 365) that would require the Secretary of Defense to conduct a pilot program including two prototype tests of commercial travel applications to improve management of the Department of Defense Travel System.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Secretary to conduct a two-year test at a minimum of three sites and a maximum of six sites, and to report to the Senate Committee on Armed Services and the House Committee on National Security at the conclusion of the first year.

The conferees do not intend this provision to be viewed as authority for the Secretary of Defense to circumvent the requirement for civilians to use adequate government quarters where they are available.

Increased reliance on private-sector sources for commercial products and services (sec. 357)

The House bill contained a provision (sec. 367) that would require the Secretary of Defense to endeavor to obtain products and services from the private sector. The provision would require the Secretary of Defense to describe functions that can be performed by the private sector and specify impediments to outsourcing.

The Senate amendment contained a provision (sec. 386) that would require the Secretary to report on the use of private sector contractors to perform functions not essential to the warfighting mission of the Department of Defense.

The Senate recedes with an amendment.

The conferees agree that DOD should make a maximum effort to rely upon the private sector for commercial functions whenever the same level of service can be obtained at a reduced cost to the government, and the national security does not require the activity to be retained in-house. The conferees note with approval the many steps the Department has already taken in this direction and encourage the Department to continue in its efforts. The conferees urge the Department to maintain close coordination with the Committee on Armed Services of the Senate and the Committee on National Security of the House regarding its efforts to downsize the federal government while placing greater reliance upon the private sector.

Subtitle F—Miscellaneous Reviews, Studies, and Reports

Quarterly readiness reports (sec. 361)

The House bill contained a provision (sec. 371) that would require the Secretary of Defense to report quarterly to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives on the military readiness of the armed forces.

The Senate amendment contained no similar provision.

The Senate recedes.

Restatement of requirement for semiannual reports to Congress on transfers from high-priority readiness appropriations (sec. 362)

The House bill contained a provision (sec. 373) that would amend section 361 of the National Defense Authorization Act for Fiscal Year 1995 in order to provide more detailed guidance on the report required.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment. The conferees are disappointed that the Department of Defense has not been sufficiently thorough in reporting on transfers from high-priority readiness appropriations and expect future reports to be more substantive.

Report regarding reduction of costs associated with contract management oversight (sec. 363)

The House bill contained a provision (sec. 376) that would require the Comptroller General to submit a report to Congress that would identify methods to reduce the cost of Department of Defense management and oversight of contracts in connection with major defense acquisition programs.

The Senate amendment contained no similar provision.

The Senate recedes.

Reviews of management of inventory control points and Material Management Standard System (sec. 364)

The House bill contained a provision (sec. 391) that would direct the Secretary of Defense to conduct a review regarding consolidation of all inventory control points (ICP) under the Defense Logistics Agency. The provision would also prohibit implementation of the Materiel Management Standard System (MMSS) until submission of the Secretary's report to the Congressional defense committees.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary to report by March 31, 1996, on the advisability of consolidating all ICP. The General Accounting Office would review the Secretary's report, and review the MMSS. The amendment would not impose a restriction on implementation of the MMSS.

Report on private performance of certain functions performed by military aircraft (sec. 365)

The Senate amendment contained a provision (sec. 390) that would require the Secretary of Defense to report on the feasibility of meeting requirements of VIP transportation, airlift, air cargo, in-flight refueling and other functions by using private contractors in lieu of military aircraft.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Strategy and report on automated information systems of Department of Defense (sec. 366)

The House bill contained a provision (sec. 375) that would prohibit the Secretary of Defense from obligating or expending amounts greater than $2.4 billion for the development and modernization of automated data processing programs pending a report by the Inspector General of the Department of Defense (DOD).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would remove the restriction on obligation of funds. The conferees believe that off-the-shelf automated information systems can improve DOD property management. This includes software, laminate barcode printers, barcode readers, and storage devices.

The conferees also endorse the requirement contained in Title III of the House report (H. Rept. 104–131) in a paragraph of the Items of Special Interest section, entitled "Off-the-shelf systems." The conferees direct the Secretary to include in this report a discussion of functional processes that can use existing private sector technology.

Subtitle G—Other Matters

Codification of Defense Business Operations Fund (sec. 371)

The House bill contained several provisions pertaining to the Defense Business Operations Fund (DBOF).

Section 311 would modify DBOF by adding or precluding various DBOF activities. The provision would also require certain costs to be included in DBOF charges, and revise the capital purchase authority threshold from $50,000 to $15,000. Further, the provision would extend discretionary authority to the Secretary of Defense or the Secretary of a military department to purchase goods and services from non-DBOF activities, if they are available at a more competitive rate.

Section 312 would require the Secretary of Defense to manage DBOF under the immediate authority of the Under Secretary of Defense (Comptroller). This would include central management of cash balances. The provision would also prohibit further expansion of the DBOF by adding new functions, activities, funds or accounts to the DBOF.

Section 313 would require the inclusion of the costs of military personnel, who perform duty in industrial fund activities, in determining costs in DBOF activities. The provision would also terminate the practice of billing in advance for goods and services provided through the DBOF.

The Senate amendment contained no similar provisions.

The Senate recedes with a single amendment that would codify DBOF, but amend the activities listed in the House bill (sec. 312), not revise the capital purchase threshold, and retain the prohibition on further expansion.

The amendment also would direct the Comptroller General of the United States to determine the advisability of managing DBOF at the Department of Defense (DOD) level. The conferees recommend the defense committees review this matter in fiscal year 1996 and consider the advisability of central management in light of the Comptroller General's report and improvements in the condition of the DBOF.

The amendment would permit advance billing for compelling reasons, but require DOD to notify the defense committees of the Congress after September 30, 1996 in the event the aggregate total of advance billing exceeds $100.0 million subsequent to enactment of the National Defense Authorization Act for Fiscal Year 1996. Another report would be required each time the aggregate amount of advance billing increases by $100.0 million after the date of the preceding report.

The conferees previously expressed support for the DOD plan to eliminate advance billing in fiscal year 1995 in the conference report accompanying the National Defense Authorization Act for Fiscal Year 1995. The practice of advance billing appears to cause DBOF customers to refrain from purchasing goods and services and it appears to promote confusion, rather than good business, at the unit or installation level.

The conferees also support the effort to capture total costs in order to conduct business operations in accordance with generally accepted business practices. The conferees direct the Secretary of Defense to annotate the justification books accompanying subsequent budget submissions for DBOF activities, to reflect the total costs for both military and civilian personnel. These costs should include items such as salaries, benefits, and retirement plans. The conferees believe it is necessary for Congress to evaluate the consequences of including such costs in DBOF rates and pricing.

Clarification of services and property exchanged to benefit the historical collection of the armed forces (sec. 372)

The House bill contained a provision (sec. 321) that would clarify the law concerning the exchange of services and property for the benefit of the historical collection of the armed services.

The Senate amendment contained no similar provision.

The Senate recedes.

Defense Business Management University (sec. 373)

The House bill contained a provision (sec. 381) that would prohibit the use of funds for any lease with respect to the Center for Financial Management Education and Training of the Defense Business Management University (DBMU) if the lease would be treated as a capital lease for budgetary purposes.

The Senate amendment contained a provision (sec. 351) that would require the Secretary of Defense to certify the need for the Center for Financial Management Education and Training of the DBMU, and report on Department of Defense financial management training, 90 days prior to obligating funds for a capital lease.

The House recedes with an amendment that would require the Secretary of Defense to make the determination of the location of the center using a merit-based selection process and report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives on the details of this selection process at least 30 days prior to entering into a capital lease.

Permanent authority for use of proceeds from the sale of certain lost, abandoned, or unclaimed property (sec. 374)

The House bill contained a provision (sec. 388) that would provide permanent authority for a successful demonstration program for the disposal of certain personal property.

The Senate amendment contained a provision (sec. 383) that would provide similar permanent authority, but would provide further authority to credit the operation and maintenance account of a relevant installation for the costs incurred to collect, transport, store, protect, or sell such property. Net proceeds from a sale would be covered into the Treasury. A mechanism for subsequent claims by an owner, heir, etc., would also be provided.

The House recedes with a clarifying amendment.

Sale of military clothing and subsistence and other supplies of the Navy and Marine Corps (sec. 375)

The House bill contained a provision (sec. 393) that would provide to Navy and Marine Corps personnel the same authority that Army an Air Force personnel currently have to purchase replacement subsistence and other supplies.

The Senate amendment contained a similar provision (sec. 384).

The House recedes with a technical amendment.

Personnel services and logistical support for certain activities held on military installations (sec. 376)

The House bill contained a provision (sec. 385) that would clarify the authority of the Secretary of Defense in regard to jamborees conducted by the Boy Scouts of America on military installations.

The Senate amendment contained no similar provision.

The Senate recedes.

Retention of monetary awards (sec. 377)

The House bill contained a provision (sec. 386) that would permit the Secretary of Defense to accept any monetary award for excellence, given to the Department of Defense by a nongovernmental entity, as an award in a competition recognizing excellence or innovation in providing services or administering programs. Such an award would be credited to the appropriation of the command, installation, or activity that is recognized in the award, as provided in appropriation acts. Not more than 50 percent of the monetary award may be disbursed to the persons who are responsible for earning the award, up to $10.0 thousand per person.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the Secretary to accept such monetary awards and disburse the award to the morale, welfare, and recreation nonappropriated fund account of the command, installation, or activity involved in earning the award. Certain incidental expenses could be reimbursed from the award amount.

Provision of equipment and facilities to assist in emergency response actions (sec. 378)

The House bill contained a provision (sec. 383) that would amend section 372 of title 10, United States Code, to authorize the Department of Defense to provide assistance in the form of training facilities, sensors, protective clothing, antidotes, and other materials and expertise to appropriate federal, state, or local law enforcement agencies for responding to emergencies involving chemical or biological agents.

The Senate amendment did not contain a similar provision.

The Senate recedes with a technical amendment.

Department of Defense military and civil defense preparedness to respond to emergencies resulting from a chemical, biological, radiological, or nuclear attack (sec. 379)

The Senate amendment contained a provision (sec. 223) that would require the Secretaries of the Departments of Defense and Energy, in consultation with the Federal Emergency Management Agency (FEMA), to submit a report to Congress that would describe the military and civil defense plans and programs to respond to the use of chemical, biological, nuclear, and radiological agents or weapons against a civilian population located in the United States or near a U.S. military installation.

The House bill did not contain a similar provision.

The House recedes with an amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Office of Economic Adjustment

The House bill contained a provision (sec. 304) that would increase the amount of funds available to the Office of Economic Adjustment by $1.5 million.

The Senate amendment contained no similar provision.

The House recedes.

Annual proposed budget for operation of defense business operations fund

The House bill contained a provision (sec. 314) that would require that the budget request for the Department of Defense include the amount of funds necessary to cover the operating losses of the Defense Business Operations Fund for the previous year.

The Senate amendment contained no similar provision.

The House recedes.

Reduction in requests for transportation funded through Defense Business Operations Fund

The House bill contained a provision (sec. 315) that would direct a reduction in requests for purchasing transportation through the Defense Business Operations Fund during fiscal year 1996 by $70.0 million from the amount purchased in fiscal year 1995. The provision would also require a report on achieving certain efficiencies.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are concerned about the amount of overhead carried by the Department of Defense (DOD) to support its transportation infrastructure. The conferees direct the Secretary of Defense to submit a report to Congress by March 1, 1996. The Secretary should address changes to the transportation infrastructure and implementation of consolidation proposals, such as the elimination of duplication in component command structure. The Secretary should also address measures to reduce transportation overhead without adversely affecting operational and mobilization requirements. The conferees recommend a $70.0 million reduction in anticipation of savings from improvements and efficiencies.

Repeal of certain environmental education programs

The House bill contained a provision (sec. 323) that would repeal sections 1333 and 1334 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2701, note).

The Senate amendment contained no similar provision.

The House recedes.

Repeal of limitation on obligation of amounts transferred from environmental restoration transfer account

The House bill contained a provision (sec. 324) that would eliminate the statutory "fence" that precludes the transfer of funds from the Defense Environmental Restoration Account (DERA) for purposes unrelated to environmental remediation.

The Senate amendment contained no similar provision.

The House recedes.

Elimination of authority to transfer amounts for toxicological profiles

The House bill contained a provision (sec. 325) that would amend section 2704 of title 10, United States Code. The provision would eliminate authority for the Department of Defense to use Defense Environmental Restoration Account funds to reimburse the Agency for Toxic Substance and Disease Registry (ATSDR), a branch of the U.S. Public Health Service. Reimbursement is currently provided to ATSDR for performing statutorily required health assessments and health risk studies at Defense installations listed on the National Priorities List (NPL).

The Senate amendment contained no similar provision.

The House recedes.

Pricing policies for commissary store merchandise

The House bill contained a provision (sec. 342) that would reduce administrative costs in pricing commissary merchandise.

The Senate amendment contained no similar provision.

The House recedes.

The conferees recognize that there may be potential savings for the Defense Commissary Agency (DeCA) if variable pricing was permitted. Therefore, the conferees direct that the Secretary of Defense submit a report to the Senate Committee on Armed Services and the House Committee on National Security not later than May 1, 1996 describing how a variable pricing policy would be implemented; the estimated savings, if any; the impact on customers and suppliers; and a recommended legislative proposal, if appropriate.

Procurement of electricity from most economical source

The House bill contained a provision (sec. 357) that would require the Department of Defense (DOD) to procure electricity from the most economical source.

The Senate amendment contained no similar provision.

The House recedes.

The conferees direct the Department of Defense to consult with the Federal Energy Regulatory Commission (FERC) on methods to obtain lower prices for the electricity procured by the DOD, including procurement of such electricity through competitive sources. Decisions with regard to procurement of electricity by the DOD and the FERC should take into consideration the cost savings potential to the DOD and the recovery of the specific cost of utility investment that is directly attributable to existing arrangements and understandings with the DOD.

The conferees direct the Department of Defense to submit a report to Congress by March 1, 1996 on the feasibility of attaining the most economical price for electricity under existing statutes. In addition, the DOD shall report on all legislative or regulatory impediments to procuring electricity from the most economical source and the potential cost savings inherent to the elimination of such impediments. The report shall also identify those bases or facilities that are in the best position to use competitive sources of electricity.

Procurement of certain commodities from most economical source

The House bill contained a provision (sec. 358) that would enable the Department of Defense (DOD) to procure commodities from a source other than the General Services Administration (GSA) if the source can provide the commodities at a lower cost.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are aware that the requirement for DOD to purchase commodities from GSA denies DOD the flexibility to pursue good business practices by preventing DOD from procuring items at the lowest cost. This inflexibility seems to run counter to the desire of Congress, and it does not promote good business practices within DOD. Encouraging managers at all levels to make sound business decisions is an underlying fundamental of the Defense Business Operations Fund concept.

The conferees direct the Secretary of Defense to report to the congressional defense committees by March 1, 1996, regarding the advisability of obtaining the authority to bypass GSA. The Secretary should identify any statutory relief necessary.

Private operation of functions of Defense Reutilization and Marketing Service

The House bill contained a provision (sec. 361) that would require the Secretary of Defense to solicit for performance, by commercial entities, of selected functions of the Defense Reutilization and Marketing Service (DRMS). The provision would require the Secretary to report on those functions that should continue to be performed by Department of Defense (DOD) civilian employees not later than July 1, 1996.

The Senate amendment contained no similar provision.

The House recedes.

The conferees expect the Secretary to address the privatization of DRMS functions as part of the DOD-wide review and report, regarding increased reliance on private sector sources for commercial products and services, required elsewhere in this bill.

Pilot program for private operation of consolidated information technology functions of Department of Defense

The House bill contained a provision (sec. 366) that would require the Secretary of Defense to enter into negotiations for contracting-out the workload of three Defense

Megacenters. This effort would serve as a three-year pilot program to determine the advisability of having this type of work performed by the private sector. The goal of the program would be to achieve savings of at least 35 percent over current practices. Further consolidation of megacenters, to fewer than the 16 currently identified, would be prohibited until completion of the pilot program.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe there is significant potential to make improvements in the efficiency and effectiveness of the Department of Defense (DOD) data processing operations, to include the data megacenters. The conferees also believe there may be significant potential to achieve savings from contracting-out work that is not military-essential or otherwise unique to government. However, judgments on the advantages of contracting-out work should be based on economic and mission analyses, which the DOD has not performed.

The conferees direct the Secretary to submit a report on this matter to the defense committees by May 31, 1996. The report should include: the rationale for contracting-out work; an analysis of the costs and benefits of contracting-out a portion of the workload; a detailed description of information technology functions and services performed by megacenters that are not considered military essential; and the amount of savings anticipated to be achieved by contracting-out. The conferees note that functions considered to be military-essential, and those that pertain to information security, military readiness, certain aspects of training, and warfighting, are not required to be addressed in this report.

Authority of Inspector General over investigations of procurement fraud

The House bill contained a provision (sec. 382) that would consolidate responsibility for all investigations of procurement fraud within the Department of Defense under the Inspector General.

The Senate amendment contained no similar provision.

The House recedes. Under the Inspector General Act of 1978, as amended, the overall responsibility for investigations within the DOD, including procurement fraud investigations, rests with the Inspector General. The Inspector General has full authority to investigate any allegations of procurement fraud involving a DOD contractor. Day-to-day responsibility for the conduct of procurement fraud investigations is divided among the investigative organizations of the Department of Defense and each of the military departments. The Inspector General also has full authority to assume responsibility for any procurement fraud investigation initiated by one or more of the military departments.

The Defense Advisory Board on the Investigative Capabilities of the DOD unanimously recommended that fraud investigations be consolidated into the Office of the Inspector General. The recommendation was based on several objectives that would include eliminating joint investigations, eliminating confusion over joint investigations, and increasing the capability to identify multiple acts of fraud by the same contractors.

The conferees note that there have been continuing concerns about duplication and coordination between the Department of Defense Inspector General and the investigative components of the military departments with respect to major procurement fraud investigations. The conferees agree that the Department must endeavor to concentrate procurement fraud efforts on investigations rather than jurisdictional disputes. Therefore, the conferees believe that the Secretary of Defense should make every effort to ensure that this important function is performed in the most efficient and effective manner, avoiding the necessity for joint investigations to the maximum extent practicable.

The conferees are encouraged to note that the Department recently established a coordinating council, headed by the DOD Inspector General, to address some of the concerns raised by the Defense Advisory Board. To ensure the effectiveness of the new procedures, the conferees direct that the Secretary review the newly constituted Secretary's Board on Investigations, with a particular emphasis on maximizing the efficiency and effectiveness of major procurement fraud investigations. As part of this review, the Secretary should assess: (1) the optimal level of resources required to ensure a robust oversight function within the Department; (2) which DOD investigative components should conduct procurement fraud investigations; and (3) the optimal organization required to increase the DOD capability to maximize procurement fraud recoveries and indictments.

The conferees direct the Secretary to provide a report by May 1, 1996, to the congressional defense committees on the results of this review. The conferees will assess this report to ascertain whether further legislation is necessary to address remaining concerns over duplication and coordination problems among the DOD investigative components.

Transfer of excess personal property to support law enforcement activities

The House bill contained a provision (sec. 389) that would amend section 1208(a)(1)(A) of the National Defense Authorization Act for Fiscal Years 1990 and 1991, concerning the transfer of excess personal property. This provision would expand current authority to permit the Secretary of Defense to transfer excess property to state and other federal agencies for use in law enforcement activities. Current authority contained in the above section addresses only transfers to such agencies for their use in counter-drug activities.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that numerous avenues currently exist to transfer excess property to state and other federal agencies, including law enforcement agencies which do not have explicit counternarcotics responsibilities. However, there appears to be no coherent policy, priority, or central data base which allows such agencies to learn what is available at a given time, or to effect a transfer without inordinate administrative work.

The conferees direct the Secretary of Defense to review this matter and report to the defense committees of the Congress not later than March 30, 1996, on developing a comprehensive policy and establishing procedures which would assist state and federal law enforcement agencies in identifying and obtaining such equipment. The Secretary should consider Memoranda of Understanding as a means to effect transfers.

The Secretary should also give high priority consideration to state and federal law enforcement agencies that demonstrate their need for such equipment.

Development and implementation of innovative processes to improve operation and maintenance

The House bill contained a provision (sec. 390) that would direct that $350.0 million, of the funds authorized and appropriated for defense-wide operation and maintenance, be available for the development or acquisition of information technologies and reengineered functional processes.

The Senate amendment contained no similar provision.

The House recedes.

Sale of 50 percent of current war reserve fuel stocks and prepositioned war reserves

The House bill contained a provision (sec. 392) that would require the Secretary of Defense to reduce war reserve fuel stocks of the Department of Defense to a level equal to 50 percent of the level of such stocks on January 1, 1995.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that the DOD has made considerable progress in identifying its fuel requirements necessary for wartime operations. This has led to a reduction in the required level of war reserves. The conferees urge the DOD to continue its efforts in this area in order to save money while maintaining military readiness.

The conferees further believe that there is considerable opportunity to address critical afloat and ashore war reserve deficiencies. The conferees agree to add $60 million for purchases of critical war reserve stocks. This funding is authorized in the operation and maintenance, defense-wide activities account for application to high priority war reserve requirements. The Secretary of Defense is requested to report on the expenditure of these funds to the congressional defense committees prior to their allocation and should seek the views of theater commanders-in-chief in determining the application of these resources.

Southwest border states anti-drug information system

The House bill included a provision (sec. 396) that indicated that the Southwest Border States Anti-Drug Information Systems program is an important element of the Department of Defense support of law enforcement agencies in the fight against illegal trafficking of narcotics.

The Senate amendment contained no similar provision.

The House recedes. The Southwest Border States Anti-Drug Information System is addressed elsewhere in this statement of managers.

Elimination of certain restrictions on purchases and sales of items by exchange stores and other morale, welfare, and recreation (MWR) facilities

The Senate amendment contained a provision (sec. 372) that would eliminate the cost, price, size, and country of origin limitations on purchases and sales of items sold in the military exchanges and morale, welfare, and recreation facilities.

The House bill contained no similar provision.

The Senate recedes.

Funding for Troops to Teachers and Troops to Cops Programs

The Senate amendment contained a provision (sec. 388) that would authorize $42.0 million for the Troops-to-Teachers program and $10.0 million for the Troops-to-Cops program from amounts authorized for military personnel for fiscal year 1996.

The House bill contained no similar provision.

The Senate recedes.

The conferees recognize that these programs address the economic dislocation among service members caused by the defense drawdown. Therefore, the conferees invite the Department of Defense to determine whether use of existing resources, if available, is appropriate to continue these programs.

Authorization of amounts requested in the budget for Junior ROTC

The Senate amendment contained a provision (sec. 389) that would restore the authorization to fund Junior Reserve Officer's Training Corps (JROTC) at the budget request.

The House bill authorized the JROTC program at the budget request.

The Senate recedes.

The conferees agree to authorize the JROTC program at the budget request.

Use of commissary stores by members of the ready reserve

The Senate amendment contained a provision (sec. 631) that would permit members of the ready reserve to use commissaries on the same basis as members on active duty.

The House bill contained no similar provision.

The Senate recedes.

Use of commissary stores by retired reserves under age 60 and their survivors

The Senate amendment contained a provision (sec. 632) that would permit survivors of "gray area" retirees, members of the retired reserve who have not attained the age of 60 years, to use commissaries as if the sponsor had attained 60 years of age and was receiving retirement benefits.

The House bill contained no similar provision.

The Senate recedes.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

ITEMS OF SPECIAL INTEREST

Minimum force structure levels for Navy Light Airborne Multipurpose System helicopters

The conferees note that the Navy Light Airborne Multipurpose System (LAMPS) antisubmarine warfare helicopter fleet provides an essential element to the Nation's overall antisubmarine warfare capability. The conferees understand that the Navy has no plans to reduce the number of active or reserve LAMPS squadrons below the 14 currently in the force structure during fiscal years 1996 or 1997. The conferees believe that 14 LAMPS squadrons is the minimum structure necessary and fully expect the Navy to continue to support that level of force structure.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Active Forces

End strengths for active forces (sec. 401)

The House bill contained a provision (sec. 401) that would establish active duty end strengths for fiscal year 1996.

The Senate amendment contained a similar provision (sec. 401), but would include an increase of 340, of which 65 would be officers, in Navy end strength to permit the Navy to retain an active P-3 squadron scheduled for inactivation in fiscal year 1996.

The following table summarizes the authorized active duty end strengths for fiscal year 1996.

	Fiscal year		
	1995 Authorization	1996 Request	1996 Recommendation
Army:			
Total	510,000	495,000	495,000
Officer		81,300	81,300
Navy:			
Total	441,641	428,000	428,340
Officer		58,805	58,870
Marine Corps:			
Total	174,000	174,000	174,000
Officer		17,978	17,978
Air Force:			
Total	400,051	388,200	388,200
Officer		75,928	75,928
Total	1,525,692	1,485,200	1,485,540
Officer		234,011	234,076

The House bill also contained a provision (sec. 521) that would establish permanent end strength levels beginning in fiscal year 1996.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would integrate the House bill provision (sec. 521) into this section.

Temporary variation in DOPMA authorized end strength limitations for active duty Air Force and Navy officers in certain grades (sec. 402)

The House bill contained a provision (sec. 402) that would authorize a temporary increase in the number of officers who can serve on active duty in the grade of major in the Air Force and in the grades of lieutenant commander, commander, and captain in the Navy until September 30, 1997.

The Senate amendment contained a similar provision (sec. 402).

The House recedes.

The conferees fully expect the Secretary of Defense to provide a comprehensive proposal to restructure the authorized strength tables for commissioned officers on active duty in time for the committee to address, in the National Defense Authorization Act for Fiscal Year 1997, a permanent solution to perceived recurring shortages of officers in controlled grades for each service.

Certain general and flag officers awaiting retirement not to be counted (sec. 403)

The Senate amendment contained a provision (sec. 403) that would exempt a retiring Chairman of the Joint Chiefs, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps from being included in the number of general and flag officers on active duty, authorized to be serving in the grade of general and admiral, during the period when they would complete those activities necessary to transition to the retired list after they have been relieved from their former position.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees agree that the five positions in this provision represent the totality of the critical positions for which an exemption of this type is appropriate. The conferees expect that the Department will not request exemptions for any additional general/flag officer positions.

The conferees intend that this authority would not be used for more than 60 calendar days.

Subtitle B—Reserve Forces

End strengths for selected reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize selected reserve end strength levels for fiscal year 1996.

The Senate amendment contained a similar provision (sec. 411).

The following table summarizes the authorized end strength levels for the selected reserve for fiscal year 1996.

	Fiscal year		
	1995 Authorization	1996 Request	1996 Recommendation
The Army National Guard of the United States	400,000	373,000	373,000
The Army Reserve	242,000	230,000	230,000
The Naval Reserve	102,960	98,602	98,894
The Marine Corps Reserve	42,000	42,000	42,274
The Air National Guard of the United States	115,581	109,458	112,707
The Air Force Reserve	78,706	73,969	73,969
The Coast Guard Reserve	8,000	8,000	8,000

The conferees have approved an increase in the Naval Reserve end strength, which reflects the recommendation that the Navy retain one reserve P-3 squadron currently scheduled for inactivation in fiscal year 1996.

The conferees have approved an increase in the Marine Corps Reserve end strength, which reflects the conferees' recommendation that the authorized number or reservists on active duty in support of the Marine Corps Reserve be increased.

The conferees have approved an increase in the Air National Guard end strength, which reflects the conferees' recommendation that the Air Force maintain the PAA squadrons at 15 aircraft per squadron in fiscal year 1996.

End strengths for the Reserves on active duty in support of the Reserves (sec. 412)

The House bill contained a provision (sec. 412) that would authorize reserve full-time support end strength levels for fiscal year 1996.

The Senate amendment contained a similar provision (sec. 412).

The following table summarizes the reserve full-time support end strength levels for fiscal year 1996.

	Fiscal year		
	1995 authorization	1996 request	1996 recommendation
The Army National Guard of the United States	23,650	23,390	23,390
The Army Reserve	11,940	11,575	11,575
The Naval Reserve	17,510	17,490	17,587
The Marine Corps Reserve	2,285	2,285	2,559
The Air National Guard of the United States	9,389	9,817	10,066
The Air Force Reserve	648	628	628

The conferees have approved an increase in the authorized number of reservists on active duty (AR's) in support of the Marine Corps Reserve. The conferees note that this increase is intended to complement existing active duty support, and is not a substitute for any portion of the active duty support that is part of the Inspector-Instructor system. Therefore, the conferees direct that the Inspector-Instructor support system not be reduced as a result of any AR increase. Further, the conferees direct that the AR increase of 274 personnel be utilized to the extent that it is supported by a specific appropriation. The conferees do not support increasing the AR program if it means reducing any other reserve programs.

The increases in the number of reservists on active duty in support of the Naval Reserve reflects the conferees' approval of additional selected reserve strength to enable the Navy to retain a reserve P-3 squadron.

The increase in the number of reservists on active duty in support of the Air National Guard reflects the conferees' approval of selected reserve strength to enable the Air National Guard to retain the PAA squadrons at 15 aircraft per squadron.

Counting of certain active component personnel assigned in support of Reserve component training (sec. 413)

The House bill contained a provision (sec. 413) that would permit active duty personnel assigned to active duty units, that have been and continue to be established for the principal purpose of providing dedicated training support to reserve component units, to be counted toward the number of advisers required by section 414(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190).

The Senate amendment contained no similar provision.

The Senate recedes.

Increase in the number of members in certain grades authorized to serve on active duty in support of the Reserves (sec. 414)

The Senate amendment contained a provision (sec. 413) that would temporarily increase the number of members of certain grades authorized to serve on active duty in support of the reserves.

The House bill contained no similar provision.

The House recedes.

Reserves on active duty in support of Cooperative Threat Reduction Programs not to be counted (sec. 415)

The Senate amendment contained a provision (sec. 414) that would exempt members of a reserve component who participate in Cooperative Threat Reduction Act programs from being counted against the authorized active duty end strength.

The House bill contained no similar provision.

The House recedes.

Reserves on active duty for military-to-military contacts and comparable activities not to be counted (sec. 416)

The Senate amendment contained a provision (sec. 415) that would amend section 168 of title 10, United States Code, to exempt members of a reserve component who participate in activities or programs specified in section 168, for over 180 days, from counting against the end strengths for members of the armed services on active duty, authorized by section 115(a)(1) of title 10, United States Code.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Military Training Student Loads

Authorization of training student loads (sec. 421)

The House bill contained a provision (sec. 421) that would approve the training students loads contained in the President's budget.

The Senate amendment contained an identical provision (sec. 421).

The conference agreement includes this provision.

Subtitle D—Authorization of Appropriations

Authorization for increase in active duty end strengths (sec. 432)

The House bill contained a provision (sec. 432) that would authorize $112.0 million in additional funds available for increasing military personnel end strengths within the Department of Defense above those levels requested by the President's budget.

The Senate amendment contained no similar provision.

The Senate recedes.

TITLE V—MILITARY PERSONNEL POLICY

ITEMS OF SPECIAL INTEREST

Funding for the Family Advocacy Program and the New Parent Support Program

The conferees are concerned about the adequacy of funding requested by the Department of Defense for the Family Advocacy Program (FAP) and the lack of funding for the New Parent Support Program (NPSP). The conferees agree to provide an increase of $30.0 million for the FAP and $25.6 for the NPSP. The conferees direct that the NPSP increase be allocated as follows: Army—$10.0 million; Navy—$7.0 million; Marine Corps—$5.0 million; Air Force—$3.6 million. The conferees take this action in response to the significant strains placed on military families as a result of the high operations tempo in all services. The conferees consider the FAP and the NPSP critical to the readiness and retention of quality people.

The conferees recognize that there is fierce competition within the Department of Defense, and among the services, for scarce operations and maintenance funds. The conferees are concerned that the FAP and NPSP funding may be used for other purposes. If the Department or a service attempt to reduce, divert, or reprogram the FAP or NPSP funding for some other purpose, the conferees would consider such an action to be in direct contravention of congressional intent.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Officer Personnel Policy

Joint officer management (sec. 501)

The Senate amendment contained a provision (sec. 501) that would amend joint officer management policies in four areas: (1) the number of required critical joint duty assignment positions; (2) joint duty assignment credit for certain qualifying joint task force positions; (3) the education and experience sequencing requirement for the award of the joint specialty to general and flag officers; and (4) tour length requirements for certain officers on a second joint tour.

The House bill contained no similar amendment.

The House recedes with a clarifying amendment.

The conferees note that this amendment is intended to provide to the civilian and military leadership of the Department of Defense some flexibility to manage the various joint officer programs, without undermining the fundamental tenets and goals of the Goldwater-Nichols Department of Defense Reorganization Act of 1986. Therefore, none of the changes included in the conference agreement should be perceived as diminishing the importance of joint duty assignments or the importance of rigorous preparation before the award of the joint specialty or the need for judicious management of those officers to whom that designator has been awarded. The conferees revised the Department's original proposal to preclude the Department from rapidly rotating officers through joint task force assignments and thereby circumventing the fundamental intent of the Goldwater-Nichols Department of Defense Reorganization Act of 1986.

Regarding credit for service in joint task force and multinational force positions, the conferees recognize that certain positions will provide real-world joint experience equal to or greater than that provided by some positions on the Joint Duty Assignment List. Additionally, the conferees believe that authorizing the Secretary of Defense to award joint duty credit for certain officers serving in joint task force positions will permit deserving in-service assignments to receive joint duty assignment credit. The conferees fully expect the Secretary of Defense to closely manage the award of joint duty credit for such positions.

Retired grade for officers in grades above major general and rear admiral (sec. 502)

The Senate amendment contained a provision (sec. 505) that would permit the retirement of three- and four-star generals and flag officers to be considered under the same standards and procedures as general and flag officer retirements at the one- and two-star level.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Wearing of insignia for higher grade before promotion (sec. 503)

The Senate amendment contained a provision (sec. 507) that would define "frocking" and limit the numbers of officers that could be frocked to grades 0–4 through 0–7.

Frocking is the practice of allowing an officer to wear the insignia of a higher grade prior to appointment to that higher grade. While the Department of Defense has attempted to control the extent of frocking through regulation, the practice remains a means by which the services routinely circumvent the statutory limits on the number of officers authorized to serve in certain grades.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority to extend transition period for officers selected for early retirement (sec. 504)

The House bill contained a provision (sec. 501) that would authorize the secretaries of the military departments to defer the date of retirement for officers selected for early retirement for up to 90 days, to avoid personal hardship or for other humanitarian reasons.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the service secretary to make the decision on a case-by-case basis and would prohibit any delegation of this authority.

The conferees expect the Secretary of Defense and the service secretaries to modify the instructions, regulations, and policies pertaining to enlisted personnel in order to provide an equivalent benefit for enlisted personnel.

Army officer manning levels (sec. 505)

The House bill contained a provision (sec. 522) that would require that, beginning in fiscal year 1999 and thereafter, the annual Army end strength be sufficient to meet at least 90 percent of active Army officer manpower requirements.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Authority for medical department officers other than physicians to be appointed as Surgeon General (sec. 506)

The Senate amendment contained a provision (sec. 503) that would amend sections 3036, 5137, and 8036 of title 10, United States Code, to permit educationally and professionally qualified officers, such as dentists, nurses, and clinical psychologists, as well as doctors, to be appointed as surgeon general of an armed force.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Deputy Judge Advocate General of the Air Force (sec. 507)

The Senate amendment contained a provision (sec. 504) that would amend section 8037 of title 10, United States Code, to adjust the tenure of the Deputy Judge Advocate General of the Air Force from two years to four years and authorize the grade of major general for that position.

The House bill contained no similar provision.

The House recedes.

Authority for temporary promotions for certain Navy lieutenants with critical skills (sec. 508)

The House bill contained a provision (sec. 552(d)) that would extend the authority for the Navy to "spot promote" certain lieutenants serving in positions involving critical skills.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would extend the authority until September 30, 1996 and limit the number of positions to which an officer could be promoted under this authority.

Retirement for years of service of Directors of Admissions of Military and Air Force Academies (sec. 509)

The Senate amendment contained a provision (sec. 508) that would authorize the Secretary of the Army to involuntarily retire the Director of Admissions, United States Military Academy, after 30 years of service as a commissioned officer.

The House bill contained no similar provision.

The House recedes with an amendment that would make the Air Force Academy subject to the application of the provision.

Subtitle B—Matters Relating to Reserve Components

Extension of certain reserve officer management authorities (sec. 511)

The House bill contained a provision (sec. 552) that would extend authorities that provide for the appointment, promotion, and retirement of reserve officers (sec. 552 a–c), and the promotion of certain officers on active duty in the Navy (sec. 552d).

The Senate amendment contained an identical provision (sec. 506), except for the authority to provide for the promotion of certain officers on active duty in the Navy.

The conference agreement includes the identical provisions.

The promotion of certain officers on active duty in the Navy is addressed elsewhere in the conference report.

Mobilization Income Insurance Program for members of Ready Reserve (sec. 512)

The House bill contained a provision (sec. 517) that would authorize an income protection insurance plan for members of the Ready Reserve.

The Senate amendment contained a similar provision (sec. 511).

The conference agreement includes this provision.

Military technician full-time support program for Army and Air Force Reserve components (sec. 513)

The House bill contained a provision (sec. 511) that would restore military technician end strength to nearly the fiscal year 1995 level and require that the Secretary of Defense, in the future, manage military technicians by annual end strength. This section would also prohibit military technicians in certain high priority units and activities, but not those at management-level headquarters, from being subject to broad civilian personnel reductions. In addition, this section would require the Secretary of Defense, within six months of enactment, to initiate measures to consolidate and streamline management-level headquarters at the National, regional, and state level in the Air Force and Army Reserve and National Guard. This section would also require that, after the date of enactment, only dual-status technicians be hired.

The Senate amendment contained a provision (sec. 331) that would establish a floor for military technicians in the Army and Air Force Reserve and National Guard for fiscal years 1996 and 1997.

The Senate recedes with an amendment that would establish a floor for military technicians in the Army and Air Force Reserve and National Guard at the House level.

The conferees recognize the critical importance of military technicians to reserve component readiness, and direct the use of end-strength floors to manage this special category of personnel. The conferees urge the Secretary of Defense and the Secretaries of the military departments to provide the requisite funding to ensure that the correct number of qualified military technicians are available to ensure a significant contribution to operational readiness.

Revisions to Army Guard combat reform initiative to include Army reserve under certain provisions and to make certain revisions (sec. 514)

The House bill contained a provision (sec. 513) that would change the requirement of section 1111 of the Army National Guard Combat Readiness Reform Act of 1992 (title XI, Public Law 102–484). As revised, the section would require the Army to annually provide at least 150 officers and 1,000 soldiers, with at least two years prior active duty experience, to national guard units.

This section would also expand the Army selected reserve requirements of sections 1112(b), 1113, 1115, 1116, and 1120 of the Army National Guard Combat Readiness Reform Act of 1992 (title XI, Public Law 102–484).

The Senate amendment contained no similar provision.

The Senate recedes.

Active duty associate unit responsibility (sec. 515)

The House bill contained a provision (sec. 519) that would amend section 1131 of the Army National Guard Combat Readiness Reform Act of 1992 (title XI, Public Law 102–484). As revised, the provision would require that each Army National Guard brigade and Army Selected Reserve unit, considered essential for execution of the national strategy, be associated with an active duty unit.

The Senate amendment contained no similar provision.

The Senate recedes.

Leave for members of reserve components performing public safety duty (sec. 516)

The Senate amendment contained a provision (sec. 513) that would amend section 6323(b) of title 5, United States Code, that would permit employees who elect, when performing public safety duty, to use either military leave, annual leave, or compensatory time, to which they are otherwise entitled.

The House bill contained no similar provision.

The House recedes.

Department of Defense funding for National Guard participation in joint disaster and emergency assistance exercises (sec. 517)

The Senate amendment contained a provision (sec. 361) that would provide funding authority for National Guard units to participate in joint exercises to prepare them to respond to civil emergencies or disasters.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Decorations and Awards

Award of Purple Heart to persons wounded while held as prisoners of war before April 25, 1962 (sec. 521)

The Senate amendment contained a provision (sec. 541) that would authorize award of the Purple Heart to prisoners of war captured before April 1962 who were injured or wounded in conjunction with their capture or imprisonment.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority to award decorations recognized acts of valor performed in combat during the Vietnam conflict (sec. 522)

The Senate amendment contained a provision (sec. 542) that would authorize the Secretary of Defense or the secretaries of the military departments to award a decoration for an act, achievement, or service performed during the Vietnam era for which there was no award provided. The provision would establish a one-year period in which award recommendations could be submitted for consideration and existing award review procedures would be used. At the end of one year, the Secretary would be required to report to the Congress on the results on this review.

The House bill contained no similar provision.

The House recedes with an amendment to limit consideration of decorations for acts of valor.

Military intelligence personnel prevented by secrecy from being considered for decorations and awards (sec. 523)

The Senate amendment contained a provision (sec. 543) that would require the secretaries of the military departments, upon application, to review the records of personnel who performed military intelligence duties during the Cold War period.

The House bill contained no similar provision.

The House recedes.

The conferees expect the secretaries of the military departments to take reasonable actions to widely publicize the opportunity to submit requests for consideration of awards and decorations under this provision.

Review regarding upgrading of Distinguished Service Crosses and Navy Crosses awarded to Asian Americans and Native American Pacific Islanders for World War II Service (sec. 524)

The Senate amendment contained a provision (sec. 544) that would require the Secretary of Defense to review that records of Asian Americans who received the Distinguished Service Cross during World War II to determine if, except for racial prejudice, the act(s) would have merited award of the Medal of Honor.

The House bill contained no similar provision.

The House recedes with an amendment which would make all the services subject to the application of the provision.

Eligibility for Armed Forces Expeditionary Medal based upon service in El Salvador (sec. 525)

The House bill contained a provision (sec. 559) that would designate the country of El Salvador, during the period beginning on January 1, 1981, and ending on February 1, 1992, as an area and a period of time in which members of the Armed forces participated in operations in significant numbers and otherwise met the general requirements for award of the Armed Forces Expeditionary Medal.

The Senate amendment contained no similar provision.

The Senate recedes.

Procedure for consideration of military decorations not previously submitted in timely fashion (sec. 526)

The conference agreement includes a provision that would establish procedures under which Members of Congress can forward to the secretary of a military department a recommendation for a military award or decoration, including an upgrade of a previously approved award or decoration, for consideration by the Secretary, without regard to time limits established in law or policy. The secretary concerned will make a recommendation concerning the merits of the request to the Senate Committee on Armed Services and the House Committee on National Security.

In accordance with established standards, the conferees believe that the burden and costs for researching and assembling documentation to support approval of requested awards and decorations should rest with the requestor and should not cause an undue administrative burden within the Legislative or Executive Branch.

The conferees note that the Department of Defense has traditionally avoided consideration of requests for review of military awards on the merits by citing the expiration of various time limits. The conferees, in general, do not support the provision of military awards or decorations through private relief bills. The conferees intend that the secretaries' recommendations would be the basis for consideration of a waiver of time limits, if appropriate.

Subtitle D—Officer Education Programs

Revision of service obligation for graduates of the services academies (sec. 531)

The Senate amendment contained a provision (sec. 502) that would reduce the service obligation for graduates of the service academies from six years to five years.

The House bill contained no similar provision.

The House recedes.

Nomination to service academies from Commonwealth of the Northern Marianas Islands (sec. 532)

The House bill contained a provision (sec. 564) that would authorize the Resident Representative of the Commonwealth of the Northern Marianas Islands to nominate one cadet for attendance at each of the service academies.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of requirement for athletic director and nonappropriated fund account for the athletics programs at the service academies (sec. 533)

The Senate amendment contained a provision (sec. 557) that would repeal sections 4357 and 9356 of title 10, United States Code, and subsections (b), (d), and (e) of sections 556 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337).

The House bill contained a similar provision (sec. 1032r).

The conference report includes this provision.

Repeal of requirement for program to test privatization of service academy preparatory schools (sec. 534)

The Senate amendment contained a provision (sec. 558) that would terminate any test program for determining the cost effectiveness of transferring, in whole or in part, the mission of the military academy preparatory schools to the private sector.

The House bill contained no similar provision.

The House recedes with a technical amendment.

ROTC access to campuses (sec. 541)

The House bill contained a provision (sec. 1034) that would deny Department of Defense grants and contracts to any institution that has an anti-ROTC policy, as determined by the Secretary of Defense.

The Senate amendment contained no similar provision.

The Senate recedes.

ROTC scholarships for the National Guard (sec. 542)

The House bill contained a provision (sec. 514) that would authorize the Secretary of the Army, with the agreement of the ROTC cadet involved, to redesignate ongoing scholarships as scholarships leading toward service in the Army National Guard and to make other technical changes.

The Senate amendment contained no similar provision.

The Senate recedes.

Delay in reorganization of Army ROTC regional headquarters structure (sec. 543)

The House bill contained a provision (sec. 518) that would delay the closure of an Army ROTC regional headquarters until the Secretary of the Army determines whether such closure is in the best interests of the Army.

The Senate amendment contained a similar provision (sec. 560).

The conference agreement includes this provision.

Duration of field training or practice cruise required under the Senior ROTC program (sec. 544)

The Senate amendment contained a provision (sec. 554) that would permit the secretary of a military department to prescribe the length of the field training portion or practice cruise that must be completed for enrollment in the Reserve Officers' Training Corps Advance Course by persons who have not participated in the first two years of Reserve Officers' Training Corps.

The House bill contained no similar provision.

The House recedes.

Active duty officers detailed to ROTC duty at senior military colleges to serve as commandant and assistant commandant of cadets and as tactical officers (sec. 545)

The House bill contained a provision (sec. 516) that would require that, upon the request of any of the six senior military colleges, the Secretary of Defense shall detail active duty officers to serve as the commandant or assistant commandant of cadets, and as tactical officers at the institution.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide the Secretary discretion in responding to a request from a senior military college.

The conferees expect that the service secretaries will respond positively to any request, from a senior military college, to provide an officer to serve as the commandant or assistant commandant, or as a tactical officer.

Subtitle E—Miscellaneous Reviews, Studies, and Reports

Report concerning appropriate forum for judicial review of Department of Defense personnel actions (sec. 551)

The Senate amendment contained a provision (sec. 559) that would establish a panel to examine whether the existing practices with regard to judicial review of DOD administrative personnel actions are appropriate and adequate, whether a centralized judicial review of administrative personnel actions should be established, and whether the United States Court of Appeals for the Armed Forces should conduct such reviews. This approach has been recommended by the American Bar Association.

The House bill contained no similar provision.

The House recedes with an amendment that would require the panel to examine whether a single federal court should conduct such reviews, and, if so, which federal court should be assigned that responsibility. The amendment would provide the Secretary of Defense with the responsibility to establish the panel. The conference agreement required that the Secretary consult with the Attorney General and the Chief Justice of the United States concerning appointments to the panel. The conferees also required that the Secretary consult with the Attorney General prior to sending the report to Congress.

Comptroller General review of proposed Army end strength allocations (sec. 552)

The House bill contained a provision (sec. 523) that would require the Comptroller General of the United States to determine the extent to which the Army is able to fully man the combat and support forces required to carry out the national security strategy and operations other than war for fiscal years 1996 through 2001.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on manning status of highly deployable support units (sec. 553)

The House bill contained a provision (sec. 524) that would direct each of the secretaries of the military departments to conduct a study to determine whether high-priority support units, that would deploy early in a crisis, are, as a matter of policy, manned at less than 100 percent of authorized strengths. The provision would further require the secretaries of the military departments to report the findings of their studies not later than September 30, 1996.

The Senate amendment contained no similar provision.

The Senate recedes.

Review of system for correction of military records (sec. 554)

The Senate amendment contained a provision (sec. 555) that would require the secretaries of the military departments to review the composition of the Boards for the Correction of Military Records and the procedures used by those boards. The provision would require the submission of a report to the appropriate committees of the Senate and the House of Representatives by April 1, 1996.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees are concerned that the Boards for the Correction of Military Records are perceived to be unresponsive, bureaucratic extensions of the uniformed services.

Report on the consistency of reporting of fingerprint cards and final disposition forms to the Federal Bureau of Investigation (sec. 555)

The House bill contained a provision (sec. 565) that would require the Secretary of Defense to submit a report on the consistency with which fingerprint cards and final disposition forms are reported by the Defense Criminal Investigation Organizations to the Federal Bureau of Investigation.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Subtitle F—Other Matters

Equalization of accrual of service credit for officers and enlisted members (sec. 561)

The House bill contained a provision (sec. 551) that would make the criteria for accrual of service credit for officers consistent with the criteria established for enlisted members.

The Senate amendment contained a similar provision (sec. 552).

The conference agreement includes this provision.

Army ranger training (sec. 562)

The House bill contained a provision (sec. 557) that would establish a baseline number of officers and enlisted personnel that would have to be assigned to the Army Ranger Training Brigade and would give the Secretary of the Army one year to achieve that level. This provision would also require that training safety cells be established in each of the three major phases of the Ranger training course.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment which would require the Ranger Training Brigade to be manned at 90 percent of the requirements for two years, at which time the statutory requirement would expire. The amendment would also require the Comptroller General to assess the effectiveness of corrective actions taken by the Army as a result of the February 1995 accident at the Florida Ranger Training Camp. The amendment also expresses the sense of the Congress that the Secretary of Defense review and enhance, if necessary, oversight of all high-risk training and consider establishment of safety cells similar to those prescribed in the Ranger Training Brigade.

The conferees direct the secretary of defense to undertake a comprehensive analysis of high-risk training activities, to include, but not limited to the following: Army-Ranger; Navy SEAL; Navy and Air Force Survival, Evasion, Resistance, and Escape; and Airborne training. The study should identify key contributing factors prejudicial to personnel safety. This study shall include sensitivity analysis for each high-risk training program, with particular emphasis on officer-enlisted ratios and instructor-student ratios. The conferees direct the Secretary to submit the study results to the Senate Committee on Armed Services and the House Committee on National Security not later than December 31, 1996.

Separation in cases involving extended confinement (sec. 563)

The Senate amendment contained a provision (sec. 553) that would authorize the administrative separation of a service member who is sentenced by court-martial to a period of confinement for one year or more.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize such a separation if the member has been sentenced to a period of confinement for more than six months.

Limitations on reductions in medical personnel (sec. 564)

The Senate amendment contained a provision (sec. 556) that would amend section 711 of the National Defense Authorization Act for Fiscal Year 1991, section 718 of the National Defense Authorization Act for Fiscal Years 1992 and 1993, and section 518 of the National Defense Authorization Act for Fiscal Year 1993 to modify the limitations on reductions in medical personnel.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Sense of Congress concerning personnel tempo rates (sec. 565)

The House bill contained a provision (sec. 525) that would express the sense of Congress that the Secretary of Defense should continue to improve the Department's personnel tempo management techniques so that all personnel can expect a reasonable personnel tempo rate.

The Senate amendment contained no similar provision.

The Senate recedes.

Separation benefits during force reduction for officers of the commissioned corps of National Oceanic and Atmospheric Administration (sec. 566)

The House bill contained a provision (sec. 566) that would, at the discretion of the Secretary of Commerce, authorize for officers of the Commissioned Corps of the National Oceanic and Atmospheric Administration, the separation benefits available to the other uniformed services.

The Senate amendment contained no similar provision.

The Senate recedes.

Discharge of members of the armed forces who have the HIV-1 virus (sec. 567)

The House bill contained a provision (sec. 561) that would require the Secretary of Defense to separate or retire service members who are identified as HIV-positive.

The Senate amendment contained no similar provision

The Senate recedes with an amendment that would provide the discharged member with an entitlement to medical and dental care within the Military Health Care System, to the same extent and under the same conditions as a military retiree.

Revision and codification of Military Family Act and Military Child Care Act (sec. 568)

The House bill contained a provision (sec. 560) that would codify in title 10, United States Code, updated provisions of The Military Family Act of 1985 (title VII, Public Law 99–145), and The Military Child Care Act of 1989 (title XV, Public Law 101–189), which were instrumental in focusing Department of Defense attention on the needs of military families and on the importance of effective child care programs.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate a reporting requirement.

Determination of whereabouts and status of missing persons (sec. 569)

The House bill contained a provision (sec. 563) that would require the Secretary of Defense to centralize at the Department of Defense level, the oversight and policy responsibility for accounting for missing persons.

The Senate amendment contained a similar provision (sec. 551).

The Senate recedes with an amendment that would clarify and integrate the two provisions.

The conferees' intention in requiring the creation of the Office for Missing Persons (section 1501) is that this office will have a broad range of responsibilities that include those of all the individual offices that currently have responsibilities for POW/MIA matters.

The conferees expect that the Secretary of Defense will organize this new office to serve as the single focal point in the Department of Defense for POW/MIA matters and consolidate the formulation and oversight of search, rescue, escape and evasion and accountability policies. The conferees further expect that the Secretary of Defense will make every effort to ensure a close working relationship with the national intelligence agencies.

In relation to the Special Rule for Persons Classified as KIA/BNR, the conferees believe that the evidence referred to in section 1509(c) should be compelling evidence, such as post-incident letters written by the supposedly-dead person while in captivity or United States or other archival evidence that directly contradicts earlier United States Government determinations.

Associate Director of Central Intelligence for Military Support (sec. 570)

The Senate amendment contained a provision (sec. 1096) that would exempt the position of Associate Director of Central Intelligence for Military Support from counting against the numbers and percentages of officers authorized to be serving in the rank and grade of such officer for the armed force of which such officer is a member when neither the Director for Central Intelligence or the Deputy Director for Central Intelligence is a military officer.

The House bill contained no similar provision.

The House recedes.

Subtitle G—Support for Non-Department of Defense Activities

Repeal and revision of certain Civil-Military Programs (secs. 571, 572, 573 and 574)

The House bill contained a provision (sec. 558) that would repeal the authority for three programs established by the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484): the Civil-Military Cooperative Action Program; the National Guard Youth Opportunities Program; and the Pilot Outreach Program to Reduce the Demand for Illegal Drugs. Additionally, this provision would preclude Department of Defense support to the Civilian Conservation Corps.

The Senate amendment contained several provisions that would address Civil-Military Programs as follows: (1) prohibit the use of funds for the Office of Civil-Military Programs within the Office of the Assistant Secretary of Defense for Reserve Affairs (sec. 362); (2) revise section 410 of title 10, United States Code, the Civil-Military Cooperative Action Program (sec. 363); (3) extend the authorization for the National Guard Youth Opportunities Program through Fiscal Year 1997 (sec. 1083); and (4) extend the duration of the Pilot Outreach Program to Reduce the Demand for Illegal Drugs for two additional years (sec. 1099A).

The conference agreement includes several provisions (secs. 571, 572, 573, and 574) that would: (1) replace section 410 of title 10, United States Code, with a new section, that would authorize support and services for certain eligible organizations and activities outside of the Department of Defense (sec. 2012); (2) prohibit the use of funds for the Office of Civil-Military Programs within the Office of the Assistant Secretary of Defense for Reserve Affairs or for any other entity within the Office of the Secretary of Defense that has an exclusive or principal mission of providing centralized direction for activities under section 572 of this Act; (3) extend that authorization for the National Guard Youth Opportunities Program for 18 months from enactment and limit the number of programs to the number in effect on September 30, 1995. The Conference Agreement did not extend the duration of the Pilot Outreach Program to Reduce Demand for Illegal Drugs.

Regarding the repeal of specific authority for the Civil-Military Cooperative Program and the absence of an extension of the Pilot Outreach Program to Reduce the Demand for Illegal Drugs, the conferees note that the Young Marines, the Seaborne Conservation Corps, and other programs operated under Department of Defense and service policy prior to the October 1992 enactment of the statutory authorities for the various civil-military programs. The conferees expect that the Young Marines, the Seaborne Conservation Corps and other similar programs should be able to continue operations in accordance with the pre-October 1992 authorities.

The conferees intend that the 18-month extension of the National Guard Youth Opportunities Program would permit these programs to develop non-Department of Defense sources of funding in order to continue operation after the authority in this extension expires.

Regarding support and services for eligible organizations and activities outside of the Department of Defense, the conferees intend that the "customary community relations and public affairs activities", referred to in section 572(b)(1), provide for the use of Department of Defense resources to support public events, including such activities as the honor guards, static displays of equipment, bands, and demonstrations, and rely heavily on volunteer support. Department of Defense resources should be considered available for community relations support only after all military needs have been met. Additionally, the conferees expect that, concerning the exception to the relationship to military training, referred to in section 572(d)(2), most manpower requests for assistance under this exception will be met by volunteers, and that any assistance other than manpower will be extremely limited. With respect to such exception, Government vehicles may be used, but only to provide transportation of military manpower to and from the work site. The use of government aircraft in assistance under this exception is prohibited.

LEGISLATIVE PROVISIONS NOT ADOPTED

Report on feasibility of providing education benefits protection insurance for service academy and ROTC scholarship students who become medically unable to serve

The House bill contained a provision (sec. 515) that would require the Secretary of Defense to conduct a study on the need and feasibility of establishing a no cost to the government disability insurance plan for service academy and Reserve Officers' Training Corps scholarship students.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that private insurance companies could provide the needed coverage without requiring further study by the Secretary of Defense. Accordingly, the conferees direct the Secretary to cooperate with private insurers and to make insurance information available to students in a manner that the Secretary determines to be essentially consistent with the way private insurance information is handled elsewhere within the Department of Defense.

Authority to appoint Brigadier General Charles E. Yeager, United States Air Force (retired) to the grade of major general on the retired list

The House bill contained a provision (sec. 562) that would authorize the President to advance Brigadier General Charles E. Yeager (retired) to the grade of major general on the retired list.

The Senate amendment contained no similar provision.

The House recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Pay and Allowances

Military pay raise for fiscal year 1996 (sec. 601)

The House bill contained a provision (sec. 601) that would provide a 2.4 percent military pay raise for all the uniformed services, except the National Oceanic and Atmospheric Administration. Additionally, the provision would increase by 5.2 percent the rates of the basic allowance for quarters for members of the uniformed services. These increases would be effective January 1, 1996.

The Senate amendment contained a similar provision that would apply to all uniformed services (sec. 601).

The House recedes with an amendment.

The conferees note that the President issued an Executive Order on December 28, 1995 to provide a 2.0 percent pay raise to military personnel under section 1009, title 10, United States Code to correspond with an increase in federal civilian pay effective January 1, 1996. Consequently, the conferees agree to amend the original provision to rescind the Executive Order and provide authority for an increase of 2.4 percent in the rates of military basic pay and basic allowance for subsistence and 5.2 percent in the basic allowance for quarters retroactively to January 1, 1996.

Limitation on basic allowance for subsistence for members residing without dependents in government quarters (sec. 602)

The House bill contained a provision (sec. 602) that would require the secretaries of the military departments to allow no more than 12 percent of the service members without dependents who reside in government quarters to receive basic allowance for subsistence (BAS). The provision would also require the Secretary of Defense to submit a report to confirm the current number of service members in this category and to establish a standard for the appropriate percentage of personnel who are eligible to receive BAS.

The Senate amendment contained no similar provision.

The Senate recedes.

Election of basic allowance for quarters instead of assignment to inadequate quarters (sec. 603)

The Senate amendment contained a provision (sec. 602) that would authorize payment of the basic allowance for quarters (BAQ) and variable housing allowance (VHA) (and overseas housing allowance (OHA) if assigned overseas) to single members in the paygrade E-6 and above who have been assigned to quarters that do not meet minimum adequacy standards established by the Department of Defense.

The House bill contained no similar provision.

The House recedes.

Payment of basic allowance for quarters to members in pay grade E-6 who are assigned to sea duty (sec. 604)

The House bill contained a provision (sec. 603) that would authorize payment of basic allowance for quarters and variable housing allowance to single E-6 personnel assigned to shipboard sea duty.

The Senate amendment contained a similar provision (sec. 603).

The conference agreement includes this provision.

Limitation on reduction of variable housing allowance for certain members (sec. 605)

The House bill contained a provision (sec. 604) that would authorize the Secretary of Defense to establish a minimum amount of variable housing allowance (VHA) to meet the cost of adequate housing in high cost areas. The provision would also prevent the reduction of the amount of VHA paid to an individual, as long as the member retains uninterrupted eligibility to receive VHA in the housing area and the member's housing costs are not reduced.

The Senate amendment contained a provision (sec. 604) that would prevent reduction of the amount of variable housing allowance (VHA) paid to an individual, as long as the service member retains uninterrupted eligibility to receive VHA in the housing area and the service member's housing costs are not reduced.

The House recedes with a technical amendment.

The conferees believe that, if the current mechanism for determining VHA rates is inadequate, the Secretary of Defense should notify the Committee on Armed Services of the Senate and the Committee on National Security of the House. Such notification should include a recommended solution and all appropriate justification.

Clarification of limitation on eligibility for Family Separation Allowance (sec. 606)

The House bill contained a provision (sec. 605) that would authorize the payment of family separation allowance to service members on board a ship that is away from homeport, even though the service member elected to remain unaccompanied by dependents at the permanent duty station.

The Senate amendment contained a similar provision (sec. 605) that also authorized payment of family separation allowance when members are on temporary duty away from permanent duty station.

The House recedes.

Subtitle B—Bonuses and Special and Incentive Pays

Extension of certain bonuses for reserve forces (sec. 611)

The House bill contained a provision (sec. 611) that would extend until September 30, 1998 the authority for the selected reserve reenlistment bonus, the selected reserve enlistment bonus, the selected reserve affiliation bonus, the ready reserve enlistment and reenlistment bonus, and the prior service enlistment bonus.

The Senate amendment contained a similar provision (sec. 611) that would provide for extensions to September 30, 1997.

The House recedes.

Extension of certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists (sec. 612)

The House bill contained a provision (sec. 612) that would extend until September 30, 1998 the authority for the nurse officer candidate accession program, the accession bonus for registered nurses, and the incentive special pay for nurse anesthetists.

The Senate amendment contained a similar provision (sec. 612) that would provide for extensions to September 30, 1997.

The House recedes.

Extension of authority relating to payment of other bonuses and special pays (sec. 613)

The House bill contained a provision (sec. 613) that would extend until September 30, 1998 the authority for the aviation officer retention bonus, the reenlistment bonus for active members, enlistment bonuses for critical skills, special pay for enlisted members of the selected reserve assigned to certain high-priority units, special pay for nuclear-qualified officers extending the period of active service, and the nuclear career accession bonus. The provision would also extend the authority for repayment of education loans for certain health professionals who serve in the selected reserve and the nuclear career annual incentive bonus to October 1, 1998.

The Senate amendment contained a similar provision (sec. 613) that would provide for extensions to September 30 and October 1, 1997.

The House recedes with a clarifying amendment.

Codification and extension of special pay for critically short wartime health specialists in the selected reserves (sec. 614)

The House bill contained a provision (sec. 614) that would amend title 37, United States Code, to include authorization of special pay for critically short wartime health specialists in the selected reserves and extend the authority for the special pay to September 30, 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to limit the extension of authority to September 30, 1997.

Hazardous duty incentive pay for warrant officers and enlisted members serving as air weapons controllers (sec. 615)

The Senate amendment contained a provision (sec. 614) that would authorize special hazardous duty incentive pay for enlisted members serving as air weapons controllers aboard airborne warning and control systems.

The House bill contained no similar provision.

The House recedes.

Aviation career incentive pay (sec. 616)

The House bill contained a provision (sec. 615) that would reduce the initial operational flying requirement for Aviation Career Incentive Pay from 9 of the first 12 years to 8 of the first 12 years of aviation service.

The Senate amendment contained a similar provision (sec. 615) that would also restrict to the service secretary the authority to grant waivers of the number of years.

The House recedes.

Clarification of authority to provide special pay for nurses (sec. 617)

The Senate amendment contained a provision (sec. 616) that would add military nurses to the list of health care professionals who are eligible to receive a special pay for being board certified in their specialty.

The House bill contained no similar provision.

The House recedes.

Continuous entitlement to career sea pay for crew members of ships designated as tenders (sec. 618)

The House bill contained a provision (sec. 616) that would authorize personnel assigned to tenders to receive career sea pay.

The Senate amendment contained a similar provision (sec. 617).

The conference agreement includes this provision.

Increase in maximum rate of special duty assignment pay for enlisted members serving as recruiters (sec. 619)

The House bill contained a provision (sec. 617) that would authorize payment of a maximum monthly rate of $375 of additional special duty assignment pay to recruiters.

The Senate amendment contained an identical provision (sec. 618).

The conference agreement includes this provision.

Subtitle C—Travel and Transportation Allowances

Repeal of requirement regarding calculation of allowances on basis of mileage tables (sec. 621)

The Senate amendment contained a provision (sec. 621) that would amend section 104(d)(1)(A) of title 37, United States Code, to repeal the requirement that travel mileage tables be prepared under the direction of the Secretary of Defense.

The House bill contained no similar provision.

The House recedes.

Departure allowances (sec. 622)

The Senate amendment contained a provision (sec. 622) that would equalize evacuation allowances to ensure equitable treatment of military dependents, civilians and their dependents, when officially authorized or ordered to evacuate an overseas area.

The House bill contained no similar provision.

The House recedes.

Transportation of nondependent child from member's station overseas after loss of dependent status while overseas (sec. 623)

The House bill contained a provision (sec. 621) that would authorize dependent children, who lose eligibility as dependents for any reason while overseas, to return to the United States one time at government expense prior to the sponsor receiving permanent-change-of-station orders.

The Senate amendment contained a similar provision (sec. 624).

The conference agreement includes this provision.

Authorization of dislocation allowance for moves in connection with base realignments and closures (sec. 624)

The House bill contained a provision (sec. 622) that would authorize the payment of dislocation allowance for service members directed to move as a result of the closure or realignment of an installation.

The Senate amendment contained a similar provision (sec. 623).

The conference agreement includes this provision.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Effective date for military retiree cost-of-living adjustments for fiscal years 1996, 1997 and 1998 (sec. 631)

The House bill contained a provision (sec. 633) that would conform the military retired pay cost-of-living adjustment (COLA) payment date with the payment date established for Federal civilian retirees by making the military retired pay COLA first payable during March 1996, rather than September 1996.

The Senate amendment contained a provision (sec. 641) that would provide that the 1996 military retired pay cost-of-living adjustment be effective the first day of March 1996. In subsequent years, the cost-of-living adjustment would be effective the first day of December of each year.

The House recedes with an amendment that would provide that the military retired pay COLAs for fiscal years 1996 and 1997 be effective the first day of March, 1996, and the first day of December, 1996, respectively. The provision would also require that the effective date for COLAs during fiscal year 1998 conform to the date prescribed for Federal civilian retirees.

The conferees acknowledge that restoring equity to the payment of COLAs to military retirees has been a priority concern since passage of the Omnibus Budget Reconciliation Act of 1993 which caused military retirees to receive their COLAs later than their civilian counterparts. The solution specified in this provision is a welcome end to the inequity between the two groups of retirees.

Denial of non-regular service retired pay for reserves receiving certain court-martial sentences (sec. 632)

The Senate amendment contained a provision (sec. 642) that would authorize the Secretaries of the military departments to deny retired pay to non-regular service members who are convicted of an offense under the Uniform Code of Military Justice and whose sentence includes death, a dishonorable discharge, a bad conduct discharge, or dismissal. The provision would treat both regular and non-regular service members equitably.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Report on payment of annuities for certain military surviving spouses (sec. 633)

The Senate amendment contained a provision (sec. 648) that would require the Secretary of Defense to determine the number of surviving spouses of retired careerists who died before March 21, 1974 and retired pay eligible reserve retirees under age 60 who died before September 30, 1978, and report to the Senate Committee on Armed Services and the House Committee on National Security. These groups of surviving spouses have become known as "Forgotten Widows" since they were widowed before provisions of the Survivor Benefit Plan were applicable to them.

The House bill contained no similar provision.

The House recedes.

Payment of back quarters and subsistence allowances to World War II veterans who served as guerrilla fighters in the Philippines (sec. 634)

The conference agreement includes a provision that would require the service secretaries, on request, to pay the quarters and subsistence allowance that was not paid to certain guerrilla fighters in the Philippines during World War II.

Authority for relief from previous overpayments under minimum income widows program (sec. 635)

The conference agreement includes a provision that would permit the Secretary of Defense to waive the recovery of any overpayment made before enactment of the conference report and that is attributable to a failure by the Department of Defense to apply eligibility requirements correctly.

The conferees expect the Secretary of Defense to direct the Defense Finance and Accounting Service to stop sending collection letters to widows expected to be covered under this provision.

Transitional compensation for dependents of members of the armed forces separated for dependent abuse (sec. 636)

The House bill contained a provision (sec. 556) that would require the Secretary of Defense to retroactively provide compensation to certain eligible dependents inadvertently excluded from the program.

The Senate amendment contained a provision (sec. 649) that would amend section 1059(d) of title 10, United States Code, to include transitional compensation for dependents whose sponsor forfeited all pay and allowances, but was not separated from the service.

The Senate recedes with a clarifying amendment.

Subtitle E—Other Matters

Payment to survivors of deceased members for all leave accrued (sec. 641)

The Senate amendment contained a provision (sec. 647) that would permit survivors of deceased members of the uniformed services to be paid for all leave accrued. This provision will enable survivors to be paid for leave accrued above the 60 day limit.

The House bill contained no similar provision.

The House recedes.

Repeal of reporting requirements regarding compensation matters (sec. 642)

The House bill contained a provision (sec. 631) that would eliminate a report on dependents accompanying members on assignments to overseas locations and simplify the requirement for the President to submit to the Congress recommendations on military pay matters.

The Senate amendment contained a similar provision (sec. 1072(d)).

The Senate recedes with an amendment that would combine the two provisions.

Recoupment of administrative expenses in garnishment actions (sec. 643)

The Senate amendment contained a provision (sec. 643) that would amend section 5502 of title 5, United States Code, to shift the burden for payment of administrative costs, incurred incident to garnishment actions, from the employee to the creditor.

The House bill contained no similar provision.

The House recedes.

Report on extending to junior noncommissioned officers privileges provided for senior noncommissioned officers (sec. 644)

The Senate amendment contained a provision (sec. 646) that would require the Secretary of Defense to study and report to the Congress on methods of improving the working conditions of noncommissioned officers in pay grades E-5 and E-6. This report, and the accompanying legislative recommendations, should provide the committee a road map to continue quality of life improvements.

The House bill contained no similar provision.

The House recedes.

Study regarding joint process for determining location of recruiting stations (sec. 645)

The House bill contained a provision (sec. 632) that would require the Secretary of Defense to conduct a study of the process for determining the location and manning of recruiting stations. The study would be based on market research and analysis conducted jointly by the military departments.

The Senate amendment contained no similar provision.

The Senate recedes.

Automatic maximum coverage under Servicemen's Group Life Insurance (sec. 646)

The Senate amendment contained a provision (sec. 644) that would automatically enroll service members at the maximum insurance level of $200,000, instead of the $100,000 level currently in law.

The House bill contained no similar provision.

The House recedes with an amendment that would delay implementation until April 1, 1996.

Termination of servicemen's group life insurance for members of the Ready Reserve who fail to pay premiums (sec. 647)

The Senate amendment contained a provision (sec. 645) that would authorize the Secretary of Defense to terminate coverage under the Servicemen's Group Life Insurance for members of the ready reserve who fail to make premium payments for 120 days.

The House bill contained no similar provision.

The House recedes with an amendment that would delay implementation until April 1, 1996.

LEGISLATIVE PROVISIONS NOT ADOPTED

Repeal of prohibition on payment of lodging expenses when adequate Government quarters are available

The House bill contained a provision (sec. 623) that would repeal the prohibition on payment of lodging expenses when adequate government quarters are available.

The Senate amendment contained no similar provision.

The House recedes.

TITLE VII—HEALTH CARE PROVISIONS

ITEMS OF SPECIAL INTEREST

Follow-on medical care for certain members of former members of the Armed Forces and their dependents

The conferees note that some service members, as a result of receiving transfusions at military hospitals were placed at risk of contracting a serious communicable disease and subsequently transmitting it to their dependents.

The case of Douglas Simon of Eden Prairie, Minnesota, and his family, is an example of the very tragic situation that can arise following a transfusion of contaminated blood. In 1983, while serving in the Army National Guard, Mr. Simon was infected with the AIDS virus after undergoing a blood transfusion at Fort Benning, Georgia. Subsequently, he unknowingly transmitted the virus to his spouse, Nancy, who in turn, transmitted the virus to their daughter Candace. Candace became ill and died of AIDS in 1993 at the age of five. Both Mr. and Mrs. Simon are now in the terminal stages of AIDS and their two remaining children Brian, 11, and Eric, 9, will be orphaned. To date, the Department of Defense has not accepted any financial responsibility for the treatment of Mr. or Mrs. Simon, or the future of the two children. The conferees direct the Secretary of Defense to review the Department's role in this case and to determine whether the Department of Defense should provide fair compensation to these and other similarly affected persons.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Health Care Services

Modifications of requirements regarding routine physical examinations and immunizations under CHAMPUS (sec. 701)

The House bill contained a provision (sec. 701) that would amend section 1079(a) of title 10, United States Code, by expanding "well-baby visits" and immunizations to dependents under the age of six, by authorizing immunizations at age six and above and by adding coverage of health promotion and disease prevention visits associated with immunizations, pap smears and mammograms.

The Senate amendment contained a similar provision (sec. 703).

The conference agreement includes this provision.

Correction of inequities in medical and dental care and death and disability benefits for certain reservists (sec. 702)

The House bill contained a provision (sec. 702) that would authorize reservists the same death and disability benefits as active duty members, during off-duty periods between successive inactive duty training periods performed at locations outside the reasonable commuting distance from the member's residence.

The Senate amendment contained no similar provision.

The Senate recedes.

Medical care for surviving dependents of retired Reserves who die before age 60 (sec. 703)

The Senate amendment contained a provision (sec. 701) that would permit survivors of "gray area" retirees, members of the retired reserve who have not attained the age of 60 years, to receive medical care as if the sponsor had attained 60 years of age and was receiving retirement benefits.

The House bill contained no similar provision.

The House recedes.

Medical and dental care for members of the Selected Reserve assigned to early deploying units of the Army Selected Reserve (sec. 704) and dental insurance for members of the Selected Reserve (sec. 705)

The House bill contained a provision (sec. 703) that would require the Secretary of the Army to provide medical and dental screenings, physical exams for members over 40, and the dental care required to meet dental readiness standards for units scheduled for deployment within 75 days of mobilization.

The provision would also require the Secretary of Defense to conduct a demonstration program to offer members of the selected reserve dental readiness insurance on a voluntary basis, at no cost to the Department of Defense.

The Senate amendment contained a provision (sec. 702) that would require the Secretary of Defense to establish a dental insurance plan for members of the selected reserve. The provision would require a plan, similar to the active duty dependent dental insurance plan, with voluntary enrollment and premium sharing by the member.

The House recedes with two amendments. One requires the Secretary of Defense to establish a dental insurance plan for members of the selected reserve in fiscal year 1997. The amendment also provides authority for the Secretary to conduct the necessary surveys, preparation work, and a test of the plan in fiscal year 1996. The other amendment requires the Secretary of the Army to provide medical and dental care to members of early deploying units of the selective reserve.

Permanent authority to carry out Specialized Treatment Facility Program (sec. 706)

The Senate amendment contained a provision (sec. 704) that would amend section 1105 of title 10, United States Code, by repealing subsection (h), the sunset provision, to make the Specialized Treatment Facility Program permanent.

The House bill contained no similar provision.

The House recedes.

Subtitle B—TRICARE Program

Definition of TRICARE Program (sec. 711)

The Senate amendment contained a provision (sec. 711) that would define the TRICARE program and other terms of art in the statute.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Priority use of military treatment facilities for persons enrolled in managed care initiatives (sec. 712)

The House bill contained a provision (sec. 711) that would amend title 10, United States Code, to require the Secretary of Defense, as an incentive for enrollment, to establish reasonable priorities for services provided at military treatment facilities for TRICARE-enrolled beneficiaries.

The Senate amendment contained no similar provision.

The Senate recedes.

Staggered payment of enrollment fees for TRICARE program (sec. 713)

The House bill contained a provision (sec. 712) that would amend section 1097(e) of title 10, United States Code, to require the Secretary of Defense to allow beneficiaries to pay any required enrollment fees on a monthly or quarterly basis, at no additional cost to the beneficiary.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment limiting the payments to a quarterly basis.

The conferees direct the Secretary of Defense to establish procedures for retired service members to pay enrollment fees by allotment.

Requirement of budget neutrality for TRICARE program to be based on entire program (sec. 714)

The House bill contained a provision (sec. 713) that would clarify the requirement for the TRICARE HMO option to be budget neutral by requiring that the combined effect of all three TRICARE options be budget neutral.

The Senate amendment contained no similar provision.

The Senate recedes.

Training in health care management and administration for TRICARE lead agents (sec. 715)

The House bill contained a provision (sec. 714) that would direct the Secretary of Defense to ensure that military medical treatment facility commanders, selected to serve as lead agents for the Department's managed health-care program, TRICARE, receive appropriate training in health-care management and administration.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would add key subordinates to the training requirement.

Pilot program of individualized residential mental health services (sec. 716)

The House bill contained a provision (sec. 746) that would direct the Secretary of Defense to study the feasibility of expanding mental health services to include "wraparound" services, and to include the requirement that providers share financial risk through case-rate reimbursement, and then to report the results of the study to Congress by March 1, 1996.

The Senate amendment contained a provision (sec. 714) that would direct the Secretary of Defense to implement a program of residential treatment for seriously emotionally disturbed and complex-needs adolescents. This treatment would incorporate the concept of "wraparound services" in one TRICARE region. The Secretary would be required to report on the evaluation of this program not later than eighteen months after the program is implemented.

The House recedes with a clarifying amendment.

Evaluation and report on TRICARE program effectiveness (sec. 717)

The House bill contained a provision (sec. 715) that would require the Secretary of Defense to obtain an ongoing independent evaluation of the TRICARE program and to provide an annual report to Congress on the results of the evaluation. The evaluation should report on efforts to make TRICARE Prime, the HMO option, available in noncatchment and rural areas.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Sense of Congress regarding access to health care under TRICARE program for covered beneficiaries who are Medicare eligible (sec. 718)

The Senate amendment contained a provision (sec. 713) that would express the sense of the Senate that the Secretary of Defense should develop a program to ensure that covered beneficiaries who are eligible for Medicare and who reside in a region in which TRICARE has been implemented have access to health care services under TRICARE and that the Department of Defense be reimbursed for those services.

The house bill contained no similar provision.

The House recedes with an amendment that makes the provision a sense of Congress.

Subtitle C—Uniformed Services Treatment Facilities

Delay of termination of status of certain facilities as Uniformed Services Treatment Facilities (sec. 721)

The Senate amendment contained a provision (sec. 721) that would extend until September 30, 1997, the designation of Uniformed Services Treatment Facilities (USTF) as military treatment facilities (MTF).

The House bill amendment contained no similar provision.

The House recedes.

Limitation on expenditures to support Uniformed Services Treatment Facilities (sec. 722)

The House bill contained a provision (sec. 721) that would amend the National Defense Authorization Act for Fiscal Year 1984 (Public Law 98-94) to limit the amount authorized to $300.0 million for the Department of Defense Uniformed Services Treatment Facilities (USTFs) managed care plan. This section would limit beneficiary enrollment in the USTF program to the number enrolled as of September 30, 1995.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the limit on the number of enrollees.

Application of CHAMPUS payment rules in certain cases (sec. 723)

The Senate amendment contained a provision (sec. 723) that would amend section 1074 of title 10, United States Code, to include the Uniformed Services Treatment Facilities (USTF) in the authority under which a USTF could be reimbursed for care provided to a Department of Defense eligible enrollee who receives care out of the local area of the USTF in which they are enrolled.

The House bill contained no similar provision.

The House recedes.

Application of federal acquisition regulation to participation agreements with Uniformed Services Treatment Facilities (sec. 724)

The House bill contained a provision (sec. 722) that would amend the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) by repealing the Federal Acquisition Regulation (FAR) exemption granted to the Uniformed Services Treatment Facilities (USTFs).

The Senate amendment contained a similar provision (sec. 722).

The Senate recedes.

Development of plan for integrating Uniformed Services Treatment Facilities in managed care programs of Department of Defense (sec. 725)

The House bill contained a provision (sec. 723) that would amend section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) to require the Secretary of Defense to submit to Congress a plan under which the 10 Uniformed Services Treatment Facilities (USTFs) would be integrated into the Department of Defense's managed health-care program by September 30, 1997. In addition, this section would require the Secretary to assess the feasibility of implementing a modified version of USTF option II.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Equitable implementation of uniform cost sharing requirements for Uniformed Services Treatment Facilities (sec. 726)

The House bill contained a provision (sec. 724) that would direct the Secretary of Defense to apply uniform cost shares to each of the 10 Uniformed Services Treatment Facilities (USTFs) only upon regional implementation of the TRICARE managed health care program in the USTF's service area. It would also direct the GAO to evaluate the effect of TRICARE cost shares on USTFs.

The Senate amendment contained a provision (sec. 712) that would require the Uniformed Services Treatment Facilities to implement the TRICARE uniform benefit concurrent with the implementation of TRICARE in that region. The recommended provision would exempt a covered beneficiary who has been continuously enrolled on and after January 1, 1995.

The Senate recedes with a technical amendment.

Elimination of unnecessary annual reporting requirements regarding Uniformed Services Treatment Facilities (sec. 727)

The House bill contained a provision (sec. 736) that would eliminate unnecessary annual reporting requirements regarding military health care.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Maximum allowable payments to individual health-care providers under CHAMPUS (sec. 731)

The House bill contained a provision (sec. 731) that would amend title 10, United States Code, to codify a provision of the Department of Defense Appropriations Act for Fiscal Year 1995 (Public Law 103-335) that establishes a process for gradually reducing CHAMPUS maximum payment amounts to those limits for similar services under Medicare.

The Senate amendment contained a similar provision (sec. 732).

The conference agreement includes this provision.

Notification of certain CHAMPUS covered beneficiaries of loss of CHAMPUS eligibility (sec. 732)

The House bill contained a provision (sec. 743) that would direct the administering secretaries to develop a mechanism for notifying beneficiaries of their ineligibility for CHAMPUS health benefits when the loss of CHAMPUS eligibility is due to disability status.

The Senate amendment contained no similar provision.

The Senate recedes.

Personal services contracts for medical treatment facilities of the Coast Guard (sec. 733)

The Senate amendment contained a provision (sec. 733) that would authorize the Secretary of Transportation to use the personal services contract authority, currently available to the Secretary of Defense, to contract for health care providers in support of the Coast Guard.

The House bill contained no similar provision.

The House recedes.

Identification of third-party payer situations (sec. 734)

The House bill contained a provision (sec. 733) that would authorize the Secretary of Defense to prescribe regulations for the collection of information from covered beneficiaries regarding insurance, medical service, or health plans of third-party payers.

The Senate amendment contained no similar provision.

The Senate recedes.

Redesignation of Military Health Care Account as Defense Health Program Account and two-year availability of certain account funds (sec. 735)

The House bill contained a provision (sec. 734) that would amend section 1100 of title 10, United States Code, to allow the Secretary of Defense to carry over three percent of the defense health plan annual operation and maintenance appropriations to the end of the next fiscal year.

The Senate amendment contained a similar provision (sec. 731).

The conference agreement includes this provision.

Expansion of financial assistance program for health care professionals in reserve components, to include dental specialties (sec. 736)

The House bill contained a provision (sec. 735) that would authorize financial assistance for qualified dentists engaged in training for a dental specialty which is critically needed in wartime.

The Senate amendment contained a similar provision (sec. 512).

The conference agreement includes this provision.

Applicability of limitation on prices of pharmaceuticals procured for Coast Guard (sec. 737)

The Senate amendment contained in provision (sec. 743) that would include the Coast Guard in the pharmaceutical purchase program administered by the Department of Veterans Affairs.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Expansion of existing restriction on use of defense funds for abortions (sec. 738)

The House bill contained a provision (sec. 732) that would amend section 1093 of title 10, United States Code, to restrict the Department of Defense (DOD) from using medical treatment facilities or other DOD facilities, as well as DOD funds, to perform abortions, unless necessary to save the life of the mother.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit the use of Department of Defense facilities to perform abortions except in cases where the pregnancy is the result of rape or incest or in cases when the life of the mother is endangered. The amendment would retain the prohibition on the use of Department of Defense funds for abortions except in cases when the life of the mother in endangered.

Subtitle E—Other Matters

Tri-service nursing research (sec. 741)

The Senate amendment contained a provision (sec. 741) that would authorize establishment of a tri-service research program at the Uniformed Services University of the Health Sciences.

The House bill contained no similar provision.

The House recedes.

Termination of program to train military psychologists to prescribe psychotropic medications (sec. 742)

The House bill contained a provision (sec. 741) that would direct the Department of Defense to terminate the pilot demonstration program and to withdraw the authority to prescribe psychotropic drugs from psychologists who participated in the demonstration program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit any new enrollments, permit current students to complete the training, and require a General Accounting Office evaluation of the program.

Waiver of collection of payments due from certain persons unaware of loss of CHAMPUS eligibility (sec. 743)

The House bill contained a provision (sec. 742) that would authorize the Secretaries of Defense, Transportation and Health and Human Services to waive the collection of certain payments described for beneficiaries of the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). This waiver would apply to CHAMPUS beneficiaries who lost their CHAMPUS eligibility prior to Medicare entitlement because of a disability or end-stage renal disease.

The Senate amendment contained no similar provision.

The Senate recedes.

Demonstration program to train military medical personnel in civilian shock trauma units (sec. 744)

The House bill contained a provision (sec. 744) that would require the Secretary of Defense to conduct a demonstration program, through arrangements with civilian hospitals, to evaluate the feasibility of providing additional shock trauma training for military medical personnel.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees expect the Secretary of Defense to ensure that the program would be budget neutral and that the Department would receive compensation, payment in kind, or services of equivalent value to the government costs for providing services to the non-DOD agencies. The conferees further direct the Comptroller General to evaluate the costs and value of services or reimbursements to the government.

Study regarding Department of Defense efforts to determine appropriate force levels of wartime medical personnel (sec. 745)

The House bill contained a provision (sec. 745) that would direct the Comptroller General of the United States to evaluate the effectiveness of the modeling efforts of each of the three service surgeons general related to determination of the appropriate wartime military medical force-level requirements, and then to submit to Congress a report on this evaluation, not later than March 1, 1996.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on improved access to military health care for covered beneficiaries entitled to Medicare (sec. 746)

The House bill contained a provision (sec. 747) that would require the Secretary of Defense to report on possible alternatives to improving access to the military health care system for those beneficiaries who are Medicare eligible and ineligible for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).

The Senate amendment contained no similar provision.

The Senate recedes.

Report on effect of closure of Fitzsimons Army Medical Center, Colorado, on provision of care to military personnel, retired military personnel, and their dependents (sec. 747)

The Senate amendment contained a provision (sec. 744) that would require the Secretary of Defense to report to the Congress on the effect of the closure of Fitzsimons Army Medical Center, Colorado, on the capability of the Department of Defense to provide health care for members and former members of the armed services, and their dependents who suffer from undiagnosed illness as a result of service in the Persian Gulf War.

The House bill contained no similar provision.

The House recedes with an amendment that would expand the requirement to include a report on the effect of the closure of Fitzsimons Army Medical Center on the capability of the Department of Defense to provide health care for all military members, retired military personnel, and their dependents.

Sense of Congress on continuity of health care services for covered beneficiaries adversely affected by closures of military medical treatment facilities (sec. 748)

The House bill contained a provision (sec. 748) that would express the sense of Congress that the Secretary of Defense should take all appropriate steps to ensure the continuation of medical and pharmaceutical benefits for covered beneficiaries adversely affected by the closure of military facilities.

The Senate amendment contained no similar provision.

The Senate recedes.

State recognition of military advance medical directives (sec. 749)

The House bill contained a provision (sec. 555) that would ensure advanced medical directives, prepared by members of the armed forces, their spouses, or other persons eligible for legal assistance, are recognized as valid by all states and possessions of the United States.

The Senate amendment contained a similar provision (sec. 1092).

The Senate recedes with a clarifying amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Waiver of Medicare Part B late enrollment penalty and establishment of special enrollment period for certain military retirees and dependents

The Senate amendment contained a provision (sec. 705) that would amend the Social Security Act to authorize a waiver of the penalty for late enrollment in Medicare Part B for Medicare-eligible Department of Defense beneficiaries who reside in geographic areas affected by the closure of military hospitals under the Base Realignment and Closure process.

The House bill contained no similar provision.

The Senate recedes.

Disclosure of information in Medicare and Medicaid coverage data bank to improve collection from responsible parties for health care services furnished under CHAMPUS

The Senate amendment contained a provision (sec. 734) that would amend section 1144 of the Social Security Act to extend to the Department of Defense access to information in the data bank to enhance the effectiveness of the Department of Defense third party collection program.

The House bill contained no similar provision.

The Senate recedes.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

ITEMS OF SPECIAL INTEREST

Ship repair contracts

The conferees are concerned with continued reports that Navy ship repair contractors are not being paid by the prime contractor in a timely manner. The House report accompanying H.R. 1530 (H. Rept. 104-131) addressed this issue by asking the Navy to pursue remedies necessary to ensure that the subcontractor community will be able to support the United States Navy fleet properly. The conferees support this language and urge the Navy to monitor this problem carefully and explore available remedies to ensure that Navy ship repair subcontractors are properly and promptly compensated for their services.

The conferees are similarly concerned with the Navy's practice of bundling ship repair contracts that include only a small number of drydocking requirements within several ship repair availabilities. The conferees are concerned that this may unnecessarily preclude competition for repair work that does not require a drydock. The conferees believe that if the Navy continues to bundle multiyear ship repair contracts that would in part require the use of a drydock, the Navy should give strong consideration to making available, at a reasonable cost, a public drydock, to ensure adequate competition.

Worker's compensation coverage on overseas contracts

The conferees agree with the requirement contained in the Senate report (S. Rept. 104-112) that would direct the Secretary of Defense to review the efforts of the State Department and the Agency for International Development to consolidate worker's compensation insurance coverage on overseas contracts. The conferees note that chapter 12 of title 42, United States Code, mandates that all United States citizens and legal permanent residents, employed for any duration by a defense contractor, be covered by uniform worker's compensation insurance.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Acquisition Reform

Limitation on expenditure of appropriations (sec. 801)

The House bill contained a provision (sec. 821(b)) that would repeal section 2207 of title 10, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would apply section 2207 of title 10, United States Code, solely to contracts valued above the simplified acquisition threshold.

Delegation authority (sec. 802)

The Senate amendment contained a provision (sec. 806) that would repeal section 2356 of title 10, United States Code, which unnecessarily duplicates inherent authority of the Secretary of Defense to delegate research contracting authorities.

The House bill contained an identical provision.

The conference agreement includes this provision.

Critical spare parts (sec. 803)

The House bill contained a provision (sec. 821(d)) that would repeal section 2383 of title 10, United States Code, regarding quality requirements for critical spare parts of ships or aircraft. The provision was intended to assist the Department of Defense in shifting from reliance on outdated military specifications and standards to the use of modern industrial manufacturing methods that would ensure quality in critical spare parts.

The Senate amendment contained an identical provision (sec. 809).

The conference agreement includes this provision.

Fees for certain testing services (sec. 804)

The House bill contained a provision (sec. 822) that would provide flexibility for the Secretary of Defense to require reimbursement of indirect, as well as direct costs, from private sector uses of Department of Defense testing facilities.

The Senate amendment contained an identical provision (sec. 812).

The conference agreement includes this provision.

Coordination and communication of defense research activities (sec. 805)

The House bill contained a provision (sec. 824) that would amend section 2364 of title 10, United States Code, to require that papers prepared by a defense research facility on a technological issue relating to a major weapon system be available for consideration at all decision reviews.

The Senate amendment contained an identical provision (sec. 807).

The conference agreement includes this provision.

Addition of certain items to domestic source limitation (sec. 806)

The House bill contained a provision (sec. 825) that would add certain named vessel components to domestic source limitations, as provided in section 2534(a) of title 10, United States Code. The provision would also extend, through October 1, 2000, current limitations related to anti-friction bearings and would require that these limitations be applicable to contracts and subcontracts below the simplified acquisition threshold, as well as for commercial subcontracts.

The Senate contained no similar provision.

The Senate recedes with an amendment that would modify the list of vessel components to be added to the domestic source limitations in section 2534 of title 10, United States Code. The provision includes language that would restrict the application of the domestic source limitations to the additional vessel components for contracts entered into after March 31, 1996.

The conferees have included language that would require, for a two-year period beginning on the date of enactment of this Act, a similar limitation on the purchase of propellers with a diameter of six feet or more. The conferees direct the Secretary of the Navy to provide the congressional defense committees by March 1, 1996 with an assessment of the impact on the Navy's ability to maintain and modernize the fleet, and address the impact of the limitation on the purchase of and the castings for such propellers. The conferees also remain concerned over the pressing need to sustain a robust ship propeller repair and maintenance commercial base. Therefore, the conferees strongly urge the Navy to take this critical objective fully into account in allocating propeller repair work in the future.

Encouragement of use of leasing authority for commercial vehicles (sec. 807)

The House bill contained a provision (sec. 827) that would direct the Secretary of Defense to use lease agreements for acquisition of equipment, whenever practicable and otherwise authorized by law. The House provision would also direct the Secretary to submit to Congress, within 90 days after enactment of this bill, a report indicating changes in legislation required to facilitate the Department of Defense use of leases for the acquisition of equipment.

The Senate amendment contained a provision (sec. 392), similar to the House provision, that would also provide authority for the Secretary of Defense to conduct a pilot program for lease of commercial utility cargo vehicles under certain prescribed conditions.

The House recedes with a clarifying amendment.

Cost reimbursement rules for indirect costs attributable to private sector work of defense contractors (sec. 808)

The House bill contained a provision (sec. 844) that would authorize the Secretary of Defense to enter into agreements with contractors performing or seeking to perform private sector work. The House provision would apply modified accounting rules with respect to the allocation of indirect costs associated with a contractor's private sector work.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would clarify the method for allocation of indirect costs to contractor private sector work and would require the Secretary of Defense to report on the use of the authority contained in this provision. The conferees expect the Secretary to act expeditiously on each defense contractor application for an agreement under this section.

Subcontracts for ocean transportation services (sec. 809)

The Senate amendment contained a provision (sec. 802(b)) that would delay, until May 1, 1996, the inclusion of section 1241(b) of title 46, United States Code, or section 2631 of title 10, United States Code, on a list promulgated under section 430(b) of title 41, United States Code.

The House bill contained no similar provision.

The House recedes.

Prompt resolution of audit recommendations (sec. 810)

The Senate amendment contained a provision (sec. 803) that would conform section 6009 of the Federal Acquisition Streamlining Act of 1994 to the reporting requirements of the Inspector General Act of 1978.

The House bill contained no similar provision.

The House recedes.

Test programs for negotiation of comprehensive subcontracting plans (sec. 811)

The Senate amendment contained a provision (sec. 804) that would amend the test authority to remove the limitation on the activities that may be included in a test. The provision would also reduce the number of contracts and the aggregate dollar value of those contracts required to establish a condition for a contractor's participation in the test program.

The House bill contained no similar provision.

The House recedes.

Authority to procure for test or experimental purposes (sec. 812)

The Senate amendment contained a provision (sec. 808) that would amend section 2373 of title 10, United States Code, to conform the newly-codified section to the scope of the service-specific statutes it replaced.

The House bill contained no similar provision.

The House recedes.

Use of funds for acquisition of rights to use designs, processes, technical data and computer software (sec. 813)

The Senate amendment contained a provision (sec. 810) that would clarify section 2386 of title 10, United States Code, regarding the types of information the Secretary of Defense may acquire from Department of Defense contractors.

The House bill contained no similar provision.

The House recedes.

Independent cost estimates for major defense acquisition programs (sec. 814)

The Senate amendment contained a provision (sec. 811) that would permit the military departments or defense agencies, independent of their respective acquisition executives, to prepare independent cost estimates for major defense acquisitions assigned to individual components for oversight. The provision would align the responsibility for independent cost estimates with the level of the decision authority.

The House bill contained no similar provision.

The House recedes.

Construction, repair, alteration, furnishing, and equipping of naval vessels (sec. 815)

The Senate amendment contained a provision (sec. 813) that would restore the policy regarding the application of the Walsh-Healey Act, repealed by the Federal Acquisition Streamlining Act 1994, to contracts for the construction, alteration, furnishing, or equipping of naval vessels.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Subtitle B—Other Matters

Procurement technical assistance programs (sec. 821)

The Senate amendment contained a provision (sec. 821) that would add $12.0 million to continue the procurement technical assistance center program in fiscal year 1996.

The House bill contained no similar provision, but authorized $10.0 million to continue the program in fiscal year 1996.

The House recedes.

Additional Department of Defense pilot programs (sec. 822)

The conferees have adopted a provision that would set forth criteria for designating a facility to participate in a Department of Defense pilot program and require that the Congress approve the designation in legislation enacted after the enactment of the National Defense Authorization Act for Fiscal Year 1996. The conferees intended that the pilot program be used to test, among other initiatives, the expansion of commercial practices throughout a facility in which work is being performed under contracts with the Department of Defense. Nothing in this provision is intended to authorize or award a contract, or to exempt a facility from competition requirements in the award of a contract.

Treatment of Department of Defense cable television franchise agreements (sec. 823)

The Senate amendment included a provision (sec. 822) that would require cable television franchise agreements between cable television operators and the Department of Defense to be considered contracts for the telecommunications services under Part 49 of the Federal Acquisition Regulation (FAR).

The House bill contained no similar provision.

The House recedes with an amendment. The amendment would require the United States Court of Federal Claims to render an advisory opinion to Congress on the power of the executive branch to treat cable franchise agreements as contracts under the FAR and, if so, whether the executive branch is required by law to treat these agreements as contracts under the FAR. If the answer to both questions is affirmative, the conferees expect the Department of Defense to implement regulations treating cable franchise agreements as contracts for purposes of the FAR. If the Court renders an affirmative answer to the first question, the conferees will regard that as significant basis for enacting a provision similar to that in the Senate amendment.

Mentor-protege program authority (sec. 824)

The conferees have adopted a provision that would extend for one year the authority for eligible businesses under the Mentor-Protege program to enter into new agreements. The conferees agree that this extension does not prejudge the outcome of ongoing reviews of programs with similar objectives.

LEGISLATIVE PROVISIONS NOT ADOPTED

Testing of defense acquisition programs

The House bill contained a provision (sec. 823) that would amend section 2366 of title 10, United States Code, regarding requirements for operational testing in defense acquisition programs.

The Senate amendment contained no similar provision.

The House recedes.

Waivers from cancellation of funds

The Senate amendment contained a provision (sec. 801) that would make funds available for satellite on-orbit incentive fees until such fees would be earned.

The House bill contained no similar provision

The Senate recedes.

Repeal of duplicative authority for simplified acquisition purchases

The Senate amendment contained a provision (sec. 817) that would repeal the authority for simplified acquisition purchases in section 427 of title 41, United States Code.

The House bill contained no similar provision.

The Senate recedes.

Restriction on reimbursement of costs

The Senate amendment contained a provision (sec. 819) that would prohibit reimbursement of allowable costs above $250,000 for individual compensation in fiscal year 1996. The provision also expressed the sense of the Senate that Congress should consider making such prohibition permanent.

The House bill contained no similar provision.

The Senate recedes.

The conferees question the appropriateness of the level of industry executive compensation reimbursement as an allowable expense under government contracts. The conferees direct the Secretary of Defense to conduct a thorough assessment of its current policies and procedures regarding standards of allowability, allocability, and reasonableness of compensation reimbursement by the Department of Defense. In carrying out such assessment, the Secretary should conduct a survey of the executive compensation practices of comparable non-defense firms involved with similar industries, taking into consideration size and geographic location.

The conferees direct the Secretary to submit a report to the congressional defense committees not later than March 31, 1996. The report should detail the results of the Secretary's assessment and any changes to current policies and procedures, implemented as a result of the assessment.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISION ADOPTED

Subtitle A—General Matters

Reorganization of the Office of the Secretary of Defense (sec. 901–903 and 905)

The House bill contained a provision (sec. 901) that would require that direct support activities and similar functions be included in the mandated personnel reduction. This provision would also reduce the number of authorized assistant secretaries of defense by two and require that the Secretary of Defense provide Congress with a comprehensive reorganization plan for the office. Additionally, it would repeal a number of the current statutorily mandated offices and positions within OSD.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to conduct a detailed review of the organization and functions of the Office of the Secretary of Defense, including the Washington

Headquarters Service and the Defense Support Agencies. The amendment would also direct the following: a 25 percent reduction of the Office of the Secretary of Defense over five years; reduction of the number of Assistant Secretaries of Defense by one, from eleven to ten; and, on January 31, 1997, repeal certain statutory mandated offices and positions within the Office of the Secretary of Defense. Additionally, the amendment would establish a charter for the Joint Requirements Oversight Council (JROC) effective January 31, 1997.

The conferees, while agreeing to provide the Secretary with broad latitude in recommending changes to the existing OSD structure, continue to strongly believe that the functional responsibilities associated with Special Operations and Low Intensity (SOLIC) should be carried out under a senior civilian official who can maintain clear and unambiguous civilian control over that element of the military. Therefore, the conferees urge that the Secretary, in formulating the plan required by this provision, vest the SOLIC responsibility in an official whose appointment is subject to the advice and consent of the Senate and for whom the SOLIC function shall be a principal responsibility.

Redesignation of the position of Assistant to the Secretary of Defense for Atomic Energy (sec. 904)

The Senate amendment contained a provision (sec. 901) that would change the name of the Assistant to the Secretary of Defense for Atomic Energy to be the Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs.

The House bill contained no similar provision.

The House recedes.

Restructuring of Department of Defense acquisition organization and workforce (sec. 906)

The House bill contained a provision (sec. 902) that would require the Secretary of Defense to submit a report to Congress including a plan for restructuring the current acquisition organizations in the Department of Defense as well as an assessment of specified restructuring options. The provision would also mandate a reduction of the acquisition workforce by 25 percent from October 1, 1995 to October 1, 1998, and require a reduction of 30,000 acquisition workforce positions in the Department of Defense in fiscal year 1996.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring the Secretary to submit the report on a plan to reduce by October 1, 1998 the acquisition workforce, as defined by the Secretary, 25 percent below the baseline of October 1, 1994. The provision would also require the Secretary to reduce the number of acquisition personnel by 15,000 in fiscal year 1996.

Report on nuclear posture review and on plans for nuclear weapons management in event of abolition of Department of Energy (sec. 907)

The House bill contained a provision (sec. 903) that would require the Secretary of Defense to prepare and submit a report to Congress that describes the Secretary's plan to incorporate the national security programs of the Department of Energy (DOE) into the Department of Defense. In developing the plan the Secretary would be required to make every effort to preserve the integrity, mission, and functions of these programs. The Senate amendment contained a provision (sec. 3151) that would require the Secretary of Defense to provide the congressional defense committees with an assessment of the effectiveness of the DOE. The assessment should include: (1) maintaining the nuclear weapons stockpile; (2) management of its environmental, health, and safety requirements, and national security research and development, as compared with similar DoD operations; and (3) the fulfillment of DOE's Nuclear Posture Review requirements.

The Senate recedes with an amendment that combines both provisions.

Redesignation of Advanced Research Projects Agency (sec. 908)

The House bill contained a provision (sec. 908) that would change the designation of the Advanced Research Projects Agency to the Defense Advanced Research Projects Agency.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Financial Management

Transfer authority regarding funds available for foreign currency fluctuation (sec. 911)

The Senate amendment contained a provision (sec. 1006) that would authorize a foreign currency fluctuation account for the military personnel appropriation. This authorization would be limited to fiscal year 1996 and subsequent appropriations.

The House bill contained no similar provision.

The House recedes.

Defense Modernization Account (sec. 912)

The Senate amendment contained a provision (sec. 1003) that would establish a Defense Modernization Account to encourage savings within the Department of Defense and to make those savings available to address the serious shortfall in funding for modernization.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Under the conference agreement, the Secretary of Defense could place in the Defense Modernization Account funds saved from achieving economies and efficiencies in: (1) investment programs; and (2) installation management (to the extent that unobligated balances in installation management are available during the last 30 days of the fiscal year). The conferees fully expect the Department to protect current readiness of the forces, particularly in regard to funds for budget activities one and two in the operation and maintenance appropriations accounts.

In order to encourage savings by the military departments and the Department of Defense, funds placed in the account would be reserved for use by the department or component that generated the savings. No funds could be made available from the account by the Department of Defense except through established reprogramming procedures. Reprogramming procedures could not be used to exceed the statutory funding authorization or statutory quantity ceiling applicable to a given program. The amount of funds that could be reprogrammed by the Department of Defense could not exceed $500.0 million in any one fiscal year.

Disbursing and certifying officials (sec. 913)

The House bill contained a provision (sec. 1004) that would provide for the designation and appointment of disbursing and certifying officials within the Department of Defense.

The Senate bill contained a similar provision (sec. 1002) that would authorize the designation and appointment of disbursing and certifying officials, and would grant relief from liability in certain specific circumstances. Relief from liability would be based on demonstrated accountability for the loss is determined and diligent efforts to collect money owed to the government has been made.

The House recedes.

Fisher House Trust Funds (sec. 914)

The Senate amendment contained a provision (sec. 742) that would establish trust funds on the books of the Treasury for Fisher Houses. The interest earned by these trust funds would be used for the administration, operation, and maintenance of Fisher Houses within the Army and Air Force.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Limitation on use of authority to pay for emergency and extraordinary expenses (sec. 915)

The House bill contained a provision (sec. 372) that would require the Secretary of Defense to submit to Congress a quarterly report of expenditures for emergency and extraordinary expenses. The provision would also require the Secretary of Defense to provide congressional notification prior to an obligation or expenditure of $1.0 million or more.

The Senate amendment included a provision (sec. 1005) that would require the Secretary of Defense to notify Congress five days prior to an obligation or expenditure of emergency and extraordinary expenses authority in excess of $500,000 and 15 days prior to an obligation or expenditure of $1.0 million. The provision would allow the Secretary of Defense to waive the time period required for notification prior to obligation or expenditure of funds if a determination were made that such prior notification would compromise national security objectives. In the event the Secretary uses the authority to waive notification for national security reasons, notification would be required 30 days after the expenditure of funds or on the date the activity is completed.

The House recedes with an amendment that would require the Secretary of Defense to notify the congressional defense committees five days in advance of obligation or expenditure of funds in excess of $500,000 or 15 days in advance of obligation or expenditure of funds in excess of $1.0 million. In the event the Secretary determines that prior notification of the obligation or expenditure of funds would compromise national security objectives, the provision would allow the Secretary to waive the waiting period. In the event a national security waiver is necessary, the Secretary shall immediately notify the congressional defense committees of the need to expend funds, and provide the chairman and ranking member, or their designees, with any relevant information, including the amount and purposes for the obligation or expenditure.

The conferees remain concerned about the use of Department of Defense funds for purposes that are more appropriately funded through the international affairs budget. The conferees urge the administration to refrain recommending the use of the Department of Defense emergency and extraordinary expenses authority for non-defense purposes. The conferees also caution the Department to exercise minimal and judicious use of the national security waiver.

LEGISLATIVE PROVISIONS NOT ADOPTED

Change in titles of certain Marine Corps general officer billets resulting from reorganization of the Headquarters, Marine Corps

The House bill contained a provision (sec. 904) that would change references in current law to reflect the reorganization of Headquarters, Marine Corps.

The Senate amendment contained no similar provision.

The House recedes.

Inclusion of Information Resources Management College in the National Defense University

The House bill contained a provision (sec. 905) that would authorize the Secretary of Defense to establish a personnel system for the Information Resources Management College that is consistent with the personnel system for other institutions within the National Defense University.

The Senate amendment contained no similar provision.

The House recedes.

Employment of civilians at the Asia-Pacific Center for Security Studies

The House bill contained a provision (sec. 906) that would authorize the Secretary of Defense to establish a personnel system for the Asia-Pacific Center for Security Studies.

The Senate amendment contained no similar provision.

The House recedes.

Naval nuclear propulsion program

The House bill contained a provision (sec. 909) that would establish that no department or agency may regulate or direct any Propulsion Program unless otherwise permitted or specified by law. It contained a second provision (sec. 1032(m)) that would repeal section 1634 of the National Defense Authorization Act for Fiscal Year 1985 (Public Law 98-525, 42 U.S.C. 7158 note). Section 1634 stipulates that the provisions of Executive Order 12344, dated February 1, 1982, pertaining to the Naval Nuclear Propulsion Program, shall remain in force until changed by law.

The Senate amendment contained no similar provision.

The House recedes on both section 909 and section 1032(m).

Aviation testing consolidation

The House bill contained a provision (sec. 910) that would prevent the Secretary of the Army from consolidating the Aviation Technical Test Center, Fort Rucker, Alabama, with any other aviation testing facility until 60 days after the date on which a report was received.

The Senate amendment contained no similar provision.

The House recedes.

Office of Humanitarian and Refugee Affairs

The Senate amendment contained a provision (sec. 364) that would eliminate the Office of Humanitarian and Refugee Affairs within the Office of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

The House bill contained no similar provision.

The Senate recedes.

TITLE X—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

Assistance to local educational agencies when installation housing is located on leased land

The conferees note that the Secretary of Education has declined to recognize military connected students as residing on Federal property if the government owned housing in which they reside is located on leased land. In one case, recognition of on-installation residency was denied even though the housing is located within the security perimeter of the installation and is managed in the same manner as government housing located on government owned land.

The conferees believe that, for purposes of assistance to local educational agencies, residents of government owned housing, located on land leased by the government and managed in the same manner as government housing on government owned land, shall be considered residents of federal property.

Authority to conduct personnel demonstration projects

The National Defense Authorization Act for Fiscal Year 1995 made permanent the authority of the Secretary of the Navy to continue personnel demonstration projects at the Naval Air Warfare Center Weapons Division, China Lake, California, and the Naval Command, Control, and Ocean Center, San Diego, California, and at successor organizations resulting from the reorganization of Naval Air Warfare Center Weapons Division or the Naval Command, Control, and Ocean Center. Additionally, the National Defense Authorization Act for Fiscal Year 1995 provided expanded authority for the Secretary of Defense to conduct personnel demonstration projects at Science and Technology Reinvention Laboratories.

The conferees are concerned about what appears to be a lack of real progress in this area over the past year. Therefore, the conferees direct the Department of Defense to report to the Senate Committee on Armed Services and the House Committee on National Security, not later than February 1, 1996, the extent to which these expanded authorities have been used in each of the military departments. As a minimum, this report should include those demonstration projects proposed by the military departments, the status of each such proposal, and the projected date for final action on each proposal.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Financial Matters

Transfer authority (sec. 1001)

The House bill contained a provision (sec. 1001) that would allow the Department of Defense to transfer up to $2.0 billion between accounts using normal reprogramming procedures.

The Senate amendment contained a similar provision (sec. 1001).

The House recedes.

Incorporation of classified annex (sec. 1002)

The House bill contained a provision (sec. 1002) that would incorporate by reference the classified annex to the bill. In addition, the provision would authorize the expenditure of funds made available for programs, projects, and activities referred to in the classified annex according to the terms, conditions, limitations, restrictions, and requirements of those programs, projects, and activities.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Improved funding mechanisms for unbudgeted operations (sec. 1003), Operation Provide Comfort (sec. 1004), and Operation Enhanced Southern Watch (sec. 1005)

The House Bill contained a provision (sec. 1003) that would establish a procedure for the funding of contingency operations out of accounts other than those which are normally known as operational readiness accounts. This provision would also require the President to budget for any operations that are ongoing in the first quarter of a fiscal year and are expected to continue into the next fiscal year. If the President were to fail to request the necessary funds in his annual budget, then funding for these operations would be denied at the start of the next fiscal year.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would include three separate provisions that would: (1) modify the funding mechanism proposed by the House for contingency operations; (2) authorize $503.8 million for Enhanced Southern Watch and require that semi-permanent elements of this operation be designated as forward presence operations; and (3) authorize $143.3 million for Provide Comfort and require the Secretary of Defense to provide a report on this operation. The authorization includes both military personnel and operations and maintenance funding.

The conferees have observed with concern, the continuing growth of the Department of Defense involvement in unbudgeted peacekeeping and humanitarian contingency operations that negatively impact upon military readiness. The Secretary of Defense initially estimated the unbudgeted fiscal year 1996 costs to the Department for ongoing operations in Iraq, Haiti and Bosnia to be $1.2 billion. This amount excludes the estimated $1.5 billion incremental cost of the proposed deployment of U.S. ground forces to Bosnia. Lacking the budgeted resources, the Department has resorted to the practice of financing the cost of these operations from the military services' operational readiness accounts. This practice has resulted in the cancellation or deferral of some training exercises, necessary equipment maintenance, and other routine activities that degrade the readiness of the force. Depending on what activities are foregone, this adverse impact could be significant.

In recognition of this problem, the Administration's fiscal year 1996 legislative proposal contained a request to grant the Secretary of Defense extraordinary authority to transfer funds between accounts. The conferees instead recommend a provision that would more fully address this matter by providing new funding mechanisms for unforeseen and unbudgeted contingency operations.

To address unforeseen and unbudgeted operations, the provision would revise existing provisions of law to require the Secretary of Defense to draw upon the Defense Business Operating Fund (DBOF) to provide much of the funding for these operations. In addition, the provision authorizes a targeted transfer authority of $200.0 million from non-readiness accounts. These accounts are intended to serve as interim funding mechanisms until Congress approves a supplemental appropriations package to replenish the DBOF cash balances or other accounts from which funds were transferred.

To address ongoing operations in southern Iraq, the conferees recommend a provision that would authorize $503.8 million for Enhanced Southern Watch during fiscal year 1996 and would require that before obligating more than $250 million of this amount, the Secretary of Defense shall provide the Congressional Defense Committees with a report designating any elements of Operation Enhanced Southern Watch that are semi-permanent in nature as forward presence operations that should be budgeted in the future in the same manner as other forward presence operations routinely budgeted as part of the annual defense budget. The conferees believe that the aftermath of the Persian Gulf War has fundamentally altered the security situation in the region in a manner that will require a significant U.S. presence for years to come.

To address the operation designated as Provide Comfort, the conferees recommend a provision that would authorize $143.3 million in fiscal year 1996. This provision would also require the Secretary of Defense to submit a report that details the expected fiscal year 1996 costs of that operation, and the missions and functions expected to be performed by the Department of Defense and other agencies of the Federal Government. In addition, this report should discuss the options related to reduction of the level of the military involvement in the operation, and include an exit strategy for the United States.

Finally, the conferees express the view that costs borne by the Department of Defense in conducting contingency operations in support of another agency's mission, such as humanitarian relief, law enforcement and immigration control, should not be assessed against the defense budget topline. The conferees are concerned with the increasing cost of these operations at a time of declining defense budgets and the negative impact this has had upon military readiness. The conferees endorse the historical principle of maintaining a peacetime defense budget designed to adequately fund the activities of the Department of Defense to organize, train and equip military forces in a manner sufficient to meet national security requirements.

In addition, the conferees note that the five year defense program remains underfunded relative to the national security strategy and recommended military force structure. The negative impact of these shortfalls will grow in the years ahead and threaten our ability to maintain adequate levels of short and long-term readiness, including sorely needed equipment modernization. Therefore, the conferees believe that funding for contingency operations should be provided in addition to what would have otherwise been made available for the Department of Defense for its normal peacetime activities.

Unauthorized appropriations for fiscal year 1995 (sec. 1006)

The House bill contained a provision (sec. 1005) that would allow the Department of Defense to obligate funds for all fiscal year 1995 programs, projects, and activities for which the amount appropriated exceeded the amount authorized.

The Senate amendment contained no such provision.

The Senate recedes.

Authorization of prior year emergency supplemental appropriations for fiscal year 1995 (sec. 1007)

The House bill contained a provision (sec. 1006) that would authorize the emergency supplemental appropriations enacted in the Emergency Supplemental Appropriations and Rescissions for the Department of Defense to Preserve and Enhance Military Readiness Act of 1995 (Public Law 104-6). This Act provided funding for fiscal year 1995 expenses related to military operations in Southwest Asia, Haiti, Cuba, Somalia, Bosnia, and Korea.

The Senate amendment contained a similar provision (sec. 1004).

The Senate recedes.

Authorization reductions to reflect savings from revised economic assumptions (sec. 1008)

The conferees agree to a provision that would reflect revised economic assumptions that were not available prior to the conference report.

Subtitle B—Naval Vessels and Shipyards

Iowa class battleships (sec. 1011)

In February 1995, the Secretary of the Navy made a decision to strike the Navy's four inactive *Iowa* class battleships from the naval register. The Senate amendment contained a provision (sec. 1011) that would direct the Secretary of the Navy to restore at least two *Iowa* class battleships to the naval register in an inactive status. The Secretary would be required to retain them on the register until he is prepared to certify that the Navy has within the fleet an operational surface fire support capability that equals or exceeds the fire support capability that the battleships could provide if returned to active service.

The Senate provision would recognize the fact that battleships could provide a surface fire support capability unmatched by any other Navy weapons system and that there is an ongoing concern regarding the Department of the Navy's apparent lack of commitment to provide for the surface fire support capability necessary for amphibious assaults. The ability of the Marine Corps and the Navy to conduct forcible entry by amphibious assault is an essential element of the Department of the Navy's strategic concept for littoral warfare.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees believe that the Department of the Navy's future years defense program, presented with the fiscal year 1996 budget, could not produce a replacement fire support capability comparable to the battleships until well into the next century. The conferees consider retention of two battleships in the fleet's strategic reserve a prudent measure.

Transfer of naval vessels to certain foreign countries (sec. 1012)

The Senate amendment included a provision (sec. 1012) that would authorize the Secretary of the Navy to transfer eight FFG–7 class guided missile frigates to various countries. Seven of the frigates would be transferred by grant, and one by lease.

The House bill contained no similar provision.

The House recedes with an amendment that would:

(1) reduce the number of grant transfers from seven to four, and the remaining frigates would be transferred by lease or sale;

(2) require that, as a condition of the transfer of the eight frigates, any repair or refurbishment needed before the transfer, be performed at a shipyard located in the United States;

(3) amend section 2763 of title 22, United States Code, to permit foreign countries to use foreign assistance funds to lease vessels; and

(4) amend section 2321j of title 22, United States Code, to prohibit future grant transfers of any vessel that is in excess of 3,000 tons or that is less than 20 years old.

The conferees are aware that in some cases U.S. national security will be best served by a grant transfer, particularly when the recipient is an important coalition defense partner that is making valuable contributions to U.S. security or lacks the resources to obtain a vessel by lease or sale. Accordingly, the amendment to section 2321j would permit the President to request a future grant transfer if it is determined that it is in the national security interest of the United States.

Contract options for LMSR vessels (sec. 1013)

The House bill contained a provision (sec. 1021) that would recommend that the Secretary of the Navy negotiate a contract option price for a seventh large medium speed roll-on/roll-off (LMSR) strategic sealift ship at each of the two shipyards that currently have construction contracts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would clarify that the provision would not preclude the Secretary of the Navy from competing these two contract options between the two shipyards that currently have construction contracts.

National Defense Reserve Fleet (sec. 1014)

The Senate amendment contained a provision (sec. 381) that would permit the use of the National Defense Sealift Fund (NDSF) to budget for expenses of the national defense reserve fleet (NDRF). Beginning with the fiscal year 1996 request, funds for NDRF expenses would be included in the NDSF budget request within budget function 051.

The House bill contained no similar provision.

The House recedes with an amendment that would:

(1) clarify that NDRF vessels would not require retrofit to a double hull configuration as a consequence of this change in budgeting procedure;

(2) clarify that NDSF funds shall not be used for the acquisition of ships for the NDRF that are built in foreign shipyards; and

(3) permit the use of NDSF funds to complete the modifications needed to prepare two roll-on/roll-off ships that were purchased in fiscal year 1995 for incorporation into the ready reserve force of the NDRF.

The conferees intend that the Department of Defense seek and obtain specific legislative authorization prior to obligating and expending any funds for the acquisition of any vessels for the NDRF.

The conferees are aware of the importance of strategic sealift to national security. The conferees will revisit the prohibition on procurement of ships built in foreign shipyards but will only do so when the Department has established and funded a national defense features program, and they have had an opportunity to evaluate its effectiveness as an alternative source of strategic sealift.

Naval salvage facilities (sec. 1015)

The Senate amendment contained a provision (sec. 805) that would consolidate all sections in chapter 637 of title 10, United States Code, relating to naval salvage facilities.

The House bill contained no similar provision.

The House recedes with an amendment.

Vessels subject to repair under phased maintenance contracts (sec. 1016)

The House bill contained a provision (sec. 1022) that would require the Secretary of the Navy to ensure that vessels or classes of vessels, covered by phased maintenance contracts while in active Navy service, would continue to be covered by those contracts after being transferred to other operating commands, such as the Military Sealift Command.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would restrict this requirement to type AE ships covered by phased maintenance contracts as of the date of enactment of the National Defense Authorization Act for Fiscal Year 1996.

Clarification of requirements relating to repairs of vessels (sec. 1017)

Section 7310 of title 10, United States Code, places limits on the type of repairs that can be performed by foreign shipyards on Navy ships that are homeported in the United States. The House bill contained a provision (sec. 1023) that would amend section 7310 by designating Guam a United States homeport for purposes of that section.

The Senate recedes.

Naming amphibious ships (sec. 1018)

The Senate amendment contained a provision (sec. 1013) that would make the following findings:

(1) this is the fiftieth anniversary of the battle of Iwo Jima, one of the greatest victories in the Marine Corps' illustrious history;

(2) the Navy has recently retired the ship that honored that battle, U.S.S. *Iwo Jima* (LPH-2), the first ship in a class of amphibious assault ships;

(3) this Act authorizes the LHD-7, the final ship of the *Wasp* class of amphibious assault ships, to replace the *Iwo Jima* class of ships;

(4) the Navy is planning to start building a new class of amphibious transport docks, now called the LPD-17 class, and this Act also authorizes funds that will lead to procurement of these vessels;

(5) there has been some confusion in the rationale behind naming new naval vessels, with traditional naming conventions frequently violated; and

(6) although there have been good and sufficient reasons to depart from naming conventions in the past, the rationale for such departures has not always been clear.

The Senate amendment would also express the sense of the Senate that:

(1) the LHD-7, authorized in the Senate amendment, should be named the U.S.S. *Iwo Jima*; and

(2) the ships of the LPD-17 class amphibious ships should be named after a Marine Corps battle or a member of the Marine Corps.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees agree to endorse the sense of the Senate expressed as a sense of Congress.

Naming of naval vessel (sec. 1019)

The House bill contained a provision (sec. 1024) that would express the sense of Congress that the Secretary of the Navy should name an appropriate naval vessel the U.S.S. Joseph Vittori.

The Senate amendment contained no similar provision.

The Senate recedes.

Transfer of riverine patrol craft (sec. 1020)

The House bill contained a provision (sec. 1025) that would authorize the Secretary of the Navy to transfer one *Swift* class riverine patrol craft to the Tidewater Community College, Portsmouth, Virginia, for scientific and educational purposes.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Counter-Drug Activities

Counter-drug activities

The budget request for drug interdiction and counter-drug activities totals $680.4 million, plus $131.5 million for operational tempo which is included within the operating budgets of the military services.

Both the House bill and the Senate amendment would authorize the budget request of $680.4 million, with marginal differences in the allocation of these funds.

Both the House bill and the Senate amendment would delete funding for the Community Outreach Programs ($8.2 million). In addition, the Senate amendment included a provision (sec. 1022) that would prohibit continued Department of Defense (DOD) funding of the National Drug Intelligence Center (NDIC) ($34.0 million).

The House bill would authorize increased funding for the Tethered Aerostat Radar System ($1.5 million), Counterdrug Analysis ($1.2 million), Southcom Radars ($1.5 million), Special Operations Forces (SOF) Counterdrug Support ($2.5 million), and CARIBROC Communications ($1.5 million).

The Senate amendment would authorize an increase in funding for procurement of non-intrusive inspection devices for the Customs Service ($25.0 million), Source Nation Support Initiatives ($15.2 million) and the Gulf States Counterdrug Initiative ($2.0 million).

The conferees agree to delete DOD funding for the Community Outreach Programs and to reduce funding for the National Drug Intelligence Center to $20.0 million. The conferees also agree to an undistributed reduction of $12.3 million. Offsets to comply with the undistributed reduction may not be taken from items where increases have been provided.

The conferees agree to authorize additional funding for Law Enforcement Agency Support, with a $4.0 million increase to expand the intelligence activities of the Gulf States Coast Initiative and a $2.5 million increase for the Southwest Border States Information System. The conferees support continued DOD assistance for the Southwest Border States Anti-Drug Information System and urge the Secretary of Defense to continue to monitor and support this system through completion of the current program.

The conferees further agree to authorize an additional increase of $28.0 million for other Law Enforcement Agency Support. The conferees urge the Secretary of Defense, through normal reprogramming procedures, to use up to $25.0 million of these funds to procure low-energy/backscatter x-ray equipment for use as non-intrusive inspection devices. The conferees are aware that 70 percent of the illegal drugs that enter the United States come, primarily by air, into Mexico and then across the southwest border by truck and automobile. The conferees believe that the fielding of non-intrusive inspection devices at the southwest border would significantly contribute to the fight against illegal drug trafficking across the United States-Mexican border. The conferees also urge the Secretary of Defense, through normal reprogramming procedures, to consider using available funds for improvements and extension of the existing fence along the San Diego Border Patrol Sector.

Allocation of funds for counterdrug activities are indicated below:

Drug interdiction and counterdrug activities, operations and maintenance

	Thousands
Fiscal year 1996 drug and counterdrug request	$680,400
Source nation support	127,300
Dismantling cartels	64,300
Detection and monitoring	111,700
Law enforcement agency support	279,300
Demand reduction	97,800
Reductions:	
Community outreach programs	8,236
National Drug Intelligence Center	14,000
Undistributed reduction	12,264
Increases, law enforcement agency support:	
Gulf States counterdrug initiative	4,000
Southwest border States information system	2,500
Other (non-intrusive inspection devices, Southwest border fence)	28,000
Total	680,400

Revision and clarification of authority for Federal support of drug interdiction and counter-drug activities of the National Guard (sec. 1021)

The Senate amendment contained a provision (sec. 1021) that would revise and clarify authority for federal support of drug interdiction and counter-drug activities of the National Guard.

The House bill contained no similar provision.

The House recedes with an amendment which would further clarify the legal status of National Guard personnel participating in these programs.

National Drug Intelligence Center (sec. 1022)

The Senate amendment included a provision (sec. 1022) that would prohibit further Department of Defense (DOD) funding of the National Drug Intelligence Center (NDIC), but would allow the Secretary of Defense to continue to provide DOD intelligence personnel to support intelligence activities at NDIC, as long as the number of personnel provided by DOD does not exceed the number used to support intelligence activities at NDIC as of the date of enactment of this bill.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Civilian Personnel

Management of Department of Defense civilian personnel (sec. 1031)

The House bill contained a provision (sec. 331) that would prohibit the use of full-time equivalent personnel ceilings in the management of the Department of Defense's civilian workforce.

The Senate amendment contained a similar provision (sec. 332).

The Senate recedes with a clarifying amendment.

The conferees direct the Secretary of Defense to report to the Senate Committee on Armed Services and the House Committee on National Security by February 15, 1996, on plans to manage civilian personnel in consideration of this provision.

Conversion of military positions to civilian positions (sec. 1032)

The House bill contained a provision (sec. 333) that would require the Secretary of Defense to convert not less than 10,000 military positions to performance by civilian employees of the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the conversion to be phased over two fiscal years.

Elimination of 120-day limitation on details of certain employees (sec. 1033)

The Senate amendment contained a provision (sec. 338) that would amend section 3341 of title 5, United States Code, to eliminate the requirement that the administration of details for civilian employees be managed in 120-day increments.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority of civilian employees of the Department of Defense to participate voluntarily in reductions in force (sec. 1034)

The Senate amendment contained a provision (sec. 340) that would allow employees who are not affected by a reduction-in-force (RIF) to volunteer to be RIF separated in place of other employees who are scheduled for RIF separation.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority to pay severance payments in lump sums (sec. 1035)

The Senate amendment contained a provision (sec. 341) that would amend section 5595 of title 5, United States Code, to permit the lump-sum payment of severance pay.

The House bill contained no similar provision.

The House recedes.

Continued health insurance coverage (sec. 1036)

The House bill contained a provision (sec. 337) that would extend continued health insurance coverage for certain employees affected by a force reduction or a base realignment and closure action.

The Senate amendment contained a similar provision (sec. 337).

The Senate recedes.

Revision of authority for appointments of involuntarily separated military reserve technicians (sec. 1037)

The Senate amendment contained a provision (sec. 336) that would amend section 3329 of title 5, United States Code, to eliminate the requirement regarding separated technicians.

The House bill amendment contained no similar provision.

The House recedes.

Wearing of uniform by National Guard technicians (sec. 1038)

The Senate amendment contained a provision (sec. 333) that would require military technicians to wear military uniforms in their jobs. The provision would also place technician officers on the same footing as Active Guard and Reserve officers for purposes of qualifying for a uniform allowance.

The House bill contained no similar provision.

The House recedes.

Military leave for military reserve technicians for certain duty overseas (sec. 1039)

The House bill contained a provision (sec. 512) that would authorize military technicians an additional 44 workdays of leave, without loss of pay and other benefits, for periods the technician would serve on active duty, without pay, while in support of noncombat operations outside the United States.

The Senate amendment contained no similar provision.

The Senate recedes.

Personnel actions involving employees of nonappropriated fund instrumentalities (sec. 1040)

The House bill contained a provision (sec. 334) that would clarify the definition of nonappropriated fund instrumentality employees and permit the direct reporting of violations by nonappropriated fund employees to the Department of Defense Inspector General.

The Senate amendment contained no similar provision.

The Senate recedes.

Coverage of nonappropriated fund employees under authority for flexible and compressed work schedules (sec. 1041)

The House bill contained a provision (sec. 336) that would provide the same overtime exemption for nonappropriated fund employees as applies to other civilian employees of the Department of Defense.

The Senate amendment contained a similar provision (sec. 343).

The House recedes.

Limitation on provision of overseas living quarters allowances for nonappropriated fund instrumentality employees (sec. 1042)

The House bill contained a provision (sec. 335) that would, as of September 30, 1997, conform the allowance for overseas living quarters for nonappropriated fund employees to that provided for civilian employees of the Department of Defense paid from appropriate funds.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Elections relating to retirement coverage (sec. 1043)

The House bill contained a provision (sec. 338) that would increase the number of employees eligible to transfer between nonappropriated fund and appropriated fund morale, welfare, recreation programs without significant loss of benefits.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide for portability of retirement benefits by allowing: (1) election by employees of the nonappropriated fund or the Federal Employees Retirement System; (2) credit for years of service either as a nonappropriated fund employee or a civil service employee; (3) government-wide eligibility; and (4) creditability of nonappropriated fund service for reduction-in-force purposes.

Extension of temporary authority to pay civilian employees with respect to the evacuation from Guantanamo, Cuba (sec. 1044)

The Senate amendment contained a provision (sec. 334) that would extend the authorization for the Navy to continue to pay evacuation allowances until January 31, 1996 to civilian employees whose dependents were evacuated from Guantanamo, Cuba, in August and September 1994. The provision would also require a monthly report which would include the actions that the Secretary of the Navy is taking to eliminate the conditions making the payments necessary.

The House bill contained no similar provision.

The House recedes.

Subtitle E—Miscellaneous Reporting Requirements

Report on budget submission regarding reserve components (sec. 1051)

The Senate amendment contained a provision (sec. 1007) that would require the Secretary of Defense to submit a report that describes measures taken within the Department of Defense to ensure that the reserve components are appropriately funded, and, for fiscal year 1997, lists the major weapons and items of equipment, as well as, the military construction projects provided for the National Guard and Reserves.

The House bill included no similar provision.

The House recedes with an amendment.

The conferees agree to a provision that would require the report included in the original Senate provision, and would require the Secretary of Defense to display in all future-years defense programs the amounts requested for procurement of equipment and military construction for each of the reserve components.

Report on desirability and feasibility of providing authority for use of funds derived from recovered losses resulting from contractor fraud (sec. 1052)

The Senate amendment contained a provision (sec. 382) that would allow the secretary of a military department to receive an allocation from funds recovered in contractor fraud cases, for use by installations that carried out or supported investigations or litigation involving contractor fraud.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to report on the desirability and feasibility of authorizing the retention and use of a portion of such recovered amounts.

Review of national policy on protecting the national information infrastructure against strategic attack (sec. 1053)

The Senate amendment contained a provision (sec. 1097) that would require the President to submit a report that would set forth the national policy and architecture governing plans to protect the national information infrastructure against strategic attack.

The House bill contained no similar provision.

The House recedes.

The conferees intend that the President rely, to the maximum extent practicable, on the executive agent for the national communications system in the preparation and submission of the report.

Report on Department of Defense boards and commissions (see 1054)

The Senate amendment contained a provision (sec. 1084) that would require the Department of Defense to prepare a report listing certain boards and commissions. The Department would be required to indicate whether each board or commission merits continued support.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Change in reporting date (sec. 1055)

The Senate amendment contained a provision in its classified annex that would change the date that the Department of Defense is required to submit annually its budget materials for Special Access Programs, from February 1 to March 1.

The House bill contained no similar provision.

The House recedes.

Subtitle F—Repeal of Certain Reporting and Other Requirements and Authorities

Miscellaneous provisions of law (sec. 1061)

The House bill contained a provision (sec. 1032) that would repeal numerous provisions of law that have expired or are obsolete, or that were inconsistent with other provisions recommended by the House.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would retain portions of the suggested deletions.

Reports required by Title 10, United States Code (sec. 1062)

The Senate amendment contained seven provisions (secs. 1071–1077) that would delete a total of 67 reports currently required of the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that would retain several of the reporting requirements.

Subtitle G—Department of Defense Education Programs

Continuation of the Uniformed Services University of the Health Sciences (sec. 1071)

The House bill contained a provision (sec. 907) that would require the Secretary of Defense to budget for ongoing operations at the Uniformed Services University of the Health Sciences.

The Senate amendment contained a similar provision (sec. 1031) that would reaffirm the prohibition of the closure of the University, and establish minimum staffing levels.

The House recedes with a clarifying amendment.

Additional graduate schools and programs at the Uniformed Services University of the Health Sciences (sec. 1072)

The Senate amendment contained a provision (sec. 1032) that would authorize additional graduate schools and programs at the Uniformed Services University of the Health Sciences. This provision would permit the Board of Regents to establish a graduate school of nursing at the University.

The House bill contained no similar provision.

The House recedes.

Funding for adult education programs for military personnel and dependents outside the United States (sec. 1073)

The Senate amendment contained a provision (sec. 1033) that would authorize appropriations for the military continuing education programs of the armed services, and for adult members of military families stationed or residing outside the United States.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Assistance to local educational agencies that benefit dependents of members of the armed forces and Department of Defense civilian employees (sec. 1074)

The House bill contained a provision (sec. 394) that would authorize the appropriation of $58.0 million for assistance to local educational agencies in areas where there is an impact to school systems caused by dependents of members of the armed forces and Department of Defense (DOD) civilians.

The Senate amendment contained a provision (sec. 387) that would prohibit the Secretary of Education from considering payments to a local educational agency from DOD funds when determining the amount of impact aid to be paid from Department of Education funds. Additionally, the recommended provision would make technical changes to the previous year authorizations of impact aid.

The conferees agree to combine and clarify the two provisions and to change the authorized funding to $35.0 million.

Sharing of personnel of Department of Defense domestic dependent schools and defense dependents' education system (sec. 1075)

The Senate amendment contained a provision (sec. 335) that would authorize the Secretary of Defense to direct the sharing of personnel resources between the Department of Defense Overseas School System and the Defense Dependents' Education System, and to provide other support services to either system, for a period to be prescribed by the Secretary.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Increase in reserve component Montgomery GI Bill educational assistance allowance with respect to skills or specialties for which there is a critical shortage of personnel (sec. 1076)

The House bill contained a provision (sec. 553) that would authorize increased rates of educational assistance allowance for reserve members with specialties or skills in which there are critical shortages.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would expand the authority to include certain former active duty personnel with critical specialties or skills who become members of a selected reserve unit.

Date for annual report on reserve component Montgomery GI Bill educational assistance program (sec. 1077)

The Senate amendment contained a provision (sec. 1035) that would change the date on which the annual report on selected reserve educational assistance program is due to the Congress, from December 15 to March 1 of each year.

The House bill contained no similar provision.

The House recedes.

Scope of the education programs of Community College of the Air Force (sec. 1078)

The Senate amendment contained a provision (sec. 1034) that would amend section 9315 of title 10, United States Code, to limit the scope of the Community College of the Air Force (CCAF) to Air Force personnel.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees do not consider expanding the CCAF as an appropriate means of establishing a defense-wide community college. If the Secretary of Defense believes that establishment of a defense-wide community college is appropriate, he should forward such a recommendation, complete with justification, to the Congress.

Amendments to education loan repayment programs (sec. 1079)

The House bill contained a provision (sec. 554) that would authorize the repayment of loans that were made under the William D. Ford Federal Direct Loan Program.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle H—Other Matters

Termination and modification of authorities regarding national defense technology and industrial base, defense reinvestment, and defense conversion programs (sec. 1081)

The House bill contained a provision (sec. 1031) that would repeal portions of chapter 148 of title 10, United States Code, that would establish authorities similar to those provided elsewhere in law.

The Senate amendment contained a similar provision (sec. 221).

The conferees agree to a provision that would adopt both House and Senate provisions, with an amendment. The conferees have included a provision that would repeal subsection 2501 (b) and sections 2512, 2513, 2516, 2520, 2521, 2522, 2523, and 2524 of title 10, United States Code. The provision would also amend section 2525 of title 10, United States Code, by adding a series of guidelines to the requirement for the preparation of the manufacturing science and technology master plan. Finally, the conferees have included language that would modify the defense dual-use critical technology program authorized by section 2511 of title 10, United States Code. In using the authority under this section, the conferees expect the Secretary of Defense to give equal consideration to the development of both product and process technologies.

Ammunition industrial base (sec. 1082)

The Senate amendment contained a provision (sec. 823) that would require the Secretary of Defense to review ammunition procurement and management programs and report the findings to the congressional defense committees by April 1, 1996.

The House bill contained no similar provision.

The House recedes.

Policy concerning excess defense industrial capacity (sec. 1083)

The House bill contained a provision (sec. 1033) that would prohibit the use of appropriated funds for capital investment in, or the development and construction of, a government-owned, government-operated defense industrial facility unless the Secretary of Defense certifies to Congress that no similar capability or minimally used capability exists in another similar facility.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Sense of Congress concerning access to secondary school student information for recruiting purposes (sec. 1084)

The Senate amendment contained a provision (sec. 1091) that would express the sense of the Senate that educational institutions, including secondary schools, should not deny military recruiters the same access to their campuses and directory information that is allowed other employers.

The House bill contained no similar provision.

The House recedes with an amendment expressing the sense of Congress.

Disclosure of information concerning unaccounted for United States personnel from the Korean Conflict, the Vietnam Era and the Cold War (sec. 1085)

The conference agreement includes a provision that would modify section 1082 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190) to change the criteria under which limitations to disclosure of information concerning United States personnel classified as prisoner of war or missing in action during the Vietnam conflict would not apply and to change the date by which a report is required to be delivered to the Congress.

Operational support airlift aircraft fleet (sec. 1086)

The Senate amendment contained a provision (sec. 1099E) that would require the Secretary of Defense to submit a Joint Chiefs of Staff report on operational support aircraft (OSA) to the congressional defense committees, and to reduce the flying hours of such aircraft in fiscal year 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary to examine central scheduling and management of such aircraft in the report.

The conferees believe that the review of OSA operations should focus on savings and scheduling rationalization. The conferees believe that the Department of Defense can achieve efficiencies by revamping the current OSA program, and have included a reduction in OSA flying hours for fiscal year 1996 in this provision.

While prior studies of OSA organization have recommended realigning OSA management, the conferees refrain from directing the Department to make specific organizational changes at this time.

Civil Reserve Air Fleet (sec. 1087)

The House bill contained a provision (sec. 387) that would clarify the conditions under which a contractor under the Civil Reserve Air Fleet program is required to commit aircraft for use by the Department of Defense.

The Senate amendment contained a similar provision (sec. 814).

The House recedes.

Damage or loss to personal property due to emergency evacuation or extraordinary circumstances (sec. 1088)

The Senate amendment contained a provision (sec. 1087) that would provide for an increased level of reimbursement for claims that arise from emergency evacuations or extraordinary circumstances. The new limits would be retroactive to June 1, 1991.

The House contained no similar provision.

The House recedes with an amendment that would provide for retroactive application of the increased level of reimbursement when certain conditions are met.

Authority to suspend or terminate collection actions against deceased members (sec. 1089)

The Senate amendment contained a provision (sec. 1086) that would amend section 3711 of title 31, United States Code, to authorize the Secretary of Defense to suspend or terminate collection action against the estates of service members who die on active duty while indebted to the government.

The House bill contained no similar provision.

The House recedes.

Check cashing and exchange transactions for dependents of United States Government personnel (sec. 1090)

The Senate amendment contained a provision (sec. 1088) that would authorize United States disbursing personnel to extend check-cashing and currency exchange services to the dependents of military and civilian personnel at government installations that do not have adequate banking facilities.

The House bill contained no similar provision.

The House recedes with a technical amendment.

National Maritime Center (sec. 1091)

The Senate amendment contained a provision (sec. 1099D) that would designate the Nauticus building, located at one Waterside Drive, Norfolk, Virginia, as the National Maritime Center.

The House bill contained no similar provision.

The House recedes.

Sense of Congress regarding historic preservation of Midway Islands (sec. 1092)

The Senate amendment contained a provision (sec. 1099b) that would express the sense of the Senate that Midway Island be memorialized and the historic structures relating to the Battle of Midway be maintained in accordance with the National Historic Preservation Act.

The House bill contained no similar provision.

The House recedes with an amendment that would make the provision a Sense of the Congress.

Sense of the Senate regarding federal spending (sec. 1093)

The Senate amendment contained a provision (sec. 1095) that would express a sense of the Senate regarding federal spending.

The House bill contained no similar provision.

The House recedes.

Extension of authority for vessel war risk insurance (sec. 1094)

The conferees agree to a new provision that would amend section 1214 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1294) to extend the Secretary of Transportation's authority to provide insurance against loss or damage as a result of marine war risks from June 30, 1995 to June 30, 2000. The conferees acknowledge the cooperation of the Committee on Commerce, Science, and Transportation of the Senate, the committee of jurisdiction in the Senate, for permitting inclusion of this important authority in the National Defense Authorization Act for Fiscal Year 1996.

LEGISLATIVE PROVISIONS NOT ADOPTED

Application of Buy America Act principles

The House bill contained a provision (sec. 1035) that would apply Buy American principles to reciprocal defense procurement memoranda of understanding with other countries.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that section 849 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) contains identical language that is the operative law in this area.

Repeal of requirements for part-time career opportunity employment reports

The Senate amendment contained a provision (sec. 339) that would eliminate the requirement in section 3407 of title 5, United States Code, that agencies provide progress reports on the part-time career employment program.

The House bill contained no similar provision.

The Senate recedes.

Holidays for employees whose basic work week is other than Monday through Friday

The Senate amendment contained a provision (sec. 342) that would amend section 6103(b)(2) of title 5, United States Code, to authorize agencies some discretion in designating holidays for employees whose basic work week is other than Monday through Friday.

The House bill contained no similar provision.

The Senate recedes.

Assistance to Customs Service

The Senate amendment included a provision (sec. 1023) that would authorize the Department of Defense to procure or transfer funds to the Customs service for procurement of non-intrusive inspection devices for use at the ports of entry on the southwest border of the United States.

The House bill contained no similar provision.

The Senate recedes. The conferees agree, as stated elsewhere in this statement of managers, to urge the Secretary of Defense to procure non-intrusive inspection devices with funds available through reprogramming procedures.

Establishment of Junior ROTC units in Indian reservation schools

The Senate amendment contained a provision (sec. 1036) that would express the Sense of the Congress that secondary schools on Indian reservations be afforded full opportunity to be selected as locations for establishing new Junior Reserve Officers' Training Corps units.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree that current law affords full opportunity for secondary schools on Indian reservations to be selected as locations for establishing new Junior Reserve Officers' Training Corps units.

Defense cooperation between the United States and Israel

The Senate amendment contained a provision (sec. 1055) that would express the Sense of Congress for continued cooperation between the United States and Israel in military and technical areas.

The House bill contained no similar provision.

The Senate recedes. The conferees note that a provision virtually identical to that contained in the Senate amendment exists in the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337). The conferees recognize the numerous benefits to the United States resulting from our strategic relationship with Israel. The conferees strongly commend the United States' continuing commitment to maintaining Israel's qualitative edge over any combination of adversaries. Despite the great progress made in the Middle East peace process, Israel continues to face an unstable and highly dangerous environment, compounded by the proliferation of weapons of mass destruction and ballistic missiles.

International military education and training

The Senate amendment contained a provision (sec. 1058) that would, subject to the provisions of the Foreign Assistance Act of 1961, grant discretionary authority to the Secretary of Defense to provide up to $20.0 million for the provision of international military education and training (IMET) for countries allied and friendly with the United States.

The House bill contained no similar provision.

The Senate recedes.

The conferees strongly support Department of Defense funding for and management of the IMET program. IMET is a unique military program that fosters military-to-military relationships and contributes to greater inter-operability and coalition-building with the military organizations of allied and friendly nations. IMET has suffered in recent years from being part of the State Department's budget which has become increasingly unpopular with the American public and their elected representatives. The conferees are pleased to note, however, that the Foreign Operations Appropriations Conference Report for Fiscal Year 1996 fully funds the administration's IMET request.

The conferees intend to address this matter next year with a view towards transferring budgetary and execution responsibility for IMET to the Department of Defense. Accordingly, the conferees encourage the Secretary of Defense and the Secretary of State to work out a process for such a transfer to ensure smooth and effective functioning with robust future funding.

Sense of the Senate on protection of United States from ballistic missile attack

The Senate amendment contained a provision (sec. 1062) that would express the Sense of the Senate that all Americans should be protected from accidental, intentional, or limited ballistic missile attack, and that front line troops of the United States should be protected from missile attacks. The Senate provision would also provide funding for the Corps surface-to-air missile (SAM) program.

The House bill contained no similar provision.

The Senate recedes. Although the conferees fully support the views expressed in the Senate provision, they believe that such views are adequately represented elsewhere in the conference report. The conferees also address the Corps SAM issue elsewhere in the conference report.

Travel of disabled veterans on military aircraft

The Senate amendment contained a provision (sec. 1089) that would permit veterans eligible for compensation for a service-connected disability the same entitlement to space-available transportation as retired members of the Armed Forces.

The House bill contained no similar provision.

The Senate recedes.

The conferees note the unreliable nature of space-available flight, and that such flights would normally involve cargo-type aircraft, which are not equipped for handicapped access, seating and care. The conferees agree that concerns for the safety of disabled veterans were overriding in this decision.

Transportation of crippled children in the Pacific Rim region to Hawaii for medical care

The Senate amendment contained a provision (sec. 1090) that would authorize the Secretary of Defense to permit space-available transportation of crippled children in the Pacific Rim region to Hawaii for medical care in non-military medical facilities.

The House bill contained no similar provision.

The Senate recedes.

The conferees direct the Secretary of Defense to conduct a study, consulting with the Shriners Hospitals in the Pacific region, to determine the viability and potential liabilities of such a program. The report should be provided to the Senate Committee on Armed Services and the House Committee on National Security not later than May 1, 1996.

Sense of Senate regarding Ethics Committee investigations

The Senate amendment contained a provision (sec. 1094) expressing the Sense of the Senate concerning proceedings before the Senate Ethics Committee with respect to Senator Packwood.

The House bill contained no similar provision.

The Senate recedes.

TITLE XI—UNIFORM CODE OF MILITARY JUSTICE

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

References to Uniform Code of Military Justice (sec. 1102)

The House bill contained a provision (sec. 541) that would clarify references to the Uniform Code of Military Justice in the bill.

The Senate amendment contained an identical provision (sec. 521).

The conference agreement includes this provision.

Subtitle A—Offenses

Refusal to testify before courts-martial (sec. 1111)

The Senate amendment contained a provision (sec. 524) that would provide Federal District Courts the same power to punish individuals who fail to appear at courts-martial as they currently have to punish individuals who do not appear in civilian cases.

The House bill contained no similar provision.

The House recedes.

Flight from apprehension (sec. 1112)

The House bill contained a provision (sec. 544) that would make it clear that the offense of "resisting apprehension" under Article 95 of the Uniform Code of Military Justice includes flight from apprehension.

The Senate amendment contained an identical provision (sec. 531).

The conference agreement includes this provision.

Carnal knowledge (sec. 1113)

The Senate amendment contained a provision (sec. 532) that would amend Article 120(b) of the Uniform Code of Military Justice (10 U.S.C. 920 (b)) by making the crime of carnal knowledge gender neutral, bringing Article 120 into conformance with the Sexual Abuse Act of 1986. The provision also would add an affirmative defense of mistake of fact to conform Article 120 to federal civilian law (18 U.S.C. 2243).

The House bill contained a similar provision (sec. 545).

The House recedes.

Subtitle B—Sentences

Effective date for forfeitures of pay and allowances and reductions in grade by sentence of court-martial (secs. 1121 and 1122)

The Senate amendment contained provisions (secs. 526(a) and 526(b)) that would require those portions of a court-martial sentence extending to forfeiture of pay and allowances or reduction in grade to be effective 14 days after the date the sentence is adjudged or upon approval by the convening authority, whichever occurs earlier. The amendment would also require that sentences containing a punitive discharge, death, or more than 6 months confinement, result in total forfeitures of pay and allowances. If an accused were to make application to the convening authority, the forfeitures of pay and allowances, or reduction in grade or both could be deferred until the date on which the sentence is approved. Also under this provision, when convening authorities take action on sentences, any or all of the forfeitures of pay and allowances to be forfeited could be used to provide transitional compensation for the dependents of the accused.

The House bill contained a similar provision (sec. 542).

The House recedes with an amendment which would apply the automatic forfeitures to a sentence of death, punitive discharge, or confinement in excess of six months. The forfeiture in the case of a special court-martial would be limited to two-thirds of the pay due, which is the maximum punishment limitation of a special court-martial.

Deferment of confinement (sec. 1123)

The Senate amendment contained a provision (sec. 527) that would allow for the deferment of confinement adjudged by courts-martial in two situations beyond those authorized under current law. One would permit deferment of confinement while the case is being reviewed by the United States Court of Appeals for the Armed Forces under Article 67(a)(2). The other circumstance that would lead to deferment concerns individuals who are serving civilian confinement while they have a sentence pending that has been adjudged by a court-martial. The Senate amendment would defer the running of the court-martial sentence until completion of the civilian sentence, if the convening authority so directs.

The House bill contained no similar amendment.

The House recedes.

Subtitle C—Pretrial and Post-Trial Actions

Article 32 investigations (sec. 1131)

The Senate amendment contained a provision (sec. 523) that would revise the procedures for authorizing investigation of misconduct uncovered during a pretrial investigation under Article 32 of the Uniform Code of Military Justice.

The House bill contained no similar provision.

The House recedes. Under Article 32 of the Uniform Code of Military Justice, a formal pretrial investigation is conducted when a court-martial convening authority refers charges to an Article 32 investigating officer. Under current law, if the Article 32 officer uncovers evidence of additional misconduct in the course of the investigation, the information must be provided to the convening authority and then referred back to the Article 32 officer before it can be investigated by the Article 32 investigating officer.

The conferees agree that current law should be changed to permit the investigating officer to investigate new misconduct uncovered during the Article 32 investigation without requiring further administrative action by the convening authority. This change should reduce the time, delay, and administrative burden associated with obtaining the convening authority's approval for investigation of additional misconduct. The conferees emphasize, however, that the additional misconduct may not be investigated under Article 32 unless the accused is afforded the same rights as under current law with respect to investigation of the charges, presentation of evidence in defense or mitigation, and cross-examination as apply to the charges that were the basis of the Article 32 investigation.

Submission of matters to the convening authority for consideration (sec. 1132)

The Senate amendment contained a provision (sec. 528) that would require all post-trial material submitted to the convening authority by the accused to be in writing. Current law does not specify the medium for such submissions.

The House bill contained no similar provision.

The House recedes. The conferees agree that the intent of this section is not to restrict the accused's communications with the convening authority, but to ensure that formal submissions under Article 60(b) are made through a standard medium. The convening authority, in his or her discretion, may take into consideration other communications by the accused, such as a personal appearance or a videotape. The convening authority, however, is not required to review such other matters under Article 60, and a convening authority's decision to refuse consideration of matters other than written submissions is not subject to review. The conferees direct the Secretary of Defense to ensure that the explanatory "Discussion" accompanying the Manual for Courts-Martial reflect that this amendment does not restrict the ability of the convening authority to consider communications from the accused that are not written submissions.

Commitment of accused to treatment facility by reason of lack of mental capacity or mental responsibility (sec. 1133)

The Senate amendment contained a provision (sec. 525) that would establish procedures for handling individuals who are mentally incompetent to stand trial or found not guilty by reason of lack of mental responsibility.

The House bill contained no similar provision.

The House recedes.

This provision is in no way intended to conflict with Rule 706 of the Rules for Courts-Martial. To the extent that there is a provisions overlap, section 706 should be reviewed to make certain that it conforms with the new provision.

Subtitle D—Appellate Matters

Appeals by the United States (sec. 1141)

The Senate amendment contained a provision (sec. 530) that would apply to courts-martial the same protections with regard to classified information as apply to orders or rulings issued in Federal District Courts under the Classified Information Procedures Act (18 U.S.C. App. 7). This section incorporates Senate amendment section 522 concerning certain definitions.

The House bill contained no similar provision.

The House recedes with an amendment.

Repeal of termination of authority for Chief Justice of United States to designate Article III judges for temporary service on Court of Appeals for the Armed Forces. (sec. 1142)

The House bill contained a provision (sec. 549) that would make permanent the authority of the Chief Justice of the United States to fill temporary vacancies on the United States Court of Appeals for the Armed Forces. Section 1301 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 authorized the Chief Judge of the United States Court of Appeals for the Armed Forces to request the Chief Justice to make such appointments through September 30, 1995. This provision would eliminate the "sunset" provision.

The Senate amendment contained a similar provision (sec. 535).

The Senate recedes.

Subtitle E—Other Matters

Advisory committee on criminal law jurisdiction over civilians accompanying the Armed Forces in time of armed conflict (sec. 1151)

The Senate amendment contained a provision (sec. 536) that would create an advisory panel to determine which courts should have criminal jurisdiction over civilians accompanying the military outside the United States during times of armed conflict, including conflicts other than a declared war.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Time after accession for initial instruction in the Uniform Code of Military Justice (sec. 1152)

The House bill contained a provision (sec. 546) that would increase the time after accession for initial instruction in the Uniform Code of Military Justice.

The Senate amendment (sec. 533) contained an identical provision.

The conference agreement includes this provision.

Technical amendment (sec. 1153)

The House bill contained a provision (sec. 550) that would amend article 66(f) of the Uniform Code of Military Justice (10 U.S.C. 866) by striking out "Courts of Military Review" in both places it appears, and inserting in lieu thereof "Courts of Criminal Appeals."

The Senate amendment contained an identical provision (sec. 534).

The conference agreement includes this provision.

LEGISLATIVE PROVISIONS NOT ADOPTED

Persons who may appear before the United States Court of Appeals for the Armed Forces

The House bill contained a provision (sec. 547) that would provide that only attorneys and properly certified law students could practice and appear before the United States Court of Appeals for the Armed Forces.

The Senate amendment contained no similar provision.

The House recedes. The conferees believe that the question of who should be authorized to appear before the Court of Appeals for the Armed Forces normally should be addressed through the rules promulgated by the court, rather than through legislation. The conferees are concerned, however, that the Court has permitted undergraduate students to appear before the Court as amicus curiae. However laudable it may be to afford such students practical experience appearing before a federal court, the conferees believe such considerations are outweighed by the requirement that the Court of Appeals for the Armed Forces maintain the highest standards of judicial practice and procedure. The conferees are aware that the Court presently has this matter under review and look forward to a change in the Court's rules of procedure that will obviate the need for legislation on this subject.

Discretionary representation by government appellate defense counsel in petitioning the Supreme Court for writ of certiorari

The House bill contained a provision (sec. 548) that would amend section 870 of title 10, United States Code, to provide that representations of an accused, in the preparation of a petition for a writ of certiorari before the United States Supreme Court, shall be at the discretion of military appellate defense counsel. Current law requires appellate defense counsel to represent the accused before the Supreme Court when requested by the accused.

The Senate amendment contained no similar provision.

The House recedes.

Proceedings in revision

The Senate amendment contained a provision (sec. 529) that would authorize a proceeding in revision at courts-martial prior to authentication of the record under certain conditions.

The House bill contained no similar provision.

The Senate recedes.

TITLE XII—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Cooperative threat reduction program (secs. 1201–1209)

The budget request included $371.0 million in defense operation and maintenance for the Cooperative Threat Reduction (CTR) Program.

The House bill contained provisions (secs. 1101–1108) related to the CTR program that would include the following: authorize $200.0 million for the CTR program, a $171.0 million reduction to the budget request (sec. 1101); place specific limitations on all CTR programs for fiscal year 1996 (sec. 1102); repeal authority for the Demilitarization Enterprise Fund (DEF) (sec. 1103); prohibit the use of CTR funds for peacekeeping exercises and related activities with Russia (sec. 1104); revise authority for assistance for weapons destruction (sec. 1105); require prior notice of obligation of funds (sec. 1106); require an annual accountability report to ensure that assistance is being used for its intended purpose (sec. 1107); and prohibit the obligation or expenditure of fiscal year 1996 funds until the President provides written certification to Congress that Russia has terminated its offensive biological weapons program.

The Senate amendment included several provisions (sec. 1041–1044) related to the CTR program that would include the following: authorize $365.0 million for the CTR program, a $6.0 million reduction to the budget request (sec. 1041); limit the obligation of CTR funds that would assist nuclear weapons scientists in the former Soviet Union, pending a written certification from the Secretary of Defense that funds would not contribute to the modernization of strategic nuclear forces or for research, development or production of weapons of mass destruction (sec. 1042); limit the obligation of $50.0 million, pending a written certification from the President that Russia is in compliance with its obligations under the Biological Weapons Convention (BWC); and limit the use of more than $52.0 million of fiscal year 1996 funds available for CTR, pending a presidential certification that a joint laboratory study to evaluate the Russian neutralization proposal has been completed and the United States agrees with that proposal, that Russia is in the process of preparing a comprehensive destruction and dismantlement plan for its chemical weapons stockpile, and that Russia is committed to resolving outstanding issues under the 1989 Wyoming Memorandum of Understanding and the 1990 Bilateral Destruction Agreement.

The conferees agree to the CTR provisions, as follows: authorize $300.0 million in fiscal year 1996 for CTR and place limitations on the CTR projects in fiscal year 1996; provide authority for individual limitations to be exceeded by a specified percentage; authorize use of CTR funds to reimburse pay accounts for U.S. military reserve members participating in CTR activities; prohibit the use of CTR funds for peacekeeping activities and related activities with Russia; require a presidential determination that each recipient country is observing the criteria for assistance provided under the CTR program; require the Secretary of Defense to provide congressional defense committees with advance notification of obligation of funds; require an annual audit and examination report; limit assistance to nuclear weapons scientists; and limit the obligation of $60.0 million in fiscal year 1996 CTR funds for Russia, pending presidential certification that Russia is complying with its BWC obligations and that Russia has agreed to, and implemented, agreements and visits per the September 14, 1992 Joint Statement on Biological Weapons and that visits to the four declared military biological facilities of Russia by officials of the U.S. and United Kingdom have occurred. If the President is unable to certify Russian compliance with its BWC obligations, or that visits agreed to under the Joint Statement have not occurred, he may certify that fact and related funds would then be available for strategic offensive weapons elimination in Ukraine, Kazakhstan or Belarus. The provision would also prohibit obligation of more than half the funds authorized for chemical weapons destruction-related activities in Russia, pending a presidential certification.

The conferees direct that none of the funds authorized for CTR in fiscal year 1996 may be used to reimburse other departments and agencies for the travel and other expenses incurred by employees of those departments and agencies, even if those employees are engaged in CTR-related activities.

The Conventional Forces in Europe (CFE) Treaty requires signatories to be in full compliance with their obligations to reduce treaty limited equipment by November 16, 1995. The Russian government has generally been in overall compliance with its obligations since the treaty has been in force provisionally. Russia's compliance with the limits in the northern and southern flank zones has caused concern for a number of the signatories. Russian officials have indicated that they will not be in compliance with the flank limits in these zones because of the instability along their southern borders.

If Russia refuses to honor its legal and political obligations under the CFE Treaty, the conferees question the ability of the President to certify Russia's commitment to complying with its arms control obligations, necessary to make it eligible to receive CTR assistance. Further, the conferees believe that the President would only be in a position to certify Russia's commitment to comply with its arms control obligations under the following circumstances: (1) through an agreement to comply with a NATO-endorsed flank limit proposal and substantial progress toward withdrawing any excess equipment by the May 1996 Treaty Review Conference; (2) demonstrated fulfillment of obligations to meet agreed-upon reductions in levels of military equipment in the naval infantry and coastal defense forces, and in holdings east of the Ural mountains; and (3) through an agreement on an offset package that would add to the flank limit proposal additional verification measures, additional information sharing arrangements on the flank areas, and additional constraints on Treaty-limited equipment contained in areas formerly defined as flank areas.

TITLE XIII—MATTERS RELATING TO OTHER NATIONS

ITEMS OF SPECIAL INTEREST

Waiver of foreign assistance reimbursement requirements to the Department of Defense and the armed forces

The conferees are concerned about the inadequate funding in the fiscal year 1996 international affairs budget for activities identified by the administration as presidential priorities, such as drawdown authority for defense articles and services for Jordan and the transfer of non-lethal defense articles to Central European countries.

While the conferees are generally supportive of both activities, the conferees do not support efforts to waive requirements under Sections 519(f) and 632(d) of the Foreign Assistance Act of 1961. Those provisions of the Foreign Assistance Act require reimbursement of the Department of Defense and military services for costs to transport defense articles, or replace defense items that are not excess to the military services.

The conferees appreciate the role that Jordan played in the Middle East peace process and believe that the Government of Jordan should have the defense items, services, and military training, that would enable them to protect their borders and respond to terrorist threats. However, the conferees are concerned by the use of defense funds to pay for this authority.

In a letter supporting the special drawdown authority for Jordan, the Secretary of Defense stated that military readiness would suffer unless the non-excess defense items are replaced and the military services are reimbursed for transportation and other costs. The conferees direct the Secretary of Defense to provide a report to the congressional defense committees 60 days after enactment of this Act that would address the cost to replace non-excess defense items provided to Jordan and an identification of funds included in the President's fiscal year 1997 budget for this purpose.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Peacekeeping Provisions

Limitation on use of Department of Defense funds for international peacekeeping assessments and drawdown of Department of Defense articles (sec. 1301)

The House bill contained a provision (sec. 1202) that would amend chapter 20 of title 10, United States Code, to prohibit the use of Department of Defense funds for voluntary or assessed financial contributions to the United Nations for the United States share of peacekeeping costs, effective October 1, 1995.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Humanitarian Assistance Programs

Overseas humanitarian, disaster, and civic aid (secs. 1311–1312)

The House bill contained a provision (sec. 1211) that would specify five programs operated by the Department of Defense to be funded through the budget account known as Overseas Humanitarian, Disaster, and Civic Aid (OHDACA).

The House bill also contained a provision (sec. 1212) that would eliminate the current authority to transfer funds from DOD to the Department of State to provide for the administrative costs associated with the transportation of humanitarian supplies. In addition, this provision would remove the Secretary of State's authority over the DOD's program for the transportation of humanitarian relief, and it would provide for technical changes to the existing reporting requirements for the DOD's humanitarian programs.

The Senate amendment contained a provision (sec. 365) that would require the General Accounting Office (GAO) to submit a report to Congress on existing funding mechanisms that would facilitate the funding of programs within the OHDACA account through the Department of State or the Agency for International Development. If such mechanisms do not currently exist, the GAO would be required to identify those actions necessary to institute such mechanisms.

The conference agreement includes these provisions.

The conferees agree that although the DOD is uniquely capable of performing some humanitarian or disaster relief operations, these operations are fundamentally the responsibility of the Department of State and the Agency for International Development and, in general, are more appropriately funded through these agencies. Therefore, the conferees have reduced the amount of DOD funds available to the OHDACA account for fiscal year 1996 and have requested that the GAO provide a report that would identify necessary changes in existing law or regulations to transfer the funding responsibility for these programs, where appropriate, to other federal agencies, beginning in fiscal year 1997.

Landmine clearance program (sec. 1313)

The House bill contained a provision (sec. 1213) that would amend humanitarian and civic assistance authorities in section 401 of title 10 United States Code to include humanitarian demining activities.

The Senate amendment contained a provision (sec. 1054) that would amend section 1413 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) to include the following: require the Secretary of Defense to certify to the Congress that humanitarian activities satisfy military training requirements for the personnel involved; authorize $20.0 million in fiscal year 1996 for the humanitarian landmine clearing assistance program; terminate authority for the Department of Defense to provide funds for the humanitarian landmine clearing assistance program after fiscal year 1996; and revise the definition of a landmine.

The conferees agree to a provision that would amend section 401 of title 10 United States Code to include humanitarian demining activities; limit activities of United States military personnel participating in humanitarian landmine clearing activities; and, repeal section 1413 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337).

Unlike other types of humanitarian and civic assistance activities, the conferees realize that the activities of detection and clearing of landmines will often be the sole or primary focus of the military operation in question. In such cases, the approving authority would have to determine that the specific operational readiness skills of the participating United States forces—usually special operations forces whose skills are based upon the activities listed in section 167(j) of title 10, United States Code—will be promoted by participation in those activities.

Subtitle C—Arms Export and Military Assistance

Defense export loan guarantees (sec. 1321)

The House bill contained a provision (sec. 1224) that would require the Secretary of Defense to create a defense export loan guarantee program for certain eligible countries.

The Senate amendment contained a similar provision (sec. 1053) with different criteria for eligible countries.

The House recedes with an amendment that would authorize use of fees generated under the program for payment of start-up costs for administration of the program and for payment of ongoing administrative expenses. The conferees intend to monitor the administration of this program closely to ensure that the method of funding the administrative fees does not impact the process of approval of the loan guarantees.

National security implications of United States export control policy (sec. 1322–1323)

The Senate amendment contained a provision (sec. 1052) that would express the sense of Congress regarding the national security implications of maintaining effective export controls on dual-use items and technologies that are critical to the military capabilities of the United States. This provision would require the Department to review export licenses for class 2, 3, and 4 biological pathogens with a potential use in biological warfare programs and to determine if export would be contrary to U.S. national security interests.

The House bill did not contain a similar provision.

The House recedes. The conferees concur with concerns identified in the Senate report (S. Rept. 104–112) that the lowering of export controls on dual-use items and technologies may place current U.S. technologies and defense capabilities at risk. The conferees continue to be concerned with administration support for admittance of nations into the Missile Technology Control Regime (MTCR) and the New Forum absent a record of compliance with the spirit of these regimes prior to their inclusion.

Two years ago in the House report (H. Rept. 103–357), the conferees expressed concern that ". . .loosening the restrictions on space launch vehicle technology within the MTCR could, over time, result in the proliferation of offensive ballistic missiles. . ." and expressed particular concern about the new MTCR members being permitted to retain space launch vehicle programs. Despite written administration assurances that Congress would be consulted on MTCR-related issues, to include the addition of new members, the conferees were disappointed to learn in the summer of 1995 that new countries would be admitted to the MTCR, despite retention of a SLV program and a history of evading program controls. The conferees believe that the current administration approach facilitates a growing and perhaps irreversible danger that the MTCR, despite its auspicious early history, will increasingly become an avenue for technology proliferation.

The conferees strongly encourage the administration to emphasize the use of controls on sensitive technologies in any new administration proposals to reauthorize the Export Administration Act, and that no attempts be made to repeal or substantially alter the missile sanction provisions in Title XVII of the National Defense Authorization Act for Fiscal Year 1991, as was the case in the administration proposal submitted in the last Congress.

American firms are conducting discussions and negotiations with a number of foreign governments, or other entities, on the purchase of high-resolution U.S. commercial reconnaissance and imaging satellites and high-resolution imagery or imagery distribution systems. The conferees understand that the Secretary of Defense is authorized under Presidential Directive/National Security Council-23 and the Remote Sensing Act of 1992 to determine when national security interests call for controls on such satellite imagery. The Secretary of State is similarly empowered to determine when international obligations would require imagery controls. The conferees emphasize the following: that determinations on national security and international obligations should be communicated to U.S. firms in discussions regarding issuance of operating licenses to U.S. firms, to the extent such determinations can be made in advance of the actual operation of the satellites; that the Secretary of Defense or the Secretary of State should ensure that license agreements and distribution agreements include adequate provisions to ensure that the sharing of imagery or procurement of U.S. commercial imagery systems or products with foreign governments or foreign entities would not be used against U.S. military forces deployed overseas; and that provisions in the license agreements should deny terrorist governments and entities controlled by these governments access to imagery of neighboring countries. The conferees continue to be concerned that the national security issues involved in the proliferation of high-resolution satellites and satellite imagery have not been adequately thought through by the executive branch and hope that the report mandated by this section will serve to clarify DoD policy on these issues.

The conferees also note the recent decision to relax export restrictions on supercomputers and are concerned about the potential impact of this decision on the United States' nonproliferation efforts and the maintenance of the U.S. military technological edge. The conferees direct the Secretary of Defense to submit a report, not later than December 31, 1995, that describes the impact of the export decision on the ability of nations to acquire and use high-performance computing capabilities to develop advanced conventional weaponry, weapons of mass destruction, and delivery vehicles, including missiles.

Reports on arms export control and military assistance (sec. 1324)

The Senate amendment contained a provision (sec. 1064) that would require the following reports to be submitted to Congress: (1) a report by the Secretary of State on the firms that are on the Department of State watch list for export of sensitive or dual use technologies, and a description of the measures taken to strengthen United States export controls; (2) an evaluation of the watch list screening process by the Department of State Inspector General; and (3) an annual report on the aggregate dollar value and quantity of defense articles, services, and military education and training furnished by the United States to each foreign country and international organization.

The House bill did not contain a similar provision.

The conferees agree to a provision that would require the Department of State and the Department of Commerce, in consultation with the Department of Defense, to report jointly to the Congress on United States export control mechanisms and measures taken to strengthen export controls. The provision would also require the President to submit a report to Congress on military assistance and military exports authorized or furnished to foreign countries and international organizations.

Report on personnel requirements for control of transfer of certain weapons (sec. 1325)

The Senate amendment contained a provision (sec. 1093) that would require the Secretary of Defense and the Secretary of Energy to report to the Congress on the personnel resources necessary to implement nonproliferation policy responsibilities of both departments and would require both Secretaries to explain the failure to provide the report, as previously required by legislation.

The House bill did not contain a similar provision.

The House recedes.

Subtitle D—Burdensharing and Other Cooperative Activities Involving Allies and NATO

Accounting for burdensharing contributions (sec. 1331)

The House bill contained a provision (sec. 1225) that would authorize the United States to accept burdensharing contributions in the currency of the host nation or in United States dollars. This provision would maintain this funding in a separate account that would be available until expended.

The Senate bill contained no similar provision.

The Senate recedes.

Authority to accept contributions for expenses of relocation within host nations of United States armed forces overseas (sec. 1332)

The House bill contained a provision (sec. 1226) that would establish authorization and procedures to accept contributions from host nations for the purpose of relocating United States armed forces within the host nation.

The Senate amendment contained no similar provision.

The Senate recedes.

Revised goal for allied share of costs for United States installations in Europe (sec. 1333)

The House bill contained a provision (sec. 1228) that would require the Department of Defense to reduce United States military personnel assigned in European North Atlantic Treaty Organization (NATO) countries during fiscal years 1996–1999. Military personnel would be reduced by 1,000 for each scheduled percentage point that allied contributions in cash and in-kind payments fail to offset U.S. non-personnel costs of operating military installations in Europe.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to a provision that would amend section 1304 of the National Defense Authorization Act of 1995 (Public Law 103–337) to require the President to seek an agreement with European member states of NATO to increase to 42.5 percent by September 30, 1997 their share of the nonpersonnel costs for United States military installations in those nations.

Exclusion of certain forces from European end strength limitation (sec. 1334)

The conference agreement includes a provision that would exclude personnel performing duties in Europe for more than 179 days under a military-to-military contact program.

Cooperative research and development agreements with NATO organizations (sec. 1335)

The Senate bill contained a provision (sec. 1051) that would make a technical and conforming amendment to section 2350b of title 10, United States Code, to make it consistent with section 2350a, which was amended in the National Defense Authorization Act for Fiscal Year 1995.

The House bill did not contain a similar provision.

The House recedes.

Support services for the Navy at the Port of Haifa (sec. 1336)

The Senate amendment contained a provision (sec. 1056) that would express the sense of Congress that the Secretary of the Navy should promptly undertake actions to:

(1) improve the services available to the Navy at the Port of Haifa; and

(2) ensure that the continuing increase in commercial activities at the Port of Haifa does not have an adverse impact on the services required by the Navy at Haifa.

The House bill contained no similar provision.

The House recedes with an amendment.

Subtitle E—Other Matters

Prohibition on financial assistance to terrorist countries (sec. 1341)

The Senate amendment contained a provision (sec. 1057) that would prohibit the use of any Department of Defense funds to assist nations that support acts of terrorism. A determination to prohibit funds may be based on a determination by the Secretary of State under section 6(j)(1)(A) of the Export Administration Act of 1979; or that a nation provided significant support for international terrorism, as identified in a report to Congress, pursuant to section 140 of the Foreign Relations Authorization Act, Fiscal Year 1988 and 1989; or a determination by the President that a nation has supported international terrorism or has granted sanctuary from prosecution to a group or individual that has committed an act of international terrorism.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Judicial assistance to the International Tribunal for Yugoslavia and to the International Tribunal for Rwanda (sec. 1342)

The Senate amendment contained a provision (sec. 1098) that would provide authority for the United States to surrender persons and provide judicial assistance to the International Tribunals for Yugoslavia and Rwanda, pursuant to the agreement between the Government of the United States and the International Tribunals.

The House bill did not contain a similar provision.

The House recedes with a technical amendment.

United States-China Joint Defense Conversion Commission (sec. 1343)

The House bill included a provision (sec. 1223) that would prohibit the use of funds authorized in fiscal year 1996 for the Department of Defense activities associated with the United States-People's Republic of China Joint Defense Conversion Commission.

The Senate bill did not include a similar provision.

The House recedes with an amendment.

The conferees agree to a provision that would require the Secretary of Defense to submit semi-annual reports to Congress on the United States-People's Republic of China (PRC) Joint Defense Conversion Commission. The report shall include: a description of activities that could directly, or indirectly, assist the military modernization efforts of the PRC; information on the activities and operations of the Commission; a discussion of the relationship of PRC defense conversion activities and PRC defense modernization efforts; steps taken by the United States to safeguard against use of western technology to modernize the PRC military industrial base; and an assessment of U.S. benefits derived from participation in the commission, to include an increase in the transparency of the military budget and doctrine of the PRC. In preparing the reports required by this section, the Secretary shall seek and obtain the views of appropriate U.S. intelligence agencies and shall be consulted on the matters assessed in the reports and those views shall be included as an annex to the reports.

The conferees agree that a continued dialogue on security matters between the United States and the PRC can promote stability in the region, and help protect American interests and the interests of America's Asian allies. The conferees note that the Senate Armed Services Committee and the House National Security Committee intend to review the status of the U.S.-PRC security dialogue on a regular basis to determine the extent to which the dialogue has produced tangible results in the areas of human rights, transparency in military spending and doctrine, missile and nuclear nonproliferation, and other important security issues.

LEGISLATIVE PROVISION NOT ADOPTED

Placement of United States forces under United Nations operational or tactical control

The House bill contained a provision (sec. 1201) that would limit the use of Department of Defense funds and the circumstances under which the President could commit U.S. armed forces to United Nations (UN) command and control, and provide exceptions under which armed forces could be placed under UN command and control. The President would be required to certify to the Congress, prior to the placement of U.S. armed forces under UN command and control, the following: that U.S. national security interests require the placement of Armed Forces under UN command and control; that U.S. armed forces commander would retain the right to report independently to U.S. military authorities and decline orders that are illegal, militarily imprudent, or beyond the scope of the mission; that U.S. forces would remain under U.S. administrative command; and that U.S. forces involved would retain the authority to withdraw and take necessary protective actions, if engaged by hostile forces.

The Senate amendment contained a provision (sec. 1061) that would express the sense of Congress that: U.S. armed forces should not be placed under the operational control of the UN without close and prior consultation with Congress; U.S. armed forces should only be placed under UN command and control when clearly in the national interest; U.S. armed forces should only be placed under qualified commanders with clear and effective command and control; and that U.S. armed forces should only be placed under operational control of foreign commanders in peace enforcement missions, except in the most extraordinary circumstances.

The conference agreement did not include either provision.

The conferees remain gravely concerned over the administration's stated willingness, as articulated by Presidential Decision Directive 25, to place U.S. forces under UN operational control during peacekeeping operations. The conferees are pleased to note that the peacekeeping deployment to Bosnia does not involve such an arrangement. The conferees strongly urge the Secretary of Defense to ensure that clearly defined and effective command and control relationships are maintained for U.S. forces participating in this deployment.

TITLE XIV—ARMS CONTROL MATTERS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Revision of definition of landmine for purposes of landmine export moratorium (sec. 1401)

The House bill contained a provision (sec. 1221) that would amend the definition of "anti-personnel landmine", contained in section 1423(d)(3) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160), by deleting "remote controlled, manually-emplaced munitions or devices".

The Senate amendment contained a provision (sec. 1054) that would include a subsection to redefine the definition of an antipersonnel landmine.

The conferees agree to an amendment that would amend section 1423(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160), to redefine an antipersonnel landmine to exclude command detonated anti-personnel landmines, such as M18A1 "Claymore" mines, from the definition.

Reports on moratorium on use by Armed Forces of antipersonnel landmines (sec. 1402)

The Senate amendment contained a provision (sec. 1099) that would express the sense of Congress that the President should actively support proposals to modify protocol II on landmines in the 1980 Conventional Weapons Convention at the United Nations Conference, to immediately implement the United States goal of eventual elimination of antipersonnel landmines, and place a one year moratorium on the use of antipersonnel landmines by the United States military, except along internationally recognized borders and demilitarized zones. Consistent with the provision, the President should also encourage governments of other nations to implement a moratorium on the use of antipersonnel landmines.

The House bill did not contain a similar provision.

The House recedes with amendment.

The conferees agree to a provision that would require the Chairman of the Joint Chiefs of Staff to provide an annual report to Congress on the projected effects of a moratorium on the defensive use of antipersonnel landmines and antitank mines by the United States military forces.

Extension and amendment of counter-proliferation authorities (sec. 1403)

The House bill contained a provision (sec. 1222) that would extend, through fiscal year 1996, the authorities in section 1505 of title XV of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484). The provision would authorize the Department of Defense to provide up to $15.0 million to support international nonproliferation activities, such as, the United Nations Special Commission on Iraq (UNSCOM). Authority for the Secretary of Defense to provide assistance under this section would terminate at the end of fiscal year 1996.

The Senate bill contained no similar provision.

The Senate recedes.

The conferees understand that the extension of authority in fiscal year 1996 for the Department of Defense support of international nonproliferation activities would be used primarily to support the United Nations Special Commission on Iraq (UNSCOM). The conferees do not intend to provide the Department of Defense with authority to use defense funds to support chemical weapons and ballistic missile dismantlement, nuclear materials control and removal, or to destroy weapons of mass destruction and their delivery systems in foreign countries, such as Brazil, South Africa, or countries in Africa or the Middle East generally. These disarmament activities are more appropriately funded from the international affairs budget. Authorities for dismantlement of weapons of mass destruction in the former Soviet Union are provided elsewhere in this Act.

In accordance with the conference report to accompany the National Defense Authorization Act for Fiscal Year 1994, the conferees direct the Secretary of Defense to provide to the congressional defense committees, 30 days in advance of any U.S. commitment to support international nonproliferation activities, a report on the international nonproliferation activities which the Department seeks to support. The report should identify potential future funding for this support, the extent to which the United States is obligated to provide such support, the extent to which funds are provided for in the international affairs budget, and the national security objective for providing the support.

Limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1404)

The Senate amendment contained a provision (sec. 1082) that would express the sense of Congress that until the START II Treaty enters into force, the Secretary of Defense should not retire or dismantle any B–52H bombers, Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles (ICBMs), or Peacekeeper ICBMs. The provision would also prohibit the use of funds appropriated to the Department of Defense during fiscal year 1996 for retiring or dismantling any such systems.

The House bill contained a similar provision (sec. 1229) that would express the sense of Congress that the Secretary of Defense should not implement any reduction in strategic forces that is called for in the START II Treaty unless and until that treaty enters into force.

The House recedes.

The conferees reiterate the importance of not having the United States unilaterally and prematurely begin to implement reductions under the START II Treaty. Until it is clear that the treaty will actually enter into force, the United States must retain options for maintaining a larger force of strategic nuclear delivery systems, to include 500 Minuteman III ICBMs, 50 Peacekeeper ICBM's 18 Trident II ballistic missile submarines, and 94 B–52H bombers. The conferees believe that by retaining such options, the United States increases Russia's incentives to ratify and fully implement the START II Treaty.

Additionally, the conferees believe that it is prudent to delay, beyond fiscal year 1996, the decision to retire or dismantle 28 B–52H bombers, as currently planned by the Department of Defense. At the same time, the conferees do not believe that the Air Force should take any action that prejudge a decision in fiscal year 1997 to retire or dismantle those 28 B–52H bombers. Therefore, the conferees direct the Secretary of Defense to retain 94 B–52H bombers during fiscal year 1996, while minimizing additional expenditures on the 28 aircraft that may be retired in the near future.

The conferees understood that the Air Force would require $17.4 million in procurement funds, $45.3 million in operations and maintenance funds, and $4.3 million in military personnel funds to retain the 28 B–52H bombers in a fully operational status and to provide them with system updates and modifications. The conferees believe that with system updates and modifications. The conferees believe that this level of funding may not be required merely to preserve the option of retaining the 28 aircraft for one more year. In particular, it may not be necessary to expand procurement funds on aircraft that may be retired in fiscal year 1997. Therefore, the conferees agree to authorize the use of up to $17.4 million in Air Force procurement funds, up to $45.3 million in Air Force operations and maintenance funds, and up to $4.3 million in Air Force personnel funds to retain in an attrition reserve status the 28 B–52H bombers that would otherwise be retired in fiscal year 1996.

Congressional findings and Sense of Congress concerning treaty violations (sec. 1405)

The House bill contained a provision (sec. 1227) that would express a sense of Congress that the government of the former Soviet Union intentionally violated its legal obligation under the 1972 Anti-Ballistic Missile Treaty in order to advance its national security interests, and that the United States should remain vigilant to ensure compliance with arms control obligations.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment that would outline the legislative history behind the provision.

Sense of Congress on ratification of the Chemical Weapons Convention and the Strategic Arms Reduction Talks (sec. 1406)

The House bill contained a provision (sec. 1230) that would express the sense of Congress that the United States should ratify the Chemical Weapons Convention (CWC) as a signal of its commitment to reduce the threat posed by chemical weapons.

The Senate amendment contained a provision (sec. 1099F) that would express the sense of Congress that it is in the national security interests of the United States and Russia, as signatories of the Strategic Arms Reduction Talks (START II), and the United States and all parties to the Chemical Weapons Convention (CWC), to ratify and fully implement the agreements, as negotiated.

The conferees agree to a provision that would express the sense of Congress that it is in the national security interests of the United States, that the United States and Russia, as parties to START II and the CWC, and all other signatories to the CWC, to ratify and fully implement these arms control agreements, as negotiated.

The conferees note that a full Senate debate on the ratification of START and the CWC treaties has not taken place. It is not the intention of the Congress, through this provision, to predetermine the outcome of the Senate debate on the advice and consent to ratification of the two arms control treaties.

Implementation of arms control agreements (sec. 1407)

The budget request included $261.9 million in procurement, operation and maintenance, and research and development in the defense and military service accounts for the implementation of arms control agreements.

The Senate amendment contained a provision (sec. 1060) that would authorize $228.9 million for implementing arms control agreements, a $33.0 million reduction to the budget request. The provision would also prohibit the use of defense funds to reimburse expenses of signatories to arms control treaties, other than the United States, pursuant to treaties or agreements with the United States that have entered into force, if the Congress has not received 30-day notice prior to agreement between the parties.

The House bill did not contain a similar provision, but would provide $261.9 million for implementation of arms control agreements.

The House recedes with an amendment that would make available up to $239.9 million for implementing arms control agreements, a $22.0 million reduction to the budget request. The reductions are reflected in the following table. The conferees endorse the views stated in the Senate report (S. Rept. 104–112), that reiterate the concern expressed in the conference report accompanying the National Defense Authorization Act for Fiscal Year 1994 (H. Rept. 103–357). That conference report required the Congress to be notified 30 days in advance of a U.S. agreement to accept the recommendations of any consultative commissions that result in either technical changes to a treaty or agreement affecting inspections and monitoring provisions, or that result in increased U.S. implementation costs.

The conferees limit the expenditure of funds to provide reimbursement for arms control implementation inspections costs borne by the inspected party to a treaty or agreement. Funds may only be expended if the Congress has been notified 30 days in advance of an agreement by the President to a policy or policy agreement, and that policy or policy agreement does not modify any obligation imposed by the arms control agreement.

The provision would not prohibit the use of funds to implement two policy agreements under the Intermediate-Range Nuclear Forces (INF) Treaty and Strategic Arms Reductions Treaty (START), concluded in May 1994 and February 1995. The conferees understand that the Department of Defense agreed to reimburse Belarus, Kazakhstan, and Ukraine for the costs of U.S. inspections conducted within those territories for each six-month period, expenses for which those countries are obligated under the treaties, if Belarus, Kazakhstan, and Ukraine do not conduct inspections in the United States. Further, the conferees understand that if Belarus, Kazakhstan, or Ukraine conduct an inspection of a U.S. facility, the U.S. will not provide reimbursement during the applicable six-month time period.

The Intermediate Range Nuclear Forces Treaty and Strategic Arms Reduction Treaty permit the United States to conduct inspections to verify compliance with the treaties within the territories of Belarus, Kazakhstan, and Ukraine. The conferees are concerned about assertions by the administration that failure to reimburse Belarus, Kazakhstan, and Ukraine would prevent the United States from conducting INF and START inspections in these countries in the future. The Senate provided its advice and consent to ratification of INF and START based on the ability of the United States to fully exercise its inspection rights.

In a September 21, 1994 letter from the Secretary of Defense to Congress, the Secretary emphasized that the policy statements exchanged between the United States and the three Parties expressed ". . . strictly a policy understanding." He also stated "that they are not legally binding" and that no treaty provisions would be changed. Further, the Secretary stated "[T]he Administration would not consider this to be a precedent for any other area of START implementation."

The conferees express their continuing concern that arms control consultative commissions are being used to facilitate changes or modifications to arms control treaties and agreements that should be brought to the Senate for its review and subsequent advice and consent. There may be very good reasons for changes in implementation of specific arms control treaties or agreements. However, if a change or modification to the treaty or agreement would result in a change to the understanding under which the Senate provided its advice and consent to ratification, the Congress must be consulted about the recommended change or modification in advance of any agreement in the consultative commissions, and must provide its subsequent agreement to the change or modification.

FISCAL YEAR 1996 ARMS CONTROL IMPLEMENTATION BUDGET

Account	Program	Request	Recomm	Rec Auth
WPN	Arms control compliance.	14.800	0.000	14.800
OPAF	Spares & repairs	0.467	0.000	0.467
PDA	OSIA	2.941	0.000	2.941
RDT&E, AF	Arms control implementation.	0.998	0.000	0.998
RDT&E, DA	Ver tech dem, DNA (603711).	33.971	0.000	33.971

FISCAL YEAR 1996 ARMS CONTROL IMPLEMENTATION BUDGET—Continued

Account	Program	Request	Recomm	Rec Auth
O&M, Army		40.778	−6.000	34.778
O&M, Navy		35.354	−2.000	33.354
O&M, AF		34.645	−2.000	32.645
O&M, DA	OSIA	97.987	−12.000	85.987
Total		261.941	−22.000	239.941

Iran and Iraq arms nonproliferation (sec. 1408)

The Senate amendment included a provision (sec. 1063) that would amend sections 1604(a) and 1605(a) of Title XVI of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484), to apply sanctions and controls to persons or countries who transfer or retransfer goods or technology that would contribute to the Iran or Iraq efforts to acquire chemical, biological, or nuclear weapons, in addition to sanctions and controls on the acquisition of destabilizing advanced conventional weapons. The provision would also amend section 1608(7) to clarify the meaning of "United States assistance" to conform to the definition of such term in the Foreign Assistance Act of 1961 (section 2151 et seq. of Title 10, United States Code).

The House bill did not contain a similar provision.

The House recedes with an amendment.

The conferees also agree to an amendment to section 73(e)(2) of the Arms Export Control Act (section 2797b(e)(2) of title 22, United States Code) that would require that the notification of certain waivers under the Missile Technology Control Regime procedures be submitted to the congressional defense committees and the congressional foreign relations committees, not less than 45 working days before issuance of the waiver.

TITLE XV—TECHNICAL AND CLERICAL AMENDMENTS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Technical and clerical amendments (sec. 1501–1506)

The Senate amendment contained eight sections (secs. 1101 through 1108) that made numerous technical and clerical amendments to existing laws.

The House bill contained no similar provision.

The House recedes.

TITLE XVI—CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND FIREARMS SAFETY

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Corporation for the Promotion of Rifle Practice and Firearms Safety (secs. 1601–1624)

The House bill contained a provision (sec. 384) that would convert the Civilian Marksmanship Program (CMP) to a federally chartered nonprofit corporation.

The Senate amendment contained a similar provision (sec. 385) that would convert the CMP to a nonappropriated fund instrumentality.

The Senate recedes with an amendment that would convert the CMP to a private, nonprofit corporation. The provision would require the Secretary of the Army to provide for the transition of the CMP from an appropriated fund activity of the Department of Defense to a viable nonprofit corporation.

The conferees recognize the value of the CMP, and believe the program should continue as a non-Federal government entity.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

OVERVIEW

The budget request for fiscal year 1996 included $10,697,955,000 for military construction and family housing.

The House bill would authorize $11,197,995,000 for military construction and family housing.

The Senate amendment would provide $10,902,988,000 for this purpose.

The conferees recommend authorization of appropriations of $11,177,009,000 for military construction and family housing, including general reductions and termination of prior year projects.

The conferees are deeply concerned about the current quality of facilities at military installations and the condition of the housing stock for military families and unaccompanied personnel. The conferees are concerned about the possible long-term deleterious effects of deteriorating military infrastructure and military housing on the readiness of the armed forces and the retention of personnel. The conferees are especially concerned about the backlog of construction, repair, and maintenance required to resolve serious problems affecting the quality of life for personnel and their families. The increases in funding recommended by the conferees is targeted at enhancing quality of life programs, particularly housing and needed operational requirements for the military services.

The conferees are pleased with the attention the Secretary of Defense has devoted to improving family housing, housing for unaccompanied personnel, and other quality of life improvements. The conferees note the Secretary's proposal to establish new authorities for alternative means to construct or improve military housing. The conferees have worked closely with the Secretary in the development of the proposal and have agreed to include these authorities in this Act.

The conferees have also included a provision to expand the authority previously granted to the Department of the Navy to enter into limited partnerships with the private sector to acquire family housing. The conferees note the efforts of the Navy to utilize existing authority to provide critically needed housing in Corpus Christi, Texas and Everett, Washington. The conferees understand that agreements to provide housing in those two locations may be ready for contract execution in fiscal year 1996.

In addition to these new initiatives, the conferees also support a pilot program that provides qualified junior enlisted and junior officer personnel with greater access to private home ownership opportunities through an interest rate buydown program managed by the Department of Veterans' Affairs. The conferees encourage the Secretary of Defense to promote this program and to continue exploring creative ways to stimulate interest in and availability of home ownership among servicemembers.

The conferees recognize that these authorities have the long-term potential to produce critically needed housing for the armed forces. To rectify immediate problems, the conferees recommend $417,169,000 above the Administration's budget request for family housing, unaccompanied personnel housing, child development centers, health care facilities, and other projects to enhance the quality of life for currently serving personnel.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)

Authorization

Account Title	Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization
DIVISION B					
Military Construction, Army	472.724	631.608	547.877	144.865	617.589
Military Construction, Navy	488.086	588.243	542.885	60.203	548.289
Military Construction, Air Force	495.655	586.841	587.517	91.915	587.570
Military Construction, Defense-wide	857.405	728.332	601.450	(235.179)	622.226
North Atlantic Treaty Organization Infrastructure	179.000	161.000	179.000	(18.000)	161.000
Military Construction, Army Reserve	42.963	42.963	79.895	30.553	73.516
Military Construction, Naval Reserve	7.920	19.655	7.920	11.135	19.055
Military Construction, Air Force Reserve	27.002	31.502	35.132	9.230	36.232
Military Construction, Army National Guard	18.480	72.537	148.586	116.322	134.802
Military Construction, Air National Guard	85.647	118.267	160.807	78.570	164.217
Foreign Currency Fluctuations, Construction	-	-	-	-	-
Base Realignment and Closure Account	3,897.892	3,897.892	3,799.192	-	3,897.892
Total Military Construction	6,572.774	6,878.840	6,690.261	289.614	6,862.388
Family Housing, Army	43.500	126.400	66.552	73.156	116.656
Family Housing Support, Army	1,337.596	1,333.596	1,337.596	-	1,337.596
Family Housing, Navy and Marine Corps	465.755	531.289	486.247	56.944	522.699
Family Housing Support, Navy and Marine Corps	1,048.329	1,045.329	1,048.329		1,048.329
Family Housing, Air Force	249.003	294.503	287.965	49.300	298.303
Family Housing Support, Air Force	849.213	846.213	849.213		849.213
Family Housing, Defense-wide	25.772	25.772	25.772	-	25.772
Family Housing Support, Defense-wide	30.467	40.467	30.467	10.000	40.467
Homeowners Assistance Fund, Defense	75.586	75.586	75.586	-	75.586
Sec 2809-Authority to convey Family Housing	-		5.000		-
Total Family Housing	4,125.221	4,319.155	4,212.727	189.400	4,314.621

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
1 Alabama	Army	Ft. Rucker	Ammunition Supply Point	0	5,900	0	5,900
2 Alabama	Army	Redstone Arsenal	Hypervelocity Ballistic Range Facility	0	5,000	0	5,000
3 Alabama	Air Force	Maxwell AFB	Child Development Center Complex	3,700	3,700	3,700	3,700
4 Alabama	Air Force	Maxwell AFB	Computer Software Facility	0	0	1,500	1,500
5 Alabama	Section 6 Schools	Maxwell AFB	Add/Alter Maxwell Elementary School	5,479	5,479	5,479	5,479
6 Alabama	Defense Medical Facilities Office	Maxwell AFB	Ambulatory Healthcare Center (Phase I)	0	0	10,000	10,000
7 Alabama	Defense Logistics Agency	Defense Dist Anniston	Vehicle Storage Shelter	3,550	3,550	3,550	3,550
8 Alabama	Air National Guard	Birmingham Mun Airport (ANG)	Alter KC-135 Aircraft Shops	4,400	4,400	4,400	4,400
9 Alabama	Air National Guard	Dannelly Field (ANG)	Fire Station	1,445	1,445	1,445	1,445
10 Alabama	Army Reserve	USARC Jasper	Add/Alter USARC/OMS/AMSA	2,500	2,500	2,500	2,500
11 Alabama	Air Force Reserve	Maxwell AFB	Composite Maintenance Shops	3,608	3,608	3,608	3,608
12 Alaska	Air Force	Eielson AFB	Alter Dormitory	3,850	3,850	3,850	3,850
13 Alaska	Air Force	Eielson AFB	Boiler Rehabilitation	0	0	4,000	4,000
14 Alaska	Air Force	Elmendorf AFB	Visiting Officers Quarters	7,350	7,350	7,350	7,350
15 Alaska	Air Force	Elmendorf AFB	MILSTAR Communications Ground Terminal	850	850	850	850
16 Alaska	Air Force	Elmendorf AFB	Repair Airfield Taxiway	900	900	900	900
17 Alaska	Air Force	Tin City LRRS	Aboveground Fuel Tanks	2,500	2,500	2,500	2,500
18 Alaska	Defense Medical Facilities Office	Elmendorf AFB	Hospital Replacement (Phase IV)	28,100	28,100	28,100	28,100
19 Alaska	Air National Guard	Eielson AFB	Aircraft Engine Shop	0	0	2,550	2,550
20 Alaska	Air National Guard	Eielson AFB	Base Engineering Maintenance Facility	0	0	4,400	4,400
21 Alaska	Army Reserve	Ft. Wainwright	USARS/OMS/STORAGE	4,779	4,779	4,779	4,779
22 Arizona	Army	Ft. Huachuca	Whole Barracks Complex Renewal	16,000	16,000	16,000	16,000
23 Arizona	Army	Ft. Huachuca	Child Development Center	0	2,550	0	0
24 Arizona	Air Force	Davis-Monthan AFB	Dormitory	3,800	3,800	3,800	3,800
25 Arizona	Air Force	Davis-Monthan AFB	Alter Aircraft Corrosion Control Facility	1,000	1,000	1,000	1,000
26 Arizona	Air Force	Luke AFB	Dormitory	5,200	5,200	5,200	5,200
27 Arizona	Defense Medical Facilities Office	Luke AFB	Add/Alter Hospital Life Safety Upgrade	8,100	8,100	8,100	8,100
28 Arizona	Air National Guard	Tucson IAP	Add/Alter Aircraft Spt. Equipment Shop	600	600	600	600
29 Arizona	Army National Guard	Papago Military Reservation (Phoenix)	Medical Facility	0	1,084	0	1,084
30 Arkansas	Air Force	Little Rock AFB	Upgrade Sanitary Sewer System	2,500	2,500	2,500	2,500
31 Arkansas	Chemical Demilitarization	Pine Bluff Arsenal	Ammunition Demilitarization Fac (Phase II)	40,000	40,000	0	0
32 Arkansas	Army National Guard	Camp Robinson	Military Ops in Urban Terrain Facility	0	0	2,853	0
33 Arkansas	Air National Guard	Little Rock AFB	Base Supply Complex	0	0	4,800	4,800
34 California	Army	Ft. Irwin	Consolidated Maintenance Facility	15,500	15,500	15,500	15,500
35 California	Army	Ft. Irwin	National Training Center Airfield (Phase II)	0	10,000	0	10,000
36 California	Army	Presidio, San Francisco	Regional Sewer System	3,000	3,000	3,000	3,000
37 California	Navy	MCB Camp Pendleton	Sensitive Compartmented Info Facility Add	2,246	2,246	2,246	2,246
38 California	Navy	MCB Camp Pendleton	Child Development Center	3,000	3,000	3,000	3,000

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
39 California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters	11,940	11,940	11,940	11,940
40 California	Navy	MCB Camp Pendleton	Water Distribution System	1,410	1,410	1,410	1,410
41 California	Navy	MCB Camp Pendleton	Tactical Vehicle Maintenance Facility	1,088	1,088	1,088	1,088
42 California	Navy	MCB Camp Pendleton	Multi-Purpose Machine Gun Range	3,800	3,800	3,800	3,800
43 California	Navy	MCB Camp Pendleton	Physical Fitness Center	4,100	4,100	4,100	4,100
44 California	Navy	NCCOSC RDT&E Div, San Diego	Test Facility Demolition	3,170	3,170	3,170	3,170
45 California	Navy	MCAGCC Twentynine Palms	Infantry Squad Battle Course	2,490	2,490	2,490	2,490
46 California	Navy	NAWCWD Point Mugu	Child Development Center	1,300	1,300	1,300	1,300
47 California	Navy	NAWCWD China Lake	Industrial Wastewater Collect /Treatment Fac	3,700	3,700	3,700	3,700
48 California	Navy	Naval Station, San Diego	Oily Waste Collection and Treatment Facility	19,960	19,960	19,960	19,960
49 California	Navy	NAS North Island	Controlled Industrial Facility	42,500	42,500	42,500	42,500
50 California	Navy	NAS North Island	Berthing Wharf	56,650	56,650	56,650	56,650
51 California	Navy	NAS Lemoore	Jet Engine Test Cell	7,600	7,600	7,600	7,600
52 California	Navy	Port Hueneme NCBC	Bachelor Enlisted Quarters (Phase I)	0	16,700	0	9,000
53 California	Air Force	Beale AFB	Landfill Closure	7,500	7,500	7,500	7,500
54 California	Air Force	Edwards AFB	Dormitory	10,600	10,600	10,600	10,600
55 California	Air Force	Edwards AFB	Add/Alter F-22 Engineering Test Facility	12,100	12,100	12,100	12,100
56 California	Air Force	Edwards AFB	Add/Alter Anechoic Chamber	11,100	11,100	11,100	11,100
57 California	Air Force	Travis AFB	Dormitories	10,500	10,500	10,500	10,500
58 California	Air Force	Travis AFB	Dormitory	6,400	6,400	6,400	6,400
59 California	Air Force	Travis AFB	Squadron Operations/Aircraft Maintenance Unit	7,400	7,400	7,400	7,400
60 California	Air Force	Travis AFB	KC-10 Add to Flight Simulator Facility	2,400	2,400	2,400	2,400
61 California	Air Force	Vandenberg AFB	Fire Station	2,000	2,000	2,000	2,000
62 California	Air Force	Vandenberg AFB	SLFI - Chemical Test and Analysis Lab	4,000	4,000	4,000	4,000
63 California	Defense Logistics Agency	DFSC, Point Mugu	Fuel Storage	750	750	750	750
64 California	Defense Logistics Agency	Defense Dist Stockton	General Purpose Whse Replacement	15,000	15,000	15,000	15,000
65 California	Defense Medical Facilities Office	MCB Camp Pendleton	Environmental Health/Industrial Hygiene	1,700	1,700	1,700	1,700
66 California	Defense Medical Facilities Office	Vandenberg AFB	Life Safety/Seismic/Utility Upgrade	5,700	5,700	5,700	5,700
67 California	Defense Medical Facilities Office	Ft. Irwin	Ambulatory Healthcare Clinic	6,900	6,900	6,900	6,900
68 California	Special Operations	Camp Pendleton	SOF Training Complex	5,200	5,200	5,200	5,200
69 California	Air National Guard	Sepulveda ANG Station	Replace Underground Fuel Storage Tanks	320	320	320	320
70 California	Air National Guard	Sepulveda ANG Annex (Van Nuys)	Supply and Civil Engineer Complex	0	1,800	0	1,800
71 California	Army Reserve	Parks RFTA	Battle Projection Center	5,868	5,868	5,868	5,868
72 California	Air Force Reserve	March ARB	Fire Training Facility	1,550	1,550	1,550	1,550
73 Colorado	Army	Ft. Carson	Sanitary Sewer Line	1,750	1,750	1,750	1,750
74 Colorado	Army	Ft. Carson	Whole Barracks Renewal (Phase I)	0	20,000	0	20,000
75 Colorado	Army	Ft. Carson	Sewer Treatment Plant	9,100	9,100	9,100	9,100
76 Colorado	Air Force	Peterson AFB	Add/Alter Dormitory	3,000	3,000	3,000	3,000
77 Colorado	Air Force	Peterson AFB	Fire Station	1,390	1,390	1,390	1,390

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
78 Colorado	Air Force	USAF Academy	Upgrade Facilities Heating System	4,950	4,950	4,950	4,950
79 Colorado	Air Force	USAF Academy	Child Development Center	4,200	4,200	4,200	4,200
80 Colorado	Air Force	USAF Academy	Sailplane Hangar	3,724	3,724	0	3,724
81 Colorado	Air Force	Buckley ANGB	Troop Support Facilities	5,500	5,500	5,500	5,500
82 Colorado	Air National Guard	Buckley ANGB	Upgrade Heating Systems	950	950	950	950
83 Colorado	Air National Guard	Buckley ANGB	Base Engineer Pavements and Grounds Facility	450	450	450	450
84 Colorado	Air Force Reserve	Peterson AFB	Composite Maintenance Facility	0	0	3,150	0
85 Delaware	Air Force	Dover AFB	C-5 Sqd Operations/ACFT Maint	5,500	5,500	5,500	5,500
86 Delaware	Defense Logistics Agency	DFSC, Dover AFB	Replace Hydrant Fuel System	15,554	15,554	15,554	15,554
87 Delaware	Defense Medical Facilities Office	Dover AFB	Life Safety Upgrade	4,400	4,400	4,400	4,400
88 Delaware	Air National Guard	New Castle County AP	Fire Station	0	0	2,300	0
89 District of Columbia	Army	Ft. McNair	Whole Barracks Complex Renewal	5,500	5,500	5,500	5,500
90 District of Columbia	Army	Ft. McNair	National Defense Univ Fac Renovation (Phase I)	8,000	8,000	8,000	8,000
91 District of Columbia	Army	Walter Reed Medical Center	Fitness Center	0	0	4,300	0
92 District of Columbia	Air Force	Bolling AFB	Alter Dormitory	6,500	6,500	6,500	6,500
93 District of Columbia	Air Force	Bolling AFB	Honor Guard Dormitory	5,600	5,600	5,600	5,600
94 District of Columbia	Defense Intelligence Agency	Bolling AFB	Boiler DIAC	498	498	498	498
95 District of Columbia	Defense Intelligence Agency	Bolling AFB	Parking DIAC	1,245	1,245	1,245	0
96 Florida	Navy	NTTC Corry Station	Child Development Center	2,565	2,565	2,565	2,565
97 Florida	Navy	Naval School EOD, Eglin AFB	Explosive Ordnance Disposal Trng Complex	14,200	14,200	14,200	14,200
98 Florida	Navy	Naval School EOD, Eglin AFB	Underwater Ordnance Disposal Trng Fac	1,950	1,950	1,950	1,950
99 Florida	Air Force	Eglin AFB	Repair Runway	6,200	6,200	6,200	6,200
100 Florida	Air Force	Eglin AFB	Upgrade Dormitory	0	7,300	8,300	7,300
101 Florida	Air Force	Tyndall AFB	Fire Training Facility	1,200	1,200	1,200	1,200
102 Florida	Air Force	Cape Canaveral AFS	Fire Training Facility	1,600	1,600	1,600	1,600
103 Florida	Defense Logistics Agency	DFSC, Eglin AFB	SOF Fuel Storage	2,400	2,400	2,400	2,400
104 Florida	Special Operations	Eglin AFB	SOF Squadron Operations/AMU	2,400	2,400	2,400	2,400
105 Florida	Special Operations	Eglin Aux Field 9	SOF Benson Tanks Storage Facility	1,550	1,550	1,550	1,550
106 Florida	Special Operations	Eglin Aux Field 9	SOF Squadron Ops/AMU MH-53	7,100	7,100	7,100	7,100
107 Florida	Special Operations	Eglin Aux Field 9	SOF Helicopter Hangar	5,500	5,500	5,500	5,500
108 Florida	Army National Guard	Camp Blanding	Water Distribution System Upgrade	0	4,200	4,200	4,200
109 Florida	Army National Guard	Camp Blanding	Wastewater Treatment Plant (Phase II)	0	5,300	5,300	5,300
110 Georgia	Army	Ft. Benning	Whole Barracks Complex Renewal	33,000	33,000	33,000	33,000
111 Georgia	Army	Ft. Benning	Close Combat Tactical Trainer Building	4,900	4,900	4,900	4,900
112 Georgia	Army	Ft. Gordon	Battalion Headquarters	3,150	3,150	3,150	3,150
113 Georgia	Army	Ft. Gordon	General Purpose Warehouse	2,600	2,600	2,600	2,600
114 Georgia	Army	Ft. Stewart	Deployment Staging Area	8,400	8,400	8,400	8,400
115 Georgia	Navy	Marine Corps Logistics Base, Albany	Child Development Center (Phase II)	0	1,300	0	0
116 Georgia	Navy	Strategic Weapons Facility, LANT	Security Force Facility	2,450	2,450	2,450	2,450

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
117	Georgia	Air Force	Moody AFB	Upgrade Storm Drainage System	690	690	690	690
118	Georgia	Air Force	Moody AFB	Child Development Center	0	3,900	0	0
119	Georgia	Air Force	Moody AFB	C-130 Squadron Operations/AMU	3,200	3,200	3,200	3,200
120	Georgia	Air Force	Moody AFB	Alter Dormitory	0	2,500	0	0
121	Georgia	Air Force	Moody AFB	C-130 Aerial Delivery Facility	4,600	4,600	4,600	4,600
122	Georgia	Air Force	Moody AFB	C-130 Aircraft Washrack Facility	1,700	1,700	1,700	1,700
123	Georgia	Air Force	Moody AFB	Control Tower	2,700	2,700	2,700	2,700
124	Georgia	Air Force	Moody AFB	Repair and Extend Runway	0	0	12,300	12,300
125	Georgia	Air Force	Robins AFB	JSTARS Aircraft Fuel System Maintenance Dock	6,900	6,900	6,900	6,900
126	Georgia	Air Force	Robins AFB	Upgrade Dormitory (Phase I)	0	0	11,000	5,500
127	Georgia	Defense Medical Facilities Office	Ft. Benning	Life Safety Upgrade	5,600	5,600	5,600	5,600
128	Georgia	Section 6 Schools	Ft. Benning	Faith Middle School Addition	1,116	1,116	1,116	1,116
129	Georgia	Air National Guard	Savannah IAP	Alter Aircraft Maintenance Shops	1,300	1,300	1,300	1,300
130	Georgia	Air National Guard	Glynn County ANGS (Brunswick)	Upgrade Communication Squadron Complex	0	5,000	0	3,000
131	Georgia	Air National Guard	Glynn County ANGS (Brunswick)	Replace Underground Fuel Storage Tanks	320	320	320	320
132	Georgia	Air National Guard	Hunter ANG Station No. 2	Replace Underground Fuel Storage Tanks	400	400	400	400
133	Hawaii	Army	Schofield Barracks	Whole Barracks Complex Renewal (Phase I)	0	15,000	35,000	30,000
134	Hawaii	Navy	Naval SUBASE Pearl Harbor	Berthing Pier	22,500	22,500	22,500	22,500
135	Hawaii	Navy	NAVCAMS EASTPAC, Honolulu	Fire Protection System	1,980	1,980	1,980	1,980
136	Hawaii	Navy	Intel Center Pacific, Pearl Harbor	Operations Building Alterations	2,200	2,200	2,200	2,200
137	Hawaii	Air Force	Hickam AFB	Repair Airfield Pavements	4,550	4,550	4,550	4,550
138	Hawaii	Air Force	Hickam AFB	Alter Dormitory	3,100	3,100	3,100	3,100
139	Hawaii	Air Force	Hickam AFB	Alter Transient Dormitory	3,050	3,050	3,050	3,050
140	Idaho	Air Force	Mountain Home AFB	Idaho Training Range (North Site)	8,000	8,000	0	0
141	Idaho	Air Force	Mountain Home AFB	Large Aircraft Maintenance Hangar	0	0	8,000	8,000
142	Idaho	Air Force	Mountain Home AFB	Upgrade Storm Drainage System	800	800	800	800
143	Idaho	Air Force	Mountain Home AFB	Wastewater Treatment and Disposal Plant	9,850	9,850	9,850	9,850
144	Idaho	Air Force	Mountain Home AFB	Avionics Shop	0	0	4,900	0
145	Idaho	Air Force	Mountain Home AFB	Base Civil Engineering Warehouse	0	0	1,800	0
146	Idaho	Air National Guard	Boise Air Term (Gowen Field)	Remove Underground Fuel Storage Tanks	320	320	320	320
147	Idaho	Air National Guard	Boise Air Term (Gowen Field)	Maint Hangar Upgrade	0	0	4,000	4,000
148	Illinois	Navy	NTC Great Lakes	Uniform Issue Building	12,440	12,440	12,440	12,440
149	Illinois	Air Force	Scott AFB	Dormitory	8,000	8,000	8,000	8,000
150	Illinois	Air Force	Scott AFB	Global Reach Planning Center Visiting Quarters	4,700	4,700	4,700	4,700
151	Illinois	Army National Guard	ARNG Marseilles Training Area	TRNG Site, Util Upgrade	1,350	1,350	1,350	1,350
152	Illinois	Air National Guard	Greater Peoria Airport (ANG)	Add to Aircraft Parking Apron	630	630	630	630
153	Illinois	Air National Guard	Greater Peoria Airport (ANG)	Add/Alter Squadron Operations Facility	970	970	970	970
154	Illinois	Air National Guard	Greater Peoria Airport (ANG)	Add to Aircraft Maintenance Hangar	1,200	1,200	1,200	1,200
155	Illinois	Air National Guard	Greater Peoria Airport (ANG)	Alter Aerial Port Training Facility	710	710	710	710

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
156	Illinois	Air National Guard	Greater Peoria Airport (ANG)	Aircraft Deicing Facility	400	400	400	400
157	Illinois	Air National Guard	Greater Peoria Airport (ANG)	Alter Aircraft Maintenance Shops	1,450	1,450	1,450	1,450
158	Illinois	Army Reserve	Ft Sheridan	Add/Alter RTS-Intelligence	3,300	3,300	3,300	3,300
159	Illinois	Army Reserve	USARC Arlington Heights	Battle Projection Center	4,860	4,860	4,860	4,860
160	Indiana	Navy	Crane Naval Surface Warfare Center	Hydroacoustics Test Complex	0	3,300	0	3,300
161	Indiana	Army National Guard	Stout Field (Indianapolis)	Combined Support Maintenance Shop	0	10,846	10,846	10,846
162	Indiana	Air National Guard	Hulman Field (Terre Haute)	Base Civil Engineer Maintenance Complex	0	4,100	0	4,100
163	Indiana	Air Force Reserve	Grissom AF Reserve Base	Fire Station	0	4,250	0	4,250
164	Indiana	Air Force Reserve	Grissom AF Reserve Base	Fire Training Facility	1,500	1,500	1,500	1,500
165	Iowa	Air National Guard	Sioux City Airport (185th ANG)	Runway Upgrade	0	4,050	4,000	4,000
166	Iowa	Air National Guard	Sioux City Gateway AP	Access Taxiway	0	0	750	0
167	Kansas	Army	Ft. Riley	Whole Barracks Renewal (Phase I)	0	0	15,300	7,000
168	Kansas	Air Force	McConnell AFB	Dormitory	0	6,500	0	0
169	Kansas	Air Force	McConnell AFB	Alter Dormitory	2,200	2,200	2,200	2,200
170	Kansas	Air Force	McConnell AFB	Deicing Pad	1,150	1,150	1,150	1,150
171	Kansas	Air Force	McConnell AFB	KC-135 Squadron Operations/AMU	6,100	6,100	6,100	6,100
172	Kansas	Army National Guard	Ft. Leavenworth	Corps Sim Center (Phase II)	4,400	4,400	4,400	4,400
173	Kansas	Air National Guard	McConnell AFB	Alter B-1 Squadron Operations Facility	800	800	800	800
174	Kansas	Air National Guard	McConnell AFB	B-1 Fuel Maintenance Hangar	0	0	7,900	7,900
175	Kansas	Air National Guard	Forbes Field	Medical Training Communications Facility	0	0	5,200	5,200
176	Kansas	Army Reserve	Olathe	Land Acquisition	539	539	539	539
177	Kansas	Army Reserve	USARC Topeka	USARC/OMS/AMSA	6,487	6,487	6,487	6,487
178	Kansas	Army Reserve	Wichita ARNG	HQ 89th ARCOM (Phase I)	0	0	8,389	8,389
179	Kansas	Air Force Reserve	McConnell AFB	KC-135 Operation/Training	0	0	4,980	4,980
180	Kentucky	Army	Ft. Campbell	Whole Barracks Renewal (Phase I)	0	0	10,000	10,000
181	Kentucky	Army	Ft. Knox	Close Combat Tactical Trainer Building	5,600	5,600	5,600	5,600
182	Kentucky	Army National Guard	W. Kentucky Training Range	Training Complex	0	0	4,656	4,656
183	Louisiana	Air Force	Barksdale AFB	B-52 Training Complex	2,500	2,500	2,500	2,500
184	Louisiana	Defense Agencies	Naval Support Activity, New Orleans	SOF Small Craft Breakwater	0	730	0	0
185	Louisiana	Defense Logistics Agency	DFSC, Barksdale AFB	Replace Hydrant Fuel System	13,100	13,100	13,100	13,100
186	Louisiana	Defense Medical Facilities Office	Barksdale AFB	Life Safety Upgrade	4,100	4,100	4,100	4,100
187	Louisiana	Army National Guard	Plaquemine	OMS (Rehab/Renovation)	0	0	776	0
188	Louisiana	Army National Guard	Ruston	OMS #2	0	0	1,638	1,638
189	Louisiana	Naval Reserve	Joint Reserve Base, NAS New Orleans	Bachelor Enlisted Quarters Addition	0	5,035	0	5,035
190	Louisiana	Naval Reserve	Naval Support Activity New Orleans	Bachelor Enlisted Quarters	0	6,100	0	6,100
191	Maryland	Navy	Naval Academy, Annapolis	Bachelor Enlisted Quarters	3,600	3,600	3,600	3,600
192	Maryland	Air Force	Andrews AFB	Dormitory	6,000	6,000	6,000	6,000
193	Maryland	Air Force	Andrews AFB	Underground Fuel Storage Tanks	6,886	6,886	6,886	6,886
194	Maryland	Defense Medical Facilities Office	WRAIR, Forest Glen	Armed Forces Inst of Path Repository Add	1,550	1,550	1,550	1,550

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
195	Maryland	Defense Medical Facilities Office	WRAIR, Forest Glen	Army Institute of Research (Phase III)	119,000	27,000	27,000	27,000
196	Maryland	Defense Medical Facilities Office	Bethesda NNMC	Potable Water Line Replacement	1,300	1,300	1,300	1,300
197	Maryland	National Security Agency	Ft. Meade	SPL Steam Generation Plant	632	632	632	632
198	Maryland	National Security Agency	Ft. Meade	Friendship Airport Annex II Purchase	14,800	14,800	14,800	14,800
199	Maryland	National Security Agency	Ft. Meade	Critical Utilities Control (Phase I)	3,301	3,301	3,301	3,301
200	Maryland	Army National Guard	Camp Frettard	OMS	0	0	2,700	2,700
201	Massachusetts	Air National Guard	Barnes Mun Airport (ANG)	Vehicle Maintenance Complex	2,000	2,000	2,000	2,000
202	Massachusetts	Air National Guard	Worcester ANG Station	Paint and Refueling Vehicle Maint Bays	350	350	350	350
203	Massachusetts	Naval Reserve	MCRTC Camp Edwards	Rescen/Combat Vehicle Maintenance Fac Addition	3,130	3,130	3,130	3,130
204	Michigan	Air National Guard	Alpena City RAP	Airfield Pavements Additions	0	0	6,400	6,400
205	Michigan	Air National Guard	Selfridge ANGB	Upgrade Heating Systems	2,900	2,900	2,900	2,900
206	Michigan	Air National Guard	Selfridge ANGB	Sanitary Sewer Upgrade	0	0	520	0
207	Minnesota	Air National Guard	Minneapolis St. Paul IAP	Upgrade Heating System	780	780	780	780
208	Minnesota	Air National Guard	Minneapolis St. Paul IAP	Aircraft Deicing Facility	400	400	400	400
209	Minnesota	Air National Guard	Camp Ripley	CSMS (Phase II)	0	0	8,150	0
210	Mississippi	Air Force	Columbus AFB	Fire Training Facility	1,150	1,150	1,150	1,150
211	Mississippi	Air Force	Keesler AFB	Dormitory	0	8,300	0	0
212	Mississippi	Air Force	Keesler AFB	Upgrade Student Dormitory	6,500	6,500	6,500	6,500
213	Mississippi	Army National Guard	Camp Shelby	Multipurpose Range Complex (Phase I)	0	0	5,000	5,000
214	Mississippi	Army National Guard	Gulfport	AVCRAD Equipment Electronic Test Facility	1,100	1,100	1,100	1,100
215	Mississippi	Air National Guard	Gulfport-Biloxi RAP	Road Relocation	0	0	10,200	5,100
216	Mississippi	Air National Guard	Thompson Field	Add/Alter Communications Facility	0	2,400	0	2,400
217	Mississippi	Air National Guard	Key Field ANGB	Add/Alter Base Communications Facility	0	1,500	0	1,500
218	Missouri	Army	Ft. Leonard Wood	Child Development Center	0	3,900	0	0
219	Missouri	Air Force	Whiteman AFB	B-2 Aircraft Maintenance Docks/Hydrant Fuel Sys	15,500	15,500	15,500	15,500
220	Missouri	Air Force	Whiteman AFB	B-2 Add to ACFT Apron/Convoy Road/Taxiway	1,500	1,500	1,500	1,500
221	Missouri	Air Force	Whiteman AFB	B-2 Add to Flight Simulator Training Facility	4,100	4,100	4,100	4,100
222	Missouri	Air Force	Whiteman AFB	B-2 Add/Alter Dock Fire Protection	3,500	3,500	3,500	3,500
223	Missouri	Defense Mapping Agency	DMA Aerospace Center	Replace Destroyed/Damaged Fac w/Land Acq	40,300	40,300	40,300	40,300
224	Missouri	Army National Guard	Jefferson City	Multipurpose Baffle Range	0	0	2,236	2,236
225	Missouri	Air National Guard	Jefferson Barracks	Upgrade Sewer Systems	0	0	2,700	2,700
226	Montana	Army National Guard	Ft. Harrison	Training Site Improvements	0	0	681	681
227	Montana	Army National Guard	Ft. Harrison	Training Site Support Facility	0	0	7,854	7,854
228	Montana	Army National Guard	Regional Airport Helena	Army Aviation Support Facility	0	0	12,506	12,506
229	Nebraska	Army National Guard	Camp Ashland	Admin/Education/Medical/Supply Facility	0	0	1,408	1,408
230	Nebraska	Army National Guard	Hastings Training Range	Instructional Facility	0	0	761	0
231	Nevada	Air Force	Nellis AFB	Upgrade Storm Drainage System	600	600	600	600
232	Nevada	Air Force	Nellis AFB	Visiting Quarters	9,900	9,900	9,900	9,900
233	Nevada	Air Force	Nellis AFB	Transient Housing	0	0	9,550	7,000

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
234	Nevada	Army Reserve	Las Vegas	Armed Forces Reserve Center/OMS (Phase II)	0	0	9,000	9,000
235	New Hampshire	Army Reserve	Manchester	AMSA/OMS	0	0	17,893	12,376
236	New Jersey	Army	Picatinny Arsenal	Upgrade Electrical System (Phase II)	0	5,500	0	5,500
237	New Jersey	Navy	NAWCAD Lakehurst	Child Development Center	1,700	1,700	1,700	1,700
238	New Jersey	Air Force	McGuire AFB	Fire Training Facility	1,600	1,600	1,600	1,600
239	New Jersey	Air Force	McGuire AFB	Dining Facility	0	5,000	0	0
240	New Jersey	Air Force	McGuire AFB	KC-10 Squadron Operations/AMU	7,600	7,600	7,600	7,600
241	New Jersey	Air Force	McGuire AFB	Dormitory	0	7,300	7,300	7,300
242	New Jersey	Defense Logistics Agency	DFSC, McGuire AFB	Replace Hydrant Fuel System	12,000	12,000	12,000	12,000
243	New Jersey	Air National Guard	McGuire AFB	Fuel Cell and Corrosion Control Facility	5,700	5,700	5,700	5,700
244	New Jersey	Air National Guard	Warren Grove Range	Composite Range Operations Facility	1,100	1,100	1,100	1,100
245	New Jersey	Air National Guard	Atlantic City Airport (ANG)	Upgrade Sanitary and Water System	650	650	650	650
246	New Mexico	Army	WSMR - Stallion Range Center	Stallion Range Center Water Development	0	2,050	0	2,050
247	New Mexico	Air Force	Cannon AFB	Upgrade Storm Drainage System	620	620	620	620
248	New Mexico	Air Force	Cannon AFB	Wastewater Treatment and Disposal Plant	9,800	9,800	9,800	9,800
249	New Mexico	Air Force	Cannon AFB	Add/Alter Dormitory	0	3,000	0	3,000
250	New Mexico	Air Force	Holloman AFB	Academic Center	0	0	6,000	6,000
251	New Mexico	Air Force	Kirtland AFB	Upgrade Storm Drainage System	1,500	1,500	1,500	1,500
252	New Mexico	Air Force	Kirtland AFB	Upgrade Electrical Distribution System	7,656	7,656	7,656	7,656
253	New Mexico	Air National Guard	Kirtland AFB	Composite Engine and NDI Shop	2,700	2,700	2,700	2,700
254	New Mexico	Air National Guard	Kirtland AFB	LANTIRN Maintenance Facility	620	620	620	620
255	New Mexico	Air National Guard	Kirtland AFB	Aircraft Corrosion Control Facility	1,800	1,800	1,800	1,800
256	New Mexico	Air National Guard	Kirtland AFB	Alter Aircraft Maint Hangar and Shops	900	900	900	900
257	New York	Army	Ft. Drum	Shipping and Receiving Building	0	2,650	0	0
258	New York	Army	Ft. Drum	Anti-Armor Tracking and Live-Fire Range	0	5,000	0	5,000
259	New York	Army	Ft. Drum	Infantry Platoon Battle Course	0	3,800	0	3,800
260	New York	Army	USMA	Child Development Center	0	8,300	0	8,300
261	New York	Army	Watervliet ARS	Oil Runoff Containment Facility	680	680	680	680
262	New York	Air National Guard	Hancock Field (ANG)	Composite Medical Training Facility	1,990	1,990	1,990	1,990
263	New York	Air National Guard	Niagara Falls IAP	Upgrade Storm Water and Sanitary Sewer System	400	400	400	400
264	New York	Air National Guard	Niagara Falls IAP	Upgrade Runway Overrun	1,950	1,950	1,950	1,950
265	New York	Air National Guard	Stratton ANGB (Schenectady)	Maintenance Hangar and Shops	0	10,000	0	10,000
266	New York	Naval Reserve	NMCRC Buffalo	Reserve Training Building Addition	3,836	3,836	3,836	3,836
267	New York	Air Force Reserve	Niagara Falls ARS	Fuel System Maintenance Hangar	4,895	4,895	4,895	4,895
268	North Carolina	Army	Ft. Bragg	Staging Area Complex	11,200	11,200	11,200	11,200
269	North Carolina	Army	Ft. Bragg	Whole Barracks Complex Renewal	18,500	18,500	18,500	18,500
270	North Carolina	Navy	MCAS Cherry Point	Jet Engine Test Cell	7,730	7,730	7,730	7,730
271	North Carolina	Navy	MCAS Cherry Point	Missile Magazine	1,650	1,650	1,650	1,650
272	North Carolina	Navy	MCAS Cherry Point	Enclose Water Survival Training Tank	2,050	2,050	2,050	2,050

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

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273	North Carolina	Navy	MCAS New River	Bachelor Enlisted Quarters	14,650	14,650	14,650	14,650
274	North Carolina	Navy	MCB Camp LeJeune	Bachelor Enlisted Quarters	8,300	8,300	8,300	8,300
275	North Carolina	Navy	MCB Camp LeJeune	Infantry Platoon Battle Course	5,500	5,500	5,500	5,500
276	North Carolina	Navy	MCB Camp LeJeune	Wastewater Treatment Plant (Phase II)	45,500	45,500	45,500	45,500
277	North Carolina	Air Force	Pope AFB	Underground Fuel Storage Tanks	2,150	2,150	2,150	2,150
278	North Carolina	Air Force	Pope AFB	C-130 Squadron Ops/AMU and Audiovisual Svs Ctr	6,100	6,100	6,100	6,100
279	North Carolina	Air Force	Seymour Johnson AFB	Upgrade Storm Drainage System	830	830	830	830
280	North Carolina	Air Force	Seymour-Johnson AFB	Visiting Officers Quarters	0	2,000	0	0
281	North Carolina	Air Force	Seymour-Johnson AFB	Dining Hall and Troop Issue Warehouse	0	4,700	0	4,700
282	North Carolina	Special Operations	Ft. Bragg	SOF Group Headquarters Building	2,600	2,600	3,900	2,600
283	North Carolina	Defense Agencies	Ft. Bragg	COSCOM Health Clinic	0	13,200	0	13,200
284	North Carolina	Defense Agencies	Ft. Bragg	SOF Barracks	0	8,000	0	8,000
285	North Carolina	Defense Agencies	Ft. Bragg	SOF Barracks	0	0	5,500	0
286	North Carolina	Air National Guard	Charlotte ANGB	Aeromedical Evacuation Training Facility	0	1,900	0	1,900
287	North Carolina	Army Reserve	Hickory	USARC	2,713	2,713	2,713	2,713
288	North Dakota	Air Force	Grand Forks AFB	Dormitory	8,500	8,500	8,500	8,500
289	North Dakota	Air Force	Grand Forks AFB	KC-135 Squadron Operations/AMU	6,300	6,300	6,300	6,300
290	North Dakota	Air Force	Minot AFB	Underground Fuel Storage Tanks	1,550	1,550	1,550	1,550
291	North Dakota	Army National Guard	Camp Grafton (Devils Lake)	Combined Support Maintenance and Paint Shop	0	2,050	2,050	2,050
292	Ohio	Air Force	Wright-Patterson AFB	Upgrade Electrical Distribution System	4,100	4,100	4,100	4,100
293	Ohio	Defense Finance & Accounting Svc	Columbus Center	DFAS Operations Facility (Phase I)	72,403	37,400	37,400	37,400
294	Ohio	Army National Guard	Rickenbacker ANGB	Barracks	0	1,750	0	1,750
295	Ohio	Air National Guard	Blue Ash ANG Station	Replace Underground Fuel Storage Tanks	380	380	380	380
296	Ohio	Air National Guard	Camp Perry ANG Station	Replace Underground Fuel Storage Tanks	320	320	320	320
297	Ohio	Air National Guard	Rickenbacker ANGB	Replace Underground Fuel Storage Tanks	310	310	310	310
298	Ohio	Air National Guard	Rickenbacker ANGB	Squadron Operations Building	0	0	6,100	0
299	Ohio	Air Force Reserve	Youngstown ARS	Add/Alter Electric Substation	4,230	4,230	4,230	4,230
300	Ohio	Air Force Reserve	Youngstown ARS	Upgrade Base Water Distribution System	1,000	1,000	1,000	1,000
301	Ohio	Air Force Reserve	Youngstown ARS	Construct Aircraft Parking Apron	3,350	3,350	3,350	3,350
302	Oklahoma	Army	Ft. Sill	Whole Barracks Complex Renewal	0	8,000	0	8,000
303	Oklahoma	Army	Ft. Sill	Central Vehicle Wash Facility	6,300	6,300	6,300	6,300
304	Oklahoma	Air Force	Altus AFB	Fire Training Facility	1,200	1,200	1,200	1,200
305	Oklahoma	Air Force	Altus AFB	Child Development Center	0	4,000	3,600	3,600
306	Oklahoma	Air Force	Tinker AFB	Add/Alter Dormitories	5,100	5,100	5,100	5,100
307	Oklahoma	Air Force	Tinker AFB	Corrosion Control Facility (B-2) (Phase I)	0	0	11,400	6,000
308	Oklahoma	Army National Guard	Ft. Sill	Organizational Maintenance Shop (MLRS)	2,400	2,400	2,400	2,400
309	Oklahoma	Air National Guard	Tulsa IAP	Composite Communications Facility	1,900	1,900	1,900	1,900
310	Oklahoma	Air National Guard	Will Rogers World Airport	Composite Fire Station	1,950	1,950	1,950	1,950
311	Oklahoma	Air National Guard	Will Rogers World Airport	Aerial Port Training Facility	2,550	2,550	2,550	2,550

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
312	Oklahoma	Air National Guard	Will Rogers World Airport	Petroleum Operations Facility	400	400	400	400
313	Oregon	Chemical Demilitarization	Umatilla Depot	Ammunition Demilitarization Facility (Phase II)	55,000	55,000	0	0
314	Oregon	Army National Guard	Camp Withycombe	CSMS	0	0	4,769	4,769
315	Oregon	Army National Guard	Salem	Airfield Operations Building	0	0	2,972	2,972
316	Oregon	Air National Guard	Klamath Falls	Operations/Training Facility	0	0	4,600	4,600
317	Pennsylvania	Navy	Philadelphia Naval Shipyard	Foundry Renovation and Modernization (Phase III)	0	6,000	0	6,000
318	Pennsylvania	Defense Logistics Agency	Def Dist New Cumberland - DDSP	Transport Control Facility	4,600	4,600	4,600	4,600
319	Pennsylvania	Special Operations	Olmstead Field, Harrisburg IAP	SOF Mobility Storage Warehouse	1,200	1,200	1,200	1,200
320	Pennsylvania	Special Operations	Olmstead Field, Harrisburg IAP	SOF Refueling Vehicle Shop	443	443	443	443
321	Pennsylvania	Army National Guard	Indiantown Gap Annville	Military Training/Barracks/Dining (Phase III)	0	0	9,877	9,877
322	Pennsylvania	Army National Guard	Scranton Regional Maintenance Facility	Regional Maintenance Shop	0	3,320	0	3,320
323	Pennsylvania	Air National Guard	Greater Pittsburgh IAP (ANG)	Fuel Systems Maintenance Facility	5,332	5,332	5,332	5,332
324	Rhode Island	Navy	Naval War College, Newport	Strategic Maritime Center (Phase II)	0	0	18,000	0
325	South Carolina	Army	Ft. Jackson	Whole Barracks Complex Renewal	32,000	32,000	32,000	32,000
326	South Carolina	Army	NWS Charleston	Army Strategic Maint Complex (Phase II)	16,500	16,500	16,500	16,500
327	South Carolina	Army	NWS Charleston	Wharf Additions	9,200	9,200	9,200	9,200
328	South Carolina	Navy	Beaufort MCAS	Bachelor Enlisted Quarters	0	15,000	15,000	15,000
329	South Carolina	Air Force	Shaw AFB	Upgrade Storm Drainage System	1,300	1,300	1,300	1,300
330	South Carolina	Air Force	Charleston AFB	Dormitory	5,600	5,600	5,600	5,600
331	South Carolina	Air Force	Charleston AFB	C-17 Squadron Operations/AMU	5,600	5,600	5,600	5,600
332	South Carolina	Air Force	Charleston AFB	C-17 Add to Flight Simulator Facility	1,300	1,300	1,300	1,300
333	South Carolina	Section 6 Schools	Ft. Jackson	Pierce Terrace Elem School Addition	576	576	576	576
334	South Carolina	Army National Guard	Eastover	Region C Leadership Brigade Facility	0	0	15,229	15,229
335	South Dakota	Air Force	Ellsworth AFB	Consolidated Admin. Support Complex	0	0	7,800	7,800
336	South Dakota	Army National Guard	Camp Rapid (Rapid City)	Combined Battalion Barracks/Mess/Admin. Area	0	2,650	2,631	2,631
337	South Dakota	Army National Guard	Rapid City	AASF Ramp	0	0	3,100	0
338	South Dakota	Air National Guard	Joe Foss Field (ANG)	Base Supply Complex	4,000	4,000	4,000	4,000
339	South Dakota	Air National Guard	Joe Foss Field (ANG)	Vehicle Maintenance and Storage Complex	0	0	4,400	0
340	Tennessee	Air Force	Arnold AFB	Upgrade Fire Protection Systems	2,700	2,700	2,700	2,700
341	Tennessee	Air Force	Arnold AFB	Upgrade Engine Test Facilities Refrigeration	2,300	2,300	2,300	2,300
342	Tennessee	Army National Guard	Johnson City	OMS/AMSA/VMF	0	1,937	1,937	1,937
343	Tennessee	Army National Guard	Tullahoma Training Site	Modified Record Fire Range	0	2,623	0	2,623
344	Tennessee	Air National Guard	McGhee Tyson Airport	PMEC School Training Quarters	4,400	4,400	4,400	4,400
345	Tennessee	Air National Guard	McGhee Tyson Airport	Squadron Operations Facility	0	0	4,400	4,400
346	Tennessee	Air National Guard	Memphis IAP	Add/Alter Security Police Operations Facility	1,100	1,100	1,100	1,100
347	Tennessee	Air National Guard	Memphis IAP	Add/Alter Base Engineer Maintenance Complex	990	990	990	990
348	Texas	Army	Ft. Bliss	Dining Facility	0	4,900	0	4,900
349	Texas	Army	Ft. Bliss	Child Development Center	0	4,000	0	4,000
350	Texas	Army	Ft. Bliss	Whole Barracks Complex Renewal	48,000	48,000	48,000	48,000

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
351	Texas	Army	Ft. Hood	Whole Barracks Complex Renewal	17,500	17,500	17,500	17,500
352	Texas	Army	Ft. Hood	Whole Barracks Renewal (Phase I)	0	15,000	15,000	15,000
353	Texas	Army	Ft. Sam Houston	IH-35 Overpass	0	7,000	0	7,000
354	Texas	Navy	Corpus Christi NAS	Bachelor Enlisted Quarters Expansion and Upgrade	0	4,400	0	4,400
355	Texas	Navy	Ingleside NS	Small Craft Berthing Pier	0	2,640	0	2,640
356	Texas	Navy	Kingsville NAS	Land Acquisition for Airfield Safety Clear Zones	0	2,710	0	2,710
357	Texas	Air Force	Dyess AFB	Add/Alter Dormitories	0	5,400	5,400	5,400
358	Texas	Air Force	Goodfellow AFB	Child Development Center Addition	0	1,000	0	1,000
359	Texas	Air Force	Kelly AFB	Wing Headquarters Facility	3,244	3,244	3,244	3,244
360	Texas	Air Force	Laughlin AFB	Fire Training Facility	1,400	1,400	1,400	1,400
361	Texas	Air Force	Randolph AFB	Fire Training Facility	1,200	1,200	1,200	1,200
362	Texas	Air Force	Randolph AFB	Upgrade Airfield Lighting	1,900	1,900	1,900	1,900
363	Texas	Air Force	Reese AFB	Fire Training Facility	1,200	1,200	1,200	0
364	Texas	Air Force	Sheppard AFB	Upgrade Airfield Lighting	1,500	1,500	1,500	1,500
365	Texas	Ballistic Missile Defense Org.	Ft. Bliss	Theater Area Defense Facilities	13,600	13,600	13,600	13,600
366	Texas	Defense Medical Facilities Office	Ft. Hood	Consolidated Troop Medical Clinic	5,500	5,500	5,500	5,500
367	Texas	Defense Medical Facilities Office	Lackland AFB	Add/Alter Emergency Department	6,100	6,100	6,100	6,100
368	Texas	Defense Medical Facilities Office	Reese AFB	Life Safety/Utility Upgrade	1,000	1,000	1,000	0
369	Texas	Air National Guard	Kelly AFB	Upgrade Heating and Cooling Systems	1,400	1,400	1,400	1,400
370	Utah	Air Force	Hill AFB	Consolidated Range/Dormitory/Operations Facility	0	0	8,900	8,900
371	Utah	Air Force	Hill AFB	Depot Fire Protection	0	0	3,700	0
372	Utah	Army National Guard	Camp Williams (Lehi)	Training Site, Storage Facility	340	340	340	340
373	Utah	Army National Guard	Camp Williams (Lehi)	Region V Barracks	0	5,197	0	0
374	Utah	Army National Guard	Camp Williams (Lehi)	Replace/Upgrade Potable Water Distribution Sys	0	800	800	800
375	Vermont	Air National Guard	Burlington IAP	Add/Alter Operations/Training Facility	0	0	2,650	2,650
376	Virginia	Army	Ft. Eustis	Deployment Training Facility	5,400	5,400	5,400	5,400
377	Virginia	Army	Ft. Eustis	Whole Barracks Complex Renewal	0	11,000	11,000	11,000
378	Virginia	Army	Ft. Myer	Army Museum Land Acquisition	17,000	17,000	0	0
379	Virginia	Navy	Fleet & Indus Supply Cen, Williamsburg	Bachelor Enlisted Quarters	6,140	6,140	6,140	6,140
380	Virginia	Navy	Fleet & Indus Supply Cen, Williamsburg	Electrical Distribution Sys Alterations	2,250	2,250	2,250	2,250
381	Virginia	Navy	Henderson Hall, Arlington	Land Acquisition	0	0	1,900	1,900
382	Virginia	Navy	MCCDC Quantico	Ammunition Storage Facility	3,500	3,500	3,500	3,500
383	Virginia	Navy	Naval Hospital, Portsmouth	Bachelor Enlisted Quarters	9,500	9,500	9,500	9,500
384	Virginia	Navy	Naval Station, Norfolk	Oily Waste Collection System (Phase I)	10,580	10,580	10,580	10,580
385	Virginia	Navy	NWS Yorktown	Explosive Ordnance Disposal Ops Fac	1,300	1,300	1,300	1,300
386	Virginia	Navy	Norfolk Naval Station	Bachelor Enlisted Quarters	0	18,000	0	0
387	Virginia	Air Force	Langley AFB	Upgrade Storm Drainage System	1,000	1,000	1,000	1,000
388	Virginia	Defense Logistics Agency	Defense Dist Depot - DDNV	General Purpose Whse Replacement	10,400	10,400	10,400	10,400
389	Virginia	Defense Medical Facilities Office	Portsmouth Naval Hospital	Hospital Replacement (Phase VII)	71,900	47,900	47,900	47,900

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
390	Virginia	Defense Medical Facilities Office	Northwest NAVSECGRUACT	Medical/Dental Clinic	4,300	4,300	4,300	4,300
391	Virginia	Special Operations	Dam Neck	SOF Amphibious Operations Support Building	4,500	4,500	4,500	4,500
392	Virginia	Special Operations	Little Creek	SOF Operations Support Facility	6,100	6,100	6,100	6,100
393	Virginia	Army National Guard	Danville	Expand Squire Armory	0	0	1,789	0
394	Virginia	Air National Guard	Camp Pendleton Mil Res	Vehicle Maintenance Complex	2,000	2,000	2,000	2,000
395	Virginia	Air National Guard	Richmond IAP (Byrd Field)	Add/Alter F-16 AC Maintenance Complex	2,700	2,700	2,700	2,700
396	Washington	Army	Ft. Lewis	Tank Trail Erosion Mitigation (Yakima)	2,000	2,000	2,000	2,000
397	Washington	Army	Ft. Lewis	Consolidated Fuel Station	3,400	3,400	3,400	3,400
398	Washington	Army	Ft. Lewis	Multi-Purpose Training Range (Yakima)	8,500	8,500	8,500	8,500
399	Washington	Army	Ft. Lewis	Tactical Equipment Shop	15,000	15,000	15,000	15,000
400	Washington	Army	Ft. Lewis	Rail Spur and Tank Trails (Yakima)	3,200	3,200	3,200	3,200
404	Washington	Navy	NUWC Division, Keyport	Metal Treatment Facility	5,300	5,300	5,300	5,300
401	Washington	Navy	Puget Sound NSY Bremerton	Fleet Support Facilities	6,870	6,870	6,870	6,870
402	Washington	Navy	Puget Sound Naval Shipyard	Physical Fitness Center	0	10,400	10,400	10,400
403	Washington	Navy	Puget Sound NSY Bremerton	Metal Preparation Fac Improvements	2,600	2,600	2,600	2,600
405	Washington	Air Force	Fairchild AFB	Alter Dormitories	7,500	7,500	7,500	7,500
406	Washington	Air Force	Fairchild AFB	Dormitory	0	8,200	0	8,200
407	Washington	Air Force	McChord AFB	Squadron Operations/AMU	5,600	5,600	5,600	5,600
408	Washington	Air Force	McChord AFB	Dormitory	4,300	4,300	4,300	4,300
409	West Virginia	Navy	NSGD Sugar Grove	Bachelor Enlisted Quarters	0	0	7,200	7,200
410	Wisconsin	Army National Guard	West Bend	Army Aviation Complex	0	0	5,235	0
411	Wisconsin	Air National Guard	Truax Field	Alter Munitions Facility	670	670	670	670
412	Wisconsin	Army Reserve	USARC Green Bay	USARC/OMS/AMSA	6,523	6,523	6,523	6,523
413	Wyoming	Air Force	F E Warren AFB	Upgrade Central Heat Plant	3,500	3,500	3,500	3,500
414	Wyoming	Air Force	F E Warren AFB	Alter Dormitories	5,500	5,500	5,500	5,500
415	Wyoming	Air Force	F.E. Warren AFB	Child Development Center	0	4,000	0	0
416	Wyoming	Army National Guard	Camp Guernsey	Utility Upgrade	0	0	6,055	6,055
417	Wyoming	Army National Guard	Cody	Organizational Maintenance Subshop	342	342	342	342
418	Wyoming	Army National Guard	Newcastle	Organizational Maintenance Subshop	348	348	348	348
419	CONUS Classified	Army	CONUS Classified	Classified Project	1,900	1,900	1,900	1,900
420	CONUS Classified	Air Force	Classified Location	Special Tactical Unit Detachment Facility	700	700	700	700
421	CONUS Classified	OSD	Classified Location	Classified Location	11,500	11,500	11,500	11,500
422	CONUS Various Loc	Navy	Various Locations	Supply Warehouse	1,200	1,200	1,200	1,200
423	Germany	Air Force	Vogelweh Annex	Child Development Center	2,600	2,600	2,600	2,600
424	Germany	Air Force	Spangdahlem AB	Dormitory	5,900	5,900	5,900	5,900
425	Germany	Air Force	Spangdahlem AB	Add to Missile Maintenance Facility	930	930	930	930
426	Germany	Air Force	Spangdahlem AB	Sound Suppressor Foundation	950	950	950	950
427	Germany	Air Force	Spangdahlem AB	Sound Suppressor Foundation	600	600	600	600
428	Germany	DODDS	Ramstein AFB	Elementary/Junior High School Additions	19,205	19,205	19,205	19,205

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

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429	Greece	Air Force	Araxos RRS	Dormitory	1,950	1,950	1,950	1,950
430	Guam	Navy	NPWC Guam	Wastewater Treatment Plant Upgrades	16,180	16,180	16,180	16,180
431	Guam	Navy	NAVCAMS WESTPAC	Bachelor Enlisted Quarters Modernization	2,250	2,250	2,250	2,250
432	Guam	Special Operations	Naval Station, Guam	SOF Operations Support Facility	8,800	8,800	8,800	8,800
433	Italy	Navy	Naval Support Activity, Naples	Quality of Life Facilities (Phase III)	14,950	14,950	14,950	14,950
434	Italy	Navy	Naval Support Activity, Naples	Operations Support Center	10,000	10,000	10,000	10,000
435	Italy	Navy	NAS Sigonella	Fire Protection System	870	870	870	870
436	Italy	Navy	NAS Sigonella	Bachelor Enlisted Quarters	11,300	11,300	11,300	11,300
437	Italy	Air Force	Aviano AB	Communications Maintenance Facility	1,400	1,400	1,400	1,400
438	Italy	Air Force	Ghedi RRS	Dormitory	1,450	1,450	1,450	1,450
439	Italy	Air Force	Aviano AB	Squadron Operations Facility	950	950	950	950
440	Italy	Defense Medical Facilities Office	Naval Support Activity, Naples	Dispensary (Capodichino)	5,000	5,000	5,000	5,000
441	Italy	DODDS	NAS Sigonella	Elementary/High School Additions	7,595	7,595	7,595	7,595
442	Korea	Army	Camp Casey	Dining Facility	4,150	4,150	4,150	4,150
443	Korea	Army	Camp Hovey	Whole Barracks Complex Renewal	7,300	7,300	7,300	7,300
444	Korea	Army	Camp Hovey	Whole Barracks Complex Renewal	6,200	6,200	6,200	6,200
445	Korea	Army	Camp Pelham	Whole Barracks Complex Renewal	5,600	5,600	5,600	5,600
446	Korea	Army	Camp Stanley	Whole Barracks Complex Renewal	6,800	6,800	6,800	6,800
447	Korea	Army	Yongsan	Child Development Center	0	1,450	4,500	4,500
448	Puerto Rico	Navy	NAVSECGRUACT Sabana Seca	Road Improvements	2,200	2,200	2,200	2,200
449	Puerto Rico	Navy	Naval Station, Roosevelt Roads	Sanitary Landfill	11,500	11,500	11,500	11,500
450	Puerto Rico	Defense Logistics Agency	DFSP, Roosevelt Roads	Fuel Storage	6,200	6,200	6,200	6,200
451	Puerto Rico	Air National Guard	Puerto Rico IAP	Munitions Maintenance and Storage Complex	3,800	3,800	3,800	3,800
452	Puerto Rico	Air National Guard	Puerto Rico IAP	Add/Alter Composite Support Facility	510	510	510	510
453	Puerto Rico	Air National Guard	Puerto Rico IAP	Upgrade Security System	1,350	1,350	1,350	1,350
454	Spain	Defense Logistics Agency	DFSC Rota	Hydrant Fuel System	7,400	7,400	7,400	7,400
455	Turkey	Air Force	Incirlik AB	Child Development Center	1,600	1,600	1,600	1,600
456	Turkey	Air Force	Incirlik AB	Upgrade Sewage Treatment Plant	2,900	2,900	2,900	2,900
457	Turkey	Air Force	Ankara AS	Long Period Seismic Array	3,000	3,000	3,000	3,000
458	Turkey	Air Force	Ankara AS	Short Period Seismic Array	4,000	4,000	4,000	4,000
459	United Kingdom	Air Force	RAF Mildenhall	Add/Alter Child Development Center	2,250	2,250	2,250	2,250
460	United Kingdom	Air Force	RAF Lakenheath	Add to Missile Maintenance Facility	1,820	1,820	1,820	1,820
461	United Kingdom	National Security Agency	Menwith Hill Station	Warehouse Sprinklers	677	677	677	677
462	Overseas Classified	Army	Classified Location - Outside U.S.	Strategic Logistical Prepo Complex (Phase I)	48,000	48,000	48,000	48,000
463	Overseas Classified	Air Force	Classified Location - Outside U.S.	Vehicle Maintenance Facility	1,600	1,600	1,600	1,600
464	Overseas Classified	Air Force	Classified Location - Outside U.S.	War Readiness Material Warehouses	15,500	15,500	15,500	15,500
465	Unspecified Worldwide	Army	Unspecified Worldwide Locations	Host Nation Support	20,000	20,000	20,000	20,000
466	Unspecified Worldwide	Army	Unspecified Worldwide Locations	Unspecified Minor Construction - Army	9,000	9,000	9,000	9,000
467	Unspecified Worldwide	Army	Unspecified Worldwide Locations	Planning and Design - Army	32,894	50,778	36,194	34,194

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

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468	Unspecified Worldwide	Army	Unspecified Worldwide Locations	Termination Fiscal Year 1992 Projects	0	0	(6,245)	0
469	Unspecified Worldwide	Army	Unspecified Worldwide Locations	General Reductions	0	0	0	(6,385)
470	Unspecified Worldwide	Special Operations	Unspecified Worldwide Locations	Planning and Design - Special Operations	5,407	5,407	5,407	5,407
471	Unspecified Worldwide	Navy	Unspecified Worldwide Locations	Unspecified Minor Construction - Navy	7,200	7,200	7,200	7,200
472	Unspecified Worldwide	Navy	Unspecified Worldwide Locations	Planning and Design - Navy	46,477	66,184	48,774	50,515
473	Unspecified Worldwide	Navy	Unspecified Worldwide Locations	General Reductions	0	0	0	(6,385)
474	Unspecified Worldwide	Air Force	Unspecified Worldwide Locations	Planning and Design - Air Force	30,835	49,021	34,980	30,835
475	Unspecified Worldwide	Air Force	Unspecified Worldwide Locations	Unspecified Minor Construction - Air Force	9,030	9,030	9,030	9,030
476	Unspecified Worldwide	Air Force	Unspecified Worldwide Locations	Termination Fiscal Year 1992 Projects	0	0	(16,005)	0
477	Unspecified Worldwide	Air Force	Unspecified Worldwide Locations	General Reductions	0	0	0	(6,385)
478	Unspecified Worldwide	OSD	Unspecified Worldwide Locations	Unspecified Minor Construction - OSD	23,007	23,007	23,007	23,007
479	Unspecified Worldwide	OSD	Unspecified Worldwide Locations	Contingency Construction Projects - OSD	11,037	11,037	11,037	11,037
480	Unspecified Worldwide	OSD	Unspecified Worldwide Locations	Energy Conservation	50,000	50,000	50,000	40,000
481	Unspecified Worldwide	OSD	Unspecified Worldwide Locations	Planning and Design - OSD	13,000	13,000	13,000	13,000
482	Unspecified Worldwide	Ballistic Missile Defense Office	Unspecified Worldwide Locations	Planning and Design - BMDO	500	500	500	500
483	Unspecified Worldwide	Defense Medical Facilities Office	Unspecified Worldwide Locations	Planning and Design - DMFO	28,330	28,330	28,330	28,330
484	Unspecified Worldwide	Defense Agencies	Unspecified Worldwide Locations	Termination Fiscal Year 1991 Projects	0	0	(3,234)	0
485	Unspecified Worldwide	Defense Agencies	Unspecified Worldwide Locations	Termination Fiscal Year 1994 Projects	0	0	(8,131)	(8,131)
486	Unspecified Worldwide	Defense Agencies	Unspecified Worldwide Locations	Termination Fiscal Year 1992 Projects	0	0	(6,800)	0
487	Unspecified Worldwide	Defense Agencies	Unspecified Worldwide Locations	Termination Fiscal Year 1993 Projects	0	0	(8,590)	0
488	Unspecified Worldwide	Homeowners Assistance Fund	Unspecified Worldwide Locations	Homeowners Assistance Fund	75,586	75,586	75,586	75,586
489	Unspecified Worldwide	NATO	Unspecified Worldwide Locations	NATO Security Investment Program	179,000	161,000	179,000	161,000
490	Unspecified Worldwide	Army National Guard	Unspecified Worldwide Locations	Unspecified Minor Construction - Army National Guard	5,300	5,300	5,300	5,300
491	Unspecified Worldwide	Army National Guard	Unspecified Worldwide Locations	Planning and Design - Army National Guard	2,900	15,200	5,000	5,100
492	Unspecified Worldwide	Air National Guard	Unspecified Worldwide Locations	Unspecified Minor Construction - Air National Guard	4,100	4,100	4,100	4,100
493	Unspecified Worldwide	Air National Guard	Unspecified Worldwide Locations	Planning and Design - Air National Guard	4,580	6,450	8,566	6,450
494	Unspecified Worldwide	Army Reserve	Unspecified Worldwide Locations	Planning and Design - Army Reserve	3,694	3,694	5,344	4,482
495	Unspecified Worldwide	Air National Guard	Unspecified Worldwide Locations	Termination Fiscal Year 1994 Projects	0	0	(6,700)	(6,700)
496	Unspecified Worldwide	Army Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction - Army Reserve	1,700	1,700	1,700	1,700
497	Unspecified Worldwide	Naval Reserve	Unspecified Worldwide Locations	Planning and Design - Naval Reserve	954	1,554	954	954
498	Unspecified Worldwide	Air Force Reserve	Unspecified Worldwide Locations	Planning and Design - Air Force Reserve	2,700	2,950	2,700	2,700
499	Unspecified Worldwide	Air Force Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction - AF Reserve	4,169	4,169	4,169	4,169
500	Unspecified Worldwide	BRAC II	BRAC Act Part II	Base Realignment & Closure Part II	964,843	964,843	964,843	964,843
501	Unspecified Worldwide	BRAC III	BRAC Act Part III	Base Realignment & Closure Part III	2,148,480	2,148,480	2,148,480	2,148,480
502	Unspecified Worldwide	BRAC IV	BRAC Act Part IV	Base Realignment & Closure Part IV	784,569	784,569	685,869	784,569
503	Various Locations	Chemical Demilitarization	Various Locations	Planning and Design - Chemical Demilitarization	13,000	13,000	13,000	13,000
504	Various Locations	Defense Finance & Accounting Svc	Various Locations	Planning and Design - DFAS	8,600	8,600	8,600	8,600
505	Alabama	Army-FHC	Redstone Arsenal	Family Housing Replacement Construction (118 units)	0	12,000	0	0
506	Alaska	Army-FHC	Ft. Wainwright	Neighborhood Improvement (44 units)	0	0	7,300	0 1

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

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507	Alaska	Air Force-FHC	Elmendorf AFB	Housing Office and Maintenance Facility	3,000	3,000	3,000	3,000
508	Arizona	Air Force-FHC	Davis-Monthan AFB	Replace 80 Military Family Housing Units	9,498	9,498	9,498	9,498
509	Arkansas	Air Force-FHC	Little Rock AFB	Replace 1 General Officer's Quarters Unit	210	210	210	210
510	California	Navy-FHC	MCB Camp Pendleton	Family Housing Construction (69 units)	0	20,080	0	10,000
511	California	Navy-FHC	MCB Camp Pendleton	Community Center	1,438	1,438	1,438	1,438
512	California	Navy-FHC	MCB Camp Pendleton	Housing Office	707	707	707	707
513	California	Navy-FHC	MCB Camp Pendleton	69 Units New Construction Family Housing	10,000	10,000	10,000	10,000
514	California	Navy-FHC	NAS Lemoore	Replace 240 Military Family Housing Units	34,900	34,900	34,900	34,900
515	California	Navy-FHC	PMTC, Point Mugu	Housing Office/Self Help (New Construction)	1,020	1,020	1,020	1,020
516	California	Navy-FHC	PWC San Diego	Replace 346 Military Family Housing Units	49,310	49,310	49,310	49,310
517	California	Air Force-FHC	Beale AFB	Construct Family Housing Management Office	842	842	842	842
518	California	Air Force-FHC	Edwards AFB	Replace 67 Military Family Housing Units	11,350	11,350	11,350	11,350
519	California	Air Force-FHC	Edwards AFB	Replace 60 Family Housing Units	0	9,400	0	9,400
520	California	Air Force-FHC	Vandenberg AFB	Replace 143 Military Family Housing Units	20,200	20,200	20,200	20,200
521	California	Air Force-FHC	Vandenberg AFB	Family Housing Management Office	900	900	900	900
522	Colorado	Air Force-FHC	Peterson AFB	Family Housing Office	570	570	570	570
523	District of Columbia	Air Force-FHC	Bolling AFB	Replace 32 Military Family Housing Units	4,100	4,100	4,100	4,100
524	Florida	Air Force-FHC	Eglin AFB	Construct Family Housing Management Facility	500	500	500	500
525	Florida	Air Force-FHC	Eglin Aux Field 9	Family Housing Office & Maintenance Facility	880	880	880	880
526	Florida	Air Force-FHC	Patrick AFB	Replace 70 Military Family Housing Units	7,947	7,947	7,947	7,947
527	Florida	Air Force-FHC	MacDill AFB	Construct Housing Office	646	646	646	646
528	Florida	Air Force-FHC	Tyndall AFB	Replace 52 Military Family Housing Units	5,500	5,500	5,500	5,500
529	Florida	Air Force-FHC	Tyndall AFB	Replace 30 Family Housing Units	0	4,300	0	4,300
530	Georgia	Air Force-FHC	Moody AFB	3 General and Senior Officer's Quarters	513	513	513	513
531	Georgia	Air Force-FHC	Robins AFB	Replace 83 Family Housing Units	0	0	9,800	9,800
532	Hawaii	Navy-FHC	Naval Complex, Oahu	Replace 252 Military Family Housing Units	48,400	48,400	48,400	48,400
533	Idaho	Air Force-FHC	Mountain Home AFB	Construct Housing Management Facility	844	844	844	844
534	Kansas	Air Force-FHC	McConnell AFB	Replace 39 Military Family Housing Units	5,193	5,193	5,193	5,193
535	Kentucky	Army-FHC	Ft. Knox	Family Housing Replacement Construction (150 units)	0	19,000	0	19,000
536	Louisiana	Air Force-FHC	Barksdale AFB	Replace 62 Military Family Housing Units	10,299	10,299	10,299	10,299
537	Maryland	Navy-FHC	US Naval Academy, Annapolis	Housing Office/Self Help (New Construction)	800	800	800	800
538	Maryland	Navy-FHC	NATC Patuxent River	Warehouse/Self Help (New Construction)	890	890	890	890
539	Massachusetts	Air Force-FHC	Hanscom Air Force Base	Replace 32 Family Housing Units	0	4,900	5,200	4,900
540	Mississippi	Air Force-FHC	Keesler AFB	Replace 98 Military Family Housing Units	9,300	9,300	9,300	9,300
541	Missouri	Air Force-FHC	Whiteman AFB	Construct 72 Military Family Housing Units	9,948	9,948	9,948	9,948
542	Nevada	Air Force-FHC	Nellis AFB	Family Housing Replacement (96 units)	0	21,000	0	15,000
543	Nevada	Air Force-FHC	Nellis AFB	Replace 6 Senior Officers Housing	1,357	1,357	1,357	1,357
544	Nevada	Air Force-FHC	Nellis AFB	45 Units	0	0	6,000	0
545	New Mexico	Army-FHC	White Sands	Whole Neighborhood House Improvements (36 units)	0	0	3,400	0

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement	
546	New Mexico	Air Force-FHC	Holloman AFB	Replace 1 General Officer's Housing	225	225	225	225	
547	New Mexico	Air Force-FHC	Kirtland AFB	Replace 105 Family Housing Units, Phase 2	11,000	11,000	11,000	11,000	
548	New York	Army-FHC	USMC West Point	Family Housing Replacement Construction (119 Units)	16,500	16,500	16,500	16,500	
549	North Carolina	Navy-FHC	MCAS Cherry Point	Community Center	1,003	1,003	1,003	1,003	
550	North Carolina	Air Force-FHC	Pope AFB	Construct 104 Military Family Housing Units	9,984	9,984	9,984	9,984	
551	North Carolina	Air Force-FHC	Seymour Johnson AFB	Replace 1 General Officers Quarters	204	204	204	204	
552	Ohio	Air Force-FHC	Wright Patterson AFB	66 Units	0	0	5,900	0	2
553	Pennsylvania	Navy-FHC	NSPCC Mechanicsburg	Housing Office (New Construction)	300	300	300	300	
554	South Carolina	Air Force-FHC	Shaw AFB	Housing Maintenance Facility	715	715	715	715	
555	Texas	Air Force-FHC	Dyess AFB	Construct Housing Maintenance Facility	580	580	580	580	
556	Texas	Air Force-FHC	Lackland AFB	Replace 67 Military Family Housing Units	6,200	6,200	6,200	6,200	
557	Texas	Air Force-FHC	Sheppard AFB	Construct Management Office	500	500	500	500	
558	Texas	Air Force-FHC	Sheppard AFB	Replace Family Housing Maintenance Facility	600	600	600	600	
559	Virginia	Army-FHC	Ft. Lee	Replace 135 Family Housing Units	0	19,500	0	19,500	
560	Virginia	Navy-FHC	NSWC Dahlgren	Housing Office/Self Help (New Const)	520	520	520	520	
561	Virginia	Navy-FHC	PWC Norfolk	Replace 320 Military Family Housing Units	42,500	42,500	42,500	42,500	
562	Virginia	Navy-FHC	PWC Norfolk	Housing Office/Warehouse	1,390	1,390	1,390	1,390	
563	Washington	Army-FHC	Ft. Lewis	Family Housing (84 Units)	10,800	10,800	10,800	10,800	
564	Washington	Navy-FHC	Bangor NSB	141 Units	0	0	4,890	0	3
565	Washington	Air Force-FHC	McChord AFB	Replace 50 Family Housing Units, Phase I	9,504	9,504	9,504	9,504	
566	West Virginia	Navy-FHC	Sugar Grove NSGD	23 Units	0	0	3,590	3,590	
567	Guam	Air Force-FHC	Andersen AFB	Housing Maintenance Facility	1,700	1,700	1,700	1,700	
568	Puerto Rico	Navy-FHC	Naval Station, Roosevelt Roads	Housing Office (New Construction)	710	710	710	710	
569	Turkey	Air Force-FHC	Incirlik AB	Replace 150 Military Family Housing Units	10,146	10,146	10,146	10,146	
570	Unspecified Worldwide	Army-FHC	Unspecified Worldwide Locations	Planning/Army FH	2,000	2,000	2,340	2,000	
571	Unspecified Worldwide	Army-FHC	Unspecified Worldwide Locations	Construction Improvements/Army FH	14,200	46,600	26,212	48,856	
572	Unspecified Worldwide	Navy-FHC	Unspecified Worldwide Locations	Construction Improvements/Navy FH	247,477	292,931	259,489	290,831	
573	Unspecified Worldwide	Navy-FHC	Unspecified Worldwide Locations	Planning/Navy FH	24,390	24,390	24,390	24,390	
574	Unspecified Worldwide	Air Force-FHC	Unspecified Worldwide Locations	Planning/Air Force FH	8,989	8,989	9,039	8,989	
575	Unspecified Worldwide	Air Force-FHC	Unspecified Worldwide Locations	Construction Improvements/Air Force FH	85,059	90,959	97,071	90,959	
576	Unspecified Worldwide	Defense Logistics Agency-FHC	Unspecified Worldwide Locations	Construction Improvements/DLA FH	3,722	3,722	3,722	3,722	
577	Unspecified Worldwide	Def. Fam. Housing Impr. Fund-FHC	Unspecified Worldwide Locations	Private Sector Housing Ventures - FH	22,000	22,000	22,000	22,000	
578	Unspecified Worldwide	National Security Agency-FHC	Unspecified Worldwide Locations	Construction Improvements/NSA FH	50	50	50	50	
579	Unspecified Worldwide	Army-FHS	Unspecified Worldwide Locations	Leasing - AFH	243,840	243,840	243,840	243,840	
580	Unspecified Worldwide	Army-FHS	Unspecified Worldwide Locations	Mortgage Insurance Premiums/Army FH	11	11	11	11	
581	Unspecified Worldwide	Army-FHS	Unspecified Worldwide Locations	Operations/Army FH	459,453	455,453	459,453	459,453	
582	Unspecified Worldwide	Army-FHS	Unspecified Worldwide Locations	Maintenance/Army FH	634,292	634,292	634,292	634,292	
583	Unspecified Worldwide	Navy-FHS	Unspecified Worldwide Locations	Mortgage Insurance Premiums/Navy FH	82	82	82	82	
584	Unspecified Worldwide	Navy-FHS	Unspecified Worldwide Locations	Leasing/Navy FH	103,582	103,582	103,582	103,582	

FISCAL YEAR 1996 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS

(Dollars in Thousands)

	Location	Service	Installation	Project Title	FY 1996 Request	House Authorized	Senate Authorized	Conference Agreement
585	Unspecified Worldwide	Navy-FHS	Unspecified Worldwide Locations	Maintenance of Real Property/Navy FH	534,023	534,023	534,023	534,023
586	Unspecified Worldwide	Navy-FHS	Unspecified Worldwide Locations	Operating Expenses/Navy FH	410,642	407,642	410,642	410,642
587	Unspecified Worldwide	Air Force-FHS	Unspecified Worldwide Locations	Maintenance of Real Property/Air Force FH	408,971	408,971	408,971	408,971
588	Unspecified Worldwide	Air Force-FHS	Unspecified Worldwide Locations	Operating Expenses/Air Force FH	324,548	321,548	324,548	324,548
589	Unspecified Worldwide	Air Force-FHS	Unspecified Worldwide Locations	Mortgage Insurance Premiums/Air Force FH	29	29	29	29
590	Unspecified Worldwide	Air Force-FHS	Unspecified Worldwide Locations	Leasing/Air Force FH	115,665	115,665	115,665	115,665
591	Unspecified Worldwide	OSD-FHS	Unspecified Worldwide Locations	VA Loan Buy Down Pilot Project	0	10,000	0	10,000
592	Unspecified Worldwide	OSD-FHS	Unspecified Worldwide Locations	Authority to Convey Family Housing	0	0	5,000	0
593	Unspecified Worldwide	Defense Intelligence Agency-FHS	Unspecified Worldwide Locations	Leasing/DIA FH	13,638	13,638	13,638	13,638
594	Unspecified Worldwide	Defense Intelligence Agency-FHS	Unspecified Worldwide Locations	Operating Expenses/DIA FH	2,590	2,590	2,590	2,590
595	Unspecified Worldwide	Defense Logistics Agency-FHS	Unspecified Worldwide Locations	Operating Expenses/DLA FH	566	566	566	566
596	Unspecified Worldwide	Defense Logistics Agency-FHS	Unspecified Worldwide Locations	Maintenance of Real Property/DLA FH	574	574	574	574
597	Unspecified Worldwide	National Security Agency-FHS	Unspecified Worldwide Locations	Leasing/NSA FH	11,236	11,236	11,236	11,236
598	Unspecified Worldwide	National Security Agency-FHS	Unspecified Worldwide Locations	Maintenance of Real Property/NSA FH	223	223	223	223
599	Unspecified Worldwide	National Security Agency-FHS	Unspecified Worldwide Locations	Operating Expenses/NSA FH	1,640	1,640	1,640	1,640
				Totals	10,697,995	11,197,995	10,902,988	11,177,009

1 - Funded as 7,300 in Construction Improvements/Army FH.
2 - Funded as 5,900 in Construction Improvements/Air Force FH.
3 - Funded as 4,890 in Construction Improvements/Navy FH.

TITLE XXI—ARMY

FISCAL YEAR 1996

Overview

The House bill would authorize $2,167,190,000 for Army military construction and family housing programs for fiscal year 1996.

The Senate amendment would authorize $2,027,613,000 for this purpose.

The conferees recommend authorization of $2,147,427,000 for Army military construction and family housing for fiscal year 1996.

The conferees agree to a general reduction of $6,385,000 in the authorization of appropriations for the Army military construction account. The general reduction is to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reduction shall not cancel any military construction authorized by title XXI of this Act.

Planning and design, Army

The conferees direct that, within authorized amounts for planning and design, the Secretary of the Army conduct planning and design activities for the following project:

Pohakuloa Training Site, Hawaii, Road Improvement—$2,000,000.

The conferees note that this project is required to correct hazardous road conditions which impact readiness. The conferees urge the Secretary to make every effort to include this project in the fiscal year 1997 budget request.

Aerial Port and Intermediate Staging Base, The National Training Center, Fort Irwin, California

The budget request included no military construction funds to expand the airport at Barstow-Daggett, California, to meet the operational and training requirements of the National Training Center, Fort Irwin, California.

The House bill would authorize $10.0 million for phase II of the Barstow-Daggett expansion project.

The Senate amendment included no funding for phase II of this project.

The conferees agree to authorize $10.0 million for phase II of the Barstow-Daggett expansion project, contingent upon the Secretary of Defense's certification that the project best meets the operational and training requirements of the National Training Center, Fort Irwin, California.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Improvements to military family housing units (sec. 2103)

The conferees direct that, within authorized amounts for construction improvements of military family housing and facilities, the Secretary of the Army execute the following projects:

Fort Wainwright, Alaska, Whole Neighborhood Revitalization—$7,300,000.

Fort Campbell, Kentucky, Whole Neighborhood Revitalization—$17,356,000.

Fort Bragg, North Carolina, Whole Neighborhood Revitalization—$10,000,000.

LEGISLATIVE PROVISIONS NOT ADOPTED

Reduction in amounts authorized to be appropriated for fiscal year 1992 military construction projects

The Senate amendment contained a provision (sec. 2105) that would rescind $6.25 million from the amount authorized for the Department of the Army in section 2105 of the National Defense Authorization Act for Fiscal Year 1992 (Public Law 102–190).

The House bill amendment contained no similar provision.

The Senate recedes.

TITLE XXII—NAVY

FISCAL YEAR 1996

Overview

The House bill would authorize $2,164,861,000 for Navy military construction and family housing programs for fiscal year 1996.

The Senate amendment would authorize $2,077,459,000 for this purpose.

The conferees recommend authorization of $2,119,317,000 for Navy military construction and family housing for fiscal year 1996.

The conferees agree to a general reduction of $6,385,000 in the authorization of appropriations for the Navy military construction account. The general reduction is to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reduction shall not cancel and military construction authorized by title XXII of this Act.

Planning and design, Navy

The conferees direct that, within authorized amounts for planning and design, the Secretary of the Navy conduct planning and design activities for the following projects:

Naval Station, Mayport, Florida, Wharf Improvements—$2,340,000.

Naval Air Station, Fallon, Nevada, Galley—$50,000.

Naval Air Station, Fallon, Nevada, Child Development Center—$150,000.

The conferees note that the projects at Naval Air Station, Fallon, Nevada, are necessary to correct facility deficiencies which impact readiness, quality of life, and productivity. The conferees urge the Secretary to make every effort to include these projects in the fiscal year 1997 budget request.

Improvements to military family housing units (sec. 2203)

The conferees direct that, within authorized amounts for construction improvements of military family housing and facilities, the Secretary of the Navy execute the following projects:

Naval Station, Mayport, Florida, Whole House Revitalization—$7,300,000.

Public Works Center, Great Lakes, Illinois, Whole House Revitalization—$15,300,000.

Naval Education Training Command, Newport, Rhode Island, Whole House Improvements—$8,795,000.

Marine Corps Air Station, Beaufort, South Carolina, Whole House Rehabilitation—$6,784,000.

Naval Submarine Base, Bangor, Washington, Construction Improvements—$4,890,000.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Revision of fiscal year 1995 authorization of appropriations to clarify availability of funds for large anechoic chamber, Patuxent River Naval Warfare Center, Maryland (sec. 2205)

The Senate amendment contained a provision (sec. 2205) that would amend section 2204 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–307) to authorize the $10.0 million appropriated for the Large Anechoic Chamber Facility at the Naval Air Warfare Center, Patuxent River, Maryland in the Military Construction Appropriations Act for Fiscal Year 1995 (Public Law 103–307).

The Senate provision would permit the Navy to proceed with the award of a contract in the amount of $30.0 million for the first phase of the $61.0 million project.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority to carry out land acquisition project, Hampton Roads, Virginia (sec. 2206)

The Senate amendment contained a provision (sec. 2206) that would amend section 2201(a) of the National Defense Authorization Act for Fiscal Year 1993 to authorize the Secretary of the Navy to acquire 191 acres of land in Hampton Roads, Virginia. This acquisition is in addition to the land acquisition at Dam Neck, Virginia, authorized in the National Defense Authorization Act for Fiscal Year 1993.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees direct the Secretary of Navy to make every possible attempt to acquire both parcels of land using the $4.5 million previously authorized. If additional funds are required, the conferees expect the Secretary to utilize cost variation and reprogramming procedures.

Acquisition of land, Henderson Hall, Arlington, Virginia (sec. 2207)

The Senate amendment contained a provision (sec. 2207) that would authorize the Secretary of the Navy to acquire a 0.75 acre parcel of land located at Henderson Hall, Arlington, Virginia. The parcel, which is currently occupied by an abandoned and vandalized mausoleum, is required to construct a public works complex to support the Headquarters Battalion, United States Marine Corps. The provision would authorize the demolition of the mausoleum and the use of appropriated funds to remove and provide appropriate disposal of the remains abandoned in the mausoleum.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Acquisition or construction of military family housing in the vicinity of San Diego, California (sec. 2208)

The conferees include a new section that would direct the Secretary of the Treasury to make available, upon request from the Secretary of the Navy, funds paid to the United States upon final settlement in the case of Rossmoor Liquidating Trust, initiated against the United States, in the United States District Court for the Central District of California. From those funds, the Secretary of the Navy would be authorized to acquire or construct no more than 150 military family housing units in the San Diego, California region for the Department of the Navy. The authority would be subject to the expiration of a 21-day period, beginning on the day on which the Secretary transmits to the congressional defense committees a report containing the details of the contract to acquire or construct the units authorized by this section.

TITLE XXIII—AIR FORCE

FISCAL YEAR 1996

Overview

The House bill would authorize $1,727,557,000 for Air Force military construction and family housing programs for fiscal year 1996.

The Senate amendment would authorize $1,724,699,000 for this purpose.

The conferees recommend authorization of $1,735,086,000 for Air Force military construction and family housing for fiscal year 1996.

The conferees agree to a general reduction of $6,385,000 in the authorization of appropriations for the Air Force military construction account. The general reduction is to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reduction shall not cancel any military construction authorized by title XXIII of this Act.

Improvements to military family housing units (sec. 2303)

The conferees direct that, within authorized amounts for construction improvements of military family housing and facilities, the Secretary of the Air Force execute the following project:

Wright-Patterson Air Force Base, Ohio, Family Housing Improvements	$5,900,000

ITEMS OF SPECIAL INTEREST

Bonaire housing complex, Presque Isle, Maine

The conferees are aware of the economic impact and the difficult redevelopment effort facing Limestone, Maine, as a result of the closure of Loring Air Force Base. To ensure that the community has maximum flexibility in its redevelopment effort, the conferees direct the Secretary of the Air Force to obtain written concurrence of the designated local reuse authority, or its designee, before any land, tangible property or interest in the Air Force property known as the Bonaire housing complex in Presque Isle, Maine, is transferred to the Department of Interior, or to any other entity. The conferees believe that a cooperative effort should be maintained by all parties seeking property and that the designated local redevelopment authority is the most appropriate entity to coordinate reuse efforts.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Retention of accrued interest on funds deposited for construction of family housing, Scott Air Force Base, Illinois (sec. 2305)

The House bill contained a provision (sec. 2305) that would amend section 2310 of the Military Construction Authorization Act for Fiscal Year 1994 (Division B of Public Law 103–160) to permit the retention of accrued interest on funds previously transferred to the County of St. Clair, Illinois, for the purpose of constructing military family housing at Scott Air Force Base. Upon completion of construction all funds remaining, and any interest accrued thereon, shall be deposited in the general fund of the United States Treasury.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of the Air Force to submit to congressional defense committees an annual report describing the amount of interest accrued and retained by the County for the housing project. The Secretary would be required to submit the report by March 1 of each year, until the construction project is completed.

LEGISLATIVE PROVISIONS NOT ADOPTED

Reduction in amounts authorized to be appropriated for fiscal year 1992 military construction projects

The Senate amendment contained a provision (sec. 2305) that would rescind $16.0 million from the amount authorized for the Department of the Air Force in section 2305 of the National Defense Authorization Act for Fiscal Year 1992 (Public Law 102–190).

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIV—DEFENSE AGENCIES

FISCAL YEAR 1996

Overview

The House bill would authorize $4,692,463,000 for Defense Agencies military construction and family housing programs for fiscal year 1996.

The Senate amendment would authorize $4,456,883,000 for this purpose.

The conferees recommend authorization of $4,629,491,000 for Air Force military construction and family housing for fiscal year 1996.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Military family housing private investment (sec. 2402)

The House bill contained a provision (sec. 2402) that would authorize the Secretary of Defense to enter into agreements to construct, acquire, and improve family housing, for the purpose of encouraging private investment, in the amount of $22,000,000.

The Senate amendment contained a similar provision.

The House recedes.

Energy conservation projects (sec. 2404)

The House bill contained a provision (sec. 2404) that would authorize the Secretary of Defense to carry out energy conservation projects using funds authorized pursuant to the authorization of appropriations in section 2405.

The Senate amendment contained a similar provision.

The Senate recedes.

Limitations on use of Department of Defense Base Closure Account 1990 (sec. 2406)

The conferees include a new section that would prohibit the obligation of funds authorized for appropriation in section 2405 (a)(10) of this Act, to carry out a construction project with respect to military installations approved for closure or realignment in 1995, until after the date the Secretary of Defense submits to Congress a five-year program for executing the 1995 base realignment and closure plan. The limitation would not preclude any activities associated with environmental cleanup activities or planning and design for such construction projects.

Modification of authority to carry out fiscal year 1995 projects (sec. 2407)

The House bill contained a provision (sec. 2406) that would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (Division B of Public Law 103–337) to provide for full authorization of projects to support chemical weapons and munitions destruction at Pine Bluff Arsenal, Arkansas and Umatilla Army Depot, Oregon.

The Senate amendment contained a similar provision.

The Senate recedes.

Reduction in amounts authorized to be appropriated for fiscal year 1994 contingency construction projects (sec. 2408)

The Senate amendment contained a provision (sec. 2407) that would terminate authorization of appropriations for prior year projects including:

(1) $3.2 million from the amount authorized for the Department of Defense in section 2405(a) of the Military Construction Authorization Act for Fiscal Year 1991 (Division B of Public Law 101–510);

(2) $6.8 million from the amount authorized for the Department of Defense in section 2404(a) of the Military Construction Authorization Act for Fiscal Year 1992 (Division B of Public Law 102–190); and

(3) $8.6 million from the amount authorized for the Department of Defense in section 2403(a) of the Military Construction Authorization Act for Fiscal Year 1993 (Division B of Public Law 102–484).

The House bill contained no similar provision.

The House recedes with an amendment that would reduce $8.1 million from the amount authorized to be appropriated for the Department of Defense in section 2403(a) of the Military Construction Authorization Act for Fiscal Year 1994 (Division B of Public Law 103–160).

LEGISLATIVE PROVISIONS NOT ADOPTED

Limitation of expenditures for a construction project at Umatilla Army Depot, Oregon

The House bill contained a provision (sec. 2407) that would prohibit the expenditure of funds prior to March 1, 1996, for the construction of a chemical weapons and munitions incinerator facility at Umatilla Army Depot, Oregon.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATIONS INFRASTRUCTURE

FISCAL YEAR 1996

Overview

The House bill would authorize $161,000,000 for the U.S. contribution to the NATO Infrastructure program for fiscal year 1996.

The Senate amendment would authorize $179,000,000 for this purpose.

The conferees authorize $161,000,000 for the U.S. contribution to the NATO Infrastructure program.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations, NATO (sec. 2502)

The House bill contained a provision (sec. 2502) that would authorize funding for the North Atlantic Treaty Organization Infrastructure program in the amount of $161.0 million.

The Senate amendment contained a provision (sec. 2502) that would authorize funding for the North Atlantic Treaty Organization Infrastructure program in the amount of $179.0 million.

The Senate recedes.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

FISCAL YEAR 1996

Overview

The House bill would authorize $284,924,000 for military construction and land acquisition for fiscal year 1996 for the National Guard and reserve components.

The Senate amendment would authorize $432,339,000 for this purpose.

The conferees recommend authorization of $436,522,000 for military construction and land acquisition for fiscal year 1996. This authorization would be distributed as follows:

Army National Guard	$134,802,000
Army Reserve	73,516,000
Naval/Marine Corps Reserve	19,055,000
Air National Guard	170,917,000
Air Force Reserve	36,232,000

Planning and design, Guard and Reserve Forces

The conferees direct that, within authorized amounts for planning and design, the Guard and Reserve Forces conduct planning and design activities for the following projects:

Army Reserve:	
Fort Dix, New Jersey, Intelligence Training Center	$788,000
Army National Guard:	
Lincoln, Nebraska, Medical Training Facility	$200,000
Fort Dix, New Jersey, Technical Training Facility	$750,000
Billings, Montana, Armed Forces Reserve Center	$1,200,000
Air National Guard:	
Robins Air Force Base, Georgia, B-1 Site and Utility Upgrades	$270,000
Hickam Air Force Base, Hawaii, Squadron Operations Facility	$790,000

The conferees note that these projects are required to accommodate new missions and to correct facility deficiencies that impact readiness, quality of life, and productivity. The conferees urge the service secretaries to make every effort to include these projects in the fiscal year 1997 budget request.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Reduction in amount authorized to be appropriated for fiscal year 1994 Air National Guard Projects (sec. 2602)

The Senate amendment contained a provision (sec. 2602) that would rescind funds authorized for appropriation by the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) for land acquisition for the Idaho Training Range.

The House bill contained no similar provision.

The House recedes.

Correction in authorized uses of funds for Army National Guard projects in Mississippi (sec. 2603)

The House bill contained a provision (sec. 2602) that would clarify amounts authorized to be appropriated in section 2601(1)(A) of the Military Construction Authorization Act for Fiscal Year 1994 (Division B of Public Law 103-360) for the addition or alteration of Army National Guard Armories at various locations in the State of Mississippi. The House provision would direct the use of authorized funds for the addition, alteration, or new construction of armory facilities and an operations and maintenance shop, including the acquisition of land for such facilities at such locations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Secretary of the Army to submit a report to congressional defense committees that would describe the intended use of funds and to wait 21 days before any of the funds could be obligated.

TITLE XXVIII—GENERAL PROVISIONS

ITEMS OF SPECIAL INTEREST

Damage to facilities from Hurricane Opal

The conferees note that, on October 5, 1995, military facilities in the Southeastern United States sustained damage as a direct result of Hurricane Opal. The conferees direct the Secretary of Defense to conduct a comprehensive assessment of infrastructure and facilities at installations affected by Hurricane Opal, to include: Fort Benning and Fort McPherson in Georgia; Fort Rucker, Fort McClellan, and Anniston Army Depot in Alabama; Tyndall Air Force Base, Eglin Air Force Base, and Hulbert Field and facilities in and around Naval Air Station, Pensacola, Florida. The Secretary shall submit a report on the Department's findings to the congressional defense committees, no later than February 15, 1996.

The assessment should include:

(1) a report on all property damage;

(2) the estimated cost to repair or replace damaged or destroyed facilities;

(3) the impact on operations and readiness caused by any loss of facilities;

(4) any actions taken to repair or replace damaged or destroyed facilities; and

(5) recommendations for funding the required facility repairs or replacements.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Military Housing Privatization Initiative

Alternative authority for construction and improvement of military housing (sec. 2801)

The House bill contained a provision (sec. 2801) that would authorize a series of authorities, as alternative methods of acquiring and improving family housing and support facilities for the armed forces. Such authorities would include the ability to contract and lease family housing. Use of the authorities would be targeted at installations where there is a shortage of suitable family housing. For housing acquired under the authorities provided in this section, the unit size and type limitations in current law would be waived to encourage private sector development of military family housing. The Department of Defense (DOD) would be authorized to contribute up to 35 percent of the investment cost in any project. Such investment could take a number of forms, including cash, existing housing, and/or real property. The provision would also establish the Defense Family Housing Improvement Fund as the sole source of funding for projects constructed or renovated under the authorities of this provision. The provision would require DOD to submit a 21-day notice-and-wait announcement to Congress before entering into contract agreements associated with these new authorities and would require DOD to submit a 30-day notice-and-wait announcement before transferring funds from the family housing construction accounts to the Fund. Each of the authorities contained in this provision would expire on September 30, 2000.

The Senate amendment contained a similar provision (sec. 2811) that would expand the authorities to include acquisition or renovation of unaccompanied housing on or near military installations. The provision would also establish a Department of Defense Housing Improvement Fund, for use as the sole source to finance costs associated with the acquisition of housing and support facilities.

The House recedes with an amendment that would establish the Department of Defense Family Housing Improvement Fund and the Department of Defense Military Unaccompanied Housing Improvement Fund as the sources to finance costs associated with the acquisition of housing and supporting facilities, including costs defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)). The provision would also establish certain reporting requirements for the DOD and would limit the transfer of funds previously authorized and appropriated to funds associated with the construction of family housing or unaccompanied housing. The provision would also limit the obligation of funds by DOD to $850.0 million for family housing and $150.0 million for unaccompanied housing.

Expansion of authority for limited partnerships for development of military family housing (sec. 2802)

The Senate amendment contained a provision (sec. 2807) that would provide each of the military services with the limited partnership authority provided to the Department of the Navy by section 2803 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337). The provision would also extend the expiration of the authority to September 30, 2000.

The House bill contained a similar provision.

The House recedes with a technical amendment.

Subtitle B—Other Military Construction Program and Military Family Housing Changes

Special threshold for unspecified minor construction projects to correct life, health, or safety deficiencies (sec. 2811)

The Senate amendment contained a provision (sec. 2801) that would amend 2805 of title 10, United States Code, to include as a minor military construction project any military construction project intended solely to correct a life, health, or safety deficiency, if the approved cost is equal to or less than $3.0 million. The provision would authorize the expenditure of operation and maintenance funds to carry out projects to correct a life, health, or safety deficiency costing no more than $1.0 million.

The House bill contained a similar provision.

The House recedes.

Clarification of scope of unspecified minor construction authority (sec. 2812)

The Senate amendment contained a provision (sec. 2802) that would amend section 2805(a)(1) of title 10, United States Code, to clarify the definition of minor military construction.

The House bill contained a similar provision.

The House recedes.

Temporary authority to waive net floor area limitation for family housing acquired in lieu of construction (sec. 2813)

The Senate amendment contained a provision (sec. 2803) that would waive, for a five year period, beginning in fiscal year 1996, the net floor area limitation established in section 2826 of title 10, United States Code, if existing family housing is acquired in lieu of construction.

The House bill contained no similar provision.

The House recedes with an amendment that would give the service secretary discretionary authority to waive the floor limitation.

Reestablishment of authority to waive net floor area limitation on acquisition by purchase of certain military family housing (sec. 2814)

The Senate amendment contained a provision (sec. 2804) that would make permanent section 2826(e) of title 10, United States Code, that allows a waiver for a 20 percent increase in the square footage limitation when acquiring, through purchase, military family housing units for members of the Armed Forces in pay grades below O-6.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Temporary authority to waive limitations on space by pay grade for military family housing units (sec. 2815)

The Senate amendment contained a provision (sec. 2805) that would waive section 2826 of title 10, United States Code, for housing authorized for construction for five years, beginning in fiscal year 1996. The waiver would permit the construction of family housing units without regard to space limitations, as long as the total number of housing units is the same as authorized by law.

The House bill contained no similar provision.

The House recedes with an amendment that would give the service secretary discretion to waive the authority for five years beginning in fiscal year 1996.

Rental of family housing in foreign countries (sec. 2816)

The House bill contained a provision (sec. 2805) that would authorize an increase in the number of high-cost family housing units that may be leased in foreign countries.

The Senate amendment contained a similar provision.

The Senate recedes.

Clarification of scope of report requirement on cost increases under contracts for military family housing construction (sec. 2817)

The Senate amendment contained a provision (sec. 2808) that would amend section 2853 to title 10, United States Code, by eliminating the requirement for congressional notification on cost increases that exceed established limitations when the increase is related to settlement of a court ordered contract claim.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority to convey damaged or deteriorated military family housing (sec. 2818)

The Senate amendment contained a provision (sec. 2809) that would authorize the secretaries of the military departments to sell, at fair market value, family housing facilities at non-base closure installations that have deteriorated beyond economical repair, or are no longer required. The sale may include the parcel of land on which the family housing facilities are located.

The provision directs that the proceeds from the sale of the property be used to replace or revitalize housing at the existing installation, or at another installation. The provision also requires the secretary concerned to notify Congress before proceeding with conveyance of family housing facilities under this authority.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Energy and water conservation savings for the Department of Defense (sec. 2819)

The Senate amendment contained a provision (sec. 2810) that would amend section 2865 of title 10, United States Code, to include water conservation in the Department of Defense's comprehensive energy conservation plan.

The House bill contained no similar provision.

The House recedes.

Extension of authority to enter into leases of land for special operations activities (sec. 2820)

The Senate amendment contained a provision (sec. 2812) that would make permanent the authority provided in section 2680 of title 10, United States Code, which grants the Secretary of Defense the authority to lease property required for special operations activities conducted by the Special Operations Command.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the authority to lease property required for special operations until September 30, 2000.

Disposition of amounts recovered as a result of damage to real property (sec. 2821)

The House bill contained a provision (sec. 2804) that would authorize the military departments to retain the proceeds recovered as a result of damages to real property instead of depositing those proceeds into the miscellaneous receipts account in the United States Treasury. Such proceeds would be made available for repair or replacement of damages to real property.

The Senate amendment contained no similar provision.

The Senate recedes.

Pilot program to provide interest rate buy down authority on loans for housing within housing shortage areas at military installations (sec. 2822)

The House bill contained a provision (sec. 2806) that would authorize a three-year pilot program to provide additional housing assistance to military personnel. Under the program, as administered by the Secretary of Veterans Affairs (VA), the VA would buy down the interest rate on VA home loans for qualified applicants. The Secretary of Defense would reimburse the VA for the costs of the interest rate buy down. Authorization of the program would be limited to $10.0 million and could only be utilized at military installations which the Secretary of Defense considers to have a military family housing deficit.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the scope of the program to active duty enlisted members, warrant officers, and officers at a pay grade of O-3 and below.

Subtitle C—Defense Base Closure and Realignment

Deposit of proceeds from leases of property located at installations being closed or realigned (sec. 2831)

The House bill contained a provision (sec. 2812) that would authorize the Secretary of Defense to deposit proceeds from leases of property located at installations being closed or realigned into the relevant account established in the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526) or the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510).

The Senate amendment contained a similar provision.

The Senate recedes.

In-kind consideration for leases at installations to be closed or realigned (sec. 2832)

The Senate amendment contained a provision (sec. 2821) that would permit the service secretaries to accept in-kind services (improvements, maintenance, protection, repair, or restoration services performed on any portion of the installation) from a lessee in lieu of cash rental payments for leases of property that will be disposed of as a result of a base closure or realignment.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Interim leases of property approved for closure or realignment (sec. 2833)

The Senate amendment contained a provision (sec. 2830B) that would facilitate the use of limited term leases (one to five years) by the Department of Defense in connection with reuse of military installations selected for closure. The provision would make it clear that any environmental impact analysis prepared in connection with an interim lease of Department of Defense property approved for closure or realignment shall be limited to the scope of environmental consequences related to the lease activities.

The House bill contained no similar provision.

The House recedes.

The conferees agree that under current law the Department of Defense has been reluctant to enter into limited term leases before an environmental review has been completed, pursuant to the National Environmental Policy Act (42 U.S.C. 4321, et. seq.), that would address the disposal of the entire installation. Such concerns have impeded private sector use of base closure property for short term capital investments.

Authority to lease property requiring environmental remediation at installations approved for closure or realignment (sec. 2834)

The Senate amendment contained a provision (sec. 2824) that would allow the Department of Defense to enter into long-term lease agreements at military installations selected for closure, while environmental restoration is ongoing. Specifically, the section would provide that section 120(h)(3)(B) of the Comprehensive Environmental Response Compensation and Liability Act of 1980 (CERCLA) (42 U.S.C. 9620(h)(3)(B)) does not apply to leases at Department of Defense installations. The provision would also provide for Environmental Protection Agency consultation on the determination that property is suitable for lease in those instances involving long term leases at installations approved for closure under a base closure law.

The House bill contained no similar provision.

The House recedes.

The conferees agree that the provision is necessary to ensure that the Department may enter into long-term leases while cleanup is ongoing. The provision addresses a recent federal district court decision that could undermine reuse plans at military installations selected for closure with similar reuse plans. The provision serves to clarify the legislative intent on this issue.

Final funding for Defense Base Closure and Realignment Commission (sec. 2835)

The Senate amendment contained a provision (sec. 2825) that would amend section 2902(k) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510, 10 U.S.C. 2657) to authorize the Secretary of Defense to transfer unobligated funds from the Department of Defense Base Closure Account to fund the operations of the Defense Base Closure and Realignment Commission until December 31, 1995.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the transfer authority to $300,000.

Exercise of authority delegated by the Administrator of General Services (sec. 2836)

The Senate amendment contained a provision (sec. 2827) that would amend the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510) to expand the authority of the Secretary of Defense, with the concurrence of the Administrator of the General Services Administration, to prescribe general policies and issue regulations for utilizing excess property and disposing of surplus property. The provision would also make certain technical changes.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Lease back of property disposed from installations approved for closure or realignment (sec. 2837)

The Senate amendment contained a provision (sec. 2828) that would amend the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510) to allow base closure property that is still needed by the Department of Defense or another federal agency to be transferred to the local redevelopment authority, providing that the redevelopment authority leases back the property to the Department of Defense or federal agency. Such a lease should not exceed 50 years and could not require rental payments by the United States.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Improvement of base closure and realignment process regarding disposal of property (sec. 2838)

The House bill contained a provision (sec. 2814) that would amend the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) and the Defense Base Closure and Realignment Act of 1990 (Part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687). The provision would preclude consideration of Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411) in the transfer or disposal of real property located at military installations closed or realigned under the base closure law.

The Senate amendment contained a provision (sec. 2826) that would amend the Defense Base Closure and Realignment Act of 1990 (Part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687) to authorize the Secretary of Defense to approve local redevelopment authorities' base reuse plans. Before making any property disposal decisions, the Secretary of Defense would be required to consult with the Secretary of Housing and Urban Development to determine if the needs of the homeless were appropriately considered. In reviewing disposal plans, the Secretary of Defense could give deference to local communities' plans in making the final property disposal decisions.

The House recedes with a technical amendment that would recognize the preeminence of local redevelopment authorities' plans for reuse of properties and facilities on installations closed or realigned under the base closure procedures. The amendment would further enhance the ability of the Secretary of Defense to give final approval of local communities' base reuse plans.

Agreements for certain services at installations being closed (sec. 2839)

The House bill contained a provision (sec. 2813) that would clarify current law that authorizes the Secretary of Defense to enter into agreements with local governments for the provision of police, security, fire protection, air field operations, or other community services provided by such governments at military installations scheduled to be closed.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Authority to transfer property at military installations to be closed to persons who construct or provide military family housing (sec. 2840)

The House bill contained a provision (sec. 2811) that would authorize the Secretary of Defense to enter into an agreement to transfer property or facilities at a closed installation, or an installation designated to be closed, under current law, to a person who agrees to provide, in exchange for the property or facilities, housing units located at another military installation where there is a shortage of suitable housing. Under the provision, the Secretary would not be permitted to select property or facilities for transfer that have been identified in the redevelopment plan for the installation as essential for base reuse and development.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Use of single base closure authorities for disposal of property and facilities at Fort Holabird, Maryland (sec. 2841)

The Senate amendment contained a provision (sec. 2830) that would consolidate disposal of all property affected by the 1988 and 1995 base closure actions at Fort Holabird, Maryland under the provisions of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Public Law 103-421).

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle D—Land Conveyances Generally

PART I—ARMY CONVEYANCES

Transfer of jurisdiction, Fort Sam Houston, Texas (sec. 2851)

The House bill contained a provision (sec. 2821) that would authorize the Secretary of the Army to transfer, without reimbursement, approximately 53 acres, with improvements, to the Secretary of Veterans Affairs. The property would be conveyed for use as a national cemetery.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment deleting the reversionary interest of the Secretary of the Army in the property.

Transfer of jurisdiction, Fort Bliss, Texas (sec. 2852)

The House bill contained a provision (sec. 2838) that would authorize the Secretary of the Army to transfer to the Secretary of Veteran Affairs jurisdiction of approximately 22 acres, comprising a portion of Fort Bliss, Texas. The property transferred would be used as an addition to the Fort Bliss National Cemetery.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delete the Secretary of the Army's reversionary interest in the property.

Tranfer of jurisdiction and land conveyance, Fort Devens Military Reservation, Massachusetts (sec. 2853)

The House bill contained a provision (sec. 2831) that would require the Secretary of the Army to convey to the Secretary of the Interior, without reimbursement, a portion of the Fort Devens Military Reservation, Massachusetts, at any time after the date on which the property is determined to be excess to the needs of the Department of Defense. The property is to be conveyed for inclusion in the Oxbow National Wildlife Refuge. The cost of any surveys necessary for the conveyance shall be borne by the Secretary of the Interior.

This section would also require the Secretary of the Army to convey to the Town of Lancaster, Massachusetts, without reimbursement, a parcel of real property consisting of approximately 100 acres of the parcel available for transfer to the Secretary of the Interior. The cost of any surveys necessary for the conveyance would be borne by the town.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Modification of land conveyance, Fort Belvoir, Virginia (sec. 2854)

The Senate amendment contained a provision (sec. 2863) that would require the Secretary of the Army to submit a report to the Senate Armed Services Committee and the House National Security Committee on the status of the negotiations related to the land conveyance at the Engineer Proving Grounds, Fort Belvoir, Virginia authorized by subsection (a) of section 2821 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189).

The House bill contained no similar provision.

The House recedes with an amendment that would delete the reporting requirement and would amend section 2821 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 to authorize the Secretary of the Army to convey to the County of Fairfax, Virginia, all right, title and interest of the United States in and to all or a portion of the parcel of real property, including improvements thereon, at Fort Belvoir, Virginia, consisting of approximately 820 acres and known as the Engineer Proving Ground. In consideration, the County shall construct facilities for the Department of the Army; grant title, free of liens and other encumbrances, to the facilities and, if not already owned by the Department, to the underlying land; and make infrastructure improvements for the Department of the Army, as may be specified by the Secretary of the Army. The value of the consideration provided by the County shall not be less than the fair market value of the property conveyed to the County, as determined by the Secretary. The amendment would prohibit the Secretary from entering into any agreement under this provision until the expiration of 60 days following the date on which the Secretary transmits to the congressional defense committees a report containing details of the agreement between the Army and the County.

Land exchange, Fort Lewis, Washington (sec. 2855)

The House bill contained a provision (sec. 2836) that would authorize the Secretary of the Army to convey to Weyerhaeuser Real Estate Company, Tacoma, Washington two parcels of real property at Fort Lewis, Washington totaling 1.26 acres. As consideration the Weyerhaeuser Real Estate Company would convey 0.39 acres located within the boundaries of Fort Lewis together with other considerations acceptable to the Secretary. The total consideration conveyed to the United States would be no less than the fair market value of the property conveyed by the Army.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Land exchange, Army Reserve Center, Gainsville, Georgia (sec. 2856)

The Senate amendment contained a provision (sec. 2846) that would authorize the Secretary of the Army to convey to the City of Gainesville, Georgia, a 4.2 acre parcel of real property, including a reserve center, located on Shallowford Road in Gainsville, Georgia. As consideration, the City of Gainesville would convey to the Secretary approximately 8 acres of real property located in the Atlas Industrial Park in Gainesville. The City would construct replacement facilities in accordance with the requirements of the Secretary of the Army for training activities of the Army Reserve, and fund the costs of relocating the Reserve units to the new location. The City's contribution of land and facilities would be no less than the fair market value of the property conveyed by the Secretary.

The House amendment contained no similar provision.

The House recedes with a technical amendment.

Land conveyance, Holston Army Ammunition Plant, Mount Carmel, Tennessee (sec. 2857)

The House bill contained a provision (sec. 2829) that would authorize the Secretary of the Army to convey to the City of Mount Carmel, Tennessee, without reimbursement, a parcel of real property consisting of approximately 6.5 acres. The property would be conveyed for expansion of the existing Mount Carmel Cemetery.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Indiana Army Ammunition Plant, Charlestown, Indiana (sec. 2858)

The House bill contained a provision (sec. 2825) that would authorize the Secretary of the Army to convey to the State of Indiana, without consideration, a parcel of real property, with improvements, consisting of approximately 1,125 acres. The property to be conveyed would be used for recreational purposes.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Fort Ord, California (sec. 2859)

The House bill contained a provision (sec. 2824) that would authorize the Secretary of the Army to convey to the City of Seaside, California, at fair market value, all right, title, and interest in approximately 477 acres of real property (comprising the Black House and Bayonet gold courses and a portion of the Hayes Housing Facilities) comprising a portion of the former Fort Ord Military Complex. From the amount paid by the City in consideration for the conveyance, the Secretary would deposit in the Morale, Welfare, and Recreation Fund (MWR) account of the Department of the Army an amount equal to the fair market value of the golf courses conveyed under this section. The balance of the amount paid by the City would be deposited in the Department of Defense Base Closure Account 1990.

The Senate amendment contained a provision (sec. 2841) that would require the Secretary of Defense, within 60 days after the date of enactment of the National Defense Authorization Act for Fiscal Year 1996, to provide to Congress a report that would describe the disposal plans for the 477 acres of property at the former Fort Ord Military Complex.

The Senate recedes to Senate amendment, section 2841. The Senate recedes with an amendment to House bill section 2824. The amendment to section 2824 would direct the Secretary to deposit into the MWR account only those proceeds from the sale of golf courses that are required to support MWR activities in the vicinity of Fort Ord for the next five years. The amount deposited into the MWR account would not exceed the fair market value of golf courses conveyed to the City. The amendment would also require the Secretary to certify his findings on the disposition of the proceeds in a report to Congress 90 days after the date of the conveyance.

Land conveyance, Parks Reserve Forces Training Area, Dublin, California (sec. 2860)

The House bill contained a provision (sec. 2828) that would authorize the Secretary of the Army to convey to the County of Alameda, California, approximately 42 acres, with improvements, located at the Parks Reserve Forces Training Area, Dublin, California. The conveyance shall not include any oil, gas, or mineral interests of the United States, and shall be subject to the condition that the County would pay for road improvements, utility upgrades, and construction improvements at the portion of the Army Training Area retained by the Army.

The Senate bill contained no similar provision.

The Senate recedes with a a technical amendment.

Land conveyance, Army Reserve Center, Youngstown, Ohio (sec. 2861)

The House bill contained a provision (sec. 2834) that would authorize the Secretary of the Army to convey to the City of Youngstown, Ohio, without consideration, a parcel of real property. The property is located at 399 Miller Street in Youngstown, Ohio, and comprises the vacant Kefurt Army Reserve Center.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Army Reserve property, Fort Sheridan, Illinois (sec. 2862)

The Senate amendment contained a provision (sec. 2843) that would authorize the Secretary of the Army to convey to a transferee, selected through a competitive process, all right, title, and interest of the United States in a parcel of real property, and improvements thereon, at Fort Sheridan, Illinois, consisting of approximately 114 acres and comprising two Army Reserve areas. As consideration, the transferee would convey to the United States a parcel of land, acceptable to the Secretary, located not more than 25 miles from Fort Sheridan and in an area having similar social and economic conditions as the area in which Fort Sheridan is located. The transferee would also be required to construct replacement facilities and infrastructure, and pay the cost of relocating the Army personnel. The Secretary of the Army would be required to ensure that the fair market value of the consideration provided by the transferee is not less than the fair market value of the real property conveyed by the Secretary.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Land conveyance, property underlying Cummins Apartment Complex, Fort Holabird, Maryland (sec. 2863)

The Senate amendment contained a provision (sec. 2830A) that would authorize the Secretary of the Army to convey to the owner of the Cummins Apartment Complex, at fair market value, six acres of real property at Fort Holabird, Maryland that underlies the Cummins Apartment Complex.

The House bill contained no similar provision.

The House recedes.

Modification of existing land conveyance, Army property, Hamilton Air Force Base, California (sec. 2864)

The House bill contained a provision (sec. 2837) that would modify section 9099(e) of the National Defense Appropriations Act for Fiscal Year 1993 (Public Law 102-396), which permitted the Secretary of the Army to sell certain parcels of property at the former Hamilton Air Force Base, California, as described in the Agreement and Modification, dated September 25, 1990, between the Department of the Defense, the General Services Administration, and the purchaser. The House provision would authorize the Secretary of the Army to convey to the City of Novato, California, any unpurchased property described in section 9099(e) of the National Defense Appropriations Act for Fiscal Year 1993 (Public Law 102-396), for use in establishing schools and park areas. Under this provision, the City would be required to provide any proceeds received from subsequent sale of the property, within the next ten years, to the Secretary of the Army.

The Senate amendment contained no similar provision.

The Senate recedes with technical amendment.

PART II—NAVY CONVEYANCES

Transfer of jurisdiction, Naval Weapons Industrial Reserve Plant, Calverton, New York (sec. 2865)

The House bill contained a provision (sec. 2823) that would authorize the Secretary of the Navy to transfer to the Secretary of Veterans Affairs, without reimbursement, approximately 150 acres at the Naval Weapons Industrial Reserve Plant, Calverton, New York. The property would be conveyed for use as a national cemetery.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Modification of land conveyance, Naval Weapons Industrial Reserve Plant, Calverton, New York (sec. 2866)

The House bill contained a provision (sec. 2835) that would modify the condition of conveyance of the Naval Weapons Industrial Reserve Plant, Calverton, New York, as authorized in the Military Construction Authorization Act for Fiscal 1995 (Division B of Public Law 103-335; 108 Stat. 3061). The modification would amend the purpose of the conveyance. The provision would also strike the Department of Navy's reversionary interest in the property, and, in lieu thereof, authorize the Secretary to lease the facility to the Community Development Agency, in exchange for security, fire protection, and maintenance services, until the property is conveyed by deed.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would retain the purpose of the conveyance, as currently authorized by law.

Land conveyance alternative to existing lease authority, Naval Supply Center, Oakland, California (sec. 2867)

The House bill contained a provision (sec. 2833) that would amend section 2834(b) of the Military Construction Authorization Act for

Fiscal Year 1993, (Division B of Public Law 103–160) and section 2821 of the Military Construction Authorization Act for Fiscal Year 1995 (Division B of Public Law 103–337) to authorize the Secretary of the Navy to convey to the City of Oakland, California, the Port of Oakland, California, or the City of Alameda, California, without consideration, in lieu of an existing lease, property at the Naval Supply Center, under such terms as the Secretary considers appropriate. The exact acreage of the real property that would be conveyed would be determined by a survey that is satisfactory to the Secretary, and the cost for such survey shall be borne by the recipient of the property.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would include the City of Richmond, California as an authorized recipient of the property to be conveyed.

Land conveyance, Naval Weapons Industrial Reserve Plant, McGregor, Texas (sec. 2868)

The House bill contained a provision (sec. 2830) that would authorize the Secretary of the Navy to convey to the City of McGregor, Texas, without consideration, all right, title, and interest of the United States in a parcel of real property, including improvements thereon, containing the Naval Weapons Industrial Reserve Plant. The conveyed property would be used for purposes of economic redevelopment. Until the real property is conveyed by deed, the Secretary would be permitted to lease the facility of the City in exchange for security, fire protection, and maintenance services. The Secretary would be authorized to convey other fixtures located on the property if such equipment can be reinstituted after the conveyance.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Naval Surface Warfare Center, Memphis, Tennessee (sec. 2869)

The Senate amendment contained a provision (sec. 2838) that would authorize the Secretary of the Navy to convey to the Memphis and Shelby County Port Commission, Memphis, Tennessee, 26 acres of land, including a 1250 ton stiff leg derrick crane, located at the Carderock Division, Naval Surface Warfare Center, Memphis Detachment, President's Island, Memphis, Tennessee. As consideration for the conveyance, the Port Commission shall grant a restrictive easement consisting of approximately 100 acres that is adjacent to the Memphis Detachment. If the value of the easement granted by the Port is less than the fair market value of the real property conveyed by the Navy, the Secretary and the Port would jointly determine the appropriate additional compensation. The Secretary would deposit any cash proceeds received as part of the transaction, into the special account established under section 204(h)(2) of the Federal Property and Administrative Services Act of 1949.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Navy property, Fort Sheridan, Illinois (sec. 2870)

The Senate amendment contained a provision (sec. 2842) that would authorize the Secretary of the Navy to convey to a transferee, selected through a competitive process, all right, title, and interest of the United States in a parcel of real property, and improvements thereon, at Fort Sheridan, Illinois, consisting of approximately 182 acres and comprising the Navy housing areas at Fort Sheridan. As consideration, the transferee would convey to the United States a parcel of land, acceptable to the Secretary, located not more than 25 miles from the Great Lakes Naval Training Center, Illinois, and located in an area having similar social and economic conditions as the area in which Fort Sheridan is located. The transferee would also be required to: construct replacement housing, support facilities, and infrastructure; pay the cost of relocating the Navy personnel; and provide for the education of dependents in schools that meet, and would continue to meet, standards established by the Secretary of the Navy, even after the enrollment of dependents, regardless of the receipt of federal impact aid by such schools or school districts. The Secretary of the Navy would be required to ensure that the fair market value of the consideration provided by the transferee is not less than the fair market value of the real property conveyed by the Secretary.

The House bill contained no similar provision.

The House recedes with technical amendment.

Land conveyance, Naval Communications Station, Stockton, California (sec. 2871)

The Senate amendment contained a provision (sec. 2844) that would authorize the Secretary of the Navy, with the concurrence of the Administrator of General Services and the Secretary of Housing and Urban Development, to convey to the Port of Stockton, California, all right, title, and interest in approximately 1,450 acres of real property at the Naval Communications Station, Stockton, California. The conveyance may be as a public benefit conveyance if the Port satisfies the criteria established in section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484). If the Port does not satisfy such criteria, the conveyance would be for fair market value. As a condition for the conveyance, the Port would be required to agree to maintain, under current terms and conditions, existing Federal leases of property at the Station. The Secretary would be authorized to lease the property to the Port until the property is conveyed by deed.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the requirement that the conveyance be subject to the concurrence of the Administrator of General Service and the Secretary of Housing and Urban Development. The conferees intend that the Secretary would not carry out the conveyance unless it is determined that no department or agency of the Federal Government will accept the transfer of the property.

Lease of property, Naval Air Station and Marine Corps Air Station, Miramar, California (sec. 2872)

The conferees include a new section that would authorize the Secretary of the Navy to enter into a lease agreement with the City of San Diego, California, that would provide for the City's use of land at the Naval Air Station or Marine Corps Air Station Miramar, California, as a municipal solid waste landfill, and for other purposes related to the management of solid waste. The provision would also allow the Secretary to receive in-kind consideration under the lease, and to use any rental money received to carry out environmental programs or improvement projects to enhance quality of life programs for personnel stationed at the Naval Air Station or Marine Corps Air Station. This provision would provide the sole authority for entering into the described lease with the City of San Diego.

PART III—AIR FORCE CONVEYANCES

Land acquisition or exchange, Shaw Air Force Base, South Carolina (sec. 2874)

The House bill contained a provision (sec. 2822) that would authorize the Secretary of the Air Force to acquire, by means of an exchange of property, acceptance as a gift, or other means that would not require the use of appropriated funds, all right, title, and interest in a parcel of real property, with improvements, consisting of approximately 1,100 acres adjacent to Shaw Air Force Base, Sumter, South Carolina.

The Senate amendment contained an identical provision. The conference agreement includes this provision.

Land conveyance, Elmendorf Air Force Base, Alaska (sec. 2875)

The House bill contained a provision (sec. 2832) that would authorize the Secretary of the Air Force to sell to a private person a parcel of real property consisting of approximately 32 acres located at Elmendorf Air Force Base, Alaska. As consideration for the sale, the purchaser would be required to provide appropriate maintenance for the apartment complex located on the property to be conveyed and used by members of the armed forces and their dependents stationed at the Elmendorf Air Force Base. The cost of any surveys necessary for the sale of real property would be borne by the purchaser.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Land conveyance, Radar Bomb Scoring Site, Forsyth, Montana (sec. 2876)

The Senate amendment contained a provision (sec. 2839) that would authorize the Secretary of the Air Force to convey to the City of Forsyth, Montana, without consideration, approximately 58 acres, with improvements, comprising the support complex and recreational facilities of the former Radar Bomb Scoring Site, Forsyth, Montana. The conveyance would be subject to the condition that the City use the property for housing and recreational purposes.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Radar Bomb Scoring Site, Powell, Wyoming (sec. 2877)

The Senate amendment contained a provision (sec. 2840) that would authorize the Secretary of the Air Force to convey to the Northwest College Board of Trustees, without consideration, approximately 24 acres, with improvements, comprising the support complex, recreational areas, and housing facilities at the former Radar Bomb Scoring Site, Powell, Wyoming. The conveyance would be subject to the condition that the Board use the property conveyed for housing and recreational purposes, and for such other purposes as the Secretary and the Board jointly determine appropriate.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Avon Park Air Force Range, Florida (sec. 2878)

The House bill contained a provision (sec. 2827) that would authorize the Secretary of the Air Force to convey, without consideration, a parcel of real property, with improvements, within the boundaries of the Avon Park Air Force Range near Sebring, Florida to Highlands County, Florida. The property would be conveyed for the operation of a juvenile or other correctional facility.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Subtitle E—Land Conveyances Involving Utilities

Conveyance of resources recovery facility, Fort Dix, New Jersey (sec. 2881)

The House bill contained a provision (sec. 2841) that would authorize the Secretary of the Army to convey to Burlington County, New Jersey, a parcel of real property at Fort Dix, New Jersey, consisting of approximately two acres and containing the Fort Dix resource recovery facility.

The Senate amendment contained a similar provision.

The Senate recedes with an amendment that would increase the acreage to be conveyed to six acres and would make other technical corrections.

Conveyance of water and wastewater treatment plants, Fort Gordon, Georgia (sec. 2882)

The House bill contained a provision (sec. 2842) that would authorize the Secretary of the Army to convey to the City of Augusta, Georgia, all rights, title, and interest of the United States in several parcels of real property consisting of approximately seven acres each and containing water and wastewater treatment plants and distribution and collection systems. In consideration of the conveyance, the City of Augusta would accept the water and wastewater treatment plants and distribution and collection systems in their existing condition and provide water and sewer service to Fort Gordon, Georgia at a rate established by the appropriate State or Federal regulatory authority.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Conveyance of electricity distribution system, Fort Irwin, California (sec. 2883)

The House bill contained a provision (sec. 2843) that would authorize the Secretary of the Army to convey to the Southern California Edison Company, California, all right, title, and interest of the United States in the electrical distribution system located at Fort Irwin, California. In consideration for the conveyance, the Southern California Edison Company would be required to accept the electrical distribution system in its existing condition and provide electrical service to Fort Irwin at a rate established by the appropriate State or Federal regulatory authority.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Conveyance of water treatment plant, Fort Pickett, Virginia (sec. 2884)

The Senate amendment contained a provision (sec. 2835) that would authorize the Secretary of the Army to convey to the Town of Blackstone, Virginia, without reimbursement, the water treatment plant located at Fort Pickett, Virginia. In exchange, the town would provide water and sewer services to Fort Pickett, at a rate negotiated by the Secretary of the Army and approved by the appropriate federal and state regulatory authorities.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of the Army to convey to the Town of Blackstone, Virginia, the water treatment plant located at Fort Pickett, Virginia. The amendment would also modify paragraph (c) by clarifying that the water rights granted to the town would be determined pursuant to the law of the Commonwealth of Virginia.

SUBTITLE F—OTHER MATTERS

Authority to use funds for certain educational purposes (sec. 2891)

The Senate amendment contained a provision (sec. 2813) that would amend section 2008 of title 10, United States Code, to authorize the Department of Defense to continue the use of appropriated funds for repair, maintenance, and construction of Department of Education school facilities located on military installations.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Department of Defense Laboratory Revitalization Demonstration Program (sec. 2892)

The Senate amendment contained a provision (sec. 2861) that would establish a test program to allow the heads of selected defense laboratories greater flexibility to undertake facility modernization initiatives. For test program laboratories, the provision would raise the minor construction threshold, from $1.5 million to $3.0 million, for projects that the Secretary of Defense may carry out without specific authorization. The provision would also raise the threshold for minor military construction projects requiring prior approval of the Secretary of Defense, from $500,000 to $1.5 million. Finally, the provision would raise, for the selected laboratories, the threshold, from $300,000 to $1.0 million, for the value of any unspecified military construction project for which operation and maintenance funds may be used.

The provision would provide for the expiration of the test authority on September 30, 2000. It would also require the Secretary of Defense to designate participating laboratories before the test may begin, establish a review procedure for each project to be funded under this section, and report to Congress on the lessons learned from the test program one year before the program is terminated.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Authority for Port Authority of State of Mississippi to use Navy property at Naval Construction Battalion Center, Gulfport, Mississippi (sec. 2893)

The House bill contained a provision (sec. 2852) that would authorize the Secretary of the Navy to enter into an agreement with the Port Authority of the State of Mississippi to permit joint use of real property and associated improvements comprising up to 50 acres located at the Naval Construction Battalion Center, Gulfport, Mississippi. The requirement would be for a period not to exceed 15 years, and the Port Authority would be required to pay fair market rental value as determined by the Secretary. The Secretary could not enter into any agreement until after the end of a 21-day period beginning on the date on which the Secretary submits a report to Congress explaining the terms of the proposed agreement and describing the consideration that the Secretary would expect to receive under the agreement.

The Senate amendment contained a similar provision.

The Senate recedes.

Prohibition on joint use of Naval Air Station and Marine Corps Air Station, Miramar, California (sec. 2894)

The House bill contained a provision (sec. 2853) that would prohibit the Secretary of the Navy from entering into any agreement that would provide for the regular use of Naval Air Station, Miramar, California, by civil aircraft.

The Senate amendment contained a similar provision.

The Senate recedes with a clarifying amendment.

Report regarding Army water craft support facilities and activities (sec. 2895)

The House bill contained a provision (sec. 2854) that would require the Secretary of the Army to submit, not later than February 15, 1996, a report describing the Army's water craft support facilities and activities. The report would include actions that can be taken to close the Army Reserve Facility located in Marcus Hook, Pennsylvania.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Residual value reports (sec. 2896)

The Senate amendment contained a provision (sec. 2864) that would require the Secretary of Defense, in coordination with the Director of the Office of Management and Budget, to submit to the congressional defense committees a status report on the results of residual value negotiations between the United States and Germany. The report would be provided within 30 days after the Office of Management and Budget receives the results of the negotiations.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Sense of Congress and report regarding Fitzsimons Army Medical Center, Colorado (sec. 2897)

The Senate amendment contained a provision (sec. 2830C) that would express the Sense of Congress that the Secretary of the military departments should consider the expedited transfer of facilities to local redevelopment authorities while the facilities are still operational. The provision would also require the Secretary of the Army to provide a report, within 180 days of enactment of the National Defense Authorization Bill for Fiscal Year 1996, on the actions taken to convey the Fitzsimons Army Medical Center, Colorado.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees agree that this section is intended to support current efforts to redevelop the Fitzsimons Army Medical Center. The conferees agree that this section is not intended to circumvent the 1995 recommendations of the Defense Base Closure and Realignment Commission, or other applicable laws.

LEGISLATIVE PROVISIONS NOT ADOPTED

Land conveyance, Naval Air Station, Pensacola, Florida

The House bill contained a provision (sec. 2826) that would authorize the Secretary of the Navy to convey to West Florida Developers, Inc. a parcel of unimproved real property, consisting of approximately 135 acres.

As consideration for the conveyance of real property, West Florida Developers, Inc. would agree to restrict the use of all lands located within the Accident Potential Zone of Naval Air Station Pensacola, owned by West Florida Developers, Inc. The cost of any surveys necessary for the conveyance shall be borne by West Florida Developers, Inc.

The Senate amendment contained no similar provision.

The House recedes.

Expansion of authority to sell electricity

The House bill contained a provision (sec. 2851) that would amend section 2483(a) of title 10, United States Code, to expand the authority of the Department of Defense to permit the military departments to take advantage of changing electric power marketing conditions by increasing the available option to outsource for energy on military installations.

The Senate amendment contained no similar provision.

The House recedes.

Clarification of funding for environmental restoration at installations approved for closure or realignment in 1995

The Senate amendment contained a provision (sec. 2823) that would authorize the Department of Defense to fund environmental restoration at installations selected for closure by the 1995 Defense Base Closure and Realignment Commission with funds authorized for the Defense Environmental Restoration Account for fiscal year 1996. After fiscal year 1996, environmental restoration for these installations would be funded using the Defense Base Closure and Realignment Account.

The House bill contained no similar provision.

The Senate recedes.

Report on the disposal of property, Fort Ord Military Complex, California

The Senate amendment contained a provision (sec. 2841) that would require the Secretary of Defense to submit a report to the Congress describing the plans for the disposal of a parcel of real property consisting of approximately 477 acres at the former Fort Ord Military Complex.

The House bill contained no similar provision.

The Senate recedes.

Land conveyance, William Langer Jewel Bearing Plant, Rolla, North Dakota

The Senate amendment contained a provision (sec. 2845) that would authorize the Administrator of the General Services Administration to convey to the Job Development Authority of the City of Rolla, without consideration, approximately 9.77 acres of real property, comprising the former Army-owned William Langer Jewel Bearing Plant, Rolla, North Dakota. The property and facility are to be used for economic development in order to replace economic activity lost at the plant.

The House bill contained no similar provision.

The Senate recedes.

Renovation of the Pentagon Reservation

The Senate amendment contained a provision (sec. 2865) that would require the Secretary of Defense to take such actions necessary to reduce the total cost of the renovation of the Pentagon Reservation to not more than $1.1 billion.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that, as required by section 8149 of the Fiscal Year 1995 Department of Defense Appropriations Act (Public Law 103-335), the Secretary of Defense certified on December 19, 1994 that the total cost of the renovation would not exceed $1.2 billion. Although the department is in the fifth year of a 15 year renovation of the Pentagon, the conferees reiterate their view that this project should be executed at the lowest cost possible. Earlier this year, the Secretary of Defense appointed a steering committee to review the ongoing renovation project. The Secretary of Defense is directed to submit a report to the Senate Committee on Armed Services and the House Committee on National Security by February 15, 1996 on the findings of the steering committee review and on opportunities to achieve further savings.

Title XXIX—Land Conveyances Involving Joliet Army Ammunition Plant

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Title XXIX—Land Conveyances involving Joliet Army Ammunition Plant, Illinois

The Senate amendment contained provisions (secs. 2851-2857) that would authorize the Secretary of the Army to transfer to the Secretary of Agriculture approximately 19,000 acres of land located at the Joliet Army Ammunition Plant to establish the Midewin Tallgrass Prairie. The provision would also authorize the Secretary of the Army to convey, without compensation, to the Secretary of Veterans Affairs 910 acres of land at Joliet Army Ammunition Plant to establish a national cemetery.

The provision would further authorize the Secretary of the Army to convey to the County of Will, Illinois, without consideration, 425 acres of land at Joliet Army Ammunition Plant to be used for a landfill. As a part of this conveyance, the County of Will would be required to permit Federal Government use of the landfill at no cost.

The provision would also authorize the Secretary of the Army to convey, at fair market value, 1,900 acres and 1,100 acres of land located at the Joliet Army Ammunition Plant to the Village of Elwood, Illinois, and the City of Wilmington, Illinois, respectively, to establish industrial parks. All proceeds from any future sale of these parcels or portions of these parcels would be remitted to the Secretary of the Army.

The House bill contained no similar provision.

The House recedes with an amendment that would incorporate the language contained in H.R. 714, an act that would establish the Midewin National Tallgrass Prairie in the State of Illinois, as passed by the House of Representatives in the 104th Congress. The House amendment would modify H.R. 714 to:

(1) make technical corrections;

(2) authorize the Secretary of the Army to transfer 982 acres of real property to the Secretary of Veterans Affairs to establish a national cemetery;

(3) authorize the Secretary of the Army to convey to Will County, Illinois, without consideration, 455 acres of real property for use as a landfill;

(4) authorize the Secretary of the Army to convey to the State of Illinois, at fair market value, 3,000 acres of real property to the State of Illinois for economic redevelopment. The State of Illinois would be required to pay the Army fair market value for the property within twenty years after the date of the conveyance;

(5) require the Governor of the State of Illinois to consult with the Mayors of the Village of Elwood, Illinois, and the City of Wilmington, Illinois, in establishing a redevelopment authority to oversee the development of the real property conveyed to the State; and

(6) clarify the responsibility of the Department of the Army, and other parties to the conveyance, for environmental remediation and restoration of the real property comprising the Joliet Army Ammunition Plant.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

Title XXXI—Department of Energy National Security Programs

Overview

The budget request for fiscal year 1996 contained an authorization of $11,178.5 million for the Department of Energy National Security Programs. The House bill would authorize $10,403.6 million. The Senate amendment would authorize $11,178.7 million. The conferees recommended an authorization of $10,618.2 million. The funding level was largely due to a reduced funding in Environmental Restoration and Waste Management. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FY 1996

(Dollars in Millions)

Account Title	Authorization Request 1996	House Authorized	Senate Authorized	Conference Change	Conference Authorization
TITLE XXXI, XXXII					
Weapons Activities	3,540.175	3,610.914	3,666.219	(79.861)	3,460.314
Defense Nuclear Waste Disposal	198.400	198.400	198.400	50.000	248.400
Defense Environmental Restoration and Waste Managem	6,008.002	5,265.478	5,905.955	(450.470)	5,557.532
Other Defense Activities	1,432.159	1,328.841	1,408.162	(80.183)	1,351.976
Salaries and Expenses	18.500	17.000	18.500	(1.500)	17.000
Total DOE	11,197.236	10,420.633	11,197.236	(562.014)	10,635.222

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
ATOMIC ENERGY DEFENSE ACTIVITIES							
WEAPONS ACTIVITIES							
A. Stockpile stewardship							
1. Core stockpile stewardship							
Operating expenses	948,548	-948,548	0	-948,548	0	-948,548	0
Capital equipment	67,355	-67,355	0	-67,355	0	-67,355	0
Subtotal	1,015,903	-1,015,903	0	-1,015,903	0	-1,015,903	0
Operations & Maintenance	0	1,098,403	1,098,403	1,305,308	1,305,308	1,078,403	1,078,403
Construction:							
GPD -101 General plant projects, various locations	12,500	-12,500	0	-12,500	0	-12,500	0
96-D-102 Stockpile stewardship facilities revitalization, phase VI, various locations	2,520	0	2,520		2,520	0	2,520
96-D-103 ATLAS, Los Alamos National laboratory	8,400	0	8,400		8,400	0	8,400
96-D-104 Process and environmental technology laboratory, SNL	1,800	0	1,800		1,800	0	1,800
96-D-105 Contained firing facility addition, LLNL	6,600	0	6,600		6,600	0	6,600
95-D-102 Chemistry and metallurgy research (CMR) upgrades project, LANL	9,940	0	9,940		9,940	0	9,940
94-D-102 Nuclear weapons research, development and testing facilities revitalization, phase V, VL	12,200	0	12,200		12,200	0	12,200

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
93-D-102 Nevada support facility, NV	15,650	0	15,650		15,650	0	15,650
90-D-102 Nuclear weapons research, development and testing facilities revitalization, phase III, various locations	6,200	0	6,200		6,200	0	6,200
88-D-106 Nuclear weapons research, development and testing facilities revitalization, phase II, VL	17,995	10,000	27,995	0	17,995	0	17,995
Total, Construction	93,805	-2,500	91,305	-12,500	81,305	-12,500	81,305
Total, Core stockpile stewardship	1,109,708	80,000	1,189,708	276,905	1,386,613	50,000	1,159,708
2. Inertial fusion							
Operating expenses	195,349	-195,349	0	-195,349	0	-195,349	0
Capital equipment	7,918	-7,918	0	-7,918	0	-7,918	0
Operations & Maintenance		203,267	203,267	193,267	193,267	203,267	203,267
Construction:							
96-D-111 National ignition facility, TBD	37,400	0	37,400	0	37,400	0	37,400
Total, Inertial fusion	240,667	0	240,667	-10,000	230,667	0	240,667
3. Technology transfer/education							
Operating expenses		25000	25000		0	0	0
Technology transfer	225405	-225405	0	-225405	0	-75,405	150,000
Education	20000	-20000	0	-20000	0	-10,000	10,000
Total, Operating expenses	245405	-220405	25000	-245405	0	-85,405	160000

Fiscal Year 1996 Department of Energy National Security Programs
[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Capital equipment	4,000	-4,000	0	-4,000	0	-4,000	0
Total, Technology transfer/education	249,405	-224,405	25000	-249,405	0	-89,405	160,000
4. Marshall island/Dose reconstruction							
Operating expenses	6,330	-6,330	0	-6,330	0	-6,330	0
Capital equipment	470	-470	0	-470	0	-470	0
Operations and Maintenance	0	6,800	0	6,800	6800	6,800	6,800
Total, Marshall island/Dose reconstruction	6,800	0	0	0	6,800	0	6,800
Total, Stockpile stewardship	1,606,580	-144,405	1462175	17,500	1,624,080	-39,405	1,567,175
B. Stockpile management							
Operating expenses	1,762,168	-1,762,168	0	-1,762,168	0	-1,762,168	0
Capital equipment	33,290	-33,290	0	-33,290	0	-33,290	0
Subtotal	1,795,458	-1,795,458	0	-1,795,458	0	-1,795,458	0
Operations & Maintenance	0	2,028,458	2,028,458	1,911,858	1,911,858	1,911,458	1,911,458
Construction:							
Core stockpile management							
Stockpile support facilities:							
GPD-121 General plant projects, various locations	10,000	-10,000	0	0	10,000	-10,000	0
Production Base							
88-D-122 Facilities capability assurance Program (FCAP), various locations	8,660	0	8,660	0	8,660	0	8,660
96-D-126 Tritium Loading Line Modifications,							

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Savannah River Site, South Carolina	0	12,200	12,200	12,200	12,200	12,200	12,200
Total Production Base	18,660	2,200	20,860	12,200	30,860	2,200	20,860
Environmental, safety and health							
96-D-122 Sewage treatment quality upgrade (STQU), Pantex plant	600	0	600	0	600	0	600
96-D-123 Retrofit HVAC and chillers, for ozone protection, Y-12 plant	3,100	0	3,100	0	3,100	0	3,100
95-D-122 Sanitary sewer upgrades, Y-12 plant	6,300	0	6,300	0	6,300	0	6,300
94-D-124 Hydrogen fluoride supply system, Y-12 plant	8,700	0	8,700	0	8,700	0	8,700
94-D-125 Upgrade life safety, Kansas City plant	5,500	0	5,500	0	5,500	0	5,500
94-D-127 Emergency notification system, Pantex plant	2,000	0	2,000	0	2,000	0	2,000
94-D-128 Environmental safety and health analytical laboratory, Pantex plant	4,000	0	4,000	0	4,000	0	4,000
93-D-122 Life safety upgrades, Y-12 plant	7,200	0	7,200	0	7,200	0	7,200
Total, Environmental, safety and health	37,400	0	37,400	0	37,400	0	37,400

Fiscal Year 1996 Department of Energy National Security Programs
[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Safeguards and Security							
88-D-123 Security enhancement, Pantex plant	13,400	0	13,400	0	13,400	0	13,400
Nuclear Weapons Incident Response							
96-D-125 Washington measurement operations facility, Andrew Air Force Base, MD	900	0	900	0	900	0	900
Reconfiguration							
93-D-123 Non-nuclear reconfiguration various locations	41,065	0	41,065	0	41,065	0	41,065
Total, Construction	111,425	2,200	113,625	12,200	123,625	2,200	113,625
Total, Stockpile management	1,906,883	235,200	2,142,083	128,600	2,035,483	118,200	2,025,083

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
C. Program Direction							
Weapons program direction - OE	136,169	-136,169	0	-136,169	0	-136,169	0
Capital equipment	1,887	-1,887	0	-1,887	0	-1,887	0
Operations & Maintenance	0	118,000	118,000	118,000	118,000	115,000	115,000
Total, Program direction	138,056	-20,056	118,000	-20,056	118,000	-23,056	115,000
Subtotal, Weapons activities	3,651,519	70,739	3,722,258	126,044	3,777,563	55,739	3,707,258
Adjustments							
Use of prior year balances	-86,344	0	-86,344	0	-86,344	-123,400	-209,744
Streamline DOE Contractors (undistributed)	-25,000	0	-25,000	0	-25,000	-12,200	-37,200
Total, Adjustments	-111,344	0	-111,344	0	-111,344	-135,600	-246,944
TOTAL, WEAPONS ACTIVITIES	3,540,175	70,739	3,610,914	126,044	3,666,219	-79,861	3,460,314

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT							
A. Corrective Activities							
Construction:							
93-D-103 Environment, safety and health improvements, weapons R&D complex, LANL	3,406	0	3,406	0	3,406	-3,406	**0**
Total, Corrective activities	3,406	0	3,406	0	3,406	-3,406	0
B. Environmental Restoration							
Operating Expenses	1,575,973	0	1,575,973	-25,047	1,550,926	60,000	1,635,973
C. Waste management							
Operating expenses	2,196,766	-2,196,766	0	-2,196,766	0	-2,196,766	0
Capital equipment	91,500	-91,500	0	-91,500	0	-91,500	0
Subtotal	2,288,266	-2,288,266	0	-2,288,266	0	-2,288,266	0
Operations & Maintenance	0	2,168,994	2,168,994	2,151,266	2,151,266	2,295,994	2,295,994
Construction:							
GP-D-171 General plant projects, various locations	30,728	-30,728	0	-15,000	15,728	-30,728	0
96-D-400 Replace industrial waste piping, Kansas City Plant, Kansas City, MO	200	-200	0	0	200	-200	0
96-D-401 Comprehensive treatment & management plan immobilization of miscellaneous wastes, Rocky Flats Environmental Technology Site, Golden, CO	1,400	-1,400	0	0	1,400	-1,400	0

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
96-D-402 Comprehensive treatment & management plan building 374/774 sludge immobilization, Rocky Flats Environmental Technology Site, Golden, CO	1,500	-1,500	0	0	1,500	-1,500	0
96-D-403 Tank farm service upgrades, Savannah River, S	3,315	-3,315	0	0	3,315	-3,315	0
96-D-405 T-Plant secondary containment & leak detection upgrades, Richland, WA	2,100	-2,100	0	0	2,100	-2,100	0
96-D-406 K-Basin operations program, Richland, WA	26,000	0	26,000	15,000	41,000	16,000	42,000
96-D-407 Mixed waste, low level waste treatement projects, Rocky Flats, CO	0	2,900	2,900	0	0	2,900	2,900
96-D-408 Waste Management upgrades/various locations	0	5,615	5,615	0	0	5,615	5,615
96-D-409 Advance mixed waste treatment facility, Idaho National Engineering Lab, Idaho	0	0	0	5,000	5,000	0	0
96-D-410 Specific manufacturing characterization facility assesment and upgrade, Idaho National Engineering Laboratory, Idaho	0	0	0	2,000	2,000	0	0
95-D-402 Install permanent electrical service, WIPP, New Mexico	4,314	0	4,314	0	4,314	0	4,314
95-D-405 Industrial landfill V and construction/							

Fiscal Year 1996 Department of Energy National Security Programs
[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
demolition landfill VII, Y-12 Plant, Oak Ridge, TN	4,600	0	4,600	0	4,600	0	4,600
95-D-406 Road 5-01 reconstruction, area 5, NV	1,023	0	1,023	0	1,023	0	1,023
95-D-407 219-S Secondary containment upgrade, Richland, WA	0	0	0	0	0	1,000	1,000
94-D-400 High explosive wastewater treatment system, LANL	4,445	0	4,445	0	4,445	0	4,445
94-D-402 Liquid waste treatment system, NTS	282	0	282	0	282	0	282
94-D-404 Melton Valley storage tank capacity increase, ORNL	11,000	0	11,000	0	11,000	0	11,000
94-D-407 Initial tank retrieval systems, Richland, WA	9,400	0	9,400	0	9,400	2,600	12,000
94-D-411 Solid waste operation complex, Richland, WA	5,500	0	5,500	0	5,500	1,106	6,606
94-D-417 Intermediate-level and low-activity waste vaults, Savannah River, SC	2,704	0	2,704	0	2,704	-2,704	0
93-D-178 Building 374 liquid waste treatment facility, Rocky Flats Plant, CO	3,900	0	3,900	0	3,900	0	3,900
93-D-181 Radioactive liquid waste line replacement, Richland, WA	0	0	0	0	0	5,000	5,000

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
93-D-182 Replacement of cross-site transfer system, Richland, WA	19,795	0	19,795	0	19,795	0	19,795
93-D-183 Multi-function waste remediation facility, Richland, WA	31,000	0	31,000	0	31,000	-31,000	0
93-D-187 High level waste removal from filled waste tanks, Savannah River, SC	19,700	0	19,700	15,000	34,700	0	19,700
92-D-171 Mixed waste receiving and storage facility, LANL	1,105	0	1,105	0	1,105	0	1,105
92-D-188 Waste management ES&H, and compliance activities, various locations	1,100	0	1,100	0	1,100	0	1,100
90-D-172 Aging waste transfer line, Richland, WA	2,000	0	2,000	0	2,000	0	2,000
90-D-177 RWMC transuranic (TRU) waste characterization and storage facility, ID	1,428	0	1,428	0	1,428	0	1,428
90-D-178 TSA retrieval enclosure, ID .	2,606	0	2,606	0	2,606	0	2,606
89-D-173 Tank farm ventilation upgrade, Richland, WA	800	0	800	0	800	0	800
89-D-174 Replacement high level waste evaporator, Savannah River, SC	11,500	0	11,500	0	11,500	0	11,500

Fiscal Year 1996 Department of Energy National Security Programs
[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	8,885	0	8,885	0	8,885	0	8,885
83-D-148 Non-radioactive hazardous waste management, Savannah River, SC	1,000	0	1,000	0	1,000	0	1,000
Total, Construction	213,330	-30,728	182,602	22,000	235,330	-38,726	174,604
Total, Waste management	2,501,596	-150,000	2,351,596	-115,000	2,386,596	-30,998	2,470,598
D. Technology development		390,510	390,510	505,510	505,510	440,510	440,510
Operating expenses	367,587	-367,587	0	-367,587	0	-367,587	0
Capital equipment	22,923	-22,923	0	-22,923	0	-22,923	0
Construction:	0	0	0	0	0	0	0
Total, Technology development	390,510	0	390,510	115,000	505,510	50,000	440,510
E. Transportation management	0	10,158	10,158	16,158	16,158	13,158	13,158
Operating expenses	15,918	-15,918	0	-15,918	0	-15,918	0
Capital equipment	240	-240	0	-240	0	-240	0
Total, Transportation management	16,158	-6,000	10,158	0	16,158	-3,000	13,158
F. Program direction							
Operating expenses	0	0	0	0	0	0	0
Capital equipment	0	0	0	0	0	0	0
Total, Program direction	0	0	0	0	0	0	0

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
G. Nuclear materials and facilities stabilization							
Operating expenses	1,413,987	-1,413,987	0	-1,413,987	0	-1,413,987	0
Capital equipment	53,397	-53,397	0	-53,397	0	-53,397	0
Subtotal	1,467,384	-1,467,384	0	-1,467,384	0	-1,467,384	0
Operations & Maintenance	0	1,427,108	1,427,108	1,463,384	1,463,384	1,447,108	1,447,108
Construction:							
GP-D-171 General plant projects, var. locations	34,724	-34,724	0	-20,000	14,724	-34,724	0
96-D-457 Thermal treatment system, Richland, WA	0	0	0	0	0	1,000	1,000
96-D-458 Site drainage control, Mound Plant, Miamisburg, OH	885	0	885	0	885	0	885
96-D-461 Electrical distribution upgrade, Idaho National Engineering Laboratory, ID	1,539	0	1,539	0	1,539	0	1,539
96-D-462 Health physics instrument laboratory, Idaho National Engineering Laboratory, ID	1,126	0	1,126	0	1,126	-1,126	0
96-D-463 Central facilities area (CFA) craft shop Idaho National Engineering Laboratory, ID	724	-724	0	0	724	-724	0
96-D-464 Electrical & utility systems upgrades, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, ID	4,952	0	4,952	0	4,952	0	4,952
96-D-465 200 Area sanitary sewer system, Richland, W	1,800	-1,800	0	0	1,800	-1,800	0

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
96-D-468 Residue Elimination Project, Rocky Flats, CO	0	0	0	0	0	33,100	33,100
96-D-470 Environmental monitoring laboratory, Savannah River Site, Aiken , SC	3,500	0	3,500	0	3,500	-3,500	0
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken,SC	1,500	0	1,500	0	1,500	0	1,500
96-D-472 Plant engineering & design, Savannah River Site, Aiken, SC	4,000	-4,000	0	0	4,000	-4,000	0
96-D-474 Dry Fuel Storage Facility, INEL	0	0	0	15,000	15,000	0	0
96-D-475 High Level Waste Volume Reduction Demo (Pentaborane), INEL	0	0	0	5,000	5,000	0	0
96-D-473 Health physics site support facility, Savannah River, South Carolina	2,000	0	2,000	0	2,000	-2,000	0
95-D-155 Upgrade site road infrastructure, Savannah River, South Carolina	2,900	0	2,900	0	2,900	0	2,900
95-D-156 Radio trunking system, Savannah River, SC	6,000	0	6,000	4,000	10,000	0	6,000
95-D-454 324 Facility compliance/renovation, Richland, WA	3,500	0	3,500	0	3,500	0	3,500
95-D-456 Security facilities consolidation, Idaho							

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Chemical Processing Plant, INEL, Idaho	8,382	0	8,382	0	8,382	0	8,382
94-D-122 Underground storage tanks, Rocky Flats Plant, CO	5,000	0	5,000	0	5,000	0	5,000
94-D-401 Emergency response facility, INEL, ID	5,074	0	5,074	0	5,074	0	5,074
94-D-412 300 area process sewer piping system upgrade, Richland, WA	1,000	0	1,000	0	1,000	0	1,000
94-D-415 Idaho national engineering laboratory medical facilities, INEL, ID	3,601	0	3,601	0	3,601	0	3,601
94-D-451 Infrastructure replacement, Rocky Flats Plant, CO	2,940	0	2,940	0	2,940	0	2,940
93-D-147 Domestic water system upgrade, Phase I & II, Savannah River, South Carolina	7,130	0	7,130	0	7,130	0	7,130
93-D-172 Idaho national engineering laboratory electrical upgrade, INEL, ID	124	0	124	0	124	-124	0
92-D-123 Plant fire/security alarm system replacement, Rocky Flats Plant, Golden, CO	9,560	0	9,560	0	9,560	0	9,560
92-D-125 Master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, CO	7,000	0	7,000	0	7,000	0	7,000

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
92-D-181 Idaho national engineering laboratory fire and life safety improvements, INEL, ID	6,883	0	6,883	0	6,883	0	6,883
91-D-127 Criticality alarm & plant annunciation utility replacement, Rocky Flats plant, Golden, CO	2,800	0	2,800	0	2,800	0	2,800
Total, Construction	128,644	-41,248	87,396	4,000	132,644	-13,898	114,746
Total, Nuclear materials and fac. stabilization	1,596,028	-81,524	1,514,504	0	1,596,028	-34,174	1,561,854
H. Compliance and program coordination							
Operating expenses	65,551	-65,551	0	-65,551	0	-65,551	0
Capital equipment	700	-700	0	-700	0	-700	0
Subtotal	66,251	-66,251	0	-66,251	0	-66,251	0
Operations & Maintenance	0	16,251	16,251	66,251	66,251	31,251	31,251
Construction:							
95-E-600 Hazardous materials training center, Richland, Washington	15,000	0	15,000	0	15,000	0	15,000
Total, Compliance and program coordination	81,251	-50,000	31,251	0	81,251	-35,000	46,251
I. Analysis, education, and risk management		77,022	77,022	80,022	80,022	78,522	78,522
Operating expenses	155,616	-155,616	0	-155,616	0	-155,616	0
Capital equipment	1,406	-1,406	0	-1,406	0	-1,406	0
						0	
Total, Analysis, education, and risk management	157,022	-80,000	77,022	-77,000	80,022	-78,500	78,522
Subtotal, Defense environment restoration & waste mgmt	6,321,944	-367,524	5,954,420	-102,047	6,219,897	-75,078	6,246,866

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Savannah river pension refund	-37,000	0	-37,000	0	-37,000	0	-37,000
Use of prior year balances	-276,942	-375,000	-651,942	0	-276,942	-375,392	-652,334
TOTAL, DEFENSE ENVIRONMENTAL REST. & WASTE MG	6,008,002	-742,524	5,265,478	-102,047	5,905,955	-450,470	5,557,532
A. Other national security programs							
1. Verification and control technology							
a. Nonproliferation and verification R&D	0	163,500	163,500	226,142	226,142	224,905	224,905
Operating expenses	212,642	-212,642	0	-212,642	0	-212,642	0
Capital equipment	13,500	-13,500	0	-13,500	0	-13,500	0
Total, Nonproliferation & verification R&D	226,142	-62,642	163,500	0	226,142	-1,237	224,905
b. Arms control	0	147,364	147,364	162,364	162,364	160,965	160,965
Operating expenses	138,391	-138,391	0	-138,391	0	-138,391	0
Capital equipment	23,973	-23,973	0	-23,973	0	-23,973	0
Total, Arms Control	162,364	-15,000	147,364	0	162,364	-1,399	160,965
c. Intelligence	0	42,336	42,336	42,336	42,336	42,336	42,336
Operating expenses	40,936	-40,936	0	-40,936	0	-40,936	0
Capital equipment	1,400	-1,400	0	-1,400	0	-1,400	0
Total, Intelligence	42,336	0	42,336	0	42,336	0	42,336
Total, Verification and Control Technology	430,842	-77,642	353,200	0	430,842	-2,636	428,206
2. Nuclear safeguards and security	0	83,395	83,395	83,395	83,395	83,395	83,395
Operating expenses	86,121	-86,121	0	-86,121	0	-86,121	0
Capital equipment	3,395	-3,395	0	-3,395	0	-3,395	0

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Total, Nuclear Safeguards and Security	89,516	-6,121	83,395	-6,121	83,395	-6,121	83,395
3. Security investigations - OE	33,247	-8,247	25,000	-8,247	25,000	-13,247	20,000
4. Security evaluations - OE	14,707	0	14,707	0	14,707	0	14,707
5. Office of Nuclear Safety	0	15,050	15,050	15,050	15,050	17,679	17,679
Operating expenses	24,629	-24,629	0	-24,629	0	-24,629	0
Capital equipment	50	-50	0	-50	0	-50	0
Total, Office of Nuclear Safety	24,679	-9,629	15,050	-9,629	15,050	-7,000	17,679
6. Worker and community transition	100,000	-25,000	75,000	0	100,000	-17,500	82,500
7. Fissile materials control and disposition	0	70,000	70,000	70,000	70,000	70,000	70,000
Operating expenses	69,500	-69,500	0	-69,500	0	-69,500	0
Capital equipment	500	-500	0	-500	0	-500	0
Total, Fissile Materials Control and Disposition	70,000	0	70,000	0	70,000	0	70,000
8. Emergency Management	0	23,321	23,321	0	0	23,321	23,321
Total, Other National Security Programs	762,991	-103,318	659,673	-23,997	738,994	-23,183	739,808
B. Naval reactors							
1. Naval reactors development	0	659,168	659,168	659,168	659,168	652,568	652,568
a. Plant development - OE	127,000	-127,000	0	-127,000	0	-127,000	0
b. Reactor development - OE	327,851	-327,851	0	-327,851	0	-327,851	0

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
c. Reactor operation and evaluation - OE	135,517	-135,517	0	-135,517	0	-135,517	0
d. Capital equipment	43,000	-43,000	0	-43,000	0	-43,000	0
e. Construction:							
GPN-101 General plant projects, various locations	6,600	-6,600	0	-6,600	0	0	6,600
95-D-200 Laboratory systems and hot cell upgrades, various locations	11,300	0	11,300	0	11,300	0	11,300
95-D-201 Advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, ID	4,800	0	4,800	0	4,800	0	4,800
93-D-200 Engineering services facilities Knolls Atomic Power Laboratory, Niskayuna, NY	3,900	0	3,900	0	3,900	0	3,900
90-N-102 Expended core facility dry cell project, Naval Reactor Facility, ID	3,000	0	3,000	0	3,000	0	3,000
Total, Construction	29,600	-6,600	23,000	-6,600	23,000	0	29,600
f. Program direction - OE	19,200	-19,200	0	-19,200	0	-19,200	0
Total, Naval Reactors Development	682,168	0	682,168	0	682,168	0	682,168
2. Enrichment materials - OE	0	0	0	0	0	0	0
Total, Naval Reactors	682,168	0	682,168	0	682,168	0	682,168

Fiscal Year 1996 Department of Energy National Security Programs

[Amounts in thousands of dollars]

	FY 1996 Request	House Change to Request	House Authorization	Senate Change to Request	Senate Authorization	Change to Request	Conference Agreement
Savannah river pension refund	0	0	0	0	0	0	0
Use of prior year balances	-13,000	0	-13,000	0	-13,000	-57,000	-70,000
Total, Adjustments	-13,000	0	-13,000	0	-13,000	-57,000	-70,000
TOTAL, OTHER DEFENSE ACTIVITIES	1,432,159	-103,318	1,328,841	-23,997	1,408,162	-80,183	1,351,976
DEFENSE NUCLEAR WASTE DISPOSAL							
Defense nuclear waste disposal	198,400	0	198,400	0	198,400	50,000	248,400
TOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES	11,178,736	-775,103	10,403,633	0	11,178,736	-560,514	10,618,222

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—National Security Programs Authorizations

Weapons Activities (sec. 3101)

The budget request included $3.540 billion for weapons activities. The House bill contained a provision (sec. 3101) that would authorize $3.599 billion for operating expenses, plant projects, and capital equipment for activities necessary to carry out the Department of Energy stockpile stewardship and stockpile management programs.

The Senate amendment contained a provision (sec. 3101) that would authorize Department of Energy weapons activity funding for fiscal year 1996 in the amount of $3.654 billion.

The conferees agree to authorize $3.460 billion for weapons activities, a reduction of $80.0 million from the requested amount. This overall net reduction is the result of a $55.7 million increase to the requested amount for all authorized weapons activities, combined with $135.6 million in adjustment reductions. The adjustment reductions are primarily based on larger amounts of prior year balances than those proposed in the Department of Energy (DOE) budget request. The $55.7 million increase in weapons activities is necessary to fund the requirements levied on the DOE as a result of the Nuclear Posture Review. The increase is required for two major reasons: to fund a modern stockpile refabrication capacity sized to the requirements of the Nuclear Posture Review and to fund a means to assure confidence in stockpile reliability and safety without full-scale, underground nuclear testing. The increase is also appropriate given the historic downward trend in funding for weapons activities (75% from fiscal year 1985 to fiscal year 1995).

The conferees remain concerned about the near-term viability of U.S. strategic deterrence, particularly if the United States refrains from remanufacturing the weapons in the nuclear stockpile with the most efficient fabrication techniques. In relation to the needs of nuclear weapons refabrication and recertification, the conferees recommend that the DOE laboratories and plants enter into appropriate industrial partnerships of mutual benefit.

The budget request included $1.016 billion for core stockpile stewardship. The conferees agree to authorize $1.078 billion for core stockpile stewardship. The conferees authorize the use of stockpile stewardship funds, as follows: (1) accelerated strategic computing initiative, $40.0 million (2) hydronuclear experiment preparation, $30.0 million; (3) dual revalidation, $10.0 million.

Of the $150.0 million authorized for a redirected technology transfer program, the conferees recommend the following amounts: (1) advanced design & production technology (ADAPT), $20.0 million; (2) AMTEX, $10.0 million; (3) enhanced stockpile surveillance, $20.0 million; (4) industrial partnerships in direct support of stockpile stewardship program, $25.0 million; (5) industrial partnerships in direct support of stockpile management program, $25.0 million; (6) completion of highest priority CRADA's that remain from fiscal year 1995, $50.0 million.

The budget request included $1.907 billion for the stockpile management program. The conferees agree to authorize $2.025 billion for the stockpile management program. The conferees authorize the following: (1) manufacturing infrastructure/technology modernization at the four production plants, $143.0 million; (2) fellowship program (four plants), $10.0 million; (3) radiological/nuclear accident response, $70.9 million; (4) tritium source, $50.0 million.

The conferees agree to authorize an additional $118.2 million for stockpile management activities. The increase is necessary to remedy weapons refabrication planning deficiencies identified at the DOE production complex. These remedies are required to begin meeting the objectives of the Nuclear Posture Review.

The conferees recommend that in following fiscal years the Department request the full amount required to meet Department of Defense and programmatic requirements for weapons activities. The conferees find that the DOE Five Year National Security Budget Plan, which assigns major, arbitrary, outyear budget cuts to weapons activities, and to other critical programs within Atomic Energy Defense Activities, does not adequately address the budget requirements necessary to implement the Nuclear Posture Review.

Environmental restoration and waste management (sec. 3102)

The budget request included $6.008 billion for environmental restoration and waste management.

The House bill contained a provision (sec. 3102) that would authorize $5.265 billion for operating expenses, plant projects, and capital equipment for defense environmental restoration and waste management activities.

The Senate amendment contained a provision (sec. 3102) that would authorize $5.906 billion.

The conferees authorize $5.557 billion for defense environmental restoration and waste management activities, a reduction of $451.0 million from the request. The reduction would be partially offset by the availability of prior year funds that have not been obligated, or if obligated, have not been expended and would not be needed for the projects that were the basis for obligation.

The conferees support the recent Department of Energy strategic realignment initiatives, taken in connection with the Department's headquarters functions, to include the consolidation of space, the elimination of duplication between field and headquarters activities, and the reduction of headquarters support service contractors. The conferees direct that funding cuts, to the maximum extent possible, continue to be absorbed through reduction of headquarters personnel and activities. With limited budgets, it is critical that every available dollar be used for actual cleanup activities in the field and that the Department continue its efforts to reduce bureaucratic layers and organizational redundancies at headquarters.

The conferees understand that the Department has employed support service contractors to perform inherently governmental or core governmental functions at the headquarters level. The conferees direct the Department to discontinue that practice and to transfer savings to field operations. The conferees recognize that in some cases it may be more cost effective to seek outside technical expertise rather than employ permanent government personnel.

The conferees authorize an additional $60.0 million above the budget request in the environmental restoration sub-account to initiate an accelerated cleanup program at sites where such action could result in long-term cost savings to the Department. The conferees intend for the Department to carefully evaluate opportunities for such savings at all Department of Energy sites. Guidelines for selection of sites that are eligible for accelerated cleanup are discussed elsewhere in this report.

The conferees are particularly concerned about the projected use of several Department of Energy facilities for additional responsibilities with respect to the processing, treatment, and interim storage of foreign and domestic sourced spent fuel rods. Therefore, the conferees direct, elsewhere in this statement of managers, the initiation of several projects to mitigate these effects. The conferees also direct the initiation of the preconstruction design and engineering for dry storage and advanced mixed waste treatment facilities at the Idaho National Engineering Laboratory. In this regard, the conferees agree to authorize additional funding for the spent nuclear fuels canister storage and stabilization facility at Hanford, Washington.

Prior to, and during conference, the Department submitted to the Congress several separate amendments (additions and deletions) to the list of projects included in the original budget request. Consistent with the amended budget submission, the conferees agree to provide additional funding for certain projects and to delete a number of other projects. Given the lead times associated with budget preparation, the conferees recognize that it is difficult to accurately project the status or requirements for every activity. However, the conferees encourage the Department to refrain from submitting multiple amendments to budget requests during conference.

In an effort to track carryover balances, the conferees direct the Department to submit a report to the congressional defense committees, contemporaneous with the fiscal year 1997 budget request. The report should contain the following: (1) an end of current fiscal year projection of uncosted and unobligated carryover balances; (2) target end of current fiscal year carryover balances, by program, based on a model of the minimum amount necessary for program operations and continuity; (3) a comparison of the differences between the projected and target carryover balances, by program; (4) a justification for the difference between the projected and targeted carryover balances; and (5) the amount of unjustified carryover balances, based on the calculation in (2). The conferees direct the Department to report the carryover balances within the Environmental Restoration and Waste Management Program, and those balances across all Atomic Energy Defense Activities accounts. The conferees believe that unjustified carryover balances should be applied to reduce the Department's budget request for the next fiscal year.

Other Defense Activities (sec. 3103)

The budget request included $1.432 billion for Other Defense Activities of the Department of Energy (DOE) for fiscal year 1996. The House bill contained a provision (sec. 3104) that would authorize $1.329 billion for Other Defense Activities.

The Senate amendment contained a provision (sec. 3103) that would authorize $1.408 billion for this group of programs, a decrease of $24.0 million below the requested amount.

The conferees agree to authorize $1.352 billion for these programs.

The conferees also direct that the five-year plans for the following activities be provided, not later than January 15, 1996, to the congressional defense committees: security investigations; nuclear safeguards and security; nuclear safety; worker and community transition; fissile materials disposition; naval reactors; nonproliferation; and arms control.

Naval Reactors

The conferees urge the Naval Reactors Program to maintain the high health and safety standards that have resulted in both an unprecedented record of safe operation and have become the standard for safe nuclear power operations around the world. The conferees also support the program's continued use of the Advanced Test Reactor (ATR). This facility is completely unique in the United States and is essential to the continuation of the advanced materials subprogram. This subprogram provides experimental data that is the basis for both present safety standards and future power plant designs.

Other National Security Programs

Nuclear Safeguards and Security

The conferees believe that the Secretary of Energy should carefully balance investment within the sub-programs of the Nuclear Safeguards and Security Program to safeguard Department of Energy nuclear weapons, nuclear materials, and facilities against theft, sabotage, and terrorist activity. Such a balanced approach should remain the highest priority of the program. The conferees authorize additional funding for declassification activities elsewhere in this statement of managers, but this should not be construed as an indication that the Congress in any way is indifferent to the protection of these DOE properties. In view of the growing severity of domestic and international terrorism, the conferees urge the DOE to take increased steps to safeguard the weapons grade material and weapons under its control.

Office of Security Investigations

As a result of recent major incidents of domestic and international terrorism, the conferees believe that the Office of Security Investigations should determine the need for more frequent reinvestigations of individuals with actual access to weapons grade material. The conferees direct that the Secretary provide the congressional defense committees with a description of the determination rendered, not later than March 30, 1996. The Secretarial submission should include the Department's recommendations and the rationale for the determination. The conferees also recommend a more detailed treatment of any new initiatives and emphases in the fiscal year 1997 budget submission.

Office of Security Evaluations

The conferees believe that the Office of Security Evaluations should reevaluate its present policies, and evaluate and develop new policies and actions, if required, to improve the effectiveness of its program. The conferees direct that the Secretary provide an explanation of the results of this reevaluation to the appropriate congressional defense committees, not later than March 30, 1996. The conferees also recommend a more detailed treatment of the results of its policies in the fiscal year 1997 budget submission.

Office of Nuclear Safety

The conferees believe that the Office of Nuclear Safety should implement the program with an overall cost/benefit analysis applied as a major consideration. That approach would ensure that available resources would be used in a fiscally responsible manner, and provide reductions in significant risks to employees. Resources should not be used to fund marginal improvements that provide minimal safety benefits. The conferees direct the Secretary to implement cost/benefit performance as a criterion for the Office of Nuclear Safety.

Worker and Community Transition

The conferees direct the Worker and Community Transition program to provide more detailed information on the effectiveness of its activities, through the end of fiscal year 1995, in the fiscal year 1997 budget request.

Fissile Materials Control and Disposition

The conferees are concerned that the Fissile Materials Control and Disposition Program does not have a wide range of technology and cost effectiveness assessments in its programmatic environmental impact statement (PEIS). Specific direction is provided in this Act to consider a variety of nuclear reactors in this regard. The committees of jurisdiction intend to explore these issues in greater depth with the Department of Energy during future congressional hearings.

Emergency Response

The conferees direct that the funds for the Office of Emergency Response, within the Office of Non-proliferation and National Security, shall be allocated within the Other Defense Programs category, not from within any other part of the Atomic Energy Defense Activities. The conferees further direct that in fiscal year 1997, and subsequent fiscal years, the funding requested for Atomic Energy Defense Activities Program Direction should be allocated separately within each of the four top level categories of that account, and not aggregated within one such category, as was done in the fiscal year 1996 budget request.

Nonproliferation and verification research and development and arms control

The budget request included $226.1 million for nonproliferation and verification research and development, and $162.3 million for arms control.

The House bill would authorize $163.5 million for nonproliferation and verification research and development, a $62.6 million reduction to the budget request; and $147.4 million for arms control, a $14.9 million reduction to the budget request.

The Senate amendment would authorize the budget request.

The conferees authorize $224.9 million for nonproliferation and verification research and development, consistent with the amended budget request from the Department of Energy, and $161.0 million for arms control.

Due to the increase in international terrorism and attempts to acquire weapons grade nuclear materials by criminal organizations, the conferees authorize $3.0 million be available from nonproliferation and verification research and development for the development of forensics capability to detect and track shipments abroad. Further, the conferees direct the Secretary of Energy to broaden involvement in this area to include the entire Department of Energy weapons complex, including the Savannah River Site, Pacific Northwest Laboratory, Idaho National Engineering Laboratory, and industry.

The conferees direct the Secretary of Energy to submit a five-year nonproliferation research and development program plan to Congress by March 30, 1996. The plan shall include a program strategy, description of the program and project objectives, deliverables, and milestones for each project within the program. The plan shall also identify the specific organization customers for each project and subprogram.

The conferees concur with recommendations in the Senate report (S. Rept. 104–112) that the Department of Energy, in coordination with the International Atomic Energy Agency (IAEA), should conduct a study on nuclear reactor safety issues in the Ukraine and report, with recommendations, to Congress on the safety issues that need to be addressed. The conferees direct that the report be broadened to include nuclear reactors in Russia. However, the conferees agree that funding to conduct a study on nuclear reactor safety study in Ukraine and Russia would more appropriately be funded in the international affairs budget and the civilian nuclear reactor portion of the energy budget, and therefore, no funds are authorized to conduct this study from nonproliferation and verification research and development or any other Atomic Energy Defense Activities account.

Defense nuclear waste disposal (sec. 3104)

The budget request included $198.4 million for defense nuclear waste disposal activities of the Department of Energy for fiscal year 1996.

The House bill contained a provision (sec. 3105) that would authorize $198.4 million for this purpose.

The Senate amendment contained an identical provision.

The conference agreement includes a provision that would authorize $248.4 million for defense nuclear waste disposal activities of the Department of Energy for fiscal year 1996.

Subtitle B—Recurring General Provisions

Reprogramming (sec. 3121)

The House bill contained a provision (sec. 3121) that would prohibit the reprogramming of funds in excess of 110 percent of the amount authorized for the program concerned, or in excess of $1.0 million above the amount authorized for the program unless the Secretary of Energy notifies the congressional defense committees and a period of 30 days has elapsed subsequent to the receipt of notification. Should the Department demonstrate that it has improved its procedures for handling reprogramming requests, the Armed Services Committee of the Senate and the National Security Committee of the House would consider a return to a more flexible reprogramming process.

The Senate amendment contained a similar provision.

The Senate recedes.

Limits on general plant projects (sec. 3122)

The House bill contained a provision (sec. 3122) that would limit the initiation of "general plant projects" authorized by the bill if the current estimated cost for any project exceeds $2.0 million. However, the provision would require the Secretary of Energy to provide the congressional defense committees with notification and an explanation for a general plant project cost variation that raises the cost of any project above $2.0 million.

The Senate amendment contained a similar provision.

The Senate recedes.

Limits on construction projects (sec. 3123)

The House bill contained a provision (sec. 3123) that would permit initiation and continuation of a Department of Energy construction project if the estimated cost for the project does not exceed 125 percent of the higher of: (1) the funds authorized for the project; or (2) the most recent total estimated cost presented to the Congress as justification for such project. The Secretary of

Energy would submit a detailed report to the congressional defense committees for any project that exceeds such limits, and the report would be submitted within the 30 legislative days following a decision to initiate or continue such a project.

The House provision would also specify that the 125 percent limitation would not apply to any project with an estimated cost below $5.0 million.

The Senate amendment contained a similar provision.

The Senate recedes.

Fund transfer authority (sec. 3124)

The Senate amendment contained a provision (sec. 3124) that would authorize the transfer of Department of Energy funds to other agencies of the government for performance of work for which the funds were authorized and appropriated. The provision would permit another agency to merge the transferred funds with that agency's authorized and appropriated funds.

The provision would also authorize the Department to transfer funds internally among its appropriations accounts, up to a limit of five percent of the authorized amount.

The House bill contained a similar provision.

The House recedes with an amendment that would stipulate that, for any such internal transfers or reprogrammings pursuant to this section, weapons activities shall be regarded by the Department as having higher priority than environmental management activities or other defense activities.

Authority for conceptual and construction design (sec. 3125)

The House bill contained a provision (sec. 3125) that would limit the Secretary of Energy's authority to request construction funding until the Secretary has certified a conceptual design. If the cost of the conceptual design exceeds $3.0 million, the Secretary must request the amount from Congress before submitting a request for the construction project. The Secretary may carry out construction design services if their cost is less than $0.6 million. Greater costs for construction design would be required to be authorized by law.

The Senate amendment contained a similar provision.

The Senate recedes.

Authority for emergency planning, design, and construction activities (sec. 3126)

The House bill contained a provision (sec. 3126) that would permit the Secretary of Energy to utilize available funds to perform planning and design for any unauthorized Department of Energy national security program construction project based on the Secretary's determination that the design must proceed expeditiously for the protection of public health, safety, and property, or to meet the needs of the national defense.

The Senate amendment contained a similar provision (sec. 3126).

The Senate recedes.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The House bill contained a provision (sec. 3127) that would authorize amounts appropriated for management and support activities and for general plant projects to be made available for use, when necessary, in connection with all national security programs of the Department of Energy.

The Senate amendment contained a similar provision.

The Senate recedes.

Availability of funds (sec. 3128)

The House bill contained a provision (sec. 3128) that would authorize amounts appropriated for operating expenses or for plant and capital equipment to remain available until expended.

The Senate amendment contained a similar provision.

The Senate recedes.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Authority to conduct a program relating to fissile materials (sec. 3131)

The House bill contained a provision (sec. 3131) that would authorize the Secretary of Energy to conduct a program to improve fissile material protection, control, and accountability in Russia. The provision would also require notification to the Congress prior to obligation of funds.

The Senate amendment did not contain a similar provision.

The Senate recedes with an amendment.

The conferees agree to a provision that would authorize the Secretary of Energy to conduct a program to improve fissile material protection, control, and accountability in Russia. The provision would also require the Secretary to provide a semi-annual report to Congress on the obligation of funds for the preceding six month period and on the plans for obligation of those funds.

The conferees direct that each report shall include the following: a forecast of planned expenditures, broken out by major program elements and program achievements; and a description of procedures to ensure that funds are used for the purposes and activities for which they were authorized. The report shall be submitted in classified and unclassified forms.

National Ignition Facility (sec. 3132)

The House bill contained a provision (sec. 3132) that would limit the expenditure of funds appropriated for the National Ignition Facility (NIF) until the Secretary of Energy determines that the NIF does not impede U.S. nuclear non-proliferation objectives and then notifies the Congress.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the expenditure of construction funds for the NIF until the Secretary makes the determination and notifies the Congress.

Tritium production program (sec. 3133)

The House bill contained a provision (sec. 3133a) that would authorize $50.0 million, for a project that would provide a long-term source of tritium, subsequent to the Secretary of Energy's completion of a record of decision on the tritium production program and the conclusion of congressional hearings.

The Senate amendment contained a provision (sec. 3131) that would authorize $50.0 million to conduct an assessment of various types of reactors and an accelerator. The provision would ensure that any new tritium production facility would be located at the Savannah River Site. It would also authorize $5.0 million from weapons activity funds for tritium target work in reactors.

The Senate recedes with an amendment that would provide for: $50.0 million to establish a program to provide a tritium production source; $5.0 million for tritium target work to be administered by the Idaho National Engineering Laboratory; a new tritium facility at the Savannah River Site; the Secretary's cost/benefit comparison between performance of the tritium production mission and the fissile materials disposition mission with a single multi-purpose reactor project and performance of these missions with two separate projects; and a long-term tritium production funding plan to Congress within 45 days of enactment of this Act.

The conferees direct the Secretary of Energy to establish both headquarters and field offices for the national tritium production program within Defense Programs. The conferees direct that these offices be adequately staffed by Federal technical experts in accelerators, reactors, and other relevant areas of science and technology. The conferees further direct that the Savannah River Operations Office be designated as the tritium production field office.

Payment of penalties assessed against Rocky Flats site (sec. 3134)

The House bill contained a provision (sec. 3103) that would authorize the Secretary of Energy to pay for civil penalties assessed in accordance with a federal facility agreement and consent order against the Rocky Flats site in Colorado.

The Senate amendment contained a similar provision (sec. 3105).

The Senate recedes.

As indicated in the Senate report (S. Rept. 104–112), the conferees are concerned about the diversion of Department of Energy funds for payment of fines and penalties. The conferees agree that this is an issue that warrants continued monitoring.

Fissile materials disposition (sec. 3135)

The budget request included $70.0 million for the fissile materials disposition program.

The Senate amendment contained a provision (sec. 3132) that would authorize $70.0 million for the storage and disposition of fissile materials that are excess to U.S. national security needs. Of this amount, $10.0 million would be available for a plutonium resource assessment.

The House bill contained a provision (sec. 3133(b)) that would authorize $70.0 million for plutonium storage and disposition, including the multipurpose advanced light water reactor. Of that amount, $5.0 million would be available for evaluating the conversion of plutonium to oxide fuel material for the multipurpose reactor. Sufficient funds would also be made available to fully assess the multipurpose reactor in the Department of Energy's (DOE's) programmatic environmental impact statement on fissile materials disposition.

The Senate recedes with an amendment.

The conferees authorize $70.0 million be made available for evaluation and implementation of interim- and long-term storage and disposition of plutonium, highly enriched uranium, and other fissile materials that are excess to the national security needs of the U.S. The conferees direct that the evaluation include full consideration of light water and gas turbine reactors. The conferees further direct that sufficient funds be made available for the complete consideration of multipurpose reactors in the DOE programmatic environmental impact statement on fissile materials disposition. The conferees endorse the views expressed in the House Report (H. Rept. 104–131) regarding the National Resource Center for Plutonium.

Tritium recycling (sec. 3136)

The Senate amendment contained a provision (sec. 3133) that would require Department of Energy weapons program tritium recycling to be carried out at the Savannah River Site. The Senate provision would allow the Los Alamos National Laboratory to conduct the following activities related to tritium: (1) research on tritium properties; (2)

inertial confinement fusion tritium research; (3) technical assistance for the Savannah River Site regarding the weapons surveillance program, as directed by the Savannah River Site Office. Except as noted above, the Savannah River Site Office and its on-site contractor would be responsible for all tritium-related national security activities of the U.S. Department of Energy.

The House bill contained no similar provision.

The House recedes.

Manufacturing infrastructure for refabrication and certification of nuclear weapons stockpile (sec. 3137)

The Senate amendment included a provision (sec. 3134) that would authorize $143.0 million to carry out a program to meet the manufacturing infrastructure requirements of the President's Nuclear Posture Review through near-term modernization of technology at the four production plants cited in this section.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees require that this initiative provide for enhanced stockpile surveillance, advanced manufacturing, and core stockpile management activities at these plants. This requirement includes fundamental initiatives in advanced manufacturing, and additional emphasis on advanced computerized manufacturing and revalidation techniques at these plants. The conferees direct the Secretary of Energy to ensure that requirements for primary pit refabrication are addressed in the on-going Programmatic Environmental Impact Statement (PEIS) on Stockpile Stewardship and Management. Should it be determined, based on the PEIS, that there is a need for such a capacity, the conferees require the Secretary to undertake a conceptual design study of an appropriately sized weapon primary pit refabrication, manufacturing and reuse facility and to consider the Savannah River Site for that role. Up to $5.0 million would be available for this study from the stockpile management program resources.

The conferees direct the Secretary to treat this initiative as a high weapons activity program priority with new budget authority. Further, the conferees authorize $118.2 million above the DOE Stockpile Management budget request to pursue this initiative in fiscal year 1996 at the four production plants, without an impact on the current planned program activities at these plants. The conferees further direct that the remaining $24.8 million required for this initiative be made available from core stockpile management, reconfiguration and materials surveillance funds. The conferees recommend that the rate of expenditure for this initiative at each plant be proportionate to the plant's allocation of the entire initiative.

Hydronuclear experiments (sec. 3138)

The Senate amendment contained a provision (sec. 3135) that would authorize $50.0 million in fiscal year 1996 to prepare the Nevada Test Site for hydronuclear experiments that would yield four pounds (TNT equivalent) or less. The experiments would be conducted to maintain confidence in the safety and reliability of the nuclear weapons stockpile. Zero yield experiments could be included in the fiscal year 1996 experiments as part of the test site preparation.

The House bill contained no similar provision.

The House recedes with an amendment providing $30.0 million for such purposes.

Limitation on authority to conduct hydronculear tests (sec. 3139)

The Senate amendment contained a provision (sec. 3108) that would limit this Act by confirming that nothing in this Act authorizes hydronuclear tests and that nothing in this Act amends or repeals the Exon-Hatfield Amendment (section 507 of Public Law 102-377) which places limitations on U.S. nuclear testing.

The House bill contained no similar provision.

The House recedes with an amendment.

Fellowship program for development of skills critical to the Department of Energy nuclear weapons complex (sec. 3140)

The Senate amendment contained a provision (sec. 3136) that would provide $10.0 million from Stockpile Management funds to begin a science and engineering fellowship program for the Pantex Plant, the Kansas City Plant, the Savannah River Site and the Y-12 Plant. The program would provide educational and research assistance to attract scientists and engineers with the skills most relevant to plant employment opportunities and mission requirements.

The House bill contained no similar provision.

The House recedes.

Limitation on use of funds for certain research and development purposes (sec. 3141)

The Senate amendment contained a provision (sec. 3138) that would limit the obligation of fiscal year 1996 Atomic Energy Defense Activity funds for the Department of Energy laboratory directed research and development (LDRD) program and the Department of Energy technology transfer programs, unless such activities support the national security missions of the Department.

The House bill contained no similar provision.

The House recedes.

The conferees believe the scientific and engineering challenges embodied in the emerging stockpile stewardship and stockpile management programs are more than sufficient to maintain the laboratories' preeminence in science and engineering. Therefore, the laboratories should expeditiously begin to focus the program resources on the pressing needs of the nuclear weapons program.

Processing and treatment of high level nuclear waste and spent nuclear fuel rods (sec. 3142)

The Senate amendment contained a provision (sec. 3139) that would recommend $2.5 million for the electrometallurgical processing activities at the Idaho National Engineering Laboratory. This amendment would also recommend $45.0 million to develop technologies for the processing of spent fuel rods at the Savannah River Site and at the Idaho National Engineering Laboratory.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize $45.0 million for the development of a program to respond effectively to the new management requirements for spent fuel. These new requirements are the result of a decision set forth in the Department of Energy's Record of Decision, dated May 30, 1995, prepared in relation to the Department's spent nuclear fuel management program. That decision provided for the consolidation at the Savannah River Site and at the Idaho National Engineering Laboratory of spent nuclear fuel that has been transported from various sites in the United States, spent fuel from naval reactors, and spent fuel from foreign reactors. The conferees authorize $30.0 million for the Savannah River Site for the development of a program for the processing and interim storage of aluminum clad spent fuel rods and foreign spent fuel rods. The conferees authorize $15.0 million for the Idaho National Engineering Laboratory for a similar program for nonaluminum clad spent fuel rods, foreign spent fuel rods, and naval spent fuel. The conferees require the Secretary of Energy to submit to Congress a detailed five-year implementation plan that would provide cost estimates, completion dates, and technological requirements for completion of the program.

The conferees also authorize, from technology development program funds within Environmental Restoration and Waste Management, $25.0 million for the development of electrometallurgical waste treatment technologies at the Argonne National Laboratory.

Protection of workers at nuclear weapons facilities (sec. 3143)

The Senate amendment contained a provision (sec. 3142) that would authorize $10.0 million from the operations and maintenance resources of the Environmental Restoration and Waste Management Program to carry out activities related to worker protection at nuclear weapons facilities.

The House bill contained no similar provision.

The House recedes.

Department of Energy declassification productivity initiative (sec. 3144)

The budget request did not identify funding for the Declassification Productivity Initiative that began in fiscal year 1995.

The Senate amendment contained a provision (sec. 3140) that would authorize $3.0 million from other national security programs for the Declassification Productivity Initiative (DPI) at the Department of Energy.

The House bill contained no similar provision.

The House recedes.

The conferees note that Executive Order 12958, signed by the President on April 9, 1995, mandates that millions of classified documents be declassified by the year 2000. While it remains paramount that the Department maintain the integrity of its national security information, the conferees agree that substantial savings can be realized by reducing the volumes of unduly classified documents, and by modifying unnecessary and overly-burdensome classification policies. The conferees authorize $3.0 million for the DPI and recommend that the Department request appropriate funding for the initiative in future budget submissions.

Subtitle D—Other Matters

Report on foreign tritium purchases (sec. 3151)

The House bill contained a provision (sec. 3141) that would require the President to submit a report to Congress by February, 1996, on the feasibility, cost, and ramifications of purchasing tritium for the nuclear weapons program from foreign suppliers.

The Senate amendment contained a similar provision (sec. 3163) that would require the President to submit the same report to the congressional defense committees by May 30, 1997.

The Senate recedes with an amendment that would require the report by May 1, 1996.

Study on nuclear test readiness postures (sec. 3152)

The House bill contained a provision (sec. 3142) that would require the Secretary of Energy to submit a report to Congress by February 15, 1996. The report would address cost and other issues related to the Department of Energy's capability to conduct underground nuclear testing within 6 months, 18 months, and 36 months from the date that the President determines that such testing is necessary to ensure the national security of the United States.

The Senate amendment contained no similar provision.

The Senate recedes.

Master plan for the certification, stewardship, and management of warheads in the nuclear weapons stockpile (sec. 3153)

The House bill contained a provision (sec. 3143) that would require the Secretary of Defense, in consultation with the Secretary of Energy, to submit a plan to Congress that would describe in detail the proposed means of demonstrating the capability to refabricate and certify old warheads and to design and build new warheads. The provision would require submission of the report not later than March 15, 1996.

The Senate amendment contained a provision (sec. 3165) that would require the Secretary of Energy to produce, by March 15, 1996, and every year thereafter, a plan for maintaining the enduring nuclear weapons stockpile. That plan would involve at least six specific elements, to include a plan for the manufacturing infrastructure, necessary to maintain the nuclear weapons stockpile stewardship and management programs.

The House recedes with an amendment that would explicitly incorporate the requirements of the House provision into the manufacturing infrastructure requirements section of the Senate provision. Both sets of requirements are based on the Department of Energy infrastructure requirements section of the Nuclear Posture Review.

Prohibition on international inspections of Department of Energy facilities unless protection of restricted data is certified (sec. 3154)

The House bill included a provision (sec. 3144) that would prohibit international inspections of Department of Energy facilities unless the Secretary of Energy certifies that sensitive and/or restricted data has been adequately safeguarded.

The Senate amendment did not contain a similar provision.

The Senate recedes with an amendment.

The conferees agree to a provision that would prohibit an inspection of a nuclear weapons facility by the International Atomic Energy Agency (IAEA) until the Secretary of Energy certifies to Congress that no restricted data would be revealed during the inspection.

The conferees direct the Secretary to ensure that the certification to Congress is made prior to the inspection. If the Secretary of Energy cannot provide certification in advance of an inspection because of a short-notice (24-hour) request, the Secretary shall provide certification no later than seven days after the inspection has been conducted. The certification shall also describe the steps taken by the Secretary to ensure the protection of the restricted data during the inspection.

Review of certain documents before declassification and release (sec. 3155)

The conference agreement includes this provision to strongly urge the President to immediately review and revise Executive Order 12958, which provides for the automatic declassification and public release of documents containing National Security Information within five years, regardless of prior review. Included under this order are Department of Energy documents that potentially contain restricted data on nuclear weapons design, production and testing, and Department of Defense documents that potentially contain information on nuclear weapons operations and support. Automatic declassification thereby creates the risk of releasing nuclear weapons information to potential proliferators. This would constitute a grave risk to U.S. national security and to non-proliferation efforts.

The conferees believe that the automatic declassification of national security records that contain restricted data would constitute a violation of the legal protections for restricted data, mandated by the Atomic Energy Act of 1954, as amended. The conferees recognize that the Executive Order provides an exemption for the automatic declassification of restricted data. However, the conferees are concerned that some classified documents may contain restricted data information without reflecting that fact on the classification records. Therefore, there is no practical means to ensure the protection of restricted data and apply an automatic declassification system.

Accelerated schedule for environmental management activities (sec. 3156)

The House bill contained a provision (sec. 3145) that would permit the Secretary of Energy to accelerate the schedule for environmental management activities and projects for any specific Department of Energy defense nuclear facility site, if such efforts would yield substantial long-term cost savings and speed up the release of land for development.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment. The amended provision would require the Secretary of Energy to submit a report to Congress by May 1, 1996 regarding site selection for the accelerated program.

Sense of Congress on certain environmental restoration requirements (sec. 3157)

The Senate amendment contained a provision (sec. 3107) that would express the sense of Congress that individuals in the executive branch should not be held personally liable for failure to comply with an environmental cleanup requirement when the failure to comply is due to congressional appropriations decisions.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees agree that no individual acting within the scope of employment with a Federal agency or department should be personally subject to civil or criminal sanctions for any failure to comply with an environmental cleanup requirement that is the result of inadequate funding.

Responsibility for defense programs emergency response program (sec. 3158)

The Senate amendment contained a provision (sec. 3161) that would require the Assistant Secretary of Energy for Defense Programs to retain the responsibility for the Defense Programs Radiological/Nuclear Accident Response Program. That program includes the seven emergency response assets needed to carry out the mission: the Aerial Measuring System; the Atmospheric Release Advisory Capability; the Accident Response Group; the Federal Radiological Monitoring and Assessment Center; the Nuclear Emergency Search Team; the Radiological Assistance Program; and the Radiation Emergency Assistance Center/Training Site.

The House bill contained no similar provision.

The House recedes.

Requirements for Department of Energy weapons activities budgets for fiscal years after fiscal year 1996 (sec. 3159)

The Senate amendment contained a provision (sec. 3162) that would require the Department of Energy (DOE) to remedy past and present items of congressional criticism related to the clarity of the Department's budget submission. The Senate provision would require the Department to explicitly relate its budget submission to the requirements of the Nuclear Posture Review.

The House bill contained no similar provision.

The House recedes.

Report on hydronuclear testing (sec. 3160)

The Senate amendment contained a provision (sec. 3164) that would require the Secretary of Energy to direct the Los Alamos and Lawrence Livermore National Laboratories to prepare a report that would assess the advantages and disadvantages of permitting alternative limits for nuclear test yields, from at least four pounds to 20 tons, as related to the safety and reliability of the nuclear weapons stockpile. In addition to the yields explicitly cited, the report would address other yields, as appropriate, but would remain focused on the advantages and disadvantages of sub-kiloton testing, as related to stockpile safety and reliability.

The House bill contained no similar provision.

The House recedes with an amendment that adjusts the nuclear test yields of interest.

Applicability of Atomic Energy Community Act of 1955 to Los Alamos, New Mexico (sec. 3161)

The Senate amendment contained a provision (sec. 3166) that would amend and specify certain requirements of the Atomic Energy Community Act of 1955 for the community of Los Alamos, New Mexico.

The House bill contained no similar provision.

The House recedes.

Sense of Congress regarding shipments of spent nuclear fuel (sec. 3162)

The Senate amendment contained a provision (sec. 3167) that would express a sense of the Senate that the Secretary of Defense, the Secretary of Energy, and the Governor of the State of Idaho should continue good faith negotiations for the purpose of reaching an agreement on the issue of shipments of spent nuclear fuel from naval reactors.

The House bill included no similar provision.

The House recedes with an amendment that would express the sense of Congress that: (1) the Congress recognizes the need to implement the terms, conditions, rights, and obligations contained in the settlement agreement reached between the United States and the State of Idaho regarding shipment, examination, and storage of naval spent nuclear fuel at Idaho; and (2) that funds requested by the President to carry out the settlement agreement and consent order should be appropriated for that purpose.

LEGISLATIVE PROVISIONS NOT ADOPTED

Education program for personnel critical to the nuclear weapons complex

The Senate amendment contained a provision (sec. 3137) that would authorize $10.0 million from the Stockpile Stewardship Program to conduct an education program designed to establish a long-term supply of personnel with skills critical to the nuclear weapons complex. The program would: (1) encourage and assist students in the study of science, mathematics, and engineering; (2) enhance teaching skills in critical areas; and (3) increase scientific understanding of the general public.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree to authorize $10.0 million from the Stockpile Stewardship Program. The conferees note that because existing legislation authorizes such activities, up to $10.0 million would be authorized for this purpose, without a separate authorization provision.

Applicability of Atomic Energy Community Act of 1955 to Los Alamos, New Mexico (sec. 3161)

The Senate amendment contained a provision (sec. 3166) that would amend and specify certain requirements of the Atomic Energy Community Act of 1955 for the community of Los Alamos, New Mexico.

The House bill contained no similar provision.

The House recedes.

Authority to reprogram funds for disposition of certain spent nuclear fuel

The Senate amendment contained a provision (sec. 3141) that would authorize the Secretary of Energy to reprogram up to $5.0 million in fiscal year 1996 funds available to the Department for the disposition of spent nuclear fuel in the Democratic People's Republic of Korea (DPRK), in order to meet International Atomic Energy Agency (IAEA) safeguard standards and fulfill the October 21, 1994 agreement between the United States and the DPRK.

The House bill did not contain a similar provision.

The Senate recedes.

In order to meet International Atomic Energy Agency safeguard standards and fulfill the October 21, 1994 agreement between the United States and the DPRK, the conferees recommend $3.6 million for the disposition of spent nuclear fuel. In authorizing these funds, the conferees make no judgment regarding the merits of the October 1994 agreement.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization (sec. 3201)

The House bill contained a provision (sec. 3201) that would authorize $17.0 million for the Defense Nuclear Facilities Safety Board.

The Senate amendment contained an identical provision (sec. 3201).

the conferees recommend $17.0 million for the Board.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Disposals and Use of Funds

Disposal of chromite and manganese ores and chromium ferro and manganese metal electrolytic (sec. 3303)

The House bill contained a provision (sec. 3302) that would require the granting of right of first refusal to domestic ferroalloy upgraders, for certain disposals.

The Senate amendment contained a similar provision (sec. 3403).

The House recedes with a technical amendment regarding the definition of a domestic ferroalloy upgrader.

Restrictions on disposal of manganese ferro (sec. 3304)

The House bill contained a provision (sec. 3303) that would require that certain grade manganese ferro not be disposed of from the National Defense Stockpile until the disposal of lower grade inventory material had been completed. The provision would also require that certain grade manganese ferro only be sold for remelting in a submerged arc ferromanganese furnace.

The Senate amendment contained a similar provision (sec. 3404) that would require certain grade manganese ferro to be sold only for remelting by a domestic ferroalloy producer.

The House recedes.

Titanium initiative to support battle tank upgrade program (sec. 3305)

The House bill contained a provision (sec. 3304) that would direct the transfer of titanium sponge from the National Defense Stockpile to the Army for use in the weight reduction portion of the main battle tank upgrade program. The transfer would be without cost to the Army, except for transportation and similar costs.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Programmatic Change

Transfer of excess defense-related materials to stockpile for disposal (sec. 3311)

The Senate amendment contained a provision (sec. 3405) that would direct the transfer of suitable, uncontaminated Department of Energy inventory items to the National Defense Stockpile for disposal.

The House bill contains no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Disposal of obsolete and excess materials contained in the National Defense Stockpile

The Senate amendment contained a provision (sec. 3402) that would authorize the disposal of materials from the National Defense Stockpile.

The House bill contained no similar provision.

The Senate recedes.

The defense committees and the conferees have recommended that new disposal authority be granted in the reconciliation process, rather than authorization.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Administration of Naval Petroleum Reserves

Authorization of appropriations (sec. 3401)

The House bill contained a provision (sec. 3401) that would authorize fiscal year 1996 appropriations for the operation of the Naval Petroleum Reserves.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Price requirement on sale of certain petroleum during fiscal year 1996 (sec. 3402)

The House bill contained a provision (sec. 3402) that would require that the sale of any oil produced at the Naval Petroleum Reserves be transacted for a price that is not less than 90 percent of the sales price of comparable petroleum from the same area, as estimated by the Secretary of Energy.

The Senate amendment contained no similar provision.

The Senate recedes.

Extension of operating contract for naval petroleum reserve numbered 1. (sec. 3403)

The conference agreement contains a provision which amends Section 3503 of the National Defense Authorization Act of Fiscal Year 1995 (Public Law 103-337; 108 Stat. 3111) to extend the Department of Energy's authority to operate the Naval Petroleum Reserve Numbered 1.

Subtitle B—Sale of Naval Petroleum Reserve

Future of Naval Petroleum and Oil Shale Reserves (secs. 3411–3416)

The House bill contained a provision (sec. 3403) that would provide for the sale of the Naval Petroleum Reserve Numbered 1 (NPR-1), also known as Elk Hills located in Kern County, California. The House bill also contained a provision (sec. 3404) that would require the Secretary of Energy to conduct a study to determine what should be done with the other five remaining reserves in the Naval Petroleum and Oil Shale Reserves.

The Senate amendment contained similar provisions (secs. 3301 and 3302).

The conference agreement includes several provisions related to the future of the Naval Petroleum and Oil Shale Reserves that would provide for the sale of NPR-1 by competitive bid within two years of enactment. The agreement would also require the Secretary of Energy to submit a report that would recommend a course of action that would maximize the value of the five remaining reserves to the federal government.

The conferees believe that the sale of NPR-1 can be justified based on the fact that there is no longer a military need for these reserves. Since the Arab oil embargo, the likelihood of a sustained interruption in supply has fallen and the market has shown itself to be responsive in pricing and allocating oil during periods of uncertain supply.

In addition, the conferees are concerned about the long-term implications of government participation in what has become a commercial oil business. The conferees believe that producing and selling oil and natural gas should be performed within the private sector. That belief is shared by the administration which also proposed the sale of the reserve.

The sale of NPR-1 will help save the federal government over a billion dollars in operating costs and several hundred million dollars in interest payments. These savings are in addition to the increased tax revenues and the $1.5 to $2.5 billion in receipts that will result from the sale. Even after deducting the lost annual revenues resulting from the sale, these savings and receipts will result in a substantial net increase to the Treasury.

The conference agreement contains a number of safeguards so that the sale of NPR-1 will ensure the government realizes the maximum amount of revenues possible. The provisions would require the Secretary of Energy to obtain credible appraisals of the value of the reserve before setting a minimum acceptable sales price. In addition, the valuation must include all existing infrastructure, the estimated quantity of petroleum and natural gas in the reserve, and the anticipated revenue stream that the Treasury would receive if the reserve was not sold. The Secretary could not accept bids lower than the minimum acceptable price and could not enter into contracts for sale until the end of a 31-day period following notification to Congress. The proceeds from the sale would be deposited in the Treasury.

In addition, if the Secretary of Energy and the Director of the Office of Management and Budget jointly determine that the sale of NPR-1 is proceeding in a manner that is inconsistent with the best interests of the United States, the Secretary may suspend the sale. The Secretary must then wait for further legislation authorizing the continuation of the sale. The conferees believe the Secretary should suspend the sale only after all efforts have been made to ameliorate any difficulties in the sale of the reserve.

In the event the Secretary is not able to comply with the deadlines included in these provisions, the Secretary and the Director of the OMB would be required to notify Congress and submit a plan of alternative action.

The conference agreement provides for the transfer of a current environmental permit (50 CFR 13.25) in order to allow the purchaser to continue the operation of the field with all the environmental safeguards provided by the federal government. In addition, the conferees expect that this will ensure that the value of the field will not be diminished by the uncertain timing of obtaining a new permit.

In response to a potential legal claim by the State of California, on behalf of the California State Teachers Retirement Fund, the provisions would set aside nine percent of the net proceeds in a contingent fund. These funds would be available, subject to appropriations, for the payment of any valid claims resulting from a settlement between the Secretary of Energy and the State of California or a judgement by a court of competent jurisdiction. The conferees expect that California's release of its claim would be contingent upon an appropriation of funds per any settlement agreement or court decision.

TITLE XXXV—PANAMA CANAL COMMISSION

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Panama Canal Commission (Title XXXV)

The House call contained several provisions (secs. 3501–3503) that would provide the authorization of expenditures for the Panama Canal Commission revolving fund.

The Senate amendment contained similar provisions (secs. 3501–3502).

The Panama Canal Commission does not draw from U.S. taxpayer funds for operation of the Canal, but operates on a self-sustaining basis, utilizing tolls and other revenues to cover its operating, administrative, and capital improvements expenses. The Senate amendment would provide for slightly greater allowances for official representation expenses than the House bill. The Senate amendment would also limit the cost of vehicles purchased for use by the Commission. The House bill contained a requirement that the vehicles be built in the United States.

The House recedes on these items. However, the conferees note that the Commission has in the past purchased vehicles built in the United States and would encourage that practice to continue.

The House bill included additional provisions (secs. 3521–3531), not in the Senate amendment, that would facilitate the transition and the operation of the Canal as an autonomous entity after it is transferred to Panama at the end of 1999. Section 3522 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) required that the President review and report on possible changes that would ease the transition process. The legislative provisions contained in sections 3521–3531 of the House bill would implement, with only minor clarifying changes, the administration's recommendations contained in the report transmitted to the Congress on April 12, 1994.

The Senate recedes with an amendment that would delete section 3524 of the House bill entitled "International Advisors".

The conferees agree that the Canal's governing board of supervisors can consult with and obtain expert advice from those in the international shipping and financial community without the necessity of a legislative provision.

DIVISION D—FEDERAL ACQUISITION REFORM

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Overview

Acquisition reform provisions with government-wide application were included in title VIII of the House bill. Subsequently, the House passed H.R. 1670, a freestanding bill which addressed many of the same, as well as, other issues. The Senate amendment contained a number of acquisition policy provisions. The conferees considered all of these provisions before agreeing to include the following legislation in the conference agreement. The following is a section-by-section description of the provisions adopted by the conferees.

TITLE XLI—COMPETITION

Efficient competition (sec. 4101)

The conference agreement includes a provision that would amend section 2304 of title 10 and section 253 of title 41, United States Code. The provision would direct that the Federal Acquisition Regulation ensure that the requirement to obtain full and open competition is implemented in a manner that is consistent with the need to efficiently fulfill the government's requirements. This provision makes no change to the requirement for full and open competition or to the definition of full and open competition.

Efficient approval procedures (sec. 4102)

The conference agreement includes a provision that would amend section 2304 of title 10 and section 253 of title 41, United States Code, by raising the dollar thresholds for contracts that require the approval of the use of other than competitive procedures by higher level agency officials.

Efficient competitive range determinations (sec. 4103)

The conference agreement includes a provision that would allow a contracting officer, in procurements involving competitive negotiations, to limit the number of proposals in the competitive range to the greatest number that would permit an efficient competition among the most highly rated competitors. The conferees intend that the determination of the competitive range be made after the initial evaluation of the proposals, on the basis of the rating of those proposals. The rating shall be made on the basis of price, quality and other factors specified in the solicitation for the evaluation of the proposals.

Preaward debriefings (sec. 4104)

The conference agreement includes a provision that would require that, prior to a contract award, a contracting officer provide a debriefing to any interested offerors on the reasons for that offeror's exclusion from the competitive range in a competitive negotiation. The provision would specify information that must be provided to an unsuccessful offeror upon written request for a debriefing, as well as limitations on the types of information that may be provided. The provision also would require the Federal Acquisition Regulation to include a provision encouraging the use of alternative dispute resolution techniques to provide informal, expeditious, and inexpensive procedures for an offeror to consider using before filing a protest.

Design-build selection procedures (sec. 4105)

The conference agreement includes a provision that would authorize the use of two-phase selection procedures for entering into contracts for the design and construction of a public building, facility, or work. The provision details the considerations that would be used by a contracting officer to determine whether to use two-phase selection procedures and describes the process to be followed under the two-phase selection procedure. The provision would also limit the number of proposals to be considered in the second phase to no more than five, unless the agency determines that a greater number is in the government's interest. This provision is not intended to modify the Brooks Architect-Engineers Act.

TITLE XLII—COMMERCIAL ITEMS

Commercial item exception to requirement for cost or pricing data (sec. 4201)

The conference agreement includes a provision that would amend section 2306a of title 10 and section 254b of title 41, United States Code, to exempt suppliers of commercial items under contracts and subcontracts with federal agencies from the requirement to submit certified cost and pricing data. The provision would include the requirement that, in the cases of such contracts or subcontracts, contracting officers shall require the submission of data other than certified cost or pricing data to the extent necessary to determine price reasonableness. In recognition of the authority of the General Accounting Office to audit contractor records, the conferees have removed the specific audit authorities in the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) that relate to information supplied by commercial suppliers in lieu of certified cost and pricing data.

Application of simplified procedures to certain commercial items (sec. 4202)

The conference agreement includes a provision that would allow the use of simplified procedures for the acquisition of commercial items with a purchase value of $5.0 million or less when a contracting officer reasonably expects that offers in response to a solicitation would only include commercial items. The provision would specify that implementing regulations provide that all responsible offerors in procurements conducted under this authority be permitted to submit a bid, proposal, or quotation that shall be considered by the agency. The conferees intend that the flexible notice provision be implemented in a manner that would provide offerors with a reasonable opportunity to respond. The provision would also prohibit sole source procurement unless the need is justified in writing in accordance with section 2304 of title 10 or section 253 of title 41, United States Code. The authority for the use of simplified procedures under this section would expire at the end of the three-year period, beginning on the date of the issuance of the final implementing regulations.

Inapplicability of certain procurement laws to commercially available off-the-shelf items (sec. 4203)

The conference agreement includes a provision that would require that the Federal Acquisition Regulation include a list of provisions that are inapplicable to contracts for the procurement of commercially available off-the-shelf items. The list would be required to include each provision of law that, in the opinion of the Administrator of the Office of Federal Procurement Policy, imposes on persons who have been awarded contracts by the federal government for the procurement of commercially available off-the-shelf products government-unique policies, procedures, requirements, or restrictions for the procurement of property or services unless the Administrator determines that to do so would not be in the best interest of the United States. The list would include provisions of law uniquely applicable to government contractors, but would not include generally applicable provisions of law. The provision would specifically preclude several categories of statutes from being included on the list, such as any provision of law that provides for civil or criminal penalties. The provision would define commercially available off-the-shelf items as commercial items that are sold in substantial quantities to the general public and that are offered to the federal government in the same form in which they have been sold to the general public. The provision would specifically exclude from that definition bulk cargo such as agricultural products and petroleum products.

Amendment to commercial items definition (sec. 4204)

The conference agreement includes a provision that would make a clarifying amendment to the definition of "commercial services" in section 403(12)(F) of title 41, United States Code. For the purpose of this section, market prices are current prices that are established in the course of ordinary trade between buyers and sellers free to bargain and that can be substantiated from sources independent of the offeror.

Inapplicability of cost accounting standards to contracts and subcontracts for commercial items (sec. 4205)

The conference agreement includes a provision that would exempt contracts and subcontracts for commercial items from the application of the cost accounting standards promulgated under section 422 of title 41, United States Code. The Cost Accounting Standards Board, in consultation with the Director of the Defense Contract Audit Agency, shall establish guidance, consistent with commercial accounting systems and practices, to ensure that contractors appropriately assign costs to contracts (other than firm, fixed-price contracts) that are covered by the exemption for contracts or subcontracts where the price negotiated is based on established catalog or market prices of commercial items sold in substantial quantities to the general public. The conferees direct that the Board issue standards to implement this provision.

TITLE XLIII—ADDITIONAL REFORM PROVISIONS

Subtitle A—Additional Acquisition Reform Provisions

Elimination of certain certification requirements (sec. 4301)

The conference agreement includes a provision that would eliminate a number of statutory certification requirements for contractors and subcontractors with the federal government. The conferees note that the underlying requirement to comply with the specified statutes is not affected by the elimination of the contractor or subcontractor certification requirements. The conferees have included a general requirement that the Administrator of the Office of Federal Procurement Policy (OFPP) amend the Federal Acquisition Regulation to remove regulation-based certification requirements after a suitable period for public notice and comment. The provision would mandate the heads of executive agencies to follow a similar process. The provision also includes a prohibition on the imposition of future contractor and subcontractor certification requirements, unless such certification is imposed by statute or is justified in writing and approved by the Federal Acquisition Regulatory Council and the Administrator of OFPP.

Authorities conditioned on Federal Acquisition Computer Network (FACNET) capability (sec. 4302)

The conference agreement includes a provision that would amend section 5061 of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-484) to allow a test of alternative procurement procedures. The amendment would remove a requirement that the test of alternative procurement procedures be contingent on the implementation of full federal acquisition computer network (FACNET) electronic commerce procedures. The Provision would also amend subsection (e) of section 427 of title 41, United States Code, to limit the linkage between full FACNET implementation and federal agency use of simplified acquisition procedures to a requirement that an agency must deploy a full FACNET capability by December 31, 1999 or revert back to a threshold of $50,000 on the value of procurements below which simplified procedures are authorized.

International competitiveness (sec. 4303)

The conference agreement includes a provision that would amend section 21(e)(2) of the Arms Export Control Act to allow the President to waive recoupment charges for non-recurring research and development costs on foreign military sales of major defense equipment under certain conditions. The provision would authorize the presidential waiver if it is determined that the levy of charges would likely result in the loss of a sale or the elimination of charges would result in savings to the government in the form of lower per unit costs for a particular item of equipment. Under this provision, the President would also be authorized to waive any portion of a recoupment charge attributable to a correction in an earlier estimate of a production quantity base used to calculate the *pro rata* recoupment charges for a particular item. The provision includes language that would render the use of the waiver subject to the President's identification and Congressional appropriation of an offset for any revenue lost as a result of the waiver authority, from fiscal year 1997 through fiscal year 2005.

Procurement integrity (sec. 4304)

The conference agreement includes a provision that would amend section 423 of title 41, United States Code, to revise the restrictions on obtaining or disclosing contractor bid or proposal information or source selection information. The provision would prohibit, except as provided by law, present or former federal employees from knowingly obtaining or disclosing such information before the award of a contract to which information relates. This provision would authorize criminal penalties for a violation of such prohibition when such information is exchanged for something of value or for the purpose of allowing anyone to obtain a competitive advantage in the award of a federal contract. The provision would authorize civil and administrative penalties for such violations as well.

The provision would also replace the current agency-specific recusal and post-employment restrictions applicable to agency employees involved in certain specified procurement actions with uniform standards applicable to all federal agencies. The post-employment restrictions would apply to designated officials involved in procurements over $10.0 million for a one-year period.

The recusal requirements apply to employees who are participating personally and substantially in a procurement. These requirements cover employees who participate personally and substantially in one or more of the following activities: the drafting of a specification developed for that procurement; the review and approval of a specification developed for that procurement; the preparation or issuance of a procurement solicitation in that procurement; the evaluation of bids or proposals for that procurement; the selection of sources for that procurement; the conduct of negotiations in the procurement; the review and approval of the award, modification, or extension of a contract in that procurement; such other specific procurement actions as may be specified in implementing regulations.

The provision also would provide civil and administrative penalties for contractors as well as for agency employees who violate the recusal requirements or the post-employment restrictions.

Further acquisition streamlining provisions (sec. 4305)

The conference agreement includes a provision that would consolidate a number of provisions in the Office of Federal Procurement Policy Act concerning findings, policies, and purposes. The provision would also repeal the reporting requirements in section 8 of the Act as well as make clarifying changes to section 11 of the Act regarding the permanent authorization of appropriations for the Office of Federal Procurement Policy.

Value engineering for federal agencies (sec. 4306)

The conference agreement includes a provision that would amend the Office of Federal Procurement Policy Act by adding a new section that would require federal agencies to establish and maintain cost-effective value engineering procedures and processes.

Acquisition workforce (sec. 4307)

The conference agreement includes a provision that would establish a series of policies and procedures for the management of the acquisition workforce in executive agencies other than the Department of Defense. The provision would require the head of each executive agency, after consultation with the Administrator of the Office of Federal Procurement Policy, to establish procedures and policies for the accession, education, training, and career development and performance incentives for the acquisition workforce of the agency. The provision would place primary management authority for the acquisition workforce under the control of the senior procurement executive of each agency. The provision would establish statutory standards for the executive agencies in areas such as career development and worker qualification requirements. The provision would also require each agency to establish separate funding levels for acquisition workforce education and training, and would authorize tuition reimbursement programs for personnel serving in acquisition positions.

Demonstration project relating to certain personnel management policies and procedures (sec. 4308)

The conference agreement includes a provision that would encourage the Secretary of Defense to embark on a demonstration program, or programs, to test the feasibility and desirability of proposals to improve personnel management policies or procedures for the Department of Defense acquisition workforce. The provision would modify authority under section 4703 of title 5, United States Code, with respect to a demonstration project carried out under this section for the three-year period, beginning on the date of enactment of this Act.

Cooperative purchasing (sec. 4309)

The conference agreement includes a provision that would suspend the authority of the Administrator of General Services under section 481(b)(2) of title 40, United States Code, to allow state and local governments to use the federal supply schedules. The provision would suspend the authority until the later of the period ending 18 months after the date of enactment of this Act or the period ending 30 days after the date after the Administrator has reviewed a General Accounting Office report that assesses the effects of state and local governments use of the federal supply schedules and has submitted the report and comments on the report to Congress. The conferees direct that the General Accounting Office include an assessment of the impact on costs to federal agencies from the use of federal supply schedules by state and local governments.

Procurement notice technical amendment (sec. 4310)

The conference agreement includes a provision that would make a clarifying amendment to section 18(c)(1)(E) to the Office of Federal Procurement Policy Act.

Micro-purchases without competitive quotations (sec. 4311)

The conference agreement includes a provision that would amend section 428 of title 41, United States Code, to provide greater flexibility to executive agencies in determining who may make purchases below $2,500 without being required to receive competitive quotations.

Subtitle B—Technical Amendments

Amendments related to Federal Acquisition Streamlining Act of 1994 (sec. 4321)

The conference agreement includes a provision that would make a series of technical and clarifying changes to the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355).

Miscellaneous amendments to federal acquisition laws (sec. 4322)

The conference agreement includes a provision that would make a series of clarifying and technical changes to acquisition statutes throughout the United States Code.

TITLE XLIV—EFFECTIVE DATES AND IMPLEMENTATION

Effective date and applicability (sec. 4401)

The conference agreement includes a provision that would provide that amendments made by this division would take effect on the date of enactment except as otherwise provided. The provision would provide that amendments made by this division apply to solicitations issued, unsolicited proposals received, any contract entered into pursuant to such a solicitation or proposal, and ongoing contracting actions, on or after the date 30 days after final implementing regulations are published but no later than January 1, 1997.

Implementing regulations (sec. 4402)

The conference agreement includes a provision that would establish a regulatory implementation schedule for the amendments within this division.

DIVISION E—INFORMATION TECHNOLOGY MANAGEMENT REFORM

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Overview

The Senate amendment contained provisions with government-wide acquisition and management issues related to information technology. The House bill also contained provisions relating to bid protest jurisdictions. The conferees considered all of these provisions before agreeing to include Division E in the conference agreement.

The conferees agree that:

(1) federal information systems are critical to the lives of every American;

(2) the efficiency and effectiveness of the federal government is dependent upon the effective use of information;

(3) the federal government annually spends billions of dollars operating obsolete information systems;

(4) the use of obsolete information systems severely limits the quality of the services that the federal government provides, the efficiency of federal government operations, and the capabilities of the federal government to account for how taxpayer dollars are spent;

(5) the failure to modernize federal government information systems and the operations they support, despite efforts to do so, has resulted in the waste of billions of dollars that cannot be recovered;

(6) despite improvements achieved through implementation of the Chief Financial Officers Act of 1990, most federal agencies cannot track the expenditures of Federal dollars and, thus, expose the taxpayers to billions of dollars in waste, fraud, abuse, and mismanagement;

(7) poor planning and program management and an overburdened acquisition process have resulted in the American taxpayers not getting their money's worth from the expenditure of $200,000,000,000 on information systems during the decade preceding the enactment of this Act;

(8) the federal government's investment control processes focus too late in the system lifecycle, lack sound capital planning, and pay inadequate attention to business process improvement, performance measurement, project milestones, or benchmarks against comparable organizations;

(9) many federal agencies lack adequate personnel with the basic skills necessary to effectively and efficiently use information technology and other information resources in support of agency programs and missions;

(10) federal regulations governing information technology acquisitions are outdated, focus on paperwork and process rather than results, and prevent the federal government from taking timely advantage of the rapid advances taking place in the competitive and fast changing global information technology industry;

(11) buying, leasing, or developing information systems should be a top priority for federal agency management because of the high potential for the systems to substantially improve Federal Government operations, including the delivery of services to the public; and,

(12) structural changes in the federal government, including elimination of the Brooks Act (section 111 of the Federal Property and Administrative Services Act of 1949, as amended), are necessary in order to improve federal information management and to facilitate federal government acquisition of the state-of-the-art information technology that is critical for improving the efficiency and effectiveness of federal government operations.

The conferees agree that action is necessary on the part of Congress in order to:

(1) create incentives for the federal government to strategically use information technology in order to achieve efficient and effective operations of the federal government, and to provide cost effective and efficient delivery of federal government services to the taxpayers;

(2) provide for the cost effective and timely acquisition, management, and use of effective information technology solutions;

(3) transform the process-oriented procurement system of the federal government, as it relates to the acquisition of information technology, into a results-oriented procurement system;

(4) increase the responsibility and authority of officials of the Office of Management and Budget and other federal government agencies, and the accountability of such officials to Congress and the public, in the use of information technology and other information resources in support of agency missions;

(5) ensure that federal government agencies are responsible and accountable for achieving service delivery levels and project management performance comparable to the best in the private sector;

(6) promote the development and operation of multiple-agency and government-wide, inter-operable, shared information resources to support the performance of federal government missions;

(7) reduce fraud, waste, abuse, and errors resulting from a lack of, or poor implementation of, federal government information systems;

(8) increase the capability of the federal government to restructure and improve processes before applying information technology;

(9) increase the emphasis placed by federal agency managers on completing effective capital planning and process improvement before applying information technology to the executing of plans and the performance of agency missions;

(10) coordinate, integrate, and, to the extent practicable, establish uniform federal information resources management policies and practices in order to improve the productivity, efficiency, and effectiveness of federal government programs and the delivery of services to the public;

(11) strengthen the partnership between the federal government and state, local, and tribal governments for achieving federal government missions, goals, and objectives;

(12) provide for the development of a well-trained core of professional federal government information resources managers; and,

(13) improve the ability of agencies to share expertise and best practices and coordinate the development of common application systems and infrastructure.

The following is a section-by-section description of the provisions adopted by the conferees. Section 5001 sets forth a short title "The Information Technology Management Reform Act of 1996" and Section 5002 sets forth definitions.

TITLE LI—RESPONSIBILITY FOR ACQUISITION OF INFORMATION TECHNOLOGY

Subtitle A—General Authority

Repeal of central authority of the Administrator of General Services (sec. 5101)

The conference agreement includes a provision that would repeal section 111 of the Federal Property and Administrative Services Act of 1949, as amended.

Subtitle B—Director of the Office of Management and Budget

Responsibility of Director (sec. 5111)

The conference agreement includes a provision that would require the Director of the Office of Management and Budget to comply with this title. The conferees anticipate that these provisions will be reviewed upon reauthorization of the Paperwork Reduction Act prior to September 30, 2001.

The conferees agree that in undertaking activities and issuing guidance in accordance with this subtitle, the Director shall promote the integration of information technology management with the broader information resource management processes in the agencies.

The conferees encourage the establishment of interagency groups to support the Director by examining areas of information technology, to include: telecommunications, software engineering, common administrative and programmatic applications, computer security and information policy, all of which would benefit from a government-wide or multi-agency perspective; the promotion of cooperation among agencies in information technology matters; the review of major or high risk information technology acquisitions; and the promotion of the efficient use of information technology that supports agency missions. The interagency groups should: identify common goals and requirements; develop a coordinated approach to meeting certain agency requirements, such as budget estimates and procurement programs; identify opportunities to share information that would improve the agency performance and reduce costs of agency programs; make recommendations regarding protocols and other standards for information technology, including security standards; and make recommendations concerning interoperability among agency information systems. The conferees also encourage the establishment of temporary special advisory groups, composed of experts from industry, academia, and the Federal Government, to review government-wide information technology programs, major or high risk information technology acquisitions, and information technology policy.

Capital planning and investment control (sec. 5112)

The conference agreement includes a provision that would describe the Director's responsibilities under 44 USC 3504(h) that relate to promoting and sustaining responsibility and accountability for improvement of the acquisition, use, and disposal of information technology by executive agencies.

The conferees agree that the Director, in developing a process related to major agency capital investments, should: ensure that the process identifies opportunities for interagency cooperation; ensure the success of high risk and high return investments; develop requirements for agency submission of investment information needed to execute the process; ensure that agency information resources management plans are integrated into the agency's program plans, financial management plans, and budgets for the acquisition and use of information technology designed to improve agency performance and the accomplishment of agency missions; and identify three categories of information systems investments—(1) high risk—those projects that, by virtue of their size, complexity, use of innovative technology, or other factors, have an especially high risk of failure; (2) high return—those projects that by virtue of their total potential benefits, in proportion to their costs, have particularly unique value to the public; and (3) crosscutting—those projects of individual agencies, with shared benefit to or impact on other federal agencies and state or local governments, that require enforcement of operational standards or elimination of redundancies. Finally, the conferees also agree that the Director, to encourage the use of best business and administrative practices, should identify and collect information regarding best practices, to include information on the development and implementation of best practices by the executive agencies. The Director should provide the executive agencies with information on best practices, and advice and assistance regarding the use of best practices.

Performance-based and results-based management (sec. 5113)

The conference agreement includes a provision that would require the Director to encourage performance and results-based management for agency information technology programs. The Director is required to review agency management practices based on the performance and results of its information technology programs and investments. The Director is required to issue clear and concise directions to ensure that agencies have effective and efficient capital planning processes that are used to select, control, and evaluate the results of major information systems investments and to ensure that agency information security is adequate.

The conferees agree that the Director's direction to agencies regarding performance and results-based management of information technology resources shall contain the following: (1) that each executive agency and its major subcomponents institute effective and efficient capital planning processes for selecting, controlling, and evaluating the results of all of its major information systems investments; (2) that the agency maintain a current and adequate information resources management plan, and to the maximum extent practicable, specifically identify the method for acquisition of information technology expected to improve agency operations, and otherwise benefit the agency; (3) that the agency provide for adequate integration of the agency's information resources management plans, strategic plans prepared pursuant to 5 U.S.C. 306, performance plans prepared pursuant to 31 U.S.C. 1115, financial management plans prepared pursuant to 31 U.S.C. 902(a)(5), and the agency budgets for the acquisition and use of information technology and other information resources. In addition, the conferees agree that OMB shall provide the needed oversight, through the budget process and other means, to ensure that executive agencies assume responsibility, and effectively implement suitable performance and results-based management practices.

Subtitle C—Executive Agencies

Responsibilities (sec. 5121)

The conference agreement includes a provision that would require the head of each executive agency to comply with this subtitle. The conferees anticipate that these provisions will be reviewed upon reauthorization of the Paperwork Reduction Act prior to September 30, 2001.

The conferees encourage the establishment and support of independent technical review committees, composed of diverse agency personnel (including users) and outside experts selected by the agency head, to advise an agency head about information systems programs.

Capital planning and investment control (sec. 5122)

The conference agreement includes a provision that would require agencies to develop a process for furthering their responsibilities under 44 U.S.C. 3506(h). The head of the agency is required to design and develop a process for maximizing the value and assessing and managing the risk of the agency's information technology acquisitions.

Performance and results-based management (sec. 5123)

The conference agreement includes a provision that would require agencies to establish goals for and report on the progress of improving efficiency and effectiveness of agency operations through use of information technology, as required by 44 U.S.C. 3506(h). The head of an executive agency must ensure that performance measures are established to support evaluating the results and benefits of information technology investments.

The conferees agree that, in fulfilling the responsibilities under this section, agency heads should ensure that: (1) before investing in information technology to support a function, the agency determines whether that function should be performed in the private sector or by an agency of the federal government; (2) the agency adequately provides for the integration of the agency's information resources management plans, strategic plans prepared pursuant to 5 U.S.C. 306, performance plans prepared pursuant to 31 U.S.C. 1115, financial management plans prepared pursuant to 31 U.S.C. 902(a)(5), and adequately prepares budgets for the acquisition and use of information technology; (3) the agency maintains a current and adequate information resources management plan, and to the maximum extent practicable, specifically identifies how acquired information technology would improve agency operations and otherwise benefit the agency; and (4) the agency invests in efficient and effective interagency and government-wide information technology to improve the accomplishment of common agency missions or functions.

Acquisitions of information technology (sec. 5124)

The conference agreement includes a provision that would authorize the head of an executive agency to acquire information technology and, upon approval of the Director of OMB, enter into multi-agency information technology investments. The conferees intend that the requirements and limitations of the Economy Act, and other provisions of law, apply to these multiagency acquisitions. This section also authorizes the General Services Administration (GSA) to continue the management of the FTS-2000 program and coordinate the follow-on effort to FTS-2000.

Agency chief information officer (sec. 5125)

The conference agreement includes a provision that would amend the Paperwork Reduction Act of 1995 by replacing the "senior information resources management official position" established within each executive agency with an agency Chief Information Officer (CIO). The agency CIO is responsible for providing information and advice regarding information technology and information resources management to the head of the agency, and for ensuring that the management and acquisition of agency information technology is implemented consistent with the provisions of this law.

The conferees anticipate that agencies may establish CIOs for major subcomponents or bureaus, and expect agency CIOs will possess knowledge of, and practical experience in, information and information technology management practices of business or government entities. The conferees also intend that deputy chief information officers be appointed by agency heads that have additional experience in business process analysis, software and information systems development, design and management of information technology architectures, data and telecommunications management at government or business entities. The conferees intend that CIOs, in agencies other than those listed in 31 U.S.C. 901(b), perform essentially the same duties as CIOs in agencies listed in 31 U.S.C. 901(b).

The conferees expect that an agency's CIO will meet periodically with other appropriate agency officials to advise and coordinate the information technology and other information resources management activities of the various agencies.

Accountability (sec. 5126)

The conference agreement includes a provision that would require the head of each agency, in consultation with agency Chief Information Officers and Chief Financial Officers, to ensure the integration of financial and information systems. The conferees intend that the information resources management plan, required under 44 U.S.C. 3506(b)(2), support the performance of agency missions through the application of information technology and other information resources, and include the following: (1) a statement of goals to improve the extent to which information resources contribute to program productivity, efficiency, and effectiveness; (2) the development of methods to measure progress toward achieving the goals; (3) the establishment of clear roles, responsibilities, and accountability to achieve the goals; (4) a description of an agency's major existing and planned information technology components (such as information systems and telecommunications networks); (5) the relationship among the information technology components, and the information architecture; and (6) a summary of the project's status and any changes in name, direction or scope, quantifiable results achieved, and current maintenance expenditures for each ongoing or completed major information systems investment from the previous year. The conferees also intend that agency heads will periodically evaluate and improve the accuracy, security, completeness, and reliability of information maintained by or for the agency.

Significant deviations (sec. 5127)

The conference agreement includes a provision that would require agencies to identify in their information resources management plans any major information technology acquisition program, or phase or increment of such program, that has significantly deviated from the established cost, performance, or schedule baseline.

Interagency support (sec. 5128)

The conference agreement includes a provision that would authorize the utilization of funds for interagency activities in support of the Information Technology Reform Act.

Subtitle D—Other Responsibilities.

Responsibilities regarding efficiency, security, and privacy of federal computer systems (sec. 5131)

The conference agreement includes a provision that would set forth the authority for the Secretary of Commerce, in consultation with the National Institute of Standards and Technology, to promulgate standards to improve the operation, security, and privacy of Federal information technology systems.

Sense of Congress (sec. 5132)

The conference agreement includes a provision stating that agencies, over the next five years, should achieve a five percent per year decrease in costs incurred for operation and maintenance of information technology, and a five percent increase in operational efficiency through improvements in information resources management.

Subtitle E—National Security Systems

The conference agreement includes a provision that would exclude national security systems from provisions of this Act, unless otherwise provided in this Act.

TITLE LII—PROCESS FOR ACQUISITIONS OF INFORMATION TECHNOLOGY

Procurement procedures (sec. 5201)

The conference agreement includes a provision that would direct the Federal Acquisition Regulatory Council to ensure, to the maximum extent practicable, that the information technology process is simplified, clear, and understandable. The process should specifically address the management of risk, incremental acquisitions, and the need to incorporate commercial information technology in a timely manner.

The conferees agree that, in performing oversight of information technology acquisitions, the Director of the Office of Management and Budget, agency heads, and agency inspectors general should emphasize program results and established performance measurements, rather than reviews of the acquisition process.

Incremental acquisition of information technology (sec. 5202)

The conference agreement includes a provision that would provide for procedures in the Federal Acquisition Regulations for the incremental acquisition of major information technology systems by the Department of Defense and the civilian executive agencies.

TITLE LIII—INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAMS

Subtitle A—Conduct of Pilot Programs

The conference agreement includes provisions that would authorize the Administrator of Office of Federal Procurement Policy, in consultation with the Administrator of Office of Information and Regulatory Affairs, to: conduct pilot programs to test alternative acquisition approaches for information technology; conduct no more than two pilots, not to exceed $750 million for a period not to exceed five years; require agency heads to develop evaluation and test plans; prepare and submit test plans to Congress prior to implementation; report on results within 180 days after completion; and make recommendations for legislation.

Subtitle B—Specific Pilot Programs

The conference agreement includes provisions that would provide for two specific pilot programs, the share-in-savings pilot program and the solutions-based contracting pilot program.

TITLE LIV—ADDITIONAL INFORMATION RESOURCES MANAGEMENT MATTERS

On-line multiple award schedule contracting (sec. 5401)

The conference agreement includes a provision that would require the Administrator of General Services to provide for on-line access to multiple award schedules for information technology. The system would provide basic information on prices, features, and similar matters, allow for information updates, enable comparison of product information, enable on-line ordering and invoicing, permit on-line payment, and archive order data. The provision would also authorize a pilot program to test streamlined procedures for the automated system. The conference agreement directs the Administrator of General Services to incorporate its information technology multiple award schedules into Federal Acquisition Computer Network (FACNET) by January 1, 1998, and would make the pilot program discretionary. The conferees agree that the procedures established by the Administrator for use of FACNET be consistent with the Federal Property and Administrative Services Act requirements regarding the multiple award schedule (41 U.S.C. 259(B)(3)). If the Administrator determines it is not practicable to provide such access through FACNET, the Administrator shall provide such access through another automated system that has the capability to perform the functions listed in subsection 259(b)(1) and meets the requirement of subsection 259(b)(2).

Disposal of excess computer equipment (sec. 5402)

The conference agreement includes a provision that would require agencies to inventory all agency computer equipment and to identify excess or surplus property. The conferees direct that the Administrator of General Services, in exercising current authority under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.), donate federal surplus personal property to public organizations. The conferees direct the Administrator to prescribe regulations that establish a priority for the donation of surplus computer equipment in the following sequence: (1) elementary and secondary schools, and schools funded by the Bureau of Indian Affairs; (2) public libraries; (3) public colleges and universities; and (4) other entities eligible for donation of federal surplus personal property under title II of that Act.

Access of certain information in information systems to the directory established under section 4101 of title 44, United States Code (sec. 5403)

The conference agreement includes a provision that would ensure that, for agency information systems that disseminate information to the public, an index of information is included in the Government Printing Office (GPO) directory established under 44 U.S.C. 4101.

In 1993, Congress directed the GPO to create an online directory, of federal public information in electronic form (Public Law 103-40). Today, that system is accessible to the general public directly and through the Federal Depository Libraries. Yet, in the two years since enactment of the GPO access bill, technology has moved forward dramatically in its ability to support location and search of the physically-distributed, locally-maintained databases. Congress recognized this shift in the Paperwork Reduction Act of 1995 (Public Law 104-13). That Act requires

Federal agencies to ensure access to agency public information by "encouraging a diversity of public and private sources". It also directs the Office of Management and Budget to establish a distributed, electronic, agency-based Government Information Locator Service (GILS) to identify the major information dissemination products of each agency. As the Senate report noted (S. Rept. 104-112), GILS: "* * * will provide multiple avenues for public access to government information by pointing to specific agency information holdings. To make this possible, agencies' systems must be compatible. Thus, agency GILS information should be available to the public through the Government Printing Office Locator System (established pursuant to Public Law 103-40) in addition to any other required methods, agencies may choose to efficiently and effectively provide public and agency access to GILS."

Section 5403 further clarifies the intent of Congress to ensure the widest possible access to Federal public information through a diversity of compatible sources.

TITLE LV—PROCUREMENT PROTEST AUTHORITY OF THE COMPTROLLER GENERAL

The conference agreement includes a provision that would require the Comptroller General to issue a decision relating to a bid protest within 100 days.

TITLE LVI—CONFORMING AND CLERICAL AMENDMENTS

The conference agreement includes a series of clarifying and technical changes to acquisition statutes throughout the United States Code.

TITLE LVII—EFFECTIVE DATE, SAVINGS PROVISIONS, AND RULE OF CONSTRUCTION

Effective date (sec. 5701)

The conference agreement includes a provision that would provide for this division and the amendments made by this division to take effect 180 days after the date of the enactment of this Act.

Savings provisions (sec. 5702)

The conference agreement includes a provision that would allow selected information technology actions and acquisition proceedings, including claims or applications, that have been initiated by, or are pending before, Administrator of the General Services or the General Services Administration Board of Contract Appeals to be continued under original terms, until terminated, revoked, or superseded in accordance with law, by the Director of OMB, by a court, or by operation of law. The Director of OMB is authorized to establish regulations for transferring such actions and proceedings.

FLOYD SPENCE,
BOB STUMP,
DUNCAN HUNTER,
HERBERT H. BATEMAN,
CURT WELDON,
G.V. MONTGOMERY,
JOHN M. SPRATT, Jr.,
Managers on the Part of the House.

STROM THURMOND,
JOHN WARNER,
BILL COHEN,
TRENT LOTT,
SAM NUNN,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BENTSEN) to revise and extend their remarks and include extraneous material:)

Mr. POMEROY, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GINGRICH, (at the request of Mr. SMITH of Texas) notwithstanding the fact that it exceeds two pages and is estimated to cost $4,982.

(The following Members (at the request of Mr. BENTSEN) and to include extraneous matters:)

Mr. BERMAN.

Mr. STARK, in four instances.

Mr. KANJORSKI.

Ms. DELAURO, in two instances.

(The following Members (at the request of Mr. SMITH of Texas) and to include extraneous matter:)

Mr. OXLEY.

Mr. RADANOVICH.

(The following Member (at the request of Mr. OWENS) and to include extraneous matter:)

Mr. BONIOR.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On January 6, 1996:

H.R. 1358. An act to require the Secretary of Commerce to convey to the Commonwealth of Massachusetts the National Marine Fisheries Service laboratory located on Emerson Avenue in Gloucester, Massachusetts.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until Tuesday, January 23, 1996, at 12:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1931. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of January 1, 1996, pursuant to 2 U.S.C. 685(e), (H. Doc. No. 104-166); to the Committee on Appropriations and ordered to be printed.

1932. A letter from the Adjutant General, the Veterans of Foreign Wars of the United States, transmitting proceedings of the 96th National Convention of the Veterans of Foreign Wars of the United States, held in Phoenix, AZ, August 19 to 25, 1995, pursuant to 36 U.S.C. 118 and 44 U.S.C. 1332 (H. Doc. No. 104-163); to the Committee on National Security and ordered to be printed.

1933. A communication from the President of the United States, transmitting notification that the national emergency regarding terrorists who threaten to disrupt the Middle East peace process is to continue in effect beyond January 23, 1996, pursuant to 50 U.S.C. 1622(d) (H. Doc. No. 104-167); to the Committee on International Relations and ordered to be printed.

1934. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1935. A letter from the Acting Chairman, National Bankruptcy Review Commission, transmitting, the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1936. A letter from the Chief Administrative Officer, Postal Rate Commission, transmitting, a report of activities under the Freedom of Information Act for calendar year 1995, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

1937. A letter from the Secretary, Postal Rate Commission, transmitting, a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1995, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

1938. A letter from the Secretary of Energy, transmitting, the annual report under the Federal Managers; Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1939. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1995, pursuant to 5 U.S.C. 552b; to the Committee on Government Reform and Oversight.

1940. A letter from the Special Counsel, U.S. Office of Special Counsel, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1941. A letter from the Assistant Attorney General of the United States, transmitting a draft of proposed legislation entitled, the "Enhanced Prosecution of Dangerous Juvenile Offenders Act of 1995"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee of Conference. Conference report on S. 1124. An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes (Rept. 104-450). Ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

[The following action occurred on January 12, 1996]

H.R. 1816. Referral to the Committee on Commerce extended for a period ending not later than July 1, 1996.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. KENNELLY (for herself, Mr. SABO, Mr. GIBBONS, Mr. MATSUI, Mr. KLECZKA, Mr. STARK, Mr. NEAL of Massachusetts, Mr. MCDERMOTT, Mr. LEVIN, Mr. RANGEL, Mr. FORD, Mr. CARDIN, Mr. PAYNE of Virginia, Mr. COYNE, Mr. LEWIS of Georgia, and Mr. GEPHARDT):

H.R. 2862. A bill to permanently increase the public debt limit; to the Committee on Ways and Means.

By Ms. MCKINNEY.

H.R. 2863. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

193. By the SPEAKER. Memorial of the General Assembly of the State of California, relative to the enactment of a National Spaceport Program; to the Committee on Science.

194. Also, memorial of the General Assembly of the State of California, relative to the Veterans' hospital facilities at Travis Air Force Base; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 42: Mr. KENNEDY of Massachusetts.

H.R. 205: Ms. HARMAN.

H.R. 1143: Ms. HARMAN.

H.R. 1144: Ms. HARMAN.

H.R. 1145: Ms. HARMAN.

H.R. 1189: Mr. MEEHAN.

H.R. 1462: Mr. OLVER, Mr. KILDEE, Mrs. JOHNSON of Connecticut, Mr. VOLKMER, Mr. MANTON, and Mr. STOCKMAN.

H.R. 1547: Mr. DEFAZIO.

H.R. 1573: Mr. LOBIONDO.

H.R. 1771: Mr. LEWIS of Georgia.

H.R. 2270: Mr. BACHUS, Mr. COOLEY, Mr. COBLE, and Mr. MCKEON.

H.R. 2276: Mr. STARK, Mr. SISISKY, and Mr. PICKETT.

H.R. 2364: Mr. CRAPO.

H.R. 2463: Mrs. MINK of Hawaii.

H.R. 2618: Mr. STARK.

H.R. 2657: Mr. MARTINI.

H.R. 2697: Mr. MCDERMOTT, Mr. DEFAZIO, and Mr. FRANK of Massachusetts.

H.R. 2755: Mr. GEJDENSON and Mrs. SCHROEDER.

H. Con. Res. 63: Mr. BARR and Mr. DORNAN.

H. Res. 30: Mr. BREWSTER and Mrs. LINCOLN.

H. Res. 333: Mr. LUTHER and Mr. HAMILTON.

EXTENSIONS OF REMARKS

"UNLEASHING AMERICA'S POTENTIAL"

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. GINGRICH. Mr. Speaker, on behalf of Senate Majority Leader BOB DOLE and myself, I would like to bring to my colleagues' attention the following report by the National Commission on Economic Growth and Tax Reform entitled "Unleashing America's Potential."

LETTER TO THE COMMISSION

FOREWORD

To the Members of the National Commission on Economic Growth and Tax Reform

"Taxation without representation is tyranny." Those are the words that helped to ignite the American revolution over two centuries ago.

As we approach the 21st century, the crescendo for tax reform continues to build, year after year, election after election. Americans have looked at a tax system constantly increasing in both rates and complexity, and concluded that taxation with representation wasn't so good either.

The current system is indefensible. It is overly complex, burdensome, and severely limits economic opportunity for all Americans.

We made clear on the very first day of the 104th Congress that our top priority would be to change the status quo and to bring fundamental change to America. And we agreed that there is no status quo that needs more fundamental changing than our tax system.

We envision:

A tax system that is fairer, flatter, and simpler.

A tax system that promotes, rather than punishes, job creation.

A tax system that eliminates unnecessary paperwork burdens on America's businesses.

A tax system that recognizes the fact that our families are performing the most important work of our society.

A tax system that provides incentives for Americans who save for the future in order to build a better life for themselves and their families.

A tax system that allows Americans, especially the middle-class, to keep more of what they earn, but that raises enough money to fund a leaner, more efficient federal government.

A tax system that allows Americans to compute their taxes easily, without the need for a lawyer, an accountant—or both.

To help make this vision a reality, we named Jack Kemp, one of America's most innovative thinkers on economic policy, to head the National Commission on Economic Growth and Tax Reform—a commission that included thirteen more outstanding Americans.

The entire commission worked diligently for the past several months, holding public hearings in eight cities, while constantly thinking about how to create a better tax system.

Their final report is guaranteed to stimulate this important national dialogue. It will surely serve as a catalyst for congressional hearings and debate. We hope that it will also trigger conversations around kitchen tables, water coolers, and in town hall meetings across the country.

We invite all those who read this report to write us with your thoughts on its recommendations and conclusions, and to share with us other suggestions on how we can create a tax system that promotes economic growth and opportunity for all Americans.

BOB DOLE,
Senate Leader.
NEWT GINGRICH,
House Speaker.

A NEW LEVEL OF THINKING

PREFACE

"They act like all that money is *born* in Washington, D.C." Perhaps no comment has better summarized the problem with our nation's capital than this observation by Ed Zorinsky, the late Democratic Senator from Nebraska. And nowhere is this governmental conceit expressed more destructively than in the workings and effects of our Internal Revenue Code.

Many previous attempts at tax reform have been marred by the inside-the-beltway assumption that the wealth of the nation belongs to its government. This position has perpetuated what could be called the "tin-cup syndrome"—an environment in which the political competition over scarce resources replaces the economic competition that produces growth, creates jobs, spurs innovation and productivity. As a consequence, the tax code has over the years become increasingly politicized, and is seen less as a simple tool for raising revenue than as an instrument for social and economic engineering. In turn, this has spawned a virtual industry of tax specialists and special interest lobbyists, while exponentially increasing the complexity of the code.

The National Commission on Economic Growth and Tax Reform set out with a different set of assumptions, beginning with the belief that the purpose of the tax code is to raise money while leaving citizens as free as possible to pursue the American dream. Our charge from Senate Leader Dole and Speaker Gingrich was clear: Listen first and learn from the American people. We listened to ordinary taxpayers in hearings around the country. What we heard was a great deal of frustration, concern, and yes, anger with the current system. Our hope has been to channel those frustrations into a set of concrete principles and recommendations that any new tax reform legislation must follow if it is to meet the needs and expectations of the American people.

From June until September 1995, we heard from a cross-section of American taxpayers in Boston, Omaha, Charlotte, Palo Alto, south-central Los Angeles, Harlem, Cleveland, and Washington, D.C. We listened to and learned from family farmers and high-tech entrepreneurs, small businessmen and women, medium-sized and large manufacturers, governors and mayors, congressmen and senators, leading economists and local activists.

Unlike previous "reform" commissions, our activities were financed without a dime from the American taxpayer. Expenses were met through private contributions from more than 1,500 donors. The fourteen commissioners received no compensation for the long hours and hard work, save the tremendous reward of knowing their sacrifices would help shape American history. This is an extraordinary group of American citizens who have demonstrated through untold hours of hearings, deliberations, and study their dedication to chart a course that will lead to a better America for their children and grandchildren. We believe we have set that course.

In 1941, in a famous essay for Life magazine, Henry Luce anticipated that the 20th century would be remembered as the American Century. The decades and events that followed—the defeat of Nazi Germany, the collapse of Communism, the expansion of American influence abroad—bore this prediction out. Today, many Americans fear they see that era of American preeminence slipping away. The optimism and boundlessness that have always defined America are seen by some as fond but faded relics to be quietly folded away.

This report reflects the firm conviction that America can do better. None of the members of this commission would have accepted this challenge if we did not believe in the possibility of real progress and real reform.

Albert Einstein observed that "the problems of today cannot be solved at the same level of thinking on which they were created." We have concluded that the complex tax code of the 20th century is poorly suited for dealing with the complex world of the 21st. The vision outlined in the following pages cannot be realized by simply rearranging the deck chairs on the Titanic we call our current tax code. A brand new tax code, modeled on the principles and recommendations proposed in this report, can chart the economic waters ahead and launch our country on its voyage toward the next American century.

EDWIN J. FEULNER,
Vice Chairman,
National Commission on Economic Growth and Tax Reform.

SETTING THE EAGLE FREE

INTRODUCTION

"In short, it is a paradoxical truth that tax rates are too high today and tax revenues are too low, and the soundest way to raise the revenues in the long run is to cut the rates now . . . The purpose of cutting taxes now is not to incur a budget deficit, but to achieve the more prosperous, expanding economy which can bring a budget surplus."

JOHN F. KENNEDY,
Economic Club of New York,
December 14, 1962.

These words of President Kennedy were a great inspiration to me as the tax reform movement was launched in the early 1980s with the Kemp/Roth tax cut. Kennedy's vision and courage can serve as examples for all Americans as we struggle to make this nation better for our children and grandchildren. His remarks from the Economic

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Club of New York ring as true today as they did in 1962.

At the first meeting of our commission back in June, I held up a blank sheet of paper and said, "This is what we start with." That was our charge: Senate Majority Leader Bob Dole and House Speaker Newt Gingrich appointed the National Commission on Economic Growth and Tax Reform to study the current tax code, listen to the suggestions and ideas of people from around the country, and submit to Congress our recommendations for comprehensive reform. A very diverse and dedicated group of 14 people, with the help of an invaluable, overworked, and underpaid staff, set out to design an entirely new tax system for America's 21st century; one which would promise a booming economy, promote job creation, and ensure the greatest possible opportunity for all Americans to work, save, invest, and reach their potential. We operated under the premise that an economic growth rate of 2.5% is unacceptable to the American people.

This commission was empowered not merely to offer superficial reforms, to trim a rate here and close a loophole there, but to begin with a tabula rasa and map out a totally new tax structure for America's next century. We also wanted to help inform the whole world, particularly the emerging democracies, that the goal of tax policy is raising revenue, not redistribution of wealth.

Our nation has arrived at a unique moment in history. With the passing of the Cold War, we are standing at the edge of a new millennium with extraordinary possibilities. Our country is poised to help lead the world into a new era of economic growth fueled by an information-age technological revolution that can yield unparalleled expansion in jobs, productivity, innovation, and prosperity. We must embrace this opportunity and challenge. However, such an embrace will prove difficult, perhaps impossible, if we remain saddled with our current tax code. The current system is indefensible: it is riddled with special interest tax breaks, and it overtaxes both labor and capital. We must construct a tax system that reflects our highest values and unleashes our greatest potential.

The comments and concerns we heard from the American people over the last several months, coupled with a systematic review of the current tax code, helped us establish certain principles to guide us to our conclusions. Surely, a tax code which is simple and fair must generate sufficient revenue so that the federal government may carry out its legitimate tasks. Second, it must not place a tax burden on those members of society least able to bear one. And, perhaps most important of all, it must not restrict the innovative and entrepreneurial capacities of Americans upon which rising living standards and our general prosperity so greatly depend. Our proposals are in keeping with these principles.

Wildly excessive and unjust taxes have locked away access to capital and credit necessary for lower-income Americans to launch the next generation of entrepreneurship. Today, sadly, we see the American people's sense of dynamism and hope, their ability to strive and compete diminished by a tax code which penalizes success, retards investment, and sends capital fleeing overseas. The commission is united in the belief that only a pro-growth tax code can restore America's confidence at home and her greatness abroad. We want a tax code and an overall economy that will liberate the American dream and remove the barriers to upward social and economic mobility. The American ethos of entrepreneurship and optimism made America great once before. We believe these proposals will bolster that ethos again and help restore integrity and honesty to our system.

The author John Gardner has observed that there are many contributing factors to the rise of civilization—accidents of resources, geography, and military power. But whatever other ingredients comprise the greatness of nations, he writes, "There occurs at breathtaking moments in history an exhilarating burst of energy and motivation, of hope and zest and imagination, and a severing of the bonds that normally hold in check the full release of human possibilities. A door is opened, and the caged eagle soars." That eagle, the symbol of our nation, represents the creative spirit, talents, and aspirations of the American people. The charge of this commission and the intent of our recommendations is to open the door and help set that eagle in all of us free.

JACK KEMP,
Chairman,
National Commission on Economic Growth and Tax Reform.

IMAGINE AN AMERICA

WITH A PRO-GROWTH, PRO-FAMILY TAX CODE

The National Commission on Economic Growth and Tax Reform recommends to the Congress and to the President of the United States that the current Internal Revenue Code be repealed in its entirety.

The present system is beyond repair—it is impossibly complex, outrageously expensive, overly intrusive, economically destructive, and manifestly unfair.

It is time to replace this failed system with a new simplified tax system for the 21st century: a single low rate, taxing income only once with a generous personal exemption and full deductibility of the payroll tax for America's working men and women.

This system will reduce the tax burden on middle-income people and will help remove the barriers that keep low-income Americans from reaching their fullest potential.

These changes, once in place, should be sealed with a guarantee of long-term stability, requiring a two-thirds vote of the U.S. Congress to raise the rate.

This new system is predicted on a commitment to expanding growth and opportunity. We believe the changes we propose will help double the rate of economic growth.

A stronger economy will create more jobs, raise family incomes, expand ownership and entrepreneurship, and ensure greater opportunity for our children and grandchildren. It will also produce additional revenues for balancing the budget and reducing the burden of national debt.

The principles and recommendations contained in this report comprise the "Tax Test"—the standard to which any new tax system must be held. We ask that Congress not pass nor the President sign any tax legislation that fails to pass this test. And we encourage the public to use the goals and guidelines we offer as a road map through the coming national debate on tax reform.

Our aim: to introduce a new system of taxation that brings out the best in the American character, that plays to our strengths and not our weaknesses, that speaks to our hopes and not our fears. Our recommendations are based on a vision of America that places the individual—not the government—at the center of society:

We believe that government does not create opportunity; citizens do, if government will get out of their way.

We believe that government is not the entire of economic growth; it is, more frequently, the monkey wrench in the machine.

We believe that taxpayers' earnings and savings—their property—are not assets on loan from the government. The government is power on loan from the people.

One of the most serious shortcomings of previous attempts at tax reform has been the inability of average Americans to make their voices heard above the chorus of special interests. We have tried a radically different approach: Listening to the people first.

In his first debate with Stephen Douglas, Abraham Lincoln remarked that "with public sentiment, nothing can fail; without it nothing can succeed." We believe that any major legislative attempts to replace the current tax code will falter unless it is first preceded by a national debate on what the new system should look like.

Many previous attempts to reform public policy have failed to achieve their aims because they substituted closed meetings for democratic dialogue, focusing too much on expert analysis and too little on citizens' concerns. By including the public in the deliberations over tax reform, this commission seeks to build broad-based consensus behind a new tax system for America's next millennium.

It was with this spirit that the commission held cross-country public hearings—from the historic home of the Boston tea-party to the heart of south-central L.A. At every hearing in every city, we asked people to tell us what they saw as the problems with the current system and the goals any reform plan should achieve.

In Omaha, farmers pleaded for simpler filing and the freedom to pass family farms on to their children without fear of federal confiscation.

In the Silicon Valley, high-tech entrepreneurs told of the countless ideas conceived but never born because of a scarcity of investment capital.

In south-central Los Angeles, small business-owners voiced frustrations at not being able to expand or hire new workers because of a tax bit that eats away their profits.

And in Harlem, inner-city entrepreneurs expressed both bitterness and bewilderment at a tax code which sucked revenues out of their neighborhoods while preventing investment from flowing in.

In our nation's capital, we heard from elected officials in both the House and the Senate who have for many years been leaders in tax reform. Because of their tireless public service, tax reform is a priority issue on the nation's agenda.

We also heard from many of the finest economists in the country who shared their knowledge and research with us at every hearing.

After our hearings, we held a series of working sessions to analyze what we had heard and to begin discussing our recommendations for change. During one of our working sessions, the commissioners put aside the charts an graphs for a moment, stepped back, and tried to imagine what kind of world they would like America's next generation to grow up in. We were asked to think about how replacing the tax code might help bring that world about:

Imagine an America enjoying a decade of economic growth at nearly twice the present rate—creating jobs, expanding opportunities, and lifting living standards for all.

Imagine an America in which more dreams are in basements and garages grow into multi-million dollar businesses because abundant capital seeks out good ideas, and entrepreneurs and investors are confident that their risk-taking will be rewarded not punished.

Imagine an America where it is easier to get a job than to get on welfare, and where our inner cities share in America's growth and prosperity. Imagine these neighborhoods ringing out, not with sirens in the night, but with the sounds of new storefronts being opened and new businesses being built.

Imagine an America where home ownership and higher education are within the reach of every American so that each citizen owns a stake in the system and shares a common interest and responsibility for its future.

Imagine an America where young couples aren't asked to take a tax hit in order to exchange their marriage vows, and where young families can save for their future without being punished for their thrift.

Imagine an America where Americans have enough to give, not just to and through their government, but to their churches, synagogues, mosques, their charities, and neighbors in need.

Imagine an America where the I.R.S. becomes the "TPA"—a Taxpayer Protection Agency—to ensure that no one pays more than is owed. Imagine a customer-friendly approach to raising revenue, based on a belief in the basic honesty of the American people, that treats them with dignity and respect.

We believe that replacing our tax system with one that is simpler and fairer can help to make these American dreams come true.

America was not founded on envy or resentment. The American idea was never to keep everyone at the mean level, but to give everyone the chance to rise as high as his or her effort, initiative and God-given talent would allow. It was a promise of equal opportunity, not of end results: the confidence that whatever you aspired to become—be it artist, inventor, or entrepreneur—you could make it happen here.

As the country pursues this change, how we transition from the existing bankrupt system to the new system will be important. Complicated issues will arise. Nonetheless, we are confident that the Congress and the President will solve these transitions in order to bring about this new tax system. Dramatic change never is easy, and complicated issues will arise in the transition. But change we must, confident that, with the leadership of the Congress and the president, the American can-do spirit will prevail.

A new tax system, as envisioned in the following pages of this report, can take a first step toward renewing that sense of hope and possibility by unleashing a cascade of benefits, beginning with greater economic growth, lower interest rates, and expanded job opportunities for working Americans.

In this spirit, we invite the American people and their elected leaders from, both political parties to use the Tax Test as a checklist as they move forward in replacing the current tax code. We urge the Congress and the President to base any new legislation on the principles and recommendations submitted in this report. Furthermore, we urge President Clinton to appoint a presidential task force or commission to bring the recommendations offered by this congressionally appointed commission to the next level of public debate.

AT THE BOILING POINT

"My grandmother used to tell me the folk tale of the frog," recounted Commissioner Herman Cain of his childhood in Atlanta, Georgia. "If you put a frog in a pot of hot water, he would jump right out. But if you put him in a pot of cool water and gradually turned up the heat, he wouldn't notice the rising temperature and would eventually boil to death."

The American taxpayer is in hot water. Escalating marginal tax rates, increasing complexity, and advancing intrusiveness have created a system that has reached the boiling point. Over the years, Americans have surrendered more and more of their freedom to higher taxes. The result has not been to enhance economic security or to close the gulf between rich and poor. Instead, it has led to fewer jobs, slow economic growth, diminished hope and opportunity, an erosion of trust and confidence in government, and an ebbing of the American spirit of enterprise. It is a history that echoes James Madison's warning that "there are more instances of the abridgment of the freedom of the people by gradual and silent encroachments . . . than by violent and sudden usurpation."

The time has passed for incremental reform. The problems with the current system have grown too deeply entrenched to be solved with quick fixes and cosmetic repairs.

We believe the current tax code cannot be revised, should not be reinvented, and must not be retained. Therefore, the commission is unanimous: It is time to throw out the seven-million-word mess of tax laws and regulations and begin anew.

Marc Negri of Santa Rosa, California, wrote to tell us that, "The current system is so wrong and such a disincentive to the everyday worker that it cannot be saved." Lawrence Madsen of Mills, Wyoming, prepares peoples' taxes for a living, and yet wrote: "I am so disgusted with the [system] that I must urge you to completely abolish the Internal Revenue Code and start over." A couple from Astor, Florida, was even more blunt: "The current tax structure is way out of date with the real world, too complicated with too many loopholes. We say dump it!"

Americans' eagerness for real change reflects in part their frustration with a system that in the past forty years has seen 31 "significant" reforms and an astounding 400 additional "revisions" through public laws. And yet the tax code is more complex, more costly, and more economically destructive than ever. This is the story of how we got here.

THE ROAD TO TAX OPPRESSION

The New York Times, in a 1909 editorial opposing the very first income tax, predicted: "When men get in the habit of helping themselves to the property of others, they cannot easily be cured of it." The history of our tax code, in economic terms, mirrors the course of most addictions: advancing dependence, diminished returns, and deteriorating health of the afflicted.

Supporters of the Sixteenth Amendment touted the income tax as the rich man's burden—forcing "the Carnegies, the Vanderbilts, the Morgans, and the Rockefellers" to pay while sparing the middle class from pain. Indeed, after the income tax was enacted in 1913, fewer than two percent of American families were required to file a tax return. Rates ranged from 1 to 7 percent—with the highest rate applying only to Americans who had the equivalent of $7.7 million in income in today's terms.

The rates did not stay that low for long. In 1916 the top rate doubled. A year later, on the eve of America's entry into World War I, it soared to 67 percent. With the Second World War, the rate was raised to 94 percent. In the 1950s the top rate remained at the sky high level of more than 90 percent. President Kennedy initiated legislation that cut the top rate to 70 percent, but it was not until the Reagan growth years that the top rate was lowered dramatically to 28 percent. Under the current administration, the rate has resumed its ascent, with combined federal taxes pushing the top rate above 40 percent, including Medicare taxes and phase-outs.

With every attempt by politicians to "soak the rich," the water mark has risen on the middle class. Author Frank Chodorov has summed up the incremental march of encroaching taxation: "At first it was the incomes of corporations, then of rich citizens, then of well-provided widows and opulent workers, and finally the wealth of housemaids and the tips of waitresses." Congress expanded the income tax into the ranks of the middle class for the same reason Willie Sutton robbed banks: that's where the money is.

This shift was mainly achieved by gradually multiplying the number of taxpayers required to file income tax returns and by raising average tax rates on ordinary citizens. Until World War II, the average tax rate (that is, the total tax paid divided by income) on a family with a 1991 income of $50,000 never rose above 4 percent. Since World War II, it has never fallen below 14 percent.

Marginal rates on the middle class have risen even more dramatically. Marginal rates are the "tax bracket" rates that apply to any extra dollar of income—such as raises, overtime, bonuses, or a second family income. The marginal middle class tax rate never rose above 8 percent prior to World War II. Since then, it has never fallen below 22 percent, rising as high as 33 percent during the high-inflation, bracket creep years of the 1970s.

Today, there are three principal defects of our income tax system that must be fixed immediately.

Economically Destructive: Steeply graduated tax rates on both labor and capital destroy jobs, penalize saving and investment, and punish personal efforts to get ahead through hard work.

Impossibly Complex: The mind-boggling complexity of the current tax code imposes an unacceptable burden on taxpayers and a huge cost on the economy.

Overly Intrusive: The vast enforcement powers conferred on the I.R.S. are increasingly seen as infringements of privacy and personal freedom.

ECONOMICALLY DESTRUCTIVE

In the famous Supreme Court case, *McCulloch* v. *Maryland*, Chief Justice Marshall wrote: "The power to tax involves the power to destroy." Some of the ways in which the current tax code destroys our economic vitality include:

High marginal tax rates that weaken the link between effort and reward, depress productivity, and kill jobs.

Multiple layers of taxation on work, saving, and investment that dry up new capital for investment.

Capital gains taxes that act as a barrier to capital formation—preventing the flow of investment to new enterprises and would-be entrepreneurs.

An "alternative minimum tax" that imposes immense compliance costs on businesses, sapping resources that could otherwise be put to constructive use.

Double-taxation of corporate income which shrinks business investment and encourages companies to take on extra debt.

Estate and gift taxes that force families to sell their businesses or family farms.

A fundamental principle of economics is that the more you tax something, the less you get of it. And if you tax success, you get less success. The current confiscatory system begs the questions: Why work harder if each extra dollar earns you less? Why save for tomorrow when spending today is cheaper? Why dream bigger, when little dreams are less expensive? The disillusioned answer of many Americans is simply: Why bother?

But the current system does not simply sap the initiative and aspirations of individual taxpayers, it undermines the economic strength of our nation as a whole. As President Kennedy once observed: "An economy hampered with high tax rates will never produce enough revenue to balance the budget, just as it will never produce enough output and enough jobs."

High marginal tax rates combined with multiple taxation of work, saving, and investment act as a "double-barreled shotgun aimed at the American economy," accountant Ted Krauss told the commission during a hearing in Washington. The price tag was estimated by Professor Dale Jorgenson of Harvard University who told the commission that the income level in the United States could be 15 percent to 20 percent higher than today if these biases did not exist.

This translates to losses of as much as $4,000 to $6,000 per year for typical middle-income families. The tremendous economic drain caused by an anti-work, anti-saving, and anti-growth tax system does not even take into account the enormous waste of resources—the time, money, and brainpower—lost in trying to comply with the current code.

IMPOSSIBLY COMPLEX

Today's tax code is so complex that many Americans despair that only someone with an advanced degree in rocket science could figure it out. They are wrong. Even a certified genius such as Albert Einstein needed help in figuring out his Form 1040.

Consider this example from the Internal Revenue Code's rules on the Earned Income Tax Credit. Here's how they describe the little human creature we call a child:

(A) IN GENERAL.—The term "qualifying child" means with respect to any taxpayer for any taxable year, an individual—

(i) who bears a relationship to the taxpayer described in subparagraph (B),

(ii) except as provided in subparagraph (B)((iii), who has the same principal place of abode as the taxpayer for more than one-half of such taxable year,

(iii) who meets the age requirements of subparagraph (C), and

(iv) with respect to whom the taxpayer meets the identification requirements of subparagraph (D).

This may look like English to the experts, but it is total gibberish to most other Americans. If nothing is done to simplify the impossible language of the current tax code, every American will need a laptop just to figure it out.

Professor James Eustice of NYU Law School once defined an "expert" as "a person who avoids small errors as he sweeps on to the grand fallacy." The problem with the tax code, he says, "is that it has been written and interpreted by so many 'experts' that it has lost sight of the fact that [real people] have to function under this system." The result is a tax code so complex that even the 'experts' themselves can't figure it out. This was illustrated by an annual survey of tax experts conducted by *Money Magazine*. Each year, the magazine would send a hypothetical tax return to 50 professional tax preparers, and every year it got back a startling range of responses, often encompassing 50 different answers. Needless to say, if the "experts" have trouble understanding the tax system, the odds are stacked against the rest of us.

Convoluted rules and regulations force small businesses to hire expensive accountants, forgo expansion or new opportunities, or in some cases avoid the entire mess by going underground. Tim Sabus of Denver, Colorado, wrote to the commission: "As an entrepreneur, I experience first hand the horrors of our tax system. It has grown into a monstrous predator that kills incentives, swallows time, and chokes the hopes and dreams of many. We have abandoned several job-creating business concepts due to the tax complexities that would arise."

Another exasperated business owner, Frank Goodnight, told the commission at our Charlotte hearing that "during the recession of 1992, our company paid our accounting firm more money than we paid in taxes." He is not alone: in 1991, the Tax Foundation reported that small corporations spent a *minimum* of $382 in compliance costs for every $100 they paid in income taxes.

According to 1995 I.R.S. estimates, businesses will spend about 3.4 billion hours and individuals will spend about 1.7 billion hours embroiled in tax-related paperwork. That means nearly three million people—more people than serve in the U.S. armed forces—work full time all year just to comply with tax laws, at a cost of about $200 billion a year, according to the Tax Foundation. In economic costs, this is like taking every new car, van, and truck that General Motors builds in a year and driving them off of a cliff.

In a recent hearing before the House Ways and Means Committee, William Dakin, senior tax counsel of Mobil, brought with him a six foot high stack of bound papers, weighing 150 pounds. These were Mobil's corporate tax forms for 1993. It cost Mobil an estimated $10 million, and the equivalent of 57 people working full time for a year, just to figure how much tax the company owed. This is the essence of a brutally complicated tax system.

Jeff Renner, a real-estate developer from Bellevue, Nebraska, voiced the concern of many witnesses about the costly burden of compliance: "That time and effort and money did not educate a single child, it didn't feed a single family, and it didn't produce a single tangible object to improve the life of anyone." And Roger McCarthy who runs an engineering firm in Menlo Park, California, complained of how the tax industry absorbs the high-tech talent that could be working in productive fields: "It is disturbing that we are not competing with companies like Intel and Hewlett-Packard for these top stars, but rather with Big Six accounting firms."

OVERLY INTRUSIVE

There is no simple way of administering a monstrously complex tax code, just as there is no fair way of enforcing an unfair system. Former Treasury official Ernest S. Christian told the commission: "The present federal income tax code is a national disgrace that * * * has characteristics that would be condemned in any human personality. It is inexcusably class conscious, it is hypo-critical, it is meddlesome, it is overbearing, it is mean and hurtful, it is covetous, and above all, it is downright foolish." It is no wonder that the agency charged with enforcing such a system has become the object of increasing public ire.

Perhaps the most troublesome consequence of our modern-day income tax system is the enormous power that Congress has conferred on the Internal Revenue Service to force taxpayers to comply with the tax code. Twice as big as the C.I.A. and five times the size of the F.B.I., the I.R.S. controls more information about individual Americans than any other agency. Without a search warrant, the I.R.S. has the right to search the property and financial documents of American citizens. Without a trial, the I.R.S. has the right to seize property from Americans. What the I.R.S. calls its own "presumption of correctness" leaves many taxpayers feeling that they are "guilty until proven innocent"—a standard which turns norms of justice upside down.

Even those within the I.R.S. hierarchy concede the inquisitorial nature of the powers granted the agency. Fred Goldberg, former Commissioner of Internal Revenue, laments that "while it is unfair to the many fine people who work there, the I.R.S. has become a symbol of the most intrusive, oppressive, and nondemocratic institution in our democratic society."

The code is so complicated that the I.R.S. itself has trouble understanding it. "As a retired revenue agent, I feel qualified to attest to the monstrosity that the Internal Revenue Code has become," a citizen from Michigan wrote to the commission. "When people who are employed to enforce the tax laws have difficulty understanding its complicated and sometimes incomprehensible provisions, it's time for a change." Of the liens the I.R.S. filed in 1990, a General Accounting Office study found 16,000 errors. The error rate for penalty notices to employers on tax deposits has stood as high as 44 percent.

Even when the I.R.S. is not in error, many of its practices make little sense. For example, tax documents are not treated as "timely filed" if sent by Federal Express rather than the U.S. Postal Service. The I.R.S. charges taxpayers interest even when the taxpayer is due a refund. In another example, one particularly exasperated citizen wrote to the commission and enclosed a notice just received from the I.R.S. assessing a penalty against his company. For an underpayment of one cent on his tax returns, the company received a letter from the I.R.S. imposing a penalty of more than $150. Others should be so lucky. Many who testified before the commission told tales not just of tax penalties, but of thousands of dollars in legal fees and countless hours with lawyers in efforts to rectify minor and unwitting infractions, or clear their records of unjust charges.

In Charlotte, businessowner Jean Hodges recounted a tale of horror in which she was forced to pay tens of thousands of dollars and spend untold hours trying to correct an error made by her company's bookkeeper. "I would like to see Congress pass legislation affording small businesses relief from onerous and intimidating I.R.S. regulations," she said.

The preceding pages illustrate what is wrong with the current tax system. But the case for a 21st century tax system must be made by more than a mere indictment of the status quo. To paraphrase Peter Drucker: You have to decide what's right before you decide what's possible. The following chapter outlines principles upon which a better future can be built.

WORKING PRINCIPLES

FOR THE WAY AMERICA WORKS

When a group of architects sits down to design a new building, they don't start by picking out the draperies and choosing the color of the carpet. They begin by creating the basic outlines for the structure to come. Similarly, the charge and purpose of this commission is not to dictate the finishing touches of finalized legislation. Instead, it is to establish the foundation upon which a new system can be raised.

The commission's six working principles for a 21st century tax system are not isolated ideas, randomly grouped, but rather principles that link together to form a sequence—a chain of economic DNA—that can renew the health of our economy and release the potential of the American people.

Economic growth, the engine of opportunity and prosperity, can only be unleashed by a tax code that encourages initiative, hard work, and saving. Such a system must be based on fairness, treating all citizens equally. The system should achieve simplicity so that anyone can figure it out. A fair tax system also requires neutrality, because the tax code should not pick winners or losers, or tax saving more heavily than consumption. The new tax system also needs visibility, so that everyone gets an honest accounting of government's cost. A visible tax system will have stability so that people can plan for their futures.

ECONOMIC GROWTH

Because expanding opportunity, prosperity, and social mobility form the foundation of a free and healthy society.

None of the myriad challenges confronting our nation—be they poverty, crime, racial tension, welfare dependence, or the budget deficit—can be solved without strong economic growth. Therefore, any new tax system must be predicated, first and foremost, on a commitment to revitalizing the American economy and lifting barriers to opportunity.

No nation has ever taxes its way to prosperity. Indeed, one of the world's fastest growing economies over the past 20 years, Hong Kong, has one of the lowest marginal tax rate systems—15 percent or less—on labor and capital. Throughout the ages, higher taxes have been inversely related to higher productivity and higher growth. Our own history provides evidence of this axiom.

America has experienced three periods of very strong economic growth in this century: the 1920s, the 1960s, and the 1980s. Each of these growth spurts coincided with a period of reductions in marginal tax rates. In the eight years following the Harding-Coolidge tax cuts, the American economy grew by more than five percent per year. Following the Kennedy tax cuts in the early 1960s, the economy grew by nearly five percent per year and real tax revenues rose by 29% from 1962 to 1968 (after having remained flat for a decade). In the seven years following the 1981 Reagan tax cuts, the economy grew by nearly four percent per year while real federal revenues rose by 26 percent.

Over the years, we have seen economic output rise as tax rates *fell* (and fall as tax rates rose). But federal revenue raised as a percentage of national output has remained *flat*. As the accompanying chart indicates, the federal government historically collects about 19 percent of gross domestic product—regardless of how high the tax rate has been pushed.

High rates simply mean a smaller economy—and less income to tax. Clearly, 19 percent of a small economy brings in less revenue than 19 percent of a big economy. One more reason why economic growth should be the goal of any new tax system.

FAIRNESS

* * * Because democracy is based on the principle of equality before the law.

One of the main themes the commission heard in hearings around the country is that taxpayers are willing to shoulder their share of the burden, as long as others pull their own weight as well. The current tax code—with its confusion of proliferating rates, deductions, exemptions, and transfers of wealth from one constituency to another—contributes to the overwhelming conviction of many Americans that the present system is unfair.

The definition of fairness that emerged from hours of testimony before the commission was clear and unambiguous: Any new system must satisfy three simple goals:

Tax equally: Does it treat taxpayers equally?

True progressivity: Is it compassionate to those least able to pay?

Lower tax rates: Does it keep the tax rate low?

TAX EQUALLY

To most Americans, fairness means that the rules apply to everybody and everybody plays by the rules. Christine Perkowski of Richboro, Pennsylvania, wrote to the commission: "I do not mind paying my fair share as long as everyone else does, but I feel that many, many people and companies are not paying their fair share because they have the money to hire smart accountants and lawyers."

Under a simpler, fairer system, no one will get out of paying their share—no matter how many "smart accountants and lawyers" they can afford to hire. By streamlining the current Rube Goldberg contraption of multiple rates and rules, we can reduce the number of moveable parts that are manipulated by those who seek to take advantage of the system. Clearly, under the current multiple-rate system, any tax "loopholes"—deductions, exemptions, and credits—are more valuable to the wealthy than to those in lower brackets, reinforcing the perception that the rich do not pay their fair share. A single-rate system would level the playing field by eliminating the current distortion in which tax breaks are worth more when a person's income is higher.

Melvin Barlow of Las Cruces, New Mexico, argued this definition of fairness in a letter to the commission: "It is not right that the harder a man works, the more he is taxed" because the government imposes a higher rate on each additional dollar he earns. A single-rate system keeps pace with the taxpayer as he climbs the hill of economic opportunity and does not weigh him down more heavily with higher rates at every step he tries to take.

For taxable income above the personal exemption, if one taxpayer earns ten times as much as his neighbor, he should pay ten times as much in taxes. Not twenty times as much—as he would with multiple and confiscatory tax rates. Not five times as much—as he might with special loopholes. Ten times as much income, ten times as much taxes. That's the deal.

TRUE TAX PROGRESSIVITY

Americans must first be able to feed, clothe, and house their families before they are asked to feed the federal spending machine. A generous personal exemption will allow those citizens at the bottom of the economic ladder to gain a foothold and begin their climb before taxes take effect.

Today, those who try to move from welfare to work face the highest margin tax rates in America when lost benefits are included—facing effective tax rates that can actually exceed 100 percent. For example, if a single mother on welfare takes a job, she stands to lose more than a dollar for every dollar she earns. Her first paycheck may be more than canceled-out by the economic hits she takes when she loses Aid to Families with Dependent Children, Medicaid, Food Stamps, and public housing allowances. In addition to losing benefits, she now also must pay Social Security and Medicare taxes, federal and probably state income tax, while facing a host of work related costs, including transportation and child care.

We need a tax system that expands opportunity and furthers economic independence by strengthening the link between effort and reward, not by slapping poverty-inducing tax rates on people as soon as they get their heads above water. True progressivity can be achieved by a single tax rate with a generous personal exemption. With an exemption, a "single rate" does not mean that everyone pays the same percentage of income in taxes. A generous personal exemption would remove the burden on those least able to pay; as incomes rise, the average tax rate would gradually rise up to the single rate.

LOWER TAX RATES

The consensus of the majority of witnesses who wrote to the commission can be summed up in two words: lower taxes.

Historians may point to America's beginnings and a revolution deeply rooted in reaction to taxation of the original thirteen British colonies. Others reference religious traditions, including Moses' warning to Pharaoh that he may tax up to one fifth and no more—before demanding that he "let my people go." Indeed, Commissioner Dean Kleckner of Iowa touched a chord with many when he observed, half-jokingly, that "the Bible says we ought to tithe and give 10% to the Lord. I have a hard time with the concept of giving more to government than we're asked to give to God."

We suspect that more taxpayers have reached their conviction that taxes are too high not by consulting their history books or the Scriptures, but simply by comparing their weekly paychecks to their family budgets and counting all the sacrifices they must make simply to pay the government. While any new tax code must raise sufficient revenue to run the government, it must also be mindful of the burdens these taxes place on America's working families. One way to reduce this burden would be to restrain government spending. By restoring the balance of power between the federal government and the citizens who pay its bills, we can restore basic faith in the system and keep the tax rate low.

SIMPLICITY

. . . *Because Life is too short and peace of mind too precious to waste your time and lose your temper trying to figure out your taxes.*

Filing tax returns will never be anyone's favorite pastime, but neither should it be what it has become: one of life's most nerve-wracking, gut-wrenching, and mind-numbing chores. With a simpler system, taxpayers will be able to file their returns on a single piece of paper in less time it takes to finish your morning crossword puzzle.

As detailed earlier, the current tax code is exceedingly expensive to comply with, increasingly difficult to enforce, and nearly impossible to understand. Ambiguities and inconsistencies in the current tax code increase the likelihood that taxpayers will make mistakes and fall victim to enforcement techniques considered by many to be infringements of personal liberties.

Long ago the authors of the *Federalist Papers* warned, "It will be of little avail to the people that the laws are made by men of their own choice if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood." A simplified, fairer tax system will let Americans get a handle on their taxes, a grip on their government, and a hold of their future.

NEUTRALITY

. . . Because the tax code should not pick winners or play favorites, but allow people freely to make decisions based on their own needs and dreams.

The tax code should be used to raise revenue to run the government while doing the least possible damage to the economy. This means leaving individuals free to make decisions and to set priorities based on economic reality—not on the bureaucratic whims of Washington, D.C.

Taxes cannot help but raise the cost of everything they fall on. But at least they should fall on things neutrally without penalizing one form of economic behavior and promoting another. As Senator Robert Bennett of Utah recently pointed out, "Neutrality means that the tax code should not be used to punish the bad guys and reward the good guys. We have other laws for that." Unfortunately, the current code strives to act as economic traffic cop—giving green lights to certain economic activities and red lights to others.

The result of the biases and distortions in the current system is to make the market less free, the system less fair, and families less financially secure. As Frank Hayes, a public accountant who testified before the commission in Omaha, remarked: "If there's a way to make things simpler and take the tax aspect out of making day-to-day decisions, I think everybody would become productive."

Perhaps the single most irrational and economically damaging aspect of today's code is the layer upon layer of taxes on saving and investment. By hitting income saved and invested harder and more frequently than income consumed, the current system prompts taxpayers to spend today what they might otherwise save for tomorrow. This is particularly alarming considering the problems facing public retirement programs and the need to strengthen private retirement saving. The Bipartisan Commission on Entitlement and Tax Reform offered analyses and proposals on this subject.

VISIBILITY

. . . Because those who pay the price of government have a right to see the bill.

The history of hidden taxes, rapidly rising rates, and perpetual budget deficits proves that what you don't know can hurt you. The current system hides the cost of government behind a chronic deficit and a maddening multiplicity of taxes—many of which are virtually invisible to the taxpayer who pays them. How much did we pay in payroll taxes last year? What excise taxes were hidden in the prices of the products we bought? What are the tax cost of exclusions, deductions, and corporate income taxes? Few of us know the answers.

When it comes to these hidden levies, ignorance is expensive bliss indeed.

One of the biggest political fictions in American history is the progressive taxation of "Mr. Nobody"—the illusion that "painless" taxes can be levied on businesses and on the goods and services they sell. But goods and services do not pay taxes. People do. While businesses collect taxes, the burden of paying the "business" taxes ultimately falls on each of one of us as investors, workers, or consumers.

Moreover, the invisibility of many taxes perpetuates the fantasy that government is free—even as its real costs shrink our paychecks, sap our savings, drain our economy, and inflate the budget deficit to ominous proportions. Bob Genetski, an economist and author who testified at hearings in Omaha, told the commission: "The cost of government is not obvious to people. If you hide the cost of government, people are going to demand more government than they otherwise would." By severing the connection between government's cost and its consumption, the current system deprives citizens of the information they need in order to make rational choices about what they want to buy from Washington and how much they are willing to spend.

A visible system gives taxpayers an honest accounting of government's expense and will make it far more difficult for politicians to tinker with the tax code without the democratic consent of those taxed.

The incurable cynic H. L. Mencken once said, "Conscience is the inner voice which warns us somebody may be looking." By making taxes visible, we can ensure that someone always will be.

STABILITY

. . . Because taxpayers should be able to plan for their future without the rules being changed in the middle of the game.

Everyone has heard the old saw that there are only two things in life that are certain: death and taxes. Given the constant changes to the tax code over the past few decades, the certainty of taxes has taken a perverse twist. Like walking blindfolded down a ship's gangplank, you know the end it out there—you just don't know when it'll arrive, how far you'll fall, or how long you'll be able to keep your head above water.

This uncertainty has a debilitating effect on the economy, making it very difficult for families and businesses, particularly small businesses, to plan for their future with confidence. This exacts a tremendous cost from those taxpayers and business owners who must struggle to keep up with ever-shifting rules and regulations. The retroactive tax increases passed in 1993 packed a double-whammy—changing the rules when the game was half over. A stable tax code must allow individuals to start a business, buy a house, take out a loan, put money into savings, or plan for their children's education without fear of what might lurk behind the next election cycle.

We know what works . . . Freedom works. And only principles for tax reform that maximize freedom can yield the opportunities, economic growth, and untold possibilities for human advancement that are its fruits. In his last public address, Abraham Lincoln declared that, "Important principles may and must be inflexible." By laying down these important principles, this commission hopes to help build a future of growing prosperity for many generations to come.

A NEW TAX SYSTEM FOR THE 21ST CENTURY

RECOMMENDATIONS

Among the hundreds of testimonies and citizen letters reviewed by this commission, one of the most compelling was that of Van Woods, owner of Sylvia's Restaurant. Mr. Woods and his family run a successful soul food establishment in the heart of Harlem, a community with painfully high unemployment. In concluding his testimony to the commission, he said, "Opportunity is the ability to look in the face of my son and say: 'I don't know if you will succeed, but you can.'"

The objective of this commission, the aim of its members, is to help make that promise a reality—not just for Mr. Woods' children, but for every child in every neighborhood in America's 21st century.

In submitting these recommendations, the commission does not seek to toss yet another piece of legislation on the table. Nor was its goal to pick and choose among existing plans, or worse, create a hodgepodge compromise from elements of existing alternatives. What we are offering to the American people and their elected officials is a set of standards—a quality control—that any new plan must meet if it is to meet the bold objective of replacing the current tax code with a fair and simple system. The preceding chapter provides one half of the check-list: the principles that any new system should embody. This chapter provides the other half: key recommendations that any new system should follow.

The core recommendations of the National Commission on Economic Growth and Tax Reform are:

Adopt a single, low tax rate with a generous personal exemption

Lower the tax burden on America's working families and remove it on those least able to pay

End biases against work, saving, and investment

Allow full deductibility of the payroll tax for working men and women

Require a two-thirds super-majority vote in Congress to increase tax rates

We believe that, with a pro-growth, pro-family tax system, we can achieve these goals within the context of budget equilibrium. The commission believes that this new tax system can satisfy our six working principles:

Economic growth through incentives to work, save, and invest;

Fairness for all taxpayers;

Simplicity so that anyone can figure it out;

Neutrality so that people and not government can make choices;

Visibility so that people know the cost of government; and

Stability so that people can plan for their future.

The following pages explain the core recommendations in light of these principles, and explore some of the trade-offs involved in reaching a system that meets these goals. This chapter also touches on a few of the corollary points that flow from these main recommendations. Staff discussion papers are provided for those who seek more detail on the concepts involved.

RECOMMENDATIONS

Single Tax Rate.—A single rate is a fair rate. One tax rate, coupled with a generous personal exemption, together produce a progressive average tax rate. Low income taxpayers would owe little or no tax. But everyone who earns enough to cross the threshold of the exemption would face exactly the same tax rate on any additional income.

A single-rate system is not only fair, it also can satisfy the principles of simplicity, visibility, and stability. A single rate is clearly simple, and it is highly visible: one rate—as opposed to the current, confusing mess—will stand out and be remembered by all. A simple, visible system also can be stable; by keeping our eyes on the single rate, we can keep politicians' hands off it.

Nobel Prize-winning economist F.A. Hayek described economic redistribution through multiple tax rates as "the chief source of irresponsibility" in politics and "the crucial issue on which the whole character of future society will depend." A system of graduated marginal rates violates the principle of fairness—that if a law applies to citizen A, it must equally apply to citizen B.

Take for example, two wheat producers, each farming the same-sized plot of land. One of them produces 1,000 bushels of wheat; the other through harder work and more careful land management, produces 1,200 bushels. To tax the income represented by the additional 200 bushels of wheat more heavily than the income represented by the first 1,000 would be demonstrably unfair to the more productive farmer. And yet, that is the nature of a multi-rate tax system: it takes more from people for their hard work, creativity, and success.

The added output—and the resulting added income—of one taxpayer doe not diminish his neighbor, and is not earned at his neighbor's expense. Indeed, it expands economic opportunity, increases the availability of goods and services, and helps others be more productive as well.

True progressivity requires a low tax rate couple with a generous personal exemption. This would grant low-income Americans an "economic head-start"—allowing them to begin their climb toward economic independence before they are asked to shoulder their share of government's costs. The larger goal is to move beyond merely maintaining low income Americans at subsistence level livelihoods toward giving them an opportunity to permanently escape poverty.

Here, as elsewhere, there are trade-offs involved. The goal of protecting those least able to bear the burden of taxation conflicts with the principle of visibility: those exempt from taxes don't see the price of the government services we all pay for.

The commission believes that the costs—both economic and moral—of burdening low-income people with taxes that can bar them from reaching their fullest potential outweigh competing concerns. By offering low-income Americans a window of economic opportunity, the personal exemption can help liberate those whom the public sector has failed to help and the private sector has failed to reach.

Lower Tax Rates.—The commission recommends that the single rate be as low as possible. We encourage the adoption of such a low rate within the framework of budget equilibrium. Furthermore, we strongly urge that the rate be lowered over time as a growing economy yields rising revenues. We recommend that added revenues be considered, not as more Monopoly money for Washington, but as a "growth dividend" to be paid out to the American people.

Eliminate biases against work, saving, and investment.—The principles of fairness and neutrality require that all income be taxed the same, whether it is used for consumption or saving, whether it is produced in small businesses or large corporations, and whether it is earned by employees or the self employed.

Under the current system, income that is used for consumption is taxed once, while income that is saved is taxed again and again. For businesses, complex depreciation rules mean that income from investment in buildings and equipment is overstated. This forces people to pay taxes before they have recovered the cost of their investment.

The box at left provides an example of the problem created by the current tax code.

The biases result in less work, saving, and investment, lower productivity and wages, fewer jobs, less income to spend on housing and education, and fewer assets to furnish income in retirement than would otherwise be the case. As the example at left demonstrates, these biases affect every family that is trying to save for the future.

In order to end these biases, the tax system must either let savers deduct their saving or exclude the returns on the saving from their taxable income. It must end double-taxation of businesses and their owners and permit expensing of investment outlays. It must also address the following issues:

Capital Gains Taxes.—If a new tax system is to eliminate biases against saving and investment, it also must abolish separate taxation of capital gains. As commissioner Ted Forstmann said, "The biggest depressant on the rate of capital formation is now the risk of confiscation by the government." The United States now imposes some of the highest tax rates on capital of any developed nation—a 28 percent tax on long-term capital gains unindexed for inflation. Compare that with a 16 percent rate in France; a 1 percent rate in Japan; and a zero tax on capital gains in Hong Kong, Germany, South Korea, Singapore, and Malaysia.

The result is to punish risk-taking, shrink the pool of capital needed for investment, and deprive would-be entrepreneurs of a chance to climb the ladder of economic opportunity. "The tax on capital gains," argued President Kennedy in 1963, "directly affects investment decisions, the mobility and the flow of risk capital . . . the ease or difficulty experienced by new ventures in obtaining capital, and thereby the strength and potential for growth in the economy."

By shrinking the supply of available seed corn, the capital gains tax acts as a future tax on wealth to be realized, business to be built, and jobs to be created. Those hardest hit are not the wealthy—who by definition have their capital gains, their wealth, behind them—but rather all those who have yet to realize their capital gains; the poor, the young, and minorities.

"Death" Taxes. It makes little sense and is patently unfair to impose extra taxes on people who choose to pass their assets on to their children and grandchildren instead of spending them lavishly on themselves. Families faced with these confiscatory taxes often find themselves forced to sell off farms or businesses, destroying jobs in the process. "We must help to save the family farm, ranch, and business," said Commissioner Jack Faris.

Unfortunately, family businesses often get hit hardest because they can't afford to hire expensive lawyers and accountants. As Douglas Darch of Wake Forest, North Carolina testified to the commission: "There is something wrong with a tax system that results in the systematic dismantling of small businesses to meet estate tax obligations."

The tragedy is that while these taxes cause much suffering for taxpaying families, they generate a relatively small amount of revenue. Estate and gift taxes appear to count for less than 1% of federal revenues—but even that low figure is exaggerated and misleading. Professor Douglas Bernheim of Stanford University testified before the commission that the estate tax may not really raise any revenue at all, because more income tax is lost from "estate planning" than is ultimately collected at death.

Full Deductibility of Payroll Taxes for all Working Americans.

The Commission recommends that federal payroll taxes be fully deductible—both for employers and employees. Many employers and employees pay more in payroll taxes than they do in federal income taxes. Making these taxes deductible for both employers and employees will reduce obstacles to hiring more workers and will fuel America's job growth into the 21st century.

Under the current tax system, workers pay income tax on their Social Security tax—a tax on a tax. Employers can deduct their half of the payroll tax, but employees cannot. The combined burden of both income and Social Security tax is particularly hard on workers with incomes too high to be eligible for the Earned Income Tax Credit (roughly $25,000), but too low to be below the threshold where the Social Security tax stops being taken out of paychecks (about $63,000).

When employer and employee payroll taxes of 15.3% are taken into account, workers in the 28% tax bracket actually face a brutal marginal tax rate of more than 43% on any additional income they earn. A single low tax rate would help relieve this demoralizing tax penalty on work and saving. But it still leaves a tax on a tax.

Making the Social Security tax deductible would help reduce the combined marginal tax rates on middle-income taxpayers who get hit by both taxes. A one-earner couple with a $40,000 income currently pays tax as though the couple really received the entire $40,000—even though they have already paid over $3,000 as their share of the payroll tax, leaving less than $37,000 on which they could possibly pay income taxes. By making the payroll tax deductible, income taxes would be calculated on the basis of working families' real net incomes.

This need for change was highlighted in a citizen letter to the commission from Spencer Riedel of Flagstaff, Arizona, who described the Social Security payroll tax as "a huge heartache. . . . Is there no way to stop this 'hidden' tax? . . . If we could eliminate this unfair mandated tax, our business would hire two more people."

A Two-Thirds Majority Vote in Congress to Raise The Tax Rate. The Commission recommends that the new system be guaranteed both stability and longevity by requiring a supermajority vote of both houses of Congress to raise the rate.

In hearings across the country, one depressing but all-too-familiar response from taxpayers could be bluntly paraphrased as: "Change, schmange. That's what you guys said the last time you talked about tax reform." The roller-coaster ride of tax policy in the past few decades has fed citizens' cynicism about the possibility of real, long-term reform, while fueling frustration with Washington. The initial optimism inspired by the low rates of the 1986 Tax Reform Act soured into disillusionment and anger when taxes subsequently were hiked two times in less than seven years. The commission believes that a two-thirds super-majority vote of Congress will earn Americans' confidence in the longevity, predictability, and stability of any new tax system.

The goal: A single low rate on income with a generous personal exemption, a lower burden on working families, an end to biases in the tax code—all set in the stone of a congressional super-majority. The recommendations in this chapter form the core framework for a new 21st century tax system.

OTHER ISSUES

Deductions and Exclusions

Concerns about special provisions in the existing tax code have the potential to derail debate over the merits of a new tax system and the tremendous benefits it could bring to the American economy. There are important social and economic consequences of certain deductions and exclusions. The commission believes they should be considered with an eye to their impact on the tax rate, the costs to the Treasury, and the consequences of change—and within the context of the values of the American people. For example, the home mortgage interest deduction has spurred home ownership in America; an important goal of our commission is to spread ownership to give more people a stake in the system. And, at a time when America needs a renaissance of private giving and commitment to overcome those social problems which government programs have either failed to improve or made worse—we need a system which encourages people to take more responsibility for communities and neighbors in need. We welcome debate over the best way to protect these institutions and preserve the values they represent within the context of the dynamic new tax system we envision.

Simplify International Taxation: Congress should consider a territorial tax system. The current system of taxing international business operations is one of the most complicated parts of the Internal Revenue Code. It leads to enormous costs of compliance and enforcement, raises little revenue, and damages the competitiveness of U.S. businesses operating abroad. Further, it encourages them to keep reinvesting profits abroad rather than bringing the money back home where it could be reinvested in America.

Whatever new tax system is chosen, there must be a clearer, simpler, and more certain determination, relative to current practice, of what income is foreign or domestic or what international transaction is taxable. In addition, attention must be given to the proper tax treatment of foreign source license fees, royalties, and other intangibles so as not to discourage research and development in the United States.

Strengthen Private Retirement Saving: The commission is particularly concerned that Americans are not saving enough for their own retirement. A tax system that eliminates the bias against saving is essential to encourage people to accumulate more assets throughout their lives. There is, however, no guarantee that all individuals or families will save enough to be secure and financially independent in their retirement, even under a new tax system.

With the problems facing public retirement programs, it is essential that private retirement saving be strengthened. Without sufficient retirement saving, many people will become dependent upon the government in their old age, necessitating either sharp increases in taxes on future generations or a significantly diminished standard of living. Providing strong encouragement for individuals and families to take responsibility for their own retirement will go a long way toward preventing uncontrolled growth of government while ensuring a more comfortable, more secure, and more independent retirement.

Therefore, any tax system should encourage people to save for their own retirement. Further, the commission recommends that Congress begin the process of policy changes that will result in people taking more responsibility for their own retirement saving. Other changes within the overall income and payroll tax systems also should be considered.

MEASURING RESULTS

One of the chief objectives of adopting a new tax system is to promote economic growth. If we are successful, the added growth will provide the tax revenues to pay for a portion of the change in the tax law. Failure to count these added revenues will make it appear more difficult to make the necessary tax changes.

One couldn't catch the blossoming of a role in a split-second single-frame exposure, or capture a speeding bullet with time-lapse photography. Similarly, the tools with which we anticipate and examine changes in government policies, including tax policy, must mirror the way the economy actually changes as a result of these actions.

When a bill is being debated before Congress, members are required to produce estimates of the costs of the legislation. For years, Congress has used what are called "static revenue estimates" to produce these figures. Static revenue estimates attempt to predict future government revenues by applying the new law to today's economy as though it would not be affected by the new law. History has shown that these estimates are limited in their ability to predict revenues.

We recommend that Congress instead use estimates that measure the impact policy changes will have on people's behavior and on future economic activity, and that therefore more accurately predict implications for future revenue collections. Use of this "dynamic" scoring, of course, must be based upon realistic assumptions regarding tax rates, tax revenues, and economic activity. It is essential to avoid overly optimistic as well as overly pessimistic projections. (Further details are provided in the staff discussion papers.)

TRANSITION ISSUES

The defenders of the status quo will say that our recommendations for a new tax system will mean a tax increase on the middle class or cause a flood of red ink.

We strongly disagree. The thinking behind our current tax system is a model that does not fit tomorrow's world. Complainers fail to understand the new world that this new system will create. The tax reform we envision will create a different climate for economic growth. It will lift incomes. It will reduce interest rates. It will put people to work. It will reduce the use of tax shelters. It will reduce the need for social safety-net spending. It will foster millions of new businesses and jobs. In the process, the transition will help to pay for itself.

That doesn't mean there will not be difficult issues to address during the transition. In particular, policy makers must take care to protect existing savings, investments, and other assets. Whatever the challenges this change presents, we believe that none of the issues is insurmountable.

Whatever equivocations there may be toward the future, we must not let them rob us of the unparalleled economic growth, the unimagined opportunities for human fulfillment and advancement that now lay trapped within the cage of the current system, waiting for us to open the door.

CONCLUSION

The recommendations outlined here can lay the groundwork for a pro-growth, pro-family tax code for America's 21st century. As construction of the new system moves forward, there will be many decisions to be met and made along the way. While we have tried to raise a number of those issues here, and clarify others in the discussion papers, it is impossible to anticipate every question that will arise as we move toward a new system.

We urge that the American people participate in this debate at every step of the way. This is all the more crucial given the critical nature of the transition issues involved as replacement of the current system gets underway. Half a century ago, the economist Joseph Schumpeter described capitalism as inseparable from "the perennial gale of creative destruction." In the transition to a fairer system and a freer market, the winds of change are bound to increase. Those who have a stake in the status quo will not welcome change; others may prefer the cramped confines of the familiar present to the uncertainty of a yet realized future.

If the taxpayer testimonies we listened to and letters we received bear any evidence of the broader mood of the country, we believe that Americans are overwhelmingly eager to make that change, ready for its challenges, and look forward to its opportunities.

It has been a privilege for us to serve on this commission, and each of us has taken the responsibility very seriously. We have been educated and inspired by the many, many Americans we have talked with. While the tax system is in serious disrepair, the American spirit and will for change are stronger than ever. We thank Senate Majority Leader Dole and Speaker Gingrich for giving us this opportunity by delegating us to do this important work.

We quote in this report many of the citizen witnesses who wrote to us and who testified at our hearing. We thank them and the many expert witnesses who prepared testimony and answered our many questions about the intricacies of tax reform.

We are very much indebted to the lawmakers who have spent years of their careers studying tax reform, inspiring serious debate on the flaws of the current system, and developing proposals for major tax reform. Among them: House Majority Leader Dick Armey, Ways and Means Chairman Bill Archer, Senate Budget Chairman Pete Domenici, Senator Sam Nunn, Joint Economic Committee Chairman Connie Mack, Senator Bob Bennett, and Congressman Dick Gephardt. Others whose work has been invaluable to the process include Senator Richard Shelby, Senator Richard Lugar, Senator Arlen Specter, ranking Ways and Means Committee member Sam Gibbons, and many others.

It has been said that every breakthrough in human understanding has come in the form of a simplification. The complex, bureaucratic tax code of the 20th century will not enable us to keep pace with the complex and rapidly changing world of the 21st century. A simplified tax code would have an instant impact on peoples' lives—freeing up time, energy and resources currently wasted in costly compliance for productive endeavors.

The impact on the economy would be immediate and profound, putting the goal of a doubled economic growth rate within our reach. The moment the dead weight and distortions of the current tax system are lifted from our economy, the explosion of new investment, new businesses, and new jobs would transform the economic and social landscape of our country. A newly galvanized economy would create work for all those who wanted it, unleash unimagined innovations, act as a magnet for capital from all over the world, and boost wages and living standards for America's working families.

We also believe that a new tax code can help replenish the well-springs of public trust—in our government, in each other, and in ourselves. By treating citizens equally and with respect, a new tax code can restore faith in the basic fairness of the system. A simplified system will eliminate the fear that special advantages hide in complexity, while restoring citizens' confidence in their own ability to comply with the code.

This vision of the future is rooted in both a realism about human nature and an idealism about human potential. We recognize that a new tax code, no matter how radical, cannot solve all problems. It cannot make fathers love mothers or guarantee children happy homes. Government reform, however vast or vaunted, cannot change hearts.

But it can lift hopes. At its best, it does this by seeking, as Lincoln did, "to elevate the condition of men—to lift artificial weights from all shoulders—to clear the paths of laudable pursuit for all."

By freeing citizens from the costly encumbrances of the current tax code, by restoring the link between effort and reward, by allowing individuals to save and invest in their future, and by unleashing the pent up power of our economy, this new system can lead to Lincoln's "new birth of freedom," and launch us into the next American century.

BIAS AGAINST SAVING AND INVESTMENT

Multiple taxation creates a huge bias against saving and investment that must be eliminated in a new system. Consider, for example, the effect of the current system on a family in the 28 percent tax bracket that earns an extra $1,000.

Of that $1,000, they will pay $280 in federal income tax and keep $720. If they spend that $720, say, taking the family to Disneyland, they incur no further federal tax, no matter how many times they ride the Space Mountain.

But suppose, instead, they decide to invest the income in stocks to create financial security for their future. Bad move, says the current tax code.

First, they already had to pay income taxes to have the $720 to invest. Second, the company in which they invest will generally pay tax at a 35 percent rate on the returns on the amount invested. Third, if the company pays dividends, the family will pay a 28 percent tax on the dividends they receive. Alternatively, if the company retains the after tax income for reinvestment or finds other ways to boost future earnings, the stock price will rise. The future earnings will be taxed, and if the family sells the stock, it will pay a capital gains tax at a 28 percent rate (see below). Fourth, if they hold the proceeds of the sale until death, they will be subject to an estate tax that can go as high as 55 percent.

Both the investment in the stock market and the investment in the family trip produce returns—one yields warm memories of the past, the other provides real hope for the future. The returns on the investment in the trip are not subject to tax; the returns on the investment in the stock market are. (Staff discussion papers contain further information on the tax code's bias against saving and investment.)

BIOGRAPHIES

Chairman Jack Kemp is founder and current co-director of Empower America, a public policy and advocacy organization. Kemp served as Secretary of the U.S. Department of Housing and Urban Development in the Bush Administration, and represented the Buffalo, N.Y., area for 18 years in the U.S. House of Representatives. He played professional football for 13 years as quarterback for the San Diego Chargers and Buffalo Bills. His father was a small-businessman who helped start a small trucking company in and around Los Angeles, CA.

"If you tax something you get less of it. If you subsidize something, you get more of it. The problem in America today is that we are taxing work, savings, investment, and productivity; and we're subsidizing debt, welfare, consumption, leisure, and mediocrity."

Vice Chairman Edwin J. Feulner, Jr. is president of the Heritage Foundation, a leading public policy group in Washington, D.C. He also serves as chairman of the Institute for European Defense and Strategic Studies in London. Feulner, who has a Ph.D. from the University of Edinburgh, served as consultant for Domestic Policy to President Reagan, and was the Chairman of the U.S. Advisory Commission on Public Diplomacy.

"Our tax code has become a complex web of penalties, disincentives, loopholes, and preferences. No amount of tinkering at the edges will save the system. The only answer is to replace it with a new system that rewards work, saving and risk-taking."

Loretta H. Adams, started her professional career as a management trainee at the Panama City, Panama, Sears store on a $25-a-week salary. Ms. Adams later immigrated to the United States and went on to become founder of the San Diego-based Market Development, Inc., a consumer, marketing, and opinion research firm with nearly 100 employees. Since 1978, her company has serviced Latin-American consumers in the United States and Latin America and has become one of the top 100 research firms in the country.

"The conditions that produced the current tax system no longer contribute positively to a 21st century global economy. We now have the opportunity to create a tax system that is more responsive to our times, situation, and needs and, hopefully, we will grasp it fully."

J. Kenneth Blackwell lived in public housing for the first seven years of his life only to later pioneer housing reforms as the Deputy Undersecretary of the U.S. Department of Housing and Urban Development. Today, he serves as Treasurer of the State of Ohio, having previously held public office on the Cincinnati City Council before becoming mayor of Cincinnati. He is a member of the Council on Foreign Relations in New York, and previously served as U.S. Ambassador to the United Nations Human Rights Commission and as vice president of Xavier University in Cincinnati.

"There is something fundamentally wrong with a tax system that costs Americans $250 billion to comply. A simpler tax system would help break the chains that currently bind entrepreneurial spirit."

Herman Cain learned the value of hard work from his father who concurrently worked three jobs—one of which was as a janitor at The Pillsbury Company in Atlanta. At age 12, Herman went to work with his father at Pillsbury, helping him as "assistant janitor." Twenty-two years later Cain would become a Pillsbury vice president (computer systems) and later be selected as president of the firm's then-subsidiary company, Godfather's Pizza, Inc. In 1988, he successfully led a group of Godfather's Pizza, Inc. senior management in purchasing the chain from Pillsbury. He currently serves as chairman and CEO of Godfather's Pizza, Inc. Prior to his tenure at Godfather's, Cain worked for the U.S. Navy as a mathematician, the Coca-Cola Company as a business analyst, and was an executive with Burger King Corporation.

"One of America's greatest strengths is its ability to change . . . our 82 year old tax 'mess' is long overdue for dramatic, sensible change."

Carroll Campbell served two, four-year terms as one of the most popular and innovative governors in South Carolina's history. His legacy as governor includes government reform, record job expansion, net tax cuts, economic growth, and investment in his state. Campbell launched his political career in 1970, first serving in the state House and Senate and later in the U.S. Congress, where he served on the Banking, Appropriations, and Ways and Means committees. He also served as chairman of the National Governors' Association, the Republican Governors' Association, and the Southern Governors' Association, as well as Chairman of the Southern Growth Policies Board. Today he is president and CEO of the American Council of Life Insurance.

"The tax system should encourage investment and job creation, foster long-term savings, and increase the focus on individual and family economic responsibility. In short, tax policy should encourage long-term savings for retirement."

Pete du Pont, during his tenure as governor of Delaware from 1977–1985, implemented a highly successful pro-growth tax policy by dramatically lowering marginal tax rates, causing the state's economy to boom and overall tax collections to jump, and enacting a constitutional amendment that limited both tax and state spending increases. He also served as a state legislator and Congressman and ran as a Republican candidate for President of the United States. He currently serves as policy chairman of the National Center for Policy Analysis, and writes a weekly column on public policy that is distributed to more than four hundred newspapers across the nation.

"The men and women who spoke to us reflected an American consensus: Our tax system is destroying our opportunities. It's time to replace it."

Jack Faris started working at age 13 earning 50 cents an hour at his parent's service station. Faris learned early in life the challenges of running a small family business and the importance of hard work. After running his own business in Nashville, Tennessee, he became president and CEO of the National Federation of Independent Business (NFIB), the nation's largest small business advocacy organization with more than 600,000 members.

"Regulation and taxes are strangling small business on main street. Give us relief and we will create the jobs and build America's future for our children and grandchildren."

Matt Fong serves as Treasurer of the State of California. Prior to his election, Fong served as Vice Chairman of the State Board of Equalization, California's tax agency. Fong streamlined the agency, cutting millions of dollars of waste, reformed the state's tax code sponsoring changes to the unitary tax, and made the agency more "taxpayer friendly." A graduate of the U.S. Air Force Academy currently holding the rank of Lt. Col. USAFR, he earned an MBA and law degree, started a small business, and worked for Sheppard, Mullin, Richtor and Hampton as a transactional corporate attorney.

"Too many Americans are sitting on the economic sidelines. A progressive single rate flat tax will radically jump start job creation, moving the unemployed off the sidelines to jobs."

Theodore J. Forstmann is one of the most admired entrepreneurs in America with an unrivaled record of successful investments. Forstmann splits his time between running his firm, speaking out on behalf of economic opportunity and growth, and helping children worldwide. He has poured his energies and resources into leading relief efforts in Bosnia, sponsoring charities in South Africa, and funding scholarships and teaching students in America's inner cities. He is the senior partner of Forstmann Little & Co.

"The current tax system is ridiculously complicated, economically destructive, and morally corrosive. We desperately need a new tax code that puts the individual—not government—at the center of the equation."

Dean Kleckner took over the rented family farm in Iowa at the age of 18 when his father died. Kleckner served in the Army and later returned to Iowa where he started on his own with a dozen sows, a dozen cows and 300 chickens. Today he owns a 350-acre corn, soybean, and hog farm, and serves as President of the American Farm Bureau Federation, a post he has held since 1986. He also serves on the U.S. Advisory Committee on Trade Policy, a post to which he was first appointed by President Reagan, and reappointed by Presidents Bush and Clinton.

"Our tax system must be simple and equitable for all taxpayers, with no loopholes. It has to let hard-working taxpayers keep more of the money they have earned."

Shirley Peterson is president of Hood College in Frederick, Maryland. Prior to assuming the college presidency, she practiced tax law and also served as Commissioner of Internal Revenue under President Bush and Assistant Attorney General (Tax Division) at the U.S. Justice Department under President Bush. She was raised on a farm in Colorado.

"Citizens from around the country told us that the current law is too complex: This complexity breeds disrespect for the law and for our government. It is time to repeal the Internal Revenue Code and start over."

John Snow worked his way through college as a sports coach. Today he serves as chairman, president, and CEO of CSX Corporation in Richmond, Virginia, and has been with the company since 1977. Snow, who has a Ph.D. in economics from the University of Virginia and a law degree from George Washington University, also served as Deputy Undersecretary of the U.S. Department of Transportation, as a private attorney and a college professor.

"The current tax system dims our prospects for the future and must be replaced by a new system for the 21st century which helps Americans to capitalize on opportunities—not stifle economic growth and entrepreneurial activity."

John Wieland always worked part-time growing up, from working at a gas station to delivering newspapers to stocking vending machines. Today, he is a president of John Wieland Homes, Inc., of Atlanta, employing more than 700 full-time employees and thousands of subcontractors. For Wieland, success has meant the ability to give back to his community by providing housing for the working poor and working with Habitat for Humanity, formerly serving as a member of the International Board of Habitat.

"The consensus of the American people demands a completely new, simple, and fair tax code. Increased prosperity for ALL will be the outcome. The time is now."

THE TAX TEST

SIX POINTS OF PRINCIPLE

(1) Economic growth through incentives to work, save, and invest

(2) Fairness for all taxpayers

(3) Simplicity so that anyone can figure it out

(4) Neutrality that lets people and not government make choices

(5) Visibility to let people know the cost of government

(6) Stability so people can plan for the future

SIX POINTS OF POLICY

(1) A single tax rate

(2) A generous personal exemption to remove the burden on those least able to pay

(3) Lower tax rates for America's families

(4) Payroll tax deductibility for workers

(5) Ending biases against work, saving, and investment

(6) Making the new tax system hard to change

TIME FOR ENVIRONMENTAL TAXES

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. STARK. Mr. Speaker, the Republicans are busy talking about flat taxes and sales taxes and reducing the tax on interest and dividends. What we should all be talking about is lowering the tax on labor and job skills and increasing it on pollutants.

Global warming is happening. Those who lived through the snow storms of early January may want to laugh. Do not. The following article from the January 10, 1996, New York Times by two environmental experts points out that the recent blizzards are what we should come to expect as the environment changes.

I have introduced legislation to remove tax subsidies on the extraction of polluting fuels and minerals. I am preparing legislation to move to the next step and gradually increase taxes on pollutants that contribute to global warming and the degradation of the environment. The money raised from these taxes can be used to fund lower taxes on wages and incomes, so that the average citizen is not hurt by these environmental taxes and so that our whole economy can begin to work for the long-term health of the world environment.

[From the New York Times, Jan. 10, 1996]

BAD WEATHER? JUST WAIT

(By John Harte and Daniel Lashof)

As the Northeast bowed before an extraordinary blizzard, southern Californians basked in record-breaking heat. Some speculated that this freakish weather was further evidence of long-term global climate change. But focusing on individual events would be a mistake. Unusual weather conditions have always been normal.

This does not mean that global climate change is not occurring. A United Nations scientific panel recently concluded for the first time that global warming had begun and would intensify because of rising levels of heat-trapping gases emitted by burning coal, oil and natural gas. The magnitude of the change is uncertain, but over the next 100 years, the panel estimated, the planet's average surface temperature is expected to rise by 1.4 to 6.3 degrees Fahrenheit.

The important news about this projected rise is not going to break the way it does for dramatic weather. Continued warming is likely to result in a gradual parching of soil in many regions of the world, possibly leading to declining crop yields even as the global population rises. When does this trend become "news"?

Sea levels will also rise, slowly inundating Asian farmland, entire islands in the South Pacific and coastal cities and harbors throughout the world. Coral reefs will die in the warmer oceans, and grasslands will give way to desert shrubs that can survive on less water, reducing food for grazing animals.

Producers of coal and oil, as well as some economists, say that we should learn to live with these changes because doing so will be far cheaper than reducing carbon dioxide emissions enough to halt global warming.

Leaving aside the fact that such conclusions ignore potential social and ecological disruption that is difficult to put in monetary terms, a growing body of research and experience indicates that reducing emissions sufficiently is not only possible but makes economic sense. Although the challenge is greater in rapidly developing countries where energy demands are rising most, industrialized nations can lead the way in reducing dependence on fossil fuels.

The cost of solving environmental problems has routinely been overestimated. Take the ozone-destroying chlorofluorocarbons. Ten years ago, the chemical industry and other "experts" said that finding an economic alternative to these substances would be impossible. Yet once the industry was forced to find substitutes for them, under international agreements beginning in 1987, it managed to phase them out completely in two-thirds the time allowed for just a 50 percent cut, in many cases at a profit.

Or consider the shift in fuel economy standards. Before minimum standards were established in 1975, the automobile industry claimed that doubling fuel efficiency, as required, would force everyone to drive compact cars. Ten years later, the standard had been achieved, while the average size of a car had hardly changed.

Why were these estimates so far off? In part, opponents of the new regulations wanted to stimulate political opposition. But independent economists often made similar projections, apparently forgetting that political pressure spurs technological innovation. For this reason, some economists believe that the costs of stemming global warming will continue to fall—but only if the pressure to change exists.

So far, the United States, with all its wealth and technology, has not made a serious commitment to reduce emissions. Only if we unleash our ingenuity to find solutions can we expect poorer countries to follow suit.

CARL SHAFFER HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. KANJORSKI. Mr. Speaker, I rise today to bring to the attention of my colleagues an honor that is being bestowed upon my close personal friend Mr. Carl T. Shaffer. Carl is a farmer who resides in my congressional district who has been selected as "Master Farmer of the Year" by Penn State University and Pennsylvania Farmer Magazine.

Carl Shaffer is the owner and operator of a 1,000 acre vegetable farm in Columbia County, PA. The farm's average annual crop production totals include 600 acres of corn, 20 acres of oats, 60 acres of wheat, 30 acres of carrots, and 300 acres of snap beans. I have visited his farm on numerous occasions and have been greatly impressed by its yields, which have been produced under approved conservation plans.

I am proud to tell my colleagues that Carl's leadership is not confined to the boundaries of his farm, but extends to many agricultural advisory boards and organizations. Carl currently serves as the state committee chair for the consolidated farm services agency, and as a board member of the agricultural advisory board for the Pennsylvania Department of Environmental Protection. In addition, Carl is president of the board of directors of the Agricultural Awareness Foundation of Pennsylvania, and a member of the Pennsylvania Farm Bureau's Board of Directors. He has also served on the boards of the Pennsylvania Vegetable Marketing and Research Program, the Pennsylvania Farm Bureau, and the Pennsylvania Master Corn Growers Association. Locally, Carl was the president of the Columbia County Farmer's Bureau and the Columbia County Crop Improvement Association.

Mr. Speaker, Carl Shaffer is not only an extremely involved activist on agricultural issues, he is an outstanding member of his community. He is an active member of the Mifflinville Methodist Church and the 4H Horse and Pony Club. An ardent Democrat, Carl served on the Columbia County Democratic Committee Executive Board and as a member of the Penn-Ag Democrats.

Every year, Penn State University and Pennsylvania Farmer Magazine join together to honor outstanding farmers and confer upon them the degree of "Master Farmer." The outstanding men and women who have been honored with this recognition have not only made significant contribution to the agricultural industry, but have also worked for the betterment of the society in which they live. Knowing of the special qualities that one must possess to be honored with this award, I believe that Carl Shaffer is a perfect candidate for Master Farmer of the Year.

I have known Carl for many years and I have had the pleasure to work with him on many occasions. His good stewardship extends far beyond his farm. He has given of himself to his community and continues to work for the welfare of his neighbors. Not only is Carl a competent and aggressive problem-solver, he is a warm and caring individual. When I need well-thought-out advice on agricultural issues, I call upon Carl for his astute understanding of complex policy matters.

Mr. Speaker, it is truly an honor for me to pay tribute to a man who has worked to provide so much to so many people. Carl Shaffer truly deserves this honor. I am confident that Carl will continue working on behalf of his fellow farmers and I warmly congratulate him on being named "Master Farmer of the Year."

HEADWATERS FOREST

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. STARK. Mr. Speaker, the Headwaters Forest in Humbolt County, CA, is one of the world's largest stands of privately owned ancient redwoods; however, this beautiful forest is in imminent danger of destruction. The Pacific Lumber Co., directed by Charles Hurwitz, has already logged thousands of acres and has indicated a desire to log some of the forest's last remaining 2,000-year-old giant redwoods.

Presently, Mr. Hurwitz, is the subject of two Federal lawsuits totaling approximately $650 million, resulting from the failure in the late 1980's of a Texas savings and loan. The best chance to save the Headwaters Forest is through a debt-for-nature swap in which the Government would acquire the headwaters and in return would relieve all or part of Mr. Hurwit's outstanding debts.

A debt-for-nature settlement negotiated with the help of the Clinton administration would allow the taxpayers to recover some of their losses from the savings and loan scandal while preserving one of the true treasures of nature—the Headwaters Forest.

Less than 4 percent remain of the ancient, old-growth redwoods that once covered more than 2 million acres from Big Sur to the Oregon border. These majestic redwoods, such an important part of our California and national heritage, need to be preserved for future generations.

FAMILY, COMMUNITY, AND OUR PUBLIC SCHOOLS

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. RADANOVICH. Mr. Speaker, all too often our public schools are dominated by a bloated bureaucracy unresponsive to the needs of families and local communities. The more we can return effective control over education to localities, Mr. Speaker, the more we can enhance the active involvement of parents in our public schools, curb costs and bureaucracy, and ensure that our children leave school equipped with the adequate knowledge and skills to play their full part in American society.

The Clovis Unified School District [CUSD] in my congressional district, makes a welcome contrast to this grim picture. Superintendent Walter Buster, building on the foundations laid by the CUSD's first superintendent, Floyd V. Buchanan, has demonstrated that public schools can provide a good education without inflated costs and with maximum parental involvement. The CUSD works actively with its local community and is responsive to it. It therefore gives me great pleasure to present the following article by Christopher Garcia, published in the latest issue of Policy Review: The Journal of American Citizenship (January/February 1996).

HUMBLE CLOVIS DEFIES THE EDUCATION VISIGOTHS

In 507 A.D., at Vouillé in present-day France, the King of the Franks led a band of warriors against the Visigoths, the marauding barbarians who had sacked Rome a century earlier. The king, named Clovis, defeated the Visigoths and broke their hold on Europe.

Today, a modern namesake—the Clovis Unified School District (CUSD), in Fresno, California—is successfully defying another ominous empire: the education establishment. Despite serving a significant portion of Fresno's urban poor, Clovis is proving that public schools can deliver a good education with a small budget and minimal bureaucracy.

Clovis has long ignored the prevailing cant about the need for high spending and huge bureaucratic machinery to regulate public education. During the 1993-94 school year, CUSD spent $3,892 per pupil; school districts nationwide averaged $5,730. The district's student-to-administrator ratio is 520:1—nearly twice the national average. And although similarly sized districts (like those in Rochester, New York, and Madison, Wisconsin), typically house 300 to 400 employees in their central office, CUSD employs just 167. With no teachers union or Parent Teachers Association (PTA), CUSD is a rarity among public schools.

In this case, less means more—more students performing above average across a broad range of measures. The district's average score on the Scholastic Aptitude Test (SAT) is 52 points higher than the state average and 42 points higher than the national average. CUSD's mean composite score on the American College Test (ACT) stands respectably at the 65th percentile. In 1995, with a senior cohort of 1,606, CUSD students passed 720 Advanced Placement (AP) exams.

Perhaps one reason Clovis kids out perform their peers is that they show up for class more often: The district's high-school attendance rate is nearly 95 percent, and its drop-out rate is only 4 percent. The district doesn't skimp on its extracurricular offerings, either. More than 80 percent of Clovis students participate in one of the most successful programs in California. Last year, the district earned a championship at the National Future Farmers of America Convention and sent its state-champion Odyssey of the Mind team to compete in the world finals.

Many Clovis children are among the most disadvantaged in the region. Nearly 40 percent of the district's students live in Fresno City. Six of CUSD's elementary schools enroll enough AFDC children to qualify for direct financial assistance from the federal government. And five schools have student bodies with more than 50 percent minorities. In 1989, the median household income of the community surrounding Pinedale Elementary School was $10,000 below the national median of $28,906. And yet Mexican-Americans, who make up the district's largest minority (about 18 percent of all students), outperform their State and national counterparts on the ACT by significant margins.

Created in 1960 from the merger of seven rural, low-income school districts, CUSD presented its first superintendent, Floyd V. Buchanan, with a significant challenge: Barely more than one in three of the district's 1,843 students performed at grade level. Buchanan wanted to push this figure to 90 percent—but how?

Put simply: competition, control, and consequences. Buchanan reasoned that schools would not be spurred to meet the goals that he and the central administration set for them unless they competed against one another in academic and extracurricular achievement. He established goals for each of the system's 11 schools at the start of the year, ranked them according to their performance at year's end, and established a system of carrots and sticks (mostly carrots).

Most importantly, administrators and teachers were allowed to choose the teaching methods and curricula they felt suited their objectives. This formula, in place for decades, has allowed the district—now with 30 schools and 28,000 students—to place between 70 and 90 percent of its students at grade level.

Competition in the district exists at several levels. Earning a rating as a top school is its own reward, but the district recognizes high achievement in other ways. The top schools on the elementary, intermediate, and high-school levels are recognized at an annual, districtwide award ceremony. The district's best teachers and administrators are honored at a dinner. And the school's achievements are reported to parents and the community in the pages of the district's publications.

The friendly, competitive culture at Clovis clearly has helped drive achievement. Because a school's performance at a districtwide choral competition or drama fair influences its ratings, teachers, students, and administrators work hard to give their routines the extra edge needed to push ahead of their colleagues. Schools borrow the winning strategies used elsewhere. Students at Clovis West High School, for example, often score better on SATs and AP exams than those at Clovis High School, so Clovis High has borrowed test-preparation tips from Clovis West. Clovis High is also trying to improve discipline by looking at successful techniques employed at Buchanan High.

Competition, however, would produce little without local decision-making. Anticipating trends that would revolutionize America's Fortune 500 companies, Buchanan made flexible, decentralized, site-based management a fundamental feature of the school system in 1972. The district office has been responsible for setting goals and establishing guidelines, but schools have worked to meet these goals in their own ways. "They give us the what and we figure out the how," says Kevin Peterson, the principal of Tarpey Elementary School.

When officials at Pinedale Elementary School determined that parent participation there was lower than at other schools, for example, they realized that immigrant parents felt locked out by language barriers. So they created "family nights" to help these parents take part in their children's education. With their children present, the parents are taught games and devices they can use at home to help their children with their homework. The result: Immigrant parents now participate more.

Such innovation is easier in the absence of teacher unions. For example, the district deploys teachers weekly to the homes of about 100 recently arrived immigrants to provide them English-language instruction and to help them build a bridge to their rapidly assimilating children. Meredith Ekwall, a first-grade teacher at Weldon Elementary School, teaches English at night to the parents of her ESL students to encourage English use in the home. In districts where collective-bargaining agreements stipulate precisely how much time teachers spend teaching, micromanage the amount of time teachers can devote to activities outside of the classroom, and dictate what a district can and cannot ask its teachers to do, such flexibility and voluntarism is rare.

Along with teacher autonomy and greater parent access, Clovis strives for accountability. All the teachers, without exception, are expected to bring 90 percent of their students up to grade level. If they do not, everyone knows about it. The district's research and evaluation division notifies teachers, parents, and administrators of school and student performance. And with curriculum development and teacher hiring and firing in the schools' hands, knowledge is power. The approach has "made every teacher accountable," says Redbank Elementary School Principal Susan VanDoren. "[I]t made me sit down and look at all those kids [needing help] and ask, 'What can we do?' "

Parents seem more likely to ask that question in Clovis than in other school districts. Parents and other community members (including the clergy, senior citizens, and businessmen) sit on advisory boards, where they review individual school performance and formulate policy. Last year, some parents were upset that children were required to read feminist author Maya Angelou's *I Know Why the Caged Bird Sings*. Parents forged an agreement with the district that allows them to review books assigned to their children and help develop alternatives. Other boards recently voted to institute a voluntary uniform and a fee-based home-to-school transportation program. Teams of parents issue critiques of schools on the basis of data culled from parent surveys; these reviews are posted in every staff room in the district.

These boards function the way PTAs are meant to, but without the stifling hand of teacher-union influence. "The reason for the success of Clovis," says Superintendent Walter Buster, "is that these schools are truly governed by elected lay people."

Ultimately, it seems, success in CUSD is driven by community expectations. "There's a corporate culture that has been established that requires more of people, expects of people more, and gets of people more," says H.P. Spees, executive director of Fresno-Madeira Youth for Christ and member of CUSD's clergy advisory council.

This culture of expectation is impressed upon teachers even before they pick up a piece of chalk. A lengthy, multi-tiered interview process incorporates parents, teachers, community leaders, principals, and administrators and signals to prospective teachers that the Clovis community demands much of its teachers. According to Ginger Thomas, the principal of Temprance-Kutner Elementary School, some teacher candidates quit the interview process, saying "you guys work too hard." Assistant superintendent Jon Sharpe contends that Clovis sustains "a work ethic in the public sector that's almost unsurpassed." He may be right: In 1992, CUSD, teachers even voted down their own pay raise to channel the money into books and supplies.

In an education system under assault for its academic failures, Clovis has produced a winning formula. CUSD schools have won recognition by the state of California 15 times and earned national blue ribbons from the U.S. Department of Education 13 times. The prestigious Phi Delta Kappa Center for Evaluation, Development, and Research has featured Clovis in two works, *Clovis California Schools: A Measure of Excellence and Total Quality Education*. Even outspoken critics of public education recognize the district's accomplishments. "If we are going to limit ourselves to the Prussian system of education, Clovis is the best we are going to get in a tax-financed school," says Marshall Fritz, the founder of the Fresno-based Separation of School and State Alliance and the father of four Clovis students.

Awards aside, the real lesson of Clovis is that good education depends not on bloated budgets but on creative and committed teachers and administrators held accountable by engaged communities. Clovis's success also suggests that quality in public education will not be the norm until resources are channeled to classrooms rather than bureaucrats, and parents wrest control over education from teachers unions.

IN HONOR OF LANEY COLLEGE PRESIDENT ODELL JOHNSON

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. STARK. Mr. Speaker, I rise today to congratulate President Odell Johnson. He is retiring after 22 years of service with the Peralta Community College District, the last 15 years as president of Laney College in Oakland, CA.

President Johnson is a long time resident of the bay area. He received his bachelor's degree from Saint Mary's College in Moraga and then moved to Fresno to receive his teaching credential. He returned to the bay area to receive his master's from Cal State Hayward and then moved back to Fresno to begin his teaching career.

From 1958 to 1965, he was an instructor in the Fresno Unified School District. He then served as executive director of the Trinity Street Community Center for 2 years before becoming the deputy director of the Fresno County Economics Opportunities Commission in 1967. In 1968, President Johnson returned to the bay area where he became the dean of men at Saint Mary's College. In 1970, he was promoted to dean of students at St. Mary and in 1973, he moved to the College of Alemeda where he became the coordinator of special services and veterans affairs. In 1975, he became the assistant dean of instruction and in 1979, he was promoted to dean of instruction. In 1981, he went to Laney College where he served as president for the last 15 years.

President Johnson has been a member of a number of community organizations including the Cultural and Ethnic Affairs Guild of the Oakland Museum, the Oakland Public Library Association, the National Association of Black Psychologists, and a member of the Cultural Plan Steering Committee for the city of Oakland. He also served on the board of directors of a number of organizations including, Oak Center Towers Senior Citizens' Housing, Oakland Ensemble Theater, Oakland Youthworks, Patrons of the Arts and Humanities, West Oakland Health Center, San Francisco Bay Area Youth Excellence Initiative Executive Committee.

He has won numerous awards over the years including the Outstanding College Administrator Award, which was presented by the

Associated Students of the College of Alameda. He received the Urban Services Award for Outstanding Community Service, the Outstanding Educator Award and the Basketball Player of the Century, and the Basketball Hall of Fame honor from St. Mary's College.

Mr. Speaker, I ask you and my colleagues to join me in honoring President Odell Johnson for his dedication and commitment to the young people of the community for the last 22 years. He will be sorely missed.

TRIBUTE TO TOBA AND EARL GREINETZ

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Toba and Earl Greinetz, who this year are being recognized by the Valley Jewish Business Leaders Association for their extensive efforts on behalf of the Jewish community of southern California. The honor is well deserved: Toba and Earl give so much of their time to a variety of organizations, and in so many ways. By their selflessness and boundless energy, they are in example to us all.

Toba and Earl, who first met at the ages of 11 and 13 respectively, literally grew up in and around the Jewish community of Denver. Displaying a strong sense of involvement at an early age, they were active with the Denver Jewish Youth Council and were officers in AZA and BBG. After graduating from the university of Denver, and getting married, the couple resumed their involvement with the local Jewish community.

Earl became vice president of the Jewish Family and Children's Service, and chaired the Denver accountants/lawyers division. He was also an officer and member of executive committee of their synagogue. At the same time, Toba served on the board of the woman's division of the National Jewish Hospital, and as a member of the Jewish Family and Children's Service Adoption Committee.

In 1968, the couple moved to the San Fernando Valley, where they quickly resumed their involvement with the Jewish community. Some of the highlights over the past 27 years include Toba becoming founder of the Valley Jewish Business Leaders Association; Earl serving as president of the Valley Alliance of the Greater Los Angeles Jewish Federation and both of them becoming active with the University of Judaism.

The parents of three children, and the grandparents of six, Toba and Earl have succeeded at balancing family, career, and community. I ask my colleagues to join me in saluting Toba and Earl Greinetz, who are a shining example for us all.

WHAT HAPPENS WHEN A MANAGED CARE COMPANY STARTS LOSING PROFITS? THEY WORK HARDER NOT TO INSURE SICK PEOPLE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. STARK. Mr. Speaker, United Wisconsin Services, Inc., describes itself as a "leading provider of managed health care products and services" offering HMOs, small group preferred provider organizations, and specialty managed care products.

For the latest 3 months ending September 30, 1995, as reported in their 10–Q to the SEC, profits were down from the previous year's quarter and for the first 9 months of the year compared to last year. On $267,921,000 in revenues for the third quarter, United Wisconsin Services provided $202,233,000 in health services—or 75.4 cents on the dollar of premium went to health care. The rest went to commissions, administrative expenses, taxes, and profits.

The 10–Q then lists a number of steps the company is taking to deal with the falling profit levels. The steps include

"* * * a review of underwriting practices to improve risk identification * * *"

That says it, Mr. Speaker. When the going gets tough, the tough find new ways not to insure sick people.

This is why we need national health insurance reform. As price competition intensifies—which it should and which is good—the private sector will spend more and more time and energy uninsuring people. We need guaranteed issue, open enrollment everywhere for everyone.

HONORING LEE NAMEY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. KANJORSKI. Mr. Speaker, I am pleased to rise today to honor a distinguished public servant and good friend, Lee Namey, mayor of the city of Wilkes-Barre, PA. This month Mayor Namey stepped down from his post after 8 years of outstanding leadership. I am proud to pay tribute to Lee and to cite his many accomplishments before my colleagues in Congress.

Lee Namey began his political career in 1975 when he won a seat on the Wilkes-Barre City Council. He was reelected three times and twice served as the council chairman. In 1987, Lee Namey was swept into the office of mayor by a three-to-one majority.

A native of Wilkes-Barre, Lee had a traditional middle-class upbringing. His father, Elias Leo Namey was a well-known labor leader and president of the Teamsters Local 401. His mother Claire, was a nurse. Lee earned his bachelor's degree in 1968 from Wilkes College and his master of fine arts degree from Marywood College. Prior to serving as mayor, Lee taught at the West Side Vocational-Technical School.

Lee has served and continues to serve the people of Wilkes-Barre by being active in many public service organizations. He serves on the board of directors of the Pennsylvania League of Cities, the policy committee of the National League of Cities, and as a member of the U.S. Conference of Mayors where he served on the Community Development, Housing, and Arts, and the Culture and Recreation Committees. He is active with the F.M. Kirby Center, Osterhout Free Library, Northeastern Pennsylvania Council of Boy Scouts, and the United Way. Lee is also a member of the Wilkes University Council, Greater Wilkes-Barre Chamber of Commerce, Wilkes-Barre Democratic Executive Committee, Luzerne County Democratic Committee, and the Elks Lodge.

While Lee's involvement in these organizations reflects his personal commitment to improve the city of Wilkes-Barre and northeastern Pennsylvania in general, his many accomplishments as mayor must be cited to truly define his successes as mayor. Mayor Namey brought about great changes in Wilkes-Barre during a time when economic growth did not come easily to northeastern Pennsylvania.

I have been deeply honored to have worked closely with Lee on numerous projects over the years, and I would like to mention specifically just a few. In an effort to promote development during slow growth years, Mayor Namey worked closely with me to lead the Wilkes-Barre/Kingston Corridor Project, bringing together leaders of these two communities and officials of other neighboring communities to develop a comprehensive strategy for business growth and community enhancement. Under Mayor Namey's leadership, the corridor project has yielded tangible benefits for Wilkes-Barre, Kingston, and all the small towns which together comprise the Wyoming Valley.

Mayor Namey worked to promote economic and community development in many other ways. Through the riverfront parks project, he united the small riverfront towns of the Wyoming Valley with the city of Wilkes-Barre to create a strong leadership force capable of promoting economic growth through the development of the Susquehanna River waterfront, and the creation of parks, recreation areas, and properties ideal for business development.

In the 8 years that Lee Namey served as the mayor of Wilkes-Barre he has been a reliable partner in projects requiring the coordination of Federal and local governmental efforts. I have been working with Mayor Namey on the Wyoming Valley levee raising project and the Wyoming Valley inflatable dam project. To each of these projects he has provided valuable and strong leadership. Mayor Namey has helped to identify the potential the inflatable dam has for providing for the economic and community development of Wilkes-Barre and the surrounding region.

Most recently, I have been working with Mayor Namey to renovate the dilapidated Stegmaier Brewery which has been an eyesore in the center of Wilkes-Barre for many years now. Mayor Namey has been an invaluable partner on this project, as he has been on so many others. I sought Lee's support for the project because I knew he was capable of steering the project over the rough roads it would have to travel before its completion.

Mr. Speaker, my close personal friend, Lee Namey has been an outstanding mayor for the city of Wilkes-Barre and I am sure that he will continue to be a valuable community leader. I am pleased to pay tribute to Mayor Namey and send him best wishes.

CONGRATULATIONS TO THE NATIONAL ASSOCIATION OF WOMEN IN CONSTRUCTION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 1996

Mr. STARK. Mr. Speaker, I rise today to congratulate the National Association of Women in Construction [NAWIC]. NAWIC is celebrating its 35th anniversary this year and the celebration will be hosted by the Greater Alameda County Chapter of NAWIC in Oakland, CA.

The NAWIC is an international association of women employed in the construction industry. Its mission is to promote the construction industry and support the advancement of women within it. NAWIC does this by uniting women who are actively employed in the various phases of the construction industry, by promoting cooperation, fellowship, and a better understanding among members of the association, by encouraging women to pursue and establish careers in the construction industry, and by providing members with an awareness of the legislative process and legislation as it relates to the construction industry.

In 1953, 16 women organized Women In Construction [WIC] in Forth Worth, TX, to support women who were employed in the construction industry, a traditionally male-dominated field. In 1955, WIC gained its national charter and became NAWIC. Since its founding, NAWIC has grown to a membership of more than 200 chapters in 47 States and three Canadian provinces.

The NAWIC is made up of women who hold jobs in architecture, general construction, subcontracting, material supplying, construction engineering, construction news services, and construction trade associations. NAWIC is the organization that ties the women who work in all of these phases of the construction industry together. NAWIC offers programs and seminars to its members to keep them up to date on issues of importance to the industry. They share the latest industry trends and information through meetings, the monthly bulletin, roundtable discussions, and networking. They also provide a no-charge occupational referral placement which places 30 to 40 people in construction and construction-related jobs each year and a clearinghouse for bidding and employment information issued by other associations, public work agencies, and unions.

NAWIC also has a strong commitment to the community. In 1972, the NAWIC Education Foundation was established to educate the community about the importance of the construction industry. Each year, the foundation sponsors competitions that are created to foster and promote construction as a viable career choice among young adults. In 1963, NAWIC established its Founders Scholarship Foundation, and in the past 5 years alone, has awarded more than $250,000 in scholarships to both male and female students pursuing construction-related studies.

In its nearly 40 years of service to its members, NAWIC has advanced the causes of all women in construction, women whose careers range from the skilled trades to architecture to business ownership. Mr. Speaker, I hope you and my colleagues will join me in recognizing the 35th anniversary of the National Association of Women in Construction and congratulating the membership on their achievements.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, January 23, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 24

2:00 p.m.

Select on Intelligence

Closed business meeting, on pending intelligence matters.

SH–219

JANUARY 25

9:30 a.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold oversight hearings on the management of the National Forests.

SD–366

Governmental Affairs

Post Office and Civil Service Subcommittee

To hold joint hearings with the House Committee on Government Reform and Oversight's Subcommittee on Postal Service to examine proposals to reform the United States Postal Service, focusing on international postal operations.

SD–342

10:00 a.m.

Special Committee To Investigate Whitewater Development Corporation and Related Matters

To resume hearings to examine certain issues relative to the Whitewater Development Corporation.

SH–216

JANUARY 31

10:00 a.m.

Finance

To hold hearings to examine proposals to restructure the tax system, focusing on the National Commission on Economic Growth and Tax Reform's report on tax reform.

SD–215

FEBRUARY 28

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Disabled American Veterans.

345 Cannon Building

MARCH 5

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of Foreign Wars.

345 Cannon Building

MARCH 14

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, the Jewish War Veterans, the Retired Officers Association, the Association of the U.S. Army, the Non-Commissioned Officers Association, and the Blinded Veterans Association.

345 Cannon Building

MARCH 27

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Veterans of World War I, AMVETS, the American Ex-Prisoners of War, the Vietnam Veterans of America, and the Military Order of the Purple Heart.

345 Cannon Building

SEPTEMBER 17

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.

335 Cannon Building

SENATE—*Tuesday, January 23, 1996*

(Legislative day of Monday, January 22, 1996)

The Senate met at 2:30 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by a guest Chaplain, Rev. Johnny Sloan, Hamilton Christian Center, Hamilton, OH. He is a guest of Senator DEWINE.

PRAYER

The guest Chaplain, the Reverend Dr. Johnny W. Sloan, offered the following prayer:

Let us bow our heads for prayer.

Lord God Almighty, Creator of life, giver of liberty, we exalt Your holy name. This day we come before You with hearts grateful for Your grace upon our lives. You have faithfully protected and provided for our Nation. From generation to generation, You have been our guide, giving light where there was darkness and strength when there was weakness. Lord, we ask for Your will in the affairs of this land. Help us to speak less and listen more. Help us to take less and give more. Help us to fear less and trust more. Let us walk in unity without requiring individual conformity. Let our song be in harmony, sung by a people of diversity. We want to love, as You have loved us. We want to forgive, as You have forgiven us. Lift our eyes from the human mud stains of yesterday's journey to the rising sun of divine destiny and hope for tomorrow. Give us wisdom, as we set our hands to the task before us, that working together we may accomplish Your will and purpose. Lord, to You be all glory, honor, and praise, now and forever. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is now recognized.

SCHEDULE

Mr. DOLE. Mr. President, there will be a period for the transaction of morning business until the hour of 3:30 this afternoon. Then, following morning business—it could be extended, of course—we will recess until 8:35 this evening, at which time the Members will gather in the Senate Chamber so the Senate may proceed as a body to the Hall of the House of Representatives for the State of the Union Address.

It is hoped that we can reach an agreement regarding the consideration of the continuing resolution and the DOD authorization conference report for either Thursday or Friday. I am not certain when the House is going to take up the CR, and if it requires a rollcall vote, we have sort of indicated we would give Members some notice to get back here. So we would at least give them the opportunity to come back if there is going to be debate, amendments, and votes on the continuing resolution.

If an agreement is reached on these two items today, the Senate will adjourn until this Friday, January 26, to complete action on those matters.

Also, to inform all Members, if both of these items are completed on Friday as well as the D.C. appropriations or Interior appropriations conference reports, if available, then it may be that the Senate would not be in session until February 26. But, again, that depends on what may develop tonight in the President's State of the Union Message and what may develop during the day in our discussions with the Republican leadership on when we may want to proceed to another budget resolution to send the President another balanced budget. But we do hope to complete action on all the previously mentioned items by unanimous consent.

I might say, on the other side of the aisle, if someone indicates now that they will not give us consent, then I think we could give notice as quickly as we can that Members would have to be back here on Friday.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. DEWINE). Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3:30 p.m., with Senators permitted to speak therein for not to exceed 10 minutes each.

The Senator from Massachusetts.

PASSAGE OF ANOTHER CONTINUING RESOLUTION

Mr. KENNEDY. Mr. President, I intend to use my time to address where we are as a nation in terms of the impact of the continuing resolution at 75 percent, but I see the majority leader still here. It is a little difficult to state at this time whether there would be objection to a continuing resolution since we are not informed at this time as to what would be in the continuing resolution. And I know that there is a desire among some of our colleagues to be able to introduce clean budget ceiling legislation to move toward addressing one of the critical issues before the Nation.

So I, just for one, want to work in cooperation with the leadership, the majority leader and the minority leader, but I do think it is probably premature to try to make a judgment of whether we are going to be able to get agreements on no votes at all, because we at this time do not have a continuing resolution. We saw the changes that were made in the continuing resolution at the final hours the last time. We do not know where we are going to be on the debt ceiling issue. And I, for one, feel that we ought to be around here doing the Nation's business between now and the end of February.

With all respect to those who have different schedules, I find it somewhat difficult to understand why we are not here dealing with the Nation's business on the range of different issues that have not been addressed in the Senate. We have a number of those. One of the most important is the whole issue of what is going to be the future for the young people in this country with a continuing resolution that just funds education at some 75 percent of what it was a year ago, with all of the implications that that has in higher education and also K through 12.

EDUCATIONAL IMPACT OF SHORT-TERM FUNDING MEASURES

Mr. KENNEDY. On Friday, January 26, the continuing resolution that has kept the Government operating for the last 3 weeks will expire. Once again, it will be necessary to enact a temporary funding measure to avoid shutting down the Government.

Although I understand the need to make certain accommodations while we attempt to negotiate an acceptable budget agreement, many of the areas we are fighting to protect, especially education, are facing increasing risk from this series of short-term measures.

A new continuing resolution, even for a few weeks, will take us past critical budget, planning, and teacher contract dates in school districts and will wreak havoc on the college admissions and financial aid process for high school students making critical college decisions. Furthermore, it will take us through half this fiscal year at funding levels that cut education by 13 percent overall and many programs by much more. This is no way to run a Government or to indicate the support for education from kindergarten through high school and to the colleges.

Mr. President, in the case of colleges, they cannot complete financial aid packages for the spring admissions cycle. By February 1, the Federal Government is required by statute to supply colleges with the numbers showing their Pell grant allocations and tables showing how much students of different need levels will receive in Pell grants. As of now, there are four different Pell grant appropriations numbers—the House, the Senate, the President's, and the continuing resolution—and there are different minimum and maximum award levels.

Likewise, by February 1, the Government is required to supply colleges with their allocation of campus-based aid—college work study, supplemental education opportunity grants, and Perkins loans.

In February, March, and April, when high school students are admitted to college for next fall, they receive a detailed financial aid offer showing how much each college will cost and how much aid they will get from each source—Federal, State, or college. Colleges cannot do this packaging for individual students without 1996 numbers for each type of financial aid.

Today I received a letter from the American Council on Education urging Congress to approve a full-year budget for education. Otherwise, they say, "The confusion that all students will face as a result of this uncertainty will have its most profound impact on high school seniors." This is what they say, "* * * profound impact on high school seniors. As these students sit down with their parents to negotiate the process of selecting a college to attend next fall, or determining whether they will even be able to enroll, their decisions will be influenced heavily by the level and types of aid for which they may be eligible in a particular school."

Mr. President, just as it affects higher education, let me just mention what happens in many of the K–12 programs.

School districts across the country face needless uncertainty as they struggle to prepare budgets for next year and enter into teacher contracts. The Committee for Education Funding, a coalition of 90 education groups representing education at all levels, calls the funding levels in the continuing resolution "a setback for education unprecedented in our nation's history," that will force "layoffs of thousands of school employees and cutbacks in services to millions of children."

Boston, for example, is required by State law to submit its school budget for the next year to its school committee by the first Wednesday in February. The school committee must submit its budget to the mayor by the last Wednesday in March.

Teacher union contracts require teachers to be notified of any layoffs for the next school year by May 15, or else teachers must be paid for the next year regardless.

Because there are no 1996 figures for key Federal education programs, Boston feels that it must adopt a budget based on the worst-case—House—level of funding for the title I Program, there would be a 15-percent cut for Boston schools. The city will have to eliminate title I services at 14 of their 79 title I schools, and they will also have to lay off teachers.

In Framingham, MA, Superintendent Eugene Thayer tells me that they will have to eliminate all title I reading programs in all middle schools, and severely cut back the support in elementary schools.

The Philadelphia public schools estimate that they will lose $13.5 million in title I funds under the current continuing resolution. At these levels, they will be forced to eliminate services in 62 schools serving 48,000 children. They will also have to lay off 100 teachers and 200 aides.

In New York, even if a final budget is passed by March 15, school districts may not be able to learn their allocations before the beginning of May—far beyond the April 1 deadline for teacher contract negotiations.

Based on past experience, New York educators say that it will take the Federal Government a few weeks, once a budget is passed, to determine State allocations for title I. These allocations are based on counties, and it takes New York 2 to 3 weeks to determine sub-allocations to its 700 school districts. This timetable would put school districts far behind their required budget schedules to comply with teacher contracts.

Mr. President, if you look at what we are doing, it is that effectively we will be cutting $3.1 billion, the largest cut in the Nation's history, in education. Last year, with the rescissions program, it was more than $600 million, and we are adding to that $3.1 billion in cuts. Those education programs would be cut basically by some 13 percent overall; the title I by 17 percent, and the list goes on.

We should oppose education cuts whenever and wherever they occur. President Clinton has demonstrated we can balance the budget in 7 years and protect education. We should not allow education to be slashed through the back door when those cuts would not be accepted through the front door.

That is the problem. We are going to be asked, on a continuing resolution, to fund it at 75 percent on this, with all of the disruption that it is going to be having for hundreds of thousands of young people who have graduated from high school and who want to go to colleges, with all the disruption it will have for the parents and those young people, with all the disruption it will have for hundreds of thousands of young people who will be going, either from Head Start through kindergarten and all the way up through high school, with all the disruption it will have in the classrooms for the teachers, the parents and the students.

Effectively, now, we have gone from holding hostage the Federal employees to holding hostage the schoolchildren in this country. That will be the effect and the impact of the continuing resolution, even at 75 percent.

So, Mr. President, when we hear the majority leader talk about whether we can get an agreement, we know what they are saying: You better take the 75 percent or take responsibility for closing down the Government. That is the policy which is being announced here on the floor of the Senate this afternoon. That is an intolerable policy. It is, in terms of the young people of this country. Why should they, effectively, be held hostage? The education policy in this country will be held hostage because of the small minority of Members in this body or in the other body who refuse to permit an orderly processing of the education programs.

Mr. President, I ask unanimous consent letters from the American Council on Education and the Committee for Education Funding be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN COUNCIL ON EDUCATION,
OFFICE OF THE PRESIDENT,
Washington, DC, January 23, 1996.

Hon. MARK HATFIELD,
Chairman, Senate Appropriations, U.S. Senate,
S–128 The Capitol, Washington, DC.

DEAR MR. CHAIRMAN: We write on behalf of the nation's colleges and universities to express our hope that Congress will approve a full-year budget that provides adequate appropriations for education programs, especially the student financial assistance programs administered by the Department of Education.

As you are aware, federal student assistance is the primary means by which students and their families receive help financing a college education. Nearly eight million students rely on some form of federal student aid. This year, however, the highly effective system to deliver federal aid that was constructed with bipartisan support is threatened with chaos and uncertainty. Deadlines that will set the parameters for the amount of aid our campuses may distribute to needy students are approaching rapidly. Without knowing the Pell Grant maximum award level, or the amount of Supplemental Educational Opportunity Grant (SEOG) or College Work-Study (CWS) money available, or whether any funding will exist for State Student Incentive Grants (SSIG), Perkins Loans, Javits or Harris Fellowships, college aid officers and admissions counselors will be unable to develop aid packages for the coming academic year or provide accurate and appropriate advice to students.

The confusion that all students will face as a result of this uncertainly will have its most profound impact on high school seniors. As these students sit down with their parents to negotiate the process of selecting a college to attend next fall, or determining whether they even will be able to enroll, their decisions will be influenced heavily by the level and types of aid for which they may be eligible at a particular school.

As you prepare a Continuing Resolution to keep federal programs operating past January 26th, we urge you to provide secure funding for the federal student assistance programs through the end of the fiscal year. The House and Senate bills provide identical appropriations for SEOG, CWS, and TRIO, and contain similar language regarding the Pell Grant maximum award. We urge the deletion of a Senate restriction limiting Pell Grants to not more than 3,768,000 students. However, we urge you to adopt the Senate provisions continuing the current Pell Grant minimum award level and assuring that funding is provided for the SSIG program, the Perkins Loan program, the Javits Fellowship program, and the Harris Fellowship program.

We appreciate your consideration of these views.

Sincerely,

ROBERT H. ATWELL,
President.

On behalf of the following postsecondary education associations: American Association of Community Colleges, American Association of State Colleges and Universities, American Council on Education, Association of American Universities, Association of Catholic Colleges and Universities, Association of Community College Trustees, Association of Governing Boards of Colleges and Universities, Association of Jesuit Colleges and Universities, Council of Graduate Schools, Council of Independent Colleges, Hispanic Association of Colleges and Universities, National Association for Equal Opportunity in Higher Education, National Association of College and University Business Officers, National Association of Independent Colleges and Universities, National Association of State Universities and Land-Grant Colleges, United Negro College Fund.

COMMITTEE FOR EDUCATION FUNDING,
Washington, DC.

DEAR SENATOR/REPRESENTATIVE: The Committee for Education Funding (CEF), a coalition of ninety major education organizations representing a broad spectrum of the education community, strongly urges you to seek a bipartisan budget agreement that makes education investment a priority and also to approve a continuing resolution that maintains the vital educational opportunities of America's children, youth, and adults while negotiations proceed. We also urge you to oppose a year long extension of the current continuing resolution, which cuts education by $3.1 billion, or targeted appropriations that fund some programs while eliminating or cutting others.

Recent polls show that the American public believes strongly that improving education should be a top priority for Congress. The polls also demonstrate overwhelming—92%—support for the same or increased federal funding for education. Yet Congress is about to approve another continuing resolution for FY96 that would cut education by $3.1 billion if extended for the remainder of this fiscal year—a setback for education unprecedented in our nation's history. This is in addition to $600 million in rescissions from education already enacted for FY95.

A full year extension of the current continuing resolution would mean severe cuts in basic skills instruction; college grants, scholarships, and loans for needy students; school reform and educational standards; teacher education; vocational and career preparation; educational technology; learning English; school safety and drug abuse prevention; educational research and innovation; impact aid; libraries; Head Start; and other vital education programs. See the attached sheets for details of the impact of these cuts.

Almost a third of this fiscal year is over without providing 1996 funding levels for education. Postsecondary institutions across the country are unable to approve financial aid packages for millions of students. States and local school districts are making budget decisions now that will force layoffs of thousands of school employees and cutbacks of services to millions of children.

We urge you to oppose these cuts and insist that Congressional leaders make investment in education a top priority in the budget for FY96 and beyond. Americans want greater educational opportunities for themselves and their families to meet the challenges of a changing world economy. Stop the education cuts and secure America's economic future.

Sincerely,

VIOLET BOYER,
President.

1996 COMMITTEE FOR EDUCATION FUNDING MEMBERS

American Association of Classified School Employees, American Association of Colleges for Teacher Education, American Association of Community Colleges, American Association of School Administrators, American Association of State Colleges and Universities, American Association of University Professors, American Counseling Association, American Council on Education, American Educational Research Association, American Federation of Labor and Congress of Industrial Organizations.

American Federation of School Administrators, American Federation of State, County, & Municipal Employees, American Federation of Teachers, American Library Association, American Psychological Association, American School Food Service Association, American Student Association of Community Colleges, American Vocational Association, America's Public Television Stations, Association for Supervision and Curriculum Development, Association of American Publishers.

Association of American Universities, Association of Community College Trustees, Association of Proprietary Colleges, California Department of Education, California State University, Career College Association, City University of New York, Coalition of Higher Education Assistance Organizations, The College Board, Colorado Department of Education.

Cooperative Education Association, Incorporated, Council for American Private Education, Council for Educational Development and Research, The Council for Exceptional Children, Council of Chief State School Officers, Council of Graduate Schools, Council of the Great City Schools, Educational Testing Service, Georgetown University.

International Reading Association, John F. Kennedy Center for the Performing Arts, The McGraw-Hill Companies, Michigan Department of Education, Military Impacted Schools Association, National Association for Bilingual Education, National Association for Equal Opportunity in Higher Education, National Association of College Admission Counselors.

National Association of College and University Business Officers, National Association of Elementary School Principals, National Association of Federal Education Program Administrators, National Association of Federally Impacted Schools, National Association of Graduate Professional Students, Inc., National Association of Health Career Schools, National Association of Independent Colleges and Universities, National Association of Private Schools for Exceptional Children, National Association of School Psychologists, National Association of Secondary School Principals.

National Association of State Boards of Education, National Association of State Directors of Special Education, National Association of State Directors of Vocational & Technical Education Consortium, National Association of State Scholarship and Grant Programs, National Association of Student Financial Aid Administrators, National Board of Professional Teaching Standards, National Committee for School Desegregation, National Community Education Association, National Coalition of Title I Chapter I Parents, National Council for the Social Studies.

National Council of Educational Opportunity Associations, National Council of Higher Education Loan Programs, Incorporated, National Council of Teachers of Mathematics, National Dissemination Association, National Education Association, National Middle School Association, National School Boards Association, National School Development Council, The National Title VI Steering Committee, National Writing Project.

New York State Education Department, Princeton University, Public Education Fund Network, San Diego City Schools, Seattle Public Schools, Software Publishers Association, Texas Education Agency, United States Coalition of Education for All, United States Student Association, University of Michigan, Washington State Office of the Superintendent of Public Instruction.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

THE POLITICAL REFORM AGENDA

Mr. FEINGOLD. Mr. President, I think we are all very much looking forward to hearing the President's State of the Union Address tonight. It is a great honor to be a Member of this body and a great honor to be able to sit in the room with our national leader and hear his thoughts about the future for this country.

I recall just a year ago, when the President gave his first State of the Union Address, under the rule of a different political party in the Congress, that some of the pundits said one of the questions was whether President Clinton would be irrelevant to the process; he had to establish his relevance. That was an absurd proposition. Of course we found, during the past year, it is pretty tough to make any President irrelevant, given his powers and given the willingness of this President to use those powers this year to try to represent the reality of our Government. The reality of our Government in 1995, and now in 1996, is we have a split Government. One party is in the majority in the Congress and one party controls the Presidency.

What I appreciated at the time, though, despite some of those press comments about the President's possible irrelevance, is that he came right out there and talked about many issues, and, in the midst of all this alleged irrelevance, he was willing to put on the table something that had been overlooked, perhaps forgotten, in the language of the Contract With America. That is, he brought us back to what I like to call—what many people in both parties like to call—the reform agenda, the political reform agenda.

Those were issues across party lines that respond to the national feeling that maybe there is a little bit too much money in Washington that is expressed in too many ways and takes the elected representatives away from focusing on their constituents. So it was very helpful last year when the President in his State of the Union Address referred to the need for Members of Congress to give up the gifts, to have a gift ban. In fact, the President said something like, "Why don't you just say no." Those words were helpful. And it came to pass, in part because of his leadership, in part because of the public's interest. The media helped by exposing the reality of the gift-giving practice.

But what helped most of all, along with the President's words, was the fact that there was a bipartisan effort, a true bipartisan effort, first in the Senate and then in the House, to try to stop this ridiculous practice of allowing gifts to be given to Members of Congress. It went into effect on January 1. I do not think it got enough attention in the year-end analysis of what happened in the 104th Congress. There were a lot of bad things to talk about, a lot of failure to resolve, a lot of failure to cooperate between the parties. But on that issue, both Houses in the end responded overwhelmingly and very positively.

Tonight is an opportunity for the President, President Clinton, to take us to round 2 of the political reform agenda. I refer to it as sort of the big daddy of political reform compared to the gift ban. That is the issue of real campaign finance reform.

President Clinton is no newcomer to campaign finance reform. I remember, as a brandnew U.S. Senator, in January 1993, the President came to our Democratic conference in the Senate. He said he had three top priorities for his term. The first had to do with the deficit and the economy. Of course there has been progress. We are still struggling mightily to try to move forward even more in that area. Second, he talked about his desire to reform our health care system. We have not achieved our goals in that area. That has been an area of disappointment to which we must return. But the third item he mentioned and that not many people are aware that he stressed right from the beginning was his belief that we had to have campaign finance reform for congressional elections, to truly change the tenor of the debate and the policy outcomes in this country.

So he did not miss any time. He referred to the unnecessary and extreme hold that powerful moneyed interests have in this town of Washington and he did so in his Inaugural Address. Last summer, when he had the chance to appear jointly with the Speaker of the other body, he was quick to emphasize the issue of campaign finance reform, and did the famous handshake where he indicated his willingness to work together with both parties to solve the problem. So President Clinton has been there whenever the call for political reform has gone out. He has always been supportive, as we try to solve these problems. So he has been a big help.

But tonight we need more help. Tonight we need the President of the United States to specifically put his strength, and the strength of his office, and the strength of his resolve, behind a national effort to change our campaign laws so that the people of our country can feel for the first time in a long time that those elections belong to them, that their votes count, and that it is not just the power of big money and influences that they cannot see or hear that control those elections.

Mr. President, let us build on the success this year when some Members of this body tried to change the system we have for financing our Presidential election. Let us build on that. We were able to defeat that.

The Presidential election in 1992 actually involved less expenditures than the Presidential election in 1988. That is because of the national laws we have had in this area. That is lacking in the congressional area. We have a complete OK Corral situation where any amount of money can be spent, and there are no rules to speak of about how much is spent in these elections. So nothing would be more helpful than to have the President tonight mention the fact that he has been and continues to be very supportive of campaign finance reform.

I think he knows there is a unique opportunity in the Congress this year. Working with Senator MCCAIN of Arizona and others we have introduced the first bipartisan campaign finance reform bill in 10 years. It is a voluntary bill, as it must be under the Supreme Court rule in Buckley versus Valeo, but it addresses several of the major areas of concern. It addresses that there is too much money spent in individual elections. It addresses the fact that we would like to encourage candidates to get a majority of their campaign contributions from their own home States. It for the first time addresses the problem that too many people are spending their own personal fortunes to be elected.

All of these things are addressed in the bill. I am hoping the President has been made aware of that and is supportive.

What is even more exciting is, it is not only bipartisan but it is bicameral. In the House there was another bill being promoted that several of the House Members said, why do we not look at the Senate bill? They made their own version of the McCain-Feingold bill, and they have many supporters of both parties involved. People in the country have noticed.

A bipartisan, bicameral bill endorsed by over 25 major newspapers in this country—Common Cause, Public Citizen, and many other groups.

Mr. President, I think one of the reasons why it has received such reception from the public is that people know that it is not just a question of too much money being spent in elections. They know there is a connection between what is spent in Washington on campaigns, what is connected to things like why we cannot solve our budget problem, why there is too much money spent in Washington, even though the public is begging us to get our finances under control.

In fact, I think there is a direct connection between campaign financing, overspending in campaigns, the drive to raise all the money you can, and the fact that we still have not resolved the deficit problem. The ability of many special interests to secure millions, and sometimes billions, of taxpayers' dollars in Federal contracts and subsidies and other spending programs relates directly to our current campaign finance system where candidates for public office must raise millions of dollars for their campaigns.

A report was just issued by the Center for Responsive Politics entitled "Cashing in From A to Z." It is a long report, but they list a few recent examples that I think the public can respond to. Cattle and sheep ranch interests contributed over $600,000 during the last election cycle while fighting to protect Federal grazing fee policies that give ranchers access to Federal lands at below-market prices.

The mining industry spent over $1 million in 1993–94 on campaign contributions to Members of Congress so that they could try to prevent the reform of the 1872 mining law which allows people to pay a few thousand dollars for land that contains billions of dollars worth of gold and silver and other minerals.

The oil and gas interests contributed over $6.1 million during the last election cycle to help back their hefty 1995 agenda, which included repeal of the alternative minimum tax. They do not even want to pay a minimum tax for all the profits they are making.

Mr. President, in the 6 weeks following a close House vote on funding the

B–2 bomber, opposed by even the Defense Department, contributions from defense contractor Northrop Grumman's PAC's to House Members who voted for the program totaled over $50,000, just from that one company for that one program that the Defense Department did not even want.

Mr. President, obviously I could go on with these examples, but they show the fact it is not just a question of there being too much money in campaigns, but the connection between campaigns and the fact that we still have a terrible budget and deficit problem in this country.

So, Mr. President, it has become clear to many of us, Democrats and Republicans alike, that their failed campaign finance system contributes to keeping many unnecessary Government subsidies flowing, and it helps explain why well-financed special interests were able to grab the legislative process by the scruff of the neck in the first place.

Mr. President, it is my fond hope the President of the United States will use his bully pulpit and excellent intentions on this issue to give a strong push behind the bicameral, bipartisan effort to reform our campaign finance laws.

I thank the Chair and yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

BUDGET NEGOTIATIONS

Mr. HEFLIN. Mr. President, I believe we are closer to a balanced budget than we have been in many years. I think the public overwhelmingly wants a balanced budget. I think we are moving in that direction. But there are little problems here and there that seem to prevent us from getting together in being able to shake hands on a balanced budget.

The President and the Republican leadership I think all realize that we need a balanced budget for it will certainly directly affect virtually every segment of the Government and every citizen of the country. I feel that lost in the political rhetoric over the budget is the fact that we have reached substantial agreements at this stage.

We have agreed that the budget ought to be balanced in 7 years. We have agreed that CBO figures ought be controlling. We have agreed that there ought to be less Government. We have agreed that there ought to be a tax cut. And while both sides still have some major differences to work out, I feel that good-faith negotiations on these issues can yield a budget that is fair and equitable to all segments of society, and each party can claim victory.

When the recess occurred, there was a statement to the effect that we were going to stop the negotiations and then come back again.

There have been three or four efforts that have been made recently to try to get the parties together to start negotiating again. But for some reason or other they have been called off. Now that the recess is over, and the recess from the negotiations is over, it is time to begin again and for each side to meet and come to an agreement. The longer the negotiators avoid constructive negotiations the greater the chances for each side to become reentrenched in their policy positions.

Compromise is an art that appears to have somehow been forgotten. It is apparent that in order for an agreement to be reached, both Democrats and Republicans are going to have to give and take. Each side is going to have to have some wins and each side is going to have to have some losses. If the Israelis and the Palestinians can get together and negotiate in good faith, there is no reason why the Democrats and the Republicans cannot do likewise. If the Croats, Moslems, and Serbs can agree on a cease-fire, why cannot both parties put their verbal pistols back in their holsters?

I do not know exactly what the solution is. But it may well be that we may have to go to Camp David and tell them to stay there until they reach an agreement. Maybe Dayton is the place. Maybe Norway. But whatever it takes in regards to getting together and finding a location and staying with it until we reach an agreement, it seems to me to be the proper course to follow. When you add it up, the current Democratic proposals and the Republican proposals are less than $100 billion apart. Taking into account $12 trillion over a 7-year period, this figure amounts to less than .8 of 1 percent. With this in mind, it seems to me that the negotiations should proceed with an emphasis on what each side is willing to give and take in order to reach a long overdue budget agreement.

The State of the Union Address will have a significant impact on the negotiations. It is a good opportunity for the President to demonstrate his willingness to reach an accord. However, if his speech is overly partisan, it can harm the negotiating atmosphere by having a hardening effect on the Republican negotiators. Likewise, the Republican response can also either help or hurt the negotiating process.

Hopefully, the President will extend a hand of conciliation, and if he does, I hope the Republicans will not slap it, but instead shake it. I hope that each Senator will keep this in mind when determining exactly what he or she wants to convey, when commenting on the content of the President's speech. Each Senator must be aware that their responses may affect the overall negotiations pertaining to the budget.

We need to adopt a continuing resolution—hopefully a clean one—by January 26. The expiration of the current continuing resolution, of course, runs out on that date. Despite all the heated rhetoric, I do not believe it is in the best interest of our citizens to have the remaining portion of Government closed down. A great number of the various Agencies and Departments will stay open under the legislation that has already been adopted.

Taxpayers and Federal employees should not be punished, because Congress and the administration have not fulfilled their obligation to reach a budget.

Mr. President, as I have stated before, I think it is imperative that we reach an agreement on the budget, and I am optimistic that when reasonable people sit down together an agreement can be worked out.

It seems to me we have made a great deal of progress. We have agreed on some fundamentals: A 7-year period for a balanced budget; CBO figures; a tax cut; and a cut in Government. We just need to get together. Perhaps we need a mediator. But I hope that we will let reason prevail, and we will not let this opportunity pass to achieve a balanced budget.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Minnesota.

FRESHMAN TOUR: PROMISES MADE, PROMISES KEPT

Mr. GRAMS. Mr. President, too often here in Washington, politicians come to town with a mission but end up coming down with a severe case of Beltway fever.

They get caught up in the unreal atmosphere of this place and eventually forget what it was that first propelled them into public service.

They shut themselves away in their Senate or House offices or even in the Oval Office.

They spend their time hobnobbing with their new-found Washington friends. And after awhile, they just lose touch with the folks who sent them here. They think they are doing "the people's business," but in truth, they are no longer speaking for the people at all.

The 11 Members of the Senate freshman class came to town with a mission, too, a mandate given to us by the voters.

We met often as a group last year to track our progress. And as 1995 came to a close, we took a step back and began asking ourselves some pretty tough questions, such as:

What is the mood of the country?

What are people saying about Congress and the decisions we freshmen faced in our first year in the Senate?

Did we really hear the message we thought we heard in November 1994, when the voters sent us here to balance the budget to get Government spending under control, to deliver middle-class tax relief, and protect and strengthen Medicare and Medicaid?

Most importantly, is the message that brought this freshman class to the Senate in 1994 still alive and well in 1996?

We thought we knew the answers, and we knew we had delivered on each one of our promises, but after being in Washington and of course, debating those very important questions over the past year, we thought it was time for a reality check.

So last week, at the urging of my good friend, Senator Abraham from Michigan, nine Members of the freshman class took to the road to take our message directly to the people and bring the people's message back with us to Washington.

We visited eight cities over 4 days. What we saw and heard truly opened our eyes and, I believe, reaffirmed our mission.

In Philadelphia, we toured an empowerment zone and shared ideas on how to rebuild our troubled inner cities. The section of north Philadelphia we visited is a model for the concept that restoring neighborhoods means creating incentives for businesses to locate in urban areas. The Federal Government has made a difference, local officials told us, but the incentive is tax relief for these areas to attract businesses and jobs.

In Knoxville, 300 concerned citizens packed the auditorium at West High School for a town meeting. They cheered our progress on a balanced budget and called on us—and forcefully I might add—not to give up.

In Columbus, at a crime forum, we met with police, other law-enforcement officials, and victims of crime who shared how Washington can play an important role in making local neighborhoods safer.

Rain, sleet, snow, and even a blizzard warning could not stop a crowd from attending my town meeting in Minneapolis. We had a frank and, I believe, lively discussion covering a tremendous range of issues and the audience enthusiastically applauded our efforts to shrink the size and scope of government and return power to the States.

Employees at the Emerson Electric Co. in St. Louis sat down with us to talk about a balanced budget and just what it would mean for themselves and their families. It was heartening to hear their words of support, especially since our budget is specifically targeted at improving their lives, and the lives of every hard-working, taxpaying, middle-class American family.

In Tulsa, we met with small business owners—the men and women who create the jobs on Main Street—for a roundtable discussion organized by the Metropolitan Tulsa Chamber of Commerce.

Again, they thanked the Members of the 104th Congress for taking such a strong lead in bringing job providers relief from the stranglehold of Federal regulations and mandates.

Our whirlwind tour ended in Cheyenne, with a final opportunity to hear from the voters at a town hall meeting at the Cheyenne Civic Center.

At each stop, the people thanked us for taking our message directly to them and bypassing the curtain of misinformation draped over the issues by the congressional Democratic leadership, the White House, and too often, the media. They repeatedly shared their frustrations at hearing only one side of the budget debate.

And at each stop, they asked "why can't you reach a compromise with the President on a balanced budget?"

The President's latest budget plan—the first plan of his that actually balances in 7 years—is similar to the four other budget plans he sent to Capitol Hill in the last year which, by the way, got no votes in the House and Senate. Throughout these weeks and weeks of budget negotiations, he has given up very little while Republicans have moved dramatically to help spur an agreement.

The President's budget cuts around the edges, but does not reform a thing. And I think we can say in one word the President's budget is a sham.

It does not reverse the kind of wild overspending that will continue to drag this Nation deeper into debt.

Spending remains unchecked under his latest plan, and $1 out of every $6 the President claims in deficit reduction comes not from cuts in spending, but from raising new revenue, new taxes.

It does not save Medicare and provide the choices for seniors our plan offers. Under the Clinton plan, Medicare remains a relic from 1960's that no longer works in the 1990's.

His budget does not reform Medicaid, either. We say let the States run Medicaid, and they will do a better job. The President's plan says, again, Washington has all the answers.

He does not offer meaningful tax relief. His tax cuts amount to only token tax relief, and with $66 billion in new taxes, the President's budget does nothing to reduce the tax liability of the country. His version of the $500-per-child tax credit is slowly phased in and then eliminated in 2002, and applies only to children 12 years old and younger.

He does not make fundamental changes in welfare to control spending.

In fact, his welfare proposals spend $20 billion more than the bipartisan welfare bill passed by Congress. The President does not "end welfare as we know it," he extends welfare as we know it.

In reality, the President's budget plan is just a Band-Aid on a wound that is demanding emergency surgery. Yank off the Band-Aid after 7 years and the wound will not be healed, it will have festered and grown.

Mr. President, it will do no good to balance the budget in 2002 if it all unravels in 2003. And without a solid framework to work from, that is precisely where we would be heading under the President's version of a balanced budget.

That is how the freshman class answered the question each time we were asked why we have not been able to reach a budget compromise. We will not compromise our principles. No budget is better than a bad budget.

The President is right when he says the debate over the Federal budget is no longer just about dollars. It is about dollars and about something far more important: the future direction of this Nation, and which governing philosophy ought to lead us there.

The President says maybe we should wait until the next election and let the people decide what direction they want their Government to take. But the taxpayers we met with in Knoxville, and Philadelphia, and Minneapolis, and Tulsa last week told us that is the change they thought they voted for in November 1994, when they turned this Government around by electing a new majority in Congress.

You know, President Clinton is going to come here to the Capitol tonight to deliver what will undoubtedly be a passionate speech on the State of the Union.

As we all know, he can be an impressive speaker. He will speak fervently and forcefully and, with any luck, he will wrap up in time for Sunday's Super Bowl kickoff.

I hope that what we hear tonight is a message of leadership, an acknowledgement of the awesome responsibility with which a President is entrusted, and a willingness to put aside a narrow political agenda in order to do what is best for the American people.

Only great leadership will lead this Nation toward the great days that await us.

What I am afraid we will get instead is a campaign event—the great kick-off to Bill Clinton's 1996 re-election campaign.

Judging by the folks we met around the country last week, he may have a tougher go of it than he thinks in the weeks and months ahead because at every stop on our freshman tour, Americans offered us their full support.

"Do not back down," "Hold the line," they said. "Get the budget balanced, but do it right." A lot of people told us they would be willing to wait a year for a responsible budget agreement, if that is what it takes.

Maybe then, they said, somebody a little more serious about balancing the budget will be occupying the Oval Office.

And so the revolution of 1994 continues, Mr. President.

That is the strong message my freshman colleagues and I bring with us back to Washington. And for our colleagues who may not have ventured beyond the confines of the Beltway recently, that is the message the American people are demanding we do not forget.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

(The remarks of Mr. HELMS and Mr. FAIRCLOTH pertaining to the introduction of S. 1520 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

FRESHMAN TOUR

Mr. THOMAS. Mr. President, I rise to follow my friend, the Senator from Minnesota, in noting what I thought was useful, and that was the tour of freshman Senators throughout the country, actually, starting here in Washington, on through the Midwest, and ending up in Cheyenne, WY.

It seemed to me to be a very useful kind of an activity. Our theme was "Promises Made, Promises Kept." I think it was appropriate that 9 of the 11 new freshmen in this body participated. We made 10 stops in 9 States to talk about this kind of commitment to the things that had brought us to the Senate in 1994. I think we all agreed in general that there was a message in 1994, and that message basically was the Federal Government is too big and costs too much and we need to change the regulatory restrictions on the opportunities in this country.

That has been the effort of this freshman class, and to a large extent this body during that year. We have felt some kinship in that we have come here together, we did share this commitment, and we were committed to change. We had just come from an election where, I think, that message perhaps permeates a bit more than those who have been here before, perhaps.

There has been a great deal of success, I think, in that message. We have not accomplished specifically all the things that we would like to but the major change has been the turn of the debate. I think most anyone who has watched the Congress over the last 25 years would have to say that the conversation has basically been centered around those programs that have been in place for 25 years. They largely came in the Lyndon Johnson Great Society time, and each year most of the time has been spent saying, "How much more money do we put into the program? If it has not worked as well as it should, we will put more money in."

Now that debate has changed somewhat. The debate has change markedly. We are talking for the first time in 25 years about a balanced budget. We are talking for the first time in 25 years about how you spend less rather than more. That is a significant change in the framing of the debate in this country, a significant change in the direction that this Congress would take, and hopefully that this country would take.

We have talked about things like reducing spending as opposed to continuing to add more to the deficit, to add more to a $5 trillion debt. We talked about a balanced budget. We have not had a balanced budget in almost 30 years. This is the first time that a balanced budget has been presented to the President of the United States. Unfortunately, he saw fit to veto it.

We have talked about entitlement changes. Most anybody who looks at our financial situation fairly has to see that we have to do something about entitlements. You cannot change the direction of spending by simply talking about those things that are discretionary. Two-thirds of the spending is in entitlements. You have to change that. Of course it is difficult. But we have set about to do that. We have talked about welfare reform, to make welfare the kind of program that most everyone believes it ought to be, where you help people who need help, but help them get back into the system, back into the workplace.

Middle-income tax reform—instead of the largest tax increase in the history, which is what we had 2 years ago, we are talking about middle-income tax relief. Also line-item veto, term limits, regulatory reform.

That is what has happened. We are very pleased about that and we took that message to the country. In addition to that message, I think we took some facts. We sort of evolved into politics by posturing and to a situation of policy by perception rather than facts. It is ironic. We have the ability to present facts to the whole world in a second. Fifty years ago it was months after something was done here before people even knew about it. Now we have this great opportunity, but unfortunately we are doing governing by advertising, doing governing by spinning.

We talk about gutting Medicare. Nobody in this place is interested in gutting Medicare. In fact, when you look of course at the numbers, why, obviously, it is not. That is what we talked about.

We talked about fundamental change. We heard a great deal of positive response to that. People who are aware of the benefits that come from balancing the budget, the fact that we can lower interest rates, reduce the cost of mortgages, and reduce the cost of loans to send your kids to school, and we can talk about being responsible for going into a new century without continuing to add costs to the debt for our kids to pay.

I want to say that I think this trip was very useful and I am pleased that my colleagues were willing to take their time to go. I am particularly pleased they went to Cheyenne, WY. We had the largest town meeting we have ever had there. Not everyone is in agreement how to do it, but the preponderance of people say we need to be responsible. We need to look to the future. One little guy in the audience had a computer. We talked about $5 trillion debt, he divided it by the number of people and announced we each owe $17,000, and we were dazzled a little by the technology, but the answer is right, we do.

Mr. President, what we need here is leadership. We need to provide for the direction of this country. We do not need obstructionism. We do not need insistence on the status quo. This is a great country with a great future. We have the best opportunity that we have ever had to strengthen that future and make it a land of responsibility and the land of opportunity.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. SPECTER. Mr. President, I ask unanimous consent that the time for morning business be extended until 3:40.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCERN OVER CONGRESSIONAL RECESS

Mr. SPECTER. Mr. President, I have sought recognition to express my concern about our being out of session for the next considerable period of time in the context of the gridlock and breakdown over the negotiations of the budget. It is my hope that the negotiators will continue the budget negotiations because of the importance of reaching a resolution on those subjects, and that we will not have a recurrence of the shutdown of Government, as we have had twice in the course of the past several weeks, or that there will not be a resort to the debt ceiling issue as an instrument of, candidly speaking, political blackmail—which I think will be unsuccessful. If we are not able to resolve the budget disagreements, that we will at least crystallize the issue and make that the election issue in 1996.

I made this point back on November 14, on the second day of the first governmental shutdown. It seemed to me from the start that this was bad policy. From the reaction of the American people, that view was confirmed. That is simply not the way to run the Government of the United States.

I think the budget negotiators, however, have worked hard and there has been considerable progress made. I have taken a look, in reviewing the issues, and believe that the negotiators with more work can come to a conclusion. The central point is to have a balanced budget—a matter of enormous importance.

There has been an agreement in principle by the Republican-controlled Congress and Republican-controlled White—almost a Freudian slip, to make the Republicans control the White House as well. We have a divided Government, but at least there has been agreement on that principle. There is a substantial question as to whether the balanced budget proposal offered by the administration meets the "fair" criterion, since so much of it is deferred until the years 2001 and 2002. But I think there is ample room for negotiation, in order to have a realistic agreement made in those terms.

I spoke on this matter to some extent yesterday and wish to amplify it today. One set of figures which bear repeating are the statistics on the narrowing of the gap between the parties on major issues such as Medicare, where the rate of increase is reduced in the conference report passed by the Republican-controlled Congress. Note it is not a cut but rather a reduction of the rate of increase by $270 billion, which has since been reduced to $168 billion. The administration first agreed to $102 billion and now recommends reducing the rate of increase by $124 billion. So there is a gap now remaining of $44 billion, considerably closer than what had been initially in the range of $168 billion.

Similarly, on Medicare, the original position of the Republican-controlled Congress was $133 billion, since reduced to $85 billion with the administration at $59 billion on a reduction on the rate of increase. So that gap is narrowing.

Similarly, on the tax cut, the House figures are in the range of $350 billion and were reduced to $245 billion in the conference report. That has since been reduced further to $203 billion, while the administration proposes $130 billion.

I have taken a close look at a number of the structural points in disagreement, while working with others in the House and Senate, to try to report out a bill on the Appropriations Subcommittee for Labor, Health, Human Services and Education, a subcommittee which I chair. I have had extensive negotiations with Donna Shalala, Secretary of Health and Human Services, Richard Riley, Secretary of Education, and Robert Reich, Secretary of Labor and find that the principal issues arise in the Departments of Education and Health and Human Services.

As I have taken a look at the various issues, it seems to me that middle ground can be reached. If you take a look at the medical savings account, which is a controversial item, or the Medicare opt-out position as to HMO's back and forth, or the Medicare beneficiary part B payments, or the issue of balance billing by doctors, or the concern which has been expressed over the regulation of doctors' fees—all of those matters—if you take the congressional position as opposed to the administration position, you find there is middle ground available.

If you look at the Medicaid issue, in addition to the figures narrowing, the structural matters also are subject to compromise.

If you take a look at welfare, there again, compromise is possible. Where the welfare reform bill passed by the Senate with overwhelming numbers, some 87 Senators voting in favor of the measure, there was a great deal of reliance on the block grants. There is an area for compromise on providing the bulk of welfare related programs through block grants but certain specific programs should remain with standards established by the Federal Government. I think the statement made by the very distinguished Senator from Maine, Margaret Chase Smith, is worth repeating, when she distinguished between the issues of the principle of compromise as opposed to the compromise of principle. We are not talking about freedom of speech or freedom of religion or first amendment issues. We are talking about dollars and cents. And we are, really, very, very close together.

So it is my hope that the negotiators will continue, because I think agreement is within reach, and when we are talking about the central principle of a balanced budget, that is something that we ought not give up on. We ought to continue to work to try to narrow the gap, and I hope that we will continue to do that.

CAMPAIGN SPENDING LIMITS

Mr. SPECTER. Mr. President, January 29, which is next Monday, will be the 20th anniversary of the decision of *Buckley* v. *Valeo*. I had intended to comment on January 29, the anniversary date of that decision which established as a principle of constitutional law that any individual could spend as much of his or her money in a campaign as he or she chose. That issue was a matter of substantial consternation to me when the decision was handed down and, I think, remains a major impediment on public policy in the United States on the way we run our election campaigns, where, realistically viewed, any seat is up for sale.

There have been many, many examples of multimillion-dollar expenditures in this body, the U.S. Senate, the U.S. House of Representatives, and in State Government, and now we are witnessing one for the Presidency of the United States.

The fact of life is, if you advertise enough on television, if you sell candidacies like you sell soap, the sky is the limit. Even the White House of the United States of America, the Office of the President, may be, in fact, up for sale if someone is willing to start off by announcing a willingness to spend $25 million. If you have $400 million, that is not an enormous sum; you have $375 million left. Somebody might be able to get along on that. You might spend $50 million or even $75 million to promote a candidacy, both to articulate a positive view and then, perhaps even more effectively, to articulate a negative view.

This is a subject I have been concerned about for a long time because I filed for the U.S. Senate back in 1975 announcing my candidacy for the U.S. Senate on November 17, 1975, in the first election cycle where the 1974 election law was in effect. At that time the spending limitation applied to what an individual could spend, and, for a State the size of Pennsylvania, it was $35,000. I decided to run for the office of U.S. Senate against a very distinguished American who later became a U.S. Senator, John Heinz. After my election in 1980, he and I formed a very close working partnership and very close friendship. I have only the best things to say about Senator Heinz.

But, in the middle of that campaign, on January 29, 1976, the Supreme Court of the United States decided *Buckley* v. *Valeo* and said a candidate can spend any amount of money. My later colleague was in a position to do so and did just that. That made an indelible impression upon me, so much so that when the decision came down on January 29, I petitioned for leave to intervene as amicus and filed a set of legal appeals, all of which were denied.

But it seemed to me since that time, as I have watched enormous expenditures in campaign financing by individuals, that simply was unsound constitutional law and certainly unsound public policy. There is nothing in the Constitution, in my legal judgement, which guarantees freedom of speech on any reasonable, realistic, logical constitutional interpretation which says you ought to be able to spend as much money that you have to win an elective office. I think it is high time for the Congress of the United States and the 50 States to reexamine that in a constitutional amendment, which is currently pending.

Senator HOLLINGS has proposed the amendment for many Congresses, and I have joined with him and sometimes I have proposed individual constitutional amendments. But as we approach the 20th anniversary of *Buckley* v. *Valeo*, we ought to take a very serious look at it. And we may have a striking impetus for change in that law by the Presidential campaign which is currently underway. So, in advance of the 29th, I urge my colleagues to take a very close look at this issue which I think has very serious implications for the electoral process in America.

I thank the Chair. It is now 3:40. I yield the floor.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

Mr. SPECTER. And I do suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

STATUTORY DEBT CEILING

Mr. MOYNIHAN. Mr. President, it would be just 16 years since I came to the Senate floor to speak to a large new idea in our politics which seemed to me was then taking shape and which, as I do believe, has since become a central fact of American government. This was the idea on the part of those who legitimately, from their perspective, felt that the U.S. Government had become too large, too interfering, too dominant in the affairs of the State and local governments, and in general moving in a direction that this group did not desire.

They spoke to the futility of seeking to dismantle the great edifice of Government that had been growing, not truly since the New Deal, but since the beginning of the century with the administrations of Theodore Roosevelt, Woodrow Wilson, and thereafter, of course, President Franklin Roosevelt, President Johnson, President Nixon —a growth in Government that had never been fully accepted by all parts of the electorate, nor need it have been, and now was attaining very considerable opposition.

The effort to reverse this direction by repealing this statute and amending that and reducing this program and such was not so much countervailing as beyond the capacities of the legislature. Indeed, the Government had attained to a size and complexity that dismantling even a small part of it was a huge enterprise. So the reasoning of this new school was that this would never succeed.

What would indeed succeed, it was argued, was to deprive the National Government of revenue. By systematically reducing revenues through tax cuts, there would come a time when there was simply not the available resources to maintain the level of outlay that was then taking place.

This had many informed and sophisticated iterations, if you like, but the whole idea was put in one compact phrase that appeared in the first year of the administration of President Reagan. And it was in usage in the White House, as we understood. It was "starve the beast."

At that time, 1980, the debt of the Federal Government was about $900 billion, a sizable enough sum but in no way an unmanageable one. Debt had risen during the two world wars and had been brought back down. Some debt occurred in the 1930's, nothing spectacular; revenues were well within the range of obligations, and the Government was moving forward.

Two things then happened. Government outlays began to grow very rapidly as several entitlement programs took hold. Medicare is but the most important example. A good indicator, also, however, is Medicaid. Medicaid, which is a Federal entitlement to persons with very limited resources. Those Medicaid costs doubled in the 8 years of the administration of President Reagan, doubled again in the 4 years of the administration of President Bush. If you project this trend, as we have done, and put them in the form of a geometric progression, you find that the costs of Medicaid would double on the 29th of December of this year. So those outlays began to go up rapidly.

Then in 1981, there was a large tax reduction, and revenues ceased to grow. The income tax brackets were indexed so that there was not an inflationary increase in revenues that had previously been the case during the 1970's.

Mr. President, we passed five tax cuts, and indeed the level of inflation in 1980 was such that the Office of Management and Budget anticipated a surplus even with the tax reductions.

The 1982 recession brought that inflation down. The tax cut took hold. And so we were on a path simultaneously of increased outlays and reduced revenues, very much that which those who advocated this particular approach had anticipated.

What they had not anticipated was that President Reagan, who very much wanted a tax reduction, did not want programs reduced in any large amount and certainly in no very few particulars. Mr. David Stockman, President Reagan's Director of the Office of Management and Budget, in his memoirs, "The Triumph of Politics," records the options he would present the President. There was a program, it costs this much, it should be abolished, it should be left alone, it should be reduced a little, and the President, in the kind of generous nature we know he has—happily—cut it a little, perhaps, but nothing large was done. Instead, debt in enormous amount was incurred.

We went from a debt of about $900 billion to a debt of almost $5 trillion in a very short time, and debt service began to crowd out other activities of the Federal Government. While there had been very little articulation of this theory—"starve the beast"—the practice has gone forward with extraordinary, almost inexorable, relentless thoroughness. We are now in this 16th or 17th year since I first spoke on the matter, and the situation approaches crisis.

The crisis that we come to is the working out of the theory, if you might, the debt having attained to its present level, the decision is being talked about of not extending the debt any further, with the consequence not that we would reduce the size of the American Government—a legitimate strategic objective I did not necessarily share; I do not disavow it in every respect nor does anybody in this Chamber. The idea today would be not to extend the debt ceiling and let the U.S. Government default on its obligations for the first time in our history.

I was remarking, Mr. President, to the Democratic caucus at noon today that in 1814, the British invaded Washington, burnt the White House, burnt this Capitol Building, the part just the other side of the door here, the original building. They did not burn the Marine Commandant's house, because they were staying there, but they overtook the Capitol completely. The President fled, the Congress fled, and the Nation seemed in the most dire possible circumstances: Our Capitol had been seized. Yet the service on the national debt continued to be paid. I think it probably was the case it was most paid overseas and in specie out of various subtreasuries.

In that degree of crisis in a newly formed nation, not fully even formed perhaps, we never defaulted. We never defaulted during the Civil War. The question did not arise in the great wars in the 20th century. But here, in a moment of peace, we may be about to do this. The consequences would be immeasurable. From the very height of its position in the world and in the history of the world, the United States would become a nation in default, a nation whose currency is in question, whose debt has, in effect, been repudiated.

We may not think of it this way. We may not imagine others thinking of it this way. It could happen, Mr. President, and if we do not do something in the next days, it very possibly will happen. The unimaginable, the unthinkable will happen.

We have reached the debt ceiling of $4.9 trillion. Either we raise the debt ceiling or we undermine the foundations of American democracy and the American economy and who knows what in the world at large.

I might recede and say, Mr. President, during the last Congress, I then had the honor to be chairman of the Committee on Finance. We raised the debt ceiling twice, not out of any unconcern for the deficit, but out of the realistic appreciation of what we could do.

In August 1993, we passed in this body a deficit reduction package of $500 billion. It was signed. It brought about the largest reduction in the deficit in history. Interest rates declined—a fiscal dividend—or as described by Secretary Rubin described, a reduction in the deficit premium on interest rates.

We did that, and we reduced the deficit. At the same time, we had to increase the debt ceiling. Twice we did that, leaving it at $4.9 trillion. This last November 9, I came to the floor and offered an amendment to increase the debt ceiling just a very small amount to $4,967,000,000,000, enough to get us through, as I hoped, until there was a Budget Reconciliation Act agreed to. And knowing what we would have to have in the way of additional debt expenditure in the course of the next 2 years, we could then pass a proper 2-year debt ceiling increased to perhaps $5,500,000,000,000.

That measure—offered, as I say, on November 9—failed by a vote of 47 to 49, a very close margin. Two votes would have put us over into the present moment, but not to a true resolution of a 2-year prospect.

Mr. President, in the absence of that, the debt ceiling was soon reached, and the Secretary of the Treasury was reduced to borrowing moneys in ways that were entirely lawful but not really anticipated as a more than temporary steps to avoid a debt crisis. He had to deal with the fact that the Federal Government was without a budget. I say, it is no accident that this was the 11th time since 1981 that the Federal Government has been without a budget and without resources.

Within 1 year of my having observed this strategy here on the Senate floor, it was in effect. They were short-term events. They were referred to as monument closings: The Government would close down for a day and some national facilities would not be available but with no real interruption of the Government itself.

This time, we have had the longest shut down ever. It is not perhaps noticed, but we almost shut down the Federal courts, the third branch of Government, indispensable to governing but of itself the least dangerous branch, as one of the "Federalist Papers" referred to it.

It depends entirely on the Congress and the Executive to provide these choices. It had none. It was at the point where it would not have had money to pay criminal and civil jurors or security guards. The prospect of the Federal courts closing was upon us, and we did finally act, but only almost reluctantly, not as if performing a duty, but dealing with an irritating necessity.

Now, here we are again. Yesterday, the Secretary of the Treasury told us in the most explicit terms that he has reached the end of measures that he can legally take, that he is willing to take, or legally can take, the two being coterminous. He has said that he has three final measures. He will suspend the reinvestment of approximately $3.9 billion in Treasury securities held by the Exchange Stabilization Fund. That is the total amount of dollars in that fund. If we were to use the German mark and Japanese yen also, the dollar would be subject to the most extraordinary turbulence in world markets. The Secretary also said that the Federal Financing Bank will exchange $9 billion in assets in its portfolio, primarily, I believe, from the Tennessee Valley Authority, with which the distinguished Presiding Officer is very familiar, and several other Government activities, which he can do. The exchange of assets will permit the Treasury to obtain $9 billion in cash.

Finally, he has the ability to extend the 12-month debt issuance suspension period. That, I have to say, is what we are in, a debt issuance suspension period, from 12 months to 14 months. This will permit the Treasury to obtain an additional $6.4 billion in cash by temporarily using interest-bearing assets of the civil service retirement fund. And that is it. Nothing more.

These actions would raise $19.3 billion. They will take the U.S. Government through until February 29 or March 1. At that point, sir, the U.S. Government will default on its obligations—something that could not have been imagined in the world 20 years ago. We are facing it, but we are not facing up to it. I had hoped that I might offer a measure to increase the debt ceiling, a clean simple increase, on tomorrow, or on Thursday, but I understand we may not be in session. On Friday, I will try to do this, but it is not clear whether it will be possible with the continuing resolution that keeps the Government open for certain purposes and the rest of the fiscal year. Then I am told we will not be back until February 26. That is 3 days before default.

I would hope something would concentrate our minds. This measure would simply allow the Federal Government to meet its obligations while the negotiations about the budget continue between the Congress and the administration. There is room for agreement in those negotiations. The distinguished senior Senator from Pennsylvania was on the floor just now talking about the areas where no principle is involved. It is just a question of at what rate Medicare outlays grow. They are growing at say 9 percent, and another party says 8 percent, and another party says 7 percent. They are only discussions of increments where if there is a will, there is surely a way to agreement.

Maybe there is no will to reach final agreement on some issues that are thought to be of principle. Very well, let us have a national election. We are going to do that. The Republican Party caucuses begin—I guess, caucuses for both parties will begin in Iowa and then primaries in New Hampshire, and off we go. It is an extended period. There are days when you can wish this were Canada and if we had to have a national election we could do it in 2 weeks' time, and people would know what the issues are and vote and settle them for the parties involved, and the Parliament would resume.

We have a Constitution and we will abide by it. It provides for quadrennial elections and we will have them. It is all very well if we do not create a catastrophic crisis or undergo a catastrophic failure in the interval. We have to increase the debt ceiling. Secretary Rubin, an honorable man, the able Secretary of the Treasury, has done what he can do under law. He is acting as his predecessors did in the Reagan administration and in the Bush administration. But he can do no more than the law allows. He will do no more than the law allows. And the world watches.

I would say, if I could direct my views principally to the Congress, reach some agreement with the President and agree on what you can agree to, let the rest be decided in the Presidential election, and let the Government go forward.

I would also speak to the President in this matter. The President has a responsibility that goes far beyond electoral politics. He is required under the Constitution—and I sometimes think this is the only thing in article II that he is required to do. It says, "He shall take care that the laws be faithfully executed."

Certainly, those laws extend to preserving the full faith and credit of the United States. If, in some measure, agreement with the Congress would permit the debt ceiling to be extended and the solvency of the U.S. Government, the value of U.S. currency, the worth of the American credit and faith in our word, if in some measure this requires giving more in the way of negotiations than otherwise might be the case, I would say, sir, he has that responsibility, just as the Congress has an equivalent responsibility. This is something that transcends the issue of which party will have a majority in the next Congress or what kind of majority, which party will have the White House and under what circumstances.

These are temporary measures. They come and they go. This comes with regularity. What happens in November—2 years from that there will be another set of congressional elections, and 4 years another Presidential election.

There will never be a moment after a default on the debt like the two centuries preceding. This will scar our national existence. We will be remembered in history for this—not for what we did to the Medicare trust funds, not for what we did to the Tax Code or this entitlement or that discretionary program. This is what will mark our time—mark our time in history.

We will not be forgiven nor would we deserve to be if, in a feckless, short-sighted, irritated, calculating, what-do-the-overnight-polls-say mode, we bring about an irreversible disaster to the American Nation.

That is the option before us. We do not need to. We clearly are of the view that we should not. On November 9, a mere two votes separated the decision to extend the debt ceiling. We know that. We know we have to do it. To fail to do it, we fail in our first obligations as Members of the Congress. The President, too, must understand he has an obligation to help see that this does not come about.

We can do it, Mr. President. It will require 20 minutes in either body. If it takes all day, we take all day. There is no argument against this measure. If there is one Member of the Senate who wishes to stand up and say I think it would be a good thing if the U.S. Government defaulted on its debt, such that every Treasury bond in every investment portfolio, every retirement trust becomes, suddenly, a piece of paper not backed by the full faith and credit of the United States, if we want that, if we want the yen to become the world reserve currency, if we want our inflation to double, if we want our unemployment to suddenly soar, or see our national growth collapse, it is all within our power, and it will not simply be a negative act, it will have been an affirmative choice because we know what the consequences will be.

I cannot think we will do this. If there is any Member of the Senate who thinks we ought, he or she is welcome to come to the floor. There will be none. We know what to do, I hope in a bipartisan spirit as we have done in the past. This is something that the Nation needs, and no party would wish to deny. I hope we do this, Mr. President. I dare not think of the consequences if we do not.

I see my friend, the distinguished member of the Finance Committee on the floor. I yield the floor.

AGRICULTURE

Mr. GRASSLEY. Mr. President, I want to speak for a few minutes as a member of the Senate Agriculture Committee, not as a colleague of my colleague from New York as a member of the Finance Committee, and I want to discuss the 1995 farm bill, which obviously is not going to be a 1995 bill. It will be a 1996 farm bill if and when we ever get one passed.

It is January 23, 1996, but the farm bill that should have been in place by early fall, 1995, is still unresolved. So all across the country farmers are buying their seed, meeting with their bankers, making plans to cultivate and grow crop, all without knowing what the next farm program will be.

When I say it should have been done by early fall, I want to make clear to my colleagues that the reason for this is that when you do fall tillage, preparing the fields for the seed of the next spring, you need to make those decisions at harvest time of the crop that grew in 1995.

In a very real sense of the word for people who are planting crops in the Southern States of our great country, those are important agriculture regions, as well, they are only 2 or 3 weeks away from planting. In my State, it is going to be 2 months until we reach that point.

Everybody ought to understand that it is not the day you go to the field that you decide on certain things related to the 1996 crop. You need to know that months ahead of time. One of those factors—maybe farmers would rather not have this be a factor—but one of those factors is, what is the Government program toward agriculture? Probably in each of the last, except for 1 or 2 years out of the last 20 years, there has not been any slowness on the part of the Congress in this regard. Farmers have known well in advance what the Government's position was on agriculture and their decisions could wisely and timely be made in preparation for the next year's crop.

Now here we are, January 23, 1996, and we still do not let the farmers of America know what the Government's program is toward agriculture.

In the last few weeks, Mr. President, there has been a lot of finger pointing as to who was responsible for this situation. Some Members of the other side of the aisle would have you believe that Congress failed in its responsibilities to act on the farm bill last year. They would have you believe that Congress held no hearings, had no floor debate, and passed no farm bill.

Mr. President, not only do I come to the floor to urge quick resolution of the lack of a farm bill, but I think that we should also set the record straight. Basically it means taking the politics out of this debate. It is time to leave the ideology to the side. It is time to get down to the very important practical aspect that in the upper Midwest where my State of Iowa is, within 2 months of farmers going to the field, and right now in the Southern States of the United States they are probably 2 weeks from that point. It is time to put our constituents and our farmers above political posturing in Washington and enact a farm bill into law.

Contrary to the rhetoric coming from our Democratic colleagues in this body, in this Chamber, and also through the media, particularly my colleagues from the other side of the aisle, this Congress did act on the commodity provisions of the farm bill. Last year the Senate Agriculture Committee held at least 15 hearings, heard testimony from over 150 witnesses. Then in October the Senate debated and passed the commodity provisions of the farm bill as part of the Balanced Budget Act.

While I am talking about the Balanced Budget Act, and farmers are asking about the farm provisions that were in it, I also take advantage of the opportunity to say to the farmers of the United States, there are probably more important provisions in the Balanced Budget Act of 1995 than the commodity provisions that they ought to be aware of that are going to benefit agriculture to a greater extent than even the commodity provisions.

That would be, first of all, balancing the budget, reducing interest rates 1.5 to 2 percentage points a year. Multiply that times a $160 billion debt in agriculture and that adds up to real money in the pockets of farmers of America, just from balancing the budget.

Two other provisions very helpful to getting young people into agriculture, passing land and operations on from one generation to another generation of farmers, are the capital gains tax reduction and increasing the exemption, the estate tax exemption, and also having a special exemption, which was in this bill, when small businesses and farms are passed on to people within the family, an exemption of $1 million. This is what it is going to take, in rural America, to get young people into agriculture.

But I want to repeat that even though there were all these other good things for agriculture in the Balanced Budget Act, we did have the commodity provisions of the 1995 farm bill in that act. The Senate did debate and did pass a farm bill in 1995. Not only was there debate on the floor of the Senate at that time, but there were at least five amendments relating to the farm bill that were offered, debated, and voted on by the Senate.

These amendments included a very comprehensive farm bill alternative, a proposal put forward by our colleagues on the other side of the aisle. That specific alternative was rejected by the Senate by a bipartisan vote of 68 to 31.

So, what happened to the farm bill that we passed last year? As you know, it passed both Houses of Congress and was sent to the President for his signature. Unfortunately, the farm bill, as well as all these other good provisions of the Balanced Budget Act of 1995, was vetoed by the President. That is the reason why, on January 24, 1996, we are still discussing a 1995 farm bill.

Let us start this year with a clean slate by setting the record straight. The Republican Congress debated, voted on and passed a farm bill in 1995. Now maybe we can get beyond the politics of this issue and do what is best for our farmers. The farmers of this country deserve to know what the farm program will be this year and they need to know as soon as possible. The time for delay is over. The farmers also need to know what both sides want in a new farm bill.

The farm bill passed by the Republican majority in 1995 represents the most significant reform in farm legislation in the last 60 years. Under this provision, farmers will no longer have their planting decisions dictated by the politicians and the bureaucrats in Washington, DC. The reality of the budget crisis in Washington dictates that farmers must—and it is what farmers want to do—earn more of their income from the marketplace as opposed to the Federal Treasury.

If that is the case—and that is the environment we are in, the budget realities as well as the realities of the foreign trade environment, the freeing up of foreign trade—if this is the case, then, the farmers are going to get less support from the Federal Treasury. The shackles of Government regulation and the red tape that is inherent therein must be removed so that U.S. farmers have a fair chance to compete with our foreign competitors.

The farm provisions contained in the Balanced Budget Act do this. They remove the planting restrictions imposed on the farmers. They remove the Federal Government's authority to require that productive farmland be removed from production. In short, they send a very clear signal to the rest of the world that the U.S. farmer will compete for every sale in every marketplace.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRASSLEY. Mr. President, I was not aware of a time restriction. Could I ask for 5 additional minutes?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Now, what has the other side had to offer as an alternative to the Republican plan? Most often, although not totally, we hear about a 1-year extension of the current program. To me, this idea has several problems. An extension of the current program ignores the reforms that have been made and that farmers have now come to expect. The farmers in my State want, they expect, and they deserve the regulatory relief provided by the Republican farm bill provisions. Furthermore, an extension would literally deprive rural America of billions of dollars. First, a 1-year extension would require farmers to pay back money they have already received as advance deficiency payments. Many of the farmers in Iowa had very poor crops this year due to heavy rain during the planting season. Particularly that is true of southern Iowa, northern Missouri, and western central Illinois. Yet by a 1-year extension, people are suggesting that they would force these farmers to write checks to the Treasury to pay back their advance deficiency payment. It is estimated that these provisions would cost farmers more than $2.1 billion nationwide and, in my State of Iowa, $217 million.

Second, any delay in passing a new farm bill could have a devastating effect on future farm programs. This is due to the Congressional Budget Office's baseline revision that continually shows that Congress will have less money to spend on farm programs in the future. When CBO revised its baseline in November, agriculture lost $7.8 billion from that baseline. This is $7.8 billion that we could have spent under the baseline if the President would have signed the farm bill enacted in October but now is lost, due to delay.

If we pass a 1-year extension, the House Agriculture Committee estimates that agriculture could lose an additional $6 billion—an additional $6 billion. So, it is time to be very candid with our constituents. An extension will take billions of dollars out of that baseline, or, another way of saying it, out of the pockets of the family farmers, and, at the same time, out of rural America. To this Senator, these numbers make a mere extension of the current program an unacceptable alternative. And, when the truth is known to the farmers and to our constituents, I think they will find it equally unacceptable.

I think it is interesting that the same Senators who have accused the Republican Congress of gutting rural America are willing to deprive these areas of billions of dollars by putting off the passing of a farm bill for another year, through a 1-year extension.

Mr. President, the conclusion is very clear to this Senator. The Senate should pass the farm bill provisions contained in the Balanced Budget Act once again. We should do this as soon as possible, preferably this week on the continuing resolution. The farmers, the bankers, and the rest of rural America need the certainty as to what the next farm program will be.

It is high time that we put ideology aside and enact a new farm bill.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

(The remarks of Mr. DORGAN, Mr. CONRAD, Mr. GRASSLEY, and Mr. EXON pertaining to the introduction of S. 1523 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

ORDER OF PROCEDURE

Mr. EXON. Mr. President, I came down for another matter that will take about 2 minutes, to clear some resolutions saluting the Nebraska Cornhuskers football team and the volleyball team which have been cleared on both sides.

I ask unanimous consent at this time I be allowed to proceed for a few more minutes for that purpose.

Mr. CRAIG. Mr. President, I will not object. The measures the Senator from Nebraska is presenting have been cleared by this side.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

COMMENDING THE CORNHUSKERS FOR WINNING THE 1994 AND 1995 NATIONAL COLLEGIATE ATHLETIC ASSOCIATION FOOTBALL CHAMPIONSHIPS

Mr. EXON. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 210) to commend the Cornhuskers of the University of Nebraska at Lincoln for winning both the 1994 and 1995 National Collegiate Athletic Association Football championships back-to-back.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EXON. Mr. President, I rise today to congratulate one of the top college football programs in history—the Nebraska Cornhuskers. The Huskers have once again clinched a national championship earning back-to-back titles in 1994 and 1995. Nebraska won two consecutive championships also in 1970 and 1971. This year's repeat was made special by the fact that this is only the second time ever in college football history that a team was a consensus, undisputed champ in the major polls 2 years in a row. The last time this occurred was in the 1950's.

The Huskers decisively defeated the Florida Gators 62–24 in the Fiesta Bowl on January 2. This victory not only brought with it the national championship, but a perfect 25–0 record for the past two seasons, a 36th victory for the Huskers in the last three seasons and the worst defeat of a number 1 versus number 2 in a championship game. As for the 36 victories, the Huskers are the only team to win that many games in 3 years time. Nebraska was 36–1 overall and the 1 loss came down to a last-second field goal attempt. That field goal was the difference between a repeat and a threepeat of the national title. The Huskers defeated the Miami Hurricanes in Miami 24–17 last year for the championship.

The Huskers this year managed to play nearly everyone on the roster in many of the games and crush opponents by averaging 52.4 offensive points per game. Also when matched against Top 10 opponents this season—Florida, Colorado, Kansas, Kansas State—the Huskers smacked each by an average of 49–18.

The Nebraska program has risen above all others on the field. The Huskers have the record for the most straight bowl game appearances at 27.

Between 1970 and now, they have finished 19 times in the Top 10 and 4 of those were at number 1. Additionally, in this the final year of the Big Eight, the Huskers have dominated with the most Big Eight conference championships at 20. The Huskers were victorious in the Big Eight consecutively for the last 5 years. The Huskers likewise hold the record for overall conference championships—Big Six, Big Seven, Big Eight—at 41.

As it is clear that the Huskers have been winners on the field, they have been winners off the field as well. Coach Osborne, the coach with the highest winning percentage in college football, wrote "More Than Winning," a book which describes his philosophy. There is certainly more than winning and Coach Osborne, who holds a doctorate in educational psychology, tries to teach each of his players how to be winners in the bigger game of life. For example, the University of Nebraska has had the most Academic-All-Americans on its teams at 132 players. The next closest college has 82. The football program itself is number 1 with a total of first team Academic-All-Americans at 49. The next closest college has 35.

I am very pleased with the Huskers for the success that they have had over the years and another repeat of the national championship. While the 1971 match-up between Nebraska and Oklahoma has often been called the game of the century, the run the Huskers have made in the last three seasons, 1993, 1994, and 1995, deserves the caption—"the Team of the Century."

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 210) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 210

Whereas Dr. Tom Osborne, the winningest coach in college football, has led the Nebraska Cornhuskers to the last five Big Eight titles, a second perfect season, and repeat of the National Championship;

Whereas the Huskers have gone undefeated at 25–0 in the last two seasons and 36–1 in the last three seasons, the most victories ever in that time span for any collegiate team;

Whereas Tommie Frazier, the great Husker quarterback, continued the unmatched Nebraska tradition by being named Most Valuable Player in the last three Championship games and finished his brilliant career with a rushing high 199 yards in the 1996 Fiesta Bowl;

Whereas the Huskers decisively won the Fiesta Bowl becoming the second football team ever in collegiate history to earn a consensus #1 rank in the major polls for two consecutive years.

Resolved, That the Senate commends the Cornhuskers of the University of Nebraska at Lincoln for having won the 1995 National Collegiate Athletic Association Football Championship.

Mr. EXON. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMENDING THE CORNHUSKERS FOR WINNING THE 1995 NATIONAL COLLEGIATE ATHLETIC ASSOCIATION WOMEN'S VOLLEYBALL CHAMPIONSHIPS

Mr. EXON. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 211) to commend the Cornhuskers of the University of Nebraska at Lincoln for winning the 1995 National Collegiate Athletic Association Women's Volleyball Championship.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EXON. Mr. President, I rise today to congratulate a great women's volleyball team, as a matter of fact, the best in the Nation—the Nebraska Cornhuskers. This is only the second time in the history of the volleyball championship tournament that a team east of California has won the title.

The Huskers had a spectacular season led by their great coach Terry Pettit. Coach Pettit has been with the Huskers for 18 years and has become a key part of their success. The season was also boosted by the help of Allison Weston who was named cowinner of the national Player of the Year Award. And finally, the team was raised to a level above all others on the court by a team of national championship-winning players.

The Huskers have played for the title previously in the 1980's, so being in the limelight of college volleyball is nothing new for them. What it is, however, is a feat only few have attained outside of the Pacific rim. The only other team was the Texas Longhorns.

The Huskers were incredible in a 3–1 title match versus the Texas Longhorns.

The volleyball program should be acclaimed for another great record as well and that is the success in the classroom. The University of Nebraska has 132 Academic-All-Americans, the most of any college sports, and 16 of them are on the volleyball team. Playing like champions and being champions in the classroom are two incredible accomplishments.

I am quite pleased and very impressed by the success of the Nebraska Huskers and look forward to continued excellence by our great volleyball program.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 211) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 211

Whereas the Cornhusker Volleyball team under the leadership and experience of Coach Terry Pettit has risen above all others in the volleyball arena;

Whereas Nebraska player Allison Weston was named co-winner of the national Player of the Year Award assisting her National Championship winning teammates in a spectacular season;

Whereas this year's Nebraska team was only the second east of California ever to win the Volleyball Championship Tournament by winning the title match;

Resolved, That the Senate commends the Cornhuskers of the University of Nebraska at Lincoln for having won 1995 National Collegiate Athletic Association Women's Volleyball Championship.

Mr. EXON. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Idaho.

THE AGRICULTURAL RECONCILIATION ACT OF 1995

Mr. CRAIG. Mr. President, in a few moments I will propound a unanimous consent request that I know the minority will want to be on the floor to respond to.

While they are coming, let me speak for a few moments to the dilemma we find ourselves in here in the Congress, having passed a Budget Reconciliation Act, and in that budget reconciliation having a substantial portion of new farm policy that is known as the Agricultural Reconciliation Act of 1995. Of course that went to the President and, as we know, was vetoed.

The problem has been spoken to by the Senator from Nebraska, the Senator from North Dakota, the Senator from Iowa already this afternoon, with clearly differing points of view as to how that was handled. But what is clear, in my State of Idaho, is that farmers and their bankers are now sitting down to determine which acres will go into potatoes or sugar beets or barley or wheat or alfalfa crops this coming season. That means that Idaho farmers are putting together their farm plans and determining their financial structure for the coming year. They prefer to do that in the presence of U.S. farm policy.

Of course, we know that on September 30 of this past year, the farm bill has expired. As a result of that, the Secretary of Agriculture is now at least looking at the possibility of our farm policy reverting to the Agriculture Act of 1949. All of us know that simply cannot be allowed to happen. The stalemate that has resulted from the budget considerations that we are now in simply has not produced farm policy as should be expected by American agriculture.

I serve on the Senate Agricultural Committee. Chairman Dick LUGAR and I and all Members of that committee now for over 10 months have been engaged in looking at and crafting farm policy on a title-by-title basis. But because of the necessary savings that we needed to acquire in fiscal 1996 as a result of the balanced budget process that this Congress is now in, the Budget Reconciliation Act handled a substantial portion of new farm policy. Whether you call it "Freedom to Farm" or whether you call it the Agricultural Reconciliation Act of 1995, all of us know that there were clear and substantial changes made. We had held extensive hearings with American agriculture and all segments of the commodity interest of agriculture to craft that farm policy. We had gone to conference with the House, the Senate and the House differing substantially on approaches toward this, but all of us coming together to agree on a policy, finally, that made its way into the Balanced Budget Act of 1995. Since that time, American agriculture has had an opportunity to review it, and I must say that the reviews have been favorable.

Early on, farmers scratched their heads and said, "How will this work," only to recognize the kind of new flexibility that we offer in farm policy which says to American agriculture, no longer will you have to farm to the program. You can now start farming to the marketplace, and you can begin to adjust your cropping patterns to move toward the market.

Farmers cannot wait now for this President. Farmers need to know what we are going to do. It is clearly time that we speak to that issue.

This past summer and fall, as I have mentioned, the Congress, the Senate and the House alike, have attempted to craft new farm policy resulting in an approach that brings us to a balanced budget. Somehow there appears to be a message on this floor this afternoon that American agriculture is not interested in a balanced budget.

Mr. President, that is not what we heard this year. We heard from every commodity group that they were willing to do their fair share in moving us toward that balanced budget, and in so recognizing, they would get greater flexibility in the marketplace to move their cropping programs toward the market with the kind of flexibility and planning, instead of being stuck, if you will, or found in lockstep to farm policy, afraid to lose and therefore afraid of stepping outside that.

We have provided a safety net, and that marketing loan will provide that. The loan will allow farmers a reasonable time period to market their crops. These loans will be stabilized in the market cycle and continue to protect consumers as well as the producer. It will avoid the kind of unnecessary market gyrations.

In crafting these sound programs, the Senate and the House committees worked hard and worked long, together, to solve this issue and to bring us to balance in a very diverse segment of America's economy. And that is American agriculture.

In my State of Idaho, in Florida, in Louisiana, in Colorado, in Montana, and in the Dakotas, sugar, sugar beet and cane raising remains a very important commodity crop. Inside the legislation that was vetoed by the President was, again, a new compromise, a new program, a reduction in the program. Listening to the consumer's side, we made the kind of changes that bring us to the marketplace in a variety of these areas, that allow the producer to say, "I am farming now to the market and not to the farm."

Planning flexibility, as I have already mentioned, could clearly be jeopardized. Traditional nonprogram crops like fruits and vegetables, in my State of Idaho, potatoes, could be thrown in jeopardy if we do not deal with this program and deal with it now.

When we saw in the Freedom to Farm Act limited flexibility, it was the Senate that spoke up and said we want flexibility so farmers can move to the marketplace in lieu of what we want to solve with a balanced budget. At the same time, we want to make sure that we protect a variety of these program crops.

Here we are, not at the 11th hour, not at the 12th hour, but well beyond that, into 1996, with a farm bill that expired on September 30, 1995, with a policy that was cautiously and carefully crafted between both the House and the Senate, put in the Budget Reconciliation Act, sent to the President, and the President vetoed it. Now, the Secretary of Agriculture—and I appreciate the Secretary's problem—is terribly frustrated by a need to conduct farm policy at the same time no law is in place as a result of that Presidential veto.

So I come to the floor tonight in behalf of our Speaker, Leader DOLE, myself, Chairman LUGAR, Chairman COCHRAN, Senator GRASSLEY, and others.

UNANIMOUS CONSENT REQUEST—H.R. 2491

Mr. CRAIG. Mr. President, I now ask unanimous consent that Title I, the Agricultural Reconciliation Act of 1995, of H.R. 2491, the 7-year Balanced Budget Reconciliation Act of 1995, as vetoed by the President, be introduced as a freestanding bill; that the Senate proceed to its immediate consideration; that the bill be advanced to the third reading and passed, and the motion to reconsider be laid upon the table, all without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I reserve the right to object, and I will object.

I would like to comment on the offering by the Senator from Idaho under the reservation, which, as I indicated, will result in an objection to this request.

The Senator from Idaho proposes that we strip from the budget reconciliation bill the cobbled version of the Freedom to Farm Act and bring it to the floor as a separate bill and deem it passed with this action. That is, in my judgment, not a good way to legislate farm policy. It follows last year's circumstances, rather than doing what has traditionally been done with 5-year farm bills. Instead of the development of a bipartisan approach in the Agriculture Committees of the House and Senate, and a markup in which there was bipartisan participation, there was a partisan writing of a farm proposal. It was brought to the committee with this statement, "Here is the proposal. We can have a few votes if you want, but we are all going to vote the same way. This is what we are reporting out." That is what was done last year. This tends, in my judgment, to follow in the same steps.

I am not ascribing any improper motives. The Senator has every right to do this, and I understand the purpose of it. But I am constrained to object, and I intend to offer a unanimous consent request on my time.

Mr. President, at this point I object to the unanimous consent request.

Mr. CRAIG. Mr. President, before the Chair puts the consideration, I would like to explain to the Senate that this would allow the Senate to once again pass the Agricultural Reconciliation Act of 1995, thereby giving the House their opportunity to once again enact the farm bill. Farmers of this country, as I have already explained, need this legislation now. The President has vetoed it. It is very clear he has vetoed this policy.

I certainly do not agree with my colleague that this has been cobbled up. We have been 5 months in the making of this legislation, in creating these difference. I think we are moving toward planting in the Southern parts of our country. As I mentioned in my earlier comments, farmers are now sitting down with their bankers to put the farm policy together, or their farming programs together, for the year. And we certainly need legislation at this time.

UNANIMOUS CONSENT REQUEST—S. 1523

Mr. DORGAN. Mr. President, I rise to propound a unanimous consent request, and I shall explain the request.

I introduced earlier today a bill that is now deemed S. 1523 which provides for a 1-year extension of the current farm program. The bill provides for enormous planting flexibility for farmers who operate under this program to allow them to plant what they want on base acres and not having the Government tell them what to plant, when to plant it or where to plant it. So there is substantial flexibility. And third, it would provide for the forgiveness of the advanced deficiency payment for those farmers that suffered crop losses last year.

I will ask unanimous consent that the Senate proceed to the consideration of this because I agree with the Senator from Idaho that farmers deserve an answer. They deserve certainty. They deserve to know under what farm program will they be planting in just a matter of weeks in some parts of the country as they begin their spring's work.

I do not believe this is necessarily the first choice. It is not necessarily the best choice. But the piece of legislation that the President vetoed was a budget reconciliation bill which included a farm bill that I described as a cobbled product. The President vetoed a reconciliation bill which took with it a bad farm bill.

Now, why did that occur? Because this is the first time in history that rather than debate a 5-year farm bill on its own merits in this Chamber and the House, the majority party decided to stick the farm bill in the reconciliation bill which by last July people knew was going to be vetoed.

Now, that does not talk about the merits of the farm bill itself. The merits of this farm bill would be to say, "Disconnect the price support programs from need. If market prices are high, ignore that. Still give the farmers the payment. And if after 7 years market prices are low, ignore that. There will be no farm program."

I do not think and did not think this was a good approach. I believe the President thinks it is not a good approach for those who care about having a network of family farms in our country in the long term. That is why we did not support this approach.

It should never have been put in the reconciliation bill in the first place. It was never done previously. Doing so produced the jeopardy that now exists for farmers in January of 1996 in not knowing what the farm program will be for spring planting.

Mr. President, for purposes of trying to provide some certainty, I ask unanimous consent that the Senate proceed to the consideration of S. 1523, a bill I introduced earlier today providing for a 1-year extension of the current farm programs for increased planting flexibility and providing for the forgiveness of the advanced deficiency payment for those who suffered crop loss; that the bill be read a third time and passed and the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection?

Mr. CRAIG. Mr. President, I will object. I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. CRAIG. Mr. President, I think the Senator and I speak to the same concern, but there is one thing that has gone on this year that it is important the record reflect—the very extensive hearings, well over 6 months of hearings now on every title of the farm bill. But because we were in a uniquely different situation, and that is we had to deal with the cost and the cost impacts of farm policy, we brought those provisions of what would be a new farm bill to the floor in the budget reconciliation to gain those kinds of savings, to gain the $15 billion in savings that was necessary.

What the Senator proposes in this extension under the current law would also wreak some peril. There is no question about it. Farmers are being required to repay nearly $2 billion in 1995 advanced deficiency payments, and I think only in the freedom to farm package do we resolve that issue.

Mr. DORGAN. Mr. President, if the Senator will yield——

Mr. CRAIG. I would be happy to yield.

Mr. DORGAN. My unanimous consent request specifically includes, as my bill does, the forgiveness of the advanced deficiency payment.

Yes, it does. On page 3.

Mr. CRAIG. Obviously, the Senator does not have page 3 for me. He has a message that is less than legible, and I would like to see the full impact of this.

I must advise the Senator and my friend here that this is not a way to pass substantive legislation. We are dealing with an entire farm package here and it is critically necessary.

I do object. And I do object by the nature of the way this has been presented.

What I am offering and what has been objected to, Mr. President, is a full and complete package that has already been debated on the floor, well disseminated and understood by American agriculture, and I think largely accepted in their recognition of needing to participate.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS-CONSENT REQUEST

Mr. CRAIG. In light of the objections, and that which has just transpired, I now ask unanimous consent that the Senate proceed to the immediate consideration of a bill I now send to the desk which would suspend further implementation of the Permanent Agricultural Law of 1949, that the bill be read for a third time, passed, and the motion to reconsider be laid on the table, without any intervening action or debate.

I now send that legislation to the desk on behalf of myself, Senator DOLE, Senator LUGAR, and Senator COCHRAN.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Reserving the right to object. The procedure the Senator from Idaho has just used was one he described about 2 minutes ago as a procedure that is unworthy on the floor of the Senate. That is bringing a bill that has had no hearings and which I have not received. So I do not quite understand the consistency here. But, nonetheless, repealing the underlying farm legislation, the Permanent Farm Act of 1949 makes no sense under any conditions given the circumstance we are in now.

We find ourselves in late January with no farm policy except an underlying permanent law. The reason I assume that some want to get rid of the permanent law—and they would get rid of the permanent law in the Freedom to Farm Act—is because they believe in the long term there ought not be a farm program, there ought not be a safety net for family farmers.

That is the reason this provision existed in the Freedom to Farm Act. It is one of the reasons I opposed the Freedom to Farm Act. I think there ought to be a farm program to provide some basic safety net for a family out there that is struggling with a few acres. Farm families are trying to make a living with twin risks: one, planting a seed that you do not know whether it will grow, and, second, if it grows you do not know whether you will get a price. Those risks are impossible for family farmers to overcome in circumstances where international grain prices dip and stay down.

The proposal being offered is a recipe for deciding we do not need family farms, what we need are agrifactories. So I cannot support that. I am here because I care about family farms, care about their future, and want them to have a decent opportunity to succeed.

I do not impugn the motives of anyone, and especially the Senator from Idaho. I am sure he wants the same thing for family farmers but probably finds a different way to achieve that. But I cannot support anyone who believes we ought not be left with some basic safety net for farm families out there who are struggling against those twin risks. So I am constrained to object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. CRAIG. Mr. President, before the Chair rules, let me explain why I presented this legislation. It is detailed in the sense of the titles of the law of 1949 that it would repeal. Obviously, in hearing from the Secretary of Agriculture, he, by the action of his own President in vetoing the Budget Reconciliation Act that laid farm policy out in it, is in a tremendous quandary at this moment. He has to implement a very cumbersome and costly law, the provisions of the 1949 Agricultural Adjustment Act. It does not fit modern-day agriculture.

I am sure the Senator from North Dakota and I are extremely concerned about family farms. We have worked together on that issue on the Agriculture Committee of the Senate in an effort to resolve those problems. I do not impugn his intention nor do I believe he impugns mine. But clearly we need policy. Policy has been created. Policy has been passed by this Congress. And policy has been vetoed by this President, the very kind of policy that would have created the certainty, that would have avoided the kind of frustrations that the Senator and I are involved in right now.

So by action here tonight I have attempted to say that which has been worked on should be freestanding legislation, that we ought to have a right to vote up or down on it, and that I hope then that the President would sign it. It certainly offers the kind of budgetary savings that he has offered in the cuts in discretionary spending and at the same time it allows the flexibility to avoid the downsizing of purely a budget-driven farm policy.

It allows the flexibility of a market-driven farm policy that protects American agriculture, that certainly protects the family farm, but also recognizes that they too are businesses that have to compete like everybody else in the small business sector of our society. It does provide a safety net, but it does set together a plan, a 7-year plan that allows them to create and move into the market away from simply farming to the program.

If there is one thing I heard from Idaho agriculture and that I heard from Midwestern agriculture, it is "Give us the flexibility so we don't find ourselves totally constrained to a farm program that may not be all that profitable."

I laughed a bit this afternoon when there were my colleagues coming to the floor talking about the freedom to farm as a welfare program. When we talk about welfare, one of the phrases that has always gotten used is that we provide a safety net to the recipient. Yet the record shows that the words "safety net" were oftentimes used by my colleagues as they decried the idea of a welfare program.

Offering stability, offering baseline, and at the same time offering movement into the market is not welfare. And nobody that is a producer and a hard worker out there that I know in my State that is a farmer or rancher is going to argue they are a recipient of a welfare program, whether it be the Freedom to Farm Act or whether it be current policy.

Mr. President, we need action. This President needs to act. He needs to come to the table to work with us on a balanced budget and in so doing to be able to craft and move or resolve the issue that we are currently involved in that has brought real stalemate to the agricultural communities of our country.

That is why I propounded these two very important unanimous consent requests this afternoon, to see if it would not move our President off center and allow flexibility, both for the Senate and for our Secretary, to get on with the business of telling American agriculture what they can expect in the coming crop year.

The PRESIDING OFFICER. Objection is heard.

Mr. DORGAN. Mr. President. Actually the words "safety net" came from President Ronald Reagan who described a series of programs that represented the safety net, an important one of which is Social Security. I do not expect anyone here would make the case that Social Security is welfare or that Ronald Reagan meant that Social Security was welfare. That is a program workers pay into and at some point get some returns when they reach retirement.

So to use the words "safety net," using the term of President Reagan, was to refer to the opportunity to try to provide some help for people who need some help through a series of programs, some of which might be welfare but many of which were not, including Social Security which is not a welfare program and the farm program which was never a welfare program.

EXTENDING THE CONTINUING RESOLUTION

Mr. DORGAN. Mr. President, I would propose one additional unanimous-consent request and am constrained, I guess, not to offer the third. I felt that as long as we were offering unanimous-consent requests, the most logical-unanimous-consent request is to come here and say, well, let us at least now understand that Friday we have a CR that needs extension or we will have a shutdown.

The shutdown, it seems to me, is an example of what we have been through a couple of times, of poking taxpayers in the eye by saying, "You pay for a couple hundred thousand people that will be prevented from coming to work, and we insist you pay for them," and then dangle Federal workers in front of this debate and say, "By the way, you're the pawns we're going to use."

If we have not been cured of Government shutdowns and the chaos that comes by using CR's as some kind of a line in the sand here where everybody else pays but nobody else suffers, if we have not cured ourselves of that apparently there is no cure for what ails us.

My urge is to offer a CR that says, let us extend the CR that expires on Friday at a minimum of 2 weeks, but I shall not do that. I will not do that in deference to the leadership. I think if one were to do this sort of thing, one would want to notify the leadership.

So my urge is to want to do this, and maybe sometime I will, as long as someone else comes out wanting to offer unanimous-consent requests. But I will not do that in deference to the leadership today.

UNANIMOUS-CONSENT REQUEST

Mr. DORGAN. I will offer one additional unanimous-consent request. It does deal specifically with something that I know the Senator from Idaho cares about because he raised it a few minutes ago. He was concerned I did not include it in my legislation. That is some forgiveness of the advanced crops deficiency payments for 1995.

My legislation on page 3, which I introduced earlier today, and is at the desk, provides for the forgiveness of certain advanced deficiency payments for those crop producers who suffered a loss.

The Senator from Idaho raised that. I know he cares about it and I care about it. If we cannot pass the entire bill, let us at least pass that entire provision that both of us care about and both of us think should be passed. The forgiveness of the advanced deficiency payments is critically important to a lot of family farm producers out there. We do not need a large debate about that. Let us go ahead and do this.

So I ask unanimous consent that the Senate proceed to the consideration of a bill to provide for forgiveness of 1995 advance crop deficiency payments, as I described, and that the bill be read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER (Mr. GRAMS). Is there objection?

Mr. CRAIG. Mr. President, I have to object this evening. Maybe this is the kind of legislation that we could include in the CR this coming Friday. I think the Senator from North Dakota and I both know well that we are going to have to deal with a continuing resolution come Friday; that we are not going to shut the Government down anymore; that the President does not want to shut the Government down anymore.

At least out of all of this budget discussion that has gone on for the last good number of weeks, both the executive branch and the legislative branch have come to that conclusion, and I agree that that is the proper conclusion.

The Senator brings up an important point, that is why I brought it up, because it was not in his original unanimous consent, and I had hoped that we be thorough in dealing with this issue. I am glad the Senator has brought it up. It is a question of great concern. It is a repayment of nearly $2 billion of advance deficiency payments.

I hope that we can resolve this issue, but it is not a separate issue to be resolved tonight. I think the Senator has brought it to the floor with just intention, and because he has raised the issue to the level of visibility that he does tonight, I hope that maybe that is something we will consider as we deal with final resolution toward the end of the week of a continuing resolution, but I do object at this time.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I know it is technical, but I did include that in my first unanimous-consent request. It was something I mentioned in connection with three provisions in the UC that I offered. But I observe, this is not a rider that needs a horse. This is a provision that does not need to wait for Friday. It does not need to wait for next July. It does not need to wait for something else that is moving. It can be done any time.

The reason I offer it is, I would like to see an extension of the current farm bill for a year with the provisions I suggested. If that is not possible, I would like to see us decide to tell farmers what is possible. It ought to be possible for us to deal with the forgiveness of advance deficiency payments. It does not, as I said, need something else coming along to jump on. This is not a cargo looking for a train. This is an idea we ought to advance.

I encourage us, if we cannot do it tonight, let us do it tomorrow. If we cannot do it tomorrow, let us do it the next day.

The one thing I suggest to the Senator from Idaho, when we talk about continuing appropriations and shutdowns—I am delighted there will not be any more shutdowns, and I pray there will not be, because I do not think it serves anyone's interest. Nobody wins. The way we are able to avoid that is the way we are able to convince everybody in this Capitol Building on all sides that they cannot use this as leverage any longer; they cannot threaten someone over a CR—"If you don't have this, we won't enact a CR"—and that is what results in a shutdown.

Let me say, I understand the objection. I expected the objection. My hope is that perhaps tomorrow—I do not know if anybody will be doing unanimous-consent requests tomorrow, but if we do, I have a number of good ideas. This is one of them, and I would like this idea to sort of lead the parade here. We should do the things that both of us would agree on, that both of us think are important for our farmers, that both of us believe would represent good policy. If that is the case, let both of us do it together, either now or tomorrow morning.

I guess since there is an objection now, maybe we can talk about it again tomorrow. Again, I understand exactly what has happened. This, one way or another, needs to get resolved.

The Senator from Nebraska was on the floor, the Senator from Iowa, the Senator from Idaho, my colleague from North Dakota. All of us have said exactly the same thing. We have said it with fingers pointing in different directions, I guess. That is a habit I hope we get over this month and maybe the rest of the year, not talking so much about what happened but what should happen, what must happen, what must we do to make this a better country.

We all described one common goal today, and that is, we ought to provide an answer to rural America. The Senator from Idaho probably has had the same experience I have. I went to a farm show, and I was talking to a lot of farmers. I was talking to a fellow who sells Ford pickup trucks. He was talking to me. He said, "You know, I need to find out from you, when on Earth are you going to pass a farm bill?"

I said, "Why are you so interested in that? Do you have crop acreage out there?"

He said, "Oh, no, I don't have crops. What I have are farm customers. I have farm customers who were going to buy a pickup who now say, 'I am not going to be able to make this purchase until I find out what the circumstances are going to be for the farm bill.'"

You need to understand it is not just farmers. It is agribusiness. It is people who sell vehicles and supplies. Everybody out there is facing the same kind of problems as a result of this uncertainty.

So my hope is that the expression by all of us in the last few hours might result in some common good here. If we can get together and talk about this, we can probably find a key to unlock this and move ahead and give farmers the answer they deserve.

We only do this once every 5 years. It is pretty hard to foul this up. But, in my judgment, a mistake was made when it was decided to piggyback it on something else that was moving along. That is to piggyback it on reconciliation. We have never done that before. I do not think it is the right thing to do.

What is past is past. The question now is: How do we extract from this and decide to do this the right way?

The interesting thing, I say to the Senator from Idaho, is we have two leaders in this Senate who come from farm country. Senator DOLE, of course, is from a big grain-producing State, and Senator DASCHLE has represented farmers many years from the State of South Dakota.

We have two leaders who know a lot about agriculture. Both of them know a great deal about these issues. I know both of them have tried—in fact, Senator DASCHLE is a cosponsor of the legislation I just discussed and introduced today—to provide some answers.

My hope is all of us can get together and start figuring out a way to bridge this gap and solve this problem. I hope perhaps the Senator and I could talk again in the next day or so and see if we can just incrementally address these issues. Maybe the first increment is the advance deficiency payment.

So, with that, I ask unanimous consent to add Senator EXON as a cosponsor to the legislation that I introduced today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, the Senator from North Dakota and I probably agree more than we disagree on agricultural policy, and I think both he and I recognize the importance of our concerns this afternoon and what we have tried to say from the Senate to the leaders of the Senate and to the President.

The President cannot be allowed to only have rhetoric on this issue. He must show action. He has to come forward, and he has not yet come forward with a farm plan.

Clearly, this morning at the White House, with the discussion among our agricultural leaders, our Senate and House leaders and the Secretary, in all fairness but with no criticism, this administration is without a plan as we speak. That simply has to change if we are to work out our differences on farm policy.

Budget reconciliation, Mr. President, over the years has taken a variety of forms, and it takes those forms as the budget requires it to. Those provisions of the farm bill or farm policy that are in budget reconciliation are those that drive budgets—conservation, farm credit, some of those that are not there. We are not through with those. We will ultimately package a farm bill this year, and I think the Senator from North Dakota and I both recognize that for it to be freestanding on this floor, a very large part of it has to be bipartisan, and we will work at every effort to solve that.

The work that we did earlier this year that found its way into budget reconciliation did get a lot of support. It is not to say that it did not get support. The American Farm Bureau supported it, the National Corn Growers Association supported it, the National Grain Trade Council supported it. I noticed the North Dakota Grain Growers

Association lent their support to it, the Iowa Cattlemen, the Iowa Corn Growers. Obviously, my colleague mentioned the majority leader. Well, Kansas was right in there offering the support to it from the Kansas Association of Wheat Growers and bankers and feed and grain associations and Kansas Fertilizer and Chemical Association. It is a bill that offers broad-based support to American agriculture, and I think it is important that the Record show that.

There are disagreements, and there are differences. My colleague from North Dakota and I are tremendously concerned about what has happened in discretionary spending over the last good number of years, to see that direct payments to American agricultural producers from 1986 to today has been reduced in real dollars about 60 percent. The problem we have now is trying to balance all of that out.

Ironically enough, when we gained majority here in the U.S. Congress, we knew that to get the kind of budget control we had to have, we could no longer go to the discretionary side, as my colleagues party has gone for one too many years, and we had to go to entitlements. Even though we brought agricultural spending down, there is no question that that happened with policy change. We are gridlocked here today over entitlement battles. If we are still going to get the budget savings and leave entitlements untouched, I am afraid that my colleague from North Dakota and I are going to be locked together in a battle to protect agriculture.

This administration still wants to take much too much out of discretionary spending and free up or allow relatively untouched a variety of the entitlement areas. What we tried to offer was some balance. There is disagreement at this time, and I hope we can arrive at a balanced budget. The President has finally agreed to 7 years and CBO. But there is a lot of difference out there still.

The one thing I think my colleague and I agree on this evening is the immediacy of the situation with American agriculture. We are not going to see another shutdown. Programs are going to be funded. But how long will they be funded, and how far into the next cropping season? The signals we send now and in the next few months are going to be ever so important, as American agriculture begins to farm and puts together its budgets and farm programs, buys the new pickup, if you will, looks at the new combine, puts the budget together for the fertilizer, seed grain, corn, and all of that. That is what it is all about. I hope that by the weekend, possibly, we can have resolved this issue. Maybe it will come with a CR on Friday, maybe it will not. But I certainly hope that all parties involved will engage and get it resolved so that we can send a critical message to agriculture in this country, which they are now asking for.

Mr. DORGAN. Mr. President, the Senator from Idaho and I have, long ago, worn out our welcome. But I did just want to add a point about the administration. The Senator from Idaho said gingerly that this administration had no farm plan, was not active or engaged in the farm bill debate. I do not want that to pass. We have an Agriculture Secretary, former Congressman Dan Glickman, who comes from Kansas, who was confirmed with unanimous support. He knows agriculture and had served on the House Agriculture Committee. He knows it very well. He is a strong advocate for family farmers, as is the President. In fact, because I was part of the budget negotiations, Senator EXON and I were involved in many of the negotiations, some at the White House.

I have seen the President's reaction weighing in on the agriculture issues. He very much wants there to be a safety net or a farm program that helps family-size farms in this country. He hired and appointed an Agriculture Secretary who believes that very strongly. I do not want the moment to go and let someone listening say, "Well, gee, they said nobody down at the White House cares." Secretary Glickman, I think, is a terrific Secretary of Agriculture, selected by this President, representing this President, to try to get a better farm program. Hopefully, all of us can work together. There will be no solution to the problem without Secretary Glickman and President Clinton's active involvement. The meeting this morning, I think, was called by Secretary Glickman. They are active, engaged, and involved, and they want to solve this problem.

I hope, along with the Senator from Idaho, that by the end of this week we will have advanced by this discussion today the interest of providing some answers to family farmers in this country, but especially providing the right answers for the long-term.

I yield the floor.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TWO HEROES

Mr. DORGAN. Mr. President, I would like to talk just briefly about two Americans I want to bring to the attention of my colleagues—two heroes of mine.

I have never met these men. I talked to one of them on the phone the other day, a fellow named Robert Naegele. Mr. Naegele started a company called Rollerblade, which some of you may know about. It is the largest in-line skate company in America. I learned about Mr. Naegele and his company in an article I read in the Minneapolis Star Tribune when I was travelling through Minneapolis the other day by plane.

Robert Naegele sold his company 2 months ago. He apparently made an enormous amount of money. He started the company from scratch, ran it, turned it into a $250 million business and then sold it recently. Then, about a week before Christmas, 280 employees of this company began to get letters in the mail from Mr. Naegele and his wife, Ellis. It turns out that he decided to give the people who had worked for his company—the people who worked in the factories and made the skates and made him a very wealthy man—a Christmas bonus equal to $160 a month for every month these folks had worked for the company.

For some of them who had been there the entire 10 years he owned the company, it meant more than $25,000. But he wasn't done. He and his wife had prepaid the income taxes on the bonuses so when these folks opened up their check, totally unexpected, from someone who no longer owned the company, they got a check that was tax free.

What this man was saying to them was: You mattered. You people who worked in the plant and factories and helped make this product, you are the ones who made me successful. You made me some money, and I want to share it with you. What a remarkable story. What a hero!

This guy is out of step with the CEOs in our country who now say the way to the future is to downsize, lay off and cut the ground out from under the feet of people who have worked for a company for 20 years. Mr. Naegele, on the other hand, says to his workers, who are weeping with joy about his unexpected benevolence: "You matter to me. You made a difference. You made this company successful, and I want to share it with you."

What a remarkable man! It seems to me if more CEOs in this country would understand what Mr. Naegele understands, this country would be a better place. Our companies could be better able to compete. You would have more loyalty and more job security for people who have spent 10 and 20 years investing their time in a company.

The day after I read the article about Mr. Naegele, I read a similar one. It was about a fellow whose company began to burn down on December 11 in a small town in Massachusetts. The man's name was Aaron Feuerstein. He was about to go to his 70th birthday party—a surprise party that was being thrown for him—when he learned that a boiler had exploded at his textile mill setting off a fire. It injured 27 people and destroyed three of the factory's century-old buildings. His plant employs 2,400 people in an economically depressed area.

The people who watched the mill burn felt that they were going to lose their jobs and lose their futures. When Feuerstein arrived to assess the damage to a business his grandfather had started 90 years ago, he kept himself from crying by thinking back to the passage from King Lear in which Lear promises not to weep even though his heart would "break into a hundred thousand flaws." Mr. Feuerstein said, "I was telling myself I have to be creative." And 3 days after the fire, he had a plan.

According to the Time magazine article:

On the night of Dec. 14, more than 1,000 employees gathered in the gym of Central Catholic High School to learn the fate of their jobs and of the cities of Methuen and Lawrence. Feuerstein entered the gym from the back, and as he shook the snow off his coat, the murmurs turned to cheers. The factory owner, who had already given out $275 Christmas bonuses, and pledged to rebuild, walked to the podium. "I will get right to my announcement," he said. "For the next 30 days—and it might be more—all our employees will be paid their full salaries. But over and above the money, the most important thing Malden Mills can do for our workers is to get you back to work. By Jan. 2, we will restart operations, and within 90 days we will be fully operational."

* * * * *

True to his word, Feuerstein has continued to pay his employees in full, at a cost of some $1.5 million a week and at an average of $12.50 an hour—already one of the highest textile rates in the world. And even better than his word, Malden Mills was up and running last week at 80% of its Polartec capacity, thanks to round-the-clock salvage work and the purchase of 15 new machines. "I haven't really done anything," says Feuerstein. "I don't deserve credit. Corporate America has made it so that when you behave the way I did, it's abnormal."

I just want to say again that I think Robert Naegele and Aaron Feuerstein are heroes. I think they both recognize what a lot of people in this country have forgotten. A company is its workers. Yes, it is its investors, it is its innovators, it is its scientists, and it is also its workers. Workers matter, and these heroes have done what more American business leaders should do. Too many American businesses now say to those workers, "You are like a wrench. We use you, and we get rid of you when we choose to."

What Mr. Naegele and Mr. Feuerstein are saying is that workers are their business. The workers determined whether their businesses were successful. And both of them have committed themselves to their workers. And I say to Mr. Naegele and Mr. Feuerstein that they are American heroes to me, and I wish there were more employers like them in this country.

Mr. President, I ask unanimous consent that the full text of the two articles I mentioned be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star Tribune]

IT WAS A SURPRISINGLY GREEN CHRISTMAS FOR ROLLERBLADE EMPLOYEES

(By Dee DePass)

Two weeks ago Rollerblade employee Ann Reader, six months pregnant with her third child, called her husband, Tim, from work sobbing. He immediately thought the worst, she said.

But it was good news for Reader and all of Rollerblade's 280 employees. Former Rollerblade co-owner Robert Naegele and his wife, Ellis, played Santa over the holidays, giving each of Rollerblade's employees thousands of dollars in tax-free money, figured at about $160 for each month of service with the company. Sources familiar with the giveaway estimated the combined gifts to be $1.5 million.

Reader, team programs manager, has worked there for more than 6 years—making her check worth more than $11,000. None of the employees contacted would confirm the amount of their checks.

"It made me cry," said Reader in a shaky voice. "I think it was so generous of them. It was an amazing gesture."

Rollerblade spokesperson Deborah Autrey said, "It was a complete surprise that came out of the blue. People were laughing and crying and hugging. I have never seen people in such a stupor."

Autrey has worked at Rollerblade for four years. More than half of the employees are warehouse workers with most receiving hourly wages.

Naegele, who was chairman during the phenomenal growth of the 15-year old firm, could not be reached for comment. Two months ago he sold his 50 percent share of Rollerblade to Nordica Inc. of Italy for an undisclosed amount. He bought 50 percent of the in-line skate company in 1985, when sales were only $500,000. Sales in 1994 were $265 million.

In Christmas cards to employees, Naegele wrote that he had reaped great rewards from his Rollerblade investment because of the employees' hard work and that he wanted to show his thanks, Autrey said. Enclosed in the cards were the gift checks, on which the Naegeles paid federal taxes.

"That way the employees did not get hit with a double whammy. It is a tax-free gift," said Autrey.

The checks were mailed to employees' homes the week before Christmas. The first arrived on Dec. 21 to an employee who was home on maternity leave. From there word spread among the workers, and later that day it was confirmed by the company's chief executive, John Hetterick, who had only found out the day before.

When the good news reached Matt Majka, 33, the director of product marketing, he immediately phoned his wife, Kym, and asked her to open the mail. When she did, Majka heard sobs. He has been with the company for 11 years, making his check worth an estimated $21,120.

"It was very moving," he said.

"It was very heartfelt for us. We were extremely shocked and extremely grateful for his generosity. . . . All the words he talked about for so many years—about teamwork and that we are a family—he put his words into action."

Majka and his wife have a 4-month-old baby and a 2-year-old son, and the Naegeles' gift went to start a college fund for them, he said. The couple also had a new IBM computer under the Christmas tree.

Reader said she bought bikes for her two children (and a bike baby carrier for the newest family member) and she plans to put some of the money away in savings.

Majka marveled at what the gift meant to scores of his co-workers. "There are some people who have worked in our warehouse and have been here for a long time," he said. "For some people, they have received a very substantial check, maybe half of their year's salary. It's pretty amazing." At least two employees have been there for all of the company's 15 years.

"I happened to talk to Bob [Naegele] later that night," Majka said. "I told him, 'You can't imagine the impact you have had on everyone.' He bellowed and said, 'That is just what I wanted to hear.' He said, 'This is not mine. It is a gift I had to share.' "

[From Time Magazine, Jan. 8, 1996]

THE GLOW FROM A FIRE

(By Steve Wulf)

Methuen, Massachusetts, is a small city not unlike the Bedford Falls of It's a Wonderful Life. Over the years, the working-class town on the border of New Hampshire and Massachusetts has come to rely on the good heart of one man. While Aaron Feuerstein may not look much like Jimmy Stewart, he is the protagonist of a Christmas story every bit as warming as the Frank Capra movie—or the Polartec fabric made at his Malden Mills.

On the night of Dec. 11, just as Feuerstein was being thrown a surprise 70th birthday party, a boiler at Malden Mills exploded, setting off a fire that injured 27 people and destroyed three of the factory's century-old buildings. Because Malden Mills employs 2,400 people in an economically depressed area, the news was as devastating as the fire, according to Paul Coorey, the president of Local 311 of the Union of Needletrades, Industrial and Textile Employees. "I was standing there seeing the mill burn with my son, who also works there, and he looked at me and said, 'Dad, we just lost our jobs.' Years of our lives seemed gone."

When Feuerstein arrived to assess the damage to a business his grandfather had started 90 years ago, he kept himself from crying by thinking back to the passage from King Lear in which Lear promises not to weep even though his heart would "break into a hundred thousand flaws." "I was telling myself I have to be creative," Feuerstein later told the New York Times. "Maybe there's some way to get out of it." Feuerstein, who reads from both his beloved Shakespeare and the Talmud almost every night, has never been one to run away. When many other textile manufacturers in New England fled to the South and to foreign countries, Malden Mills stayed put. When a reliance on fake fur bankrupted the company for a brief period in the early '80s, Feuerstein sought out alternatives.

What brought Malden Mills out of bankruptcy was its research and development team, which came up with a revolutionary fabric that was extremely warm, extremely light, quick to dry and easy to dye. Polartec is also ecologically correct because it is made from recycled plastic bottles. Clothing made with Polartec or a fraternal brand name, Synchilla, is sold by such major outdoors clothiers as L.L. Bean, Patagonia, Eastern Mountain Sports and Eddie Bauer, and it accounts for half of Malden's $400 million-plus in 1995 sales.

Even though the stock of a rival textile manufacturer in Tennessee, the Dyersburg Corp., rose sharply the day after the fire, L.L. Bean and many of Malden's other customers pledged their support. Another apparel company, Dakotah, sent Feuerstein a $30,000 check. The Bank of Boston sent $50,000, the union $100,000, the Chamber of Commerce in the surrounding Merrimack Valley $150,000. "The money is not for Malden Mills," says Feuerstein, "It is for the Malden Mills employees. It makes me feel wonderful. I have hundreds of letters at home from ordinary people, beautiful letters with dollar bills, $10 bills."

The money was nothing to the workers compared to what Feuerstein gave them three days later. On the night of Dec. 14, more than 1,000 employees gathered in the gym of Central Catholic High School to learn the fate of their jobs and of the cities of Methuen and Lawrence. Feuerstein entered the gym from the back, and as he shook the snow off his coat, the murmurs turned to cheers. The factory owner, who had already given out $275 Christmas bonuses and pledged to rebuild, walked to the podium. "I will get right to my announcement," he said. "For the next 30 days—and it might be more—all our employees will be paid their full salaries. But over and above the money, the most important thing Malden Mills can do for our workers is to get you back to work. By Jan. 2, we will restart operations, and within 90 days we will be fully operational." What followed, after a moment of awe, was a scene of hugging and cheering that would have trumped the cinematic celebration for Wonderful Life's George Bailey.

True to his word, Feuerstein has continued to pay his employees in full, at a cost of some $1.5 million a week and at an average of $12.50 an hour—already one of the highest textile wages in the world. And even better than his word, Malden Mills was up and running last week at 80 percent of its Polartec capacity, thanks to round-the-clock salvage work and the purchase of 15 new machines. "I haven't really done anything," says Feuerstein. "I don't deserve credit. Corporate America has made it so that when you behave the way I did, it's abnormal."

Union chief Coorey begs to differ. Says he: "Thank God we got Aaron."

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, almost 4 years ago I commenced these daily reports to the Senate to make a matter of record the exact Federal debt as of close of business the previous day.

In that report of February 27, 1992, the Federal debt stood at $3,825,891,293,066.80, as of close of business the previous day. The point is, the Federal debt has increased by more than $1.1 trillion—$1,162,159,313,063.99—since February 26, 1992.

As of the close of business yesterday, Monday, January 22, the Federal debt stood at exactly $4,988,050,606,130.79. On a per capita basis, every man, woman and child in America owes $18,933.07 as his or her share of the Federal debt.

REPORT OF THE STATE OF THE UNION ADDRESS—MESSAGE FROM THE PRESIDENT—PM 111

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was ordered to lie on the table:

Mr. Speaker, Mr. Vice President, Members of the 104th Congress, distinguished guests, my fellow Americans all across our land.

I want to begin by saying to our men and women in uniform around the world, and especially those helping peace take root in Bosnia, and to their families. Thank you. America is very proud of you.

My duty tonight is to report on the State of the Union, not the state of our government but of our American community, and to set forth our responsibilities—in the words of our Founders—to "form a more perfect union."

The State of the Union is strong.

Our economy is the healthiest it has been in three decades. We have the lowest combined rate of unemployment and inflation in 27 years.

We have created nearly 8 million new jobs, over a million of them in basic industries like construction and automobiles. America is selling more cars than Japan for the first time since the 1970's, and for 3 years in a row, we have had a record number of new businesses started.

Our leadership in the world is also strong, bringing new hope for peace. And perhaps most important, we are gaining ground in restoring our fundamental values. The crime rate, the welfare and food stamp rolls, the poverty rate, and the teen pregnancy rate are all down. And as they go down, prospects for America's future go up.

We live in an Age of Possibility. A hundred years ago we moved from farm to factory. Now we move to an age of technology, information, and global competition.

These changes have opened vast new opportunities, but they also present stiff challenges. While more Americans are living better lives, too many of our fellow citizens are working harder just to keep up. And they are concerned about the security of their families.

We must answer three fundamental questions: How do we make the American dream of opportunity a reality for all who are willing to work for it? How do we preserve our old and enduring values as we move into the future? And how do we meet these challenges together, as one America?

We know Big Government does not have all the answers. There is not a program for every problem. We know we need a smaller, less bureaucratic government in Washington—one that lives within its means.

The era of Big Government is over. But we cannot go back to the time when our citizens were left to fend for themselves. Instead, we must go forward as one America—one nation working together, to meet the challenges we face together. Self-reliance and teamwork are not opposing virtues—we must have both.

I believe our new, smaller government must work in an old-fashioned American way—together with all our citizens, through state and local governments, in the workplace, in religious, charitable, and civic associations.

Our goal must be: to enable all our people to make the most of their own lives with stronger families, more educational opportunity, economic security, safer streets, a cleaner environment, a safer world.

To improve the state of our Union, we must ask more of ourselves; we must expect more of each other; and we must face our challenges together.

Our responsibility here begins with balancing the budget in a way that is fair to all Americans. There is now broad bipartisan agreement that permanent deficit spending must come to an end.

I compliment the Republicans for the energy and determination they have brought to this task. And I thank the Democrats for passing the largest deficit reduction plan in history in 1993, which has already cut the deficit nearly in half in just 3 years.

Since then, we have all begun to see the benefits of deficit reduction: lower interest rates have made it easier for business to create new jobs, and have brought down the cost of home mortgages, car payments, and credit card rates to ordinary citizens. Now it is time to finish the job. Though differences remain among us, the combined total of the proposed savings common to both plans is more than enough, using numbers from your Congressional Budget Office, to balance the budget in 7 years and to provide a modest tax cut. These cuts are real; they will require sacrifice from everyone.

But these cuts do not undermine our fundamental obligations to our parents, our children, and our future by endangering Medicare, Medicaid, education or the environment, or by raising taxes on the hardest pressed working families.

I am willing to work to resolve our remaining differences. I am ready to meet tomorrow. But I ask you at least to enact these savings so we can give the American people their balanced budget, a tax cut, lower interest rates, and a brighter future.

We must make permanent deficits yesterday's legacy.

Now it is time to look to the challenges of today and tomorrow. Our Nation was built on challenges, not promises. When we work together to meet them, we never fail. That is the key to a more perfect union: our individual dreams must be realized by our common efforts.

Tonight, I want to speak about the challenges we face as a people.

Our first challenge is to cherish our children and strengthen American families.

Families are the foundation of American life. If we have stronger families, we will have a stronger nation.

Strong families begin with taking more responsibility for our children. It is hard to be a parent today; but it is even harder to be a child. All of us—our parents, our media, our schools, our teachers, our communities, our churches, our businesses, and government—have a responsibility to help children make it.

To the media: I say you should create movies, CD's and television shows you would want your own children and grandchildren to enjoy. I call on Congress to pass the requirement for a "V" chip in TV sets, so parents can screen out programs which they believe are inappropriate for their younger children. When parents control what their children see, that's not censorship. That's enabling parents to assume more responsibility for their children. And I urge them to do it. The "V" chip requirement is part of the telecommunications bill now pending. It has bipartisan support, and I urge you to pass it now.

To make the "V" chip work, I challenge the broadcast industry do what movies have done, to identify your programming in ways that help parents protect their children.

I invite the leaders of major media corporations and the entertainment industry to come to the White House next month to work with us on concrete ways to improve what our children see on television. I am ready to work with you.

I say to those who make and market cigarettes. Every year, a million children take up smoking; 300,000 of them will have their lives shortened as a result. My administration has taken steps to stop the massive marketing campaign that appeals to our children. We are saying: Market your products to adults, if you wish—but draw the line on children.

I say to those on welfare: For too long, our welfare system has undermined the values of family and work, instead of supporting them. Congress and I are near agreement on sweeping welfare reform.

We agree on time limits, tough work requirements, and the toughest possible child support enforcement. But we must also provide child care so that mothers can go to work without worrying about their children. So I challenge Congress: Send me a bipartisan welfare reform bill that will really move people from welfare to work and do right by our children, and I will sign it.

But passing a law is only the first step. The next step is to make it work. I challenge people on welfare to make the most of this opportunity for independence. And I challenge American business to give them a chance to move from welfare to work. I applaud the work of religious groups that care for the poor.

More than anyone else, they know the difficulty of this task, and they are in a position to help. Every one of us should join with them.

To strengthen the family, we must do everything we can to keep the teen pregnancy rate going down. It is still too high: Tonight I am pleased to announce that a group of prominent Americans is responding to that challenge by forming an organization that will support grass roots community efforts in a national campaign against teen pregnancy. And I challenge every American to join them.

I call on American men and women to respect one another. We must end the deadly scourge of domestic violence. I challenge America's families to stay together.

In particular, I challenge fathers to love and care for their children. If your family has separated, you must pay your child support. We are doing more than ever to make sure you do, and we are going to do move. But let's all admit: A check will never be a substitute for a father's love and guidance, and only you can make the decision to help raise your children—no matter who you are, it is your most basic human duty.

Our second challenge is to provide Americans with the educational opportunities we need for a new century.

Every classroom in America must be connected to the information superhighway, with computers, good software, and well-trained teachers. We are working with the telecommunications industry, educators and parents to connect 20 percent of the classrooms in California by this spring, and every classroom and library in America by the year 2000. I ask Congress to support our education technology initiative to make this national partnership successful.

Every diploma ought to mean something. I challenge every community, school, and State to adopt national standards of excellence, measure whether schools are meeting those standards, cut redtape so that schools have more flexibility for grassroots reform, and hold them accountable for results. That's what our Goals 2000 initiative is all about.

I challenge every State to give all parents the right to choose which public school their children attend, and let teachers form new schools with a charter they can keep only if they do a good job.

I challenge all schools to teach character education: good values, and good citizenship. And if it means teenagers will stop killing each other over designer jackets, then public schools should be able to require school uniforms.

I challenge parents to be their children's first teachers. Turn off the TV. See that the homework gets done. Visit your children's classroom.

Today, higher education is more important than ever before. We have created a new student loan program that has made it easier to borrow and repay loans; and dramatically cut the student loan default rate. Through AmeriCorps, our national service program, this year 25,000 students will earn college money by serving in their local communities. These initiatives are right for America; we should keep them going.

And we should open the doors to college even wider. I challenge Congress to expand work study and help one million young Americans work their way through college by the year 2000; to provide a $1,000 merit scholarship for the top 5 percent of graduates in every high school; to expand Pell grant scholarships for deserving students; and to make up to $10,000 a year of college tuition tax deductible.

Our third challenge is to help every American achieve economic security.

People who work hard still need support to get ahead in the new economy—education and training for a lifetime, more support for families raising children, retirement security, and access to health care.

More and more Americans are finding that the education of their childhood simply does not last a lifetime.

I challenge Congress to consolidate 70 overlapping job training programs into a simple voucher worth $2,600 for unemployed or underemployed workers to use for community college tuition or other training. Pass this GI bill for America's workers.

More and more Americans are working hard without a raise. Congress sets the minimum wage. Within a year, the minimum wage will fall to a 40-year low in purchasing power. Four dollars and twenty-five cents an hour is not a living wage. But millions of Americans and their children are trying to live on it. I challenge you to raise their minimum wage.

In 1993, Congress cut the taxes of 15 million hard-pressed working families, to make sure no parents who worked full time would have to raise their children in poverty. This expanded earned income tax credit is now worth about $1,800 a year to a family of four living on $20,000. The budget bill I vetoed would have reversed this achievement, and raised taxes on nearly 8 million of these people. We must not do that.

We need a tax credit for working families with children. That's one thing most of us in this Chamber can agree on. And it should be part of any final budget agreement.

I challenge every business that can possibly afford it to provide pensions for your employees, and I challenge Congress to pass a proposal recommended by the White House Conference on Small Business, that would make it easier for small businesses and farmers to establish their own pension plans.

We should also protect existing pension plans. Two years ago, with bipartisan support, we protected the pensions of 8 million working people and stabilized the pensions of 32 million more. Congress should not now let companies endanger their worker's pension funds. I vetoed such a proposal last year, and I would veto it again.

Finally, if working families are going to succeed in the new economy, they must be able to buy health insurance policies that they don't lose when they change jobs or when someone in their family gets sick. Over the past 2 years, over one million Americans in working families lost their health insurance. We must do more to make health care available to every American. And Congress should start by passing the bipartisan bill before you that requires insurance companies to stop dropping people when they switch jobs, and stop denying coverage for pre-existing conditions.

And we must preserve the basic protections Medicare and Medicaid give, not just to the poor, but to people in working families, including children, people with disabilities, people with AIDS, and senior citizens in nursing homes. In the past 3 years we have saved $15 billion just by fighting health care fraud and abuse. We can save much more. But we cannot abandon our fundamental obligations to the people who need Medicare and Medicaid. America cannot become stronger if they become weaker.

The GI bill for workers, tax relief for education and child-rearing, pension availability and protection, access to health care, preservation of Medicare and Medicaid, these things—along with the Family and Medical Leave Act passed in 1993—will help responsible hard-working American families to make the most of their own lives.

But, employers and employees must do their part as well, as they are in so many of our finest companies, working together, putting long-term prosperity ahead of short-term gains.

As workers increase their hours and their productivity, employers should make sure they get the skills they need and share the benefits of the good years as well as the burdens of the bad ones. When companies and workers work as a team, they do better. And so does America.

Our fourth great challenge is to take back our streets from crime, gangs, and drugs.

At last, we have begun to find the way to reduce crime—forming community partnerships with local police forces to catch criminals and to prevent crime. This strategy, called community policing, has begun to work. Violent crime is coming down all across America.

In New York City, murders are down 25 percent, in St. Louis 18 percent, in Seattle 32 percent. But we still have a long way to go before our streets are safe and our people are free of fear.

The Crime Bill of 1994 is critical to the success of community policing. It provides funds for 100,000 new police in communities of all sizes. We are already a third of the way there. I challenge the Congress to finish the job. Let's stick with a strategy that's working, and keep the crime rate coming down.

Community policing also requires bonds of trust between our citizens and our police. So I ask all Americans to respect and support our police. And to our police, I say: Our children need you as role models and heroes. Don't let them down.

The Brady bill has already stopped 44,000 people with criminal records from buying guns. The assault weapons ban is keeping 19 kinds of assault weapons out of the hands of violent gangs. I challenge Congress to keep those laws on the books.

Our next step in the fight against crime is to take on gangs the way we took on the mob. I am directing the FBI and other investigative agencies to target gangs that involve juveniles in violent crime and to seek authority to prosecute as adults teenagers who maim and kill like adults.

And I challenge local housing authorities and tenant associations: Criminal gang members and drug dealers are destroying the lives of decent tenants. From now on, the rule for residents who commit crimes and peddle drugs should be: One strike and you're out.

I challenge every State to match Federal policy: to assure that serious violent criminals serve at least 85 percent of their sentence.

More police and punishment are important, but not enough. We must keep more of our young people out of trouble, with prevention strategies not dictated by Washington, but developed in communities. I challenge all communities and adults to give these children futures to say yes to. And I challenge Congress not to abandon the crime bill's support of these grassroots efforts.

Finally, to reduce crime and violence, we must reduce the drug problem. The challenge begins at home, with parents talking to their children openly and firmly. It embraces our churches, youth groups, and our schools.

I challenge Congress not to cut our support for drug-free schools. People like DARE officers are making an impression on grade school children that will give them the strength to say no when the time comes.

Meanwhile, we continue our efforts to cut the flow of drugs into America. For the last 2 years, one man in particular has been on the front lines of that effort. And tonight I am nominating a hero of the Persian Gulf and the commander-in-chief of the U.S. Military's Southern Command, Gen. Barry McCaffrey, as America's new drug czar.

General McCaffrey has earned three purple hearts and two silver stars fighting for America. Tonight I ask that he lead our Nation's battle against drugs at home and abroad.

To succeed, he needs a force larger than he has ever commanded. He needs all of us. Every one of us will have a role to play on this team. Thank you, General McCaffrey, for agreeing to serve your country one more time.

Our fifth challenge is to leave our environment safe and clean for the next generation.

Because of a generation of bipartisan effort, we have cleaner air and water. Lead levels in children's blood has been cut by 70 percent, and toxic emissions from factories cut in half. Lake Erie was dead. Now it is a thriving resource.

But 10 million children under 12 still live within 4 miles of a toxic waste dump. A third of us breathe air which endangers our health. And in too many communities, water is not safe to drink. We still have much to do.

Yet Congress has voted to cut environmental enforcement by 25 percent. That means more toxic chemicals in our water, more smog in our air, more pesticides in our food.

Lobbyists for the polluters have been allowed to write their own loopholes into bills to weaken laws that protect the health and safety of our children. And some in this Congress want to make taxpayers pick up the tab for toxic waste and let polluters off the hook.

I challenge Congress to reverse those priorities. I say the polluters should pay. We can expand the economy without hurting the environment. In fact we can create more jobs over the long run by cleaning it up.

We must challenge businesses and communities to take more initiative in protecting the environment and make it easier for them to do so. To businesses, we are saying: If you can find a cheaper, more efficient way than government regulations require to meet tough pollution standards, then do it—as long as you do it right.

To communities, we say: we must strengthen community right-to-know laws requiring polluters to disclose their emissions, but you must use the information to work with business to cut pollution. People do have a right to know that their air and water are safe.

Our sixth challenge is to maintain America's leadership in the fight for freedom and peace.

Because of American leadership, more people than ever before live free and at peace, and Americans have known 50 years of prosperity and security. We owe thanks especially to our veterans of World War II. To Senator BOB DOLE, and all the others in this Chamber and throughout our country who fought in World War II and all the conflicts since, I salute your service.

All over the world, people still look to us. And trust us to help them seek the blessings of peace and freedom.

But as the cold war fades, voices of isolation say America should retreat from its responsibilities. I say they are wrong. The threats we Americans face respect no nation's borders: terrorism, the spread of weapons of mass destruction, organized crime, drug trafficking, ethnic and religious hatred, aggression by rogue states, environmental degradation. If we fail to address these threats today, we will suffer the consequences of our neglect tomorrow.

We can't be everywhere. We can't do everything. But where our interests and our values are at stake—and where we can make a difference—America must lead.

We must not be isolationist or the world's policeman. But we can be the world's best peacemaker. By keeping our military strong, by using diplomacy where we can, and force where we must, by working with others to share the risk and the cost of our efforts, America is making a difference for people here and around the world.

For the first time since the dawn of the nuclear age, there are no Russian missiles pointed at America's children. North Korea has now frozen its dangerous nuclear weapons program. In Haiti, the dictators are gone, democracy has a new day, and the flow of desperate refugees to our shores has subsided.

Through tougher trade deals for America, over 80 of them, we have opened markets abroad, and now exports are at an all-time high, growing faster than imports and creating American jobs.

We stood with those taking risks for peace, in Northern Ireland, where Catholic and Protestant children now tell their parents that violence must never return, and in the Middle East, where Arabs and Jews, who once seemed destined to fight forever, now share knowledge, resources, and dreams.

And, we stood up for peace in Bosnia. Remember the skeletal prisoners, the mass graves, the campaigns of rape and torture, endless lines of refugees, the threat of a spreading war—all these horrors have now given way to the hope of peace. Now our troops and a strong NATO, together with its new partners from Central Europe and elsewhere, are helping that peace to take hold.

Through these efforts, we have enhanced the security of the American people. But important challenges remain. The START II treaty with Russia will cut our nuclear stockpiles by another 25 percent; I urge the Senate to ratify it—now.

We must end the race to create new nuclear weapons by signing a truly comprehensive nuclear test ban treaty—this year. We can outlaw poison gas forever, if the Senate ratifies the Chemical Weapons Convention—this year. We can intensify the fight against terrorists and organized criminals at home and abroad, if Congress passes the anti-terrorism legislation I proposed after the Oklahoma City bombing—now.

We can help more people move from hatred to hope, if Congress gives us the means to remain the world's leader for peace.

The six challenges I have discussed thus far are for all Americans. But our seventh challenge is America's challenge to us here tonight: to reinvent our Government and make our democracy work for them.

Last year, this Congress applied to itself the laws that it applies to everyone else, banned gifts and meals from lobbyists. It forced lobbyists to disclose who pays them and what legislation they are trying to pass or kill. I applaud you for that.

Now I challenge Congress to go further: curb special interest influence in politics by passing the first truly bipartisan campaign finance reform bill in a generation.

Show the American people we can limit spending and that we can open the airwaves to all candidates.

And I appeal to Congress to pass the line-item veto you promised the American people.

We are working hard to create a government that works better and costs less. Thanks to the work of Vice-President GORE, we are eliminating 16,000 pages of unnecessary rules and regulations and shifting more decision making out of Washington back to States and local communities.

As we move into an era of balanced budgets and smaller government, we must work in new ways to enable people to make the most of their own lives.

We are helping America's communities, not with bureaucracy, but with opportunity. Through our successful empowerment zones and community development banks, we are helping people find jobs and start businesses. And with tax incentives for companies that clean up abandoned industrial property, bringing jobs back to the places that desperately need them.

But there are some areas that the Federal Government must address directly and strongly. One of these is the problem of illegal immigration. After years and years of neglect, this administration has taken a strong stand to stiffen protection on our borders.

We are increasing border controls by 50 percent, we are increasing inspections to prevent the hiring of illegal immigrants. And tonight, I announce I will sign an executive order to deny Federal contracts to businesses that hire illegal immigrants.

Let me be clear: we are still a nation of immigrants; we honor all those immigrants who are working hard to become new citizens. But we are also a nation of laws.

I want to say a special word to those who work for our Federal Government. Today, the Federal workforce is 200,000 employees smaller than the day I took office. The Federal Government is the smallest it has been in 30 years, and it is getting smaller every day. Most of my fellow Americans probably didn't know that, and there's a good reason. The remaining Federal workforce is composed of Americans who are working harder and working smarter to make sure that the quality of our services does not decline.

Take Richard Dean. He is a 49-year-old Vietnam veteran who has worked for Social Security for 22 years. Last year he was hard at work in the Federal building in Oklahoma City when the terrorist blast killed 169 people and brought the rubble down around him.

He re-entered the building four times and saved lives of three women. He is here with us this evening. I want to recognize Richard and applaud both his public service and his extraordinary heroism.

But Richard's story doesn't end there. This last November, he was forced out of his office when the Government shut down.

And the second time the Government shut down, he continued helping Social Security recipients, but he was working without pay.

On behalf of Richard Dean and his family, I challenge all of you in this Chamber: never—ever—shut the Federal Government down again.

And on behalf of all Americans, especially those who need their Social Security payments at the beginning of March, I challenge Congress to preserve the full faith and credit of the United States, to honor the obligations of this great nation as we have for 220 years, to rise above partisanship and pass a straightforward extension of the debt limit. Show them that America keeps its word.

I have asked a lot of America this evening. But I am confident. When Americans work together in their homes, their schools, their churches, their civic groups or at work, they can meet any challenge.

I say again: The era of Big Government is over. But we can't go back to the era of fending for yourself. We must go forward, to the era of working together, as a community, as a team, as one America, with all of us reaching across the lines that divide us, rejecting division, discrimination and rancor, to find common ground. We must work together.

I want you to meet two people tonight who do that. Lucius Wright is a teacher in the Jackson, MS public school system, a Vietnam veteran. He has created groups that help inner city children turn away from gangs and build futures they can believe in.

Sgt. Jennifer Rodgers is a police officer in Oklahoma City. Like Richard Dean, she helped pull her fellow citizens out of the rubble and deal with that awful tragedy. She reminds us that, in their response to that atrocity, the people of Oklahoma City lifted us all with their basic sense of decency and community.

Lucius Wright and Jennifer Rogers are special Americans. I have the honor to announce tonight that they are the very first of several thousand Americans who will be chosen to carry the Olympic torch on its long journey from Los Angeles to the centennial of the modern Olympics in Atlanta this summer—not because they are star athletes, but because they are star citizens—community heroes meeting America's challenges—our real champions.

Now each of us must hold high the torch of citizenship in our own lives. But none of us can finish the race alone. We can only achieve our destiny together, one hand, one generation, one American connecting to another.

There have always been things we could do together—dreams we could make real—which we could never have done on our own. We Americans have forged our identity, our very union, from every point of view and every point on the planet. But we are bound by a faith more powerful than any doctrines that divide us—by our belief in progress, our love of liberty, and our relentless search for common ground. America has always sought and always risen to the challenge.

Who would say that, having come so far together, we will not go forward from here? Who would say that this Age of Possibility is not for all Americans?

America is—and always has been—a great and good country. But the best is yet to come. If we all do our part.

Thank you, God bless you, and God bless the United States of America.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 4:12 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 1606. An act to designate the U.S. Post Office building located at 24 Corliss Street, Providence, RI, as the "Harry Kizirian Post Office Building."

H.R. 2061. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, OR, as the "David J. Wheeler Federal Building."

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

At 5:31 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1341. An act to provide for the transfer of certain lands to the Salt River Pima-Maricopa Indian community and the city of Scottsdale, AZ, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HELMS (for himself, Mr. FAIRCLOTH, Mr. HATCH, Mr. SIMPSON, Mr. WARNER, Mr. MURKOWSKI, Mrs. HUTCHISON, Mrs. KASSEBAUM, Mr. ABRAHAM, Mr. SPECTER, Mr. KYL, Mr. NICKLES, Mr. SHELBY, Mr. CRAIG, Mr. BURNS, Mr. HATFIELD, Mr. HEFLIN, Mr. SANTORUM, Mr. LOTT, Mr. ASHCROFT, Mr. KEMPTHORNE, Mr. COCHRAN, and Mr. FRIST):

S. 1520. A bill to award a congressional gold medal to Ruth and Billy Graham; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOLE:

S. 1521. A bill to establish the Nicodemus National Historic Site in Kansas, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ABRAHAM (for himself and Mr. LEVIN):

S. 1522. A bill to provide for the transfer of six obsolete tugboats of the Navy; to the Committee on Armed Services.

By Mr. DORGAN (for himself, Mr. CONRAD, Mr. DASCHLE, and Mr. EXON):

S. 1523. A bill to extend agricultural programs through 1996, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. EXON (for himself and Mr. KERREY):

S. Res. 210. A resolution to commend the Cornhuskers of the University of Nebraska at Lincoln for winning both the 1994 and 1995 National Collegiate Athletic Association Football Championships back-to-back; considered and agreed to.

S. Res. 211. A resolution to commend the Cornhuskers of the University of Nebraska at Lincoln for winning the 1995 National Collegiate Athletic Association Women's Volleyball Championship; considered and agreed to.

By Mr. DASCHLE:

S. Res. 212. A resolution to constitute the minority party's membership on the Ethics Committee for the 104th congress, or until their successors are chosen; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELMS (for himself, Mr. FAIRCLOTH, Mr. HATCH, Mr. SIMPSON, Mr. WARNER, Mr. MURKOWSKI, Mrs. HUTCHISON, Mrs. KASSEBAUM, Mr. ABRAHAM, Mr. SPECTER, Mr. NICKLES, Mr. SHELBY, Mr. CRAIG, Mr. BURNS, Mr. HATFIELD, Mr. HEFLIN, Mr. SANTORUM, Mr. LOTT, Mr. ASHCROFT, Mr. KEMPTHORNE, Mr. COCHRAN, and Mr. FRIST):

S. 1520. A bill to award a congressional gold medal to Ruth and Billy Graham.

THE BILLY AND RUTH GRAHAM CONGRESSIONAL MEDAL AWARD ACT

Mr. HELMS. Mr. President, I have a bill that Senator FAIRCLOTH and I are joining to offer. It is sponsored by many other Senators. It is at the desk.

Mr. BUMPERS. Mr. President, reserving the right to object, I am not sure I understood what the Senator from North Carolina said. Was the Senator calling up a bill?

Mr. HELMS. This is a bill to authorize a congressional gold medal to Billy Graham and Ruth Graham, his wife of 52 years.

Mr. BUMPERS. Is the Senator calling a bill up for debate and consideration?

Mr. HELMS. No, sir, it is to be appropriately referred.

Mr. BUMPERS. I have no objection.

The PRESIDING OFFICER. Without objection, the Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, before I begin, several Senators have already asked to be identified as cosponsors of this measure.

I ask unanimous consent that the Senator from Utah, Mr. HATCH; the Senator from Wyoming, Mr. SIMPSON; the Senator from Virginia, Mr. WARNER; the Senator from Alaska, Mr. MURKOWSKI; the Senator from Texas, Mrs. HUTCHISON; the Senator from Kansas, Mrs. KASSEBAUM; and Senator ABRAHAM; and Senator SPECTER of Pennsylvania be added as cosponsors, and I ask that the bill be held at the desk until the close of business today for Senators to add their names as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, Senator FAIRCLOTH and I are genuinely honored to offer this legislation to award a congressional gold medal to two wonderful North Carolinians, Dr. Billy Graham and his remarkable wife of 52 years, Ruth Graham. I have known them for years. Billy Graham was born not far from where I was born, and I have known him very, very well since the early 1950's, when I attended his very first crusade right here at the U.S. Capitol in Washington, DC.

When the bill is signed into law, Congress will be paying tribute to a deserving couple who have spent their lives exemplifying the miracle of America—faith in God, morality, charity, and family.

Most Senators have met the Grahams; many are personal friends, as are Senator FAIRCLOTH and I. Billy and Ruth are marvelous servants of the Lord. Anybody even vaguely familiar with the Grahams' witness will agree that Billy's and Ruth's relationships with God, their love for each other and their family, and their deep-seated compassion for humanity are unsurpassed. This is the genuine spirituality that has led literally millions of Americans, and millions of others around the world, to grasp the meaning and hope of salvation.

The incredible millions who have heard the message of salvation through Billy Graham's evangelistic campaigns are testimony to his devout magnetism. For the past half century, more than 100 million people in 180 countries have personally heard Billy Graham's thrilling messages in person when they attended his rallies. Others have worshipped with him by television. An estimated total of more than 2 billion people have worshipped with Billy Graham on television. Countless others have sought spiritual help and counsel through his books, magazines, newspaper editorials, radio broadcasts, and the Billy Graham Training Center at Black Mountain, NC.

The Grahams have responded to the physical needs of people around the world through a legacy inherited from Ruth Graham's father, the distinguished Dr. L. Nelson Bell, who was a missionary to China. Dr. Bell and his family served as medical missionaries to China for nearly 25 years before returning to the Memorial Mission Hospital in Asheville, NC.

Today, the Grahams continue Dr. Nelson Bell's legacy through the ministry of the Ruth and Billy Graham Children's Health Center where the children of western North Carolina and the surrounding area receive special medical care that was unavailable before the advent of the Graham Children's Health Center. Moreover, the Grahams, through their various ministries, have extended their love and their caring by extending their loving and helping hands to the victims of disasters, the medical needy, and the disadvantaged.

Mr. President, it is fitting and proper, I think, for the U.S. Congress to honor Billy and Ruth Graham, who if anybody ever has, they have earned not only the respect of the Congress, they have earned the keys to the kingdom.

Mr. FAIRCLOTH. Mr. President, today Senator HELMS and I will introduce legislation that will authorize the Congress to present a gold medal to Ruth and Billy Graham in honor of their contributions to mankind.

The striking of the medal will have no cost to the taxpayer. Most importantly, all of this effort will benefit children in southern Appalachia and internationally.

Ruth and Billy Graham stand as shining examples of faith, family, morality, and charity. These two great North Carolinians are truly servants of the Lord and His work has been further accomplished through their lifelong efforts.

Dr. Graham's crusades have reached 100 million people in person and over 2 billion worldwide on television. He is America's most respected and admired evangelist. His newspaper columns and books reach legions of people in need of spiritual counseling. And, his loving marriage of 52 years to Ruth Graham is a touching personal achievement.

The Ruth and Billy Graham Children's Center, located at Memorial Mission Hospital in Asheville, NC, is testimony to the difference they have made in lives of others. The center's goal is to improve the health and well-being of children and to become a new resource for ending the pain and suffering of children.

Mr. President, I ask the Senate to quickly act on this honor for Dr. Graham and his wife. The prayers of many deserving children could be answered by this touching tribute to Ruth and Billy Graham.

By Mr. DOLE:

S. 1521. A bill to establish the Nicodemus National Historic Site in Kansas, and for other purposes; to the Committee on Energy and Natural Resources.

THE NICODEMUS NATIONAL HISTORIC SITE ACT OF 1996

Mr. DOLE. Mr. President, time, it is said, is the savior and nemesis of history. The savior because it is the very passage of time that creates history. The nemesis because that same passage of time obliterates history. Today, in Nicodemus, KS, a community is waging a losing battle against time. To bolster them in that fight, I am introducing legislation that would establish Nicodemus, KS, as a national historic site.

Kansas is not the first place that comes to mind when people think of the Civil War and reconstruction, but we Kansans know that Kansas is to the Civil War what Sarajevo was to World War I. Border ruffians, the sack of Lawrence, John Brown, and the Pottawatomie massacre are as familiar to Kansas schoolchildren as Fort Sumter and Gettysburg. The guerrilla war that rent bleeding Kansas was the opening skirmish in the armed conflict between abolitionist and slaveholder that ended at Appomattox.

Even less well known is that out of that bitter struggle emerged a period of hope for the newly emancipated. During the 1870's, Kansas was the scene of a great migration of southern blacks seeking their fortune in what some African-American leaders described as the promised land. One of the most important settlements founded during that time was Nicodemus. From sod burrows carved out of the prairie by the original colonists, Nicodemus flourished into a leading center of black culture and society through the turn of the century.

Today, a cluster of five buildings is all that remains of that once vibrant community. National historic landmark status has not halted the gradual decay of this monument to the struggle of African-Americans for freedom and equality. In fact, in its report entitled "Nicodemus, Kansas Special Resource Study," the National Park Service indicated that "[i]f Nicodemus is not protected and preserved by a public or private entity, it seems inevitable that the historic structures will continue to deteriorate and eventually be razed." It was that finding that prompted my legislation granting the town of Nicodemus, KS, national historic site status.

It is my hope that colleagues will join me in working to save this unique piece of American history.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1521

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the town of Nicodemus, in Kansas, has national significance as the only remaining western town established by African-Americans during the Reconstruction period following the Civil War;

(2) the town of Nicodemus is symbolic of the pioneer spirit of African-Americans who dared to leave the only region they had been familiar with to seek personal freedom and the opportunity to develop their talents and capabilities; and

(3) the town of Nicodemus continues to be a viable African-American community.

(b) PURPOSES.—The purposes of this Act are—

(1) to preserve, protect, and interpret for the benefit and enjoyment of present and future generations, the remaining structures and locations that represent the history (including the settlement and growth) of the town of Nicodemus, Kansas; and

(2) to interpret the historical role of the town of Nicodemus in the Reconstruction period in the context of the experience of westward expansion in the United States.

SEC. 2. DEFINITIONS.

In this Act:

(1) HISTORIC SITE.—The term "historic site" means the Nicodemus National Historic Site established by section 3.

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 3. ESTABLISHMENT OF NICODEMUS NATIONAL HISTORIC SITE.

(a) ESTABLISHMENT.—There is established the Nicodemus National Historic Site in Nicodemus, Kansas.

(b) DESCRIPTION.—

(1) IN GENERAL.—The historic site shall consist of the First Baptist Church, the St. Francis Hotel, the Nicodemus School District Number 1, the African Methodist Episcopal Church, and the Township Hall located within the approximately 161.35 acres designated as the Nicodemus National Landmark in the Township of Nicodemus, Graham County, Kansas, as registered on the National Register of Historic Places pursuant to section 101 of the National Historic Preservation Act (16 U.S.C. 470a), and depicted on a map entitled "Nicodemus National Historic Site", numbered 80,000 and dated August 1994.

(2) MAP AND BOUNDARY DESCRIPTION.—The map referred to in paragraph (1) and an accompanying boundary description shall be on file and available for public inspection in the office of the Director of the National Park Service and any other office of the National Park Service that the Secretary determines to be an appropriate location for filing the map and boundary description.

SEC. 4. ADMINISTRATION OF THE HISTORIC SITE.

(a) IN GENERAL.—The Secretary shall administer the historic site in accordance with—

(1) this Act; and

(2) the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (49 Stat. 666, chapter 593; 16 U.S.C. 461 et seq.).

(b) COOPERATIVE AGREEMENTS.—To further the purposes specified in section 1(b), the Secretary may enter into a cooperative agreement with any interested individual, public or private agency, organization, or institution.

(c) TECHNICAL AND PRESERVATION ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide to any eligible person described in paragraph (2) technical assistance for the preservation of historic structures of, the maintenance of the cultural landscape of, and local preservation planning for, the historic site.

(2) ELIGIBLE PERSONS.—The eligible persons described in this paragraph are—

(A) an owner of real property within the boundary of the historic site, as described in section 3(b); and

(B) any interested individual, agency, organization, or institution that has entered into an agreement with the Secretary pursuant to subsection (b).

SEC. 5. ACQUISITION OF REAL PROPERTY.

(a) IN GENERAL.—Subject to subsection (b), the Secretary is authorized to acquire by donation, exchange, or purchase with funds made available by donation or appropriation, such lands or interests in lands as may be necessary to allow for the interpretation, preservation, or restoration of the First Baptist Church, the St. Francis Hotel, the Nicodemus School District Number 1, the African Methodist Episcopal Church, or the Township Hall, as described in section 3(b)(1), or any combination thereof.

(b) LIMITATIONS.—

(1) ACQUISITION OF PROPERTY OWNED BY THE STATE OF KANSAS.—Real property that is owned by the State of Kansas or a political subdivision of the State of Kansas that is acquired pursuant to subsection (a) may only be acquired by donation.

(2) CONSENT OF OWNER REQUIRED.—No real property may be acquired under this section without the consent of the owner of the real property.

SEC. 6. GENERAL MANAGEMENT PLAN.

(a) IN GENERAL.—Not later than the last day of the third full fiscal year beginning after the date of enactment of this Act, the Secretary shall, in consultation with the officials described in subsection (b), prepare a general management plan for the historic site.

(b) CONSULTATION.—In preparing the general management plan, the Secretary shall consult with an appropriate official of each of the following:

(1) The Nicodemus Historical Society.

(2) The Kansas Historical Society.

(3) Appropriate political subdivisions of the State of Kansas that have jurisdiction over all or a portion of the historic site.

(c) SUBMISSION OF PLAN TO CONGRESS.—Upon the completion of the general management plan, the Secretary shall submit a copy of the plan to—

(1) the Committee on Energy and Natural Resources of the Senate; and

(2) the Committee on Resources of the House of Representatives.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department of the Interior such sums as are necessary to carry out this Act.

By Mr. DORGAN (for himself, Mr. CONRAD, Mr. EXON, and Mr. DASCHLE):

S. 1523. A bill to extend agricultural programs through 1996, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM LEGISLATION

Mr. DORGAN. Mr. President, farmers, farm suppliers, farm credit agencies, and bankers are waiting. They need to know what the farm program will be in 1996. Every day that they wait for that answer is another day in which they cannot plan or prepare for planting the 1996 crops.

They are waiting for Congress to act, because the farm bill that was supposed to be debated and adopted in 1995 has not been debated nor adopted.

Congress has a responsibility to farmers to tell them what kind of farm program they will be operating under this spring. Farmers should not be the victims of the failure of Congress to enact a 5-year farm program. It was not their fault that a farm bill didn't get enacted on a timely basis.

We are rapidly running out of time. I would prefer a full 5-year farm bill that provides some fundamental reform to our current farm policies. I believe in providing a solid safety net for our Nation's family farmers, and making preservation and enhancement of our Nation's family farm system as the primary goal of our Nation's farm policy.

But we have not had a real opportunity to debate a multiyear farm bill. Nor have we had full and open hearings and committee meetings in which our Nation's farmers could effectively participate in the shaping of a farm bill. That should have been done last year, but it wasn't.

Today I am introducing legislation to provide a 1-year extension of the farm bill. I am pleased Senators DASCHLE and CONRAD have joined as cosponsors. This is not a perfect solution—but I hope it will get the ball rolling. Farmers deserve an answer about what the farm bill will be.

This bill extends our current farm law, including the Food for Progress program, conservation programs, and commodity programs for the 1996 crop year.

In addition, it provides the full flexibility that our producers have requested for permitted crops. The need for flexibility has been a common feature in almost all of the farm legislation that has been introduced and discussed this past year.

There is no reason why we shouldn't provide that flexibility this crop year, especially in recognition of the higher market prices that we are currently experiencing. This will allow producers to respond to the market signals, while maintaining the loan programs and the basic safety net available to them.

It also provides for forgiveness of advanced deficiency payments related to disaster and prevented planting situations. We need to recognize that the improved market prices do little for those producers who had short crops as a result of cropping problems this past year.

My purpose in introducing the bill today is simply to provide a vehicle for Congress to move rapidly to respond to the needs of farmers as they finalize their planning for this crop year.

I believe a 1-year extension should provide adequate time for Congress to get the farm bill job done. The delay in farm legislation has already been long enough. We should not delay it further.

If, instead of extending the current farm bill, we can on an expedited basis, debate and pass a new 5-year farm bill, then I'm all for it. But we shouldn't delay any longer. One way or another we should give farmers some certainty about the future farm bill.

Mr. President, I listened with interest to my colleague from Iowa. He is someone for whom I have substantial respect. The Senator from Iowa and I, in fact, are co-chairing one of the few bipartisan groups that exist in the Congress, and I am delighted to be doing that. I think he has a vast reservoir of knowledge on agriculture, and I have great respect for him.

I must say I disagree with some of what he just said. I disagree with the characterization of part of this debate. In fact I have sought the floor today for the specific purpose of introducing an extension for 1 year of the current farm bill. I will do that following this discussion.

I would extend the current farm bill for 1 year and make some modifications to it so that we would provide substantial planting flexibility. This is one of the features that the Senator from Iowa mentioned in the other legislation that was considered last year. I think there should be substantial flexibility with respect to any farm program, including the current farm program if it is extended for a year.

We need to give farmers the opportunity to decide what to plant, where to plant, and when to plant on base acres. My proposal to extend the current farm bill for 1 year would provide substantial additional flexibility in planting decisions for family farmers.

I would also propose that we provide a forgiveness for the advanced deficiency payments for those farmers that suffered crop losses. That is also in the legislation that I offer.

The reason I offer this legislation today is not because I think it is necessarily the best choice nor it is my first choice for farm legislation. I hope to get the ball rolling here in the Congress to do something that gives farmers some certainty.

It is now the end of January 1996. A 5-year farm bill should have been agreed to last year. The Senator from Iowa mentioned, and he is absolutely correct, that the Congress had some hearings, and so on, and passed a bill. But Congress passing a bill with a majority of the votes in the House and the Senate is just a series of steps on a long stairway by which legislation becomes law.

That farm legislation was put in the budget reconciliation bill that everybody by last July knew was going to be vetoed. So the exercise to put their farm bill, called the Freedom to Farm Act, in the budget reconciliation bill that everybody knew was going to be vetoed puts us in a position in January of not having farm legislation today.

Again, I respect the notion that it is "his side" and "your side" and "our side" and "he said" and "she said." But the fact is, regardless of what happened last year, we end up in January in a situation in which farmers do not know under what conditions they will plant this year. The people who are selling farm machinery do not know the circumstances under which farmers will plant. All the other folks who are concerned about our rural economy do not know what the farm bill will be.

One way or another, it seems to me the Congress, Republicans and Democrats, need to provide an answer. What is going to happen this year when farmers go in the field? Under what conditions will they be planting a crop? What will be the support prices?

It probably does not matter much to the very largest operators. It certainly does not matter to the largest agrifactories in America. It does not matter to corporate farms, the big ones. But it does matter a lot to a man and wife on a family farm out there who are trying to raise a family and who have a very thin financial statement and who, if they come into a year of low market prices, have no price supports. It is not simply a matter of inconvenience. For them it is bankruptcy. It matters to them.

It does not matter to the big operators. They can get by. They can get by a year or two or three. It is the family farmer out there struggling from year to year, just one bad crop away from losing their farm. That is who is deeply concerned with this matter.

Now, what should we do? Well, I'll tell you my first choice. My first choice is for all of us to get together and come up with the best possible series of ideas that all of us have.

There should not be anyone in this Chamber who in a meeting between all of us would not agree that farmers ought to have much more flexibility in planting decisions than they now have. All of us agree on that. So that is one step. Let us agree on that.

There are a number of other steps that we could agree on that would represent the elements of a new farm plan. But I will tell you one area where we will not agree. That is an area where we say that what we want to do is to build a stairway to Heaven. And, Heaven is described as a circumstance where after 7 years there is no safety net for family farms. That stairway to Heaven is not going to happen. It is a definition of Heaven I do not accept.

If you pull the rug out from under family farmers after 7 years there is no heavenly rescue. There is no real safety net. I am sorry but the fact is I wish to see yard lights in rural America. The only way family farm operators will be able to make it is if we have a real safety net when bad years come and international prices drop down and stay down. The only way we will retain a network of family farmers in this country is if we have that safety net.

Some say it does not matter who farms. If it really does not matter who farms, then the agrifactories will farm America from California to Maine. Then we will see what the price of food is. But it does matter for a whole series of social and economic reasons that we retain a network of family farms in this country's future.

How we do that? Well, we do that by writing a farm program. Have we had a very good farm program in the past? No, I do not think so. It is not the kind of farm program I would have written. But we are required to write a new 5-year farm plan.

The farm plan that was offered last year was put into the budget reconciliation bill. Incidentally, that is the first time this has ever happened. I think the Senator would concur with that. We have not previously taken a farm bill and said, "Oh, by the way, let's dump it into a reconciliation bill and let it travel along on that train."

That has never happened before. We have always done a farm bill in a separate debate, and then we moved it to the President and he signed it and we had farm legislation. But last year was different. It was put in a bill that everybody by June or July knew was going to be vetoed, and so it was vetoed, and we end up now at the end of January without a farm plan.

My first choice would be for all of us to get together and hammer out some compromise and say let us get the best of all ideas here and construct a farm plan that really does work for family farms.

If we cannot do that, in my judgment, why mess around at all? Our goal should be to try to help family farmers make a decent living when international grain prices collapse and stay down. if we cannot help them in those circumstances, I say get rid of the whole thing.

The U.S. Department of Agriculture was developed and started under Abraham Lincoln with nine employees—nine. Well, it has grown to be a behemoth organization, as all of us know, involved in the lives of farmers in some positive ways and in other ways in a negative way.

If we cannot construct new farm legislation that tries to provide a safety net for family-sized farms, get rid of it all. Shut down USDA. Get rid of the Secretary. Get rid of all the apparatus. Get rid of the program. I am not interested in developing a set of golden arches for the largest agrifactories in this country. They hold no interest for me. They are big enough to manage on their own. They can have their own celebrations when they make a profit. They can compete on their own in the international marketplace.

It is mom and pop out there on the family farm that cannot make it when international prices drop and stay down. They are the ones who lose their dream. All of us have had those calls. I had one not too long ago from a woman who was, with her husband, losing their farm. She began crying on the phone and saying that for 19 years they have tried to make a go of this farm. She said, "We do not go places on the weekend. We do not go out on Saturday night. Our kids wear hand-me-downs."

She said, "We are not people who spend money just for the sake of spending money. We save every dime we can."

"But," she said, "the fact is we are going to lose our farm, and it has been our dream. It is the only thing we have done since we got out of high school."

We have all heard those stories from people who are not just losing their farm, but they are losing their dream. The question now for all of us, it seems to me is what can we do? What can we do to help? What can we do to provide a safety net that works for family-sized farmers?

My first choice would be for us to find a range of agreement and pass a new 5-year bill that makes some sense. We would have to do that quickly, within a matter of weeks. I am certainly willing to engage in that process and would like to engage in that process. If we cannot do that, my second choice is to extend the current bill 1 year, provide substantial added flexibility and provide forgiveness of advanced deficiency payments for those who suffered losses. That would give us time. Then farmers could go into the fields to plant knowing under what conditions they are planting and knowing the kind of farm program they will have. This would give us time to wrestle again on a new approach of how do we construct a 5-year plan that will really work?

So I intend to offer today, for myself and a couple of colleagues, an extension of 1 year with some modifications, including substantial flexibility, and forgiveness of the repayment of advance deficiency payments under certain conditions.

Is it the best approach? No, not necessarily. Do we need to provide some answers to farmers? You bet your life. It is not just farmers. It is everybody out there trying to do business. This Congress needs to take action and take action soon.

I hear people say, "Well, it is so and so's fault. It is somebody else's fault." That is not my interest. I am not interested in whose fault it is at this point.

My interest is how do we solve this problem in the next couple of weeks. I think that is what I heard the Senator from Iowa say as well. Let us figure out a way to do it for the farmers who live in Iowa and the farmers who live in North Dakota. For the family operators who are trying to make a living, let us figure out a way that we can answer this problem. We are required to do that.

It is not satisfactory to say, "Well, we passed a bill. That is the end of our obligation." If the bill got vetoed, it is not law. And that is what happened.

We do not have a farm bill. We must, it seems to me, struggle now to find a way to create one or to extend the current program in a way that will be helpful to family farms in our country.

It is interesting, people ask me from time to time, "What is a family farmer? You always talk about family farms. What is a family farmer?" I always say, "I don't know what the specific definition of a family farmer is." They asked Michelangelo how he sculpted "David." "I took a big piece of marble and chipped away everything that was not David."

I suppose if we just chipped away everything that we thought was not a family farm, we could come up with a core definition that we could probably all reasonably agree to on what a family farm is. But we do not have enough money for a farm bill to provide unlimited price supports all the way up the range of production. So let us define a family farm in terms of what we can afford to do to provide a reasonable safety net under a certain increment of production. That is what we attempted to do when we offered something called the Family Farm Security Act, and I think it made a lot of sense.

Some will say, "Well, that did not pass the Congress." That is true; it did not. There are often times when good ideas are not successful the first time.

Mr. President, I ask unanimous consent for an additional 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. The Farm Security Act is an approach that does say we are going to retool this farm program so that we are focusing on the people we want to help, the family-sized farm. It would provide a targeted marketing loan with the highest support price for the first increment of production. That is exactly what we ought to do, in my judgment. We were not successful in this past year in doing that. Somewhere in the context of reaching an agreement and in reaching a compromise, I hope some elements of that approach will be considered again.

But, most of all, those of us who come from rural States—Republicans and Democrats, the Senator from Iowa, the Senator from North Dakota, and others,—I think all of us have a responsibility now in the next couple of weeks to urgently press for the Congress and the President to answer the question for family farmers. When they start that tractor up and pull that plow out to begin spring's work in not too many weeks, under what farm program will they be plowing and seeding and harvesting?

It is pretty frustrating for people whose economic lives are on the line to see all of this rancor and all of this wrangling going on in the Congress when all they want are simple answers.

Tonight the President is going to give his State of the Union Address. Someone asked me today, a press person asked me, what do I think the President will say or should say? I said one of the things I hope he addresses, and I think he probably will, is this past year of 1995 when we have seen some of the most truculent, difficult debate resulting in policies that just defy all common sense, of shutdowns and threatened defaults and gridlock. I hope the message from everyone who will speak tonight, the President, who gives the State of the Union Address, and Democrats and Republicans who react to that address, will be it is time to have a New Year's resolution that all of us stop shouting and start listening. It is time we decide no one sent us here to advance the economic or political interests of the political party we belong to. They sent us here to advance the interests of this country.

This is a wonderful country with boundless opportunity and whose best days are still ahead of us, if we in this Congress can decide to do things that are positive for this country. That means a little less feuding and a lot more cooperation. I hope that is part of the speech tonight. I hope it will be. I hope the reaction to that is positive.

Part of that reaction, in my judgment, could be a reaction, even on agriculture and, yes, even on the farm bill, to decide what separates us is a lot less important than what unites us. What unites us in every State that we represent as farm legislators are families out there struggling against the odds to plant a seed that they do not know will grow into a crop. If they do get the seed to grow, they do not know what the price will be or if there will be a price to cover their costs.

Those twin risks are economic risks that can literally kill the dream of family farmers, and literally does kill that dream in tens of thousands of cases every single year. That is what we need to care about. That is the root and genesis of this debate about farm policy.

I know a lot of people do not think much about it and do not care much about farm policy. They think milk comes from Safeway and butter comes from a carton and pasta comes inside cellophane. But it does come from cows and it comes from a wheat field and it comes from seeds and sweat. It comes from farmers breathing the diesel fumes as they plant and harvest.

This is a lot more important than just theory. This is an economic imperative in rural America that is important to many of us. I hope we can find reason to cooperate. I hope, as my colleagues will look at this piece of legislation, they will consider it. If not the extension of the current program, then let us consider something else that we can agree on that will advance the economic interests of farmers.

I do not share the notion that this in any way jeopardizes anybody's baseline. If it did, I would not be offering it. I am talking about the budget baseline, which my colleague will probably speak more about.

With that, Mr. President, I thank the Senator from Iowa for his attention and for staying. Again, I look forward to the cooperation that we have had on many rural issues. I hope we can cooperate on this issue as the weeks unfold.

Mr. President, I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the President. I thank my colleague from North Dakota for his excellent presentation on why it is critically important that we have a farm bill and that we have a set of rules that our farmers know will be in place as they enter into the next crop year.

Let me say that I believe the Senator from North Dakota has introduced something, that while not perfect, is something we are going to have to do in terms of extending the current farm bill so that farmers at least know what the rules of the road are going to be for this next crop year. There has been an absolute failure by this Congress to pass farm legislation that could become law.

Mr. President, the legislation that my colleague has introduced would dramatically increase the flexibility that farmers have and dramatically improve the competitive position of American farmers. I think that is in everyone's interest.

I think the Senator from Iowa is correct when he says that we need to know what farmers can expect. Farmers are right now sitting around their kitchen tables trying to figure out what their strategy for this next year should be, and much is at stake. Their families' livelihoods are at stake. What money the family is going to have for the next year is at stake. Whether or not that farm family is going to be able to meet their bills is at stake. The health of rural economies is at stake. What happens on the Main Streets of every city and town in the heartland of America is at stake.

The economic health of an industry that, along with airplanes, is the biggest producer of a trade surplus for America is at stake. An industry that is one of America's very biggest is at stake. Our competitive position in the world is at stake.

There is a lot riding on this debate and this discussion. The Senator from Iowa is right: We need a plan. Let me say what we do not need is the plan that the Republican Party has advanced in both the House and the Senate. The Republican proposal was for deep and Draconian cuts in farm programs that would dramatically reduce farm income. That has been their plan. Repeatedly Republicans have called for phasing out farm programs, for eliminating that support mechanism that has been the genius of American farm policy.

Mr. President, I believe that represents unilateral disarmament when we are in the midst of a fierce trade fight with other countries who recognize the importance of maintaining their competitive position in agriculture. The last thing we would do in a military confrontation is to engage in unilateral disarmament. Why we would ever do it in a trade fight is beyond me.

Make no mistake, we are in a trade fight in agriculture. Europe, which is our biggest competition, is spending three to four times as much as we are spending to support their agricultural producers.

Let me repeat that. Europe, our chief competitors, are spending three to four times as much as we are spending supporting their producers. Why? Because they understand the critical importance of agriculture to the economic health of their countries, and they do not intend to lose this trade battle. They intend to fight it. They intend to win it, and they think the United States is going to cave in. They think the United States is ready to roll over. They think the United States is ready to throw in the towel.

I have spent hours and hours with the chief trade negotiators for the Europeans, and they have done everything but draw me a picture of what their long-term strategy is. They believe the United States is losing its resolve to fight for agricultural markets, and they are going to win them the old-fashioned way. They are going to go out and buy them, and that is precisely what is happening. We would be fools to allow them to win this battle and see tens of thousands of jobs leave this country because we are not willing to fight.

Mr. President, let us recall what has happened with respect to farm policy this year. On the House side, they had a proposal they called "Freedom to Farm." Most of us would consider it "Freedom from Farming," because if that thing was ever put in place, there would be a whole lot of farmers forced off the land in very short order. It is not "Freedom to Farm," it is "Freedom from Farming." Others have called it "Welcome to Welfare," because what it did was to say that no matter what prices are, farmers would get a payment from the Federal Government for the next 7 years, and then we would wash our hands of farm producers in this country.

That proposal was so radical, it suggested we eliminate the underlying authority passed in 1938 and 1949 to even have farm legislation. That is how radical and how extreme the proposal was on the House side. They could not even get that proposal through the House Agriculture Committee, although it was authored by and offered by the chairman of the House Agriculture Committee. They could not even get it through the relevant committee on the House side. Mr. President, that is how flawed that proposal was.

On the Senate side, they authored legislation that went through the Senate Agriculture Committee on a straight party-line vote after very little debate and very little discussion. Frankly, our colleagues on the other side did not want much debate, did not want much discussion, because they knew that policy was an invitation to liquidation. It would have cut farm support 60 percent in real terms in the seventh year of that proposal. I can just say, for my State, that would have represented an unmitigated disaster.

Interestingly enough, in the Senate, they did not even offer the House "Freedom to Farm" proposal for a vote. They did not even offer it for a vote, because they knew it would not enjoy much in the way of support, even in the Senate Agriculture Committee. So, then what happened, they came out on the floor and they stuck the farm legislation in the reconciliation bill.

What does that mean, "reconciliation"? It is confusing to people. That is where all of the programs are put together in order to meet the budget resolution requirements, and you do not have a separate discussion and debate on the bill itself. It is wrapped into a piece of legislation that contains many other issues.

They did that because they knew they could not pass their farm legislation on its own. Typically, the way we have handled farm legislation is to have a separate bill and a debate and a discussion on that bill and a vote on that bill. They did not want to do it that way. They wanted to wrap it in another package and vote on an entire package, with agriculture being just a small part of it, because they did not want people to be paying very much attention to what that farm policy represented, that was contained in that legislation.

Mr. President, that reconciliation bill was vetoed by the President of the United States. There were many reasons for his veto. There were many elements of that legislation, apart from farm legislation, that called for a veto. But part of the reason he vetoed it was the farm proposals, which the President saw as radical and extreme and as going too far and of putting the United States at risk of losing the significant advantages it has had in competing for world agriculture markets.

The President of the United States was called on by farmers all across this country to veto that reconciliation bill, and veto it he did. I am proud the President did veto that bill, for reasons other than the farm legislation, but the farm legislation alone would have been enough for me.

I joined those farmers in asking the President to veto that bill. It was terrible policy. It represented unilateral disarmament in this world trade battle, a battle for markets that are critically important to the economic future of this country. It is not just the economic future of America that was at stake, not just our trade situation that was at stake. It was the lives of literally thousands of American farmers at stake.

Very often when I go home to North Dakota, I go to farm families and sit around the kitchen table and talk about the future of agriculture policy and what it means to that family. Over and over this year, farm families have told me, if the policy that is being voted on in Washington, that which was offered by our colleagues on the other side of the aisle, ever became law, they would be finished, they would be out, they would be forced off the land.

I think the best estimate in my State is that we would lose a third of the farmers if that bill ever became law. That is not in the interest of family farmers. That is not in the interest of the economic health of my State. More broadly, I do not think it is in the economic interest of the country.

So I urge my colleagues to closely consider the course my colleague from North Dakota has proposed. I thank the Chair and yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, this summary action would not conflict with the goals of the two Senators from North Dakota who have just spoken, but is to point out where we are.

If, in fact, we have a year extension of the present farm bill, a couple things for certain will happen. First, immediately farmers will have to pay out of their cash flow last year's advance deficiency payment, because grain prices are higher now, at a time when some farmers did not get any crops and do not have that capability. If you have a 1-year extension, as opposed to the Freedom to Farm Act, money that would have gone from the Federal Treasury to the farm economy absolutely will not go.

So I do not quite understand why people on the other side of the aisle say that the "Freedom to Farm" agriculture bill is a sure, certain way to kill off the family farmers when their 1-year extension puts no money into agriculture whatsoever and the Freedom to Farm Act would.

What we get with the Freedom to Farm Act is certainty. We know in the bill that the President vetoed, albeit less money than has been spent on agriculture over a long period of time, we know the certainty of $43.5 billion in agriculture programs over the next 7 years. That is $6 billion to $7 billion for 1996 that would go into agriculture that under the Democratic proposal that we have been talking about here in the last hour would not be going to agriculture.

That $6 to $7 billion next year, because of moving toward the marketplace for income from agriculture, will gradually decline probably to $4 billion in the year 2002. But we know right now in the bill that the President vetoed that there would be $43.5 billion going into agriculture. We know that it would be under contract to the individual farmers, and because of that contractual obligation, the same as the annual payment that goes for the Conservation Reserve Program being honored by subsequent budget decisions made by Congress, will not be changed. That $43.5 billion is a sure thing.

Would my colleagues who promote a simple 1-year extension of the existing farm bill say that that 1-year extension brings certainty to agriculture? They are proposing something good for agriculture as opposed to what we Republicans propose of $43.5 billion for certain to go into agriculture? That is what the President of the United States vetoed.

The other thing is, as we delay making decisions for agriculture with a 1-year extension, we are going to be delaying it until 1997. If you have a 2-year extension, you are going to be delaying it to 1998. The way the Congressional Budget Office scores anything in the budget, and as you apply that to agriculture, we could be losing baseline flexibility to do something for agriculture in the near future. We have already lost $8 billion just because the President vetoed the farm bill. It is proposed by the House Agriculture Committee that if we have a 1-year extension, we could lose another $6 billion from the baseline.

Now, for people on the other side of the aisle that want a 1-year extension of the farm bill, how can you say that you are helping agriculture if you are gradually chipping away at the baseline, the fiscal baseline for agriculture in our budget? You say you are a friend of agriculture, and you want to do that? That would not sell in my State to the very same farmers that my friends from North Dakota say that they talked to in the coffee shops.

The other is a simple extension of the 1995 farm bill for 1 or 2 years, which denies the reality of the international trade situation, the environment of the new GATT agreement, which this Congress approved a year ago. The GATT agreement is freeing up trade in agriculture and other commodities so that we are going to have a much more free-trading environment and an agriculture that tends to take more in 1999, 2000, 2001, 2002 than in the early years of the GATT agreement. But we are moving to a point where, by freeing up trade in agriculture, farmers are going to be able to get more money from the marketplace and less from the Federal Treasury. Where I come from, that is what the farmers want. They want to be able to compete. They know that with our efficiency in agriculture, we can compete, we will compete, and the provisions of the Freedom to Farm Act, besides nailing down $43.5 billion from this transition from a Government-regulated agriculture to a free market agriculture, where we can compete in the world market, it also has the flexibility for the farmers to plant according to the marketplace, not according to the political decisions made here in Washington. That means that they are going to be able to plant the number of acres of corn or soybeans—those are the two prominent crops in my State—that fit the marketplace, the realities of the marketplace, not decisions that are made in the U.S. Department of Agriculture downtown by bureaucrats, who are removed from the realities of the marketplace that end up having farmers plant according to the historical bases that there are for corn and other crops on their respective farms.

What a way to make a decision in agriculture. Is that better than the market planting decision that can respond to the marketplace, a planting decision that fits into the reality of the freeing up of international trade, where our farmers can compete very well with any foreign competition?

The first thing is the $43.5 billion. The second is flexibility to plant according to the marketplace. The third point is that we will no longer be setting aside our productive capacity that we have and letting acres of rich farmland lay idle from year to year. We are going to allow every acre to be planted so that we send a signal to all of our competitors around the world that we know there is a growing world demand for exports out there. We are going to compete in that, and we are going to produce to maximum to fill the demand of the marketplace. We are going to do that in a way that is not going to encourage any of the farmers of any of the countries of the world where productivity is not quite as good as ours to plow up their marginal farmlands and put it into productivity because they know we are taking some of our land out of production.

If there is anything about the freedom to farm proposal, it is the absolute certainty that is there. If there is anything about a 1- or 2-year extension of the present farm bill, it is the uncertainty over the period of transition to the free market and the new GATT environment in trade. Second, it is going to take, for certain, money from the farmers of America at the very same time that some of our colleagues are pleading the financial plight of those very same farmers.

So I think common sense dictates giving the farmers as much certainty as you can. They get that with freedom to farm. And it is absolutely not a part of a 1-year extension of the present farm bill.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, would you advise me of the present status of the Senate?

The PRESIDING OFFICER. We are in morning business.

Mr. EXON. Mr. President, I am a Senator who has been close to agriculture for a long time. I want to speak with regard to the remarks made preceding my statement by my farm State colleague from the State of North Dakota, Senator DORGAN, and likewise, my farm State Senator next door, CHUCK GRASSLEY, who both are Senators I have worked with for a long time on farm policy.

I think we have an awful lot to do in this particular area. The most significant concern that I have in this regard, Mr. President, is the fact that here we are dilly-dallying on a farm program, and the farmers across the United States of America are justifiably concerned. Many in the South are beginning to plant now. The grain crop farmers in Nebraska and the rest of the major grain-producing States are now preparing to plant. They are trying to work out their financial needs with their bankers. They are totally at a loss and do not know what we are going to do.

I suggest that never before in history have we been so late in deciding what a farm program is going to be in the year that the crop is going to be planted. That has to stop. I do not know how to end this impasse that we have but the impasse must be broken for the good of the food producers of the United States of America.

I happen to feel that probably the best way to resolve this matter in an expeditious fashion, if we could reach an agreement between the two leaders in the Senate to bring up a freestanding farm bill with some kind of restrained debate, something to move things along and then have an up-or-down vote. That would be one way to solve the problem and let the Senate work its will. Whether that is possible or not I do not know at this juncture, but I know that is one of the suggestions that are being mulled over.

The initiative by the Senator from North Dakota today to essentially extend the present farm program for 1 year is not the best of all worlds but it is a whole lot better than no action whatever.

I must say that I have studied with great interest the so-called Freedom to Farm Act and I understand that the sponsors of that measure over on the House side, as the House has the penchant for these days is to say, "Do it our way or we will not do it at all." That is not the way which you handle farm policy or the way we should handle the budget. Certainly, we have 435 Members of the House of Representatives and 100 of us here in the U.S. Senate. We have an obligation to work our will, using the procedures that are in place in both bodies, and we cannot have some people, one, two, or three individuals, say "Doing it my way is the only way, and I will not do anything unless you do it my way."

It is not the way to get things done or accomplish anything in a body where you have 435 over there and 100 of us over here, 535 all strongly willed individuals with their own ideas. I suppose it would be self-serving to say, Mr. President, that maybe I should say 534 because the Chair and everybody in the Senate knows this Senator from Nebraska is not a strong-willed individual. I set myself apart from all of the other Members.

With that facetious statement, I come back to the core issue here, and that is we have got to move. I cannot support the so-called Freedom to Farm Act in its present form. Certainly, the Freedom to Farm Act eliminates a great deal of the red tape. It gives the farmers what I like to see them have and what they want. That is to make decisions on their own about where they plant and how they plant it.

That concept is also basically included in a measure that was introduced by the minority leader, Senator DASCHLE, another farm State senator, myself, and my colleague, Senator KERREY from Nebraska, and others, known as the Democratic farm bill. It also incorporates all of those good features of allowing more flexibility on the part of the individual farmer, eliminates a lot of the redtape but does not go as far into what I think is making the farm program a welfare program, as I am very fearful the Freedom to Farm Act would eventually encounter.

Let me cite an example, and I will ask at the appropriate time that the facts be printed in the RECORD. As a farm State Senator who recognizes that our prediction of many of our farmers today, especially those with limited acres on which they farm, continue to be in dire straits, I also cite today the fact that the cattle-producing industry is in deep, deep trouble today. While the Farm Act today or any of the Farm Acts we are talking about is not going to provide any relief basically for the cattle producer, they are part of the important food chain. I simply cite this as a fact. They are in deep, deep trouble today because of the steady decline in the cattle at all levels.

Coming back to the Freedom to Farm Act, I think that the main criticism I have of that act—and once the farmers of the United States fully understand it, I think that they would come out resoundingly against it because in essence it would turn the farm program into a welfare program which is something that they do not want. To say that, Mr. President, and having said that I am a farm State Senator, have fought for good farm programs for a long, long time, I recognize they cost some money but I also recognize that the American public today spend less of their disposable income for food of any industrialized nation in the world. Food is a bargain primarily because of the good work, the production ability and the genius production of our family farmers going to make good food, clean food at more than affordable prices.

However, if we decouple completely the farm program from the marketplace we are marching down a road that I think farmers and the food industry eventually would come to recognize is a big mistake.

The welfare provisions in the so-called Freedom to Farm Act we all should know about, and I cite a typical example which is very accurate. Under the Freedom to Farm Act, which is a step down to phasing out the program in total in 7 years, as I understand it, we will take a typical farm and talk about typical farm, typical numbers. The facts of the matter are that as I indicated, the livestock industry, the beef industry in particular, the pork industry as well, are in deep, deep problems these days. If you go along with the Freedom to Farm Act, that will not be necessarily true of the row crop producers.

I cite, for example, if the Freedom to Farm Act became a reality and if we took, Mr. President, a 500-acre corn farm which is not a particularly big farm, not particularly little farm, but use that as an example, and if that individual farmer planted his 500 acres to corn, under the Freedom to Farm Act, and if that 500-acre farm produces 120-bushel yield, and if the price for corn were, for example, $3.10 a bushel, 500 acres, 120-bushel yield, and a cash price of $3.10, you multiply 500 by 120 bushels and come up with 60,000 bushels. And 60,000 bushels at $3.10 cash price produces $186,000 gross cash income. Not net, but gross cash income. In addition to that figure under the Freedom to Farm Act that same farmer would get from the Government, he would be paid, sent a check by the Government over and above the $186,000 gross for 1996 using 60,000 bushels, he gets a 27-cent payment. That is $16,200 in 1996 that typical farm would receive over and above the $186,000 gross. In 1997, that goes up to 37 cents a bushel for $22,200, which I think could be described as a welfare payment. In 1998, it goes up to 40 cents a bushel or a $24,000 welfare payment.

I simply say that the example that I have used at the cash price of $3.10 for corn producing for the farm that I have outlined, $186,000 in gross cash income, on top of that the individual farmer would receive basically for doing nothing, or to put it another way, the 500-acre farmer with the ability to produce corn, assume that farmer planted nothing, he did not do anything, he just sat and watched television all day long. Well, he would not get the $186,000 but still under that kind of a scenario that farmer who planted nothing and did nothing would receive $16,200 from the Federal Government in 1996, $22,200 welfare-type payment in 1997, and $24,000 in a welfare-type payment in 1998.

Mr. President, I now ask unanimous consent the figures I have just referenced be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. I simply say that when you look at these kind of facts, I think one would have to conclude that any time you are going to have a welfare payment on top of what I have just outlined here at $3.10 a bushel—I would add that even if corn went up to $5 a bushel or $8 a bushel, which I suspect it will not, but even if it should—under the Freedom to Farm Act, that typical farmer that I just outlined would still receive the $16,000 to $22,000 or $24,000 depending on which year and so on down the road, on top of whatever he got from the marketplace. Therefore, there are dangers, because I happen to feel that when this information comes out, and with the stringent budget terms we are working under now, it would not be long before somebody would come up and say we are not going to do that anymore. Then some of the farmers who signed on to this program as some kind of a cash windfall would be hurt.

We have to have a farm program that gives the farmers some relief from what the situation is now with regard to the payback that they have to make for their advanced deficiency payments. But I think we can get together and work out a reasonable proposal and not one that is embodied in what is generally called the Freedom to Farm Act.

EXHIBIT 1

FREEDOM TO FARM

500 acre corn farm.

120 bushel yield.

$3.10 cash price.

500 acres times 120 bushels equals 60,000 bushels.

60,000 bushels times $3.10 cash price equals $186,000 gross cash income.

Plus Government Payment (whether they plant or not).

1996—60,000 bushels times $.27 payment equals $16,200 welfare payment.

1997—60,000 bushels times $.37 payment equals $22,200 welfare payment.

1997—60,000 bushels times $.40 payment equals $24,000 welfare payment.

ADDITIONAL COSPONSORS

S. 969

At the request of Mr. BRADLEY, the names of the Senator from Maine [Ms. SNOWE] and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 1039

At the request of Mr. ABRAHAM, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1039, a bill to require Congress to specify the source of authority under the United States Constitution for the enactment of laws, and for other purposes.

S. 1317

At the request of Mr. D'AMATO, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1317, a bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1995, and for other purposes.

S. 1364

At the request of Mr. KEMPTHORNE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1364, a bill to reauthorize and amend the Endangered Species Act of 1973, and for other purposes.

S. 1419

At the request of Mrs. KASSEBAUM, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of S. 1419, a bill to impose sanctions against Nigeria.

S. 1439

At the request of Mr. GLENN, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 1439, a bill to require the consideration of certain criteria in decisions to relocate professional sports teams, and for other purposes.

S. 1480

At the request of Mrs. BOXER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1480, a bill to provide for the comparable treatment of Federal employees and Members of Congress and the President during a period in which there is a Federal Government shutdown.

S. 1519

At the request of Mr. DOLE, the names of the Senator from Montana [Mr. BURNS], the Senator from South Dakota [Mr. PRESSLER], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Ohio [Mr. DEWINE] were added as cosponsors of S. 1519, a bill to prohibit United States voluntary and assessed contributions to the United Nations if the United Nations imposes any tax or fee on United States persons or continues to develop or promote proposals for such taxes or fees.

SENATE RESOLUTION 210—TO COMMEND THE CORNHUSKERS OF THE UNIVERSITY OF NEBRASKA

Mr. EXON (for himself and Mr. KERREY) submitted the following resolution; which was considered and agreed to:

S. RES. 210

Whereas Dr. Tom Osborne, the winningest coach in college football, has led the Nebraska Cornhuskers to the last five Big Eight titles, a second perfect season, and repeat of the National Championship;

Whereas the Huskers have gone undefeated at 25–0 in the last two seasons and 36–1 in the last three seasons, the most victories ever in that time span for any collegiate team;

Whereas Tommie Frazier, the great Husker quarterback, continued the unmatched Nebraska tradition by being named Most Valuable Player in the last three Championship games and finished his brilliant career with a rushing high 199 yards in the 1996 Fiesta Bowl;

Whereas the Huskers decisively won the Fiesta Bowl becoming the second football team ever in collegiate history to earn a consensus #1 rank in the major polls for two consecutive years;

Resolved, That the Senate commends the Cornhuskers of the University of Nebraska at Lincoln for having won the 1995 National Collegiate Athletic Association Football Championship.

SENATE RESOLUTION 211—TO COMMEND THE CORNHUSKERS OF THE UNIVERSITY OF NEBRASKA

Mr. EXON (for himself and Mr. KERRY) submitted the following resolution; which was considered and agreed to:

S. RES. 211

Whereas the Cornhusker Volleyball team under the leadership and experience of Coach Terry Pettit has risen above all others in the volleyball arena;

Whereas Nebraska player Allison Weston was named co-winner of the national Player of the Year Award assisting her National Championship winning teammates in a spectacular season;

Whereas this year's Nebraska team was only the second east of California ever to win the Volleyball Championship Tournament by winning the title match;

Resolved, That the Senate commends the Cornhuskers of the University of Nebraska at Lincoln for having won 1995 National Collegiate Athletic Association Women's Volleyball Championship.

SENATE RESOLUTION 212—TO CONSTITUTE THE MINORITY PARTY'S MEMBERSHIP ON THE ETHICS COMMITTEE

Mr. DASCHLE submitted the following resolution; which was considered and agreed to:

S. RES. 212

Resolved, That the following shall constitute the minority party's membership on the Ethics Committee for the 104th Congress, or until their successors are chosen:

The Senator from North Dakota [Mr. DORGAN], Vice Chairman;

The Senator from Nevada [Mr. REID]; and

The Senator from Washington [Mrs. MURRAY].

BUDGET SCOREKEEPING REPORT

ADDITIONAL STATEMENTS

• Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through January 10, 1996. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the 1996 concurrent resolution on the budget (H. Con. Res. 67), show that current level spending is above the budget resolution by $9.5 billion in budget authority and by $13.3 billion in outlays. Current level is $43 million below the revenue floor in 1996 and $0.7 billion below the revenue floor over the 5 years 1996–2000. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $258.9 billion, $13.3 billion above the maximum deficit amount for 1996 of $245.6 billion.

Since my last report, dated December 19, 1995, Congress cleared and the President signed the ICC Termination Act, Public Law 104–88; the Smithsonian Institution Commemorative Coin Act, Public Law 104–96; and further continuing appropriations, Public Law 104–94. These actions changed the current level of budget authority and outlays.

This is my first report for the second session of the 104th Congress.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, January 22, 1996.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report for fiscal year 1996 shows the effects of Congressional action on the 1996 budget and is current through January 10, 1996. The estimates of budget authority, outlays and revenues are consistent with the technical and economic assumptions of the 1996 Concurrent Resolution on the Budget (H. Con. Res. 67). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

This is my first report for the second session of the 104th Congress.

Sincerely,

JUNE E. O'NEILL.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, FISCAL YEAR 1996, 104TH CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS JANUARY 10, 1996

[In billions of dollars]

	Budget resolution (H. Con. Res. 67)	Current level [1]	Current level/over under resolution
ON-BUDGET			
Budget Authority	1,285.5	1,295.0	9.5
Outlays	1,288.1	1,301.4	13.3
Revenues:			
1996	1,042.5	1,042.5	[2] −0
1996–2000	5,691.5	5,690.8	−0.7
Deficit	245.6	258.9	13.3
Debt Subject to Limit	5,210.7	4,900.0	−310.7
OFF-BUDGET			
Social Security Outlays:			
1996	299.4	299.4	0.0
1996–2000	1,626.5	1,626.5	0.0
Social Security Revenues			
1996	374.7	374.7	0.0
1996–2000	2,061.0	2,061.0	0.0

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] Less than $50 million.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 104TH CONGRESS, 2ND SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1996, AS OF CLOSE OF BUSINESS JANUARY 10, 1996

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			1,042,557
Permanents and other spending legislation	830,272	798,924	
Appropriation legislation		242,052	
Offsetting receipts	−200,017	−200,017	
Total previously enacted	630,254	840,958	1,042,557
ENACTED IN FIRST SESSION			
Appropriation bills:			
1995 rescissions and Department of Defense Emergency Supplementals Act (P.L. 104–6)	−100	−885	
1995 rescissions and Emergency Supplementals for Disaster Assistance Act (P.L. 104–19)	22	−3,149	
Agriculture (P.L. 104–37)	62,602	45,620	
Defense (P.L. 104–61)	243,301	163,223	
Energy and Water (P.L. 104–46)	19,336	11,502	
Legislative Branch (P.L. 105–53)	2,125	1,977	
Military Construction (P.L. 104–32)	11,177	3,110	
Transportation (P.L. 104–50)	12,682	11,899	
Treasury, Postal Service (P.L. 104–52)	15,080	12,584	
Authorization bills:			
Self-Employed Health Insurance Act (P.L. 104–7)	−18	−18	−101
Alaska Native Claims Settlement Act (P.L. 104–42)	1	1	
Fishermen's Protective Act Amendments of 1995 (P.L. 104–43)		(3)	
Perishable Agricultural Commodities Act Amendments of 1995 (P.L. 104–48)	1	(3)	1
Alaska Power Administration Sale Act (P.L. 104–58)	−20	−20	
ICC Termination Act (P.L. 104–88)			(3)
Total enacted this session	366,191	245,845	−100
ENACTED IN SECOND SESSION			
Smithsonian Institution Commemorative Coin Act (P.L. 104–96)	3	3	
CONTINUING RESOLUTION AUTHORITY			
Further continuing appropriations (P.L. 104–94) [1]	167,467	86,812	
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	131,056	127,749	
Total current level [2]	1,294,970	1,301,368	1,042,457
Total budget resolution	1,285,500	1,288,100	1,042,500
Amount remaining:			
Under budget resolution			43
Over budget resolution	9,470	13,268	

[1] This is an estimate of discretionary funding based on a full year calculation of the continuing resolution that expires January 26, 1996. Included in this estimate are the following appropriation bills: Commerce, Justice, State; District of Columbia; Foreign Operations; Interior; Labor, HHS, Education; and Veterans, HUD. Under this assumption, Public Laws 104–91 and 104–92, providing appropriations for certain activities, have no additional effect at this time.

[2] In accordance with the Budget Enforcement Act, the total does not include $3,401 million in budget authority and $1,590 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

(3) Less than $500,000.

Notes.—Detail may not add due to rounding.

RULES INHIBIT RETRAINING

• Mr. SIMON. Mr. President, Pete DuPont, former Member of the House and former Governor of Delaware, chairs the National Center for Policy Analysis. Recently he had an op-ed piece in the Washington Times about giving prisoners skills and giving them a chance to work which I ask to be printed in full in the RECORD.

I don't know how this gets worked out, but there really is a need to face this problem. And it is a need that should be worked out with labor unions and people who are trying to protect other workers.

We hear a great deal about slave labor in China producing things. I remember a conversation I had with the late Chief Justice Warren Burger in which he said there is another aspect of this. First of all, China has nowhere near the numbers of people in prison that we have in prison. But while they are in prison they are required to work and produce things, and it reduces the recidivism rate.

Obviously, the restrictions on freedom in China have something to do with the lower prison rate, but many nations with a great deal of freedom have a tiny fraction of our incarceration rate.

I urge my colleagues to read the Pete DuPont article. There are no simple answers but the answer we have now is simplistic and wrong.

The article follows:

RULES INHIBIT RETRAINING

Most people would agree that if prisoners learned a skill while they were in jail they could more easily get a job when they got out, and that an ex-prisoner with a job is less likely to commit another crime. Since nearly one-half of people released from prison return to prison within three years, job skills could mean a significant decline in the crime rate.

The problem is that most productive prison work—other than food or laundry work within the prison itself—is against the law.

In 1936, Congress banned convict labor on federal contracts exceeding $10,000 in value. In 1940, the Ashurst-Sumners Act made it a federal crime to transport convict-made goods in interstate commerce. And many state legislatures have enacted laws to prohibit the sale of convict-made goods within their borders. States like New York compromised and adopted the "state-use" system, which permitted convicts to manufacture goods for sale to governmental agencies only, which provides a very limited market for the fruits of convict labor.

These statutes were a form of protectionism—to protect providers of goods and services in the free market from having to compete with convict labor. Small businesses and labor unions view such competition as unfair, and have successfully prevented relaxation of the statutes. When Congress tried to change the laws in 1979, the best it could do was allow prisoner work if they are paid the prevailing wage, labor union officials approve, local labor is unaffected, and no local unemployment is produced. These criteria are nearly impossible to meet, so a mere 1,660 prisoners, out of 1 million, were working under these waivers in 1994.

It was not always this way. In the last century, prisons earned a major part of their daily cost by leasing convict labor to private employers. In 1885, three-fourths of prison inmates were involved in productive labor, the majority working for private employers under contract and leasing arrangements.

By the 1930s only 44 percent worked, and nearly all worked for state industries rather than for private employers. A 1990 Census found that only 11 percent of prisoners worked in prison manufacturing or farming, down from 16 percent in 1984. If part-time work in laundry and food services is included, only about half of prisoners work.

Many prisoners are eager to work, if only to relieve the tedium of prison life. But more important is that the work is good for society in the long run because it reduces crime. A 1983–87 Federal Post-Release Employment Project study confirmed that employed prisoners do better than others without jobs. Prisoners who work have fewer disciplinary problems in prison and lower rates of rearrest; they are more likely to get a full-time job; more likely to quit their job in favor of a better-paying job; and less likely to have their supervision revoked for a parole violation or new crime. In the words of Thomas Townsend, president of the Corrections Industry Association, "It's a matter of public safety; inmates who have worked in prison, and gained new skills have a significantly better chance of not returning to crime and prison."

The only disadvantages of more work opportunities for prisoners are the feared competitive effects on local labor markets. But the government's first responsibility is to citizens, not to narrow interest groups. New production benefits all Americans. It raises the demand for their services and creates new goods for purchase. Competition is the strength of our economic system, not a wrong to be righted, so our policies should be breaking down, not erecting, barriers to work—especially when the work will make the streets safer for the rest of us.

Allowing prisoners to work makes sense. Begin by repealing state and federal limitations on inmate pay. Let responsible private businesses competitively bid for the use of prison labor. Let prisons "profit" from accepting these contracts. Provide monetary incentives to prisons and their wardens for leading their institutions to self-sufficiency.

It won't be easy for the private-sector bidders, because prison labor is not easy to use. Difficulties include security problems, lack of skills and good work habits, remote prison locations, and poor worker productivity. At least at the beginning, the market value of prisoner labor will be very low and the quality of their work poor. But both will improve as skills improve.

Across the country a million prisoners are serving time in jail. Each month, 40,000 of them are released under mandatory supervision, on parole, or at the conclusion of their sentences. Our streets would be safer and the crime rate lower if these men had a skill, a job, and the beginning of a future.•

TRIBUTE TO REV. WAYNE SMITH

Mr. McCONNELL. Mr. President, I rise today to recognize Rev. Wayne B. Smith, a man who has served his church, and central Kentucky, for more than 40 years. Reverend Smith is retiring as senior minister of Southland Christian Church in Lexington, which has the area's largest Protestant congregation.

Reverend Smith was 27 years old when he became Southland's founding pastor in 1956. Forty years later he is the only senior minister the church has had and is now one of the most well-known ministers in central Kentucky. Southland Christian has flourished under Reverend Smith, who has a congregation of more than 3,800 plus 50,000 on TV and radio. Known for his sense of humor, Reverend Smith is often referred to as "the Bob Hope of the ministry."

Reverend Smith has been named 1 of the 13 most influential people in Lexington. He served two terms as president of the Lexington Ministerial Association and is a past president of the North American Christian Convention. He is also the charter president of the Lexington Bluegrass Breakfast Lions Club.

Many of Reverend Smith's friends and colleagues have praised him for his humility and his many acts of kindness. Upon his announcement of retirement to the congregation, one Southland member said, "It won't be the same. He is one of those people who you don't replace. There were several people, including me, who had tears in their eyes."

At a farewell ceremony for Reverend Smith, which attracted a crowd of approximately 7,000, his friends gave testimonial after testimonial praising him for being a great servant of the Lord. In his resignation letter, Smith addressed his congregation saying, "You have been a wonderful flock; but also * * * my friends. We have never, for even a moment, felt unloved."

Reverend Smith and his wife Marjorie have two daughters and five grandchildren. Although he is retiring, Reverend Smith won't be able to rest for long as his future plans include speaking engagements and revival meetings across the country.

Mr. President, I would like to pay special tribute to Rev. Wayne B. Smith for his dedicated service to his church, his family, and his community.

HONORING AARON FEUERSTEIN

• Mr. KERRY. Mr. President, after the devastation of a mill fire in Methuen, MA, threatened the community and 2,400 workers who depended on it, Aaron Feuerstein could have turned his back on his employees and closed the factory or moved it out of State. But he chose to stay. He chose to help, and to give something back to those who worked for him. He offered to pay everyone, and he even gave his employees their Christmas bonuses, will pay their health care premiums for 90 days, and is working to open the factory again as soon as possible.

Mr. President, Aaron Feuerstein's extraordinary generosity during this holiday season has moved Massachusetts and the Nation, and made all of us believe again in the power of community and the real spirit of America. What he has done to help so many families will never be forgotten, and I know that my colleagues in the Senate join me in congratulating him for setting an example of loyalty, leadership, and compassion which is too often lacking in contemporary American society.

He has shown us what true success in business is all about, and what our economy is all about. It's about helping people and families to prosper and to grow together—build together and work together toward a common goal.

The news reports of the reactions of Aaron's workers to his generosity are heartwarming; and the warm response of his loyal employees is a tribute to him and should be the greatest holiday gift anyone could receive.

Mr. President, Aaron Feuerstein has earned a special place in our hearts, and has set a new standard for American corporate leadership.

I have joined with the distinguished senior Senator from Massachusetts and the Massachusetts congressional delegation in pledging to do what we can, at the Federal level, to help this factory and community recover from this catastrophic fire, and I know that my colleagues in the Senate will join me in congratulating Aaron for showing America that loyalty is an essential ingredient not only in business but in the life of a community.

Mr. President, I ask that a recent editorial from the Boston Globe by David Nyhan about the generosity of Aaron Feuerstein be printed in the RECORD.

The editorial follows:

THE MENSCH WHO SAVED CHRISTMAS

(By David Nyhan)

Were it not for the 45-mile-an-hour winds ripping out of the Northwest, the sparks that they carried and the destruction they wrought, Aaron Feuerstein today would be just another rich guy who owned a one-time factory, in a country full of the same.

But the fire that destroyed New England's largest textile operation Monday has turned this 70-year-old businessman into a folk hero. If a slim, determined, devoutly-Jewish textile manufacturer can be Santa Claus, then Feuerstein is, to 2,400 workers whose jobs were jeopardized by the fire.

The flames, so intense and widespread that the smoke plume appeared in garish color on TV weathermen's radar maps, presented Feuerstein with a stark choice: Should he rebuild, or take the insurance money and bag it?

Aaron Feuerstein is keeping the paychecks coming, as best he can, for as long as possible, while he rushes to rebuild, and restore the jobs a whole valley-full of families depend upon.

Everybody got paid this week. Everybody got their Christmas bonus. Everybody will get paid at least another month. And Feuerstein will see what he can do after that. But the greatest news of all is that he will rebuild the factory.

The man has a biblical approach to the complexities of late-20th-century economics, capsulated by a Jewish precept:

"When all is moral chaos, this is the time for you to be a mensch."

In Yiddish, a mensch is someone who does the right thing. The Aaron Feuerstein thing.

The chaos was not moral but physical in the conflagration that began with an explosion and soon engulfed the four-building Malden Mills complex in Methuen, injuring two dozen workers, a half-dozen firemen and threatening nearby houses along the Merrimack River site.

The destruction was near-absolute. It is still inexplicable how no one perished in a fast-moving firestorm that lit up the sky. This was one of New England's handful of manufacturing success stories, a plant that emerged from bankruptcy 14 years ago. The company manufactures a trademark fabric, Polartec fleece, used extensively in outdoor clothing and sportswear by outfits such as L. L. Bean and Patagonia.

The company was founded by Feuerstein's grandfather in 1907, and its history over the century has traced the rise, fall and rise again of textile manufacturing in New England mill towns.

Most of the textile makers fled south, leaving hundreds of red brick mausoleums lining the rocky riverbeds that provided the waterpower to turn lathes and looms before electricity came in. The unions that wrested higher wages from flinty Yankee employers were left behind by the companies that went to the Carolinas and elsewhere, to be closer to cotton and farther from unions.

The Feuerstein family stuck it out while many others left, taking their jobs and their profits with them. The current boss is one textile magnate who wins high praise from the union officials who deal with him.

"He's a man of his word," says Paul Coorey, president of Local 311 of the Union of Needleworkers, Industrial and Textile Employees. "He's extremely compassionate for people." The union's New England chief, Ronald Alman, said: "He believes in the process of collective bargaining and he believes that if you pay people a fair amount of money, and give them good benefits to take care of their families, they will produce for you."

If there is an award somewhere for a Compassionate Capitalist, this man should qualify, hands-down. Because he is standing up for decent jobs for working people at a time when the vast bulk of America's employer class is chopping, slimming, hollowing-out the payroll.

Job loss is the story of America at the end of the century. Wall Street is going like gangbusters, but out on the prairie, and in the old mill towns, and in smalltown America, the story is not of how big your broker's bonus is this Christmas but of how hard it is to keep working.

The day after the fire, Bank of Boston announced it will buy BayBanks, a mega-merger of financial titans that will result in the elimination of 2,000 jobs. Polaroid, another big New England employer, announced it would pare its payroll by up to 2,000 jobs. Across the country, millions of jobs have been eliminated in the rush to lighten the corporate sled by tossing overboard anyone who could be considered excess baggage by a Harvard MBA with a calculator for a heart.

Aaron Feuerstein, who went from Boston Latin High School and New York's Yeshiva University right into the mill his father owned, sees things differently: The help is part of the enterprise, not just a cost center to be cut.

"They've been with me for a long time. We've been good to each other, and there's a deep realization of that, that is not always expressed, except at times of sorrow."

And it is noble sentiments like those, coming at a time when they are most needed, that turns times of sorrow into occasions of triumph.•

VICTIMS RESTITUTION ENFORCEMENT ACT OF 1995

• Mr. ABRAHAM. Mr. President, I ask that the text of my bill, S. 1504, the Victims Restitution Enforcement Act of 1995 be printed in the RECORD.

The text of the bill follows:

S. 1504

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Victims Restitution Enforcement Act of 1995".

SEC. 2. PROCEDURE FOR ISSUANCE AND ENFORCEMENT OF RESTITUTION ORDER.

(a) IN GENERAL.—Section 3664 of title 18, United States Code, is amended to read as follows:

"§ 3664. Procedure for issuance and enforcement of order of restitution

"(a) For orders of restitution under this title, the court shall order the probation service of the court to obtain and include in its presentence report, or in a separate report, as the court directs, information sufficient for the court to exercise its discretion in fashioning a restitution order. The report shall include, to the extent practicable, a complete accounting of the losses to each victim, any restitution owed pursuant to a plea agreement, and information relating to the economic circumstances of each defendant. If the number or identity of victims cannot be reasonably ascertained, or other circumstances exist that make this requirement clearly impracticable, the probation service shall so inform the court.

"(b) The court shall disclose to both the defendant and the attorney for the Government all portions of the presentence or other report pertaining to the matters described in subsection (a) of this section.

"(c) The provisions of this chapter, chapter 227, and Rule 32(c) of the Federal Rules of Criminal Procedure shall be the only rules applicable to proceedings under this section.

"(d)(1)(A) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property or assets necessary to satisfy a criminal restitution order under this subchapter. Such order may be entered in the following circumstances:

"(i) Prior to the filing of an indictment or information charging an offense that may result in a criminal restitution order, and upon the United States showing that—

"(I) there is a substantial probability that the United States will obtain a criminal restitution order;

"(II) the defendant has or is likely to take action to dissipate or hide the defendant's property or assets; and

"(III) the need to preserve the availability of the property or assets through the requested order outweighs the hardship of any party against whom the order is entered.

"(ii) Upon the filing of an indictment or information charging an offense that may result in a criminal restitution order, and upon the United States showing that the defendant has or is likely to take action to dissipate or hide the defendant's property or assets.

"(iii) Upon the conviction, or entry of a guilty plea, to an indictment or information charging an offense that may result in a criminal restitution order, and upon the United States showing that the defendant may take action to dissipate or hide the defendant's property or assets or that an order is necessary to marshal and determine the defendant's property or assets.

"(B) An order entered pursuant to subparagraph (A) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A)(ii) has been filed.

"(2)(A) Except as provided in paragraph (3), an order entered under this subsection shall be after notice to persons appearing to have an interest in the property and opportunity for a hearing, and upon the United States carrying the burden of proof by a preponderance of the evidence.

"(B) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(3)(A) A temporary restraining order may be entered without notice or opportunity for a hearing if the United States demonstrates that—

"(i) there is probable cause to believe that the property or assets with respect to which the order is sought would be subject to execution upon the entry of a criminal restitution order;

"(ii) there is a substantial probability that the United States will obtain a criminal restitution order; and

"(iii) the provision of notice would jeopardize the availability of the property or assets for execution.

"(B) A temporary order under this paragraph shall expire not later than 10 days after the date on which it is entered, unless—

"(i) the court grants an extension for good cause shown; or

"(ii) the party against whom the order is entered consents to an extension for a longer period.

"(C) A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time, and prior to the expiration of the temporary order.

"(4)(A) Information concerning the net worth, financial affairs, transactions or interests of the defendant presented to the grand jury may be disclosed to an attorney for the government assisting in the enforcement of criminal restitution orders, for use in the performance of that attorney's duties.

"(B)(i) An attorney for the government responsible for the prosecution of criminal offenses, or responsible for the enforcement of criminal restitution orders, may obtain and use consumer credit reports to—

"(I) obtain an order under this section;

"(II) determine the amount of restitution that is appropriate; or

"(III) enforce a criminal restitution order.

"(ii) This subparagraph does not limit the availability of grand jury subpoenas to obtain such credit reports.

"(iii) Upon conviction, such reports may be furnished to the United States Probation Service.

"(e)(1)(A) Within 60 days after conviction, and in any event not later than 10 days prior to sentencing, the attorney for the United States after consulting with all victims (when practicable), shall promptly provide the probation service of the court all information readily available to the attorney, including matters occurring before the grand jury relating to the identity of the victim or victims, the amount of loss, and financial matters relating to the defendant.

"(B) The attorney for the government shall, if practicable, provide notice to all victims. The notice shall inform the victims of the offenses for which the defendant was convicted, the victim's right to submit information to the probation office concerning the amount of the victim's losses, and the scheduled date, time, and place of the sentencing hearing.

"(C) Upon ex parte application to the court, and a showing that the requirements of subparagraph (A) may cause harm to any victim, or jeopardize an ongoing investigation, the court may limit the information to be provided to or sought by the probation service of the court.

"(D) If any victim objects to any of the information provided to the probation service by the attorney for the United States, the victim may file a separate affidavit with the court.

"(2) After reviewing the report of the probation service of the court, the court may require additional documentation or hear testimony. The privacy of any records filed, or testimony heard, pursuant to this section shall be maintained to the greatest extent possible and such records may be filed or testimony heard in camera.

"(3) If the victim's losses are not ascertainable by the date that is 10 days prior to sentencing as provided in paragraph (1), the United States Attorney (or the United States Attorney's delegee) shall so inform the court, and the court shall set a date for the final determination of the victim's losses, not to exceed 90 days after sentencing. If the victim's losses cannot reasonably be ascertained, the court shall determine an appropriate amount of restitution based on the available information. If the victim subsequently discovers further losses, the victim shall have 60 days after discovery of those losses in which to petition the court for an amended restitution order. Such order may be granted only upon a showing of good cause for the failure to include such losses in the initial claim for restitutionary relief.

"(4) The court may refer any issue arising in connection with a proposed order of restitution to a magistrate or special master for proposed findings of fact and recommendations as to disposition, subject to a de novo determination of the issue by the court.

"(5) In no case shall the fact that a victim has received or is entitled to receive compensation with respect to a loss from insurance or any other source be considered in determining the amount of restitution.

"(f) Any dispute as to the proper amount or type of restitution shall be resolved by the court by the preponderance of the evidence. The burden of demonstrating the amount of the loss sustained by a victim as a result of the offense shall be on the attorney for the Government. The burden of demonstrating the financial resources of the defendant and the financial needs of the defendant and such defendant's dependents shall be on the defendant. The burden of demonstrating such other matters as the court deems appropriate shall be upon the party designated by the court as justice requires.

"(g)(1)(A) In each order of restitution, the court shall order restitution to each victim in the full amount of each victim's losses as determined by the court and without consideration of the economic circumstances of the defendant.

"(B) If—

"(i) the number of victims is too great;

"(ii) the actual identity of the victims cannot be ascertained; and

"(iii) or the full amount of each victim's losses cannot be reasonably ascertained;

the court shall order restitution in the amount of the total loss that is reasonably ascertainable.

"(2) The restitution order shall be for a sum certain and payable immediately.

"(3) If the court finds from facts on the record that the economic circumstances of the defendant do not allow and are not likely to allow the defendant to make more than nominal payments under the restitution order, the court shall direct the defendant to make nominal periodic payments in the amount the defendant can reasonably be expected to pay by making a diligent and bona fide effort toward the restitution order entered pursuant to paragraph (1). Nothing in the paragraph shall impair the defendant's obligation to make full restitution pursuant to paragraphs (1) and (2).

"(4) Notwithstanding any payment schedule entered by the court pursuant to paragraph (2), each order of restitution shall be a civil debt, payable immediately, and subject to the enforcement procedures provided in subsection (n). In no event shall a defendant incur any criminal penalty for failure to make a restitution payment under the restitution order because of the defendant's indigency.

"(h)(1) No victim shall be required to participate in any phase of a restitution order. If a victim declines to receive restitution made mandatory by this title, the court shall order that the victim's share of any restitution owed be deposited in the Crime Victims Fund in the Treasury.

"(2) A victim may at any time assign the victim's interest in restitution payments to the Crime Victims Fund in the Treasury without in any way impairing the obligation of the defendant to make such payments.

"(3) If the victim cannot be located or identified, the court shall direct that the restitution payments be made to the Crime Victims Fund of the Treasury. This paragraph shall not be construed to impair the obligation of the defendant to make such payments.

"(i) If the court finds that more than 1 defendant has contributed to the loss of a victim, the court may make each defendant jointly and severally liable for payment of the full amount of restitution or may apportion liability among the defendants to reflect the level of contribution to the victim's loss and economic circumstances of each defendant.

"(j) If the court finds that more than 1 victim has sustained a loss requiring restitution by a defendant, the court may issue an order of priority for restitution payments based on the type and amount of the victim's loss accounting for the economic circumstances of each victim. In any case in which the United States is a victim, the court shall ensure that all individual victims receive full restitution before the United States receives any restitution.

"(k)(1) If a victim has received or is entitled to receive compensation with respect to a loss from insurance or any other source, the court shall order that restitution shall be paid to the person who provided or is obligated to provide the compensation, but the restitution order shall provide that all restitution of victims required by the order be paid to the victims before any restitution is paid to such a provider of compensation.

"(2) Any amount paid to a victim under an order of restitution shall be reduced by any amount later recovered as compensatory damages for the same loss by the victim in—

"(A) any Federal civil proceeding; and

"(B) any State civil proceeding, to the extent provided by the law of the State.

"(3) If a person obligated to provide restitution receives substantial resources from any source, including inheritance, settlement, or other judgment, such person shall be required to apply the value of such resources to any restitution still owed.

"(l) The defendant shall notify the court and the Attorney General of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay restitution. Upon receipt of the notification, the court may, on its own motion, or the motion of any party, including the victim, adjust the payment schedule, or require immediate payment in full, as the interests of justice require.

"(m)(1) The court shall retain jurisdiction over any criminal restitution judgment or amended criminal restitution judgment for a period of 5 years from the date the sentence was imposed. This limitation shall be tolled during any period of time that the defendant—

"(A) was incarcerated;

"(B) was a fugitive; or

"(C) was granted a stay that prevented the enforcement of the restitution order.

"(2) While within the jurisdiction of the court, if the defendant knowingly fails to make a bona fide effort to pay whatever amount of restitution is ordered by the court, or knowingly and willfully refuses to pay restitution, the court may—

"(A) modify the terms or conditions of the defendant's probation or supervised release;

"(B) extend the defendant's probation or supervised release until a date not later than 10 years from the date the sentence was imposed;

"(C) revoke the defendant's probation or supervised release;

"(D) hold the defendant in contempt; or

"(E) increase the defendant's sentence to any sentence that might originally have been imposed under the applicable statute, without regard to the sentencing guidelines.

"(n)(1) An order of restitution may be enforced—

"(A) through civil or administrative methods during the period that the restitution lien provided for in section 3613 of title 18, United States Code, is enforceable;

"(B) by the United States in the manner provided for in subchapter C of chapter 227 and subchapter B of chapter 229;

"(C) by the United States regardless of whether for the benefit of the United States, in accordance with the procedures of chapter 176 of part VI of title 28, or in accordance with any other administrative or civil enforcement means available to the United States to enforce a debt due the United States; or

"(D) by any victim named in the restitution order as a lien pursuant to section 1962 of title 28.

"(2) A conviction of a defendant for an offense giving rise to restitution under this section shall estop the defendant from denying the essential allegations of that offense in any subsequent Federal civil proceeding or State civil proceeding, regardless of any State law precluding estoppel for a lack of mutuality. The victim, in such subsequent proceeding, shall not be precluded from establishing a loss that is greater than the loss determined by the court in the earlier criminal proceeding.".

(b) TECHNICAL AMENDMENT.—The item relating to section 3664 in the analysis for chapter 232 of title 18, United States Code, is amended to read as follows:

"3664. Procedure for issuance and enforcement of order of restitution.".

SEC. 3. CIVIL REMEDIES.

Section 3613 of title 18, United States Code, is amended—

(1) in the heading, by inserting "or restitution" after "fine"; and

(2) in subsection (a)—

(A) by striking "A fine" and inserting the following:

"(1) FINES.—A fine";

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting accordingly; and

(C) by adding at the end the following new paragraphs:

"(2) RESTITUTION.—(A) An order of restitution shall operate as a lien in favor of the United States for its benefit or for the benefit of any non-Federal victims against all property belonging to the defendant or defendants. The lien shall arise at the time of the entry of judgment or order and shall continue until the liability is satisfied, remitted, or set aside, or until it becomes otherwise unenforceable. Such lien shall apply against all property and property interests owned by the defendants at the time of arrest as well as all property subsequently acquired by the defendant or defendants.

"(B) The lien shall be entered in the name of the United States in behalf of all ascertained victims, unascertained victims, victims entitled to restitution who choose not to participate in the restitution program and victims entitled to restitution who cannot assert their interests in the lien for any reason.

"(3) JOINTLY HELD PROPERTY.—(A)(i) If the court enforcing an order of restitution under this section determines that the defendant has an interest in property with another, and that the defendant cannot satisfy the restitution order from his or her separate property or income, the court may, after considering all of the equities, order such jointly owned property be divided and sold, upon such conditions as the court deems just, regardless of any Federal or State law to the contrary.

"(ii) The court shall take care to protect the reasonable and legitimate interests of the defendant's innocent spouse and minor children, especially real property used as the actual home of such innocent spouse and minor children, except to the extent that the court determines that the interest of such innocent spouse and children is the product of the criminal activity of which the defendant has been convicted, or is the result of a fraudulent transfer.

"(B) In determining whether there was a fraudulent transfer, the court shall consider whether the debtor made the transfer—

"(i) with actual intent to hinder, delay, or defraud the United States or other victim; or

"(ii) without receiving a reasonably equivalent value in exchange for the transfer.

"(C) In determining what portion of such jointly owned property shall be set aside for the defendant's innocent spouse or children, or whether to have sold or divided such jointly held property, the court shall consider—

"(i) the contributions of the other joint owner to the value of the property;

"(ii) the reasonable expectation of the other joint owner to be able to enjoy the continued use of the property; and

"(iii) the economic circumstances and needs of the defendant and dependents of the defendant and the economic circumstances and needs of the victim and the dependents of the victim.".

SEC. 4. FINES.

Section 3572(b) of title 18, United States Code, is amended to read as follows:

"(b) Any fine, special assessment, restitution, or cost shall be for a sum certain and payable immediately. In no event shall a defendant incur any criminal penalty for failure to make a payment on a fine, special assessment, restitution, or cost because of the defendant's indigency.".

SEC. 5. RESENTENCING.

Section 3614 of title 18, United States Code, is amended by inserting "or may increase the defendant's sentence to any sentence that might originally have been imposed under the applicable statute" after "imposed".•

ERNEST L. BOYER

• Mr. SIMON. Mr. President, in the early part of December, the Nation lost one of the finest public officials it has ever had, Ernest L. Boyer, who was a commissioner of education under President Carter and head of the Carnegie Foundation for the Advancement of Teaching.

I have had the opportunity of working with him on a number of issues. He was a genuinely fine human being and an unusually competent and dedicated public servant.

Those of us who worked with him know that in addition to everything else, he was simply "a nice guy."

His loss is a huge loss to the Nation.

I was pleased with the editorial comment of the Washington Post which I ask to be printed in full in the RECORD.

The article follows:

[From the Washington Post]

ERNEST L. BOYER

The progress of "education reform" is always hard to track: Where are all these "reforms" going, and how can we tell when they get there? One of the few voices that helped answer the latter question was that of Ernest L. Boyer, who died last week. Mr. Boyer, head of the Carnegie Foundation for the Advancement of Teaching, had been commissioner of education under President Carter and before that the president of the State University of New York. He was once introduced to a Washington gathering as "a man who has never had an unpublished thought."

But Mr. Boyer's real contribution, in a debate that tends to be by turns faddish and cacophonous, was not just to be widely heard but to cling tenaciously over the years to a few simple principles. One was that the high school diploma should mean something: Schools, school systems and state legislatures should cease giving graduation credit for shopping-mall-style electives or "business math" and insist on solid fare such as four years of English, two of algebra, history in place of "social studies."

That insistence prevailed in enough places and has been in effect long enough to have produced results, as high schools report toughened standards and a few colleges say students are better prepared. Another strongly held Boyer view was that early childhood education and nutrition made a dramatic difference in children's futures; yet another, that the large schools so popular in the 1960s and 1970s were bad for students who, especially in urban systems and at the critical junior high school level, were suffering already from a lack of adult attention in their lives. "Too often when students 'drop out,'" he wrote, "nobody has ever noticed they had 'dropped in.'"

These ideas, neither complicated nor trendy, can be all the harder to focus public attention on for their lack of drama. But they need to be stated, and stated over and over as the wave of "education reform" launched by the 1983 report called "A Nation At Risk" gets increasingly diffuse and degenerates into political quarreling. More than anything else, education—real education that gets somewhere—implies long and low-key effort, sustained attention to the child at hand. Mr. Boyer was such an educator, whose patience and consistency carried as much influence as the quality of the ideas he put forward.•

CARMEN AND VINCENT AITRO

• Mr. LIEBERMAN. Mr. President, I rise today to recognize two exemplary citizens from the State of Connecticut, Carmen and Vincent Aitro. These two men, twin brothers, have worked tirelessly to help their community and to improve the lives of Connecticut's youths. The Aitro brothers have a long-standing history of dedication to the New Haven area community-service organizations.

Carmen and Vincent Aitro have used sports to instill positive values and principles into the young people they involve. They have directed or coached numerous teams and athletic organizations in sports, including baseball, basketball, and softball. Many of their teams excelled on the field, winning numerous league and State championships. The young people coached by the twins have received invaluable benefits, not just in terms of athletic skills, but also, more importantly, skills and attitudes that will aid and guide them throughout their lives.

The Aitro brothers have already been recognized by their community. They have served on the board of directors of many organizations, among which are the Walter Camp Football Foundation, the New Haven Boys and Girls Club Board of Managers, and the Commissioner of the New Haven Housing Authority. The honors Carmen and Vincent have accrued are numerous, but include The Dante Club Old Timers Award, the Andy Papero Bronco League Man of the Year, the Boys Club Alumni Gold Ring Award, and the Walter Camp Award.

Therefore, Mr. President, I believe that these two outstanding individuals should be commended for their many years of service and dedication. These are two men who truly made a difference through their accomplishments, and their nature of generosity and selflessness will long be remembered.•

ARTHUR M. WOOD, JR.

• Mr. MACK. Mr. President, I rise today to honor Arthur M. Wood, Jr., who will be awarded the Institute of Human Relations Award on February 20, 1996 by the southwest Florida chapter of the American Jewish Committee. The award is given annually to a member of the community who best exemplifies what the institute stands for—building mutual respect and understanding among America's diverse population groups.

Arthur M. Wood, Jr. was born in Chicago on October 11, 1950. After growing up in northern Illinois and southern California, he graduated from Princeton University with a B.A. degree in English in 1972. In 1975, he received his master's degree from Northwestern University's Kellogg Graduate School of Management with a concentration in finance, marketing, and organizational behavior.

Art was appointed president of Northern Trust Bank in 1987. Since that time he and his wife Peggy, a former vice president of J. Walter Thompson Co., helped raise millions of dollars for philanthropies in the Sarasota area.

Art's continuous involvement in the community has included philanthropies and civic causes of all sizes and scope. He chairs the Van Wezel Foundation and is a former treasurer. He is chairman of New College Foundation; and a member of the Asolo Center's board of directors. He is past chairman of the Sarasota Memorial Hospital Century Foundation and the past president of the United Way of Sarasota. He is chairman of the Out-of-Door Academy and a former board member of Florida West Coast Symphony, the Salvation Army, and the Education Foundation. He was chairman of the 1990-91 United Way Campaign and has served on the advisory boards of Sarasota Ballet and Girl's Inc. He also cochaired the 1991 French Film Festival with his wife Peggy.

In addition to his individual efforts, he has participated in and supported Peggy in her many charitable endeavors, which include, but are not limited to, the following: chair of the 1995 New College Auction, chair of the 1994 Circus Gala at Ringling Museum, chair of the 1994 Sarasota Opera's Youth Festival, chair of the 1992 Memorial Hospital Cartoon Classic, chair of the 1991 New College Library Association Mistletoe Ball, chair of the 1990 Family Counseling Center's benefit, and chair of the 1989 Orchid Ball.

Mr. President, as you can see Art has not limited his benevolence to specific organizations, instead his influence is felt across the entire Sarasota community. He has done more charitable work in 10 years than most of us could hope to do in a lifetime. The great State of Florida is a better place because of Art Wood's commitment to his community. Mr. President, I will conclude by commending the southwest Florida chapter of the American Jewish Committee, especially the committee's president Robert Rosenthal and director Harriet Abraham, for their dedication in recognizing this year's recipient of the 1996 Human Relations Award, Arthur M. Wood, Jr.•

A CENTURY OF NOBLE SERVICE: COMMENDATION OF THE ENFIELD VOLUNTEER FIRE DEPARTMENT ON THE OCCASION OF ITS CENTENNIAL ANNIVERSARY

• Mr. DODD. Mr. President, never has the noble spirit of voluntarism been more important than it is today. And nowhere in the Nation is the spirit of self-reliance and gritty determination a more integral part of life than it is in New England. Voluntarism and self-reliance came together in 1896, when the citizens of Enfield, CT, formed the volunteer Enfield Fire Department, and they are alive and well in the department's service today. And so it is my pleasure to offer my commendation to the brave men and women of the Enfied Volunteer Fire Department who have served and protected Enfield for 100 years.

At a time when our society is seeking real role models for our children, we can with confidence point to our Nation's volunteer firefighters as true heroes. The galant members of the Enfield Volunteer Fire Department, both past and present, have selflessly devoted themselves, day in and day out, to saving the lives and livelihoods of their neighbors. Without these dedicated individuals, the community of Enfield would be at a tremendous loss.

No matter what is required of them, Enfield's volunteer firefighters stand ready to help. Whether responding to an emergency, or preventing emergencies from happening in the first place, all the department's activities are executed with the highest caliber of professionalism. Indeed, the firefighters make a difference every day, conducting safety lessons in schools and throughout the community to teach kids and others about fire prevention.

Mr. President, the men and women of the Enfield Fire Department have faithfully served and protected Enfield, contributing tens of thousands of hours, for a century. Those who served yesterday, serve today, and will serve tomorrow, are truly a tribute to the State of Connecticut. I am proud of the work done by these fine citizens, and as they celebrate their centennial, wish them another hundred years of valiant duty.•

DRUG LEGALIZATION

• Mr. GRASSLEY. Mr. President, yesterday the New York Times ran a piece noting that the lead story in the next issue of the National Review is going to call for the legalization of drugs. The rationale for this argument is that the war on drugs has failed and that the only solution is to declare defeat and turn the asylum over to the inmates.

I am not sure just what information the folks at the National Review are using, but the facts are flawed and the argument is dumb and irresponsible.

Mr. Buckley, the author of the piece, is safe in making such arguments because he personally does not plan to use drugs. No one of his immediate acquaintance is likely to start using dangerous drugs. And I doubt that he will encourage any teenage members of his family to use drugs. So the consequences of his advocacy will not be felt personally. Instead, the burden of his ideas will be borne by countless families whose kids—the most at-risk population—will fall victim to the consequences of drug abuse. The costs will also be borne by the public purse, as we have to treat the walking wounded.

Although there is no public support for the idea of legalization, and none in the Congress, some of our culture elite—left and right—keep raising the idea as if it had some intellectual merit. Nothing could be farther from the truth. I am therefore submitting for the RECORD a longer statement on the common mistakes made in the legalization argument that I hope will help in closing this latest chapter in foolishness.

The statement follows:

STATEMENT BY CHARLES E. GRASSLEY: DRUG LEGALIZATION

I have been increasingly concerned about the tendency in some quarters to promote the legalization of drugs in this country. If there is any idea that is essentially without merit and without public support, it is that this country should entertain seriously the notion that dangerous drugs should be legalized and made widely available. Drug legalization is truly an invitation to the Mad Hatter's Tea Party.

Unfortunately, many in the media and in our cultural elite, who have a disproportionate access to public communication and opinion outlets, have once again started to advocate some form of legalization. While this advocacy is not likely to lead to a major change in public policy, it can and does have an adverse influence on thinking about the dangers of drug. It sends a mixed message about the dangers of use that is particularly harmful when it touches our young people.

As Bill Bennett and Joe Califano noted recently, drugs are illegal because they are dangerous, they are not dangerous because they are illegal. Legalization advocates, however, deploy a variety of arguments on behalf of their position that ignore this essential fact. They all too often resort to scare tactics, misrepresent reality, or skip over inconvenient facts. I think that it is important to set the record straight.

There are a number of misconceptions about our efforts to deal with the drug problem. It is important to understand these and the common arguments used to promote them in order to arrive at a reasoned and reasonable understanding of what the drug problem is about. One of the first points to note is that our last drug epidemic—during the 1960s, 1970s, and early 1980s—was the result of arguments made by some that drugs were really not a problem and that everyone would feel better, live better, and prosper from the self-administration of dangerous drugs.

The claim, made with considerable fervor, was that drugs were liberating and that only a repressive society would prevent people from achieving their true potential. By the late 1980s, we finally came to realize just what a cruel hoax, a big lie, these claims were. We are still trying to cope with an addict population from that era, a period that has left us with a legacy of lives blasted by drug use, a cost that is borne by families and the public purse. We cannot afford to ignore this lesson, to repeat a disaster based on the enthusiasms of a few.

Mistake #1: Prohibition doesn't, can't work. Efforts to keep people from using drugs, like alcohol prohibition, only encourages the idea of forbidden fruit, increases crime, and will always fail

The argument that prohibition doesn't work relies on a collective amnesia about this country's experience with alcohol prohibition between 1920 and 1934. In the first place, Prohibition did not make the use of alcohol illegal, only its manufacture and sale over a certain strength. It was, in effect, a control regime legalizing personal use. This effort came at the end of a very long history in this country of trying to reduce the consumption of alcohol from dangerous heights. The modern parallel is with the efforts to reduce tobacco use.

Second, Prohibition did not lead to a major increase in violent crime, as is often claimed. The major increase, particularly in violent crime in this country, came between 1900 and 1910, well before the prohibition movement. Violent crime remained fairly stable or declined during Prohibition. While it is true that crime rates decreased after Prohibition this was not the result of ending Prohibition. Nor did Prohibition create organized crime. Major organized crime groups existed well before alcohol prohibition and they prospered after it ended.

Third, major health problems, such as cirrhosis of the liver and alcohol-related psychoses, declined sharply during Prohibition. Alcohol consumption, even though it was not illegal, also declined sharply. It increased in the years following the repeal of Prohibition, as did the associated health problems.

Fourth, it is important to remember also that alcohol, unlike dangerous drugs, had wide social acceptance and a long history of use. Alcohol can also be used by most people without creating impairment, either temporary or long term. Marijuana, cocaine, and heroin have no such long history of popular public use or acceptance, and their use is solely for the purpose of intoxication. In fact, the public has opposed these substances once they learned how dangerous and destructive they were. This is also true historically in this country and internationally. No society today has a legalization regime for dangerous drugs.

In addition, it is clear that control efforts, when reinforced by serious law enforcement, prevention, and education programs do deter use, especially among young people. Our own recent experience illustrates how effective we can be. After decades of increasing use in this country, we reversed the trend of drug use when, beginning in the mid-1980s, we decided to just say no and to get serious about doing something. Overall drug use, apart from addicts, declined by more than 50 percent; cocaine use by 70 percent. Unfortunately, more recently, as we have moved away from these serious programs we have seen a return to use in the most at-risk population—teenagers.

Mistake #2: Legalization will mean less crime because the profit motive is removed and we will lock fewer people up when we make our drug laws more humane

First, most prisoners in state and Federal prisons are not there for drug offenses as their first or major offense. Most offenders are in jail for violent or repeat offenses. Of these, despite the wildy exaggerated numbers often cited, only 10 percent of Federal prisoners and 17 percent of state inmates committed their crimes to obtain drugs. Indeed, research shows that most career criminals came to drug use after starting their criminal activities, not before. Legalization will not greatly reduce the crime rate, especially for violent crimes. Indeed, in so far as the pharmacological effects of drugs, particularly cocaine and other stimulants, exacerbate violent tendencies, legalization will produce far greater violent crime rates as the number of "legal" addicts soars.

Second, the vast majority of prisoners serving time from drug offenses are not there for use but for trafficking—individuals whose actions destroy lives and menace neighborhoods.

Third, legalization will not end black markets for drugs, unless we are prepared to legalize drug use for all ages down to the age of 6 or 7. Only the most radical legalization advocates want to see kids using drugs. But to leave any population out of a legalization regime means leaving a black market. Crime will not simply disappear nor will the organizations that are currently trafficking in illegal drugs.

Mistake #3: Legalization will mean a healthier climate in which controlled drug use will provide quality control and monitored use

This argument misses or misrepresents the issue. The issue is not whether we make drugs, which are inherently dangerous to use, more pure, but whether we permit their use at all. Britain led the way in trying to treat dangerous drug use as a therapeutic problem, regulating addicts through doctors' care. This was not an open drug policy for anyone to use drugs but a policy just for addicts. The result was a disaster. It did not prevent the spread of drug abuse. It only made doctors complicit in the act of promoting an addiction for which they had no cure. In effect, it reversed the normal doctor-patient relationship, putting doctors in the position of making their patients worse off. As a result, in Britain, addiction soared, addicts got worse not better, and the black market flourished. Similar experiences have visited similar efforts in other countries. Now, it seems that Switzerland is experimenting with a variation of this approach. The results are likely to be a similar disaster, making the government and the medical community complicit in spreading addiction.

It is also important to keep in mind, that dangerous drugs are not synonymous with other controlled pharmaceuticals. The latter are controlled but they also have a therapeutic purpose. Dangerous drugs have no medical purpose. They are addictive and destructive. To argue that these drugs should be self-administered with the only control being over their quality is to argue for a massive increase in the addict population, adding an even greater burden to an overtaxed health-care system. In effect, the legalization argument requires society to endorse a self-destructive behavior and then requires society to provide perpetual care to the victims at public expense.

Mistake #4: Deterrence does not work

When you talk to former addicts or those who have given up use, one of the most important reasons they give for their decision to quit or seek treatment was the threat of criminal prosecution, the difficulty of acquiring drugs, and the cost. When drugs are perceived as expensive, dangerous and wrongful to use, difficult to get, and involve a risk of criminal prosecution, potential users forego use, and many current users quit. This remains true even though most enforcement efforts focus not on users but on violent offenders and drug traffickers.

No program to prohibit drug use can be universally effective. Although we have long-standing laws against child abuse or murder or theft, these have not prevented any of these acts completely. No one doubts their importance, however, or the role they play in discouraging yet more of these actions than if they were not prohibited.

Mistake #5: Legalizing drugs will remove the "Forbidden Fruit" appeal of drugs, which leads most new users, especially the young, into use

If this is a valid argument, then anything that society prohibits for the general good would succumb to the same argument. Forbidding child abuse encourages child abuse. Prohibiting murder encourages it. This is the logic of the argument. In fact, the reverse is the case. We educate people's understanding of what is rightful or wrongful to do by the laws that we declare and enforce. Even during Prohibition, when use was legal, the simple message sent by society that use was bad caused significant drops in use. Whenever we have enforced our drug laws and backed these up with education and prevention programs endorsed by our civic and cultural leaders, we have seen use decline and young people forego use. When we ignore this simple reality we see kids returning to drug use.

Unless one contemplates making cocaine and heroin routinely available to 12–18 year olds, something even few legalizers argue, then legalization will not remove the so-called "Forbidden Fruit" appeal. It will only add the idea that society condones use while continuing to prohibit access to the most at-risk population. Just the absence of a clear message on drug use in the last few years has seen teens returning to use in disturbing numbers. A legalization message would have devastating results.

Mistake #6: Drug use is a purely personal choice. It is a victimless crime. The state has no right to keep people from using drugs

The idea that an individual who uses drugs does so in some vacuum that affects no one else is another one of those fictions that obscures the facts. In the first place, drug users don't stay home. They go to work and play with the rest of us. They use the highways, they drive the school buses and trains, they fly the planes. They also encourage others to use, thus spreading the problem.

People under the influence of dangerous drugs are more prone to workplace accidents, are more likely to have highway accidents, are more prone to use violence in public and family disputes, and are at greater risk for health care than are non-users. Addicts are far more likely to lose control over their own lives, and are more in need of public intervention. A considerable percentage, perhaps as many as 60 percent, of the homeless are drug and alcohol addicts. Some 2 percent of live births in this country—over 100,000 babies—are born addicted with lifelong disabilities because their mothers used. Conservative estimates of the yearly social costs of drug addiction at current levels run around $70 billion. These costs are borne by families and the public purse. The number of users and consequently the number of addicts would soar under a legalization regime, compounding all the problems we currently have. There is no such thing as a purely private use of drugs without consequences. There is no known cure for addiction. A choice for legalization would be a self-inflicted disaster.

Mistake #7: Since alcohol and tobacco are legal, and cause far more harm than dangerous drugs, we should make heroin, cocaine, etc., legal to be consistent. Doing so would not increase the number of users significantly

Here is the legalization argument at its most outrageous. What people are asked to accept is the idea that because we have substances generally available that already cause major harm—tobacco and alcohol—we should add dangerous drugs to the occasions for woe for the sake of consistency. What the argument says is that since we have one major problem we should make it worse by adding another. Who are we kidding?

In order to rescue this logic from being completely ludicrous, people are asked to believe a further assertion: that under a legal regime there won't be an increase in users. Really? Let's look at what we are being asked to believe. We are going to make drugs cheaper and freely available. We are going to see them aggressively marketed by the producers. We are going to have society condone the use of addictive substances. But, we are not going to see a significant increase in use. Such is our understanding of human nature?

We saw what happened with drug use in this country in the 1960s and 1970s when we allowed the de facto legalization of drugs, condoning personal use and not enforcing our laws. That partial legal environment caused a dramatic increase in use. Can anyone doubt the effects if we condoned use outright? We cannot afford this kind of logic.

These are by no means the only myths. Others hold that drug laws are racist—which is another big lie, but even if true it is hardly an argument for making drugs legal; that the health consequences of personal use are exaggerated; or that drug laws lead to locking up lot of innocent people. None of these arguments can sustain serious attention or thought. Nor is there any major public support for drug legalization. The argument is pressed by only a few, some liberal, some conservative. To make the argument requires, however, suspension of judgment, a willingness to accept assertions over facts, and a professional absence of mind that ignores experience.

Unfortunately, while the argument for legalization has little public support, it is a major agenda item of many of our cultural elites. They have a disproportionate influence on our public discourse, on our radios and television, in the movies, in music and the arts. This means they have a disproportionate influence on the most at-risk population for drug users—our young people. By helping to obscure the message of the dangers of drug use, by encouraging it as part of a "liberated" life style, they contribute directly to use. When our political leaders remain silent they aid and abet this. The result in the 1960s made the point. Our recent experience confirms it: When you replace "Just Say No" with "Just Say Nothing" or "I didn't inhale," you are opening the door to trouble.●

NO RIGHT WAY TO DO WRONG

● Mr. SIMON. Mr. President, someone called my attention to an editorial in the Omaha World-Herald on the subject of gambling. I hope before long we will authorize a Commission to look at what we should do about this subject nationally. But the editorial in the Omaha World-Herald, which I ask to be printed in full in the RECORD, may be a cause for some reflection.

The article follows:

[From the Omaha World-Herald, Nov. 19, 1995]

NO RIGHT WAY TO DO WRONG

As we were musing recently about the inability of some local officials to say no to the gambling industry, we recalled what Howard Buffett, then a Douglas County commissioner, said when the city-county keno issue came up for a vote in 1991.

"To me, it's clearly wrong," he said. "I don't think there's any right way to do what you think is wrong." Buffett said government shouldn't condone a practice that undermines the work ethic. He was the only county commissioner to oppose the deal.

Regrettably, Buffett is no longer part of county government. He resigned in 1992 and moved to Illinois to take a new job.

Buffett didn't stop being concerned about gambling. In Illinois, he helped campaign against the spread of riverboat gambling. A friend in Massachusetts heard about his efforts and asked him to write down his views on gambling and government for use in a Massachusetts anti-gambling effort.

The views he set down were again on target.

America was built on hard work, commitment and honesty, he said. Gambling reduces productivity and "cannibalizes existing industry." It spawns political corruption—the bigger it gets, the more government cooperation it requires. When profits drop, some governments have lowered the tax rates the gambling industry pays, thus putting more pressure on other taxpayers.

Gambling doesn't pay its own way. Taxpayers are stuck with social problems. In Illinois, Buffett said, government must spend $3 to $6 for public safety, regulation and other gambling-related items for each $1 it receives in gambling revenue.

Gambling deceives and misleads. Promoters deceptively portray everyone as a winner in advertisements that "help wring billions of dollars from the most vulnerable 'customers' possible—the poor and the addicted." Teen-agers bet up to $1 billion a year. An estimated 8 percent of the nation's adolescents are problem gamblers.

"The state," Buffet wrote, "should not even allow gambling, much less conduct it."

He's right. His article contains a challenge for government officials. Portraying government-sponsored gambling as a lifelong investment, he asked: "Is it an investment that you will be proud to hand down to the next generation?"

With the exception of Mayor Daub, few officials of Omaha and Douglas County have indicated that they have as clear a view. They should think about Buffett's challenge. Will they indeed be proud of what they are leaving their children and grandchildren?●

COMMEMORATING THE ANNIVERSARY OF ROE VERSUS WADE

● Mrs. BOXER. Mr. President, January 22, 1996, commemorated the 23d anniversary of the Nation's landmark abortion rights decision Roe versus Wade. The Supreme Court's decision in Roe established constitutionally based limits on the power of the Government to restrict the right of a woman to choose to terminate a pregnancy.

The right to choose has never been under such fierce attack. In this Congress, the U.S. House of Representatives has waged an all-out attack on a woman's right to choose. They have continuously voted to restrict a woman's fundamental right to choose by:

Attempting to undermine the Accreditation Council on Graduate Medical Education [ACGME] revised requirements for residency training in obstetrics/gynecology with an anti-choice amendment. Currently, in order to address the acute shortage of abortion providers, the revised policy requires OB/GYN programs to provide training in abortion procedures. However, there is a conscience clause for individuals and institutions that have moral or religious objections to abortion. The anti-choice amendment would treat those institutions that qualify under the exemption clause as though they were accredited for purposes of Federal reimbursements, even though they did not provide the training.

Giving States the option to refuse to provide Medicaid funding for abortions in cases or rape and incest.

Attempting to criminalize for the first time the performance of a specific abortion procedure. This measure also passed in the Senate.

Rejecting an amendment by Representative PATRICIA SCHROEDER to allow money from the anticrime block grants to be used for protection at abortion clinics.

Rejecting an amendment by Representative HOKE to allow money from the anticrime block grants to be used for enhancing security in and around schools, religious institutions, medical or health facilities, housing complexes, shelters to other threatened facilities.

Adopting an amendment by Representative CHRIS SMITH which codified the Mexico City Policy, which prohibits U.S. funding of any public or private foreign entity that directly or indirectly performs abortions except in cases of rape, incest, or when the life of the woman is endangered.

Rejecting an amendment by Representative ROSA DELAURO which would strike language in the Defense authorization bill prohibiting military personnel and their dependents from obtaining abortions at overseas military bases using their personal funds to pay for the procedure.

Rejecting a substitute amendment by Representative DELAURO to the Dornan amendment to prohibit abortions at overseas military facilities unless the life of the woman is endangered and if the Government is reimbursed with private money for any costs associated with the abortion.

Rejecting an amendment by Representative HOYER to delete a provision in the Treasury-Postal Service appropriations bill that would prohibit Federal employees or their families from receiving abortion services through their Federal health insurance policies except when the life of the woman would be endangered. The Senate passed this measure but added an exception for the life of the mother and rape and incest.

Rejecting an amendment by Delegate NORTON to strike from the Commerce, Justice, State appropriations bill provisions that prevent funds from being used to perform abortions in the Federal prison system except in cases of rape or when the woman's life is endangered. The Senate passed this measure, which was vetoed by President Clinton and its future is uncertain.

Adopting an amendment by Representative GREENWOOD prohibiting funding under title X for abortions or directed pregnancy counseling.

Pro-choice Senators have waged a vigorous effort as have grass-roots activists, but we are outnumbered in too many votes in this anti-choice Congress.

Now H.R. 1833 is on the President's desk. It would make it a criminal offense to perform a rare abortion procedure used to protect women in late term pregnancies. Doctors who have used this procedure have testified these very rare abortions are undertaken only in the most tragic of circumstances and that the procedure may be the only alternative to save women's lives or to prevent serious, long term health consequences.

President Clinton has indicated his intent to veto this bill, and I urge him to stand firm in his belief that to outlaw a procedure used by physicians out of deep concern for both the mother and the fetus would be wrong and a direct violation of Roe versus Wade, which held that a woman's life and health must always be considered by any governmental entity which regulates abortion.•

ORDERS FOR WEDNESDAY, JANUARY 24, 1996

Mr. CRAIG. Mr. President, I ask unanimous consent that immediately following the joint session of Congress this evening, the Senate stand in adjournment until the hour of 5 p.m. on Wednesday, January 24; that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolution come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and there then be a period for morning business until 5:30, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. CRAIG. I now ask unanimous consent that the Senate stand in recess under the previous order until the hour of 8:40 p.m. this evening, at which time the Senate will proceed as a body to the Hall of the House of Representatives to hear the State of the Union Address.

There being no objection, the Senate, at 6:33 p.m., recessed until 8:38 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. DEWINE).

CONSTITUTING MINORITY PARTY'S MEMBERSHIP ON THE ETHICS COMMITTEE

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 212, the resolution be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the resolution (S. Res. 212) was agreed to, as follows:

S. RES. 212

Resolved, That the following shall constitute the minority party's membership on the Ethics committee for the 104th Congress, or until their successors are chosen:

The Senator from North Dakota [Mr. DORGAN], Vice chairman;

The Senator from Nevada [Mr. REID]; and

The Senator from Washington [Mrs. MURRAY].

JOINT SESSION OF THE TWO HOUSES—MESSAGE OF THE PRESIDENT OF THE UNITED STATES

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the Hall of the House of Representatives.

Thereupon, at 8:38 p.m., the Senate, preceded by the Secretary of the Senate, Kelly D. Johnston, and the Sergeant at Arms, Howard O. Greene, Jr., proceeded to the Hall of the House of Representatives to hear the address by the President of the United States.

(The address by the President of the United States, this day delivered by him to the joint session of the two Houses of Congress, appears in the proceedings of the House of Representatives in today's RECORD.)

ADJOURNMENT UNTIL 5 P.M. TOMORROW

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered into, at 10:15 p.m., the Senate adjourned until Wednesday, January 24, 1996, at 5 p.m.

HOUSE OF REPRESENTATIVES—*Tuesday, January 23, 1996*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. GOODLING].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 23, 1996.

I hereby designate the Honorable WILLIAM F. GOODLING to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 123. Concurrent resolution to provide for the provisional approval of regulations applicable to certain covered employing offices and covered employees and to be issued by the Office of Compliance before January 23, 1996.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leaders limited to not to exceed 5 minutes.

The Chair recognizes the gentlewoman from the District of Columbia [Ms. NORTON] for 3 minutes.

KEEP THE CAPITAL IN BUSINESS

Ms. NORTON. Mr. Speaker, I come to the floor this morning to welcome my colleagues back from the short recess and to say they ought to be glad they were not here for the blizzard of 1996. We were snowed in, and I mean that quite literally.

For 4 days the Federal Government was shut down and this time this body had nothing to do with it, I am pleased to say. The District of Columbia was shut down as well. We do not mind if it is the snow. We do mind when the majority shuts us down.

I am pleased to believe, as I do, that there will not be another shutdown on Friday. I ask that the body recognize when a tool has run its course, and Federal workers I think would be grateful if we would move on with our business.

I do want to remind the body that the District budget is not yet passed, the appropriation is not yet out. Yet, we budgeted $2.1 million for snow and one blizzard has used it all up, and more. We spent $3.3 million.

I am grateful that the body approved a continuing resolution to last until September 30, but that allows the District only to spend its own money. We have only $327 million of the $712 million that we are due as payment in lieu of taxes. The absence of the cash money meant that the District could not plow the District of Columbia, and we had to call the Federal Government in because vendors would not contract with people who could not pay their bills.

I am pleased that the appropriations subcommittees in the Senate and the House have been working to solve their disagreement on vouchers. It is a disagreement among Republicans that is keeping our budget from coming through. That disagreement, I believe, could be solved and settled given the good faith, good work that has been ensuing during this recess.

I ask that the District get its full appropriation no later than Friday so that the District, 4 months late, can start its government up.

I also ask that the body be at pains not to allow this to happen again. As you know, the District is on its financial knees. Everything had happened to it, it seemed, but being put out of business, and it was put out of business for a week, when the Capital of the United States was shut down.

I ask this body, when the appropriation comes before it, to pass it speedily and to recognize that chief among your constitutional obligations is the obligation to let the Capital City of the United States engage in the business of running the Capital of the United States. Imagine how we look when the Congress looks as though it is not facilitating keeping the Capital of the United States in business. This would be the best way to start and end this week.

HOW BUDGET IS BALANCED A KEY QUESTION

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. MCCOLLUM] is recognized during morning business for 5 minutes.

Mr. McCULLUM. Mr. Speaker, I come today to address the budget impasse issue that has been on the minds of us and many Americans for quite some time. We are all very concerned, I know, about why we have not gotten to a balanced budget and what the skinny is on what is going to happen with respect to it.

I think that this needs to be put in perspective. President Clinton took 11 months and four offers before he got a budget proposal to Congress that was balanced according to the Congressional Budget Office, the only objective arbiter of such matters around here. It took him 11 months to do that.

I think it is also important to recognize that when he got there, that that budget was back-ended. What he sent to us has most of the savings that he has proposed to occur in the seventh year of this budget, after he has left office assuming that he would be reelected President again this fall.

It is a good start. It was important to get him to put it on the table. But it was never the objective of the new Republican majority in Congress simply to get a balanced budget. How we balance the budget is just as important as getting a balanced budget. The manner we go about it is just as important as achieving a balanced budget.

When the President put his budget that was in balance for the first time on the table in December, it should have been the starting point, not the end point, for negotiations to get us to a product that we can all agree to and accept. It is not a dollar question alone by any stretch of the imagination. To that extent the President is right. This is a debate much more fundamental than that. Republicans in this new majority believe in reducing the size and scope of the Federal Government. We believe in taking programs wherever we can and sending them back to the States and local governments for them to carry out their responsibilities, for them to make the decisions in welfare, in Medicaid, in crime fighting and many other areas. Big government in Washington and the way liberal Democrats that have run this place for 40 years before we came to be the new majority obviously did not believe that. President Clinton's rhetoric for quite some time in his first election campaign and through the past 3 years or so would have led one to believe that he somewhat sympathized with this. But I want to make it perfectly clear from my observations that that is not the way at all he is conducting himself now. He is kicking in with the big-government liberals that have run this place all these years. I think there is no better illustration of this anywhere than what has been put on the table in the negotiations here in January.

The Republicans in the congressional leadership put on the table a Medicaid proposal that was supported by 68 Democrats in this House, written by them basically, and the President said "no" to that. The Republican leadership put on the table a Medicare proposal that had the endorsement of 47 Democrats, and the President said "no" to that. And the Republicans put on the table a welfare reform proposal that had passed the other body that only had nine Democrats dissenting on it and the President said "no" to that. He does not want the changes that are proposed in that. He does not want to send the responsibilities largely back to the States to handle the programs that we have been unable to handle effectively and efficiently up here all the years we have been here.

We cannot have a credible balanced budget without doing that. We cannot have a credible balanced budget without addressing the two-thirds of Federal spending that are in entitlement programs. Yes, we proposed some substantive changes in Medicare. The President proposes to demagogue that issue instead of addressing those substantive issues. What we have proposed, as I said, have been endorsed by a lot of folks as positive common sense.

We would protect under Medicare all of those opportunities for anybody who is on Medicare now to stay in traditional Medicare. If one wanted to take choices and leave and go and do some other things that we might suggest, we propose that, but we would increase, not cut, Medicare spending. It would be increased by more than 50 percent over the 7 years in the proposal we have put on the table, and anybody who says otherwise to the contrary is telling something that is not true.

We would increase the spending on Medicaid by more than 50 percent as well. There is absolutely no truth to the argument that Republicans are out to gut or cut or do anything dastardly to Medicare or Medicaid or any of these other proposals. We simply want to allow the States the opportunity to make many of these decisions and we want to have fundamental reforms that give people choices about how they are going to handle and conduct their affairs with regard to their future years and retirement. But President Clinton and the liberal cronies that created big Federal Government spending do not want any part of that.

When the President is serious and ready to negotiate a true balanced budget deal over 7 years, not just the numbers within the CBO system, but that gets us and moves us in the direction of reducing the size and scope of the Federal Government, then I believe we will sit down and have some hope of getting to a balanced budget. Until and unless that occurs, it is apparent that he wants to please the big government interests in his party as he goes into the election this fall and he does not want to face the tough choices that are involved that would have to drive some wedges in that core base of his, and he wants to spend the time demagoguing the Medicare and Medicaid issues for his campaign purposes. He does not sound serious to me.

If he wants to get serious, it is time that he get serious over the substance of this matter instead of the way he has conducted it so far. Let us get a balanced budget, but how we do it is just as important as doing it.

DEMOCRATS SEEK FAIRNESS IN BUDGET DEBATE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Maryland [Mr. WYNN] is recognized during morning business for 3 minutes.

Mr. WYNN. Mr. Speaker, we do have a new majority. Let us see what they have brought us. Well, basically we have had a year of acrimonious and bitter debate. We have had a costly and wasteful government shutdown and we still have a budget stalemate. Why?

Well, the dust has settled and it is abundantly clear that the problem is the same problem it has always been. The Republicans want to give a big tax break to the wealthy. The Republicans want to give a big tax break to wealthy Americans.

We will recall first they said, give us a 7-year balanced budget, 7 is a magic number. The President has agreed to that. They then said no, we have to have CBO audited numbers, CBO real numbers. The President has given them that. They said they wanted to protect children and the future of our society, future generations.

But when the President of the United States presented a balanced budget, balanced in 7 years with CBO real numbers, what did they do? They walked away from the table. Why did they walk away from the table? The gentleman from Florida said it is how we balance the budget.

Well, they wanted to include a big tax break for the wealthy. The President has said he will not go along with that. The President and Democrats are for a balanced budget, but we believe it should not just be a balanced budget, it should also be a fair budget.

In truth, in point of fact, we should not have any tax breaks in this budget. If we are serious about balancing the budget and eliminating the deficit, we do not need to be taking money out of the Treasury in the form of a tax break. But again the President has been willing to compromise, and he has offered modest tax relief for education deductions and for people with children under the age of 14 for the true middle class.

But that is not good enough for the Republican new majority. They want to give tax breaks to people who make over $100,000 a year. Ladies and gentlemen, if their package goes through, half of the tax breaks, half of the $245 billion in tax breaks will go to the richest 2 percent of Americans. The richest 2 percent of Americans will get half of the tax breaks. That is not a fair balanced budget.

Let us move on and talk about Medicaid, because that specifically hurts our seniors and our disabled citizens. Item No. 1, there was not a single public hearing on specifically Medicaid cuts. Many people do not understand and say, well, this is another, quote, entitlement program.

In point of fact, nearly 60 percent of Medicaid funds pay for acute and long-term care and services for elderly and people with disabilities; 60 percent to the elderly and people with disabilities. Thirty-five percent pays for long-term care. That means when your mother or father or aunt or uncle or grandparents have to go into a nursing home, Medicaid is paying for that. Medicaid pays 52 percent of the Nation's nursing home bill. Why? Because nursing home care is very expensive, and Medicaid also pays for home services for the frail and the disabled.

□ 1245

They want to cut Medicaid. They want to cut Medicaid and then send it to the State and say States can do it.

Well, I have been in the State government for 10 years as a State senator. They cannot do it if they do not have the money. So shaving this money and sending down the so-called block grant is no solution, because the States, in fact, under their new program, would be able to cut their funds.

This is not a balanced budget, not morally. It is an accounting device. But we want a balanced budget both from an accounting standpoint and a morally balanced budget that is fair to all Americans.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GOODLING). With respect to a prior speaker, the Chair would remind the Member to refrain from reference to demagoguery of the President or other Members.

CASTRO'S CRACKDOWN ON DISSIDENTS AND INDEPENDENT JOURNALISTS DURING JANUARY CONGRESSIONAL VISITS TO CUBA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. DIAZ-BALART] is recognized during morning business for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, last week two Members of this House, a gentleman from Massachusetts and a gentleman from New Mexico, went to Cuba to meet with Castro. One told the press he was looking for flexibility on Castro's part to help him oppose the sanctions bill that the Congress is currently pursuing against the Cuban dictatorship. The other said he was seeking the release of some fugitives from American justice now in Cuba. I will now briefly outline some of the ways in which Castro reacted to these congressional visits and treated dissidents and independent journalists in Cuba just during these last few days.

JANUARY 14

Raul Rivero, Cuban poet and president of the independent Cuba Press agency, was arrested.

Juan Antonio Sanchez Rodriguez, another independent reporter, arrested in Pinar del Rio.

Jorge Adrian Ayala Corzo, president of the Democratic Renovation Party, was arrested.

Rafael Solano and Julio Martinez of the independent Havana Press were arrested.

JANUARY 15

Gladys Linares, Miguel Andres Palenque, Orlando Morejon were arrested.

Bernardo Fuentes, an independent journalist in Camaguey Province, was arrested.

Abel de Jesus Acosta, member of the Pro-Human Rights Party in Villa Clara Province, was arrested by State Security Lt. Boris Ruiz, his home ransacked and his motorcycle confiscated.

Jesus Zuniga, of the National Conciliacion Movement, was arrested.

The parents of Yndamiro Restano, were detained and interrogated for over 14 hours. Their son, Yndamiro Restano, is the president of the Bureau of Independent Cuban Journalists who is out of Cuba on a visitor's permit due to a petition made to Castro by Dannielle Mitterand. They were told that if the bureau does not cease its work, they, as parents of Restano, will be faced with long-term detention and their son will be banned from returning.

JANUARY 16

The gentleman from Massachusetts arrived in Cuba. That day a meeting by the opposition umbrella grouping Concilio Cubano was disrupted in Havana by state security agents. Participants including Elizardo Sanchez and Marta Beatriz Roque were threatened with arrest.

Alberto Perera Martinez, vice-president of the Bloque Democratico Jose Marti, was arrested.

Lazaro Gonzalez, president of the Pro-Human Rights Party, was detained and threatened.

JANUARY 17

The gentleman from New Mexico arrived in Cuba.

Jose Miranda Acosta, a political prisoner in a dungeon known as Kilo 5½ in Pinar del Rio, was tortured by having water drops fall throughout the day and night into his cell. He has been sentenced to 15 years of confinement, without family visits, due to enemy propaganda. As a result of his imprisonment, he is practically blind and suffering from extreme malnutrition. Miranda has had his food poisoned in the past as punishment for a 72-day hunger strike in 1994, which he carried out to try to draw attention to his case.

JANUARY 18

Olance Nogueras, vice-president of the Bureau of Independent Cuban Reporters, was detained after asking a question at a press conference held by the gentleman from Massachusetts in Havana.

Eugenio Rodriguez Chaple, president of the Democratic Bloc Jose Marti, was run off the road and injured by state security while on his way to meet with French Embassy officials.

Leonel Morejon Almagro, Concilio Cubano member, was detained and told that his family would suffer serious consequences if he continued to participate in Concilio and that the Interior Minister Colome Ibarra was giving him his last chance.

JANUARY 19

Both Congressmen returned from Cuba.

That day, Roxana Valdivia, an independent journalist, was questioned at state security headquarters in Ciego de Avila and threatened with exile or prison for disseminating enemy propaganda.

During the days of the congressional visits, the thousands of Cuban prisoners of conscience continued suffering the same savage brutality that they continue to suffer to this very moment. Col. Enrique Labrada continues to receive electroshock torture at the Mazorra institution for the mentally ill. Labrada was sent there after staging a pro-democracy protest last year. The Reverend Orson Vila remains in prison for preaching the word of Christ. A 30-year-old writer, Carmen Arias, remains in a dungeon for sending a letter to Castro asking for free elections, as do Sergio Aguiar Cruz, Francisco Chaviano, Omar del Pozo, and thousands of others.

Upon his return one Congressman declared that Castro is very flexible.

The other Congressman said that he had gotten Castro to reduce the amount of dollars that Castro charges some Cubans who are leaving Cuba, and that that constitutes a humanitarian gesture.

Mr. Speaker, what will it take for the world to help Cuba free itself of its tyrant?

Imagine if this were happening in apartheid South Africa or Pinochet's Chile.

CONSIDER PRIORITIES DURING BUDGET CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized during morning business for 3 minutes.

Mr. PALLONE. Mr. Speaker, I was very surprised and disappointed when I saw that the Republican leadership walked away from the budget negotiations with the President about a week ago.

Frankly, I thought that the President went very far, maybe even too far, just before we adjourned 2 weeks ago when he not only agreed to a balanced budget, which we all support, but agreed to a 7-year budget, put it on the table, agreed to put forward a budget that was based on CBO estimates. The President essentially did everything the Republicans asked for as part of the negotiation and, instead of reacting and saying, OK, now we have a 7-year budget and it is CBO and it uses our numbers, instead of sitting down and saying now we can work out the differences over our priorities and still protect Medicare and Medicaid and the environment and education, instead they said, "No, that is not good enough. We are going to walk out. We don't want to have any negotiations." That is incredible.

We have gone on now for, I guess, about 6 months, and all during that time the Republican leadership has said that they supported the priorities of Medicare and Medicaid and also to protect the environment and education, but now it is abundantly clear that is not really what they are all about. They are insisting on the level of tax cuts or tax breaks, mostly for wealthy individuals and for large corporations, that would make devastating cuts in Medicare and Medicaid. They are saying that, "We want to use those cuts to pay for a tax cut or tax breaks primarily for the wealthy Americans."

It really seems to me at that point there is not much more the President can do.

There was an article in the Star Ledger, which is the largest circulation daily in my home State of New Jersey that I just wanted to quote from briefly today in the time that I have left because I think it says it all.

It says that, "We need an agreement on a balanced budget, but we don't want a budget agreement at all costs," which is essentially what the Republican leadership is asking for, and I quote from the Star Ledger. It says, "The cost is too great if the budget agreement includes a tax cut benefiting mostly those in the upper income brackets, as this Republican one does. In fact, there is no reason for a tax cut at all. Balanced budgets and tax cuts are goals that work at cross purposes. The cost is too great if it means turning over Medicaid, medical care for the indigents, to the States. That would mean ending the right to medical care for those who can afford it least and are most vulnerable. It would be a great leap backward for this country. And the cost is too great if it means slashing Medicare to the point where the cost to the aged for their premiums becomes painful, which is what is proposed in this Republican budget. If there continues to be no national health care program, then some cost adjustments must be made in financing Medicare to prepare for the crush of retiring baby-boomers in the next century, but to include the overhaul in a political budget that is meant to work against aid for the indigent and the elderly is not the proper context. The cost is too great."

And that is what I would say to my colleagues on the other side. We would like a balanced budget, but we cannot have it at this great cost to our priorities.

AMERICA'S MOST TRAGIC MORAL FAILING OF THE MODERN ERA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. STEARNS] is recognized during morning business for 5 minutes.

Mr. STEARNS. Mr. Speaker, I rise today, 1 day after the 23d anniversary of Roe versus Wade, many people were up here to recognize this fact, to address one of the most important and divisive moral issues our Nation faces.

Abortion clearly stands as America's greatest and most tragic moral failing of the modern era. In the last century America was called upon to address the moral blight of slavery. And we did it. Though the struggle was great and tore the country in two, good ultimately triumphed over evil and the scourge of slavery was banished from the land. In this century we face a different fight—the fight against what anyone with a moral conscience can only consider the taking of a human life. Will America rise to this new challenge? Will we come to our moral senses? Only time will tell.

But we can say this: Whatever happens, those who believe abortion is simply wrong will continue to take their case to the American people. Although the courts still consider abortion a legal right, that doesn't make it a moral right. And although any change in the legal status of abortion may still be a long way off, there are still measures we can take not to combat this crime against humanity.

It is my belief that political change in America only happens as a result of cultural change. Until we change America's culture—until America regains a commitment to the sanctity of human life—all our efforts will produce little change. We need to argue our case forcefully. We need to convince America by the power of our ideas and by the depth of our passion that abortion deserves no place in any society that would call itself civilized. We condemn Hitler for the slaughter of 6 million Jews. We condemn Stalin for the murder of 20 million Russians. We condemn Pol Pot for the extermination of 1 million Cambodians. But we raise nary a peep about the 1.5 million innocent children who are killed on our own shores every year. My colleagues, I ask you: Where is our conscience? Where is our shame?

Now our foes on the other side of this debate refuse to admit that what is at stake in abortion is a human life. No; they insist that abortion is just a medical procedure intended to terminate a pregnancy. The fetus to them is not life. It is not even potential life. It is merely a blob of tissue, or worse, a parasite that needs to be excised from the victimized mother. Abortion is solely about the so-called rights of the mother. The rights of the unborn child are never part of the equation, because for them the fetus has no rights.

But I have a question for the pro-abortion forces in this country: How can you be so sure? How do you know the fetus is merely human tissue with no claim to personhood? How do you know abortion is not, in fact, the taking of a human life? Their answer, of course, is that they just know. Never do they produce any evidence that the fetus is not a human life. They simply assume that the fetus is not life. And after all, what other choice do they have? The only way they can feel comfortable morally is to pretend what they advocate is the surgical equivalent of having a tooth pulled.

In his book "The Unaborted Socrates," the moral philosopher Peter Kreeft poses this analogy for abortion. Pretend you're a hunter going off into the woods with your friend, but you get separated. Now you're alone hunting for deer and you hear something rustle in the bushes in front of you. You can't see what it is, but you know something is there. What do you do? Do you shoot, hoping the noise is caused by a deer and not your friend? Or do you play it safe and hold your fire until you're sure that it's not your friend? My friends, the abortionist faces the same quandary every day of his life. He can't say for sure that the fetus is not human. But does he play it safe? No, he takes a chance that the fetus he is aborting is really a human being. He literally risks that he is a murderer.

We all know there are deep divisions within our society over abortion. But the one thing I hope we all can agree on is that it is morally risky at best to practice a procedure that even an abortionist must admit could be murder. But it is up to us, my colleagues, to make these arguments, to persuade the country that it is best to err on the side of caution when contemplating abortion. If we do not act, who will? If we do not speak up on behalf of the unborn, will they speak up for themselves?

But I have hope. I believe we are beginning to turn the corner. Congress, through the hard work of Representatives like CHRIS SMITH, BOB DORNAN, and HENRY HYDE, has finally succeeded in passing the first legislation ever that would prevent a particular abortion procedure from being used. I speak here of the so-called partial-birth abortion, a gruesome act whereby the fetus is delivered right to the base of the skull, at which point the abortionist plunges in a pair of surgical scissors to facilitate the evacuation of the brain. The baby, of course, is then fully delivered, but dead. In this act of barbarity, only 3 inches separates a legal abortion from murder. But of course, we all know it is murder anyway.

Unfortunately, the Clinton administration has promised to veto this bill, despite bipartisan support. This is interesting, because even the President has said his goal is to make abortion safe, legal, and rare. Well, here was a chance to make it a little rarer, and what did he do? He promised a veto.

But I wonder something? Why does the President want abortion to be rare? If it is just a harmless medical procedure that improves the lives of women—as the President believes—then why should it be rare? In his world abortion is a good thing and therefore it should be plentiful. But the reality is that even the President knows the American people are uncomfortable with abortion. He knows that even if he sees nothing wrong with 1.5 million abortions, the majority of the American people do.

Fortunately, America's moral climate is changing. Americans never thought legal abortion would be used for anything other than extreme cases. But now they realize they were sold a false bill of goods. Now they realize that abortion, far from being used to save the life of the mother, is little more than a convenient form of birth control for countless women. It is my contention that had Americans known that, they never would have consented to legalizing abortion in the first place.

Simply put, abortion detracts from our national greatness. As Alexis de Toqueville said in his pioneering study of American democracy more than 100 years ago: "America is great because

America is good." If we lose our goodness, our greatness is sure to follow.

I think most Americans realize this, which is why abortion troubles them. But as with all great public debates, we must reinforce our truths again and again. Together, we can make a difference. So let's make a commitment, right here and right now, that we will labor to restore America to greatness by restoring it to goodness. And do we really have any other choice? Basic morality demands that we who possess the power to speak, stand up for the rights of those who lack the power to speak for themselves.

□ 1300

GOP MOVING THE GOAL POSTS

The SPEAKER pro tempore (Mr. GOODLING). Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized during morning business for 3 minutes.

Ms. DELAURO. Mr. Speaker, in November, House Budget Chairman JOHN KASICH said this about the budget negotiations: "Frankly, we don't ask for a lot. We ask for nothing more than a commitment to do this in a 7-year period. The priorities within that 7-year plan are negotiable."

The Republican leadership in both House and the Senate echoed Mr. KASICH's sentiments and asked President Clinton to produce a 7-year balanced budget using the economic assumptions of the Congressional Budget Office. That's all we want, they said, and then we can negotiate the details.

Well, the President has done his part. He has given Republicans a 7-year balanced budget using CBO numbers. But now, Republican leaders want to move the goal posts in the middle of the game. Now, Mr. KASICH and the Republican leadership in Congress say they will not negotiate on the budget priorities.

The budget negotiations do come down to a question of priorities. Democrats and the President want a balanced budget that protects Medicare, education and the environment, and includes a tax cut for middle-class families. The Republicans want deeper cuts in Medicare, education, and the environment to help pay for a larger tax break that goes primarily to upper-income families and large corporations. And they want a backroom deal on Medicare. That is wrong.

Yet, despite our differences, a balanced budget is in reach. Both sides of the aisle have produced plans that will get us there. We will never all agree on all the details. However, if we can produce a balanced budget that protects Medicare, Medicaid, education, and the environment, it will pass this House, it will pass the other body and it will be signed into law by the President.

My Republican colleagues said that if the President gave them a 7-year CBO budget, they would negotiate. The President has done that. It's time for Republicans to keep your word and get back to the negotiating table.

For 220 years, this democracy has worked. Let's make it work again. Government shutdowns and threatened defaults on our debt—these tactics are an affront to democracy. It's time to put away the blackmail schemes and put America on the track to a balanced budget that protects our priorities: Medicare, education, environmental protection, and a tax cut for working middle-class families.

Thus far, this Congress has been the least productive Congress since 1933. Will that be the legacy of the 104th Congress? Or, will we rise above partisan politics and do what's right for the country?

FARM LEGISLATION FOR 1996 NEEDS TO BEGIN NOW

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Illinois [Mr. EWING] is recognized during morning business for 5 minutes.

Mr. EWING. Mr. Speaker, I come here today to talk about something that is basic to America and basic to this country, and something that we need to take action on, and that deals with farm legislation for 1996.

We need to take action now, because even while you may have been snowed in here in the Nation's capital and winter holds its grip across this Nation, it is but a few weeks until we will be going to the fields in my district in Illinois, and, yes, across the whole Nation. It is time that we take action.

Unfortunately, the farm bill for 1996 and the next 7 years, which contributed $13 billion to deficit reduction, was vetoed by President Clinton when he vetoed the Balanced Budget Act. So since there has been no agreement with the President on a true balanced budget and it does not appear that one is going to happen, we have got to take care of agriculture policy, food policy for this Nation, just as we would our military policy if he had vetoed that bill also.

We need to do it in a bipartisan way. Agriculture and agricultural policy has, for the most part, always been a bipartisan effort. We need to do that, and I am sure that the gentleman from Kansas, Chairman ROBERTS, is working in that regard, and the gentleman from Texas, ranking member DE LA GARZA, is also very cooperative. But we are late, and now is the time to take action; we cannot wait any longer, and be doing what is good for the country.

What are the options? Well, of course, if the President would agree to a balanced budget that this Congress could approve, we could put it in that act. As I said, that is not probably going to happen.

We could do it as an independent bill, or we could attach it to the next CR, which I feel certain will be passed, and we could pass it on to the President, and hopefully he would sign it.

Now, another option is to extend the farm policy that has been in effect up until October 1 of last year. But, see, that policy does not contain the reforms, the market orientation, that we had in the new bill. It is counterproductive to go back and extend old policy, which really decreases the amount of investment we are going to put into our food policy and our food programs in this country. It is tired old policy. It is time to retire it. We need to move on.

The final option is we could go back to a 1949 act, and that is not practical at all. Certainly legislation in 1949 does not now cover the needs of agriculture today.

Finally, on this issue, let me say that the Secretary of Agriculture is considering retiring some of the CRP ground, the Crop Reserve Program. This program has been very beneficial to the environment, and I think that we should ask the Secretary to go very slowly in releasing millions of acres of ground, some of which should not be put back into cropland, to be put into crops. We should not overreact the first time in two decades that we have decent commodity prices and farmers across this country have a chance to be profitable. As we move with the new farm bill out of government-controlled agriculture, let us not kill the goose before it has a chance to lay a golden egg. I would ask that the Secretary of Agriculture take the very limited option in reducing CRP ground, and let us follow the pattern and see what happens before we get into it too deeply.

GIVE FULL ATTENTION TO STATE OF THE UNION MESSAGE TONIGHT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized during morning business for 3 minutes.

Mrs. SCHROEDER. Mr. Speaker, I am just here to hope that this body tonight can listen to what the President says and we can come together and not have another shutdown of the Government or not declare a default on the debt, which would be the first time in the history of this great Republic.

This House floor has all the ambience of downtown Sarajevo before the Dayton agreement. I do not know what we do, whether we load everybody off and send them to Dayton. Maybe there is something in the water that can get them to come together. But if we could find the parties in the former Yugoslavia that could come together and put a peace together, why can we not get an agreement to get this body going?

Why are we talking about shutting down the Government because we cannot do the budget this year, and basically the reason is they say it is because they are arguing over numbers for 7 years from now, which in all honesty none of us can bind people to 7 years from now. We ought to be held accountable for this year. I think we will be held accountable for this year by the voters. I think they are getting very tired of this.

Every time the President looks up, they are shooting at his feet and asking him to tap dance a little more. You put out one thing, he meets it. You put out another thing, he meets it. You put out another thing, he meets it. Finally, you begin to say, This must not be for real. Fifty-plus hours? Criteria after criteria met? And every time you do it, someone says, Oh, well, one more thing before we think this is really real.

Now, I honestly think that if anyone thinks this is new, they are wrong. I have been here for 23 years, and we have had all sorts of disagreements between this body and between the person down at the other end of Pennsylvania Avenue. We have had Republican presidents and Democratic Congresses and all sorts of different combinations in between and all sorts of polarizing incidents. But we have never let it get to this level, never.

This is one of the great things we pride ourselves in America on, is pragmatism. At the end of the day we can all say, OK, we didn't get 100 percent of what we wanted, but we moved the debate in a certain direction, and we will come back and fight again tomorrow. But we do not stop everything, and we do not default on the debt, and we do not throw ourselves on the floor and have tantrums.

So I really hope that all of us, on both sides of the aisle, give full attention tonight to this State of the Union, to this President, our only President of this great Nation, who is out here trying to chart a course to get us out of this century and into the next.

Mr. Speaker, I think the citizens deserve much better than what they got in the first half of this Congress. Let us clean up our act tonight and let us start tonight for this second Congress.

REMEMBERING PRIOR STATE OF THE UNION MESSAGE STATEMENTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Arizona [Mr. HAYWORTH] is recognized during morning business for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Colorado for sharing her views here, and I think she does point up something upon which we can all agree, and that is that fundamental to debate in a free society is the notion of disagreement, and it is the mission of all of us to achieve consensus. But the question comes, at what price?

Mr. Speaker, I bring you greetings from Arizona, the Grand Canyon State. I am here, Mr. Speaker, to use this time to address what is not a credibility gap, but instead a credibility canyon. Indeed, all members of the new majority, as well as members of the minority, welcome the President of the United States to this Chamber tonight, where he will stand at this podium and deliver his State of the Union Message.

To quote one pundit in this town, he said, "Heretofore most State of the Union Addresses by most chief executives have been forgivable." Well, at the danger of incurring the wrath of that pundit, Mr. Speaker, let us remember, let us remember the words of our President in his previous State of the Union Messages.

First dealing with the budget. Quoting now from his 1993 address:

> The plan substantially reduces the Federal deficit honestly and credibly by using in the beginning the most conservative estimates of Government revenues, not as the executive branch has done so often in the past using the most optimistic ones.

Again from 1993:

> This budget plan, by contrast, will by 1997 cut $140 billion in that year alone from the deficit, a real spending cut, a real revenue increase, a real deficit reduction, using the independent numbers of the Congressional Budget Office.

Yet throughout last year, throughout 1995, President Clinton submitted to this body budget after budget after budget, but refused to use those objective numbers of the Congressional Budget Office. It was not until this new majority ultimately persuaded him to submit a CBO-scored budget to end the recent shutdown that he lived up to the above statements.

Most astonishingly, Mr. Speaker, from last year, quoting now the President of the United States who stood at this podium. "I certainly want to balance the budget."

Yet the fact remains, Mr. Speaker, as reflected in the record of this institution and through reports of the news media, President Clinton vetoed the first balanced budget submitted by the Congress in a quarter of a century.

Then to the topic of welfare reform. Quoting again from 1993's address:

> Later this year, we will offer a plan to end welfare as we know it. I want to offer the people on welfare the education, the training, the child care, the healthcare they need to get back on their feet. But, say after 2 years, they must get back to work.

Then from 1994:

> So we must also revolutionize our welfare system. We will say to teenagers, if you have a child out of wedlock, we will no longer give you a check to set up a separate household. We want families to stay together. We will provide the support, the job training, the child care you need, for up to 2 years. But after that anyone who can work, must.

Then from last year:

> Nothing has done more to undermine our sense of common responsibility than our failed welfare system. Let this be the year to end welfare as we know it.

Mr. Speaker, despite the fact that the President year after year has come to this House and addressed from this podium his willingness to end welfare as we know it, he did not support the welfare reform bill that had broad bipartisan support. Instead, he vetoed the welfare bill that Congress sent him.

Again from 1993:

> This plan will give this country the toughest child support enforcement system it has ever had.

From 1994:

> If we value responsibility, we cannot ignore the $34 billion in child support absent parents ought to be paying to millions of parents who are taking care of their children.

Then from 1995:

> If the parent is not paying child support, they should be forced to pay. We should suspend drivers licenses, track them across State lines.

Now, Mr. Speaker, the welfare reform bill that President Clinton vetoed would have required States to create a central case registry to track the status of all child support orders. The bill also gave the States the authority to suspend drivers, professional, occupational and recreational licenses of anyone whose child support payments are in arrears, all the things the President said he wanted to do last year.

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Mr. Speaker, I understand my time is short. The record is replete. Words mean something. Actions speak louder than words. Mr. President, keep your promises, join with the new majority, and let us help govern this Nation.

REPUBLICAN REVOLUTION IS PARALYZING THE NATION

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized during morning business for 3 minutes.

Mrs. CLAYTON. Mr. Speaker, it is said one can tell one who wants to move on by those who argue last year's argument. My last colleague who spoke is regurgitating for us the arguments they will not let go.

Mr. Speaker, the Republicans demanded a 7-year budget. The President has given them a 7-year budget. The Republicans demanded that any budget plan that is adopted be approved by the Congressional Budget Office using their numbers. Again, the President has agreed to that. The Republicans further insisted that there be a large tax cut as a part of their budget plan. Again, the President has offered a smaller tax cut but for working families.

Mr. Speaker, the President has gone a considerable distance to meet the demands of the Republican Party, and yet they continue those same arguments. We just heard the litany go on. What is their argument, then, if he has done those essential things that they say they wanted?

Why not move on, as one of my colleagues suggested, to the farm bill? I can tell my colleagues that farmers in my State are uncertain as to what their future will hold. Democrats are simply insisting that the budget we pass hold fast to the principle that made this Nation strong; principles that Republicans and Democrats should indeed support. Democrats want to safeguard health care for seniors, for children, for poor families; to promote education for our future and to protect our environment.

Here we are again almost facing yet a third shutdown and threatening to default on our Nation's liability and debt; that we will not honor our obligation. What kind of governance is that? Is that being responsible?

Yes, we have made progress in the last few years. Unemployment is down, interest is indeed low, and inflation is stabilized. That is progress we all, Republicans and Democrats, should want to protect. Progress like that, however, will stop and our economy will suffer if we do not work together. Both Democrats and Republicans must come and work together to prevent a national default on our obligations.

I can tell my colleagues, Mr. Speaker, this Republican revolution is paralyzing this Nation and it will do great damage to this economy. It is now time for cool heads and rational minds and thoughtful persons to come together, to join together and revive what is important to Americans in this Nation.

NAFTA AND SOUTHWEST FLORIDA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. GOSS] is recognized during morning business for 3 minutes.

Mr. GOSS. Mr. Speaker, January first marked the 2-year anniversary of NAFTA. As we begin the third year of tariff reductions and opening markets under this accord, it is appropriate to take a moment to assess our progress—so far reports show NAFTA has been a mixed bag: Mostly the news is positive; however, there are some serious problem areas that clearly need attention. In Florida, we are particularly concerned about the negative impact that import surges of tomatoes and other winter fruit and vegetables are having on southwest Florida's growers, the packing houses and the workers in these industries. This is a bi-partisan concern—and I am pleased that Senator BOB GRAHAM is working this issue in the Senate. On November 16, 1993, the President wrote a letter to the members of the Florida delegation, assuring us that he was committed to taking the necessary steps to ensure that the trade representative and the ITC would take prompt and effective action to protect the United States vegetable industry against price-based import surges from Mexico. Now is the time for him to take that action because, unfortunately, it seems that the safeguards in NAFTA and the implementing language—the volume-based snapback provision, the automatic price monitoring and the expedited import relief procedures—have not lived up to our hopes. They are not working properly. I am currently drafting legislation calling on the President to live up to the promise he made and to protect our growers from potentially unfair Mexican trading practices. In the meantime, my colleagues in the Florida delegation and I will continue to work in a bipartisan, bicameral fashion to address the urgent needs of the Florida fruit and vegetable industries. To their credit the Department of Agriculture has been very forthcoming and willing to work with the Florida delegation and our growers.

Unfortunately, I have to say that the USTR could be more helpful. Of course, the administration and its officers can't fix all of the problems, some of that is our responsibility in Congress. In response to the very real needs of the tomato and fruit and vegetable industries in Florida, a series of bills have been introduced to address definitional problems faced by our growers when they attempted to seek relief through the section 202 process, to address the differences in enforced packing requirements between Mexican and domestic growers, and to create national country of origin labeling to allow consumers to make more informed decisions when they make their individual purchasing choices at the market. An invitation has been issued for U.S. Trade Representative Ambassador Kantor and Secretary of Agriculture Dan Glickman to brief Florida delegation members on the tomato and winter fruit and vegetable situation. I understand this meeting will take place tomorrow and I hope it will bring progress we need and look for. This is a critical issue for Florida and an important one for the Nation.

I think it is also a very critical one in terms of living up to the promises that have been made.

Those of us who felt NAFTA would be good for the United States of America want to be certain that we correct the sore spots that are there, if they are correctable. If not, we will have to excise those sore spots with legislation. In any event, once we see those sore spots, the time is now to move, and we have seen them and we must move.

WEST VIRGINIA DIGGING OUT FROM RECORD FLOOD

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from West Virginia [Mr. WISE] is recognized during morning business for 5 minutes.

Mr. WISE. Mr. Speaker, today West Virginia is digging out from a record flood, just like your State of Pennsylvania, and like other areas of the mid-Atlantic. I want to report to Congress today on our efforts and to ask for assistance.

Mr. Speaker, this was a true bicoastal flood for our State, going from the Ohio River all the way to the Potomac and Shenandoah Rivers, from border to border of our State. The Governor, during the weekend, declared 29 of our 55 counties in a state of emergency. Thousands have been driven from their homes or had their homes and jobs threatened. Water systems have been damaged, sewer systems have been compromised. Businesses in some cases have been wiped out, others will take a while to resume. Highways in some cases have been washed out.

From Friday night, beginning Friday night in the basement of the State capital and the State Office of Emergency Services office, I have tried to monitor and follow this flood as closely as possible. From Friday night, with the State OES personnel, to traveling with the Governor on Saturday to our hardest hit central West Virginia counties, to going Sunday night to Mason County to watch the Ohio River as it began its relentless rise, and then yesterday back across the State to Jefferson County where I watched the swollen Potomac and Shenandoah Rivers as they began to recede, I can testify about how awesome and how devastating this flood has been for many of our people.

Today and yesterday our staff has been fanning out across the hardest hit counties trying to bring immediate word about where people can get assistance and to assist in assessing the damage.

Mr. Speaker, in the face of this devastation, of course, we also see incredible acts of human spirit, and I just cannot speak highly enough or applaud loudly enough nor respect enough those thousands of volunteers across our State at every level: The hundreds of National Guard that were mobilized and responded. We do not know what it means, in a county that is still watching the flood waters recede, to see those National Guard uniforms come rolling in on those trucks bringing the promise of help.

The emergency service personnel at every level in the county and the State, the Red Cross, the sheriff and police departments, the highway department staffs, the Corps of Engineers, who control the many dams that prevented the damage from being far worse. All of them working long hours, Mr. Speaker. Long hours, of course, that did not start just with this flood, but started with the blizzard that began over 10 days before. Then the flood came and many of those volunteers and personnel are still working. Many individual acts of people rebuilding immediately their lives.

One question I have received, Mr. Speaker, time after time as I made my trip back across the flood-stricken areas, "BOB, will funding be cut off next week for any of the vital activities?" I am confident that this Congress will not permit that to happen.

I am assured that the Federal Emergency Management Agency is taken care of financially, at least for the immediate future, but we must also remember the other flood recovery programs, the Small Business Administration's disaster recovery loans, the Economic Development Administration, which has been so active in economic recovery in the Midwest and many of our other devastated areas, the HUD, Housing and Urban Development programs, and the many other programs, too. We must make sure and vow, Mr. Speaker, that no amount of partisan politics will stop these vital programs from going forward and that there will be no interruption in flood recovery.

Mr. Speaker, if I can report some positive things. Our death rate was nowhere near as high as 1985, even through the 1985 flood levels were reached in some communities. Some communities have been hit every bit as hard as 1985, but many, some in the Eastern Panhandle, saw far less damage. Sometimes the water did not crest at the predicted levels. In other cases flood prevention efforts such as dikes and levies have been installed. We are smarter in many of our areas now and we know to evacuate. We have a much more professional emergency services operation.

But there are also farther reaching flood implications. While many counties in the central part of our State did not see the 1985 flood levels, at the same time we had to deal with the Ohio River. Nine additional counties that were not affected, but did see record levels not seen since 1972 in Hurricane Agnes. So this time we are much more far-reaching in the flood devastation.

Mr. Speaker, one woman stood on her front porch pushing liquid mud down the steps with a broom. Behind her stood her sons and her neighbors helping her dig out. Tears ran down her face as she cried and quietly said, "I have lost my home and my job." Her home had been devastated for the second time in 10 years. Her workplace has been wiped out and her employer said he was not returning.

Mr. Speaker, she knows what she has to do. She will do the work. She is going to rebuild. She just asks that wherever this Congress and this Federal Government, her Federal Government, can help, it do so and we owe her that.

HISTORIC SIGNIFICANCE OF THE 104TH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Missouri [Mr. VOLKMER] is recognized during morning business for 5 minutes.

Mr. VOLKMER. Mr. Speaker, as a former teacher, I know that you are interested, like I am, in history and the historic significance of events as they occur. I know that the Speaker of the House, NEWT GINGRICH, being a former history professor, is also interested in historic significance.

I say that because we can look back on the first session, and let us take a look at some of the historic significance that has occurred in this Congress, in the first session.

Well, one of the biggest things that is going to go down in the history books is that it is the first and only Congress, the first and only Congress led by the Republican majority, that closed down the Federal Government for a 6-day period in November, and a 21-day period in December of 1995 and January of 1996. Total of 27 days. Never in the history of this country has that ever occurred. That will be in the history books.

□ 1330

What was the total cost of that to our taxpayers by the Republican majority that says they want to save money, they want to cut out waste in Government? A waste of over $1 billion. Not a million, folks. A billion. A waste of over $1 billion. That is the historic significance. That is to the taxpayers. Now, it is all orchestrated by the Speaker of the House, NEWT GINGRICH.

Another historic significance. It is only the third time in the history of this country, over 200 years, that this House has gone 365 days, we opened up in January 3 or 4, if I remember, of 1995, we ended up January 3 of this year. Five minutes later we opened the second session. That has only happened three times. So we worked 365 days. We worked long hours. We had more votes in this House than at any time in the near past, from the 93d to the 104th Congress. More votes. But another historic significance. We did less legislation enacted into law than any other Congress in the first session since 1933.

So we did a lot here yelling and hollering, a lot of passing bills and sending them to the Senate and the Republicans over in the Senate, led by the majority leader from Kansas say, "No, we don't want that. That's too radical. We're not going to do that. That's too extreme." And as a result, we did almost nothing.

That leads me to right now. Let us look at today. There is nobody else here. There is not another Member on the floor. We are back after 2 weeks' vacation. Where is everybody? They are not here because they are not going to do anything today.

Members, what are we going to do today? Well, we are going to do a little Corrections Day bill. We are going to amend the Federal Water Pollution Control Act relating to standards for constructed water conveyances. That is really important to the country.

We are going to award a Congressional gold medal to Ruth and Billy Graham. We are going to do a bill on Saddleback Mountain-Arizona; and then we are going to make certain technical corrections in laws relating to Native Americans. That is what we are going to do today. That is really important.

We are not going to do welfare reform. We are not going to do line-time veto. We are not going to do any of those things. We probably will not do them the rest of this year.

What are we going to do tomorrow? Well, tomorrow we may do a continuing resolution, because the Republican majority under NEWT GINGRICH now tell us that they are not going to close down the Government anymore so we have to pass one because the Government will close down after January 26 if we do not. So we will do that. Everybody agrees on that. There will be no problem with that. It will take about a half an hour at the most. I do not know what the rest of the day we are going to do or what we are going to do Friday.

They tell me we may have a new conference report on the defense authorization bill and we may do that. Then they are telling me, and I hear through the grapevine, we may quit until sometime near the end of February.

Talk about a do-nothing Congress. I do not know, I think most of us should go ahead and send all of our pay back, because most of the Members have not done anything. I say to Speaker GINGRICH, that it is time to get things done. You want a balanced budget? You can have a balanced budget. You know you can have a balanced budget. Because the Democratic coalition budget is balanced in 7 years. By 2002 it is a balanced budget scored by CBO, the Congressional Budget Office. But it does not have your big tax cut in it, it does not have that $245 billion for the wealthy.

That is why you will not do it. You really want the tax cut for the wealthy. You really do not want a balanced budget.

RECESS

The SPEAKER pro tempore [Mr. GOODLING]. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 33 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 p.m.

PRAYER

The Reverend Harold Bradley, S.J., Georgetown University, Washington, DC, offered the following prayer:

With praise and adoration we offer this prayer, O God, in appreciation for all Your blessings to us and to all people. We are aware of our responsibilities to use Your blessings as good stewards of Your divine purposes and to use Your gifts in ways that promote justice and equity to every person. May we work together as faithful custodians of the bounty of Your creation and reflect in our lives the beauty of all Your gifts. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Massachusetts [Mr. MARKEY] come forward and lead the House in the Pledge of Allegiance.

Mr. MARKEY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain fifteen 1-minutes on each side.

CONTINUE ON THE PATH TO A BALANCED BUDGET

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, we are back and we have learned a lot. No. 1, you cannot negotiate with a "say anything, do nothing" President. It is clear that he is for big government, he is for higher taxes, and he is for more spending. The President condones wasteful spending in the Government.

We have "out of town" Brown, Secretary of Commerce, who has overextended his travel budget. We have Secretary O'Leary, who is a congenital flier. We cannot keep her in town. But this is just the tip of the iceberg. We have massive wastes of Federal spending in our bureaucracy and we must downsize it.

Mr. Speaker, we are back, we are for a balanced budget, we are on track to get there. We are going to continue to keep pressure on the administration. We are going to reform Medicaid through block grants, we are going to preserve and protect Medicare, and we are going to try to give back to American families some of what they lost in the 1990 tax increase and in the 1993 tax increase. So we are working that hard and we are going to continue on that path. I appreciate my fellow colleagues who are going to join in that effort.

THE 7-YEAR BALANCED BUDGET

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, welcome back. I am glad to welcome our folks back to the kinder and gentler Congress after that first 1-minute.

Mr. Speaker, if you think you remember hearing congressional Republicans saying all they wanted was a CBO-scored 7-year balanced budget, your memory is not failing you. Here is what they said:

Our House budget chairman. "Frankly, we don't ask for a lot. We ask for nothing more than a commitment to do this in a 7-year period."

Our colleague from Idaho. "We have no hidden agenda. The only thing we are asking for is a 7-year balanced budget using CBO numbers."

A colleague from New York. "All we have asked the President of the United States with all his tremendous resources at his hands to do likewise, to come up with those numbers reflecting his own priorities to balance the budget in 7 years using real numbers. That is all we have asked for."

Now they want more. They want their balanced budget bill. They want to include deep cuts in Medicare needs, education needs, and the environment in order to fund a massive tax break, or no bill at all.

The President sent a 7-year balanced budget 2 weeks ago with CBO numbers. But that is not good enough because that is not what their priorities are. They want to hurt seniors and hurt education funding.

HONEST NUMBERS TO BALANCE THE BUDGET IN 7 YEARS IS THE STARTING POINT

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, once again, I listened with interest to the remarks of my friend from Texas, and what a pity it is, ladies and gentlemen, that the minority is reduced to this, to chanting a seemingly mindless mantra, with no basis in fact, with selective use of quotation.

What this new majority always said is that the starting point was looking to find numbers, honest numbers, that begin to balance this budget in 7 years. That is the starting point. That is the parameters of the debate. But it is not a fait accompli. It is not sending us a budget that has all the savings in the last year and continues the culture of tax and spend and spend and tax some more.

What the American people want, Mr. Speaker, is this: A government that achieves an honest consensus, that saves not only the seniors of this generation, but generations yet unborn; a commonsense budget and set of priorities that preserves this great noble experiment in a constitutional republic and preserves this American dream. That is the task before all of us, conservative and liberal, Republican and Democrat.

COURT-MARTIAL OF MICHAEL NEW IS WRONG

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Michael New is a decorated soldier, he loves his country. His bravery, patriotism, and devotion to duty have never been questioned. As we meet today, Michael New is being court-martialed, court-martialed for refusing to wear the blue beret and shoulder patch of the United Nations on a peacekeeping mission.

Michael New said, "I will only wear the uniform of my country, the United States of America." Bravo, Michael New. Michael New took an oath to the Constitution of the United States, not to the charter of the United Nations, and I cannot speak for the Congress, ladies and gentlemen, but if I could, I would tell all these politically correct bureaucrats to take their one world order hands off Michael New and leave him alone.

Mr. Speaker, there is something drastically wrong when a military hero is being court-martialed because he refuses to wear a foreign uniform. Think about it and beam me up.

FROM THE WHITE HOUSE ON TAX RELIEF

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, here is a quote from the White House yesterday. "But he"—meaning President Clinton—"will certainly acknowledge that tax relief, as he has been fighting for as President, is something that remains very important."

Mr. Speaker, let me point out that Clinton is now in the fourth year of his Presidency. If he has been fighting for tax relief, why don't the taxpayers have it?

Is it because in his first year as President, he pushed the largest tax increase in history on the backs of the American people?

Is it because when a middle-class, family tax relief bill was laid on his desk, he vetoed it?

Or is it because he didn't even start talking about tax cuts until Republicans became the majority in Congress?

Mr. Speaker, all the above help point out that Bill Clinton is a say-anything, do-nothing liberal President. He claims to be for the people, but his actions show that his policies are higher taxes, bigger government, and more spending.

THREE STRIKES AND YOU ARE OUT

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, radical Republicans in Congress are preparing again to take political hostages in order to force President Clinton to accept their extreme agenda.

If insanity consists of doing the same thing over and over again and expecting a different result, legislative lunacy is shutting down the Federal Government for a third time and expecting public support. Having learned nothing from the two Government shutdowns they manufactured last year, key Republican leaders are threatening to force yet another fiscal crisis unless they get a substantial share of their agenda. They're threatening to load up funding bills with extremist riders and let the United States go into default unless the President agrees to give massive tax breaks for the rich paid for by deep cuts in Medicare, education, and the environment.

Last fall, the Republicans launched their first fiscal strike, shutting down the Government for 5 days. In December, the GOP launched their second strike, shutting down the Government for 3 weeks. If there is another Government shutdown or a default, the American people have every right to go to the polls in November and tell the GOP: "Three Strikes and You're Out."

WELFARE STATE ENCOURAGING FAMILY BREAKDOWN

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, as a candidate for President 4 years ago, Bill Clinton said that he would "end welfare as we know it."

Earlier this month, President Clinton vetoed a welfare bill that would have done exactly what candidate Clinton had promised.

Let us review some of the facts.

Almost $5 trillion has been spent on the welfare state since LBJ launched the war on poverty.

Over half of the individuals receiving AFDC remain dependent on welfare for 10 or more years.

In 1973, the illegitimacy rate for AFDC mothers was 32 percent. Today, it is over 50 percent.

Mr. Speaker, the welfare state has become a system that encourages family breakdown and government dependence. It fails to hold absentee fathers accountable and traps young people in poverty. When given a chance to change this destructive system, Bill Clinton again proved that he is a say anything, do nothing liberal President.

TAXPAYER MONEY BEING WASTED

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, if word were out this afternoon that a governmental official had wasted $150,000 of taxpayer money to further a political agenda, someone would surely be here denouncing it, and if the figure were instead $1.5 million, I am sure the line of speakers would be rather long. Were it $150 million of wasted taxpayer money, there would be bills and resolutions filed and other extraordinary action.

But what we are dealing with this afternoon is not $150,000 or $150 million, but $1.5 billion of the greatest waste of taxpayer money in the history of these United States. That is the cost of the two Gingrich government shutdowns, $1.5 billion totally wasted, frivolously, to further a political agenda, and, in the word of the sponsor of this action, to pressure another political official into doing what they want; $1.5 billion.

In all these budget negotiations, I have never seen a line item that should be there; $1.5 billion Gingrich government wasteful spending for shutting down the Government. Are they going to take that out of Medicare or just add it to the Government deficit?

A LITTLE FRIENDLY ADVICE FOR PRESIDENT CLINTON

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, President Clinton has not asked me for any advice, but if he were to ask in the spirit of bipartisanship, I would be happy to oblige. I would say, "Mr. President, you are about to give your State of the Union Address. You have got your hands full right now with a host of problems. You vetoed the Balanced Budget Act while keeping Hazel O'Leary, who uses taxpayer dollars to hire Madonna's plane, still on the job. You still have got people upset with you because you raised taxes, the biggest tax increase in American history. You have promised to end welfare as we know it, and then you vetoed welfare reform. And you have gone back on your word to cut taxes on the American people."

I would say, "Mr. President, you can still make things right with the American people. You can still keep those promises you have made and broken so many times. You can agree to balance the budget by restraining spending and cutting taxes on hard-working American families. If you do that, Mr. President, you would finally be keeping your word and you would make an awful lot of Americans happy."

For what it is worth, that is the advice I would give President Clinton.

FUND NASA NOW

(Ms. HARMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HARMAN. Mr. Speaker, what a difference a day makes.

Yesterday, NASA's Galileo spacecraft beamed back incredible images of Jupiter, our solar system's most intriguing plant. Today, however, Members are ready to allow NASA to be caught in the crossfire of another Government shutdown.

When I met last week with NASA contractors in my district, they told me that the failure to enact NASA's appropriation would cause devastation and hardship to the region's aerospace industry. Small contractors, who don't have the financial flexibility of their large counterparts, would be particularly hard-hit.

Thermal Electronics, Luna Defense Systems, RGA Labs, and Phoenix Engineering will all be forced to lay off—not furlough, but lay off—a substantial percentage of their workers unless we act in a bipartisan manner to immediately enact a NASA appropriation which funds the space station and key science initiatives like the mission to plant Earth.

If one adds in Hughes, TRW, Allied Signal, and Cal Tech's Jet Propulsion Lab, we are talking about the possibility of over 10,000 layoffs.

Mr. Speaker, we must find common ground and fund NASA now. Our future depends on it.

SHAMEFUL DEMAGOGUERY

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. Mr. Speaker, I was on a plane last week and a fellow citizen of Lakewood turned to me and he said:

> You know, Martin, it seems to be the difference between the new Democrat and the old Democrat is that the new Democrats are talking a great game, a great wonderful conservative game, and then they turn around and do the same thing that all the old liberal Democrats did.

This was a fellow who grew up in Texas as a Democrat.

I think that is exactly right on the money, and exactly what we can expect tonight from the President's State of the Union Address. We are going to hear another fabulous address. But when it gets down to the nitty-gritty, when we actually present a balanced budget, when we can actually do the right thing, then we in fact get into the gutter and engage in the most mindless and really shameful demagoguery that we have heard around here in a long time.

Let me just give you one example, and that is the Medicare example. Our Medicare program would increase spending at 7.4 percent per pay for the next 7 years; the President's is around 7.6, 7.7 percent. Yet this is deep cuts in Medicare to pay for a tax cut for our rich friends? And with a straight face? It is just shameless.

□ 1415

TALK OF DEFAULT MORE RECKLESS THAN GOVERNMENT SHUTDOWN

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, the only thing more reckless than a Government shutdown is talk of default, and I mean talk. Talk alone on this subject is playing with fire. Secretary Rubin is accused of bluffing. The real question is are we bluffing?

The market opened today down 50 points. It is beginning to level off. But I do not like this game of chicken and I hope my colleagues do not. We have maligned the Secretary, but I think we should thank him for finding magic money. The language he is using this time is quite different and quite definitive and he concludes by saying I will not sell the Nation's gold, and I will not withhold taxpayers' refunds.

Now we are into whether we will have a clean or dirty debt limit bill. This gets us into the mode from which we have just ascended. Please, no more "deja vu all over again," not with the Nation's full faith and credit.

PRESIDENT CLINTON LONG ON PROMISES, SHORT ON KEEPING THOSE PROMISES

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, tonight the President will deliver the State of the Union Address, and I am sure we will all hear a great speech tonight, because he always does give a great speech. But the fact is that also, just as usual, he will be long on promises and short on keeping those promises.

For example, in last year's State of the Union, President Clinton said and I quote, "We ought to help people raise their incomes immediately by lowering their taxes," end quote. But in reality he vetoed a middle-class family tax relief package.

Another example from last year's State of the Union. The President again, quote, "Nothing is done more to undermine our sense of common responsibility than our failed welfare system. It rewards welfare over work; it undermines family values," end quote. But in reality he vetoed the welfare reform bill.

Mr. Speaker, once again, President Clinton will probably give us a speech long on promises but short on results, just reinforcing the fact that he is the say-anything and do-nothing liberal President.

PRESIDENT HAS AGREED TO A 7-YEAR BALANCED BUDGET

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, President Clinton has agreed to a 7-year balanced budget using CBO numbers. The problem is that the Republicans do not want to protect the priorities that the President thinks are important, such as the environment, Medicare, Medicaid, and also education. I would like to pay particular attention to the environment.

The Republicans are saying they want this huge tax cut or tax break, yet they want to cut back on environment enforcement. They do not want to properly fund the Superfund Program to clean up toxic waste sites. In my home State of New Jersey, we have 114 Superfund sites, and a lot of those sites are not being cleaned up now and will not be cleaned up if the Republicans do not agree to fully fund the Superfund Program, which they have not agreed to do so far.

The President has stood strong. He agreed on a balanced budget and he agreed on the Republican terms, but he wants to protect the environment and he wants to make sure the Superfund Program moves forward so that in States like New Jersey those toxic waste sites that pose a direct threat to the health of many Americans, who live nearby, he wants to make sure that those sites are cleaned up, and I commend him for it.

MEMBERS OF CONGRESS MUST REPRESENT THE CHILDREN

(Mr. SHAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAYS. Mr. Speaker, we have three primary objectives. One is to get our financial house in order and balance our Federal budget; the second is to save our trust funds from insolvency, and ultimate bankruptcy, particularly Medicare; and our third objective is to transform our caretaking social and corporate welfare state into what I would call a caring opportunity society.

Our country has grown into debt from $430 billion since the Vietnam war to $4,900 billion. That has got to end. Adults, Members of Congress, are elected by adults to represent the children, and that is what we are about to do.

PRESIDENT CHIRAC DISREGARDS HEALTH AND WELFARE OF SOUTH PACIFIC

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, sometime next week President Chirac of France will be visiting Washington to meet with our President, and I understand there may even be a chance that he will address a joint session of the Congress. Mr. Speaker, give me a break. This is the man with tremendous arrogance and disregard for the concerns of some 170 nations.

He totally disregarded the concerns of the health and welfare of some 27 million men, women, and children who live in the nations of the Pacific. He disregarded and decided to break the moratorium and has already exploded five nuclear bombs in atolls in the South Pacific.

Mr. Speaker, by my last count, President Chirac and his predecessors have already exploded 182 nuclear bombs in the atmosphere and in 2 Pacific atolls. One of these atolls is a timed nuclear bomb, the equivalent of several Chernobyls that the French Government has forced upon the lives of the Pacific people. Is this fair, Mr. Speaker?

Shame on you, President Chirac of France. Shame on you for doing this to the Pacific people.

REPUBLICANS HAVE WALKED AWAY FROM THE BUDGET NEGOTIATIONS TABLE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, House Budget Chairman JOHN KASICH said in

November about the budget negotiations, and I quote, "Frankly, we do not ask for a lot. We ask for nothing more than a commitment to do this in a 7-year period. The priorities within that 7-year plan are negotiable."

Well, the President did exactly that, but now the Republicans want to move the goalpost in the middle of the game. Now the Republican leadership says that they will not negotiate on the budget priorities. What they want to do is to have a backroom deal on deep cuts in Medicare for a tax break for the wealthiest Americans.

Where I come from a person's word is his or her bond. Mr. KASICH and other Members of the Republican majority gave their word that they would sit down and negotiate the details of the budget once the President produced a 7-year balanced budget. The President met the Republicans more than halfway, but instead of responding in kind, Republicans have walked away from the negotiating table, walking away from their promise to the President, but more importantly than that, walking away from their duty to the American people.

MEMORIAL TO ED WHITE, FORMER CHIEF CLERK TO REPORTERS OF DEBATES

(Mr. FAZIO of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO of California. Mr. Speaker, I yield to my colleague from Ohio [Mr. TRAFICANT] to memorialize one of our staff who has passed away.

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman from California.

Congress is a busy place. Members interact with many workers. Sometimes we know them, but yet we do not know them. One of those individuals was a great worker here. Ed White. He was, in fact, the Chief Clerk to the reporters. He sat right at the first level of the dais there, right behind the Republican podium.

Ed has passed away. He served in Korea. He retired in 1993. He is from Boston, MA. While in the service they handed him a tank, but no one taught him how to operate it. He taught himself and operated that tank in defense of our great country.

Ed White leaves his beautiful wife, Patricia; two sons, Patrick and Teddy; and an awful lot of people who knew him here and cared deeply for him. There will be, in fact, a memorial mass, 2 p.m., Thursday, January 25, St. James Catholic Church, 103 North Spring St., Falls Church, VA, for all of us who remember Ed and want to give our best to the family, and God bless.

CORRECTIONS CALENDAR

The SPEAKER pro tempore (Mr. WHITE). This is the day for the call of the Corrections Calendar.

The Clerk will call the bill on the Corrections Calendar.

CONSTRUCTED WATER CONVEYANCES REFORM ACT OF 1995

The Clerk called the bill (H.R. 2567) to amend the Federal Water Pollution Control Act relating to standards for constructed water conveyances.

The Clerk read the bill, as follows:

H.R. 2567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Constructed Water Conveyances Reform Act of 1995".

SEC. 2. CONSTRUCTED WATER CONVEYANCES.

Section 303(c)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1313(c)(2)) is amended by adding at the end the following:

"(C) STANDARDS FOR CONSTRUCTED WATER CONVEYANCES.—

"(i) RELEVANT FACTORS.—If a State exercised jurisdiction over constructed water conveyances in establishing standards under this section, the State shall consider any water quality impacts resulting from any return flow from a constructed water conveyance to navigable waters and the need to protect downstream uses and may consider the following:

"(I) The existing and planned uses of water transported in a conveyance system.

"(II) Management practices necessary to maintain the conveyance system.

"(III) Any State or regional water resources management and water conservation plans.

"(IV) The intended purposes for the constructed conveyance.

"(ii) RELEVANT USES.—If a State adopts or reviews water quality standards for constructed water conveyances, it shall not be required to establish recreational, aquatic life, or fish consumption uses for such systems if the uses are not existing or reasonably foreseeable or the uses interfere with the intended purposes of the conveyance system.

"(iii) STATUTORY CONSTRUCTION.—Nothing in this subparagraph shall be construed to require a State to exercise jurisdiction over constructed water conveyances in establishing standards or to prohibit a State from considering any relevant factor in establishing standards or from establishing any relevant use.

"(iv) CONSTRUCTED WATER CONVEYANCES DEFINED.—In this subparagraph, the term 'constructed water conveyance' means a man-made water transport system constructed for the purpose of transporting water for agricultural purposes or municipal and industrial water supply purposes in a waterway that is not and never was a natural waterway.".

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Constructed Water Conveyances Reform Act of 1995".

SEC. 2. CONSTRUCTED WATER CONVEYANCES.

Section 303(c)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1313(c)(2)) is amended by adding at the end the following:

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"(I) The existing and planned uses of water transported in a conveyance system.

"(II) Management practices necessary to maintain the conveyance system.

"(III) Any State or regional water resources management and water conservation plans.

"(IV) The intended purposes for the constructed conveyance.

"(ii) RELEVANT USES.—If a State adopts or reviews water quality standards for constructed water conveyances, it shall not be required to establish recreational, aquatic life, or fish consumption uses for such systems if the uses are not existing or reasonably foreseeable or the uses interfere with the intended purposes of the conveyance system.

"(iii) STATUTORY CONSTRUCTION.—Nothing in this subparagraph shall be construed to require a State to exercise jurisdiction over constructed water conveyances in establishing standards or to prohibit a State from considering any relevant factor in establishing standards or from establishing any relevant use.

"(iv) CONSTRUCTED WATER CONVEYANCES DEFINED.—In this subparagraph, the term 'constructed water conveyance' means a man-made water transport system constructed for the purpose of transporting water for agricultural purposes or municipal and industrial water supply purposes in a waterway that is not and never was a natural waterway.".

Mr. SHUSTER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Pennsylvania [Mr. BORSKI] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2567, the Constructed Water Conveyances Reform Act. This correction day bill, which is the first of 1996, fixes a specific problem under the Clean Water Act that will benefit State and local officials and agricultural interests and continue, at the same time, to protect our Nation's waters.

It is also the first piece of legislation for the House to consider this year under the new constraints imposed by the Unfunded Mandate Reform Act of 1995. This bill not only passes the test of not imposing unfunded Federal mandates, it passes it with flying colors. In fact, the Congressional Budget Office finds that this bill is likely to reduce State and local costs by interjecting flexibility to avoid unnecessary water use designations.

This legislation amends the Clean Water Act to allow States greater flexibility in setting water quality standards for so-called constructed water conveyances; that is, manmade drains, canals, and other conduits to transport water for agricultural and water supply purposes.

The bill is essentially the same as provisions in the House-passed clean water bill, and is based on testimony gathered from several hearings.

It is before us today by a bipartisan coalition of Members; and, indeed, there are nine original cosponsors, five Republicans, four Democrats. So it is totally bipartisan.

Our Committee on Transportation and Infrastructure responded by reporting the bill on December 21, 1995. I particularly want to commend the gentleman from Minnesota [Mr. OBERSTAR], the ranking Democrat of the Committee on Transportation and Infrastructure, the gentleman from New York [Mr. BOEHLERT], the chairman of the Water Resources and Environment Subcommittee, and the gentleman from Pennsylvania [Mr. BORSKI], the ranking Democrat on the Water Resources and Environment Subcommittee. They all cooperated in putting together a very reasonable package.

I also would be quite remiss if I did not commend and congratulate the primary sponsors of the bill, the gentleman from California [Mr. CONDIT] and the gentleman from California [Mr. MATSUI] along with others who have continued to press for this legislation.

The bill fixes a problem, and that is EPA's overly stringent interpretation and implementation of the Clean Water Act as it applies to these manmade water conveyances. It fixes the problem without weakening the act. Indeed, the bill helps make the Clean Water Act even more acceptable to the public by making it more flexible and more realistic.

Over the years certain manmade ditches and canals, particularly in the arid Western States, have been designated as navigable waters that must be regulated under the Clean Water Act. States, in turn, must then establish water quality standards for the manmade canals that in some cases presume that they will be used for fishing, swimming, or even drinking.

Now, it does not make any sense to regulate an agricultural drainage canal or a ditch the same way that you quite properly would regulate a pristine lake or a navigable river. It simply does not make sense to put farmers and municipal and State water officials in a regulatory straitjacket.

So this legislation fixes that problem, Mr. Speaker. For example, rice growers in California have manmade ditches and drains which help remove excess water from the fields. It does not make sense to treat the water before it enters the drains as if it were entering a swimming hole or a lake. Rice and cotton and other commodity growers in other States, such as Missouri, Louisiana, Texas, and Colorado have cited similar problems.

And what is the cost of this overregulation? An EPA mandated use attainability analysis alone, this is simply the analysis, could cost several hundred thousand dollars. For example, the municipal water officials in Arizona tell us that the canals transporting raw water to drinking water treatment plants should not be subject to water quality standards designed for water bodies that people swim in and fish in and drink from.

For Phoenix alone, one city, the cost of these added, unnecessary requirements would be $66 million. In addition, annual maintenance costs would be $12 million. That is over 25 times their current annual cost.

This needs to be fixed and that is only one city, so you can extrapolate it to see what the overall cost would be for the American people.

□ 1430

In an effort to accommodate the minority and to reflect comments from EPA, we have made several changes to the bill that was introduced, and those changes are described in detail in the committee report.

We have clarified that nothing in this bill prevents a State from considering any relevant factors or uses in setting standards. In other words, nothing, absolutely nothing, prevents States from doing what they need to do.

We have revised provisions so that the States are authorized, not mandated, to consider certain factors and uses.

Among the many supporters of this legislation are included the Western Governors Association, the Western States Water Council, the Western Coalition for Arid States, the National Water Resources Association, the Western Growers Association, the California rice industry, the USA Rice Federation and the city of Phoenix, AZ. This is a bipartisan bill, supported by Members across the country, and I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support H.R. 2567, the Constructed Water Conveyances Reform Act. I particularly want to commend my California colleagues, Mr. FAZIO, Mr. MATSUI, and Mr. CONDIT, who have worked to get this bill onto the House floor today.

We have worked with them and with the majority to develop a bill that will meet the specific needs of the districts represented by my California colleagues while assuring protection of human health and the environment. It deserves the approval of the House.

When H.R. 2567 was introduced, I was concerned that it was too broad and that it lacked clear standards for States to use in setting designated uses for constructed water conveyances. However, the chairman was willing to work in a bipartisan manner to modify the bill, and to include explanatory language in the committee report which alleviated most of my concerns.

Mr. Speaker, the Constructed Water Conveyances Reform Act reflects the desire of owners of constructed water conveyance systems to have greater flexibility in how the standards of the Clean Water Act apply to those conveyances. It has been modified to assure that this flexibility is tempered with the responsibility to take reasonable, affordable measures to assure protection of water quality.

Obviously there may be situations where the fishable and swimmable standards applicable to natural waterways would not be appropriate for constructed waterways. However, we should not automatically assume that all constructed conveyance systems would be subject to lower standards under this bill. There must be some meaningful interference with the authorized purposes of the conveyance to justify any lesser level of protection.

Mr. Speaker, I believe that H.R. 2567 will allow States the flexibility which they seek while assuring protection of human health and the environment. I thank the chairman for his willingness to work in a bipartisan manner to address my concerns about the bill, and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. SHUSTER. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. BOEHLERT], the distinguished chairman of the Subcommittee on Water Resources and Environment.

Mr. BOEHLERT. Mr. Speaker, I want to thank the chairman for the openness that has been evident all through the consideration of this bill. It is noncontroversial now. As a matter of fact, the provisions of this bill were included in the committee bill, H.R. 961, and the substitute that my colleague the gentleman from New Jersey [Mr. SAXTON] and I offered to that.

Frankly, I wish the bill was not necessary, but the truth is there are times when the Clean Water Act is interpreted and applied too narrowly and the views of State and local water officials are not adequately taken into account. This bill improves the Clean

Water Act and the flexibility and responsiveness to site-specific circumstances, while keeping in place all the successes and important goals of the Act.

Because certain so-called constructed water conveyances are interpreted to be navigable waters under the Clean Water Act, States are required to set water quality standards for the conveyances. The problem is that in some situations the standards are set with the automatic assumption that the ditches or drains or canals will be used for swimming or fishing or drinking. This can lead to, as we understand it, very costly and unnecessary requirements.

In response, the bill makes clear that States do not automatically have to establish standards based on recreational, aquatic, or fish consumption uses for these constructed water conveyances. Nothing in the bill, however, prevents a State from doing so if it wants.

So we would say to the States, "If you want to do it, you can do it. We're not going to prevent you from doing it." Also, nothing in the bill exempts constructed water conveyances from regulation under the act.

The committee added additional safeguards and clarifications to the introduced bill and worked with all interests to reach a reasonable compromise. I want to emphasize that: worked with all interests to reach a reasonable compromise.

No one can say this bill weakens the Clean Water Act. Boy, I would not be identified with anything that would weaken the Clean Water Act. It simply gives State officials more flexibility to take into account specific situations.

I urge my colleagues to support this bill, and I want to thank the chairman for the leadership that he has provided and for the opportunity he has afforded me to work with him.

Mr. Speaker, I would invite those Members who have not done so, to visit the committee room and witness the new portrait of our chairman. It is a magnificent work of art.

Mr. BORSKI. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California [Mr. CONDIT], the original sponsor of this bill.

Mr. CONDIT. Mr. Speaker, I want to thank Chairman SHUSTER and Ranking Member OBERSTAR for helping move H.R. 2567, the Water Conveyance Reform Act of 1995, expeditiously through the committee and to the House floor today.

Without your leadership and bipartisan effort, none of this could be accomplished.

I also want to thank the corrections day advisory task force for their understanding of the need for this legislation and the support it deserves.

Basically, the problem exists with EPA's interpretation of the Clean Water Act.

The EPA has interpreted constructed water conveyance facilities to be waters of the United States and therefore subject to the same Clean Water Act standards as California's most pristine mountain streams.

In the case of California rice, many facilities proposed for regulations were specifically constructed as part of the tremendous and widely acclaimed successful effort to keep agricultural drain water out of the Sacramento River and the Sacramento-San Joaquin Delta.

Basically my bill is designed to easily rectify this situation by amending the Clean Water Act to make it clear that no State need regulate water within a constructed conveyance facility except to ensure the facility's continued use for the purpose for which it was constructed; and to prevent water quality problems in downstream natural waterways.

I firmly believe this is a unique opportunity to address a problem that has confronted the rice industry for a couple of years and portends to turn into a significant economic and environmental hardship for the Central Valley if not repaired.

Lastly, I want to especially point out Congressman MATSUI and Congressman FAZIO for their efforts with this bill and also thank Members who cosponsored H.R. 2567.

In a time when there has been limited bipartisan effort on legislation, the Constructed Water Conveyance Reform Act of 1995 truly demonstrates we can work together to find solutions to real problems.

I would ask all my colleagues to support this legislation.

Mr. SHUSTER. Mr. Speaker, I want to be certain that I also acknowledge the tremendous contribution to this effort of the gentleman from California [Mr. FAZIO]. We certainly very much appreciate it.

Mr. Speaker, I yield 3 minutes to the gentlewoman from California [Mrs. SEASTRAND], a member of the committee.

Mrs. SEASTRAND. I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in strong support of this legislation. This bill is a commonsense reform to the Clean Water Act, it has significant bipartisan support and it is a necessary amendment and I thank Mr. CONDIT and SHUSTER for their leadership in bringing it to the House floor.

It must be stressed that when the original Clean Water Act was constructed it was designed to require States to establish water quality standards for navigable waters used for fishing, swimming, or water supply purposes. This amendment to the act gives States the authority rather than the Federal Government to regulate facilities constructed to transport water for municipal, agricultural, or industrial purposes which were never meant to support recreation or aquatic life.

This legislation will realize savings for U.S. EPA. The agency will no longer have to review and approve State's plans for water conveyance systems. Savings will also be seen at the State level in that they will no longer be mandated to oversee the implementation of constructed conveyance facilities. These total more than 6,300 in central California that have a combined excess of 20,000 miles. Similarly, the correction will save State and local governments money so they will not be forced to develop control plans for constructed conveyances or develop implementation plans. Finally, private citizens will see a reduced cost for their water supply or at least a slowing in the rate of increase.

Again, Mr. Speaker, I wish to thank Mr. CONDIT and Mr. SHUSTER for their hard work on this sound legislation which I wholeheartedly support.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. FAZIO], a prime sponsor of the legislation before us.

Mr. FAZIO of California. Mr. Speaker, I would like to thank both the gentlemen from Pennsylvania and the gentlemen from Minnesota and New York for helping those of us in the West solve a problem. This is something that means a lot to us in Nevada, Arizona, and California where we have many thousands of miles of canals, of water conveyances constructed largely on private property maintained by reclamation districts, irrigation districts that are basically made up of the property owners who pool their resources to make it possible for us to evacuate these conveyances into streams and rivers in a way that is most beneficial for clean water.

But we did not need the regulation of EPA and the Clean Water Act, and this bill makes clear we do not need it. The State of California, for example, and I believe the State of Arizona as well, maintained that they needed to follow a rigorous policy of enforcing the Clean Water Act in these private drainage canals because of the Federal requirements. We make it clear that if any further action is taken on this level, it will be at the requirement and the behest of the State and local government.

As has already been indicated, this is a great potential savings not only to EPA and to the State water quality agencies and entities, regional as well as statewide, but most of all to the local landowners who have been in most cases already in the lead in trying to handle the environmental problems that they encounter in their crop patterns, in their rice industry or in the cotton industry, as the case may be. They deserve the attention of the administration, they have gotten it from the President, and even though the administration indicates they have some work they want to see done on this bill in the Senate, I think they have indicated that they understand the problem needs to be addressed and they are willing to work with us to make sure that it will be before the end of this Congress.

Legislation very similar to this was included in the Clean Water Act that passed this House. This problem is of such a magnitude that the gentleman from California, Mr. CONDIT, along with Mr. MATSUI and myself, felt it needed to come up on the Corrections Day occasion. I appreciate the leadership he has provided. I appreciate the fact that we could bring it here and attempt to solve this problem, which stands out from others, in a way that will not require us to come to the conclusion of the Clean Water Act fix which remains controversial and may yet fail to get to the President.

Mr. Speaker, I would like to thank all of my colleagues for allowing this legislation to come to the floor. It means a great deal to agriculture in my district. They will be very gratified to see that reason has prevailed here in Washington on something that makes so much sense to them.

Mr. Speaker, I include my statement on this legislation for the RECORD, as follows:

Mr. Speaker, I want to make my colleagues aware of a serious problem in my district in California. Currently, the Clean Water Act is being applied somewhat capriciously to agricultural drainage conveyances. One of the legitimate concerns in my community is that when we apply Federal regulations we do so with good intentions but sometime with a bad outcome. In this case, the Government—in its effort to protect the water quality of natural waterways—is extending its reach to manmade systems that are designed to protect against contamination in the natural waterways to which these facilities ultimately drain.

Several months ago President Clinton visited the State of California and met with growers including constituents from my area. They conveyed to the President how burdensome this expansion of the Clean Water Act was becoming to California agriculture. President Clinton agreed. It was clearly not the intent of the Clean Water Act to try and bring agriculture drainage systems up to the standards applied to pristine mountain streams.

I have a large majority of rice growers in my area and they are committed to making progress in protecting the environment. The difficulty they face is when they are forced to meet unreasonable measures that do nothing to meet that goal.

I appreciate President Clinton's support for this clarification. I understand that the Administration may have some concerns regarding the bill's expansion to include industrial and municipal conveyances. I will do everything I can to see that these concerns are addressed in the Senate. It is critical, however, that this measure move forward and that the agriculture industry in my State be reassured that Congress is willing and able to address this problem.

I strongly ask my colleagues' support.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I am happy to rise in support of H.R. 2567 our 12th corrections day bill and the first bill of the 2d session of the 104th Congress. I congratulate Chairman SHUSTER for moving this legislation so quickly to the floor. I also congratulate Mr. CONDIT for introducing this bill.

In only 5 months time the House has considered 11 bills under this calendar and passed all of them. The Senate has sent three of those bills to the President for signature. I believe we are compiling a record of success and that the corrections calendar will become heavily relied upon by the House as a way to fix past errors.

The American people are demanding a more responsive Government, and corrections day is a key part of delivering on their demands.

On the floor today, we again have a prime example of the need for the corrections day process. Here we have the EPA interpreting the Clean Water Act to require the State of California to consider irrigation ditches as waters of the United States, and, therefore, subject to the same Clean Water Act standards as the most pristine mountain streams. Everyone can recognize this as being ridiculous but a strict reading of the act results in this problem.

The only reasonable solution is for Congress to step in and make the much needed change. Mr. CONDIT's bill was introduced only a couple of months ago and already we have it here on the House floor. I want to recognize Chairman SHUSTER for his hard work in getting this bill to the floor in such short order. I am hopeful that the other body will recognize the need for quick action and send this bill to the President without delay.

□ 1445

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in opposition to this legislation and when I say that, when I say in opposition, I say in opposition in its current form because I believe the bill, as it currently is written, is overly broad and allows an exemption far greater than that that is necessary.

I also want to recognize the work of my colleagues from California, the gentleman from California [Mr. FAZIO], the gentleman from California [Mr. CONDIT], and the gentleman from California [Mr. MATSUI], for the attention they have given this problem to address what has been considered a very legitimate problem in California with respect to the use of these facilities.

My concern with this legislation is that in fact what we now see is that this use of these facilities will override, should the State so decide, will override the public health and safety and environmental quality. These facilities, in many instances, are used to discharge agricultural water from the lands, as my colleagues have pointed out, but I would also suggest to you that these facilities are being used for a multiple of other purposes, including fish and wildlife and water-based recreation contact and noncontact use of these waters. Some of these facilities are rather large and, in fact, in the State of California now in the Delta-Mendota Canal and the California aqueduct dedicated under the Clean Water Act, including contact and noncontact recreation, warm-water fish and wildlife habitat and used by thousands of people over the year for sport fishing. In southern California, water from the Colorado River flows into many canals serving the Palo Verde irrigation district, Imperial irrigation district, and, again, fishing and contact use of the water is made by other than agricultural interests.

The Imperial irrigation district and in several locations in Texas near the border with Mexico, low-income people, unfortunately, in this country live alongside these irrigation canals and depend upon them for subsistence fishing, for bathing and even drinking supplies because of the of the tragic situations they find themselves in with respect to housing conditions in those areas.

In the Palo Verde Basin, a significant amount of sport fishing takes place in the Palo Verde Outfall Dam. Some swimming and boating also occurs here.

The point is this. Here, Mr. Speaker, I think this legislation, and I think the gentleman from California [Mr. FAZIO] already mentioned it, the administration is continuing negotiations. I would hope this legislation could be more narrowly drawn to protect those public health and safety issues that can occur under the legislation as currently drafted.

The EPA memorandum follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
San Francisco, CA, January 18, 1996.

Subject: Status of Corrections Day Bill HR 2567 Constructed Water Conveyance Reform Act of 1995.

From: Catherine Roberts, Congressional Liaison Officer.

To: Felicia Marcus, Regional Administrator.

The Corrections Day bill HR 2567 introduced by Representative Gary Condit and cosponsored by Representatives Robert Matsui and Vic Fazio was passed by the Committee on Transportation and Infrastructure by voice vote on December 14, 1995. Headquarters expects the bill to move to the House floor as soon as January 23, 1996 although it is possible that a delay will occur until the next Corrections Day.

The original purpose of the bill as described by Representative Condit's staff was to provide relief to the rice industry from the designation of uses for irrigation return flows. It was on this basis that Representatives Fazio and Matsui were persuaded to be co-sponsors although Mr. Fazio withheld support until a few days before Committee mark up of the bill. However, the Committee had entirely different intentions than the ones expressed by the California sponsors. Indeed, it became evident that the Committee, Chaired by Representative Bud Shuster (R–PA), wished to provide relief to any state nationwide with manmade/constructed water conveyances for agriculture, municipal and industrial purposes.

Historically, Region 9, at the request of Senator Harry Reid during the 103rd Congress, participated in a working group comprised of arid west states to develop amendments to provide flexibility in the Clean Water Act for states in the Arid West. The proposed amendments were originally designed for a more broad set of physical characteristics such as ephemeral streams in the arid west than just constructed water conveyances. Nevertheless these types of conveyances were recognized in a subsection of the amendments and were given relief under specific criteria. These amendments were included in the Clean Water Act reauthorization and passed by the Senate in the summer of 1994. In the House of Representatives, the reauthorization of the Clean Water Act failed to emerge from the Committee on Transportation and Infrastructure. Arid west amendments were subsequently included in HR961 passed by the House during the first session of the 104th Congress but the language and intent was changed significantly from the original Reid amendment.

The significance of the changes made to the original language on constructed water conveyances were associated with: (1) broadening applicability to the whole country instead of limiting it to the arid west; (2) broadening the definition of constructed conveyance and; (3) the addition of a clause describing relevant uses. These changes were made in HR961 and then extended further in HR2567. Representative Condit's office initially did not realize that HR2567 had been taken out of the arid west context and thus made relevant nationwide. This issue was immediately raised by Region 9 and was recognized by Mr. Condit's staff as needing further discussion. However, we were to discover that the majority staff on the Committee were not receptive to the limitation to arid west states. During our conference calls with Committee staff, it was expressed that it was their intention to retain the original language in HR961 since it had already passed the House; however, the Committee markup resulted in expanding the language further and well beyond the carefully phrased language in the original Reid Bill.

The passage of this bill is a high priority for Mr. Condit for several reasons not least of which is that a "commitment" was made to the rice industry, President Clinton's Central Valley visit regarding constructed water conveyances. The substance of this discussion has been narrowly summarized as providing relief through a Correction's Day Bill. The efforts of the WMD and the State of California to work with the rice industry on their concerns has been seriously overlooked by the bill's co-sponsors. We believe that the Clean Water Act already provides the flexibility to address their concerns and indeed exemptions have been made by the State.

The debate on this bill has been further complicated by the very different concerns raised by the state of Arizona. Arizona actively supports the bill and is in the process of trying to redesignate uses for some of their constructed water conveyances. It appears that the preferred approach is to carve out permanent legislative relief rather than working within the parameters of the existing CWA. Furthermore, the efforts of EPA staff to work with the various stakeholders whether from Colorado or California through a consensus process is being forfeited to political expediency.

At this point HQ is recommending to OMB that the bill as written be vetoed by the President. The recommendation is based on a number of concerns that were presented to OMB as official Agency comments (attachment). In essence, HQ stated that HR2567 would exempt States from establishing standards for constructed water conveyances, specifically for the adoption of standards for recreation, aquatic life and fish consumption. HQ comments further state that the purpose of the water conveyance system is given a higher priority than the protection of human health and the environment. There are a significant number of water bodies defined as waters of United States that could be impacted by HR2567 and we have provided a preliminary list of these areas for HDQ and the House Minority staff (attachment). Unfortunately, HQ has very limited information on impacts to waters in Regions other than Region 9 and 6.

The House Transportation and Infrastructure Committee is chaired by Bill Shuster (R–PA) who will be taking the lead along with Sherwood Boehlert (R–NY) on the floor debate. It is expected that the argument for passage will be a simplistic reference to this bill as being part of the already passed HR961. The Region 9 Members on this Committee are as follows: Bill Baker (R), Jay Kim (R), Steve Horn (R), Andrea Seastrand (R) and Bob Filner (D). In addition, Representatives Condit, Fazio and Matsui will also be there to encourage their colleagues to vote for a bill that will give relief for the rice industry. I have included for your review a copy of HR2567, the original Reid amendments, Region 8 comments and a statement by Representative James Oberstar (D–MN) the ranking minority Member on the Committee (attachment).

If you have any questions or need further assistance please let me know at x1560.

Attachments.

EPA COMMENTS ON H.R. 2567

EPA believes that H.R. 2567, relating to standards for constructed water conveyances within the context of the Clean Water Act (CWA), is unnecessary. Current CWA authority already provides the necessary flexibility to address standards for constructed water conveyances.

H.R. 2567 would:

Exempt States from establishing standards of any kind for constructed water conveyances and

Exempt States (when they do develop standards for constructed water conveyances) from adopting recreation, aquatic life, fish consumption uses if these uses "are not existing or reasonably foreseeable or such uses impede the authorized uses of the conveyance system."

This language essentially sets the water conveyance use above the protection of human health and the environment and lacks a mechanism to ensure that the basic water quality protections of the CWA, even if existing, are maintained. Such categorical exclusions are inappropriate. Site-specific analyses and use attainability analyses under current authority and implementing regulations can and should be conducted to determine the appropriate requirements for water conveyance systems on a case-by-case basis.

Because of the blanket exclusion in H.R. 2567 for all water conveyances anywhere in the country, this bill could have resulting adverse impacts on water quality affecting not only water quality in arid/semi-arid areas, but a substantial number of water bodies nationwide. In addition the H.R. 2567 does not anticipate any additional impacts due to new, non-agricultural development which could add stormwater discharge to the conveyance and result in increased flows during storm events (see suggested changes in (C)(i)(II) below).

Whether a use is existing or not does not mean that it is not attainable (see #2 above). Also, the meaning of "reasonably foreseeable" should be clearly defined.

The statutory construction provision in subsection (iii) would allow States to avoid exercising jurisdiction over constructed conveyances at all, although they may be supporting at least limited aquatic life, wildlife or irrigation uses, clearly avoiding the goals of the Act set out in Sections 101(a)(2) and 303(c). Since many of the conveyances are functionally perennial rivers, the definition of constructed water conveyance is similarly flawed.

If this bill were to go forward we offer the following suggested changes (If however, the intent of this bill expands to include municipal water conveyances, we would need to re-evaluate the specific language to be protective of human health and the environment.):

Suggested changes are in italics deleted matter in bold brackets:

Section 1. *Arid West* Constructed Water Conveyances

(C) Standards for *Arid West* constructed water conveyances.

(i) Relevant Factors.—

* * * * *

(II) Any water quality impacts resulting from any **[return]** flow from a constructed water conveyance to navigable waters and the need to protect *hydrologic integrity at the confluence with navigable waters, as well as* downstream **[users]** *uses.*

* * * * *

(ii) Relevant Uses.—If a State adopts or reviews water quality standards for constructed water conveyances, it shall not be required to establish recreation, aquatic life, or fish consumption uses for such systems if the uses are not existing or reasonably foreseeable **[or]** *and* such uses *unreasonably* impede the authorized **[uses]** *purposes* of the conveyance system."

* * * * *

(iv) Constructed Water Conveyances Defined.—In this subparagraph, the term 'constructed water conveyance' means a manmade *agricultural drainage* water transport system...."

(v) Arid West defined.—In this subparagraph, the term "Arid West" means an area in the western portion of the United States that typically receives less than fifteen inches of rain on an annual basis.

or

(v) Arid West defined.—In this subparagraph, the term "Arid West" means an area in the western portion of the United States west of the 100th meridian.

In summary, EPA believes that the legislation is unnecessary, that the flexibility contained in the CWA currently gives States the functional equivalent of this bill; and that a case-by-case analysis is the way to determine which conveyances deserve the exclusions provided in H.R. 2567.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I would like to thank the gentleman from Pennsylvania and the distinguished chairman for yielding me the time, also for his hard work on this important issue.

I turn to this side of the aisle and see my very good friend, the gentleman from California [Mr. CONDIT], who has worked so hard on the same.

Mr. Speaker, one of many issues addressed here, and I have risen on many occasions to note that what this entire exercise should be all about, is what is reasonable, what makes sense, and I believe, as part of the Corrections Day, this piece of legislation is eminently reasonable because it resolves a problem that agricultural interests and endeavors have experienced with the Clean Water Act.

H.R. 2567 will modify the way the Clean Water Act applies to constructed agricultural drains, recognizing that this law was never intended to bring the quality of agricultural runoff to the level of a pristine stream.

I am pleased to be a cosponsor of H.R. 2567. I urge the adoption of this commonsense legislation, and, Mr. Speaker, I pause again and make note of the commonsense consensus in this Chamber on this act, on this corrections exercise.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas, Mr. PETE GEREN, and, in fact, I welcome him back to the Committee on Transportation and Infrastructure.

Mr. PETE GEREN of Texas. Mr. Speaker, I rise in support of H.R. 2567, the Constructed Water Conveyances Reform Act of 1995.

This legislation, introduced by my colleague, the gentleman from California [Mr. CONDIT], corrects the improper application of the Clean Water Act to constructed water systems. Constructed water systems are otherwise known as ditches and canals.

It clearly is the intent of Congress to cover a wide array of natural waters or water bodies in establishing water quality standards. However, it was not Congress' intent to subject constructed water systems to the act's very strict requirements.

Earlier this session, the body passed H.R. 961, the Clean Water Act Amendments of 1995, to provide greater flexibility to the States in setting water quality standards. This legislation contains similar provisions allowing the States to recognize the special features and purposes of agricultural water conveyances. Under this bill, the State will be allowed to make distinction between a manmade water transport system and a constructed water body used for recreation, aquatic life or fish consumption, and establish appropriate standards. This legislation is critical for arid States such as California and Arizona, where farmers must construct manmade waterways and irrigation canals in order to support agricultural industry.

Mr. Speaker, lastly, I would like to note that this is the first piece of legislation that would fall into the new unfunded mandate law passed and signed into law last year, a bill also authored by the gentleman from California [Mr. CONDIT]. The supporters of this legislation are proud to point out CBO has certified H.R. 2567 would actually reduce costs to States because it would give States greater flexibility when establishing water quality standards for constructed water conveyances.

This is a win for the States. This is an effort to inject commonsense reform into the application of a very important act. I urge my colleagues to support this bill.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I am very concerned about continued efforts to use the Corrections Day Calendar for exceptions to the Clean Water Act, particularly with regard to the overall goal of the act of achieving fishable and swimmable waters.

As we know, water bodies are in no way isolated. They are all part of the cycle.

I am concerned, and I believe a lot of other people who swim, boat, and fish would be concerned, if water in water conveyances were being held up to a lesser standard than any river, lake, or stream, because one is not mutually exclusive of the other.

I share the concern of the gentleman from California [Mr. MILLER], which I believe is also shared by the administration, that this bill will have a broader impact than is necessary and that, as a result, the negative impacts of the legislation will be greater than anticipated by its sponsors. No one can know the impact that relaxing standards on all conveyances will have on water quality overall, and substandard water that may flow from a conveyance into navigable waters will have a varying degree of impact over time.

However, this impact will be cumulative, and receiving water will in some ways degrade. The bottom line, in my opinion, is that maintaining certain water quality standards for conveyances will in no way interfere with the intended purposes of conveyance systems. It will, however, ensure the safety of those that fish and swim in our Nation's waters, as well as protect invaluable aquatic habitat.

For these reasons, Mr. Speaker, I do urge opposition to the bill.

Mr. BORSKI. Mr. Speaker, I yield 7 minutes to the gentleman from Minnesota [Mr. OBERSTAR], the distinguished ranking member who, in just a short few months, has done such an outstanding job on the Committee on Transportation and Infrastructure.

Mr. OBERSTAR. Mr. Speaker, I compliment our ranking member, the gentleman from Pennsylvania [Mr. BORSKI], for the splendid job he continues to do as our voice on the Subcommittee on Water Resources. I want to express my appreciation to the chairman, the gentleman from Pennsylvania [Mr. SHUSTER], and to the gentleman from New York [Mr. BOEHLERT], chairman of the Subcommittee on Water Resources, for their cooperative spirit as we worked our way through this legislation.

Initially, as introduced, I was opposed to H.R. 2567. However, due to the willingness of the chairman, the gentleman from Pennsylvania [Mr. SHUSTER], the chairman, the gentleman from New York [Mr. BOEHLERT], of the subcommittee, to work with us both in making substantive changes in the language of the bill and in committee report language to further clarify bill language, we have, I feel, addressed our concerns, certainly the concerns that we have had on this side of the aisle, and those that the administration had, and, as a result, I do not oppose its passage. I am not for it, but I do not oppose it.

What really troubles me about where we are today and what we are doing today, is that for the second time in this Congress, our Committee on Transportation and Infrastructure is on the floor with a bill considering an item under corrections day procedure on an issue where there is either nothing or relatively little to correct or something that is in the process of being corrected by the administration. We are here considering a bill which would more appropriately and more properly be considered under one of the other calendars of the House, either the Union Calendar, where there would be general debate and an open amendment process or on the Suspension Calendar, where an individual Member would have more leverage to express their concerns and have those concerns addressed because the bill has to pass by, we know, two-thirds on the Suspension Calendar.

I just viscerally oppose this corrections day process. In all of my 32-years' experience in the House, I think this is a very dangerous deviation from long-established process that protects interests that otherwise do not have an adequate voice.

Now, I know corrections day was intended to address inappropriate laws or laws that people called dumb or regulations that are inappropriate or where there is a consensus that they ought to be corrected. Bills under this calendar were supposed to be narrow in scope, to address an immediate need that could not await reauthorization legislation.

Well, that is the framework within which this corrections day was spelled out in the advisory to House Members last year.

There is no reason this particular bill could not await the Clean Water Act reauthorization. In fact, a similar provision was included in H.R. 961. As we have already heard today, the bill is not noncontroversial.

My colleague, the gentleman from California [Mr. MILLER], had very serious objections to it. The administration has expressed further reservations which they hope to have addressed when the bill reaches the Senate. If they are not addressed there, I suspect the administration would be opposed to the bill.

Rather than making a limited technical amendment, the bill has far-reaching policy implications.

Now, the worst of those, fortunately and wisely, and I think in a very timely fashion, was addressed by the majority in our process of negotiation, and, thank goodness, this bill came through this committee and not through some other committee where things are very contentious. We might have something very lopsided on the floor. I think we have a bill that has a reasoned approach to this problem.

But, again, my objection is on the basis of process. There is no opportunity for amendment to this bill. There is no opportunity for votes on such amendments, and I think that we ought to have an issue of this magnitude considered under a process where it could be open to amendment.

If there is going to be a continuation of this corrections day procedure, it ought to be limited much more narrowly than it has been in the two instances arising out of our committee and in the 10 other instances of other bills that have been considered so far in this Congress.

I expressed concerns during our committee markup that the bill would allow States to forgo protection of human health and the environment in order instead to accommodate industrial, agricultural, and municipal interests who want to save money.

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Even in situations where it would be possible to strike a reasonable balance that would simultaneously accommodate multiple uses of a constructed water body and protect human health. I think we have to be sensitive, regardless of who owns this body of water, that all these waters eventually are in the public domain. There are many constructed water bodies that States have designated for uses both for irrigation, agriculture drainage, and for recreation, aquatic life, and for fisheries. Experience has shown us that we can use water bodies wisely, in a multiple-use way, for a wide range of purposes, for swimming, for example, and for irrigation, but also protect those individual multiple uses.

We should not obstruct our ability to work in the normal legislative process to address these issues in the normal legislative way, open to amendment, open to broad and extensive debate and discussion, and to address, particularly in the environment, particularly in this area, of staying on course, to achieve the objective of the Clean Water Act of 1972 to make our waters fishable and swimmable.

Mr. Speaker, corrections day was to address inappropriate or dumb laws or regulations about which there would be little controversy. Corrections bills are supposed to be "narrow in scope" and to "address an immediate need which cannot await reauthorization * * * legislation." These are requirements spelled out by the Corrections Day Advisory Group in its letter to House Members last summer.

There is no reason this bill could not await Clean Water Act reauthorization, especially in view of the fact that a similar provision was included in H.R. 961. Moreover, this bill is not noncontroversial, and is not limited to a specific problem. Rather than making a limited technical amendment, this bill has far-reaching policy implications. Prior to committee action I recommended amending H.R. 2567 to address only the particular irrigation issue which gave rise to the bill, but that suggestion was rejected by the majority. Instead, we have a bill of national application with no consideration of its national implications.

Most disturbingly, there is no opportunity for amendment on this floor. Had this been brought to the floor as a freestanding bill on the Union Calendar, it would have been open to amendment. If it were brought on the Suspension Calendar, it would have been subject to a higher level of consideration, where a Member with concern over this issue could have insisted that his or her concerns be reflected in the final version of the bill considered on the floor. This bill should be considered either on the Suspension Calendar or in regular order, not on the Corrections Calendar.

Mr. Speaker, if there is to be a corrections day, let us limit it to true corrections, and not subvert the regular legislative process.

This bill would allow States to not establish recreational, aquatic life, or fish consumption uses for certain constructed water conveyances in limited circumstances where these uses would give rise to an unreasonable burden.

During markup of H.R. 2567 I expressed concerns that the bill could allow States to forego protection of human health and the environment in order to accommodate industrial, agricultural, and municipal interests in saving money, even in situations where it would be possible to strike a reasonable balance that simultaneously accommodates multiple uses of a constructed waterbody and protects human health.

There are many constructed waterbodies that States have designated both for uses such as irrigation, agricultural drainage, and flood control and for recreation, aquatic life, and fish consumption. Experience has proven that we can use waterbodies for a range of purposes—for example swimming and irrigation—and simultaneously protect those multiple uses. This Congress must not obstruct our proven ability to strike a reasonable balance that both protects people who swim and fish in constructed waterbodies, and avoids unreasonable burdens on agricultural and municipal and industrial interests.

Mr. Speaker, I would like to mention two of the most important improvements made during committee consideration of H.R. 2567:

First, under the bill as introduced, States were not required to establish water quality standards for recreation, aquatic life, or fish consumption uses if those uses would impede other authorized uses of the waterbody. I was vigorously opposed to this provision because it set a very low threshold for excusing the protection of recreation and other uses and thereby endangering human health. Where multiple uses, such as swimming and fishing and agriculture, can reasonably be accommodated, it would be a terrible precedent to allow for standards that fail to protect people who swim and fish in canals.

The preferable approach would have been to modify the bill by eliminating the clause concerning interference with the intended purposes of the conveyance system. The committee amendment substituted the word "interfere" for the word "impede." This change and the explanation in the legislative history indicate the committee's intent to establish a meaningful, substantive threshold.

The committee amendment reflects the intent that States will be required to establish water quality standards for recreation, aquatic life, and fish consumption uses, unless doing so would create an appreciable interference that diminishes the ability of the conveyance to accomplish its intended purpose. As the chairman noted in the committee report, "[g]enerally speaking interference caused by reasonable, affordable measures to accommodate multiple uses would not be expected to exceed the threshold."

For example, measures that would not be expected to meet the threshold for modifying the requirement to establish water quality standards for recreational, aquatic life, or fish consumption uses include rice growers in California who have changed irrigation practices in order to capture, hold, and reuse irrigation water contaminated with herbicides. The new practices significantly reduce the amount of chemicals discharged to the Sacramento River, while reducing the amount of water used and, therefore, the cost of the water. Measures such as these would not be expected to justify a State's decision to not establish water quality standards for recreational, aquatic life, or fish consumption uses.

The second amendment I would like to note narrows the breadth of the bill, by clarifying that it does not apply to conveyances constructed for navigational purposes. As introduced, H.R. 2567 applied to constructed conveyances regardless of their purpose. The bill reported by the Transportation Committee limits the application of the bill to those conveyances constructed for agricultural purposes or municipal and industrial water supply purposes. Although I believe that the bill should be narrower still, I believe that this modification is an important one.

Under H.R. 2567 as reported by the Transportation Committee, if a constructed water conveyance was constructed for or serves more than one purpose, and navigation is one of those purposes, then that conveyance is not covered by the bill.

Finally, Mr. Speaker, I would like to point out a few ways in which I believe H.R. 2567 does not alter current law under the Clean Water Act. The bill does not modify existing law relating to the authority of the Environmental Protection Agency to approve or disapprove water quality standards. Nor does the bill authorize the downgrading of existing uses. Finally, the factors for consideration under subparagraph (C)(i) of the bill are in addition to, not in lieu of, those under current law at section 303(c)(2) of the Clean Water Act.

Mr. Speaker, with the changes offered by the chairman and adopted by the committee, and with the explanation of the bill in the committee report and as outlined above, I do not oppose passage of this bill.

Mr. BORSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHUSTER. Mr. Speaker, in closing, I yield myself such time as I may consume.

Mr. Speaker, I wanted to emphasize as strongly as I know how that this bill is on the floor today not because the Republican majority wants to stuff it down the minority's throats. Quite the contrary, this bill is on the floor today because our Democrat colleagues are the ones who have provided the leadership to get this moving.

Indeed, as we mentioned at the start of this debate, it has been the gentleman from California [Mr. CONDIT], the gentleman from California [Mr. MATSUI], and the gentleman from California [Mr. FAZIO], who have provided the leadership and the driving force behind this legislation. That is why this is here today, and the majority is happy to have been accommodating to our friends in the minority. That is why this legislation is here today. It is bipartisan in nature, with nine original cosponsors, five Republicans, four Democrats.

With regard to the substance of the legislation and some of the objections which have been expressed, first, to say that this should be limited to only a part of the West does not solve the real problem. Farmers in Arkansas, Florida, Louisiana, Mississippi, Missouri, and Texas are all affected. So we need to address those regions of the country as well. This legislation does that.

Further, to say, as the President has indicated, that this should apply only to agricultural conveyances, does not solve the real problem. It only solves a part of the problem. What do we say to the city of Phoenix and other cities who have concrete-lined culverts? Do we tell them they have to treat that water like it was a pristine stream, even though it is going to cost, in the case of Phoenix, $66 million and provide absolutely no additional environmental benefit? No, I think that is not wise.

So this legislation does go beyond agricultural conveyances, and indeed does address the real problems that many of the cities, particularly in the West, face.

Finally, let me emphasize that in this legislation, it is very, very clear, States may use more stringent environmental requirements if they choose to. So once again, some of the objections we hear really stem from a "Washington knows best" attitude. The States may impose much more stringent requirements. We trust the States. We have confidence in the States. So let us not fall back into the old trap of saying "Washington knows best." Let us give flexibility to the States. Let us pass this bipartisan legislation overwhelmingly. I urge adoption of the bill before us.

Mr. MATSUI. Mr. Speaker, I am pleased to rise in strong support of H.R. 2567, the Constructed Water Conveyances Reform Act of 1995. I want to thank Representative CONDIT for his efforts to address this important issue.

California farmers have been very active in developing innovative strategies for reducing the discharge of pollutants into our natural waterways. Producers in the Sacramento Valley have used closed drainage systems that hold water until its pesticides degrade, making it safe for release. Such efforts have yielded extremely impressive results. However, the possibility that these closed drainage systems could be required to meet water quality standards similar to those for natural waterways has created a great deal or uncertainty for users of these pollution control methods.

H.R. 2567 would provide the certainty needed to ensure that these innovative efforts to improve water quality can continue to go forward. At the same time, its provisions will ensure that there is no change in the regulation of the impact of constructed water conveyances on natural waterways. In the Sacramento area, we already face significant challenges in protecting and improving the quality of our waterways. We must not make this task more difficult.

I am aware that the administration has expressed concern about certain aspects of this legislation. I am pleased, however, that they are committed to addressing the concerns of California agriculture on this matter, and I am ready to work with them to achieve resolution.

I urge my colleagues support for this issue of great importance to California's agricultural economy.

Mr. HAYES. Mr. Speaker, last May, I stood in this very well and expressed my belief that clean water is for people—people who believe more in their State and community than in Federal mandates and regulations. I was pleased to see that the House endorsed these precepts as we overwhelmingly passed this Corrections Day legislation.

There are many rice farmers in south Louisiana, and many more in the district of my good friend from California, Congressman CONDIT, who irrigate their fields or transport agricultural wastewater to treatment plants by utilizing man-made ditches. Although the number of these systems in Louisiana has dwindled over the last decade, the cost of planting with such canals is approximately half of the cost of the current most common irrigation method—pumping private well water.

Among the reasons for the aforementioned switch from low-cost to high-cost irrigation were undoubtedly costs added by requirements of the Clean Water Act. The current law compels States to establish water quality standards for waters of the United States. Water quality standards identify designated uses such as swimming, fishing, and drinking and criteria necessary to achieve these uses. Incorrect past interpretations have required farmers to meet water quality standards for swimming, fishing, and drinking, uses beyond the intentions for many man-made water conveyance systems.

H.R. 2567, the Constructed Water Conveyances Reform Act, is intended to afford States necessary flexibility in setting water quality standards, if purposes of man-made water conveyances are not compatible with designated uses and were never meant to support recreation or aquatic life. I am also pleased that this legislation, as the first to come under the scrutiny of the Unfunded Mandate Reform Act, should reduce costs to States and local jurisdictions.

These provisions are virtually identical to language which passed the House by a widespread bipartisan majority as part of H.R. 961, the Clean Water Act amendments. H.R. 2567 is an extremely non-controversial and commonsense solution to yet another overbearing regulatory problem for our Nation's farmers.

Mr. SHUSTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. WHITE). Pursuant to the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and (three-fifths having voted in favor thereof) the bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ARMEY. Mr. Speaker, your committee on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication that he may be pleased to make has performed that duty.

The President asked us to report that he will be pleased to deliver his message at 9 p.m. tonight to a joint session of the two Houses.

Mr. GEPHARDT. Mr. Speaker, I concur in the report of the majority leader.

The SPEAKER pro tempore. The Chair thanks the majority leader and the minority leader.

AWARDING CONGRESSIONAL GOLD MEDAL TO RUTH AND BILL GRAHAM

Mr. CASTLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2657) to award a congressional gold medal to Ruth and Billy Graham.

The Clerk read as follows:

H.R. 2657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress hereby finds the following:

(1) Ruth and Billy Graham have made outstanding and lasting contributions to morality, racial equality, family, philanthropy, and religion.

(2) America's most respected and admired evangelical leader for the past half century, Billy Graham's crusades have reached 100,000,000 people in person and reached over 2,000,000,000 people worldwide on television.

(3) Billy Graham, throughout his 76 years of life and his 52-year marriage to Ruth Graham, has exemplified the highest ideals of teaching, counseling, ethics, charity, faith, and family.

(4) Billy Graham's daily newspaper column and 14 books have provided spiritual counseling and personal enrichment to millions of people.

(5) Ruth and Billy Graham have been the driving force to create the Ruth and Billy Graham Children's Health Center at Memorial Mission Hospital in Asheville, North Carolina, whose vision it is to improve the health and well-being of children and to become a new resource for ending the pain and suffering of children.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized to present, on behalf of the Congress, to Billy and Ruth Graham a gold medal of appropriate design, in recognition of their outstanding and enduring contributions toward faith, morality, and charity.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

(c) GIFTS AND DONATIONS.—

(1) IN GENERAL.—The Secretary of the Treasury may accept, use, and disburse gifts or donations of property or money to carry out this section.

(2) NO APPROPRIATION AUTHORIZED.—No amount is authorized to be appropriated to carry out this section.

SEC. 3. DUPLICATE MEDALS.

The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

SEC. 4. STATUS OF MEDALS.

(a) NATIONAL MEDALS.—The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

(b) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all medals struck under this Act shall be considered to be numismatic items.

SEC. 5. TRANSFER OF ANY PROFIT TO LIBRARY OF CONGRESS.

The Secretary of the Treasury shall transfer an amount equal to the amount by which—

(1) the sum of any gifts and donations received by the Secretary in accordance with section 2(c)(2) and any proceeds from the sale of duplicate medals under section 3, exceeds

(2) the total amount of the costs incurred by the Secretary in carrying out his Act,

from the Numismatic Public Enterprise Fund to the Library of Congress.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Delaware [Mr. CASTLE] will be recognized for 20 minutes, and the gentleman from New York [Mr. FLAKE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of H.R. 2657, the bill to award a congressional gold medal to Ruth and Billy Graham. Members on both sides of the aisle support H.R. 2657. Included on the list of 296 cosponsors are Speaker GINGRICH, Majority Leader ARMEY, and Majority Whip DELAY. Chairman LEACH of the Banking Committee, Ranking Minority Member GONZALEZ, and Representative FLAKE, ranking minority member of the subcommittee are also cosponsors.

Throughout their lives Ruth and Billy Graham have made great contributions to American society. They are religious leaders and role models. Their commitment to each other and their marriage is something both rare and wonderful in today's society. Billy Graham's crusades, daily newspaper column, and books have helped millions of people in need. Ruth and Billy's support of the Children's Health Center in Asheville, NC is yet another example of their dedication to the health and well-being of our Nation's children.

H.R. 2657 complies with Banking Committee rules regarding the authorization of congressional gold medals. Although a committee markup was not held, a majority of both committee and subcommittee members are cosponsors. There is no opposition from Members of Congress or the U.S. Mint.

The Memorial Mission Medical Center and its not-for-profit foundation have offered to cover the costs for designing and striking the medal, up to $25,000. The Congressional Budget Office reports a possible impact to the Federal budget of about $10,000, depending on sales of the duplicate medals. All donations and proceeds in excess of the cost of designing and striking the medal will be given to the Library of Congress.

Mr. Speaker, because the U.S. Mint normally needs about 6 months to produce a congressional gold medal, and we hope to present this medal to the Graham's in the late spring, we need to move quickly to pass this bill. I urge the immediate adoption of H.R. 2657.

Mr. Speaker, I reserve the balance of my time.

Mr. FLAKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in full support of H.R. 2657 and join with the gentleman from Delaware [Mr. CASTLE] the chairman of the Subcommittee on Domestic and International Monetary Policy, because I believe that this represents for us an opportunity to say to the American people and to the world that it is important for persons to make commitments with their life that express the very best of what it means to be not only a citizen of this Nation, but a citizen of the world. No one has done that more effectively than Billy Graham, with Mrs. Ruth Graham, who stands beside him as the First Lady.

As they have moved throughout the world, persons have been moved to levels of commitment that perhaps would never have happened. We talk about salvation often, but many times it is nothing more than theoretical language. For the Grahams it is much more than that. It has been a reflection of not only their faith commitment; it has been a reflection of a faith commitment that is deep down within their hearts, given to them by virtue of their calling as religious leaders.

Truly in a world like the one in which we live, to find a person who has been available to every President, who has been available to even the lowest of persons, the many thousands who have gathered in auditoriums and in stadiums throughout this Nation, to the many who have come up from all around the world and found their hope in the message of this great and sainted leader, we take time out today to honor them through this gold medal.

It is more appropriate when you consider that one who follows the teachings of the Bible would readily associate Billy Graham with the Apostle

Paul, for indeed the missions he has carried out throughout this world have been those that have been productive to so many people, have changed so many people's lives, have caused them to feel there is a reason for living, have given them hope that today is not their last day, but there is hope for their tomorrows.

Over and over again he has been able to come in moments when he did not feel physically able to give a message, and yet to give one. When there have been times when this Nation has been at its very worst, he has been able to raise us to levels of thinking about not only ourselves, but thinking about matters which are greater than us. He moved from one place to the other, one journey after another, proclaiming the gospel, proclaiming the good news, letting the world know that in the midst of all that is bad, there is yet much to live for, there is yet much to hope for.

I am pleased as the ranking member of this subcommittee to have this opportunity to honor another cleric. As one who has been in the ministry since the age of 15 myself, I know the arduous task and the responsibility that is placed on one who assumes this level of commitment that drives them to go well beyond what they could ordinarily do as human beings without their special touch of God.

For a man who is anointed, for a man who knows he has been called to do a special work, for a woman who knows that her calling beside him is one to lift the hopes and aspirations of people throughout this world, regardless of race, regardless of color or gender, we are pleased this day to join with the committee in supporting H.R. 2657, asking all of our Members of this House to join with us in a resounding support for this particular piece of legislation, because it gives us an opportunity to look beyond whatever it is that separates us, whatever it is that causes us to participate in most instances in partisan fashion, to respond in a way that says this is a man and a woman that deserve the best of us for they have given their best to all of us.

With that, Mr. Speaker, I reserve the balance of my time in the hopes that all of our colleagues will join with us in support of this legislation.

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Mr. CASTLE. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. TAYLOR], the primary sponsor of this legislation.

Mr. TAYLOR of North Carolina. Mr. Speaker, I would like to thank the chairman for giving me this time, and I also want to thank the ranking minority Member for the eloquent remarks he made about Reverend and Mrs. Graham.

Mr. Speaker, in sponsoring this legislation and talking to various Members to cosponsor, there was no problem in getting hundreds of Members of this House, all of whom had separate and individual reasons for endorsing this legislation.

As one of the most revered evangelical leaders in modern history, Billy Graham has helped the less fortunate and prescribed the need for a moral society. He has been spiritual adviser and confidant to 10 Presidents. Over 100 million people have come to see Billy Graham at crusades, and another 2 billion people have watched him on television. His character and strength have made him America's most admired man. He has used his immense popularity to confront major social problems, such as racism, the homeless, and hunger. He continues trying to reverse the decline in our society's morals by emphasizing ethical and spiritual values.

Billy Graham was reared in Charlotte, NC, and upon finishing seminary began preaching his message in Tampa, FL. He now has preached to more people than anyone else in history. To extend the reach of his message, he used television, magazines, and a weekly radio broadcast for which he was given a gold star on the Hollywood Walk of Fame. He has also spread his message through his daily newspaper column and 14 books.

The Billy Graham Training Center in Black Mountain and the Billy Graham Evangelical Association, headquartered in Minneapolis, MN, have become beacons of spirituality for people around the world.

Billy Graham adheres to the principles of which he preached. He and his wife of 52 years, Ruth, live their lives with the commitment to their family, each other, and God.

The other side of Billy Graham is the humanitarian and champion of the disadvantaged. He helped the flood victims of India rebuild their villages. He arranged for food and supplies to be flown to the earthquake victims of Guatemala and aided refugees fleeing political oppression.

Reverend Graham was also deeply involved in the fight for racial equality in the South. Dr. Martin Luther King, Jr., declared, and I quote, "that had it not been for the ministry of Billy Graham, he could not have done the work that he did."

People with Billy Graham's strength and devotion are very rare. His duty to God has led him to be the great man that he has become today. It is fitting for this Congress to honor both Reverend Graham and his wife, who has been by his side. His son, Franklin Graham, who heads the Samaritan Purse, and is now moving into his father's ministry, has carried on works for many years helping the poor, helping disadvantaged around the world.

Most recently, the Grahams have devoted themselves to the establishment of the Ruth and Billy Graham Children's Health Center at Memorial Mission in Asheville, NC. They share the vision of this new center in its efforts to improve the health and well-being of the children of the southern Appalachia and the world. Their goal is for the Ruth and Billy Graham Children's Center to become a new resource for ending the pain and suffering of children.

We hope that once this legislation is passed by the Congress, the Congressional Gold Medal will be presented to the Grahams at a joint session of this Congress, and I take pride in being one of the many cosponsors of this legislation.

Mr. FLAKE. Mr. Speaker, I yield 2 minutes to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Speaker, I thank the gentleman and my colleague from New York for this time; and also the chief sponsor of the legislation, the gentleman from Delaware.

Mr. Speaker, I rise in support of this legislation to give special recognition by the Congress to the Reverend and Mrs. Billy Graham, who over the course of some 60 years, have provided comfort and support for the spiritual needs of millions of men, women, and children throughout the world.

Mr. Speaker, the Reverend Billy Graham, in my humble opinion, is perhaps the greatest Christian evangelist of this century. His spiritual messages were universal, in that they touched the hearts and minds of every human being who has been influenced by his demeanor, his example, and, most important of all by the giving of his life to serve the needs of others. That is pure Christianity in every way.

Again, I commend my good friend from New York and the gentleman from Delaware for sponsoring this legislation.

Mr. CASTLE. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. HEINEMAN], another distinguished Member of the House.

Mr. HEINEMAN. Mr. Speaker, I rise today in strong support of H.R. 2657, legislation which commissions a Congressional Gold Medal to be awarded to Billy Graham and his wife Ruth. I am proud to be an original co-sponsor of this legislation. H.R. 2657 honors Billy and Ruth Graham's years of service towards morality, racial equality, family, charity and religion.

The Reverend Billy Graham was raised in North Carolina and has been a great spiritual leader, not only for the United States, but for the rest of the world. He has dedicated his life crusading against homelessness, racism, and hunger while helping spread spiritual and moral values to those willing to listen. Billy and Ruth Graham have positively affected the lives of millions throughout the world. In today's society, it is rare to find such undying dedication and devotion to one's beliefs.

Rev. Graham has used the media to help spread his message of hope to billions of people. Billy and Ruth Graham's faith in God has helped them in their fight to aid the disadvantaged and less fortunate. It is only right that this Congress honor the Reverend Billy Graham and his wife Ruth with the Congressional Gold Medal.

I'd like the RECORD to indicate that this Member of Congress attended the Billy Graham Crusade in 1957 at the Polo Grounds in the Bronx, NY. Although the site no longer exists, the vestiges of that experience still live within me.

I urge my colleagues to support this bipartisan legislation and vote for the legislation, and I also compliment the gentleman from North Carolina, Congressman CHARLES TAYLOR, for his initiative; and the gentleman from Delaware, Congressman MIKE CASTLE, for sponsoring this bill.

Mr. CASTLE. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. BURR], yet another distinguished Member.

Mr. BURR. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today to join my colleagues in honoring two outstanding Americans and fellow North Carolinians. Throughout their lives, Ruth and Billy Graham have exemplified the highest goals our country holds dear, and as a result, they have left a lasting impression not only on the people they touch individually, but on our Nation as a whole.

Most people first encountered Rev. Graham through his many crusades. Through this vehicle, he has reached over 100 million people in person and over 2 billion people throughout the world in his television audiences spreading his message of hope. Rev. Graham's achievements, however, go much deeper than his accomplishments as a religious leader. He and his wife are also leaders in promoting education, charity, and the importance of family. They were the driving force in creating the Ruth and Billy Graham Children's Health Center at Memorial Mission Hospital in Asheville, NC. This facility provides comfort and care to the most helpless members of society—our children. And, finally, Rev. and Mrs. Graham have served us as leaders—leaders by example. If we would all dedicate ourselves to just a fraction of the unselfish endeavors of these two people, the world would be a much better place.

Mr. Speaker, in this Olympic year, when we honor our best athletes with gold medals for achievements on the field, it is fitting that we honor these two outstanding individuals with a gold medal for their outstanding achievements in a much more difficult arena—life. So, for myself, my colleagues in this House, and for our Nation, I say thank you, Ruth and Billy Graham.

Mr. FLAKE. Mr. Speaker, I reserve the balance of my time.

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume to say that there was one other person who clearly wanted to speak, and there are two others who have contacted us that they are trying to get here, but they are not presently with us.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. STOCKMAN].

Mr. STOCKMAN. Mr. Speaker, I thank the gentleman for allowing me this opportunity to speak on behalf of what, in my personal life, has meant more to me than anything else, and that is my faith.

As I was growing up and watching throughout my history, I watched Rev. Billy Graham as he portrayed what I think was good in everything in life. And now as we get older and we look and reflect upon our lives, today I have to tell you I still reflect upon Billy Graham.

Billy Graham has meant a lot to me personally in influencing my life and my goals, and I cannot think of anybody better that we dedicate this medal to than to Dr. Graham and his wife Ruth.

With that, Mr. Speaker, I would like to say that I think this one man has meant more to more people than anyone else in the world. As he goes and travels, he is respected by leaders and government officials and that without Mr. Graham, we would not have, I think, some of the moral principles that we have in this Nation today.

Mr. FLAKE. Mr. Speaker, I yield myself 3 minutes.

As one who has traveled to various seminaries throughout this land, periodically speaking to those young ministers who are in training, I want to take this opportunity to just say a word, and that is a word to encourage them to look at the ministry of Billy Graham as a model by which they might be able to emulate and replicate, because I think it indicates the kind of commitment that is necessary when one feels the authority of God that has called and anointed them to do the special work.

And it is special work that can only be done by a calling. The Bible tells us that many are called, but few are chosen. Truly, Billy Graham and Ruth Graham represent they who have been chosen of the Lord and who understand what it means to make the fullest of commitments, understand what it means when the Bible talks about bearing our crosses daily and denying one's self. For truly his ministry indicates that regardless of one's training, one has to have a real sense about what it is the Lord wants him to do and where the Lord wants it done.

The commission of the Lord commands that we go into all nations and baptize and teach and reach all of those who have not been reached and bring them into the family of the faithful. I tend to believe that this Nation will be a better place because of Billy Graham and Ruth Graham, but more importantly those young men and women who are in training in seminaries, as they look at this model, as they make the same kind of commitment, as they understand that their faith commitment should drive them to never having to feel that they have to be of the world, but rather that they can be in it, but live beyond it as it relates to how they maintain themselves morally and spiritually. Billy Graham has shown us all of that.

I would hope that his model is one, as he nears the sunset of his life, that there will be someone who will pick up that mantel and will go forth into the world making the same kind of proclamations without fear of trembling, but understand, as we say in that song, to be on the battlefield for the Lord, and to do so with the kind of courageousness that will not allow them to be able to turn around.

We can change families, we can change the quality of life for people in this Nation, we can change the quality of life for people in the world. More of us have to be on the battlefield and believe this is a battle that we cannot afford to lose.

Mr. Speaker, I reserve the balance of my time.

□ 1530

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume, and I will be very brief and then yield back the balance of the time.

Mr. Speaker, as a layperson and one who is not involved in the clergy as the distinguished ranking member is, and without being as eloquent as he is on the subject, it is wonderful to admire from afar and from television, an individual and a couple who have lived the way we would like the heroes of America to live.

Mr. Speaker, so often we see people, individuals who are flawed in all walks of life and we make them our role models and somehow they fall. This is a couple that not only is not going to fall, but has risen from pedestal to pedestal and we admire them greatly. This coin that we are dedicating today is well earned.

Mr. Speaker, I would like to thank all of those who were able to come to the floor and speak. I would remind those who were not able to, that they could submit statements at the end.

Mr. FLAKE. Mr. Speaker, to the gentleman from Delaware, chairman of the subcommittee, I say thank you. This is a glorious day for both of us. I think the way we work together in our committee represents the essence of the kind of spirit that Billy Graham would hope all American citizens would be able to work together.

Mr. Speaker, I am proud to work with the gentleman from Delaware and proud to have shared with him in the sponsorship of this legislation.

Mr. Speaker, I yield back the balance of my time, and hope that our Members will join with us, not only in trying to work together the way we do, but also in supporting this legislation.

Mr. CASTLE. Mr. Speaker, I would like to thank the gentleman from New York [Mr. FLAKE], our ranking member. I must say I do not think we have ever had a cross word in the over a year that we have worked together. Our legislation, as is most true in this particular bill today, is generally positively received. We are blessed in that way. Working with the gentleman from New York and his staff has been an extraordinary pleasure, and I look forward to the balance of our time together.

Mrs. MYRICK. Mr. Speaker, on behalf of the people of the Ninth Congressional District I want to take this opportunity to pay tribute to our hometown hero, Dr. Billy Graham. I have been friends with Dr. and Mrs. Graham for many years, and it is a privilege to know people of such high moral fortitude and devotion to principle.

Dr. and Mrs. Graham have traveled the world in the advancement of a message of hope, a message that has reached the ears and hearts of millions of people. Those who have known the Graham family have been enriched not only by their words, but by the living example their daily walk in life has set for us. Their endless devotion to the advancement of a simple, yet profound message has truly changed the lives of millions of people around the globe.

I can think of no better recipients of this award than the Reverend and Mrs. Billy Graham. May this award serve as a small token of appreciation for their lifetime of service.

Mr. CLEMENT. Mr. Speaker, I rise in support of H.R. 2657, legislation which would award a Congressional Gold Medal to Ruth and Billy Graham. In a time when we are searching for leaders to show us the way back toward the values of community, hope, faith, and character, Ruth and Billy Graham stand among us as the embodiment of that kind of leadership. For over 60 years, together they have worked in a nonpartisan way to bring reconciliation, justice, peace, and salvation to the people and leaders of America and the world. As they have sought to follow the will of Jesus Christ in their lives and lead many toward faith, they are living sacraments of God's love and the highest American ideals.

It is no wonder that the Grahams consistently rank among America's most respected people. When numerous ministries and their leaders have disappointed us with their insincerity and greed, the Billy Graham ministries stand as an unfailing rock of integrity and conviction. When a majority of evangelical ministers were content to preach a message of salvation from within their church walls while ignoring social issues like racism and poverty, Billy and Ruth Graham, looking deep into the heart of the Gospel they proclaimed, stepped into the public arena to confront its greatest evils with love and truth. When most of us are content to settle for partisan bickering and alienation, Billy and Ruth Graham have served America's Presidents and the world's leaders in our times of greatest crises without regard to party or platform. Truly, they are a man and woman of and for our times.

My father and mother, the late Frank G. and Lucille Clement, found faithful friends in Billy and Ruth Graham. They visited together on numerous occasions during and after the time my father served as Governor of the State of Tennessee. They often took trips together, and Dr. Graham begged Dad to leave politics and join the Billy Graham crusades. My Dad was a man steeped in biblical knowledge—he even taught a Sunday School class while he was Governor. My father assisted Dr. Graham with his crusades in Nashville, but also around the country. Dad was honored by Dr. Graham's invitation, but his calling lay in politics, not preaching.

Dad asked the Tennessee poet Peck Gunn to work with Billy Graham on the road, and together they organized train crusades originating from Nashville, TN and stretching across the country. These were memorable moments for the crusades as the good news made its way across the heartland carrying God's spokesman.

Dr. Graham's loyalty and friendship toward my family has endured now for a half century. Just recently, my mother, Lucille Clement, passed away after 75 beautiful years. Several years ago, Mother visited Ruth at the Graham home in Montreat. My mother spoke often of how she was blessed by this time well spent. So, upon my mother's death, Dr. Graham issued a statement to the press of his great love and friendship for my mother and our family. I was very grateful.

For these reasons and more, it was my pleasure to work with Representative CHARLES TAYLOR to invite our colleagues to sign on as cosponsors of this important legislation which will record for history our admiration and highest honor for these two servants of God and the world.

I call upon my colleagues today to support this bill which awards the Grahams with the highest honor of the U.S. Congress, but an award much too inadequate for this couple. I am reminded today of how the writer of the New Testament book of Hebrews describes the heroes of our faith. These heroes, like Billy and Ruth Graham, are those "of whom the world is not worthy."

Mr. CASTLE. Mr. Speaker, I yield back the balance of my time.

Mr. SPEAKER pro tempore (Mr. WHITE). The question is on the motion offered by the gentleman from Delaware [Mr. CASTLE] that the House suspend the rules and pass the bill, H.R. 2657.

The question was taken.

Mr. CASTLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

PRIVILEGES OF THE HOUSE—PROTECTING CREDITWORTHINESS OF UNITED STATES, AVOIDING DEFAULT, AND AVERTING ANOTHER GOVERNMENT SHUTDOWN

Mr. DOGGETT. Mr. Speaker, pursuant to clause (2)(a)(1) of rule XI, I give notice of my intention to offer a resolution on behalf of myself and the gentleman from Houston, TX [Mr. BENTSEN], who is at the mike and who joins me today.

Mr. Speaker, this would be a resolution that raises a question of the privileges of the House and the form of the resolution is as follows:

Whereas, the inability of the House to pass an adjustment in the public debt limit unburdened by the unrelated political agenda of either party, an adjustment to maintain the creditworthiness of the United States and to avoid disruption of interest rates and the financial markets, brings discredit upon the House;

Whereas, the inability of the House to pass a clean resolution to continue normal governmental operations so as to end the abuse of American citizens and their hard-earned dollars, Federal employees, private businesses who perform work for the Federal government, and those who rely upon Federal services as a bargaining tactic to gain political advantage in the budget negotiations, brings discredit upon the House;

Whereas, previous inaction of the House has already cost the American taxpayer about $1.5 billion in wasteful governmental shutdown costs, reduced the productivity and responsiveness of federal agencies and caused untold human suffering;

Whereas, the failure of the House of Representatives to adjust the federal debt limit and keep the nation from default or to act on legislation to avert another government shutdown impairs the dignity of the House, the integrity of its proceedings and the esteem the public holds for the House;

Resolved, That upon the adoption of this resolution the enrolling clerk of the House of Representatives shall prepare an engrossment of the bill, H.R. 2862, and the joint resolution, H.J. Res. 157. The vote by which this resolution is adopted by the House shall be deemed to have been a vote in favor of such bill and a vote in favor of such joint resolution upon final passage in the House of Representatives. Upon engrossment of the bill and the joint resolution, each shall be deemed to have passed the House of Representatives and been duly certified and examined; the engrossed copies shall be signed by the Clerk and transmitted to the Senate for further legislative action; and (upon final passage by both Houses) the bill and the joint resolution shall be signed by the presiding officers of both Houses and presented to the President for his signature (and otherwise treated for all purposes) in the manner provided for bills and joint resolution generally.

Mr. BENTSEN. Mr. Speaker, in respect to the resolution offered by the gentleman from Texas [Mr. DOGGETT], my colleague, as it related——

The SPEAKER pro tempore. The Chair would inform the gentleman that the resolution is not debatable at this time.

PARLIAMENTARY INQUIRY

Mr. BENTSEN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BENTSEN. Mr. Speaker, is it in order at this time to determine whether or not this rule IX applies to this resolution and is it also in order at this time for the House to debate whether rule IX would apply with respect to this resolution?

The SPEAKER pro tempore. The Chair would inform the gentleman that under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time or place designated by the Speaker in the legislative schedule within 2 legislative days its being properly noticed. The Chair will announce the Speaker's designation at a later time. In the meantime, the form of the resolution proffered by the gentleman from Texas will appear in the RECORD at this point.

The Chair is not at this point making a determination as to whether the resolution constitutes a question of privilege. That determination will be made at the time designated by the Speaker for consideration of the resolution.

Mr. DOGGETT. Mr. Speaker, we thank you and we stand ready to proceed upon proper notice.

SADDLEBACK MOUNTAIN-ARIZONA SETTLEMENT ACT OF 1995

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1341) to provide for the transfer of certain lands to the Salt River Pima-Maricopa Indian Community and the city of Scottsdale, Arizona, and for other purposes.

The Clerk read as follows:

S. 1341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Saddleback Mountain-Arizona Settlement Act of 1995".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Salt River Pima-Maricopa Indian Community and the city of Scottsdale, Arizona, have a longstanding interest in a 701-acre tract of land known as the "Saddleback Property", that lies within the boundaries of the City and abuts the north boundary of the Salt River Pima-Maricopa Indian Reservation;

(2) the Saddleback Property includes Saddleback Mountain and scenic hilly terrain along the Shea Boulevard corridor in Scottsdale, Arizona, that—

(A) has significant conservation value; and

(B) is of historic and cultural significance to the community;

(3) in 1989, the Resolution Trust Corporation acquired the Saddleback Property as a receiver for the Sun City Savings and Loan Association;

(4) after the Saddleback Property was noticed for sale by the Resolution Trust Corporation, a dispute between the Community and the City arose concerning the future ownership, use, and development of the Saddleback Property;

(5) the Community and the City each filed litigation with respect to that dispute, but in lieu of pursuing that litigation, the Community and the City negotiated a Settlement Agreement that—

(A) addresses the concerns of each of those parties with respect to the future use and development of the Saddleback Property; and

(B) provides for the dismissal of the litigation;

(6) under the Settlement Agreement, subject to detailed use and development agreements—

(A) the Community will purchase a portion of the Saddleback Property; and

(B) the City will purchase the remaining portion of that property; and

(7) the Community and the City agree that the enactment of legislation by Congress to ratify the Settlement Agreement is necessary in order for—

(A) the Settlement Agreement to become effective; and

(B) the United States to take into trust the property referred to in paragraph (6)(A) and make that property a part of the Reservation.

(b) PURPOSES.—The purposes of this Act are—

(1) to approve and confirm the Settlement, Release, and Property Conveyance Agreement executed by the Community, the City, and the Resolution Trust Corporation;

(2) to ensure that the Settlement Agreement (including the Development Agreement, the Use Agreement, and all other associated ancillary agreements and exhibits)—

(A) is carried out; and

(B) is fully enforceable in accordance with its terms, including judicial remedies and binding arbitration provisions; and

(3) to provide for the taking into trust by the United States of the portion of the Saddleback Property purchased by the Community in order to make that portion a part of the Reservation.

SEC. 3. DEFINITIONS.

For the purposes of this Act, the following definitions shall apply:

(1) CITY.—The term "City" means the city of Scottsdale, Arizona, which is a municipal corporation in the State of Arizona.

(2) COMMUNITY.—The term "Community" means the Salt River Pima-Maricopa Indian Community, which is a federally recognized Indian tribe.

(3) DEDICATION PROPERTY.—The term "Dedication Property" means a portion of the Saddleback Property, consisting of approximately 27 acres of such property, that the City will acquire in accordance with the Settlement Agreement.

(4) DEVELOPMENT AGREEMENT.—The term "Development Agreement" means the agreement between the City and the Community, executed on September 11, 1995, that sets forth conditions and restrictions that—

(A) are supplemental to the Settlement, Release and Property Conveyance Agreement referred to in paragraph (11)(A); and

(B) apply to the future use and development of the Development Property.

(5) DEVELOPMENT PROPERTY.—The term "Development Property" means a portion of the Saddleback Property, consisting of approximately 211 acres, that the Community will acquire in accordance with the Settlement Agreement.

(6) MOUNTAIN PROPERTY.—The term "Mountain Property" means a portion of the Saddleback Property, consisting of approximately 365 acres, that the Community will acquire in accordance with the Settlement Agreement.

(7) PRESERVATION PROPERTY.—The term "Preservation Property" means a portion of the Saddleback Property, consisting of approximately 98 acres, that the City will acquire in accordance with the Settlement Agreement.

(8) RESERVATION.—The term "Reservation" means the Salt River Pima-Maricopa Indian Reservation.

(9) SADDLEBACK PROPERTY.—The term "Saddleback Property" means a tract of land that—

(A) consists of approximately 701 acres within the city of Scottsdale, Arizona; and

(B) includes the Dedication Property, the Development Property, the Mountain Property, and the Preservation Property.

(10) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(11) SETTLEMENT AGREEMENT.—The term "Settlement Agreement"—

(A) means the Settlement, Release and Property Conveyance Agreement executed on September 11, 1995, by the Community, the City, and the Resolution Trust Corporation (in its capacity as the Receiver for the Sun State Savings and Loan Association, F.S.A.); and

(B) includes the Development Agreement, the Use Agreement, and all other associated ancillary agreements and exhibits.

(12) USE AGREEMENT.—The term "Use Agreement" means the agreement between the City and the Community, executed on September 11, 1995, that sets forth conditions and restrictions that—

(A) are supplemental to the Settlement, Release and Property Conveyance Agreement referred to in paragraph (11)(A); and

(B) apply to the future use and development of the Mountain Property.

SEC. 4. APPROVAL OF AGREEMENT.

The Settlement Agreement is hereby approved and ratified and shall be fully enforceable in accordance with its terms and the provisions of this Act.

SEC. 5. TRANSFER OF PROPERTIES.

(a) IN GENERAL.—Upon satisfaction of all conditions to closing set forth in the Settlement Agreement, the Resolution Trust Corporation shall transfer, pursuant to the terms of the Settlement Agreement—

(1) to the Secretary, the Mountain Property and the Development Property purchased by the Community from the Resolution Trust Corporation; and

(2) to the City, the Preservation Property and the Dedication Property purchased by the City from the Resolution Trust Corporation.

(b) TRUST STATUS.—The Mountain Property and the Development Property transferred pursuant to subsection (a)(1) shall, subject to sections 6 and 7—

(1) be held in trust by the United States for the Community; and

(2) become part of the Reservation.

(c) LIMITATION ON LIABILITY.—Notwithstanding any other provision of law, the United States shall not incur any liability for conditions, existing prior to the transfer, on the parcels of land referred to in subsection (b) to be transferred to the United States in trust for the Salt River Pima-Maricopa Indian Community.

(d) RECORDS.—Upon the satisfaction of all of the conditions of closing set forth in the Settlement Agreement, the Secretary shall file a plat of survey depicting the Saddleback Property (that includes a depiction of the Dedication Property, the Development Property, the Mountain Property, and the Preservation Property) with—

(1) the office of the Recorder of Maricopa County, Arizona; and

(2) the Titles and Records Center of the Bureau of Indian Affairs, located in Albuquerque, New Mexico.

SEC. 6. LIMITATIONS ON USE AND DEVELOPMENT.

Upon the satisfaction of all of the conditions of closing set forth in the Settlement Agreement, the properties transferred pursuant to paragraphs (1) and (2) of section 5(a) shall be subject to the following limitations and conditions on use and development:

(1) PRESERVATION PROPERTY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Preservation Property shall be forever preserved in its natural state for use only as a public park or recreation area that shall—

(i) be utilized and maintained for the purposes set forth in section 4(C) of the Settlement Agreement; and

(ii) be subject to the restrictions set forth in section 4(C) of the Settlement Agreement.

(B) SHEA BOULEVARD.—At the sole discretion of the City, a portion of the Preservation Property may be used to widen, reconfigure, repair, or reengineer Shea Boulevard in accordance with section 4(D) of the Settlement Agreement.

(2) DEDICATION PROPERTY.—The Dedication Property shall be used to widen, reconfigure, repair, or reengineer Shea Boulevard and 136th Street, in accordance with sections 4(D) and 7 of the Settlement Agreement.

(3) MOUNTAIN PROPERTY.—Except for the areas in the Mountain Property referred to as Special Cultural Land in section 5(C) of the Settlement Agreement, the Mountain Property shall be forever preserved in its natural state for use only as a public park or recreation area that shall—

(A) be utilized and maintained for the purposes set forth in section 5(C) of the Settlement Agreement; and

(B) be subject to the restrictions set forth in section 5(C) of the Settlement Agreement.

(4) DEVELOPMENT PROPERTY.—The Development Property shall be used and developed for the economic benefit of the Community in accordance with the provisions of the Settlement Agreement and the Development Agreement.

SEC. 7. AMENDMENTS TO THE SETTLEMENT AGREEMENT.

No amendment made to the Settlement Agreement (including any deviation from an approved plan described in section 9(B) of the Settlement Agreement) shall become effective, unless the amendment—

(1) is made in accordance with the applicable requirements relating to the form and approval of the amendment under sections 9(B) and 34 of the Settlement Agreement; and

(2) is consistent with the provisions of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. GALLEGLY] will be recognized for 20 minutes, and the gentleman from American Samoa [Mr. FALEOMAVAEGA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. GALLEGLY].

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1341, the proposed Saddleback Mountain-Arizona Settlement Act of 1995, ratifies a land settlement agreement between the Resolution Trust Corporation, the city of Scottsdale, and the Salt River Pima-Maricopa Indian community.

Seven hundred and one acres of land, currently held by the Resolution Trust Corporation, would be disposed of, pursuant to S. 1341, as follows: one 27-acre tract and one 98-acre tract would be purchased by the city of Scottsdale; and one 211-acre tract and one 365-acre tract would be purchased by the Salt River Tribe.

Pending litigation between the parties would be dismissed.

Each of the four tracts would be administered according to a detailed ownership, development, and use agreement.

Finally, S. 1341 provides that the land purchased by the tribe will be taken into trust and become part of the Salt River Reservation.

The Congressional Budget Office estimates that, over time, "there would be no significant net budgetary impact" if S. 1341 is enacted into law.

The administration has testified that it "strongly support[s] the enactment of S. 1341".

I would also like to commend Congressman J.D. HAYWORTH for his leadership and tenacity in moving this ahead in an expeditious manner.

In conclusion, Mr. Speaker, I recommend a favorable vote on S. 1341.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill would approve an agreement among the Resolution Trust Corporation, the Salt River Pima-Maricopa Indian Community of Arizona, and the city of Scottsdale to divide 701 acres of land known as the Saddleback Mountain property. In 1989, the RTC, in its capacity as receiver for the Sun State Savings and Loan Association, acquired the Saddleback Mountain property and noticed the land for sale. The Pima Tribe submitted the highest cash bid for the property offering $6.5 million. In response to this bid, the city of Scottsdale filed suit against the RTC to acquire the property through eminent domain. Reacting to the suit, the RTC rejected all bids on the land and prepared to transfer the land to the city of Scottsdale at which point the tribe sued the city and the RTC for damages.

Finally, all sides agreed to negotiate a settlement. The agreement will allow the tribe to receive the bulk of the land, the city of Scottsdale to obtain land for preservation purposes and to address traffic flow problems, and the RTC will receive the full amount originally bid. All parties support this agreement and both lawsuits will be dismissed upon its enactment.

I support enactment of this bill and ask my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, at this juncture, I would also like to publicly thank the gentleman from California, chairman of the Subcommittee on Native American and Insular Affairs, along with the ranking member. It is great to have a chairman like the gentleman from California [Mr. GALLEGLY] and a ranking member like the gentleman from American Samoa [Mr. FALEOMAVAEGA], my dear friend, who have worked so hard to try and address and redress some areas that are in need of common sense and a consensus. So, Mr. Speaker, I thank the gentleman from American Samoa very much for all of his efforts as well.

Mr. Speaker, as has been mentioned by my colleague, this legislation is to approve an agreement for the settlement of litigation over the Saddleback Mountain property in Arizona. The agreement provides for the sale by the RTC of part of the Saddleback Mountain property to the Salt River Pima Indian community, to be held in trust by the United States as part of the property to the city of Scottsdale.

Mr. Speaker, this legislation is the result of months of negotiation between the city of Scottsdale and the Salt River Pima Tribe, and lacks solely to authorize and confirm the agreement and to provide that the property purchased by the tribe will be taken into trust reservation status.

Mr. Speaker, again, as we take a look across our country, and as we take a look here in the Nation's Capital, so many contentious issues where at times we agree to disagree, I think it is especially noteworthy that here we have an example for, indeed, not only this august Chamber, but for the rest of the country, of local empowerment; of officials from the city of Scottsdale working with officials from the Salt River Pima Indian community to work out the problems to their mutual satisfaction, and then inviting the Federal Government to work to approve this. I think it typifies the notion of a new partnership and local empowerment.

Again, I think it is important, as both the chairman of the subcommittee and the ranking member pointed out, S. 1341 does not authorize any expenditure of funds by the United States. So, this is a cost-free, or relatively cost-free item that again empowers local communities given the special trust relationship with the United States Government and the special things we needed to work out in this place of legislation.

Undoubtedly, I would urge this august body to joint with our friends in the other body to adopt this and move forward. Once again, in conclusion, Mr. Speaker, I pause and thank my good friends, the chairman of the subcommittee and the distinguished ranking member, for all their efforts and call on my colleagues to overwhelmingly pass this common sense, practical approach to local empowerment and good government.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been stated earlier by my good friend, the gentleman from Arizona [Mr. HAYWORTH], I want to again express the true spirit of bipartisanship as we work towards agreement on some of the areas that were brought to the attention of both sides of the aisle. I commend my good friend from California, the chairman of the subcommittee, for his tremendous work in bringing this legislation to the floor.

Mr. Speaker, I urge my colleagues to support this bill and I yield back the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just in conclusion, I would like to reiterate my appreciation for the help of the gentleman from American Samoa, Mr. FALEOMAVAEGA, the ranking member of the committee, and for the leadership that we had from our good friend from Arizona, Mr. HAYWORTH.

Mr. Speaker, having no further requests for time, I yield back the balance of my time.

□ 1545

The SPEAKER pro tempore (Mr. WHITE). The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the Senate bill, S. 1341.

The question was taken.

Mr. GALLEGLY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

TECHNICAL CORRECTIONS IN LAWS RELATING TO NATIVE AMERICANS

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2726) to make certain technical corrections in laws relating to Native Americans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CORRECTION TO POKAGON RESTORATION ACT.

Section 9 of the Act entitled "An Act to restore Federal services to the Pokagon Band of Potawatomi Indians" (25 U.S.C. 1300j–7a) is amended—

(1) by striking "Bands" each place it appears and inserting "Band";

(2) in subsection (a), by striking "respective"; and

(3) in subsection (b)—

(A) in paragraph (1)—

(i) in the first sentence—

(I) by striking "membership rolls that contain" and inserting "a membership roll that contains"; and

(II) by striking "in such" and inserting "in the"; and

(ii) in the second sentence, by striking "Each such" and inserting "The";

(B) in paragraph (2)—

(i) by striking "rolls have" and inserting "roll has"; and

(ii) by striking "such rolls" and inserting "such roll";

(C) in the heading for paragraph (3), by striking "ROLLS" and inserting "ROLL"; and

(D) in paragraph (3), by striking "rolls are maintained" and inserting "roll is maintained".

SEC. 2. CORRECTION TO ODAWA AND OTTAWA RESTORATION ACT.

(a) REAFFIRMATION OF RIGHTS.—The heading of section 5(b) of the Little Traverse Bay Bands of Odawa Indians and the Little River Band of Ottawa Indians Act (25 U.S.C. 1300k–3) is amended by striking "TRIBE" and inserting "BANDS".

(b) MEMBERSHIP LIST.—Section 9 of the Little Traverse Bay Bands of Odawa and the Little River Band of Ottawa Indians Act (25 U.S.C. 1300k–7) is amended—

(1) in subsection (a)—

(A) by striking "Band" the first place it appears and inserting "Bands"; and

(B) by striking "the Band." and inserting "the respective Bands."; and

(2) in subsection (b)(1)—

(A) in the first sentence, by striking "the Band shall submit to the Secretary membership rolls that contain the names of all individuals eligible for membership in such Band" and inserting "each of the Bands shall submit to the Secretary a membership roll that contains the names of all individuals that are eligible for membership in such Band"; and

(B) in the second sentence, by striking "The Band, in consultation" and inserting "Each such Band, in consultation".

SEC. 3. INDIAN DAMS SAFETY ACT OF 1994.

Section 4(h) of the Indian Dams Safety Act of 1994 (25 U.S.C. 3803(h); 108 Stat. 1562) is amended by striking "(under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))), as amended," and inserting "under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.)".

SEC. 4. PASCUA YAQUI INDIANS OF ARIZONA.

Section 4(b) of the Act entitled "An Act to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes" (25 U.S.C. 1300f–3(b)) is amended by striking "Pascua Yaqui tribe" and inserting "Pascua Yaqui Tribe".

SEC. 5. INDIAN LANDS OPEN DUMP CLEANUP ACT OF 1994.

Section 3(7) of the Indian Lands Open Dump Cleanup Act of 1994 (25 U.S.C. 3902(7); 108 Stat. 4165) is amended by striking "under section 6944 of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)" and inserting "under section 4004 of the Solid Waste Disposal Act (42 U.S.C. 6944)".

SEC. 6. AMERICAN INDIAN TRUST FUND MANAGEMENT REFORM ACT OF 1994.

(a) MAINTENANCE OF RECORDS.—Section 303(c)(5)(D) of the American Indian Trust Fund Management Reform Act of 1994 (25 U.S.C. 4043(c)(5)(D); 108 Stat. 4247) is amended by striking "made under paragraph (3)(B)" and inserting "made under subparagraph (C)".

(b) ADVISORY BOARD.—Section 306(d) of the Indian Trust Fund Management Reform Act of 1994 (25 U.S.C. 4046(d); 108 Stat. 4249) is amended by striking "Advisory Board" and inserting "advisory board".

SEC. 7. INDIAN SELF-DETERMINATION CONTRACT REFORM ACT OF 1994.

Section 102(11) of the Indian Self-Determination Contract Reform Act of 1994 (108 Stat. 4254) is amended by striking "subsection (e)" and inserting "subsection (e) of section 105".

SEC. 8. AUBURN INDIAN RESTORATION.

(a) ECONOMIC DEVELOPMENT.—Section 203 of the Auburn Indian Restoration Act (25 U.S.C. 1300l–1) is amended—

(1) in subsection (a)(2), by striking "as provided in section 107" and inserting "as provided in section 207"; and

(2) in subsection (b), by striking "section 104" and inserting "section 204".

(b) INTERIM GOVERNMENT.—The last sentence of section 206 of the Auburn Indian Restoration Act (25 U.S.C. 1300l–4) is amended by striking "Interim council" and inserting "Interim Council".

SEC. 9. CROW BOUNDARY SETTLEMENT ACT OF 1994.

(a) ENFORCEMENT.—Section 5(b)(3) of the Crow Boundary Settlement Act of 1994 (25 U.S.C. 1776c(b)(3); 108 Stat. 4636) is amended by striking "provisions of subsection (b)" and inserting "provisions of this subsection".

(b) APPLICABILITY.—Section 9(a) of the Crow Boundary Settlement Act of 1994 (25 U.S.C. 1776g(a); 108 Stat. 4640) is amended by striking "The Act" and inserting "This Act".

(c) ESCROW FUNDS.—Section 10(b) of the Crow Boundary Settlement Act of 1994 (25 U.S.C. 1776h(b); 108 Stat. 4641) is amended by striking "(collectively referred to in this subsection as the 'Suspension Accounts')" and inserting "(collectively referred to in this section as the 'Suspension Accounts')".

SEC. 10. TLINGIT AND HAIDA STATUS CLARIFICATION ACT.

The first sentence of section 205 of the Tlingit and Haida Status Clarification Act (25 U.S.C. 1215) is amended by striking "Indian tribes" and inserting "Indian Tribes".

SEC. 11. NATIVE AMERICAN LANGUAGES ACT.

Section 103 of the Native American Languages Act (25 U.S.C. 2902) is amended—

(1) in paragraph (2), by striking "under section 5351(4) of the Indian Education Act of 1988 (25 U.S.C. 2651(4))" and inserting "under section 9161(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7881(4))"; and

(2) in paragraph (3), by striking "section 4009 of Public Law 100–297 (20 U.S.C. 4909)" and inserting "section 9212(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7912(1))".

SEC. 12. PONCA RESTORATION ACT.

Section 5 of the Ponca Restoration Act (25 U.S.C. 983c) is amended—

(1) by inserting "Sarpy, Burt, Platte, Stanton, Holt, Hall, Wayne," before "Knox"; and

(2) by striking "or Charles Mix County" and inserting ", Woodbury or Pottawattomie Counties of Iowa, or Charles Mix County".

SEC. 13. REVOCATION OF CHARTER OF INCORPORATION OF THE MINNESOTA CHIPPEWA TRIBE UNDER THE INDIAN REORGANIZATION ACT.

The request of the Minnesota Chippewa Tribe to surrender the charter of incorporation issued to that tribe on September 17, 1937, pursuant to section 17 of the Act of June 18, 1934, commonly known as the "Indian Reorganization Act" (48 Stat. 988, chapter 576; 25 U.S.C. 477) is hereby accepted and that charter of incorporation is hereby revoked.

SEC. 14. ADVISORY COUNCIL ON CALIFORNIA INDIAN POLICY ACT OF 1992.

Section 5(6) of the Advisory Council on California Indian Policy Act of 1992 (106 Stat. 2133; 25 U.S.C. 651 note) is amended by striking "18 months" and inserting "36 months".

SEC. 15. IN-LIEU FISHING SITE TRANSFER AUTHORITY.

Section 401 of Public Law 100–581 (102 Stat. 2944–2945) is amended by adding at the end the following new subsection:

"(g) The Secretary of the Army is authorized to transfer funds to the Department of the Interior to be used for purposes of the continued operation and maintenance of sites improved or developed under this section.".

SEC. 16. ADOLESCENT TRANSITIONAL LIVING FACILITY.

Notwithstanding any other provision of law, any funds that were provided to the Ponca Indian Tribe of Nebraska for any of the fiscal years 1992 through 1995, and that were retained by that Indian tribe, pursuant to a self-determination contract with the Secretary of Health and Human Services that the Indian tribe entered into under section 102 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f) to carry out programs and functions of the Indian Health Service may be used by that Indian tribe to acquire, develop, and maintain a transitional living facility for adolescents, including land for that facility.

SEC. 17. EXPENDITURE OF MESCALERO APACHE TRIBE JUDGMENT FUNDS.

Notwithstanding any other provision of law, or any distribution plan approved pursuant to the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.), the Secretary of the Interior may reprogram, in accordance with the Resolutions, approved by the Mescalero Apache Tribal Council on January 24, 1995, any and all remaining funds (principal and interest accounts) regarding specific changes in the Secretarial Plans for the use of the funds in Docket Nos. 22–G, 30, 48, 30–A, and 48–A, awarded in satisfaction of the judgments by the Indian Claims Commission.

SEC. 18. ESTABLISHMENT OF A BAND ROLL.

Section 5(d)(2) of the Lac Vieux Desert Band of Lake Superior Chippewa Indians Act (25 U.S.C. 1300h–3(d)(2); 102 Stat. 1578) is amended—

(1) by inserting "and base roll" after "requirement"; and

(2) by striking "modification is" and inserting "modifications are".

SEC. 19. OPTION TO INCORPORATE SELF-DETERMINATION PROVISIONS INTO SELF-GOVERNANCE.

Section 403 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 458cc) is amended by adding the following new subsection:

"(l) INCORPORATE SELF-DETERMINATION PROVISIONS.—At the option of a participating tribe or tribes, any or all provisions of title I of this Act shall be made part of an agreement entered into under title III of this Act or this title. The Secretary is obligated to include such provisions at the option of the participating tribe or tribes. If such provision is incorporated it shall have the same force and effect as if set out in full in title III or this title.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. GALLEGLY] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. GALLEGLY].

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2726 contains 19 sections which I will try to summarize briefly.

The first 11 sections make various technical corrections to existing Indian-related statutes. Typographical errors are corrected, words are capitalized, and so forth.

Section 12 modifies the service area of the Ponca Indian Tribe to include Indians living in certain counties near its reservation;

Section 13 accepts the surrender of an unused tribal charter of incorporation;

Section 14 extends the term of the Advisory Council on California Indian Policy;

Section 15 grants authority to the Army Corps of Engineers to provide funding to the Department of the Interior for the operation and maintenance of certain in lieu fishing access sites which have been constructed;

Section 16 provides authority to the Ponca Indian Tribe to utilize funds to acquire, develop, and maintain a transitional living facility for Indian adolescents;

Section 17 provides authority to the Secretary of the Interior to reprogram certain funds, awarded to the Mescalero Apache Tribe, as requested by the Tribe;

Section 18 provides to the Lac Vieux Desert Band of Lake Superior Chippewa Indians authority to amend its base membership roll; and

Section 19 amends the Indian Self-Determination and Education Assistance Act to provide that participating tribes may elect to include, in Title III and Title IV Self-Governance compacts, any or all provisions of Title I, which deals with Public Law 93–638 contracts.

In conclusion, Mr. Speaker, let me point out that the other body has passed and sent to us legislation quite similar to H.R. 2726. The Committee on Resources marked up and reported H.R. 2726 to the floor by unanimous vote.

I recommend a favorable vote on H.R. 2726.

Mr. Speaker. I reserve the balance of my time.

Mr. FALEMOVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again in the spirit of bipartisanship, I commend my good friend, the gentleman from California [Mr. GALLEGLY], chairman of the subcommittee, for bringing this bill to the floor.

Mr. Speaker, the bill before us today, H.R. 2726, contains 19 technical amendments that, for the most part, correct grammatical oversights or incorrect statutory references in Indian-related laws.

I would like to note two of the changes made by this bill. The first, contained in section 19, will make it easier for Indian tribes to carry out Self-Goverance compacts under the Indian Self-Determination Act. Mr. Speaker, the Indian Self-Determination Act is one of the most important acts passed by Congress for Indians and has enabled tribes to carry out governmental activities and become more self-sufficient. The second change is contained in section 14, which extends by 18 months the life of the Advisory Council of California Indian Policy, a body created through legislation sponsored by the ranking member of the Committee on Resources, the gentleman from California, GEORGE MILLER.

I would like to commend my colleague, Chairman GALLEGLY and his staff for their work on this bill. I have always been proud of the fact that both sides of our committee have always worked together on Indian issues. I am sure that we will continue to do so in the future.

The Self-Governance amendment, which has been requested and is supported by the Indian tribes, would correct an oversight in last year's amendments to the Self-Governance program.

Last year, Congress chose to respond to the six-year resistance of the Bureau of Indian Affairs and the Indian Health Service to streamlining the "638" contracting process by amending the Indian Self-Determination and Education Assistance Act. The 1994 amendments further streamlining the "638" contracting and made permanent the Self-Governance program. The 1994 amendments also required the agencies to negotiate new regulations by mid 1996 with the Indian tribes to carry out the amendments.

Since the passage of the 1994 Amendments, however, the Departments of the Interior and Health and Human Services have not interpreted and implemented all portions of the Act in accordance with Congressional intent.

Specifically, the two departments have taken the position that certain beneficial provisions of Title I, governing Self-Determination or "638" contracts, may not be included in Title III or IV Self-Governance compacts and annual funding agreements. In addition, the position of the two departments has not always been consistent, so that in certain instances, one department has permitted inclusion of a Self-Governance clause reflective of a Title I provision while the other has not.

Mr. Speaker, the result has been an inconsistent treatment of Self-Governance issues by the two Departments, and the denial to Self-Governance tribes of the substantial advantages afforded to the tribes under Title I of the Indian Self-Determination Act. This is troubling, since it has always been the intent of Congress that the Self-Governance initiative should be at least as broad and favorable to the tribes as the original Title I contracting mechanism.

The amendment, which has been requested by the tribes and is supported by them, would allow tribes to incorporate the beneficial provisions of Title I of the Indian Self-Determination Act into Self-Governance compacts.

Mr. Speaker, the amendment allows Self-Governance tribes to take advantage of the benefits extended to 638 contracting tribes. These advantages include—the ability to prepare annual audits pursuant to the Single Audit Act, using Indian preference in hiring, carryover prior year funding, coverage under the Federal Tort Claims Act, access to technical assistance grants, access to federal sources of supply, affords comparable rental rates for housing in Alaska, incorporation of 638 contract support cost provisions, protections against agency funding reductions, use of more flexible cost accounting procedures, incorporation of title I contract disputes procedures, limitation of costs provisions, applicability of Prompt Payment Act, authority to acquire excess Federal property, access to GSA screener IDs, use of interagency motor pool vehicles, and the Federal Tort Claims Act.

The Government (basically IHS counsel) has taken the position that Congress did not apply these provisions in title I explicitly enough to titles III and IV. The Congress and the tribes disagree, but since the IHS has no real objection to them actually applying a technical amendment seemed like the proper thing to do.

I want to commend the committee staff members on both sides of the aisle for this hard work.

Mr. Speaker, I urge my colleagues to support this bill, and I yield back the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield myself the balance of my time.

In conclusion, I would just like to again thank my good friend, the gentleman from American Samoa [Mr. FALEOMAVAEGA]. I think today is a real testimony on both of the bills we have brought to the floor as to how well we have worked together in a bipartisan way. In fact, it appears that about the most controversial problems we have had is the way we pronounce each other's last name.

Mr. FALEOMAVAEGA. Mr. Speaker, will the gentleman yield?

Mr. GALLEGLY. I yield to the gentleman from American Samoa.

Mr. FALEOMAVAEGA. Mr. Speaker, I would like to note the gentleman's remarks. It is true that it seems as if some of our colleagues have always had a very difficult time in pronouncing our names, but in spite of all of that, I think more importantly to commend the gentleman again in bringing this kind of legislation in a spirit of bipartisanship that I sure hope that in the coming weeks and months perhaps our other colleagues could better exemplify the true spirit of how legislation could be passed, in the spirit of cooperation, and the spirit of resolving the problems and not be part of the problem.

Again, I commend my good friend from California for bringing this bill. I hope we will continue to pass more legislation in the same spirit as we have done in these two pieces of legislation. I thank the gentleman for yielding.

Mr. GALLEGLY. I thank the gentleman for his kind comments. Perhaps the gentleman from American Samoa [Mr. FALEOMAVAEGA] and I should hold some seminars. Maybe this body would work a lot better.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the bill, H.R. 2726, as amended.

The question was taken.

Mr. GALLEGLY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 2657, de novo; S. 1341, de novo; and H.R. 2726, de novo.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

AWARDING CONGRESSIONAL GOLD MEDAL TO RUTH AND BILLY GRAHAM

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2657.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Delaware [Mr. CASTLE] that the House suspend the rules and pass the bill, H.R. 2657.

The question was taken.

Mr. GALLEGLY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 403, nays 2, not voting 28, as follows:

[Roll No. 13]

YEAS—403

Abercrombie
Ackerman
Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney

Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NAYS—2

Schroeder
Slaughter

NOT VOTING—28

Armey
Berman
Bryant (TX)
Chapman
DeFazio
Dellums
Durbin
Fattah
Ford
Gibbons
Hunter
Lightfoot
Livingston
McCrery
Mollohan
Olver
Payne (NJ)
Schaefer
Tate
Torkildsen
Torricelli
Waldholtz
Ward
Waters
Waxman
Williams
Wyden
Young (AK)

☐ 1616

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The results of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, on rollcall vote No. 13 on the bill just passed, I mistakenly voted "nay". I had intended to vote "yea".

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker; during rollcall vote No. 13 on H.R. 2657 I was unavoidably detained. Had I been present I would have voted "yea".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WHITE). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

SADDLEBACK MOUNTAIN-ARIZONA SETTLEMENT ACT OF 1995

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the Senate bill, S. 1341.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY], that the House suspend the rules and pass the Senate bill, S. 1341.

The question was taken.

RECORDED VOTE

Mr. GALLEGLY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a five-minute vote.

The vote was taken by electronic device, and there were—ayes 403, noes 1, not voting 29, as follows:

[Roll No. 14]

AYES—403

Abercrombie
Ackerman
Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOES—1

Wilson

NOT VOTING—29

Armey
Berman
Bryant (TX)
Chapman
DeFazio
Dellums
Doolittle
Durbin
Fattah
Ford
Gibbons
Hunter
Lightfoot
Livingston
McCrery
Mollohan
Olver
Payne (NJ)
Schaefer
Tate
Torkildsen
Torricelli
Waldholtz
Ward
Waters
Waxman
Williams
Wyden
Young (AK)

□ 1627

So (two-thirds having voted in favor thereof), the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, during rollcall vote No. 14 on S. 1341, I was unavoidably detained. Had I been present I would have voted "aye."

GENERAL LEAVE

Mr. GALLEGLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1341.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TECHNICAL CORRECTIONS IN LAWS RELATING TO NATIVE AMERICANS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2726, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY], that the House suspend the rules and pass the bill, H.R. 2726, as amended.

The question was taken.

RECORDED VOTE

Mr. GALLEGLY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 407, noes 0, not voting 26, as follows:

[Roll No. 15]

AYES—407

Abercrombie
Ackerman
Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—26

Armey
Berman
Bryant (TX)
Chapman
DeFazio
Dellums
Durbin
Fattah
Ford
Gibbons
Hunter
Lightfoot
Livingston
McCrery
Mollohan
Olver
Schaefer
Tate
Torkildsen
Torricelli
Waldholtz
Ward
Waxman
Williams
Wyden
Young (AK)

□ 1638

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, during rollcall vote No. 15 on H.R. 2726 I was unavoidably detained. Had I been present I would have voted "aye".

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, on January 23, 1996, I was unavoidably detained due to changes in my air travel, which were out of my control, and missed three rollcall votes. I would like the record to show that had I been present for rollcall vote No. 13, on H.R. 2657, the Ruth and Billy Graham Congressional Gold Medal bill, I would have voted "yes." On rollcall vote No. 14, S. 1341, the Saddleback Mountain—Arizona Settlement bill, I would have voted "yes." And on rollcall vote No. 15, H.R. 2726, Technical Corrections to Native American Laws, I would have voted "yes."

PERSONAL EXPLANATION

Mr. LIGHTFOOT. Mr. Speaker, I would like the RECORD to show that I was unavoidable detained for rollcall votes 13, 14, and 15. Had I been present I would have voted "yes" on H.R. 2657, S. 1341, and H.R. 2726. Thank you.

GENERAL LEAVE

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2657 and H.R. 2726.

The SPEAKER pro tempore (Mr. WHITE). Is there objection to the request of the gentleman from Georgia?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tonight when the two Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I the Chair declares the House in recess until approximately 8:40 p.m. for the purpose of receiving in joint session the President of the United States.

Accordingly (at 4 o'clock and 43 minutes p.m.), the House stood in recess until approximately 8:40 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 48 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF SENATE CONCURRENT RESOLUTION 39 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presided.

The Assistant to the Sergeant at Arms, Mr. Kevin Brennan, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Texas [Mr. ARMEY];

The gentleman from Texas [Mr. DELAY];

The gentleman from Ohio [Mr. BOEHNER];

The gentleman from California [Mr. COX];

The gentleman from Arkansas [Mr. DICKEY];

The gentleman from Arkansas [Mr. HUTCHINSON];

The gentleman from Missouri [Mr. GEPHARDT];

The gentleman from Michigan [Mr. BONIOR];

The gentleman from California [Mr. FAZIO];

The gentlewoman from Connecticut [Mrs. KENNELLY];

The gentleman from Arkansas [Mr. THORNTON]; and

The gentlewoman from Arkansas [Mrs. LINCOLN].

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of the United States into the Chamber:

The Senator from Kansas [Mr. DOLE];

The Senator from Mississippi [Mr. LOTT];

The Senator from Mississippi [Mr. COCHRAN];

The Senator from Oklahoma [Mr. NICKLES];

The Senator from South Carolina [Mr. THURMOND];

The Senator from South Dakota [Mr. DASCHLE];

The Senator from Kentucky [Mr. FORD];

The Senator from Maryland [Ms. MIKULSKI];

The Senator from Massachusetts [Mr. KERRY];

The Senator from Nebraska [Mr. KERREY];

The Senator from Nevada [Mr. REID];

The Senator from West Virginia [Mr. ROCKEFELLER];

The Senator from North Dakota [Mr. DORGAN];

The Senator from Louisiana [Mr. BREAUX];

The Senator from Connecticut [Mr. DODD]; and

The Senator from Nebraska [Mr. EXON].

The Assistant to the Sergeant at Arms announced the Dean of the Diplomatic Corps, His Royal Highness, Prince Bandar bin Sultan, Ambassador of Saudi Arabia.

The Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Assistant to the Sergeant at Arms announced the Chief Justice and Associate Justices of the Supreme Court of the United States.

The Chief Justice and the Associate Justices of the Supreme Court of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Assistant to the Sergeant at Arms announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 8 minutes p.m., the Sergeant at Arms, Mr. Wilson Livingood, announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and distinct honor of presenting to you the President of the United States.

[Applause, the Members rising.]

THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The PRESIDENT. Mr. Speaker, Mr. Vice President, Members of the 104th Congress, distinguished guests, my fellow Americans all across our land: Let me begin tonight by saying to our men and women in uniform around the world and especially those helping peace take root in Bosnia and to their families, I thank you. America is very, very proud of you.

My duty tonight is to report on the State of the Union, not the state of our government but of our American community, and to set forth our responsibilities, in the words of our Founders, to "form a more perfect union."

The State of the Union is strong. Our economy is the healthiest it has been in three decades. We have the lowest combined rates of unemployment and inflation in 27 years. We have created nearly 8 million new jobs, over a million of them in basic industries like construction and automobiles. America is selling more cars than Japan for the first time since the 1970s, and for three years in a row we have had a record number of new businesses started in our country.

Our leadership in the world is also strong, bringing hope for new peace. And perhaps most important, we are gaining ground and restoring our fundamental values. The crime rate, the welfare and food stamp rolls, the poverty rate and the teen pregnancy rate are all down. And as they go down, prospects for America's future go up.

We live in an Age of Possibility. A hundred years ago we moved from farm to factory. Now we move to an age of technology, information and global competition. These changes have opened vast new opportunities for our people, but they have also presented them with stiff challenges.

While more Americans are living better, too many of our fellow citizens are working harder just to keep up, and they are rightly concerned about the security of their families.

We must answer here three fundamental questions: First, how do we make the American dream of opportunity for all a reality for all Americans who are willing to work for it? Second, how do we preserve our old and enduring values as we move into the future? And third, how do we meet these challenges together as one America?

We know big government does not have all the answers. We know there's not a program for every problem. We know and we have worked to give the American people a smaller, less bureaucratic government in Washington. And we have to give the American people one that lives within its means. The era of big government is over. But we cannot go back to the time when our citizens were left to fend for themselves. Instead, we must go forward as one America, one nation, working together to meet the challenges we face together. Self-reliance and teamwork are not opposing virtues. We must have both.

I believe our new, smaller government must work in an old-fashioned American way, together with all of our citizens through State and local governments, in the workplace, in religious, charitable and civic associations. Our goal must be to enable all our people to make the most of their own lives, with stronger families, more educational opportunities, economic security, safer streets, a cleaner environment and a safer world.

To improve the state of our union, we must ask more of ourselves. We must expect more of each other and we must face our challenges together.

Here in this place our responsibility begins with balancing the budget in a way that is fair to all Americans. There is now broad bipartisan agreement that permanent deficit spending must come to an end.

I compliment the Republican leadership and their membership for the energy and determination you have brought to this task of balancing the budget. And I thank the Democrats for passing the largest deficit reduction plan in history in 1993, which has already cut the deficit nearly in half in three years.

Since 1993, we have all begun to see the benefits of deficit reduction. Lower interest rates have made it easier for businesses to borrow and to invest and to create new jobs. Lower interest rates have brought down the cost of home mortgages, car payments and credit card rates to ordinary citizens. Now it is time to finish the job and balance the budget.

Though differences remain among us which are significant, the combined total of the proposed savings that are common to both plans is more than enough, using the numbers from your Congressional Budget Office, to balance the budget in 7 years and to provide a modest tax cut. These cuts are real. They will require sacrifice from everyone. But these cuts do not undermine our fundamental obligations to our parents, our children and our future by endangering Medicare or Medicaid or education or the environment or by raising taxes on working families.

I have said before, and let me say again, many good ideas have come out of our negotiations. I have learned a lot about the way both Republicans and Democrats view the debate before us. I have learned a lot about the good ideas that each side has that we could all embrace. We ought to resolve our remaining differences.

I am willing to work to resolve them. I am ready to meet tomorrow. But I ask you to consider that we should at least enact the savings that both plans have in common and give the American people their balanced budget, a tax cut, lower interest rates, and a brighter future. We should do that now and make permanent deficits yesterday's legacy.

Now it is time for us to look also to the challenges of today and tomorrow, beyond the burdens of yesterday. The challenges are significant. But our Nation was built on challenges. America was built on challenges, not promises. And when we work together to meet them we never fail. That is the key to a more perfect union. Our individual dreams must be realized by our common efforts.

Tonight I want to speak to you about the challenges we all face as a people. Our first challenge is to cherish our children and strengthen America's families. Families are the foundation of American life. If we have stronger families, we will have a stronger America.

Before I go on, I would like to take just a moment to thank my own family and to thank the person who has taught me more than anyone else, over 25 years, about the importance of families and children, a wonderful wife, a magnificent mother, and a great First Lady. Thank you, Hillary.

All strong families begin with taking more responsibility for our children. I have heard Mrs. Gore say that it is hard to be a parent today, but it is even harder to be a child. So all of us, not just as parents, but all of us in our other roles, our media, our schools, our teachers, our communities, our churches and synagogues, our businesses, our governments, all of us have a responsibility to help our children to make it and to make the most of their lives and their God-given capacities.

To the media, I say you should create movies and CD's and television shows you'd want your own children and grandchildren to enjoy.

I call on Congress to pass the requirement for a "V chip" in TV sets so that parents can screen out programs they believe are inappropriate for their children.

When parents control what their young children see, that is not censorship; that is enabling parents to assume more personal responsibility for their children's upbringing, and I urge them to do it. The "V chip" requirement is part of the important telecommunications bill now pending in this Congress. It has bipartisan support, and I urge you to pass it now.

To make the "V chip" work, I challenge the broadcast industry to do what movies have done: to identify your program in ways that help parents to protect their children. And I invite the leaders of major media corporations in the entertainment industry to come to the White House next month to work with us in a positive way on concrete ways to improve what our children see on television. I am ready to work with you.

I say to those who make and market cigarettes, every year a million children take up smoking, even though it's against the law. Three hundred thousand of them will have their lives shortened as a result. Our administration has taken steps to stop the massive marketing campaigns that appeal to our children. We are simply saying, "Market your products to adults if you wish, but draw the line on children."

I say to those who are on welfare and especially to those who have been trapped on welfare for a long time, for too long our welfare system has undermined the values of family and work instead of supporting them. The Congress and I are near agreement on sweeping welfare reform. We agree on time limits, tough work requirements, and the toughest possible child support enforcement. But I believe we must also provide child care so that mothers who are required to go to work can do so without worrying about what is happening to their children.

I challenge this Congress to send me a bipartisan welfare reform bill that will really move people from welfare to work and do the right thing by our children. I will sign it immediately.

Let us be candid about this difficult problem. Passing a law, even the best possible law, is only a first step. The next stop is to make it work. I challenge people on welfare to make the most of this opportunity for independence. I challenge American businesses to give people on welfare the chance to move into the work force. I applaud the work of religious groups and others who care for the poor. More than anyone else in our society, they know the true difficulty of the task before us, and they are in a position to help. Every one of us should join them. That is the only way we can make real welfare reform a reality in the lives of the American people.

To strengthen the family, we must do everything we can to keep the teen pregnancy rate going down. I am gratified, as I am sure all Americans are, that it has dropped for 2 years in a row, but we all know it is still far too high.

Tonight I am pleased to announce that a group of prominent Americans is responding to that challenge by forming an organization that will support grassroots community efforts all across our country in a national campaign against teen pregnancy. And I challenge all of us and every American to join their efforts.

I call on American men and women in families to give greater respect to one another. We must end the deadly scourge of domestic violence in our country.

And I challenge America's families to work harder to stay together, for families that stay together not only do better economically, their children do better as well. In particular, I challenge the fathers of this country to love and care for their children. If your family has separated, you must pay your child support. We are doing more than ever to make sure you do, and we are going to do more, but let's all admit something about that, too. A check will never substitute for a parent's love and guidance, and only you, only you, can make the decision to help raise your children. No matter who you are, how low or high your station in life, it is the most basic human duty of every American to do that job to the best of his or her ability.

Our second challenge is to provide Americans with the educational opportunities we'll all need for this new century. In our schools every classroom in America must be connected to the information superhighway with computers, and good software, and well-trained teachers. We are working with the telecommunications industry, educators and parents, to connect 20 percent of California's classrooms by this spring, and every classroom and every library in the entire United States by the year 2000.

I ask Congress to support this education technology initiative so that we can make sure this national partnership succeeds.

Every diploma ought to mean something. I challenge every community, every school, and every State to adopt national standards of excellence, to measure whether schools are meeting those standards, to cut bureaucratic red tape so that schools and teachers have more flexibility for grassroots reform, and to hold them accountable for results. That's what our Goals 2000 initiative is all about.

I challenge every State to give all parents the right to choose which public school their children will attend and to let teachers form new schools with a charter they can keep only if they do a good job.

I challenge all our schools to teach character education, to teach good values and good citizenship, and if it means that teenagers will stop killing each other over designers jackets, then our public schools should be able to require their students to wear school uniforms.

I challenge our parents to become their children's first teachers, turn off the TV, see that the homework is done, and visit your children's classroom. No program, no teacher, no one else can do that for you.

My fellow Americans, higher education is more important today than ever before. We've created a new student loan program that has made it easier to borrow and repay those loans, and we have dramatically cut the student loan default rate. That is something we should all be proud of because it was unconscionably high just a few years ago. Through AmeriCorps, our national service program, this year 25,000 young people will earn college money by serving their local communities to improve the lives of their friends and neighbors.

These initiatives are right for America, and we should keep them going, and we should also work hard to open the doors of college even wider.

I challenge Congress to expand work study and help 1 million young Americans work their way through college by the year 2000, to provide a $1,000 merit scholarship for the top 5 percent of graduates in every high school in the United States, to expand Pell grant scholarships for deserving and needy students, and to make up to $10,000 a year of college tuition tax deductible. It is a good idea for America.

Our third challenge is to help every American who is willing to work for it achieve economic security in this new age. People who work hard still need support to get ahead in the new economy, they need education and training for a lifetime, they need more support for families raising children, they need retirement security, they need access to health care. More and more Americans are finding that the education of their childhood simply doesn't last a lifetime. So I challenge Congress to consolidate 70 overlapping, antiquated job training programs into a simple voucher worth $2,600 for unemployed or underemployed workers to use as they please for community college tuition or other training. This is a GI bill for America's workers we should all be able to agree on.

More and more Americans are working hard without a raise. Congress sets the minimum wage. Within a year the minimum wage will fall to a 40-year low in purchasing power. Four dollars and twenty-five cents an hour is no longer a minimum wage, but millions of Americans and their children are trying to live on it. I challenge you to raise their minimum wage.

In 1993 Congress cut the taxes of 15 million hard-pressed working families to make sure that no parents who work full time would have to raise their children in poverty and to encourage people to move from welfare to work. This expanded Earned Income Tax Credit is now worth about $1,800 a year to a family of four living on $20,000. The budget bill I vetoed would have reversed this achievement and raised taxes on nearly 8 million of these people. We should not do that. We should not do that.

But I also agree that the people who are helped under this initiative are not all those in our country who are working hard to do a good job raising their children and that work. I agree that we need a tax credit for working families with children. That's one of the things most of us in this Chamber, I hope, can agree on. I know it is strongly supported by the Republican majority, and it should be part of any final budget agreement.

I want to challenge every business that can possibly afford it to provide pensions for your employees, and I challenge Congress to pass a proposal recommended by the White House Conference on Small Business that would make it easier for small businesses and farmers to establish their own pension plans. That is something we should all agree on.

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We should also protect existing pension plans. Two years ago, with bipartisan support, it was almost unanimous on both sides of the aisle, we moved to protect the pensions of 8 million working people and to stabilize the pension of 32 million more. Congress should not now let companies endanger those workers' pension funds.

I know the proposal to liberalize the ability of employers to take money out of the pension funds for other purposes would raise money for the Treasury, but I believe it is false economy. I vetoed that proposal last year, and I would have to do so again.

Finally, if our working families are going to succeed in the new economy, they must be able to buy health insurance policies that they do not lose when they change jobs or when someone in their family gets sick. Over the past two years, over 1 million Americans in working families have lost their health insurance. We have to do more to make health care available to every American, and Congress should start by passing the bipartisan bill sponsored by Senator KENNEDY and Senator KASSEBAUM that would require insurance companies to stop dropping people when they switch jobs and stop denying coverage for preexisting conditions. Let's all do that.

And even as we enact savings in these programs, we must have a common commitment to preserve the basic protections of Medicare and Medicaid, not just to the poor, but to people in working families, including children, people with disabilities, people with AIDS, senior citizens in nursing homes.

In the past three years, we have saved $15 billion just by fighting health care fraud and abuse.

We have all agreed to save much more. We have all agreed to stabilize the Medicare Trust Fund, but we must not abandon our fundamental obligations to the people who need Medicare and Medicaid. America cannot become stronger if they become weaker.

The GI Bill for Workers, tax relief for education and child-rearing, pension availability and protection, access to health care, preservation of Medicare and Medicaid, these things, along with the Family and Medical Leave Act passed in 1993, these things will help responsible, hard-working American families to make the most of their own lives.

But employers and employees must do their part as well, as they are doing in so many of our finest companies: working together, putting the long-term prosperity ahead of the short-term gain. As workers increase their hours and their productivity, employers should make sure they get the skills they need and share the benefits of the good years as well as the burdens of the bad ones. When companies and workers work as a team, they do better, and so does America.

Our fourth great challenge is to take our streets back from crime and gangs and drugs. At last we have begun to find a way to reduce crime, forming community partnerships with local police forces to catch criminals and prevent crime.

This strategy, called community policing, is clearly working. Violent crime is coming down all across America. In New York City, murders are down 25 percent; in St. Louis, 18 percent; and in Seattle, 32 percent. But we still have a long way to go before our streets are safe and our people are free from fear.

The Crime Bill of 1994 is critical to the success of community policing. It provides funds for 100,000 new police in communities of all sizes. We are already a third of the way there, and I challenge the Congress to finish the job. Let us stick with a strategy that is working and keep the crime rate coming down.

Community policing also requires bonds of trust between citizens and police. I ask all Americans to respect and support our law enforcement officers, and to our police I say, our children need you as role models and heroes. Don't let them down.

The Brady Bill has already stopped 44,000 people with criminal records from buying guns. The assault weapons ban is keeping 19 kinds of assault weapons out of the hands of violent gangs. I challenge the Congress to keep those laws on the books.

Our next step in the fight against crime is to take on gangs the way we once took on the mob. I am directing the FBI and other investigative agencies to target gangs that involve juveniles and violent crime, and to seek authority to prosecute as adults teenagers who maim and kill like adults. And I challenge local housing authorities and tenant associations: Criminal gang members and drug dealers are destroying the lives of decent tenants. From now on, the rule for residents who commit crime and peddle drugs should be, one strike and you're out.

I challenge every State to match Federal policy to assure that serious violent criminals serve at least 85 percent of their sentence. More police and punishment are important, but they are not enough. We have got to keep more of our young people out of trouble with prevention strategies not dictated by Washington, but developed in communities. I challenge all of our communities, all of our adults, to give our children futures to say yes to, and I challenge Congress not to abandon the Crime Bill's support of these grassroots prevention efforts.

Finally, to reduce crime and violence, we have to reduce the drug problem. The challenge begins in our homes with parents talking to their children openly and firmly, and embraces our churches and synagogues, our youth groups and our schools. I challenge Congress not to cut our support for drug-free schools. People like these DARE officers are making a real impression on grade school children that will give them the strength to say no when the time comes.

Meanwhile, we continue our efforts to cut the flow of drugs into America. For the last two years, one man in particular has been on the front lines of that effort. Tonight I am nominating him, a hero of the Persian Gulf War and the Commander in Chief of the United States military's Southern Command, General Barry McCaffrey as America's new drug czar.

General McCaffrey has earned three Purple Hearts and two Silver Stars fighting for this country. Tonight I ask that he lead our Nation's battle against drugs at home and abroad. To succeed, he needs a force far larger than he has ever commanded before. He needs all of us, every one of us has a role to play on this team. Thank you, General McCaffrey, for agreeing to serve your country one more time.

Our fifth challenge, to leave our environment safe and clean for the next generation. Because of a generation of bipartisan effort, we do have cleaner water and air; lead levels in children's blood has been cut by 70 percent; toxic emissions from factories, cut in half. Lake Erie was dead and now it is a thriving resource. But 10 million children under 12 still live within four miles of a toxic waste dump. A third of us breathe air that endangers our health, and in too many communities, the water is not safe to drink.

We still have much to do. Yet Congress has voted to cut environmental enforcement by 25 percent. That means more toxic chemicals in our water, more smog in our air, more pesticides in our food. Lobbyists for our polluters have been allowed to write their own loopholes into bills to weaken laws that protect the health and safety of our children.

Some say that the taxpayers should pick up the tab for toxic waste and let polluters who can afford to fix it off the hook. I challenge Congress to reexamine those policies and to reverse them. This issue has not been a partisan issue. The most significant environmental gains in the last 30 years were made under a Democratic Congress and President Richard Nixon. We can work together.

We have to believe some basic things. Do you believe we can expand the economy without hurting the environment? I do. Do you believe we can create more jobs over the long run by cleaning the environment up? I know we can. That should be our commitment.

We must challenge businesses and communities to take more initiative in protecting the environment, and we have to make it easier for them to do it. To businesses, this administration is saying, if you can find a cheaper, more efficient way than government regulations require to meet tough pollution standards, do it, as long as you do it right. To communities we say, we must strengthen community right-to-know laws requiring polluters to disclose their emissions, but you have to use the information to work with business to cut pollution. People do have a right to know that their air and their water are safe.

Our sixth challenge is to maintain America's leadership in the fight for freedom and peace throughout the world. Because of American leadership, more people than ever before live free and at peace, and Americans have known 50 years of prosperity and security.

We owe thanks especially to our veterans of World War II. I would like to say to Senator BOB DOLE and to all others in this Chamber who fought in World War II; and to all others on both sides of the aisle who have fought bravely in all of our conflicts since, I salute your service and so do the American people.

All over the world, even after the Cold War, people still look to us and trust us to help them seek the blessings of peace and freedom. But as the Cold War fades in the memory, voices of isolation say, America should retreat from its responsibilities. I say they are wrong.

The threats we face today as Americans respect no Nation's borders. Think of them: terrorism, the spread of weapons of mass destruction, organized crime, drug trafficking, ethnic and religious hatred, aggression by rogue states, environmental degradation. If we fail to address these threats today, we will suffer the consequences in all our tomorrows.

Of course we can't be everywhere; of course we can't do everything. But where our interests and our values are at stake and where we can make a difference, America must lead. We must not be isolationists, we must not be the world's policeman, but we can and should be the world's very best peacemaker.

By keeping our military strong, by using diplomacy where we can and force where we must, by working with others to share the risk and the cost of our efforts, America is making a difference for people here and around the world. For the first time since the dawn of the nuclear age, there is not a single Russian missile pointed at America's children.

North Korea has now frozen its dangerous nuclear weapons program. In Haiti, the dictators are gone, democracy has a new day, the flow of desperate refugees to our shores has subsided. Through tougher trade deals for America, over 80 of them, we have opened markets abroad, and now exports are at an all-time high, growing faster than imports and creating good American jobs.

We stood with those taking risks for peace, in Northern Ireland where Catholic and Protestant children now tell their parents, violence must never return; in the Middle East where Arabs and Jews who once seemed destined to fight forever now share knowledge and resources and even dreams.

And we stood up for peace in Bosnia. Remember the skeletal prisoners, the mass graves, the campaigns of rape and torture, the endless lines of refugees, the threat of a spreading war. All of these threats, all these horrors, have now begun to give way to the promise of peace. Now our troops and a strong NATO, together with our new partners from Central Europe and elsewhere, are helping that peace to take hold. As all of you know, I was just there with a bipartisan congressional group, and I was so proud not only of what our troops were doing, but of the pride they evidenced in what they were doing. They knew what America's mission in this world is, and they were proud to be carrying it out.

Through these efforts, we have enhanced the security of the American people. But make no mistake about it, important challenges remain. The START II treaty with Russia will cut our nuclear stockpiles by another 25 percent. I urge the Senate to ratify it now. We must end the race to create new nuclear weapons by signing a truly comprehensive nuclear test ban treaty this year.

As we remember what happened in the Japanese subway, we can outlaw poison gas forever if the Senate ratifies the Chemical Weapons Convention this year.

We can intensify the fight against terrorists and organized criminals at home and abroad, if Congress passes the anti-terrorism legislation I proposed after the Oklahoma City bombing now. We can help more people move from hatred to hope all across the world in our own interest if Congress gives us the means to remain the world's leader for peace.

My fellow Americans, the six challenges I have just discussed are for all of us. Our seventh challenge is really America's challenge to those of us in this hallowed hall tonight, to reinvent our government and make our democracy work for them.

Last year this Congress applied to itself the laws it applies to everyone else. This Congress banned gifts and meals from lobbyists. This Congress forced lobbyists to disclose who pays them and what legislation they are trying to pass or kill. This Congress did that and I applaud you for it.

Now I challenge Congress to go further, to curb special interest influence in politics by passing the first truly bipartisan campaign finance reform bill in a generation. You, Republicans and Democrats alike, can show the American people that we can limit spending and we can open the airwaves to all candidates.

I also appeal to Congress to pass the line item veto you promised the American people.

Our administration is working hard to give the American people a government that works better and costs less. Thanks to the work of Vice President GORE we are eliminating 16,000 pages of unnecessary rules and regulations, shifting more decisionmaking out of Washington back to States and local communities. As we move into the era of balanced budgets and smaller government, we must work in new ways to enable people to make the most of their own lives. We are helping America's communities not with more bureaucracy but with more opportunities.

Through our successful empowerment zones and community development banks, we are helping people to find jobs, to start businesses. And with tax incentives for companies that clean up abandoned industrial properties, we can bring jobs back to places that desperately, desperately need them. But there are some areas that the Federal Government should not leave and should address and address strongly.

One of these areas is the problem of illegal immigration. After years of neglect, this administration has taken a strong stand to stiffen the protection of our borders. We are increasing border controls by 50 percent. We are increasing inspections to prevent the hiring of illegal immigrants. And tonight I announce I will sign an executive order to deny Federal contracts to businesses that hire illegal immigrants.

Let me be very clear about this. We are still a nation of immigrants. We should be proud of it. We should honor every legal immigrant here working hard to be a good citizen, working hard to become a new citizen. But we are also a nation of laws.

I want to say a special word now to those who work for our Federal Government. Today the Federal work force is 200,000 employees smaller than it was the day I took office as President. Our Federal Government today is the smallest it has been in 30 years, and it is getting smaller every day. Most of our fellow Americans probably don't know that. There's a good reason, a good reason. The remaining Federal work force is composed of hard-working Americans who are now working harder and working smarter than ever before to make sure the quality of our services does not decline.

I would like to give you one example. His name is Richard Dean. He is a 49-year-old Vietnam veteran who has worked for the Social Security Administration for 22 years now. Last year he was hard at work in the Federal building in Oklahoma City, when the blast killed 169 people and brought the rubble down all around him. He reentered that building four times. He saved the lives of three women. He is here with us this evening and I want to recognize Richard and applaud both his public service and his extraordinary personal heroism.

But Richard Dean's story doesn't end there. This last November, he was forced out of his office when the government shut down. And the second time the government shut down, he continued helping Social Security recipients, but he was working without pay.

On behalf of Richard Dean and his family and all the other people who are out there working every day doing a good job for the American people, I challenge all of you in this Chamber, never, ever shut the Federal Government down again.

On behalf of all Americans, especially those who need their Social Security payments at the beginning of March, I also challenge the Congress to preserve the full faith and credit of the United States, to honor the obligations of this great nation as we have for 220 years, to rise above partisanship and pass a straightforward extension of the debt limit and show the people America keeps its word.

I know that this evening I have asked a lot of Congress and even more from America, but I am confident. When Americans work together in their homes, their schools, their churches and synagogues, their civic groups, their workplace, they can meet any challenge.

I say again, the era of big government is over, but we can't go back to the era of fending for yourself. We have to go forward to the era of working together as a community, as a team, as one America, with all of us reaching across these lines that divide us, the division, the discrimination, the rancor, we have to reach across it to find common ground. We have got to work together, if we want America to work.

I want you to meet two more people tonight who do just that. Lucius Wright is a teacher in the Jackson, Mississippi public school system. A Vietnam veteran, he has created groups to help inner city children turn away from gangs and build futures they can believe in.

Sergeant Jennifer Rogers is a police officer in Oklahoma City. Like Richard Dean she helped to pull her fellow citizens out of the rubble and deal with that awful tragedy. She reminds us that in their response to that atrocity, the people of Oklahoma City lifted all of us with their basic sense of decency and community.

Lucius Wright and Jennifer Rogers are special Americans, and I have the honor to announce tonight that they are the very first of several thousand Americans who will be chosen to carry the Olympic torch on its long journey from Los Angeles to the centennial of the modern Olympics in Atlanta this summer, not because they are star athletes but because they are star citizens, community heroes meeting America's challenges. They are our real champions. Please stand up.

Now each of us must hold high the torch of citizenship in our own lives. None of us can finish the race alone. We can only achieve our destiny together, one hand, one generation, one American connecting to another.

There have always been things we could do together, dreams we could make real which we could never have done on our own. We Americans have forged our identity, our very union, from the very point of view that we can accommodate every point on the planet, every different opinion. But we must be bound together by a faith more powerful than any doctrine that divides us, by our belief in progress, our love of liberty and our relentless search for common ground. America has always sought and always risen to every challenge.

Who would say that having come so far together we will not go forward from here? Who would say that this Age of Possibility is not for all Americans?

Our country is and always has been a great and good nation, but the best is yet to come, if we all do our part.

Thank you, God bless you, and God bless the United States of America.

[Applause, the Members rising.]

At 10 o'clock and 13 minutes p.m. the President of the United States accompanied by the committee of escort retired from the Hall of the House of Representatives.

The Assistant to the Sergeant at Arms escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice and Associate Justices of the Supreme Court of the United States.

The Dean of the Diplomatic Corps.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses dissolved.

Accordingly, at 10 o'clock and 15 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. DIAZ-BALART. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST THE CONFERENCE REPORT ON S. 1124, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104-451) on the resolution (H. Res. 340) waiving points of order against the conference report to accompany the bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TORKILDSEN (at the request of Mr. ARMEY) for today and the balance of the week, on account of personal reasons.

Mr. TATE (at the request of Mr. ARMEY) for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COOLEY) to revise and extend their remarks and include extraneous material:)

Mr. BARTLETT of Maryland, for 5 minutes, on January 24.

Mr. FOLEY, for 5 minutes, on January 24.

Mr. DIAZ-BALART, for 5 minutes, on January 24.

Mr. SMITH of Michigan, for 5 minutes, on January 24.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. SCHUMER in two instances.
Mr. BARTLETT of Maryland.
Mr. BONIOR.
Mr. NEAL of Massachusetts.
Mr. PALLONE.
Mr. FOGLIETTA in two instances.
Mr. HAMILTON.
Mr. TORRICELLI.
Mrs. MEEK of Florida.
Ms. DELAURO in two instances.
Mr. BEILENSON.
Mr. STOKES.
Mr. MATSUI.
Mr. RAHALL.
Mrs. SCHROEDER.
Mr. ACKERMAN.
Ms. JACKSON-LEE of Texas.

(The following Members (at the request of Mr. COOLEY) and to include extraneous matter:)

Mr. OXLEY.
Mr. CUNNINGHAM.
Mr. DORNAN in two instances.
Mr. HOUGHTON.
Mr. GEKAS.
Mr. EMERSON.
Mr. QUINN.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that the committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1606. An act to designate the United States Post Office building located at 24 Corliss Street, Providence, Rhode Island, as the "Henry Kizirian Post Office Building."

H.R. 2061. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, Oregon, as the "David J. Wheeler Federal Building."

ADJOURNMENT

Mr. SCARBOROUGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, January 24, 1996, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1942. A letter from the Director, Congressional Budget Office, transmitting CBO's final sequestration report for fiscal year 1996, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–587); to the Committee on Appropriations.

1943. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notification that the Department of the Navy intends to transfer by sale the ship U.S.S. *Edenton* to the Government of Spain, pursuant to 10 U.S.C. 7307(b)(2); to the Committee on National Security.

1944. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notification that the Department of the Navy intends to transfer by sale the following ships, the U.S.S. *Affray*, the U.S.S. *Fortify*, and the U.S.S. *Exultant* to the Taiwanese Navy, pursuant to 10 U.S.C. 7307(b)(2); to the Committee on National Security.

1945. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notification that the Department of the Navy intends to transfer by sale the ship U.S.S. *James M. Gillis* to the Government of Mexico, pursuant to 10 U.S.C. 7307(b)(2); to the Committee on National Security.

1946. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notification that the Department of the Navy intends to transfer by sale the following ships, the U.S.S. *Beaufort*, and the U.S.S. *Brunswick* to the Government of Korea, pursuant to 10 U.S.C. 7307(b)(2); to the Committee on National Security.

1947. A letter from the Deputy Assistant Secretary (Industrial Affairs), Department of Defense, transmitting the strategic and critical materials report during the period October 1994 through September 1995, pursuant to 50 U.S.C. 98h–2(b); to the Committee on National Security.

1948. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting a report on credit for small businesses and small farms in 1995, pursuant to section 477 of the Federal Deposit Insurance Corporation Improvement Act of 1991 [FDICIA]; to the Committee on Banking and Financial Services.

1949. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning a cooperative project with Israel on the Arrow Deployability Program [ADP] (Transmittal No. 02–96), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1950. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 96–8: Suspending Restrictions on U.S. Relations with the Palestine Liberation Organization, pursuant to Public Law 103–236, section 583(b)(2) (108 Stat. 489); to the Committee on International Relations.

1951. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–180, "Community Development Corporations Money Lender Licensing Fee and Bonding Exemption Temporary Amendment Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1952. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–181, "Budget Support Act of 1995," pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

1953. A letter from the Manager, Benefits Communications, Ninth Farm Credit District, transmitting the annual report for the plan year ended December 31, 1994, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform and Oversight.

1954. A letter from the Administrator, Panama Canal Commission, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1955. A letter from the Administrator, Small Business Administration, transmitting the semiannual report of the inspector general for the period April 1, 1995, through September 30, 1995, and the semiannual report of management on final actions, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

1956. A letter from the Deputy Associate Director for Compliance, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

1957. A letter from the executive director, American Chemical Society, transmitting the society's annual report for the calendar year 1994 and the comprehensive report to the board of directors of the American Chemical Society on the examination of their books and records for the year ending December 31, 1994, pursuant to 36 U.S.C. 1101(2) and 1103; to the Committee on the Judiciary.

1958. A letter from the Under Secretary of Defense, transmitting a report for fiscal year 1995 to identify the contracts that were awarded in excess of the dollar threshold in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) pursuant to a waiver of the prohibition on contracting with a foreign entity unless that entity certifies that it does not comply with the secondary Arab boycott of Israel, pursuant to 10 U.S.C. 2401i; jointly, to the Committees on National Security and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. Diaz-Balart: Committee on Rules. House Resolution 340. Resolution waiving points of order against the conference report to accompany the bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes (Rept. 104–451). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOUGHTON (for himself, Mr. Matsui, Mr. Crane, Mr. Neal of Massachusetts, Mr. Rangel, Mr. Shaw, Mr. English of Pennsylvania, and Mrs. Kennelly):

H.R. 2864. A bill to amend the Internal Revenue Code of 1986 to provide for 501(c)(3) bonds a tax treatment similar to governmental bonds, and for other purposes; to the Committee on Ways and Means.

By Mrs. MEEK of Florida:

H.R. 2865. A bill to amend the Internal Revenue Code of 1986 to increase the tax on handguns and assault weapons, to increase the license application fee for gun dealers, and to use the proceeds from those increases to pay for medical care for gunshot victims; to the Committee on Ways and Means, and in addition to the Committees on the Judiciary, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHUMER:

H.R. 2866. A bill to amend title 18, United States Code, with respect to health care fraud, and for other purposes; to the Committee on the Judiciary.

By Mr. SOLOMON (for himself, Ms. Ros-Lehtinen, Mr. Sam Johnson, Mr. Bartlett of Maryland, Mr. Dornan, Mr. Traficant, Mr. Ewing, Mr. Hastings of Washington, and Mr. Hilleary):

H.R. 2867. A bill to prohibit U.S. voluntary and assessed contributions to the United Nations if the United Nations imposes any tax or fee on U.S. persons or continues to develop or promote proposals for such taxes or fees; to the Committee on International Relations.

By Mr. TEJEDA (for himself, Mr. Buyer, Ms. Waters, and Mr. Montgomery):

H.R. 2868. A bill to amend title 38, United States Code, to make permanent alternative teacher certification programs; to the Committee on Veterans' Affairs.

By Mr. WHITFIELD:

H.R. 2869. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Kentucky; to the Committee on Commerce.

By Mr. ZIMMER (for himself and Mr. Spratt):

H.R. 2870. A bill to eliminate the duties on Tetraamino Biphenyl; to the Committee on Ways and Means.

By Mr. OBEY:

H.J. Res. 157. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Florida introduced a bill (H.R. 2871) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and on the Great Lakes and their tributary and connecting waters in trade with Canada for vessel *Ark*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. Chambliss.

H.R. 103: Mr. Traficant, Mr. McDermott, and Ms. Ros-Lehtinen.

H.R. 109: Mr. HAYWORTH.

H.R. 163: Mr. GEJDENSON.

H.R. 218: Mr. SALMON, Mr. FRAZER, Mr. CRAPO, and Mr. KING.

H.R. 359: Mr. CLEMENT.

H.R. 497: Mr. HANSEN.

H.R. 784: Mr. POMBO and Mr. SMITH of Texas.

H.R. 852: Mr. FRANKS of New Jersey.

H.R. 911: Mr. DORNAN.

H.R. 940: Mr. ABERCROMBIE.

H.R. 1363: Mr. MCCOLLUM.

H.R. 1386: Mr. GUNDERSON.

H.R. 1454: Mr. COX.

H.R. 1560: Mr. GEJDENSON and Mr. TORRES.

H.R. 1591: Mr. STARK.

H.R. 1619: Mr. WILLIAMS, Mr. STUDDS, Mr. BURR, and Mr. FORBES.

H.R. 1625: Mr. VOLKMER, Mr. HANCOCK, and Mr. STOCKMAN.

H.R. 1684: Mr. PETERSON of Florida, Mrs. LOWEY, Mr. WARD, and Mr. WILSON.

H.R. 1707: Ms. JACKSON-LEE.

H.R. 1733: Mr. STARK.

H.R. 1791: Mr. WELDON of Florida.

H.R. 1818: Mr. BEREUTER.

H.R. 1893: Mr. NADLER.

H.R. 1968: Mr. TORKILDSEN, Ms. JACKSON-LEE, and Mr. LATOURETTE.

H.R. 2009: Ms. ROS-LEHTINEN and Mr. FRANK of Massachusetts.

H.R. 2128: Mr. CALVERT, Mr. LINDER, Mr. GALLEGLY, Mr. BAKER of Louisiana, and Mr. BACHUS.

H.R. 2192: Mr. LANTOS.

H.R. 2276: Mr. LATOURETTE.

H.R. 2350: Mr. EHLERS and Mr. STOCKMAN.

H.R. 2445: Mr. ISTOOK.

H.R. 2458: Mr. LATOURETTE and Mr. CARDIN.

H.R. 2477: Mr. ENSIGN.

H.R. 2548: Mrs. SMITH of Washington, Mr. CALVERT, and Mr. HAYWORTH.

H.R. 2566: Mr. BLUTE, Mr. SCHUMER, and Mr. UNDERWOOD.

H.R. 2568: Mr. CRAPO.

H.R. 2579: Mrs. LOWEY, Mr. RAHALL, Mr. FRANK of Massachusetts, Mr. QUILLEN, Mr. EVANS, Mr. ENGEL, Mr. HAYWORTH, Mr. WOLF, Mr. BILBRAY, Mr. CRANE, Mrs. MINK of Hawaii, Mr. HANSEN, Mr. DELLUMS, Mr. FOGLIETTA, and Mr. ORTON.

H.R. 2585: Ms. ROYBAL-ALLARD.

H.R. 2634: Mr. YOUNG of Alaska and Mr. LEWIS of Kentucky.

H.R. 2655: Mr. TORRICELLI, Mr. BREWSTER, Mr. TANNER, Mr. FRANKS of New Jersey, Mr. LONGLEY, and Mr. MENENDEZ.

H.R. 2657: Mr. WARD.

H.R. 2664: Mr. COBLE, Ms. MCKINNEY, Mr. BASS, Mr. JACOBS, Mr. CONDIT, Mr. BUNNING of Kentucky, and Mrs. WALDHOLTZ.

H.R. 2683: Mr. LANTOS.

H.R. 2690: Mr. GUNDERSON, Mr. CALVERT, and Ms. JACKSON-LEE.

H.R. 2707: Mr. WICKER.

H.R. 2723: Mr. NETHERCUTT and Mr. HAYWORTH.

H.R. 2724: Mr. BERMAN, Mr. MARTINEZ, Mr. THOMPSON, Mr. FOGLIETTA, Mr. BISHOP, Mr. LIPINSKI, Mr. LAFALCE, Mr. MILLER of California, Mr. BONIOR, Mr. VENTO, Mr. SANDERS, Mr. BROWN of California, Mr. SERRANO, Mr. GUTIERREZ, Mr. OWENS, and Mr. DELLUMS.

H.R. 2725: Mr. BERMAN, Mr. MARTINEZ, Mr. THOMPSON, Mr. FOGLIETTA, Mr. BISHOP, Mr. LIPINSKI, Mr. LAFALCE, Mr. MILLER of California, Mr. BONIOR, Mr. VENTO, Mr. SANDERS, Mr. BROWN of California, Mr. SERRANO, Mr. GUTIERREZ, Mr. OWENS, and Mr. DELLUMS.

H.R. 2751: Mr. EVANS.

H.R. 2757: Mr. EHLERS, Mr. MORAN, Mr. BREWSTER, Mr. QUILLEN, and Mr. HASTINGS of Washington.

H.R. 2769: Mr. WELDON of Florida and Mr. OXLEY.

H.R. 2779: Mr. BALLENGER, Mr. DREIER, Mr. GENE GREEN of Texas, Mr. INGLIS of South Carolina, Mr. SPENCE, Mr. STOCKMAN, Mr. STUMP, and Mr. TRAFICANT.

H.R. 2796: Ms. RIVERS, Ms. JACKSON-LEE, and Mr. HYDE.

H.R. 2837: Mr. FOGLIETTA, Mr. PETE GEREN of Texas, Mrs. MINK of Hawaii, Mr. FILNER, Mr. MOAKLEY, and Mr. FROST.

H.R. 2839: Mrs. MINK of Hawaii and Mr. FROST.

H.R. 2841: Mr. BROWDER, Mr. POMEROY, Mr. FROST, and Mr. BONIOR.

H.J. Res. 93: Mr. STOCKMAN, Mr. LIPINSKI, Mr. SCARBOROUGH, and Mr. MCCOLLUM.

H.J. Res. 106: Mr. GREENWOOD.

H. Con. Res. 50: Mr. CHRISTENSEN.

H. Res. 59: Mr. NEAL of Massachusetts.

H. Res. 333: Mr. RICHARDSON.

EXTENSIONS OF REMARKS

LEADERSHIP FOR THE NEXT AMERICAN CENTURY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. HAMILTON. Mr. Speaker, I rise today to bring to the attention of my colleagues a speech delivered late last week by Secretary of State Warren Christopher. Mr. Speaker, we are at the start of an election year, and we can expect partisanship to increase in the House. However, I hope all Members will temper their partisan views when it comes to foreign policy. To that end, I urge all of my colleagues to read Secretary Christopher's speech, delivered last week at the John F. Kennedy School of Government at Harvard University. In the speech, the Secretary reviews the past year in foreign policy, when there were certainly a number of major accomplishments, and sets out the challenges the administration has set for itself for 1996. The Secretary also reviews the guiding principles of the administration's policy. I believe the speech makes absolutely clear what is driving U.S. foreign policy: the U.S. national interest. I hope my colleagues will take the time to read it.

LEADERSHIP FOR THE NEXT AMERICAN CENTURY

(by Warren Christopher)

Let me begin by thanking Joe Nye not only for giving me that warm introduction, but for laying to rest one persistent canard about this fine institution. It used to be said in some circles that the Kennedy School was a plot to infiltrate the federal government. Joe Nye's appointment proves that the opposite is true: the federal government is in fact a plot to infiltrate the Kennedy School.

A year ago, I met with you to explain the guiding principles of this Administration's foreign policy and our priorities for 1995. I am here today to assess a remarkable period of achievement for American diplomacy and to discuss our main objectives for 1996.

The end of the Cold War has given us an unprecedented opportunity to shape a more secure world of open societies and open markets—a world in which American interests and ideals can thrive. But we also face serious threats from which no border can shield us—terrorism, proliferation, crime and damage to the environment.

This is not the end of history, but history in fast-forward. Eight decades ago, when this century's first Balkan war ended, it took an international commission to piece together what had happened. Now, images of violence in Sarajevo are beamed instantly around the world. Six decades ago, it took several years for the Great Depression to become a global disaster. Now, an economic crisis in Mexico can disrupt the global economy in the blink of an eye.

In this time of accelerated change, American leadership must remain consistent. We must be clear-eyed and vigilant in pursuit of our interests. Above all, we must recognize that only the United States has the vision and strength to consolidate the gains of the last few years, and to build an even better world.

Six years after the fall of the Berlin Wall, some still think that we can escape the problems of the world by building walls around America. But the evidence of the last three years should settle the debate about America's role in the world. Because President Clinton has rejected the path of retreat, we have forged a record that proves the enduring value of American leadership and American engagement.

The President, with help from internationalists in both parties, has made the United States the world's driving force for peace. Think of it. Had we not led, the war in Bosnia would continue today, wasting innocent lives, threatening a wider war and eroding the NATO Alliance. Had we not led, there would not be the prospect of comprehensive peace in the Middle East. And there would be scant hope for reconciliation in Northern Ireland.

Without American leadership, thugs would still rule in Haiti, and thousands of Haitian refugees would be trying to reach our shores. The Mexican economy would be in free-fall, threatening our prosperity and harming emerging markets and the global economy. We would not have made the kind of progress on the fullest possible accounting of American POWs and MIAs that allowed us to recognize Vietnam. We would not have gained the indefinite extension of the Nuclear Non-Proliferation Treaty—the most important barrier against the spread of nuclear weapons. And North Korea could be building nuclear bombs.

The lesson in clear. If we lead, we can sustain the momentum that defeated communism, freed us from the danger of nuclear war, and unfurled freedom's flag around the world. Our strength is a blessing, not a burden. President Clinton is determined to use it wisely and decisively.

Our strength simply cannot be maintained on the cheap. And yet for a year now, the President and I have been fighting those forces in Congress who would cut our foreign affairs budget so deeply that we would have to draw back from our leadership—closing important embassies, shutting down peacekeeping, and self-destructively slashing our international programs. These are not responsible proposals. They would weaken America precisely when we must remain strong, precisely when other nations are looking to us for leadership. They betray a lack of appreciation for what America has accomplished in the last 50 years and a lack of confidence that our great nation can shape the future.

The recent shutdown of the U.S. government was particularly troubling to me because it eroded our international reputation for reliability and integrity. In my recent travels abroad, I have been struck by the far-reaching consequences of the shutdown. For leaders and ordinary citizens in many parts of the world, it seemed as if the most powerful nation in the world was closing for business. Our failure to pay our bills and our employees was conduct not worthy of a great nation. It must not happen again.

Three weeks ago, I was described in the pages of *Newsweek* as a "true believer that America must be involved in the world." I plead guilty. I came of age after World War II, in the years our leaders made the investments whose benefits all of us are reaping today. I am not a politician. But I do have a bias: for the kind of foreign policy that makes America a reliable and principled leader; a bias for a foreign policy that projects America's unique purpose and strength. I hope that every candidate who aspires to the presidency will keep these important guideposts in mind.

Our commitment to provide leadership is the first of the central principles guiding our foreign policy that I outlined here last year. A second principle I enunciated then is the need to strengthen the institutions that provide an enduring basis for global peace and prosperity. These institutions, such as the United Nations, NATO, and the World Bank, help us to share the burdens and costs of leadership. This year, a top priority will be working with Congress to meet our financial obligations to the UN as it undertakes an essential program of reform.

A third principle is that support for democracy and human rights reflects our ideals and reinforces our interests. Our dedication to universal values is a vital source of America's authority and credibility. We simply cannot lead without it. Our interests are most secure in a world where accountable government strengthens stability and where the rule of law protects both political rights and free market economies. That is why we have provided such strong support for courageous reforms in nations like South Africa, Mexico, and the new democracies of Central Europe. That is why we are so pleased that there have been sixteen inaugurations following free elections in this hemisphere in the three years we have been in office. This year, another important goal will be to help the War Crimes Tribunals establish accountability in the Former Yugoslavia and Rwanda for two of the greatest tragedies of this decade.

A fourth principle is the critical importance of constructive relations with the great powers. These nations—our allies in Europe and Japan, as well as Russia and China—have the greatest ability to affect our security and prosperity.

In the last few years, some have said that the United States and Europe would inevitably drift apart. We have proved them wrong. Our common action in Bosnia has dramatically reinforced the transatlantic alliance and has opened new prospects for lasting European security cooperation. And the New Transatlantic Agenda agreed by the United States and the European Union in Madrid last month will not only expand our economic ties but enhance coordination on political and security challenges around the world.

With Japan, we are also putting each pillar of our alliance—security, economic, and political—on a sound basis. A year-long review of our relationship, which Joe Nye led with Assistant Secretary Winston Lord, has revitalized our security ties. We have reached 20

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

market access agreements which have contributed to the recent sharp decline in our bilateral trade deficit.

We have also pursued our interest in strengthening our cooperation with Russia and China, at a time when both countries are undergoing difficult transitions.

From the beginning of his Administration, President Clinton has recognized that only by engaging with Russia could we protect our national interests. Our strategy has produced concrete benefits for the security of the American people. We have achieved massive reductions in nuclear arsenals and made nuclear materials more secure. By working with Russia, we have advanced our goals of peace in Bosnia and the Middle East.

Of course, it is easy to enumerate our differences with Russia, such as on nuclear cooperation with Iran and the war in Chechnya. This week's events provide more evidence that the current military approach in Chechnya will only deepen that war. The cycle of violence can end only through negotiations.

But as I have said before, I do not have the luxury of making a list of differences with Russia and then walking away. My job is to build areas of agreement and to develop policies to manage our difference.

Back in 1993 in my first major speech as Secretary of State, I observed that Russia's struggle to transform itself would be long and hard, and that success was by no means assured. That remains my judgment today. On the plus side, four years into the post-Soviet period, Russia's economy is increasingly governed by market principles. Free elections, unthinkable a few years ago, are becoming a fact of life. But Russia has not yet overcome the ruinous legacy of seven decades of communism—a legacy visible in crime, corruption, and poverty.

Recent events reflect troubling signs of Russian reform under strain. The Russian people face an important choice in the June Presidential election. In the final analysis, only they can choose their leaders and determine their future. Our obligation—the American obligation—is to promote democratic values and democratic institutions and to pursue our national interests at all times.

When I meet with new Russian Foreign Minister Primakov, I will tell him that the United States is determined to continue working with Russia on the many common challenges we face. I will, however, make it clear that Russia's integration with the institutions of the West, which is in our mutual interest, depends on Russia's willingness to abide by international norms and to stay on the path of reform.

Turning to China, we also have a profound stake in helping to ensure that that powerful nation pursues its modernization in ways that contribute to the overall security and prosperity of the region—for our own sake and in the interest of our key allies and friends. That is why we are pursuing a strategy of engagement. It is designed to integrate China into the international community and to enhance our cooperation on such common problems as the North Korean nuclear program, drug trafficking and alien smuggling.

We continue to have important differences with China on such issues as human rights, proliferation and trade. In recent months we have come through a rocky period in our relations with China. The United States is ready to restore positive momentum to our relationship. We have reaffirmed our "one-China" policy and we reject the short-sighted counsel of those who seek to isolate or contain China. China's President has said that his country, too, seeks a positive relationship. Let me be clear: The United States will do its part, but if we are to build a lasting productive relationship, China has a responsibility to take meaningful steps to address areas of our concern and to respect internationally accepted principles.

In the coming year, we will give special emphasis to three main objectives: first, pursuing peace in regions of vital interest to the United States; second, confronting the new transnational security threats; and third, promoting open markets and prosperity.

A year ago, the war in Bosnia was the greatest unresolved problem we face. Nothing is yet assured in Bosnia of course. But by joining the use of force to diplomacy, we have transformed a situation some considered hopeless into one in which rebuilding, reconciliation, and justice are all possible. The President's visit to our troops last week reminded us again of the uncommon spirit and confidence they bring to their mission.

The peace agreement we forged in Dayton means that we can look beyond four years of horror—the concentration camps, the ethnic cleansing, the hunger and death. In 1996, our immediate challenge is to implement the military and civilian aspects of the Dayton agreement. We expect all parties to comply fully with their obligations under that carefully negotiated agreement.

It is important to recognize that success in Bosnia will also have broad implications for our goal of an integrated Europe at peace. Our actions in Bosnia have proven that NATO is here to stay as the guarantor of transatlantic security. Without NATO's action, it is clear this war would continue today.

The very nature of the coalition we have forged and are leading in Bosnia has historic implications. This is the first time that soldiers from every power and region of Europe will serve in the same military operation. Russians and Lithuanians, Greeks and Turks, Poles and Ukranians, British, Germans and French, have joined with Americans and Canadians to share the same risks, under the same flag, to achieve the same noble goal. As we help overcome the divisions of Bosnia, we also help overcome the division of Europe itself.

The mission in Bosnia will give some of our new partners in the Partnership for Peace a chance to show that they can meet the challenges of membership in an enlarged NATO Alliance. The process of enlargement is already making NATO a force for stability and democracy in the east. We have made it clear to our partners that to gain NATO membership, they must consolidate democratic reforms, place their armed forces under firm civilian control, and resolve disputes with their neighbors.

It is in central and eastern Europe that the greatest threats to European security—ethnic conflict, proliferation, and poverty—must be faced. That is why it would be irresponsible to lock out half of Europe from the structures that ensure security and prosperity on the continent. That is why the European Union is moving forward with its own plans to add members. NATO enlargement should proceed on roughly a parallel track.

We recognize that as Russia redefines its international role, NATO enlargement must proceed in a gradual, deliberate and transparent way. But Russia should understand that the Alliance with which it is working so closely in Bosnia does not threaten its security. Indeed, we continue to encourage Russia to construct a long-term, special relationship with NATO.

In the Middle East, American leadership is also indispensable. Today, for the first time in half a century, we stand on the threshold of ending the Arab-Israeli conflict. A comprehensive peace between Israel and its immediate neighbors, and indeed with the entire Arab world, is no longer a dream, but a realistic possibility.

I have just returned from my 16th trip to the region. Last week I was with King Hussein of Jordan on the day he dedicated a trauma unit to the late Prime Minister Rabin—it's hard to believe, but that was in a hospital in Tel Aviv. Few events more vividly capture how much the landscape of the region has changed. What is more, in just two days, almost a million Palestinians will vote in the first free elections in the West Bank and Gaza.

Now we must work to complete the circle of peace in the Middle East. The key lies in achieving a breakthrough between Israel and Syria. Both sides believe the United States is critical to this effort. Under our auspices, Israel and Syria are now holding intensive negotiations on Maryland's eastern shore. Although there is much work still to be done, we are crossing important thresholds and we seek an agreement in 1996. The United States is determined to help complete this historic task.

We will also continue our efforts to resolve conflicts and build security in other regions. We will pursue initiatives in places such as Northern Ireland, Haiti, Cyprus, Angola, Burundi, Peru and Ecuador. We will strengthen the foundations of peace and security in the Asia-Pacific region by deepening our security cooperation with our treaty allies, and through our participation in the very promising ASEAN Regional Forum. And in this hemisphere, we will build on the new level of political cooperation we achieved at the Summit of the Americas in Miami.

Our second major area of focus this year is to continue to take on new challenges to global security. As the President emphasized in a landmark UN speech last October, transnational threats like proliferation, terrorism, international crime, drugs, and environmental damage threaten all of us in our interdependent world.

We will continue working to stop the spread of weapons of mass destruction, the gravest potential threat to the United States and our allies. Thirty-three years ago, the nuclear powers took what President Kennedy called a "step backward from the shadows of war" by signing the Limited Test Ban Treaty. Now we must complete a Comprehensive Test Ban Treaty in time to sign it this year. And this year we must ratify the Chemical Weapons Convention.

We must also lock in deep reductions in the nuclear arsenals of the United States and the countries of the former Soviet Union. I urge the Senate and the Russian Duma to ratify the START II Treaty, which will remove an additional 5,000 warheads from the arsenals of our two countries.

Our regional nonproliferation efforts are also vital. It is critical that North Korea's nuclear program stays shut down and on the way to the scrap heap. And pariah states like Iraq, Iran and Libya must be stopped in their efforts to acquire weapons of mass destruction. The information that UN inspectors have uncovered on Iraq's biological program is chilling. It is now clear that Saddam Hussein possessed biological weapons and was on the verge of using them against civilians in the Gulf War. These revelations are an urgent reminder that Saddam remains a menace and that sanctions against Iraq must be maintained.

President Clinton has also put the fight against international criminals, terrorists and drug traffickers at the center of our foreign policy. We are determined to continue our drive to put such international predators out of business. We have taken unprecedented steps against the Cali cartel and many of its leaders are now behind bars. We will continue to deny terrorists and drug kingpins access to their assets; we will put decisive pressure on governments that tolerate such organizations; and we will step up operations attacking crime and drugs at their source.

Protecting our fragile environment also has profound long-range importance for our country, and in 1996 we will strive to fully integrate our environmental goals into our diplomacy—something that has never been done before. We will seek further reductions in greenhouse gases and press for Senate approval of conventions on biodiversity and the Law of the Sea. Working closely with the Vice President, I have also focused on how we can make greater use of environmental initiatives to promote larger strategic and economic goals. That means, for example, encouraging joint water projects in the Middle East, increasing environmental cooperation with our global partners, and helping our environmental industries capture a larger share of a $400 billion global market.

The third element of our agenda is to build on the economic achievements that will be a lasting legacy of the Clinton Administration. President Clinton's personal leadership on NAFTA, the Urguay Round, APEC and the Summit of the Americas, has made the United States the hub of an increasingly open global trading system. This year, our watchword is implementation—making sure that the trade commitments and agreements we have reached produce concrete opportunities so that American companies and workers can compete abroad on a level playing field. In the Asia-Pacific region through APEC, with the European Union through the Transatlantic Marketplace, and in this Hemisphere through the Miami process, we are removing barriers to trade and investment and opening markets for U.S. exports. We also remain committed to obtaining fast-track authority to negotiate Chile's accession to NAFTA.

As this presidential election year begins, we are hearing once again from those who preach the dangerous gospel of protection and isolation. America and the world went down that road in 1930s—and our mistake fueled the Great Depression and helped set the stage for the Second World War. Shutting America off from the world would be just as reckless today as it was six decades ago. As President Clinton said at the beginning of his Administration, "we must compete, not retreat."

Ladies and gentlemen, everywhere I go, I find that the nations of the world look to America as a source of principled and reliable leadership. They see American soldiers bridging rivers and moving mountains to help peace take hold in Bosnia. They see us working for peace in the Middle East and for security in Korea. They see us negotiating trade agreements so that every nation can find reward in emerging markets. They see the most powerful nation on earth standing up for persecuted peoples everywhere, because we believe it is right and because those who struggle for freedom represent the future.

The world sees us as an optimistic people, motivated by a broad view of our interests and driven by a long view of our potential. They follow us because they understand that America's fight for peace and freedom is the world's fight. At the end of the American century, President Clinton is determined that we continue to act in the highest traditions of our nation and our people.

The President's answer to the voices of isolationism is clear. We can no more isolate our nation from the world than we can isolate our families from our neighborhoods, or our neighborhoods from our cities. As a global power with global interests, retreat is not a responsible option for the United States. We must continue to lead. If we do, the end of this millennium can mark the start of a second American century.

A BILL TO PROVIDE SIMILAR TAX TREATMENT FOR SECTION 501(C)(3) BONDS AS THAT PROVIDED TO GOVERNMENT BONDS

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. HOUGHTON. Mr. Speaker, I am pleased to join my colleague from California, Mr. MATSUI, as well as a number of other colleagues, in introducing the Nonprofit Organizations Tax-Exempt Bond Reform Act of 1996. This is an important piece of bipartisan legislation that would help solve a problem that has been growing since the law was changed in 1986. Basically, the problem is one where a number of section 501(c)(3) organizations are now at the $150 million limit on outstanding bonds. The limit was established by the 1986 Tax Reform Act. The proposed legislation would remove this cap and allow bonds issued by 501(c)(3) organizations to be treated similarly to those issued to finance direct State or local government activities—as they were permitted to do before the 1986 change. Similar corrective legislation has been considered and/or passed by prior Congresses, although not to the point of being enacted into law.

The concept of an exempt person, that existed under the Code bond provisions before 1986, would be reenacted. An exempt person would be defined as first, a State or local governmental unit or second, a section 501(c)(3) organization, when carrying out its exempt activities under section 501(a). Thus, bonds for section 501(c)(3) organizations would no longer be classified as private activity bonds. Financing for unrelated business activities of such organizations would continue to be treated as a private business use for which tax-exempt financing is not authorized.

As exempt persons, section 501(c)(3) organizations would be subject to the same limits as State and local governments on using their bond proceeds to finance private business activities or to make private loans. Additional restrictions on the bonds issued by such organizations would be repealed. The bill would make no amendments, other than technical conforming amendments, to the present-law arbitrage restrictions, the alternative minimum tax-exempt bond preference, or the provisions generally disallowing interest paid by banks and other financial institutions on amounts used to acquire or carry tax-exempt bonds.

The principal beneficiaries of the bill would be private, nonprofit colleges and universities. These institutions provide substantially identical educational services to those provided by governmental higher education institutions. In order to have a consistent tax policy of providing like treatment for similarly situated persons, the tax-exempt bond rules should provide comparable access to tax-exempt financing for these entities.

The main provision in the proposed legislation is to remove the $150 million per-institution limit on outstanding nonhospital qualified 501(c)(3) tax-exempt bonds. This provision was intended as a limit on tax arbitraging of college and university endowments. Other present-law tax-exempt bond restrictions for example, the arbitrage rebate requirement and public approval, bond maturity, hedge bond, and advance refunding restrictions, adequately address this concern. In addition, the concern that private colleges and universities engage in tax arbitraging of their endowments reflects a misunderstanding of the restrictions governing endowments. Most State laws prohibit depletion of endowment corpus. Further, approximately 65 percent of endowment funds nationally is subject to donor-imposed restrictions on the uses for which even the income may be used.

Finally, the other beneficiary would be nonprofit health care providers who are also subject to the $150 million cap. A growing number of health care providers are delivering medical services in a cost-effective manner outside of the hospital setting. Yet, providers like community health clinics, skilled nursing facilities, and ambulatory care facilities are limited by the $150 million cap per institution in outstanding tax-exempt bonds. Also, as alternative health care facilities and hospitals form integrated health care delivery systems, the cap hinders the consolidation of these entities. The cap actually acts as a barrier to these mergers, because after a merger there would be a single $150 million limit.

The proposed legislation generally would apply to bonds issued after the date of enactment.

We welcome the support of our colleagues in cosponsoring this important legislation.

INTRODUCTION OF THE NONPROFIT ORGANIZATIONS TAX-EXEMPT BOND ACT OF 1996

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. MATSUI. Mr. Speaker, I am pleased to join with my good friend from New York, Congressman HOUGHTON, in the reintroduction of this important legislation. This bill will remove the $150 million limit on outstanding bonds that can be issued by 501(c)(3) nonprofit organizations and will allow bonds issued by 501(c)(3) organizations to be treated similarly to those issued to finance direct State or local government activities.

Nonprofit organizations such as colleges and health care providers have traditionally used tax-exempt financing for the construction, renovation, and modernization of facilities used for activities related to the nonprofit's mission. Prior to the 1986 Tax Reform Act, this financing was generally available to all qualified 501(c)(3) organizations in recognition of the public purpose they serve.

Placing a $150 million cap on these nonprofits has had unintended and unforeseen consequences. For example, the restriction on tax-exempt financing has prevented private colleges and universities from improving their educational facilities and research capabilities. Currently, the capital renewal and replacement needs of colleges and universities exceed $60 billion of which one-third is urgently needed for repairs and renovation. The National Science Foundation has reported that for every $1 spent to maintain research facilities, an additional $3.50 was deferred. Our Nation needs to improve its educational and research facilities given that our work force and businesses must compete in an everchanging global economy.

Health care providers are also subject to the $150 million cap. A growing number of health care providers are delivering medical services in a cost-effective manner outside of the hospital setting. Yet, providers like community health clinics, skilled nursing facilities, and ambulatory care facilities are limited by the $150 million cap per institution in outstanding tax-exempt bonds.

Additionally, as alternative health care facilities and hospitals form integrated health care delivery systems, the $150 million cap hinders the consolidation of these entities. The cap actually acts as a barrier to these mergers. After a merger, the surviving institutions would have a single, $150 million limit.

Any bond issuance which exceeded this limit could become taxable retroactively to their date of issuance, an event that would constitute a default under the typical covenants governing nonhospital 501(c)(3) bonds.

I have sponsored or cosponsored similar legislation in past Congresses but I remain hopeful that with the bipartisan support the legislation enjoys that it can move forward in this Congress.

VICTORY IN THE PACIFIC TRIBUTE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. DORNAN. Mr. Speaker, I rise today to pay an overdue tribute to the organizers of the Victory in the Pacific ceremony, which was held in Orange County's Pacific Amphitheatre on August 17, 1995.

Orange County is home to some 60,000 veterans of one of the most noble and horrible conflicts, the Second World War. No doubt a large portion of these heroes saw action in the Pacific theater of operations, fighting against the tyranny of imperial Japan. On August 17 of last year, they came together in solemn remembrance of the battles, campaigns, and final victory of half a century ago.

Mr. Speaker, I was unfortunately unable to attend this historic event. However, I was lucky enough to be presented with an honorary program, as well as a news article from the August 25, 1995, issue of Flight Jacket, a newspaper published by my Semper-Fi neighbors at Marine Corps Air Station, El Toro. In order to describe this event in the detail it deserves, I ask unanimous consent to enter this article into the RECORD.

Finally, Mr. Speaker, I wish to pay special tribute to the men and women who put together this fine event, especially those members of the Orange County Veterans Advisory Council, chaired by William C. Manes, and the Victory in the Pacific Committee, chaired by Hal Camp. They have done an outstanding service, not only to our World War II heroes, but to all Americans who have ever worn the uniform of our armed services. God willing, we will never take our freedom for granted, because events like this will always remind us of the terrible price we as a nation have paid in the past, and may be asked to pay in the future, in order to ensure our liberty. We will never forget those who fought for freedom, for without them, we as a people would simply not exist.

CELEBRATING THE 50TH ANNIVERSARY OF THE VICTORY IN THE PACIFIC

(By Sgt. Matthew B. Fitzgerald)

COSTA MESA, CA.—Veterans, active duty servicemembers, civilians and their family members celebrated America's 50th Anniversary Remembrance of World War II, "Victory in the Pacific," at the Orange County Pacific Amphitheater here Aug. 17.

There are approximately three million veterans in California. About one-third of these veterans, approximately 832,000 Californians, are veterans of WWII—many of whom participated in operations in the Pacific Theater, according to retired Marine Col. Jay R. Vargas, director, Department of Veterans Affairs, California.

"Sixty-three thousand citizens of Orange County served in uniform during World War II," he said.

"This celebration honors the contributions of those men and women, not only in the war, but also and perhaps more importantly, in the post-war period. It is also the result of the hard work they contributed to building peace and prosperity upon their return from the war's battlefields," said Col. Vargas.

Colonel Vargas, who received the Medal of Honor for action in Vietnam, represented Governor Pete Wilson. The Governor proclaimed 1995 as the "Year of the Veteran" in California.

Six guest speakers gave eulogies remembering the six military leaders of the Pacific campaigns. Two of the Pacific commanders honored were Marine Gen. Holland M. Smith, by MGen. Paul A. Fratarangelo, commander, Marine Corps Air Bases, Western Area, and Army Gen. Douglas MacArthur, by Army MGen. Robert A. Lame, commanding general 63rd Army, Reserve Command.

"Holland McTyeire Smith, the epitome of the warrior-Marine, never closed his eyes very long. As 'The Father of Modern Amphibious Warfare,' his eyes, always blazing with the guts and fire of success (hence the name 'Mad'), saw his Marines to victory in the Pacific during World War II," said MGen. Fratarangelo.

Major Gen. Fratarangelo said it was a deep honor for him to be able to share with those who attended the enormous contributions of Gen. Smith to "Corps and country" during World War II.

The day's events also included a wreath-laying ceremony. Thirty-five wreaths in honor of the military leaders were placed on stage by state and national political leaders, military leaders, representatives of the allied governments involved in the Pacific Theater and Medal of Honor recipients from the Pacific Campaigns.

Another honored veteran who attended was Medal of Honor recipient, retired Army Col. Lewis L. Millett, a combat veteran of World War II, Korea and Vietnam.

As company commander of Company E, 27th Infantry Regiment, then Capt. Millett led his 100 men in three days of bayonet assaults against the North Koreans on hill 180, Soam-ni, North of Oson, South Korea, Feb. 4, 5 and 7, 1951.

Colonel Millett told his men, "Fix bayonets and follow me!"

On the third day of fighting, Millett had lost a total of nine of his men, while he and his company had destroyed approximately 157 North Koreans. For these actions, he was awarded the Medal of Honor.

"We had ammo, and when I was charging, I'd be firing, trying to pin the enemy down until I got down in the trenches with them. That's when we used the bayonets," Millett said.

"There were about 20 killed by bayonet alone," he said.

According to Millett, when President Harry S. Truman placed the medal around his neck, the president told him, "I'd rather have this than be president."

Colonel Millett also received a Silver Star, Bronze Star and four Purple Hearts during his military career.

The Marine Corps Recruit Depot San Diego Band provided the patriotic music for the day. Some of the tunes the band played were the service songs, "Taps," "Stars and Stripes Forever" and the "National Anthem."

"It was good to see veterans still appreciate our country, the lives they lived through the military and share the experiences they have gone through," said LCpl. David B. Amos, tuba player, MCRD Band, MCRD San Diego.

Another guest and veteran who attended was former Army military policeman and bugler first class Fred Hummer, a Fountain Valley, Calif., resident. In 1916, Hummer enlisted in the Army during World War I at the age of 17. He wore a replica of his original WWI Army uniform.

When Hummer enlisted, his recruiter told him that the Army needed buglers, not infantrymen. After joining, Hummer's unit, D Company, 22nd Infantry, was sent to El Paso, Texas, to assist in the capture of Francisco "Pancho" Villa, a Mexican rebel.

Hummer spent the remainder of his four years of service in the Army as a bugler at Fort Hundleton, N.Y., according to an Army Times article.

For the past 78 years, Hummer has kept the same bugle and plays for veteran's celebrations and memorials regularly.

One veteran who played the cornet for willing ears was Eugene M. Cianflone. He served as a Machinist Mate 3rd Class with Landing Ship Tanks 274 and participated in the invasions of Kwajalien, Marshall Islands with the 2nd Marine Division, and Saipan, Marianna Islands, with the 4th Marine Division.

"I have been playing for over 65 years, and always for veterans," Cianflone said. "This is the one place where they really appreciate the music," he added.

The impact of the war seemed to leave many profound memories in the hearts and minds of those who served.

"From the grim morning hours of Dec. 7, 1941, until the moment of triumph on Sept. 2, 1945, America and her allies waged a valiant struggle for freedom against the forces of despotism," said Governor Wilson, in a letter to the 50th Anniversary Commemorative Committee. "That struggle was waged across an ocean dotted with places known by the then unfamiliar names of Guadalcanal, Iwo Jima, Saipan, Coral Sea and Bataan. Today, half a century later, those names are synonymous with the valor and sacrifice that are the hallmark of the Second World War."

IN APPRECIATION OF ROBERT D. BLONDI

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. POSHARD. Mr. Speaker, I rise today to honor Mr. Robert D. Blondi of Benton, IL. He has touched the lives of those in his community through his dedicated service as a businessman, supporter of the Democratic Party and football referee. Due to ill health he has recently left his position with the Community Building Service, and I join his many friends there in extending my thanks and best wishes for his tireless efforts.

Mr. Blondi was born on August 3, 1922. Beginning his career with Immediate Cleaners, he went on to own and operate the Chester City Dairy Store as well as handle the insurance needs of the citizenry as an agent for Prudential. He has contributed his leadership abilities to numerous organizations, including the Benton Methodist Church, Elks Lodge, and Lions Club. A loyal Democrat, his support of party activities has never wavered.

Despite this record of achievement, he is perhaps best known for his skill and longevity as a high school and college football referee. Calling his first game in 1942, Mr. Blondi blew his whistle for 46 years, well into his sixth decade. Thus he began a distinguished legacy of Blondi officials. His son Bobby, Jr. put on the striped shirt for the first time in 1968, and the two worked in tandem for 20 years. And this year, Mr. Blondi's grandson Robby has joined his father, becoming the third generation of Blondi referees. This record of community service is a testimony to the generosity of self that has come to define the entire Blondi family.

Mr. Speaker, in sports it is often said that the good official is the one that is never noticed. In this case, however, such anonymity will not do. Robert Blondi has given much to the people of Benton. His example is one that we can all look to with pride, and do our best to emulate. It is a privilege to represent him in the U.S. Congress.

TRIBUTE TO DR. JAMES E. THOMPSON

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to Dr. James E. Thompson. Dr. Thompson celebrated his 30th anniversary as the minister of the North Broadway Church of Christ in Mount Clemens, MI on Sunday, January 21, 1996.

It is my sincere pleasure to congratulate Dr. Thompson on what I am sure is a proud anniversary. Dr. Thompson began his service to the Lord more than 40 years ago and the congregation in Mount Clemens has been fortunate to have him for the past three decades. The devotion he has displayed to his faith and the community over these years is an inspiration.

Many people depend on the emotional, educational, and spiritual support provided by their minister. Too often, many human needs are simply left unsatisfied in the secular world. Dr. Thompson has conscientiously attempted to see these needs met. Whether conducting a Sunday morning service, counseling congregation members, preparing others to become ministers, or speaking on the radio, he has dedicated his life to the Lord's work.

I am always impressed by the many people committed to improving our communities. In addition to his many responsibilities as a minister, Dr. Thompson has also served as a member of the Board of Education of the Mount Clemens School District and he is currently the vice chair of the city's Zoning Board of Appeals. It is a privilege to pay tribute to someone such as Dr. Thompson who has taken on more than his share of responsibility and is so well respected by the members of the community.

I commend Dr. Thompson for his work and faith and wish him continued success in his role as a spiritual and community leader. I ask my colleagues to please join me in offering heartfelt congratulations to Dr. James E. Thompson on this momentous milestone. May he continue to inspire through his leadership.

SALUTE TO REV. DR. JOSEPH D. PATTERSON OF PHILADELPHIA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. FOGLIETTA. Mr. Speaker, I rise today to salute Rev. Dr. Joseph D. Patterson on the occasion of his installation service as president of the Black Clergy of Philadelphia.

On January 14, 1996, the Hickman Temple A.M.E. Church will proudly join with Dr. Joseph Patterson on the occasion of his installation service. Dr. Patterson is beginning his second consecutive term as president of the Black Clergy of Philadelphia. He has served the Hickman Temple A.M.E. Church for 32 years in many capacities from pastor of Hickman Temple A.M.E. Church to president of the Philadelphia African Methodist Episcopal Church Preacher's Meeting and now president of the Black Clergy of Philadelphia. He was appointed advisor to the Pennsylvania State House of Representatives, and is an active member of the Union League.

Reverend Patterson is not only a distinguished pastor, but he has also been involved in many community activities. Patterson is a trustee at Cheyney University, board member of the Philadelphia Industrial Development Corp., board member of the Governance Council at Misericordia Hospital and Reverend Dr. Patterson serves as chairman of the empowerment zone for the West Philadelphia's project. Reverend Patterson has recently retired from the board of education in Chester, PA, where he served with distinction for 32 years.

I proudly join with the congregation of the Hickman Temple A.M.E. Church, friends, family, and the Philadelphia community today in celebrating the installation of Rev. Dr. Joseph Patterson as president of the Black Clergy of Philadelphia. I wish Reverend Patterson, pastor of Hickman Temple A.M.E. Church, and the black clergy the very best as together they continue their service to the Philadelphia community.

TRIBUTE TO CATHOLIC SCHOOLS ACROSS THE NATION

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. SCHUMER. Mr. Speaker, I urge my colleagues and all New Yorkers to join me in honoring America's Catholic schools from January 28 through February 2. Serving as the cornerstone of many communities throughout Brooklyn and Queens, Catholic schools have enhanced the lives of many students interested in receiving a first-rate education. Those Catholic schools located in and around my district are well-known for their rigorous curriculum, while placing a strong emphasis on leadership skills, community service, and moral integrity. Graduates from Catholic schools are well prepared for the challenges of adulthood.

As our Nation enters a new century, the U.S. economy will become more globalized, thus accelerating the demand for technology-driven skills in the job market. It is extremely important for our Nation's youngsters to be prepared for tomorrow's workplace. I am confident those receiving a Catholic education will be ready to meet these challenges.

Communities in Brooklyn and Queens have established a solid reputation for encouraging boys and girls of all backgrounds to receive a Catholic education to fulfill their goals. Many who attend Catholic schools often go on to become community leaders, judges, doctors, public officials, and respected teachers. I am proud to serve in the House of Representatives with other Members who studied in Catholic schools. As our Nation's success is constantly measured by its academic strength and moral fiber, the high quality of instruction and guidance provided at Catholic schools will continue to make a positive impact on the world. I salute all the teachers, students, and parents who value the merits of a Catholic education.

HONORING CHIEF OF THE MILFORD FIRE DEPARTMENT, WILLIAM A. HEALEY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Ms. DELAURO. Mr. Speaker, today it is my pleasure to honor a distinguished citizen from my district, Chief William A. Healey. After 50 years of exemplary service, Chief Healey is retiring from the Milford Fire Department.

In 1945, Bill Healey followed in the distinguished footsteps of his father and grandfather by joining the Milford Fire Department as a volunteer member of the Fort Trumbull Beach Company 2. After serving with distinction in the U.S. Navy, Bill Healey returned to the Milford Fire Department and was appointed a career member in 1950. Bill's courage, leadership ability, and commitment to public service led to numerous promotions and commendations over the years. For example, he received the prestigious Ralph Ryder Fireman of the Year as a lieutenant for his role in directing a difficult automobile extrication, as well as numerous meritorious service awards and community service awards. In 1973, after serving as a battalion chief, deputy chief, assistant chief and fire marshal, Bill Healey was appointed chief of the Milford Fire Department. He has held this position for the past 22 years, earning the respect and gratitude of all Milford citizens.

During his lengthy and impressive tenure with the department, Chief Healey has presided over many changes, including the reorganization of the department in the 1980's, in order to make services more effective and cost-efficient. Chief Healey is known for his innovative leadership and his commitment to protecting the safety of Milford residents. His leadership has saved numerous lives and resulted in a fire department that has a sterling reputation for its ability to respond to emergency situations. Chief Healey has also been called upon numerous times to lend his expertise to the State of Connecticut, including serving on the first E–911 Commission to implement the E–911 system throughout the State.

Despite his many responsibilities, Chief Healey has always devoted many hours to community service. He has coached and managed in both the Milford Junior Major and Babe Ruth football leagues, and served in the Milford Rotary Club for 21 years, including a stint as president. He and his wife, Marion, have contributed so much of their time and energy to making the city of Milford a better and safer place to live.

It has been my great honor to know and work with Chief William Healey over the years. His commitment to public service is unparalleled, and I am delighted to have this opportunity to commend him for 50 years of distinguished work. He will be sorely missed both by his colleagues and Milford residents. I wish Bill many years of good health and happiness in his retirement.

A VISION OF EMPOWERMENT IN A TROUBLED WORLD

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. PALLONE. Mr. Speaker, on Saturday, January 27, 1996, the Quinn Chapel African Methodist Episcopal Church in Atlantic Highlands, NJ, will hold its 17th annual women's day luncheon. This year's guest speaker is the Reverend Dr. W. Franklyn Richardson, the pastor of Grace Baptist Church in Mt. Vernon, NY, and a religious leader of national and international renown.

Dr. Richardson, a man with a vision of empowerment for African-American people, will no doubt provide an inspiring message. As pastor of Grace Baptist Church, a post he assumed in 1975, and through numerous other clerical, civic and community organizations, Dr. Richardson has sought to provide spiritual sustenance reaching far beyond the walls of the church. A native of Philadelphia, Dr. Richardson was ordained at the age of 19, becoming pastor of the historic Rising Mount Zion Baptist Church in Richmond, VA. In addition to leading the congregation of more than 500 parishioners, Dr. Richardson also established outreach services to the surrounding economically and socially depressed community. In his current pastorate, Dr. Richardson is responsible for pastoral and administrative duties of more than 3,000 parishioners, with a multiministerial staff. Under his leadership, a $4.2 million restoration and expansion of the church facilities has taken place, membership of the church has more than tripled and community outreach programs have increased.

Since 1982, Dr. Richardson has served as the general secretary of the National Baptist Convention USA. The National Convention consists of more than 30,000 churches and 8 million Baptist members across the country. He is a member of the General Council of the Baptist World Alliance and the governing board of the National Council of Churches, representing more than 400 million Christians from 150 countries. Dr. Richardson has traveled and preached on six continents, and has served as a member of the 1980 Preaching Team of the Foreign Mission Board of countries on the continent of Africa. In 1990, Ebony magazine listed him on its Honor Roll of Great Preachers.

Dr. Richardson is featured each Sunday at 7 a.m. on the Grace Radio Ministry, heard throughout New York, New Jersey, and Connecticut. He serves as adjunct faculty member to the Certification Program in Christian Ministry at the New York Theological Seminary. He is the author of "The Power of The Pew," and edited and wrote the introduction to "Journey Through a Jungle" by the late Dr. Sandy F. Ray. He was a contributing author to "The State of Black America" on church and economic empowerment. A graduate of Virginia Union University and Yale University School of Divinity, Dr. Richardson has received honorary degrees from seven colleges and universities throughout the United States. He serves on numerous boards and commissions. Dr. Richardson is married to the former Inez Nunally, and they have two children.

Mr. Speaker, Quinn Chapel started out as Paul Quinn A.M.E. Zion Church at Riceville in Navesink, NJ. In the winter of 1850, Julia Stillwell and her children had experienced religion at the white M.E. Church in Riceville but wanted to belong to an African-American church. The early services were held at the home of Julia Stillwell. The Reverend Moses M. Hall was sent as the pastor. In the spring of 1851, fundraising began to purchase land on which to build a church edifice, and the cornerstone for the Paul Quinn Chapel of Riceville was laid on November 26, 1852. Eli Hall was the first pastor. The cornerstone for the present chapel was laid in the spring of 1894. In later years, a parsonage and educational wing were built.

Quinn Chapel's current pastor, the Reverend Alyson Browne Johnson comes from a long line of preachers—both male and female—in her family. The family's lineage goes back to Rev. Browne Johnson's great-great-grandmother, Evangelist Mattie Stewart. A graduate of Bloomfield College and Drew University Theological School, she was ordained a deacon in 1975 and an elder in 1977 in the New York Conference of the African Methodist Episcopal Church. Rev. Browne Johnson has served in many community and religious capacities and has received numerous awards. She serves as general secretary of African Methodist Episcopal Women in Ministry and is editor of its newsletter, "Bricks Without Straw." She is a charter member of the South African Leadership Development Program. Her ministerial career has been distinguished by numerous firsts, including the first woman to pastor each of the charges she has been assigned. Rev. Browne Johnson is the proud mother of two children.

Mr. Speaker, it is an honor and a pleasure to pay tribute to Quinn Chapel AME Church, its great leader the Reverend Alyson Browne Johnson and their distinguished guest, the Reverend Dr. W. Franklyn Richardson.

BOSNIA AND "THE HORROR OF THE LAND MINES"

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. DORNAN. Mr. Speaker, I would like to include for the RECORD the following article by a marine veteran from the Vietnam war, Tom Evans, on the horror of land mines. After visiting our troops in Germany over the New Year's holiday as they prepared for deployment into Bosnia, I can personally attest to the concern they and their families have over this hidden but very dangerous weapon on the Balkan battlefield. The Research and Development Subcommittee of the House National Security Committee will hold hearings on this issue this week, January 24, 1996. I urge everyone to heed the warning of Tom Evans and join us on the National Security Committee as we try to develop a response to the growing threat of land mines.

THE HORROR OF THE LAND MINES

(By Tom Evans)

American troops in Bosnia will face land mines. The folks at home who are sending the troops ought to be sure they understand what that means. Unfortunately, we as a nation have had all too much experience.

Thirty years ago the Viet Cong frequently buried mines in populated areas where American troops walked. Troops were often funneled into columns by narrow rice paddy dikes and trails.

The most commonly used enemy mine in my battalion's area of operations was called the "Bouncing Betty." It bounced waist-high before exploding. To teen-age American Marines and soldiers it was the most demoralizing type of mine. And it was American-made. We had supplied them to our allies, the South Vietnamese army, but the Viet Cong captured them. American Marines were forever bitter toward their allies for that.

In the area we called the "Street Without Joy," a few miles northwest of the imperial capital city of Hue, mine detectors we rarely used on operations until somebody stepped on a mine. We assumed it was because the patrol just moved too slowly behind an engineer sweeping the long-handled dish along the ground. In fact, there was a joke in the Marine infantry. Question: What's the best mine detector the Marine Corps has? Answer: The Model PFC, one each.

The first American I saw killed stepped on a "Bouncing Betty" mine. He was Bernard Fall, a civilian author and one of the foremost Western authorities on Vietnam at that time. Almost 20 years later I found a photo in the National Archives of Fall taken moments after he died in February 1967. The picture, taken by a combat photographer, would never have been taken of a serviceman, but Fall was a civilian. The picture was so terribly graphic that it was marked "Not To Be Released For Publication." Since it was declassified by the time I saw it, I planned to order a copy and someday show my then-1-year-old son what war really looked like. But I never did.

Unfortunately, I witnessed other mine incidents also. Some of the victims lived, at least for a while. There were three sounds we came to dread: the "ca-rumph?" sound of the mine explosion; the call "Corpsman [or medic] up!"; and if the young, shocked Marine was still alive, sometimes "Mother!" or "Mama!"

Recently I attended my Vietnam battalion's reunion. Some of us discussed the terror of walking down a path that might be mined. Usually the earth is an infantryman's friend. He digs a fighting hole—the deeper he digs, the safer he is. But with mines, the earth is the enemy.

A machine gunner in our unit stepped up onto a rice paddy dike on a bounding-type mine and froze when he heard the click. An engineer disarmed the mine underneath his foot, and Reader's Digest wrote up his story. But his story of survival was one in a million.

Also, there is no enemy to fire back at when a mine explodes. The nearest villagers might suffer the infantrymen's wrath.

When we send troops into Bosnia and say they will be exposed to land mines, we should know what they are getting into.

HAPPY 80TH BIRTHDAY TO LINCOLN GORE

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. POSHARD. Mr. Speaker, I rise today to pay special tribute to Mr. Lincoln Gore on the occasion of his 80th birthday. His has been a great example of the American life, one centered on the premises of family, community, and service to country. It is with great respect that I wish him happy birthday.

"Linc" has been a resident of West Frankfort, IL, since his birth on February 12, 1916. The 7th of 12 children, Mr. Gore has long known the pleasures of a large family. He married Nellie Little and began his own family in 1940 with the first of his three children. Mr. Gore currently has nine grandchildren and three great grandchildren, with the expectation of two new additions in the near future. Linc's love of family was perhaps best evidenced when he risked his life in an explosion at the Orient No. 8 Mine. Mr. Gore reentered the mine to help save his brother-in-law who was still trapped inside.

As much as he has received from his family, Mr. Gore has returned even more to West Frankfort and the United States of America. Currently retired from the State of Illinois and the city of West Frankfort, Linc, a long-time Democrat, has served as a precinct committeeman for the last 20 years. He is also a member of St. John the Baptist Catholic Church and the West Frankfort Moose Lodge. And when his country needed him, he answered the call and served with the Army in Europe during World War II.

Mr. Speaker, we all can learn a great deal from the example of Mr. Gore. His has been a life of love, duty, and honor. I wish him many more years of happiness as he celebrates his birthday.

TRIBUTE TO ROSALIE MARIE DEBEAUSSAERT

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to a good friend, Rosalie Marie DeBeaussaert. Rose, as she is known to her friends, was honored this past week by her colleagues at a retirement dinner which they hosted in honor of her many years of service. Rose retired this past October from the Utica community schools.

Rose is the kind of person who believes in family and taking an active role in one's community. She has lived her entire life fulfilling these responsibilities. She is the mother of five, grandmother to six, and was the devoted wife to the late Henry DeBeaussaert. The inherent need to sacrifice for the good of the family was something Rose learned early in life since she was 1 of 14 children. Hard work, commitment, and taking responsibility for one's self and others were values her parents instilled which she successfully passed on to her own children. In fact, it is because of these values that I became acquainted with Rose through her son Ken. Ken is a respected Michigan State senator who has worked with me since before my first election to Congress.

After her children were grown, Rose began taking care of other people's children when she started working for the Utica community schools. She worked at almost every school in the district helping prepare meals for the many hungry students. She retired as kitchen manager from Utica High School where she had worked for many years. During her working days she also helped care for her fellow workers by serving as a local steward in her union.

Through all these years she has also remained committed to her faith. As a member of the Altar Society at St. Isidore Parish she has held various offices over many years.

While I know she will be missed by her colleagues, their loss is her family's gain. I am sure Rose is excited to be spending more time with family and friends. Rose is a role model to all who know her and she deserves all the best in retirement. I ask that my colleagues join me in offering heartfelt congratulations and a sincere thank you for a job well done.

SALUTE TO REV. SAMUEL AMOS BRACKEEN OF PHILADELPHIA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay special tribute to Rev. Samuel Brackeen, founder and pastor of the Philippian Baptist Church to congratulate him on his many years of service to the Philadelphia community.

Reverend Brackeen, educated at Paul Quinn College, Oberlin Graduate School of Theology, University of Pittsburgh in Pennsylvania, and Vanderbilt University, began his tenure with the Philippian Baptist Church over 30 years ago. He is founder of the Progressive National Baptist Convention and the Baptist Global Mission Bureau. Reverend Brackeen has dedicated his life to improving the plight of his people in many areas.

Reverend Brackeen has also played a vital role in many programs in the Philadelphia community as the vice president of the Pittsburgh N.A.A.C.P. branch, chairman of the civil rights committee and chairman of the Centre Avenue Y.M.C.A. Reverend Brackeen has been active in religious and community projects, holding memberships in various organizations for community betterment. He has served as the Philadelphia community finance chairman and board member of the Columbia Y.M.C.A., executive director of the Helping Hand Committee Inc. and board member of Nannie Helen Burroughs School. In Philadelphia, he has been active in the fight against police brutality, The 400 Ministers' Campaign, the fight for job opportunities, and the bettering of educational opportunities for African-Americans. Currently, Reverend Brackeen is an incorporator and director of the United Bank of Philadelphia, the only black commercial bank in Pennsylvania.

I hope my colleagues will join me today in congratulating the Reverend Samuel Brackeen for his many years of service with the Philippian Baptist Church and the Philadelphia community. I wish the Reverend Samuel Brackeen and the Philippian Baptist Church the very best as they continue their service to the Baptist community in Philadelphia.

TRIBUTE TO FIREFIGHTER JAMES B. WILLIAMS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. SCHUMER. Mr. Speaker, I rise today to honor and pay tribute to a courageous public citizen, Mr. James B. Williams, a firefighter who faithfully served the community of Far Rockaway for 12 years until he lost his life on January 5, 1996, in a raging fire. Among his colleagues, Mr. Williams was admired and respected as one of the best firefighters in New York. Many of his comrades from Ladder Company 121 worked with him side by side for many years, often placing their trust in Mr. Williams to save their own lives when caught in danger. Most importantly, the people of Far Rockaway remember him best as a man who fearlessly devoted his life to saving the lives of many Queens residents. His remarkable record of service to the Rockaways has been duly recognized as he received several accolades for his bravery. These honors include two citations of merit in 1991 from the New York Fire Department's Holy Name Society for saving the life of a 43-year-old man, and for rescuing two young children trapped in a smoke-filled apartment building.

During that windy and blustery night of January 5, Mr. Williams made the extra effort to search for any victims left behind in a burning apartment building. During this act of valor, Mr. Williams lost his life. Capt. John T. Rokee and Brian Gallagher, who accompanied Mr. Williams into the blaze, described it as a blowtorch of flames, making the mission especially treacherous. Yet James Williams charged on.

Mr. Williams, killed in the line of duty at the age of 38, will be remembered as an American hero who made an indelible impression on those who witnessed his indomitable will to help others. The legacy of Mr. Williams' bravery on that chilly night will certainly live on among his family, friends, and neighbors. I offer my condolences to his wife and children as they proudly revere the memory of their courageous father and husband. He was a true leader who served our community with the utmost distinction. I ask my colleagues to join me and the people of Queens in observing a moment of silence to honor the tireless energy and courage of Mr. James Williams. He will live long in all of our hearts and minds.

HONORING ARTHUR T. BARBIERI ON HIS 80TH BIRTHDAY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Ms. DELAURO. Mr. Speaker, on January 20, New Haven Democratic Town Chairman Arthur T. Barbieri will celebrate his 80th birthday. It is with great pleasure that I rise today to salute this incredible individual, who has contributed so much to the city of New Haven.

Born and raised in New Haven, Arthur Barbieri began his career in public service in 1951, when he was elected to the position of town clerk. Two years later, at the age of 37, he became the youngest New Haven Democratic chairman ever, a position he would hold for the next 22 years. During this time, Arthur earned a sterling reputation for his skill in advocating for and developing programs that would benefit the city. The renovation of the New Haven Coliseum, the Connecticut Tennis Center, and the children's hospital at Yale-New Haven are a living legacy to Arthur Barbieri's commitment to rejuvenating his beloved hometown. In 1988, after the death of Town Chairman Vincent Mauro, Arthur once again heeded the call of both his party and his city, and resumed the position of town chairman. Arthur also continues to serve as a member of the Democratic State Central Committee, providing, as always, sage advice and insightful leadership.

Arthur Barbieri has been an inspiration and a mentor to me over the years and also worked closely with my mother and father, Alderman and Alderwoman Ted and Luisa DeLauro. On a few occasions we found ourselves on opposite sides of an issue, but no one ever doubted his wisdom, leadership, and commitment to the city of New Haven. Indeed, it is difficult to measure the magnitude of Arthur's contributions, for he has played a major role in so many different projects and has guided the careers of so many local, State, and Federal officials, including President Clinton.

It is with great pleasure that I commend Arthur T. Barbieri for a lifetime of achievement. I join his wife, Marion, his family, and his many friends in wishing Arthur a very happy 80th birthday. Arthur truly embodies the past, present, and future of New Haven politics, and it is my deepest hope that we will have the benefit of his wisdom and kindness for many more years to come.

"PAPA JACK" THOMPSON, THE ONGOING HISTORY OF A GREAT AMERICAN

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. CUNNINGHAM. Mr. Speaker, it is with great pride and honor that I rise to share the news of a most important milestone in the life of an extraordinary American. Today Mr. Lawrence Thompson—known better to his grandkids as "Papa Jack"—turns 109 years old. By spending his birthday at Disneyland in Anaheim, CA, Papa Jack has become the oldest first-time visitor to that famous place of eternal youth.

To know Papa Jack is to know a slice of American history. His father was a doctor for the King and Queen of Hawaii when he was born in '87—1887, that is. He watched the first steamboats arrive around the Hawaiian Islands and sent clothing to a far-off place called San Francisco after hearing that a terrible earthquake had devasted the city. He later moved to San Francisco and then south to Los Angeles. A proud American and a great patriot, he continues to salute every American flag that he happens upon.

Papa Jack later moved on to Rancho Bernardo in north San Diego County, where he was the area's lawnbowling champion at 99 years young. I am proud to say that I serve as this fine American's Representative in Congress.

At 1 p.m. today, Papa Jack becomes a kid again at the Magic Kingdom during a special birthday celebration. Let us all join the good people at Disneyland as well as Papa Jack's son, his grandchildren and their children on this special day to commend an inspiring example of a citizen and his lasting love for the United States of America.

SALUTING THE DORSEY HIGH FOOTBALL TEAM

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. DIXON. Mr. Speaker, as an alumnus of Susan Miller Dorsey High School, I rise with considerable pride to call to the attention of the House the Dorsey High School football team which recently won the Los Angeles City 4–A High School Football Championship.

My congratulations to Coach Paul Knox under whose exceptional leadership the Dorsey Dons completed another exciting and successful season. The challenges facing our inner-city schools are enormous. However, the faculty and administrators of Dorsey High School are to be praised for their hard work in meeting these challenges by developing scholars as well as athletes. Much credit also belongs to their principal, Dr. Jerlene Welles, for forging an academic team whose mission is preparing our youth for the biggest championship game of all; the game of life.

This year's football championship game was an exciting, hard-fought defensive struggle in which the Dorsey Dons defeated the San Pedro Pirates 10 to 8. The game was highlighted by an outstanding performance by Dorsey tailback Raymont Skaggs, who grabbed a screen pass from quarterback Marvin Gomez, and, breaking a tackle, ran 57 yards down the sideline for a touchdown in the first half of the game.

Dorsey carried their 7 to 0 lead into the fourth quarter, when San Pedro cornerback Antonio Dominguez intercepted a pass at the Dorsey 31-yard line. San Pedro quarterback Melvin Yarbrough followed later with a 15-yard touchdown pass to tight-end Tim O'Donnell. A two-point conversion gave San Pedro a 8 to 7 lead.

The winning score was set up when Dorsey's Che Britton recovered a fumble on San Pedro's 47-yard line. The Dons moved the ball to the 15-yard line, where Dorsey Coach Knox asked kicker Juan Zianes to do something he had been unable to do all season; kick a field goal. With the championship on the line, Zianes proved equal to the task, delivering a low line drive that barely cleared the crossbar. It was good enough to put Dorsey back in the lead 10 to 8.

However, San Pedro fought back; forcing a Dorsey fumble on their own 24-yard line with 1:41 to play. With the help of three pass interference penalties and one illegal procedure penalty, the Pirates quickly moved the ball to midfield. Facing third down and 20, Yarbrough found Pirate receiver Mark Pappas for a gain of 19 yards and 10 inches. It was now fourth down with 2 inches needed for a first down to extend the drive. Only 25 seconds were left in the game.

San Pedro Coach Mike Walsh decided not to go for the first down, and let the clock run down to 3 seconds, setting up a 38-yard field goal attempt to win the game. The kick was blocked. Dorsey won the game, and the championship.

1995 QUESTIONNAIRE RESULTS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. BEILENSON. Mr. Speaker, I would like to take this opportunity to share with my colleagues the results of the survey I sent to the residents of the district I represent last July, which over 15,000 people answered. I found the questionnaire enormously valuable in learning how my constituents feel about Federal spending priorities and other controversial matters before Congress, and I thought other Members would also find these results interesting.

The questionnaire asked respondents to show how they would cut the Federal budget by choosing from a list of 39 categories, covering virtually all Federal spending. A majority of those responding supported cutting spending in only eight areas: defense, civil service and military pensions, food stamps, Aid to Families with Dependent Children, foreign aid, farm subsidies, general government, and Congress.

The results also showed strong support for most "safety net" programs: to more than one-quarter, and in most cases fewer, respondents favored cutting Social Security, Medicare, Medicaid, unemployment compensation, Supplemental Security Income [SSI], or child nutrition.

In addition, there was solid support for programs that provide health, safety, and quality-of-life services: only 10 percent to 20 percent of respondents supported cutting transportation, law enforcement, health research, public health, environmental protection, national parks, disaster assistance, water resource projects, science research, or food and drug safety.

Clearly, there was strong opposition among the respondents to most of the spending cuts being promoted by the Republican majority in Congress. However, the one large category of Federal spending that a majority would like to see cut—defense—is one of the few areas that would escape cuts under the Republican budget plan.

The results also pointed to strong opposition to several other issues being promoted by the Republican leadership in Congress, such as weakening environmental protection laws, repealing the ban on assault weapons, allowing Government-sanctioned prayer in public schools, and curbing access to abortion. However, on the matter of immigration control, significant majorities supported two proposals that have more support among Republican than Democratic Members: denying automatic citizenship to U.S.-born children of illegal immigrants, and reducing the number of legal immigrants admitted to the United States each year.

The complete resulted of the survey follow:

CONGRESSMAN ANTHONY C. BEILENSON'S 1995 QUESTIONNAIRE RESULTS

HOW WOULD YOU CUT FEDERAL SPENDING?

From a list of the programs and activities financed by the federal government, you were asked to indicate which ones you favored cutting. Here are the results:

PROGRAM/SPENDING AREA

[In order of percentage of federal budget/amount of spending]

	1995 Percentage of Federal spending (approx.)	1995 spending in billions (est.)	Percentage who support cutting
Social Security	22	$334	25
Defense	18	270	53
Interest on the national debt	15	234	(2)
Medicare (health care for the elderly)	10	154	24
Medicaid (health care for the poor, and nursing home care)	6	88	25
Federal civilian and military pensions	4	65	55
Transportation (highways, mass transit, railroads, airports, and safety)	3	38	16
Food stamps	2	26	55
Education and student financial aid	2	26	28
Housing subsidies	2	26	48
Supplemental Security Income (payments to impoverished elderly and disabled)	2	25	17
Unemployment compensation	1	22	25
Veterans' benefits	1	20	15
Aid to Families with Dependent Children (welfare)	1	17	55
Law enforcement, FBI, courts and prisons	1	16	14
Foreign aid	(1)	14	74
Space program (NASA)	(1)	13	40
Farm subsidies	(1)	13	73
Job training and employment-related services	(1)	13	27
General government (IRS, customs, etc.)	(1)	13	56
Health research	(1)	12	14
Community and regional development	(1)	12	43
Public health	(1)	10	13
Child nutrition (includes school lunch program)	(1)	8	27
Environmental protection and toxic waste clean-up	(1)	7	20
Energy conservation, research and development	(1)	6	22
National parks, forests and wildlife refuges	(1)	5	13
Disaster assistance	(1)	5	12
Water resource projects	(1)	4	14
Science research	(1)	4	16
Head Start	(1)	4	30
Congress	(1)	2	69
International peacekeeping	(1)	2	47
Food and drug safety	(1)	1	11
National service program (AmeriCorps)	(1)	0.50	33
Border Patrol	(1)	0.46	5
National Endowments for the Arts and Humanities	(1)	0.33	41
Public broadcasting (TV and radio)	(1)	0.29	33
The White House	(1)	0.20	46
Other	1	19	31
Total	100	1,530	

(1) Indicates less than 1% of the budget.
(2) Cannot be cut unless borrowing is cut.

Environmental protection: Do you support relaxing environmental protection laws?

Yes: 33%
No: 67%

Assault weapons: Do you support repealing the ban on assault weapons?

Yes: 21%
No: 79%

Illegal immigration: Do you support eliminating the automatic granting of citizenship to U.S.-born children of illegal immigrants?

Yes: 83%
No: 17%

Legal immigration: Do you support reducing the number of people who are allowed to legally immigrate to the U.S. each year?

Yes: 77%
No: 23%

School prayer: Do you support a Constitutional amendment that would permit government-sanctioned prayer in public schools?

Yes: 36%
No: 64%

Business subsidies: Do you support efforts to reduce tax breaks and programs that subsidize American businesses?

Yes: 66%
No: 34%

Abortion: Do you think Congress should act to restrict access to abortion?

Yes: 22%
No: 78%

DOONESBURY COUPON

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mrs. SCHROEDER. Mr. Speaker, one of my constituents, Tom McIntosh, has accurately remarked on efforts by this Congress to obliterate our country's natural resources.

Using a Doonesbury cartoon that clearly demonstrates current efforts by my colleagues on the other side of the aisle to sell our forests and wilderness areas, Mr. McIntosh's observations, along with Garry Trudeau's national call, are right on the dot.

Mr. Speaker, my constituent's concern for the protection of our environment—for the sake of his granddaughter's future—is quite compelling, and quite real, and I am inserting both the Doonesbury coupon and Mr. McIntosh's comments into the CONGRESSIONAL RECORD:

Aurora, CO, January 23, 1996.

MR. SPEAKER: After reading the Doonesbury cartoon in my 01/14/96 newspaper, I too want to enter my bid for your sale of America's resources for fractions of a penny on the dollar.

I didn't see a lot number, but mark me down for a bid on the capitol and both wings of it. I want to use all of the hot air (a valuable thermal resource) to help reduce the winter heating bills for various Minnesotans and Alaskans, plus residents of Maybell, CO. I bid $25.

As for Lot number 193—Wilderness mineral rights—with an approximate street value over $1 billion, I'll up the suggested bid of $1,200 to $1,201. As a deserving good citizen, I'll dutifully pay my capital gains (After you reduce capital gains taxes to a pittance) when I complete the sale to Exxon and Newmont Mining, plus a little leftovers for 3M.

Oh, let's not forget Lot number 147, the Alaskan old-growth forests. The suggested bid of $1.60/tree seems a little high, what with the transportation costs and all. How about $1.45? Would you mark me down for two dozen?

I missed some of the other lots. Perhaps you can send me a catalog.

Now seriously, Mr. Speaker:

What Mr. Trudeau is obviously alluding to in his cartoons of the past two weeks is the absolutely ridiculous liquidation of this nation's most precious and most-difficult-to-replace natural resources by Congress. Have you folks no conscience and no shame? I for one would like to know that Kayla, my beloved grand-daughter will be able to live in this country without having to breathe through an oxygen mask and wear a lead-lined pants-suit to protect her from the environmental hazards brought on by the reckless actions of the 1996 Congress. Would you all please get real????

Sincerely,

TOM MCINTOSH.

U.S. NATURAL RESOURCES LIQUIDATION AUCTION BID FORM

To: Rep. Newt Gingrich.

☐ Yes! I would like to bid on some of the choice national assets now being liquidated by Congress.

Lot #147—Alaskan Old-Growth Forests

Opportunity to clear-cut 500-year-old trees. Valued at $50,000 a tree; suggested bid: $1.60 a tree. My Bid: ______

Lot #183—Wilderness Mineral Rights

Opportunity to mine pristine wilderness area. Valued at $1 billion+; suggested bid $1,200. My Bid: ______

Lot #275—Prime Western Grazing Land

Opportunity to denude taxpayer-maintained range land. Market value: $10.30 per cow and calf per month. Suggested bid: $1.61. My Bid: ______

Name: ______________

Street: ______________

City: ________ State ______ Zip _____

Signature: ______________

Send To: The Speaker of the House, U.S. Congress, Washington, D.C. 20515; or Call: (202) 225-3121; or Fax: (202) 225-7733.

MEMORIAL TRIBUTE TO DELORA JONES-HICKS

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. PAYNE of New Jersey. Mr. Speaker, the death of Delora Jones-Hicks has deprived the Nation of a woman of great magnitude and capacity. To those of us who knew her personally and to those who did not, there could be no finer example of conscientious humanity. She was a woman of principle. She always looked for and welcomed the good; and when she did not find it, she tried to encourage its development.

Delora Elizabeth Crews was born to Lynwood Crews and Elizabeth Rogers Crews in Kittrell, NC, on April 29, 1937.

The family moved to East Orange, NJ, in 1942. A graduate of East Orange public schools, she was educated in the fields of social science and health administration at Rutgers University, New Brunswick and Newark campuses; New Jersey School of Alcohol and Drug Abuse Studies at Rutgers University; Bucknell University; and C.J. Post College at Long Island University.

With the late George "Specs" Hicks, she cofounded New Well, New Jersey's first private treatment center for drug addicts, with chapters in Newark, Passaic, Atlantic City, and Morristown. She served as a trustee and grants writer for the organization for more than 20 years, until its closing in 1989.

Delora was director of women's training for the Business Industrial Coordinating Council in Newark during the 1960's. She also served for 1 year as the Community Liaison for the Newark Pre-School Council. She was secretary for the Newark-Essex Congress of Racial Equality [CORE] during the 1960's, and was active in the Newark Black Power Conference, as well as the political election of Newark's first African-American mayor, Kenneth A. Gibson.

In 1968, she joined the staff of Rutgers, the State University of New Jersey, as a writer for the department of public relations on the Newark campus. Delora also held the position of manager, division of concerts and lectures, in the early to mid-70's. As manager, she brought to the campus and to the larger community renowned artists such as Sarah Vaughn, Yehudi Menuhin, the Russian pianist O. Yablonskaya, and the great Count Basie Orchestra.

Delora was an officer or chairman of the Organization of Black Faculty and Staff [OBFS] at Rutgers-Newark for nearly 15 years. She played a vital role in the naming of the campus center after Paul Robeson, Rutgers' distinguished alumnus. She spearheaded the annual celebration of Black History Month and the Martin Luther King, Jr., celebration, bringing to the campus such notable speakers as Amiri Baraka, Douglas Turner Ward, Linda Hopkins, Judge Bruce Wright, and Rev. Joseph Lowery.

During her tenure as chair of OBFS, the number of blacks on faculty and staff as well as student enrollment increased. She was the heart and soul of OBFS—always vigilant, never giving up the fight to improve the status of blacks, women, Latinos, and the disadvantaged on campus. She launched the Justice William O. Douglas Award, a tribute to and recognition of the contribution of Caucasians to the cause of equal justice. With her love for knowledge and respect for education, Delora had an abiding affection for students, particularly law students, especially those who sought her out for advice, encouragement, and motivation to continue the journey.

Delora briefly joined the staff of the Graduate Department of Public Administration at Rutgers-Newark, where she established and edited the first newsletter for the department, the M.P.A. Newsletter. She rejoined the staff of public information where she remained until her retirement in 1993.

Delora was a member of the Newark Arts & Culture Committee, the NAACP, and served as a trustee on the Boys' and Girls' Clubs of Newark. Delora traveled abroad extensively in African countries such as Ethiopia, Kenya, Tanzania, Egypt, Somalia, Sudan, and to Spain, England, Greece, and widely throughout the United States.

Delora was affectionately known as "Big D" to family and friends. In 1955, she married the late Charles Jones, Jr., of East Orange. The Union produced four children, Pamela Sawab, Erica Jones, Leila Bardaji, and Channing Jones. In 1986, she married the late George Hicks of Newark. She has six grandchildren, Farrakhan, Gibran, Al-Sawab, Elyse, Nicole, and Cayla. She was the sister of the late Lynwood Crews, Jr., and the late Regina Crews. She leaves her mother, Elizabeth, her children and grandchildren, sons-in-law, Sergio and Sawab, and a host of dearest friends, Erma and Oliver Brown, Kathy Brunet, Bob Clarke, Mae Curtis, Evelyn Green, Hilda Hidalgo, Irene Laini James, Adele Kaplan, Clement Alexander Price, and Norman Samuels, among others.

Delora and the way she lived her life should be examples for all of us. I would like to commend to the annals of American history these remarks and an article that appeared in New Jersey's statewide newspaper, the Star-Ledger on January 19, 1996. Columnist Robert J. Braun in this tribute to Delora truly captured the essence of this remarkable woman.

[From the Star-Ledger, Jan. 19, 1996]

NEWARK HEROINE ALWAYS PREFERRED THE COLOR HUMAN

(By Robert J. Braun)

No pastels for Delora Jones-Hicks.

They wouldn't suit her, and besides, that's what she told her friends when they came to visit her in her last days.

She wanted to be buried in a purple dress and she wanted flowers in bright colors, reds and blues and yellows and oranges with lots of greens to set them off. All from different florists, so they would not look the same.

Her friends averted their eyes and one would say, "Oh, come on, Delora, who's talking about a funeral?"

That's when she gave that look. God had sculpted Delora's broad face so the edges of her lips ended in dimples that made her look as if she were always suppressing a smile that was about to erupt in uproarious laughter.

She knew, the look said. She fought cancer for five years and it was time for her friends to help her with the funeral she wanted.

That purse-lipped expression served Delora well because it served her friends well. No matter how angry they were, or sad, or confused, when they came to her and saw she was about to smile, they smiled, too.

"Oh, shush," Delora would say. "It's not that bad." Then she would laugh and things never were that bad once you talked to Delora.

She wasn't much for calling attention to herself or wanting to see her name in print. Despite that, Delora did more to make life in Newark livable than a dozen more familiar names. She did it by being a friend.

All right, so that sounds hokey and, in a way, there was something about Delora that was hokey. Someone at her funeral said she had this "Sunday morning going to church lady with the white gloves" side to her.

That does not explain how she defused one racial crisis after another at Rutgers in Newark or how she fought to ensure that the campus got its fair share from the people who ran things in New Brunswick.

It doesn't explain her leadership of the local Congress of Racial Equality or an organization representing black students, staff and faculty at Rutgers-Newark.

She was eulogized by blacks and whites and Hispanics, but some who spoke struggled with useless pre-packaged categories. Amiri Baraka called her a "middle-class sister" with a "street side." No, that's wrong. She was bigger than class, than race, than the streets.

Historian Clement Price came close when he said she was concerned "about the state of her race and that, of course, was the human race." She was "fervently loyal to her friends . . . and her friendship was uncluttered."

Uncluttered by race, by rhetoric, by obsession with slights and symbols, by the armor we have fashioned to keep us from seeing one another.

Her only armor was this: Her eyes did not stop at the color of skin or the texture of hair. She fought hard, but people were never her enemies. They had children, just as she did, she would say. They had parents. They got sick and they worried about money. They might be wrong, but they were still people.

When the Rutgers administration wanted to dump her old boss, Malcolm Talbott, the vice president for Newark, she asked her friends to support him.

This was strange. Talbott was a Midwest WASP, who looked like a Prussian general and spoke like an Oxford don. Yet Delora knew he was good for Newark. Besides, he was her friend.

So, while her bosses in Rutgers were telling the world why Talbott had to go, she was in a back office on the phone, telling the same people why he should stay. He stayed—and the people in New Brunswick never knew the provenance of all his support.

Nor did Talbott. Her friendship was uncluttered by the expectation of return. She was known for the thank-you notes she sent—"'Thank you' were her two most favorite words," Price said—but she never expected to be thanked.

Price said she had a "voice from another time and another place," a reference to an odd, lispy accent no one, not even her children, could identify. Not Southern, although she was born in North Carolina; not Newark, although she spent most of her life here. Just Delora.

It was from another time and place, and we don't know the accent because we haven't been there yet. If the pathology of how we live in a savagely divided time and place somehow were cured, we might all speak with her accent.

She died Jan. 4, and was buried in a snowstorm. Mourners, faces hidden by hats, scarves and umbrellas, passed by, each dropping a flower. When the last left, an uproarious profusion of reds and blues and yellows and oranges laughed at the blinding white of snow veined through with black trees.

No pastels for Delora Jones-Hicks.

TRIBUTE TO CLAIRE E. FREEMAN: 1996 BLACK PROFESSIONAL OF THE YEAR

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. STOKES. Mr. Speaker, on February 17, 1996, officers, members and friends of the Black Professionals Association [BPA] will gather in Cleveland, OH, for the Sixteenth Annual Scholarship and Awards Gala. The event is sponsored by the BPA Charitable Foundation. The Black Professionals Association was the dream of William Wolfe, the former president of the Greater Cleveland Urban League, who, in 1976, invited black professionals to join together to discuss mutual issues of concern. The organization was officially chartered in 1977.

Over the years, the Black Professionals Association has been the voice for its membership on the social, economic, and legislative issues facing the community and the Nation. The Greater Cleveland community has also benefited from the organization's professional development seminars, mentoring programs and voter registration activities. The Sixteenth Annual Scholarship and Awards Gala marks the continued success of this distinguished organization.

One of the highlights of the BPA Charitable Foundation gala is the selection of the 1996 Black Professional of the Year. This year's honoree is Claire E. Freeman, the chief executive officer of the Cuyahoga Metropolitan Housing Association. Ms. Freeman is more than deserving of this special recognition from her friends and colleagues. I rise today to share with my colleagues some background information regarding this outstanding individual.

In 1990, Claire Freeman assumed the post of chief executive officer of the Cuyahoga Metropolitan Housing Authority [CMHA]. In this post, she manages a $100 million operating budget, a $318 million construction modernization budget and a work force of 1,500 employees. Under Ms. Freeman's leadership, CMHA has received recognition as having the greatest rate of positive change after being operationally and financially troubled for over 15 years. Her efforts signal a strong commitment to the community and its residents. Claire Freeman has also taken a special interest in the youth of our community. She is meeting an important challenge of guaranteeing safe, drug-free housing for our children and their families. Further, she is a role model and mentor to youth throughout the community.

Mr. Speaker, prior to coming to Cleveland, Claire Freeman served as Assistant Secretary for Administration at the Department of Housing and Urban Development. Before joining HUD, she was Deputy Assistant Secretary for Civilian Personnel Policy for the Department of Defense. At the Defense Department, Ms. Freeman was recognized for instituting an executive leadership program which continues to be a premier succession planning vehicle at the agency. Claire Freeman is a graduate of the University of Southern California with a master science degree in urban and regional planning. She earned her bachelor's degree in sociology/history from the University of California at Riverside.

Claire Freeman is also an active member of the community. She holds memberships on many local boards and commissions, including the Housing Authority Insurance Co., Council of Large Public Housing Authorities, and the Department of Defense Quality of Life Task Force. She is also the recipient of professional and civic awards which include the Ernest J. Bohn Outstanding Public Administrator Award; U.S. Small Business State/Local Business Advocate Award; and the Dr. Martin Luther King, Jr. Award in Housing.

Mr. Speaker, I take special pride in saluting Claire Freeman on the occasion of her selection as the 1996 Black Professional of the Year. As a past recipient of this distinguished award, I am aware of the commitment and dedication which this honor signals. Claire Freeman has been a tireless champion and leader for the Greater Cleveland community. We applaud her commitment, and wish her much continued success. I also extend my best wishes to the entire membership of the Black Professionals Association.

STATEMENT BY AMBASSADOR JOSEPH VERNER REED

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. TORRICELLI. Mr. Speaker, I would like to give special recognition to the remarks of the Honorable Joseph Reed, Under Secretary General of the United Nations, presented on behalf of Dr. Boutos-Ghali, the Secretary General of the United Nations, at the Second World Parliamentarians' Conference in Gifu, Japan, in September.

I am sure we all agree that the United Nations' admirable goal of striving to promote and support democratization throughout the world deserves our wholehearted support.

Ambassador Reed's contributions to the work of the United Nations continue to serve as an inspiration. Ambassador Reed has held several senior-level positions in the United Nations, in addition to serving as the Chief of Protocol from 1989 to 1991 and United States Ambassador to the Kingdom of Morocco from 1981 to 1985.

I submit Ambassador Reed's speech in Japan for my colleagues to review.

Statement by Ambassador Joseph Verner Reed at the Second World Parliamentarians' Conference for the Support of the United Nations

Excellencies, Ladies and Gentleman, I feel privileged to be here today on behalf of the Secretary-General of the United Nations, Dr. Boutros Boutros-Ghali, who sends best wishes and greetings. The Secretary-General and all of us at the United Nations are grateful for the valuable support you have given us, in good times and in bad times. The Secretary-General has asked me to share the following with you.

When the first Parliamentarians' Conference for the support of the United Nations was held in January 1992 in Tokyo, the United Nations was entering a new phase. Gone were the bipolar tensions of the cold war. In their place came renewed commitment to the United Nations—to the great common goal of a peaceful and cooperative international system.

It soon became clear, however, that more than renewed commitment would be required. A massive transformation would be needed to enable the organization to fulfill the goals of the charter in a dramatically different world environment.

Some three years later, the process of transition continues. Significant and substantial progress has been made. But there is a need for further, substantial reform. The fiftieth anniversary year of the organization offers us an opportunity to complete this process, and bring this period of transition to a successful close.

It is in this context that you have gathered here in the Gifu for the Second World Parliamentarians' Conference for the Support of the United Nations.

You have discussed and reached new consensus on the role of the United Nations in many key areas: disarmament and peace; sustainable development and the environment; the United Nations and Asia and the Pacific; and the involvement of citizens and non-governmental organizations.

Today, the Secretary-General has asked me to take these moments with you to discuss another area of United Nations work: promoting and supporting democratization.

The end of the cold war confrontation and the emergence of globalization continue to drive a wave of democratization. Since 1989 the United Nations has received requests for electoral assistance from more than sixty member states. These requests, from nearly one-third of the organization's membership, testify to this new impulse toward democratization.

The United Nations today is in the forefront of promoting and supporting democratization around the world. The emphasis is on democratization as a process, and democracy as an objective.

Individual societies decide if and when to begin the process of democratization—to move toward a more participatory system of political governance. And throughout democratization, each society decides the nature of the process and its pace.

Like the process of democratization itself, democracy can take many shapes and forms. It can be assimilated by any culture.

The benefits brought by democracy make it a compelling objective for those societies on the path of democratization.

Democracy supports stability within societies by mediating between competing points of view. It fosters respect between states, reducing the chances of war. It creates responsive government that respects human rights and legal obligations. And it favours the creativity and cooperation that permit social and economic progress.

The United Nations is adapting to the new and increasing demands of member states for support in democratization.

On 7 December 1994, in its Resolution 49/30, the General Assembly requested the Secretary-General to study ways and mechanisms in which the United Nations system could support the efforts of governments to promote and consolidate new or restored democracies. The Secretary-General was asked to submit a comprehensive report thereon to the assembly at its fiftieth session.

The Secretary General is now preparing the report. Outlines for a comprehensive approach are emerging. Such an approach will enable the United Nations to offer support for democratization that begins at the earliest possible stage. It could then continue on through assistance in democratic elections, and in the building of institutions which support democratization.

For democratization to take root within a society, it must have indigenous support. The United Nations assists member states in building such support by helping to promote a culture of democracy. This can mean assistance to political parties and movements; support for a free and independent media; or assistance in civic education.

Such efforts, combined with electoral assistance, can help member states firmly on the road to democratization. In this regard, recent United Nations achievements in Cambodia, El Salvador and Mozambique deserve wider recognition and attention.

Electoral assistance to member states is a new phenomenon. The Under Secretary-General for Political Affairs now serves as focal point for electoral assistance requests, with the help of the newly-created electoral assistance division.

Beyond holding free and fair elections is the evident need for societies to prepare the institutional ground in which democratization can take root. The United Nations offers a wide variety of assistance in this area, drawing substantially upon its work in development and human rights. The United Nations today is helping member states to create democratic structures of Government—or to strengthen existing ones. It is helping to enhance the rule of law. To improve accountability and transparency. To build national capacity. And to reform the civil service.

This comprehensive approach, now taking shape, reflects the changing nature of requests by member states for support in democratization. It also underscores the need for other actors to contribute. Regional organizations, non-governmental organizations, citizens, the private sector, the academic community, parliamentarians such as yourselves—all have an essential and complementary role to play.

Many of you in this audience, through such organizations as the Interparliamentary Union, or Parliamentarians for Global Action, already provide international support for democratization processes. You help promote a culture of democracy and human rights. You provide electoral assistance. You facilitate the creation and operation of representative institutions. You are valued partners of the United Nations in the effort to promote and support democratization.

We are convinced that the efforts of states to democratize will find greater stability and an increased likelihood of success when democratization extends to the international arena.

Globalization confronts governments everywhere with new pressures. Some are economic, political and military pressures from above. Others are pressures exerted from below by local, ethnic or grass-roots organizations.

These pressures are often mutually reinforcing. Citizens suffering the local effects of problems transnational in scope—such as drug trafficking or environmental degradation—are demanding solutions from their national governments. To meet these demands, governments must increasingly seek solutions through cooperative arrangements or participation in international organizations.

The new pressures on governments are thus paving the way for an unprecedented democratization of international relations. This process must be recognized, supported and advanced. The institutions and norms of democracy, at the international level, can provide governments with the means to manage global pressures. They can help governments to provide an enabling environment for their citizens.

For the United Nations, democratization of the international system has become a new priority. Already, the reform of the organization, including the decentralization of decision-making, has taken place.

This reform needs to be met by reform in the intergovernmental organs of the United Nations. And, in the relationships between those organs and the other elements of the U.N. system. Progress in this area has been slow. But these are difficult and complicated issues. The Secretary-General is determined that they should receive their full share of debate.

There are many other ways in which the United Nations can promote the democratization of the international system. By supporting a free, independent and responsible media, worldwide, the United Nations helps to preserve the principal venue for dialogue and debate within and among nations.

International law is a powerful tool for the democratization of the international system. It promotes mutual respect among nations and peoples. It provides an analytical framework for approaching problems of mutual concern. It offers a powerful basis for multilateral action. The United Nations provides a forum and mechanism for the advancement of international law.

Global conferences, convened by the United Nations, create relevant constituencies. They bring together all the state and non-state actors concerned. This not only contributes to the legitimacy and effectiveness of the programmes of action produced. It strengthens participation in decision-making on world affairs. It reinforces democratic principles at the international level.

The efforts of the United Nations to improve cooperation with actors outside the United Nations system have a similar effect. I refer here again to regional organizations, non-governmental agencies, citizens, the private sector, the academic community and parliamentarians. In all areas of work—for peace, development or democratization—cooperation with these actors increases efficiency and effectiveness. And, it strengthens democratic principles and practices.

During this time of transition, improving cooperation with parliamentarians has taken on an even greater urgency.

Making the transition to a new international era is no simple task. The new challenges are complex, difficult, and at times, dangerous. Around the world, United Nations personnel are asked to confront unprecedented situations—all too often without sufficient resources or mandates.

The United Nations needs its member states and their peoples to recognize the complexity of today's challenges. In the task of communication, you, as parliamentarians, can play an indispensable role. You are an essential link between the United Nations and international public opinion. You are uniquely placed to help build recognition, understanding and support for the United Nations and its work.

Communication must flow both ways. If the new international system is to be legitimate, responsive and effective, all must take part in its creation. As direct representatives of the wills and aspirations of your constituents, you can carry their voices to the international arena. You can help ensure their participation.

As such, you, parliamentarians, are also a motive force for the democratization of the international system. And you can bring to bear on world affairs your commitment to dialogue, discussion and agreement—to democratic principles and cooperation.

Today, at the conference, you are fulfilling all of these important roles. You are helping to build support for the United Nations. You are bringing the views of your constituents to the international arena. You are giving strength to democratic principles in the practice of world affairs.

On behalf of the United Nations, the Secretary-General has asked me to express our deep appreciation to the foundation for the support of the United Nations, to the Gifu City government, and to the Gifu Prefecture.

Government for sponsoring this important event. This sponsorship testifies to the long-standing commitment of the people of Japan—as individual citizens, through their local and national governments, and through regional organizations—to support the United Nations and its ideals, and to participate in its work.

To all of you parliamentarians, assembled in this great and beautiful city of Gifu, the Secretary-General extends his sincere appreciation for your efforts. And we look forward to your continued participation as we strive to construct a workable international system for today, and for tomorrow.

Ladies and gentlemen, in conclusion, allow me a few words on an event which is close to my heart and, I am sure, close to your heart: the golden jubilee of our world organization.

As we prepare for the fiftieth anniversary of the United Nations, let us recall the opening words of the charter: "We the peoples of the United Nations . . .". We all of us—are the United Nations. The United Nations is now and increasingly will be, what we choose to make of it.

Knowledge about the United Nations is thus ever more important for people everywhere. With the active commitment of people, the United Nations and continue to play its indispensable role for peace and security, social and economic progress, and global human development.

Let us take up the challenge of the next fifty years. It is in our power to use the United Nations as a force for fundamental transformation to a world of peace and enduring prosperity. Let this be the starting point for taking your United Nations on the road to the future.

I thank you for your attention.

ENGLISH AS OUR OFFICIAL LANGUAGE

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. EMERSON. Mr. Speaker, I rise today in order to bring to the attention of this distinguished body an editorial which recently appeared in the Southeast Missourian, a daily newspaper located in my congressional district. The editorial, entitled "Official Language for Missouri," praises the recent efforts in the Missouri legislature to establish a policy of conducting the State's business in English. The paper's discerning commentary notes that the supposed beneficiaries of multilingual government are not at all served by programs that operate in as many as 11 different languages across the State. In my view, Congress would be wise to listen to this kind of counsel, as well as to the enormous interest among folks on the State and local levels who understand the important role of English as our common language.

Legislation which I have introduced, H.R. 123, the Language of Government Act, affords Congress the opportunity to eliminate the high social and economic costs of multilingual government, and I believe it time to respond to the public's broad support of this initiative. One hundred ninety-three Members of this Chamber have cosponsored H.R. 123, and momentum continues to build.

I commend to your attention the full text of the editorial.

OFFICIAL LANGUAGE FOR MISSOURI

The issue of making English the official language has returned to the Missouri General Assembly this year. Bills have been introduced in both houses to mandate the use of English only in all state documents. Currently, some state documents are printed in as many as 11 languages.

The state effort mirrors attempts in Congress to make English the official government language. Such laws in no way intend to force anyone to speak or use English exclusively. Millions of Americans with non-English-speaking backgrounds wouldn't be impeded in their choices of how they communicate privately. What the bills would do is limit government to English rather than the potential 327 languages recognized in the United States by the Census Bureau.

Arguments that driver's license applicants, voters, welfare recipients and others who benefit from government programs are best served by catering to diverse languages don't hold up. As has been the case throughout American history, immigrants generally choose on their own to learn to speak and write English. And polls indicate more than 85 percent of Americans support the English-only concept for government.

The push to adopt English as the official language of Missouri government won't be easy. Residents who support this idea could help advance the cause by contacting their legislators and other elected officials.

RECOGNITION OF THE SHREWSBURY HIGH SCHOOL CONGRESSIONAL RESOLUTION PROJECT

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. NEAL of Massachusetts. Mr. Speaker, I would like to take this opportunity to pay tribute to a group of high school students from Shrewsbury, MA. Over the last several months this group has been engaged in the drafting and promotion of a congressional resolution calling for a greater dedication to AIDS education and prevention programs in America's schools.

Led by their high school teacher Rick Marchand, these 23 students have been meeting 3 times a week for several months on this project. In that time, they have received commendations from both bodies of the Massachusetts State Legislature, the Massachusetts Commissioner of Education, and also AIDS Project Worcester, one of the leading AIDS support organizations in the State. Below, I have inserted a copy of the above cited resolution.

It should be noted, however, that this publication of their document is not the end of the students' ambitious undertaking. The involved students at Shrewsbury High School intend to continue promoting their resolution by circulating advocacy petitions among their peers and by posting this venture on the Internet, in an effort to attract local, national, and international support.

Mr. Speaker, I ask my colleagues to join me today in commending this group for their laudable and industrious efforts on behalf of an interesting and worthwhile project:

CONCURRENT RESOLUTION

Expressing the sense of the Congress with respect to encourage Congress to endorse all current funding mechanisms that provide for AIDS research, support and prevention programs. Said resolution shall inspire Congress to design or support additional funding concepts that nurture innovative education and prevention concepts for teenagers across America.

Whereas the teenagers of America feel that communities that do not provide HIV/AIDS education for their teenagers are at risk. The uninformed and uneducated part of America's youth will result in an increase in the number of HIV infections and the deaths of millions of innocent people. The World Health Organization predicts that by the year 2000, the virus will have attacked thirty to forty million people around the world.

Whereas according to estimates provided by The World Health Organization, HIV/AIDS victims are costing an average of $150,000 each. By the year 2000, six trillion dollars will be needed to provide adequate health care for these individuals.

Whereas teenagers across America believe effective education can help others make smart choices. These choices could mean the difference between life and death.

Whereas HIV/AIDS education for high school students across the country is inadequate. In some communities the lack of education is caused by poor public perception, as well as misconceptions about the HIV/AIDS virus.

Whereas we the students of Shrewsbury High School in the Commonwealth of Massachusetts, respectfully request the Congress to form a partnership with communities across the nation. This partnership will be to assure quality and effective HIV/AIDS educational programs.

TRIBUTE TO LANGSTON HUGHES INSTITUTE AND THE LEADERSHIP OF DR. ORA LEE DELGADO AND ANTHONY DELGADO

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. QUINN. Mr. Speaker, I rise today to honor two of western New York's most dedicated community activists, Dr. Ora Lee Delgado and Mr. Anthony Delgado, upon the announcement of their retirement from full-time status at the Langston Hughes Institute. Dr. and Mr. Delgado have dedicated an impressive 47 combined years of community service to the arts and cultural center. As the western New York community will attest, the Delgados have been the guiding force behind the Langston Hughes Institute. It is with heartfelt gratitude that I and the western New York community thank Dr. Ora Lee Delgado and Mr. Anthony Delgado for their contribution in making the Institute what it is today.

The Langston Hughes Institute was named after the most prolific and probably best known of modern African-American writers. As a leading minority not-for-profit corporation in the Buffalo area, Langston Hughes Institute provides a vital range of services to the community. Specifically: educational, cultural, and assistance programs with an African-American focus. The primary objective of the Institute is to create a positive self-image and instill motivation in the community's youth.

The Langston Hughes Institute has been established as the premiere arts and cultural center in western New York due to the efforts of Ora Lee Delgado and Anthony Delgado.

I join with their family, colleagues, friends, and the entire western New York community in recognition of the Delgados outstanding dedication and years of distinguished community service.

HONORING NORTH MIAMI POLICE DEPARTMENT OFFICER OF THE YEAR, FELIX GUADARRAMA

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mrs. MEEK of Florida. Mr. Speaker, Officer Felix Guadarrama has been selected by a committee of his peers to be the North Miami Police Department's Officer of the Year, 1995. I am certain you will agree with me that Officer Guadarrama is a fitting choice. His actions on the force since 1990 have distinguished him as an officer of valor.

During 1995, Officer Guadarrama received numerous commendations from his supervisors, the community, and other police agencies. Many noted his compassion, expertise, and judgement in handling chaotic situations. His superiors credit Guadarrama with saving the life of the victim of a violent attack.

In addition to his daily activities, Officer Guardarrama serves on the North Miami Police honor guard and is assigned to the motorcycle unit. He actively raises money for the Police Officers' Assistance Trust Fund and has represented the department in motorcycle escorts at local prestigious events like the recent Summit of the Americas.

Thank you, Officer Guadarrama for your bravery and diligence in the line of duty. You are certainly a credit to our community.

CONGRATULATIONS TO THE THOMASVILLE BULLDOGS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. COBLE. Mr. Speaker, the Thomasville Bulldogs have done it again. On December 11, 1995, the Bulldogs of Thomasville High School captured the 1995 North Carolina 2-A Football Championship with a 16–0 victory against Clinton High School. Not only was this the school's first perfect football season, but Thomasville became the first prep club in North Carolina to win 16 games in 1 year.

To top off a perfect season, head coach Allen Brown was named the Associated Press Coach of the Year in North Carolina. Coach Brown now has three State championships to his credit and a total of six trips to the State finals since 1983. Coach Brown, who has compiled a 220–72–2 career record during his 23 seasons at Thomasville, told the Thomasville Times that this year's team was a special group. "They worked so hard and they deserved what they got. I'm in a great community for football and we have a great group of kids."

The entire sixth district of North Carolina is proud of the winning tradition that the Thomasville football squad has established under the leadership of Coach Brown and his staff. Congratulations to athletic director/head coach Allen Brown, assistant coaches Roger Bryant, Billy Freeman, Dan Medlin, Ed Courtney, Bob Mattow, Avery Cutshaw, Benjie Brown, and Chuck Parks, Kemp Harvey, and each member of the team. Best wishes to Terrance Baxter (10), Ryan Jarrett (11), Chad Tobin (12), Stephon Gladney (13), Lamont Leak (14), Gary Robinson (15), Nick Means (16), Stephen Lindsay (17), Jaun Alford (18), Tevin Watkins (19), Monta Burton (20), Damion Scott (21), Anthony Anderson (22), Damian Henderson (23), Brian Davis (24), Dusty Fant (25), Teron Alford (30), Dewayne Burgess (31), Jermaine Kilby (32), Craig Thomas (33), Kinte Huntly (40), Dishun Huntley (41), Reggie Pegues (42), Ricky Smith (43), Barry Hare (44), Nagayle Carroll (45), Antwaine Neely (50), Andre Cannon (51), Todd McComb (52), Walker Miller (53), Eric Hawkins (55), Preston James (60), Tavon Cooper (61), Andreas Kersey (63), Chris Hawkins (64), Jeff Hayes (65), Samuel Hairston (66), Tim Bottoms (67), Steve Calvo (70), Carl Leak (71), Gary Cooper (72), Jonathan Ross (73), Wes Crowell (74), David Sheffield (76), Travis Davis (77), Khari Baker (80), Kenny Thomas (81), Corey Borders (82), Dygeal Redfern (83), Chris Nicholson (84), Phillip Keels (85), Brian Fritts (86), Gary Bowers (87), Terry Everhart (12), and James Beasley (83). Thanks also goes to the team managers, Matthew Bryant, Nick Harvey, Patrick Small, and Jonathon Yokley, as well as P.A., Steve Eller, and scoreboard attendant, Casey Medlin.

To principal Wayne Thrift and to all of the students, faculty, families, and fans of Thomasville High School, we extend our congratulations on capturing the State high school 2-A football championship. Best of luck to the Bulldogs for another successful season in 1996.

THE 104TH CONGRESS WELCOMES EMILY ALEXA FIELDS

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. OXLEY. Mr. Speaker, I want to share some joyous news with you and all my colleagues. Our good friend, JACK FIELDS of Texas, recently welcomed a new addition to his family—a daughter, Emily Alexa, born in Houston on Thursday, January 18.

I know you and all my colleagues join me in congratulating JACK and his lovely wife, Lynn, on Emily's birth. Emily was born at 3:01 p.m. CST on Thursday at Methodist Hospital in Houston, and, thankfully, both Lynn and Emily are feeling fine. Emily weighed 8 pounds, 12 ounces and was 20 inches in length.

As you know, JACK announced last month that this will be his last term in Congress. In his retirement announcement, JACK made clear his desire to spend more time with his family—Lynn, Josh, Jordan, and now, Emily.

I know you join with me, Mr. Speaker, in extending to the Fields family our congratulations and our very best wishes on this joyous news.

THE CHOICE IS YOURS

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. NADLER. Mr. Speaker, I rise today to recognize BMG Entertainment and commend them for their Black History Month Campaign, "The Choice Is Yours." The campaign seeks to expand voter registration and education, and participation in the National Marrow Donor Program.

BMG Distribution, a unit of BMG Entertainment, designed this campaign to highlight the importance of civic participation for African-Americans in the political and social arenas.

"The Choice Is Yours" campaign will offer African-Americans and others the opportunity, at various retail music outlets across the country, to register to vote and to join the National Bone Marrow registry. Through a user-friendly format, the project will work to make young people educated, aware registered voters, and potential bone marrow donors.

"The Choice Is Yours" campaign is an excellent example of what can be accomplished when the for-profit and non-profit sectors pool their energies and resources in order to help involve citizens and save lives. I am proud to recognize that this unique BMG Black History Month campaign will be initiated in my State of New York on February 1, 1996 and I commend BMG for all their efforts.

IN HONOR OF STATE SENATOR JOSEPH F. ANDREA

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. BARRETT of Wisconsin. Mr. Speaker, today I pay tribute to one of Wisconsin's outstanding public servants, State Senator Joe Andrea. Joe's public service began in the U.S. Navy. On the local level Joe has served Kenosha, WI for 30 years as a constable, county supervisor, State assemblyman, and State senator, always with his trademark smile and sense of humor. And as a former telephone company employee for 31 years and president of the Communication Workers of America Local 5510, he has served his community well.

Joe has set the standard for constituent services for all elected officials. Knowing the people in this community and making sure he knows their concerns is Joe's top priority. He deeply believes that people are most important and it has been his life service to listen to them.

His legislative accomplishments are many. He was the father of the Life Means Life sentencing bill in Wisconsin, the trout stamp bill in 1983, and a key player in the creation of the utility holding company bill. He brought the Dairyland Dog Track to Kenosha creating hundreds of jobs for the area. Needed transportation projects and a tourist center have found their way to the Kenosha area with Senator Andrea's backing. In addition, economic vitality has come back to Kenosha with Joe Andrea's assistance.

Mention his family and you'll see Joe react with pride. He has been married for 43 years to his wonderful wife, Olivia. He is the father of four successful children and a grandparent to four beautiful grandchildren.

Joe has been honored and recognized many times over the years. He holds an honorary degree from Carthage College. He has even had a street, a regional cancer center, a lake, and a racedog named after him. On January 15, Joe received the Gateway Technical College Humanitarian Award. It is my great honor to add my congratulations to State Senator Joe Andrea on this occasion and for a lifetime of achievements.

A TRIBUTE TO JIM PAGE

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. RAHALL. Mr. Speaker, I rise today to pay tribute to Mr. Jim Page, who on January 3, 1996, retired after a long and distinguished career with the U.S. Forest Service and his position over the last 9½ years as Supervisor of the Monongahela National Forest in West Virginia.

It is sad, but true, that many in this body these days take pride in denigrating Federal employees, especially those in uniform. I will not be a party to those antics, and committed public servants like Jim Page illustrate the degree of professionalism that swells the ranks of many agencies such as the Forest Service.

Since June 1986, Jim served with distinction and dedication as the Supervisor of the Monongahela National Forest. He now retires after serving the public as an employee of the Forest Service for 33 years. Starting his career with the Forest Service as a temporary employee at the Wallawa-Whitman National Forest in Oregon during June of 1959, Jim Page ultimately served in 12 forest units including stints in various capacities at the Chugach and the Tongass National Forests in Alaska, the Clearwater in Idaho, the Cherokee in Tennessee, the Ouachita in Arkansas, and the Daniel Boone in Kentucky.

I have been extremely proud to have had the honor to know and work with Jim Page. To say the least, I am dismayed that he is retiring. His humor, patience, fortitude, and vision will be sorely missed.

In conclusion, it is my understanding that Jim and his wife Sarah may move back to their native State of North Carolina. He will bring with him a wealth of memories from his years with the Forest Service, and he will bring with him our friendship and respect.

On behalf of myself and Jim Zoia of my staff, we wish Jim and Sarah Page the very best.

HONORING ATHENA KROMIDAS

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. ACKERMAN. Mr. Speaker, I rise today to join with constituents of the Fifth Congressional District and the members of the St. Nicholas Greek Orthodox Church in Flushing, NY in celebrating the 10th anniversary of service of Mrs. Athena Kromidas, principal of the church's Greek Afternoon School.

Mrs. Kromidas has long promoted the role of the Greek community educator who strives to instill into our youth an effective education based upon Hellenic traditions. Through her efforts, parents have taken an increased measure of involvement in their children's education. She has guided the Greek-American parents of the Greek Afternoon School to mold their children into citizens who will have a positive impact upon our entire community.

A native of the island of Chios, Mrs. Kromidas has consistently worked to perpetuate the Hellenic roots of second and third generation Greek-American children. She strongly believes in having her pupils remember their roots as a way of establishing and supporting their faith. In 1994, Mrs. Kromidas, in cooperation with a local public high school, was successful in establishing a course in the modern Greek language.

As a person who has toiled in the vineyards of selfless dedication to the community, Mrs. Kromidas has consistently struggled to infuse a strong and dynamic sense of family values and tradition into the entire school community. There already exists a growing list of both students and families who have credited this most outstanding educator with bringing stability and success to their lives.

Mr. Speaker, I ask my colleagues to join with me in recognizing Mrs. Athena Kromidas for an inspiring decade of dedication and devotion to the children and parents of our community.

TRIBUTE TO GEORGE SEARIGHT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1996

Mr. GEKAS. Mr. Speaker, I would like the House of Representatives today to pay special tribute to a man whose legacy continues to affect a great many people in the 17th Congressional District. I consider myself lucky to have had the honor to have known George Searight. And although George passed away 18 months ago, the memory of him remains alive and vibrant with those who knew and loved him.

George Searight was a Susquehanna Township Commissioner in Dauphin County, PA, in my 17th Congressional District. He also served on the township civil service commission for nearly 20 years. He held leadership roles in the Pennsylvania Pharmaceutical Association and was a veteran of the U.S. Navy. George was both a leader and a role model in his community, and he will always be remembered as such.

I can fairly state that substantially all of my experience with the pharmaceutical industry was derived from my continued association with George Searight. And all of my contacts with and about the industry will forever be colored by my association with George. I will always remember George as a good friend, someone who was always willing to dedicate himself and his time to a good cause, and a local leader who set an example for all to follow. He has been missed.

At this time, I would like to submit into the RECORD "A Tribute to George H. Searight," done on June 24, 1994, by Richard T. Englehart of the Capital Area Pharmaceutical Association.

A TRIBUTE TO GEORGE H. SEARIGHT

Last evening we attended the viewing and this morning the funeral of an old friend, George Searight. As testimony to the number of people who knew and loved George, the funeral home, the church and the route to the cemetery all required extra police to direct the crowds. The fire and police departments of his beloved Susquehanna Township honored him with many of their vehicles and personnel in attendance.

I am enclosing a copy of the obituary which appeared in the Harrisburg paper. This is a wonderful description of George, but it does not really tell the whole story. We know him mostly for his involvement in activities of CAPA and PPA. But even here, I am sure that many did not realize how totally George was involved. In CAPA, his days go back many years. His father was very active in the old DCL (Dauphin-Cumberland-Lebanon County Pharmaceutical Association), the forerunner of CAPA. So George was indoctrinated in the local association at a very early age.

Not only has George been our treasurer longer than most of us can remember, but he has also been responsible for bringing in more new members than anyone else (George seemed to know everyone connected with pharmacy or pharmaceutical sales.). He knew when anyone was sick or in the hospital, so he reported as the Flower and Sick committee. He was on the Student Loan committee. He and Jerry Smith formed the best social and convention committee (Frick and Frack) of any local association in the state. He made all the arrangements for all of our monthly meetings. He was a Vice-President of PPA. He stopped in at the PPA office probably at least once a week just to see how things were going and to see if anything needed to be done. If ever there was a job to be done we could count on George to volunteer for it.

I believe that all of us who knew George Searight have been very fortunate. Ike and I have know him for many years. I knew him in Junior High School. We roomed together one year at PCP&S. We double dated with George and June at college. He was an usher in our wedding. He was a friend.

He truly loved what he was doing for pharmacy, and he was totally dedicated to the associations he represented.

But most of all, George loved his family and friends. Our hearts and our prayers go out to June and the sons he loved so much.

We shall miss him greatly.

SENATE—*Wednesday, January 24, 1996*

The Senate met at 5 p.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Give to the Lord the glory due His name, bring an offering, and come before Him. Oh, worship the Lord in the beauty of holiness!—I Chronicles 16:29.

Sovereign God, gracious Father, blessed Redeemer, inspiring Spirit, we worship You for Your faithfulness, loving kindness, justice, and mercy. The offering we bring to our worship of You is ourselves. Nothing in our hands we bring; simply to Your grace we cling. We worship You in awe and wonder, joy and gladness, delight and dependence. The blessing of belonging to You is the only beauty of holiness we have to offer. All that we have and are belongs to You. The Nation that You have called us to lead is Your Nation. Our greatness in the past is because of Your goodness; our triumph in the future is assured only as we trust in You.

May all of life express our worship of You. We seek to express our worship of You in our work, our relationships, our responsibilities. We commit ourselves to practice Your presence in the sublime and in the simple, with people of great and of no reputation, in duties that bring us recognition and those only You can see. To God be the glory. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator LOTT, is recognized.

Mr. LOTT. Thank you, Mr. President.

SCHEDULE

Mr. LOTT. This afternoon, the Senate will be in session for a period of morning business. There will be no rollcall votes during today's session. The Senate may consider any legislative items that can be cleared for action by unanimous consent. All Senators should be reminded the continuing resolution expires Friday of this week. It is therefore expected the Senate will consider a new continuing resolution when one becomes available from the House. The Senate may also consider the Department of Defense authorization conference report as well as the START II Treaty.

I yield the floor, Mr. President.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The able minority leader is recognized.

Mr. DASCHLE. I thank the President.

THE PRESIDENT'S STATE OF THE UNION ADDRESS

Mr. DASCHLE. Mr. President, I want to compliment the President of the United States on his State of the Union Message last night. I think the reaction today is certainly an indication of the degree to which the President succeeded in articulating his message last night. He discussed, as he can so ably, his record for the last 3 years, reminding us that the economy is much stronger than it was when he took office, reminding us that we have reduced the Federal work force by 200,000 personnel, reminding us that the growth in the economy itself is as strong as it has been in the past 30 years, and recognizing that we have made substantial progress in reducing the deficit.

So, indeed, from the perspective of the Government, as well as from the point of view of the economy, America is strong and the State of the Union reflects that strength, as he reminded us last night.

He also sought to challenge us in seven very specific ways. I think his challenge was appropriate. Indeed, our country expects us to meet the challenges of education, a stronger economy, the need for health care reform, and a whole range of issues that the President addressed so ably and articulately last night.

Most importantly perhaps, he reminded us that the effort over the last several weeks to achieve meaningful deficit reduction has indeed, to at least a certain extent, succeeded. The fact is, as the President indicated last night, if you take the lesser of the amounts agreed to on either side in the most recent offers by both the Republicans and the Democrats, we could achieve deficit reduction totaling more than $700 billion.

Mr. President, that is a very significant achievement. He challenged us last night, to continue the effort to find common ground, to reach out across the aisle to establish a meaningful dialog, to continue to build on what we have already achieved, and to continue to find ways in which to make the common ground more meaningful. In so doing we can realize a balanced Federal budget in 7 years using the Congressional Budget Office figures.

In that regard, Mr. President, I was extremely pleased with the announcement this morning by the Speaker that he, too, felt that common ground efforts ought to be sought, and that we ought to continue to find ways in which to build upon the common agreement that we have reached thus far in achieving a meaningful balanced budget.

In my view, that is a breakthrough. When you have the President of the United States and the Speaker of the House, the most prominent Democrat and one of the most prominent Republicans, agreeing in public that indeed there is a real possibility of achieving meaningful progress in this effort to reach common agreement on a balanced budget, that is a breakthrough.

This is no time to abolish or to abandon our goal of attempting to reach a balanced budget. A piecemeal approach, Mr. President, is unnecessary. We can do it now. We can take that $711 billion in mutually agreed to savings and find the kind of long-term resolution to this balanced budget challenge that we have now faced for many months.

So it is our opportunity. Apparently the Speaker now agrees that achieving that in a meaningful way is possible, using the common ground approach. Let us not abandon that goal. Let us not take anything less than a balanced budget over that 7-year period. Let us do it now.

I think it is very important that we also recognize that to do it in the context of either a debt limit or a continuing resolution is not practical. We recognize that by encumbering and perhaps endangering either the continuing resolution or the debt limit resolution we may again find ourselves in a complex series of difficulties and crises that neither side wants.

We need a clean continuing resolution. We need a clean resolution on the debt limit. And we can work simultaneously in continuing our negotiations to find a clean budget agreement that achieves the meaningful deficit reduction that we want using the common ground proposals that both the Speaker and the President have now accepted.

Mr. President, I think the last critical issue to recognize is the importance of the next several weeks. It is very important that we not let this opportunity slip, that we not wait until the last moment to resolve these issues. We cannot afford to wait until the 27th or 28th or 29th of February. We cannot wait until that very crisis moment to resolve all these issues relating to the debt limit.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Let us use the 28th and 29th and 30th of January. Let us use the first few weeks of February to resolve these issues. Let us, in other words, stay here and do our work. Let us not take the chance that we will not be able to solve these problems at the end of February when the crisis truly looms.

So let us stay here, let us do what we must, let us recognize the opportunity that is before us, let us accept the challenges the President has now laid out so articulately and so clearly last night. Let us do that, recognizing that there are common goals and much common ground upon which to base our progress. With that, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Mississippi.

CONSIDERING THE DEPARTMENT OF DEFENSE AUTHORIZATION CONFERENCE REPORT

Mr. LOTT. First, Mr. President, if I might expand just a bit on the opening announcement. I understand now that we are in the process of receiving the House-passed Department of Defense authorization conference report that passed overwhelmingly, I believe something like 287 to 129, something of that magnitude. So we hope that we will be able to get an agreement to get the Defense Department authorization conference report up shortly, tomorrow or Friday.

I know the chairman is very anxious for us to get that done tomorrow if at all possible. We will be working to see if we can come to an agreement on that. We have worked across the aisle with the distinguished chairman from South Carolina and the distinguished ranking member from Georgia, Senator NUNN. I believe he would like to see us get that done as soon as possible, and we will continue to work in that effort.

BALANCED BUDGET AND DEBT CEILING LIMIT

Mr. LOTT. Mr. President, in response to the comments from the distinguished Democratic leader, certainly we should continue to find a way to move toward a balanced budget agreement. The President said last night he wanted to do that, and even though he vetoed the balanced budget when we sent it to him, that should not deter our efforts.

I believe from what I saw last night that the majority leader, Senator DOLE, indicated we are, in fact, going to continue to pursue this, and he intends for us to send balanced budget legislation to the President.

So we need to think about how we do that. The Senator from South Dakota mentioned, even though we want to avoid, if we can, a protracted, cumbersome process, perhaps we can have an agreement that would allow us to avoid that. But we will continue to have that as our goal. We are going to work to give the President an opportunity to, in fact, sign bills along the lines of what he said he wanted to sign last night.

I know that the House, where continuing resolutions must begin, is in the process of developing a continuing resolution, or a balanced budget downpayment is the way I think it should be appropriately described. They will be acting on that, I believe, on Thursday, and then we will have that legislation before us. I certainly hope and expect it is going to be legislation that the Senate will be able to pass and that will go to the President.

With regard to the debt ceiling extension, there, again, I believe the history of that has been the House will act first. I know the House is thinking about that and is working on it.

With regard to it being a clean debt ceiling, I went back and checked the record in 1990 and 1989 and 1987, back to 1984, and found that in most years debt ceilings did, in fact, have riders on them. Those were put on by a Democratic-controlled Congress when we had a Republican President, so it would not be anything out of the ordinary if it worked the other way this time.

I must say, as a Senator who has voted in the Senate and in the House both ways on debt ceiling—sometimes for them, sometimes against them, and not just when there was a Republican President, sometimes Democratic Presidents—sometimes my vote has been influenced by the riders. Quite often, they are agreed-to things, things that need to be done. I hope that we will wait and see exactly what will be the best way to proceed on that, keeping in mind the House will act on it, and we will certainly be communicating with them.

I have said publicly that I think we should do that, and I fully expect that we will. The timing, of course, will be determined by a whole series of meetings that will be underway. I assure the Senator from South Dakota that we are going to be very busy during the next few days and weeks, and we have a lot of work to do. We have to begin on the next fiscal year. Hearings must begin soon on budgets and appropriations bills and even authorizations. We certainly intend to begin that process.

With that, Mr. President, I yield the floor for others who might have comments.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

BALANCED BUDGET AND THE STATE OF AGRICULTURE

Mr. HEFLIN. Mr. President, I feel like we ought to start negotiations again in regard to the budget. I think there is an opportunity to get a balanced budget now and in the immediate future. I think if we have a long recess that we will stand a chance of losing what momentum there is, and it may well be that in the near future, we can narrow the issues by adopting some of the various issues that have been agreed upon.

Mr. President, for the first time in over 40 years, farm programs have been allowed to expire. As of December 31, with a few exceptions, the authority for farm programs has run out.

It is the responsibility of this Congress, to pass a farm bill every 5 years or so, and create stability and certainty in rural America. Instead, with the failure of passing a farm bill, there is uncertainty, frustration and confusion in the agriculture producing areas of the country. Congress has failed in its responsibility to rural America and we must, therefore, act now to resolve this situation.

What can be done at this late date, what are our options? As I see it, we have three options: First, we can do nothing and allow the Secretary of Agriculture to implement the Agriculture Act of 1949, second, we can pass a stand-alone farm bill, as we should have done in the first session, or third, we can pass an extension of the 1990 farm bill, thus providing rural America with much needed certainty and allow Congress more time to write a farm bill this year.

If Congress does not act, then the Secretary of Agriculture will have to exercise his responsibility to implement the Agriculture Act of 1949. Currently, market prices for wheat, corn, feed grains, and cotton are at all-time highs. However, under the 1949 act, the Secretary will be forced to implement parity prices for wheat, corn, and feed grains. For instance, wheat prices which are currently trading at $4.92 per bushel, the support price would jump to $7.82 a bushel. For corn, which is trading at $3.60 per bushel, the parity price could go as high as $5.30 per bushel.

Alabama's primary crops do not include wheat or corn. However, if parity prices are implemented, Alabama and the whole Nation will also be greatly effected. Alabama is one of the leading States in poultry and catfish production. With corn and feed grain prices potentially rising as high as they are projected, it will have the effect of sending livestock feed prices through the roof. Also at stake in Alabama are dairy, beef cattle, and hog producers who will be forced to pay higher prices for their feed. This increasing cost of production does not stop with the producers. Consumers will shortly feel the effect of the failure to pass a farm bill in the form of much higher beef, poultry, pork, and fish prices at the supermarket. These examples do not even address the effects that the 1949 act and parity prices will have on the Federal Treasury. As a result, I do not support this course of action, despite its very real possibility given Secretary of Agriculture hands being tied.

The second option that we have before us, is to pass a stand-alone farm bill. I am still puzzled as to why we did not pursue this course of action this time last year, rather than allowing farm policy to become embroiled in the budget reconciliation bill. I, along with my Democratic colleagues have sent a letter to the majority leader, Senator DOLE, requesting that farm policy come to the floor and be debated on its own merits so that we can pass a farm bill without getting caught in the web of budget politics. I have long stated that I believe that the current structure of farm programs have served rural America, and consumers everywhere, extremely well. Therefore, it is my belief that farm programs should only be fined tuned. I do recognize that some of my less fortunate regional colleagues feel that farm programs that effect their States need greater changes than those that effect the South. The ability to resolve these differences is the purpose of debate on farm programs, which to this point there has been very little in committee, and virtually none by the full Senate. Therefore, I recommend that we return to committee and discuss the farm bill as we always have in the past. We would then be able to bring a bill to the floor that addresses all of our needs and concerns, and pass a bill that serves our agricultural producers, rural America, and consumers alike.

The budget reconciliation bill contained agriculture provisions. However, the provisions contained in the reconciliation bill were never debated in committee, were not passed as part of the Senate reconciliation bill, but instead were approved in conference. Furthermore, the provisions known as freedom to farm, that ultimately ended up in the reconciliation bill, were defeated in the House Agriculture Committee.

I believe that the provisions of the so-called freedom to farm bill are seriously flawed. The freedom to farm bill makes guaranteed payments to farmers whether they produce a crop or not. The freedom to farm bill offers producers a bonus check in times of high market prices, and then is not sufficient in times of low market prices. It is unconscionable to make payments to producers in times of high market prices, such as we are currently experiencing, when at the same time, we are reducing school lunches and other essential nutrition programs. Essentially, the freedom to farm bill as a phase-out of farm programs. By repealing the permanent authority for farm programs, the freedom to farm bill ends all farm programs after 7 years.

I strongly believe that the core component of sound farm policy should be an adequate and certain safety net, one that provides support when market prices are low, and one that does not need to make payments when the market is up. This is how current farm programs are structured, and they work. For evidence of this, we need look no further than the recent CBO adjustment of its agriculture baseline. The CBO, after analyzing what they believe to be the future trend in agriculture prices, has determined that they expect commodity prices to remain high for at the least the next few years. As a result, the CBO has adjusted its baseline downward by $8 billion. I believe that this is evidence that farm programs work as they are designed to: provide support at times of need, and no support when it is not warranted.

Therefore, while there may be an effort to resurrect the freedom to farm bill, I believe the policy contained within is inherently flawed. However, a full and open debate on farm policy will allow us to debate, consider and resolve these outstanding issues pertaining to the farm bill. This is the course of action that I strongly support.

To this point in time, however, we have not been allowed to debate farm policy. Yet, farmers do not stop when the Government shuts down; they rely more heavily on Mother Nature's timetables than they do Congress' continuing resolutions. However, despite the failure to pass a farm bill, farmers must continue to prepare for the upcoming planting season. Farmers, bankers, and other support industry such as fertilizer and seed suppliers, farm implement dealers, and processors must have some certainty as to the laws that they will be farming under.

In the event that we are not allowed to consider and implement a farm bill this year, and time is quickly running out, I then support the third course of action that Congress has before it: a 1-year extension of current farm policy. Extending farm programs for a period of 1 year will give rural America the much needed certainty that it deserves and allow time for Congress to act responsibly and write a farm bill this year. It is the responsibility of this Congress to let America's agriculture producers know what the program is for 1996, and we must not delay action.

Cotton and peanut producers in my State of Alabama can take comfort in knowing that they will not be held hostage to the ongoing budget negotiations and Government shutdowns. The cotton and peanut programs were extended for the 1996 and 1997 crops. While I support some fine-tuning of these programs, these commodity programs will work essentially the same as they have over the past 5 years. This is certainty that producers can take to the bank. Now, all producers should quickly be given the same measure of certainty.

THE FARM BILL

Mr. GRASSLEY. Mr. President, I want to visit about the agricultural issue, but I have two friends from agricultural States and members of the Agriculture Committee on the other side of the aisle. I am not here to counteract anything they have said. I want to make that very clear. I want to make it clear, though, that while there is from the other side of the aisle admonitions of what we ought to do to solve the agricultural bill problem that we have before us, there are other approaches that ought to be used.

I am here to advocate a position that is not favored on the other side of the aisle. I will also bring to the attention of the agricultural community, who is concerned about this issue, that yesterday the majority party of the U.S. Senate offered a unanimous-consent motion to bring up the very provisions that were in the Balanced Budget Act of 1995, which the President vetoed, and if he had not vetoed that, we would not have any commodity policy problems for this Congress to settle for the next 7 years. We would not be here today talking about what ought to be done for the 1996 crop year as we get up to the very planting deadlines that are so close and are probably already in place in the State of Alabama and other areas of the South.

Every farmer of the United States would know what the policy for the next 7 years would be if the President had not vetoed that bill. Every farmer would know the amount of money that would be spent on agriculture from the U.S. Treasury over the next 7 years—that would be $43.5 billion—with $6 billion being spent in 1996. Without this legislation this money will not be spent and if the proposals from the other side of the aisle were adopted, there would not be $6 million going into agriculture in 1996. So the certainty of the money going there, it seems to me, ought to be pretty enticing to everybody on the other side of the aisle to back our proposal, plus the fact that there would be certainty in agriculture policy for the next 7 years.

Somewhat unrelated to the immediate problem we have before us but directly related to the fact that the other side is, in a sense, rejecting $6 billion going into agriculture in 1996 and rejecting the proposal of this side of the certainty of $43.5 billion going into agriculture over the next 7 years is the fact that—this may not apply to my three friends who are sitting over there from agriculture states, there are some prominent people on the other side of the aisle who have voted against past farm bills because they did not put enough money into agriculture. I am speaking specifically of the 1990 farm bill and the 1985 farm bill.

How ironic that those very same people are going to oppose what we are trying to do because somehow it puts too much money into agriculture this crop year. Is that not ironic. People on the other side of the aisle who voted against the 1990 farm bill, the 1985 farm bill because it did not put enough money into agriculture, are objecting to Republican efforts that has a farm bill that would put $6 billion into agriculture and a certainty of $43.5 billion over the next 7 years. And $43.5 billion might sound like a lot of money. But it is less than half what has been spent on agriculture in recent years. The farm bill is about the only program in the Balanced Budget Act of 1995 that actually was cut. Most of the other programs in that Balanced Budget Act were slowing the rate of growth.

I want to move on and say it would have also given—what we proposed to do yesterday, and the very same thing that the President vetoed in December would have set a policy that every farmer in America would have the opportunity to plant according to the marketplace, not according to policy decisions made in Washington. Furthermore, every acre would be planted. I think that is a sound agricultural policy, and it was rejected by the other side yesterday.

When we are up to these planting deadlines you may not get exactly what you want, I may not get exactly what I want, but let me say this: Every major farm organization in the United States supports the Freedom To Farm Act. Every major commodity group in the United States supports what was in that bill. Yet there are some who would take the view that at this last minute that is not good enough for them. Or in some cases, ironically, it might be too much. But what is ironic about that, some of the very same people said in past years we were not doing enough for agriculture.

I will yield the floor, although I hope we can have some more discussion on this if the people want to discuss it. I think it is such an important issue that we have to proceed and we have to reach an agreement on this.

SUMMARY OF EVENTS

Mr. DORGAN. Mr. President, I listened with interest to my colleague from Iowa and I want to make a couple of rejoinders and a couple of other additional comments.

I was on the floor yesterday, as a matter of fact. So, I well understand what happened yesterday. The Senator from Idaho brought a bill to the floor by unanimous consent to take the so-called Freedom To Farm Act out of the budget reconciliation bill and deem it passed by itself on the floor. I objected to that.

I then offered a unanimous-consent request on the floor to take the piece of legislation I had introduced extending the current farm program for 1 year. It would also provide enormous planting flexibility so farmers can plant any crop within their base acres, and provide some forgiveness of the advance deficiency agreement. And, the majority party objected to that.

Then the majority party, by the Senator from Idaho, offered a unanimous-consent request to abolish the 1949 Permanent Farm Act. I do not understand why the majority party would put itself in a position of coming to the floor of the Senate to say "We would like to go on record saying we want no farm policy." I puzzled over that last evening, wondering why would the majority party be out here with that message? Why would they say, "If we cannot get the Freedom To Farm Act, we want nothing. We want to abolish the 1949 act."

Then I offered a second unanimous-consent request in which I said, "Well, if you do not agree with extending the program for one year with the other provisions I included, then would you at least agree with forgiving the advance deficiency payments, because you said you agreed with that. I will make a unanimous-consent request that we bring that up and deem that to have passed." The majority party objected to that. So that is what happened yesterday.

This is not just a chapter. This is a novel. One has to read all the chapters to understand the story line of this novel. This is not, however, entertainment reading for farmers in our country.

We are at the end of January. Congress has a responsibility to have a farm program and we do not have one. Some might say, "Well, you do not have one because you would not swallow what we tried to shove down somebody's throat." I heard from others yesterday, "Well, gee, nobody tried to shove anything down anybody's throat."

The Senator from Alabama is on the committee. There was not a markup in which there was full discussion. We should have all reasoned together in a bipartisan way the way we have always done it on a 5-year farm bill. There was none of that.

There was not a bipartisan approach to a farm bill. It was, "Here it is, swallow it or leave it. And, by the way, we will put it into the budget reconciliation bill for the first time in history." We have never done that before. The strategy was, "That is where we will put it and we know the President will veto the bill. Then after he vetoes it we will feign surprise that we do not have a farm policy."

I am puzzled. We must on every day in every way decide to give farmers an answer. What will the policy be? We must find a way to agree on common elements. I think there are areas where we have common agreement. We agree with substantial flexibility. We agree on that. There are a number of areas we agree. Forgiveness on some of the advance deficiencies.

Farmers do not have the luxury of saying, "It is spring. The sun is shining. We have just had some rain but I decided to defer my planting until July."

Congress ought not have the luxury of deciding it can wait until Friday, the next Friday, or the next spring to decide what the farm policy ought to be. If farmers do not have the luxury not to plant or harvest, we ought not have the luxury to decide not to give farmers an answer of what the farm policy ought to be in this country.

We have a responsibility to pass a 5-year farm plan. It has not been done. Somebody said, "Well, but we did it." Yes, it was stuck into a reconciliation bill. But, the fact is it did not get passed. Everybody knew it would not get signed by the President and so we are left with nothing.

It seems to me we have a responsibility now to make something out of this mess. All of us from farm country need to come together here. This is not a joke or a laughing matter or amusing to any farmer in this country. They want to know under what conditions will they plant this spring.

Farmers face twin risks of planting a seed, not knowing whether it will grow, and then, if it grows, not knowing whether there will be a price at the marketplace. Family size farms wash away when international prices go down and stay down. That is why we have a safety net. That safety net is what we should be debating here in this Congress. Farmers deserve an answer, and we are going to keep pushing day after day to give them an answer.

Let me comment on the $6 billion my colleague mentioned. It is simply not the case that people over here say we do not want to spend enough on agriculture. That is not the case. My colleague knows that is not the case. The fact is, we are not debating the baseline for the 7-year period on agriculture. If we were debating that, the debate on the baseline is that the majority party's budget cut far more than twice as much from the baseline than the budget cuts that we had offered. If we are going to debate baselines, that is what we ought to debate. And I would be glad to do that, but I also want to go on to another brief subject.

A WAY TO BALANCE THE BUDGET

Mr. DORGAN. Mr. President, I was very heartened a few minutes ago by the discussion of the Senator from Mississippi, Senator LOTT, in which he talked about something that a number of us had advocated and the President advocated last evening.

In fact, Senator EXON and I were in a press conference about a week or so ago. At that time we said one idea about resolving the budget issue is to package up each side's offer, take the lower spending cut on each of the offers. When you add all that up you reach $711 billion in spending cuts and you reach savings sufficient so you can balance the budget. Why do we not do that?

The President came to the floor of the Chamber of the House last evening and said let us do that. Let us at least do that. We can just take the lower of the two offers from the Republicans and the Democrats. We can take the lower in each spending category of the two offers of saving money in every category. Then you have $711 billion, which is sufficient to balance the budget.

What I heard this morning is that the Speaker of the House suggested that might be a good thing. Senator LOTT indicated that makes a lot of sense. If we are moving in that direction, I am enormously heartened by that. It is a way to move toward a balanced budget, do it with the right priorities and do it in the right way.

If we can do that, we can solve the problems of the CR, the debt limit. We can have a clean appropriations extension, pass a clean debt limit and agree on taking $711 billion of savings. As a result we can balance this Federal budget. Then we will have done something, I think, of substantial good for this country.

So I would just say that I feel heartened by at least the little snippets I have heard today, first on television this morning by the Speaker, and next in a discussion by Senator LOTT. Maybe there is a formula here for breaking this gridlock and actually reaching results with respect to a 7-year balanced budget plan.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The distinguished Senator from Nebraska.

Mr. EXON. Mr. President, we are in morning business as I understand it?

The PRESIDING OFFICER. Morning business expired at 5:30, but the Senator may request to proceed under morning business.

Mr. EXON. Has time been limited for Senators in morning business when we were in morning business?

The PRESIDING OFFICER. We had been under a 5-minute guideline.

Mr. EXON. Mr. President, I ask I may be allowed to proceed under the same rules for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM BILL

Mr. EXON. Mr. President, there are two things I want to talk about. First, I have heard some of the discussion with regard to farm policy by some of my closest friends and colleagues on both sides of the aisle today. It is a pretty sad situation when I see that the usual farm coalition between Democrats and Republicans is obviously breaking down. I think it is a tragedy of major proportions.

I would simply say, there are those of us who feel we should stay in session for lots of reasons, not the least of which is to pass a farm bill. If we cannot come to some kind of an agreement, I hope the majority leader will simply call up the farm bill for discussion, debate it on the floor of the U.S. Senate, pass something, and send it to the President and see if he will sign it.

The President, I might add, has been very supportive of the position for funding of agriculture that this Senator, as the lead Democrat on the Budget Committee, has been for a long, long time. We have a profarm advocate sitting at 1600 Pennsylvania Avenue, the President of the United States of America. We should continue to build and work with him.

The various moves that have been made with regard to the Freedom To Farm Act that I do not agree with I will not vote for. I will simply correct something I thought I heard, that all major farm organizations have supported the Freedom To Farm Act. The Farmers Union is a major farm organization in the State of Nebraska. The Farmers Union is not only against the Freedom To Farm Act, it thinks it is folly.

I would say to all of my colleagues, this Senator yesterday had printed in the RECORD some true facts with regard to how far down the welfare road we are going under the Freedom To Farm Act. In summarizing what I put in the RECORD yesterday on page S 321 under Exhibit 1, for a 500-acre farm, 120 bushels to the acre in corn yield, the present cash price is in the vicinity of $3.10. That would be $186,000 gross—not net, gross—that the farmer would receive.

On top of that, under the Freedom To Farm Act, there is a welfare payment that goes to corn farmers. I think, when all the corn farmers found out about this, and especially when the public found out about it, there would be a revolution, and the Freedom To Farm Act would fall by the wayside, because, in the example that I have just given, a farmer would receive a check from the Federal Government for 1996 of $16,200 on top of the $186,000 gross that he got from his crop.

That might not be so bad. You might argue that is still a good thing, at $3.10 a bushel for corn. But most people in and outside the business recognize that $3.10 a bushel for corn is a pretty good price and one we can be satisfied with. The point is, if it were $5 a bushel or $7 a bushel, which I do not think it will ever go to, but whatever the price of corn would be under the Freedom To Farm Act, this typical farmer, and every farmer who is in a similar situation, which is typical, would receive a check from the Government regardless of the price of corn in the marketplace. That is welfare. That is an excessive amount of money.

I am for freedom-to-farm principles, giving them the decisions they can make out there on the farm. I am for simplifying. But I simply say there is a fault here in the Freedom To Farm Act that is a giveaway.

DO NOT RECESS THE SENATE

Mr. EXON. Mr. President, I wanted to make just a few comments, if I might, with regard to what I consider to be a very ill-advised move, and that is the consideration that maybe, after Friday, we are going to recess the U.S. Senate, right in the middle of very important negotiations. I would simply say, Mr. President, we should stay here, work on the farm bill, work on the debt ceiling, work on the budget, and come up with a compromise. Certainly I, too, was pleased with the President's address last night and the acceptance, generally, as I understand it, of Speaker GINGRICH and leading Republicans in the U.S. Senate that says to take this $711 billion and balance the budget in 7 years, with CBO scoring, which we have all been for.

We cannot do those things, we cannot solve the crisis in the debt ceiling, by leaving here and not coming back until 2 or 3 days before we would have default. I hope, and I appeal, for both the House and the Senate to remain in session and do our work, especially at this critical time with regard to the farm bill and the other important matters that we have on our plate.

I thank the Chair and I yield the floor.

REPORT OF THE INTERNATIONAL BODY ON NORTHERN IRELAND

Mr. KENNEDY. Mr. President, last November, the British and Irish Governments acted jointly to create an innovative three-member committee, called the International Body, to assess an extremely difficult issue that had become a serious obstacle to the peace process in Northern Ireland—how to remove all arms from Irish politics.

Our former colleague, Senator George Mitchell, agreed to serve as chairman of the International Body, and he was joined by two other distinguished international leaders, Gen. John de Chastelain of Canada and former Prime Minister Harri Holkeri of Finland.

The International Body issued its report earlier today, and I welcome it as a reasonable way forward for all sides in Northern Ireland. I hope all sides will make the fair and modest concessions needed to enable the peace process to move ahead.

I commend Senator Mitchell, General de Chastelain, and Prime Minister Holkeri for their sensible approach to the difficult problem of decommissioning weapons. The International Body did its work well. Reasonable people who genuinely want peace have a priceless opportunity now to make the kind of progress needed to end the current impasse. It is time for all-party talks to begin.

I believe that all of us in Congress concerned about Northern Ireland will find this report of great interest, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE INTERNATIONAL BODY, JANUARY 22, 1996

(By George J. Mitchell, Chairman, John de Chastelain, and Harri Holkeri)

I. INTRODUCTION

1. On 28 November 1995, the British and Irish Governments issued a Communiqué which announced the launching in Northern Ireland of a "'twin track' process to make progress in parallel on the decommissioning issue and on all-party negotiations."

2. One track was "to invite the parties to intensive preparatory talks with a remit to reach widespread agreement on the basis, participation, structure, format and agenda to bring all parties together for substantive negotiations aimed at a political settlement based on consent." This has become known as the political track.

3. The other track concerned the decommissioning of arms and was set forth as follows in the Communiqué:

"5. In parallel, the two Governments have agreed to establish an International Body to provide an independent assessment of the decommissioning issue.

"6. Recognising the widely expressed desire to see all arms removed from Irish politics, the two Governments will ask the International Body to report on the arrangements necessary for the removal from the political equation of arms silenced by virtue of the welcome decisions taken last Summer and Autumn by those organizations that previously supported the use of arms for political purposes.

"7. In particular, the two Governments will ask the Body to:

—identify and advise on a suitable and acceptable method for full and verifiable decommissioning; and

—report whether there is a clear commitment on the part of those in possession of such arms to work constructively to achieve that.

"8. It will be for the International Body to determine its own procedures. The two Governments expect it to consult widely, to invite relevant parties to submit their analysis of matters relevant to the decommissioning issue and, in reaching its conclusions within its remit, to consider such evidence on its merits."

4. We are that Body. This is our report. We have no stake in Northern Ireland other than an interest in seeing an end of the conflict and in the ability of its people to live in peace. Our role is to bring an independent perspective to the issue. We are motivated solely by our wish to help. This assessment represents our best and our independent judgement. We are unanimous in our views. There are no differences of opinion among us.

5. To provide us with sufficient information to meet our remit, we held two series of meetings in Belfast, Dublin and London: the first, 15 through 18 December 1995; the second, 11 through 22 January 1996. In addition, we held an organisational meeting in New York on 9 December 1995.

6. In the course of our meetings we heard orally and in writing from dozens of government officials, political leaders, church officials and representatives of other organizations and institutions. We received hundreds of letters and telephone calls from members of the public and met with many others. We thank all for their submissions. Contributions from those who suffered losses during the time of troubles but are strongly committed to the peace process were especially moving. All the submissions have been carefully reviewed and considered.

II. DISCUSSION

7. Our examination of the issues and of the facts, and the perspectives brought to us by those who briefed us or who made written representations to us, convince us that while there is no simple solution to the conflict in Northern Ireland, the factors on which a process for peace must be based are already known. We can indicate the way we believe these factors should be addressed so that decommissioning of arms and all-party negotiations can proceed, but only resolute action by the parties themselves will produce progress.

8. That noted, we are aware of the enormous contribution already made by individuals and groups in advancing the process of peace in Northern Ireland to its current stage. The tireless and courageous efforts of Prime Minister John Major and *Taoiseach* John Bruton (and before him Albert Reynolds) have been essential to the peace process. They have been joined by other political leaders, institutions, organisations and individuals in the promotion of peace.

9. We consider our task in the light of our responsibility to all of the people of Northern Ireland; the need for the people to be reassured that their democratic and moral expectations can be realised; and in the spirit of serious efforts made by the British and Irish Governments to advance the peace process.

10. For nearly a year and a half, the guns have been silent in Northern Ireland. The people want that silence to continue. They want lasting peace in a just society in which paramilitary violence plays no part. That was the dominant theme expressed in the many letters and calls we received from those in the North and South, Unionist and Nationalist, Catholic and Protestant, Loyalist and Republican.

11. Notwithstanding reprehensible "punishment" killings and beatings, the sustained observance of the cease-fires should not be devalued. It is a significant factor which must be given due weight in assessing the commitment of the paramilitaries to "work constructively to achieve" full and verifiable decommissioning.

12. Since the cease-fires, the political debate has focused largely on the differences that have prevented the commencement of all-party negotiations intended to achieve an agreed political settlement. This circumstance has obscured the widespread agreement that exists—so widespread that it tends to be taken for granted. In fact, members of both traditions may be less far apart on the resolution of their differences than they believe.

13. No one should underestimate the value of the consensus for peace, and the fact that no significant group is actively seeking to end it.

14. In paragraph five of the Communiqué we were asked "to provide an independent assessment of the decommissioning issue." It is a serious issue. It is also a symptom of a larger problem; the absence of trust. Common to many of our meetings were arguments, steeped in history, as to why the other side cannot be trusted. As a consequence, even well-intentioned acts are often viewed with suspicion and hostility.

15. But a resolution of the decommissioning issue—or any other issue—will not be found if the parties resort to their vast inventories of historical recrimination. Or, as it was put to us several times, what is really needed is the decommissioning of mind-sets in Northern Ireland.

16. We have asked ourselves how those who have suffered during the many years of internal strife can accept the fact that the establishment of a lasting peace will call for reconciliation with those they hold responsible for their loss and pain. Surely the continued suffering and bereavement of individuals and of families should never be forgotten. But if the focus remains on the past, the past will become the future, and that is something no one can desire.

17. Everyone with whom we spoke agrees in principle with the need to decommission. There are differences on the timing and context—indeed, those differences led to the creation of this Body—but they should not obscure the nearly universal support which exists for the total and verifiable disarmament of all paramilitary organizations. That must continue to be a principal objective.

18. However the issue of decommissioning is resolved, that alone will not lead directly to all-party negotiations. Much work remains on the many issues involved in the political track. The parties should address those issues with urgency.

III. RECOMMENDATIONS: PRINCIPLES OF DEMOCRACY AND NON-VIOLENCE

19. To reach an agreed political settlement and to take the gun out of Irish politics, there must be commitment and adherence to fundamental principles of democracy and non-violence. Participants in all-party negotiations should affirm their commitment to such principles.

20. Accordingly, we recommend that the parties to such negotiations affirm their total and absolute commitment:

a. To democratic and exclusively peaceful means of resolving political issues;

b. To the total disarmament of all paramilitary organizations;

c. To agree that such disarmament must be verifiable to the satisfaction of an independent commission;

d. To renounce for themselves, and to oppose any effort by others, to use force, or threaten to use force, to influence the course or the outcome of all-party negotiations;

e. To agree to abide by the terms of any agreement reached in all-party negotiations and to resort to democratic and exclusively peaceful methods in trying to alter any aspect of that outcome with which they may disagree; and

f. To urge that "punishment" killings and beatings stop and to take effective steps to prevent such actions.

21. We join the Governments, religious leaders and many others in condemning

"punishment" killings and beatings. They contribute to the fear that those who have used violence to pursue political objectives in the past will do so again in the future. Such actions have no place in a lawful society.

22. Those who demand decommissioning prior to all-party negotiations do so out of concern that the paramilitaries will use force, or threaten to use force, to influence the negotiations, or to change any aspect of the outcome of negotiations with which they disagree. Given the history of Northern Ireland, this is not an unreasonable concern. The principles we recommend address those concerns directly.

23. These commitments, when made and honoured, would remove the threat of force before, during and after all-party negotiations. They would focus all concerned on what is ultimately essential if the gun is to be taken out of Irish politics: an agreed political settlement and the total and verifiable disarmament of all paramilitary organisations. That should encourage the belief that the peace process will truly be an exercise in democracy, not one influenced by the threat of violence.

IV. COMMITMENT TO DECOMMISSIONING

24. The second of the specific questions in paragraph seven of the Communiqué asks us "to report whether there is a clear commitment on the part of those in possession of such arms to work constructively to achieve" full and verifiable decommissioning.

25. We have concluded that there is a clear commitment on the part of those in possession of such arms to work constructively to achieve full and verifiable decommissioning as part of the process of all-party negotiations; but that commitment does not include decommissioning prior to such negotiations.

26. After careful consideration, on the basis of intensive discussions with the Governments, the political parties, religious leaders, the security forces, and many others, we have concluded that the paramilitary organisations will not decommission any arms prior to all-party negotiations. That was the unanimous and emphatically expressed view of the representatives of the political parties close to paramilitary organisations on both sides. It was also the view of the vast majority of the organisations and individuals who made oral and written submissions. It is not that they are all opposed to prior decommissioning. To the contrary, many favour it. But they are convinced that it will not happen. That is the reality with which all concerned must deal.

27. Competing views were advanced on prior decommissioning. One was that decommissioning of arms must occur prior to all-party negotiations. We were told that the clearest demonstration of adherence to democratic principles, and of a permanent end to the use of violence, is the safe removal and disposal of paramilitary arms, and that at this time only a start to decommissioning will provide the confidence necessary for all-party negotiations to commence. In this view, all parties were aware of the need for prior decommissioning before the cease-fires were announced and should not now be able to avoid that requirement.

28. In the competing view we were told that decommissioning of arms prior to all-party negotiations was not requested before the announcement of the cease-fires, and that had it been, there would have been no cease-fires; that those who entered into cease-fires did so in the belief they would lead immediately to all-party negotiations; and that the request for prior decommissioning, seriously pursued for the first time months after the cease-fires were declared, is merely a tactic to delay or deny such negotiations. In this view, the cease-fires having been maintained for nearly a year and a half, all-party negotiations should begin immediately with no further requirements.

29. We believe that each side of this argument reflects a core of reasonable concern which deserves to be understood and addressed by the other side.

30. Those who insist on prior decommissioning need to be reassured that the commitment to peaceful and democratic means by those formerly supportive of politically motivated violence is genuine and irreversible, and that the threat or use of such violence will not be invoked to influence the process of negotiations or to change any agreed settlement.

31. Those who have been persuaded to abandon violence for the peaceful political path need to be reassured that a meaningful and inclusive process of negotiation is genuinely being offered to address the legitimate concerns of their traditions and the need for new political arrangements with which all can identify.

32. Clearly, new approaches must be explored to overcome this impasse. That is the purpose of the six principles we recommend. They invoke a comprehensive commitment to democracy and non-violence that is intended to reassure all parties to the negotiations.

V. DECOMMISSIONING DURING ALL-PARTY NEGOTIATIONS

33. One side has insisted that some decommissioning of arms must take place before all-party negotiations can begin. The other side has insisted that no decommissioning can take place until the end of the process, after an agreed settlement has been reached. This has resulted in the current impasse.

34. The parties should consider an approach under which some decommissioning would take place during the process of all-party negotiations, rather than before or after as the parties now urge. Such an approach represents a compromise. If the peace process is to move forward, the current impasse must be overcome. While both sides have been adamant in their positions, both have repeatedly expressed the desire to move forward. This approach provides them that opportunity.

35. In addition, it offers the parties an opportunity to use the process of decommissioning to build confidence one step at a time during negotiations. As progress is made on political issues, even modest mutual steps on decommissioning could help create the atmosphere needed for further steps in a progressive pattern of mounting trust and confidence.

VI. RECOMMENDATIONS: GUIDELINES ON THE MODALITIES OF DECOMMISSIONING

36. The first of the specific questions in paragraph seven of the Communiqué asks us "to identify and advise on a suitable and acceptable method for full and verifiable decommissioning."

37. We recommend the following guidelines on the modalities of decommissioning. These recommendations are realistic in light of the nature and scale of the arsenals in question, estimates of which were provided to us by the Governments and their security forces. We believe these estimates to be accurate.

38. Decommissioning should receive a high priority in all-party negotiations. The details of decommissioning, including supporting confidence-building measures, timing and sequencing, have to be determined by the parties themselves.

The decommissioning process should suggest neither victory nor defeat.

39. The cease-fires and the peace process are products not of surrender but rather of a willingness to address differences through political means. This essential fact should be reflected clearly in the modalities of the decommissioning process, which should not require that any party be seen to surrender.

The decommissioning process should take place to the satisfaction of an independent commission.

40. The decommissioning process should take place to the satisfaction of an independent commission acceptable to all parties. The commission would be appointed by the British and Irish Governments on the basis of consultations with the other parties to the negotiating process.

41. The commission should be able to operate independently in both jurisdictions, and should enjoy appropriate legal status and immunity.

42. In addition to having available to it independent sources of legal and technical advice and adequate field resources to receive and audit armaments and to observe and verify the decommissioning process, the commission should be able to call upon the resources and the relevant technical expertise of the British and Irish Armies, when it is appropriate.

The decommissioning process should result in the complete destruction of armaments in a manner that contributes to public safety.

43. The decommissioning process should result in the complete destruction of the armaments. Procedures for destruction would include the cutting up or chipping of small arms and other weapons, the controlled explosion of ammunition and explosives, and other forms of conventional munitions disposal.

44. The decommissioning process could encompass a variety of methods, subject to negotiation, including:

The transfer of armaments to the commission or to the designated representatives of either Government, for subsequent destruction;

The provision of information to the commission or to designated representatives of either Government, leading to the discovery of armaments for subsequent destruction; and,

The depositing of armaments for collection and subsequent destruction, by the commission or by representatives of either Government.

Parties should also have the option of destroying their weapons themselves.

45. Priority should be accorded throughout to ensuring that armaments are safely handled and stored, and are not misappropriated.

The decommissioning process should be fully verifiable.

46. Whatever the options chosen for the destruction of armaments, including the destruction of weapons by the parties themselves, verification must occur to the satisfaction of the commission.

47. The commission would record information required to monitor the process effectively. The commission should have available to it the relevant data of the *Garda Siochana* and the Royal Ulster Constabulary. It would report periodically to relevant parties on progress achieved in the decommissioning process.

The decommissioning process should not expose individuals to prosecution.

48. Individuals involved in the decommissioning process should not be prosecuted for the possession of those armaments; amnesties should be established in law in both jurisdictions. Armaments made available for decommissioning, whether directly or indirectly, should be exempt under law from forensic examination, and information obtained as a result of the decommissioning process should be inadmissible as evidence in courts of law in either jurisdiction.

49. Groups in possession of illegal armaments should be free to organise their participation in the decommissioning process as they judge appropriate, e.g. groups may designate particular individuals to deposit armaments on their behalf.

The decommissioning process should be mutual.

50. Decommissioning would take place on the basis of the mutual commitment and participation of the paramilitary organisations. This offers the parties another opportunity to use the process of decommissioning to build confidence one step at a time during negotiations.

VII. FURTHER CONFIDENCE-BUILDING

51. It is important for all participants to take steps to build confidence throughout the peace process. In the course of our discussions, many urged that certain actions other than decommissioning be taken to build confidence. We make no recommendations on them since they are outside our remit, but we believe it appropriate to comment on some since success in the peace process cannot be achieved solely by reference to the decommissioning of arms.

52. Support for the use of violence is incompatible with participation in the democratic process. The early termination of paramilitary activities, including surveillance and targeting, would demonstrate a commitment to peaceful methods and so build trust among other parties and alleviate the fears and anxieties of the general population. So, too, would the provision of information on the status of missing persons, and the return of those who have been forced to leave their communities under threat.

53. Continued action by the Governments on prisoners would bolster trust. So would early implementation of the proposed review of emergency legislation, consistent with the evolving security situation.

54. Different views were expressed as to the weapons to be decommissioned. In the Communiqué, the Governments made clear their view that our remit is limited to those weapons held by paramilitary organisations. We accept and share that view. There is no equivalence between such weapons and those held by security forces. However, in the context of building mutual confidence, we welcome the commitment of the Governments, as stated in paragraph nine of the Communiqué, "to continue to take responsive measures, advised by their respective security authorities, as the threat reduces."

55. We share the hope, expressed by many on all sides, that policing in Northern Ireland can be normalised as soon as the security situation permits. A review of the situation with respect to legally registered weapons and the use of plastic bullets, and continued progress toward more balanced representation in the police force would contribute to the building of trust.

56. Several oral and written submissions raised the idea of an elected body. We note the reference in paragraph three of the Communiqué to "whether and how an elected body could play a part." Elections held in accordance with democratic principles express and reflect the popular will. If it were broadly acceptable, with an appropriate mandate, and within the three-strand structure, an elective process could contribute to the building of confidence.

57. Finally, the importance of further progress in the social and economic development of Northern Ireland and its communities was emphasised time and again in our meetings, in the context of building confidence and establishing a lasting peace.

VIII. CONCLUDING REMARKS

58. Last week we stood in Belfast and looked at a thirty foot high wall and at barriers topped with iron and barbed wire. The wall, which has ironically come to be known as the "peace line," is a tangible symbol of the division of the people of Northern Ireland into two hostile communities. To the outsider both are warm and generous. Between themselves they are fearful and antagonistic.

59. Yet, it is now clear beyond doubt that the vast majority of the people of both traditions want to turn away from the bitter past. There is a powerful desire for peace in Northern Ireland. It is that desire which creates the present opportunity.

60. This is critical time in the history of Northern Ireland. The peace process will move forward or this society could slip back to the horror of the past quarter century.

61. Rigid adherence by the parties to their past positions will simply continue the stalemate which has already lasted too long. In a society as deeply divided as Northern Ireland, reaching across the "peace line" requires a willingness to take risks for peace.

62. The risk may seem high but the reward is great: a future of peace, equality and prosperity for all the people of Northern Ireland.

CHINA—TAIWAN DEVELOPMENTS

Mr. PRESSLER. Mr. President, I urge my colleagues to take a moment to read a story in today's New York Times on proposed military actions by the People's Republic of China [PRC] against the Republic of China on Taiwan. I ask unanimous consent that this article appear in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PRESSLER. According to the story, the People's Republic of China has finished plans for a limited missile attack on Taiwan—an attack that could come following Taiwan's first Presidential election, which is scheduled for March 23.

This revelation is the latest in a series of intimidating tactics that work to threaten Taiwan and destabilize East Asia. Between July 21 and July 26, the PRC conducted a series of ballistic missile test firings 85 miles off the coast of Taiwan. All the missiles were modern, mobile and nuclear capable. No country ever has held this level of field tests for nuclear capable missiles before.

The results of that action were predictable—the stock market and the local currency in Taiwan plunged. These ballistic missile exercises resumed on August 15, and continued through the fall leading up to last December's elections in Taiwan for the 164-seat Legislature.

Now comes word that the PRC has done more than just test its military capability. It has matched its hardware testing with military planning—a plan that calls for one ballistic missile to be launched each day for 30 days.

As was the case with the missile tests, this recent report can be seen as a blatant attempt to influence the outcome of the upcoming Presidential elections in Taiwan. There could be more to this story. I believe this is an attempt to intimidate the Clinton administration and test our Nation's resolve in the Taiwan Straits. The fact that the PRC has advanced a limited but sustained missile attack plan indicates that it believes the Clinton administration may do nothing to strengthen Taiwan's defenses or come to its aid in the event of an attack.

It is not hard to understand why the PRC has come to this conclusion. The Clinton administration's policy with respect to the Taiwan-Mainland China issue is nothing short of confusing. The administration claims to be advancing a policy of deliberate ambiguity. For example, high level administration officials recently have been asked if the United States would come to Taiwan's defense in the event of an attack from the PRC. Their responses were consistently and ominously vague.

The administration seems to believe that this ambiguity will be enough to deter Beijing. Today's report indicates that the exact opposite has occurred. I believe this policy of strategic ambiguity is wrong and has failed. It is not just dangerous for the people of Taiwan, it is potentially destabilizing for the entire East Asia region. It is an approach that clearly advances the PRC's interests and not our own. The administration's ambiguity policy has fueled the belief within the PRC that the United States will look the other way if PRC missiles are launched. Because of our ambiguity, the PRC believes that it can achieve its policy goals at the very least through intimidation and military posturing. Even if the PRC privately has no intention for a direct military confrontation against Taiwan, our ambiguity gives the PRC's military maneuvers greater credibility. It sends a signal of weakness. It fosters a belief that we can be pushed around by the PRC. It is a belief shared by many in Taiwan as well. Indeed, this ambiguity has troubled other Asian democracies in the region, compelling many—from Japan to the Philippines—to increase their defense budgets.

Mr. President, as I said last August, in response to the PRC's first ballistic missile exercise, the United States is faced with three choices: First, we can do nothing, which appears to be the present course. I believe that is not in the national security interest of the United States. We must not allow Asia—a region of many thriving free market, democratic societies—to be dominated by an aggressive, nondemocratic power.

Second, at the other extreme, we could intervene should the moment of conflict become imminent by interposing the United States Pacific fleet in the Taiwan straits. President Truman did so in 1950. This, again, is an extreme course and thus, should only be considered as a last resort. It is a course that could result in a direct military confrontation with the People's Republic of China.

Finally, we can take what I believe is the wisest course, which is a clear and unambiguous demonstration of political and military support so that Asian democracies, including Taiwan can resist aggression. In short, a clear statement of U.S. policy goals and conditions in the region will promote peace and stability far better than the administration's deliberate vagueness. Both houses of Congress have come to this conclusion as well. Both the House and Senate versions of the State Department authorization bill contain identical language that would amend the Taiwan Relations Act [TRA] to supersede restrictions on United States arm sales to Taiwan. These restrictions were imposed in a August 1982 communiqué between the People's Republic of China and the United States. The amendments to the TRA represent a clear statement by Congress that the TRA requires the United States to provide Taiwan with the appropriate means to defend itself.

This latter course achieves a number of important policy goals. First, it demonstrates to all democracies in Asia that the United States intends to work with them to ensure peace and stability in the region. Second, it demonstrates support for the continued political liberalization in Taiwan. Third, it sends a clear signal to the People's Republic of China that the United States will not accept the reunification of Taiwan with the mainland by force.

This latter point is important. Since President Nixon's overtures to Communist China, this Nation has taken a one China policy. The advent of that policy, coupled with the passage of the TRA, was designed to foster a strong diplomatic and economic relationship with the People's Republic of China, while sending a clear signal that our Nation would defend against any forced reunification of Taiwan by the People's Republic of China. Reunification, if it is to occur, must be done through diplomatic means.

I have said before on the Senate floor that our relationship with Taiwan is one of the ironies of history. Taiwan is a democracy and a growing economic power. The United States is Taiwan's primary foreign investor and trader. About 25 percent of Taiwan's exports go to United States markets. Many of Taiwan's business, academic and cultural leaders have studied in the United States. Yet, we do not have diplomatic ties with Taipei.

We must not add tragedy to this irony. In the midst of all its posturing, the People's Republic of China's real intentions are not clear. Most experts are divided on the question of whether or not the People's Republic of China actually will put its military plans into action. We must leave nothing to chance. Regardless of the People's Republic of China's intentions or its goals, the Clinton Administration has to recognize that its current policy of strategic ambiguity has failed. The United States needs to maintain a positive, constructive relationship with both the People's Republic of China and Taiwan. It is time we recognize that this triangular relationship can only be furthered if all sides of this triangle understood United States policy goals in the region.

It is time this Nation make very clear that we will not ignore direct or indirect intimidation against an Asian democracy. It is time that the administration not engage in any sales of advanced telecommunications technology that could be used to further the People's Republic of China's military capability. It is time that the administration came to the conclusion that any military attack by the People's Republic of China against any Asian democracy directly threatens the crucial regional and national security interests of the United States. It is time that we reassert that any reunification of Taiwan with the mainland must not be done through military aggression.

Mr. President, when Congress returns next month, it is my hope that Congress will take the opportunity to take a step toward a clear definition of United States policy in the region, and demonstrate its clear support for the democratic process underway in Taiwan. Given the strong support for amending the Taiwan Relations Act, we may want to consider making these changes through legislation independent of the State Department authorization bill, and to pass this legislation before the upcoming March 23 elections. That's one possible option. Wherever democracy may emerge, the United States should demonstrate its support for such efforts. I believe we should do so, hopefully with the administration's cooperation, but if necessary, without it.

EXHIBIT 1

[From the New York Times, Jan. 24, 1996]

AS CHINA THREATENS TAIWAN, IT MAKES SURE U.S. LISTENS

(By Patrick E. Tyler)

BEIJING, January 23.—The Chinese leadership has sent unusually explicit warnings to the Clinton Administration that China has completed plans for a limited attack on Taiwan that could be mounted in the weeks after Taiwan's President, Lee Tenghui, wins the first democratic balloting for the presidency in March.

The purpose of this saber-rattling is apparently to prod the United States to rein in Taiwan and President Lee, whose push for greater international recognition for the island of 21 million people, has been condemned here as a drive for independence.

While no one familiar with the threats thinks China is on the verge of risking a catastrophic war against Taiwan, some China experts fear that the Taiwan issue has become such a test of national pride for Chinese leaders that the danger of war should be taken seriously.

A senior American official said the Administration has "no independent confirmation or even credible evidence" that the Chinese are contemplating an attack, and spoke almost dismissively of the prospect.

"They can fire missiles, but Taiwan has some teeth of its own," the official said. "And does China want to risk that and the international effects?"

The most pointed of the Chinese warnings was conveyed recently through a former Assistant Secretary of Defense, Chas. W. Freeman Jr., who traveled to China this winter for discussions with senior Chinese officials. On Jan. 4, after returning to Washington, Mr. Freeman informed President Clinton's national security adviser, Anthony Lake, that the People's Liberation Army had prepared plans for a missile attack against Taiwan consisting of one conventional missile strike a day for 30 days.

This warning followed similar statements relayed to Administration officials by John W. Lewis, a Stanford University political scientist who meets frequently with senior Chinese military figures here.

These warnings do not mean that an attack on Taiwan is certain or imminent. Instead, a number of China specialists say that China, through "credible preparations" for an attack, hopes to intimidate the Taiwanese and to influence American policy toward Taiwan. The goal, these experts say, is to force Taiwan to abandon the campaign initiated by President Lee, including his effort to have Taiwan seated at the United Nations, and to end high-profile visits by President Lee to the United States and to other countries.

If the threats fail to rein in Mr. Lee, however, a number of experts now express the view that China could resort to force, despite the enormous consequences for its economy and for political stability in Asia.

Since last summer, when the White House allowed Mr. Lee to visit the United States, the Chinese leadership has escalated its attacks on the Taiwan leader, accusing him of seeking to "split the motherland" and undermine the "one China" policy that had been the bedrock of relations between Beijing and its estranged province since 1949.

A Chinese Foreign Ministry spokeman, asked to comment on reports that the Chinese military has prepared plans for military action against Taiwan, said he was awaiting a response from his superiors. Last month, a senior ministry official said privately that China's obvious preparations for military action have been intended to head off an unwanted conflict.

"We have been trying to do all we can to avoid a scenario in which we are confronted in the end with no other option but a military one," the official said. He said that if China does not succeed in changing Taiwan's course, "then I am afraid there is going to be a war."

Mr. Freeman described the most recent warning during a meeting Mr. Lake had called with nongovernmental China specialists.

Participants said that Mr. Freeman's presentation was arresting as he described being told by a Chinese official of the advanced state of military planning. Preparations for a missile attack on Taiwan, he said, and the target selection to carry it out, have been completed and await a final decision by the Politburo in Beijing.

One of the most dramatic moments came when Mr. Freeman quoted a Chinese official as asserting that China could act militarily against Taiwan without fear of intervention by the United States because American leaders "care more about Los Angeles than they do about Taiwan," a statement that Mr. Freeman characterized as an indirect threat by China to use nuclear weapons against the United States.

An account of the White House meeting was provided by some of the participants. Mr. Freeman, reached by telephone, confirmed the gist of his remarks, reiterating that he believes that while "Beijing clearly prefers negotiation to combat," there is a new sense of urgency in Beijing to end Taiwan's quest for "independent international status."

Mr. Freeman said that President's Lee's behavior "in the weeks following his re-election will determine" whether Beijing's Communist Party leaders feel they must act "by direct military means" to change his behavior.

In recent months, Mr. Freeman said he has relayed a number of warnings to United States Government officials. "I have quoted senior Chinese who told me" that China "would sacrifice 'millions of men' and 'entire cities' to assure the unity of China and who opined that the United States would not make comparable sacrifices."

He also asserted that "some in Beijing may be prepared to engage in nuclear blackmail against the U.S. to insure that Americans do not obstruct" efforts by the People's Liberation Army "to defend the principles of Chinese sovereignty over Taiwan and Chinese national unity."

Some specialists at the meeting wondered if Mr. Freeman's presentation was too alarmist and suggested that parliamentary elections on Taiwan in December had resulted in losses for the ruling Nationalist Party and that President Lee appeared to be moderating his behavior to avoid a crisis.

"I am not alarmist at this point," said one specialist, who would not comment on the substance of the White House meeting. "I don't think the evidence is developing in that direction."

Other participants in the White House meeting, who said they would not violate the confidentiality pledge of the private session, separately expressed their concern that a potential military crisis is building in the Taiwan Strait.

"I think there is evidence to suggest that the Chinese are creating at least the option to apply military pressure to Taiwan if they feel that Taiwan is effectively moving out of China's orbit politically," said Kenneth Lieberthal, a China scholar at the University of Michigan and an informal adviser to the Administration.

Mr. Lieberthal, who also has traveled to China in recent months, said Beijing has redeployed forces from other parts of the country to the coastal areas facing Taiwan and set up new command structures "for various kinds of military action against Taiwan."

"They have done all this in a fashion they know Taiwan can monitor," he said, "so as to become credible on the use of force."

"I believe there has been no decision to use military force" he continued, "and they recognize that it would be a policy failure for them to have to resort to force; but they have set up the option, they have communicated that in the most credible fashion and, I believe, the danger is that they would exercise it in certain circumstances."

Several experts cited their concern that actions by Congress in the aftermath of President Lee's expected election could be a critical factor contributing to a military confrontation. If President Lee perceives that he has a strong base of support in the United States Congress and presses forward with his campaign to raise Taiwan's status, the risk of a military crisis is greater, they said. A chief concern is that Congress would seek to invite the Taiwan leader back to the United States as a gesture of American support. A Chinese military leader warned in November that such a step could have "explosive" results.

In recent months, American statements on whether United States forces would come to the defense of Taiwan if it came under attack have been deliberately vague so as to deter Beijing through a posture of what the Pentagon calls "strategic ambiguity."

Some members of Congress assert that the Taiwan Relations Act of 1979 includes an implicit pledge to defend Taiwan if attacked, but Administration officials say that, in the end, the decision would depend on the timing, pretext and nature of Chinese aggression.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the Federal Government is, as the saying goes, living on borrowed time, not to mention borrowed money—nearly $5 trillion of it. As of the close of business yesterday, Tuesday, January 23, the Federal debt stood at $4,987,963,203,048.04. On a per capita basis, every man, woman, and child in America owes $18,932.74 as his or her share of the Federal debt.

MARY BRENNAN'S PUBLIC SERVICE

Mr. PELL. Mr. President, I rise to share with my colleagues the wonderful example of Mary P. Brennan, an extraordinary woman who combined the best qualities of politics and public service.

Mary Brennan, who retired last month as marketing director for Green State Airport after an extraordinary career in politics and public service, lost her battle with breast cancer earlier this month.

In a time when politicians and public servants are the targets of unusually harsh criticism, Mary was a sterling example of how some people were created to ennoble both politics and public service.

If you knew Mary, you felt special. It did not matter if your station were high or low, you received the warmth of her charm, the depth of her compassion and the inspiration of her "can do" spirit.

When she retired after 11 years as marketing director at Green State Airport, it was noted that often she would take 30 minutes to make her way across the airport terminal because she would bump into so many people she knew.

All who knew her, whether in her earlier job as executive aide to former Gov. J. Joseph Garrahy or her most recent job as marketing director, knew that she would put in 150 percent effort.

When asked why she worked so hard for so many people, Mary replied: "If you care about people, you want to service them to the utmost. You start something right, you finish it right."

She was loyal to public service and she valued loyalty above all other virtues. "When you make a commitment to someone," she said, "you keep it."

Mr. President, we will miss Mary tremendously in Rhode Island. I will think of her when I fly into Rhode Island. It also is easy to hark back to an earlier decade and picture her hard at work in the Rhode Island State House.

Governor Garrahy delivered a heartfelt eulogy that I would like to share with my colleagues. I ask unanimous consent that his remarks and obituaries from the Providence, RI, Journal and the Woonsocket, RI, Call be printed in the RECORD as if read.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY FORMER RHODE ISLAND GOV. J. JOSEPH GARRAHY

Mary Brennan—say her name and you are guaranteed to smile. That's because her warmth, her care, her enthusiastic approach to life was contagious. She touched us all.

I can think of no higher honor than to have been asked to speak about my friend, our friend, Mary. My single regret is that I have to do this so soon, so early.

Like all of you, I have a special place in my heart reserved for Mary. She caught my attention 30 years ago and will forever hold it.

To know Mary was to know all the Brennans and the Partingtons, because special above everyone was her family. She came from such solid stock—Bumpsie and Mumsie. At the wonderful age of 91, it was Mumsie who cared for the daughter who loved her so. And boy if there were ever two peas in a pod, it was Mary and Mumsy. We admire your strength Mumsy and your faith. A faith that Mary carried with her throughout her life.

And Mary had a special sisterly bond with her brothers Bill and John. She would defend and care for them and they for her.

Her pride and joy were her two sons—Brian and Sean. She used to say how much like John, Brian was. And boy was she beaming last April at his and Sally's wedding. Sean was with her every step of the way—she was so proud of his work in Alaska and Hawaii and encouraged him to follow his dream. Typical Mary—always selfless.

They were blessed to have her. And, we were all blessed because Mary made us part of her extended family. She adopted each of us and we were better for it. A special thanks to Little Lynne who adopted Mary and was a great comfort in her final days.

All of us could easily be overwhelmed by grief of our great loss. Or we can proceed as Mary would have us—remembering our special times together and understanding what a special woman she was.

Mary has affected more lives than any newspaper report can ever catalogue. Each of us carries memories and stories of how Mary affected us. Every one of my days as Governor could be footnoted with a Mary Brennan story. Whether is was the difficult days of the oil crisis or celebrating RI's true ethnic diversity at one heritage celebration or another, or planning a President's visit, welcoming the most needy citizen in the State Room or working hour after hour during the Blizzard to get food and heat to the stranded, Mary was always there. She could even convince a group of angry voters that I was good, even if I wasn't right!

And I am convinced that were it not for Mary's wise counsel to Lynne Ryan—she and Michael would not be raising a family today. I can hear her words of advice, "Lynne, be patient. He's Irish!"

Service to others was Mary's hallmark. An honorable devoted, and selfless public servant. From her early days running her own travel agency to the Heritage years and nearly a decade in the Governor's Office to her airport, travel and tourism time, Mary continuously served others. She would say "if you care about people, you want to service them to the utmost." We all have a story of how Mary extended herself to each of us.

It didn't matter who you were, if you needed help, she was there. Her generosity knew no bounds.

All of us here today are a testimony to her life. Mary was as at ease with Governors, Bishops and Generals as she was with the regular folk. Individually, each of us represents a part of her life.

Well Mary, you have made our lives richer—serving as a teacher of how to treat people and have a passion for life. You made the world better because you have passed through it.

Although most didn't have a chance to say goodbye, every time you left Mary, your heart was a little warmer because you left with a piece of her heart.

As we help Mary to her rest today—close your eyes and think of how good Mary always made you feel about yourself.

Think of how Mary made you feel as if no one else in the world mattered but you.

Think of how Mary helped to make us work harder and be better than we ever thought we could be.

Close your eyes and think of how many times Mary got you to do the right thing—even when you didn't want to do it—and then made you believe it was your idea all along.

How fortunate are we, each one of us, to have been a part of Mary Brennan's life. We always felt safe with Mary. We knew that if anything went wrong Mary was there to fix it—to insure that things worked smoothly.

Now we are on our own. Sadness fills us today. But we are better because of Mary. We have smiled more because of Mary. And we will carry forward because that's what Mary would want.

And we can be happy for Mary that she is reunited with her Johnny. John Brennan who Mary so cherished.

Mike Ryan and I visited with Mary last Friday and she recalled the last book that John was working on before he passed away. She said she had to finish it to make the collection complete. Some of you may know that during my years as Governor, John Brennan painstakingly cut and catalogued a newspaper history of my terms of office.

Well John's been hard at work; cutting and cataloguing Mary's good deeds, her kindness, her courage and her love for her family. And John will make certain that St. Peter reads every single volume.

We love you Mary and we thank God for giving you to us.

[From the Providence Journal, Jan. 12, 1996]

MARY P. BRENNAN, FORMER DIRECTOR OF AIRPORT MARKETING, DIES AT 62

CUMBERLAND.—Mary P. Brennan, 62, who retired last month as marketing director for Green State Airport, died yesterday in Rhode Island Hospital.

Mrs. Brennan, who lived at 2 Hewes St., had been suffering from breast cancer.

She was the wife of the late John P. Brennan and the daughter of Mae Partington of Cumberland and the late Willard Partington.

Eugene Tansey, director of the state Airport Corporation, recalled on the occasion of Mrs. Brennan's retirement that it often would take her 30 minutes to make her way across the terminal because she would bump into so many people she knew.

"She knows everybody," Tansey remarked. "You can hear people yelling across the floor, 'Mary, Mary!' "

Linda Fischer worked with Mrs. Brennan when the two were executive aides to Gov. J. Joseph Garrahy. She recalled Mrs. Brennan as a stickler for detail.

"You'd always turn to her and you knew exactly what you asked would be done," Fischer said in an interview last month with M. Charles Bakst, Journal-Bulletin political columnist. "There was never a time limit to the hours she would put in."

Mike Ryan, who served Garrahy as press secretary, said Mrs. Brennan always put in 150 percent of effort.

When asked why she worked so hard for so many years, she said, "If you care about people, you want to service them to the utmost." She said also that if "you start something right, you finish it right."

She said she valued loyalty above all other virtues. "When you make a commitment to someone, you keep it," she said.

Garrahy said her loyalty was to public service, and people came to depend upon her for that. "She was a public servant," the former governor said.

Mrs. Brennan was appointed to the Greater Providence-Warwick Convention & Visitors Bureau, but her tenure there fell prey to politics in November when both Mayor Vincent A. Cianci Jr. of Providence and Governor Almond sought her vote to break a tie in a struggle over whether Cianci or Almond would control the panel.

Mrs. Brennan was a state employee, but her brother, John J. Partington, was director of public safety for Cianci. She resolved the matter by resigning.

She also leaves another brother, Bill Partington, also of Cumberland, and two sons, Brian Brennan of Warwick and Sean Brennan of Cumberland.

The J.J. Duffy Funeral Home, 757 Mendon Rd., Cumberland, is handling funeral arrangements, which were incomplete last night.

[From the Woonsocket, RI, Call, Jan. 12, 1996]

MARY P. BRENNAN; LEADER IN STATE, CHARITY CONCERNS

CUMBERLAND.—Mrs. Mary P. (Partington) Brennan, 62, of 75 Hewes St., an executive in state positions for 25 years, died yesterday in Rhode Island Hospital, Providence. She was the wife of the late John P. Brennan.

Born Sept. 24, 1933, in Cumberland, a daughter of Mary C. (Hogan) Partington of Cumberland and the late Willard F. Partington, she was a lifelong town resident. She graduated from St. Xavier's Academy, Providence, in 1951 and the Ward Finishing School, Worcester, in 1954.

Mrs. Brennan was the marketing director for 11 years for the Rhode Island Airport Corp. at T.F. Green State Airport, Warwick, retiring last month.

Before that she was a station manager for Mohawk-Allegheny (USAir)—the first woman to hold that position in the country—at Logan Airport, Boston, from 1954 to 1960; owner of the Tradewinds Travel Agency, Providence, from 1960 to 1963; state coordinator of the Bicentennial celebration from 1971 to 1976; and an executive aide to Gov. J. Joseph Garrahy until 1984.

Mrs. Brennan recently was chairwoman of the Rhode Island Infrastructure Committee of the White House Conference on Travel/Tourism. She had served as chairwoman of the Governor's Advisory Council on Tourism, Discover New England and the Foundation for the Promotion of State Cultural Heritage; vice chairwoman of the Rhode Island Heritage Commission; vice president of New England USA Travel and Tourism; and a member of several other tourism organizations and commissions. She received the Governor's Award on Tourism in 1987.

She also contributed her time and experience to the Rhode Island 350th Celebration, Tall Ships Task Force, America's Cup Task Force, National and New England Governors conferences, Rhode Island Historical Society, Save the Bay and the January 1995 Inaugural Committee. She was president of the Rhode Island Heritage Hall of Fame.

Active in health and charity concerns, Mrs. Brennan led the Catholic Charity Fund Appeal for the state in 1988 and held memberships in numerous groups, including the Muscular Dystrophy Association, Leukemia Society, Rhode Island Cancer Coalition, Rhode Island Lung Association and Rhode Island Blood Center.

She was a member of the parish council at St. Patrick Church and past president of its Women's Club. She was a member of the Cumberland Crime Stoppers, Greater Providence Chamber of Commerce and the Girl Scouts of Rhode Island fundraising program.

Mrs. Brennan's wide-ranging efforts were recognized with many awards. In 1983 she received the Cumberland Business Association's Person of the Year award, the Italian Historical Society's Citizen award and the City of Newport's Civitas award.

The Papal Medal of the Cross was conferred on her in 1989, and the YWCA of Rhode Island deemed her its Outstanding Woman of 1995. She also has been cited by the Muscular Dystrophy Association, Leukemia Society, American Association of Retired Persons and the National Federation of the Blind.

She also is survived by two sons, Brian Brennan of Warwick and Sean Brennan of Cumberland; and two brothers, Providence Commissioner of Public Safety and former Cumberland Police Chief John J. Partington and Willard F. "Bill" Partington, both of Cumberland.

A Mass will be celebrated tomorrow at 11 a.m. at the Cathedral of SS. Peter and Paul, Cathedral Square, Providence. Burial will be in Resurrection Cemetery. Arrangements are under the direction of the J.J. Duffy Funeral Home, 757 Mendon Road.

ORPHANAGES IN CHINA

Mr. PELL. Mr. President, our attention should be drawn to a horrifying report issued this month by the respected human rights organization, Human Rights Watch/Asia, titled "Death by Default: A Policy of Fatal Neglect in China's State Orphanages." The allegations raised in "Death by Default" are more than a little disturbing; they are shocking. Mr. President, I ask that the report's "Summary and Recommendations" be submitted for the RECORD.

The report paints a grim picture of the lives of China's youngest, least fortunate citizens. With well-documented details from one institution—the Shanghai Children's Welfare Institute—and publicly available statistics for orphanages nationwide provided by China's Ministry of Civil Affairs, the report indicates that orphans in most of China's state-run institutions are living in horrible conditions with little hope for survival. Statistics provided by the Ministry allow Human Rights Watch to conservatively estimate a national death rate in China's orphanages of 25 percent. Critics of the report charge that terrible conditions and high death rates are to be expected in a developing country because of a lack of adequate funding, but "Death by Default" again uses official documents to show otherwise. The report shows, for example, that from 1989 to 1992 employees' salaries at state-run orphanages nationally increased at close to twice the rate of expenditures for the children. The question does not seem to be one of having funding, but one of how that funding is used.

This report relies heavily on documents and pictures taken by a former doctor and a former inmate at the Shanghai Children's Welfare Institute for its most harrowing sections. It provides pictures of emaciated children and children tied to their beds, and stories of medical neglect, dying rooms, beatings and rapes by orphanage officials, and children carrying the corpses of other children to the orphanage's morgue. These nightmarish allegations are made worse by documented accounts of how the doctor and others tried in vain to raise the issue of conditions at the orphanage with city government officials. An investigation into the situation was apparently stonewalled and later stopped completely by senior officials. The report notes that conditions at the Shanghai Children's Welfare Institute have since improved remarkably and it is now open to visitors, even foreigners. But the report strongly indicates that the Shanghai No. 2 Social Welfare Institute, which is not open to the public, may be carrying on many of these same abuses.

Mr. President, I have not visited either of these institutes in China and cannot personally vouch for the accuracy of "Death by Default." But I can say that the evidence it presents to support its allegations is compelling enough for me to join Human Rights Watch/Asia in calling on government officials in Beijing to reopen the investigation into the Shanghai Children's Welfare Institute and to review conditions at state-run institutions nationally. I also urge the U.S. Embassy in Beijing to raise the issue of child welfare with Chinese Government officials at the highest levels. The U.S. Government cannot credibly claim to champion human rights issues globally if it ignores the brutal treatment of young children documented by this report.

This is not the first public report on the state of China's orphanages. The British Broadcasting Corporation and other media organizations have looked at conditions in them before. But I want to commend Human Rights Watch/Asia for again bringing this serious matter to public attention with such a carefully researched document. I hope it is widely read and its recommendations taken in Beijing.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEATH BY DEFAULT: A POLICY OF FATAL NEGLECT IN CHINA'S STATE ORPHANAGES

I. SUMMARY AND RECOMMENDATIONS

China's Orphans and Human Rights

In response to widespread criticism of its human rights record, the Chinese government has frequently argued that the international community places too much emphasis on civil and political rights, while neglecting the more basic rights to food, shelter, and subsistence—rights which China claims to have secured for its citizens more effectively than some democratic countries. In accordance with the country's post-1949 political tradition, China's leaders assert that economic well-being forms the basis for the enjoyment of all other rights, and that the protection of economic rights can therefore justify restrictions on civil liberties.

In some important respects, China's record in protecting social and economic rights may serve as a model for the rest of the developing world. Levels of well-being, as measured by social indicators such as literacy and life expectancy, are considerably higher in China than in other countries at comparable stages of development, and in some cases higher than those in much wealthier nations.

But China's claim to guarantee the "right to subsistence" conceals a secret world of starvation, disease, and unnatural death—a world into which thousands of Chinese citizens disappear each year. The victims are neither the political activists nor the religious dissidents who dominate the international debate over human rights in the People's Republic; they are orphans and abandoned children in custodial institutions run by China's Ministry of Civil Affairs. This report documents the pattern of cruelty, abuse, and malign neglect which has dominated child welfare work in China since the early 1950s, and which now constitutes one of the country's gravest human rights problems.

Human Rights Watch/Asia has now pieced together at least a fragmentary picture of conditions for abandoned children throughout China, including staggering mortality rates for infants in state institutions and the persistent failure of official statistics to track the vast majority of orphans, whose whereabouts and status are unknown.

The evidence—largely official documents cited in detail below—indicates that the likelihood of survival beyond one year, for a newly admitted orphan in China's welfare institutions nationwide, was less than 50 percent in 1989. The documents also show that overall annual mortality at many of China's orphanages is far higher than that documented in any other country. In Romania in December 1989, for example, when foreigners first visited the grim state orphanages housing abandoned and handicapped children and were outraged by what they found there, a representative of the France-based humanitarian group Médecins du Monde stated that the 1989 death rate from infectious disease and neglect was 40 percent, in one home that was particularly abusive. In the Chinese provinces of Fujian, Shaanxi, Guangxi and Henan, overall annual mortality among institutionalized orphans that year ranged from 59.2 percent to 72.5 percent.

When sustained over an extended period, moreover, any of the above annual rates means far higher actual mortality. We estimate that in China's best-known and most prestigious orphanage, the Shanghai Children's Welfare Institute, total mortality in the late 1980s and early 1990s was probably running as high as 90 percent; even official figures put the annual deaths-to-admissions ratio at an appalling 77.6 percent in 1991, and partial figures indicate an increase in 1992. Neither institutional welfare policy nor the size of the orphanage system have changed notably since then, while the crisis of abandoned children continues unabated, due in part to China's one-child policy. In the case of Shanghai, there have been cosmetic improvements at the orphanage itself since 1993, designed to encourage foreign adoption, but there is evidence that many disabled infants and children are now simply transferred to a facility outside the city, where access for outsiders is extremely rare and where, according to numerous reports received by Human Rights Watch/Asia, the children are grossly mistreated.

Unlike their Romanian counterparts, the management and staff of China's orphanages cannot claim that their shortcomings result from a lack of funding or from inadequately paid employees. Dispelling a misconception reflected in nearly all Western media coverage of the issue to date, Human Rights Watch/Asia's research confirms that many Chinese orphanages, including some recording death rates among the worst in the country, appear to enjoy more than sufficient budgets, including adequate wages, bonuses, and other personnel-related costs. Expenses for children's food, clothing, and other necessities, however, are extremely low in institutions throughout the country.

The crisis, both nationwide and in Shanghai, is known to the top leadership of China's Ministry of Civil Affairs. Conditions at the Shanghai orphanage are well known to the local political elite and by members of the Politburo. But the government reaction has been to maintain a facade of normalcy, to punish dissenters who have sought to expose abuses and, in certain crucial cases, to promote those responsible for the abuses.

A Nationwide Crisis

Abandonment of children surged in China during the 1980's, in part due to the one-child population control policy and in part due to policies restricting adoption by Chinese couples who are not childless. The national statistics on mortality cited in this report do not contain a gender breakdown, but anecdotal and journalistic reporting on orphanages nationwide reveals that the vast majority of children in orphanages are, and consistently have been during the past decade, healthy infant girls; that is, children without serious disabilities who are abandoned because of traditional attitudes that value boy children more highly. The financial and social problems that these children are perceived to constitute are made more acute by the fact that Chinese couples are not permitted to adopt them, for the most part.

Reports of inhumane conditions in Chinese orphanages have attracted growing international concern in recent years, prompted chiefly by the country's greater openness to foreign press coverage and charitable work financed from abroad, as well as a dramatic increase in overseas adoptions from the People's Republic. Although some scattered allegations have succeeded in bringing to light grave abuses against China's orphans, there has been virtually no effort to place these charges in context through systematic research on the country's institutional welfare system.

The Chinese government's own statistics reveal a situation worse than even the most alarming Western media reports have suggested. In 1989, the most recent year for which nationwide figures are available, the majority of abandoned children admitted to China's orphanages were dying in institutional care. Many institutions, including some in major cities, appeared to be operating as little more than assembly lines for the elimination of unwanted orphans, with an annual turnover of admissions and deaths far exceeding the number of beds available.

In any case, the majority of abandoned children in China never reach the dubious security of a state-run orphanage. Many are sent instead to general-purpose state institutions, where they are confined indiscriminately with retarded, disabled, elderly, and mentally disturbed adults. Although the statistical evidence is unclear, the limited eyewitness information available suggests that death rates among children held in these facilities may be even higher than in China's specialized orphanages.

In addition, Chinese official records fail to account for most of the country's abandoned infants and children, only a small proportion of whom are in any form of acknowledged state care. The most recent figure provided by the government for the country's orphan population, 100,000 seems implausibly low for a country with a total population of 1.2 billion. Even if it were accurate, however, the whereabouts of the great majority of China's orphans would still be a complete mystery, leaving crucial questions about the country's child welfare system unanswered and suggesting that the real scope of the catastrophe that has befallen China's unwanted children may be far larger than the evidence in this report documents.

Evidence From Shanghai

In addition to nationwide statistics on the condition of China's institutionalized children, Human Rights Watch/Asia has recently obtained a large quality of internal documentation from one of the most prominent specialized orphanages in the country, the Shanghai Children's Welfare Institute. Based on these documents, which include medical records and other official files recording the deaths of hundreds of children, and on the testimony of direct witnesses who left China in 1995, Human Rights Watch/Asia has concluded that conditions at the Shanghai orphanage before 1993 were comparable to those at some of the worst children's institutions in China, several of which have already been exposed in journalistic accounts in the West. Since 1993, a program of cosmetic "reforms" has transformed the Shanghai Children's Welfare Institute into an international showcase for China's social policies, while an administrative reorganization of the city's welfare system has largely concealed the continuing abuse of infants and children.

Ironically, the Chinese government has praised Shanghai's municipal orphanage extensively as a national model for the care of abandoned and disabled children. In addition to frequent flattering coverage in China's official media, the Shanghai Children's Welfare Institute receives considerable financial support from Chinese and international charities and hosts a steady stream of private and official visitors. Behind the institution's glossy official image, however, lies a pattern of horrifying abuse. The brutal treatment of orphans in Shanghai, which included deliberate starvation, torture, and sexual assault, continued over a period of many years and led to the unnatural deaths of well over 1,000 children between 1986 and 1992 alone. This campaign of elimination could be kept secret through the complicity of both higher- and lower-level staff, and because the city's Bureau of Civil Affairs, responsible for the orphanage, also runs the crematoria, where starved children's corpses were disposed of with minimum oversight, often even before a death certificate has been filled out by the attending physician. In addition, officials of various Shanghai municipal agencies knowingly suppressed evidence of child abuse at the orphanage, persistently ignored the institute's high monthly death figures, and in 1992, quashed an investigation into orphanage practices.

Conditions in the Shanghai orphanage came close to being publicly exposed in the early 1990s as a result of pressure by concerned orphanage employees, local journalists and sympathetic Shanghai officials. By 1993, however, virtually all the critical staff members were forced out of their positions and silenced. The orphanage leadership was assisted in its efforts to cover up the truth by three of the city's top leaders: Wu Bangguo, Shanghai's Communist Party secretary; Huang Ju, the city's mayor; and Xie Lijuan, deputy mayor for health, education, and social welfare. Wu, Huang, and Xie were fully informed of the abuses occurring at the Children's Welfare Institute, but took no action to halt them or to punish those responsible, acting instead to shield senior management at the orphanage and to prevent news of the abuses from reaching the public. Meanwhile, Wu Bangguo and Huang Ju have risen to positions of national prominence in China's ruling Politburo.

The cosmetic changes at the Shanghai orphanage since 1993 have been engineered by Han Weicheng, its former director. Although he was a major perpetrator of abuses there, Han was promoted to an even more senior position within the municipal welfare bureaucracy. At about the same time, the orphanage was opened to visitors and large numbers of children from the city's orphanage began to be transferred to another custodial institution, the Shanghai No. 2 Social Welfare Institute. Located on Chongming Island, a remote rural area north of Shanghai, the No. 2 Social Welfare Institute, which is ostensibly a home for severely retarded adults, has been transformed since 1993 into a virtual dumping ground for abandoned infants delivered to the orphanage. While the city government has aggressively promoted the adoption of healthy or mildly disabled orphans by visiting foreigners, reports from visitors to the orphanage in 1995 indicate that infants with more serious handicaps are generally diverted to the Chongming Island institution within weeks or months of their arrival. Human Rights Watch/Asia has not been able to ascertain the mortality rates of children at the No. 2 Social Welfare Institute, but has collected credible reports of severe mistreatment and of staff impunity. Extreme secrecy surrounds the functioning of the Chongming Island institution, raising serious suspicions and fears as to the likely fate of children transferred there.

Perversion of Medical Ethics

Some Western observers have charged that the phenomenally high death rates among China's abandoned children result from neglect and lack of medical training on the part of orphanage employees. Anecdotal evidence from foreign charity workers and adoptive parents has painted a grim picture of decrepit and poorly financed institutions run by demoralized and unskilled nursing staff.

However, medical records and testimony obtained by Human Rights Watch/Asia show that deaths at the Shanghai orphanage were in many cases deliberate and cruel. Childcare workers reportedly selected unwanted infants and children for death by intentional deprivation of food and water—a process known among the workers as the "summary resolution" of childrens' alleged medical problems. When an orphan chosen in this manner was visibly on the point of death from starvation or medical neglect, orphanage doctors were than asked to perform medical "consultations" which served as a ritual marking the child for subsequent termination of care, nutrition, and other life-saving intervention. Deaths from acute malnutrition were then, in many cases, falsely recorded as having resulted from other causes, often entirely spurious or irrelevant conditions such as "mental deficiency" and "cleft palate."

The vast majority of children's recorded at the Shanghai orphanage thus resulted not from lack of access to medical care but from something far more sinister: an apparently systematic program of child elimination in which senior medical staff played a central role. By making unfounded diagnoses of mental retardation and other disorders, these doctors have helped to disseminate the widespread belief—which appears to be quite inaccurate—that virtually all of China's abandoned children are physically or mentally handicapped. Worse, the Shanghai orphanage's medical staff then used these supposed disabilities as a justification for eliminating unwanted infants through starvation and medical neglect. Such unconscionable behavior by doctors in China's most advanced and cosmopolitan city points to an ethical crisis of immense proportions in the country's medical profession.

This corruption of medical ethics reflects broader trends in Chinese law and health policy, including recent debates in the National People's Congress, the country's nominal legislature, on legalizing euthanasia for the incapacitated elderly. Official press reports indicate that the Chinese government may also have given serious consideration to allowing euthanasia for handicapped children, but has declined to do so for fear of the international repercussions. The medical evidence suggests, however, that just such pseudo-eugenic practices may have been carried out at the Shanghai Children's Welfare

Institute. At the very least, the city's abandoned infants, even when not genuinely disabled, became the victims of a policy of deliberate and fatal neglect resulting in their wholesale death by default.

Reports from the Shanghai orphanage also indicate that medical staff there misused their authority in other ways. In several cases, children who were accused of misbehavior or were in a position to expose abuses at the orphanage were falsely diagnosed as "mentally ill" and transferred to psychiatric hospitals against their will; in one case, a teenage girl named Chou Hui was imprisoned for four months to prevent her from testifying that she had been raped by orphanage director Han Weicheng. Many other children were given powerful drugs without any apparent medical justification, in order to control their behavior. Human Rights Watch/Asia calls on the leaders of the Chinese medical profession to denounce these gross ethical violations and to take urgent steps to improve standards of medical ethics in China.

The Need For A Worldwide Response

The enormous loss of life occurring in China's orphanages and other children's institutions calls for immediate action by the international community. The United Nations and its specialized agencies must take the lead in investigating conditions in China's child welfare system and in bringing these abuses to an end. Governments throughout the world must make the treatment of China's abandoned children one of their highest priorities as they continue to press for improvements in the country's human rights record.

The People's Republic of China ratified the United Nations Convention on the Rights of the Child in December 1991, and submitted its first implementation report to the U.N. Committee on the Rights of the Child in 1994. The Chinese government has thus submitted itself voluntarily to international monitoring on the treatment of its minor citizens. Nevertheless, the evidence compiled in this report shows that China's policies towards abandoned infants and children are in clear violation of many articles of the convention. Human Rights Watch/Asia urges the Committee on the Rights of the Child to place conditions in the Chinese child welfare system at the top of its agenda for the coming year. Specialized agencies working on children's issues in China, such as the United Nations Children's Fund (UNICEF) and the World Health Organization, should also make a thorough reform of the country's orphanage system their highest priority. We further call for an immediate investigation into abuses against institutionalized children in China by the Special Rapporteur on Extrajudicial Executions, who investigates patterns of deliberate state action resulting in death.

Action by the United Nations and its agencies must be accompanied by a strong response from national governments. Bilateral pressure on China to ensure the rights of abandoned infants and children should be give at least as high a priority as demands to free political and religious detainees or to end torture and ill-treatment in the country's prisons. Protecting the lives of China's orphans must remain at the top of the agenda in any future human rights dialogue with the Chinese authorities.

Despite the Chinese government's generally hostile attitude towards Western human right organizations, Human Rights Watch/Asia believes that many government and Communist Party officials will recognize the need for immediate action to resolve this humanitarian crisis. Other branches of the Chinese government must hold the Ministry of Civil Affairs and its officials fully accountable for the atrocities being committed against China's orphans. Human Rights Watch/Asia calls on the authorities to take immediate steps to bring an end to these abuses and offers its full cooperation to the Chinese authorities in formulating the necessary reforms. A list of the organization's recommendations follows.

Ending Impunity in Shanghai

Most Chinese citizens familiar only with official media reports on the Shanghai Children's Welfare Institute accept the authorities' claim that conditions for the city's orphans are exemplary. This report shows that the fate of most abandoned children in Shanghai is, in fact, much the same as elsewhere in China. Until 1993, the majority of infants brought to the institute died there within a few months of arrival, and the minority who survived to older childhood were subject to brutal abuse and neglect.

Indeed, the only genuinely unique feature of the Shanghai orphanage appears to be its success since 1993 at generating revenue for the municipal Civil Affairs Bureau. The city's newly reorganized child welfare system now presents the municipal orphanage as its acceptable public face, serving as an advertisement for both charitable giving and profitable foreign adoptions, and a ban on negative media coverage of the Children's Welfare Institute has been in force since 1992.

Human Rights Watch/Asia believes that the spectacular financial success of the Shanghai policies is the real motive behind official praise of the city's child welfare system as a national model. We fear that efforts to duplicate the Shanghai experience elsewhere in China are likely to further worsen conditions for the country's abandoned children, and to strengthen the vested interest of the Ministry of Civil Affairs in obstructing genuine reforms.

Any attempt to improve the treatment of Chinese orphans must therefore begin by reopening the official investigation into misconduct within the Shanghai Civil Affairs Bureau, launched in 1991 and abruptly terminated the following year. Above all, such an inquiry would seek the widest possible publicity for any evidence of wrongdoing uncovered and would pursue appropriate legal sanctions against bureau employees found responsible for abusing children and causing avoidable deaths.

Such an inquiry will confront the fact that a number of people associated directly or indirectly with abuses at the Shanghai orphanage continue to hold positions of authority, and many have since been promoted or otherwise risen in status. The beneficiaries of this apparent impunity range from ordinary staff members such as the child-care worker Xu Shanzhen, certified as a "model worker" in early 1995 despite her brutal abuse of a retarded child, to the former Communist Party secretary of Shanghai, Wu Bangguo, who reportedly ordered media coverage of the scandal suppressed and has since been appointed vice-premier of China.

However, these obstacles make it all the more imperative that swift action be taken at the most senior levels to break the cycle of impunity. Human Rights Watch/Asia urges the Chinese authorities to take the following immediate steps:

(1) The highest government and Communist Party officials in the country should publicly state their determination to investigate unnatural deaths and abuse of children in welfare institutions run by the Shanghai Civil Affairs Bureau.

To demonstrate this commitment, the authorities should immediately reopen the 1991 inquiry into conditions at the Shanghai Children's Welfare Institute. The leadership of the new investigation should be entirely independent of both the Shanghai municipal government and the Ministry of Civil Affairs. Such an inquiry could be led by a specially appointed committee of delegates to the National People's Congress or the Chinese People's Political Consultative Conference. Members of the committee should include medical and legal professionals and should be drawn from throughout the country.

Pending the outcome of the investigation, all management personnel at the institution should be suspended from their positions and replaced by an independent leadership group, preferably including a number of qualified medical doctors, which would aid the authorities in gathering evidence about conditions at the orphanage. Administrative authority over the city's custodial welfare system should be temporarily transferred from the Shanghai Civil Affairs Bureau to another government department, possibly the Shanghai Public Health Bureau.

(2) The authorities should emphasize that institute staff members implicated in criminal offenses against children, including murder, rape, assault, sexual abuse, and financial corruption, will be tried and punished according to Chinese law. Criminal penalties should be applied as well to those responsible for administrative violations, such as falsification of medical records and unlawful disposal of corpses, which constitute, among others, the crime of "dereliction of duty" (*duzhi zui*) under China's Criminal Code.

In reopening the investigation, the authorities should place particular emphasis on the practices of "summary resolution" before 1993, whereby children were intentionally killed through deprivation of food and medical care. Public statements by senior officials should stress that all such incidents, where they can be verified, will be prosecuted to the full extent under Chinese law.

(3) The scope of the investigation should be extended beyond the original terms of the inquiry launched in 1991, and should examine evidence of complicity by senior Shanghai officials in shielding the management of the Children's Welfare Institute. Criminal charges of "dereliction of duty" should be brought against present and former city officials who appear to have knowingly suppressed evidence of child abuse at the orphanage. Among the officials so implicated, in official documents cited in this report, are Wu Bangguo, the former Communist Party secretary of Shanghai; Huang Ju, Shanghai's former mayor; Xie Lijuan, the city's deputy mayor, and Sun Jinfu, director of the Shanghai Civil Affairs Bureau.

(4) The investigation should also examine the legal culpability of other official bodies in Shanghai which helped to conceal misconduct within the Civil Affairs Bureau, in the process implicating their own officials in possible criminal acts. At a minimum, these include:

The Shanghai Public Security Bureau, for allowing the Children's Welfare Institute to disobey regulations governing the reporting of unnatural deaths; for unlawfully detaining and intimidating Chou Hui, the plaintiff in a rape case against the then-director of the orphanage, Han Weicheng; and for failing to investigate the orphanage employees accused of assaulting Chen Dongxian, a driver at the Shanghai orphanage;

The Shanghai Public Health Bureau, for failing to investigate the extremely high monthly death figures reported from the Children's Welfare Institute over a period of years;

The Shanghai Supervision Bureau, for suppressing evidence obtained during an eight-month-long inquiry that it carried out into conditions at the children's Welfare Institute in 1991 and 1992.

(5) The investigation should urgently examine the present situation at the Shanghai No. 2 Social Welfare Institute, including evidence of unlawful practices such as the detention of mentally normal adults against their will, and, the use of disciplinary measures constituting torture or ill-treatment. Special attention should also be paid to conditions for infants and young children secretly transferred to the Chongming Island institute since 1993, and should seek to determine whether the killing of infants through "summary resolution" or other similar methods is presently occurring there. A criminal investigation should be opened into the alleged rape and murder of a twenty-nine-year-old woman, named Guang Zi, at the facility in August 1991.

(6) The municipal Propaganda Department should lift its present ban on critical coverage of events at the Children's Welfare Institute, and invite journalists familiar with conditions at the orphanage to publish any information which might assist the authorities in their investigation. The progress of the official inquiry, including any resulting criminal prosecutions, should be publicized without restraint by local and national media.

Public Accountability

Despite the urgent need to resolve these outstanding problems in Shanghai, the above measures represent only the first stage of what should be a nationwide campaign to improve conditions for children in China's welfare institutes. A critical factor in the success of any such effort will be the Chinese government's willingness to expose these institutions to intensive public scrutiny, not only from concerned foreigners but, even more importantly, from China's own citizens. The deceptive policy of "openness" introduced by the Shanghai Children's Welfare Institute in 1993 must be replaced by genuine transparency in order to prevent future abuses from going undetected.

Human Rights Watch/Asia believes the following measures are likely to produce immediate and substantial improvements in the quality of care for children in state custody, even without fundamental reforms in management and law:

(1) The Ministry of Civil Affairs should immediately publish comprehensive statistics on the scale of China's child abandonment problem. These should given detailed figures on the number of abandoned infants and children discovered in each Chinese province in recent years, as well as the number of such children offered up for legal adoption, fostered with private families, and placed in institutional care.

The ministry should also publish a list of all custodial institutions in China which care for unsupported minors, including specialized orphanages, urban "social welfare institutes," and collectively run "respecting-the-aged homes" in rural areas. The list should include the location of each institution and its population on a specified date, as well as all available statistics on child intake and mortality rates in recent years. In future, such basic population statistics for each institution should be published on an annual basis.

Since most abandoned infants and children in China are delivered to the civil affairs authorities by local police departments and hospitals, the Ministry of Public Security and the Ministry of Public Health should begin compiling and publishing regular statistics on child abandonment, including the sex and estimated age of each child discovered. This will provide an independent check on the accuracy of intake figures submitted to the Ministry of Civil Affairs by individual institutions, and will prevent the under-reporting of intakes which allegedly took place in Shanghai during the 1980s.

(2) The Ministry of Civil Affairs should make public its policy on "fostering" orphans and abandoned children in private family care, including details of the screening process, if any, for prospective foster parents, and of monitoring procedures aimed at ensuring that fostered children are treated humanely.

(3) The propaganda organs of the Communist Party should publicize the severe problems in Shanghai's child welfare system, and instruct the state-controlled media throughout China to investigate conditions for children in welfare institutions within their own area of coverage. The Ministry of Civil Affairs should ensure that journalists participating in these investigations receive full cooperation from institute staff, including unrestricted access to all children in each institution. Any abusive or negligent conditions uncovered during the course of journalists' inquiries should be publicly exposed and promptly remedied. Objective reporting on conditions in China's child welfare system should remain a priority indefinitely.

Welfare institutes should permit unscheduled visits by local residents, including both Chinese and foreign nationals. Local civil affairs authorities should encourage public involvement in the care of orphans, particularly by qualified medical personnel.

The United Nations Children's Fund (UNICEF) and established private children's charities from overseas should be granted access on a regular basis to all welfare institutions holding minors.

Management Reforms

Although the steps outlined above are likely to bring about a sharp reduction of some of the worst abuses within the child welfare system, basic changes in institutional management are equally important in order to guarantee that these initial improvements last. These include administrative measures to strengthen the outside monitoring of children's treatment, as well as improvements in the selection, training and discipline of institute staff. Human Rights Watch/Asia recommends that the Chinese authorities undertake the following reforms:

The leadership of the Ministry of Civil Affairs should publicly state its commitment to improving conditions for institutionalized children, and should emphasize that the directors of welfare institutes and other management-level staff will be evaluated primarily on their success in reducing children's death rates to an absolute minimum. The directors of welfare institutes where child mortality rates appear to be higher than expected, given normal levels of care, should be subject to investigation and dismissed if mismanagement is shown to be a contributing factor.

The Ministry of Civil Affairs should immediately begin reorganizing its custodial welfare system to ensure that minors and adults are kept in separate institutions. The use of all-purpose "social welfare institutes" to warehouse orphans and other incapacitated persons should be ended as soon as practically possible.

(3) The Ministry of Civil Affairs should cooperate with the Ministry of Public Health and the Ministry of Public Security to ensure that staff of welfare institutions strictly follow all rules and other legal requirements regarding the reporting of inmates' deaths. All deaths of minors in institutional care should be treated as potentially unnatural, and hence subject to reporting, investigation and documentation requirements of the Public Security Bureau, as well as independent autopsies by qualified medical personnel affiliated with the Bureau of Public Health. Local health bureaus which are notified of a significant number of children's deaths in welfare institutions within their jurisdiction should immediately call for an investigation by local authorities.

(4) The Ministry of Civil Affairs should promulgate strict rules prohibiting the abuse of children in welfare institutions, such as excessive corporal punishment, tying of children's limbs, medically unjustified use of drugs to control children's behavior, and all forms of paid or unpaid child labor. The ministry should also promulgate a formal disciplinary policy to be applied by institute management in cases of misconduct by junior staff.

(5) All staff at custodial welfare institutes should undertake a period of formal training, aimed at impressing on newly assigned employees that the protection of inmates' well-being is of paramount importance. Ordinary child-care workers should be trained in basic first-aid techniques, particularly to respond to cases of choking and accidental injuries, and in appropriate feeding methods for infants and small children, especially those with disabilities.

(6) Welfare institutes should be staffed with, or (where personnel shortages cannot be resolved) be provided with full and regular outside consultancy services by, an adequate number of fully qualified medical professionals, including specialists in pediatrics. Doctors whose medical educations were interrupted, for example during the Cultural Revolution, should not be employed as institute medical staff unless they have completed the necessary remedial coursework.

(7) The surgical repair of harelips, cleft palates and other correctable birth defects should be one of the highest medical priorities for welfare institutes and cooperating local hospitals. Abandoned infants requiring these relatively inexpensive procedures should receive them as soon as medically advisable, and should be given individual attention in the meantime to ensure that they remain adequately nourished.

(8) Infants and small children should not be classified as "mentally retarded" until they are old enough to undergo appropriate psychological tests. Training programs for child-care workers should emphasize the importance of individual care, attention and stimulation for infants' normal mental development.

Legislative Reforms

The phenomenon of child abandonment is not unique to China, and many of the factors which lead parents to abandon their children are beyond the government's power to remedy, at least in the short term. Rural poverty, prejudice against the disabled, traditional attitudes towards female children, and the pressures generated by the country's stringent population policy all contribute to the problem. It must be stressed, however, that whatever the reasons for the orphanhood or abandonment, once such children are accepted into state care, the government has an unshirkable duty to provide them with adequate care and protection.

For the foreseeable future, China will need to maintain a system of state-run foster care for some orphans, particularly the severely disabled. However, Human Rights Watch/Asia believes that relatively minor legislative changes would enable most children now living in welfare institutions to be placed for adoption with Chinese families. An effective domestic adoption program would eliminate the need for institutional care for virtually all of China's abandoned children.

Human Rights Watch/Asia urges the Chinese authorities to take the following steps:

(1) China's "Adoption Law" and its implementing regulations should be amended to abolish the legal distinction between "orphans" and "abandoned infants." The provisions of the adoption law which prohibit adults under age thirty-five and couples with children from adopting abandoned infants without handicaps, and which prohibit foster parents from adopting more than one abandoned child, should be repealed.

(2) The State Commission for Family Planning should issue instructions to local family planning authorities, expressly prohibiting any interference in the adopting of children from welfare institutions.

(3) The propaganda organs of the Communist Party should publicize changes in the country's adoption policy through the official media. Both the media and the State Commission for Family Planning should actively promote the adoption of orphans as an alternative for couples seeking larger families than China's population policies allow.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting five withdrawals and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 5:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2567. An act to amend the Federal Water Pollution Control Act relating to standards for constructed water conveyances.

H.R. 2657. An act to award a congressional gold medal to Ruth and Billy Graham.

H.R. 2726. An act to make certain technical corrections in law relating to Native Americans, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2567. An act to amend the Federal Water Pollution Control Act relating to standards for constructed water conveyances; to the Committee on Environment and Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG (for himself and Mr. HARKIN):

S. 1524. A bill to amend title 49, United States Code, to prohibit smoking on any scheduled airline flight segment in intrastate, interstate, or foreign air transportation; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself and Mr. HARKIN):

S. 1524. A bill to amend title 49, United States Code, to prohibit smoking on any scheduled airline flight segment intrastate, interstate, or foreign air transportation.

THE AIRLINER CABIN AIR QUALITY ACT OF 1996

Mr. LAUTENBERG. Mr. President, I am introducing the Airliner Cabin Air Quality Act of 1996, which would prohibit smoking on international flights to and from the United States by domestic and foreign carriers.

Mr. President, more than 50,000 studies have established the scientific evidence incriminating cigarette smoking as a direct cause of death and disability. Volumes of evidence also document similar health effects as a result of exposure to environmental tobacco smoke. For example, in 1991, the National Institute for Occupational Safety and Health placed environmental tobacco smoke in its most significant category of human carcinogens.

The Environmental Protection Agency estimates that environmental tobacco smoke causes some 3,000 lung cancer deaths and 12,000 other cancer deaths each year. In addition, the EPA believes that 70 percent of the lung cancer deaths attributable to environmental tobacco smoke are due to exposures outside of the home.

Environmental tobacco smoke exposure leads to coughing, chest discomfort, and reduced lung function in nonsmoking adults. While these symptoms may seem minor in nature, their effects on individuals can have permanent health and financial consequences. It is estimated that flight attendants lose about $10,000 per year in salary if they are unable to work on international flights on which smoking is still allowed.

Mr. President, in September 1992, the International Civil Aviation Organization [ICAO] passed a nonbinding resolution urging governments to take the necessary steps to ban smoking on all international flights as a safety and health measure. The resolution calls for the ban to be in place no later than July 1, 1996. I am hopeful, but not confident, that the ICAO resolution will be successful.

This past summer, ICAO released a working paper on the progress being made toward the implementation of its international smoking ban resolution. While developing the working paper, ICAO asked its more than 300 members to indicate their intentions with respect to implementation of the smoking ban. Of the 67 replies, 34 countries gave either no indication of their intentions or indicated they were going to delay implementation. Another 10 countries indicated implementation plans were under study. Only 24 countries stated that they would implement the smoking ban. Based upon replies to this questionnaire, some have estimated that just 13 percent of all ICAO members will take the steps necessary to ban smoking on international flights.

Mr. President, from the perspective of the United States, the potentially low rate of participation of other countries in an international smoking ban should be unacceptable. The United States and its carriers have repeatedly demonstrated their support for an international smoking ban. As the result of an agreement between the United States, Canada, and Australia, passengers traveling between these countries need not suffer through a smoke-filled flight.

About a year ago, the Department of Transportation provided eight U.S. carriers with an antitrust waiver so they could discuss implementing a voluntary transatlantic smoking ban. Despite their unanimous resolve to move toward a smoke-free environment, the participating carriers were unable to reach an agreement. Many were unwilling to ban smoking because of perceptions about competitive pressures from foreign carriers who are unwilling to voluntarily ban smoking.

Mr. President, I have been active for many years in efforts to ensure clean cabin air for airline passengers. In 1988, I sponsored legislation that banned smoking on domestic flights of 2 hours or less. This law protected approximately 80 percent of all domestic passengers from the documented effects of environmental tobacco smoke. In 1989, based upon the success and popularity of the 2-hour smoking ban, Congress expanded the ban to include nearly all domestic flights.

Mr. President, this legislation would extend the protection now enjoyed by domestic passengers and flight attendants to those who fly into and out of this country. I wish other countries would enter into multilateral smoking-ban agreements on their own so this bill would be unnecessary. However, that does not seem likely. Therefore, this bill is needed to demonstrate the U.S. Congress' resolve and continued leadership on this issue. The bill would create a level competitive playing field for carriers utilizing our market. And, most importantly, it would protect the health and safety of all those who fly internationally.

I urge my colleagues to support this legislation.

ADDITIONAL COSPONSORS

S. 877

At the request of Mrs. HUTCHISON, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 877, a bill to amend section 353 of the Public Health Service Act to exempt physician office laboratories from the clinical laboratories requirements of that section.

S. 1028

At the request of Mrs. KASSEBAUM, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1295

At the request of Mr. HELMS, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of S. 1295, a bill to prohibit the regulation of any tobacco products, or tobacco sponsored advertising, used or purchased by the National Association of Stock Car Automobile Racing, its agents or affiliates, or any other professional motor sports association by the Secretary of Health and Human Services or any other instrumentality of the Federal Government, and for other purposes.

S. 1418

At the request of Mr. PRESSLER, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 1418, a bill to provide for the more effective implementation of the prohibition against the payment to prisoners of supplemental security income benefits under title XVI of the Social Security Act or monthly benefits under title II of such Act, and to deny such supplemental security income benefits for 10 years to a person found to have fraudulently obtained such benefits while in prison.

S. 1421

At the request of Mr. SIMON, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1421, A bill to amend the Internal Revenue Code of 1986 to treat as a zone business an otherwise qualified business dissected by a census tract boundary line of a designated empowerment zone or enterprise community.

S. 1519

At the request of Mr. DOLE, the names of the Senator from Idaho [Mr. CRAIG] and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 1519, a bill to prohibit United States voluntary and assessed contributions to the United Nations if the United Nations imposes any tax or fee on United States persons or continues to develop or promote proposals for such taxes or fees.

S. 1520

At the request of Mr. HELMS, the names of the Senator from Kansas [Mr. DOLE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Georgia [Mr. COVERDELL], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1520, a bill to award a congressional gold medal to Ruth and Billy Graham.

SENATE RESOLUTION 85

At the request of Mr. CHAFEE, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of Senate Resolution 85, a resolution to express the sense of the Senate that obstetrician-gynecologists should be included in Federal laws relating to the provision of health care.

AMENDMENTS SUBMITTED

THE HOUSING OPPORTUNITY PROGRAM EXTENSION ACT OF 1995

D'AMATO (AND OTHERS) AMENDMENT NO. 3118

Mr. LOTT (for Mr. D'AMATO, for himself, Mr. MACK, and Mr. BOND) proposed an amendment to the bill (S. 1494) to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes; as follows:

On page 2, line 5, strike "During fiscal year 1996" and insert the following: "To the extent that amounts are made available in advance in any appropriations act for contract renewals under section 8 of the United States Housing Act of 1937 for fiscal year 1996".

On page 2, line 11, insert "project-based" after "for".

On page 5, between lines 7 and 8, insert the following new sections:

SEC. 7. CAPACITY BUILDING FOR COMMUNITY DEVELOPMENT AND AFFORDABLE HOUSING.

Section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note) is amended—

(1) in subsection (a)—

(A) by striking "Initiative to develop" and inserting the following: "Initiative—

"(1) to develop";

(B) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(2) for national or regional organizations or consortia, including Habitat for Humanity International, that have experience in providing or facilitating self-help housing homeownership opportunities.";

(2) in subsection (b)—

(A) in paragraph (2), by striking "and" at the end;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

"(3) innovative homeownership opportunities for the acquisition and rehabilitation of single family housing through the provision of self-help housing, under which the homeowner contributes a significant amount of sweat equity toward the construction of the new dwelling; and"; and

(3) by striking subsection (e) and inserting the following:

"(e) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1996, of which $25,000,000 shall be made available to Habitat for Humanity International for activities under this section.".

SEC. 8. THE NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM.

Section 930(c) of the Housing and Community Development Act of 1992 (Public Law 102–550, 106 Stat. 3887) is amended to read as follows:

"(c) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1996.".

SEC. 9. AMENDMENTS TO THE UNITED STATES HOUSING ACT OF 1937 FOR SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (k), by striking "on or near such premises" and inserting "on or off such premises"; and

(2) in subsection (*l*)(5), by striking "on or near such premises" and inserting "on or off such premises".

(b) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State, tribal, or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance under this title on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

(c) LIMITATION ON OCCUPANCY IN ELDERLY AND DISABLED HOUSING.—

(1) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended by adding at the end the following new subsection:

"(h) LIMITATION ON OCCUPANCY IN DESIGNATED PROJECTS.—

"(1) OCCUPANCY LIMITATION.—Notwithstanding any other provision of law, a dwelling unit in a public housing project (or portion of a project) that is designated under subsection (a) shall not be occupied by any person whose illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol provides reasonable cause for the public housing agency to believe that such occupancy could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) REQUIRED STATEMENT.—A public housing agency may not make a dwelling unit in a public housing project (or portion of a project) designated under subsection (a) available for occupancy to any family, unless the application for occupancy by that family is accompanied by a signed statement that no person who will be occupying the unit illegally uses a controlled substance, or abuses alcohol, in a manner that would interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.".

(2) LEASE PROVISIONS.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(A) in paragraph (5), by striking "and" at the end;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following new paragraph:

"(6) provide that any occupancy in violation of section 7(h)(1) or the furnishing of any false or misleading information pursuant to section 7(h)(2) shall be cause for termination of tenancy; and".

(d) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS FOR ASSISTED HOUSING.—Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following new subsection:

"(e) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units—

"(A) that prohibit occupancy in any such unit by any person—

"(i) who the public housing agency determines is illegally using a controlled substance; or

"(ii) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project; and

"(B) that allow the public housing agency to terminate the tenancy in any public housing unit of any person—

"(i) if the public housing agency determines that such person is illegally using a controlled substance; or

"(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to any dwelling unit assisted by an Indian housing authority.".

SEC. 10. ELIGIBLE HOME EQUITY CONVERSION MORTGAGES.

Section 255(d)(3) of the National Housing Act (12 U.S.C. 1715z–20(d)(3)) is amended to read as follows:

"(3) be secured by a dwelling that is designed principally for a 1- to 4-family residence in which the mortgagor occupies 1 of the units;".

On page 5, strike line 8, and insert the following:

SEC. 11. APPLICABILITY.

ADDITIONAL STATEMENTS

WAR ON DRUGS

• Mr. DOLE. Mr. President, last night, President Clinton announced his intention to reenlist in the war against drugs. It is an announcement that is long overdue.

For 3 years, the Clinton administration has failed to provide any leadership in this battle. And one of the results has been a dramatic increase in drug use among America's youth.

One of the most eloquent and effective soldiers in the war against drugs is former First Lady Nancy Reagan. Throughout the 1980's Mrs. Reagan devoted her tremendous energy to leading the "Just Say No" campaign—a campaign that is credited with dramatically lowering this Nation's tolerance and use of illegal drugs.

Like countless other concerned citizens, Mrs. Reagan is concerned with the recent increase in drug use. And a column she wrote in yesterday's Wall Street Journal should be required reading for all Americans.

I salute Mrs. Reagan for her commitment to this most important issue, and I ask that her column be printed in the RECORD.

The column follows:

JUST SAY "WHOA"

(By Nancy Reagan)

Statistics released last fall from the annual Household Survey of Drug Use and, more recently, from the 21st annual Monitoring the Future Survey show that marijuana use among teenagers was up again last year. Where is the public outrage over this finding? When will this country realize that as long as we don't wake up and adopt a zero tolerance for drug use, we are heading down a path of no return? Must we lose another generation of children to the horrors of crack addiction? Must the statistics soar to all-time highs before we bother to take notice?

Last March I was invited to testify before a congressional committee, at which time I said: "I am not here to criticize or place blame, but after the great strides that we made just a few years back, I'm worried that this nation is forgetting how endangered our children are by drugs. I'm worried that for the first time in many years, tolerance for drugs and the mistaken perception that 'everyone is doing it' is creeping back into our national mentality. And I am worried that the psychological momentum we had against drug use has been lost.

"[Y]et it's more than worry," I pleaded. "This weakening vigilance against the drug threat can have a tragic effect on this country for many years to come. . . . How could we have forgotten so quickly? Why is it we no longer hear the drumbeat of condemnation against drugs coming from our leaders and our culture? Is it any wonder drug use has started climbing again, and dramatically so?"

Regarding the drug use survey, NBC News reported: "'Just Say No' was an effective message in the '80s . . . in the '90s much more will be needed." Denver drug counselor Bob Cota emphasized, "Kids have to be shown why they need to learn it early, in the third and fourth grades—and it has to be repeated often."

Repeated often—like in the '80s when the national leadership was vigilant and visible. And yes, we do need even more now. In response to the 1994 Monitoring the Future Survey, Joseph Califano Jr., chairman and president of the Center on Addiction and Substance Abuse at Columbia University (CASA), warned: "If historical trends continue, the jump in marijuana use among America's children (age 12–18) from 1992 to 1994 signals that 820,000 more of these children will try cocaine in their lifetime. Of that number, about 58,000 will become regular cocaine users and addicts." In a 1995 survey by CASA, adolescents said that drugs were their "number one" problem. Our children are crying out for help.

While drug use is on the rise, the perceived risk of drug use is on decline. The two go hand in hand. Only a few short years ago, the constant message to young people—in the media, in their classrooms, and in their homes—was that drugs lead to destruction. But where are those messages today? Those messages, those lessons, are what change perceptions, change attitudes, change lives. Each of us has a responsibility to bring back those messages—loud and clear.

Before the drug-use increases of the past three years, we really had seen marked progress. As I told the members of the committee: "A decade of effort was beginning to pay off. Attitudes were being changed. I don't mean to sit here and say that we had won the battle against drugs. I think it's plain we had not." However, between 1985 and 1992, monthly cocaine use declined 78%, or to an annual rate of 3.1% from its peak of 13.1% in 1985. It's the same story with other numbers: Annual use of any illicit drug by high school seniors dropped to 27.1% in 1992 from 54.2% in 1979. "The battle was going forward one child at a time," I said in March. "There was momentum, unity, intolerance of the exaggeration and glorification of drug use by the media—we were building peer support for saying 'no,' Children were being taught resistance skills—in short, there was progress."

Now there is silence—and not without consequence. In 1994, twice the number of eighth-graders were experimenting with marijuana as did in 1991, and daily use of marijuana by high school seniors in 1994 was up by half from 1993. The 1995 Monitoring the Future Survey shows that daily use has made another jump.

We should all, as citizens of this great nation, be frightened by the latest drug statistics. We should all question what they mean to our futures and those of our children. We should all resolve not to be silent any longer. By the latest drug statistics and the renewed calls for legalization of marijuana, it is painfully obvious that our "letting up" is going to let down the young people of this country. It's time to just say "Whoa!"•

STUDENT LOANS AND CORPORATE WELFARE

• Mr. SIMON. Mr. President, in his State of the Union Address, President Clinton made a reference to the successful effort to streamline the college student loan process and make repayment easier.

Some of my colleagues may be surprised to learn that much of the credit for these improvements should go to a conservative Republican from Wisconsin, Representative TOM PETRI. He developed one of the earliest models for a direct loan program and for income-contingent repayment, and he has been a consistent proponent over the years.

Earlier this month, Congressman PETRI appealed to fellow conservatives to help save the direct loan program, which has come under attack by banks and agencies that do not want to lose their Government-guaranteed income.

I urge my colleagues to read Mr. PETRI's article which appeared in the Washington Times on January 9. I ask that the article be printed in the RECORD.

The article follows:

STUDENT LOANS: DIRECT LENDING VS. SPECIAL PLEAS

(By Thomas E. Petri)

How's this for a switch? The Clinton administration stands firm for private enterprise and competition, against Republican attempts to stomp out a successful competitor and perpetuate an inefficient monopoly.

That's exactly what's occurring in the ongoing student loan debate. Administration officials accuse congressional Republicans of caving in to loan-industry lobbyists by eviscerating the Direct Student Loan program. And on this issue, the administration actually occupies the conservative high ground.

The loan industry (banks, secondary markets and guaranty agencies) wants to protect its lucrative, fraud-infested, no-risk student loan program from any meaningful competition. It's losing in the marketplace; so it mounted a multi-million-dollar lobbying campaign this year to persuade Congress to eliminate direct student loans.

By casting the debate in simple, ideological terms, the loan lobbyists have won some allies. They've equated the Department of Education's Direct Student Loan (DSL) program with Big Government—and they've successfully portrayed it as a Clinton initiative. That guarantees enmity from conservative Republicans.

Unfortunately, it's a hoax. One creator of the DSL program was a Republican with solid fiscal conservative credentials—me. It was developed not by the reviled liberal Clinton, but by the Bush administration.

And there is far more free enterprise in DSL—and less bureaucracy—than in the bloated Guaranteed Student Loan (GSL) program. I dislike the term "corporate welfare," but if any program deserves that title, it's guaranteed student loans.

Here are conservative principles I believe in: substituting market forces for political forces; simplifying programs and cutting bureaucracy; saving taxpayers money.

On all counts, killing the DSL program goes in the wrong direction.

All major functions under DSL are run through private sector services under competitively bid contracts. This competition is bringing down the cost of those contracts via market forces.

Under the guaranteed student loan program, all payment levels are determined politically by Congress—not by the free market. Here's just one example of the resulting built-in profits: While the student is in school or during the six-month grace period following school (a period averaging 2.5 years for each loan), the lender does nothing but collect interest directly from the government at 2.5 percent above the Treasury-bill rate on paper that's as good as a Treasury bill. It's a system of political entitlements, and any conservative ought to prefer the competitive bidding system under direct loans.

The Education Department says it can manage all direct loans with only 400 employees. All important business functions—loan origination, servicing, debt collection—are handled by private firms, with Education Department supervision.

But overseeing 7,100 guaranteed bank lenders takes 525 Education Department employees and another 5,000 employees in 41 federally subsidized guaranty agencies. It's a bureaucratic nightmare.

Congress can easily oversee the direct program because it involves relatively few contractors, all of whom have have incentives to do a good job in order to win additional contracts.

But there's little supervision of the guaranteed program's guaranty agencies. Congress isn't looking over their shoulders because they're not federal entities. State legislatures aren't interested because the guaranty agencies aren't state-funded. And they have no stockholders to answer to. Unsurprisingly, the result is abuse.

In one case, a guaranty agency's chief executive officer earns $700,000 a year plus untold benefits. Some 15 other employees in the same agency earn more than the U.S. secretary of education. In another, board members set up a for-profit corporation to provide services to the guaranty agency that they controlled. More taxpayer money goes largely unchecked in these agencies for platinum parachutes, perks, lavish pensions, executive cadillacs and dining rooms and retreats at posh resorts.

Little wonder the lending moguls want to kill direct lending. Their cause is helped by various scoring errors (including some they lobbied for) that make direct lending look more expensive than guaranteed. The worse is the assumption of a high long-term interest rate as the cost of the federal funds used to make the direct loan. That would be appropriate if the interest rate that student borrowers paid were fixed, but it's not. It's variable, based on 91-day Treasury bills; so these loans do not carry the kind of interest-rate risk that a long-term rate discounts. Indeed, no private bank treats variable-rate loans the way the Congressional Budget Office treats direct student loans.

In general, it's inconceivable that a simpler program based on competitive bidding could be more expensive than a vastly more complex one based on politically negotiated entitlements. Especially when the complex one actually encourages defaults—because guaranty agencies get to keep 27 cents of every dollar they collect *after* a default and their costs for those collections average only 13 cents on the dollar.

Some Republicans believe that if President Clinton supports a program, that program must be opposed. Right now, Mr. Clinton is telling the American people that the GOP Congress is trying to shut down a conservative reform effort, which is good for both students and schools, in order to keep the gravy flowing to powerful special interests.

In this case, the president is right.•

DAPCEP

• Mr. LEVIN. Mr. President, the Detroit Area Pre-College Engineering Program, Inc. [DAPCEP], is celebrating its 20th anniversary in this year. The organization was founded in 1976 with a grant from the Alfred P. Sloan Foundation. DAPCEP's mission is "to increase the number of minority students who are motivated and academically prepared to choose careers in science, engineering and technical fields."

In its first year, 245 students took DAPCEP enrichment courses offered through 1 high school and 2 universities. Today, the organization serves more than 5,000 sixth through twelfth graders each year, through a collaboration with 8 universities, 64 Detroit public middle schools and high schools, 30 local corporations, and an active parent group. DAPCEP also receives funding from the National Science Foundation, the State of Michigan, and the city of Detroit. Current DAPCEP programs include an in-school component with hands-on research, experiments and science fairs; Saturday morning classes; and summer enrichment programs. DAPCEP also offers mentoring, tutoring, summer jobs, scholarships, and teacher training.

DAPCEP was featured on the NBC "Nightly News" in April 1995 in a story highlighting successful extracurricular enrichment programs. DAPCEP students captured 62 percent of the top awards given at the 1995 Metropolitan Detroit Science and Engineering Fair, one of the largest and most successful fairs in the Nation. Recognized nationally as a model for pre-college programs, DAPCEP was named by Crain's Detroit Business as the 1995 Best-Managed Nonprofit for nonprofits having budgets larger than $2.5 million.

Through working to further the study of science and engineering for all, DAPCEP has made a great contribution to our local community and our country as a whole. I know that my Senate colleagues join me in congratulating the Detroit Area Pre-College Engineering Program on its 20th anniversary.•

AUTISM AWARENESS MONTH

• Mr. DOMENICI. Mr. President, I have long been active in issues of importance for individuals suffering from a mental illness or disability. Through my efforts in this area, I have become familiar with the vast spectrum of these disorders, and I have found that we as a society have much to learn about both the causes and cures for these illnesses. Knowledge of the medical conditions underpinning these disorders has only recently begun to make progress by leaps and bounds, and I fear that public awareness and knowledge has not grown in step. Because society is still unfamiliar with these advances, an aura of fear and suspicion persists with regard to any one of the illnesses or disorders which afflict so many Americans. It is because of this widespread lack of knowledge and understanding that I add my support in recognition of the National Autism Society's designation of January as "National Autism Awareness Month."

Autism is a neurological disorder that interrupts the brain's ability to process and understand information. Nearly 400,000 Americans suffer from this disorder, making it more prevalent than Down's syndrome or muscular dystrophy.

Autism is a complex, spectrum disorder that manifests itself in many ways. Symptoms and characteristics present themselves in a variety of combinations, and no two children or adults are affected in the same way.

Autism is not curable, but it is treatable. Many types of treatments have proven effective in combating this disorder, and improvements are being discovered every day.

A generation ago, nearly 90 percent of those suffering from autism were placed in an institution. Today, group homes, assisted living arrangements, and home care are much more common. Thanks to the Individuals With Disabilities Education Act, many children with autism receive appropriate education and go on to become contributing members of the work force.

In April 1995, in response to direction from Congress, the National Institutes of Health [NIH] held a State-of-the-Sciences Conference on Autism. Conference participants included scientists, clinicians, and parents. The conference highlighted how far we have come in diagnosing and treating autism, but also illuminated how far we have yet to go. National Autism Month is designed to bring attention to these issues, and seeks to further the Nation's understanding of this complicated and debilitating disorder. I fully support the National Autism Society's designation of January as "National Autism Awareness Month," I share their goal of teaching America more about this disorder, and I welcome my colleagues' support as well.•

ORDER OF BUSINESS

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSING OPPORTUNITY PROGRAM EXTENSION ACT OF 1995

Mr. LOTT. Mr. President, I ask unanimous consent that the Banking Committee be immediately discharged from further consideration of S. 1494, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1494) to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. BOND. Mr. President, I urge support for the Housing Opportunity Program Extenders Act of 1995. This legislation is designed to provide HUD and Farmers Home with authority to continue certain housing programs which are strongly supported by the American public.

Most importantly, similar to the VA/HUD fiscal year 1996 appropriations bill, this bill would require HUD to renew expiring section 8 project-based contracts for fiscal year 1996 for 1 year at current rents. There are some 900,000 FHA-insured units with section 8 project-based assistance expiring over the next 10 years. Many of these section 8 contracts are oversubsidized under existing contracts and fiscal responsibility requires that Congress contain the spiraling costs associated with this inventory. Moreover, under a recent HUD legal opinion, HUD may renew these expiring section 8 project-based contracts at the market rent with some exceptions for contract rents up to 120 percent of the market rents; this means that these section 8 projects will begin to default and face foreclosure by HUD during fiscal year 1996.

I believe it is critical that Congress reform and adjust the costs, including section 8 costs, of this assisted housing to the existing market rents. However, in doing so, we must balance the cost of the expiring section 8 contracts with the cost of foreclosure of these projects to the FHA insurance fund, as well as the significant social policy of the possible displacement of low-income housing residents and the disinvestment by project owners in these projects which could result in significant deterioration of this valuable housing stock. Like the VA/HUD fiscal year 1996 appropriations bill, renewing these section 8 contracts for 1 year will provide the Banking Committee with an opportunity to develop a dialog and resulting meaningful policy that will preserve this valuable housing resource as low-income housing at a reasonable cost to the Federal Government.

Second, the legislation would extend the Home Equity Conversion Mortgage Program through fiscal year 1996, increasing the maximum number of units eligible for insurance from 25,000 to 30,000. This program is designed to allow the elderly to tap the accumulated equity in their homes for needed expenses without the risk of losing the housing as a principal residence. This is a successful program that is growing in popularity among the elderly population as an option to assist in providing continuing independence, both financially and through the continuing use of their homes as a principal residence.

Third, the legislation would extend the home ownership program under the CDBG Program as a continuing eligible activity through fiscal year 1996. This program is widely supported by a number of communities throughout the Nation which use the program as an additional resource to expand homeownership opportunities.

Finally, the bill would extend the FmHA's section 515 rural multifamily program for fiscal year 1996. Currently, the fiscal year 1996 Agriculture appropriations has limited the section 515 funding for fiscal year 1996 to rehabilitation. However, there is a significant number of section 515 projects in the development pipeline. Section 515 projects are, in many cases, the only available and affordable low-income housing in rural areas. While there has been substantial criticism leveled at abuses in the section 515 program, FmHA has addressed a number of the failings in the program and the Banking Committee has pledged to review closely the section 515 program and address any concerns as part of a major housing and community development overhaul and reform bill.

In addition, a manager's amendment to this bill legislation would incorporate Habitat for Humanity as an eligible organization under the National Community Development Initiative [NCDI]. Habitat for Humanity is one of the best models in this country for the development of affordable low-income housing. The foundation of this program is sweat equity, where a potential homeowner must contribute their own labor and hard work to the construction of their home and the homes of others. In this way, participating families develop a tangible bond with their homes combined with a strong interest in maintaining them. Since 1976, Habitat has constructed over 40,000 homes worldwide, in every U.S. State and in 45 other countries. As a consequence, some 250,000 people are living in decent, safe and affordable housing.

Under this program, Habitat for Humanity would receive a $25 million authorization to assist in the acquisition of land or infrastructure improvements, and only in the United States. I urge HUD to develop flexible requirements for Habitat for Humanity's participation in NCDI with deference to the underlying vision of homeowner contribution to the construction of their home.

This manager's amendment also would provide clear statutory guidance to empower PHAs and assisted property owners with the tools to screen out and evict from public and assisted housing persons who illegally use drugs or whose abuse of alcohol is a risk to other tenants. I cannot emphasize enough the need to take the bull by the horns and provide real solutions to the problems created by alcohol abuse and illegal drug use in federally assisted housing.

Mr. President, this legislation is bipartisan, simple, straightforward and necessary. I strongly urge my colleagues to support this legislation.

AMENDMENT NO. 3118

(Purpose: To make a series of amendments)

Mr. LOTT. I understand that there is a managers' amendment at the desk in behalf of Senators D'AMATO, MACK, and BAUCUS.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] for Mr. D'AMATO, for himself, Mr. MACK, and Mr. BAUCUS, proposes an amendment numbered 3118.

Mr. LOTT. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 5, strike "During fiscal year 1996" and insert the following: "To the extent that amounts are made available in advance in any appropriations act for contract renewals under section 8 of the United States Housing Act of 1937 for fiscal year 1996".

On page 2, line 11, insert "project-based" after "for".

On page 5, between lines 7 and 8, insert the following new sections:

SEC. 7. CAPACITY BUILDING FOR COMMUNITY DEVELOPMENT AND AFFORDABLE HOUSING.

Section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note) is amended—

(1) in subsection (a)—

(A) by striking "Initiative to develop" and inserting the following: "Initiative—

"(1) to develop";

(B) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(2) for national or regional organizations or consortia, including Habitat for Humanity International, that have experience in providing or facilitating self-help housing homeownership opportunities.";

(2) in subsection (b)—

(A) in paragraph (2), by striking "and" at the end;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

"(3) innovative homeownership opportunities for the acquisition and rehabilitation of single family housing through the provision of self-help housing, under which the homeowner contributes a significant amount of sweat equity toward the construction of the new dwelling; and"; and

(3) by striking subsection (e) and inserting the following:

"(e) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1996, of which $25,000,000 shall be made available to Habitat for Humanity International for activities under this section.".

SEC. 8. THE NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM.

Section 930(c) of the Housing and Community Development Act of 1992 (Public Law 102–550, 106 Stat. 3887) is amended to read as follows:

"(c) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1996.".

SEC. 9. AMENDMENTS TO THE UNITED STATES HOUSING ACT OF 1937 FOR SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (k), by striking "on or near such premises" and inserting "on or off such premises"; and

(2) in subsection (*l*)(5), by striking "on or near such premises" and inserting "on or off such premises".

(b) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State, tribal, or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance under this title on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

(c) LIMITATION ON OCCUPANCY IN ELDERLY AND DISABLED HOUSING.—

(1) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended by adding at the end the following new subsection:

"(h) LIMITATION ON OCCUPANCY IN DESIGNATED PROJECTS.—

"(1) OCCUPANCY LIMITATION.—Notwithstanding any other provision of law, a dwelling unit in a public housing project (or portion of a project) that is designated under subsection (a) shall not be occupied by any person whose illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol provides reasonable cause for the public housing agency to believe that such occupancy could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) Required statement.—A public housing agency may not make a dwelling unit in a public housing project (or portion of a project) designated under subsection (a) available for occupancy to any family, unless the application for occupancy by that family is accompanied by a signed statement that no person who will be occupying the unit illegally uses a controlled substance, or abuses alcohol, in a manner that would interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.".

(2) Lease provisions.—Section 6(*l*) of the United States Housing Act of 1937 (42 U.S.C. 1437d(*l*)) is amended—

(A) in paragraph (5), by striking "and" at the end;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following new paragraph:

"(6) provide that any occupancy in violation of section 7(h)(1) or the furnishing of any false or misleading information pursuant to section 7(h)(2) shall be cause for termination of tenancy; and".

(d) Ineligibility of Illegal Drug Users and Alcohol Abusers for Assisted Housing.—Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following new subsection:

"(e) Ineligibility of Illegal Drug Users and Alcohol Abusers.—

"(1) In general.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units—

"(A) that prohibit occupancy in any such unit by any person—

"(i) who the public housing agency determines is illegally using a controlled substance; or

"(ii) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project; and

"(B) that allow the public housing agency to terminate the tenancy in any public housing unit of any person—

"(i) if the public housing agency determines that such person is illegally using a controlled substance; or

"(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) Inapplicability to Indian housing.—This subsection does not apply to any dwelling unit assisted by an Indian housing authority.".

SEC. 10. ELIGIBLE HOME EQUITY CONVERSION MORTGAGES.

Section 255(d)(3) of the National Housing Act (12 U.S.C. 1715z-20(d)(3)) is amended to read as follows:

"(3) be secured by a dwelling that is designed principally for a 1- to 4-family residence in which the mortgagor occupies 1 of the units;".

On page 5, strike line 8, and insert the following:

SEC. 11. APPLICABILITY.

Mr. LOTT. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be deemed read for a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3118) was agreed to.

The bill (S. 1494), as amended, was deemed read a third time, and passed, as follows:

S. 1494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; DEFINITION.

(a) Short Title.—This Act may be cited as the "Housing Opportunity Program Extension Act of 1995".

(b) Definition.—For purposes of this Act, the term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 2. SECTION 8 CONTRACT RENEWALS.

(a) In General.—To the extent that amounts are made available in advance in any appropriations Act for contract renewals under section 8 of the United States Housing Act of 1937 for fiscal year 1996, with respect to any project that is determined by the Secretary to meet housing quality standards under the United States Housing Act of 1937 and to be otherwise in compliance with that Act, at the request of the owner of the project, the Secretary shall renew, for a period of 1 year, any contract for project-based assistance under section 8 of the United States Housing Act of 1937 that expires or terminates during fiscal year 1996, at current rent levels under the expiring or terminating contract.

(b) Amendments to the National Housing Act.—Section 236(f) of the National Housing Act (12 U.S.C. 1715z–1(f)) is amended—

(1) in paragraph (1), by striking the second sentence and inserting the following: "The rental charge for each dwelling unit shall be at the basic rental charge, or such greater amount, not to exceed the lesser of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for existing housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income."; and

(2) by striking paragraph (6).

SEC. 3. COMMUNITY DEVELOPMENT BLOCK GRANT ELIGIBLE ACTIVITIES.

Notwithstanding the amendments made by section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act, section 105(a)(25) of the Housing and Community Development Act of 1974, as in existence on September 30, 1995, shall apply to the use of assistance made available under title I of the Housing and Community Development Act of 1974 during fiscal year 1996.

SEC. 4. EXTENSION OF RURAL HOUSING PROGRAMS.

(a) Underserved Areas Set-Aside.—Section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended—

(1) in the first sentence, by striking "fiscal years 1993 and 1994" and inserting "fiscal year 1996"; and

(2) in the second sentence, by striking "each".

(b) Rural Multifamily Rental Housing.—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1994" and inserting "September 30, 1996".

(c) Rural Rental Housing Funds for Nonprofit Entities.—The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking "fiscal years 1993 and 1994" and inserting "fiscal year 1996".

SEC. 5. EXTENSION OF FHA MORTGAGE INSURANCE PROGRAM FOR HOME EQUITY CONVERSION MORTGAGES.

(a) Extension of Program.—The first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended by striking "September 30, 1995" and inserting "September 30, 1996".

(b) Limitation on Number of Mortgages.—The second sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended by striking "25,000" and inserting "30,000".

SEC. 6. EXTENSION OF MULTIFAMILY HOUSING FINANCE PROGRAMS.

(a) Risk-Sharing Pilot Program.—The first sentence of section 542(b)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not more than 15,000 units over fiscal years 1993 and 1994" and inserting "on not more than 7,500 units during fiscal year 1996".

(b) Housing Finance Agency Pilot Program.—The first sentence of section 542(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995" and inserting "on not more than 10,000 units during fiscal year 1996".

SEC. 7. CAPACITY BUILDING FOR COMMUNITY DEVELOPMENT AND AFFORDABLE HOUSING.

Section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note) is amended—

(1) in subsection (a)—

(A) by striking "Initiative to develop" and inserting the following: "Initiative—

"(1) to develop";

(B) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(2) for national or regional organizations or consortia, including Habitat for Humanity International, that have experience in providing or facilitating self-help housing homeownership opportunities.";

(2) in subsection (b)—

(A) in paragraph (2), by striking "and" at the end;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

"(3) innovative homeownership opportunities for the acquisition and rehabilitation of single family housing through the provision of self-help housing, under which the homeowner contributes a significant amount of sweat equity toward the construction of the new dwelling; and"; and

(3) by striking subsection (e) and inserting the following:

"(e) Authorization.—There are authorized to be appropriated to carry out this section $50,000,000 for fiscal year 1996, of which $25,000,000 shall be made available to Habitat for Humanity International for activities under this section.".

SEC. 8. THE NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM.

Section 930(c) of the Housing and Community Development Act of 1992 (Public Law

102-550, 106 Stat. 3887) is amended to read as follows:

"(c) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1996.".

SEC. 9. AMENDMENTS TO THE UNITED STATES HOUSING ACT OF 1937 FOR SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING.

(a) CONTRACT PROVISIONS AND REQUIREMENTS.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (k), by striking "on or near such premises" and inserting "on or off such premises"; and

(2) in subsection (l)(5), by striking "on or near such premises" and inserting "on or off such premises".

(b) AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION; EVICTION FOR DRUG-RELATED ACTIVITY.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsections:

"(q) AVAILABILITY OF RECORDS.—

"(1) IN GENERAL.—

"(A) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) EXCEPTION.—Except as provided under any provision of State, tribal, or local law, no law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction if the date of that conviction occurred 5 or more years prior to the date on which the request for the information is made.

"(2) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance under this title on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) FEE.—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) RECORDS MANAGEMENT.—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) DEFINITION.—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(r) EVICTION FOR DRUG-RELATED ACTIVITY.—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)(5)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).".

(c) LIMITATION ON OCCUPANCY IN ELDERLY AND DISABLED HOUSING.—

(1) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended by adding at the end the following new subsection:

"(h) LIMITATION ON OCCUPANCY IN DESIGNATED PROJECTS.—

"(1) OCCUPANCY LIMITATION.—Notwithstanding any other provision of law, a dwelling unit in a public housing project (or portion of a project) that is designated under subsection (a) shall not be occupied by any person whose illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol provides reasonable cause for the public housing agency to believe that such occupancy could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) REQUIRED STATEMENT.—A public housing agency may not make a dwelling unit in a public housing project (or portion of a project) designated under subsection (a) available for occupancy to any family, unless the application for occupancy by that family is accompanied by a signed statement that no person who will be occupying the unit illegally uses a controlled substance, or abuses alcohol, in a manner that would interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.".

(2) LEASE PROVISIONS.—Section 6(l) of the United States Housing Act of 1937 (42 U.S.C. 1437d(l)) is amended—

(A) in paragraph (5), by striking "and" at the end;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following new paragraph:

"(6) provide that any occupancy in violation of section 7(h)(1) or the furnishing of any false or misleading information pursuant to section 7(h)(2) shall be cause for termination of tenancy; and".

(d) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS FOR ASSISTED HOUSING.—Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following new subsection:

"(e) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units—

"(A) that prohibit occupancy in any such unit by any person—

"(i) who the public housing agency determines is illegally using a controlled substance; or

"(ii) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, could interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project; and

"(B) that allow the public housing agency to terminate the tenancy in any public housing unit of any person—

"(i) if the public housing agency determines that such person is illegally using a controlled substance; or

"(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by the tenants of the public housing project.

"(2) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to any dwelling unit assisted by an Indian housing authority.".

SEC. 10. ELIGIBLE HOME EQUITY CONVERSION MORTGAGES.

Section 255(d)(3) of the National Housing Act (12 U.S.C. 1715z-20(d)(3)) is amended to read as follows:

"(3) be secured by a dwelling that is designed principally for a 1- to 4-family residence in which the mortgagor occupies 1 of the units;".

SEC. 11. APPLICABILITY.

This Act and the amendments made by this Act shall be construed to have become effective on October 1, 1995.

ORDERS FOR JANUARY 25 AND JANUARY 26, 1996

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 12 noon on Thursday, January 25; further, that immediately following the prayer the Journal of proceedings be deemed approved to date, no resolutions come under over under the rule, the call of the calendar be dispensed with, and the morning hour be deemed to have expired, and that the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business not to extend beyond the hour of 4 p.m. equally divided between the majority and the minority; and, that immediately following the conclusion or yielding back of that time the Senate immediately adjourn over until the hour of 12 noon on Friday, January 26, and further that the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that there then be a period for morning business with Senators permitted to speak for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, we will reconvene then tomorrow at noon for a period of morning business. Rollcall votes are not expected during tomorrow's session. The Senate will then adjourn over until noon on Friday. During Friday's session, rollcall votes could occur on a continuing resolution, the Department of Defense authorization conference report or the START II Treaty. All Members will be notified of any scheduled rollcall votes during Friday's session, if there are to be any, as soon as possible.

ADJOURNMENT UNTIL TOMORROW

Mr. LOTT. Mr. President, if there be no further business to come before the Senate, I move then that the Senate adjourn under the previous order.

The motion was agreed to, and the Senate, at 6 p.m., adjourned until Thursday, January 25, 1996, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate January 24, 1996:

DEPARTMENT OF STATE

LAWRENCE NEAL BENEDICT, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CAPE VERDE.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

JOSEPH J. DINUNNO, OF MARYLAND, TO BE A MEMBER OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD FOR A TERM EXPIRING OCTOBER 18, 2000. (REAPPOINTMENT)

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

RONNIE FEUERSTEIN HEYMAN, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNSEL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2000, VICE JOCELYN LEVI STRAUS, TERM EXPIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

BARRY R. MCCAFFREY, OF WASHINGTON, TO BE DIRECTOR OF NATIONAL DRUG CONTROL POLICY, VICE LEE PATRICK BROWN, RESIGNED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

ROBERT B. ROGERS, OF MISSOURI, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM OF 3 YEARS. (NEW POSITION)

NATIONAL COUNCIL ON DISABILITY

SHIRLEY W. RYAN, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1997. (REAPPOINTMENT)

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. STEPHEN B. CROKER, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. ARLEN D. JAMESON, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. MICHAEL D. MCGINTY, [redacted], U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE OF THE UNITED STATES TO THE POSITIONS AND GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 8037:

THE JUDGE ADVOCATE GENERAL OF THE U.S. AIR FORCE

To be major general

BRIG. GEN. BRYAN G. HAWLEY, [redacted]

THE DEPUTY JUDGE ADVOCATE GENERAL OF THE U.S. AIR FORCE

To be major general

BRIG. GEN. ANDREW M. EGELAND, JR., [redacted]

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. PHILLIP J. FORD, [redacted], U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. KENNETH A. MINIHAN, [redacted], U.S. AIR FORCE.

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 8373, 12004, AND 12203:

To be major general

BRIG. GEN. BOYD L. ASHCRAFT, [redacted] AIR FORCE RESERVE.
BRIG. GEN. JIM L. FOLSOM, [redacted] AIR FORCE RESERVE.
BRIG. GEN. JAMES E. HAIGHT, JR., [redacted], AIR FORCE RESERVE.
BRIG. GEN. JOSEPH A. MCNEIL, [redacted] AIR FORCE RESERVE.
BRIG. GEN. ROBERT E. PFISTER, [redacted] AIR FORCE RESERVE.
BRIG. GEN. DONALD B. STOKES, [redacted] AIR FORCE RESERVE.

To be brigadier general

COL. JOHN L. BALDWIN, [redacted] AIR FORCE RESERVE.
COL. JAMES D. BANKERS, [redacted] AIR FORCE RESERVE.
COL. RALPH S. CLEM, [redacted] AIR FORCE RESERVE.
COL. LARRY L. ENYART, [redacted] AIR FORCE RESERVE.
COL. JON S. GINGERICH, [redacted] AIR FORCE RESERVE.
COL. CHARLES H. KING, [redacted] AIR FORCE RESERVE.
COL. RALPH J. LUCIANI, [redacted] AIR FORCE RESERVE.
COL. RICHARD M. MCGILL, [redacted] AIR FORCE RESERVE.
COL. DAVID R. MYERS, [redacted] AIR FORCE RESERVE.
COL. JAMES SANDERS, [redacted] AIR FORCE RESERVE.
COL. SANFORD SCHLITT, [redacted], AIR FORCE RESERVE.
COL. DAVID E. TANZI, [redacted] AIR FORCE RESERVE.
COL. JOHN L. WILKINSON, [redacted] AIR FORCE RESERVE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. JOHN M. KEANE, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE UNITED STATES ARMY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE:

To be lieutenant general

LT. GEN. HOWARD D. GRAVES, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. PATRICK M. HUGHES, [redacted] U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVAL RESERVE OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE

To be rear admiral

REAR ADM. (1H) JAMES WAYNE EASTWOOD, [redacted] U.S. NAVAL RESERVE.
REAR ADM. (1H) JOHN EDWIN KERR, [redacted] U.S. NAVAL RESERVE.
REAR ADM. (1H) JOHN BENJAMIN TOTUSHEK, [redacted] U.S. NAVAL RESERVE.

UNRESTRICTED LINE

To be rear admiral

REAR ADM. (1H) ROBERT HULBURT WEIDMAN, JR., [redacted] U.S. NAVAL RESERVE.

STAFF CORPS

To be rear admiral

REAR ADM. (1H) M. EUGENE FUSSELL, [redacted], U.S. NAVAL RESERVE.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE UNITED STATES NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE:

To be vice admiral

VICE ADM. JOHN B. LA PLANTE, [redacted]

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE UNITED STATES NAVY IN THE GRADE INDICATED UNDER SECTION 1370 OF TITLE 10, UNITED STATES CODE:

To be vice admiral

VICE ADM. JOHN M. MC CONNELL, [redacted]

WITHDRAWAL

Executive message transmitted by the President to the Senate on January 24, 1996, withdrawing from further Senate consideration the following nomination:

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

KIRSTEN S. MOY, OF NEW YORK, TO BE ADMINISTRATOR OF THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND (NEW POSITION), WHICH WAS SENT TO THE SENATE ON FEBRUARY 24, 1995.

CIVIL LIBERTIES PUBLIC EDUCATION FUND

CHERRY T. KINOSHITA, OF WASHINGTON, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CIVIL LIBERTIES PUBLIC EDUCATION FUND FOR A TERM OF 2 YEARS (NEW POSITION), WHICH WAS SENT TO THE SENATE ON JANUARY 5, 1995.

NATIONAL SECURITY EDUCATION BOARD

STANLEY K. SHEINBAUM, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SECURITY EDUCATION BOARD FOR A TERM OF 4 YEARS, VICE JOHN P. ROCHE, RESIGNED, WHICH WAS SENT TO THE SENATE ON JANUARY 5, 1995.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

CHRISTINE HERNANDEZ, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM OF 2 YEARS (NEW POSITION), WHICH WAS SENT TO THE SENATE ON JUNE 6, 1995.

CHRIS EVERT, OF FLORIDA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM OF 3 YEARS (NEW POSITION), WHICH WAS SENT TO THE SENATE ON JUNE 6, 1995.

HOUSE OF REPRESENTATIVES—*Wednesday, January 24, 1996*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. HOBSON].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 24, 1996.

I hereby designate the Honorable DAVID L. HOBSON to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Danny McCain, professor of Christian studies, University of Jos, Plateau State, Nigeria, offered the following prayer:

Almighty God, the Bible declares about governments, "The authorities that exist have been established by God." We acknowledge Your supreme lordship over this Nation.

Because You are a merciful God, we repent for often ignoring and disobeying You in our personal and national lives.

We pray our Nation will be like a lighthouse beside the global seashore signaling out messages of hope and inspiration to those unfortunate nations still struggling in the darkness of ignorance, oppression, and injustice.

We pray that those in this Chamber will acknowledge Your divine sovereignty, that their words and decisions will be characterized by truth and humility, and that all Members of this House will be worthy to represent us by their moral and spiritual example.

In Jesus' name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. STEARNS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

Mr. STEARNS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, further proceedings on this question are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. GILLMOR] come forward and lead the House in the Pledge of Allegiance.

Mr. GILLMOR led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. This morning the Chair will recognize twenty 1-minute speeches on each side of the aisle as agreed to by the leadership.

WELCOME TO THE REVEREND DR. DANNY McCAIN

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, Dr. Danny McCain is the founder and international director at large of International Institute for Christian Studies [IICS]. This organization develops and enhances academic Christian studies programs in public universities in 10 countries including Nigeria, Russia, Ukraine, and China.

In university classrooms that just 5 years ago were devoted to the teaching of atheism, IICS professors have been invited to teach about the moral foundations of society which Christianity provides.

During the past year, Dr. McCain has taught over 300 West African teachers who daily teach religious and moral education in the public schools. At a recent seminar, the commissioner for education said, "Our country is in trouble; most of our troubles are related to morals; morals are derived from religion. Moral and religious education is essential for our Nation's survival." I am sure we could learn much about the source of moral values from these developing nations.

Dr. McCain currently serves as a senior lecturer in the University of Jos, Nigeria, where he and his family have lived for the past 7 years.

It is a pleasure to have him as our guest chaplain today.

IN MEMORIAM: MIKE SYNAR

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, many of us have just returned this morning from a memorial service for our departed colleague, the gentleman from Oklahoma, Michael Synar. It was a moving tribute to an extraordinary man and a courageous public servant.

Mike set the highest possible standards for himself and for this place, a place which he dearly loved. He did his best to act on principle while being fully engaged in the arena. In this place where the line between legitimate compromise and expediency is so often fuzzed, Mike Synar knew the difference. He had a clear head and a moral compass that guided him, not always with perfect outcomes but always with a perfect sense of integrity. He knew that a seat in this House was simply not worth having if there were not some things that you were willing to risk losing it over.

What tribute can we give to this man? Perhaps to give back some of the love he showed for this wonderful institution of our democracy by treating each other better and respecting the principles that we all hold, principles that Mike was so true to in his own service here. Perhaps we can draw some inspiration from his life and service and do so in his name and memory.

STATE OF THE UNION

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, the President said a lot of the right things last night. He says the era of big government is over. He says that he now understands that working families are overtaxed. And he even implies that he is now willing to sign the welfare reform, balanced budget, and tax cut measures that he has vetoed over the last few months. Good news, if he means it, very good news.

If the President now means it and he will support tax cuts for working families rather than demagoging about mythical tax cuts for the rich, that is very good news.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

If the President now means it that people in Cincinnati should be able to keep more of their own money, rather than seeing it wasted by high flying bureaucrats like Hazel O'Leary, that is good news.

In short, Mr. Speaker, if the President now wants to work together for tax relief and for an end to big government ripoffs—then I am with him all the way. It is great to see that the President is now a fan of the Contract With America. I just hope that he realizes that we need action and not just talk.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would advise Members they should refrain from references to demagoguery.

GOODBYE TO MIKE SYNAR

(Mr. EDWARDS asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS. Mr. Speaker, this morning at St. John's Church there was a memorial service for our departed colleague from Oklahoma, Mike Synar. As I listened to the deserving tributes paid to this remarkable public servant, I realized that death sometimes robs us of our last chance to say goodbye. So to my friend and colleague Mike Synar, I want to say goodbye one last time.

I want to say, thank you, Mike, for reminding us what courage is all about. I want to say, thank you for reminding us that one person can make a difference. I want to say, thank you for reminding us that public service can be a noble calling. I want to say, thank you, Mike, for your genuine compassion and caring for your fellow human beings. And I want you to know that like the statue of your fellow Oklahoman, Will Rogers, which watches over this House just outside the doors of this Chamber, your spirit, the courageous spirit of Mike Synar, will forever hover over this House to remind each of us that courage and compassion and acting out of conscience are noble human traits.

Goodbye, my friend. We will miss you, but never forget you.

STATE OF CONFUSION

(Mr. MARTINI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTINI. Mr. Speaker, last night the American people did not hear the State of the Union but rather I suggest they heard a statement of confusion, albeit a statement of contradictions.

President Clinton spoke to the American people once again about balancing the budget, ending welfare as we know it, saving Medicare and providing middle-class tax relief. However when this Republican Congress sent him an honest balanced budget, he vetoed that. When the Congress sent him a welfare reform bill to end dependency, he vetoed that. When the Congress passed a measure to save Medicare, he once again vetoed that. And when we sent him legislation to provide the middle-class tax cut he referred to last night, he vetoed that.

This Congress has sent the President virtually everything he spoke about last evening. He just must be confused, in my opinion.

Mr. President, the American people are not confused. It is time to stop talking and start signing, not vetoing these bills. The American people have demanded these changes in 1992, in 1994 again, and the Congress has delivered more than just a speech.

LET US TELL THE TRUTH

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, last night the President mentioned that we need to do welfare reform, and I agree with him. This morning the Speaker of the House, NEWT GINGRICH, on one of the morning talk shows, when asked about welfare reform, said that the President had vetoed it twice, even though the Senate had passed it with 85 votes.

Well, Speaker GINGRICH, I wish you would tell the truth. That bill that the President vetoed, that welfare bill, got only 52 votes in the Senate. It did not get 85 votes, Speaker GINGRICH. Tell the truth; it got only 52. And two Republicans voted against it.

Now, the President wants to do welfare reform, but he does not want to do the radical one that was sent to him. I want to do welfare reform. I would much rather take the one that passed the Senate in September; not the one in December, the one in September, let us do that welfare reform.

Speaker GINGRICH, let us tell the truth.

STATE OF THE UNION

(Mr. GILLMOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILLMOR. Mr. Speaker, I watched the President's speech last night. That speech and his State of the Union speech last year were the two longest I have heard in my lifetime.

A thought came to me while I was listening to that lengthy speech about how we could save money. Instead of shutting down the Government to save money, we could just suspend Government while the President talks. We would save millions.

Length is not important. Content is. The major themes of the President's speech were simply a rehash of the same promises he made 4 years ago, and on which he did not deliver.

During most of his Presidency he has had a Congress controlled by his own party.

He promised a balanced budget. He did not submit a credible one and vetoed the one Congress passed. He promised welfare reform. He did not submit a credible plan, and vetoed the welfare reform Congress passed.

The American people deserve better.

DEALS, DEALS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, what year is it? Is 1996 the 10th year of the 5-year Gramm-Rudman balance deal? Is 1996 the fifth year of the Bush 5-year deal? Is 1996 the third year of the Clinton 5-year deal or is 1996 the new 7-year deal?

Deals, deals. That is what we have. There are more deals here than Monty Hall has, folks, but one thing is for sure, 1996 is the year of denial.

The most important thing last night is what was not said by the President or Senator DOLE. No mention of record trade deficits. No mention of those two turkeys, GATT and NAFTA. No mention of declining wages. No mention of livable-wage jobs leaving this country.

Mr. Speaker, I say if the economy is so great, why do American families need three jobs to pay their bills? We do not need any more deals, we need a little bit more common sense and maybe people should get out of this denial phase and take a look at the reality that is hitting people on the streets of America.

□ 1215

THE TWO CLINTONS: RHETORIC VERSUS REALITY

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, the blizzard in Washington, DC, may be over. But last night the American people had to trudge through the Clinton reelection snow job. It is amazing what some people will say to hide what they do.

The same President who pledged to balance the budget in 5 years, but vetoed the first balanced budget in 26 years, again poses as fiscally prudent.

The same President who promised to end welfare as we know it, but vetoed welfare reform, again masquerades as a welfare reformer. The same President who tried to socialize medicine, and today blocks efforts to save Medicare, disguises himself as protector of health benefits.

And the same President who pledged a middle class tax cut only to pass the largest tax increase in history but vetoed real family and small business tax cuts, again pretends to champion tax relief.

Promises are made to be kept, not ignored after the election's over. Words should have some correlation to actions. This President's promises and words about the future are directly contradicted by his policies of the past and the present.

WHY WE DO NOT HAVE A BUDGET DEAL

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, the President has presented a balanced budget: Seven years with CBO scoring. So why do we not have a budget deal? I will tell you why, because the Republicans insist that they want to give tax breaks to the rich. The President made prudent budget cuts, but he protected the beneficiaries of Medicare and Medicaid.

Medicare guarantees hospital care for seniors. Medicaid guarantees nursing home care for seniors and for the disabled. But the Republicans want to cut these programs. They want to cut $270 billion out of Medicare, they want to cut $163 billion out of Medicaid, and they want to give a tax break of $245 billion largely to the rich. According to the Treasury Department, half of the tax breaks go to people making over $100,000 a year, and that is wrong.

There is a difference. The Republicans believe in an America that says every man or woman for himself. The President and the Democrats believe we are a caring society and the standard of that society is we take care of our seniors, our disabled people, and our young people. We have a balanced budget. The problem is they want to give tax breaks to the rich.

CLINTON SEES THE LIGHT—FINALLY AGREES TO LESS GOVERNMENT

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the gentleman from Missouri who is in the back here was incorrect when he alleged the Speaker, speaking about the welfare bill this morning, did not have the vote count right. It was 87 to 12 that the welfare bill passed out of the Senate, and it was 52 to 47 on the conference report. The gentleman was confusing the conference report with the original welfare bill in the Senate which passed overwhelmingly. The Speaker was correct.

So with that, last evening the President gave his State of the Union. As I listened, I said to myself, it sounds like the Republican agenda. It is like the President has had a Damascus experience. He was reborn again. Sometimes he is reborn every 3 months.

Republicans should feel very satisfied because we have overturned the Democrats' control here in Congress, made a balanced budget a national priority, bipartisan priority, ended the idea that entitlement spending is holy, and started the debate on the complete rethinking of the Tax Code.

TRIBUTE TO BARBARA JORDAN

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, last week this Nation lost an American hero. Former Congresswoman Barbara Jordan died on Wednesday, January 17, 1996. Funeral services were held on January 20, 1996. Joining us in Houston were President Bill Clinton, Cabinet members, her former colleagues, and current Members of Congress.

Congresswoman Barbara Jordan was a great American and an outstanding public servant. She was an inspiration to us all. Tonight I invite my colleagues to join me in a special order tribute to the Honorable Barbara Jordan, an American who cherished the Constitution and lived its values.

OUR ARMED FORCES SHOULD NOT BE PLACED UNDER CONTROL OF FOREIGN COMMANDERS

(Mr. COOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COOLEY. Mr. Speaker, today we will vote on the conference report on S. 1124, the 1996 Department of Defense authorization bill. I will vote for this bill because it contains so many good things: COLA equity for our military retirees, a needed pay raise for our Armed Forces, money to repair substandard family housing, and funds to protect this Nation from a deadly missile attack.

This bill does many good things, but, Mr. Speaker, S. 1124 has been changed to permit the men and women of our armed services to be placed under control of foreign commanders. This is wrong. I object to this provision.

In the future, the United States will certainly take part in international disputes. But when American volunteers volunteer to serve this Nation in armed conflict, they deserve to be led by Americans and not by foreign commanders.

I will vote for S. 1124 this time. As is so often the case, I must accept some good with the bad.

NUCLEAR TESTING IN SOUTH PACIFIC

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, I wanted to share with my colleagues and the American public an article that appeared in today's Washington Post. The article cites the French Government's admission that radioactive materials have leaked into the sea from its nuclear tests in the South Pacific.

Mr. Speaker, while the French Government now tells the world it is just a small amount and it should be no problem, this radioactive material that has leaked into the Pacific Ocean from the Mururoa Atoll is iodine 131. Iodine 131 is produced only as a result of nuclear explosions.

Mr. Speaker, President Chirac of France has already exploded five nuclear bombs on the Mururoa Atoll; let alone the fact that on the same atoll total, the French Government has exploded some 177 nuclear bombs, and that the contamination now on this atoll is worth several Chernobyls.

Yet our Government is going to honor this man next week in Washington? Mr. Speaker, a defense secret report reveals that in 1979, the French Government detonated a 150-kiloton nuclear bomb only 1,300 feet below the surface of this atoll.

Shame on you, France, for doing this terrible thing to the people of the Pacific.

Mr. Speaker, for the RECORD I present the article by William Drozdiak entitled "France Acknowledges Radioactive Leakage in South Pacific Nuclear Tests."

[From the Washington Post, Jan. 24, 1996]

France Acknowledges Radioactive Leakage in South Pacific Nuclear Tests

(By William Drozdiak)

PARIS, January 23.—France acknowledged today that radioactive materials have leaked into the sea from its nuclear tests in the South Pacific but insisted that the quantities were so minimal that they posed no threat to the environment.

The confirmation that radioactive elements such as iodine-131 have seeped into the lagoon near the Mururoa test site seemed likely to revive the storm of protests that followed President Jacques Chirac's decision to conduct a final series of underground nuclear explosions before signing a global test-ban treaty.

Japanese Foreign Minister Yukihiko Ikeda said he will demand a full explanation from France about the nature of the leaks. Other countries in the Pacific region, notably Australia and New Zealand, are expected to follow suit, French officials said.

> Defying international criticism, France has carried out five nuclear tests since September to verify a new warhead and to perfect simulation technology that will be used to monitor reliability of its nuclear weapons. A final test will take place next month before the test site is shut down permanently, French officials said.
>
> But the latest accounts of radioactive leakage at the Mururoa test site have raised questions about the credibility of the French government's arguments that the nuclear explosions present no environmental menace.
>
> "There is no way to assess whether there is a coverup because the French do not allow independent verification," said Tom Cochran, a nuclear-test specialist at the Natural Resources Defense Council in Washington. "What makes people suspicious about whether they are hearing the truth is the fact that these tests were really unnecessary in the first place."
>
> France has always contended that its underground nuclear blasts inflict no damage on the fragile ecology of the Mururoa coral atoll, 750 miles southeast of Tahiti, which serves as its principal test site. Explosive devices are bored deep within the basalt foundation of the atoll, and French scientists say the intense heat from the blast vitrifies the rock and traps all radioactivity before it can escape.
>
> But Alain Barthoux, director of nuclear tests at France's Atomic Energy Commission, acknowledged that traces of radioactive material are usually "vented" into the lagoon when scientists drill down into the rock to obtain samples after every blast.
>
> Barthoux claimed, however, that such leaks involve "insignificant amounts" of radioactive substances, such as cesium, tritium or iodine, that vanish quickly in the environment. Quantities of iodine-131, for example, which can cause cancer when ingested by humans, shrink by half within eight days and disappear entirely within 80 days, he said.
>
> Barthoux denied a report in the Japan's Yomiuri Shimbun newspaper that small amounts of radioactive iodine were continuing to leak into the water as a result of the latest round of nuclear tests. The paper quoted sources at the Geneva disarmament conference, where the global test-ban treaty is being negotiated, as saying a French nuclear expert disclosed the radiation leakage at a meeting in Washington last November.
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> The French specialist was quoted as saying the information was "extremely confidential."
>
> France first acknowledged the release of radioactivity from its nuclear tests when oceanographer Jacques Cousteau visited the Mururoa site in 1987 and was allowed to conduct independent tests of the water in the lagoon. He found the presence of radioactive iodine, cesium, cobalt and europium, but in quantities that were not considered dangerous.
>
> But he warned that Mururoa's coral crown was deeply cracked and could pose a problem if testing continued. He said risks grew that higher levels of radioactive residue could seep into the lagoon.
>
> French Defense Minister Charles Millon denounced reports from last year of widening fissures in the atoll as "unreliable." Foreign Minister Herve de Charette told the National Assembly that "never have any cracks of any kind been spotted."
>
> But a confidential Defense Ministry report acknowledged the government has been aware, at least since 1979, that Mururoa's underwater basalt foundation is fractured several places.
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> The report described the effects of an accident in 1979 in which the French detonated a 150-kiloton weapon only 1,300 feet below the surface of the lagoon. The blast was supposed to occur at 2,600 feet, but the bomb got stuck halfway down the test shaft and the French detonated it there rather than risk trying to move it.
>
> The explosion blasted loose more than 130 million cubic yards of rock and coral, causing a tidal wave that injured several French scientists and guards. The document also described underwater avalanches that followed three tests as proof the growing number of tests was posing serious environmental risks to the Mururoa atoll.
>
> The fragile state of the site after repeated tests persuaded France to stage its biggest blasts on nearby Fangataufa atoll, where, in October, it exploded a 100-kiloton warhead, designed for submarine launch.

PRESIDENT'S ACTIONS SPEAK LOUDER THAN WORDS

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, last night our President spoke to all Americans about the challenges facing us. The President challenged Congress to help him produce a smaller, less bureaucratic government in Washington. The President told Americans that the era of big government is over. The President challenged Congress to balance the budget, reform welfare, reduce teen pregnancy, to provide a tax credit for children, and to preserve Medicare.

Mr. Speaker, the President's actions speak louder than his words. I am reminded of a colloquialism, "Been there, done that." Congress already passed legislation to balance the budget, reform welfare, reduce teen pregnancy, provide a tax credit for children, and preserve Medicare.

The President's response? He vetoed them, all of them. This President will say anything, but he obviously has trouble performing.

FUEL ASSISTANCE PROGRAMS IMPORTANT FOR AMERICA

(Mr. SANDERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDERS. Mr. Speaker, in the United States of America millions of our citizens should not be forced into worrying about how they are going to heat their homes in this record breaking cold weather winter.

In Vermont and throughout this country we have had nights of 20 below zero, 30 below zero, and even 40 below zero.

The LIHEAP Fuel Assistance Program has provided over 24,000 Vermont households, and 6 million low-income households nationally, including many senior citizens, with the fuel assistance they need to survive the freezing weather. Three-quarters of the households on LIHEAP have incomes of less than $8,000 a year.

Today, I am sending Appropriations Committee Chairman ROBERT LIVINGSTON a letter with over 115 congressional signatures, Democrats and Republicans, asking him to make certain that the continuing resolution that is passed by Friday contains full funding for LIHEAP—and that the remaining $200 million that was appropriated is released.

This is America, and 80-year-old senior citizens should not be forced to go cold in the winter.

THE CHINA HOLOCAUST

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, every Member should read the editorial in the Washington Post called "Holocaust: The China Parallel." It is by Walter Reich, the director of the Holocaust Museum and the chairman of the American Psychiatric Association's Committee on Human Rights.

What does he say?

> According to the reports provided by Human Rights Watch, the starved children in the Chinese orphanages look very much like the starved children in the German "Children's Specialty Institutions"; the Chinese institutions, too, administer sedatives to some children selected for death; they, too, use false diagnoses as coverups; they too, cremate the remains of starved children; and they, too, employ physicians, many of whom probably tell themselves that the children dying under their care would have died anyway, and in any case are useless eaters in a country challenged by scarce resources.
>
> The parallels between the Chinese orphanages and the Nazi programs to kill disabled children are alarming. These parallels remind us that human beings, including physicians and other caregivers, are extraordinarily vulnerable to inhuman acts and extraordinarily capable of justifying their behavior on what they see as rational grounds. And they remind us that countries in which democratic institutions are forcibly forbidden and human rights systematically quashed are ones in which human life becomes, quite simply, expendable.

Finally, somebody has said something about the similarities between the Holocaust and the activities of the Chinese Government.

Now, I know the Clinton administration will not do anything. But will the Congress do anything? This Congress has done nothing. The business of this Congress is business. You have watched priests put in jail in China; you have watched bishops be put in jail in China; you have watched Harry Wu's enslavement. Now you watch 60 Minutes and orphans being killed, and we know the Clinton administration has done nothing, but this Congress, this Congress, where we all have the right to speak out, we have done nothing.

TIME FOR CONGRESS TO WORK TOGETHER

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, neither political party has a monopoly on truth. We need to work together, as President Clinton urged last night, to find some common ground about the problems that this Nation faces.

There is not any good reason why we cannot put the fanaticism of this Gingrich-led Congress behind us. Enough of the temper tantrums; enough of the Government shutdowns that waste taxpayer money; enough of the threats to reject the full faith and credit of the United States of America.

The time to start anew is today, working together, to address this question of the adjustment of the debt limit. We cannot afford to have the first default in the next month in the history of this Nation. Six former Treasury Secretaries, Republicans and Democrats alike, have come together to urge us to address this debt limit issue. We ought to do it today. It is the same kind of bipartisan support we need from our House colleagues to address this very serious matter.

Every single American who has got a credit card loan balance, who has a variable mortgage, who might ever want to take out a loan, had a stake in our protecting the credit of this country.

MOVE TOGETHER TO ATTACK DEFICIT

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, again I come to the well and listen with great interest to my good friend from Texas, even as he decries fanaticism, launch into his own special brand of name calling. And that is fine; good people can disagree.

But it is precisely because we need to maintain the full faith and credit of the United States of America that we must move together to attack this egregious deficit and this huge debt in the trillions of dollars, and the best way to do that is to truly put aside name calling and work together, work together to end runaway spending.

The President came last night and he said the days of big Government are over, and yet the budget plan he endorses calls for an additional $350 billion in spending and additional $200 billion in taxes.

Friends, let us work together. But the same old formula of tax-and-spend is not the prescription for America's future. It is time to truly say the days of big Government are over, and a limited and effective Government should be the mission of the United States of America.

MAINTAIN ENVIRONMENTAL PROTECTION

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.).

Mr. PALLONE. Mr. Speaker, the President challenged the Congress last night not to turn the clock back on environmental protection. Unfortunately, that is what has been happening in this House. Whether it is Superfund or enforcement within the EPA, in each case over the last year we have seen significant threats and efforts to turn back the clock on environmental protection.

Right now the Superfund Program is in shambles. Enforcement within the Environmental Protection Agency has been suggested, and pursuant to the CR that we passed, cut back by 25 percent. Lobbyists and special interests, as the President has said, the polluters, are now in the room writing the environmental bills and trying to weaken environmental laws.

We need to heed the President's call. In this year in Congress we have to make sure there is adequate funding for Superfund and for environmental protection. This was always a bipartisan issue. As the President mentioned, much of the environmental laws were passed when President Nixon was President and the Democrats controlled Congress.

The President also looked at the future and he said we can expand the economy; we can create jobs at the same time we protect the environment. He had a vision for the future in this country which is proenvironment, and this Congress should heed his call.

□ 1230

TALK IS CHEAP

(Mr. FRISA asked and was given permission to address the House for 1 minute.)

Mr. FRISA. Mr. Speaker, once again the President gave a sterling speech last night. So good, in fact, that I would say he has a silver tongue. Unfortunately, he expects Americans to pay for the polish.

So, we have heard enough slick talk from Bill Clinton, because his talk does not come cheap. We pay the price. Let us do the real work of the American people and cut the size and cost of Government and leave more money in people's paychecks so that we can spend our own money how we see fit. When we accomplish that, our work truly will have been done.

HOLDING DEBT CEILING DECISION HOSTAGE IS BAD POLITICS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the message from the President last night was simple. He wants a centrist and bipartisan agreement, a balanced budget in 7 years. The President reached out his hand. It would be a shame if NEWT GINGRICH and the Republican freshmen slapped it. But already we hear plans from the extreme Republicans to add this bangle to the spending bill and that dangle to the debt ceiling.

Mr. Speaker, last month the Republicans hostages were Government employees. This month it seems it will be the debt ceiling and America's credit rating. Holding the debt ceiling hostage will raise mortgage rates for homeowners, credit interest rates for consumers, college loan interest rates for students.

Last month, Republicans learned that holding Federal employees hostage was wrong and bad politics and they had to retreat with their tail between their legs. Now, amazingly, the Republicans are attempting to play this hostage game again, this time with the full faith and credit of the United States. Mr. Speaker, I say to my Republican colleagues, when are you guys going to learn? Enough already.

PRESIDENT ATTEMPTS TO BASK IN HEROES' HONOR

(Mr. DORNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN. Mr. Speaker, my father, Harry Joseph Dornan, who is the hero of my life, died 21 years ago today. He would be tormented today, as I am, by the lack of character and integrity at the highest level of our Government.

Mr. Speaker, he took me and my brothers into the Oval Office in 1941, and he held the White House and its occupant in a certain awe and respect. Even liberal writers say that the White House has been dragged down to the street level over the last 3 years.

Last night, amidst that snow job, Mr. Clinton did it again. He put heroes in the gallery trying to reflect in their honor and glory, and that is not possible when Paula Corbin Jones is going to get her day in court. And then he put a hero in this front row who, like my dad, he was wounded three times fighting for freedom, Barry McCaffrey, the general who was told in the White House 2 years and 10 months ago, "We don't talk to people in uniform here."

Barry McCaffrey will be a superb drug czar, but when Clinton pointed out that he had three Purple Hearts and two Silver Stars, he could not gag out the word "Vietnam." He could not say he won those honors in Vietnam.

IS THIS ANY WAY TO TREAT AN AMERICAN HERO?

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, last night, the Nation was introduced to Richard Dean, a true American hero. An employee with the Social Security Administration, Mr. Dean was at work in the Murrah Federal Building last April when a terrorist's bomb tore a hole through that structure, killing 168 people. Mr. Dean went back into the building four times, saving three other lives.

Mr. Dean was a hero on that day in April. But, Mr. Dean and Federal employees like him are heroes everyday. They help our elderly in their retirement, help our families find affordable housing, help our communities stricken by natural disasters. Yet, in November, Mr. Dean and thousands of Federal employees like him were forced to work without pay, because of the Gingrich Government shutdown. These hard-working men and women should not be used as pawns in an inside-the-beltway political game. So, let me join the President today to ask my Republican colleagues: Please don't shut down the Government for a third time. Think about Richard Dean. And, ask yourself, is this any way to treat an American hero?

PROSPERITY AND FUTURE OF AMERICA'S YOUNG PEOPLE

(Mr. COLLINS of Georgia asked and was given permission to address the House for 1 minute.)

Mr. COLLINS of Georgia. Mr. Speaker, the majority of this Congress passed a 7-year plan to balance the Federal budget. Our plan will zero out deficit spending by the year 2002. But, Mr. Speaker, at the end of those 7 years our accumulated debt will be over $6 trillion. If Congress reduces that $6 trillion debt by $200 billion per year beginning in the year 2003, it will then take 30 years to pay off the principal; 30 years, Mr. Speaker, at $200 billion per year for 30 years. Even at that rate, it will be the year 2033 before we pay off the $6 trillion debt.

Mr. Speaker, the next two generations of working taxpayers will pay the bill. We must end wasteful spending now. And, Mr. Speaker, is the fight to retain power in Washington important enough to risk the prosperity and future of our young people? No, Mr. Speaker, it is not.

PRESIDENT PRESENTS CHALLENGES FOR THE NATION

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I rise today to commend President Clinton on a magnificent State of the Union Address. More than anything else last night, I think the President talked about family in a way that I have not heard around here for a very long time. He made it very clear in a very poignant statement that the primary duty of parents today is to raise our children. I think we all realize that our problems, crime, gang violence, education, breakdown in community values, would not happen if we had stronger parents and stronger families.

Washington does not have all the answers. But there are certainly things that we can do to help these families, like giving parents a $10,000 tax cut for college expenses, increasing the minimum wage, protecting pensions, protecting Medicare and Medicaid, and passing the V-chip legislation that will help parents control some of the garbage that is flowing into homes today.

Mr. Speaker, the President did a good job laying out those challenges that the Nation faces and I hope each of us on both sides of the aisle will pick up the challenge and move this country forward.

ACTIONS SPEAK LOUDER THAN WORDS

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, President Clinton gave challenges to Congress last night. He challenged us to cherish our children and strengthen the family. Congress sent the President legislation containing a family, per-child tax credit, but he vetoed it.

The President challenged us to help every American achieve economic security. Yet he vetoed the first balanced budget in a generation.

The President challenged us to provide Americans with educational opportunities. Yet he vetoed legislation that would have lowered the cost of the average student loan by $216 a year.

The President challenged us to make our environment safe and clean. Yet he vetoed the appropriations bill that funds the Environmental Protection Agency.

Mr. Speaker, is it any wonder that the American people doubt the President's sincerity. He talks a good talk, but his actions speak louder than his words. I challenge the President to start walking the walk he talks.

WAKE UP, REPUBLICANS

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CLAYTON. Mr. Speaker, the President challenged us on many things yesterday, and he challenged us to come together to work for a balanced budget that would hold up the principle that has made this Nation great. The President also challenged us to be responsible as far as our liability and our bills.

Mr. Speaker, now the Republican majority is threatening to hold the full faith and credit of the United States hostage, if they do not get their way on the budget.

They have said that they will refuse to raise the debt limit, thereby causing our Government to be unable to pay its bills.

This threat is no small matter, and its consequences are very serious.

Already, the two biggest rating agencies in the United States have said that our Government may lose its high credit rating.

If we lose our high credit rating, we will have to pay more for the money we borrow. That is self-defeating.

Worse, interest rates, even with the threat of a default, will begin to rise. Citizens will then pay more for mortgages, automobiles, and other consumer goods.

Even the wealthy, who they want to help with their big tax cut, will be hurt if America cannot meet its obligations.

Wake up Republicans. The gain you hope to get with this risky maneuver, is not worth the loss you will cause.

PRESIDENT SHOULD PUT HIS PEN WHERE HIS MOUTH IS

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, last night the President's speech was somewhat like the swimsuit edition of Sports Illustrated; thrilling, exciting, but full of dreams and fantasy. It was a golden oldies collection of Bill Clinton's greatest hits, lines, and slogans from 1992. Welfare reform, a middle-class tax cut, and, of course, balancing the budget. In fact, I thought he was running in the New Hampshire primary, but facts deal harshly with fiction.

The rhetoric of the candidate has dissolved into the reality of a President. We sent him welfare reform; he vetoed it. We sent him a middle-class tax cut; he vetoed it. We sent him a balanced budget, and he vetoed that. The hot air from last night's speech explained why even 3 feet of snow quickly melts in Washington, DC.

Mr. Speaker, I would say to the President: Mr. President, put your pen where your mouth is. Sign some of the legislation that you talked about last night, and then let us get this country moving again.

PRESIDENT TRIES TO BRING NATION TOGETHER

(Ms. McKINNEY asked and was given permission to address the House for 1 minute.)

Ms. McKINNEY. Mr. Speaker, last night President Clinton reached out to the Republican leadership, asking them to join him in balancing the budget, and to leave the policy fights until the election.

However, the GOP is so obsessed with giving a tax cut to their wealthy contributors that they cannot agree with the President's proposal to balance the budget in 7 years using CBO numbers.

Mr. Speaker, this just proves that the Republican budget is just the vehicle by which they deliver their tax breaks to Wall Street. The President has kept his side of the bargain by introducing a budget which balances in 7 years using CBO numbers. Where is the Republican commitment to protecting Medicare, Medicaid, education, and the environment?

Unfortunately for the American people, it is just not there. Thank you, President Clinton, for trying to bring our Nation together.

MATCHING WORDS WITH ACTIONS?

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, that speech last night was just like other speeches that this President has given. He is a great public speaker, but unfortunately, after the State of the Union is over, and he has had a chance to act, Willie's actions never match his words.

He talked about a secure future, yet he this very week is demanding that Congress raise the debt limit and increase the burden on our children. He talks about the importance of educating our children, yet he continually relies on bureaucrats in Washington to dictate how we educate our kids. Just like the last three State of the Union addresses, the delivery was great, but that is about it. He is a liberal who is ferociously fighting for big government, higher taxes and Washington control over every part of our lives. It is still the same old Bill Clinton. Our Republican ideal is for a better America for our kids: lower taxes, less government, and power back to the people. Our prayer is that the President holds our same views.

COMMON GROUND FOR ALL AMERICANS

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, you can tell how big Texas is. My colleague is from Dallas and Plano, and I am from Houston, and we do have a difference of opinion once in a while.

Mr. Speaker, the President last night reminded us that we are all Americans and Americans are the best when we work together. On the balanced budget, both parties have put forth plans that achieve a balanced budget by the year 2002. Right now we have enough cuts that we agree on to give the public the balanced budget they want. We can make meaningful reforms in health care so that our citizens can change jobs and not lose their insurance, and we can also protect Medicare and education funding without tax cuts to have that balanced budget.

The President was right on mark when he warned us not to play politics with the full faith and credit of the United States. The public wants us to address the issues of lost jobs, conditions in our schools and the kind of country we leave for our children, and as the President said, we have to do it together. It is time we find that common ground for all of us Americans.

FEMA'S RESPONSE TO PENNSYLVANIA'S NATURAL DISASTERS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, just as Pennsylvania was emerging from a series of natural disasters that lasted over a period of 10 days, snow and then more snow and then rain, and then flood, the Governor of the Commonwealth, our former colleague, Tom Ridge, decried the slow response of FEMA, the Federal Emergency Management Agency. He did so because FEMA seemed to not be able to make the connection between flood and rain and snow and all the tragedies that occurred all at one time.

□ 1245

Then, of course, the Governor received a nasty rebuttal from the White House, and nothing was then accomplished in trying to address the problems of the disaster. Since that time the Governor convened a meeting in Harrisburg of the FEMA officials, Secretary Peña and others. We were able to resolve the methodology by which the Federal Emergency Management Agency will respond in the future. In the meantime, I aim to bring to the committee process an examination of the FEMA procedures.

POSSIBLE DEFAULT

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, one day the House leadership says it will not force the United States into default. The next day the House leadership says it might force the United States into default. The majority leader says yes; the budget chairman says no.

Mr. Speaker, nothing good can come from holding America's credit rating hostage to ideological extremism. The cost of credit to American business is at risk by reckless statements about forcing the United States into default. Threatening to force the United States into default is reckless and irresponsible. It makes it impossible for businesses throughout the country to plan for their needs in the credit market.

We hear a lot of talk these days about our children's future on the floor of this House. Mr. Speaker, threatening to force the United States into default risks our children's future because it jeopardizes the gold-plated creditworthiness of the United States of America.

Mr. Speaker, please do not hold the Government hostage again to ideological extremism. And, Mr. Speaker, please do not force the Government into default because of this extremism.

AN END TO BIG GOVERNMENT

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, it is a great day to be a conservative Republican because last night the President came over to our side. He even declared an end to big government.

Last night the President gave a ringing endorsement of the Republican revolution. He wants tax relief for working Americans. He wants a balanced budget. He wants to save Medicare from bankruptcy. He spoke of the importance of the family. He even advocated a get-tough policy on illegal immigration.

Now that the President has come over, I now extend an invitation to my Democrat colleagues here in the House to join the cause of lower taxes and less government.

Just in case my colleagues cannot wait, I brought along a change of party form that I am sure will be quite useful.

Again, I welcome the President to the party of real balanced budgets, real welfare reform and lower taxes.

HOLDING THE NATION HOSTAGE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I thought the most interesting thing the President had to say last night was his point No. 7. It was a very serious thing. I certainly hear this as I travel around this country. I have never heard a President in the State of the Union do this.

He said, now that we have talked about all the agendas that we come together in this great American community and try to work on together, let me tell you what the American community thinks of this body. He virtually said, grow up.

He is absolutely right. Do not take the full faith and credit of this Nation hostage for ideological wars. This is absolutely ridiculous. It has never been done in the history of this Republic. I think the people are fed up with our, A, shutting down the Government and, B, now talking about that as not enough, we will push the credit off the cliff.

That would not be tolerated by our forefathers and foremothers, and the American people have run out of their toleration with it. I hope this body listened last night.

REFLECTION ON THE STATE OF THE UNION ADDRESS

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I too was gratified by much of what I heard last night. But as I looked around the Chamber, I saw several of my colleagues look much younger. It was the same speech that we heard throughout the 1992 campaign: Ending welfare as we know it; balancing the budget; reducing the size and scope of Government.

The fascinating thing for us to do was to juxtapose the speech in 1992 that was given by the President through his campaign and then look at the State of the Union Messages that we have gotten before. In 1993, we heard about the importance of increasing taxes on the middle class. We got that in 1993, the largest tax increase ever.

Then I will never forget seeing the President deliver his State of the Union Message in this Chamber, and he held up a card. That card was going to be designed to ensure that every American was part of a national health care system, a program that would usurp one-seventh of our entire economy into a package like that.

The speech last night got back to the basis of that 1992 campaign. I hope very much that during this 2d session of the 104th Congress, we will be able to govern just the way he talked.

A GREAT STATE OF THE UNION

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, last night, in his State of the Union Address, President Clinton spoke about the "age of possibility." He focused on the real issues affecting our Nation's families. Perhaps most importantly, the President extended his hand to the Republican majority and asked them to work with him, to lay down partisanship, to build a better America.

Yes, President Clinton's budget has created almost 8 million new jobs in the last 3 years and the lowest combined rate of unemployment and inflation rate since the 1960's. Yes, the Clinton budget has cut the deficit in half. And yes, the crime rate, the poverty rate, and the teen pregnancy rate are all down. But, President Clinton knows there is still more to be done.

President Clinton has offered a balanced budget which protects the Democratic priorities of Medicare and Medicaid, education, and the environment.

Last night, President Clinton asked the Republicans to join him to help build a better America. I hope they will heed his call.

NO DEFAULT

(Mr. KENNEDY of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. KENNEDY of Massachusetts. Mr. Speaker, last evening President Clinton held out an olive branch to all of the people of this country to say it is time to heal the fractures which have divided us as Americans.

I reached out some years ago to Republicans to say that we ought to have a balanced budget in this country. I was delighted to see that we got to a point where Democrats and Republicans agree on the fact that we need to balance the budget.

We have very different ideas about how to get that budget in balance. But that does not mean that either party has the right to drive this country for the first time not only into debt but to drive it to a point where we default on our obligations that have been made by generations before us.

I ask the Republicans and Democrats to come up here to this desk and to sign a discharge petition to make certain that we have a clean debt ceiling provided for the people of this country. People have fought and died for the United States of America, for our Bill of Rights, for what this country stands for. Let us not think we are so important that we have the right to turn our backs on what this country has stood for for 250 years. Let us sign a clean discharge petition.

CONFERENCE REPORT ON S. 1124, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 340 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 340

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). The gentleman from Florida [Mr. DIAZ-BALART] is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume.

During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 340 is a rule providing for the consideration of the conference reports to accompany S. 1124, the fiscal year 1996 Defense authorization bill.

The rule waives points of order against the conference report and against its consideration and was reported out of the Committee on Rules by a unanimous voice vote.

As Members will recall, Mr. Speaker, the previous Defense authorization bill was vetoed by the President. In his veto message the President cited a handful of objections. We believe they have been accommodated in this legislation and, thus, it is hoped that the President will, therefore, now sign this bill.

It would be ultimately shortsighted and inexcusably reckless, Mr. Speaker, to underestimate the national security dangers that face the United States. Yes, the Soviet Union collapsed, but Russia remains engaged in serious internal struggles that will decide its future course of behavior in the world community. China is acquiring wealth at an extraordinary rate. Some project that it may surpass the United States in gross domestic product by early in the next century. And with wealth inevitably comes vast military power.

North Korea. Though the Clinton administration is providing massive amounts of oil and technical assistance to North Korea, that regime remains an enemy of the United States. The regime in Tehran is a deadly enemy of the United States, Mr. Speaker, with enormous oil reserves. And there remain many other enemies of this great Nation throughout the world.

There are many who would love to see the United States on its knees, our youth destroyed by drugs, our economy shattered by debt. Here in this hemisphere the regime in Havana, Mr. Speaker, is one such implacable enemy of the American people, though many in this city and even in this House do not see it that way.

I would like to commend the gentleman from Texas [Mr. FROST] by the way, for supporting consistently strong sanctions against that regime, like we are now in this Congress trying to do against the regime in Tehran as well.

The Cuban dictator has a network of terrorists and drug traffickers at his command throughout this hemisphere, in Colombia, in Peru and Bolivia, in Guatemala. In Mexico, we all know the subcommander Marcos in Chiapas in Mexico, he is subcommander so as to not offend his commander, Castro. In Venezuela the Cuban regime maintains very close ties with Colonel Chavez who attempted a coup d'etat in recent years and remains intent on doing so again. There is no doubt nevertheless that the Cuban dictator at this point is bankrupt. But if he survives, Mr. Speaker, 2 or 3 more years, the pendulum toward the neoliberal or conservative governments throughout this hemisphere that has characterized the last decade, that pendulum may very well swing the other direction toward statism. And if that happens and if the Cuban dictator is able to obtain the international credits that he is so desperately seeking and that some in this House are supporting, he would no longer be a bankrupt tyrant with a network of terrorists and drug traffickers throughout this hemisphere but, rather, a tyrant with economic means and a network of terrorists and drug traffickers throughout this hemisphere.

That would constitute a major threat not only to all the governments of this hemisphere that are now curiously enough appeasing that dictator in the hope that he will be nice to them but also a major threat even to the national security of the United States.

I only wish, Mr. Speaker, that this administration would be capable of seeing that reality instead of opposing sanctions against Castro and sending emissaries to meet with the dictator to work out a little secret deal with him. But irrespective of that, Mr. Speaker, we need a strong national defense. And this bill, despite the changes that we have had to make to it, I believe is a necessary ingredient in a strong posture for the United States of America.

I would like to commend the gentleman from South Carolina [Mr. SPENCE], chairman, and the gentleman from California [Mr. DELLUMS], ranking member, along with the dedicated staff of the entire Committee on National Security and its membership for their efforts in bringing forth this second defense authorization.

This renegotiated conference report achieves many important goals, including improving the quality of life for military personnel and reforming the Federal procurement system.

Mr. Speaker, I support both this rule and the conference report. I would urge adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this rule and in support of the conference report.

Every Member understands that it is necessary that the House consider this conference report because the first DOD conference report was vetoed by the President and the Congress was unable to override.

I commend the Committee on National Security for coming forward with this new conference agreement which addresses several of the President's strongest objections. While there are still provisions of the agreement which are objectionable to the administration, I believe the removal of three provisions, language relating to the establishment of a national missile defense system, the President's ability to deploy U.S. troops in peacekeeping operations and the requirement that the President submit supplemental funding requests for contingency operations will allow the President to sign this bill into law.

I congratulate the conferees for their spirit of compromise and their willingness to do what is necessary to ensure that the other critical programs and projects in this bill become law.

Mr. Speaker, I support this conference agreement because it like its predecessor makes available funding for the B-2 stealth bomber. The B-2 is an important component of our overall defense system and I commend the conferees for their continued steadfast support of this program.

In addition, I am especially gratified that the conference agreement contains initiatives to accelerate high priority quality-of-life projects for the men and women of our armed forces and their families.

□ 1300

These projects are every bit as important to our defense system as are the many weapons systems found in the bill. And the conference report also ensures that readiness remains a top funding priority. Again the conferees have provided us with an excellent bill, and I urge every Member to support it.

This rule, Mr. Speaker, is a noncontroversial rule. It provides for the expedited consideration of this conference report in a manner that is accepted practice and custom in the House of Representatives. However, I am very concerned that my Republican colleagues have begun a new practice that is contrary to the accepted practice and custom of the House. That new practice, which we have seen in other rules brought to the floor in recent weeks, has the effect of denying the minority the rights they are assured by the rules of this body.

My Democratic colleagues on the Committee on Rules protested this new practice earlier this month when we met to consider three continuing appropriations, and the Republican majority reported rules which not only closed the continuing resolutions to amendment but also denied the minority their guaranteed right to offer a motion to recommit.

Mr. Speaker, I include a letter signed by the four Democrats on the Committee on Rules to Chairman SOLOMON at this point in the RECORD:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RULES,
Washington, DC, January 23, 1996.

Hon. GERALD B.H. SOLOMON,
Chairman, Committee on Rules, Capitol Building, Washington, DC.

DEAR MR. CHAIRMAN: While in the minority, you and your Republican colleagues staunchly defended the minority's right to offer a motion to recommit. On the first day of the 104th Congress, the Republican majority made good on its promise to expand that right. But it seems we've come a long way since those days.

Exactly one year and a day after adopting the opening day rules change to guarantee the minority's right to offer an expanded motion, the Republican majority found a way to break its commitment to protect even the simple motion to recommit.

On Friday, January 5, 1996, the Republican majority used a transparent parliamentary ploy—not once, not twice, but three times—to circumvent the rule assuring the minority a motion to recommit. Clause 4(b) of rule XI, first adopted in 1909, prohibits the Rules Committee from reporting a resolution that prevents the minority from offering a motion to recommit. Specifically, clause 4(b) prohibits the Rules Committee from reporting a rule that "would prevent the motion to recommit from being made as provided in clause 4 of rule XVI" and clause 4 of rule XVI states that the motion to recommit will be in order "after the previous question shall have been ordered on the passage of a bill or joint resolution."

On that day, the Republican majority in the House approved three extraordinarily restrictive rules providing for initial consideration of three new approaches to continuing appropriations. Ordinarily, a new bill or joint resolution would be introduced providing continuing appropriations. Instead, the House considered House amendments to Senate amendments to unrelated House bills. In one particularly egregious case, the rule hijacked a Senate amendment to a House bill dealing with the National Marine Fisheries Service lab to attach a continuing appropriation. The obvious and intended effect in all three cases was to circumvent the prohibition against the Committee on Rules reporting a rule that prevents a motion to recommit on initial consideration of a new idea.

We are writing to protest the manner in which these items were considered. We are writing to protest the outrageous and arrogant stifling of debate and alternative approaches.

The first rule, House Resolution 334, provided for consideration in the House of an unusual continuing appropriation amendment to a Senate clean and simple CR amendment to an unrelated bill, H.R. 1643, extending most-favored-nation duty status for products from Bulgaria. Before this Congress, the House would have ignored the Senate amendment to H.R. 1643. The Senate amendment initiated continuing appropriations. The House—until this time—has guarded its prerogative to initiate appropriations, blueslipping Senate appropriation bills and simply not taking up Senate amendments to House bills where such amendments initiated appropriation measures. By taking up H.R. 1643 with the Senate amendment, the House has now signaled its acceptance of the Senate infringement on the custom and privilege of the House to initiate spending.

The next two rules, House Resolutions 336 and 338, went a step further. Not satisfied with blocking all amendments including the motion to recommit, the GOP majority denied any separate debate on the House amendment. Adoption of the rule constituted adoption of the House amendment. Once the House passed the rule, the whole matter was automatically sent to the Senate without further debate or votes.

Making the vote on the rule also the vote on the policy precludes any serious discussion of the process. The seriousness of the issues involved—continuing appropriations and the threat of another costly government shutdown—overwhelmed any debate about the motion to recommit. If any fair-minded Republicans wanted to protest this rule (and its repudiation of the Republican expansion of the motion to recommit) they could not do so without fear of contradicting the Speaker's policy on continuing appropriations. The Republican freshmen have learned the Speaker's vengeance on such matters will be swift and direct.

We were surprised that you would agree to a procedure that diminishes the traditions and prerogatives of the House and tramples on the minority rights you championed for so long when you were in the minority. We are deeply disappointed that the Rules Committee under your chairmanship would participate in this unseemly circumvention of clause 4(b) of rule XI and we hope that such actions will not be repeated.

Sincerely,

John Joseph Moakley.
Martin Frost.
Anthony Beilenson.
Tony Hall.

Mr. FROST. Mr. Speaker, in this letter my colleagues and I protest what we consider to be outrageous and arrogant stifling of debate and express our hope that these actions will not be repeated. I believe our position is meritorious and supports the best interests of the House of Representatives as a constitutional institution. Consequently, Mr. Speaker, this letter should be made a part of the permanent record.

Mr. Speaker, I found it quite interesting that no Republican Member defended the minority's right to offer the motion to recommit earlier this month. I found it very sad that a party that has so strongly and so correctly defended the rights of the minority now practices a brand of political gamesmanship that stifles all debate and dissent.

I bring this subject to the attention of the House because the Committee on Rules is scheduled to meet today to consider another continuing resolution. I hope that my Republican colleagues will not perpetuate this practice and will allow the House an opportunity to debate the issues of the day.

Mr. Speaker, I urge support for this rule. I support this rule because it is fair and because it provide for the consideration of important programs of the Department of Defense. But I hope that when we meet in the future to consider rules reported by the Republican majority of the Committee on Rules that the rights of the minority are protected and assured.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York [Mr. Solomon], my chairman and leader of the Committee on Rules.

Mr. SOLOMON. I thank the gentleman for yielding the time.

Mr. Speaker, I would rise in support of this rule. I would urge its adoption so that we can get on with the debate and passage of this long-awaited essential legislation.

Mr. Speaker, I submit for the Record my response to my good friend the gentleman from Texas [Mr. Frost] as follows:

House of Representatives,
Committee on Rules,
Washington, DC, January 24, 1996.

Hon. John Joseph Moakley,
Ranking Minority Member, House Committee on Rules, The Capitol, Washington, DC.

Dear Joe: Thank you for your letter of January 23rd cosigned by your minority committee colleagues expressing concerns over three recent rules providing for the disposition of Senate amendments to House bills and the fact that these rules denied the minority a motion to recommit.

As you know, the guarantee of a motion to recommit with instructions was one of the House Rules reforms that we adopted on the opening day of this Congress because it was something we felt strongly about when it was denied to us on numerous occasions when we were in the minority. However, as you are also aware, the guarantee only applies to rules that provide for the consideration of bills and joint resolutions, and does not apply to simple or concurrent resolutions, or to motions to dispose of amendments.

The three rules to which you refer all involved emergency spending measures that were considered just prior to our recess earlier this month. All three measures enjoyed widespread, bipartisan support given the need to reopen the government.

However, I fully understand your concern that this procedure could be abused in the future as a way to deny the minority a motion to recommit with instructions. As probably the leading champion of that right when we were in the minority I can assure you that I will continue to safeguard that right, just as I insisted that we enshrine this guarantee in our House Rules when we came into the majority. I have therefore transmitted a copy of your letter to the Majority Leader and other members of our leadership, together with my views that the procedure for disposing of Senate amendments should only be used where circumstances clearly warrant it.

Sincerely,

Gerald B. Solomon,
Chairman.

Mr. SOLOMON. Mr. Speaker, I do believe the gentleman protests too much. No rules of the House have been waived. We have followed procedure, and we will continue to do so.

Mr. Speaker, first of all, the gentleman sitting next to me that is managing this rule, Mr. Lincoln Diaz-Balart of Miami, FL, he and his family have for so many years been a bulwark of defense against the spread of international, deadly, atheistic communism throughout the world but especially in the Western Hemisphere, in Cuba and Central America. I want to commend him for his outstanding effort on behalf of himself and his family.

Once again, I would like to commend Chairman Spence and his outstanding staff for the tireless work they have put in on this bill, especially during the very long conference period. Chairman Spence and his very, very able staff are among the very best in this entire House. They put in yeoman hours on this effort.

Mr. Speaker, we must pass this legislation today and the President must sign this bill into law. This authorization bill is the first step in restoring our defenses to the level that should be in place for the world's only superpower today. We all know that the defense budget has endured 10 years of cuts, 10 years in a row. This must stop and this bill stops it dead in its tracks. That is why I support the legislation.

Furthermore, the bill helps to improve the lives of our men and women that serve in the armed forces of the United States, with increases in pay, with basic housing allowance increases, with health care provisions, and many other items that help make a better life for these young men and women and their families that serve in the military today.

Mr. Speaker, there is no more important bill in our annual process than the defense authorization bill. After all, that is why we have a republic of States. It is for the primary purpose of providing for a national defense for these States of ours, and this year's bill is critical if America is to maintain its leadership role in the world, as I think it should. And as our young men and women serve in Bosnia, we must give them all the support we can even though many of us oppose the policy that put them there. This bill is a start towards that.

Mr. Speaker, to ensure that the President would sign this bill, many of us have had to compromise over several important issues. But in Ronald Reagan's words, he used to say to me, "Jerry, politics is the art of compromise. You cannot always have it your own way." And certainly this is a proof positive that we are bending over backwards to try to cooperate.

The reason I am supporting this bill is because we have a level of funding that is going to help restore the defenses of this Nation, and that is the only reason, because I really do object to several of the provisions that have been compromised in it. But I would urge every Member to come over here today, to vote for this rule and then vote for this very vital piece of legislation.

Mr. DIAZ-BALART. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. GOSS], my distinguished colleague on the Committee on Rules.

Mr. GOSS. Mr. Speaker, I thank my distinguished colleague, the gentleman from Florida [Mr. DIAZ-BALART], for his generosity and courtesy in yielding me the time. I rise very much in support of this rule. After careful consideration and looking at the legislation, I support that as well.

I think it is important in the spirit of cooperation, unity, and togetherness when we have the opportunity to move forward, that we do that, and I think this fills that role. This is a very important piece of legislation.

There are three issues that are at stake today. One is the question of our missile defense national security; that is a subject we are going to give considerable more attention to. The other is the question of the U.N. chain of command; that is in the newspapers today. That is a subject we are going to be hearing more about and talking about on the floor.

Another is the cost of peacekeeping that the President alluded to last night. That is an area we have to focus great attention on, because adventures, or perhaps misadventures as we have had in places like Haiti, have an extraordinary cost to them. We are up in the range of about $3 billion now on that, and we do not have any way to really address those kinds of issues—$3 billion here, $3 billion there for what is loosely called "peacekeeping" or "peacemaking" suddenly adds up to some serious money and is a big issue in the question of how we do our national defense and our national security.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Texas, Mr. SAM JOHNSON, who was wounded and imprisoned by enemies of this Nation while he fought to defend our Nation and our people.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise today to support our Armed Forces.

Although there are many good things in this bill, changes made in this latest version are not in our Nation's best interests. The most egregious omission is that it now allows the President to put American troops under U.N. command.

Under U.N. control the world's best fighting force would be put into the hands of an irresponsible, incompetent organization that is fraught with unnecessary bureaucracy and fiscal crises.

The United Nations record is a disgrace. Peacekeeping missions continue to grow in number, while success declines and its purposes and goals are ill-defined at best. There is no leadership.

Our service men and women put their lives on the line to protect freedom and serve our Nation. It is our responsibility to ensure their safety. We would be shirking that responsibility by allowing someone from the United Nations—who knows nothing about the U.S. military—to assume control of our troops.

Once again I find myself wondering why this administration and those on the other side of the aisle have fought so hard against any effort to protect our troops from being placed under U.N. control.

How can any American really be committed to any questionable organization such as the United Nations. I am amazed that any administration could have such little concern for our Nation's military. I would hope that the decision to take this important provision out of this bill will be reconsidered in the future. The safety and future of our Armed Forces depend upon it.

Mr. DIAZ-BALART. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DORNAN], a great American patriot who we are honored to have serve in this Chamber.

Mr. DORNAN. Mr. Speaker, this cannot be a happy day for big-taxing and big-spending politicians. Here is the New York Times. It says, "Clinton Offers Challenge to Nation, Declaring Era of Big Government Is Over." That on the Gray Lady, America's so-called paper of record, is amazing.

Here is the great Washington Times, "Clinton Concedes End of Big Government Era."

And here is the Washington Post, the alleged paper of record inside the beltway. "Clinton Embraces GOP Themes in Setting Agenda." The era of big Government is over.

As I said in a 1-minute speech this morning, Mr. Clinton did what he did in all of the State of the Union speeches, tearing pages from Ronald Reagan's book, put heroes in the gallery, military heroes, a year-ago Medal of Honor winners who, one gentleman won a Medal of Honor 7 days after his 17th birthday on the sands and ground-up lava of Iwo Jima. Last night he had sitting in the front row here, General Barry McCaffrey, who when he was a lieutenant and a young captain in Vietnam, Clinton could not gag out the word "Vietnam," won three Purple Hearts.

He was the general who in the White House 2 years and 10 months ago was told, "We don't speak to people in uniform here." They did not know he was the commander of the 24th Infantry Division Mechanized, the point of the spear, the Hail-Mary left hook that broke through into Iraq and around Kuwait and liberated that poor besieged nation.

Pointing to heroes and then taking away their pay raises and their benefits is not going to work with the American people.

As I look at my Clinton countdown watch today, I see it is 362 days to the inauguration of the 43d President of the United States, a brandnew one; and subtracting the 76 days from the election to the inauguration, that means in 286 days, Mr. Clinton is going to be asked to account for the two things that he demanded be removed from this excellent defense authorization bill. He said, we are not going to defend the American homeland from any nuclear, biological, or chemical missile attack. If it comes from a rogue nation like Iran, where 8 days ago today, 200 of their congressmen, whatever they call them, in their national assembly came to their feet and chanted and screamed, "Death to America"; and every analyst will tell you that 5 years in the short term and 10 years at the maximum, they will have a nuclear weapon, as CBS and PBS in documentaries on Desert Storm reported that Iraq was within a year of nuclear weapons.

We simply must hold Mr. Clinton to account for making us take up national missile defense and for making him take out our provisions not to put U.S. troops under foreign or U.N. command.

Vote for this rule and support the authorization bill.

For immediate release, January 23, 1996.

DORNAN "RELUCTANTLY" SUPPORTS NEW DEFENSE CONFERENCE REPORT

"I am very disappointed that we have been unable to retain two very important provisions in the fiscal year 1996 Defense Authorization Conference Report due to objections from the Clinton administration. Provisions dealing with U.N. foreign command of U.S. troops and deploying a national ballistic missile defense have been removed from the new conference report despite the clearly demonstrated importance of these provisions. If it were not for the other important provisions of the report, specifically financial benefits for soldiers deploying to Bosnia, I would not hesitate voting against this new bill. However, unlike the President, I am unwilling to put politics ahead of the welfare of our troops and their families and will support this conference report when it comes to the House floor for a vote," commented Congressman Robert K. Dornan (R-Garden Grove), Chairman of the House National Security Subcommittee on Military Personnel.

Dornan, one of the original authors of the U.N./foreign command provision after introducing H.R. 3334 in response to the loss of 19 U.S. soldiers in Somalia in 1993, still believes that there is great danger of another command disaster under this administration. "We must preserve an American chain of command and chain of responsibility for American troops and their families. If we never act on this issue, we may again face another Mogadishu in Bosnia, Haiti, or elsewhere."

Dornan was also very disappointed at the lack of a clear commitment to deploying multiple missile defense sites by 2003 to protect the continental United States from attack by ballistic missiles. "Fortunately, despite lack of language, we still did increase funding for vital missile defense programs such as Navy upper tier which will provide our forward deployed forces and allies a near term/low cost defense against attack. Without this funding, debate over deployment dates and the ABM Treaty might become meaningless."

"These changes represent the wide gap between this administration and the American public on national security issues. I sincerely hope the American people remember these critical differences on November 5th 1996!"

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

□ 1315

Ms. NORTON. Mr. Speaker, in this body not a day goes by that we do not deify the military. Yet in this bill is a provision that would leave a woman stranded, while serving her country, without medical care, if the medical care she happens to need is a legal abortion. A compromise had been reached whereby she would have to pay 100 percent of the cost. Instead, in this bill, she would be left alone to go off base, perhaps in a foreign country and not speaking the language, to find that medical care.

It is always wrong, Mr. Speaker, and it is always against the American tradition, to interfere with a fundamental right to privacy. It is particularly wrong to toss a member of the military to the winds in need of medical care, particularly when she may be in a foreign country.

This is a fundamental right; it is not going to be withdrawn. So the strategy to humiliate people and make it difficult for them to be able to exercise the right is the prevailing strategy of this session.

The exercise of this right is understandably painful to many who oppose the right. It is painful to me to see someone exercise their first amendment free speech rights when they are speaking words that I find painful. But in this country, we do not try to extinguish constitutional rights by making them difficult or impossible to exercise. We particularly must not operate that way when dealing with women who serve their country in the U.S. military.

Mr. DIAZ-BALART. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Speaker, may I respond respectfully to my friend, the prior speaker.

As the author of the amendment cutting off abortions in military hospitals, an offer to pay for part of it does not take care of all of the hospital costs and all of the attendant costs to someone using a facility to stop human life.

I would just like to make part of the debate the following statement: Not a single doctor, female or male, or nurse in the U.S. military wrote to me not to cut this off. Quite to the contrary, all of the doctors in Europe, every one of them and every anesthesiologist and all of the doctors in the Pacific, said: Chairman DORNAN, cut off this killing. We do not want to do it.

Mr. DIAZ-BALART. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Speaker, as a member of the Committee on National Security who has worked hard all year on this bill, today is a very difficult day for me. It is with great sadness that I rise with great concern for this rule and this conference report.

The conference report we will vote on today is very similar to the one vetoed by President Clinton in late December with some notable exceptions. Several controversial sections have been removed. Although I disagree, I might have supported this report without the missile defense language and funding for the President's peacekeeping misadventures, and we might have argued those another day.

However, the conference agreed to drop a section of the bill that restricted the President's ability to place American troops under U.N. command. How ironic that today we will vote on this bill when just this morning a military court in Germany court-martialed Army Specialist Michael New, an American hero who refused to wear a uniform that signified allegiance to a foreign government, and dishonorably discharged him. Had this section been included in last year's bill, Michael New would be a decorated soldier today who would be proudly serving his country.

We have overwhelmingly voted this in the past. I hope this rule is defeated and we have a bill that America can be proud of and we can vote for.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to my good friend, the distinguished gentleman from California [Mr. MCKEON].

Mr. MCKEON. Mr. Speaker, I thank the gentleman from Florida [Mr. DIAZ-BALART], a distinguished member of the Committee on Rules, for yielding me this time.

Mr. Speaker, I rise in support of the rule and the revised conference report on the Department of Defense Authorization Act. While I preferred the conference report that a majority of Members supported last month, I support adoption of this measure and urge the President to sign it into law.

This legislation deserves our strong endorsement. The bill before us will result in substantial Federal acquisition reform, which will eliminate paperwork and procedural hurdles and will save the Defense Department and taxpayer's billions of dollars. The bill also authorizes a full pay raise for active duty military personnel and provides equity in cost of living payments for our military retirees.

Chairman SPENCE and the leadership of the National Security Committee have also addressed shortfalls in military construction and basic equipment such as trucks, jeeps and ammunition. We also provide additional F–15 and F–16 fighters, which will meet a critical Air Force need. In addition, the production base for the B–2 Stealth Bomber is maintained, which will enable additional aircraft to be manufactured and will allow older bombers, which are prohibitively expensive to operate and support, to be retired.

This is sound legislation and I ask for a "yes" vote on the rule and the conference report.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. SAXTON] of the Committee on National Security.

Mr. SAXTON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise with some reservation to support this bill, reservations which have been adequately expressed by previous speakers.

Mr. Speaker, it shouldn't have had to come to this. We shouldn't have to be revisiting the same issue over and over again. And yet, here we are 6 weeks after spending United States troops to Bosnia voting again on whether we should properly support American service men and women—men and women who are repeatedly sent to the far corners of the world to settle other people's conflicts.

In my home district, I have the honor of representing the fine men and women who serve at Fort Dix and McGuire Air Force Base and Lakehurst Naval War Center. In the tradition of those who served before them, these dedicated individuals responded within hours to the President's decision to deploy troops to Bosnia. Guard and Reserve soldiers were readied at Fort Dix; supplies were flown out of and through McGuire; air crews were sent to Europe and the Balkans to ensure our forces were well equipped and supported. While many of these service members have personal misgivings about the mission, they put aside those doubts, saluted smartly, and got on with the business at hand.

With little or no notice, these men and women left their homes and families to an extremely uncertain situation. They mobilized just as Christmas celebrations were beginning, leaving behind sons and daughters, spouses, and mothers and fathers to carry on as best they could. These men and women deserve our support. They deserve the full pay raise which we promised; they deserve the increase in the basic allowance benefit; and they deserve the COLA equity fix contained in this bill. Let's do the right thing.

Let's pass the rule and pass this Defense authorization bill. We are duty-bound to do no less.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this conference report.

Mr. Speaker, it is a very good bill, especially as my colleagues had mentioned for the Reserve components. I ask my colleagues, do they know that one-third of the military forces that we have today are in the National Guard and Reserve? Do they know how much money we get out of this bill today? We only get 10 percent of it. So it is a good buy for the taxpayers.

However, under this legislation we were able to add $770 million for new equipment for all of the Reserves and give them better equipment to operate with. The technicians for the Guard and Reserves were raised by 1,250 people. These are the ones that run our armories and our reserve centers.

We have a number of National Guardsmen and Reservists that are flying on these great airplanes into Bosnia, and, if they do not get an extension of 44 days, they cannot get paid. Under this bill, we have given them an extension of 44 days that they will get their pay for doing this special flying. There is a youth challenge program that is extended for 18 months, a wonderful program.

The National Guard can still do community service if it is tied to training. There was talk about not letting the National Guard use the equipment in the different States. It would be a terrible mistake. Under this bill, the National Guard can help out the community.

Instead of cutting each fighter squadron to 12 in the Air National Guard and Reserve, the bill provides for 15 aircraft in each squadron. The bill includes a program that I was proud to sponsor. It is a buy-down of interest rates for service personnel at military bases where there is a shortage of houses. This is the way it works. It would cover personnel with the rank of E-4 and above, and buy-downs their mortgage interest rate, 3 percent in the first year, 2 percent in the second year, and 1 percent for the third year of the loan. This would help the enlisted person get them housing where it is not available on the base.

In closing, Mr. Speaker, there are also kickers for the educational benefits for Reservists, just like the active forces get for special MO's. This can be implemented by the Secretary of Defense. This is a good bill and I certainly support it.

Mr. DIAZ-BALART. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. HILLEARY], a distinguished and very effective new member of the Committee on National Security.

Mr. HILLEARY. Mr. Speaker, I rise in support of this rule and of the DOD authorization conference report. I would like to thank the gentleman from New York [Mr. SOLOMON] for this rule and especially thank the gentleman from South Carolina [Mr. SPENCE] for his diligent work on trying to get this bill to the floor and get this bill into law. It has a lot of important provisions and, I think, not the least of which is the 2.4-percent pay raise for our military and the COLA equity for our military retirees.

However, as has already been addressed this morning and this afternoon, one important provision is missing, which is the provision which prohibits placement of the U.S. forces under U.N. operational and tactical control.

Many in this body, including myself, strongly oppose any time our Armed Forces are being asked to be put under U.N. command or control. The President of the United States is the Commander in Chief, and I think it is wrong for him to cede his authority, his constitutional authority to the United Nations. Apparently the President does not feel this way, and he has insisted that this provision prohibiting our troops coming under control of the United Nations, he has insisted that it be taken out. I nevertheless support this rule and this bill, and I, with some reservations, urge my colleagues to do the same.

Mr. FROST. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I rise to express my great disappointment that the conferees have chosen to retain the section of the bill which would require the discharge of military personnel who test positive for HIV. This provision was cited by the President in his veto message as blatantly discriminatory, exalting ideology over common sense. The Department of Defense itself has consistently opposed this provision. It is unnecessary, unjust, and unwise, and I deeply regret that the conferees have chosen to retain it.

Mr. Speaker, I rise to express my disappointment and dismay that the conferees have chosen to retain section 567 of this bill, which would require the discharge or retirement of military personnel who test positive for HIV.

As the President acknowledged in his message vetoing the first conference report, this is a blatantly discriminatory measure which exalts ideology over common sense. It is justified by neither the need to ensure military readiness nor any other legitimate legislative concern.

The Department of Defense has consistently opposed this provision on a number of grounds. First, the number of servicemembers who test positive for HIV is less than one-tenth of 1 percent of the active force and does not pose a significant problem for our military.

Second, these servicemembers are experienced, highly trained, and physically fit, and it will not enhance readiness to deprive the Armed Forces of their services.

And third, if and when their medical conditions render them unable to carry out their duties, current law already requires that these servicemembers be separated or retired. Moreover, current law gives the Secretary of Defense full authority to discharge even asymptomatic individuals should he determine that their retention would adversely affect the military mission.

The truth, Mr. Speaker, is that this measure is not about military readiness. Had it been so, it would not have singled out service members with one particular medical condition, but would have mandated the discharge of all who are non-worldwide assignable due to a medical condition, whether they suffer from asthma, diabetes, cancer, or heart disease. That would have been no less gratuitous, but it would at least have had the virtue of consistency.

Why, then, are only servicemembers with HIV to be discharged? The answer is inescapable: The proponents of this measure believe that people living with HIV/AIDS do not deserve the same consideration and compassion afforded those with other medical conditions.

Nor is it too far fetched to suggest that, for some, this provision is really a proxy by which they hope to bring about the discharge of HIV-positive servicemembers who happen to be gay. The shifting demographics of this disease make it less and less likely that they will actually achieve this result, but there are undoubtedly some gay servicemembers who will be discharged under this provision who up to now have managed to weather the unending waves of persecution to which they have been subjected.

Finally, Mr. Speaker, I object to what is perhaps the most mean-spirited aspect of this provision: It not only deprives these men and women of their careers, but by requiring their discharge rather than providing for their medical retirement, it denies them continued medical care at Department of Defense facilities. The bill allows these servicemembers all of 30 days of transitional care before consigning them to Veterans' Administration facilities—most of which are ill-equipped to serve their needs. What is more, those who are enrolled in military medical research would no longer be eligible to participate as volunteers.

This is an unconscionable way to treat people who have honorably served their country. It also places in jeopardy one of the most important clinical vaccine programs in the world. Given the human and strategic significance of the advancing pandemic, this is unforgivably shortsighted.

In short, Mr. Speaker, this provision is unnecessary, unwise, and unjust. I urge the House to reject the conference report.

Mr. DIAZ-BALART. Mr. Speaker, I yield 3 minutes to my good friend, the distinguished gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I thank the gentleman from Florida very much for yielding me this time.

Mr. Speaker, I would not want to be in the position that the gentleman from South Carolina [Mr. SPENCE] is in. This is a really tough situation for him, and I am really delighted with the work that he has done on this bill to finally at least get a conference report that will have the authorization in place. I am going to vote for it. But I have to say that it is with some great reluctance, particularly with respect to the ABM section of the bill.

Let me read first of all what the President said in his message. This is his veto message:

> First the bill requires deployment by 2003 of a costly missile defense system able to defend all 50 States from a long-range missile threat that our intelligence community does not foresee in the coming decade, which would require a multiple-site architecture that cannot be accommodated within the terms of the existing ABM Treaty.

Well, let us just think about how intelligent our intelligence community is with respect to their speculation about this foreseeable or nonforeseeable, as they say, threat to the United States, and I will make it as current as this morning.

Dateline, January 23, Beijing, China, New York Times, says that preparations for a missile attack on Taiwan by China and the target selection to carry it out have been completed and await a final decision by the Politburo in Beijing. A senior Chinese official is quoted as asserting, "China could act militarily against Taiwan without fear of intervention by the United States because American leaders care more about Los Angeles than they do about Taiwan."

Obviously a veiled threat against the United States, a veiled threat of a missile attack against Los Angeles, the idea being that we would not defend our ally in Taiwan against a missile attack, because we would be afraid that China would launch a missile attack against Los Angeles or New York or Cleveland, or Washington, DC.

□ 1330

Mr. President, the whole idea is that we have got to get rid of the ABM Treaty. Mr. President, we have to wake up in this country. There is a real threat. It is a genuine threat, and the first thing or the first order of business, the first responsibility of any moral government, is to protect its citizens. That means beginning with the repeal of the ABM Treaty.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Guam [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today in support of the rule and passage of the DOD authorization bill. I would like to commend especially the gentleman from South Carolina, Chairman SPENCE, and the gentleman from California, ranking member DELLUMS, for their hard work on this very important piece of legislation.

While the authorization process has dragged on far longer than expected, I certainly applaud their commitment to its completion and the resolution of some very many contentious issues surrounding the bill.

Mr. Speaker, I especially want to congratulate the parties involved for bringing to closure the issue of equity in the COLA for military retirees and civil service retirees, and especially also for bringing a full pay raise for our men and women in uniform. As many Members fully understand, Guam is the home to very many people in uniform, but perhaps not equally understood is that very many of our own people are in the service.

I also want to draw attention to some concerns I have. I have serious concerns about the reductions in the environmental cleanup funding included in this legislation. But I am pleased with the compromise reached on funding of technical assistance for restoration advisory boards at military bases. RAB's are critical to building strong relations between the military and local communities. The small amount of technical assistance that RAB's receive enables them to acquire reliable and independent information that maintains this strong relation.

I especially want to point out, and appreciate the attention of the chairman and ranking member, a particular issue of concern to Guam. At a time when Guam is suffering from the largest BRAC reductions and closures of any American community, the commitment to assist in this process is important.

For the first time, Guam is included as a U.S. area for the repair of vessels. It may sound incredible, but Guam up to this time had to compete with foreign SRF's for the repair of U.S. vessels in voyage repairs.

Again, Mr. Speaker, I commend the chairman and ranking member for their work on this legislation, and I urge passage of the rule and ultimately the legislation.

Mr. DIAZ-BALART. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WELDON], a wise leader on the Committee on National Security and my good friend.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise in support of the rule for the consideration of the authorization conference report and ask for support for the bill. I would like to address my comments, in closing, to the issue of missile defense and what we did as authorizers on the conference committee to bring forth a bill that this administration would hopefully sign into law, in spite of the objections they raised earlier this year and last year in terms of the missile defense provisions.

Some would say that perhaps we negotiated too far and that in fact we no longer have as a priority the issue of national missile defense. I am here to say, Mr. Speaker, nothing could be further from the truth. This is not the end of the fight, this is the beginning of what promises to be a war in this country, in this session of the Congress, on the fate of the future of protecting the people of America from missile proliferation and the threat of a rogue attack.

Mr. Speaker, we have heard the administration say they tried in good faith to negotiate with us. Mr. Speaker, I say, hogwash, disingenuous, totally misleading and totally self-serving. I was in those negotiations, Mr. Speaker, with three other Members of the Congress. In fact, no other House Members were present. It was Senator NUNN, it was Senator THURMOND, and it was Senator LOTT. We invited the administration over in the form of Bob Bell, and we in good faith addressed the 12 specific issues that he raised.

But, Mr. Speaker, it was like negotiating with a bowl of jelly, because in the end the administration had no intent on coming to grips with this issue of whether or not to protect America from the threat of a rogue attack. We in good faith in fact compromised in each of the 12 areas. We made a good faith effort to change language to give the administration the changes they asked for. But, Mr. Speaker, in the end the President did not want a bill and would not agree to the bill because we finally held his feet to the fire and said we want to deploy a system by a date certain. Where was this date certain picked from? It was picked from the recommendations of the President's own administration.

Now, Mr. Speaker, we heard a lot of rhetoric during the debate on the floor. We heard this was going to violate the ABM Treaty. Guess what, Mr. Speaker? A week ago Monday, the administration's point person on missile defense said that we can protect the entire 50 States from a single site by either using the Air Force or the Army program, which would in no way violate the ABM Treaty. All of a sudden the administration has no more argument that our efforts would have in fact violated ABM, because in fact the administration's own point person said that is not the case. Then the administration shifted gears and said it might jeopardize START II.

Mr. Speaker, I just spent 7 days in Russia where I met with the leaders of the Yeltsin administration on proliferation and on arms control issues. They were not pressing me on the issue of an allowable program under the ABM treaty. They are pressing me on expansion of NATO.

Why has this President not chosen to speak to the issue of Russia's concern with expanding NATO? If they want to know the real cutting edge issue that will cause START II to be delayed in

Russia, it is not what we want to do, it is the administration's rhetoric about NATO and what it wants to do. We did not hear that in the debate on the House floor.

Then we heard, Mr. Speaker, the administration finally resort to a last ditch argument, because they could not make the argument on the ABM Treaty alone, because this bill originally did not attack the ABM Treaty. It did it in compliance with the treaty, even though many of us feel the treaty has outlived its usefulness and ultimately has to be changed. They then said there is no threat.

Get this, Mr. Speaker: The administration comes out with the most politically biased intelligence brief I have ever seen in my 10 years here, gives Senator LEVIN a political letter from the Deputy Director of the CIA for use in debate on the Senate floor, saying there will be no threat in 15 years, even though we requested this information for months. Two weeks later we are able to get advanced telemetry equipment the Russians are sending to Iraq to be used for a long range ICBM. The treat is there, it is real, and the battle for a national missile defense system is just beginning.

Mr. DIAZ-BALART. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I just wanted to state, so my colleagues will understand very clearly, and I think the gentleman from Pennsylvania [Mr. WELDON] made the point, that this President does not want to defend the United States against incoming ballistic missiles. That was his major objection to this bill, along with the idea that he also wants to have the right to delegate to foreign commanders the command of U.S. troops.

We are now going to enter a period in which it is important for Members of this House who feel that defense is important to enter a full-court press this year to develop defenses against incoming ballistic missiles, both for the people of the United States and for our troops in theater. We are going to do this.

The President has given up his most solemn responsibility, and that is to defend the people of the United States of America, and he is denied that responsibility in this bill.

Mr. FROST. Mr. Speaker, I urge passage of this rule and I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I would urge the adoption of this rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, pursuant to House Resolution 340, I call up the conference report on the Senate bill (S. 1124) to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of January 22, 1996, at page 692.)

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. SPENCE] will be recognized for 30 minutes, and the gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the President's veto of H.R. 1530 over the Christmas holiday was unfortunate and unjustified. As I stated several weeks ago when the House attempted to override the veto, if it has achieved nothing else, the President's veto has helped to further highlight the stark differences between the Congress and the President on critical issues of national security.

There were two primary issues on which the original bill was vetoed. First, was the provision in the original bill that called for the deployment of a national missile defense system—that is, a defense of the American people—by early next century. And second, was the provision requiring the President to certify in advance that any future deployment of U.S. military troops under the operational control of the United Nations is in the U.S. national security interest.

Expressing what I know to be the sentiment of many of my colleagues, these are issues of basic, fundamental principle. Accordingly, a majority of the conferees believed that no deal with President Clinton on these issues in this bill was far preferable to a bad deal.

Therefore, the conferees removed the national missile defense and U.N. command and control language that the President objected to so strongly rather than weaken the provisions. Nobody should think, however, that this is the last that either this Congress or this President has seen of these issues.

On both issues, however, the conference report still retains: Full funding for ballistic missile defense programs, including an increase of $450 million over the President's request for national missile defense programs; strong direction on critically important theater missile defense programs; and a provision of permanent law prohibiting the Department of Defense from paying the U.S. share of the costs of U.N. peacekeeping operations.

This conference report remains critically important for the numerous pay, allowances, benefits and reforms that it contains. This is why so much effort has been expended in such a short period of time to turn this conference report around. I support this conference report which, through two conferences now, has remained true to the four basic defense priorities this House established and articulated beginning early last year: improving military quality of life; sustaining core military readiness; reinvigorating lagging modernization programs; and beginning the long overdue process of Pentagon reform.

Mr. Speaker, I urge my colleagues to support the troops and their families with a "yes" vote on the conference report. It is time to put our money where our mouths are.

□ 1345

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MCKEON] for the purposes of conducting a colloquy.

Mr. MCKEON. Mr. Speaker, I thank the gentleman for yielding me the time. Could the chairman please describe the outcome reached by the conferees on S. 1124 with regards to the B-2 bomber program?

Mr. SPENCE. If the gentleman would yield, the conference outcome on the B-2 was identical to the outcome on H.R. 1530 which the President vetoed. It successfully establishes the conditions necessary to permit the production of additional B-2 bombers beyond the currently authorized 20 aircraft.

There is a key issue, however, that requires clarification for the legislative record. First, as both the bill and report language clearly indicate, the fence on the obligation of B-2 funds until March 31, 1996, applies only to the $493 million in additional fiscal year 1996 procurement funds. In no way does this fence impact obligation of prior year B-2 funding.

Therefore, the balance of the $125 million authorized and appropriated in fiscal year 1995 to sustain the B-2 industrial base is available immediately for such purposes. The use of the phrase "merge with the $493 million" in no way captures any prior year funding and refers only to the use of those funds for the same purpose as the $493 million.

Mr. MCKEON. I thank the chairman. Is it therefore the chairman's perspective that the purpose for which the additional $493 million is being authorized is the facilitization and acquisition of long-lead items necessary to procure additional B-2 aircraft if such a decision is made in the future?

Mr. SPENCE. If the gentleman would yield. Consistent with the purposes specified in House Report 104–131 and House Report 104–208, the increased authorization of $493 million for the program is for the purpose of reestablishing critical elements of the B–2 production line and procuring long-lead items consistent with the acquisition of additional B–2 aircraft.

Mr. McKEON. I thank the Chairman for his clarification.

Mr. SPENCE. Mr. Speaker, I reserve the balance of my time.

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join with the gentleman from South Carolina [Mr. SPENCE], the chairman of the committee, in bringing to the floor the conference report on Senate bill S. 1124, the Defense authorization bill for fiscal year 1996.

As Members know, and as the gentleman has already indicated, this is the second conference report that has been brought to the floor on fiscal year 1996. I am pleased that after the President's veto and the Congress' sustaining of that veto of the first conference report, that the conferees agreed to drop many of the provisions that the President and many of us in this Chamber found objectionable.

With respect to the National Missile Defense program, and what this gentleman perceives to be a tax on the ABM Treaty, I am pleased that the concerted attack on the important antiballistic missile treaty was finally removed from the report. The revised star wars concept that the conferees eliminated from the bill would have been a return, in this gentleman's humble opinion, to a program, Mr. Speaker, in search of a threat.

The intelligence community has reiterated on numerous occasions its assessment that there is no threat to justify the rapid deployment of a missile defense system at this time, one that is at this point unnecessary and extraordinarily expensive. This is particularly important in view of the fact that such a plan has, indeed, the potential for the abrogation of the ABM Treaty.

With respect to command and control, the conferees also dropped the provision that would have restricted the President in his role as Commander in Chief. With respect to contingency operations, the conferees also dropped the provision that required the President to fund contingency operations in a specific way.

Fourth, with respect to the pay raise, I am pleased that the provision to provide the full 2.4-percent pay increase to our troops was included in this report. But I continue to believe, Mr. Speaker, and would reiterate at this time, that it should not have been held hostage to such a controversial bill in the first place.

While this bill represents an improvement over the original bill, it still commits the Nation to a national security posture and spending plan that is misguided at best.

Some of the provisions of this conference report continue to concern me, and my concerns are as follows: One, the HIV provision which states that anyone testing positive for HIV must be discharged, regardless of circumstance. This has enormous implications, Mr. Speaker; not only enormous implications for people inside the military. I would believe that one day we will be back here revisiting this provision, because it would just wreak havoc on a number of people in the military who have tested positive.

But above and beyond those concerns that are specific and exclusive to the U.S. military, at a time when AIDS is an incredible disease in this country, we should not be sending the message from the Federal Government that citizens should not be tested. The one way, Mr. Speaker, that we gain knowledge about this incredible disease that is killing and destroying human beings in America, try to understand it, to gain some control, is by testing.

Mr. Speaker, when the Government sends the message that to be tested is to be harmed, that, in this gentleman's opinion, is a foreboding, incredible statement that this Nation should not be sending, because the potential for your children, Mr. Speaker, our children, and our children's children are at stake.

We need to be about understanding, learning, treating, and controlling this disease. To communicate that message is awesome, in this gentleman's opinion.

Second, provisions restricting open communication in awarding shipbuilding contracts. Think about that, Mr. Speaker. At a time when we are considering billions of dollars, provisions are included in this bill that would retard competition. Is that good government?

Mr. Speaker, I would suggest that we would be back in these Chambers one day, Mr. Speaker, and we would rue the day that there are provisions in this bill that would retard competition for the use of Federal dollars.

Third, almost $500 million is included for B–2 bombers that is not required by the administration. If my colleagues heard the colloquy between the distinguished gentleman from South Carolina [Mr. SPENCE] and the distinguished gentleman from California [Mr. McKEON], the essence of that colloquy was that this $493 million is designed for the purpose of purchasing long-lead items that ultimately result in the purchase of additional B–2's.

I would submit in these Chambers, Mr. Speaker, that this is a weapons system we do not need, a weapons system we cannot afford, and finally, a weapons system for which there are alternatives.

Fourth, it resurrects, Mr. Speaker, the antisatellite program. What can be more bizarre than $30 million to resurrect the antisatellite program potentially placing us in a position of further militarizing space, with the potential of all of the destabilization that goes with gaining the capacity to destroy satellites, the eyes and ears of nations in moments of controversy and difficulty?

Next, it constrains in certain ways the cooperative threat reduction program euphemistically, referred to as the Nunn-Lugar program.

Next, it reduces funding for environmental cleanup programs at a time when we are closing military installations all over the Nation and people in local communities wanting to convert those lands to higher and better use in their community, when we ought to be cleaning them up as rapidly and as expeditiously as we can. In this bill we find where the Department of Defense, in the conduct of its activities, has polluted many of these facilities, we ought to be about trying to do that as rapidly as possible, and we retard it by reducing the funds in this program.

We terminate the technology investment program. What we do in this bill is simply fund those programs that are in the pipeline. We then end it at a time when, in the context of a post-cold-war world, we ought to be answering the question: How do we convert from a heavy reliance on military purchases and militarism, and converting ourselves to an economy rooted in the principles of peace and the reality of a post-cold-war world?

This bill, also, the gentlewoman from the District of Columbia [Ms. NORTON], my distinguished colleague, in the context of her discussion on the floor regarding the rule pointed out that this bill retains a provision that would eliminate the right of women, with certain exceptions, in the military to receive—at their own expense—abortion services at military facilities overseas.

Mr. Speaker, I would add parenthetically that this provision was incorporated in this significant piece of legislation without one single hearing. The same can be said with respect to my comments regarding HIV.

Finally, this bill still, still adds $7 billion, not million, $7 billion over and above the President's request for the authorization for the Department of Defense in the context of a post-cold-war world and during a period of time when we even shut this Government down around the issue of balanced budgets.

Mr. Speaker, I would reiterate one more time that we spend virtually as much as all of the other nations combined in our military budget. And when we add the U.S. military expenditures with the expenditures of its allies, it constitutes slightly in excess of 80 percent of the world's military budget. Which means that if everyone else in the world is perceived as an enemy, which is bizarre, extreme, and absurd, but let us for the moment for the sake of discussion in this moment assume that that is real, we still, along with our friends, are outspending the rest of the world 4 to 1.

In this bill, when we talk about balancing the budget and cutting health care and cutting education, and other programs, $7 billion, $7 billion to buy this weapons system and that weapons system and the other weapons system because we need it? Because there is someone out there poised to attack the United States? Because there still is a Soviet Union? Because there is still some extreme enemy out there? No, because it helps someone's economy. Because at the end of the day, this is about jobs in the local community.

My response is I understand work. I understand jobs. I understand the need for people to have work that is dignified, that allows them to take care of themselves, their family, and their loved ones, to feed their people, to clothe their people, to house them, to educate them.

But is the way to create jobs to use the military budget to purchase expensive and unnecessary and potentially dangerous weapons systems to produce jobs? No, it is about facing the reality of a peacetime economy, of a post-cold-war world, developing an approach to the American economy that addresses those realities where we stimulate the economy to expand its employment, to move toward full employment, not by building B–2's and building ships we do not need and building rockets we do not need and building all those expensive and unnecessary weapons systems. Every study that I have seen shows that that is an awesome cost to the American people.

Mr. Speaker, we need jobs. On that point I am totally sympathetic. Where I am not sympathetic is that we should use the military budget as a jobs bill. The military budget should address our national security needs.

□ 1400

So in conclusion, several points have been addressed in this bill that the President saw as important issues dealing with the veto. They have been dropped. The pay raise has been included. But there are still a number of issues out there that would allow Members to continue to rise in opposition to this report. And though we have now come back with a bill that is better than the one the President vetoed, it is still a bill that this gentleman cannot support.

Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

Mr. WELDON of Pennsylvania. Mr. Speaker, briefly I would ask our colleagues on the other side that perhaps they should start the conversation of increased spending with the man in the White House. We talked about the $7 billion item. It was President Clinton who signed the appropriation bill, which my understanding is, it contains $7 billion more.

To my amazement, in California, President Clinton gave a speech where he talked about seeing the need for more B–2's. This is President Clinton, the champion of cutting defense. I can guarantee Members he will be at every shipyard where there are funded programs for new ships being constructed this year. Unfortunately, we have a disingenuous White House.

Let me talk about missile defense for a moment, because what we have heard has been nothing but rhetoric and hogwash. Mr. Speaker, it is a shame that General O'Neill did not confirm my statement on the floor until a week after we voted on the defense bill. When my colleagues on the left said we could not build a low-cost missile defense system from a single site without violating the ABM, General O'Neill says on the record we can. The Air Force can do it for about $2.5 billion over 4 years. The Army can do it for $5 billion over 4 years, and both of them can do it in compliance with the ABM treaty. This is all in the public record, I might add.

Also, Mr. Speaker, we heard our colleagues talk about no threat. I was in Russia last week. I want to tell Members, when I was at the Kremlin meeting with Yeltsin's advisors on proliferation, I asked them a simple question, Can you explain to me how the advanced telemetry equipment for a long-range ICBM was obtained going from Russia to Iraq?

Do my colleagues know what they said? We know nothing of this incident. Mr. Speaker, we have the devices in our hands with the Russian markings on them. Do Members know why the administration does not want to confront this issue? Because it is a direct violation of the MTCR. This administration would rather bury its head in the sand than to face the Russians on a direct violation of the missile technology control regime. This administration has sanitized intelligence more than any other administration in the history of this country.

The most outrageous thing about what this President is doing is undermining the ability of this country to protect our people. That is outrageous.

When I asked Ambassador Pickering for an answer, he said, We did not ask the question yet. That is outrageous, and we will get to the bottom of that story in the appropriate hearing scenarios.

Mr. DELLUMS. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, when I spoke in favor of sustaining the President's veto of this bill, I said that 1 week of earnest negotiation could produce an acceptable bill. I want to give credit to my colleagues on the other side of the aisle. They were flexible on the three issues most opposed by the administration. We now have a bill I think which on balance is worthy of support. I congratulate my friend and my colleague, the gentleman from South Carolina [Mr. SPENCE], for navigating this difficult bill through a difficult conference.

I am happy with the pay raise, with the increased housing allowances. I think all Members of this House should be, and I am hopeful that these payments will not be any longer delayed. I am pleased, too, to see that there are provisions here that will ensure that there is a timely COLA for military retirees. They earned it; they are entitled to it. So I will vote for this conference report and I will encourage my colleagues to do the same.

But I do have concerns that I want to express. I am concerned that this bill is not the long-term blueprint for the defense budget which we need. I want to sound a friendly caveat to my colleagues on both sides of the aisle. If we do not discipline the add-ons in the next defense bill more diligently, we have a train wreck coming just down the track.

This bill makes costly commitments like more B–2's, and I voted for the money, but it makes costly commitments like that without tackling any of the tradeoffs necessary to carry those commitments through in the years ahead.

This bill starts up an antisatellite weapon, expensive, a space-based laser, expensive, dubious technology, four prototype submarines, without resolving just where all this money is going to be found to carry these programs to fruition.

This bill speeds up existing programs like the Navy's Upper Tier, the Navy's Lower Tier theater missile defense systems, the Army's Comanche helicopter, the Air Force space and missile tracking system, so-called Brilliant Eyes. It is doubtful we can maintain the speed in the years ahead.

Unlike the appropriation bill, this bill mandates milestones, program milestones, dates when things have to be done, deadlines for a host of different programs. This is congressional micromanagement. It is a practice that is often questioned, often decried by those very Members who are practicing it here right in this very bill.

I, Mr. Speaker, see no way to sustain funding for all these initiatives in the outyears. Between now and the year 2002, it is true that the Republican budget for national security will add some additional money over and above the Clinton defense budget, but it is only $18.4 billion plus 1 percent of the total amount to be spent on national security in the next 7 years. If we follow through with all the systems that this bill either starts up or spends up, we will need a lot more money than $18.4 billion.

If we do not come up with that additional money, we will have to slow down or stop in future years that which we are starting up or speeding up this year. That is not an efficient way to spend the scarce dollars that we have for national defense.

It is also not good precedent to authorize $821 million for national missile defense with nary a word about how Congress wants this program structured and how this money should be spent.

I know that striking all the national missile defense language was the best we could do, if we wanted an authorization bill, and I hope this year when we do the bill we can settle on common ground and not repeat this precedent of authorizing $821 million without any direct examination or guidance.

I know that those who wanted the national missile defense provisions, the language in this bill, think that the ABM Treaty is outdated and a barrier to ballistic missile defense development. They have got a point. The ABM Treaty is 23-years old, but the ABM Treaty does not bar any particular development that we will do this year or in the immediate future. And if we imply, even imply in an act of Congress that we would possibly violate or even want to abrogate or renegotiate the ABM Treaty, then we may put ratification of START II by the Russia Duma in even greater risk that it faces now. START II will reduce Russia's nuclear arsenal by some 5,000 warheads. The missiles that carry these will be dismantled. The silos will be filled with concrete. The warheads will be stored in a facility built according to U.S. specifications in Tomsk, Siberia. And as to these 5,000 warheads, if this comes to pass START II will give us 100 percent defense effectiveness.

So for the sake of ballistic missile defense, we should concentrate now on ratification of START II and later, when it is necessary and the time is propitious, then we can concentrate on amendments to the ABM Treaty.

Mr. Speaker, every year since 1959, we have had an authorization bill. A lot of Members do not understand that we really did not have an authorization process prior to that date, and it has built up since then. It is more necessary than ever, now that we are in a period of changing national defense years. This is an important bill. We should not break precedent and fail to pass it this year.

Since we settled the three most contentious issues, the pay raise for the troops is here, the increase in the housing allowance, all rides on this bill, I will vote for it and I encourage my colleagues to do the same.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise to urge Members to vote "yes" on S. 1124, the revised fiscal year 1996 National Defense Authorization Act, and point out that this is just another example of how Members on our side have reached out and tried to cooperate with this administration.

The White House and a minority of Members in the House and Senate have objected to the original conference bill because for the first time Republicans committed this country to the actual deployment of effective missile defense systems. I have to say that an article from the New York Times today, page A3, which has been referred to earlier, discusses a veiled threat from China to bomb Los Angeles by way of missiles. I am absolutely shocked that the administration and certain Members in this House and the other body would try, would actually leave this country defenseless against such a threat to the continental United States.

I want to put the administration on notice that these concessions on missile defense policy are only temporary, and they are made because we do need this entire bill. Important provisions in it like the 2.4-percent military pay raise; the 5.2-percent increase for housing allowances for our military families; the military retiree COLA fix; increases for family housing construction so that one-fourth of all barracks do not remain substandard; increases in modernization to stop the 71-percent decline in procurement since 1985; and various Pentagon reforms.

This is a good bill. It was a good bill in its entirety, and it is a good bill today. But it is missing this vital ingredient, to protect the men, women and children of America from the potential devastation of an incoming missile. That to me is mindboggling, that we would just abdicate our responsibility to defend against such a threat is wholly mindless.

I would like to make some additional points. While the President talks about the serious threat posed by nuclear, chemical, and biological weapons proliferation, it is clear to me he is not serious about doing anything to combat these threats.

The President's blind devotion to the ABM Treaty is leaving our Nation increasingly vulnerable. His lip service to ballistic missile defense is just that, a placebo that places our Nation at serious risk.

Although the conferees have dropped ballistic missile defense language from this conference agreement—but it is not because of agreement with the President. It was done because we cannot condone the administration's efforts to water down our ballistic missile defense program. We will not be party to this irresponsible act.

Instead, this year the Congress will initiate its own "spring offensive." The Congress will make certain that ballistic missile defense is one of our Nation's top priorities. Despite the obstruction of the President today, the Congress will pursue a vigorous ballistic missile agenda this year. Chairman SPENCE and the National Security Committee intend to hold extensive hearings on this critical issue to thoroughly review the nature of this threat, and determine the programmatic options available to defeat this threat. I am confident that the Defense subcommittee of the Appropriations Committee will also do its part in this critical review.

Let me repeat—we will not be party to the President's total unwillingness to respond to this growing threat.

I strongly believe it is now incumbent upon the Congress to fashion its own ballistic missile defense program and policy. At the same time, the Congress must also begin devising a responsible strategy for withdrawal from the ABM Treaty. This treaty's time has come and passed. Overtaken by technological progress, this treaty now represents the ultimate placebo. If America is to defend itself in the future, ballistic missile defense must be our highest priority. We cannot continue to adhere to an antiquated arms control treaty which directly negates the ability of the United States to protect itself from ballistic missile attack. This would be a mistake of tragic proportions—a mistake which will directly affect the security of our children and grandchildren. Mr. Speaker, this issue will be revisited. We will not go away. I urge the passage and adoption of this bill.

Mr. Speaker, I included for the RECORD the article to which I referred.

[From the New York Times, Jan. 24, 1996]

AS CHINA THREATENS TAIWAN, IT MAKES SURE U.S. LISTENS

(By Patrick E. Tyler)

BEIJING, Jan. 23—The Chinese leadership has sent unusually explicit warnings to the Clinton Administration that China has completed plans for a limited attack on Taiwan that could be mounted in the weeks after Taiwan's President, Lee Tenghui, wins the first democratic balloting for the presidency in March.

The purpose of this saber-rattling is apparently to prod the United States to rein in Taiwan and President Lee, whose push for greater international recognition for the island of 21 million people, has been condemned here as a drive for independence.

While no one familiar with the threats thinks China is on the verge of risking a catastrophic war against Taiwan, some China experts fear that the Taiwan issue has become such a test of national pride for Chinese leaders that the danger of war should be taken seriously.

A senior American official said the Administration has "no independent confirmation or even credible evidence" that the Chinese are contemplating an attack, and spoke almost dismissively of the prospect.

"They can fire missiles, but Taiwan has some teeth of its own," the official said. "And does China want to risk that and the international effects?"

The most pointed of the Chinese warnings was conveyed recently through a former Assistant Secretary of Defense, Chas. W. Freeman Jr., who traveled to China this winter for discussions with senior Chinese officials. On Jan. 4, after returning to Washington, Mr. Freeman informed President Clinton's national security adviser, Anthony Lake, that the People's Liberation Army had prepared plans for a missile attack against Taiwan consisting of one conventional missile strike a day for 30 days.

The warning followed similar statements relayed to Administration officials by John W. Lewis, a Stanford University political scientist who meets frequently with senior Chinese military figures here.

These warnings do not mean that an attack on Taiwan is certain or imminent. Instead, a number of China specialists say that China, through "credible preparations" for an attack, hopes to intimidate the Taiwanese and to influence American policy toward Taiwan. The goal, these experts say, is to force Taiwan to abandon the campaign initiated by President Lee, including his effort to have Taiwan seated at the United Nations, and to end high-profile visits by President Lee to the United States and to other countries.

If the threats fail to rein in Mr. Lee, however, a number of experts now express the view that China could resort to force, despite the enormous consequences for its economy and for political stability in Asia.

Since last summer, when the White House allowed Mr. Lee to visit the United States, the Chinese leadership has escalated its attacks on the Taiwan leader, accusing him of seeking to "split the motherland" and undermine the "one China" policy that had been the bedrock of relations between Beijing and its estranged province since 1949.

A Chinese Foreign Ministry spokesman, asked to comment on reports that the Chinese military has prepared plans for military action against Taiwan, said he was awaiting a response from his superiors. Last month, a senior ministry official said privately that China's obvious preparations for military action have been intended to head off an unwanted conflict.

"We have been trying to do all we can to avoid a scenario in which we are confronted in the end with no other option but a military one," the official said. He said that if China does not succeed in changing Taiwan's course, "then I am afraid there is going to be a war."

Mr. Freeman described the most recent warning during a meeting. Mr. Lake had called with nongovernmental China specialists.

Participants said that Mr. Freeman's presentation was arresting as he described being told by a Chinese official of the advanced state of military planning. Preparations for a missile attack on Taiwan, he said, and the target selection to carry it out, have been completed and await a final decision by the Politburo in Beijing.

One of the most dramatic moments came when Mr. Freeman quoted a Chinese official as asserting that China could act militarily against Taiwan without fear of intervention by the United States because American leaders "care more about Los Angeles than they do about Taiwan," a statement that Mr. Freeman characterized as an indirect threat by China to use nuclear weapons against the United States.

An account of the White House meeting was provided by some of the participants. Mr. Freeman, reached by telephone, confirmed the gist of his remarks, reiterating that he believes that while "Beijing clearly prefers negotiation to combat," there is a new sense of urgency in Beijing to end Taiwan's quest for "independent international status."

Mr. Freeman said that President Lee's behavior "in the weeks following his re-election will determine" whether Beijing's Communist Party leaders feel they must act "by direct military means" to change his behavior.

In recent months, Mr. Freeman said he has relayed a number of warnings to United States Government officials. "I have quoted senior Chinese who told me" that China "would sacrifice 'millions of men' and 'entire cities' to assure the unity of China and who opined that the United States would not make comparable sacrifices."

He also asserted that "some in Beijing may be prepared to engage in nuclear blackmail against the U.S. to insure that Americans do not obstruct" efforts by the People's Liberation Army "to defend the principles of Chinese sovereignty over Taiwan and Chinese national unity."

Some specialists at the meeting wondered if Mr. Freeman's presentation was too alarmist and suggested that parliamentary elections on Taiwan in December had resulted in losses for the ruling Nationalist Party and that President Lee appeared to be moderating his behavior to avoid a crisis.

"I am not alarmist at this point," said one specialist, who would not comment on the substance of the White House meeting, "I don't think the evidence is developing in that direction."

Other participants in the White House meeting, who said they would not violate the confidentiality pledge of the private session, separately expressed their concern that a potential military crisis is building in the Taiwan Strait.

"I think there is evidence to suggest that the Chinese are creating at least the option to apply military pressure to Taiwan if they feel that Taiwan is effectively moving out of China's orbit politically," said Kenneth Lieberthal, a China scholar at the University of Michigan and an informal adviser to the Administration.

Mr. Lieberthal, who also has traveled to China in recent months, said Beijing has redeployed forces from other parts of the country to the coastal areas facing Taiwan and set up new command structures "for various kinds of military action against Taiwan."

"They have done all this in a fashion they know Taiwan can monitor," he said, "so as to become credible on the use of force."

"I believe there has been no decision to use military force," he continued, "and they recognize that it would be a policy failure for them to have to resort to force; but they have set up the option, they have communicated that in the most credible fashion and, I believe, the danger is that they would exercise it in certain circumstances."

Several experts cited their concern that actions by Congress in the aftermath of President Lee's expected election could be a critical factor contributing to a military confrontation. If President Lee perceives that he has a strong base of support in the United States Congress and presses forward with his campaign to raise Taiwan's status, the risk of a military crisis is greater, they said. A chief concern that Congress would seek to invite the Taiwan leader back to the United States as a gesture of American support. A Chinese military leader warned in November that such a step could have "explosive" results.

In recent months, American statements on whether United States forces would come to the defense of Taiwan if it came under attack have been deliberately vague so as to deter Beijing through a posture of what the Pentagon calls "strategic ambiguity."

Some members of Congress assert that the Taiwan Relations Act of 1979 includes an implicit pledge to defend Taiwan if attacked, but Administration officials say that, in the end, the decision would depend on the timing, pretext and nature of Chinese aggression.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I rise in support of this conference report. I urge Members to support it as I support it strongly.

For more than a year I have been concerned that there is a mismatch between the Nation's military strategy and the level of defense resources. Last February, I testified before the House Committee on the Budget and proposed a budget with additional and necessary funding for the military. My concerns were many. I spoke of a shortfall in funding for modernization, maintenance and infrastructure, daily operations and training.

For fiscal year 1996 alone, I proposed a minimum increase of at least $6 billion over the administration's request as a necessary requirement to sustain a quality force into the future. I am pleased that this conference report authorizes an increase of nearly $7 billion.

However, this conference report is not perfect. But I do point out that it does have the necessary pay increase for the young men and young women in uniform, that it has the necessary housing allowance increase. Those are so terribly important for those people who wish to make a career of our military.

There are provisions I would have deleted and others I would have added. But compromise has been necessary, and the report is a step in the right direction. It authorizes an end to the freefall in defense expenditures and includes many necessary policy initiatives. Most important, the report includes a permanent endstrength floor for personnel levels in each of the respective services. This provision alone warrants support from this body. The endstrength floors are necessary to counter and to offset low morale resulting from the strains of increased training schedules and overseas deployments.

As our Nation sends additional troops into the Balkan region, I ask my colleagues to assure the uniformed ranks of our commitment to them. If you are for a first rate naval and marine force, then you should support this report. If you are for a healthy and capable Army, then you should support this measure. If you are for a robust and well-equipped National Guard and Reserve, you should support this package. And if you are for a strong Air Force with an unmatched B-2 bomber force, then you must support this legislation.

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). The Chair advises Members that the gentleman from South Carolina [Mr. SPENCE] has 20½ minutes remaining, and the gentleman from California [Mr. DELLUMS] has 10½ minutes remaining.

Mr. DELLUMS. Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HUNTER], chairman of our Subcommittee on Military Procurement.

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Mr. HUNTER. Mr. Speaker, I thank the distinguished chairman of the committee for yielding me the time.

Mr. Speaker, the fact that we were able to take this bill after it had been vetoed by the President and run it back through a limited conference and get it back on the floor and, hopefully, get it back to the President's desk for signature, is a tribute to our chairman, the gentleman from South Carolina [Mr. SPENCE]. I also want to thank the ranking member, the gentleman from California [Mr. DELLUMS].

When we put this abbreviated conference together to get the bill back through, the gentleman from California worked equally hard to see to it that we had a Defense authorization bill.

It is important that we have this bill. This bill is about $8 billion more than the President's initial suggestion. On the other hand, the President's own vice chairman of the Joint Chiefs, Admiral Owens, has said that we need to spend $20 billion more per year on procurement. In this bill we not only have the pay raise and the increased housing allowance for the troops, but we have modernization. We have increased airlift, increased sealift, more ammunition, more precision guided munitions, and such very basic things as trucks and other transportation equipment, so we are giving the troops the equipment that they need to do the job.

Mr. Speaker, let me just conclude by saying we did strip out missile defense from this bill. We said in our bill that we would defend the United States against missile attack and we would have that system, that defense system, ready by the year 2003. The President said, "I object to defending the United States of America against missile attack," and that was his primary reason for a veto.

Mr. Speaker, on this date we should launch a campaign to overturn the decision by President Clinton to leave this country defenseless against missile attack. We live in an age of missiles. It is something the President has resisted.

We are going to start the campaign as of this day and, hopefully, at the end of this year we will have a defense authorization bill that builds a defense against ballistic missiles.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding the time to me. I further thank the gentleman, Mr. Speaker, because the two of us have sat next to each other on this committee for almost 24 years now. I thank him for his friendship and constant leadership on this bill.

I must say, I like the gentleman from California, but I am rising to say please vote "no" on this bill.

I really do not understand this. The favorite thing I have on my schedule today says that between 10 and 4 today I can go to either room 2340 or 2117, in each room there is one copy of this conference report, where I may go read it at that point. Mr. Speaker, I do not even know what it is we are really dealing with. I do not know where this is, why we could not see it ahead of time, what is going on. I must say, this is not the process that I was proud of in this House. I am very sorry to see that happen.

Let me go to some of the very substantive issues. Let me move off this process. In this summer, this summer the Pentagon lost $14.5 billion. It could not find it from last year. So what do we do? For the first time in my 23 years, we reward them by giving them even more money than they asked for this time. Can Members think of another agency of Government where we would do that if this summer they had not been able to account for $14.5 billion?

So, there would be a committee saying, "I will tell you what, the President does not want more, the Joint Chiefs do not want more, but we are going to give you more anyway. Have a nice day." We have not done that in my 23 years, and I cannot believe we did it this year.

There are increases in here for the CIA. I have tried very hard many times to get that number open so we could at least tell people what we are spending for the Central Intelligence Agency. These are the guys who missed Carlos Salinas in Mexico when we were doing NAFTA, they did not know the Wall was falling down, they have been falling all over the place trying to find a mission. Every year they get more money, too. That is great. We have B-2's in here which no one knows what to do with.

I could go on and on and on. I think this bill is pathetic, and I hope people vote "no."

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. CLINGER], who is chairman of our Committee on Government Reform and Oversight.

Mr. CLINGER. Mr. Speaker, I thank the gentleman very much for yielding time to me.

Mr. Speaker, I rise in strong—in fact, strong support would be too weak a term—I rise in fervent support of S. 1124, the Department of Defense authorization conference report. I want to commend the chairman, the gentleman from South Carolina [Mr. SPENCE], and all members of the committee who have labored long and hard to achieve what I think is truly a bipartisan work product.

During the many weeks of debate over this legislation, one very important issue which was always bipartisan from the very beginning has been the provisions to significantly reform the procurement system of the Department of Defense and the civilian agencies in order to make the Federal Government a smart shopper, something it has not been accused of being in my tenure here or for a long time before that.

The provisions that are in this bill are consistent with H.R. 1670, the Federal Acquisition Reform Act of 1995, which was a joint initiative of the Committee on Government Reform and Oversight and the Committee on National Security. Those measures passed the House by a vote of 423 to 0 in September of last year.

The private sector continues to increase its productivity and its effectiveness in this whole area because they are not bound down by the arcane, convoluted Rube Goldberg type of provisions that the Federal Government has to operate with in its procurement system. It is a centrally planned system as it exists, expensive to operate, and heavily laden with paperwork requirements and bureaucracy. Piecemeal reforms just have not done the job. Today's system forces taxpayers—and this is the significant point, Mr. Speaker—forces taxpayers to pay a 20-percent premium on Federal purchases; on all Federal purchases, from fighter aircraft to office supplies, we are paying a premium of 20 percent, which this bill is going to go a long way toward correcting.

This agreement provides reforms needed to make DOD and the civilian agencies smart shoppers, as I said. The conference agreement promotes affordable and commonsense approaches to meet our budgetary goals by, among other things, providing for the increased use of commercial items, increasing the competitiveness of U.S. defense products in international markets, eliminating numerous government-unique procedures, and creating a whole new system for the purchase and management of Federal information technology.

Mr. Speaker, this is a marvelous bill. It is a tremendous reform of our procurement system. It is the one thing we can do today that can save more money than almost anything else we do.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Pennsylvania [Mr. CLINGER], the previous speaker, was the cosponsor on the individual original bill, the acquisition bill, and did yeoman's work in getting it through. He deserves a lot of credit for that.

Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. BATEMAN], chairman of our Subcommittee on Readiness.

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for yielding time to me, and I commend him for his outstanding work on making sure we brought this work product on the floor.

Mr. Speaker, I rise in strong support of this conference report and urge its adoption.

This conference report is good for our military personnel and good for their families.

This measure enhances force readiness. It fully funds the operations and training accounts and provides additional resources to other important readiness activities. It also protects these training and readiness accounts by establishing short-term financing mechanisms to pay for the initial costs of unfunded contingency operations.

This measure contains a number of provisions which improve the quality of life for our service personnel and their families. Additionally, this conference report contains reform measures to generate efficiencies in order to maximize limited defense resources.

Our military personnel put it on the line daily to provide for this Nation's security. They do so willingly and with pride. We must keep faith with them and their families.

We owe it to our troops to adopt this conference report today. The President owes it to our troops to sign this measure as soon as it reaches his desk.

This legislation is needed. Vote "yes" on this conference report.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY], the chairman of our Subcommittee on Military Construction.

Mr. HEFLEY. Mr. Speaker, I rise in strong support of S. 1124, the National Defense Authorization Act for fiscal year 1996.

Last evening, the President stood at the rostrum and gave a nice speech. He talked about the challenges facing the country and he urged us to set aside our differences and work together for the best interest of the American people.

One of those challenges, he said, is "to maintain America's leadership in the fight for freedom and peace throughout the world." We all know that we can only meet this challenge by providing the Nation with a strong defense—a defense that can meet the threats posed by those who would challenge our interests and those of our allies or would threaten the liberties of our people.

Mr. Speaker, speeches and rhetoric are not enough. I regret that the President chose last month to veto the original defense authorization bill. That veto was unjustified. The original bill, like the one before us today, was a bipartisan product. Republicans and Democrats came together to provide the American people with what they expect—that is, a robust defense that could deal with any immediate threat and which looks to the future to deal with the emerging threats of the 21st century.

The President vetoed the bill principally because he objected to working toward a viable national missile defense by 2003 and to providing the American people with assurances that the placement of American military personnel under the operational control of the U.N. is in the national security interests of the United States. On these issues, the President is out of step with a bipartisan majority of this House and, more importantly, with the American people. I remain committed to seeing these provisions enacted into law.

The President's veto put a lot at risk. As the chairman of the Subcommittee on Military Installations and Facilities, I can assure the House that we need an authorization bill. Over 9,200 military families will benefit from housing improvements this bill would authorize and 68 new barracks projects would begin this year. In addition to these significant housing improvements, this bill would provide needed child development centers and medical facilities for our personnel. Hundreds of construction projects in this bill are designed to enhance the readiness of our forces. We are confronting a significant deterioration in military infrastructure. Without an authorization bill, none of these projects will go forward and the housing privatization initiative cannot proceed.

The military services, the men and women who serve in them, and the families who support them need this bill. It is my hope that the President will sign this defense authorization bill as soon as it reaches his desk. We should have no further delay.

Mr. Speaker, as a matter of legislative history, I want to note the colloquy that I had with the gentleman from Illinois, Mr. PORTER, on December 15, 1995, concerning sections 2836 and 2837 of H.R. 1530, the National Defense Authorization Act for fiscal year 1996. In our colloquy concerning those provisions, I gave the gentleman from Illinois some clarification concerning the application of those provisions to the Glenview Naval Air Station, Glenview, IL. Although the President vetoed that legislation, those sections were unaltered in the subsequent conference with the Senate on the defense authorization bill, S. 1124. Sections 2836 and 2837 of S. 1124 are identical to the provisions in the earlier bill and my assurances to the gentleman from Illinois remain unchanged.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DORNAN], the chairman of our Subcommittee on Personnel.

Mr. DORNAN. Mr. Speaker, even though critically important language on the U.N. or foreign command of U.S. troops and the deployment of this critically needed national missile defense system and contingency funding, all those are out, and Mr. Clinton is going to pay a heavy price during the next 286 days for that, I am very proud to stand up here and defend our chairman and this great authorization bill.

Among the important personnel provisions included in the bill that I authored or fought for as the chairman of the Subcommittee on military personnel are prohibition against all abortions in overseas or U.S. military hospitals, mandatory discharge of all nondeployable, noncombat trainable AIDS virus carrying drug users, and others, excellent new guidelines for accountability of American POW-MIA's, finally, a 5.2 percent interest pay raise in housing allowances, a cost of living adjustment, COLA, for military retirees, and a pay equity adjustment.

Among the other provisions I have championed as a member of the full committee or the Committee on Research and Development are increased funding for Navy upper tier ballistic missile defense, key; increased funding for more Army Kiowa OH-58D helicopters and for the Comanche RAH-66 Scout helicopter of the future; conditions on aid to Nunn-Lugar type money to Russia, pending a screeching verifiable halt to Russian work on the evil biological weapons; increased funding for near-term precision guided weapons for the B-1 Lancers; increased funding for new unmanned aerial vehicles, UAV's. I witnessed them in operation 4½ months ago in the Balkan theater, flying over Bosnia from Albania. Now it is all out in the open press.

Mr. Speaker, I believe those provisions that were cut out by Clinton's demands, he is playing high-risk. We saw his last State of the Union last night because American citizens want this beloved homeland of ours to be protected from rogue missiles, whether they are packed with nuclear devices, biological, or evil chemical warfare.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, I thank my colleague, the gentleman from California, for yielding time to me.

Mr. Speaker, last night we heard two speeches about priorities and values. The Senate majority leader said, and I quote, "The President claims to embrace the future while clinging to the policies of the past." Mr. Speaker, let us take a look at this legislation. This bill is clearly an improvement over the one that we worked on before, and I commend the conferees for their hard work, but the Republicans claim this bill, like the one before it, embraces the future of the U.S. defense policy. But the U.S. defense will not sail smoothly toward the future, because this bill is anchored by the policies of the past.

The Republicans speak of the need to balance budgets, cut fat, make difficult choices, but the Republicans are not making these difficult choices in defense. This bill does not make cuts, it gives the Pentagon $7 billion more than they asked for. The Republicans speak of the need to strengthen this country's defense.

☐ 1430

The Department of Defense will grow stronger when it is allowed to become leaner, more efficient and equipped for the challenges in a new world order.

This bill, however, builds up programs that the Department of Defense was moving away from, like the B–2, the ballistic missile defense, and the cuts in the Department of Defense environmental cleanup programs. We are closing military bases all over the country, realizing that the Federal Government is one of the biggest polluters, and we are not providing the money to clean up those sites.

The Republicans speak of supporting our men and women in uniform, yet this bill requires a discharge of service personnel with HIV, and prohibits members of the military from obtaining abortions in our military facilities overseas. Risking the health of our military, and needlessly taking away their careers, will hardly build morale.

As Americans watch this bloated defense budget pass this Congress, they will realize which party is really tethered to the past.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. MCHUGH], the chairman of our MWR panel.

Mr. MCHUGH. Mr. Speaker, I thank the gentleman for yielding me this time. Let me add my words of appreciation and congratulations to the chairman of the full committee for his very effective work on this bill.

Mr. Speaker, as chairman of the National Security Committee's Special Oversight Panel on Morale, Welfare and Recreation, I rise in strong support of this bill.

The conference report fully funds important military quality of life programs including family support, child care, commissaries, gymnasiums and other recreational programs and facilities. These programs are critical to ensuring that our military personnel are taken care of, especially considering the sacrifices demanded of them in places.

The conference report makes a big contribution to caring for military personnel while on deployments and to the families who must experience the difficulties associated with this high personnel tempo. Also, special efforts were made in this bill to ease the burden on these programs that resulted from the reduction of forces in Europe.

These quality of life improvements are a direct investment in readiness because they aid in retaining quality people in our Armed Forces. This bill represents a commitment by the American people in return for the sacrifices we demand of our men and women in uniform each and every day.

I strongly urge my colleagues to support this worthy legislation.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, this authorization conference report was supported by 48 to 3, 48 to 3. To be fair, it probably would have been 48 to 4, but the gentlewoman from Colorado did not think enough to show up to vote, and she calls this bill pathetic. Maybe if it was that pathetic she would show up and vote on the report.

The President, in his 1993 budget, cut military COLA's. In a bipartisan way, this committee restored COLA equity for our military. And guess what, Mr. Speaker? In the President's last budget, he cuts COLA equities once again, and this is the last chance to protect those in this particular bill.

Let us talk about HIV. I had two people in my squadron who had HIV. They could not deploy, I could not use them, they had to be tied to the hospital. I could only tell my executive officer and the flight surgeon, which meant a risk for other people in that unit. With the limited and cut-back funds, we need full up-rounds in our units.

This also doubled the deployment time on shore duty of our military at a time when they are supposed to be spending it with their families.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. JONES].

Mr. JONES. Mr. Speaker, as a supporter of the original conference report, I would like to express my strong support for this new and improved version of the 1996 Department of Defense conference report.

This legislation, as my colleagues well know, is critical both to the functions of the Department, as well as to the men and women in uniform, who diligently serve this Nation. As has been stated time and again, this conference report provides a 2.4-percent pay raise, increases family housing, improves health care for military dependents, and funds overdue COLA equity for military retirees.

While the original conference report garnered the support of both the House and Senate, the President vetoed the measure. Chairman SPENCE has brought back to this House a conference report that adequately deals with the President's concerns, while carefully balancing the priorities of this Congress.

I believe this effort to build a consensus between congressional leadership and the administration is sound and once again merits the support of the House.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I hope we will vote this bill down. We are going to balance the budget. We are going to severely limit Federal spending. If you spend military dollars at the rate that this bill calls for, you inevitably will diminish substantially our ability to clean up the environment, to provide medical care for people who need it, to help provide public safety in our cities, to help deal with education for middle-income and working class students. There simply is not enough money to do both what this bill would do and that.

Fortunately, the gentleman from California who heads the minority on this committee has articulately and eloquently over the years, and again today, pointed that out; and that leaves me free to focus on one of the most obnoxious aspects of this bill. I admire the fact that the President singled it out when he originally vetoed it. I am very disappointed that it survives.

That is the legislation that says, if you are a young man or woman who volunteered to serve your country and you contract a terrible illness, the illness of being HIV-positive, your country will reward your volunteering and your good service by kicking you out. Any service you have accumulated will count for nothing if you are not eligible for a pension.

Fortunately, the Senate intervened a little bit to temper the gratuitous cruelty of the House bill to say that you should at least get some medical benefits. But cruel it remains.

What it says is, if you are someone who volunteered to serve your country, volunteered to join the armed services, but you become seriously ill with HIV, we will treat you as callously and as coldly as it is possible for a society to treat you. Out you will go. Out you will go. People who said, well, what about their ability to do things.

The military now has the power to say, you have reached the point of disability, you must leave. This means that well before that point people who are HIV-positive will be subjected to this incredible, callous cruelty, and it means that there will be no chance that the military now has to reassign people, to make use of their talents while they are still in a healthy phase. The military has a knack for this. It is an example of bigotry that dishonors this House.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Jacksonville, FL [Mrs. FOWLER], a new and very valuable member of our committee.

Mrs. FOWLER. Mr. Speaker, I rise in support of the revised DOD authorization conference report.

It is unfortunate, but telling, that the original conference report was vetoed over requirements that the President move toward deployment of national missile defenses by 2003, provide a national security certification before U.S. forces are placed under U.N. command, and seek supplemental funding prior to beginning contingency operations. As a result, this bill has been modified. I believe the original provisions served the interests of the American people well—especially with regard to antimissile defenses, which are nonexistent today.

Nevertheless, passage of this bill remains vital. Critical military readiness, force modernization, and quality of life issues cannot be addressed without it.

In particular, it provides military members with a full pay raise and increased housing allowances, it increases funding for training and maintenance, it pursues needed research and procurement to ensure our military's modernization, and it reforms Pentagon acquisition policies. I also note that it spells out some very important changes in DOD maintenance and repair policies.

This bill is an excellent one. Chairman SPENCE and the members of the conference committee have done a good job, and this bill merits our strong support.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Speaker, I rise in support of the conference report on the National Defense Authorization Act for Fiscal Year 1996.

As the ranking minority member of the House Subcommittee on Military Installations and Facilities, I am proud of key elements of this bill which affect the military construction program and focus on improving the quality of life for military personnel and their families.

This bill would provide both short- and long-term solutions to a critical problem that impacts the retention and readiness of our Armed Forces.

By focusing on improvements to troop and military families, and setting strict priorities within the military construction program, we ensure that the housing backlog is addressed and quality of life is improved.

Furthermore, the bill includes a series of new authorities which would encourage the private sector to develop housing for unaccompanied personnel and military families at installations where there is a certified shortage of quality housing.

This initiative has strong bipartisan support, including the support of the Secretary of Defense.

This bill is not perfect, but it is a good bill that places priority on improving readiness and the quality of life programs that impact our personnel and their families.

I urge my colleagues to join me in support of the bill.

Mr. SPENCE. Mr. Speaker, I yield 1½ minutes to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Speaker, I thank the gentleman for yielding me this time.

I would ask the gentleman from California [Mr. HUNTER] to join me in a colloquy.

Mr. Speaker, the gentleman from North Dakota [Mr. POMEROY] and I are among several Members of Congress who have been seriously concerned about the administration's proposal to retire almost one-third of our Nation's B–52 force. I am pleased that the conference report prohibits the Department of Defense from retiring or preparing to retire any B–52H's in fiscal year 1996. The committee directs the Air Force to retain in an attrition reserve status the 28 B–52H bombers that would otherwise be retired.

I yield to the distinguished chairman of the Subcommittee on Military Procurement again to further explain the committee's intent with regard to the number and status of B–52's to be maintained under this bill.

Mr. HUNTER. The B–52 is still our Nation's most capable and only dual-role bomber and provides substantial conventional firepower and a strong nuclear deterrent. The committee believes that maintaining the current inventory of 94 B–52's is a cost-effective investment in our Nation's defense.

Accordingly, the committee report directs the Air Force to retain in attrition reserve the 28 B–52's programmed for retirement in the Department of Defense budget request. With the funds authorized under the bill, the committee expects the Air Force to keep the 28 attrition reserve aircraft at their current operational B–52 bases, maintained ready to fly and cycled through the active squadrons.

Mr. TIAHRT. I thank the chairman for providing his leadership and for this important clarification.

Mr. Speaker, I yield to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. I thank the gentleman for yielding, and I would like to compliment both the chairman and the gentleman from Kansas for their efforts to support a long-range bomber force that meets our mission requirements, and for this very important opportunity to clarify congressional intent relative to B–52's.

It is the directive of this authorization bill that the full fleet of 94 B–52's will be retained. This is vital because it is our most versatile, cost-effective and only battle-tested bomber.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I thank the gentleman from South Carolina [Mr. SPENCE] for his leadership on this bill. I wanted just to confirm what we have discussed earlier with respect to the ballistic missile defense that is so important to the national security of our country, and that even though we have obviously lost this opportunity to build that up in this bill, that it is the intention of the Committee on National Security to move forward as one of its top priorities to have hearings on a national missile defense system and do that in the second term of the 104th Congress.

Mr. SPENCE. Mr. Speaker, if the gentleman will yield, I would like to assure the gentleman that we are going to revisit this question. It is a very important question. The people of this country do not realize that we are not defenders right now against intercontinental ballistic missiles, and when they find out, as they have found out, many of them, that we are not defended properly, they become very much concerned and want to know why.

We are going to have hearings. At some time during this next year, we are going to point this problem up even further, and I assure the gentleman that we will go into great detail in promoting this new initiative next year.

□ 1445

Mr. HOKE. I really appreciate that. As the gentleman knows, I am the author of H.R. 2483, the Defend America Act. I appreciate the gentleman's support on that, and especially in light of this veiled threat from Chinese officials. I think it is terribly important that we move this forward. I thank the gentleman very much for his leadership.

Mr. SPENCE. I thank the gentleman for his contribution.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. YOUNG] who is chairman of the Subcommittee on National Security of the Committee on Appropriations, a very valuable Member of this House and a very strong supporter of national defense.

Mr. YOUNG of Florida. Mr. Speaker, as I rise in support of this conference report, I want to say a special word about the gentleman from South Carolina, Chairman FLOYD SPENCE. Chairman SPENCE and the gentleman from

California, Mr. DELLUMS, and I came to the Congress together in the 92d Congress. We were all assigned to the Committee on Armed Services and we have all worked closely together since that time in behalf of our Nation's security and those who provide the Nation's security.

In the last year since the gentleman from South Carolina [Mr. SPENCE] and I assumed our respective chairmanships, we have worked together on a daily basis, and I think in an unusual partnership between authorizers and appropriators that does not always happen here. I want to compliment the gentleman. I know the rigors and the trials that the gentleman has gone through in order to get us where we are today with a good conference report on a good defense authorization bill, and one that I understand even the President is prepared to agree to.

The gentleman deserves a tremendous amount of credit for the contribution that he has made to our national defense effort over all these years and in bringing this particular bill to us today. I compliment the gentleman and appreciate our friendship and professional relationship.

One of the items in this bill is something that most of us have been concerned about, and that is what we refer to as COLA equity for retired military personnel. We thought we had this problem of equity corrected several times during the year, but each time the arrangement fell apart. But Chairman SPENCE stuck to his guns in this bill, and I would like to announce this to the 323 of our colleagues who have cosponsored H.R. 2664, to accomplish COLA equity for our retired military. This bill does what 2664 intended to do, and I thank the chairman and ranking member for including it and insisting that it be included in this bill. Hopefully the President will understand the importance of that and will sign this bill and let it become law.

Again, I appreciate the working relationship that our two committees have had, our respective members and staffs have had, a good working relationship to provide for the security of our Nation, the well-being of those who serve us in the uniform of the United States, and to get the best deal we can for the taxpayer who has to pay for it all.

Mr. Speaker, there were very many things I found disturbing about President Clinton's first budget enacted in 1993. There were the new taxes, the increase in the Social Security earnings limitation, real cuts in Medicare spending, and the failure of the President to seriously address the deficit. However, nothing in that budget seemed more outrageous than to treat our Nation's retired military personnel as second-class citizens when it came to their retirement pay.

As one of this Congress' strongest advocates for those who serve and have served in our Nation's Armed Forces, I found it deplorable that the President and the Congress would ask those who have sacrificed so much for this country to bear an unfair burden in efforts to reduce the deficit. In fact, I would argue at length with anyone who suggests we should delay cost-of-living adjustments [COLA's] to military retirees as a means to help balance the budget. But I will fight to the bitter end against those who would do so while treating other Federal retirees differently. Unfortunately, this was exactly what the President's budget did as civilian retirees and military retirees were set on different COLA schedules all in the name of deficit reduction.

Many of us in this Congress and throughout our Nation have been engaged in the battle for equity between civilian and military retirees since then. Fighting along side national and local veterans and military organizations we began in opposition to the President's 1993 budget. Then, 2 years ago we fought and succeeded in eliminating the disparity in 1995 by providing funds for an April COLA.

Last year, while the President refused to include language in his budget request repealing the COLA changes, the Congress took its own action by restoring equality in the 1996 Defense authorization bill. Although the President vetoed this bill, the legislation we consider today will again ensure that military retirees receive their COLA's in April of this year, and in January in 1997 and 1998, the same dates that civilians will receive their COLA's.

Since this Congress began more than a year ago, the new leadership of this House has made it a priority to end the inequity visited upon our Nation's military retirees by that 1993 budget. When our efforts to solve this problem in November became bogged down in the politics of a balanced budget and the 1996 Defense Authorization bill had stalled, I introduced a free-standing bill, H.R. 2664, to restore parity between military and civilian COLA's. In 4 legislative days more than 250 Members of Congress cosponsored this bill. Today there are over 320 cosponsors.

Mr. Speaker, as press reports indicate that the Secretary of Defense will recommend the President sign this new defense measure, supporting the conference report will be a major step toward restoring fairness to the way we treat both military and civilian retirees. I urge every one of my colleagues in the House to support the legislation before us today and help bring a successful conclusion to our efforts to end this inequity once and for all. Let's treat our military retirees with the fairness, dignity, and respect they so rightly deserve.

Mr. DELLUMS. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Speaker, as I heard the gentleman from Florida [Mr. YOUNG] talk eloquently about the gentleman from South Carolina [Mr. SPENCE] and the contributions that the two of them have made to this bill, I think it is important to also recognize the contributions that the gentleman from California [Mr. DELLUMS], the ranking member on Armed Services, has made to this whole process. The gentleman from California not only served his country in the call to the military, but has served for many, many years on this committee and was chairman of this committee and has very strong disagreements with the priorities that have been set. Yet, nevertheless, as chairman of the Committee on National Security, there is no one who took a bigger hit in his own district than the gentleman did in trying to downsize the military of this country.

I think it is interesting, last evening perhaps the greatest applause line that we heard was in the notion of ending the Lyndon Johnson big Government programs. It was not applause that just came from this side of the aisle; it came from the Republican side of the aisle. Yet the first bill that we bring up when we talk about downsizing Government, the first bill we bring up, adds $7 billion more to the deficit of this country than the Joint Chiefs of Staff in all of their wisdom requested of the Congress of the United States. They did not request the number of B-2's, they did not request the number of F-22's. Everyone who studies those issues knows those are not the aircraft we need in order to deal with the threat that the United States of America faces today. I am in favor of a strong national defense, the gentleman from California is in favor of a strong national defense, but not a wasteful national defense.

Mr. Speaker, there are homeless people on the streets of our country, housing residents that came and stood on the steps of this Capitol just yesterday, whose budget has been cut by $7.5 or $8 billion without a hearing, the same level of overspending that is occurring in this bill. Why is it that we have a country that wants to overspend on national defense, go beyond what is recommended by the greatest experts in this country, and yet go ahead and cut the most vulnerable people in this country? We go out and not only cut the housing budget, but we cut the homeless budget as well.

Mr. Speaker, I submit that it is time for us to have a country that looks forward and recognizes that by investing in our people we can have a strong national defense and a strong society as well.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I hope my friend, the gentleman from Massachusetts [Mr. KENNEDY], will listen, because the Department of Defense budget is the only budget out of the entire U.S. budget that has been cut in real terms by over 10 percent in the past 5 years. When I first got to Congress, it was $300 billion a year. This year it is about $275 billion.

There are hundreds of thousands of young men and women who want to serve their country who have been involuntarily discharged or not had their contracts renewed because of downsizing. The point of the matter is the Department of Defense is smaller, and they are doing a better job with what they have.

I want to compliment the chairman and ranking member for doing the best job that we could with the funds that we have. I want to encourage my colleagues to vote for this bill. It is our job to decide where that money should be spent, and without this bill, the President will make that decision, not us.

Mr. DELLUMS. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). The gentleman from California is recognized for 1 minute.

Mr. DELLUMS. Mr. Speaker, let me say very quickly to my distinguished colleague from Mississippi that the $275 billion is against the backdrop of $300 billion a year that began during the Reagan era, when this military budget skyrocketed from $173 billion, went up well over $200-some odd, and leveled out at $300 billion during the decade of the 1980's. So I would remind my colleagues, compared to what? We never should have been spending $300 billion a year on the military budget. To now spend $275 billion a year in the context of the post-cold-war world, when there is no Soviet Union and when there is no strategic threat out there to the United States, is an appalling statement.

I would finally like to conclude with this on a very personal note. I take great pride, Mr. Speaker, in not attacking Members of Congress on this floor. If we want to debate, I am prepared to debate anybody in the Chamber on the substantive issue. That is my job and responsibility. I would simply admonish my colleagues that when we disagree, as ardently and as emotionally as we disagree, we should never call into play the motives of any individual Member or we should never challenge any individual Member of Congress, particularly when they are not there to defend themselves. I think we ought to be about our business with a much more dignified fashion. I think when we elevate the level of the debate to substance and policy and priorities, we are at our highest and best. When we reduce ourselves to personalities, it seems to me that is when we are not reflecting the best face of the most deliberative body in the world.

Mr. SPENCE. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from South Carolina is recognized for 1½ minutes.

Mr. SPENCE. Mr. Speaker, I would like to thank all of the Members on the Committee on National Security and all the staff for the hard work they have done over a long period of time. On both sides of the aisle we have done our job.

The gentleman from California [Mr. DELLUMS] and I came to Washington, at the same time, as has been mentioned a while ago. We come to the table sometimes from different perspectives, but we have gotten along over the years. Mr. DELLUMS was chairman the last time and I was ranking member. This time the situation is reversed. I have always enjoyed our working relationship. I believe very strongly in what the gentleman believes in, and that is he is to to express himself and maintain his position. He does it very well, better than anybody I know, as a matter of fact. I respect him for that.

Mr. Speaker, this conference report started out a good while ago as a bipartisan effort on our committee. We got a good vote out of our committee in the very beginning. I think by the vote we will have today we will show this will be a bipartisan effort again.

But I want to remind my colleagues, as I said earlier, we still revisit two very important questions, national missile defense and the U.N. command and control of our troops. These things will be revisited in the future, and people will have a chance to express themselves at length.

Mr. LEVIN. Mr. Speaker, I rise in opposition to the conference report.

This bill is virtually identical to the defense authorization the Congress approved last month. The bill was unacceptable then and remains so today.

Like its predecessor, the defense authorization before us today calls for spending $7 billion more than the amount requested by the Secretary of Defense. Like the first defense authorization, this bill contains $493 million to begin procurement of additional B–2 bombers—a plane the Defense Department insists it does not need.

In fairness to the bill's authors, the conference report before us drops the requirement that the United States deploy a national ballistic missile defense system by the year 2003. I applaud this change. There is serious doubt as to whether an effective missile defense system could be ready for deployment in 7 short years. Surely it makes more sense to continue our program to develop an effective missile defense system before we prematurely mandate its deployment.

In addition, deployment of a national system would almost certainly violate the Anti-ballistic Missile Treaty, perhaps with the result of jeopardizing continued Russian implementation of real arms reductions called for by the START I and START II treaties.

The bottom line is that this defense bill spends billions more than necessary on weapons we do not need. For this reason, I will vote against it.

Mr. VENTO. Mr. Speaker, the bill we are considering today does not fit the direction we should be taking in the post-cold-war world. Excessive spending on weapons systems that are not needed is not the path to security. At the same time as it provides improvements for the quality of life for our soldiers, this bill also contains punitive provisions targeting HIV-positive personnel. But more importantly this measure does not provide guidance or proper policy for the mission of our forces today much less tomorrow.

Our 20,000 troops in Bosnia are there to monitor a peace agreement, to provide for the growth of peace. Despite the contrary objections, our troops in Bosnia are engaged in a clearly defined mission. In this effort our allies are assisting. Some of the most strident critics of Bosnia voice no objection to the out of sync policy regarding the long time deployment and stationing of United States troops and sailors abroad. This bill certainly does not address the issue of burden sharing or the basis for such U.S. commitments. With the end of the cold war, our role in Europe and around the world has changed greatly. We no longer need to fear a massive attack from Communist forces. Yet the troops sent to Europe during the cold war remain there with no significant redefinition of our role, literally 100,000 U.S. troops, men and material, deployed as if the world has not changed. We shoulder the burden of defense for other regions and countries with the attenuate expensive defense bills, spending on unnecessary planes, helicopters, and ships. We urgently need to realistically reassess this situation, particularly as cuts are sought in programs which help the American people. At home military bases are closed, with significant sacrifice by many communities, but abroad the same rules and sacrifice are not advanced.

We need to reexamine the way we deploy and operate our forces in the world. We need to define their mission for today and tomorrow as has been done in the Bosnian operation with just a 1-year mission. Our allies must assist further with the heavy lifting involved with providing them security. Clearly military spending should not be increasing while other necessary programs are deeply cut.

This bill authorizes the spending laid out in the Defense appropriations bill. While a mandated antimissile defense system was removed from the bill, the billions of added dollars in spending, dollars that the Pentagon did not request, remains in the measure. The shift to national missile defense is still contained in this bill. B–2 planes not requested by the Pentagon are authorized, $493 million more than was requested. Other new planes and weapons systems are also included, contrary to our needs in the view of the Pentagon. This new spending is not necessary and if we reassessed our security relationships with our allies, if we shared this defense responsibility more equitably, even more dollars could be taken from these accounts. But the fact is that even after the Pentagon has stated its opposition to numerous programs, a small miracle in and of itself, this 104th Congress beats its chest on budget balancing while lavishing dollars on pet projects rather than asking the tough questions that the tenor of the times and balancing the budget would demand.

While the spending on weapons systems increases, important programs do not get adequate funding. The legacy of our struggle in the cold war must be addressed. Environmental cleanup of military bases, arsenals, and damage from the production of nuclear weapons need to be carried through. Yet this bill reneges in this measure, providing $280 million less than what is needed to accomplish the job of environmental cleanup. We should not leave this problem for future generations, an environmental deficit is equally unacceptable. These environmental hazards are real people security problems, where there should be no question of our mission.

The legislation before us muddles our defense missions. It does not reflect a proper assessment of what we should and need to do. Congress can and should do better. Our allies need to know that we expect them to accept responsibility for their defense. The cold war is over and the ability and role of the United States has changed but much in this measure reflects business as usual. We can not afford business as usual. I urge my colleagues to vote against this conference report.

Mr. FARR. Mr. Speaker, I would like to take this opportunity to express my strong objection to two specific elements contained in the fiscal year 1996 Defense authorization conference agreement.

First, I must take strong offense to the suggestion that the members of our armed services, who have served our country honorably through times of war and peace, should be discharged merely due to contracting HIV. Military personnel must be judged on their ability to perform their assigned duties. Retaining service members who test positive for HIV but demonstrate no further evidence of illness should not be revised due to a flagrantly political agenda. Discharging experienced soldiers, sailors, marines, and airmen merely for their testing positive for a virus is a patently inequitable action is clearly based on a prejudicial attitude towards HIV. Further, we owe it to the American people to not add fuel to the fire of hysteria concerning HIV. If otherwise capable of performing their duties, our servicemembers deserve the right to continue defending our Nation.

Second, this conference report denies military personnel or dependents the right to obtain safe, legal abortions at overseas U.S. military facilities, except in cases of incest, rape, or danger to the life of the mother. I must ardently protest the denial of a basic constitutional right to the military women who so diligently protect our vital national security interests by serving overseas. Servicemembers deserve the very best we have to offer, in all regards. We simply cannot deny them the very same civil rights we grant every other American, the rights they are sworn to defend with their lives. Anything less would be to reduce military women to the rank of second-class citizens.

The members of the armed services perform a necessary and vital function in defending our national interests and our liberty. Just as they struggle to protect our Nation, we must endeavor to protect their fundamental human rights.

Mrs. SCHROEDER. Mr. Speaker, I rise in opposition to this conference agreement. The majority conferees may have reached an agreement with the President. In fact they eliminated several objectionable proposals like national missile defense, and limitations on the President's ability to engage in contingency operations. However, these changes are cosmetic. The overall levels of funding are still higher than last year's levels. The bill still authorizes $7.1 billion more than the President's request. My colleagues on the other side of the aisle will tell you how much this report does for military personnel to improve their lives. Well, I rise to tell you what it does to military personnel.

First, this conference report violates the rights of women on military bases around the world by forbidding them to exercise their right to have an abortion they pay for themselves.

Second, this conference report discriminates against people who are HIV-positive, by forcing the military to discharge HIV-positive personnel within 6 months of confirmation of their status.

They would be discharged regardless of their competence, or current health.

The Department of Defense objects to this policy, as a loss of valuable man-hours. DOD has its own criteria for medical discharge, and will release these people when they cannot perform their duty any further.

Not only does the bill burden military personnel, it also makes it harder to balance the budget in future years. For the first time in decades, we have begun departing from the "full-funding" principle. In past years, Congress requested that the total cost of a project is budgeted in the current fiscal year. In fiscal year 1996 we have paid for two destroyers, but authorized three.

The $7.1 billion increase above the President's request is a token down payment on hundreds of billions of dollars shown the road.

Third, the B–2 bomber received an increase of $493 million just to keep the production line open, even though the plane has yet to meet many of its mission requirements in flight testing. To actually purchase the planes would cost us $15 billion if we bought 20 more B–2's at a rate of 3 per year.

We cannot commit to this kind of spending and balance the budget. Vote "no" on the conference report.

Mr. SMITH of Washington. Mr. Speaker, I rise today in support of this conference report, although I have serious reservations regarding one key provision. I am particularly concerned about the deletion of language from the earlier conference report limiting the President's ability to place U.S. troops under operational control of the United Nations [UN] until the President certifies to Congress that it is in the national security of the United States to do so.

It is unfortunate that the President chose to veto the entire defense bill over a common sense provision overwhelmingly supported by the American people. Later this year, I will be working with colleagues on separate legislation to incorporate this provision limiting U.N. command and control. I hope to see the day that our soldiers will no longer be put in harm's way under a flag of a foreign country, without their support.

However, I strongly support the provisions in this bill that finally resolves the COLA disparity between military retirees and Federal civilian retirees imposed by the Budget Reconciliation Act of 1993. This is great news to thousands of military Washington retirees who feel the same inflationary pressures as Federal civilian retirees.

Mr. TORKILDSEN. Mr. Speaker, as a member of the National Security Committee, I want the record to reflect my support for the fiscal year 1996 DOD authorization act. While I do not support every provision in this conference report, on balance it moves our military and our country in the right direction.

At a time when thousands of American men and women are deployed abroad in various peacekeeping and humanitarian missions, we must provide them with the support they need and deserve. This authorization includes improvements in basic pay allowances for military personnel, and cost of living adjustments for military retirees. It includes family housing units for Hanscom Air Force Base in Massachusetts to enhance the quality of life for military personnel and their families. It retains a commitment to the successful and battle-tested F/A–18 program and the Black Hawk helicopter program. It also contains language I authored to name a Navy ship after congressional medal of honor recipient Joe Vittori of Beverly, MA.

I would like to note, for the record, my opposition to the provision in this bill authorizing additional B–2 bombers, and language to promote a social agenda within our military. In committee, and on the House floor, I opposed the measure to ban all abortions in military hospitals and the proposal to terminate any Defense Department employee who tests positive for HIV. The Defense Department is capable of supervising and implementing its own personnel policies without unnecessary congressional intervention.

I voted for the DOD authorization conference report on December 15, when it passed the House the first time. I hope this important legislation will proceed through Congress as soon as possible and the President will sign it into law.

Mr. LoBIONDO. Mr. Speaker, the conference report to S. 1124, the fiscal year 1996 Defense Authorization bill, contains many positive and long-sought provisions. As a cosponsor of two bills to correct the inequity in cost-of-living adjustments for military retirees, H.R. 38 and H.R. 2664, I applaud the inclusion of a provision to correct this injustice to our military retirees. Under the conference report, military COLA's will once again match Federal COLA's, as they ought to and as they have traditionally.

The conference report contains two other important provisions: A 2.4-percent basic military pay increase and a 5.3-percent increase in the basic allowance in quarters [BAQ]. By all accounts the quality of life for our military personnel has been declining over the past decade. These two measures will help to alleviate the shortage of quality housing and ensure that military pay keeps up with the annual inflation rate.

Despite my strong support for these provisions, I am unable to support the conference report to S. 1124. Simply put, this bill exceeds what is needed for a strong national defense and even goes beyond what the Pentagon requested in its budget. For example, the bill authorizes $772.9 million to purchase parts for 20 more B–2 Stealth bombers despite Congress' 1993 vote to limit the number of B–2's to the 20 currently under production or already delivered and despite the Pentagon's desire not to build any more. Moreover, future funding to complete the additional 20 B–2's is by no means assured, making the $772.9 million a risky gamble.

The conference report also authorizes $700 million for a third *Seawolf* submarine, an item the Clinton administration requested after the *Seawolf* program was terminated in 1993. According to experts, the *Seawolf* design is already outdated, and this is evidenced by the development of the new attack submarine line and the fact that the House National Security Committee, in its committee report to H.R. 1530, opted not to build a third *Seawolf* but instead opted to upgrade the second *Seawolf* with a new hull section. I agree with the National Security Committee's original analysis, approved by the House when it passed H.R. 1530, that a third *Seawolf* is unnecessary and the $700 million could be better spent.

For these reasons, I must oppose passage of the conference report to S. 1124.

Ms. PELOSI. Mr. Speaker, I rise to urge my colleagues to oppose the fiscal year 1996 Department of Defense [DOD] authorization bill conference report. There are many reasons to defeat this conference report. One of the worst provisions contained in this bill would lead to the immediate discharge of the 1,049 service members infected with HIV, the virus that causes AIDS.

The Department opposes this provision and does not believe that service members with HIV present a deployment problem. The DOD believes that members with HIV should be treated as any other service members with chronic, possibly fatal, medical conditions, and remain on active duty until such time as they cannot perform their duties.

This provision is discriminatory because it treats people with HIV differently from the way people with other chronic diseases are treated.

Current policy concerning service members who are not eligible for worldwide deployment, such as those with HIV, are sufficient. Service members become ineligible for worldwide deployment due to a number of medical reasons, such as diabetes, asthma, heart disease, cancer, and pregnancy. They still perform very significant duties but are restricted in overseas travel to remain close to adequate medical services.

It is inappropriate to single out individuals with HIV disease for discharge from the Armed Services and in so doing, treat these individuals differently than the military treats other productive service members with chronic illnesses.

The current policy has been in place since the Reagan administration and received the support of senior military officials. The policy is the product of serious analysis and deliberation by the Pentagon of the impact of individuals with HIV disease on military readiness. The Clinton administration has only moved to continue these policies, demonstrating bipartisan support for this approach.

The presence of HIV-infected service members in the military does not adversely affect combat readiness or efficiency. These troops are still physically capable and are valuable to the Armed Services. Adopting this conference report would endorse unacceptable discrimination.

Mr. SPENCE. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DELLUMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 287, nays 129, not voting 17, as follows:

[Roll No. 16]

YEAS—287

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Castle
Chambliss
Christensen
Clayton
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Combest
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Dreier
Dunn
Edwards
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fazio
Fields (LA)
Fields (TX)
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Goss
Graham
Green
Greenwood
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Longley
Lucas
Manton
Manzullo
Martinez
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McIntosh
McKeon
McNulty
Meek
Metcalf
Meyers
Mica
Miller (FL)
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Murtha
Myers
Myrick
Neal
Nethercutt
Ney
Norwood
Nussle
Ortiz
Orton
Packard
Parker
Pastor
Paxon
Payne (VA)
Peterson (FL)
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Regula
Richardson
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Traficant
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (FL)
Zeliff

NAYS—129

Barrett (WI)
Bartlett
Becerra
Beilenson
Blute
Bonior
Borski
Brown (CA)
Brown (OH)
Camp
Cardin
Chabot
Chrysler
Clay
Collins (IL)
Collins (MI)
Condit
Conyers
Coyne
DeFazio
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Ehlers
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Filner
Flake
Foglietta
Frank (MA)
Franks (NJ)
Furse
Ganske
Gejdenson
Gibbons
Gordon
Gunderson
Gutierrez
Gutknecht
Hilliard
Hinchey
Hoekstra
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kleczka
Klink
Klug
LaFalce
Lantos
Levin
Lewis (GA)
Lincoln
LoBiondo
Lofgren
Lowey
Luther
Maloney
Markey
Martini
Matsui
McCarthy
McDermott
McInnis
McKinney
Meehan
Menendez
Mfume
Miller (CA)
Minge
Moakley
Morella
Nadler
Neumann
Oberstar
Obey
Olver
Owens
Pallone
Payne (NJ)
Pelosi
Peterson (MN)
Petri
Rahall
Ramstad
Reed
Rivers
Roemer
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Skaggs
Slaughter
Stark
Stokes
Studds
Stupak
Torricelli
Upton
Velazquez
Vento
Watt (NC)
Williams
Wise
Woolsey
Wynn
Yates
Zimmer

NOT VOTING—17

Berman
Boehlert
Bryant (TX)
Chapman
Chenoweth
Clement
Oxley
Rangel
Rose
Smith (MI)
Torkildsen
Towns
Ward
Waters
Waxman
Wyden
Young (AK)

☐ 1514

Ms. RIVERS and Mr. SHAYS changed their vote from "yea" to "nay."

Mr. JOHNSON of South Dakota changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. WATERS. Mr. Speaker, due to pressing personal business, I was unable to vote on the conference report on S. 1124, the Department of Defense Authorization bill.

Although this conference report did make important changes from the version which was vetoed by President Clinton, there remain serious policy issues such as the proposed restrictions of overseas abortion and the language requiring the discharge of HIV-positive personnel, about which I continue to have serious concerns. As such, had I been present, I would have voted "no".

PERSONAL EXPLANATION

Mr. WARD. Mr. Speaker, on January 24, 1996, I was unavoidably detained due to my travel with President Clinton to my district, and missed one rollcall vote. I would like the record to show that had I been present for rollcall vote No. 16, on S. 1124, the Defense authorization for fiscal year 1996, I would have voted "yes."

□ 1515

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just adopted.

The SPEAKER pro tempore (Mr. COMBEST). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2072

Mr. HERGER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2072.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. RANGEL. Mr. Speaker, due to the Chair closing out the vote, a number of Members of the House have not been able to register their vote. Had the Chair not closed it out, I would have voted ''no'' on the conference report on S. 1124.

PERSONAL EXPLANATION

Mr. BOEHLERT. Mr. Speaker, I was on the elevator over there and a whole group of us that were in the elevator were not able to vote because the vote was closed out.

Had I been here and allowed to vote, I would have voted ''aye'' on the conference report on S. 1124.

PERSONAL EXPLANATION

Mr. CLEMENT. Mr. Speaker, I also was on the elevator, detained, did not get to vote. If I had been here, I would have voted ''yes'' on the conference report on S. 1124.

PERSONAL EXPLANATION

Mr. TOWNS. Mr. Speaker, I was on the elevator when the elevator was stuck. Of course, if I had been here, I would have voted ''no'' on the conference report on S. 1124.

PERSONAL EXPLANATION

Mrs. CHENOWETH. Mr. Speaker, on rollcall No. 16, I was unable to cast a timely vote because I was in traffic en route to the Capitol. I missed the vote on the Conference Report on Department of Defense Authorization. Had I been present, I would have voted "yes."

PRIVILEGES OF THE HOUSE—PROTECTING CREDITWORTHINESS OF UNITED STATES, AVOIDING DEFAULT, AND AVERTING ANOTHER GOVERNMENT SHUTDOWN

Mr. DOGGETT. Mr. Speaker, I rise to a question of the privileges of the House and offer a resolution which the gentleman from Texas [Mr. BENTSEN] and I noticed pursuant to rule IX yesterday.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

Whereas the inability of the House to pass an adjustment in the public debt limit unburdened by the unrelated political agenda of either party, an adjustment to maintain the creditworthiness of the United States and to avoid disruption of interest rates and the financial markets, brings discredit upon the House;

Whereas the inability of the House to pass a clean resolution to continue normal governmental operations so as to end the abuse of American citizens and their hard-earned dollars, Federal employees, private businesses who perform work for the Federal government, and those who rely upon Federal services as a bargaining tactic to gain political advantage in the budget negotiations, brings discredit upon the House;

Whereas previous inaction of the House has already cost the American taxpayer about $1.5 billion in wasteful government shutdown costs, reduced the productivity and responsiveness of Federal agencies and caused untold human suffering;

Whereas the failure of the House of Representatives to adjust the Federal debt limit and keep the Nation from default or to act on legislation to avert another Government shutdown impairs the dignity of the House, the integrity of its proceedings and the esteem the public holds for the House: Now, therefore, be it

Resolved, That upon the adoption of this resolution the enrolling clerk of the House of Representatives shall prepare an engrossment of the bill, H.R. 2862, and the joint resolution, H.J. Res. 157. The vote by which this resolution is adopted by the House shall be deemed to have been a vote in favor of such bill and a vote in favor of such joint resolution upon final passage in the House of Representatives. Upon engrossment of the bill and the joint resolution, each shall be deemed to have passed the House of Representatives and been duly certified and examined; the engrossed copies shall be signed by the Clerk and transmitted to the Senate for further legislative action; and (upon final passage by both Houses) the bill and the joint resolution shall be signed by the presiding officers of both Houses and presented to the President for his signature (and otherwise treated for all purposes) in the manner provided for bills and joint resolutions generally.

The SPEAKER pro tempore. Does the gentleman from Texas [Mr. DOGGETT] wish to be heard on whether the resolution presents a question of privilege under rule IX?

Mr. DOGGETT. Yes, Mr. Speaker, very briefly, I do. I think there are only one or two other speakers that would ask to be heard on this.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, this motion raises most directly a question of privileges of the House. True, the particulars of this motion concern the creditworthiness of the United States, something in which every American has a stake, particularly those with a variable mortgage, a car loan, a credit card balance, or whoever want to take out alone.

But, Mr. Speaker, what could more directly jeopardize the integrity of our proceedings here in the House of Representatives than misconduct, than tampering with the fiscal integrity of the United States?

Those who say we can live with financial anarchy would imperil both the dignity of this House and the hopes of millions of Americans for economic dignity. Indicative of this threat to the integrity of the House is the warning against a politically motivated default by six former Treasury secretaries, both Republicans and Democrats, who have expressed in their words their profound concern about the threat of default.

The very idea that Uncle Sam would tell anyone who holds a Treasury bill or a Treasury bond, sorry, we do not want to pay, is not revolutionary, it is simply lunacy. The full faith and credit of the United States is not anything to be trifled with. If there are Members of this body who are willing to mess up the credit rating of the United States, let them mess up their own credit rating, not that of the American people who they are sworn to serve.

When the Secretary of Treasury, Mr. Rubin, assures us that default is upon us, when he is compelled to undertake extraordinary measures to defer temporarily that default and only faces in return the threat of impeachment in this House, the dignity of this House is jeopardized. When we hear a declaration that ''I do not care if we have no executive offices and no bonds for 60 days, not this time,'' the financial integrity of our country and the integrity and esteem with which the public holds this House is severely jeopardized. I refer, of course, to the words of the Speaker of the House, NEWT GINGRICH.

This motion and an ability to take up a clean resolution to adjust the debt limit before we run into financial ruin later this month would do something to undo the damage that has already occurred.

The SPEAKER pro tempore. Are there other Members who wish to be heard on the question of whether the resolution presents a question of privilege?

Mr. SOLOMON. Mr. Speaker, I move to lay the motion on the table.

The SPEAKER pro tempore. The Chair is attempting to ascertain whether or not the motion is privileged.

Mr. SOLOMON. Mr. Speaker, I will withhold my motion.

The SPEAKER pro tempore. The Chair is hearing discussion on that at this time.

Mr. SOLOMON. Mr. Speaker, I withdraw my motion temporarily.

Mr. SPEAKER pro tempore. Are there other Members who wish to be heard on whether the resolution presents a question of privilege?

The Chair recognizes the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I appreciate my colleague from New York withdrawing his motion.

Mr. Speaker, I join my colleague from Texas, Mr. DOGGETT, in introducing this privileged resolution and in urging its approval so that the U.S. Government can keep paying its bills and not default for the first time in its history.

Rule IX of the rules of the House, which governs questions of privilege, states:

> Questions of privilege shall be, first, those affecting the rules of the House collectively, its safety, dignity, and the integrity of its proceedings; and second, those affecting the rights, reputation, and conduct of members, individually, in their representative capacity only.

We offer this privileged resolution because we can think of no issue that reflects more on the dignity and integrity of this House and on the reputation of every single Member than the creditworthiness of the United States.

There is no question in my mind that the dignity and the integrity of this House and the reputation of every one of us would be irreparably harmed if we allowed our Government to default. And it would be especially irresponsible for this House to recess and leave town with this threat of default hanging over our Government.

The creditworthiness of the United States should not be a pawn in a political game or a point of leverage to force huge cuts in Medicare, Medicaid, and education to pay for a tax cut we can't afford. We must pass a clean bill to increase the debt ceiling and allow the United States to honor its obligations, and we can do that by voting for this resolution today.

Only the Congress can lift the debt limit and avoid default, and a failure to act in a timely manner does threaten the integrity of this body and the reputation of every one of us. If anyone doubts that, simply consider the consequences of default.

Government will come to a halt yet again. Interest rates will rise. Credit will become more expensive. Our economy could very well slip into a recession. And our Nation's unmatched reputation in world financial markets would be tarnished forever.

I hope there is no one in this body who doubts that if we allow these calamities to happen that the integrity of this body will not be damaged.

I also hope there is no doubt that the reputation of every one of us will be harmed as well. Our reputation will be harmed with every single consumer we represent who has to pay more in higher interest rates for home loans, car loans, student loans, and credit card purchases. Our reputation will be harmed with every State and local government official we represent because they will not be able to obtain financing for the services they provide. And our reputation will be harmed with every single taxpayer who will have to pay more for Government services.

I would submit to the Chair that, under a careful reading of rule IX, No. 1, "questions of privilege," this resolution is a question of privilege because it addresses a serious matter affecting the dignity and integrity of this House and the reputation of every Member. In addition, I would argue that the Chair should favorably review this question of privilege because, at this time, there is no other plan for this House to consider clean debt limit legislation before February 29, 1996, when Treasury Secretary Robert Rubin has told Congress that the Federal Government will go into default. Yet, Congress may recess without consideration of the vital legislation.

So I would ask you, Mr. Speaker, to carefully read section IX of the House rules. It states clearly that—

> Questions of Privilege shall be, first, those affecting the rights of the House collectively, its safety, its dignity, and the integrity of its proceedings, and second, those affecting the rights, reputation, and conduct of Members.

This resolution seeks to protect the integrity of the House and the reputation of its Members by preserving the creditworthiness of the United States. This is the argument that my colleague from Texas and I are making. This is truly a question of privilege because the reputation of the House and its dignity would be forever harmed if we fail to act and to honor our obligations.

□ 1530

The SPEAKER pro tempore (Mr. COMBEST). The Chair is ready to rule, but would entertain one additional comment relative to whether or not the resolution presents a question of the privileges of the House.

Does the gentleman from Texas [Mr. EDWARDS] seek to be recognized for that purpose?

Mr. EDWARDS. Mr. Speaker, I would like to be recognized to address the issue of the privileged motion.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, I will be brief in my point. I think this resolution does deal with the integrity of this House in a very significant way. Unless I am mistaken, it was not too many years ago when colleagues on the Republican side of the aisle of this House came to this floor and argued that we should have privileged resolutions and measures to consider the so-called House bank scandal, because a number of House Members had purportedly bounced thousands of dollars of personal checks.

I would suggest to the Speaker and to our colleagues that if having Members of this House bounce thousands of dollars in personal checks goes directly to the integrity of this House, how in the world could we not conclude that having the U.S. Government for the first time in two centuries bounce billions of dollars of checks to people to whom we owe money, and entities all across this world, an action that would undermine the integrity of our creditworthiness and our reputation as a nation, how can the personal bounced checks go directly to the integrity of the House and not have our Nation's bouncing checks go to the integrity of the House?

I would argue, therefore, Mr. Speaker, that this resolution clearly deals directly with the question of protecting the integrity and the dignity of this House, and would suggest that to rule otherwise might be inconsistent with the arguments we heard from our Republican colleagues just a few years ago.

The SPEAKER pro tempore. The Chair is ready to rule.

The resolution offered by the gentleman from Texas alleges that the failure of the House to take specified legislative actions brings it discredit, impairs its dignity and the integrity of its proceedings, and lowers it in public esteem. On that premise it resolves that the House be considered to have passed two legislative measures.

Under rule IX, questions of the privileges of the House are those "affecting the rights of the House collectively, its safety, its dignity, [or] the integrity of its proceedings." But a question of the privileges of the House may not be invoked to effect a change in the rules of the House or to prescribe a special order of business for the House. This principle has been upheld on several occasions cited in section 664 of the "House Rules and Manual," including March 11, 1987; August 3, 1988; and, in particular, June 27, 1974—where a resolution directing the Committee on Rules to consider reporting a special order was held not to present a question of privilege.

The resolution offered by the gentleman from Texas—like those offered on February 7 and December 22, 1995, and on January 3, 1996—is also aptly addressed by the precedent of May 6, 1921. On that occasion Speaker Gillett held that a resolution presenting a legislative proposition as a question of constitutional privilege under the 14th amendment did not qualify as a question of the privileges of the House. The Chair will quote briefly from the 1921 ruling:

> [W]here the Constitution orders the House to do a thing, the Constitution still gives the House the right to make its own rules and do it at such time and in such manner as it may choose. And it is a strained construction * * * to say that because the Constitution gives a mandate that a thing shall be done, it therefore follows that any Member can insist that it shall be brought up at some particular time and in the particular way which he chooses. If there is a constitutional mandate, the House ought by its rules to provide for the proper enforcement of that, but it is still a question for the House how and when and under what procedure it shall be done * * *.

Speaker Gillett's ruling is fully recorded in Cannon's Precedents, at volume 6, section 48.

Applying the precedent of 1921 and the others just cited, the Chair holds that the resolution offered by the gentleman from Texas does not affect "the rights of the House collectively, its safety, dignity, [or] the integrity of its proceedings" within the meaning of clause 1 of rule IX. Rather, it proposes to effect a special order of business for the House—deeming it to have passed two legislative measures—as an antidote for the alleged discredit of previous inaction thereon. The resolution does not constitute a question of privilege under rule IX.

To rule that a question of the privileges of the House under rule IX may be raised by allegations of perceived discredit brought upon the House by legislative action or inaction, would permit any Member to allege an impact on the dignity of the House based upon virtually any legislative action or inaction.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the journal stands approved.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE BORDER PATROL IN FLORIDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FOLEY] is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I want to address the House on a problem we are having in Florida and we are having all across the Nation. Last evening we had a chance to hear the President deliver his speech on the future of America. One of the things he emphasized was on changing and enforcing immigration procedures in our country.

It is ironic that this past week the Immigration and Naturalization Service announced that is was taking eight Border Patrol agents from Florida and moving them to the southwest border of the United States. Clearly I know that we are having extraordinary problems on the borders of Mexico, but Florida also is being inundated by illegal immigrants.

What has happened with our Border Patrol has been a diminishing from 85 agents in 1988 to half that strength of 42 agents today, after these agents are detailed to the southwest border. In my home district, the Palm Beach Border Patrol Office will shrink to just three agents and one supervisor who are responsible for covering eight counties and 120 miles of coastline. At the same time, the number of Border Patrol and Coast Guard interceptions of Cubans and Haitians for the first 2 months of 1996 fiscal year, 1,248 interceptions, is almost as high as the total number of interceptions for the entire 1995 fiscal year, which totaled 1,789 interceptions—1,248 in 2 months, 1,789 during the whole fiscal year of 1995.

Just yesterday Border Patrol agents arrested eight illegals who were working at a school construction site in West Palm Beach, FL. The total number of criminal alien apprehensions in the Miami sector last year totaled 1,857 people, criminal alien apprehensions in the Miami sector. These statistics clearly demonstrate the critical need for a stronger Border Patrol force in Florida, so it amazes me that the INS apparently ignores this data making policy decisions.

I fully support a strong Border Patrol force for the entire United States, but not by slashing the number of Florida agents. I had a chance to go out with the gentleman from California, Mr. GALLEGLY, and others, the gentleman from California, DUKE CUNNINGHAM, and survey the border of Mexico. I understand their problem. I wholeheartedly support strengthening our enforcement on the border. However, Florida, much like California, Texas, and Arizona, has a similar problem. It is simply insane to remove agents from a State like Florida which continues to be strained by illegal immigration, insane.

Ironically, the day after the announcement to detail Florida agents, the Center for Immigration Studies released a new report stating that Florida remains the third largest recipient of illegal immigrants, with one of nine illegal immigrants in the United States residing in Florida. In fact, the report suggests that the illegal immigrant population in our State could be as high as 450,000 today. The State of Florida estimates that in 1993 alone, State and local governments have spent around $884 million on undocumented aliens.

In addition, there are approximately 5,504 criminal aliens in State correction facilities on any given day, costing Florida taxpayers on average $14,000 per inmate annually, 5,504 illegals in our State prison system, 5,504 beds that could be made available for rapists, murderers, and drug dealers. The INS decision to cut Florida Border Patrol agents further erodes our already limited resources and threatens the security of our borders.

In fact, by INS taking eight agents out of Florida, they have in fact said "Welcome, one and all. Come to the State, because we are no longer enforcing the laws of this land." The action sends the wrong message to illegal immigrants, and it is simply not in the best interests of the State of Florida nor of the United States of America.

If, Mr. Speaker, the President is serious about changing the way Government operates in Washington, if we are in fact talking about the State of the Union of this country, the State of the Union of this country, then one of our most important challenges is to protect and secure our borders from illegal entry.

I welcome people to this country. My grandmother came from Poland. She had a sponsored job waiting and a clean bill of health. I want people who come to this country with a clear indication of wanting to support the values we hold dear. I commend you, Mr. President, for your speech. I commend the enthusiasm by which you lead this country. I urge you and I urge our leadership to sit down and work the details out of all the problems we face, but if we are in fact to have a safe and free Nation, we must protect ourselves from illegal immigration.

DO-NOTHING CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes.

Mr. VOLKMER. Mr. Speaker, Members of the House, this morning during my 1-minute speech, I chastised the Speaker of the House, NEWT GINGRICH, for not telling exactly the truth this morning on one of the talk show programs when he was being interviewed in regard to President Clinton's State of the Union Message last night, because Speaker GINGRICH said, in answer to a question as to whether the President was really for welfare reform, that the President had vetoed welfare reform twice and that one time he had vetoed a bill that had passed the Senate by 85 votes.

Now, when I brought out this morning that that bill, that bill that the President vetoed, had only gotten 52 votes in the Senate, the gentleman from Florida [Mr. STEARNS] got in the well and said, well that is the same bill; that that bill got 87 votes in September and it got 52 votes in December.

Mr. Speaker, I say to the gentleman from Florida [Mr. STEARNS], it is not the same bill. I think the gentleman should learn legislative procedure. The bill that passed the Senate had different provisions in it. There were changes made in conference. When the bill went to the President, it was changed vastly from the bill that had passed the Senate with those 87 votes. That is why Members who had voted for it, even Republican Members who had voted for it in September, would not vote for it in December, and that is why the President vetoed it.

I will go back, Mr. Speaker. Speaker GINGRICH should know the facts. The facts are that that bill only got 52 votes in the Senate; it did not get 85 votes in the Senate and never did, and it barely passed the Senate because there were 47 votes against it. Two Republicans even voted against it.

Now, if we really want welfare reform, we need to sit down and work together. We are not that far apart; we should do welfare reform. We need to do a balanced budget. We heard the President last night. He says, there are a lot of areas, and I agree, there are a lot of areas where both the Democrats, the President and the Republicans agree that we can make changes and reduce the deficit in future years. He said, let us do those. But that is not what we heard from this well this morning.

The President held out his hand to work together. The Republicans have thrown it back and said: No, we are not going to do that. We are going to do it our way or no way.

That is probably what we will have, is no way. That is what is wrong with this Government and this Congress today.

There are many things that need to be done, and little has been done, so little that this Congress will go down in history as the most do-nothing Congress since 1933.

Mr. Speaker, it is very interesting that this Congress in its first session worked for 365 days, had more votes than at any time in the near past Congresses, spent more hours working, but did less. A total of either 88 or 89 bills actually became law. We have not had that few since 1933, folks. Every Congress before this, immediate Congresses, the 1st session of the 103d, the 2d session of the 103d, the 102d, the 100th, the 99th, the 98th; even with Democrats under Bush we did more than this Congress. This Congress, if we really want to know, is a do-nothing Congress.

There was a great bit of fanfare a year ago right here on this floor, and it started on the 4th of January last year. It lasted for 100 days, of all of this great legislation that is going to change this country. I remember the Speaker standing down here and clipping those little cards every time a bill would pass. He would stand here and clip that little card.

Somebody better tell the Speaker and the majority that just because the House passes a bill, it does not do anything. It does not become law, it does not make one change. They act like all these changes were taking place. It has to go through the Senate. And what happened when those bills got over to the Senate? Well, we can go down the history of it and find that the majority over in the Senate, who are the same party, said no; they are too radical. No, those bills are too extreme. We are not going to do that radical approach to change in the Government.

HOLOCAUST: THE CHINA PARALLEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, I spoke earlier, and I just want to take a little time after the 1-minute to really urge Members to get a copy of the Washington Post piece by Walter Reich called, "Holocaust: The China Parallel."

The writer is a physician, the director of the U.S. Holocaust Memorial Museum. He points out that what is taking place in China is parallel to the Holocaust that took place in some respects in Nazi Germany. Now, this Congress last year was going to do something with regard to China. It passed a bill with regard to putting some restrictions on China and dealing with Radio Free China. Frankly, nothing has happened to it. This year the Congress I think is obligated on both sides of the aisle to do something to deal with the issues of religious persecution and what is taking place in China.

As a couple of examples, and I will submit them for the RECORD, Freedom House has documented 200 Christian Leaders in prison since April 1, 1995. A Christian ministry in the United States had delegates recently to visit a house church during a recent visit to China. The leaders in these churches have to be itinerant in their own country. They cannot meet with their own families. They have no permanent home. Many leaders have been jailed, beaten, fined, tortured, or sent to labor or reeducation camps for their religious beliefs.

Quite frankly, I wish that Ronald Reagan were back in the White House whereby we could have somebody who could come out and stand up and raise these issues. Frankly, since the Berlin Wall has fallen and since Ronald Reagan has left the White House, neither the administration, the Bush administration, nor the Clinton administration, nor Republican Congresses or Democratic Congresses, have done anything with regard to human rights in China and many of the other countries.

Quite frankly, the business of the Clinton administration is business. It is not human rights. They do not care if Catholic priests are being persecuted and bishops are going to jail. They don't care if evangelical ministers are being put in prison. They don't care if Buddhists are being put in prison.

Mr. Speaker, does the Congress care? We know that Clinton does not care. We know that Secretary Christopher does not care, because we have seen no action out of the State Department. In fact, Mr. Speaker, the sound of silence that has come from the Clinton administration on religious persecution is deafening. Mr. Speaker, to be fair, the sound of silence coming from the Republican Congress on this issue is deafening.

Now, all one had to do was watch "60 Minutes" Sunday night where they showed Chinese children tied to beds, mainly female children, and they starved them to death, similar to what the Nazis did before World War II. Had that happened in the 1980's, had Ronald Reagan been able to see that, had Senator Jackson of Jackson-Vanick been able to see it, leaders who have fought on both sides of the aisle for human rights, this Congress would have passed a resolution on it. This Congress would have debated this issue. But frankly, Mr. Speaker, this Congress, along with the Clinton administration, has done absolutely nothing.

It would be my hope and prayer that both parties would have a plank in their platform this year for religious freedom from dissidents around the world, for persecution of all religious beliefs, whether they be Buddhist or Christian or Jews. This issue should be on the forefront of the burner of both political parties.

As I again urge my colleagues after they read the article in today's Washington Post, I will close with what the author said. He said, "If the Human Rights Watch report can be verified by international inspections, the parallels between the Chinese orphanages and the Nazi programs that killed disabled children are alarming. These parallels remind us that human beings, including physicians and other caregivers, are extraordinarily vulnerable to inhuman acts and extraordinarily capable for justifying their behavior on what they see as rational grounds. And they remind us that countries in which democratic institutions are forcibly forbidden and human rights systematically quashed are ones in which human life becomes, quite simply, expendable."

This issue is not going to go away. If the Clinton administration does not deal with it, I hope and pray that at least this Republican Congress will deal with it.

CHINA STEPS UP RELIGIOUS REPRESSION

DECEMBER 22, 1995.—The Chinese government is subjecting unauthorized Catholic and Protestant groups to intensifying harassment and persecution as social tensions in the country increase, says Human Rights Watch/Asia in "China: Religious Persecution Persists," released today.

"During the last two years, the Chinese government broadened its drive to crush all forms of dissent. In addition to targeting prominent dissidents such as Wei Jingsheng, who last week was sentenced to fourteen years in prison, all religious believers, and especially Christians, are seen as potential security risks," said Mickey Spiegel, research consultant for Human Rights Watch/Asia.

Chinese authorities have issued new directives requiring all congregations to register with religious authorities, stepped up pressure on evangelists, and tightened controls on contact with foreigners and on distribution of religious materials. Individuals suspected of linking religion to political activity have received the harshest treatment. The extensive crackdown on Protestants and Catholics violates both the Chinese constitution and freedom of religion as guaranteed by the Universal Declaration of Human Rights.

As Communist ideology has lost public support, interest in religion, particularly evangelical Protestantism, has spread rapidly in China. But since the early 1990s, a new development has emerged which the country's leaders consider even more "subversive": a growing alliance between underground Christian churches and pro-democracy activists, many of whom have converted to Christianity in recent years. Dissident groups such as the League for the Protection of the Rights of Working People (LPRWP), some of whose members are Protestants, have been particularly targeted for official repression, with President Jiang Zemin describing the LPRWP as "the most counterrevolutionary organization in China since 1949." After witnessing the role of the Catholic Church in undermining Communist power in Eastern Europe, the authorities have renewed their determination to eradicate all autonomous religious activity in China.

For example, Xiao Biguang, a thirty-three-year-old former professor of literature at Beijing University, was one of the main drafters of the charter for the LPRWP. He was arrested on April 12, 1994, and put on trial this past April 1995 on criminal charges including "swindling" and creating a "negative atmosphere" among his students at a theological seminary. As of mid-December 1995, he had not been sentenced and was still being held in a Ministry of State Security lockup in Beijing. Meanwhile, Xiao's wife, Gou Qinghui, has been continually harassed, subjected to periodic surveillance, and forbidden to continue seminary teaching or to meet with co-religionists at home. She has been detained at least four times in May 1994 and May 1995.

The most recent crackdown began in January 1994, when Premier Li Peng signed new regulations tightening the existing requirement that all church groups in China register with the state-controlled Religious Affairs Bureau. This policy, which violates international standards on freedom of expression and association, has forced Christians and other religious believers to choose between registering their congregations lawfully, which often exposes their services to intrusive surveillance and official control, or continuing to operate underground, thereby risking fines, arrests, and even prison terms. The January 1994 regulations also reiterate China's ban on proselytizing and other public religious activities by foreigners, depriving Chinese believers of their right to associate with their co-religionists from overseas.

Local authorities seeking to suppress unauthorized church groups have often violated China's own laws and regulations, acting even more brutally than the national religious policy allows. Christians in many rural areas are routinely and often repeatedly harassed through arbitrary detentions, beatings, and confiscations of property. Those considered "ringleaders," especially Protestant preachers with a large popular following, are at risk of arrest and imprisonment.

In one case, Huang Fangxin, a twenty-nine-year old seminarian from Yongkang County, Zhejiang Province, was sentenced without trial to three years of "re-education through labor" in April 1994, after organizing a group of young people from the country into a "gospel team" to recruit new members to the local church. Several of his followers have since faced further harassment, including mandatory "study classes" at which they are lectured, fined, and sometimes physically abused.

Similar abuses against underground Protestant groups, including raids on churches and mass arrests, have been reported throughout China, particularly in Henan and Anhui provinces where the evangelical movement is especially strong. Roman Catholic bishops who maintain ties to the Vatican have also faced harassment and arbitrary detention.

Foreigners suspected of promoting Christianity among Chinese citizens have become a major target of the new crackdown, especially those caught bringing Bibles and other religious literature into the country illegally. During the Fourth World Conference on Women, held in Beijing in September 1995, foreign participants were warned to bring in no religious materials other than those for personal use. Leaders of Protestant "house churches" in Beijing were warned to avoid contact with conference delegates arriving from overseas, and one Catholic leader, Bishop Jia Zhiguo, was removed from his home and detained until the day after the conference ended.

The presence of foreigners was in part responsible for a mass arrest in Hubei Province on April 18, 1995, in which security officials, armed with electric batons, broke up a theological training class for new pastors and arrested at least sixty-seven Chinese and three overseas Protestants. The detainees were interrogated, some of them were badly beaten, and some of the men had their heads shaved.

Human Rights Watch calls on the Chinese authorities to lift all official controls on religious activities, including the compulsory registration of church groups, and to thoroughly investigate all reports of illegal mistreatment of religious believers, including beatings, ill-treatment, and torture. All those held for participating in religious activities outside the official churches should be unconditionally released, including those convicted of violating state security laws or the laws on counterrevolution.

Human Rights Watch also urges the international community to exert pressure on the Chinese government to allow greater religious freedom. The U.S., European Union, Japan, and other governments should sponsor and vigorously promote a resolution censuring China at the United Nations Human Rights Commission in Geneva next March. Among other abuses, the measure should specifically call for an end to religious repression. In addition, the United Nations Special Rapporteur on Religious Intolerance should be invited to make a second visit to China early in 1996, following his previous visit to Beijing and Tibet in November 1994; he should seek to visit those Chinese provinces where the persecution of Christians is most severe. Human Rights Watch/Asia urges delegations of parliamentarians and trade delegations to China to make specific inquiries about cases of religious activists still in custody and those detained, ill-treated then released. They should call for the immediate repeal of all official restrictions on free expression of religious belief and practice.

Copies of the report are available from the Publications Department, Human Rights Watch, 485 Fifth Avenue, New York, NY 10017 for $6.00 (domestic) and $7.50 (international).

HUMAN RIGHTS WATCH/ASIA

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Ada Cheng are Henry R. Luce Fellows; Diana Tai-Feng Cheng and Paul Lall are associates; Mickey Spiegel is a research consultant. Andrew J. Nathan is chair of the advisory committee and Orville Schell is vice chair.

CAMPAIGN REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Well, Mr. Speaker, one of the reasons I ran for this office was I did not really do a great job of housekeeping. When I was a young housewife many, many years ago, housekeeping was supposed to be your specialty. We had dust kittens under the bed that probably weighed about 10 pounds. But now I must say as I look around this House, we got some housekeeping we need to do that actually by comparison would make my dust kittens under my bed look small, because there are some big clumps of dirt in this place, and it really all gravitates around campaign finance reform.

I think that Common Cause on the outside has been doing a great job of pointing out how, if we do not move to do some campaign finance reform, the people who ran against Washington have become the Washington they ran against. And we all know how rapidly that happens to people. Voters have moved from being disillusioned with that to now being flat-out cynical about it, and they have every right to be.

When I first ran for office, my average campaign contribution was $7.50. Now, as an incumbent who has been around for 23 years, my average campaign contribution, PAC's and individuals, is $50. There are not many people that could say that, but that is exactly what Jefferson had in mind.

Tonight, as we know, there is a huge Republican dinner, one more time, where people are paying a gazillion dollars for whatever. You know, I hate to tell those people, but in my district you can get a chicken dinner, a really good chicken dinner, for $5 to $10. So obviously they are not going there for the chicken. They are going there for some other reason.

This is one of the very few countries in the world that pretends someone would give you $10,000 because they believe in good government and did not want anything for it. Having finished today the Armed Services Committee bill and looking at all of the stuff that got jammed in that bill that the President did not want, the Joint Chiefs did not want, the Pentagon did not want, but some special interests wanted that had given people a lot of campaign money, and guess what? They got it. They got it. They got their B-2's, they got their whole laundry list of whatever it was they wanted, although generals did not want it and the President did not want it, and what does that say?

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I think that it is so important for this bipartisan group who has introduced the bipartisan Clean Congress Act to get this moving. I hope every American holds Members' feet to the fire to discharge this bill and get it on the floor.

What are some of the things in this bill? Doing away with political action committees, so you go back to individual contributions. That is what it is supposed to be about, not big, huge groups.

It also asks that we collect 60 percent of what we get from the State that we run in. If you are getting 100 percent of your money from a State that you are not representing, you have got to wonder who is calling the tune and whose tune the Member is dancing to.

There are other things in here that ban tax-funded taxpayer mailings during election years and many other of these areas that we really need to clean up, too.

This is what is wrong here. This place looks like a coin-operated legislative machine. The average American feels they do not have the coins to put in, and they do not. So they feel they will never be heard here, and many are not. That is why when you look at your priorities you scratch your head and say, Wait a minute, how did these priorities get here?

Well, they got here because of this ridiculous funding process. I think it is so important we clean this House of that special interest money. It is more important than probably anything else we do, because that is the only way we get to real priorities, the people's priorities, and not the fat cat priorities.

So I encourage every American to take some time and think about this, and say we want our Government back as we start to close this century out and this decade out, and ask every Member to move on this bipartisan bill that will clean this House and correct this great injustice, I think. Finally we will be able to have real priorities and not big money priorities.

TRIBUTE TO DR. AND MRS. BILLY GRAHAM

The SPEAKER pro tempore (Mr. HUTCHINSON). Under a previous order of the House, the gentleman from Kansas [Mr. BROWNBACK] is recognized for 5 minutes.

Mr. BROWNBACK. Mr. Speaker, yesterday in this House we voted to give and grant to two people, well deserving, the Congressional gold medal, and that was to Dr. Billy and Ruth Graham, and that motion passed overwhelmingly in this House. It is going to the Senate and hopefully will be passed by a similar margin there and signed by the President of the United States.

I just wanted to recognize these two extraordinary Americans and what they have done, for their extraordinary service they have committed to this country and the people of this planet. Dr. Graham has evangelized to more people on this globe, on this effort, than any human in history that he has witnessed to during the time period of his service, and it continues.

Many writers, both political and religious, in this country are saying we as a Nation are entering a period of a fourth awakening, a time period of moral and spiritual renewal in America, where we look at ourselves and say, Are we doing the rights things? Are we doing the things that will last, not just for this lifetime, but for a further period of time on into eternity?

They are saying we are entering into a period of moral and spiritual renewal, a reassessment of our values as a country. That is going to do a great deal to solve our true problems in America.

Mr. Speaker, as I travel my district in eastern Kansas and talk to people back home, I ask them, do they think the biggest problems we face as a Nation, are they moral or are they economic? Are they the problems associated with the economy or problems associated with values? And I will get in almost every crowd 8 or 9 to 1 that will say the problems are moral rather than they are economic we are facing. They are problems with family and a disintegration of the family. They are problems with drugs. They are problems with crime. They are problems with people not willing to work. They are problems with people willing to do things that if they would think about it or if their own moral compass was a little better set, they would not do at all.

The problems we are facing are moral, and the decline is taking place there. Yet I am optimistic in looking to the future, because I think we are finally starting to address the fundamental problems we have as a society, the value problems we have, and one does not address them in Congress. One addresses them in the individual community, in the individual family, in the individual person and what he does.

That is how we change the culture, the society of this America. That is how we make ourselves better. That is how we solve our problems of family. That is how we solve our problems of crime. That is how we solve our problems dealing with drugs, problems dealing with welfare. We change ourselves and our own values and moral and spiritual outlook.

Mr. Speaker, I think we need to get back to the basics and get back to the basic values, values of family, values of work, and recognition of a higher moral authority. When we as a society do that, we will solve many, many of our problems. That is what Dr. Graham and his wife Ruth have been about for a lifetime, is dealing with that, looking at the internal person and what they are doing and their personal relationship with a higher moral authority.

So that is why I voted in favor of that. I was very strongly in support of it. And I hope that when Dr. and Mrs. Graham get this, if it passes the Senate and is signed into law by the President, I hope that he and Mrs. Graham will be invited to this Chamber to address a joint session of Congress and address the Nation, calling for moral and spiritual renewal in America.

GOVERNMENT SHUTDOWN OUTSIDE THE CONSTITUTIONAL FRAMEWORK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, with the talk now about whether we shall have clean or, shall we say, dirty CR's or debt limit bills, I would like to offer some views that go to the intent of the Framers. We need to think through this process, for we are engaged in something that has never happened in 200 years, or more than 200 years of the Constitution, and it looks like we are headed toward some recidivism in trying to attach things to the debt limit or to the CR, when it would appear that the tolerance of the American people for this gridlock is way down.

What is wrong with the strategy of dirty CR's and dirty debt-limit bills? Besides the fact that you do not want to stop the Government or put the full faith and credit of the United States in any doubt, one might begin with the fact that it is not working or it has long since stopped working. You got the President to the table with a 7-year balanced budget. If victory had been declared then we might be somewhere.

But more seriously, this strategy is outside of the constitutional framework, and that is why it is stopping up this place. I teach a course at Georgetown, where I was a law professor, called Lawmaking and Statutory Interpretation. This gridlock has made me think about the course and about what we are doing in a deeper fashion.

What we are doing is outside of the constitutional framework. It is not that it is unconstitutional; it is indeed an abuse of the Constitution, because it thwarts the intent of the Framers.

Now, conservatives pride themselves on being what we in academic law call originalists. They insist upon going back to the Framers for everything, and it gets very awkward because very often the Framers did not even think about certain things. But here I think it is legitimate task, what did Thomas Jefferson and what did James Madison intend, what did they have in mind?

We have heard the argument on the floor here that the Government is shut down or the debt limit will not rise because the President did something, the President vetoed it.

My friends, the veto was not meant by the Framers to produce any counter weapon here in this House. Once there is a veto, three things are possible: A negotiated solution, let the matter stand, or overrule the veto with a supermajority.

The Framers did not build a system that did not have cloture. What we are doing in this body now, 200 years after the Constitution was passed, is creating a system without cloture, where there is point-counterpoint, shutdown of the Government following a veto. The Framers were more brilliant than that. They knew that if you could not bring cloture at some point, the Government could not operate.

We have, in fact, done that. What we have done is to give new meaning to the word "gridlock." First, we have created the word the Framers never intended. The Framers never intended that the Government would be paralyzed.

Now, the gridlock that was the slogan of the last Congress have come back in ways that no one ever dreamed of, and if you think, particularly you on the other side of the aisle, that people sent you here to make gridlock worse, I think you got a big surprise coming for you when you go home to your primaries and when you go home in November.

We must not introduce gridlock into a brilliant system that has its own built-in cloture. Do not blame the President for using the veto. The Framers intended that. Show me where the Framers intended to allow you to shut down the Government? Show me where the Framers intended for you to allow a game of chicken to be played with the debt limit of the United States? The were much too brilliant, much too thoughtful to leave the system in that state.

We must not try to undo their brilliant work. What we must do is what the originalists, the conservatives, have always insisted upon doing. We have lost our compass. We have lost our way.

Let us open the Constitution, try to find the original meaning in the structure of checks and balances, and understand that the veto was meant to produce civilized responses, and not to take the Government out. It is too late in the game, and it is too late in the day, for us to try to upset and wreck a brilliant system of Government. History will not forget us or forgive us if we allow this to happen.

TRIBUTE TO HON. MIKE SYNAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, as Sandy and I joined in that overflow crowd today in the St. John's Episcopal Church to celebrate the life of Mike Synar, I looked around and I realized what an incredibly vital person Mike was, as every person in that church felt a personal tie to Mike; someone who was so full of energy, so full of life, so full of commitment, so full of passion for what he did; and how someone in such a short life span, a life of only 45 years, could mean so much to so many people, not only in that church, but people across this country, who felt a personal kinship to Mike.

One of my early memories of Mike is I invited him, when I was a new Member, to come to our district to our annual senior citizen convention. I remember Mike grabbing the microphone, he would not be contained by lecterns and podiums and stages and things like that, grabbing that microphone and charging into this crowd of several hundred people. He did not know them; it did not matter. They were people, and he was incredibly empathetic, and his infectious enthusiasm revved them up as well.

That enthusiasm characterized Mike's whole life, and certainly his service in this Chamber, because in many ways his service in this Chamber was his life, 16 years of service, being elected at a very, very early age.

Courage is another word that describes Mike. The previous speaker spoke eloquently about the Framers of the Constitution. Mike was the most ardent defender of those Framers. If the Congress violated the will of the Framers, Mike knew how to take care of that.

He went to the U.S. Supreme Court. That is what the Constitution said to do. I remember particularly one piece of legislation, I believe it was the Gramm-Rudman bill, he went and won. Do you know how popular it was to take on a so-called balanced budget provision and get it struck down on legal grounds? Mike did, and won, and forced this Congress, of course, to do it properly.

Mike could be a policy wonk, but he was one of the few people I know that combined policy and commitment. He knew the ins and outs of legislation. He could get very excited about how the words were phrased and what this word was and how it fit in the context of the overall passage.

But he was not just a policy wonk. At the same time he was out there organizing people. He was a grassroots organizer, one of the best I have ever seen; not only organizing people in the grass roots at his district or across the country, but organizing people in this Chamber. He always was asking "What can I do to help," and he meant it.

Mike was never bitter. He certainly had some setbacks. I remember one time one of his many causes, one he believed passionately in, as he believed passionately in so many things, was campaign reform.

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In order to get a bill passed, a decision was made by those whom he had been working with to go with a lesser version, and so in the last moments before the vote was taken, the message went out, "Vote for the lesser version to try and get something through." In many ways, I guess, that undercut what Mike was doing. I asked him whether he was bitter, and he just smiled and said, "That is the way the process is and we will try and go get the rest later."

I have mentioned reform several times. I guess change or reform would have to be what characterized Mike Synar. He was always fighting for reform and change. Regardless of the issue, you could disagree with Mike on an issue. He would work with you, and he would argue with you and he would realize that he would have to go some place else, but he would come back and work with you on the next issue.

He brought a lot of change and much reform to this country. One of his greatest issues, and he would want me to mention it as he dedicated much of his time even after his leaving the Congress, was campaign reform. Mike believed that the strength of this body is how we get people here, and that is a battle that still must be fought. My hope is that when it is, we recognize the role that Mike Synar had in bringing us to this day.

Mr. Speaker, Mike was one of the few people I know that took no PAC contributions and had a very strict limitation on individual contributions, and yet through a grassroots effort was able to raise the amounts of money that he needed to wage very difficult campaign battles.

Mike was 45 years only when he died. Not many of us who have lived much longer could have accomplished what he did.

The test, Mike, of someone's life is how much you leave in others. You leave a lot in a lot of us. We carry on much better because we know that you are behind us and we know the example that you have set for us.

TRIBUTE TO MIKE SYNAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I wanted to follow up in part of my 5 minutes and also pay tribute to Mike Synar as my colleague from West Virginia just did.

Mike Synar was the first person, actually, from Washington, or a Congressman, if you will, who came down when I first ran for election in 1988. He was also a champion of the environment, and I was largely elected to Congress back in 1988 because during that summer in New Jersey we had our beaches closed and huge washups of debris that came ashore and caused us to lose billions of dollars in our tourism industry.

Mike came down as a leading environmentalist in Congress and did a press conference with me and met with some of the editorial boards. It was for the first time I saw him on the train coming from New York to New Jersey. I never met anybody who was so dynamic and cared so much about the environment and about the principles of the Democratic Party and the Nation as a whole.

I watched him here. He was sort of a mentor in a way because he was on the Committee on Commerce, then it was called the Energy and Commerce Committee, which is the committee that I am now on, that deals so much with environmental issues. He encouraged me to become a member of the committee and helped me to get on the committee. I often looked to him for advice.

He was almost exactly the same age that I am, and when I heard about his illness and when I heard that he had actually passed away, I was very saddened because there really were very few people in the House of Representatives who had the dynamism, who cared so much about his country, who cared so much about the principles that he espoused and was able to translate that into action. He will be sorely missed.

BUDGET CUTS IMPACT ON EDUCATION

Mr. Speaker, I came here today because I was concerned about the budget and where we are going in terms of education programs in this country. Last night during the State of the Union address, President Clinton stressed education. He stressed the need for a properly educated America because of the challenges that we face in the future, particularly with regard to job opportunities, competing in the global marketplace.

Mr. Speaker, I think it is a shame, and he certainly challenged the Congress to do something about it, but it is a shame that in the last year in this House of Representatives the Republican majority has really cut funding for education programs, whether it is on the secondary school level or the higher education level. I think over the next few months, unless something dramatically changes and the Republican leadership decides that they are going to prioritize education as they promised, we are going to see dramatic change in the ability of our schools and our colleges to provide affordable educational opportunities for the average American.

The budget, as many of us know, manifests itself in many ways. There has not been appropriation for the Education Department. The budget that the Republicans passed actually cuts back significantly on a number of education programs. The CR, the continuing resolution that we are operating under now that was proposed by the Republican majority, cuts funding or lets the Department operate its various education programs at significantly lower levels than what is necessary to keep going with the programs that we have.

Already, we are beginning to hear that some of the Republican suggestions for spending or appropriation levels for next year will also severely impact our educational programs.

One of the things I am most concerned about is the GOP proposal to eliminate $1.9 million in direct student loans. They do not favor the direct student loan program. In the last couple of years, the Democrats put forward this new program where the loans would be coming directly from the colleges and universities rather than banks and financial institutions.

In my district, at Rutgers University, Rutgers has been able to take advantage of this program and provide a lot more loans to a lot more students than would be available under the existing institutional student loan program. Officials at Rutgers, and a lot of other colleges in the State, have told me that if this program is abolished or limited, as the Republicans propose, to certain schools and eventually phased out, that there will be a lot less student loans available.

We have also seen programs with the Pell Grants because of the shutdown and the uncertainty. The Education Department now really does not know what kind of schedule or information it can provide to the colleges and universities about student loan availability for next year or Pell Grants and other higher education grant availability for next year.

I think that what the Republican majority is forgetting is that when we talk about higher education loans or grant programs, students need to know in advance what kind of funding levels are available and what kind of student loans are available. This process of shutting down the Government and not having an appropriations bill, not being able to plan for next September or even next semester is having a terrible impact on our educational programs.

Mr. Speaker, we need to wise up and prioritize education. That is what President Clinton said last night, and I hope the Republican leadership gets the message.

CUTS IN EDUCATION FUNDING COULD RESULT IN HUMAN DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. VENTO] is recognized for 5 minutes.

Mr. VENTO. Mr. Speaker, our children's future is at risk as the Republican Congress is defunding education. I very much agree with my colleague from New Jersey, Mr. PALLONE, and his comments about education, especially higher education.

The initial 7-year budget plan, in fact, sliced $10 billion out of the higher education loan and grant programs. Now, since then, some of the message has gotten through and that has not persisted in the final version of the budget. But, nevertheless, they in fact deauthorized the direct lending program, which will indeed mean that the dollars do not go as far in terms of loans and, second, they reduce in essence the Pell grants to fewer recipients. Furthermore, there is a cutback on the work-study programs.

Mr. Speaker, I think it is important to recognize for anyone, and for my colleagues, that Federal higher education assistance is the total package for many students. And with the unavailability of jobs today, it is not possible to work and go to school as so many of us have done to achieve and to gain our education.

Mr. Speaker, more importantly, of course, which has not been highlighted, are the dramatic cuts that have occurred in elementary and secondary education. Mr. Speaker, it has been 20 years since I taught science in Minneapolis, but I can tell you that the problems that science teachers in 1996 face are much more serious than what I faced in 1976.

The fact is that the kids coming into those classrooms today are much more disadvantaged. They are obviously coming from families, sometimes single families, families with less income. In fact, of course we know of the children in our Nation, almost 1 in 4 live below the poverty level. They do not have the resources and the support at home.

The Federal programs in education tend to try to eliminate the valleys that exist in terms of kids that are more greatly at risk. The kids at risk, the kids that receive the sort of title I program, the kids that get the nutrition programs, that need the meals. I can tell my colleagues one thing, if kids do not eat in the morning they do not sit still to listen to someone even as forceful as I am. The fact is, in fact very often they are not aware and able to pay.

The title I program goes well beyond this. In fact, what is happening and what this Congress is proposing, I hope my colleagues are listening, is a 17-percent cut, a 16- to 17-percent cut in title I education. And they are not cutting the increase. They are cutting the program 17 percent below in 1996 what was spent in 1995. So, we can eliminate that particular argument when we are talking about education.

They are, of course, defunding Goals 2000. They are defunding or attempting to cut out the school-to-work programs. They are cutting out important programs. The President pointed out last night the Drug-free and Safe Schools Act, a 57-percent cut in a program of that nature.

Now, we all know the problems that our youth are having. The problems in the communities with drugs come into the school. Here are the important programs like the D.A.R.E. Program that the President pointed out last night, and many, many other programs. Programs, in fact, in which almost every school district in our Nation participates are being cut in half by this particular budget. So, where are the priorities?

Mr. Speaker, I point out frequently that we need the smart machines, we need the smart research, but we need the smart children and the workers to run these machines. Who is going to operate these fantastic military systems that my colleagues seem hellbent on spending money on? Who is going to run this particular equipment? The fact is we need to have a good education program. We are not going to get it, based on the direction that we are going in this budget.

The American people, in almost any poll that we see, will suggest that education is one of their highest priorities. And why? Why does education persist in being a high priority? Because it deals with a core value of the people of this Nation and of families. It deals with the value and the concept that I want my kid, I want my grandchild, to do better and to have an opportunity to do better than I had.

What is the road to success and what has been the American story and the American chapter? What is the chapter we have written? I would suggest to my colleagues it is that we have provided that opportunity to many, many children and to many kids in elementary and secondary where it counts. In nutrition, so the kid has the right type of growth so that he is not impaired by retardation because of lack of proteins in terms of sustenance and by lack of dollars.

In total education, one aspect is the schools, but we must do much more to invest in people and that is where we need to focus our attention. Yes, we need a fiscal budget balance, but we also do not need a human deficit. That is where we are headed with the type of priorities that we are reflecting in this Congress today.

Mr. Speaker, I submit the following for the RECORD:

Mr. Speaker, I rise today to oppose initiatives proposed by the Republican majority that would work to drastically reduce our Nation's commitment to America's schools, students, parents, and educators. My colleagues on the other side of the aisle have spoken about the importance of investing in America, such as increasing our savings rate, supporting our Nation's infrastructure, and creating jobs that are able to support our Nation's working families. However, one type of investment that their budget plans ignore is an investment in our nation's most vital resource, our young children.

Previous versions of the Republican 7 yr. budgets sliced $10 billion from higher education loans and other programs some of that has been restored. But funding restrictions persist for direct lending Pell grants and work study. Federal support largely makes up the total higher education assistance package for students.

Without investing in the education and training of our citizens, these other investment initiatives cannot succeed. People are the driving force behind America's success. It is our Nation's people, through hard work and dedication, that allows technology and infrastructure to enhance our quality of life and maintain our Nation's competitive edge in the global economy. And it will be the skills and knowledge of future generations that will allow those generations to maintain America's place as a global leader. We need smart machines, i.e., the computers, and the smart research and creative ideas, but all this and more is based upon smart workers and that comes about because of schooling and more broadly education, total education.

For these reasons, education is consistently considered a top priority for the Nation and a priority that Congress should take seriously. The funding cuts being proposed by the Republican majority do not take this responsibility seriously, in fact, Republican budget proposals relinquish that responsibility altogether.

One of the most obvious examples of this abandonment of a reasoned commitment to education is the reduction in funds proposed for elementary and secondary education programs fundamental to the success of our most vulnerable students. One such program, which has been targeted for a 16-percent funding cut under the misguided Republican budget plan, is the title I program. Title I provides additional academic assistance to those students who have fallen behind or are at risk of falling behind academically. These children are also part of moderate and low-income families that often lack the network of support and enrichment that contributes to successful education and schooling.

Unfortunately, more and more children in our Nation are at risk, therefore, the need for such help is greater than in past years. The single parent families, the low levels of income means that nearly 1 in 4 children live below the established poverty level of minimum income.

In the Twin Cities, title I funds are used to provide these students extra time with teachers and to promote parental involvement in their schools. These funds also support efforts to educate homeless children, sending educators to homeless shelters so that these children have the opportunity to learn and succeed. As with many other types of investment, investing early is the key. Providing extra assistance to students before small problems become big ones is easier and less expensive and ensures that those students are able to get the most out of future school years.

Another example is the defunding by the Congress this past year of the Safe and Drug Free Schools Program, assisting nearly every school system across the country, is slated for a 57-percent cut by the Republican budget scheme—including under funding of the D.A.R.E. Program included in this program. This program has become increasingly important as drugs and violence are increasingly present among our Nation's youth. We must maintain our commitment to help educators keep their hallways free from drugs, gangs and violence and give all students a safe environment in which to learn. The safe and drug free school law and funding provides for the instruction about the negative impacts of these activities early and giving students alternatives to these types of lifestyles is an important part of ensuring not only students' academic success, but their prosperity after graduation as well.

Funding cuts have also been proposed for programs such as educators professional development, the very successful Head Start Program, and vocational education which cuts would compound the problems for schools already trying to do more with less. Similarly, school to work initiatives are short changed by this Republican budget an innovative new effort to empower education and schooling with new dynamic programs responsive to the current needs of our constituents. School systems and educators should not be forced to choose which students receive the aid they require and which must go without that assistance. All students must have the opportunity to succeed, and it is the responsibility of Congress to join with localities and States to ensure that each student receives a quality education. The budget package proposed by the Republican majority in Congress falls very short of the investment needed to ensure that our students are receiving the help they require to succeed and prosper today and tomorrow.

DISAPPEARANCE OF CHERYL ANN BARNES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Mrs. THURMAN] is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, I would like to take this opportunity today to talk about something that happened earlier this month in Sumter County, FL, which is in my district.

On January 3, Cheryl Ann Barnes, a 17-year-old high school senior, disappeared. Cheryl is a white female, 5-foot-4-inches tall, and has brown hair and brown eyes. At the time of her disappearance, Cheryl was driving to school in her 1988, metallic grey Mazda 626. The license plate number is RQP74X.

Mr. Speaker, I took this time today to talk about Cheryl's disappearance for a number of reasons. First, despite the continuing efforts of law enforcement and the Sumter County community, 21 days have passed since Cheryl was last seen driving to school. I am hoping that someone watching on C-SPAN today may have seen Cheryl's car somewhere recently and will contact me or the Sumter County Sheriff's Department.

Second, the problem of missing children is a national issue. Just recently, President Clinton issued an Executive order making it easier for pictures of missing children to be posted in Federal buildings.

□ 1630

Getting information out regarding Cheryl's disappearance has not been a problem. In fact, the Barnes family and the Sumter County sheriff's department say they have been very gratified by the level of cooperation that they have received from all missing children's organizations. And yet 21 days have come and gone without any word about Cheryl's whereabouts.

I cannot imagine the agony Cheryl's grandparents, William and Shirley Barnes, are continuing to experience daily or her older sister Sheila Burgess or many of her friends. Cheryl is one of those students who is a friend to everyone. She is a devoutly religious young woman who is very active in school and community activities. They think it would be totally out of character, according to those who know Cheryl, for her to have run away or left voluntarily. That is just not a possibility. In fact, the last time Cheryl was seen, she had made one stop about four blocks away from her high school; then she disappeared.

Again, I am asking that if anyone has seen someone resembling Cheryl, 5 feet, 4 inches tall and about 120 pounds with brown hair and brown eyes, to please call me or the Sumter County sheriff's department at 904-793-0222. I know that the Barnes family has still a lot of hope that Cheryl will one day return. I hope someone listening today can help make that happen.

I also know that the Barnes family would like me to let people know within the Sumter County area how much they have appreciated the support that they have received, the countless hours that they have spent in their searches, and certainly all of law enforcement's help in trying to get this done.

If anybody might have or is asking or needs any kind of information or a picture or anything, please do not hesitate to either call me or, as I said, the Sumter County sheriff's department at 904-793-0222 and we will be glad to get this information. Any businesses that would like to have these pictures, remembering this is a nationwide search, this is not just in the State of Florida, any help that any of you can give us, we would appreciate it.

I thank the Speaker for letting me have this opportunity to get out this information that is extremely important to this Nation.

INTRODUCTION OF THE NORTHERN MARIANAS DELEGATE ACT

The SPEAKER pro tempore (Mr. HUTCHINSON). Under a previous order of the House, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, today I have introduced the Northern Marianas Delegate Act, to provide for a nonvoting Delegate to the House of Representatives to represent the Commonwealth of the Northern Mariana Islands.

The Commonwealth of the Northern Mariana Islands became the newest territory of the United States and an American commonwealth in 1976. This commonwealth is comprised of the northern islands in the Mariana Island chain, the principal islands being Saipan, Tinian, and Rota. Guam is also a part of the Mariana Island chain, and it is fitting that the people of Guam have the honor today to share in the introduction of this bill for our Pacific neighbors, and for our brothers and sisters of Chamorro heritage in the Northern Marianas who share Guam's indigenous identity.

It is important that the Northern Marianas be accorded representation in Congress, not just for fair and just representation of an American community whose interests are affected by the actions of Congress, but more importantly for what the people of Northern Marianas can contribute to the Nation through their Delegate.

The American relationship with the Northern Marianas began just over 50 years ago when American forces fought on the beaches of Saipan and Tinian, and at great human cost, expelled a colonial power that had acquired these islands as part of a Pacific empire. The Americans, in the years to come, established the seeds of democracy that have resulted in this new American commonwealth. This commonwealth, whose roots to America are traced to a violent military encounter in World War II, is the first American soil acquired by conquest in this century. That the people of the Northern Marianas have freely chosen to become a part of the American family is a great credit to the United States; that they do not enjoy any participation in the national political process as citizens discredits our commitment to democratic principles.

Today the American citizens who live in the Northern Marianas contribute to the Nation and participate in the life of our Nation in all the same ways that every other American citizen does in his own community. They pay taxes, serve in the military, and work hard for the progress of their communities. They are part of the fabric of our great Nation.

Participation in this American democracy is not based on a particular citizen's tax contribution to the Treasury and it is not based on a preordained size of a community. It is based on a community's commitment to our democratic form of government and our Nation. Our American citizenship has as its foundation a promise of fair and equal treatment by our Government and that promise extends to Congress where fair and equal treatment demands that the Northern Marianas be represented by a Delegate.

The bill that I introduced today mirrors the legislation which granted Guam and the U.S. Virgin Islands representation in 1972 and the legislation which granted American Samoa representation in 1980. The Northern Marianas will join the ranks of Delegates representing these islands, Puerto Rico and the District of Columbia, and the Northern Marianas will add its voice to those who represent American citizens who do not reside in the 50 States, but who do reside in a diverse group of American communities on American soil.

In introducing this bill today I commend the work of the resident Representative of the Commonwealth of the Northern Mariana Islands, Mr. Juan N. Babauta, and his staff. I also commend the unity of purpose in the leadership of the Northern Marianas expressed by senate joint resolution No. 9-6 of the Ninth Northern Marianas Commonwealth Legislature, the majors of Saipan, Tinian, Rota, and the Northern Islands, and the municipal councils of Saipan, Tinian, Rota in the adoption of resolutions requesting the U.S. Congress to grant delegate status to the resident Representative to the United States. I further commend the leadership of the Hon. Jesus R. Sablan, president of the Senate of the 10th Commonwealth Legislature and the Hon. Crispin I. Deleon Guerrero in their support of this bill. I hope that the House of Representatives and the Senate will act on this legislation in this session, and I urge my colleagues to cosponsor the Northern Marianas Delegate Act.

Mr. FALEOMAVAEGA. Mr. Speaker, will the gentleman yield?

Mr. UNDERWOOD. I yield to the gentleman from American Samoa.

Mr. FALEOMAVAEGA. Mr. Speaker, I want to commend the gentleman from Guam for being the chief sponsor of this important legislation. I think it is not only long overdue but, as the ranking member of the Subcommittee on Native Americans and Insular Affairs, I think it is most needful that the Congress should address this very important issue of true representation by our fellow American citizens that live in the Northern Marianas. I would like to ask the gentleman for just a couple of responses to one question that I have.

I think it is needful that the American people need to know how important these islands were in World War II, even at this point in time. The fact that this covenant that was signed between the leaders and the people of the Northern Marianas and the United States Government still to this day holds a very important strategic importance to our security interests in that part of the world. I would ask the gentleman if this is still true.

Mr. UNDERWOOD. Absolutely. As a matter of fact, Saipan, which is the principal island, is most identified to the people of this Nation as a battleground but, of course, their importance continued dramatically even after World War II, serving as a CIA base and providing military support for a number of years.

FRENCH NUCLEAR TESTING IS LEAKING RADIOACTIVITY INTO SOUTH PACIFIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, since September of last year, France has resumed detonating nuclear bombs in coral atolls in the South Pacific, defying worldwide protests against this crime against nature and against the lives and welfare of some 27 million men, women, and children who live in the Pacific region.

In deciding to resume nuclear testing, the French President Jacques Chirac promised the international community there would be no environmental consequences from their nuclear tests, as radioactive substances would not be discharged into the ocean and the surrounding areas.

Mr. Speaker, despite the intense fears of millions of residents in the Pacific, France's nuclear bomb detonations over the past 30 years are laying the foundation for a major environmental tragedy like Chernobyl. The French Atomic Energy Agency has repeatedly stated that radioactive substances from their nuclear tests are trapped in the ground and there is no danger of radioactive contamination.

Yesterday, France's big lie was revealed.

After a Japanese newspaper broke the story yesterday, media reports confirm that France now acknowledges that radioactive materials have, indeed, leaked into the sea from their recent nuclear tests at Moruroa Atoll. Radioactive iodine-131, which is created by nuclear explosions and causes cancer in humans, was detected by French officials after the tests but was apparently covered up. Only after a French nuclear specialist mistakenly revealed the information during a disarmament conference held right here in Washington last November—that the radioactive leakage was brought to light.

Mr. Speaker, this just confirms what we all know. The French Government cannot be trusted to tell the truth. One wonders what other monstrosities they have been hiding in the name of national interest.

Although the French routinely deny that their nuclear tests threaten the health and safety of Pacific residents or endanger the region's fragile marine environment, documents from France's Atomic Energy Commission confirm that at least three tests in the past have also led to radioactive contamination at Moruroa Atoll. Scientific missions to Moruroa—although severely restricted by French authorities in to their access to test sites, test data and time for study—have verified the presence of radioactive isotopes such as iodine-131, cesium-134, tritium, krypton-85, and plutonium. The presence of these radioactive materials substantiate fears that leakage, venting, and accidental dispersal of radioactive materials have occurred at France's test facilities in the two island atolls in the Pacific.

Despite France's assurances to the contrary, these reports and the events of yesterday confirm that France's underground testing program cannot ensure that radioactive contamination is fully contained.

While France's Defense Minister and Foreign Minister denounce accounts that Moruroa Atoll has suffered deep cracks and fissuring from the nuclear testing, a confidential French Defense Ministry study directly contradicts them. As reported in today's Washington Post,

> The French Government has been aware, at least since 1979, that Moruroa's underwater basalt foundation is fractured in several places.
>
> The report described the effects of an accident in 1979 in which the French detonated a 150-kiloton weapon only 1,300 feet below the surface of the lagoon. The blast was supposed to occur at 2,600 feet, but the bomb got stuck halfway down the test shaft, and the French detonated it there rather than risk trying to move it. The explosion blasted loose more than 130 million cubic yards of rock and coral, causing a tidal wave that injured several French scientists and guards. The document also described underwater avalanches that followed three tests as proof the growing number of tests was posing serious environmental risks to Mururoa Atoll.

Mr. Speaker, with French President Chirac expected in Washington next week, I would ask our colleagues to join me in urging that the French Government stop this madness and immediately cease nuclear testing in the South Pacific.

Mr. Speaker, I've said it earlier and I'll say it again—the French Government has already exploded some 177 nuclear bombs in this atoll in the Pacific, and Prime Minister John Majors of Great Britain and our own President have given only lip service to these acts of atrocity against the marine environment and against the lives of human beings who live in that part of the world.

Mr. Speaker, I include for the RECORD the following information:

RADIOACTIVE LEAK FOUND AT FRANCE'S MURUROA

TOKYO (Reuter)—A Japanese newspaper said on Tuesday that France had detected a toxic radioactive substance near Mururoa Atoll in the South Pacific after resuming nuclear testing there last September.

Yomiuri Shimbun, quoting unnamed sources close to the Geneva Conference on Disarmament, said the radioactive substance called "Iodine 131" was detected near Mururoa Atoll.

The sources said a specialist from the French Nuclear Energy Agency disclosed the radiation leakage at an unofficial meeting in Washington last November of experts from prospective signatories of a Comprehensive Test Ban Treaty.

The French expert, however, did not make it clear exactly when the radioactive substance was detected.

After making the disclosure, the French expert asked the other participants to "forget what they had just heard," saying the data was "extremely confidential," the sources were quoted as saying.

Quoting one source close to the Washington meeting, Yomiuri said the radiation level of the substance was so low that it would not harm humans.

But when Iodine 131, commonly detected after frequent nuclear tests, is taken into the human body, it could cause cancer, Yomiuri said.

France has defied worldwide protests and conducted five nuclear weapons tests in the South Pacific since last September.

CLINTON URGES ACTION ON NUCLEAR TREATY

(By Stephanie Nebehay)

GENEVA (Reuter)—President Clinton pressed Tuesday for a quick resolution to talks on an underground nuclear test ban treaty so the text could go to the U.N. General Assembly by June but India demanded nuclear powers first give assurances to eliminate nuclear weapons, Clinton said.

But the Group of 21 countries, which includes nuclear "threshold" states India and Pakistan, criticized the major powers for refusing to open new negotiations on a nuclear disarmament treaty to eliminate nuclear weapons.

The 38-state negotiations, sponsored by the United Nations, were overshadowed last year by France staging five underground nuclear tests in the South Pacific, and two blasts by China.

"A Comprehensive Test Ban Treaty (CTBT) is vital to constrain both the spread and further development of nuclear weapons," Clinton said in a message read by John Holum, director of the U.S. Arms Control and Disarmament Agency.

"Now, urgent national political decisions must complement your painstaking work in Geneva, so that the Conference can forward a completed Comprehensive Test Ban Treaty to the U.N. General Assembly by June."

In New Delhi, Foreign Ministry spokesman Arif Khan told reporters India's conditions to support the CTBT were unchanged despite Western pressure.

He said India's stand was clearly stated in Prime Minister P.V. Narasimha Rao's address to the recent summit of non-aligned countries.

India exploded a nuclear device in 1974 but says its nuclear program is peaceful. It declined to sign the Nuclear Non-proliferation Treaty last year, saying the pact discriminated against non-nuclear powers.

"A handful of nations perpetuated their monopoly over the means of mutually assured destruction by the indefinite extension of the Nuclear Non-proliferation Treaty," Rao told the non-aligned summit.

"They did so without even obtaining an expression of intent to eventually abolish all nuclear weapons as envisaged in that treaty itself."

India says it wants both the CTBT and a proposed convention on the cut-off of fissile material for weapons.

"While the aim of both these treaties are laudable, and we support them wholeheartedly, we must ensure that we do not lose yet another opportunity to obtain a commitment to universal and comprehensive nuclear disarmament," Rao said.

But Holum told a news briefing in Geneva that Clinton's message "made clear that this is a very high priority commitment of the United States. We are dedicated to completion of the test ban on time. We believe that will happen."

Holum, noting some states wanted to link the CTBT to a timetable for totally eliminating nuclear weapons, warned in his speech: ". . .I must acknowledge that the CTBT is at risk here in Geneva."

He said it was imperative to report the complete text of the CTBT to the General Assembly by June "at the very latest."

This would allow governments to examine the text, endorse it at the General Assembly and open it for signature in September.

All five declared nuclear powers: Britain, China, France, Russia and the United States are taking part in the talks.

Holum said the United States continued to believe a moratorium on testing, as observed by Washington, was the most positive way to support the negotiations.

But he also said the latest blasts might help forge consensus around a CTBT, which would extend the 1963 Moscow treaty banning tests in the atmosphere and under water.

Asked whether a further French underground blast, due before May, might be harmful to the negotiations, Holum replied: "I would think it would be just the opposite.

"This is our chance to accomplish a nuclear CTBT. This window of opportunity may not stay open forever.

"If countries are concerned by those tests, it seems to me that a CTBT is the answer, not the problem."

Meanwhile, the Group of 21, in a statement read by Peru, called for immediately establishing a special ad-hoc committee, under the conference, to negotiate a nuclear disarmament treaty.

Pakistani Ambassador Munir Akram, in a separate speech, said the Geneva conference faced a "moment of truth" at a time when there were no confrontations between the nuclear powers.

"It is, therefore, most disturbing that most of the nuclear weapon states seem to be unprepared to consider the measures required to lead to the complete elimination of nuclear weapons.

"Some of them, while reducing their nuclear arsenals quantitatively, are upgrading them qualitatively," Akram added.

[From the Washington Post, Jan. 24, 1996]

FRANCE ACKNOWLEDGES RADIOACTIVE LEAKAGE IN SOUTH PACIFIC NUCLEAR TESTS

(By William Drozdiak)

PARIS.—France acknowledged today that radioactive materials have leaked into the sea from its nuclear tests in the South Pacific but insisted that the quantities were so minimal that they posed no threat to the environment.

The confirmation that radioactive elements such as iodine-131 have seeped into the lagoon near the Mururoa test site seemed likely to revive the storm of protests that followed President Jacques Chirac's decision to conduct a final series of underground nuclear explosions before signing a global test-ban treaty.

Japanese Foreign Minister Yukihiko Ikeda said he will demand a full explanation from France about the nature of the leaks. Other countries in the Pacific region, notably Australia and New Zealand, are expected to follow suit, French officials said.

Defying international criticism, France has carried out five nuclear tests since September to verify a new warhead and to perfect simulation technology that will be used to monitor reliability of its nuclear weapons. A final test will take place next month before the test site is shut down permanently, French officials said.

But the latest accounts of radioactive leakage at the Mururoa test site have raised questions about the credibility of the French government's arguments that the nuclear explosions present no environmental menace.

"There is no way to assess whether there is a coverup because the French do now allow independent verification," said Tom Cochran, a nuclear-test specialist at the Natural Resources Defense Council in Washington. "What makes people suspicious about whether they are hearing the truth is the fact that these tests were really unnecessary in the first place."

France has already contended that its underground nuclear blasts inflict no damage on the fragile ecology of the Mururoa coral atoll, 750 miles southeast of Tahiti, which serves as its principal test site. Explosive devices are bored deep within the basalt foundation of the atoll, and French scientists say the intense heat from the blast vitrifies the rock and traps all radioactivity before it can escape.

But Alain Barthoux, director of nuclear tests at France's Atomic Energy Commission, acknowledged that traces of radioactive material are usually "vented" into the lagoon when scientists drill down into the rock to obtain samples after every blast.

Barthoux claimed, however, that such leaks involve "insignificant amounts" of radioactive substances, such as cesium, tritium or iodine, that vanish quickly in the environment. Quantities of iodine-131, for example, which can cause cancer when ingested by humans, shrink by half within eight days and disappear entirely within 80 days, he said.

Barthoux denied a report in the Japan's Yomiuri Shimun newspaper that small amounts of radioactive iodine were continuing to leak into the water as a result of the latest round of nuclear tests. The paper quoted sources at the Geneva disarmament conference, where the global test-ban treaty is being negotiated, as saying a French nuclear expert disclosed the radiation leakage at a meeting in Washington last November.

The French specialist was quoted as saying the information was "extremely confidential."

France first acknowledged the release of radioactivity from its nuclear tests when oceanographer Jacques Cousteau visited the Mururoa site in 1987 and was allowed to conduct independent tests of the water in the lagoon. He found the presence of radioactive iodine, cesium, cobalt and europium, but in quantities that were not considered dangerous.

But he warned the Mururoa's coral crown was deeply cracked and could pose a problem if testing continued. He said risks grew that higher levels of radioactive residue could seep into the lagoon.

French Defense Minister Charles Millions denounced reports from last year of widening fissures in the atoll as "unreliable." Foreign Minister Herve de Charette told the National Assembly that "never have any cracks of any kind been spotted."

But a confidential Defense Ministry report acknowledged the government has been aware, at least since 1979, that Mururoa's underwater basalt foundation is fractured several places.

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UPDATE ON AMERICA'S PEACEKEEPING MISSION IN BOSNIA

The SPEAKER pro tempore (Mr. HUTCHINSON). Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, today I am giving this second in a series of speeches updating the Congress on the state of our peacekeeping mission in Bosnia. Last night in his State of the Union Address the President thanked the American troops taking part in the Bosnian peacekeeping mission and the families that support them in their efforts. Also, it was good to see the President make a visit to the forces in Hungary and in Bosnia just a few days ago. The Americans in uniform seemed to appreciate this. I am pleased the President made the trip. Mr. Speaker, the men and women in our country's military deserve the full support of every Member in this body and the American people.

There continue to be causes for concern regarding our peacekeeping mission in Bosnia. First, there is the enduring presence of Muslim extremists in that country. According to news reports, most recently in an article in last Sunday's Washington Post, some Muslim extremists who previously aided the Bosnians in their military efforts have not left the country. Many of these groups oppose the presence of our troops. Their stated opposition to our mission poses a serious threat to the success of our peacekeeping effort and the safety of American troops.

On January 18 I sent a letter to President Clinton asking that the American-led effort to arm and train the Muslim Croat Federation be delayed until groups such as the Iranians and Mujaheddin leave Bosnia. I asked the President to require Bosnia to certify on a regular basis that no such outside extremist Muslim forces remain. If any of these groups reappear, the arming and training effort would cease.

For several months I have voiced concern that assisting the Federation would jeopardize the neutrality of the U.S. troops. Although the U.S. military will not have a direct role in arming and training, independent contractors, including retired U.S. military officers, will conduct the operation. But if the administration insists on arming and training the Federation through soldiers for hire, we should use the effort as a club to make sure Muslim extremists leave the country.

Mr. Speaker, I include for the RECORD a copy of the January 18 letter.

The letter referred to is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 18, 1996.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: It appears the Administration is proceeding with arming and training the Muslim-Croat Federation, not with our military as originally proposed, but by independent contractors. It further appears the contractors are former U.S. military leaders.

I remain opposed to any arming and training of the Federation, as I believe there exists a military balance between the Federation and the Serbs. Also, this effort still has American fingerprints, with only a short distance between the contractors and our military. It reinforces the perception that we are not neutral in the peacekeeping mission. This effort is proceeding, despite the resolution that passed the House 287-141 on Dec. 13 which states "the United States Government in all respects should be impartial and evenhanded with all parties to the conflict."

If the Administration proceeds, I urge you to require the Bosnian government to ensure all Muslim fundamentalists, such as Iranians and mujaheddin, have been expelled before any arming and training begins. According to news reports, some Muslim extremists who previously aided the Bosnians in their military efforts have not left the country. Their stated opposition to our mission poses a threat to the success of the peacekeeping effort and the safety of American troops in the region.

Bosnia should certify on a regular basis that no such outside Muslim fundamentalists remain. If any of these groups reappear, the arming and training effort paid for by American tax dollars should cease.

This is a basic issue. Such certification will not only strengthen the outcome of the peace effort, but will enhance the safety of our American forces in that region. If the Administration insists on arming and training the Federation through "soldiers for hire", we must use this effort as a club to ensure Muslim extremists leave the country.

Very truly yours,

IKE SKELTON,
Member of Congress.

Second, Mr. Speaker, there is the concern of mission creep for our forces in Bosnia. I addressed this concern in my January 3 speech. Recently the Americans have been urged to provide security for investigators looking into Serb atrocities. The commander of the forces in the region, Adm. Leighton Smith, is to be commended for his resistance to deeper American involvement in these investigations.

Third, there seems to be a serious breach of the Dayton peace agreement by the refusal of all three sides to release prisoners of war, despite a stipulation in the accord that required doing so by last Friday. This refusal bodes ill for the future prospects of peace.

These are three ongoing concerns that this body and the American people should keep in mind. Our hopes and our prayers are with the success of the mission and the safety of the uniformed Americans in Bosnia. This is a difficult task, but I remain so very proud of the men and women who wear the American uniforms.

PRESIDENT CLINTON'S STATE OF THE UNION SPEECH AND BORDER PROTECTION FOR CALIFORNIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, I have taken this time to make some brief comments on the State of the Union Message last night to say first that, as I said earlier today, it was interesting to juxtapose the State of the Union Messages of the past to the State of the Union Message that we got last night.

If we go back to the campaign of 1992, we heard a very strong message that came from candidate Bill Clinton. He promised to end welfare as we know it, balance the Federal budget, and in fact, bring about a reduction of the tax burden on working Americans, that middle class tax cut. Then, in the State of the Union Message in 1993, we obviously saw the message that ended up being the largest tax increase in American history. Then, 2 years ago, we saw right here in the well of the House a State of the Union Message in which the President held up a card, a card in which we were going to move ahead and see the Federal Government usurp control of one-seventh of our economy with a national health care plan.

Then last night he said that the era of Big Government has come to an end, so I was gratified to see that shift, but if one looks at those speeches that have been delivered from the campaign of 1992 through the governance of the Clinton administration over the past 3 years to the speech that was delivered right behind me here last night, it is very interesting.

One of the things in the speech that troubled me greatly was a statement that was made toward the end of his speech. I would like to share that, because it is something that concerns not only all of us from California, but from other parts of the country as well.

The President said, "but there are some areas that the Federal Government" must address directly and strongly. One of these is the problem of illegal immigration. "After years and years of neglect, this administration has taken a strong stand to stiffen the protection of our borders."

The thing that troubles me about that is that while it is great that the President said it, it is great that the President is proceeding with a focus on this issue, but over the past year, since we have seen a new majority come into this Congress, since we have seen the fine work of my colleague, the gentleman from California, ELTON GALLEGLY, who chairs our task force on illegal immigration, since we have seen the Speaker's Task Force on California focus on the issue of illegal immigration as its number one priority, and thanks to the great work of people like the gentleman from Kentucky, HAL ROGERS, and the chairman of the Committee on Appropriations, we have been able to move ahead with very important legislation that, tragically, the President has vetoed.

I would like to share with my colleagues a letter which I have just sent today to the President, in which I say, "I was greatly encouraged by your decision to include addressing illegal immigration as a national priority in Tuesday's State of the Union Address. However, in this light, I was dismayed by your veto record that has killed historic congressional proposals to combat illegal immigration and lift the burden of illegal immigration from States like California."

Those include, Mr. Speaker, providing $500 million to reimburse States for the cost of incarcerating illegal immigrant felons in State prisons, tripling prior year funding, and relieving California taxpayers of a $300 million burden that clearly is a Federal responsibility;

Second, increasing funding for INS border control efforts by $300 million, to add 1,000 Border Patrol agents and 400 support staff;

Third, establishing that illegal immigrants do not qualify for any Federal or State welfare programs;

Fourth, prohibiting illegal immigrants from qualifying for taxpayer-provided health care services;

And finally, creating a new $3.5 billion Federal fund to assist hospitals with the cost of emergency health care to illegal immigrants, with $1.6 billion of that going to the State of California.

Mr. Speaker, it was wonderful that the president would stand here and talk about this issue, but he has been given the opportunity to address those concerns that not only the people in that State, where 54 electoral votes are held, but people around the country are concerned, and when he has been given that opportunity, he has chosen to bring out his veto pen and in fact slap the face of those who have been focusing on this issue.

He opposed proposition 187 in California, which passed by an overwhelming landslide, people saying that the State of California should not be responsible for what is clearly a Federal issue. So it saddens me that while I am pleased that the statement was made, that the record of President Clinton on the issue of illegal immigration and the record of past congresses in the control of his party is that people have chosen to ignore this. In the past year, we have successfully stepped up to the plate to deal with it, and unfortunately, the President has chosen to veto it.

Mr. Speaker, I include for the RECORD the letter of January 24, 1996, to which I referred:

CONGRESS OF THE UNITED STATES,
OFFICE OF THE SPEAKER,
Washington, DC, January 24, 1996.
Task Force on California.

DEAR MR. PRESIDENT: I was greatly encouraged by your decision to include addressing illegal immigration as a national priority in Tuesday's State of the Union Address. However, in this light, I was dismayed by your veto record that has killed historic congressional proposals to combat illegal immigration and lift the burden of illegal immigration from states like California. These proposals include:

Providing $500 million to reimburse states for the cost of incarcerating illegal immigrant felons in state prisons, tripling prior year funding and relieving California taxpayers of a $300 million burden;

Increasing funding for INS border control efforts by $300 million to add 1,000 border patrol agents and 400 inspectors;

Establishing that illegal immigrants do not qualify for any federal or state welfare programs;

Prohibiting illegal immigrants from qualifying for taxpayer-provided health care services; and

Creating a new $3.5 billion federal fund to assist hospitals with the cost of emergency health care to illegal immigrants, with $1.6 billion targeted to California.

While I was disappointed in 1994 when you chose to oppose California's Proposition 187, which was overwhelmingly supported by California citizens, it has been more disheartening to see vetoed the California delegation's efforts to implement federal policies to meet the goals of Proposition 187. I look forward to working with you to see each of these measures, as well as comprehensive immigration reform, enacted this year.

Sincerely,

DAVID DREIER,
Chairman.

EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. WOOLSEY] is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, there's more than meets the eye when we hear the Republicans talking about their plans to keep the Government running through the rest of the year.

Their latest plan is to introduce a new temporary spending bill each month to keep the Government running.

That plan might not appear too bad at first to the public but when the American people take a closer look they'll quickly see that this month-by-month approach will leave our schools and teachers with the two main ingredients for disaster—too little time and too little money!

Right now is the time of year when schools—elementary schools, high schools, and colleges—begin to plan for the next school year which, in case my friends on the other side of the aisle have forgotten, begins in September.

Schools can't wait until the new fiscal year to hire teachers, buy books and computers, and repair damaged buildings.

If we don't pass a year-long appropriation, elementary and secondary schools won't know how many teachers they can afford to hire. They won't be able to plan special programs. Students at postsecondary schools could be hurt even more by the Republican strategy. If Congress does not set the maximum amount for Pell grants, colleges and universities won't be able to figure how much financial aid their eligible students will get.

Even worse, students won't know if they will receive the financial aid they need to go to college.

That's not how we should be treating our Nation's students.

But, on top of robbing our schools and students of crucial planning time, the new majority month-to-month approach to governing is going to rob them of crucial funding.

Let me make it clear. If the Gingrich Republicans continue to fund education at the level in the continuing resolution that is set to expire this week, education will be cut by a total of $3.1 billion below last year.

And that, my friends, will be the largest cut to education in the history of this country.

You have to wonder what they are thinking on the other side of the aisle. At a time when numerous polls show that improving the quality of public education is the top priority for Americans, the Gingrich Republicans are planning to cut funding for education more than it has ever been cut before.

The Gingrich Republicans' sneaky assault on education, however, shouldn't come as a surprise to anyone because the new majority has already passed some of the most antieducation legislation I have ever seen.

Just take a look at the education budget for 1996 which the House has already approved.

This terrible bill cuts: Head Start, Chapter One, Safe and Drug-free Schools, School-to-Work, and vocational and adult education.

In all, it cuts education by 13 percent in 1 year alone—13 percent.

But that's nothing compared to what they want to do to our education system over the next 7 years.

The new majority's 7-year budget plan would deny Head Start to 180,000 children by 2002.

It eliminates Goals 2000, which helps schools meet higher national standards and increase parental involvement.

It kills Americorps, which has provided thousands of Americans with college tuition assistance in exchange for community service.

And, it cuts in half the President's program aimed at helping schools bring technology into the classroom.

Under their budget, my State of California alone will lose, among other things, $1 billion for the School Lunch Program, and over 181,000 Californians will be denied participation in the cost-effective Direct Student Loan Program.

My friends, that's the wrong direction, and that's not the way we are supposed to be taking care of our children.

Mr. Speaker, we can balance the budget, but it does not have to be on the back of our children and their education.

As the President talked about in his speech last night, we can continue to move this Nation forward without leaving those who depend on Government the most—our children and their education—behind.

Let's stop playing politics with our Nation's schools and students. They need time to plan, and they need adequate funding to meet the growing needs of our students.

I urge my colleagues to pass a clean continuing resolution immediately that ensures that our schools can do their jobs, so that our children are prepared for the challenges of the next century.

□ 1700

LEARNING FROM OUR HISTORY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN. Mr. Speaker, while my good friend from Arkansas is in the chair, I plan not to bore you, sir, but to educate you. You are already pretty darn educated, and I love your State; and I have told you more than once, there are 23 Medal of Honor winners from Arkansas, and it is a great State. And it is under a cloud for awhile, but it is going to be liberated 286 days from right now, 285 from when we wake up in the morning, to regain its place in the pantheon of the 50 American States.

Let me take a moment again to do what I did in one of the five times I spoke today, a 1-minute four times on the defense bill, and point out again the headlines from yesterday, last night, or the headlines this morning.

Mr. Speaker, are you aware that last night, because I was on television a year ago last night on all three networks, CNN all day long, PBS, because I inadvertently used formal words from the U.S. Constitution about giving aid and comfort to an enemy. I had not realized how archaic this language was.

I carry around a Constitution most of the time. Here it is. What it says in article III, section 3, in very archaic language, listen to this and why I should have said sustenance and support to the Communist enemies in Hanoi, referring to a certain 23-year-old Rhodes scholar who is ditching class to travel Europe lobbying for a Ho Chi Minh victory. But here is article III, section 3, and of course I did not mean treason. You have to be very smart and diabolical and clever to be engaged in treason.

Article III, section 3, U.S. Constitution: Treason against the United States shall consist only in levying war against them, meaning the States, they always wrote that way in our pre-Civil War, true Federalist period, or in adhering to their, the States', enemies, giving them aid and comfort; and in the original document, they actually gave a capital letter A to aid and a capital C to comfort.

No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act or on confession in open court. Even then, our original Founding Fathers, the colonialists, British citizens, tell the Concord Bridge and Lexington Green gunfights, they were very strict about what treason is. So, of course, I meant nothing about treason.

I had my words taken down, and I refused to apologize because the essence of my remarks was true and is true now, that when Mr. Clinton puts in the gallery Barry McCaffrey, I didn't have time in my 1-minute to really explain that General McCaffrey is one of our combat CINC's. He is the Commander in Chief of Southern Command, stationed in Panama. He is an outstanding man, and when I met him in Desert Storm as the two-star major general division commander of the 24th Mechanized Infantry Division, not knowing then, unless he had the battle plan, that Schwarzkopf, General Schwarzkopf would pick him to be the point of the spear and to be the main trusted armored force, backed up by the 101st Airborne in the Harbor Division like the 101st that is now in Bosnia coming down from Europe, brigades thereof, that he would be the point of the spear, circling into Iraq, cutting around Kuwait, and that he had been allowed to complete his mission and he was shocked that he was not allowed to, as I saw him so state on television in a documentary.

He could have taken Basra, cut off the Republican Guard. Tens of thousands of Kurdish men, women, and children would not have been butchered in the north. Saddam Hussein would have been captured and executed by his own officers, 400 of whom he tortured to death because we didn't end that war, like the person that my good and honorable friend George Bush called Hitler.

So here is Barry McCaffrey, two stars. He gets a third star. Clinton comes into office, McCaffrey is coming over as Chief of the Joint Chiefs, and he is sitting in the waiting room at the White House 2 years, 10 months ago, and a prepubescent puke staffer of Clinton's walks up to him when he says, good morning, and she comes over to him and leans in his face and says, we don't talk to people who wear the uniform down here at the White House.

Now, Clinton told Gen. Colin Powell, who was then Chairman of the Joint Chiefs, try and get me an I.D. on this young woman staffer and we will nail her; and Colin Powell promptly said, I am not interested in who it is or finding out who this one person is. Change the attitude of your staff toward people in the military.

Well, of course, all of this was picked up from the top down, from the loathsome remarks in the letter to one of Arkansas's great retirees, Bataan Death March survivor Col. Eugene Holmes, and had the honor 11 months ago to have dinner with him and his beautiful Irene, his wife of 55 or 60 years down in their home in Fayetteville. This letter still resonates in my head when I look up at Mr. Clinton standing there at that roster where Winston Churchill has stood more than once, Douglas MacArthur has stood, all the great and not-so-great leaders of the world of late, and I look when he talks about families.

And I look at my own stickers and bumper stickers and signs that I have used all during this Presidential quest and it says, Faith, Family and Freedom, the motto of all of my congressional campaigns, and I hear this resonate in Clinton's remarks last night. Faith, family, and he talks about this noble Gen. Barry McCaffrey fighting for freedom and for his country.

As I pointed out this morning, Clinton could not gag out of his throat the word Vietnam. He talked about McCaffrey's Silver Stars, two of them; most people die earning that highest decoration. It is No. 3 after Medal of Honor, Distinguished Service Cross. He said he had three Purple Hearts, as my dad did in World War I, but he could not tell us, sitting next to his beautiful daughter Chelsea and then Mrs. Clinton and on this side the great hero survivor of the Holocaust, 14 years of age, survived a hell on Earth, the horror of Auschwitz. Clinton couldn't refer to General McCaffrey and say, he won those honors fighting for his country and fighting for the country of Vietnam that I helped to turn over to communism and that I am now normalizing relations with the Communist killers who tore up General McCaffrey's arm, gave him those three Purple Hearts, using Russian equipment and Russian bullets and AK-47 rifles to tear up this young captain's body.

And where was Clinton when Moscow was sending those weapons to Hanoi? He was in Moscow. Unbelievable.

Now, here are the headlines, Mr. Speaker. Clinton Embraces GOP Themes in Setting the Agenda. Wednesday, today, January 24, 21 years ago today my hero dad died. As I said in my 1-minute, he would be tormented by the lack of character and integrity at the top of our Government today.

The era of big government is over, Clinton tells the Nation. Here is the New York Times, America's so-called mother paper, whose motto is, All the News That's Fit to Print, Clinton offers challenge to the Nation, the era of big government is over. Subtitle, appeal to voters, tries to preempt the GOP message.

How about this one; that was the New York Times. Here is the Washington Times, a better newspaper if you are looking for hard-core truth or conservative reporting. Clinton concedes the end of the big government era, State of the Union stresses responsibility and self-reliance.

Well, before the media would—before the media calls me and says, well, what would you have done as a theme tonight? I thought back to something written 23 years ago by Alistair Cooke. Some people may remember the great character Archie Bunker. He called him Alistair DeCooke.

Alistair Cooke was one of those rare people who kept his British homeland citizenship and became an American citizen. He came here in 1938 right before World War II as one of the young reporters for the BBC. He stayed on to be the immediate prior host of Masterpiece Theater. He loved the United States, loved our mother country, brilliantly reported for Vogue. And my colleagues who may be listening, I am joined on the floor by my pal, SONNY BONO of California. SONNY, I want you to listen to this for your kids.

Mr. Speaker, listen to Alistair Cooke in a birthday present for our 200th bicentennial, written 4 years in advance in 1972, published by Knopf & Company in 1973, run on television in 13 wonderfully produced 1-hour presentations, 13 documentaries, called Alistair Cooke's America, rerun 3 years later in our exact bicentennial year.

Here is his present, and imagine if Clinton had said words like this. Now, remember, this is written 24 years ago this spring and summer.

What is fiercely in dispute, Mr. Cooke says, between the Communist and non-Communist nations today is the quality and staying power of American civilization. Who uses that term more than any of us, "American civilization"? Why, our Speaker, NEWT GINGRICH. Maybe NEWT is on to something.

Every other country scorns American materialism while striving in every big and little way to match it; envy obviously has something to do with it. But there is a true basis for this debate, and it is whether America is in its ascendance or its decline.

Cooke continues, and I used to have this memorized, the next three paragraphs, probably could still recite it without looking at the page, but I want it to be precisely correct. I traveled to all 50 of our States on child pornography, all of 1973, 1974, 1975, and intermixed with my campaigning in my first congressional victory in 1976, opening my speeches all over America, including Arkansas, Mr. Speaker, with these words: I myself, Alistair Cooke, think I recognize here in America several of the symptoms that Edward Gibbon maintained were signs of the decline of Rome and which arose not from external enemies, but from inside the country itself.

Then I would take a footnote and quote Abraham Lincoln when he was about 38 years of age where he said this country would never be conquered from outside, no despot would ever take a drink of water from the Ohio River; that if we collapsed, it would be suicide from our own decadence.

Alistair Cooke continues, the signs of Rome: a mounting love of show and luxury, a widening gap between the very rich and the very poor, our liberal colleagues could agree with that one, an obsession with sex.

Think of modern American television today: prime time, afternoon soap operas, slime-ball talk shows. They are still on, all claiming they will reform within the next 6 months, still running ads backing, trying to seek broken and dysfunctional families to come on and make fools of themselves, an obsession with sex.

Get this next line, Mr. Speaker, and think how many debates we have had in the last decade; this is written 24 years ago: Freakishness in the arts masquerading as originality, and enthusiasm pretending to creativeness, these symptoms are shared by Western Europe, though they seem to be milder there, only because America has a livelier tradition of self-criticism. Thank heavens for our self-criticism.

In the past decade, that would be 1963 to 1973, America has demonstrated the Roman folly of exercising military might in places remote from the centers of power. He is referring to Vietnam. Could that also mean Somalia, Haiti, or Bosnia in the Balkan winter?

Cooke continues, And in finding herself, America, so frustrated by the stamina of primitive peoples on their own ground as to fall back to the Roman conclusion that, and he is quoting from original Roman 2,000 years old, nothing could reconcile the minds of the barbarians to peace unless they experienced in their own country the calamities of war.

And who used that immoral Roman policy on the Vietnamese, the Laotians, and the Cambodians? Robert Strange, his mother's maiden name, I guess, McNamara. That criminal, McNamara, who has poured salt into the raw wounds of all of the MIA families across this country with his groveling Council of Foreign Relations-organized trip to Hanoi and his appearance on talk shows across this country with some sort of gutless apology for what he did not only to our young men and our eight nurses whose names are on the Vietnam memorial wall, but what he did to millions of South Vietnamese and North Vietnamese, and eventually created the failed pattern by a gutless President LBJ to turn all of Southeast Asia over to communism.

□ 1715

So it is McNamara that he is talking about here in 1973, even though he resigned 5 years before, but McNamara was still in his 5th of 13 years at the World Bank, drawing about, in now dollars, $800,000 to $900,000 a year tax free for 13 years since he walked off the battlefield in Vietnam, McNamara, and only did it come to an end in Reagan's first year of 1981.

Back to Alistair Cooke's TV series and the book that grew from it, "America."

There is too, Cooke says, the general desire to live off the state, whether it is a junkie on welfare or an airline subsidized by the Government.

We did end that during my tenure here.

In a notion that Washington, big daddy, will provide, and most disturbing of all, a developing moral numbness to vulgarity, to violence, and to the assault on the simplest of human decencies.

This is written 24 years ago. Quo vadis, whither goest thou? What have we done since then? Yet the original institutions of this country still have great vitality. The republic can be kept, but only if we care to keep it.

There Alistair Cooke is paraphrasing the great Benjamin Franklin some 200 years earlier.

Much of the social turmoil in America springs from the energy of people who are trying to apply those institutions to forgotten memories and who have awakened after a long sleep.

I thought Republicans, conservatives, because the other power was decaying and were devoid of ideas, I thought we would take that power in the late seventies, and because of Watergate, and again corruption at the top, my party was to wander for 40 years in the political desert.

Back to Cooke: As to the rage to believe that we found the secret of liberty, in general permissiveness from the cradle on, that is liberal permissiveness, this seems to me a disastrous sentimentality, which, whatever liberties it sets loose, loosens also the cement that alone can bind any society into a stable compound.

A code of obeyed taboos. That means taboos on child abuse, homosexuality, adultery, all the taboos that are written into Mosaic law and written about powerfully and poetically in the Old Testament, the Bible of the Hebrew people.

I can only recall the saying of a wise Frenchman that "Liberty is the luxury of self-discipline."

Self-discipline. What does Clinton say last night? He stresses responsibility and self-reliance. Self-discipline. What a source for those virtues.

Historically, those peoples that did not discipline themselves had discipline thrust upon them from the outside. Usually, Mr. Speaker, in a bloody revolution. Or in a bloody revolution. That is why, Cooke continues, the normal cycle of life and death of great nations has been first a powerful tyranny, broken by a revolt, the enjoyment of liberty, then the abuse of liberty, and back to tyranny again. As I see it in this country, America, a land of the most persistent idealism and the blandest cynicism, and this is where it ended my memory of these paragraphs, the race is on between its decadence and its vitality.

The race is on, 24 years ago. And what a race it has been these last two-and-a-half decades. How did anybody ever believe that somebody with such disrespect for the Presidency, the office of the Presidency, would come to us as a perpetual Governor in a one-party State, changed by the gentleman in the chair and a vibrant growing Republican Party in Arkansas, that a person would come to the Democratic primary process with so much baggage that we are still reading in our papers about grand juries and suicides and is it a murder and Whitewater and one horrible $100,000 bribe hidden by cattle futures; Jennifer Flower's name ricocheting around, Paula Corbin Jones, Marilyn Jo Jenkins, Sally Perdue. And I am lectured to? In the week my grandchild is born, that I must cherish the children? And I must be a good family man?

Look at these quotes that I wrote down last night. I did not want to be disrespectful to the office, so I did not sit in this Chamber. Here is the first note I took down. The era of big government is over.

That is what I said when I ran for Congress in 1976. Citizens must not be left to fend for themselves. What does that mean? Is that what Alistair Cooke was talking about, big daddy, let Washington do it? What has that got to do with self-reliance and responsibility?

Is it the command of Mother Teresa, who shook my hand on December 8 and said, "When you are President, a special love for the poor and vulnerable." But she means all those little infants in their mother's wombs. Yes, she commands us and every rich nation in the world to love the poor. But I do not think that is exactly what we were talking about last night, because any time either one of the Clintons meets with Mother Theresa, they give her great lip service, and then disregard everything she says the minute when she leaves their country. The same with Pope John Paul II, Billy Graham, or the head of the Southern Baptist Convention.

Self-reliance, teamwork, we must have both. That is what we are developing on this side of the aisle, teamwork. He talks about a new, smaller Government, finally, when we have $5 trillion of debt and we are heading for $6 trillion, before we begin to even turn around that debt.

I was in the well the day before yesterday with Molly Christine Oona Dornan, Molly O. Dornan, not 10 days old when I had her here, and look at the debt that we have already put on all of my 10 grandchildren. Although like I am seventh or eighth here in the House, I am like a piker compared to JIM BUNNING who is sitting here with 28 grandchildren, or HENRY GONZALEZ, with 31 or 32 and a couple of great-grandchildren, or RON PACKARD, one of my colleagues from Orange County, who has 32 grandchildren, I think.

What a debt we have put on all of these kids. When I talk about our posterity or our children around here, I am thinking of names and faces. I have got five and five now, five grandsons who are going to be told you can do anything with a woman you want, and have high school kids say to me. And on my other side, I have five granddaughters. Every single one of these shows I turn on now is all T&A, and in the trade they know what that means.

Mr. Clinton says last night he wants to meet with the executives of the television industry. SONNY BONO is trying to do a terrific job to try to talk common sense to these people. That was one of the best real lines in the speech. Produce things you want your children to look at. That does not mean a tough version of Shakespeare or violence where it is necessary when you are doing a cocaine story in South America or something. But this mindless violence, even by some conservative producers, and Sylvester Stallone's name comes to mind, and other people, Arnold Schwarzenegger, who are supposed to be associated with the Republican side of events and issues. This worship of violence, egregious, promiscuous sex, and a sneaky little message that drugs are OK, I do not know how we are going to get it done under this Presidency, over the next 286 days, any more than we did under Mr. Nixon.

Here was the plea last night. Stronger families, a stronger America. There it is, faith, family and freedom. I guess we can thank God for small favors, that he did not say he was the new and everlasting covenant again. That is Jesus Christ, the Son of God.

He still does not get the second amendment straight. That was wrong. And I repeated what got me my words taken down last year about claiming that there is no Russian missiles pointed at us. What got me a little exorcised a year ago this week was he said we won the cold war.

That brought to mind the joke I heard as a kid when Tonto and the Lone Ranger were surrounded. He says "What are we going to do, Tonto?" And says "What do you mean we, Kemo Sabe?" No we. Clinton had nothing to do with winning the cold war. Never lifted a pinkie. As a matter of fact, he was helping the other side, because it was an undeclared war. Again, there are people I call traitors. He is not one of them, not some misguided 23-year-old student ditching class at Oxford and traveling through all the Scandinavian capitals who were on the wrong sides of that conflict for freedom against Barry McCaffrey and his quest to rid Vietnam of oppression, as my dad helped rid France of oppression at the beginning of this century.

No, we have got one heck of a battle before us. And let me give some good news here on the defense authorization bill that we just won with 287 votes to 129. Now, just some simple arithmetic for young students who may be following the course of events here on the floor. Mr. Speaker. To override a President's veto in this House you need two-thirds. Two-thirds of 435 is 290. So if you are looking up at the lights at either end of the Chamber and you see that they hit 145, you know that the President is going to be supported in a veto. They hit 129.

We did not have to hit 290, although I saw three Republicans running who missed the vote, who were all going to vote with me, so we would have hit 290. Now, if he vetoes this defense authorization bill because of Dornan language in it to cut off abortions, to put out of the military, respectfully, gently, over 6 months, with full military hospital service and an honorable discharge, people who stuck a filthy needle in their arm, rolled up their white, khaki, or blue sleeve to stick a needle in their arms and get infected with the HIV virus, and we are going to give them an honorable discharge. If they go to a men's room and have unsafe sex with a stranger, anal sex, we are going to give them an honorable discharge in 6 months. If they go to a house of prostitution and have sex, against orders of their commander, do not go to that house of prostitution, it is off limits, every prostitute is infected with AID's, and they break the law, dishonorably, and go, they get a 6-month time to adjust their affairs, FIIGMO, FIIGMO means, let me get a softer version, "forget it, I got my orders." They will not be productive for 6 months. And then they get an honorable discharge, while Michael New, who would not put on the U.N. beanie or wear the U.N. patch on his military uniform, which is in the regs that he should not have to, today he got a bad conduct discharge in Germany. As the chairman of Military Personnel, Mr. Speaker, you better believe I will be having hearings on that.

So there is the two bad things about the defense bill today. Why we had to take out U.N. command and control beats me, but is that going to be a key Presidential issue of the next 286 days? And I have been on that trail without much money, back in the track, let me tell you without refutation, Mr. Speaker, the surest standing ovation in Republican primaries, whether it is Buchanan or Keyes or Lamar Alexander or our leader in the other body, BOB DOLE, the minute one of us says to U.S. men and women under foreign or U.N. control, instant standing ovation, Mr. Speaker, pounding standing ovation, long. And Clinton wants to take that one on and demanded that we take our language out of the bill.

Here are a few notes on that. In vetoing the defense bill, in part due to the provisions on U.N. and foreign command and control, Clinton demonstrated once again he is more interested in furthering the multilateral agenda of the United Nations than in looking out for the welfare of U.S. troops.

This is all from Mr. SPENCE's team, these talking points. The provision in question would have required by law that before placing U.S. troops under the operation and control of the United Nations, or any other foreign entity, a President would have to certify that it would be in the national security interest to do so. It would not have prohibited a President from placing U.S. forces under the U.N. control. It would have merely required that he formally justify such action in writing to this Congress, thereby to our American people. Rather than weaken our provision, the conference agreement drops this provision. Again, no deal is better than a bad deal.

This action represents a continued commitment to the principle that only qualified U.S. commanders, like Barry McCaffrey, should command U.S. troops in battle.

In contrast, the Clinton administration continues to insist, I call this the Strobe Talbot factor, the Clintons had dinner with him again on New Year's Eve or New Year's Day while our troops, and I, were in Germany at the railheads, trying not to mash their fingers in ice rings, lashing all that heavy armored equipment to trains that go through disgusting railheads in Hungary where, there were no toilet facilities or anything, and there is Clinton golfing at Hilton Head at South Carolina with Strobe Talbot.

But the Strobe Talbot factor is to place U.S. troops under the operational command of U.N. commanders during so-called peacekeeping or peace enforcement operations, this in spite of the U.N. having repeatedly demonstrated in Bosnia and Somalia, and I have left out Haiti, a nightmare waiting to explode, the incompetence of the U.N., their negligence in attempting to carry out the most rudimentary of military operations.

□ 1730

The Army officer friend of mine just back from Haiti said the whorehouses in Haiti are thriving with U.N. personnel on a revolving-door visit policy, just as they went to the houses of prostitution like Sonia's Kontiki in Bosnia where some of the women being held there were slaves under the control of renegade Serbian Bosnians.

Accordingly, we conservatives remain committed to limiting the ability of any administration to place U.S. forces at risk on behalf of the United Nations and will aggressively pursue our policy in any number of legislative vehicles during the upcoming session of Congress, and we are well into it.

Now, national missile defense. This one blows my mind. In the week that one of my heroes, Danny Graham, three-star general, West Point graduate, son of an Army sergeant major, Danny Graham was buried at Arlington this week. In the week that General Graham is buried, the father of high frontier. The main civilian, albeit retired military, proponent of strategic defense, the strategic defense initiative. One of the men, that great genius, Dr. Edward Teller brought the idea to Ronald Reagan.

Danny Graham died too young a man. He was 75, and Danny was buried with full military honors, because he is a former head of DIA, a No. 2 man at CIA. A three-star general's funeral at Arlington is something that will not leave any dry eye with any patriot in the audience. The week he is buried, this Paul Revere, as I used to call him when I would introduce him. I worked for him during the 2 years I was out of this House when I had to move from West Los Angeles to Orange County to continue my congressional career.

In that week, Clinton vetoes, jerks out of our bill with his veto power, National Missile Defense. Clinton's veto of the original defense bill further the differences between the Congress, which supports the deployment of a national defense way in the majority here and in the Senate, and Clinton who has now demonstrated his opposition to defending the American people at home in America from ballistic missile attack.

Rather than compromise on an issue of principle, the national missile defense language opposed by Clinton was removed from the bill we passed today. To modify it to meet the White House's objections would have weakened to the point of making it meaningless.

The fight goes on, Mr. Speaker. On a matter of principle, no deal is better than a bad deal. Other ballistic missile defense related provisions have been retained, particularly the one I championed, Navy high-tier, upper-tier missile defense. We kept in the additional $450 million for the establishment, just transferring it to a core theater missile defense, TMD.

The acceleration of key theater missile defense systems, that is where we protect our men overseas and women, and the allies who are with us, which is fine, should be done and a moral thing to do. But what about the wives and husbands and children and families back in the good old U.S.A.?

We have provisions which will prevent Clinton from implementing any agreement with Russia on theater missile defense demarcation, quote-unquote, unless certain conditions are met. We House Republicans remain committed as ever to pursuing an aggressive policy to protect the American people from ballistic missile defense. Our fight will continue on several fronts, including the fiscal year 1997 budget cycle, which begins any day now, where we start our housekeeping with 13 appropriations spending bills.

The gentleman from California, Mr. BONO from the gorgeous lower desert of California, Palm Springs and that area, it was a year ago tonight, give or take a few days, that the gentleman regaled the glitterati, the cognoscenti, the Washington press corps, and told them that his introduction to the rough and tumble in the House was BOB DORNAN in the well with a 1-minute critiquing Clinton, and he thought I was going to eat the lectern that he is now leaning on.

Mr. BONO. Mr. Speaker, I thank the gentleman from California [Mr. DORNAN]. I did, approximately a year ago, joke with him and that is the way he took it. But I just want to say about Congressman DORNAN that he is not to be taken lightly. He is a fighter, if I have ever seen a fighter. He is a man that lives, breathes, and sleeps what he believes.

There is not a hypocritical bone in his body. There is no hypocrisy in the man whatsoever. And so I am proud to be his friend. When I listen to him sometimes, the determination that he pursues a fight to bring America where it should be, and continues, whether the odds are a million to one or 1 to 1, and I know this, until his dying breath, he will never quit.

So, I am proud to call him my friend and I am proud that he is on our side. I am proud that he is working so hard for this country, and I thank him.

BOB, did I hear the President say he wanted charter school systems last night?

Mr. DORNAN. Yes, you sure did.

Mr. BONO. I find that fascinating, because in California, we had Proposition 174. I think you recall that. The Democrats were vehement against Proposition 174, which simply said we should have the right to school choice. Last night I heard the President say we should have the right to school choice. That is baffling me, Mr. Speaker.

I think he even mentioned vouchers, did he not, BOB?

Mr. DORNAN. He sure did.

Mr. BONO. Mr. Speaker, we again said we want vouchers, not for the rich, but for everybody so that they could choose what school their children went to.

I was not going to come down here, but I heard Congresswoman WOOLSEY talk about education. First of all, our budget increases education. It does not decrease. So, where or why she has concluded that it is a decrease is simply not the facts.

It is so frustrating to come to this body and listen to talk or rhetoric or whatever you want to call it, and hear people just say whatever they want to say and it has nothing to do with the truth. I guess that is why I ran for office.

Last night, the President talked about education. He revered education. Education is a wonderful thing, and as I said, we have increased funding for education. But he left out, I guess, kindergarten to elementary because in elementary schools now, they have barbed wire along the fences right now. I would love to send my children to a public school, but I would not dare.

Mr. DORNAN. Not to keep people in, but to keep thugs and drug pushers out.

Mr. BONO. I would love to send them to a public school so they would have that kind of exposure to total life, but I would fear for their lives.

I remember when I was a little boy, the President was saying how rosy things are now, but I remember when I was a little boy, 5 years old or 6, I could walk to school. I guarantee you if your child walked to school now at that age, he would get kidnaped and molested and probably killed. So to say things are so much rosier and better now is simply not true. Our public education system at that level is horrible. It is dastardly.

If you send your child to elementary school now, the chances of him or her getting an education are impossible. It cannot happen. Fortunately, I have a few dollars. I can send my kids to a private school.

Mr. DORNAN. You mean like Sidwell School, like where beautiful Chelsea goes?

Mr. BONO. Exactly. Exactly. Which again is very interesting, because schools are so safe and so wonderful, but our very own President sends his child to a private school. I never could figure out the justification for that.

Mr. DORNAN. SONNY, reclaiming my time. Let me read one of those opening paragraphs.

Mr. Speaker, how much time do we have left?

The SPEAKER pro tempore (Mr. HUTCHINSON). The gentleman has 20 minutes remaining.

Mr. DORNAN. Mr. Speaker, listen to this. This is the paragraph after the "thank you" to the Speaker and Mr. Vice President and Members of the 104th Congress, and other pleasantries. "I want to begin by saying to our men and women in uniform around the world." That is great. He is always with them taking photo opportunities, but we wonder still why he cannot gag out the word Vietnam, although he did slip once last night in introducing another hero from the Oklahoma City bombing. He slipped and said he had been a Vietnam veteran. That is the first time I ever heard him say the word. He did not say that in the order to sending our men to Bosnia. He mentioned Northern Ireland and every war we have been in, but he forgot to mention Vietnam. Interesting. And all the Vietnam senior sergeants and officers noticed it. Now he says the state of our Union is strong, but your kids cannot walk to school.

"We have created nearly 8 million new American jobs." That is still way below what Ronald Reagan created, and he created it by cutting taxes. If Clinton had not created the largest tax increase in the history of any nation and all of civilization, because we cannot codify what the Egyptians got out of slave labor, this is the biggest tax increase in history.

But here is a part germane to what the gentleman is talking about. He says, "Our leadership in the world is strong." We are the last superpower because of what Reagan and Cap Weinberger and George Bush did, not because of him; not the way we are chopping back the military.

He says, "We are gaining ground and restoring our fundamental values." Not according to what the gentleman just said. He said, "The crime rate is down." That is a misrepresentation. The baby-boomers are aging out of their high-testosterone-lending-itself-to-violence period. But at the bottom. The violence among young people is worse than ever.

He says, "Welfare rates are down." They are not. "The food stamp rolls are down." They are not. That is a misrepresentation. And then he says, "The teenage pregnancy rate is down." That drove our Whip, the gentleman from Texas, TOM DELAY, up the wall. What country is he looking at? Because I saw the gentleman from Ohio [Mr. TRAFICANT] take him on, and I saw our one Independent, the gentleman from Vermont [Mr. SANDERS], cheering, "That is right." It is not that rosy.

We do have problems with our workforce. And then he says, "We live in an Age of Possibility." That sounds like Jack Kemp and NEWT and the Opportunity Society and all the upbeat stuff that we Republicans are getting BOB DOLE to talk about, and that is what is giving Steve Forbes the shot, with his inherited millions, in the number 2 spot.

But, back to Mr. BONO and a reality check on how rosy things are.

Mr. BONO. Thank you for pointing out exactly what I am talking about. You know, I chose to be a Republican because the symbol of Republicans is responsibility. Selling the message of be a victim is an easy message to sell. It is probably 200-to-1 to sell, a message of "Be responsible." But this man has been talking for half an hour about that we have to become responsible. Well, we must become responsible.

I get so fed up when I hear the other side come down here in this well and just say whatever they feel like saying. And when Congresswoman WOOLSEY took off on education, education stinks. I cannot say it another way. It stinks.

We spend more money than anybody and have the worst results. So now the solution to that is to spend even more money and still have it not achieve anything? No, that is not the truth. No, that is not what we should do. We should really look at our educational system and find out what we are doing wrong, which is staggering, and make an attempt to start doing things right so that all children, like when I was a little boy, can go back to public school again, which is almost impossible in this day.

Public schools do not teach. They are not safe. They have become political. They do not stand for what they are supposed to stand for any longer.

So, to paint that rosy picture about education just disturbed me so much because I wanted so badly for my two little children to go to public school and experience that, but I cannot. I would not dare do that to them.

Now, I am telling you the truth, and I guess the other side finds the truth unpleasant and, therefore, they prefer to not tell reality. Reality, when they say how mean we are. Well, when we talk about Medicare, all we are trying to do when we talk about Medicare is instead of ending it in 7 years, which is what will happen now if we continue on this rosy path that supposedly exists, it will end in 7 years.

□ 1745

We have extended it to 5 years. So we are telling you the truth. It is so hard to tell you that truth because it is so much easier to hear, do not worry about anything. There is plenty of money here and we will give it all to you. That is a lie. We do not have plenty of money. We owe $5 trillion and we are starting to work on 6, and that is going to accumulate fast and that rubberband is going to break very soon.

I think that all my colleagues, including Mr. DORNAN, I give them credit for being brave because what we are trying to convey to you is not necessarily popular and it can hurt our polls. It can hurt our public relations. It is so much easier to say rosy things, but to not tell you the truth, to not let you really confront the future as it is going to exist in reality but paint a rosy picture is a lie.

I did not come here to lie. I came here because I think we are at the edge. We are right at the cliff. If we do not grab this country and bring it back, it will dissipate and explode and we will not have it anymore.

Mr. DORNAN. Let me ask Mr. BONO, a freshman, as well known as any of the freshmen in that exciting group of 73 people, was this first year for you more difficult than you imagined it would be? Did we accomplish more than you thought? Is your energy and your optimism level still at high pitch?

Mr. BONO. I follow your example. I am very impressed by the amount of energy that you put into this job and not necessarily deal with the consequences. I happily go in that path of whatever the—I am dedicated to saving this country. So my energy will always be 110 percent.

Mr. DORNAN. We only have about 6 months. We are going to vote tomorrow, Wednesday, Thursday next week, then no votes until after the Iowa caucuses and the primary at the end of February, February 20 in New Hampshire. Because BOB DOLE is the leader and wants to be in those States, there will not be any votes in the Senate, none. So then we have March, April, May, June, and July, that is 5 months, out for August. We come back for a wild September, hoping to get our 13 spending appropriations bills, our housekeeping work here finished by September 30. We will be out in the first few days of October to have 1 month to campaign. So we are talking about 6 months.

What I am building up to is, do you appreciate how the American people in their own enlightened self-interest should give the Republicans for the third time in 66 years more than one of 2-year berths. If we are defeated and lose this on November 5 of this year, that means in 66 years, since 1930, before I was born, we have had three 2-year berths.

What I am going to recommend the rest of this year is give us a 100-percent disabled charging war hero, if DOLE prevails, and I am trying to overtake him but I need some money to do it, if DOLE prevails, put DOLE in the White House, a man who put his blood into the soil of your native land, Italy, in Europe and TRENT LOTT is a leader in the Senate and NEWT GINGRICH reinvigorated, listening more to his true conservative friends in this House than the person who says he embraced him as he sobbed uncontrollably, so this person says, and then this farm State Congressman leaked all of that to NEWT's enemies at the Washington Post for a front page story last week. I know who that dairy farm State Congressman was. NEWT better pay attention to his friends in this House, his friends who believe in family and faith and freedom and espouse it in their life styles.

If he comes back to home base and is inspired by TRENT LOTT and we have a Republican in the White House, we are going to need not just the next 6 months but the 105th Congress, two exciting sessions, to try and bring us, as you put it, on the edge of the lectern, back from the brink or as Alistair Cooke said, we are at a crossroads. We are almost schizophrenic, tearing ourselves in half. We better make the right decisions.

Let me read something to you, where Mr. Clinton last night said, here are the seven challenges. First, cherish our children and strengthen the American family. This weekend I went to Memphis, SONNY, and I stayed with two families, the Langstons and the Fergusons. They had both been to Promise Keepers, the big event in Dallas, tens of thousands of fathers swearing to not commit adultery on their wives, swearing to be loyal to their children and their brides. And who attacks them? NOW. Patricia Ireland, chief spear carrier for the lesbian movement in America. She is yelling at Promise Keepers because men are standing up and saying they want to be loyal to their families. Unbelievable.

He asked the broadcast industry to rate the programming, as the movie industry does. I do not know where we are going to go with that.

Second, provide Americans with educational opportunities. You are on the right committees. Listen to this. He wants to lash every classroom to the information highway by 2000. What is going to be on that highway? He says schools and communities must adopt national standards. What is that, dumbing down to the lowest common denominator.

Then under challenge 3, this is the one that caught your attention among several items, he said help every American achieve economic security, create a $2,600 voucher for the unemployed or underemployed to use for their education and training. How about vouchers for all of our children? That will be stopped by the liberal dominant wing of his permissively liberal party.

Then he says, fourth, take back our streets from crime, gangs, and drugs. That is what I have been trying to do as a father and since I have come here a grandfather all my life. It is liberal permissiveness and liberal fascination, not with the victims of crime but with the perpetrators of crime, trying to figure out how to help them work their way through the legal system and get back out on the streets more quickly.

He says keep the crime bill of 1994 on the books. You could have lost because of that crime bill. And because 11 Republicans went down to the White House and gave him what he wanted, we lost 10 to 20 Republican seats. We should be at 256, if it were not for the political garbage and waste of billions in that phony crime bill of 1994.

Mr. BONO. I would like to ask the gentleman a question, since you are making these points on crime and crime prevention. Are we not at war?

Mr. DORNAN. It is a war.

Mr. BONO. Is it crime prevention anymore or is it full blown war?

Mr. DORNAN. SONNY, you may not know Gen. Barry McCaffrey personally. Nothing is all dark in life. Clinton's appointment to the FBI, Louis Freeh, father of five kids, great guy, tough judge, tough agent in the street, Barry McCaffrey and the southern, the CINC, Commander in Chief of Southern Command down there in Panama. He came to the Heritage Foundation recently and gave this startling statistic: 100 percent of the cocaine in the world comes from South America through the Panama Canal, through the Caribbean area. He is going to be a great general in command of a war against this poison of narcotics.

Mr. BONO. Would you consider it a war when a family accidentally drives down the wrong street and is blown to oblivion because they simply accidentally made a wrong turn? Can crime prevention help that or is that war?

Mr. DORNAN. I was in Los Angeles the night that story broke on the news. We had not recovered from the travesty of justice that O.J. Simpson got away with, slitting two throats to the spine and stabbing an innocent young man 17 times. The whole city is still in the throes of that, all these divisions. And here comes this unbelievable story, throwing ashcans. I do not know the ethnic background of anybody in that story. I never saw enough pictures.

I did see one crying uncle, trying to make a statement to the press, but it was a little 4-year-old girl that took a bullet in the head as the father tried to drive out of a cul-de-sac where he had gotten off the freeway and took a wrong turn. A gang decided to take him on.

Let me tell you something, SONNY. I only have one classic car I am trying to rebuild.

The SPEAKER pro tempore (Mr. HUTCHINSON). Members are reminded to refer to other Members by their last name and State.

Mr. DORNAN. Mr. BONO, last week a car that I was restoring—just spent about $3 to $4,000 on it last year—a 31-year-old classic 1964 fire mist red El Dorado automobile, was towed by a tow truck out of my son's carport on Church Lane in west Los Angeles, a few blocks from OJ's Rockingham house—but an apartment building. They came at noon on a slight rainy, drizzly day last week, hooked it up to a tow truck, because the battery is not hooked up, the gearbox is not finished. I am restoring the car that I bought 31 years ago used.

I got it with some residuals from the series "Twelve O'clock High." It is gone now to some shop down somewhere in Los Angeles. The people that stole the car were sitting in it 3 days before. My son was back here with me, got snowed in with that blizzard. Neighbors saw them. They said, would he sell this car, the owner? No way, they are restoring it. Cut the Club off the wheel. Police were called by my son's neighbors. They came and said somebody has to call the owner. They forgot who.

They said this car is going to be stolen. Two or three days later at noon, by tow truck. My 31-year-old classic is towed away.

I heard somebody asking for help to bring down a child molester. Let me be creative, SONNY, since this well goes into homes all over America, maybe 1,300,000 people. I do not want to get too wild with the reward, but I will give $2,000. I will cash the check, 2,000 bucks cash for whoever will get me back my 1964, I call it my POW El Dorado because I got it the month the first POW was shot down. I was going to give it to a POW, I fantasized, at the end of that war, get back my fire mist red, and that license plate, this historical vehicle, HV295, D for DORNAN, HV295, D for DORNAN. This is what I will give, 2,000 bucks cash to get my El Dorado back.

By the way, that is my fourth automobile stolen in Los Angeles in 20 years, three of them in the last 10. I have only gotten back one. It was in Tijuana sitting on a hill with the tires off it, but I got that back and I still own that red Bronco.

Mr. BONO. Mr. Speaker, I just wanted to say that, do not ever take Congressman DORNAN lightly. One thing you can be sure of, as certain as these are chairs, that he will always tell you the truth. And whether it is pleasant or unpleasant, he will tell you the truth. And that is why I am a Republican. So you are an inspiration to me.

For that reason, of which I am very proud of you, and I hope that I can always follow in your footsteps in that I will always, whenever I speak to the public, tell them the truth.

With that, I thank the gentleman for giving me the time in the well.

Mr. DORNAN. Mr. Speaker, I have got one final valuable contribution to offer here.

Turning back to my Constitution, printed by the bicentennial committee that I have been carrying for years here, as far as the President's Commander in Chief responsibilities, I quoted article III, section 3 earlier, here is article II, section 2; III.3 is on aid and comfort to the enemy. II.2 says this, 16 words: The President shall be the Commander in Chief of the Army and Navy of the United States. Bingo. Sixteen more words on militia, and of the militia of the several States, 13 then, when called into the actual service of the United States. There was no National Guard then. So that is 18 more words, if you strip away all the the's and the and's, and the Army and the Navy and the in chief and all of this, it says President, Commander in Chief. That is it. That is it. There is nothing else in the Constitution.

Who says that our Presidents, and this is my disagreement with one of our great leaders on the other side, who says the President of the United States can send people to Somalia, to Bosnia, to Haiti, or to Lebanon without getting the approval of this Congress? That is why I argued with my friend Dick Cheney, Secretary of Defense, and the Navy combat attack pilot, carrier pilot George Bush. You cannot go to the gulf in a serious major conflict. I do not care if you have 28 nations banded together.

☐ 1800

They are all getting the permissions of their Dumas and their congresses and their Knessets and their various legislatures. You must come here. Dick Cheney used to tell me "We will lose." I said "You will not lose. You will lose the liberal leadership in the Senate and the House, and if we lost every one of them, but you win enough Democrats, we will have a big victory." The victory was 180 saying no, we cannot free Kuwait and protect world oil sources and stop Saddam Hussein from getting biological, chemical, and nuclear warfare terror capability, and on the winning side, how could I forget the winning side and remember the losing side, 253 to 180, a great vote.

Now, we have a scholar at the Library of Congress, Lewis Fisher.

Mr. Speaker, I will include for the RECORD Lewis Fisher's scholarly treatise on the Barbary wars, with more to come on why the President does not have the constitutional authorities to send young men and women all around the world at his whim.

The material referred to is as follows:

THE BARBARY WARS: LEGAL PRECEDENT FOR INVADING HAITI?

(By Louis Fisher)

SUMMARY

The claim that President Clinton has constitutional authority to invade Haiti without first obtaining congressional authority is often linked to early presidential actions. Supporters of broad executive power argue that a President may deploy troops on his own authority and that Congress can restrain him only after he acts. As support for this position, the Barbary Wars during the time of Presidents Jefferson and Madison are often cited. However, the historical record demonstrates that these military operations received advance authority from Congress. To the extent that presidential initiatives were taken before congressional action, they were defensive in nature and not offensive (as contemplated for Haiti).

BACKGROUND

During the presidencies of George Washington and John Adams, U.S. military action conformed to the framers' expectation that the decision to go to war or to mount military operations was reserved to Congress and required advance authorization. For example, President Washington's military actions against Indian tribes were initially authorized by Congress. Stat. 96, §5 (1789); Stat. 121, §16 (1790); Stat. 222 (1791). Consistent with these statutes, military operations were confined to defensive measures. Offensive action required authority from Congress. The Writings of George Washington (John C. Fitzpatrick ed. 1939).

Similarly, when President Washington used military force in the Whiskey Rebellion of 1794, he acted on the basis of statutory authority. Stat. 264, §1 (1792). President John Adams engaged in the "quasi-war" with France from 1798 to 1800. Although Congress did not declare war, military activities were fully authorized by more than two dozen statutes in 1798. Stat. 547–611.

ACTIONS BY JEFFERSON AND MADISON

Elected President in 1800, Thomas Jefferson inherited the pattern established during the Washington and Adams administrations: Congress had to authorize offensive military actions in advance. One of the first issues awaiting Jefferson was the practice of paying annual bribes ("tributes") to four states of North Africa: Morocco, Algiers, Tunis, and Tripoli. Regular payments were made so that these countries would not interfere with American merchantmen. Over a period of ten years, Washington and Adams paid nearly $10,000,000 in tributes.

In his capacity as Secretary of State in 1790, Jefferson had identified for Congress a number of options in dealing with the Barbary powers. In each case it was up to Congress to establish national policy and the executive branch to implement it:

Upon the whole, it rests with Congress to decide between war, tribute, and ransom, as the means of reestablishing our Mediterranean commerce. If war, they will consider how far our own resources shall be called forth, and how far they will enable the Executive to engage, in the forms of the constitution, the co-operation of other Powers. If tribute or ransom, it will rest with them to limit and provide the amount; and with the Executive, observing the same constitutional forms, to make arrangements for employing it to the best advantage. 1 American State Papers: Foreign Relations 105 (Walter Lowrie & Matthew St. Clair Clarke, eds. 1832).

On March 3, 1801, one day before Jefferson took office as President, Congress passed legislation to provide for a "naval peace establishment." 2 Stat. 110, §2 (1801). On May 15, Jefferson's Cabinet debated the President's authority to use force against the Barbary powers. The Cabinet agreed that American vessels could repel an attack, but some departmental heads insisted on a larger definition of executive power. For example, Albert Gallatin, Secretary of the Treasury, remarked: "The Executive can not put us in a state of war, but if we be put into that state either by the decree of Congress or of the other nation, the command and direction of the public force then belongs to the Executive." Other departmental heads expressed different views. Franklin B. Sawvel, ed., The Complete Anas of Thomas Jefferson 213 (1903).

After hearing these opinions from his Cabinet, Jefferson chose to rely on statutory authority rather than theories of inherent presidential power. Citing the statute of March 3, the State Department issued a directive on May 20 to Captain Richard Dale of the U.S. Navy, stating that under "this [statutory] authority" Jefferson had directed that a squadron be sent to the Mediterranean. If the Barbary powers declared war on the United States, American vessels were ordered to "protect our commerce & chastise their insolence—by sinking, burning or destroying their ships & Vessels wherever you shall find them." 1 Naval Documents Relating to the United States Wars With the Barbary Powers 467 (1939). Having issued that order, based on congressional authority, Jefferson also wrote that it was up to Congress to decide what policy to pursue in the Mediterranean: "The real alternative before us is whether to abandon the Mediterranean or to keep up a cruise in it, perhaps in rotation with other powers who would join us as soon as there is peace. But this Congress must decide." The Writings of Thomas Jefferson 63–64 (Ford ed. 1897).

Insisting on a larger tribute, the Pasha of Tripoli declared war on the United States. Jefferson did not interpret this action as authority for the President to engage in unlimited military activities. He informed Congress on December 8, 1801, about the demands of the Pasha. Unless the United States paid tribute, the Pasha threatened to seize American ships and citizens. Jefferson had sent a small squadron of frigates to the Mediterranean to protect against the attack. He then asked Congress for further guidance, stating that he was "[u]nauthorized by the Constitution, without the sanction of Congress, to go beyond the line of defense. . . ." It was up to Congress to authorize "measures of offense also." Jefferson gave Congress all the documents and communications it needed so that the legislative branch, "in the exercise of this important function confided by the Constitution to the Legislature exclusively," could consider the situation and act in the manner it considered most appropriate. A Compilation of the Messages and Papers of the Presidents 315 (James D. Richardson ed. 1897–1925) (hereafter "Richardson").

Alexander Hamilton, writing under the pseudonym "Lucius Crassus," issued a strong critique of Jefferson's message to Congress. Hamilton believed that Jefferson had defined executive power with insufficient scope, deferring too much to Congress. But even Hamilton, pushing the edge of executive power, never argued that the President had full power to make war on other nations. Hamilton merely argued that when a foreign nation declares war on the United States, the President may respond to that fact without waiting for congressional authority:

> The first thing in [the President's message], which excites our surprise, is the very extraordinary position, that though Tripoli had declared war in form against the United States, and had enforced it by actual hostility, yet that there was not power, for want of the sanction of Congress, to capture and detain her cruisers with their crews.
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> . . . [The Constitution] has only provided affirmatively, that, "The Congress shall have power to declare War;" the plain meaning of which is, that it is the peculiar and exclusive province of Congress, when the nation is at peace to change that state into a state of war; whether from calculations of policy, or from provocations, or injuries received: in other words, it belongs to Congress only, to go to War. But when a foreign nation declares, or openly and avowedly makes war upon the United States, they are then by the very fact already at war, and any declaration of the part of Congress is nugatory; it is at least unnecessary." The Works of Alexander Hamilton 745–747 (John C. Hamilton ed.).

Congress responded to Jefferson's message by authorizing him to equip armed vessels to protect commerce and seamen in the Atlantic, the Mediterranean, and adjoining seas. The statute authorized American ships to seize vessels belonging to the Bey of Tripoli, with the captured property distributed to those who brought the vessels into port. 2 Stat. 129 (1802). Legislators had no doubt about their constitutional authority and duties. "The simple question now," said Cong. William Eustis, "is whether [the President] shall be empowered to take offensive steps." Cong. Samuel Smith added: "By the prescriptions of the law, the President deemed himself bound." Annals of Cong., 7th Cong., 1st Sess. 328–329 (1801).

Congress continued to pass legislation authorizing military action against the Barbary powers. Legislation in 1803 provided additional armament for the protection of seamen and U.S. commerce. 2 Stat. 106. Legislation the next year gave explicit support for "warlike operations against the regency of Tripoli, or any other of the Barbary powers." 2 Stat. 291. Duties on foreign goods were placed in a "Mediterranean Fund" to finance these operations. Id. at 292, §2. Further legislation on the Barbary powers appeared in 1806, 1807, 1808, 1809, 1811, 1812, and 1813. 2 Stat. 391 (1806); 2 Stat. 436 (1807); 2 Stat. 456 (1808); 2 Stat. 511 (1809); 2 Stat. 616 (1811); 2 Stat. 675 (1812); 2 Stat. 809 (1813).

Jefferson often distinguished between defensive and offensive military operations, permitting presidential initiatives for the former but not for the latter. In 1805, he notified Congress about a conflict with the Spanish along the eastern boundary of the Louisiana Territory (West Florida). After detailing the problem he noted: "Considering that Congress alone is constitutionally invested with the power of changing our condition from peace to war, I have thought it my duty to await their authority for using force in any degree which could be avoided." 1 Richardson 377.

Military conflicts in the Mediterranean continued after Jefferson left office. The Dey of Algiers made war against U.S. citizens trading in that region and kept some in captivity. With the conclusion of the War of 1812 with England, President Madison recommended to Congress in 1815 that it declare war on Algiers: "I recommend to Congress the expediency of an act declaring the existence of a state of war between the United States and the Dey and Regency of Algiers, and of such provisions as may be requisite for a vigorous prosecution of it to a successful issue." 2 Richardson 539. Instead of a declaration of war, Congress passed legislation "for the protection of the commerce of the United States against the Algerine cruisers." The first line of the statute read: "Whereas the Dey of Algiers, on the coast of Barbary, has commenced a predatory warfare against the United States. . . ." Congress gave Madison authority to use armed vessels for the purpose of protecting the commerce of U.S. seamen on the Atlantic, the Mediterranean, and adjoining seas. U.S. vessels (both governmental and private) could "subdue, seize, and make prize of all vessels, goods and effects of or belonging to the Dey of Algiers." 3 Stat. 230 (1815).

An American flotilla set sail for Algiers, where it captured two of the Dey's ships and forced him to stop the piracy, release all captives, and renounce the practice of annual tribute payments. Similar treaties were obtained from Tunis and Tripoli. By the end of 1815, Madison could report to Congress on the successful termination of the war with Algiers.

LEGISLATIVE CONTROLS ON PROSPECTIVE ACTIONS

Can Congress only authorize and declare war, or may it also establish limits on prospective presidential actions? The statutes authorizing President Washington to "protect the inhabitants" of the frontiers "from hostile incursions of the Indians" were interpreted by the Washington administration as authority for defensive, not offensive, actions. 1 Stat. 96, §5 (1789); 1 Stat. 121, §16 (1790); 1 Stat. 222 (1791). Secretary of War Henry Knox wrote to Governor Blount on October 9, 1792: "The Congress which possess the powers of declaring War will assemble on the 5th of next Month—Until their judgments shall be made known it seems essential to confine all your operations to defensive measures." 4 The Territorial Papers of the United States 196 (Clarence Edwin Carter ed. 1936). President Washington consistently held to this policy. Writing in 1793, he said that any offensive operations against the Creek Nation must await congressional action: "The Constitution vests the power of declaring war with Congress; therefore no offensive expedition of importance can be undertaken until after they have deliberated upon the subject, and authorized such a measure." 33 The Writings of George Washington 73.

The statute in 1792, upon which President Washington relied for his actions in the Whiskey Rebellion, conditioned the use of military force by the President upon an unusual judicial check. The legislation said that whenever the United States "shall be invaded, or be in imminent danger of invasion from any foreign nation or Indian tribe," the President may call forth the state militias to repel such invasions and to suppress insurrections." 1 Stat. 264, §1 (1792). However, whenever federal laws were opposed and their execution obstructed in any state, "by combinations too powerful to be suppressed by the ordinary course of judicial proceedings, or by the powers vested in the marshals by this act," the President would have to be first notified of that fact by an Associate Justice of the Supreme Court or by a federal district judge. Only after that notice could the President call forth the militia of the state to suppress the insurrection. Id., §2.

In the legislation authorizing the Quasi-War of 1798, Congress placed limits on what President Adams could and could not do. One statute authorized him to seize vessels sailing to French ports. He acted beyond the terms of this statute by issuing an order directing American ships to capture vessels sailing to or from French ports. A naval captain followed his order by seizing a Danish ship sailing from a French port. He was sued for damages and the case came to the Supreme Court. Chief Justice John Marshall ruled for a unanimous Court that President Adams had exceeded his statutory authority. Little v. Barreme, 6 U.S. (2 Cr.) 169 (1804).

The Neutrality Act of 1794 led to numerous cases before the federal courts. In one of the significant cases defining the power of Congress to restrict presidential war actions, a circuit court in 1806 reviewed the indictment of an individual who claimed that his military enterprise against Spain "was begun, prepared, and set on foot with the knowledge and approbation of the executive department of the government." United States v. Smith, 27 Fed. Cas. 1192, 1229 (C.C.N.Y. 1806) (No. 16,342). The court repudiated his claim that a President could authorize military adventures that violated congressional policy. Executive officials were not at liberty to waive statutory provisions: "if a private individual, even with the knowledge and approbation of this high and preeminent officer of our government [the President], should set on foot such a military expedition, how can be expect to be exonerated from the obligation of the law?" The court said that the President "cannot control the statute, nor dispense with its execution, and still less can he authorize a person to do what the law forbids. If he could, it would render the execution of the laws dependent on his will and pleasure; which is a doctrine that has not been set up, and will not meet with any supporters in our government. In this particular, the law is paramount." The President could not direct a citizen to conduct a war "against a nation with whom the United States are at peace." Id. at 1230. The court asked: "Does [the President] possess the power of making war? That power is exclusively vested in Congress. . . . it is the exclusive province of Congress to change a state of peace in a state of war. Id.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO SAME CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. McINNIS, from the Committee on Rule, submitted a privilege report (Rept. No. 104–453) on the resolution (H. Res. 342) waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolution reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

TRIBUTE TO THE LATE HON. BARBARA JORDAN

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 60 minutes as the designee of the minority leader.

Ms. JACKSON-LEE of Texas. Mr. Speaker, many fear the future, many are distrustful of their leaders, and believe that their voices are never heard. Many seek only to satisfy their private work wants and to satisfy their private interests. But this is the great danger America faces, that we will cease to be one Nation and become, instead, a collection of interest groups, city against suburb, region against region, individual against individual, each seeking to satisfy private wants.

Mr. Speaker, if that happens, who then will speak for America? Who then will speak for America? What are those of us who are elected public officials supposed to do? I will tell you this, we as public servants must set an example for the rest of the Nation. It is hypocritical for the public official to admonish and exhort the people to uphold the common good if we are derelict in upholding the common good. More is required of public officials than slogans and handshakes and press releases. More is required. We must hold ourselves strictly accountable. We must provide the people with a vision of the future.

Mr. Speaker, that was from Barbara Jordan, 1976, at the Democrat Convention.

Mr. Speaker, last week we lost an American hero. Barbara Jordan died last week on Wednesday, January 17, 1996, a friend to many, a mentor, and an icon. The late honorable Congresswoman, Barbara Jordan, who not only represented the 18th Congressional District of Texas that I am now privileged to serve, was one of the first two African-Americans from the South to be elected to this august body since reconstruction. She was a renaissance woman, eloquent, fearless, and peerless in her pursuit of justice and equality. She exhorted all of us to strive for excellence, stand fast for justice and fairness, and yield to no one in the matter of defending this Constitution and upholding the most sacred principles of a democratic government. To Barbara Jordan, the Constitution was a very profound document, one to be upheld.

The lady, Barbara Jordan, the first black woman elected to the Texas Senate, was born February 21, 1936, the daughter of Benjamin and Arlene Jordan. The youngest daughter of a Baptist minister, she lived with her two sisters in the Lyons Avenue area of Houston's Fifth Ward. The church played an important role in her life. She joined the Good Hope Baptist Church on August 15, 1953, under the leadership of Rev. A.A. Lucas, graduating with honors from Houston's Phyllis Wheatley High School in the Houston Independent School District.

Ms. Jordan went on to Texas Southern University, where she majored in government and history. While at Texas Southern University, Barbara Jordan was an active student and a member of the debate team for 4 years, and a member of Delta Sigma Theta Sorority. She got her tutelage under Dr. Thomas Freeman, who gave her the inspiration and certainly the training to formulate both her words and her tone, and to make her one of this world's greatest orators.

It was her involvement with the debate team that began for her a series of firsts that will become the hallmark of her professional life. Ms. Jordan was a member of the first debate team from a black university to compete in the forensic tournament held annually at Baylor College University in Texas. On that occasion, she won first place in junior oratory, one of many first place trophies in a career as a debater. We must remember at those times there were not many black debate teams from across the Nation competing in integrated tournaments. This was a first. Ms. Jordan was outstanding.

After graduating magna cum laude from Texas Southern University in 1956, she received her law degree from Boston University in 1959. This Constitution became part of Barbara Jordan's life, and she carried it everywhere she went. We already knew Barbara Jordan before the 1974 impeachment hearings, but her undaunted courage on that somber occasion etched her name in our memories forever.

Those of us who have been honored by having the public place its trust in us know the onerous burden and the weight of passing a vote destined to alter our history forever. We know what it took for Barbara Jordan to say "yea, aye" when the House Committee on the Judiciary roll was called on July 30, 1974, and we are still admiring her for it. That was the day we realized that she was much more than the gilded, persuasive voice that always held sway when she spoke.

I remember her talking about this momentous day and her participation in the Watergate hearings. This young woman, newly elected to Congress, took these responsibilities extremely seriously. She was concerned that people across the country felt that this Government was being undermined, that we were in the throes of a potential revolution, that all would be lost.

Barbara Jordan, concerned about the moment, the history, the impact, seriously studied all of the Watergate hearings in review, listened attentively, and indicated to all of us that she viewed this Constitution as a serious document and would not view it and see it be diminished. She took this role seriously, and she was concerned that she speak in measured words and tone, so those who might be looking would still have faith in the Constitution and in this Government. It was the honorable Barbara Jordan that calmed the fears of most Americans, saying that if she was there with her faith in this Constitution, albeit that she had not been included in this Constitution as an African-American when it was written, then they knew that all might be well.

We realize that Barbara Jordan was a tremendous moral force and was calling upon all of us to account to our conscience as a Nation. Her untimely death leaves a great void in our national leadership, and she will be sorely missed as we grapple with the great moral issues of the day.

Barbara Jordan was a lawyer, legislator, scholar, author, and presidential adviser. She was immensely gifted, and used every bit of her talent and skill to address, improve, and dignify the conditions of human life. In the tradition of Frederick Douglass, Martin Luther King, and Thurgood Marshall, she challenged the Federal Government and the

American people to uphold the principles set forth in the American Constitution.

Congresswoman Jordan began her public career as a Texas State Senator. Might I say to you, she was a first then, for there had never been an African-American in the Texas Senate, and she stood tall and proud. Her voice, although eloquent and resonating throughout the halls, was full of passion, and she felt compelled to represent those, the least of her sisters and brothers, individuals who might never have gone outside of the realm of their neighborhood, who might not be able to read or write, did not have a job. She has spoken on behalf of small businesses. She was very concerned about civil rights, employment discrimination, equality and justice, even in the Texas Senate. She served her country with great distinction as a Member of Congress and chairwoman of the U.S. Commission on Immigration Reform. Her extraordinary impact on our country will be felt for many generations.

She gained national prominence in the 1970's as a member of the House Committee on the Judiciary during the impeachment hearings of President Richard Nixon. Again, her eloquent statement regarding her faith in the Constitution helped the Nation to focus on the principle that all elected officials, including the President of the United States, must abide by the mandates of the Constitution.

During her tenure in Congress, Congresswoman Barbara Jordan was a leader on issues relating to voting rights, consumer protection, energy, and the environment. Might I add that she was particularly forceful in including language minorities in the Voting Rights Act of 1965, which then covered Texas, and also allowed for Hispanics and others to be included so that they would have equal justice under the law as right, and have full participation in this Nation, and a full part of this Constitution.

Additionally, Congresswoman Jordan played an active role in the Democratic Party. She served as a keynote speaker at the 1976 and 1992 Democratic National Conventions, and constantly challenged the Democratic Party to be a catalyst for progress and make the American dream a reality for all Americans.

After retiring from Congress, Congresswoman Jordan was appointed a distinguished professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. This position enabled her to have a major influence on the next generation of public officials. She impressed her students with her intellect and ability to inspire them to achieve excellence in the classroom, and to be committed to public service.

Mr. Speaker, Barbara Jordan was buried on January 20, 1996. She was buried at the Texas National Cemetery. She was the first African-American in the history of the national State cemetery to be buried there, in her death a first, but making a statement that she was laid to rest among Texas heroes. They benefited because an American hero was laid to rest with them.

As I stood on the burial ground and participated in that ceremony, it was an overwhelming feeling, for it came to me that we lost her too early. This was reinforced when one of her students came up to me, stood next to me and said "I know you." And I said "Yes? And who are you?" "I'm a student. I was taught by the honorable professor Barbara Jordan."

I said "How interesting. You have a great experience to cherish." She said, "Yes, and in her classroom, she talked a lot about you." Both of us, touched very much at that time, just stood and embraced, for this was a woman who was not afraid of sharing herself and others, and she was not afraid of young people. She loved them. She wanted to give to them, and in them, she saw the opportunity for love and caring and the future.

Congresswoman Barbara Jordan leaves the American people, particularly Members of Congress, a powerful legacy of commitment to freedom, integrity, government, and belief in human progress. She also leaves and is survived by her mother, Arlene Jordan, her sisters, Bennie Jordan Chriswell, Rosemary McGowan, brother-in-law, John Wesley McGowan, aunt and uncle, Mamie Reed Lee and Wilmer James Lee, close friends, Nancy Earle, Angie Taylor Morton, Muriel and Lee Dudley, Evelyn and Walter Harrison, Lonnie and Mary Elizabeth York, Robert and Norma Jones, Anna, Lois, and Carl T. Taylor, Billy Brown and Betty Thomas, Patsy Hurd, Jerry Earl, and Willie Calhoun.

I would simply say to you that she leaves throngs of others, hoping that her words will continue on in our hearts, but most importantly, in our actions. She stated:

> America's mission was, and still is, to take diversity and mold it into a cohesive and coherent whole that would espouse virtues and values essential to the maintenance of civil order. There is nothing easy about that mission, but it is not Mission Impossible.

The Honorable Barbara Jordan. Nothing was too hard for her to accept as a challenge, and nothing was too hard for her to overcome; a great American. We lost her, but not her words and her message.

I am delighted today to be joined by the gentlewoman from North Carolina, the Honorable EVA CLAYTON, who has come from the great State of North Carolina, in fact knows of the great works of the Honorable Barbara Jordan, and is likewise an African-American woman serving in the U.S. Congress.

I yield to the gentlewoman from North Carolina.

Mrs. CLAYTON. I want to thank the gentlewoman from Texas for arranging this special order, Mr. Speaker, and allowing us to participate in it, and to give honor to it.

Mr. Speaker, when I speak of freedom, fairness, justice, and equality—words that compose the very foundation of this democracy—I often quote Barbara Jordan.

Barbara Jordan was more than a leading figure, a great stateswoman, and an oratorical genius. She was the essence of leadership, the epitome of statesmanship, and the embodiment of oratory.

She believed in America, and the principles underlying the creation of this Nation. More importantly, she was not afraid to fight for those principles and to stand up for her beliefs. Perhaps a speech she delivered in 1974, best captured her firmness and her fight. In discussing the meaning of the Constitution, she stated, "We, the people." "It is a very eloquent beginning." "But when that document was completed on the 17th of September, in 1787, I was not included in that 'We the people.'"

Barbara Jordan continued, "I felt somehow for many years that George Washington and Alexander Hamilton, just left me out by mistake. But through the process of amendment, interpretation, and court decision, I have finally been included in, 'We the people.'"

All of us can imagine the penetrating way she said those words. With a distinctive style, a commanding voice, in clear, crisp language—there was only one Barbara Jordan. When she spoke—we listened—the world listened.

And, few interpreted the meaning of the Constitution like Barbara Jordan.

It is for that reason that we acknowledge the deep and wide abyss that has been left by a death, too soon, at age 50, on January 17.

Her career of public service began in service.

Never reluctant to do her part, in 1960, she addressed envelopes for the Kennedy campaign.

Her special talents, however, were soon recognized, and she was elected as the first black woman in the Texas State Legislature, and the first black woman elected to Congress from the South.

In many ways, Mr. Speaker, she paved the way for me and for other African-American women. It is also, in many ways, ironic that Barbara Jordan's political interest was first sparked by reflection on the deeds of President Franklin Delano Roosevelt. Today's Republican Party often discusses its efforts in terms of revolution and makes comparisons and contrasts with the New Deal days of Roosevelt. It is ironic because, it is said that, Barbara Jordan's grandfather never began a meal without thanking God, "for FDR and the Home Finance Administration, which made this house possible."

Perhaps that early lesson gave her the clear vision that, indeed, government has a role in our lives. She left Congress in 1978, to assume a teaching position at the University of Texas—of course, she was teaching all along. We shall never forget the stirring keynote addresses she gave at Democratic Conventions 16 years apart, in 1976, and again in 1992. What was remarkable was that neither time, nor space, nor distance had tarnished her devotion to America's fundamentals. "Won 'em both," she said.

The Watergate hearings may have thrust Barbara Jordan across the national landscape. But, it was an unwavering spirit, a daring dedication and an unmatched commitment to this Nation that made Barbara Jordan who she was. It is because Barbara Jordan believed that there is a place for all in America—young and old; black and white; male and female; rich and poor. And, it is because Barbara Jordan has died that each of us must never stop insisting upon that place. That is our challenge.

The Statue of Liberty was closed during the Government shutdowns—an inauspicious symbol of today's America. But, to the end, Barbara Jordan stood fighting for fundamentals. As chair of the U.S. Commission on Immigration Reform, her most recent public service post, she stated, "It was immigration that taught us, it does not matter where you came from, or who your parents were. What counts is who you are." I shall continue to quote Barbara Jordan.

The pearls of wisdom she shared with us in life, live on through death. Freedom, fairness, justice, and equality—We are far closer, today, than ever before, to those words which, too often, are mere platitudes. And, we will continue to be closer, because the spirit of Barbara Jordan lives.

☐ 1815

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman from North Carolina. I applaud and agree with her words that only because of her words and actions are we closer to freedom.

Mr. Speaker, I yield 30 seconds to my good friend, the gentleman from Colorado [Mr. MCINNIS].

Mr. MCINNIS. Mr. Speaker, first of all, I would like to commend the gentlewoman from Texas, as well as her colleagues. I think if Barbara Jordan were here, she would be proud of the words spoken on her behalf by all of my colleagues, and I commend that.

Ms. JACKSON-LEE of Texas. Mr. Speaker, reclaiming my time, it gives me great honor to be able to yield time to the Honorable LOUIS STOKES, who I know that the Congresswoman enjoyed many good years of service with. I know of his commitment, but also his friendship, and I know how much the family appreciates him being here today to honor the Honorable Barbara Jordan, the senior member of the Committee on Appropriations, the Honorable LOUIS STOKES.

Mr. STOKES. Mr. Speaker, I thank the gentlewoman for yielding to me. I want to express our appreciation on behalf of all of us for her taking out this special order this evening so that all of us might pay tribute to this very great American lady.

Mr. Speaker, we gather tonight to pay tribute to the late Barbara Jordan, an extraordinary individual and former Member of the House. On January 17, 1996, the Nation mourned the passing of this political giant and gifted orator. During her lifetime, she served this Nation with honor and dignity. We join family members, friends and others throughout the Nation in sorrow at her passing. Barbara Jordan was a remarkable American who will never be forgotten.

Some of us who are gathered here today are fortunate to have served in Congress with this great lady. And, as I stand here today, I have many fond special memories of my personal friendship with her in this Chamber. She frequently served in the capacity of speaker, pro tempore during that period. Whenever she was in the Chair, the Manner in which she presided over the entire House was a beauty to behold. Her dignity and elegance was in full bloom at those times.

Those of us who served with Barbara Jordan came to love, admire and respect her greatly. Not only was she a knowledgeable legislator, but she was also someone who was sincere and compassionate. Whatever she did or said, she did or said with fervor. She also had a great sense of time. She respected the time of others, and she demanded that you respect her time.

Barbara Jordan set a standard of excellence and integrity which will remain as a legacy forever. She was a tireless advocate for those who had no voice in the congressional deliberations. She was also a champion of justice and a staunch defender of the Constitution.

A graduate of Boston University Law School, Barbara Jordan was one of American politics' pioneer black women. She began her political rise in 1966, when she was to the Texas State Senate, becoming the first African-American elected to that legislative body.

In 1972, Barbara Jordan again made history when she and Andy Young became the first African-Americans from the South to be elected to Congress since reconstruction. Congress found in Barbara Jordan, a lawmaker of the highest caliber and integrity.

Mr. Speaker, we recall the eloquence of Barbara Jordan in 1974, as Congress debated the possible impeachment of the President of the United States. During the Judiciary Committee deliberations, she stirred the national conscience when she declared, "My faith in the Constitution is whole, it is complete, it is total, and I am not going to sit here and be an idle spectator to the diminution, the subversion, and the destruction of the Constitution."

Barbara Jordan was also held in high esteem by the leaders in the White House. On two occasions, in 1976, and again in 1992, she was selected to deliver keynote speeches at party conventions. And, in 1994, we applauded as Barbara Jordan received the Nation's highest honor, the Presidential Medal of Freedom, from President Clinton. It represented a fitting tribute to a distinguished American.

Mr. Speaker, Barbara Jordan was a giant in the legal profession and one of America's greatest constitutional authorities. Her eloquent voice, impeccable integrity, and legal scholarship, elevated her to the top of the legal and political profession. She will be greatly missed. I and others in this Chamber bid her fair farewell with gratitude for the opportunity to have known her during her distinguished lifetime. I thank the gentlewoman for yielding to me.

Ms. JACKSON-LEE of Texas. I thank the honorable Congressperson LOU STOKES, for his eloquence and his recognition that this Congresswoman, Barbara Jordan, was good at her work. She was a good legislator. She was a legal scholar, and she took her work very seriously. In so doing, she made us proud and she upheld the Constitution. I thank my colleague for sharing with us and, of course, for being her friend.

It gives me great pleasure now to yield to her colleague who served with her in that momentous time as a member of the House Committee on the Judiciary in 1974. He remains a stellar Member of this body. He is, in fact, a senior member of Ways and Means, and I personally could see the anguish in his face as we funeralized this great lady. I welcome to the well the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, let me first thank the gentlewoman for taking the time out to give us a chance to pay honor to this great lady, a lady indeed of America and the world. My colleagues may not have known Mo Udall, but Mo was a beloved Member of this House, and before he left, once in the middle of the night, when the House was crowded and everyone wanted to go home, Mo came to the well of this House of Representatives and said, all that has to be said about this bill has already been said. And the House just burst out with deep appreciation. But then he added, but not everyone has said it.

I think when we talk about a great person and personality like Barbara Jordan, that once again we find ourselves in the position that most things have already been said. So I thought what could I add, and then that made me think more about Barbara. We sat together on that Committee on the Judiciary, as the gentleman from Ohio [Mr. STOKES] pointed out, side by side for the many weeks and months to determine and to deliberate whether or not the acts of the President of the United States, then President Nixon, had warranted us on the Committee on the Judiciary in voting for articles of impeachment, which, as everyone knows, means that it amounted to an indictment and a trial would later be had in the Senate.

Barbara was always more than adequately prepared to hear the testimony, to ask the appropriate question, and you would think that she was chief counsel of the committee if it was dependent on the quality of her preparation. But while some of us, especially those of us who have been former prosecutors, were framing the question in terms of trying to get the answers that we were probing for, I noticed that most of her questions were not to determine whether or not President Nixon had committed any wrongdoing, but whether or not the Members of the House were prepared to distort that Constitution in order to achieve a political goal, as some may think is going on now in the Senate.

□ 1830

Some have said that Barbara was not one to take fools lightly. And sitting next to her, I certainly did not intend to joke with her about the serious task that she had taken on. But as we had seen so many people tear apart the law as we would know it, she was there to defend the system to make certain it would be there for someone who needed the protection and the cloak of innocence of our Constitution.

But most of the time that I raised these questions to her, she would dismiss me, having already made up her mind, by saying, "There you go, Charles, up to mischief again."

And so why would I be any different tonight when I loved Barbara then and love her now and miss her now? And if there was anything that I would want her to say to me, it would be, "There you go again, Charles," with a smile on her face, "up to mischief again."

And I would be up to mischief tonight to say that this gracious lady will always be remembered in this country as a great American, as she should be.

She also will be remembered as one who wore the flag and the Constitution so close to her heart as if to say that she will take the stones and the arrows, but do not touch her precious Constitution. And as oft cited, reported, she would say that even those that knew that people like she were treated as chattel and property when the Constitution was written, she would dismiss it and say, it was a mistake and she is there to correct it.

But, Congresswoman LEE, the thing has to remain now that she is gone and invested her time, her energy, her eloquence in protecting that Constitution, will the United States of America and those who loved and cherished her allow that Constitution to be broad enough now to give the protection for the people that she loved the most, the people from the poverty-stricken rural areas where she came from that cannot rise to her height in physical, intellectual, or oracle skills?

Would those that pay tribute to her be prepared to say that she never accused them of racism, she never wore her sex or her race on her sleeve. She said, this country was rich enough, broad enough, cared enough that she did not have to say those things, it would work its way out.

At the funeral, so many said that Barbara is not gone, that she lives with us, and this means what she stood for lives with us.

If that is so, why does this Chamber look more like a Congressional Black Caucus meeting than a lady who concerned herself about the Congress only because it was part of the Constitution? When the President of the United States and the leader of the free world goes to Texas to pay tribute, is that not a sign that everybody, especially those in Texas, white or black, Mexican or nutmeg Jew, Gentile, Catholic, Protestant, should be there, because Barbara was not making mischief, she was making history to say that you do not have to make mischief to achieve? And she proved that it could be done, and she did in fact do it.

I do hope that when Barbara is remembered, that she is not thrown into the category of mischiefmakers, because they have a way of saying you pushed a little too hard, you were not sensitive to our political problems, or that sooner or later you would get all of the things that you are entitled to under the Constitution, because Barbara did not take issue with that. She knew it would work out.

I say in tribute to Barbara Jordan, this great American, why can everyone who loved her not take a page out of that book, and whether they come from Texas, they are a politician, a Member of Congress, whether they are black, whether they are a woman, remember that she gave everything she had to protect that parchment, and she did not just protect it for those people who look like her. She was protecting it for everybody in this country, even former President Richard Nixon.

If she could care that much to give up political objectives in order to protect this paper, why can every American who expects that paper to be there for them and their grandchildren not do a little something that Barbara would want them to do? Be less political, less partisan, less mean-spirited, and be more American, be more caring, be more what the forefathers wanted, and, that is, to work together, to live together, to make this a better country, more productive, and spend our energy and time in getting rid of poverty and disease instead of building up hatred and causing confrontations.

I tell the Congresswoman, in my humble opinion, she liked people to make mischief, but she did not believe that everyone had to do it the same way.

So why do we not pay tribute to her and do it Barbara's way, and, that is, to make certain that no matter where we come from, if we find someone that looks like Barbara, that may not be able to walk like Barbara, that may not be able to speak like Barbara, may not be able to command the presence that Barbara had for all of us, to remember she, too, he, too, they deserve the protection of this great document that she died with, held closely to her bosom.

That is the tribute that I think that you pay to an American. And that is the tribute that we should have all over America, not just in Houston, not just in Austin, not just here, not just with the Congressional Black Caucus, not just with the President of the United States but with every child in every valley regardless of complexion or religion to say, what a great person and how wonderful it was that America had such a wonderful defender.

I thank the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. I thank the gentleman. If he would just for a moment, you have raised a very solemn challenge. And for fear of anyone perceiving politics being involved, let me add that Barbara would always tell us in Texas that she did not fear being called a politician. She just wanted to be a good politician. And because we are where we are today, am I understanding the gentleman from New York to suggest that we in this great body today, in this era, in 1996, in the midst of our own discussions, might take a page from the life of this legacy, this American hero, about bringing interests together, diverse interests, about working for the common good, about the understanding that the Constitution and the whole American people are more important than the singular?

Am I understanding the gentleman almost instructing through her life that we might take that page, or 10 pages, out of that book and maybe in weeks and months to come, we would see our way clear to follow a cohesive pattern to work for all of America?

Mr. RANGEL. Dear gentlewoman, you have well described our Barbara Jordan and in doing so you described our Constitution and our great Republic.

Ms. JACKSON-LEE of Texas. I thank the gentleman.

Let me also appreciate my colleague and certainly in her own right a fighter, an advocate for equal rights and equal justice, a legal scholar herself and now the honorable Delegate from the District of Columbia. But as we all applaud and believe, equal under the law, and we are advocating that for her constituents and we applaud her work on their behalf, and she has come now to honor Barbara Jordan, the Honorable ELEANOR HOLMES NORTON of the District of Columbia.

Ms. NORTON. I thank the gentlewoman from Texas for her kind remarks, and I thank her even more for her leadership in taking out this special order.

May I say to the gentlewoman that I think that Members of this body would agree with me that even as a freshman, she is proving herself a worthy successor of Barbara Jordan.

Barbara Jordan was a great American. I intend for my few minutes to be devoted to proving that proposition.

Her presence was so awesome that she is likely to be remembered more for her voice and her style than for her substance. That would be just too bad.

For in this world it is not how you say what you have to say, it is indeed what you have to say. And if you have nothing to say, the most resonant voice should do you no good.

Why is it that when Barbara Jordan spoke, everybody listened? Was it really a matter of style? I submit that it was a matter of substance. To be sure, amplified by a very original and very forceful style. But I hope that we listened to what Barbara Jordan had to say, for here was a woman who had something to say.

We are inclined to look at our leaders in surface ways, especially in the age of television and demonstrations. I think of King and Malcolm. King is remembered today, for example, as the militant leader for equality and God knows he was that and perhaps that first and foremost. But if we look deeper into his life, there are parts of his life that have fallen back, because we look at the surface, we remember the obvious. We do not remember King the intellectual, King the advocate of racial harmony, King the pacifist, King the man who was extremely modest and self-effacing. We remember the marches, we remember the speeches. It is important to remember a person's whole life.

I want us to remember Barbara Jordan's whole life, not just her presence.

In the same way, I chuckle at the way people remember Malcolm X. Because I think most Americans remember Malcolm X as a militant black nationalist. I believe Malcolm would want you to remember him as he was at the end of his life, when he had renounced black racism along with white racism, when he had renounced anti-Semitism, and frankly almost all of his prior life, when he went to Mecca and came back and said, "I believe in the brotherhood"—and sisterhood, I think he would have had it. What I find awesome about Malcolm is his capacity to grow and change and learn and lead even if it meant his life.

Similarly, Barbara Jordan was not some bold, big-talking black woman who brought us a message of equality. She was that and she was so much more than that.

Her Watergate remarks are, of course, most remembered, the famous lines "We the people," "My faith in the Constitution is whole, it is complete, it is total." Those are not lines often spoken by many African-Americans.

And she spoke them not just because she believed she lived in a perfect democracy. She believed just the opposite. In that very speech, she began by saying, words to the effect, "I guess we can say We The People because now they have included me in We The People. They certainly didn't mean me when we started out."

Then she said, "By virtue of amendment, I too am now part of We The People." And in effect what she was saying was it took this Constitution a long time to get around to including me in We The People, I feel a special obligation to protect the Constitution, and I am not about to let it be subverted by the actions of even a President of the United States like Richard Nixon.

□ 1845

Her faith in the Constitution was total, because she had seen the evolution to include people like herself, and thus she believed that the country would reach its highest ideals and devoted much of her life talking in that idealistic fashion.

Of course, Barbara Jordan was an advocate for the downtrodden in the tradition of the Congressional Black Caucus. The gentleman from New York will be the first to tell you, she was there on all of those principles. But, as he said, people go at it in different ways, and she had her own special way.

What I will most remember about Barbara Jordan is fearless leadership. This sense of integrity made her rise above the political moment and made her whatever the political lashes on the shores might have been, made her true to whatever were her principles.

Here is a woman that deeply believed in equality across all racial lines and believed she ought to speak to her own people who were black and beyond.

Now, many African-Americans do not believe they should speak beyond, because it is very hard for them to get beyond. Life has been very difficult. So then, perhaps even more now, people speak out of their own experience and do not speak to the larger American experience.

Here is a woman that knew she had the capacity to do it, and felt it her obligation to do it. This capacity to lead is very important, because it means you can say difficult things. People will listen to you and they will be accepted.

About the easiest thing for me to say in my district, and I think it would probably be the case in the district of the gentlewoman from Texas now and then, would be to talk about equality and to talk about the things that, frankly, I love to talk about. I love to talk about how black is beautiful and I love to talk about black pride. But there are more difficult things to talk about then and now which really relate to the lines that are being drawn so that we increasingly live in isolated worlds.

Look, we can do that. We can do that. But if we do that enough, we are courting danger.

When I looked at her words, I see a constant theme running through everything she said and everything she wrote. It was that here is this black woman, over and over again she said we are all one people. Do not succumb to balkanization and polarization. It is the worst, not the best in America. We have helped America find their way out of this. Do not do it.

She was speaking against the grain of the time, and she continued to speak to that theme to the end of her life. On National Public Radio I heard her words most recently spoken in which she said she was astonished at racial separation, segregation, polarization. Much of it she said was self-imposed. Here was Barbara Jordan speaking at the end of her life in ways that almost no black Americans are speaking today.

I pulled out her remarks from the Democratic Convention in 1992, and let me read a few sentences. Here is Barbara Jordan. Here is how she will be remembered by her country.

> We are one. We are Americans, and we reject any intruder who seeks to divide us by race or class. We honor cultural identity. However, separatism is not allowed. Separatism is not the American way, and we should not permit ideas like political correctness to become some fad that could reverse our hard won achievements in civil rights and human rights.

The fact is Barbara Jordan had the moral authority to say that, without appearing to be any less committed to equality and to the beauty of blackness. She had the capacity to be a teacher, and she insisted upon teaching, she insisted upon leading, she would not simply go with the crowd. That is the kind of leadership we need today in a country where we see less and less of the sense of community, more and more of the sense of I have got mine, you ought to get out there and get yours, less and less of a sense that we are all one big insurance policy. An insurance policy is a vehicle where we are all in it and some of us need it sometimes and some of us never need it. If we are not that kind of community, if we are not that kind of federation, then we are not living in the tradition of Barbara Jordan.

Yes, I feel a special debt to Barbara Jordan as an American black woman in political life. But her debtors are far greater. She was a political pioneer who never stopped changing our country for the better. She was never cynical about her country, and she inspired those who were to reach above the low point of Watergate that they could indeed reach to the ideals that her country had yet to reach.

Her remarks at the Watergate hearings, by far her most memorable, will, I think, be remembered by history precisely because of the skillful blend of criticism and idealism. They were both in that speech.

Barbara Jordan was both a pioneer and a political mentor to thousands of women. She encouraged by example to engage in politics at every level. Through her commanding presence, she taught women, especially black women, that they could take charge. Active until the end of her productive and fruitful life, Barbara Jordan never stopped leading. She never stopped serving. We will not stop remembering.

I thank the gentlewoman.

Ms. JACKSON-LEE of Texas. I thank the gentlewoman from the District of Columbia. Might I just say something, as I indicated to the gentleman from New York: You taught, as many of us are aware. The last years of the congresswoman's life was spent as a professor. Many asked me many times as I traveled around the country, "How is Barbara? Where is she?"

She was fine. She was absolutely enjoying what she was doing, which was being able to create in reality for students, young people, what the Constitution meant. Many of her friends remember her fondly as B.J., and some of the students, more brave than others, called her that as well.

But you are so right about what she meant to us, how she stood. In her first congressional campaign she said "Many blacks are militant in their guts, but they act it out in different ways." She was that kind of person. I will not say woman or African-American.

She clearly frustrated a lot of the groups, women, minorities, African-Americans, liberals. And I remember that voice saying, "I do not want to be a symbol for anything." Harsh? I think not. It was simply what the gentlewoman said. She had a view of this country, and if there was something right to do, B.J. would be there doing it rightly under the Constitution.

I think we can be so gratified that that kind of person lived, and in fact that she was true to her values to the very end.

I see the gentleman from Connecticut, and I would be happy to yield a moment to my friend from Connecticut, Mr. SHAYS.

Mr. SHAYS. It would be just a moment. I found myself walking through this Chamber and being captivated by your discussion of an extraordinarily great woman. I have found the most patriotic people in our black churches, and it always amazed me how the African-American community could be so patriotic, given the heritage that brought them to this magnificent country. And Barbara Jordan gave me more pride in our country than I think almost anyone else.

You talk about what an extraordinary leader. I consider her an extraordinary teacher. I remember her in my early days, watching her as a new Member, and I was astounded by this woman.

Now, I know the gentlewoman from Texas is from Texas, but people from Texas are different than anywhere else. Finding this black Texan talking, I was not first sure if she was a Texan first, or someone speaking for the black community first, or just someone speaking as a true American.

I resolved my question mark. She was just a true American patriot who wanted to teach this American community a lot, and in the process she taught herself a lot. We learned so much from seeing her life. Her death is a tremendous loss.

I just would conclude by saying to you, sometimes people say who would you have most liked to meet? Who would you most like to sit down with and just have a wonderful conversation?

They are not actors, and I thought they are really not politicians. I remember a few people I would have liked to have had a discussion with. And when I learned that Barbara Jordan had passed away, I thought that was the woman, that was the person, I should have answered, because, boy, I would have loved to have sat down with her, like many of you have for many discussions, and just had that precious opportunity to talk with a great, great, great American.

I thank you for letting me participate in this. I have been listening, and I have been captivated by what you all have been saying. CHARLIE, you always get me. So thank you for letting me participate and express my tremendous admiration for this great American.

Ms. JACKSON-LEE of Texas. You are very kind for your words. Clearly, you might have been asking me the question of what was the intonation or the accent that the Congresswoman seemed to exhibit.

I will tell you she was most proud of the fact that she debated the Harvard debate team and brought them to a draw. I think maybe she might have brought a bit of that tone from Boston University, but she was most proud she put Harvard in a draw, and she said "That is a win." Maybe that is when she adopted that intonation from the New England States.

Clearly she was a person who had a sense of humor. She had a deep belly laugh, as many said at the memorial service at Texas Southern University on Sunday. She clearly had a purpose. I am glad to hear you offer your admiration for her.

I will add one point, as I bring the chairman of the Black Caucus to also commemorate and honor her, she said something quite humorous. We were in the midst, Congressman RANGEL, of waiting on the Supreme Court's determination about these redistricts or districting. One of those seats happens to be one that the Senator Barbara Jordan drew. It is the 18th Congressional District. She was proud to say that she knew the law and she drew it within the law; and she drew it not to exclude, but to include.

I would think if we just carried that message forward, we would settle all these lawsuits, because no one could deny anyone being included. She did it with the aplomb and the humor, but as well the points that you have offered as points of admiration.

So I think she is a national hero for all of us, no matter what walk of life we came from, no matter if we were in the suburbs or urban centers. She also deflected anyone saying she was from a black ghetto. She said, "When we grew up, we did not know we were poor and we didn't act like it." That is a challenge for our young people today in this country.

So I appreciate you being here.

Mr. CONYERS. Mr. Speaker, I rise today in honor of Barbara Jordan, our distinguished colleague who recently passed. I had the privilege to serve with her in this body, and on the Judiciary and Government Operations Committees. The 6 years we served together gave me the fortunate opportunity to work with a true leader. I also want to thank the distinguished gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, for calling this important special order.

Barbara Jordan was one of the few Members of Congress whose influence was felt from the moment she arrived. Her powerful intellect and her logical approach to the legislative process made her formidable throughout her career. It is easy for me to remember that she influenced my decisions more frequently than I hers. I know many of my colleagues here tonight would agree with that statement.

In addition to her incredible gift of oratory, she carefully reasoned her way through the end to what Government policy might best be for our country. Barbara dedicated her career to fighting for those who couldn't fight for themselves. As the first African-American woman elected from the South in the 20th century, she worked hard to continue the Federal protection of civil rights. She worked to improve the Voting Rights Act of 1965 by extending its merits to Hispanic-Americans, native Americans, and Asian-Americans. She was also the author of the Consumer Goods Pricing Act of 1975.

Many will remember Barbara Jordan from her role in the Watergate hearings. Barbara's remarkable oratory, her passion for the Constitution and public service, and her commitment to the democratic processes helped guide the Nation during some of our most troubling and soul-searching days. She was a critical figure at a pivotal time for our Nation and for the House. She helped us see the way through a turbulent time.

We cannot forget that Barbara Jordan was the first African-American and the first woman to serve as a keynote speaker at a Democratic National Convention when she spoke in 1976. She served as a keynote speaker again in New York at the 1992 Democratic Convention. Her words helped remind us, both times, why we were Democrats and what we needed to do to fulfill our commitment to working Americans.

I will never forget Barbara Jordan. She did everything with unlimited passion and commitment and was one of the most thoughtful Members of Congress I have ever worked with. She touched the lives of thousands of Americans, and was a wonderful source of strength to everyone that met her.

Mr. CLAY. Mr. Speaker, I rise to pay tribute to my dear departed friend and former colleague, the Honorable Barbara Jordan.

Barbara will be remembered as a vibrant, dynamic force for good who touched our lives in a special way. Her sense of common decency and search for simple justice was heard everywhere she went and felt by the millions she met. Her overpowering self consumed our minds, our inner thoughts, and our consciences, and indeed inspired us onward and upward.

Many who did not know Barbara, as some of us in Congress, will say that the world will never be the same without her. But I must admonish them that the world is not the same because of Barbara. She truly was a person who did make a difference.

The Congressional Black Caucus honored Barbara Jordan for her devoted service in 1978. I had the privilege of paying tribute to her at the CBC Eighth Annual Awards Dinner. In my salute, I said:

> Tonight the Congressional Black Caucus presents its Special Awards to two outstanding members of our organization. My privilege, indeed my honor, is to acknowledge the contributions of one of them, Barbara Jordan. Barbara Jordan has been to the Congressional Black Caucus what Hubert Humphrey was to the Democratic Farmer's Labor Party in Minnesota, what Susan B. Anthony was to the suffrage movement, what Jackie Robinson was to baseball, what Sojourner Truth was to early freedom fighters. She has been our guiding light, our trailblazer.
>
> Barbara is what the E.F. Hutton commercial says—when she speaks, people listen. They listen not only in the halls of Congress and the inner sanctums of the Oval Office, but also in the towns and hamlets of America. They listen in the cities and the urban areas. They listen in the corporate board rooms and the living rooms. But even more important, they listen in the school rooms and the pool rooms. And what they hear is a beautiful black woman with pathos and passion, brilliantly articulating the omens of ill-fated clouds which hang so ominously over Western culture. They hear a voice so powerful, so awesome, so imposing that it cannot not be ignored and will never be silenced. What they hear is a voice verbalizing the hopes, frustrations, aspirations of millions who have no way themselves to effectively communicate with those who dictate the social, political and economic order.
>
> Barbara Jordan is Barbara Jordan because she refused to let modesty prevail over truth, because she has refused to accept this nation as it is, because she has demanded it become what it ought to be.
>
> In the words of Marvin Gaye, Barbara is devoted to an idea of "saving the children and saving a world destined to die." In the words of Gladys Knight, Barbara is the "best thing that ever happened" to the Black Caucus. In the words of the Commodores, Barbara is "once, twice, three times a lady."
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> Tonight, we, the members of the CBC, proudly recognize a person who carved a niche in the hearts of the American public by her probing, penetrating questions during the impeachment hearings, a person who lifted the hearts of those Americans with her sterling oratory at the Democratic National Convention. Tonight, we pay homage to the drum majorette of justice and equality, the Black Rose of Texas, Barbara Jordan.

A young girl lying on her death bed wrote a testimonial to her mother. She said, "Try as we may, we cannot number our days. The best that we all can do as children of God is do our part to fill our days with things that count." Barbara, in that short interval between birth and death, filled those days with things that counted.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in remembrance of a wonderful woman, a former Member of Congress and a great Texan, Ms. Barbara Jordan. Ms. Jordan passed away on Wednesday, January 17, 1996, and all of Texas will miss her dearly.

She was born into poverty during the Depression in Houston's fifth ward, the most segregated neighborhood in Texas. As a young politician, she earned and demanded respect among experienced politicians at the top of power in Texas which sealed their great respect for her.

She served well in the House of Representatives and subsequently as a teacher at the University of Texas. Most recently, she gave much of her time as the Chairwoman of the U.S. Commission on Immigration. I will always remember her efforts to unite her community, the State of Texas and the Nation as a whole.

Barbara Jordan may have been best known for her participation in the Watergate hearings, but she will always be remembered by Texans as a leader and a teacher. She was a strong proponent of teaching English and American history in order to bring all of us together as Americans. She will be remembered by many of us for different reasons. Many will remember her as a colleague, and many as a teacher.

One Saturday in June 1972, Barbara Jordan was "Governor For A Day" in the State of Texas. I am still amazed at the record number of people of all races that converged on the State capitol that day. Also I will remember her close work with Oscar Mauzy, Ms. Jordan's fellow fifth ward of Texas resident.

Barbara Jordan followed her conscience and did what she thought was right. When she spoke everyone listened, and when people spoke to her, she listened to them.

She will be missed by all of us. Texas and the Nation has lost a friend. But her wisdom, I hope, will continue to be heard and felt in the halls of Congress and around the Nation.

Mrs. MEEK of Florida. Mr. Speaker, I am deeply saddened to hear of Barbara Jordan's untimely death.

When she spoke with her Jehovah-like voice, it was like a powerful voice from on high. She was a great American patriot whose dedication to public service and unshakable faith in, and love of, the Constitution served her well, earning her national recognition during the Watergate impeachment hearings. When she spoke of the Constitution, her tremendous voice resonated and made it sound like the Founding Fathers themselves were speaking.

She personified the principles of ethics, justice, and compassion.

Her untimely death is a major loss to the citizens of this great Nation, particularly as we seek to resolve the difficult public policy questions confronting our country. We have lost an outstanding public servant. We will miss her advice and counsel. She leaves a great legacy that challenges all of us to rededicate ourselves to the principles of freedom and equality for all Americans.

With her eloquent voice, she spoke for ordinary Americans in a language that all could understand. To those who felt disheartened, she made them believe that they too were included in the American dream.

She will be a constant reminder of the power of integrity and fairness.

I will always remember her. The Nation has lost a treasure and a powerful friend.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am honored now to be able to yield to the distinguished gentleman from New Jersey, someone who in his own political career certainly has exuded the principles of the late Barbara Jordan, and that is the chairperson of the Black Caucus, DONALD PAYNE.

Mr. PAYNE of New Jersey. I thank the gentlewoman for yielding. Let me commend the gentlewoman from Texas for bringing this special order tonight, and also to say that your leadership here in your year in the House is, I think, something in the tradition of Barbara Jordan. I know those are big shoes to fill, but you have brought a great deal of dignity and self-respect, a great deal of knowledge into our House, and you should be commended for that.

Mr. Speaker, as chairman of the Congressional Black Caucus, I am very pleased to participate in this special order, to join in this tribute to a very extraordinary American, whose service here in the U.S. House of Representatives earned her a national reputation, the Honorable Barbara Jordan.

□ 1900

A graduate of Boston University's school of law, Ms. Jordan served as administrative assistant to Harris County Judge Bill Elliot in the early 1960's.

In 1966, she made history through her election as the first African-American since 1883 to serve in the Texas Senate and did an outstanding, credible job there. After winning reelection to that office, she achieved another historical first for the State of Texas in 1972, when she captured the seat to serve in the 18th District of Texas in the U.S. House of Representatives.

Although she was a newcomer, a freshman, a Member of the House of Representatives during the tumultuous 93d Congress when the Watergate scandal unfolded, as you heard earlier, she gained national reputation and respect through her eloquent performance during the House Committee on the Judiciary impeachment hearings, which was chaired by my predecessor, Peter Rodino.

Peter Rodino used to talk many hours about the Watergate investigation, but any time he would lecture about Watergate. He is currently a professor at the Seton Hall School of Justice, the law school in Newark that is named after him, the Peter Rodino School of Social Justice.

He would talk about Barbara Jordan and her interpretation of the Constitution, her eloquence, the way when she spoke everyone listened, and I felt that I knew Barbara personally because of Congressman Rodino and his experience there with her.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I know that my time is ending, and I am interested in the gentleman having the opportunity to conclude his remarks, and I would ask the gentleman from Pennsylvania, Mr. WELDON, my dear friend, as his hour begins, might he yield a few minutes for Chairman PAYNE to conclude and for me to conclude with one or two sentences?

RECENT VISIT TO RUSSIA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I am happy to yield such time as our friend may consume for the purpose of continuing his remarks.

TRIBUTE TO BARBARA JORDAN

Mr. PAYNE of New Jersey. Thank you very much, and I will be brief.

Representative Jordan's passion for a more just world was unsurpassed. She confirmed her vision in support of civil rights laws that would make our society a more equitable society. In June of 1975, when the House was extending the Voting Rights Act of 1965 for 10 additional years, she sponsored that legislation that broadened the group that would include Hispanic-Americans, Asian-Americans, and native Americans. In 1976 she was the first woman and the first African-American to deliver a keynote address at the Democratic national convention.

She left the Congress to pursue her teaching career as a professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas in Austin to teach and to work with students, young people whom she loved.

Barbara Jordan will be remembered as a tower of strength whose unshakable strength saw us through a national crisis. She will forever remain a shining example of integrity, of courage in public service.

I know that my colleagues join me in extending our condolences to her family and her friends. No doubt it is some comfort to know that future generations will continue to draw on the inspiration from her remarkable life and work.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I ask unanimous consent to allow Members to have 5 days to revise and extend, and I thank the gentleman from Pennsylvania [Mr. WELDON] for allowing us to honor this great American and great lady.

Mr. WELDON of Pennsylvania. Mr. Speaker, I was very happy to yield to our good friends in continuing the special order in honor of one of the Nation's great leaders. I join with them, as a Member of the Republican Party, in paying tribute to the late Barbara Jordan for all the fine work she did, not just on behalf of the constituents that she represented in Texas, but for people all over this country who had the highest respect for her leadership in this Congress and after she left this Congress.

Mr. Speaker, my special order this evening is going to focus on a recent trip that I took last week to the former Soviet Union, to Russia, to talk about events that unfolded there; some special initiatives that I was able to convey to the new speaker of the Russian Duma, and to an assessment of what is happening politically inside of Russia.

Mr. Speaker, earlier today I was on the House floor in a very emotional speech discussing the recent efforts by the Committee on National Security to remove National Missile Defense considerations from our defense authorization bill. As the chairman of the research and development subcommittee, I fought hard to include language in that bill originally, that was vetoed by President Clinton, that would have allowed this country to move forward in terms of developing an allowable missile defense capability similar to that the Russians already had under the ABM treaty. Unfortunately, and I think largely because of misinformation, we were never able to accomplish that, and had to pull that section from the bill.

In my discussions, I talked about some of the problems that exist between our country and Russia. With that in mind, I rise tonight, Mr. Speaker, to talk about a recent trip and the broader efforts that I have undertaken to build a base, a foundation, if you will, between the people of Russia, between members of the Duma and the Federation Counsel in Russia and Members of this Congress.

Mr. Speaker, my interest in Russia goes back to my college days where my undergraduate degree is in Russian studies. Twenty years ago, I spoke the language fluently and studied the culture, the people, the history, the government, and all the various aspects of Russian society. My language skills are not so competent today, but I can still communicate fairly well with Russian leaders.

Over the past 20 years, I have been able to host a number of visiting Russians on trips to this country, and I have had the opportunity to travel to the former Soviet Union, and Russia in particular, on six or seven occasions.

During my tenure in Congress, Mr. Speaker, as a member of the Committee on National Security, I would characterize myself as a hard-liner when it comes to military and foreign policy relations with the former Soviet Union, now Russia. However, I take great pride in the efforts to reach out and establish a solid base of understanding and a cooperative effort at working with the Russians to achieve the common objective of stability for the people of Russia and the surrounding former Soviet republics.

As a matter of fact, 3 years ago Congressman GREG LAUGHLIN, then a Democrat, and I formed the FSU American Energy Caucus. The purpose of this caucus is to foster improved relations in our Congress, as well as in the Russian Duma, to support joint venture agreements with American energy companies wanting to do business in the former Soviet States.

Over the past 3 years, we have worked with the major energy corporations and have helped complete agreements on both Sakhalin I and Sakhalin II, the two largest energy deals in the history of the world that are currently underway in the area around Sakhalin Island in Eastern Siberia in Russia. Those two projects, along with Sakhalin III which is now under negotiations, will see between 50 and 70 billion dollars worth of western investment go into Russia to help them develop the one resource that they have significant amounts of, and that is their energy resources.

Mr. Speaker, these deals are not just good for Russia in helping them bring in the hard currency they need and create jobs they need and helps them stabilize their economy, but it is also good for America. It reduces our dependency on Middle Eastern crude and allows us to create joint ventures to obtain new sources of energy that we can use in this Nation.

The energy caucus has also allowed us to form direct ties with elected members of the Russian Duma as well as elected parliamentarians in the other energy-rich republics, namely Azerbaijan and Turkmenistan and Tajikistan and some of the other republics where there are valuable energy resources.

Two years ago, in an effort to reach out to the Russians on another issue, I joined the GLOBE, Global Legislators for a Balanced Environment to focus on energy initiatives with the elected leaders inside of Russia to show that we can work together for common environmental problems.

In fact, we have focused particularly on our concerns relative to the practice of the Russians over the past 30 years of dumping their nuclear wastes in the Arctic ocean, the sea of Japan, the Bering Sea, and other coastal waters that border various parts of Russia and the former Soviet States.

To that end, Mr. Speaker, GLOBE has established a working group, which I chair, on the oceans involving legislators from the Russian Duma, the Japanese Diet, and the European Parliament. We meet on average twice a year and look to find ways that we can work together, again, on environmental issues, but again bringing elected parliamentarians together so that we can establish a base of understanding and cooperation that can help us deal with some of the more difficult issues that confront our two nations.

Just last spring, a group of Russian Duma members visited Washington who belonged to the Duma defense committee and along with my chairman, the gentleman from South Carolina, Mr. SPENCE, and my colleagues, the gentleman from California, DUNCAN HUNTER, and the gentleman from Louisiana, BOB LIVINGSTON.

We met behind closed doors for about 2 hours to discuss relations with Russian Duma members who are involved in defense and foreign policy issues with members of our defense and foreign policy concerns. We had very frank and candid discussions about everything from the ABM Treaty to the START II Treaty to conventional weapons to NATO expansion, missile treaty issues and anything you could think of in that realm. They were very worthwhile discussions.

I proposed at that time that we establish a formal process that Members of Congress meet regularly with members of the Russian Duma defense committees. Mr. Speaker, there were three areas that we focused on in an effort to build a stable working relationship with members of the Russian parliament, the Duma.

Especially with the elections just occurring in December, it was all the more reason why we in this Congress have to work to better understand where Russia is going and the mind-set of the Russian people and its leadership.

With those thoughts in mind, Mr. Speaker, I approached you back in December of last year and suggested that you take a leadership role and write to the new speaker of the Russian Duma, who would be elected in January of this year, offering to establish a formal Russian Duma to Congress study group modeled after our Congress-Bundestag study group that works so closely with the German Bundestag.

The purpose of this effort would be to have the Speaker to our Congress and the Speaker of the Russian Duma agree that it would be in the interests of both countries to have our elected parliamentarians work together in a very close way on a number of issues, namely, energy, the environment, business issues, defense issues, foreign policy issues, but even going beyond that to issues involving perhaps domestic policy considerations. Not only can we discuss particular issues and try to find common solutions, but work to develop relationships that can allow us to understand each other and also to deal with these tough issues where we, in fact, are going to disagree: Some of the treaty issues for instance, that we discussed on the House floor earlier today.

With that in mind, Mr. Speaker, you drafted a letter that I was able to hand deliver to Moscow as a part of my trip last week. I will document the process that we went through to deliver what I think is one of the most innovative initiatives that has come out of this Congress in terms of working to stabilize relations with the elected officials inside of Russia.

We also, in that letter, carried your suggstion, Mr. Speaker, to establish a new direct computer linkage between Members of the American Congress and Members of the Russian Duma, ultimately elected parliamentarians around the world, so that we have access through a worldwide web of communication instantly to knock down some of the misconceptions, some of the half-truths, and some of the problems that occur from time to time when misinformation gets into our hands and perhaps when misinformation gets into the hands of the Russian elected officials.

Those were the suggestions that were contained in your letter that I delivered on your behalf, and I can tell you, Mr. Speaker, the response that I got in Moscow last week was extremely positive to both of the suggestions. Hopefully, very quickly, we can work to turn those into reality.

But let me backtrack a minute, Mr. Speaker, and talk about the first part of the trip and what we set out to accomplish. Arriving in St. Petersburg on Sunday, the small group that was traveling with me, which included Air Force liaison Steve Bull, Colonel Bull, and full committee staff member Dave Trachtenberg. We were to become participants in the conference sponsored by the ACPS organization. ACPS is the Advisory Council on the Protection of the Seas.

This assemblage of approximately 175 leaders from most of the nations that border the seas of the world was designed to provide a particular focus on the problem of Arctic nuclear waste dumping. As the Vice President of ACPS for the United States, my job was to represent our country and to convey the message that we in this Congress not only wanted to work with our colleagues and other nations involved with ACPS, but that we felt it of the highest urgency that Russia deal with this issue of disposing of their nuclear waste in a safe manner.

Mr. Speaker, we are all aware of the Yablakov report. It was developed written and released by Alexi Yablakov, a friend of mine and perhaps one of the most outspoken Russian activist on environmental issues in the country. He has been a member of President Yeltsin's National Security Council and a key advisor to Yeltsin on environmental issues and prior to that was an advisor to Gorbachev.

It was under President Yeltsin's leadership that Yablakov was able to document for the first time the worst fears about what Russia and the former Soviet Union had been doing in terms of dumping its nuclear waste into the open seas.

□ 1915

The conference in St. Petersburg, Mr. Speaker, allowed us to focus in a positive way with the Russians. Two-thirds of the attendees there were Russian leaders, including leadership of the Russian Navy, to focus on a common solution working together to allow us to convince the Russians to stop dumping their waste in the oceans and to stop the uncontrolled pollution, especially from their nuclear waste that has occurred for the past three decades.

While there were a lot of technical sessions that were held during the three-day conference, the end result was that we received some limited assurances from the Russians that for the time being they will in fact abide by the London convention. They did not say they would actually sign the London convention, which would allow them to take a formal step to acknowledge they would no longer dump, but they agreed to as much as possible hold off on dumping of nuclear waste.

Also at the conference, Mr. Speaker, we outlined steps that we are taking in this country, through the cooperative threat reduction program, to assist the Russians in disposing of their nuclear waste. They do not have the technology. They do not have the resources. And part of what we have done through the Navy over the past 3 years is that we have provided approximately

$30 million that we have controlled that has allowed the Russians to assess the impact that the disposal of that nuclear waste has caused on the seas, both in the northern area where the northern fleet is headquartered and out in the eastern part of Siberia in the Sea of Japan.

The leverage that we were able to obtain by putting that relatively small amount of money up to help deal with a very serious world problem has now seen the Japanese and the South Koreans come forward with money that is allowing them to help finance a similar solution for Russia's nuclear waste out on the Pacific fleet and in the area of Vladivostok. And the Pacific fleet itself. So the good news coming out of the ACOPS conference was that we have a working relationship with Russia that we can build on, that the leadership of the Russian Duma, that the leadership of the Russian military understands that it is in both of our interests to work together to find common ways of preventing additional dumping of this raw material into the seas of the world.

Why is this so important to America? Obviously for those who live in Alaska and Hawaii, the potential threat from polluted materials and polluted marine environment from coming into the waters off Alaska is real and it is significant. That is why over the past several years Senator TED STEVENS and Congressman DON YOUNG and Senator FRANK MURKOWSKI have been outspoken leaders in both houses of this Congress on the issue of working with the Russians to help deal with this problem of nuclear waste disposal.

So all in all, our efforts in St. Petersburg, I think, were worthwhile and will lead to further efforts to assist the Russians in acknowledging the past practices that have caused worldwide environmental problems and to keep their feet to the fire in terms of helping them find solutions that will prevent these kinds of shortsighted actions taking place in the future.

While in St. Petersburg, Mr. Speaker, we visited the Baltic shipyard. The Baltic Shipyard is the largest shipyard in St. Petersburg, currently employing about 8,000 workers. It is the shipyard where much of the construction of the Soviet Navy took place. In fact, it is where all of the *Kirov*-class warships were built.

While we were there, we were able to go up and stand next to and see the latest warship built by the Russians, the Peter the Great, which is a nuclear powered cruiser, very capable ship that is the newest ship in the Russian fleet, just launched this past year, and which has just completed its first sea trials.

We had some very frank discussions with the management of the Baltic Shipyard about their capabilities. We were given a comprehensive tour of that shipyard, both inside and out, propeller shop, inside construction facilities, to see firsthand what is taking place there.

In addition to those visits, in a meeting that we held with the leadership of the Baltic Shipyard on Tuesday, we delivered a report that was the result of an effort a year earlier where Members of this Congress went to Russia with the idea of helping to find a way to convert that shipyard away from building warships and into the field of environmental decontamination so that the Russians could take all of their surplus navy vessels that are heavily contaminated with PCB's, with ozone-depleting gases, with carcinogenic paints, with sludge material on the bottom of their hulls, to show their workers, who used to build these ships, that we could employ them or they could be employed in new technologies to clean them up. Then once the ships were clean, that the scrap value of those ships would allow them to be taken apart in Russian shipyards, perhaps the Baltic shipyard itself or in shipyards in America that have been hurting for work.

We delivered the report to the Russian leadership and with it came the recommendations for the next step in helping to move that project forward. I am optimistic, Mr. Speaker, that we can work with the Russians to help continue to convert that Baltic shipyard into more nondefense uses, especially in the environmental decontamination area.

Leaving St. Petersburg, Mr. Speaker, dealing with environmental issues, we traveled to Moscow and the second part of our trip focused on relations with the new Russian Duma members and to assess the situation as the Duma met in fact on that Monday that we arrived there for the first time ever.

Mr. Speaker, the election results in terms of who won the Duma were quite interesting and certainly point up the fact that we in this Congress need to understand which parties in fact are in control right now in Russia.

While we were in Moscow, I was able to meet with leaders of the four major parties who were successful in the December elections. As we all know, Mr. Speaker, the Russian State Duma has 450 elected officials. Control of that entire Duma was up in the December elections. And even though Boris Yeltsin made a very impassioned plea to maintain the control of the Duma with that party most aligned with his position on key issues, that in fact was not the case. It was not the outcome of the elections.

In fact, Mr. Speaker, as we all know, the Communist Party, making a resurgence in Moscow, dominated the local elections and, in fact, were able to elect 158 members to the new Duma, far and away more than any other faction politically in Russia. Coming in second was the Liberal Democratic Party, that party headed by Vladimir Zhirinovsky, someone with whom the West has got to interact and understand because of some of the radical positions that he has taken in the past. Zhirinovsky's party, Mr. Speaker, did not do as well as he had hoped and certainly that is good news for us, but in fact did garner 51 seats in the new Duma.

In addition, another major party winning significant support in the Duma was the Our Home is Russia Party, which is the party of Viktor Chernomyrdin and the party most closely aligned with Yeltsin. That party was only able to secure a total of 54 votes in the Duma elections.

And finally, the fourth major party getting a significant seat in terms of the Duma and in terms of the factional interests was the Yablakov Party, headed by Grigory Yavlinsky. That party is also more of a mainstream party, and they only achieved 45 seats in the Duma.

Following those four key parties, a number of smaller parties, the Agrarian Party, the Women of Russia Party received lesser votes, but because of the requirement in the Russian constitution that for full recognition a party had to achieve 5 percent of the electorate in the Duma elections, none of them were able to make that cutoff. So while they have Members in the Duma, they do not have the status that the four major parties that I just mentioned have.

In fact, the Independents, with 77 members, are a very large bloc but they are not organized and they are not recognized because they represent various independent factions.

The point is, Mr. Speaker, that with your effort in mind, with the two-page letter that you gave me to hand deliver to members of the Russian Duma, I was able to meet with each of the various political factions to discuss with them your ideas and the notion that I put to you back in December about establishing this new interactive network between members of the Russian Duma and the major political factions and Members of our Congress, both Democrats and Republicans.

Mr. Speaker, we met with Zhirinovsky's top aide, Mr. Mitrofanov, who is a member of the Russian Duma and in fact is now chairing the party dealing with worldwide issues. We had a very frank and candid discussion with him. And I can tell you, Mr. Speaker, the response that he brought to us from Zhirinovsky's party was extremely supportive, wanting to reach out and work in a positive way with both of the suggestions that were contained in your letter.

The suggestion about the permanent Duma to Congress forum and the suggestion about the worldwide internet we would establish starting off with our Congress and their Duma.

The second meeting with Mr. Averchev, Vladimir Averchev, who is a member of the Yablakov party, a close associate of Mr. Lukin. And Mr. Averchev was very enthusiastic about the suggestion you made and offered his personal support to help build the coalition of members of the Duma from the various political factions to turn your suggestions into reality.

And on the following day of our visit to Moscow, I had a chance to meet with Aleksey Arbatov, a leader on the Duma defense establishment. He, too, was extremely excited about the possibility of implementing both of your suggestions.

I also had a chance to visit the Kremlin and to meet with President Yeltsin's key advisors on defense issues, particularly treaty issues, ABM, START II. And each of those key advisors, in particular, Mr. Kortunov, were extremely excited about the initiative that you have put forth.

So, Mr. Speaker, I can tell you today and report back to you and to our colleagues in this body and to the people of America that you have, I think, created a landmark effort, very early on in this new Russian Duma, to reach out in a clear way to establish a working relationship that will help us establish a base of operation and understanding between our parliamentarians but, more importantly, to be able to deal with the difficult issues where we will not be in such agreement, and some of those were discussed on the floor of the House today relative to our defense bill.

So the ball is now in the Russians' court. We anticipate a response from the new speaker in a matter of weeks and, Mr. Speaker, we hope that that response will be very positive.

A word about the new speaker. While we were in Moscow, we had a difficult time delivering your letter, Mr. Speaker, because it was not until Thursday evening that the Duma could, in fact, agree on who the new speaker should be. As you know, Mr. Rybkin has been the past speaker in the Russian Duma. Mr. Rybkin represents more of the traditional political groups that have supported President Yeltsin's policies.

In the first vote, Mr. Rybkin only achieved a total of 116 votes. Mr. Seleznyov, who was the candidate for the Communist Party, Gennadi Seleznyov received a total of 216 votes, and the third party candidate, Mr. Lukin, from the Yablokov Party, received 56 votes.

No one achieved the required number of 226 votes to be named Speaker of the new Russian Duma. Therefore, it was impossible on Wednesday to deliver your letter.

On Thursday evening, after a lot of political give and take and a lot of horse trading in terms of committee leadership assignments, the various factions were able to come together and in fact elected a new Speaker for the Russian Duma. By a vote of 231 for the Speaker of the Russian Duma, Gennadi Seleznyov is in October the new Speaker, someone to whom your letter was delivered and whom I hope you will have an ongoing relationship with.

Now, it scares many in this country that the new Speaker of the Russian Parliament is a Communist. And it certainly is something that we have to look at. But the word that I got from those who know him and from those around him is that he is someone that we can deal with. I think it is going to be very difficult for him to revert back to the pre-Russia days and the days of the former Soviet bloc status, but he is in power. He represents the largest party faction, and we need to make sure that we work with him and, as we have done on your behalf, Mr. Speaker, reach out to him in a hand of friendship to say, let us work together.

Coming in second in that vote again was Mr. Rybkin with 150 votes and in third place again was Mr. Lukin with 50 votes. As a matter of fact, I was with Mr. Lukin as he went down to cast his vote. He knew he would lose. But in working a deal, the Yablakov Party was able to preserve two of the most powerful committee assignments in the Russian Duma.

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Mr. Speaker, they were able to keep control of the Committee on International Relations, and they were also able to keep control of the Committee on the Budget. So it was, in fact, a brokered election. Mr. Seleznyov is, in fact, the new speaker. In fact, I wished him well and gave him your letter, and we now await his response.

Mr. Speaker, as I mentioned, the response from the Duma members that I met with was extremely positive. I had a chance to travel the halls of their Duma, much like our halls around our Congress, to interact with members and their staffs, to see firsthand the early days of the Duma organization. I implore you, Mr. Speaker, as soon as we get the official nod, to allow us to begin this process of aggressive interaction.

Mr. Speaker, what I envision are a series of subgroups focused on energy issues, on environmental issues, on defense and foreign policy issues, on issues involving adoption. One of our meetings was on that very subject with Mr. Lukin's top aide, to try to clarify some of the adoption laws for those Americans who want to adopt Russian native children but who are prevented right now because of the laws in their country; working on issues involving education, issues where we can find common ground, not necessarily to reach full agreement but, in the end, to build better understanding and a better foundation.

Mr. Speaker, I had some other meetings I want to briefly highlight while we were there. In terms of the energy caucus, we did meet with the major energy companies who have a presence in Moscow. I spoke to them at our breakfast meeting. They are very excited about the production-sharing agreement that was just approved by the Russian Duma in December that is allowing us to move forward with joint ventures.

The only thing I would say is that the Russians have to understand that they cannot keep changing the rules of the road while these deals are being developed. In face, Mr. Speaker, I will submit a chart for the RECORD showing that much of the efforts that we have put forward to establish these joint initiatives have been hampered by the Russian legislature changing the rules along the way, resulting in significant increases in taxes that have caused some of our American companies to have second thoughts about this Western investment of private sector dollars.

We also had a chance to meet with Ambassador Pickering to discuss a wide range of issues involving our joint relations. Then I had a chance to meet with the leading defense experts and think-tank leaders in Russia to talk about issues involving the ABM Treaty, START II, and Russian-American relations.

Along that line, as I mentioned, I met with 3 of Yeltsin's top advisors on defense and foreign policy issues, headed up by Mr. Kortunov, who, in fact, is going to be the executive secretary of a new 20-member panel that Mr. Yeltsin is convening to review all the nuances of the ABM Treaty for the Russian side.

In fact, Mr. Speaker, I would suggest that we ask President Clinton, along with you and Senator DOLE, to convene a similar 20-person panel to look at our concerns with the ABM Treaty and to interact with this effort that is going to be headed up from the standpoint of actual operation by Mr. Kortunov.

Let me get into a couple of issues involving the treaty. Mr. Speaker, I have given you all of this documentation about relations because I want our colleagues to know that we are not about sticking it in the eye of the Russian leaders and people. In fact, we are doing more to reach out to the Russians and the members of their Duma than any other Congress has done in recent history in the area of the environment, in the area of energy, defense, foreign policy, and each of these other relationships.

But we also, Mr. Speaker, have a common agenda that says we cannot overlook the reality of what is happening with those leaders in the Russian military who, in many cases, were there when it was the Soviet military, and whether it comes to treaty compliance or whether it comes to nuclear weapons or whether it comes to conventional arms sales, we need to understand the mindset of what is occurring in that country.

To that end, Mr. Speaker, I had some very serious discussions with both the think-tank experts, the policy people from the USAK Institute, as well as Yeltsin's key advisors. I related to them the concern in this Congress, in this country, that Russia right now has a distinct advantage. Under the ABM Treaty, each country is allowed to have one missile defense system, and as they reiterated to me, Russia has the world's only operational ABM system. Even though we are allowed to have one under that treaty, we do not have one. They have one that protects 80 percent of the population of Russia.

That treaty is operational, it has been upgraded three times, and in fact, I tried to visit one of the ABM sites. I was told if I stayed over a second week they would take me to one of the ABM sites, but could not fit it into their schedule the week that I was there. I also tried to meet with General Sergev, who was the chief of strategic rocket forces, who heads up their missile capability. I also could not get a meeting with him, but I will return to Russia at some point in time, and I will meet with him. He is the equivalent to our Mal O'Neill, General O'Neill who heads our BMDO.

The point is, Mr. Speaker, that I conveyed to the Russians that I am not about sticking it in their eye, that I want to work with them to convince them that missile defense is as much in their best interests as is ours, because the threat of attack from a rogue nation is probably more against them than it is us because of who borders their country.

They expressed a desire that we cannot get away from the theory of mutually assured destruction, and I convinced them that we have, in fact, the capability, under the existing treaty, to build a system, just like they have in Moscow. The American people do not even realize that. When you ask the American people if we are allowed to have a system to protect us against a launch of an incoming missile, they would think we did, and frequently I have to tell them no, we do not have any such system, because our leadership, primarily our liberal leadership in this Congress and in the White House right now, will not allow us to implement what Russia already has, which I cannot understand, Mr. Speaker. I cannot understand that notion.

Again, I say, this as not someone who is attempting to tweak the Russians, but as someone who devotes a good part of his time to building strong relationships with the Russian people, with their leadership and their Duma.

I would tell you this, Mr. Speaker, despite the rhetoric we heard coming out of the White House this week, the leaders that I have met with in terms of the Russian think-tanks and the advisors to Yeltsin were more concerned from a START II standpoint, with President Clinton's goal of expanding NATO, than they were with the prospect of America developing a treaty-compliant missile defense system much like they have around Moscow, but you never hear President Clinton talk about that.

Mr. Speaker, he only talks about what we want to do in the Congress of a date certain system as being something that could jeopardize START II. I think that is a red herring. I do not think that is the case. We are going to make that case this year politically, as Mr. Clinton attempts to prevent us from moving forward with what I think we need, and that is the capability much like the Russians have today.

Mr. Speaker, besides the issue of the existing ABM system in Moscow and the treaty, I raised the notion with the Russians that I understand the importance of the ABM treaty politically to them, but that we now have a responsibility in a world that is no longer bipolar of protecting our people against a rogue attack. This is extremely important, Mr. Speaker. Some in our Congress, particularly on the Democrat side, the more liberal Members, would say that, "The intelligence community says there is no threat in the next 15 years."

I wrote to Gen. Mal O'Neill today to get his views on the most recent intelligence estimate, which I had a classified briefing on about a month ago. I think I was the first Member to have that. I walked out of the briefing, because it was so poor.

Mr. Speaker, our intelligence community, in the most politicized effort I have seen in my 10 years here, has said that Russia has not changed in 5 years. Despite cutoffs of power to their strategic nuclear force headquarters, despite no housing for the military, despite military personnel not being paid for months, despite tremendous morale problems, and despite the leakage of technology, both deliberately and accidentally, out of Russia, our intelligence agency comes forward and says that nothing has changed. That to me is unbelievable. In the first quarter of this year, Mr. Speaker, I will chair hearings in the R&D committee, and we will expose what I think is a consistent pattern of sanitizing intelligence data.

This, to me, is outrageous. As someone who spends the bulk of his time working on building and improving Russian-American relations, I find it unconscionable that anyone would attempt to sanitize information that would allow us to make an objective decision about what the threat is. As a matter of fact, Mr. Speaker, while I was in Russia, while I met with the embassy staff in Moscow and then had a private meeting with Ambassador Pickering for an hour and then met with the leading advisors to President Yeltsin, I asked them about an incident that occurred in early December of last year.

The Jordanians, Mr. Speaker, as documented by the Washington Post on December 15, confiscated the most advanced telemetry equipment that would only be used in a long-range ICBM, intercontinental ballistic missile. These accelerometers and gyroscopes only could be used in a long-range missile. They were from Russia and they were heading to Iraq. The Jordanian and Israeli intelligence confiscated them. We now have in our possession some of these items that have been photographed by the Washington Post.

I asked everyone I met within Moscow, "How do you explain, if there is stability here, how do you explain the most advanced technology that can help the Iraqis develop a long-range missile that could threaten any American city, how do you explain that leaving Russia?" Because either answer is a problem for us: If the Russians say they know nothing about it, that is a problem, because it means they do not have control of their technology base; and if they say it was a legitimate sale, that is a problem, because it means they are exporting technology that, down the road, in Saddam's hands will threaten American interests.

Mr. Speaker, we are not talking about pie-in-the-sky ideas. We are talking about reality. Mr. Speaker, what bothered me most was when I talked to the Russians who advise Yeltsin. One, by the way, is a good friend of mine. I have been on three or four delegations with him over the past 10 years. I was active with him when he was a member of the Young Communist League, the Comsomol; he is a member. He just wrote a book on missile proliferation.

When I asked him, "How do you explain this incident," he said to me, "We don't know anything about it." That was reported in the Washington Post. I would invite any Member of this Congress to request a classified briefing they can receive as a Member of this body on the evidence that we have in our hands on this advanced technology going to Iraq for a long-range ICBM, not just one delivery, but evidence of other deliveries coming out of Russia.

Mr. Speaker, the ABM Treaty does not protect us against Iraq having a long-range missile. It does not protect us against China's CSS–II. It does not protect us against North Korea's No Dong or Taepo Dong–II missile, which now has ranges close to Hawaii and Alaska.

Mr. Speaker, we have to address these issues up front and candidly with the Russians. They respect that. In all of my dealings with Russia over the past 20 years, in hosting over 100 Members of the Duma in my office last year, the one thing Russians respect, including my good friends over there, is when you are honest with them. That is why they, in the end, liked Ronald Reagan. They always knew where he was coming from.

But if, in fact, they see that our policy is set first and then we sanitize all of the information we get so it does not undermine the policy, that is not something they will respect. It is not something that is going to be in our best interests.

Mr. Speaker, unfortunately, I sense that is beginning to happen now. It scares me. In the hearings that we will hold this year, we will look at that issue. We will look at the intelligence relative to Russian command and control.

Let us get back to the issue of the technology being transferred. Is it not strange, Mr. Speaker, that no one would even tell me that we had questioned the Russians on how this material was being transferred? I think I know why, Mr. Speaker: Because when we expose the facts and when we get on the record that Russia has, either directly or indirectly, legally or illegally, transferred this advanced equipment to Iraq, it is going to be a violation of the missile control technology regime, which Russia just entered this past fall. Guess what, Mr. Speaker? When Russia is in fact in violation of the MTCR, this country must take actions. Those actions could lead to sanctions.

Is this administration so naive that it would ignore what the Russians are doing, so we do not have to impose sanctions or even discuss it, so we do not talk about this? Mr. Speaker, I am not going to let that happen.

I raised this issue with the Russians directly at the same time I talked about helping them with their energy, with their environment, with their defense, with adoption and all the other issues I talked about. But I am not going to ignore reality when it comes to what people in the Russian military may be doing on their own.

We have got to understand that, Mr. Speaker, because this administration does not want to confront reality. They are so bent on bolstering up Yeltsin, whom I support and whom I hope succeeds. Even though the most recent polling data in Russia shows he only has 8 percent support in the entire Russian electorate, I want to see Yeltsin succeed. I want to see democracy succeed. I want to see economic reform succeed. But I do not want to do it in a vacuum, and not protect the people of this country.

I also proposed the question to those that I debated from the think-tanks and from Yeltsin's key advisory group on defense and foreign policy issues, how they would explain to me their concern with any treaty without them understanding our mindset, and our mindset is very important, that they have to understand as well as we understand theirs.

I related a story to them, Mr. Speaker, of my first session in this Congress, in 1987. My first amendment on the floor of the House was an amendment offered on the defense authorization bill that was very simple. It was offered at the time that the liberals were telling then-President Reagan that we should adhere to the strictest possible interpretation of the ABM Treaty.

My amendment was very simple and said, "The Russians," at that time the Soviet Union, "had violated the ABM Treaty by the installation of the Krasnoyarsk radar system where it was installed." My amendment passed the House in a recorded vote 418 to 0. No Member disagreed with me. But the liberals said, "It is not an important violation. It is a trivial violation."

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That radar is really being used for space-tracking purposes. It is not for missile defense, and it is not for a national missile defense system. I argued and many of our colleagues argued that, in fact, it was deliberate, and it was being placed there so that Russia could eventually have the option of breaking out of the ABM Treaty.

Mr. Speaker, last year I read the Russian media every day as a student of Russian relations. Last year I read the Journal of Russian Military History, and an article in it written by General Voitinsev. General Voitinsev for 18 years was the leader of the Russian Air and Space Command effort, the top guy. General Voitinsev in his article, his memoirs, on the record publicly said he was ordered to leave Krasnoyarsk radar where it was, knowing full well it was a deliberate violation of the ABM Treaty, knowing full well its ultimate purpose was for a tracking system to develop a capability to break out of the ABM Treaty.

Now, this is not a Republican conservative saying this, this is not some think tank expert in America; this is the Russian general responsible at the time for overseeing the placement of the Krasnoyarsk radar system.

He went on to further state, and I will provide this to any Member of this body who wants the detailed wording from the article, he further said he was ordered to place the radar there by General Ogarkov, General Ogarkov was being ordered by the Politburo, and told Voitinsev that if you do not place it where we tell you, which is the Krasnoyarsk, in direct violation of the ABM Treaty, you will be removed from your post.

I confronted the Russians with that, and they did not deny it, because they know it is true. But the important point is, Mr. Speaker, that both sides have to approach these issues in a frank, open and candid manner. Neither side should bury their head in the sand and ignore reality. And I say that not as an alarmist, but as somebody who delivered your letter to the new speaker of the Russian Duma, Mr. Seleznyov, who met with the Duma leadership, who met with Zhirinovsky's party, who met with the Yablakov party, the Russia Is Our Home party, and the Communists, to convince them that we want to work with them, but we cannot do that in a vacuum.

Mr. Speaker, we cannot allow the intelligence community of this country to be sanitized by anyone in the White House. I am not just talking about the President; I am talking about key policy advisers or anyone else who may have an ultimate objective and who says we can't allow anything to get in the way of that objective. That is not the purpose of the intelligence community.

We who are the elected representatives of the people of this country need data based on fact, and we are going to get that data.

It really bothers me that as the chairman of the Committee on National Security, Subcommittee on Research and Development, that I have to go out and establish an ad hoc advisory group made up of former intelligence officials, and Russian experts and Soviet experts to advise me, because I questioned some of the data I am getting and the lack of answers I am getting from our own intelligence community. Mr. Speaker, that is outrageous.

Is it not outrageous that we have an incident that we cannot even get detailed response from what the Russians' position is on transferring sophisticated technology and equipment to Iraq? Is it because we do not want to jeopardize their membership in the MTCR? That is outrageous, Mr. Speaker.

I again invite every Member of this body to ask for the classified briefing that is available today on what happened in December and what the results of the evidence that we have are in terms of this material being transferred to Iraq and the implications that has for Iraq's capabilities of developing one long-range missile.

Furthermore, I also, Mr. Speaker, had a chance to meet with a Russian company, Rosvoorouzhenie. We talk about arms sales. This is the new company that has been formed in Russia; this is their slick marketing brochure. They gave me all of their copies of them, of anything I wanted. I met with the leadership of this company that has as its total purpose the marketing of arms all over the world, and where basically we can buy anything and everything that the Russians are making today.

What concerned me most is not their ability to sell their helicopters and their guns and these other armaments, because companies do that in this country, even though we can limit that. It is the fact, where does it stop, Mr. Speaker?

One SS–25 with a range of 10,000 kilometers on a mobile launch system pulled by a tractor, basically pulling the back of a truck, can reach any city in America, one SS–25; and the Russians have probably 500 SS–25 launchers. One SS–25 removed from Russia and taken to a Third World nation presents an immediate threat to this county. That is a possibility, Mr. Speaker.

In hearings that I chaired last year, the CIA said on the record it would be possible to take one battery out without us knowing it. I am not talking about a nuclear weapon being on the tip of that missile. I am talking about a conventional weapon. It could be a chemical or biological weapon, or it could be just the threat itself.

Mr. Speaker, these are the threats that are there. This is reality. And for us to have a lasting relationship with the Russians that works in both of our interests to build trust and understanding, and help them economically and socially, we must base our discussions on factual information and we trust be willing to share the bad stories.

When I was in St. Petersburg speaking at the ACOPS conference, talking about the Russian dumping of nuclear waste, I started off by saying, you know, we come from America and we are quick to criticize you for problems that we think only you have.

I remember a hearing that I called for in the last session of Congress when I was the ranking member of the Oceanography Subcommittee, and I was listening to a Navy official testify about the problems of the *Komsvolez*, a Russian submarine that went down off the coast of Norway, that is sitting on the bottom of the sea, that has nuclear missiles and also has a nuclear rector on board.

And I said to that Navy official when he was done, I am concerned about the *Komsvolez*, but let me ask you a question. Can you tell me about the *Thresher* and the *Scorpion*, the two American submarines that are on the bottom of the ocean, nuclear power with nuclear weapons.

He said to me, Congressman, we cannot discuss that in an open session.

I said, you expect us to be critical of the Russians for accidents they have had, but not to be critical of ourselves for accidents that perhaps we have had.

Mr. Speaker, in this era of a new dialog with members of the Russian Duma, above all, we have got to be candid. When we have problems, we have to acknowledge them, and when they have problems, we have to confront them. To do anything less is a disservice to our country and to the people of Russia.

Mr. Speaker, Russia has changed a lot. The Duma is in place now; the Federations Council largely appointed by Yeltsin is in power. Yeltsin is having a terrible problem right now as he is appointing a lot of reactionary leaders, Kremkov to replace the most recent foreign minister. He is changing and checking up his cabinet to try to get back support from the nationalists who won the election in December. But, Mr. Speaker, in the end, for us to maintain solid relations, we have to be candid with one another.

The Russian military is still led by some of the same leaders who were in the leadership positions when it was the Soviet military. I read a series of articles recently by one of the commanders of one of the major Russian fleets. I believe it was the North Fleet, where he talked about Russia being involved in world war III. This is just a recent article that appeared 3 weeks ago. I will be happy to provide it for any of our colleagues.

This Russian admiral, who is now in a key position of the Russian Navy, talked about Russia already being involved in world war III with the West, that it was not the traditional war, it was a velvet war where America was attempting to undermine Russia, and that the only way Russia was going to eventually succeed was to eventually have the use and capability of its nuclear arsenal. As much as we want to brush away those kinds of statements and those kinds of positions, we have to confront them head on, Mr. Speaker. We have to confront the elected officials in Russia head on.

If they have problems with us and what we have done, then they should be able to confront us and we should openly discuss it and debate it. But we should never allow anyone in Russia to give us false information or, worse yet, to give us no information about problems and concerns that we have with events that are unfolding in terms of defense policy and foreign relations in particular.

I think the Russians will ultimately respect us for that position, and hopefully, this process that we have established will allow us, through your good efforts, Mr. Speaker, to have an ongoing relationship, and open dialog will occur in both countries. That is the only way that, down the road, irregardless of who the President of either country is, that we can build long-term trust and understanding.

We have key concerns. We have a need to protect our people, and we ought to be able to address those issues directly with the Russian leaders. The Russians have concerns with perhaps where we are going. They may think that our purpose in trying to get rid of the ABM Treaty is just to gain an advantage with them, when in fact our major purpose is to protect us from another rogue launch; not necessarily an all-out attack from Russia, it is from the peril of an Iraq getting a long-range missile, or from China, or North Korea or from some other rogue nation. The ABM Treaty does nothing to protect us from those instances.

With the Russians offering to sell the SS–25 as a space launch platform or from a variation of that, with the Russian marketing efforts underway to market their missile systems around the world, we need to be more vigilant than ever.

I would make the case, Mr. Speaker, that Russia today militarily is more destabilized than it ever was under Communist leadership. Central command is not what it was. During our hearings in the first quarter, we are going to look at the central command, we are going to look at the command structure; we are going to look at the potential for a breakdown in the control of that nuclear arsenal, and we are going to confront it in an intelligent manner.

It really galled me last night to see President Clinton stand up right behind us, right behind me in this podium, and tell the American people for the second time that he can say no longer are Russian missiles pointed at American children. That is the most outrageous statement this President has made, among many outrageous statements.

Any expert who knows anything about missiles, including the Russian military expert who controls those missiles, as he said on "60 Minutes" when he was interviewed, those missiles can be retargeted in a matter of seconds and minutes, and that is exactly what can occur. And to the American people some kind of false sense that all is well and there are no problems is the absolutely worst thing that this administration could be doing.

We in the Congress are not going to let that happen. We are going to be vigilant, we are going to be aggressive; we are going to pursue issues that we want answers to like the transfer of this technology to Iraq and why it occurred and how it occurred. We are going to pursue questions about the sale of sophisticated weaponry, the leakage of nuclear materials, the breakdown of command and control in the Russian military, but we are going to do it openly and honestly; and we are also going to work with the Russians to stabilize their economy, to help them environmentally with their energy issues and every other area where they have common concerns. In that regard, Mr. Speaker, we can achieve ultimate success.

I applaud you for the leadership role that you have taken in this new initiative with the speaker of the Russian Duma. For those who would be critical of you, I would say, here is another example where you have created a new effort in the Congress and in Washington to achieve a new level of relationship with Russia that we have never had before. I am optimistic it will be successful, and I am optimistic that in the end, we can in fact peacefully coexist if we are both honest and candid, one with the other.

I would ask unanimous consent, Mr. Speaker, to insert support documentation of my trip in the RECORD, as well as the letter itself from you to Speaker Seleznyov, and would invite my colleagues to follow up on this issue if they have particular issue areas they want to focus on, to let them know that we will be trying to form these focus areas once we get the word from the Russian Duma that they are ready to proceed with this exciting new opportunity.

I thank my colleagues for bearing with me as I provide this report on the trip and our relations with Russia.

HOUSE OF REPRESENTATIVES,
OFFICE OF THE SPEAKER,
Washington, DC, January 17, 1996.

Hon. GENNADY SELEZNYOV,
Speaker, State Duma, Russian Federation.

DEAR MR. SPEAKER: I am writing to seek your assistance and support for a project that I feel will have long-term benefits for both Russia and America and our respective legislatures. I propose that we establish a standing Duma-Congress Study Group composed of members of the Russian Duma and U.S. Congress to develop an ongoing relationship between our legislatures.

I have asked Congressman Curt Weldon, who first brought this proposal to my attention, to personally deliver this letter to you and brief you in greater detail on the Study Group. Congressman Weldon has focused much of his work in the Congress on a range of Russian-American issues, including energy development, the environment, and arms control.

These are just a few of the many important issues that confront our two nations, and I am convinced that an effective way to develop greater understanding between our two nations and make real progress on these issues is to establish a mechanism for a long-term dialogue between our two legislatures. Many formal linkages already exist between our two Presidents and executive branches, but no formal organization exists to facilitate communication between our legislators. I believe such a legislature-to-legislature organization would complement, rather than hamper, the bilateral activities of our executive branches.

The Study Group, as I envision it, would consist of eight to ten members from each of our legislatures who would meet for three to five days two times each year, once in Russia and once in the United States, to discuss a range of key Russian-American issues that would be agreed upon in advance. The goal would be to make the sessions somewhat informal so as to develop the sort of personal relationships that lead to frank and candid discussions.

In a related area, I am very enthusiastic about a larger project to link legislators around the world via a computer network. This effort, called the 21st Century International Legislator's Project, under the directorship of General Charles Boyd (USAF Ret.), will produce information transfer among legislators around the globe at an unprecedented rate. Participation by Duma members will be important to the success of this project, and I will provide for you by separate communication the details of this historic effort to share with your fellow members as the initiation date nears.

I would appreciate your careful consideration of the proposal to establish a Congress-Duma Study Group. If you agree that such an organization should be established, I would ask that you appoint a member of the Duma to serve as a point of contact for Congressman Weldon to work with in developing the Study Group.

Sincerely,

NEWT GINGRICH,
Speaker of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. WATERS (at the request of Mr. GEPHARDT), for today and the balance of the week.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOGGETT) to revise and extend their remarks and include extraneous material:)

Mr. SKELTON, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. GENE GREEN of Texas, for 5 minutes, today.

Mr. KILDEE, for 5 minutes, today.

Mr. VENTO, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mrs. THURMAN, for 5 minutes, today.

(The following Members (at the request of Mr. NETHERCUTT) to revise and extend their remarks and include extraneous material:)

Mr. GOSS, for 5 minutes, today and January 25.

Mr. WOLF, for 5 minutes, today.

Mr. BROWNBACK, for 5 minutes, today.

Mr. SHAYS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOGGETT) and to include extraneous matter:)

Mr. FRANK of Massachusetts.

Mr. CLAY.

Mr. WARD.

Mrs. SCHROEDER.

Mr. TORRICELLI.

Mrs. MEEK of Florida in two instances.

Mrs. MALONEY.

Mr. ENGEL.

Mr. VENTO in two instances.

Ms. WOOLSEY.

Ms. LOFGREN in four instances.

Mr. PAYNE of New Jersey.

(The following Members (at the request of Mr. NETHERCUTT) and to include extraneous matter:)

Mr. GEKAS in two instances.

Mr. SHAW.

Mr. TORKILDSEN.

Mrs. JOHNSON of Connecticut in two instances.

Mr. RADANOVICH.

(The following Members (at the request of Mr. WELDON of Pennsylvania) and to include extraneous matter:)

Mr. WILSON.

Mr. REED.

Mr. SOLOMON.

Mr. HILLIARD.

Mr. PALLONE.

Mr. FAZIO.

Mr. BILBRAY.

Mr. UNDERWOOD.

Mrs. SMITH of Washington.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following day present to the President, for his approval, bills of the House of the following titles:

On January 23:

H.R. 1606. An act to designate the United States Post Office building located at 24 Corliss Street, Providence, Rhode Island, as the "Harry Kizirian Post Office Building."

H.R. 2061. An act to designate the Federal building located at 1550 Dewey Avenue, Baker City, Oregon, as the "David J. Wheeler Federal Building."

ADJOURNMENT

Mr. WELDON of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock p.m.), the House adjourned until tomorrow, Thursday, January 25, 1996, at 10 a.m.).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1959. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2000 resulting from passage of H.R. 1655 and H.R. 2627, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

1960. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discretionary new budget authority and outlays for the current year—if any—and the budget year provided by H.R. 1643, H.R. 1358, and House Joint Resolution 134, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-578); to the Committee on the Budget.

1961. A letter from the Secretary of Energy, transmitting a copy of the annual report on the Coke Oven Emission Control Program for fiscal year 1995, pursuant to Public Law 101-549, section 301 (104 Stat. 2559); to the Committee on Commerce.

1962. A letter from the Secretary of Commerce, transmitting the 1996 annual report to the Congress on foreign policy export controls, pursuant to 50 U.S.C. app. 2413; to the Committee on International Relations.

1963. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report concerning the unauthorized transfer of U.S.-origin defense articles, pursuant to 22 U.S.C. 2753(e); to the Committee on International Relations.

1964. A letter from the Comptroller General, General Accounting Office, transmitting the Comptroller General's 1995 annual report, pursuant to 31 U.S.C. 719(a); to the Committee on Government Reform and Oversight.

1965. A letter from the Director, Office of Management and Budget, transmitting a report on the activities of Federal agencies in implementing the Computer Matching and Privacy Protection Act for calendar years 1992 and 1993, pursuant to 5 U.S.C. 552a(r); to the Committee on Government Reform and Oversight.

1966. A letter from the Chairman, U.S. Parole Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1995, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

1967. A letter from the Deputy Assistant Secretary for Water and Science, Department of the Interior, transmitting the High Plains States Groundwater Demonstration Program 1995 interim report, pursuant to 43 U.S.C. 390g-2(c)(2); to the Committee on Resources.

1968. A letter from the Secretary of the Interior, transmitting a copy of the annual report for fiscal year 1994 covering the Outer Continental Shelf [OCS] Natural Gas and Oil Leasing and Production Program, pursuant to 43 U.S.C. 1343; to the Committee on Resources.

1969. A letter from the Secretary of Health and Human Services, transmitting the Department's report entitled, "Medicare Alzheimer's Disease Demonstration Evaluation," pursuant to section 9342 of the Omnibus Budget Reconciliation Act of 1986, as amended: jointly, to the Committee on Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2100. A bill to direct the Secretary of the Interior to make technical corrections to maps relating to the coastal barrier resources system, with an amendment (Rept. 104-452). Referred to the Committee of the Whole House on the State of the Union.

Mr. McINNIS: Committee on Rules. House Resolution 342. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 104-453). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEAL of Georgia:

H.R. 2872. A bill to authorize substitution for drawback purposes of certain types of fibers and yarns for use in the manufacture of carpets and rugs; to the Committee on Ways and Means.

By Mr. KENNEDY of Massachusetts:

H.R. 2873. A bill to amend title 10, United States Code, to limit the collection and use by the Department of Defense of individual genetic identifying information to the purpose of identification of remains, other than when the consent of the individual concerned is obtained; to the Committee on National Security.

By Mr. KENNEDY of Massachusetts (for himself, Mr. FRANK of Massachusetts, Mr. JACOBS, Mr. LUTHER, Mr. BARTON of Texas, Mr. GENE GREEN of Texas, Ms. FURSE, and Mr. BROWN of Ohio):

H.R. 2874. A bill to require the Secretary of Defense to take the necessary steps to negotiate with the members of NATO to ensure that the European members of NATO assume the costs of supporting U.S. participation in the NATO Implementation Force [IFOR]; to the Committee on International Relations, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KING:

H.R. 2875. A bill to amend the Internal Revenue Code of 1986 to establish and provide a checkoff for a breast and prostate cancer research fund, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UNDERWOOD (for himself, Mr. FALEOMAVAEGA, Mr. FRAZER, Ms. NORTON, Mr. ROMERO-BARCELO, Mrs. MINK of Hawaii, Mr. ABERCROMBIE, and Ms. PELOSI):

H.R. 2876. A bill to provide for a nonvoting delegate to the House of Representatives to represent the Commonwealth of the Northern Mariana Islands; to the Committee on Resources.

By Mr. McHALE:

H.R. 2877. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the payment of tuition for higher education and interest on student loans; to the Committee on Ways and Means.

By Mr. HOKE:

H. Res. 341. Resolution amending the rules of the House of Representatives to require that no object or activity for which Federal money is provided shall be named for a living individual who is or, within the last five Congresses, has been a Member of Congress; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

195. By the SPEAKER: Memorial of the General Assembly of the State of California, relative to Americans captured or missing during the Korean War; to the Committee on International Relations.

196. Also, memorial of the Senate of the State of Louisiana, relative to memorializing the Congress of the United States to propose an amendment to the Constitution of the United States to prohibit the Federal courts from ordering any State or political subdivision thereof to levy or increase taxes; to the Committee on the Judiciary.

197. Also, memorial of the House of Representatives of the State of Maine, relative to memorializing the Congress of the United States to repeal Federal laws and rules linking food stamp eligibility with heating assistance; jointly, to the Committees on Agriculture and Commerce.

198. Also, memorial of the General Assembly of the State of California, relative to San Francisco Bay/Sacramento-San Joaquin Delta Estuary; jointly, to the Committees on Transportation and Infrastructure and Resources.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII:

Mr. HOKE introduced a bill (H.R. 2878) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and on the Great Lakes and their tributary and connecting waters in trade with Canada for the vessel *Morgan*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 38: Mr. LANTOS, Mr. BAKER of Louisiana, Mr. NEAL of Massachusetts, Mr. STENHOLM, Mr. COOLEY, Mr. WELDON of Pennsylvania, and Mr. WELLER.

H.R. 138: Mr. BARTON of Texas.

H.R. 143: Mr. BARTON of Texas.

H.R. 218: Mr. BARCIA of Michigan.

H.R. 359: Mrs. WALDHOLTZ.

H.R. 761: Ms. JACKSON-LEE.

H.R. 957: Mr. MASCARA.

H.R. 1023: Mr. COX and Mr. PALLONE.

H.R. 1078: Mr. MORAN.

H.R. 1496: Mr. OBERSTAR.

H.R. 1619: Mr. HALL of Ohio.

H.R. 1620: Mr. BARRETT of Wisconsin and Mr. SMITH of New Jersey.

H.R. 1706: Mr. BARTON of Texas.

H.R. 1711: Mr. ARCHER, Mr. PAXON, and Mr. ALLARD.

H.R. 1776: Mrs. COLLINS of Illinois, Mr. BLILEY, Mr. HORN, Mr. KINGSTON, MR. NADLER, Ms. FURSE, Mr. CHABOT, and Mr. SCOTT.

H.R. 1889: Mr. GUTIERREZ.

H.R. 1933: Ms. McKINNEY, Mr. SABO, Mr. BEILENSON, and Mr. CLYBURN.

H.R. 1948: Ms. JACKSON-LEE.

H.R. 2044: Mrs. LOWEY.

H.R. 2065: Mr. BARRETT of Wisconsin and Ms. PELOSI.

H.R. 2092: Mr. INGLIS of South Carolina, Mr. McKEON, Mr. ZIMMER, Mr. BISHOP, Mr. TRAFICANT, and Mr. GILCHREST.

H.R. 2184: Mr. EHLERS, Mr. LEWIS of Georgia, Mr. SISISKY, Mr. FRANK of Massachusetts, and Mr. OLVER.

H.R. 2202: Mr. COOLEY.

H.R. 2245: Mr. THOMPSON.

H.R. 2276: Mr. MCCOLLUM.

H.R. 2281: Mr. DOOLEY, Mr. MCHALE, Mr. PAYNE of New Jersey, Mr. HEFNER, and Mr. WYDEN.

H.R. 2374: Mr. BARCIA of Michigan.

H.R. 2429: Mr. BOEHLERT.

H.R. 2480: Mr. SOLOMON and Mr. BURR.

H.R. 2508: Mr. FIELDS of Texas.

H.R. 2540: Mr. COX, Mr. NEY, and Mr. CAMP.

H.R. 2566: Mr. SANFORD.

H.R. 2579: Mr. LATOURETTE, Mr. FILNER, Mr. LARGENT, Mr. DURBIN, Ms. ESHOO, Mr. PAYNE of Virginia, Mr. SPRATT, Mr. BORSKI, Mr. HAYES, Mr. FLANAGAN, Mr. MORAN, Mr. WALSH, Mr. GILLMOR, Mr. LAHOOD, Mr. QUINN, Mr. POSHARD, Mr. EMERSON, Mr. SANFORD, and Mr. LAFALCE.

H.R. 2598: Mr. BALLENGER and Mrs. SEASTRAND.

H.R. 2607: Mr. ENGEL.

H.R. 2608: Mrs. CLAYTON and Mr. JOHNSTON of Florida.

H.R. 2610: Mr. MINGE.

H.R. 2625: Mr. JOHNSON of South Dakota.

H.R. 2639: Mr. LUTHER.

H.R. 2646: Mr. EHLERS.

H.R. 2654: Mr. OBERSTAR, Mr. GEJDENSON, Mr. MATSUI, Mr. FRAZER, Mr. MANTON, Mr. FROST, Mr. FATTAH, and Ms. ESHOO.

H.R. 2674: Mr. GALLEGLY.

H.R. 2682: Mr. WALSH, Mr. ACKERMAN, Mr. TOWNS, and Mr. FORBES.

H.R. 2707: Mr. PARKER.

H.R. 2740: Mr. DELAY.

H.R. 2748: Ms. ESHOO, Mr. SMITH of New Jersey, Mr. STARK, and Mr. HASTINGS of Florida.

H.R. 2779: Mr. LIPINSKI.

H.R. 2785: Mr. GENE GREEN of Texas, Mr. MINGE, Mr. WILLIAMS, Ms. DELAURO, Mr. DEUTSCH, and Mr. GUNDERSON.

H.R. 2789: Mr. JACOBS.

H.R. 2795: Ms. ROS-LEHTINEN, Mr. GOSS, Mr. FOLEY, and Mrs. MEEK of Florida.

H.R. 2823: Mr. FARR, Mr. WALSH, and Mr. KASICH.

H.R. 2867: Mr. DOOLITTLE, Mr. SOUDER, Mrs. SEASTRAND, Mr. ROHRABACHER, Mr. SALMON, Mr. BAKER of California, Mr. STOCKMAN, and Mr. HASTERT.

H.J. Res. 121: Mr. SMITH of Texas.

H. Con. Res. 51: Mr. CRANE.

H. Con. Res. 63: Mr. MARTINI.

H. Res. 49: Mr. MFUME, Mr. PAYNE of New Jersey, and Mr. ZIMMER.

H. Res. 285: Mr. WAXMAN, Mrs. LOWEY, Mr. JACOBS, and Mr. LEWIS of Georgia.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2072: Mr. HERGER.

PETITIONS, ETC.

Under clause 1 of rule XXII.

52. The SPEAKER presented a petition of the city of Inkster, MI, relative to requesting the Federal Government to provide the city of Inkster all of the necessary financial resources in order to meet its federally mandated obligations under the current NPDES permits; which was referred to the Committee on Transportation and Infrastructure.

EXTENSIONS OF REMARKS

OBSERVING THE HISTORIC PALESTINIAN ELECTIONS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. RAHALL. Mr. Speaker, the Arab-American Institute [AAI] January 23, 1996 delegation, which I had the high honor to chair, traveled to Palestine to witness the first ever, historymaking free national elections in that country.

I was accompanied by Dr. James Zogby, president of AAI, and by former Members of Congress Mary Rose Oakar (D-OH), Toby Moffett (D-CT), and by Ruth Joseph, mayor and State representative of Waterville, ME, Thomas Lazieh, former mayor Central Falls, RI, Teresa Isaac, vice mayor, Lexington, KY.

Also present during the observation were Kenneth Handel, partner at Arnold and Porter law firm of New York with previous international electoral experience, and Dr. Najat Arafat Khelil, co-coordinator of the Palestinian Jewish Women's Dialogue Group.

The delegation was coordinated by Zogby and Washington businessman Hani Masri with assistance from Hady Amr, a political consultant with electoral monitoring experience in South Africa. My special thanks and that of the delegation goes to Jim Zogby for making it possible, and to Hani Masri for all of his unstinting support that helped lead to this historic occasion and who shared his electoral monitoring skills with us during this important observance.

Thanks goes also to Mr. Said Hamad, deputy director of the PLO office in Washington who did an excellent job of coordinating events on the ground in Palestine and smoothing our way there.

We witnessed a professional, politically progressive, patriotic, and proud Palestine people parade to the polls for their historic first national elections.

An excitement and enthusiasm permeated the air and ran in the veins of a people tasting and thirsting for freedom.

Nothing can detract from the success of a people determined to regain control of their destiny—over their dreams and aspirations for their children.

We witnessed Palestinians traveling to the polls via cars, trucks, buses, tractors, donkeys, horses, carts, hobbling on canes, and once arriving having to wait hours in long lines due to huge voter turnouts. But to many who have waited a lifetime to vote freely—a couple more hours' wait was very little.

The International Community of Observers and former President Carter were encouraged and impressed and gave the Palestinians very high marks.

The bottom line—these elections were free; these elections were fair. They were conducted in a highly professional manner.

The President-elect, Yasir Arafat and his elected leadership team, many of whom were elected not as Arafat condidates but as independents, deserve our praise and congratulations. Tremendous duties have been bestowed by the people and they now embark upon a new journey as the freely elected representatives of Palestine.

Our presence demonstrated clearly to the Palestinians that America and the world are strongly with them in their quest for democratic development and in their quest to quash disruption by extremists from all sides.

The Israeli Government and Prime Minister Peres deserve commemdation for their support as well as of this electoral process and, with a few exceptions, allowed Palestinians to conduct themselves freely.

From revolutionary to Ra'ees—Arabic for President—many in our delegation, like Representative Mary Rose Oakar and Toby Moffett, and Jim Zogby, have personally stood by President Arafat for a portion of his long, long, long journey to this point in history.

From the bowels of Beirut in 1980 and 1982 to the palace of the President in Gaza last Friday, where the lights flickered from lack of sufficient power, we have conversed with, we have pleaded with, we have sought dialog, we have agonized with and we now celebrate a new-era President Arafat and the Palestinian people. He fully recognizes that with new legitimacy from the people comes new responsibilities.

Israel Prime Minister Peres will now allow all PNC members to meet in Palestine so as to conduct the people's business and properly amend the PNC charters per the Oslo accords.

As both men enter final status negotiations this coming May 4, may they enter with a greater strength within themselves and greater faith in each other, and a greater resolve to enhance and spread his peace of the brave among their people and among all mankind—two states, two peoples living side by side in peace—Israel and Palestine forever.

STATE OF THE UNION

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. BILBRAY. Mr. Speaker, last night President Clinton delivered a good speech. Our hope is that he follows his words with his deeds. President Clinton acknowledged in his address last night the need to pay special attention to our problems with illegal immigration.

However, President Clinton forgot to mention to the American people that he vetoed a bill which would have provided Californians $1.6 billion in reimbursement funds over the next 5 years for the costs of providing health care to illegal immigrants. He also vetoed the 1996 Commerce-State-Justice Appropriations Act, thus denying Californians more than $300 million as reimbursement for the cost of incarcerating alien felons.

Mr. President, your actions speak louder than words; and words alone will not solve our problem. This lack of attention has a human cost. Last year at San Diego's border with Mexico, a Border Partol agent fell to his death while chasing illegal immigrants. Last week, a man trying to evade U.S. Border Partol agents plunged to his death, and five other men were injured when they ran off a 120-foot cliff near Otay Lakes Dam.

Words are hollow if they are not backed up with actions. Our hope in the California delegation is that President Clinton joins us with the force of his actions, as we address these difficult immigration problems.

EXTRADITION OF INDICTED WAR CRIMINALS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. SMITH of New Jersey. Mr. Speaker, I rise this afternoon to express my solid support for language contained in H.R. 1530, the National Defense Authorization Act, providing for the extradition of indicted war criminals from the United States to the International Tribunal for the former Yugoslavia and Rwanda in the Hague. This legislation provides the legal basis for the surrender of such persons and closes a technical loophole which could undermine efforts to prosecute those responsible for the commission of war crimes. Adoption of this provision should serve as an example to other countries to undertake similar action consistent with our obligations to cooperate fully with the important work of the Tribunal. To date more than 50 individuals from the former Yugoslavia have been indicted, including the Bosnian Serb leaders Radovan Karadzic and Ratko Mladic. Last November, I had an opportunity to meet with Chief Prosecutor Richard Goldstone to discuss his on-going investigations. He stressed that those responsible for war crimes must be held personally accountable, regardless of their relationship to peace negotiations.

As Chairman of the Helsinki Commission, I urge my colleagues to demonstrate their firm commitment to the pursuit of justice in the former Yugoslavia and Rwanda by passing this implementing legislation and ensuring that the Tribunal receives the resources it needs to accomplish the vital tasks it has been given. Mr. Speaker, I ask that the text of a letter to the President on this matter be included in the RECORD.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE,
Washington, DC, February 8, 1995.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: As members of the Commission on Security and Cooperation in Europe, we have been following with great concern all aspects of the former Yugoslavia's violent disintegration. In this regard, our Commission held a hearing on January 31, at which we received compelling testimony from the Bosnian Prime Minister, Haris Silajdzic. Although the Prime Minister raised a number of issues regarding the crisis, we would like to focus on one issue in particular: the International Criminal Tribunal for the Former Yugoslavia.

After overcoming considerable barriers to its establishment and staffing, the Tribunal issued its first indictment in early November, is proceeding with investigations and is expected to bring cases to trial later this year. We understand that the Tribunal's UN budget will be under review during the second half of this month and that officials from the Tribunal have requested a $28 million budget for the coming year to proceed with the work they have begun.

Non-governmental experts have already suggested that this figure may be too low given the costs of gathering testimony from the thousands of victims of, and witnesses to, war crimes and in light of the on-site investigations that the effective prosecution of war criminals will require. Nevertheless, it appears that securing even these funds may be an uphill battle with the UN bureaucracy.

We urge you to instruct the U.S. delegation to the United Nations to press vigorously at these upcoming budget meetings to ensure adequate funding for the Tribunal. The establishment of this body, in spite of considerable political resistance and technical complications, is a credit to strong U.S. leadership. But, without proper funding, the Tribunal will never be able to execute the historic tasks that have been set for it.

We also support an additional voluntary contribution to the Tribunal by the United States of an amount not less than the $3 million cash contribution provided last year. Monetary, as well as personnel or other in-kind donations, enhance the ability of the United States to foster the effectiveness of the Tribunal by strengthening specific aspects of its work. In addition, this would enable the United States to play a leadership role in urging other UN member states to make similar contributions. If the United States, at this juncture, inexplicably reduces the level of financial support it has provided to the Tribunal, it might send a regrettable signal of weakening U.S. resolve to see war criminals held truly accountable.

We would also like to take this opportunity to raise the issue of implementing legislation. UN member states are already bound as a matter of international law to deliver to the Hague persons indicted by the Tribunal. But most countries—including the United States—will require the passage of implementing legislation to ensure that a national legal basis exists for doing so; without such legislation, a technical loophole would exist in most countries that would give indicted persons the legal grounds to challenge jurisdiction and avoid trial.

Convinced of the importance of this issue, a bipartisan U.S. delegation to the 1994 CSCE Parliamentary Assembly achieved agreement to review, at future meetings of the Assembly, steps that the CSCE (now OSCE) participating States have taken to ensure that they are able to comply with the orders of the Tribunal. As Members of Congress, we feel a special responsibility to ensure that the necessary implementing legislation is passed. It is possible that some countries—states likely to find themselves with war criminals in their territories—will need international prodding if they are to cooperate with the Tribunal. Passage of U.S. implementing legislation will enable our country to foster compliance by others.

We understand that the Department of Justice has been working on draft implementing legislation for over a year. We urge you to communicate to the Department of Justice the high degree of urgency that you, as President, attach to the tasks of bringing war criminals to justice and of taking concrete legislative measures to that end. To follow up on the Commission's inquiry of April 1994, we would like to know when the administration anticipates presenting such legislation to Congress.

Finally, we again call for the appointment of a CSCE (OSCE) Special Reapporteur on the War Crimes, Tribunal, a Commission proposal that was endorsed at the 1994 meeting of the CSCE Parliamentary Assembly. A Special Rapporteur would be tasked with monitoring the participating States' required cooperation with the Tribunal and reporting back to the decision-making bodies of the OSCE for further action in cases of willful noncompliance.

We understand that the U.S. delegation to the 1994 CSCE (OSCE) Budapest Conference included this proposal in a package of ideas addressing the many urgent crises in the former Yugoslavia but that, regrettably, this package was not adopted. We urge the United States to pursue the adoption of this proposal as a priority matter at the on-going OSCE meetings in Vienna, where negotiations on Bosnia-related questions continue.

Mr. President, we cannot sufficiently underscore our conviction that holding war criminals accountable for the heinous crimes they have committed in this conflict will be an essential element for any long-term resolution of this tragedy. To this end, we look forward to hearing from you on these matters.

Sincerely,

CHRISTOPHER H. SMITH,
Chairman.
ALFONSE D'AMATO,
Co-Chairman.
STENY H. HOYER,
Member of Congress.

GREATER SAINT PAUL AFRICAN EPISCOPAL CHURCH CENTENNIAL ANNIVERSARY

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. MEEK of Florida. Mr. Speaker, I rise today to inform my colleagues of an important benchmark for a religious lighthouse in the Metropolitan Dade County community. April 14, 1996 will mark Greater Saint Paul African Episcopal Church's centennial anniversary. It is with great pleasure that I recognize and thank the congregation for their vision and years of continual service to the Miami community.

I urge Members to read the church history I am inserting into the RECORD.

GREATER SAINT PAUL AFRICAN EPISCOPAL CHURCH

(By Mrs. Esther M. Armbrister)

During the 1880's the first Negro settlers arrived in small numbers from the Bahama Islands by way of Key West, Florida. Between 1885 and 1889 Negroes from West and North Florida began to migrate to Coconut Grove, which was called at the time the last frontier to be settled. One of those settlers was the late Jeremiah A. Butler, who was to be the minister founder and organizer of the first African Methodist Episcopal Church in Dade County, Saint Paul AME Church.

The late Rev. Samuel Sampson was the founder of the first church for "colored people" in Coconut Grove, St. Agnes Baptist Church. At that time blacks and whites worshipped together at Union Chapel. As one elderly pioneer related the story, the "colored folks" were not use to the type of quiet service being held, and whites could not understand the blacks' reactions of shouting, clapping of hands and the stumping/stamping of feet. After a gift of property on Thomas Avenue from Count Jean Hodonville, a young French man, to Rev. Sampson and the black pioneers, St. Agnes was built in 1895, and thus, henceforth, was the beginning.

In the early part of 1896 Rev. Butler and twelve members withdrew from the newly organized St. Agnes, and founded and organized Saint Paul AME Church on Evangelist Street. Evangelist Street was purchased, and on November 21, 1896 when it was recorded. A small church was built at that time to accommodate a small membership. Trustee whose names appeared on the abstract title were J.H. Butler, J.P. Brookins, Walter Burrows. In 1897 the names of Murray Burrows, J.W. Gibson, Williams Counts, Theodore Blackshear, D.C. Williams and Hiram McLeod were added. At that time the population of Coconut Grove was less than 300.

By the year 1900 it was decided there were enough "colored" children to warrant a school, and henceforth the first school in Dade County was held at the St. Paul AME Church. The school, with only twelve children, was taught by the late Dr. John Davis.

In the year 1902 the first choir, the Mozart Choir, was organized with the late J.P. Brookins as president and choir director. Since the membership was so small the larger children were placed in the choir to replace the adults when death or some other reasons occurred. In 1910 the first cornerstone was laid by the pastor at that time, the late Reverend Thomas Henry. Two more men were added to the Steward Board, which had been organized earlier, consisting of the men of the church. Men also comprised the trustee board and the ushers.

In 1914 the late Mrs. Agnes Armbrister organized Armbrister's Quartet, which was comprised of her four oldest children. She also organized other singing groups.

In 1915 the first Stewardess Board was organized with the late Mesdames Aramintha W. Roberts, Mary Sands, Agnes Armbrister, McCleod, Elsa Gibson and Estella Counts as members. Their first project was to purchase individual communion glasses. Communion bread was made by the late Mrs. Sands and Mrs. McCleod.

In 1915 the parsonage was built. Property was purchased at 3352 Charles Avenue, and the house which presently stands was used.

In early 1920's people were still migrating from other parts of Florida, Georgia and Alabama.

During the 1926 hurricane quite a bit of damage was done to the church. A steeple was completely damaged. In the same year an organ was purchased.

In 1932 under the administration of the late Rev. M.P. Chappelle a new church was built to facilitate a growing membership. Bro. A.G. Lattimore gave the first $200 toward the purchase of the property on the present site. The church was built with all of the membership working as one to accomplish their dream.

Wood and other materials were salvaged from the church on the hill, and used in the construction of the new church. The salvaged materials were guarded by Mrs. Aramintha W. Roberts and her children.

In 1932 Rev. Chappelle organized the Supreme Usher's Board (#2 Usher Board). The White Rose Usher Board (#1 Usher Board) had been organized between 1918 and 1920. Rev. Chappelle also organized the Gospel Choir (Choir #2).

In 1943 the existing parsonage was built under the pastorate of the late Rev. F.A. Roundtree.

In 1945 the late Rev. R.A. Jackson, the pastor, organized the first Women's Day below the Mason Dixie Line, which was held in the present church. The last Mrs. Myrtle McCleod Davis served as Chairperson.

In 1947 Rev. I.D. Hinson, pastor at that time, started construction of the Educational Building, now known as the Annex. Improvements were made by Rev. R.E. Lamb and the late Rev. J.A. Roberts, and it was completed by the Rev. T.C. Kelley. Rev. Kelley also organized the Male Chorus, the Busy Bee Club and the Willing Workers.

The previous mortgage had been burned by the late Rev. A.F. Little.

Under the pastorate of the late Rev. T.E. Wright the name of the church was changed to Greater Saint Paul AME Church. He saw a need to serve the community of Coconut Grove with a Day Care Center, which accommodated at least 45 working mothers. Necessary repairs were made to the church and the annex during his administration. He had an undying loyalty to the Youth Church which he referred to as the "church of tomorrow". Under the leadership of Mesdames Elizabeth Espy, Ruth Seal Bullard, Hattie Johnson, Carlee Daniels, Esther M. Ambrister and Cliffonia Ross, the Junior Church was one of the best in the South Florida Conference.

The Missionary Choir was organized with Mrs. Catherine Morgan as the directress, and the late Mrs. Miriam Sands Massey as the pianist. Mrs. Massey served the church well for 38 years, her sister the late Ms. Ernestine Sands, served the church for 12 years, and their father, the late Nathan Sands, served as director of the Mozart Choir for 45 years. The service of the Sands family was unlimited.

From 1972 and during the pastorate of Rev. F.A. Allen, major renovations and repairs were made to the exterior and interior of the church and the annex. He organized the F.A. Allen Gospel Choir and the Singing Angels, our youth choir. In 1972 Hauley Wiggins Choir was organized, consisting of the young adults of the church.

According to church records four ministers were ordained into the ministry and now pastor their own churches. Under Rev. Wright's pastorate, Rev. John Bodison was ordained, along with Rev. Theodore Barnett and Rev. Eugene Wilson. Rev. Michael Bouie was ordained under the pastorate of Rev. Allen.

During the Annual Conference of 1984 Rev. O.W. Burroughs was appointed as pastor, and interestingly enough he had been ordained in St. Paul 1949, having come from another district, Rev. Burroughs served the church well, liquidating the church of debt before his untimely demise in 1987. Regrettably he was unable to physically witness the burning of the mortgage, however, spiritually his presence was felt.

During the annual conference Rev. James H. Davis was given the charge to shepherd the flock of St. Paul, to uplift their morale and give them insight into the future of a new Greater Saint Paul. The church took on a new outlook with a vision in mind, which was to build a new edifice, one of which we can be proud. Property was purchased on Thomas Avenue across the street, which is now being used for parking. Property was purchased on Williams Avenue, behind the church, which holds a set of duplexes, which are self supportive.

The assistant pastor, Rev. Phillip Cooper, having been inherited from the Allen administration, is working diligently alongside our pastor. He serves the church spiritually, musically, educationally and financially. Rev. Cooper is quite supportive of the church's programs.

Greater Saint Paul AME Church witnessed the building of a new church, and will celebrate its centennial anniversary and dedication on April 14, 1996.

TRIBUTE TO CAPT. PATRICK L. HIGGINS ON HIS RETIREMENT

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is with pride and great respect that I rise to recognize the retirement of Capt. Patrick L. Higgins from the Thompsonville fire district in Enfield, CT, after 30 years of unparalleled and dedicated service. Throughout his exceptional career he has been active in his community, not only through his role in public safety, but also with his membership in such organizations as the VFW.

In 1969, early in his career with the fire department, Captain Higgins traveled to Wisconsin to pick up and deliver Thompsonville's first firefighting foam unit. Later, although not known for being foam unit specialists, Captain Higgins led his department to victory in competitions at Westover Air Force Base, defeating the renowned Westover department in foam unit firefighting.

Captain Higgins was born and raised in Thompsonville and is married, with two children. Today we pay tribute to his years of valiant service and outstanding contributions and wish him well in all his future endeavors.

JUDGE PENZIEN: GUILTY AS CHARGED

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. BARCIA. Mr. Speaker, in our system of government where legislatures pass laws, executives sign them, and courts interpret and apply them, we need to be very appreciative of the dedicated jurists who take the task of judging disputes between society and individuals, or simply between individuals. The people of Bay County, MI, my home county, have had the good fortune to be served by a very dedicated man, Bay County Circuit Judge Eugene C. Penzien, who is retiring after nearly 40 years of effort in a stellar legal career.

Judge Penzien began private general practice in 1958 with former prosecuting attorney and district and circuit court judge, Ira Butterfield, as well as David Skinner. After 11 years, he became the first full-time Bay County prosecuting attorney until 1978. He first became circuit judge in 1979 and also served as chief judge between 1979 and 1982.

During his tenure, he became a personally important individual to literally thousands of Bay County residents. Having rendered over 22,000 decisions from the bench, there is no doubt that this fine jurist has left his mark on Bay County. But while some people think that the courtroom is always as dramatic as television portrays, many are quite appreciative of the fact that throughout his time as a circuit court judge that Judge Penzien has encouraged people to meet in chambers to reach amicable agreement in a quick and less onerous fashion than a protracted court fight which may ultimately be no better than the settlement.

His membership in numerous professional organizations, including the Prosecuting Attorneys Association of Michigan and its coordinating council, as well as his chairmanship of the Bay County Law Enforcement Council only begin to describe his civil commitment. He has been involved with the American Cancer Society Bay County Chapter, the Bay Area Child Guidance Clinic, the Bay City Kiwanis Club, the Bay County Mental Health Society, the Bay City YMCA, and the First United Methodist Church.

He has provided an admirable role model to the people of Bay County. He has done so with the support of his wonderful wife Mary, his children Karla and Douglas, and his stepchildren Stephen Chick and Caroline Arnold. And now his grandchildren Jessica Richards and Kimberly Penzien, and his grandchild Daishelle Richards, can learn more about what justice is supposed to be from a man who has worked a lifetime to provide it.

Mr. Speaker, I urge you and all of our colleagues to join me in thanking Bay County Circuit Court Judge Eugene C. Penzien for his years of service, and in wishing him the very best for the challenges that lie ahead.

THE PHILLIPS AMBULATORY CARE CENTER

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. MALONEY. Mr. Speaker, I rise today to bring to the attention of my colleagues Beth Israel Medical Center's Phillips Ambulatory Care Center, which is opening its doors today in New York's 14th Congressional District.

The Phillips Ambulatory Care Center is an extraordinary new health care facility that is designed to provide a single standard of ambulatory care to all patients, regardless of health insurance status. The development of new ambulatory care facilities such as this one is particularly important at a time when health insurance plans are increasingly emphasizing out-of-hospital service.

Phillips proposes to provide each patient medical services at a designated patient care module that is small, patient-friendly, and modeled after the most modern and comfortable private physician office.

As a state-of-the-art ambulatory care center, this new facility incorporates many technological innovations into its design and operation. For example, the Phillips Ambulatory Care Center has the Nation's first digitized filmless radiology service.

Filmless radiography will allow physicians to view radiographic images promptly at convenient locations within the facility and will make it possible to consult with a radiologist moments after the studies are done.

Another technological innovation at the Phillips Ambulatory Care Center is a computer-based, paperless medical records system. With this system, physicians and other clinical staff will have immediate access to a patient's most up-to-date medical records. This state-of-the-art medical records system will strengthen the continuum of care for patients. For example, notes made in a patient's chart during a morning visit to the Phillips Ambulatory Care Center will be accessible to emergency room staff at the Petrie Division of Beth Israel Hospital the same day, should the patient need emergency care.

Located in Zeckendorf Towers, the Phillips Ambulatory Care Center will play an important role in revitalizing the Union Square area. Early this summer, Beth Israel Hospital will open a comprehensive cancer center and a six-unit ambulatory surgery center in the same building that houses the Phillips Ambulatory Care Center. The combined facilities are expected to bring additional visitors into the area and to add to its economic vitality.

Mr. Speaker, Beth Israel Medical Center has a reputation for innovation and care. The Phillips Ambulatory Care Center should prove to be another fine example of the extraordinary work done by this institution. I ask my colleagues to join me in wishing the Phillips Ambulatory Care Center all the best as it begins its work in our community.

MACEDONIA MISSIONARY BAPTIST CHURCH OF MIAMI, INC., OLDEST BLACK CHURCH IN DADE COUNTY

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. MEEK of Florida. Mr. Speaker, I rise today to pay tribute to a cherished house of worship, Macedonia Missionary Baptist Church, located in Miami, FL. In October 1995, Macedonia Missionary Baptist Church celebrated its 100th year as a spiritual beacon for the Miami community.

I urge the Members to read the church history which I'm inserting into the Record.

The Oldest Black Church in Dade County

The Macedonia Missionary Baptist Church of Miami, Incorporated lineage began at Union Chapel (Plymouth Church) in 1891. Because the Black worshipers at Union Chapel were not accustomed to the style of worship services, they organized their own church in 1895. Rev. S.A. Sampson and fifty-six other black members of Union Chapel were successful in organizing a church in the home of Mrs. Edith Albury. This church was called the Fifty-Six Baptist Church. The Fifty-Six Baptist Church was later blessed with a gift of land on which to build a church. The land was donated to the Fifty-Six Baptist Church by the Count Jean D'Hedouville and it was located on Thomas Avenue. After the church was erected, the name was changed from Fifty-Six Baptist Church to St. Agnes.

In 1903, St. Agnes Church was moved from Thomas Avenue to Charles Avenue where another edifice was erected. Deacons Washington and Bumey played the primary role in changing the name from St. Agnes to Macedonia Missionary Baptist Church on May 25, 1922. In June 1948 Macedonia Missionary Baptist Church was again moved to its present site. It was incorporated in 1976 and the name was changed to Macedonia Missionary Baptist Church of Miami, Incorporated. The organization of this church was significant in South Florida's history because it was the first Black church on the South Florida mainland to be organized by Blacks. On April 15, 1993, Macedonia's name was placed on one of Coconut Grove's Historical Markers. This marker was placed next to the church on Charles Avenue.

1895–1939: Rev. S.A. Sampson was the organizer and founder of Macedonia Missionary Baptist Church of Miami, Incorporated. Succeeding Rev. Sampson were Reverends Watson, Yates, Guilford, Nicholson, Sneed, Driver, and Whitaker.

1939–1970: Rev. Finlayson pastored Macedonia Baptist Church for thirty-one years and left a strong church organization that was spiritually sound and financially secure. During his tenure, the present edifice was built; the parsonage on Charles Avenue was built, property on Williams Avenue was acquired for future expansion.

1971–1975: Rev. Philip Cooper, a gifted musician and educator, served as an interim pastor. During his tenure, the thirteen deacon concept as ward leaders was organized; the use of collection plates to ascertain offerings and tithes, was initiated; the prelude before worship was instituted; and the financial department organized.

1976–1981: Rev. Arthur Jordan was the youngest minister to ever pastor Macedonia. Under his administration—the church was redecorated and refurbished; the fellowship hall was air-conditioned. Rev. Jordan, with keen insight, began a financial drive to buy a church van.

1981–1983: From June 1981 to April 1983 Macedonia was void of a pastor. Deacon Charlie Sinkler, Chairperson of the Deacon Board and Sister Arlene Broxton, Chairperson of the Board of Directors, were instrumental in keeping the church in unity. Under their leadership, the church was spiritually filled and financially secure, the parsonage was refurbished; and a financial drive was begun to raise funds for a decorative security fence for the church.

1983–: Rev. Rudolph Daniels, a gifted gospel singer and educator, was called for his first pastorate at Macedonia on April 20, 1983. Since 1983, the fifteen passenger van and the decorative ornamental fence have been realized; an elevator has been installed. During hurricane Andrew, Macedonia sustained extensive damage but has since restored to her original beauty both inside and outside.

Macedonia's roots are like those of a redwood tree, intertwined throughout Dade County. However, the future of the church is assured because its rich heritage is being transferred to its youth through the revived Christ emphasis. Its heritage reflects the real struggles of Christianity throughout the world, but its philosophy remains: "With Christ all things are possible."

The roots of this great church are firmly planted in the whole armor of Jesus Christ and shall not be moved.

COLORADO JOINS STATES LEGISLATING AGAINST FGM

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. SCHROEDER. Mr. Speaker, I'm happy to report that Colorado has joined the growing ranks of States that are drawing up their own legislation to ban female genital mutilation [FGM]. In fact today Senator Dorothy Rupert, who sponsored the bill along with Senator Bill Thiebaut and Representative Glenda Swanson Lyle, is among lawmakers who are conducting hearings on the bill back in Denver.

Their bill is similar to mine, H.R. 941, in that it has criminal and education components. It would make it a crime of child abuse to mutilate a child's genitalia, or allow it to be done, and would require the public health department to carry out education among communities that traditionally practice FGM, using private funds, grants, gifts, or donations.

The education is essential, but so is the criminalization of this brutal act, which is done in the name of custom. As the Congressional Research Service has pointed out:

> While most states have laws which prohibit endangering the welfare of a child or creating a substantial risk to the health of a child, it is not clear whether these laws would necessarily be interpreted to prohibit female genital mutilation in all cases.

So, we need explicit legislation, both on a State and Federal level.

Senator Rupert tells me that she knows FGM is being practiced in Colorado because she gets anecdotal reports of it. And this has really been the problem with legislation such as this—because FGM takes place so covertly and the evidence of it is largely anecdotal, some people still don't want to believe it happens in this country. But if it doesn't, then why have Colorado, Minnesota, New Jersey, New York, and North Dakota introduced or passed their own legislation against it? And why do I get regular inquiries from other States that are interested? It's because it's happening here. It's high time we took our heads out of the sand and did something about it.

ENFIELD, CT, FIRE DEPARTMENT CELEBRATES 100 YEARS OF SERVICE TO COMMUNITY

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is with great pride and admiration that I rise to pay tribute to the men and women, past and present, of the Enfield, CT, Fire Department as they celebrate 100 years of service and dedication to the citizens of Enfield, CT.

Volunteers comprise the majority of members of the Enfield Fire Department, a further testament to the department's commitment to Enfield and its surrounding communities. For the past century the members of the Enfield Fire Department have selflessly contributed countless hours to ensure the safety of their neighbors and protect them from danger.

These men and women are, indeed, a rare breed. Courageously, they put their lives on the line each day—often in situations where they are keenly aware of the realities of personal injury. The Enfield Fire Department and others across America deserve our thanks, as it is their meritorious deeds that have saved many lives each year. Accordingly, I would like to thank the Enfield Fire Department, on this their 100th anniversary, for their service, and let them know they are not forgotten.

AMERICA AT WAR

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. RADANOVICH. Mr. Speaker, although some of us did not live World War II, we all are aware of its meaning. As a young boy, I remember my father, a World War II combat veteran himself, telling our family about the conflict and what it stood for.

Now, in the Chowchilla News, a paper in my district, Jim Dumas, my constituent, has brilliantly told his recollection of World War II, as 1996 marks the 50th anniversary of this critical event in our Nation's history.

It is my pleasure to share his article with my colleagues.

AMERICA AT WAR

(By Jim Dumas)

This year marks the 50th anniversary of the ending of the most expensive, deadly and devastating conflict the world has ever seen.

When the war ended in Europe, Hitler and his people could look at the ruins of Germany and see the results of their wish to dominate all the world's people. When it ended in the Pacific, Japan lay in the ashes of two atom bombs which were dropped on Nagasaki and Hiroshima.

People all over the world celebrated the surrender of the Axis nations, and those Americans who were serving overseas soon started home for a reunion with their loved ones and friends.

This was the most expensive war in people and material lost and used in which our nation has been involved. The total cost of the nearly five years of fighting had cost the world almost two trillion dollars, and the lives of nearly 800 million people.

The United States alone lost over 400 thousand men and women during this great conflagration. These figures tell a sad story of almost five years of war. The cost was very high when measured by any standard, but it brought almost a half century of peace and prosperity to most of the world.

Paul A. Spera, National Commander-in-Chief, Veterans of Foreign Wars, writing in the California Veteran, December 1995, wrote these words, "Because of the sacrifices of the more than 12 million Americans who served overseas and another four million who wore the uniform stateside, would-be dictators recognized that free men and women will fight and prevail when their freedoms are at stake. Because of their sacrifices, Americans were never forced to defend their own homes.

"As we enter our sixth decade of freedom and prosperity in America, it's important that we recall the pain and sacrifice of those who served to ensure that freedom . . . for each American soldier, sailor, Marine and airman who perished, there is an entire family whose lives were forever changed. And for each one that perished, there are thousands who returned from war, and whose lives have never been the same.

"When you see an elderly veteran, there's a good chance he or she served in World War II. If you are fortunate enough to hear them speak about what America means to them, please pay close attention. They have a perspective few of us share. They are rightfully proud of their service and the glory of their victory. However, they share a deeper and more profound perspective.

"You see, they know how it feels to face the reality of losing everything they had ever hoped for. They have dealt with the prospect of seeing their loved ones die, their nation's flag trampled and their homeland in ruins. Perhaps that is why our flag, their flag, is so important to them. That is why they deeply appreciate our Constitution and the institutions which serve under that document.

"They have paid a dear price so that all these things could endure. On these, the final days of the 50th commemoration of their war, we must remind ourselves that we owe them a debt which can never be repaid."

How could anyone say it better? When I read those words, I knew I had to pass them on to you. I don't know if Commander Spera is a veteran of WWII or not, but I like what he said.

My generation suffered the greatest casualties of any one generation which has fought in our many wars. I just hope future generations will not allow historians to sanitize the history of WWII to suit their present day thinking.

That is why we need more veterans to write what it was really like so the school children of today and tomorrow will know the real truth of the entire war period.

With this episode, the "America At War" series comes to a close. My friend, John Wolfshorndl, recently made a 17-day visit to China. He brought back many pictures and has agreed to lend them to me and this newspaper so you may see what that nation is like today.

Many of his pictures show it much the same as when I was there in 1942–43. Some changes for the better have taken place. He went to many places I did not get to see, such as the Great Wall.

He did bring some pictures of Kweilin (Guilin) and Kunming where I was stationed during WWII. He has some good pictures of the very unusual mountains around Kweilin of which I have written before. The editor has promised me two half-pages so we may show you these pictures.

My heart is heavy as I bring this series to a close. I really don't know why, but as I type this, I find it impossible to keep back the tears. Perhaps no one else will understand it either. Writing this series of articles has been like reliving it all over again.

This isn't the first time tears have come to my eyes as I wrote them. I've heard all my life that "There is no fool like an old fool." Maybe an old sentimental fool is even worse. I am a sentimentalist, and some may say I am all of the above.

So many of you have asked if I was writing these articles for a diary. The answer is no. I did not keep a diary while in China because I never even thought about writing about my experiences while I was there.

These have been written from memory. Again, many of you have asked how in the world I could remember all this stuff. I don't know. I have just written it as I remember it. I'm sure there are some who might take exception to some of the things I've written. No two people see things exactly the same. I guess these things have been deeply embedded into the wrinkles of my brain or I couldn't have remembered them.

The editor, Jess Chambers, has asked me to continue writing for him on several subjects. I plan to do that as long as people like and read what I write. I love writing and wish I had gone to journalism school right after I retired.

There are many things about which I have very strong opinions and could write about. I travel a lot and could write about those trips and the interesting places my wife and I visit. That would not be controversial, whereas, my opinions about other things could be.

But first, I think I would like to take a little rest. However, I see things everyday in various newspapers and magazines about which I would like to write. Maybe I can write a few and not have to meet a deadline. I don't really enjoy having to do that.

One of the things which Jess asked me to write about is vacation spots where people can go and be outdoors and camp without it costing them an arm and a leg. Since I own a little recreation type land in northeast California, I could write a few of those already. But I would need to go to those places and take some pictures to be printed along with the articles. So, you may see some more of my writing in this paper following the last of these articles.

Anyway, before I close, I must say that I am proud to have been able to fly and fight with the great Flying Tigers, even though I was only attached to them for training. It was a great organization and a fine group of men to be with.

It is an honor to have been around such men as Tex Hill, Ed Rector, Charley Bond, Joe Rosbert and Bill Bartling, to name a few. When I first met them, I thought they were all "Supermen," which they were, but when the 14th Air Force took over from the AVG, we had some "Supermen" among us. Men like Charles DuBois, Mortimer Dog Marks, Patrick H. Daniels III, Johnny Alison and others.

Most of all, I'm proud I got to know personally the man most responsible for the success of both organizations, General Claire Lee Chennault. It was a pleasure serving under him. I was honored to have been asked to be one of his honor guard at his homecoming in New Orleans.

Now I'd like to quote from another veteran's magazine, The American Legion, September 1995. There was no byline or I would give credit to the writer. It is called "The Road to Victory."

"America's triumph in WWII was so much more than a military victory. It was a victory that energized democracies around the world, primed the economy at home and secured the continuation of the American way of life. There are no words that can bestow enough honor upon those who served, but

WWII veterans know how important their contribution has been and continues to be. We must be sure that future generations never forget their bravery, sacrifice and service to our country. WWII veterans have earned our eternal gratitude." Amen.

Finally, I'd like to thank the Chowchilla News, the owners and Jess Chambers, editor, for their confidence in me, and for publishing these articles. They were the first. And my thanks to all who telephoned, wrote me, and told me personally that you enjoyed them.

You have no idea how much that has meant to me. You may not believe this, but I have never received a derogatory remark about them from anyone. Not one. There must be some who didn't like them enough to read them, and to them I would like to say, thanks for not telling me.

I close wishing all of you good health throughout 1996, and may it be the best year ever for each and every one of you.

DR. PHILIP BUCHANAN HONORED FOR VOLUNTARISM

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Ms. LOFGREN. Mr. Speaker, I rise today to recognize a man whose record of community service spans more than two decades. Dr. Philip Buchanan will receive the Firman B. Voorhies Volunteer of the Year Award from the Gilroy Chamber of Commerce at the chamber's 43d Annual Meeting and Awards Dinner on February 2, 1996, in Gilroy, CA. It is an honor to join with the chamber in acknowledging Dr. Buchanan's many contributions.

Dr. Buchanan is best known for starting Gilroy's Christmas street ornament program over 20 years ago; a program that provides for the purchase, maintenance, and installation of the street pole decorations each year. Over the years, Dr. Buchanan has used the program to get residents involved in civic pride, enlisting participation from the Boy Scouts, for instance, to help youth to take an active interest in their city.

A two-term Gilroy City planning commissioner, Dr. Buchanan now serves as chair of the Citizens Committee, working on bike trails and sound wall planning. He has cochaired the Grants Committee of the Gilroy Foundation and played an active role in making the world famous Gilroy Garlic Festival a success year after year.

Mr. Speaker, I would like to congratulate Dr. Philip Buchanan as he is honored and invite my colleagues in the U.S. House of Representatives to join me in saluting Dr. Buchanan for his efforts.

TRIBUTE TO U.S. FEDERAL MARSHAL ROMOLO J. IMUNDI

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. ENGEL. Mr. Speaker, I rise today to honor Federal Marshal Romolo J. Imundi. At the age of 75, Marshal Imundi has completed 53 consecutive years of Government service and retired from his post as U.S. marshal for the southern district in New York on October 15, 1995.

Mr. Imundi was a highly respected marshal in New York and has received numerous awards and plaques during his long and distinguished career in law enforcement. For 13 years, Mr. Imundi's office has been responsible for the security of 80 Federal judges, 200 U.S. attorneys, 80 security officers, 100 marshals and inspectors, and dozens of crime suspects. In recognition of his unfailing dedication to his work, I am inserting an article into the RECORD detailing his years of public service.

The suspects he has escorted have been some of the most famous and notorious this century, Sheik Omar Abdel-Rahman—found guilty of plotting the bombing of national monuments such as the Statue of Liberty—and those accused of plotting the World Trade Center bombing. Not a single one of his clients has been injured or harmed in any way during his protection, to say nothing of all the innocent lives he has helped to save during the course of his impeccable career.

The southern district of New York is losing a marshal greatly respected by all people. He brought to his post, his 32 years of experience in the New York Police Force and 8 years as an investigator for the U.S. Veterans Administration. He was first appointed Federal marshal by President Ronald Reagan and served under Presidents George Bush and Bill Clinton, giving him the distinction of being the longest-serving Federal marshal this century. His record in public office has been an inspiration to his colleagues as well as the community as a whole.

Mr. Imundi's well-deserved retirement will sadden all those who gained so much from his time in office: not just the citizens of New York but all the people of the United States. On January 30, 1996, there will be an event honoring Mr. Imundi's years of service and dedication to law enforcement and justice. Mr. Speaker, I know you will join me in wishing Mr. Imundi well and the best of luck in his retirement.

GLADIATOR RETIRES AFTER HALF-CENTURY OF SERVICE

Wyatt Earp and Bat Masterson may have been the most famous federal marshals.

Romolo J. Imundi may be the most photographed.

"I'm also the longest-serving federal marshal in this century," Imundi said.

He retired Oct. 15 from his job as U.S. marshal for the Southern District in New York after 13 years in the post. He was appointed by President Reagan in 1982.

At 75, Imundi completed 53 years of government service, including 32 years as a New York City police officer and detective, eight years as an investigator for the U.S. veterans Administration and the past 13 as a federal marshal in the Manhattan office.

Imundi and his wife of 48 years, Rosemarie, who have four grown children and eight grandchildren, have lived in the Crestwood section of Yonkers the past eight years.

"This job is a presidential appointment," Imundi said. "George Washington appointed the first federal marshal in New York City in 1789. He was the chief lawman for the area. I'm a conservative Republican. I was appointed by Reagan and reappointed by George Bush. When Bill Clinton came in, I was asked to stay on the job."

Imundi, nicknamed the "Roman gladiator," often was seen in newspaper photographs and on television as he escorted such suspects as Leona Helmsley, Bess Myerson, mobster "Fat Tony" Salerno, Michael Milken, Mafia boss Paul Castellano and Imelda Marcos into federal court.

His last case was completed earlier this month when Sheik Omar Abdel-Rahman was convicted of plotting the bombing of the Lincoln Tunnel, the United Nations, the Holland Tunnel and the Statue of Liberty.

"Imagine what would have happened if they blew up a tunnel, and you had water cascading all over Manhattan," he said. "It is too horrible to even think about."

The sheik and his followers were moved each day from the Metropolitan Corrections Center underground to the federal courts for their trial. All were found guilty and will be sentenced in January.

"I think they will all spend the rest of their natural lives in jail," Imundi said.

They were not subject to the death penalty. Imundi has witnessed one execution, the electrocution of murderer Elmer "Trigger" Burke in Sing Sing Correctional Facility 40 years ago.

For 13 years, Imundi's office has been responsible for the security of 80 federal judges, 200 U.S. attorney, 80 security officers, 100 marshals and inspectors and dozens of crime suspects.

He never had a client injured or killed in all that time, although junk-bond king Milken fainted after Judge Kimba Wood sentenced him to 10 years in prison.

Former Miss America Myerson, charged with a tax violation, was close to fainting when she was in a cell and was told she had to be fingerprinted.

"I put a hand on her shoulder and steadied her," he said.

Helmsley, who served three years in prison on a tax charge, was one of his most difficult cases.

"She was so disliked that many people stood on the courthouse steps and screamed obscenities at her every day of the trial," he said.

"The terrorist trial was clearly the trial of the century, not that thing in Los Angeles," he said. "Millions of lives were at stake here when these guys plotted their violence. Judge Michael B. Mukasey really did a great job of handling that. He had to deal daily with 15 lawyers and kept * * *."

Imundi, who handled the suspects in the World Trade Center bombing case, said that crime really frightened him.

"Few people know this, but if that bomb was planted two stories higher and not in the garage, that entire building would have gone down," he said. "It would have dwarfed the bombing at Oklahoma City and thousands upon thousands of lives would have been lost."

Now, the care and feeding of so many suspects has been turned over to a new marshal—Martin Burke, a bodyguard for former Gov. Mario Cuomo.

"Now, I'll just take it easy for a while, do some painting, work around the house, tend to my garden, and enjoy our family," Imundi said.

Few public servants have done as much to earn a quiet, peaceful retirement as Imundi has. Few have had a half-century of such adventures.

PRESERVING AMERICA'S MIDDLE CLASS

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. TORRICELLI. Mr. Speaker, I am inserting for the RECORD an opinion piece I wrote concerning the need to take action to preserve the American middle class:

PRESERVING AMERICA'S MIDDLE CLASS

(By Congressman Robert Torricelli)

Some 50 years ago president Harry Truman asked his assembled economic advisors for their interpretation of his economic policies. The economy was faltering, and he needed answers. They told him on the one hand what was right, and on the other hand what was wrong. Harry Truman said that what he needed was more one-handed economists.

The massive layoffs at AT&T reminded us again this week that indeed, the American economy is in two very different and often contradictory hands. We are, on the one hand, an extraordinary innovative people. We have the world's most productive workers. Our stock market is booming. We have captured the technological edge in vital and lucrative fields. We are the world's largest exporter. In many ways, the United States is the marvel of the international economy.

But there is another side to our rapidly changing economy. In the last decade there has been a loss of 20 million jobs due to corporate downsizing. One half of all Fortune 500 companies have seen dramatic changes in their employment. In the 1980s, 50 percent of those who lost their jobs and found new employment, did so at reduced wages. Twenty percent found themselves out of the workforce permanently. And a million of these newly unemployed found themselves without health care benefits or pensions.

A slow motion downsizing is taking place in many corporations across America which never makes the headlines. Middle class America hangs by a very thin and precious thread. Few of our families are more than a serious illness, a technological breakthrough, or a corporate downsizing away from losing a standard of life that took generations to earn.

We are becoming a nation of smaller, leaner, and much more competitive corporations. The layoffs at AT&T are the most dramatic expression of a growing phenomenon of corporate restructuring. But unlike General Motors or I.B.M. who were in serious financial crisis, AT&T is strong and profitable. Yet, AT&T has made a prospective decision about a problem it might or might not face in future years.

The impact in New Jersey of the loss of 7,000 jobs will be exacerbated by the loss of work for hundreds of contractors in the community that depend on the health of the company. These layoffs will impact families, communities, and state and local governments.

The question is not whether we can adapt to the changing economy, but whether we can do so fairly, while protecting our families, and remaining consistent with our sense of community. To do so, we must re-examine our responsibilities as corporate citizens, individuals, and government.

Every corporation has the right and the responsibility to control costs, maximize returns to its investors, to survive and to prosper. But, corporate responsibility was never to its sources of capital alone, but also to its employees, its suppliers, and to its community. Today's laid off workers are having a hard time understanding why their companies allow their chief executive to collect 200 times what their average employee makes per year. And community leaders are having a hard time understanding why they provided lucrative tax breaks to corporations to move into their areas, only to see their neighbors thrown out of work with little justification.

There had always been a sense of balance among these interests. Today's CEOs, however, have lost sight of that importance balance, and their responsibility to maintain it. In order to succeed in this new economy, corporations must correct the dangerous imbalance between the interests of financial capital and human capital.

For individual workers, it is increasingly unlikely that the corporation they join early in life will be the same one they end their careers with. The age of freelance workers is upon us. People must now identify less with a corporation and more with their skills. It means constant re-eduction, flexibility, and mobility. It means greater self-reliance.

And we in the government have a responsibility to adapt our tax incentives and educational culture in order to succeed in the 21st century. That means making innovative changes to our tax code and making education and training programs more accessible. Here's what government can do:

Establish Individual Training Accounts, where employees in good times can save money tax free so they have the resources available to receive retraining and continuing education to keep up with technological advances. Maintaining competitive skills is as important to individuals now as it is to corporations.

Give preferential corporate tax treatment for worker training. Ninety percent of all training of employees in America today is being done by only one percent of our corporations. We need to create incentives to make training American workers a rational business decision again.

Change the way we asses corporate taxes. Our current tax code treats equally: excessive executive bonuses; excessive compensation; and expenses like compensation for workers and retraining of employees. However, these expenses are not of equal value to society, they are not of equal value to the future of this country, and they should not be treated equally by our tax code.

Reduce capital gains taxes, to ensure that the middle class can invest and save, to finally get some security by accumulated savings. Only family savings will afford the American workforce the financial security it needs to change jobs.

Increase the availability of federally-backed student loans, and broaden them to apply to retraining, vocational, and continuing education programs. Universities must become more open to all generations who will need re-education, and their classes must become more relevant to the local economy.

Ensure that workers' pensions and health care plans are portable. Losing a job must not mean losing the security of a pension and health care coverage. Workers should be able to carry their pensions to other companies throughout their careers.

We are all in this new economy together. These are neither good times nor bad times. They are different times. And if we are like all Americans that came before us, we can make them work for our families, our community, and our country. Together we must develop good ideas and make sound decisions that help our people deal with rapid economic change. We must not allow the modernization of America to become the downsizing of America.

ELEANOR VILLARREAL NAMED WOMAN OF THE YEAR

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Ms. LOFGREN. Mr. Speaker, I rise today to salute Eleanor Villarreal, named "Woman of the Year" by the Gilroy Chamber of Commerce in Gilroy, CA. I know Eleanor and have had the pleasure of working with her over the years on matters important to the district I represent in this 104th Congress. Eleanor is being honored for her contributions to our community as a prolific volunteer and strong advocate for children.

Eleanor Villarreal is well known in Gilroy, having served on numerous local boards and for spearheading community events benefiting Gilroy residents throughout the years. She was the first woman to become president of the Gilroy Hispanic Chamber of Commerce. She is president of the Salvation Army Council and a regular volunteer for the Special Olympics. In addition, Eleanor has lent her skills to volunteer efforts such as the Toys for Tots Campaign, the Gilroy Garlic Festival, the Exchange Club, Gilroy 2000, the Hispanic Cultural Festival and too many others to include in these remarks.

So very significant among Eleanor's contributions is her continuing work with the Odd Fellow-Rebekah Children's Home where she successfully organized a multi-million dollar campaign to fund a 20,000 square foot expansion of facilities. The new facilities allow this dedicated agency to better meet the demands of the troubled youths it serves in a more home-like setting.

Mr. Speaker, on February 2, 1996, the Gilroy Chamber of Commerce will honor Eleanor Villarreal at its 43d annual meeting and awards dinner. I would like to invite my colleagues in the U.S. House of Representatives to join with me in expressing gratitude and appreciation to Eleanor for her efforts.

IN HONOR OF LORI JEAN MACHARA

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. GEKAS. Mr. Speaker, it is with great pleasure that I pay tribute to this year's recipient of the J. Robert Ladd Community Service Award, Lori Jean Machara of Mount Gretna. She is a shining example of the volunteer spirit that so exemplifies central Pennsylvania.

In addition to her tireless efforts as the manager of the Cardiac Rehabilitation Department of the Good Samaritan Hospital, Lori has been active in the hospital auxiliary and been involved with the Cornwall Children's Center.

She is a member of the board of directors of the American Heart Association and coordinates several activities for the Junior Women's Club.

I congratulate Lori Jean Machara on a lifetime of success and accomplishment. The Lebanon area is profoundly richer because of her work.

ANNOUNCING THE 1995 RECIPIENT OF THE SERVICE TO MANKIND AWARD: LORI JEAN MACHARA

As the oldest of 4 children growing up in Natrona Heights, PA, it seemed that Lori was born into a leadership role. In the words of Lori's mother, "she was and still is a perfect child". Lori's formative years reads very similar to her present life and included activities such as class officer in grade school, high school class vice president, active participation in church youth group and Girl Scouts, and president of junior achievement. She was also an intricate part of a school newspaper and yearbook staff. Duquesne University was Lori's home for the next 5 years, as she received a B.A. degree in Nursing, a profession she chose to pursue to a post graduate level through Penn State University.

Lori and her husband, Lou, were married shortly after she received her undergraduate degree and at that time, the Machara family as a result of Lou's job, established residency at Mt. Hope Estates, where they lived for approximately 7 years. Through her work as a nurse, Lori has lived her philosophy that encompasses a strong work ethic and character, contributing back to society that which she has been blessed with throughout her life. Lori served The Good Samaritan Hospital with her skills and talents as a medical/surgical nurse prior to her association with the Cardiac Rehabilitation department. Historically, the cardiac rehabilitation program consisted of a patient room converted to an exercise facility housing 3 pieces of equipment. Presently, Lori is manager of Cardiac Rehab, and through her leadership abilities, the department has grown to an extent that it is now housed in the ground floor of the Cardiac Cath Lab, serving over 1,000 community patients providing them with 21 pieces of equipment plus a universal weight set, nutrition education, and an exercise program to rehabilitate those who have experienced cardiac disease. The center benefits GSH employees as well, with fitness evaluations and personalized exercise programming. At a recent Pennsylvania worksite health promotion conference held in Harrisburg, PA, which hosted 275 attendees, The Good Samaritan Hospital's employee health program was rated among the top 4 in its content which includes educational and incentive aspects. In addition to her full time employment through The Good Samaritan Hospital, Lori and Lou maintain a family business at the Renaissance Faire.

Branching out from her responsibilities through Hospital employment, Lori also serves as secretary for the Hospital auxiliary. Upon her initiative, the Fair has a Hearty Fare Booth which provides low-fat and low-cholesterol foods. As Lori strives to promote intellectual development as well as physical development, she has been involved with the Cornwall Children's Center since its conception, in capacities ranging from a child's mom to a board member.

Through Lori who is a member of the board of directors of the American Heart Association, a Heart At Work program was coordinated. She is chairperson for both the Lebanon County Heart At Work task force and the Worksite task force for the Pennsylvania affiliates. She was nominated for volunteer of the year in 1994, and attained awards for The Good Samaritan Hospital, including Most Creative Activity for the Lebanon division and Heart At Work Company of the year. As the Heart Association National Representative, Lori has provided lectures in several states. Cornwall Lebanon School District attributes the success of their smoke free program to Lori Machara.

Amazingly, Lori is as active with the Junior Women's Club as she has been with every organization with which she becomes involved. Annually, she volunteers at the Mt. Gretna Art Show, chairs a kick-off buffet for over 80 people, coordinates the children's Halloween and Christmas parties, and instills family values and cohesiveness by organizing monthly activities, including educational trips, ski outings, Easter egg hunts, and Mother/Daughter banquets. Lori was previously a board member for the Junior Women's Club. The Albert A. Alley Developmental and Disability Services facility recently benefitted by $15,000 due to the efforts of Lori in chairing an annual American Girl fashion show, an enormous project requiring a mailing list of 25,000 people.

Most importantly, Lori contributes most of her energies to creating family unity. She and Lou are very involved in their daughter, Jessica's, activities both in her education and gymnastic and dance studies. Lou has chosen one word to describe Lori and that is "stability". Through her caring, giving and enduring disposition, Lori has created a loving home environment. Of all of the functions that Lori has served, that which she does best is provide an excellent role model for her daughter.

Although Lebanon County may not be aware of her presence, Lori has touched the lives of many individuals through her active participation in her community. It is with great pride that the Lebanon Valley Sertoma Club honors Lori Jean Machara as the 1995 recipient of the J. Robert Ladd Community Service Award for Service to Mankind. May her example of selflessness emulate throughout the community and continue to touch the lives of our fellow citizens.

AWARDING CONGRESSIONAL GOLD MEDAL TO RUTH AND BILLY GRAHAM

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. HEFNER. Mr. Speaker, I would like to take this opportunity to commend this body for its passage of H.R. 2657 to award a congressional gold medal to Ruth and Billy Graham.

In a time when society is torn by the conflicting messages it receives, it is appropriate that we honor a couple whose decency and moral character is exemplified in everything they do. From their involvement with the flood victims of India to championing the cause of children through the Ruth and Billy Graham Children's Center, the commitment that these two have to others is unfailing.

No matter where the Lord has called them to go, they have been there, overcoming challenges which would have impeded the average person. But then these are no two average people. Citizens the world over could learn a lesson or two from Ruth and Billy. I, for one, am very proud to count them among my fellow North Carolinians.

TRIBUTE TO FATHER JAMES PAUL MURPHY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. SHAW. Mr. Speaker, I rise today to recognize a man who has brought 15 years of joy to his parishioners at St. Patrick Church in Miami Beach, FL. Unfortunately, his archbishop has decided that his talents are more needed elsewhere.

I speak of Father James Paul Murphy, originally of Cork, Ireland. Last year Father Murphy celebrated 25 years in the priesthood, the past 15 of which have been spent at St. Patrick Church. Coincidentally, Father Murphy came to St. Patrick's the same year that I came to Congress. This parish holds a particularly special place in my heart, as I was baptized there.

Before coming to St. Patrick Church, Father Murphy was the director of the youth office at the chancellory of the Archdiocese of Miami. Since Father Murphy joined St. Patrick's he has continued his work with the youth in the community and is well liked by the children in school. He has formed a program for the youth in the parish, as well as a child care center.

Father Murphy administers to the elderly, the sick, and the needy of our community. He holds luncheons for the elderly on Tuesdays, likes to visit the homebound, holds engagement encounters, visits Mt. Sinai, and the Miami Heart Institute and serves as the chaplain of the Miami Beach Police Department.

Father Murphy's parishioners think he is a terrific pastor. He has said the pain his move is causing his parishioners is the hardest part for him and reminds him of the French song Plaisir D'Amour, which he remembers from his childhood in Ireland. "The joys of love are but a moment long. The pain endures the whole life through."

St. Patrick's and the town of Miami Beach are losing not only a wonderful pastor but a good friend. Father Murphy will surely be missed for the outstanding contributions he has made to his parish and community. Our Lady of Lakes will count their blessings when they see what a wonderful addition their parish is getting.

BUSINESS HONORED FOR COMMUNITY SPIRIT

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Ms. LOFGREN. Mr. Speaker, I rise today to salute a business in California's 16th District that has been honored for its generous support of local nonprofit organizations. South Valley Disposal and Recycling, Inc., of Gilroy, CA, was selected as Business of the Year by the Gilroy Chamber of Commerce because of its contributions to the community.

South Valley Disposal and Recycling, Inc., has been involved in many efforts to help the needy in Gilroy and Santa Clara County. Its management and employees have successfully promoted the biannual food drive for the Second Harvest Food Bank as well as charitable drives by the Salvation Army and Toys for Tots Programs. Their support has helped the nonprofit Odd Fellow-Rebekah Children's Home provide care and health services to children in crisis.

Additionally, South Valley Disposal and Recycling, Inc., is working to keep our environment clean by promoting recycling opportunities, taking a proactive role through public education.

Mr. Speaker, it is my pleasure to express gratitude and appreciation to South Valley Disposal and Recycling, Inc., as it is recognized by the Gilroy Chamber of Commerce.

A FOND FAREWELL TO AN EDUCATOR OF MORE THAN 40 YEARS

HON. JACK KINGSTON

OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 24, 1996

Mr. KINGSTON. Mr. Speaker, in Richmond Hill, GA, there was not much room to stand in the multipurpose room of the Richmond Hill Primary School as hundreds gathered to honor the woman that has had the most impact on this growing coastal community just south of Savannah. Frances Meeks has taught and served as a school administrator to thousands in this bustling community, and their admiration showed in the huge turnout and many gifts that were presented in her honor during a retirement ceremony this past November.

At the ceremony honored guests, colleagues, and friends spoke about the many special memories they had of her. Appropriately, Meeks was presented with a portrait of Anne of Green Gables, whom a Canadian educator made famous in a series of novels. She was also presented with a U.S. flag flown at the Capitol and a letter of congratulations from U.S. Congressman JACK KINGSTON (R-GA). Among other items that she received were: A scrapbook with newspaper clippings, a State flag and a proclamation from the Georgia Legislature, and a special gift from the teachers and staff of Richmond Hill Primary School. Media specialist Bob Fennel presented Meeks with a plaque rededicating the library at the school in her name. Also a scholarship was announced by the Bryan Bank and Trust in her name that will benefit aspiring teachers.

A 1953 graduate of the University of Georgia with a degree in home economics, she began her teaching career in Richmond Hill as a home economics instructor in 1954. She was certified in elementary education at Georgia Southern College in 1956. By 1975, and several teaching positions later, Meeks received her masters in elementary education from nearby Armstrong State College in Savannah.

Throughout her life, Meeks has taught at different grade levels at several schools. It was not until 1976 that she shifted gears and began serving at the administration level. Since that time, she served as assistant principal for 5 years and principal for 14. All of those who have worked with Meeks share an equal admiration for her innovative approach to working with children. She was always open to new ideas and had an open door policy with her colleagues.

Among the groups that Meeks is, or was, a part of are: PAGE [Professional Association of Georgia Educators], Delta Kappa Gamma Society International, Epsilon Sigma Alpha International, PTSO, SACS Initial Accreditation Team and the Georgia Association of Elementary Schools. She has served as a Sunday school teacher, organized the Richmond Hill Garden Club, organized the annual Richmond Hill Fourth of July celebration and organized the Richmond Hill unit of the American Heart Association.

It is difficult to sum up the impact that Meeks has had on this growing southeast Georgia community, but not too many people can claim such a gala event at their retirement ceremony. The many items presented to Meeks reflect the deep rooted feelings of those whom she has touched throughout her life. She will most definitely be missed in the education field of Georgia. She will now be able to spend some quality time with her grandchildren and enjoy the good life. Assuming the role as principal of the Richmond Hill Primary School will be Dahlia Davis. She will no doubt have some tough shoes to fill.

NEW BEDFORD HONORS LEON DASH

HON. BARNEY FRANK

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 24, 1996

Mr. FRANK of Massachusetts. Mr. Speaker, on Martin Luther King Day I was very pleased to be able to attend a breakfast organized by the Black Professional Association of New Bedford, MA.

The event was attended by hundreds of people, and was an impressive tribute to Dr. King. The main speaker at the breakfast was, very appropriately, Leon Dash, now an award winning reporter for the Washington Post, and a native of New Bedford

Mr. Dash's speech was an extraordinarily thoughtful and informative discussion of the problems of teenage pregnancy. It reflected the painstaking and creative investigative work he has done on this subject, and indeed Mr. Dash's work represents one of the major contributions that anyone has made to our understanding of this important problem.

The quality of the speech Mr. Dash gave is an indication of the high quality of the work he has done as a journalist and sociologist over the past several decades. After graduating from Howard University in 1968, he worked as a reporter at the Washington Post, and then joined the Peace Corps serving as a volunteer teaching in a rural high school in Kenya from 1969 to 1970. In 1971 he returned to the Post, serving from 1979 to 1984 as West Africa's bureau chief. At that point he joined the newspaper's investigative desk where he continues to work and where he does enormously important journalism.

His book on teenage pregnancy, "When Children Want Children: The Urban Crisis in Teenage Childbearing" was published in 1989, and he has also coauthored "The Shame of the Prisons" which was published in 1972. Last year, along with Washington Post photographer Lucian Perkins, Mr. Dash won the Pulitzer Prize for Explanatory Journalism. He also in that year won first prize for print journalism from the Robert F. Kennedy Book and Journalism awards. And in 1990 his book received a PEN/Martha Albrand special citation for nonfiction work. He has also won the Washington Independent Writers President's Award for excellence in urban affairs reporting, first prize—Public Service from the Washington-Baltimore Newspaper Guild, the international reporting awards of Africare and the Capitol Press Club, and the George Polk Award of the Overseas Press Club. Mr. Dash has won a number of other awards as well, and they reflect the extremely high quality of his work, and his dedication to helping provide our society with the information we need if we are to deal seriously with the problems that confront us.

Racism is the unhappiest legacy of our Nation's history. We have struggled hard with this terrible legacy over the past decades, and we have made significant progress in lessening its terrible affects. But much remains to be done, and our ability to continue this work in the spirit of Dr. Martin Luther King, is enormously enhanced by the kind of serious, thoughtful and intellectually honest work that Leon Dash does. There is no greater service that someone can perform than to give to a democracy the information it needs if it is to deal honestly with its gravest problems. Leon Dash does this with excellence and commitment.

RECOGNIZING U.S. FIGURE SKATING CHAMPION RUDY GALINDO

HON. ZOE LOFGREN

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 24, 1996

Ms. LOFGREN. Mr. Speaker, I rise today to recognize the outstanding achievement of my constituent, Rudy Galindo who—as of Saturday, January 20, in his native city of San Jose, California—became the reigning U.S. figure skating champion.

While that accomplishment alone is worthy of accolades and admiration, it is even more praiseworthy when one considers the personal tragedy and professional obstacles Rudy had to overcome to capture the gold medal at this year's national championship.

Rudy first rose to national prominence in the skating world when he and Olympic gold medalist Kristi Yamaguchi combined their talents to win the 1989 and 1990 pairs competition.

Following their success, both skaters embarked on solo careers. But Rudy had much more to contend with than the adversaries he would face on the ice.

Personal tragedy struck the Galindo family in 1993 when his father suffered a fatal heart attack and his brother died from symptoms related to AIDS that same year. Rudy had already lost his coach, Jim Hulick, to cancer in

1989. If that were not enough, another of Rudy's coaches, Rick Inglesi, died of AIDS in 1995.

Despite his personal loss and professional setbacks, Rudy persevered, even though the odds were often not in his favor.

To win the national championship, he had to best a field of nationally recognized skaters, including two former national champions.

Unlike many of his competitors, Rudy could not afford some of the advantages available to other skaters who had secured the financial backing of sponsors and skating organizations to subsidize their training costs.

Rudy paid for his own choreographer, his own costumes, and his own music, and got his sister, Laura Galindo, to serve as his coach. To cover the costs of his career, Rudy taught skating to children in his spare time. He lived with his mother and rode his bike to work.

In spite of the obstacles he encountered, San Jose's Rudy Galindo—bolstered by the highly charged cheers of a hometown audience—skated into the history books last Saturday night, becoming the first Mexican-American to win the national championship.

With the athleticism of a Michael Jordan and the grace of a Mikhail Baryshnikov, Rudy skated his way to the national crown, completing eight triple jumps while gliding to the music of Swan Lake. His artistic and physical talents earned him the only two perfect scores handed out by the judges at the competition.

Rudy disappointed only his competitors and the odds-makers who had labeled him a long shot.

But Rudy beat the odds, and in doing so he has joined the ranks of other great skaters from the Bay Area, most notably Peggy Fleming, Kristi Yamaguchi, Brian Boitano, and Debi Thomas.

On and off the ice, Rudy Galindo has demonstrated the courage and perseverance of a national champion.

TRIBUTE TO FAY PATTERSON

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. FARR. Mr. Speaker, I rise today to honor the memory and exceptional life of Mr. Fay Patterson, a dear friend, active member in the community, and veteran of three wars, who passed away January 8, 1996, at the age of 80.

Mr. Patterson was born in South Carolina on June 15, 1915. He served this Nation in the Army during World War II in both France and Germany. He was also a veteran of the Korean war and the Vietnam war. He was awarded the Bronze Star.

From 1944 to 1953, living in Savannah, GA, Mr. Patterson continued to serve the American people as a police officer. In 1959, he began 37 years of active residency in Seaside where he served as provost marshall at Fort Ord until he retired. He then worked as an airport police officer for the Monterey Peninsula Airport District until 1977.

He was interested in not only providing for the welfare of the Nation through his service in the Army, but also as an active member of the community. During the Christmas season, Mr. Patterson was especially generous in giving his time to help the needy and promote activities for the young.

Mr. Patterson was an active member of the NAACP, having served as chairman of the registration committee and as a board member of the local NAACP chapter. His participation in the American Legion, Kiwanis, Friendship Baptist Church, the Monterey County Sheriff's Department Advisory Committee and the Monterey County Board of Parol was strongly felt and will be sorely missed in his absence.

While serving as an assemblyman in the California State Legislature, I was privileged to present a resolution honoring Mr. Patterson for his dedicated service to the community. In conjunction with the resolution, the Monterey County Board of Supervisors presented a resolution for faithful service and a certificate for outstanding volunteer service. The city of Seaside also honored him with a proclamation for outstanding service. In 1985, the board of supervisors recognized his efforts to register thousands of voters.

As you can see, Mr. Speaker, Mr. Patterson spent his entire life serving this country and helping his community. He was known to many and was a dear and close personal friend of mine. He was like a second father to me.

Please join me as I express my regret at the loss of Fay Patterson, and my profoundest condolences to his two sons, Ray and Fay, Jr., and his two grandsons, of whom he was extremely proud.

YOUNG MEN ATTAIN RANK OF EAGLE SCOUT

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. REED. Mr. Speaker, I rise today to salute a distinguished group of young men from Rhode Island who have attained the rank of Eagle Scout in the Boy Scouts of America. The young men recognized for their noteworthy achievement include: Dennis L. Arnold, Steven Bailey, John James Joseph Banks, J. Nicholas Betley, Roger Alan Bonin, Brian T. Breguet, Benjamin T. Brillat, Jeremy S. Brown, James Adrian Butler, Benjamin Caito, Frank Caliri, Christopher J. Cardillo, Christopher J. Cawley, Joseph A. Chappelle, Kenneth C. Collins, Edward A. Darragh, Frank A. Denette IV, Christopher Joseph DiMase, Daniel J. Dorson, Erik Fields, Todd Michael Fisher, Vincent A. Fusaro, Michael Alfred Henry, Michael J. Hogan, Scott E. Hopkins, Vincenzo R. Iacobucci, Douglas Everett Jameson, Peter Eli Jetty, Michael R. Kachanis, Kevin A. Kazlauskas, Kurt J. Kazlauskas, Patrick Keenan, Brian Lafaille, David W. Lowell, Christopher Mark Lundsten, Frederick William Lumb, Luke A. Magnus, Anthony Mangiarelli, Nicholas Marsella, Andrew Paul McGuirl, Steven Barry Mendall Jr., Nathan E. Moreau, Eric Oldford, Keith E. Piehler, John H. Potvin, Andrew Qualls, Kent D. Rutter, Kevin Schwendiman, Mark N. Schwendiman, Craig E. Scorpio, Colin M. Segovis, Guy Scott Shaffer, Kevin A. Silva, Jeremy P. Skaling, James M.R. Sloan, Stanley Sosnowski, Jason E. Soules, Russell Wallis, Jonathan Watterson, Aaron Michael Wilbur, Robert Allen Wilcox, Mark S. Wong, and Rory W. Wood.

Not every young American who joins the Boy Scouts earns the prestigious Eagle Scout Award. In fact, only 2.5 percent of all Boy Scouts receive this honor. To earn the award, a Boy Scout must fulfill requirements in the areas of leadership, service, and outdoor skills. He must earn 21 merit badges, 11 of which must be from areas such as citizenship in the community, citizenship in the Nation, citizenship in the world, safety, environmental science, and first aid.

As he progresses through the Boy Scout ranks, a Scout must participate in increasingly more responsible service projects. He must also demonstrate leadership skills by holding one or more specific youth leadership positions in his patrol and/or troop. The young men now earning the rank of Eagle Scout have distinguished themselves in accordance with these criteria.

Mr. Speaker, I ask you and my colleagues to join me in saluting these Eagle Scouts. In turn, we must duly recognize the Boy Scouts of America for establishing the Eagle Scout Award and the strenuous criteria its aspirants must meet. Through its 85 years, this program has honed and enhanced the leadership skills and commitment to public service of many outstanding Americans.

It is my sincere belief that these young men will continue their public service, and, in so doing, will further distinguish themselves and better their communities.

TRIBUTE TO THE LATE MRS. ISABEL GREENWALD

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. DEUTSCH. Mr. Speaker, it is with deep regret and great sadness that I announce the death of Mrs. Isabel Greenwald on January 23, 1996. I join the members of the Greenwald family, Isabel's many friends, and the greater south Florida community in mourning her loss. The passing of this dedicated individual brings to a close a life committed to serving others. I rise in order to share with my colleagues some information regarding this distinguished individual.

Isabel was born in New York at the turn of the century. As an early signal of her commitment and drive to the community, she became one of the first female members of the New York State Bar Association. As an attorney in New York, she focused on protecting the rights of the family and preserving social justice.

Mr. Speaker, upon moving to south Florida, Isabel immediately undertook a leadership role in her new community. In response to her neighborhood's need, she became president of the Sunrise Lakes Phase III Condominium Association. For 21 years, her immense dedication and hard work paid off and she was able to successfully lead one of the largest condominium associations in Fort Lauderdale through the rapidly changing south Florida environment. She became the person everyone went to when they were seeking advice on a troubling issue.

Upon her retirement as an attorney, Isabel undertook one of her greatest challenges by focusing her insatiable amounts of energy to helping out the neediest in her community. She began an organization of retired attorneys that provided pro bono legal services to the community and she lobbied Congress to pass legislation that would provide affordable housing for the elderly. This untiring effort just recently came to fruition as the Housing for Older Persons Act of 1995 was recently enacted into law. In all of these endeavors, she approached her goals with the highest level of commitment and dedication.

During her lifetime, Isabel Greenwald earned the respect and admiration of her colleagues and others throughout the community. She was a social activist whose stature rests upon a lifetime of commitment to service, social justice, equality, and opportunity for all people. Those of us who knew her loved her deeply. She was a woman of intellect and dignity, a guiding light of the community, and she was very special to all who knew her. She will be impossible to replace and we will miss her very much.

GILROY CHAMBER OF COMMERCE HONORS MAN OF THE YEAR TOM CARR

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Ms. LOFGREN. Mr. Speaker, I rise today to join the Gilroy Chamber of Commerce in honoring Mr. Tom Carr of Gilroy, CA, for his extraordinary volunteer efforts. Mr. Carr has been named "Man of the Year" after also receiving "Volunteer of the Year" recognition from the city of Gilroy and the "Elk's Distinguished Citizenship Award."

What is so noteworthy about Mr. Carr is the pride that he takes in his community and his dedication toward keeping his city safe and beautiful. I am aware that Mr. Carr spends on average several hours each day eradicating graffiti from throughout the city. His work sends a signal, loud and clear, that we will not allow taggers to take over our neighborhoods. That is important, because fighting graffiti is a vital step toward keeping our streets safe.

Likewise, Mr. Carr has been a staunch supporter of our local police department by helping to raise funds for special projects that enable the department to better serve the public.

Mr. Speaker, on February 2, 1996, at the Gilroy Chamber of Commerce's Annual Meeting and Awards Dinner, Mr. Carr will formally receive his award. At this time, I would like to invite my colleagues in the U.S. House of Representatives to join me in saluting this fine community volunteer.

DOD AUTHORIZATION CONFERENCE REPORT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. FAZIO of California. Mr. Speaker, I rise reluctantly in support of the fiscal year 1996 Defense authorization conference report. I would like to begin by thanking the chairman and the ranking member of the National Security Committee who worked hard to bridge their differences and produce a bill that the President will sign into law.

I would like to point out that I voted against this conference report back in December because of the objectionable language governing national missile defense policy and the restrictions on the President's constitutional prerogatives to make foreign policy. My vote against the initial conference report was the first time in my congressional career that I cast a "no" vote on a defense bill, be it authorization or appropriations. Moreover, the reservations and the objections to the original conference report by the respected Senator from Georgia, Mr. NUNN, cast serious doubt on the wisdom of enacting such restrictive and potentially harmful language.

As President Clinton said it last night, "since the dawn of the nuclear age, there is not a single Russian missile pointed at the United States and North Korea has frozen its dangerous nuclear weapons program." We have accomplished that because both Democratic and Republican administrations have worked tirelessly to ratify the START Treaty which significantly reduced the nuclear stockpile between the former Soviet Union and the United States. And now we are on the verge of further reducing weapons of mass destruction by embracing START II.

We cannot and should not do anything to endanger the prospects for ratification of START II. I voted against the conference report in December precisely because it amounted to an anticipatory breach of the Anti-Ballistic Missile Treaty. Further, the language contained in the bill would have had a significant impact on Russian consideration of the START II Treaty which will reduce Russian nuclear weapons by 25 percent.

I am pleased to see that the language regarding the deployment of a national missile defense system was struck from the bill as well as the language restricting the President's ability to utilize U.S. troops for peacekeeping missions. It is clear by now that for all of the dire predictions and the harsh rhetoric aimed at the President's proposal to send troops to enforce the peace in Bosnia, the President's plan has largely been a success thus far. We have stopped the bloodshed and have ushered in new hope for the future of all Serbs, Muslims, and Croatians.

While I applaud the compromise that was made with respect to this conference report, I am dismayed that the conference committee neglected to delete the abortion language and the language that discharges those HIV-positive service members.

I think it is important for the Congress to take note that this was the first time in decades, a defense appropriations bill was enacted without an authorization bill being enacted first.

I support the compromise version of the conference report knowing that this bill authorizes more money than I would personally prefer. But given the realities of our current mission in Bosnia, the need to maintain military readiness and move forward with defense conversion efforts, I believe it is important that we pass this bill and have the President sign it into law.

IN PRAISE OF THE PBS AND MR. GEORGE COVINGTON

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. WILSON. Mr. Speaker, I rise today to congratulate a friend and fellow Texan, Mr. George Covington, on his upcoming appearance on the Public Television series "People in Motion."

George has spent the past 20 years establishing himself as one of this country's most vocal advocates for the millions of Americans with disabilities. He worked for and has been a member of the President's Committee on Employment of People with Disabilities. He served on the staff of former Speaker Jim Wright as the speaker's disability specialist and for Vice President Dan Quayle, as Special Assistant for Disability Policy. With my office, he designed and implemented the first fully accessible mapping of Capitol Hill and the monuments. This project, the Tactile Capital, provided hand-held braille and table-top scale maps of Washington, DC, that brought our Nation's capital into focus for the first time for millions of visitors with low or no vision.

He is an internationally recognized speaker on universal design, disability rights, and photography. That last entry is particularly noteworthy, because George has been legally blind since birth and now has only 5 percent usable vision. His career has spanned the fields of law, journalism, education, government, and disability civil rights. But he is the first to tell you point blank that he does not want the burden of being "inspirational" to able-bodied people—and add that this is the wish of most people with disabilities.

It is for this reason that George's appearance is so very appropriate and important to a series like "People in Motion." He has spent most of his life fighting negative images, myths, and stereotypes about people with disabilities.

Last year PBS broadcast the first installments of this unique series. In April, PBS stations around the country will air three new episodes of "People in Motion." Like the premier episodes, these seek to break through the standard media representation of people with disabilities, and will help change forever the way most of us see those with a disability. With a census estimate of 49 million Americans falling into this constituency, I suggest that it is important for us to learn more about these fellow citizens.

I want to commend PBS for its commitment to "People in Motion" as well as recognize the important contribution of local public television stations planning to air this series. I urge you to watch this outstanding series, so that we may all applaud the work of people like George Covington and the foresight of PBS programming.

ROGER ERICKSON'S DEPARTURE FROM THE WCCO GOOD MORNING SHOW

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. VENTO. Mr. Speaker, today I want to pay tribute to Roger Erickson, one of Minnesota's special radio personalities, as he steps down from hosting WCCO Radio's Good Morning Show. Although Roger Erickson is not retiring, as of February 1, 1996, after 35 years on the WCCO Station Good Morning Show, he will hand over control of the program to his new on-air partner, Dave Lee.

Just a few years ago, Charlie Boone, a long-time cohost, stepped out of this special Good Morning program and, in a way, Erickson's departure marks the end of an era. I have no doubt, based on the good talent of Dave Lee and the format, Good Morning will remain a Minnesota early morning tradition. But the warm surround sound of Roger Erickson's dulcet tone crooning "Good Morning" or school announcements will be missed.

Over the past three and a half decades, Roger Erickson has become a preeminent voice in Minnesota morning radio. Roger has relayed the news with insight and compassion and entertained us with stories and humorous sketches. His school closing announcements have become a Minnesota institution: Generations of children have listened breathlessly to Roger on cold winter mornings hoping to hear their school called. Roger's warmth, spontaneity, and imagination have earned him thousands of loyal listeners. Some conjecture has it that in his youth he was a character in a Charlie Brown comic strip.

Roger Erickson's radio shows have been popular not only because he is a gifted broadcaster, but because he truly understands Minnesota and the culture of subtle Scandinavian humor. Roger was raised on a farm in Winthrop and studied speech and theater at the University of Minnesota. He was determined to work for WCCO Radio and, in 1959, took a job as Bozo the Clown on WCCO-TV in Minneapolis to get his foot in the door at the station. Within 2 months he was offered a WCCO Radio job, and he has continued there ever since, enthralling local audiences with spoofs like "Minnesota Hospital," "Charlie's Cafe Mediocre," "Air Lutefiska," and, most recently, fishing stories from two characters, Gill and Finn.

WCCO Radio prides itself on its Good Neighbor approach to broadcasting and Roger Erickson exemplifies the very best of the Good Neighbor tradition. Although we will miss hearing Roger's voice every day on the Good Morning Show, we are pleased he is continuing his work at WCCO in other capacities and wish him the very best in all his endeavors.

[From the Minneapolis Star-Tribune, Jan. 4, 1996]

NO MORE SCHOOL CLOSINGS FOR ERICKSON AS HE LEAVES COHOST ROLE AT WCCO

(By Noel Holston)

Shouldn't there be an honorary school closing or something?

WCCO Radio's Roger Erickson says he has had enough of the early-to-bed, early-to-rise lifestyle that's been his for almost 35 years. He plans to give up his cohost role on 'CCO's "Good Morning Show" on Feb. 1.

Erickson will continue to participate in prerecorded "Good Morning" features, such as the "Minnesota Hospital" spoofs. He'll still do personalized plugs for certain advertisers and work on Saturdays with Charlie Boone. But he's handing over the helm of the weekday show to Dave Lee, who has been part of it for the past four years.

"I'll still be around the station four or five days a week," Erickson said Wednesday. "I may even do some live stuff occasionally.

"I won't be doing school closings, my one claim to fame," he added.

Erickson said he had been talking with general manager Jim Gustafson for some time about cutting back. "Roger actually wanted to make this change sooner, but he graciously agreed to wait until now," Gustafson said.

Erickson lists his age at 47, but that's in Jack Benny years. He's actually closer to 67, and he concedes that his wife, Margaret, has been after him for years to make some adjustments that would allow him to stay up a little later than his usual 7:30 or 8 p.m.

Erickson said he has never seen "ER," let alone "Late Show with David Letterman."

"I hear there are people who eat dinner as late as 6 o'clock," he said. "Is that true?"

"You really don't have a life at night," he continued, more seriously. "I know I'm not the only one. I know there are a whole lot of people doing a variety of jobs who have those kind of hours, so I'm not going to sit here and complain. I've had just a great run. I've loved doing that morning show."

Erickson, born and raised in Winthrop, Minn., studied theater at the University of Minnesota.

He gushes about the great early training he got doing radio drama for campus station KUOM-AM.

Erickson left a Stillwater radio station in 1959 to take his first job in Minneapolis, which wasn't as one would guess, at the Good Neighbor of the North—or even on radio.

"I auditioned at WCCO about 2,000 times," Erickson recalled. "I knew it was where I wanted to be, but I'm sure that, like most radio stations, they listened to the tape and then they put it aside. So I never got a call. And then the Bozo opportunity came up."

The Bozo opportunity?

Erickson said the original Bozo the Clown, Chicago broadcaster Larry Harmon, syndicated his show's format to TV stations around the country, which had only to hire a live clown to talk to kids and introduce the provided cartoons.

"I thought, 'This is the opportunity I'm looking for. I'm going to go into [radio] through the back door. I'm going to go in through television.'"

Erickson auditioned to be Bozo at WCCO-TV, Channel 4, and got the job. Two months later, the radio station offered him a job as well.

After a couple of years of night work, WCCO teamed Erickson with Maynard Speece ("a great storyteller who regularly challenged the parameters of Minnesota taste") on the 5 to 7 a.m. shift and with Charlie Boone in the afternoons.

"I would run over [to Channel 4] between 7 and 9 and put on the [Bozo] makeup and the costume and do some live spots for maybe Hostess Twinkies, take the makeup off, run back," Erickson said. "Charlie and I would start working on our afternoon show, work up to 1 o'clock, go on the air 1 to 3. About 3:30, I go back over to television, prepare the Bozo show, which went from 4:30 to 5. And at least once or twice a week, I'd visit a store as Bozo the Clown, with about a thousand kids lined up. And I wouldn't have had it any other way. It was fantastic."

Boone and Erickson eventually became the morning team, and their weekday partnership lasted until 1992, when Boone cut back his hours. They reigned supreme in the mornings for almost three decades, challenged only by the Knapp and Donuts team on KSTP-FM in the '80s and finally edged out in the '90s by Tom Barnard's morning crew on KORS-FM. The "Good Morning Show" remains one of WCCO's strengths.

Erickson dropped out of Monday mornings last fall, a move designed to lighten his workload and give heir apparent Lee an opportunity to flex some different muscles.

"I feel very comfortable leaving now," Erickson said. "It's in good hands."

ENDING COLA INEQUITY

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. FARR. Mr. Speaker, I rise today to discuss an issue of great importance to our Nation's military retirees: COLA equity.

The thousands of veterans and military retirees in my district have repeatedly asked that the inequity in COLA's for military and Federal civilians be ended—most recently during a veterans' town hall meeting I held last week.

This House has been unprecedented in dedicating itself toward ending the problem of inequity in military cost of living adjustments for military retirees. Early last year, legislation was introduced by my colleague, Mr. JIM MORAN, to end COLA inequity. The House also included a provision ending the disparity in COLA's in the budget reconciliation bill—a provision which, unfortunately, was removed by the Senate. In response, my Republican colleague, Mr. BILL YOUNG, introduced a new, fast-track bill to accomplish the same task. I am proud to have cosponsored both Mr. YOUNG's and Mr. MORAN's bills, and I applaud the tenacity with which the House leadership has pursued this important matter.

A provision to end the COLA inequity problem was included in the conference report of the Department of Defense authorization bill, which the House approved today. While I strongly supported the provision, I could not support the entire bill, a bill which mandated a $7 million increase in defense spending over the President's original budget.

This spending increase comes at a time when other Federal programs—especially programs serving veterans—are suffering from serious budget cuts. For example, last year's Veterans Affairs budget, which provides for medical care for millions of veterans and military retirees and the construction and improvement of VA medical facilities, was cut by nearly $1 billion from 1994. At the very least, we cannot speak about mutual sacrifice in ending the deficit at the same time that we actually increase spending in defense.

I will continue to support the House's legislative efforts to remove the COLA inequity once and for all. Our Nation's military retirees deserve no less.

OUR 2 CENTS' WORTH

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. CONYERS. Mr. Speaker, yesterday marked the first day workplace and civil rights laws have been applied to this body. Now Congress is required to play by the same rules as everyone else.

But there is still at least one special exception the Congressional Accountability Act did not eliminate: Congress gets paid during Federal shutdowns while other Federal employees do not.

We can clear up this matter by passing H.R. 2658, a bill I introduced which would suspend Member's salaries during Federal shutdowns and furloughs. It is only fair that Congress be treated like every other Federal employee. If we are serious about playing by the same rules that govern everyone else, we need to pass this now.

On January 3, 1996, Carol Ann Rinzler and Perry Luntz wrote an excellent and eloquent article for the New York Times which accurately describes this problem. I have enclosed it below so all of my colleagues can better understand the magnitude of this issue:

[From the New York Times, Jan. 3, 1996]

OUR 2 CENTS' WORTH

(By Carol Ann Rinzler and Perry Luntz)

Almost exactly a year ago, Congress passed the Congressional Accountability Act, a much ballyhooed measure that requires the House and Senate to abide by the workplace and civil rights laws they enact for the rest of us. Alas, like so many things in life, this long-overdue legislation turns out to be less than meets the eye.

In an effort to minimize the effects of the Government shutdown on their constituents, Republicans in the House proposed last week that furloughed Federal employees go back to work without being paid, surely a new idea in free-market, conservative economics.

Afterward, someone asked Representative Tom DeLay of Texas, the House majority whip, whether he would consider giving up his own salary during the crisis. No way, said Mr. DeLay, explaining that, like every other member of Congress, he isn't a Federal employee—he is a "constitutional officer."

Well, we've reread our copy of the Constitution, and frankly the distinction seems a bit arcane to us.

True, members of Congress are specifically mentioned in the Constitution, Article I, Section 6 says that "Senators and Representatives shall receive a compensation for their services, to be ascertained by law and paid out of the Treasury of the United States." Cabinet members and Federal judges also get a mention, later on, but other workers—curators at the Smithsonian, say—do not.

But every Federal paycheck originates in an appropriation requiring money from the Treasury, whose funds come, in large part, from income taxes. That should give everyone of us the inalienable right to put in our 2 cents. Or to take it out.

Members of the House and Senate earn a base salary of $133,600 a year (those in leadership positions get more.) And don't forget the generous benefit package: life insurance, health insurance, per diem travel and a nifty pension. Mr. DeLay's base salary alone costs each of America's more than 115 million individual taxpayers 1.2 cents a year.

As conscientious citizens, we have always paid our taxes, regardless of our political gripes. Even though one of us was teargassed in 1971 by an overzealous guard at the Nixon White House, protecting it from throngs of balding, middle-aged Vietnam War protesters and their children, the Internal Revenue Service got paid the following year anyway.

This time, however, we plan to draw a line in the sand. Having voted to obey its own laws, members of Congress should be man (or woman) enough to live up to that requirement. Before Tom DeLay votes for trimming Medicare, he should whittle down his own Government-financed health insurance. If he expects Federal workers to show up for free, so should he.

Until then, he can forget our helping to pay his salary. Come April 15, our joint tax return will be 2 cents short. That ought to send a message: keeping Congress in line is a hard job, but somebody has to do it.

COMMENDATION FOR THE HONORABLE EDWARD J. BLAKE

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. BORSKI. Mr. Speaker, I rise today to pay tribute to the Honorable Edward J. Blake, who is retiring from the Court of Common Pleas on January 31, 1996.

Judge Blake was born in Philadelphia on May 18, 1926, to Philip and Agnes Blake, and he was graduated from Saint Joseph's Preparatory High School in June 1944. From August 1944, to January 1946, he attended the Pennsylvania Maritime Academy, and was thereafter commissioned as an Ensign in the U.S. Naval Reserve. In September 1946, Judge Blake entered the prestigious Saint Joseph's College and earned a bachelor of science degree upon his graduation in May 1950.

Following his graduation, Judge Blake volunteered for active military service during the Korean war. As a damage control officer on the U.S.S. *Sutherland*, he participated in the Inchon invasion in September 1950. Judge Blake was honorably discharged from active duty in 1951, but he remained a member of the Reserve fleet and eventually attained the high rank of lieutenant commander before his discharge from the reserves in 1972.

Judge Blake's legal career was just as distinguished as his military achievements. Judge Blake attended the University of Pennsylvania Law School where he was to become class president. After graduating with honors, Judge Blake was appointed chief law clerk to the Court of Common Pleas No. 2, a position he held until 1962. From 1962 until 1964, he served as chief deputy court administrator of the court, and court administrator from 1964 until 1974.

In 1966, during his tenure as court administrator, the Court of Common Pleas entered the electronic age with the implementation of a computer system. As a direct consequence of his efforts, the court's ability to manage its caseload substantially improved, and the results were published in Computer Streamlines Caseload at Philadelphia Common Pleas Court, which Judge Blake coauthored.

Gov. Milton J. Shapp appointed Judge Blake to the bench of the Common Pleas in 1971, and he was elected in full term on November 6, 1973. In 1983 and 1993, Judge Blake was retained by the voters of Pennsylvania for succeeding terms in office.

The Pennsylvania Supreme Court appointed Judge Blake as administrative judge of the trial division of the Court of Common Pleas of Philadelphia County on April 11, 1986, and during his tenure, the disposition of cases improved even though the filing rate for civil cases increased dramatically.

On December 18, 1990, Judge Blake was elected as president judge. During his term of office as president judge, the criminal section of the trial division of the Court of Common Pleas was finally relocated to the newly completed Criminal Justice Center. This was a long-term project which was conceived, and nurtured due primarily to the efforts of Judge Blake.

Judge Blake's accomplishments, as a dedicated officer in the Army and a distinguished judge in the courtroom, has earned him respect and praise from his peers. I join his family and friends in wishing him an enjoyable retirement.

HONORING THE 85TH BIRTHDAY OF WILLARD MUNGER

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. VENTO. Mr. Speaker, today I want to honor Minnesota State Representative, Willard Munger, who is 85 years young and marking his 40th year as a member of the Minnesota Legislature. Willard is a Minnesota original—a Minnesota natural resource—whose work honors his family, the State of Minnesota, and our Nation.

Willard Munger represents the best of the Democratic-Farmer-Labor Party's tradition of service to the State of Minnesota. He is currently tied with former Representative Day as the longest-serving member of the House and he has no intention of retiring now. The Munger vision and tenacity have shaped our State and generations of lawmakers. I'm proud of the 6 years I served in the Minnesota House of Representatives with Willard Munger. Willard Munger, as a sage and chairman, introduced me to the task and role of environmental lawmaker. What a teacher and what a friend Willard Munger was to me and past, present, and future generations of lawmakers.

Willard Munger reminds us again and again of our stewardship responsibilities. He established a pragmatic proactive progressive public service tradition and standard of public interest decisions that are sustained by sound science—both political and natural science. Willard first was the conscience speaking out courageously against powerful interests and finally a fiery new chairman. Today his advocacy remains constant. He is not complacent, but is rightfully viewed as mainstream by the careful work on law and policy that he has written and helped enact and will continue to advance.

Willard was one of the first people to raise questions about the use of pesticides, PCBs, and mercury. He began addressing issues like recycling, energy conservation, nuclear power, wetlands, soil erosion, environmentally safe mining practices, and hazardous waste long before these policy matters became politically popular.

Willard Munger's environmental vision has helped make Minnesota a natural leader in the areas of natural resource conservation and protection. Among his achievements are the enactment of the Minnesota Environmental Policy Act, the Resource Recovery Act, the Critical Areas Act, the Power Plant Siting Act, the Wild and Scenic Rivers Act, the Waste Management Act, Reinvest in Minnesota, the Solid Waste Reduction and Recycling Act, and the 1991 Wetlands Conservation Act. I was very privileged to work on some of these very measures in Gov. Wendell Anderson's "Minnesota Golden Years," 1971–1976. Willard was also instrumental in establishing the Western Lake Superior Sanitary District in the 1960's, which provided wastewater treatment along the St. Louis River and ended a major source of pollution in Lake Superior.

The tireless efforts of Willard Munger on natural resource policy over the past 40 years have rightfully earned him the title "the environmental conscience of the Minnesota Legislature." I was pleased to participate in a joint Minnesota House of Representatives and Senate program organized by former Minnesota Gov. Elmer L. Anderson, January 18, 1996. It is fitting that Minnesota has declared January 18 "Willard Munger Day." He has made and continues to make a difference. On behalf of today's and tomorrow's generations I thank Willard for standing up for what is right and wish him the best in the coming years.

TRIBUTE TO AMBASSADOR S.S. RAY OF INDIA

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. PALLONE. Mr. Speaker, it is with great pleasure that I rise to pay tribute to a superb diplomat who has done a great deal to improve relations between the world's two largest democracies, the United States and India. Ambassador Siddhartha Shankar Ray, India's envoy to the United States since 1992, will be leaving Washington on February 20 and returning to domestic politics in his country. While many of our colleagues are sad to see Ambassador Ray finish his tour in Washington, we all gratefully acknowledge his many contributions to the improved climate in Indo-U.S. relations.

Ambassador Ray's appointment to Washington with the status of a Federal Cabinet Minister is indicative of the great confidence his Government has in his abilities. That confidence was well-placed. During Ambassador Ray's years in Washington, he was tireless in his promotion of India, not only as the world's largest secular democratic nation, but as a major emerging market for United States consumer products and business investment.

The last 4 years have been trying times in South Asia. Sharing a long border with China and facing an insurgency in Kashmir supported by outside forces, India has had its share of challenges. Throughout these years, my colleagues and I could always rely on Ambassador Ray to articulate India's concerns with eloquence and precision.

But, Mr. Speaker, these past 4 years have also been extremely exciting times. India, under the leadership of Prime Minister P.V. Narosimha Rao, has embarked upon a historic economic reform policy that has opened up unprecedented opportunities for United States companies, large and small, as well as for Indian entrepreneurs. At the same time, the end of the cold war has forced all nations to rethink their security arrangements. Both of these historic developments are leading the United States and India to seek greater cooperation and partnership on many fronts. Many Members of this body were greatly impressed by the Prime Minister's address to this Chamber in 1994 in which he addressed many of these same points. The appointment of a statesman with the stature and experience of S.S. Ray—with his years of service as an attorney, Member of Parliament, Cabinet Minister, and top posts at the state level—shows the degree of importance that the Government of India attaches to its relations with the United States.

Mr. Speaker, we will also miss the Ambassador's extraordinary wife, Mrs. Maya Ray. Prior to their service in Washington, both Mr. and Mrs. Ray enjoyed distinguished legal careers as barristers, as well as Members of Parliament. Mrs. Ray's contributions to her husband's work in Washington will indeed be remembered with fondness and appreciation.

In my capacity as cochairman of the bipartisan Congressional Caucus on India and Indian-Americans, I look forward to working with Ambassador Ray's successor during this period of strengthened partnership between our two great nations, building on Ambassador Ray's excellent work.

In closing, Mr. Speaker, I want to express my good wishes and those of my colleagues to Siddhartha and Maya Ray as they enter the next phase of their careers back home in India. Their many friends in the Congress and throughout our Nation hope they will return to visit frequently.

AMERICA NEEDS A NEW RUSSIAN POLICY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. SOLOMON. Mr. Speaker, the departures of Andrei Kozyrev, Anatoly Chubais, and Sergei Filatov from the Yeltsin administration and the appointment of a Brezhnev-era hardliner to be foreign minister should be the final wake-up call for the Clinton administration.

These reformers have been all but powerless for a long time, but their presence has allowed the administration to claim that Russia is on the right track and that any criticism of Russian policy would embolden the hard-liners. We see now that the hard-liners were emboldened long ago and are now in complete control.

For over 2 years, Russia has been engaged in a myriad of activities that range from the legal to the illegal to the morally repugnant, but all of which are contrary to United States national interests. These include Chechnya, nuclear dealings with Iran and Cuba, intimidation and subversion of nearly every former Soviet State, violations of numerous arms-control agreements, and strategic nuclear modernization, among many others.

All of this has been met by the Clinton administration with silence, arms control concessions, and a steady flow of U.S. taxpayer dollars. In other words, appeasement. True to its unvarnished record in history, appeasement has failed again. It is time for a new approach.

A more realistic policy toward Russia would involve several things: First, we must stop the mindless policy of giving foreign aid to Russia, especially its government. At this very moment, the Clinton administration and the IMF are preparing a $9 billion infusion into the Russian treasury. In addition to fostering complacency among economic policymakers in Russia, our aid, especially multilateral loans and Nunn-Lugar, has been subsidizing the dangerous activities listed above.

Second, we should give immediate and concrete assurances to qualifying countries in central Europe that they will become full members of NATO in the nearest possible future. With Primakov as Foreign Minister, there can be no doubt that Russia will attempt at least to "Finlandize" the former Warsaw Pact countries. It is silly to oppose NATO expansion with talk of drawing lines in Europe. There already is a line, and because of it, stability has been fostered in those countries west of it. Quite frankly, the farther east that line is, the better. Furthermore, the virtual military reabsorption of Belarus by Russia has resulted in the stationing of Russian border troops on the Polish border. They have already moved the line—to the west.

Third, it is high time we start to resist Russian policy in the near abroad and the Third World. For over 2 years, Russia has been methodically sapping the sovereignty of its neighbors, and is clearly moving toward reestablishing some sort of Russian-dominated union. Using classic Soviet-style divide and rule tactics, Russia has helped topple the democratic government of Azerbaijan, brought Georgia to heel, and pushed Armenia to allow Russian bases on its soil. Russia continues its illegal occupation of Moldova, routinely violates Lithuanian territory, and has threatened annexation of the Baltic States. This uncivilized behavior is not only outrageous, it is potentially highly destabilizing to Europe. The same can be said about Russia's renewed affinity for some of the world's worst rogue regimes, such as Iran, Cuba, Syria, and Iraq. We must make it plain to the Russians that their membership in Western organizations is directly linked to their international behavior. Right now, they don't make the grade.

Fourth, we must extricate ourselves from our slavish devotion to arms control. To the Clinton administration, what this means is that any agreement is a good agreement, Russian violations of existing agreements are to be hushed up, and protecting American citizens from ballistic missiles is bad. Thus, recent and clear Russian violations of the Biological Weapons Convention, CFE and START I and many others, have been excused. The administration's only response has been a rash drive to ratify the flawed START II and a stubborn insistence on unilateral adherence to the ridiculous ABM treaty, from which we can walk away legally anytime.

Mr. Speaker, the key issue is not whether Russia has 3,500 or 10,000 nuclear warheads. What is in our interest and what will ensure the security of our European friends is a Russia that behaves in civilized fashion internationally. So far, not a thing the Clinton administration has done has goaded Russia in this direction. Indeed, the administration has tolerated and even condoned, as in Chechnya, uncivilized and dangerous Russian behavior.

The past 3 years of behaving as though we feel guilty that we won the cold war have yielded us a Russia that thinks and acts much like the old Soviet Union. Unfortunately, we can have little hope that the Clinton administration will meet this challenge with a reorientation of its Russia policy because this would be to admit that Ronald Reagan got it right on the cold war. After all, Strobe Talbott wrote in 1990 that the cold war doves were right all along, and he has been trying to prove this bizarre conclusion ever since.

Some of these naive policies can be overturned by us in Congress, Mr. Speaker, and I am hopeful we will. For instance, we can cut off aid, and I would urge support for my legislation, H.R. 519, that would do exactly that. We can back-burner START II, and I would urge the Senate to do that. And we can force the President to withdraw from the ABM Treaty, and I would urge everyone to cosponsor our colleague MARTIN HOKE's excellent bill, H.R. 2483, which would do exactly that.

The rest, alas, will have to wait for January 1997, when, hopefully, we will have a more clear-eyed team in the White House.

RESTORE COLA EQUITY FOR MILITARY RETIREES

HON. LINDA SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mrs. SMITH of Washington. Mr. Speaker, today the House of Representatives passed legislation that is of utmost importance to the veterans who have honorably served our country. I'm speaking of the fiscal year 1996 Defense authorization bill that restores COLA equity between military and civilian retirees.

Historically, Congress treated Federal civilian and military pensioners the same under the law. However, the Omnibus Budget Reconciliation Act of 1993 contained a provision delaying Federal civilian retirees' COLAs until April for fiscal years 1994–96. In contrast, military retirees were delayed until April of 1994 and until October for fiscal year 1995–98. I found this to be a flawed policy. Inflation does not discriminate and neither should the U.S. Congress.

The bill we approved today restores COLA equity for military and civilian retirees. While the House approved this measure on December 15, it was vetoed by the President. We should not play politics with COLA's. A system which puts COLA's on different schedules for different groups is bad public policy. It is also a disservice to dedicated Americans who served this country, often in harm's way.

I urge the President to quickly sign this legislation. The veterans in Washington State deserve nothing less.

NORTHERN MARIANAS DELEGATE ACT

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. UNDERWOOD. Mr. Speaker, today I have introduced the Northern Marianas Delegate Act, to provide for a nonvoting Delegate to the House of Representatives to represent the Commonwealth of the Northern Mariana Islands.

The Commonwealth of the Northern Mariana Islands became the newest territory of the United States and an American commonwealth in 1976. This commonwealth is comprised of the northern islands in the Mariana Island chain, the principal islands being Saipan, Tinian, and Rota. Guam is also a part of the Mariana Island chain, and it is fitting that the people of Guam have the honor today to share in the introduction of this bill for our Pacific neighbors, and for our brothers and sisters of Chamorro heritage in the Northern Marianas who share Guam's indigenous identity.

It is important that the Northern Marianas be accorded representation in Congress, not just for fair and just representation of an American community whose interests are affected by the actions of Congress, but more importantly for what the people of Northern Marianas can contribute to the Nation through their Delegate.

The American relationship with the Northern Marianas began just over 50 years ago when American forces fought on the beaches of Saipan and Tinian, and at great human cost expelled a colonial power that had acquired these islands as part of a Pacific empire. The Americans, in the years to come, established the seeds of democracy that have resulted in this new American commonwealth. This commonwealth, whose roots to America are traced to a violent military encounter in World War II, is the first American soil acquired by conquest in this century. That the people of the Northern Marianas have freely chosen to become a part of the American family is a great credit to the United States; that they do not enjoy full participation in the political process as citizens should be a matter of great concern to all of us.

Today the American citizens who live in the Northern Marianas contribute to the Nation and participate in the life of our Nation in all the same ways that every other American citizen does in his own community. They pay taxes, serve in the military and work hard for the progress of their communities. They are part of the fabric of our great Nation.

Participation in this American democracy is not based on a particular citizen's tax contribution to the Treasury and it is not based on a preordained size of a community. It is based on a community's commitment to our democratic form of government and our Nation. Our American citizenship has as its foundation a promise of fair and equal treatment by our Government and that promise extends to Congress where fair and equal treatment demands that the Northern Marianas be represented by a Delegate.

The bill that I have introduced today mirrors the legislation which granted Guam and the United States Virgin Islands representation in 1972 and the legislation which granted American Samoa representation in 1980. The Northern Marianas will join the ranks of Delegates representing these islands, Puerto Rico, and the District of Columbia, and the Northern Marianas will add its voice to those who represent American citizens who do not reside in the 50 states, but who do reside in a diverse group of American communities on American soil.

In introducing this bill today I commend the work of the Resident Representative of the Commonwealth of the Northern Mariana Islands, Mr. Juan N. Babauta, and his staff. I also commend the unity of purpose in the leadership of the Northern Marianas expressed by Senate Joint Resolution No. 9–6 of the Ninth Northern Marianas Commonwealth Legislature, the Majors of Saipan, Tinian, Rota, and the Northern Islands, and the Municipal Councils of Saipan, Tinian, and Rota in the adoption of resolutions requesting the United States Congress to grant Delegate status to the Resident Representative to the United States. I further commend the leadership of the Honorable Diego T. Benavente, Speaker of the House of Representatives and the Honorable Jesus R. Sablan, President of the Senate of the 10th Commonwealth Legislature, as well as the Honorable Crispin I. Deleon Guerrero, in their support of this bill. I hope that the U.S. House of Representatives and U.S. Senate will act on this legislation in this session, and I urge my colleagues to cosponsor the Northern Marianas Delegate Act.

TRIBUTE TO A.G. GASTON

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1996

Mr. HILLIARD. Mr. Speaker, I rise today in tribute of Dr. A.G. Gaston, a leader among men, who recently died in Birmingham at the age of 103.

Dr. Gaston was a pioneer, who developed businesses in Alabama in an age when blacks simply did not do such things. Dr. Gaston was a pioneer in the area of building a business empire which propelled him to become Alabama's first black millionaire.

Dr. Gaston's life reads much like a literary rags-to-riches story. He was born on July 4, 1892, in Demopolis, AL, the grandson of slaves. Early in his life he moved to Birmingham and began working a variety of jobs before serving in the U.S. Army during World War I.

When the war was over, Dr. Gaston and his mother got the idea of starting their own business by preparing box lunches, and the rest is history.

From a meager beginning, Dr. Gaston eventually started a funeral business, from the funeral business emerged the Booker T. Washington Insurance Business in 1923, and from the insurance company came nine corporations with combined assets of more than $35 million. Among Dr. Gaston's other corporate ventures were: Vulcan Realty & Investment Corp.; Citizen's Federal Savings & Loan; Zion Memorial Cemetery; Smith & Gaston Funeral Homes; Wenn & Wagg Radio Stations; A.G. Gaston Senior Citizens Home; Booker T. Washington Business College, and A.G. Gaston Motel & Lounge—now A.G. Gaston Gardens.

Dr. Gaston's interests were not limited to just his business ventures. Dr. Gaston is also well known as a trailblazer in the area of civil rights and equal justice for all men and women.

When Dr. King was in Birmingham, he stayed at the A.G. Gaston Hotel and when Dr. King was arrested and put in jail for marching for equality by Police Commissioner Bull Conner, it was Dr. Gaston who bailed him out, so he could continue his fight for freedom.

However, his kindnesses to Dr. King were not accomplished without personal cost, his home was firebombed and his hotel was burned, yet still he continued, for A.G. Gaston never was a quitter. He was a visionary, a pioneer, and a role model for our youth.

Dr. Gaston had a deep and abiding love for the future of our community, our youth. He created the A.G. Gaston Boys & Girls Club to help give our youth direction and purpose.

He recognized, earlier than most, that our youth are the key to either the success or failure of our Nation. Unlike most people, who merely "amen" an idea, Dr. Gaston put his own money into the Boys and Girls Clubs, as well as numerous universities and colleges.

America needs more men and women like Dr. A.G. Gaston. He will be missed by all of us who share his love of youth, his zest for life, and his deep concern for his fellow man.

Dr. Gaston will be sorely missed.

SENATE—*Thursday, January 25, 1996*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, thank You for the stirrings in our minds and the longings in our hearts that are sure evidence that You are calling us into prayer. Long before we call, You answer by creating the desire to renew our relationship with You. You allow that feeling of emptiness in the pit of our being to alert us to our hunger for fellowship with You. Our thirst for Your truth, our quest for Your solutions to our Nation's needs, and our yearning for Your answers to our problems are all assurances that before we articulated our prayers, You were preparing the answers. It is a magnificent, liberating thought that all through this day when we cry out for Your help, it is You who have given us the courage to give up our dogged self-reliance and start drawing on the supernatural strength and superabundant wisdom You have been waiting for us to ask for so You could bless us. Thank You for a day filled with serendipities of your interventions. I pray this in the name of Jesus who taught us how to trust You completely. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. COCHRAN. Mr. President, for the information of Senators, the Senate will be in session for a period of morning business today until the hour of 4 p.m. The time will be divided equally between both sides, with 2 hours for the Republican side and 2 hours under the control of the Democrats. There will be no rollcall votes during today's session. The Senate may consider any legislative items that can be cleared for action by unanimous consent.

All Senators should be reminded that the continuing resolution expires on Friday. It is expected, therefore, that the Senate will consider a new continuing resolution when one becomes available from the House. The Senate may also consider the Department of Defense authorization conference report as well as the START II Treaty.

Senators should be on notice that based on preliminary responses from both sides of the aisle, it appears at this time that rollcall votes will occur during Friday's session of the Senate. However, we do not expect them to occur prior to the hour of 2 p.m. on Friday.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 4 p.m., equally divided between the majority and minority.

The able Senator from Maine is recognized.

(The remarks of Mr. COHEN pertaining to the introduction of S. 1525 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. COHEN. I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

THE 104TH CONGRESS

Mr. FAIRCLOTH. Mr. President, when I was elected to the Senate in 1992, I was one of five Republican Senators elected that year. But, I was the only Senator who defeated a Democratic incumbent in the November election, in what many would consider a year dominated by Democrats.

I was a new conservative voice, in a town where the Presidency and both Houses of Congress were controlled by liberal Democrats.

During those first 2 years, I opposed many of the initiatives of the coming out of the Congress. I voted against President Clinton's budget, because I did not think raising taxes was the answer to cutting the deficit.

I opposed raising taxes on Social Security.

I opposed his health care plan, which I think would have nationalized health care in this country, which is the last thing we needed.

But the elections in November 1994 changed all of this. For the first time in 40 years, the American people elected a Republican House and Senate. In my opinion, because of this, the changes have been dramatic.

For years, popular initiatives that the American public have wanted have been stalled or bottled up in the Congress.

The 104th Congress—the Republican Congress—has finally broken the logjam.

Look at what this Congress has passed. It has been significant.

We voted to apply to the Congress the employment laws that we pass which businesses have to put up with. As of a few days ago, many in Congress are getting a taste of the laws that we have imposed on the employers of this country for many, many years. Many of the Congressmen are having trouble coping with them and have not even begun to understand the implications of what we passed.

Both Houses have passed versions of a line-item veto for the President.

Both Houses passed legislation to increase penalties for child pornography. This has been signed into law.

Both Houses have passed new gift rules for Members of Congress and staff.

Both Houses have passed and signed into law a bill restricting unfunded mandates that we place on States—one of our most important and best pieces of legislation.

Both Houses of Congress have passed welfare reform, ending a destructive 30 year entitlement program, and replacing it with assistance that requires personal responsibility and work. Regrettably, the President vetoed the bill. He said he wanted welfare reform, and when we gave it to him he vetoed it.

The Congress passed legislation to provide a tax credit for families with children. The Congress voted to repeal the Clinton tax increase on Social Security. But, again, the President vetoed both of them.

The President also vetoed legislation that would balance the budget in 7 years. In fact, the President had to be forced after months—and three budgets, to finally produce a budget that was balanced using honest numbers.

Mr. President, the first session of the 104th Congress was an active one—in which many important issues were addressed. I think the American people can be pleased with the job the Republican Congress has done.

Certainly, it has kept its promises—more than any other Congress in my recent memory.

Even the President seems to have picked up on the message of the Republican Congress. In his State of the Union, he said "the era of big government was over." And we will make it over quicker, if he will stop vetoing the legislation that we pass.

No longer are we talking about starting new Government programs, like health care, but we are talking about getting our fiscal house in order for the future and stability of this country.

In the second session, there are a number of items I think we must tackle.

We need to take up regulatory reform. Compliance with these regulations is costly. It is destructive and time consuming. Regulatory reform legislation would impose a cost benefit analyses for regulations with an annual cost of $50 million.

The Senate also needs to vote on term limits as soon as possible. I am an original cosponsor of legislation to limit Senators to two terms.

Finally, Mr. President, we need to take up the constitutional amendment to balance the budget. Probably no issue is more important to our country than this one. We are nearly $5 trillion in debt, and it will have to be increased right away. It is long past time that we pass the balanced budget amendment.

Every year Americans work longer and harder just to pay their Federal taxes, and every year more and more of that money is being used to pay the interest on the debt. The debt grows, and the amount necessary to service it grows with it. We are truly imposing a massive financial burden on our children and progeny yet unborn. It is wrong, and it is our responsibility to stop it.

In the Senate we fell only one vote short of passing a balanced budget amendment. I hope the majority leader will bring this issue back before the Senate before we adjourn, and I certainly hope that one of the Senators could be persuaded to change his view on this critical issue. It would mean more to the future and stability of this country than anything I can think of at this time.

STATEMENT HONORING THE OLLISON'S FOR CELEBRATING THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, these are trying times for the family in America. Unfortunately, too many broken homes have become part of our national culture. It is tragic that nearly half of all couples married today will see their union dissolve into divorce. The effects of divorce on families and particularly the children of broken families are devastating. In such an era, I believe it is both instructive and important to honor those who have taken the commitment of "til death us do part" seriously and have successfully demonstrated the timeless principles of love, honor, and fidelity, to build a strong family. These qualities make our country strong.

For these important reasons, I rise today to honor Raymond and Charlene Ollison who on February 2 are celebrating their 50th wedding anniversary and will renew their wedding vows. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. Raymond and Charlene's commitment to the principles and values of their marriage deserves to be saluted and recognized. I wish them and their family all the best as they celebrate this substantial marker on their journey together.

CURBING YOUTH ACCESS TO TOBACCO PRODUCTS

Mr. MCCONNELL. Mr. President, after 2½ years of inexplicable delay, on January 19, 1996, the Department of Health and Human Services [HHS] issued final regulations concerning tobacco sales to minors for the Substance Abuse and Mental Health Services Administration [SAMHSA].

These SAMHSA regulations implement the Alcohol, Drug and Mental Health Block Grants [ADAMHA] Reauthorization Act of 1992, which required States to prohibit the sale and distribution of tobacco products to minors, take steps to enforce that prohibition and report annually to HHS, or lose Federal substance abuse block grants. While HHS dallied over the final SAMSHA regulations, the Food and Drug Administration—itself an arm of HHS—proposed a highly intrusive new set of regulations governing tobacco sales, distribution, labeling, advertising, and marketing.

I support the approach taken by the SAMSHA regulations. As Congress specifically required in the ADAMHA Reauthorization Act, the SAMSHA regulations give States the maximum degree of flexibility while ensuring that States do in fact take strong steps to stop the sale of tobacco products to minors. The SAMSHA regulations will accomplish the same goal that FDA professes to want—reducing the use of tobacco by minors—in a shorter time for less money and with much less Government interference.

The Kentucky General Assembly passed legislation in 1994 to address ADAMHA compliance. As an example, the State Department of Agriculture, with assistance from local law enforcement officials, must conduct random, unannounced inspections. Persons under the age of 18 may be enlisted to test compliance, provided that parental consent has been given. Kentucky has also established sign requirements, license requirements, and vending machine restrictions.

Mr. President, I represent 60,000 hardworking tobacco farm families and thousands of hard-working individuals who are involved in the manufacturing and retail of tobacco products. Under the SAMSHA regulations, tobacco growers and others involved in the tobacco industry can rest assured that they will not be subjected to excessive government interference. States where tobacco is grown will be free to craft laws that take into account the needs and interests of tobacco growers. Tobacco growers will not be treated as the enemy. On the other hand, FDA's proposed regulations would treat nicotine as an addictive drug and position the FDA to march on every tobacco farm in the United States. FDA's proposal is unacceptable.

Tobacco already is one of the most heavily regulated products in the United States. More than a dozen Federal agencies have jurisdiction over some aspect of tobacco production, sales, or advertising. In light of this fact, Congress authorized SAMSHA not to impose sweeping Federal tobacco regulations, but instead to encourage States to prevent youth access to tobacco.

Mr. President, I strongly believe that minors should not use or purchase tobacco products. I also believe the most effective way to prevent minors from using or purchasing tobacco products lies in the strict enforcement of laws already in effect in each of the 50 States. A new Federal bureaucracy, as proposed by the President and FDA, is not needed. In 1992, Congress made a bipartisan decision that State officials, not a Federal agency, were best suited to deal with the problem of underage tobacco use. The SAMSHA regulations are a constructive, constitutionally appropriate and cost-effective way to deal with underage tobacco use. The SAMSHA regulations take the right approach. FDA's approach is wrong, excessive, costly, and unnecessary.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the impression will not go away: The $4.9 trillion Federal debt stands today as a sort of grotesque parallel to that energizer bunny that appears and appears and appears on television in precisely the same way and to the same degree that the Federal debt keeps going up and up and up.

Politicians talk a good game—and "talk" is the operative word—about reducing the Federal deficit and bringing the Federal debt under control. But watch how they vote.

Mr. President, as of the close of business, Wednesday, January 24, the total Federal debt stood at exactly $4,987,847,422,144.35 or $18,932.30 per man, woman, child on a per capita basis. Res ipsa loquitur.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I thank the Chair for recognizing me.

A RECESS WOULD BE IRRESPONSIBLE

Mr. PRYOR. Mr. President, I rise today to discuss what the Senate is doing actually tomorrow on a very, very critical and important resolution that would put the Senate in recess for 1 month. To my way of thinking this could be the most irresponsible vote the U.S. Senate has taken in a long, long time. A month—30 days, Mr. President.

I think that such action would be the height of irresponsibility. If we think the American public is losing faith and confidence in our legislative institutions, just wait and see how they react when they see the Senate is voting to take a 30-day recess with all of the work that lies ahead.

The Senate and the Congress as a whole has much work to do, a lot of work to do. The shrinking amount of time in which to do it is something that I would like to discuss for a few moments this afternoon.

The first session of the 104th Congress, Mr. President, was one of the busiest that we have ever seen. Unfortunately, however, it was one of the least productive. I will cite my friend, Senator BILL COHEN's op-ed piece recently in the Washington Post when he said—I think I can quote—"There's a great deal of motion, but very little movement." I think that aptly describes last year.

That first session of Congress lasted 365 days, 1 whole year. Only two other first sessions have lasted 365 days in the course of the Republic's history, Mr. President, the 77th Congress in 1941–42 and the 102d Congress in 1991–92.

The Senate, for example, was in session for 211 days. We took 613 rollcall votes. The House was in session 167 days. The House took 885 rollcall votes. What was the result of all of this movement and action, Mr. President? Only 88 bills were signed into law, the smallest number of bills becoming law since 1933.

Mr. President, a 30-day recess, like the one that is being proposed tomorrow, is truly unprecedented. A review of the Senate's congressional calendar shows the normal pattern for Congress is to begin work after the State of the Union. A short recess around the President's Day holiday is the norm. However, to simply shut down the U.S. Senate, for us not to work until the beginning of March, is a remarkable inconsistency.

So what does that mean for us today? It means that there is a lot for us to do in a year already shortened by the Presidential election. Some have even suggested that the Senate is arranging its schedule, depending upon the primaries in New Hampshire and the special caucuses in Iowa. I am not here to argue whether that is true or false, but that is being charged.

There are bills awaiting our attention that must be addressed, not to further the Democratic agenda or the Republican agenda, but to help the American people and to make their lives better and to live up to our responsibility.

I rise today to talk about some of this imperative legislation that I think we should be working on now rather than recessing tomorrow for a whole month's period.

For example, we are in the midst of a crisis in agriculture, and this affects all of rural America. In fact, it affects all America.

On January 1, some 25 days ago, the 1990 farm bill expired. Because no Congress in 40 years has failed to pass a farm bill, we are still exploring the ramifications of what it means to live under an expired farm bill. In short, chaos in rural America could very easily result. We need action in this area.

What we know for sure is that because there is not a farm bill, American agriculture is now, in large part, operating under laws enacted in the year 1949.

In the past several weeks, lawyers and staff at the U.S. Department of Agriculture began to piece together just what this means for farmers, for consumers, and for the taxpayers. For example, while the cotton program operates as is until 1997, the rice program, as we know it, has now been terminated. Today across our country, there is no rice program. There has not been for 25 days. The so-called permanent law, or 1949 law, to which we are now reverting, includes provisions for commodities, such as wheat or corn; however, no provisions for rice.

The Secretary of Agriculture has said he would have to use some general authority under the CCC Charter Act to run a rice program, but research is still underway to see what kind of program he might legally operate.

There is great confusion. Arkansas grows 40 percent of all of the rice produced in our country, but other States, such as California, Mississippi, Louisiana, and Texas, are also large rice producers. Pulling together some kind of general authority and running a partial program could be devastating to the rice industry and to the rice farmers in these five States.

It is not just rice farmers who are very anxious right now. As many of my colleagues have pointed out, most farmers cannot even find out if they will be able to plant a crop, much less what that crop might be. Necessary operating credit, those loans that are so important to the American farmer, will not be extended to many farmers unless the various lending institutions have some idea of what the rules or regulations are in rural America relative to the new farm proposals.

Mr. President, with all of this uncertainty hanging over us in rural America, from producers to millers to ginners to seed salesmen to tractor dealers to processors and all the other businesses that serve the agriculture sector, it is unconscionable, I think, for this Congress to even contemplate recessing for a 30-day period.

Let me give you another example of how the American people are paying as a result of congressional inaction.

Last year, Congress made a legislative error in the GATT treaty which is forcing American consumers to pay millions and millions of dollars more for their prescription drugs every day. We had a debate on this floor. We had a very close vote on this floor.

For instance, the world's largest drug company, Glaxo, today is gaining $6 million a day in undeserved enrichment—$6 million a day in undeserved enrichment and profits. This single company has so far gained $300 million, all of it subsidized by the American consumer from this congressional mistake. We had a chance to correct it. We did not meet that obligation. We must have that opportunity again.

Instead of acting quickly to fix it, Congress has let it drag on week after week after week. If we recess for 30 days, consumers across America will be paying another $180 million in unnecessary health care costs for their drugs. That is outrageous. But there is no company in this country today who would love to see the Senate adjourn, recess and leave town for the next 30 days more than the company of Glaxo. It means another $180 million to them in undeserved enrichment.

This is not the only important health care issue being held up. A bipartisan proposal which would require insurance companies to stop dropping people when they change jobs and to prevent insurers from denying coverage for preexisting conditions is being blocked today from consideration. There was an excellent article in this morning's Washington Post related to this situation.

This legislation, which would help almost 25 million Americans, is much too important to let die, it is much too important to let it be crowded off the Senate floor schedule simply because we are not in session, we are scattered to the four corners of the land and we cannot be found to do our legislative duty.

There are a number of tax credits that have expired. They need to be extended. The education tax credit, which encourages employers to help their employees improve their education, the research and development tax credit, the targeted jobs tax credit, which helps employers who hire disadvantaged workers, are just some of the examples. These tax credits are helping American business and workers all across this country today. But for 30 days, if we vote to go into this recess, they will be ignored while the Congress leaves town.

There are other bills pending that would change tax policy and make life simpler and better for Americans. For example, a bill to increase the health care deduction for the self-employed lies idle. This bipartisan bill would give self-employed Americans more of the tax cut that large corporations get for funding full health insurance.

Also put on hold is legislation introduced by the majority leader, myself and 44 other Senators to ease the tremendous burden placed on family-owned businesses by the estate tax. This bill would benefit farmers and family-owned businesses across our country.

Another bill on the sidelines is the Church Retirement Benefits Simplification Act, which would clarify the rules that apply to church retirement and welfare benefit plans and make it easier for churches to administer their retirement and benefit programs.

These bills all try to make the tax system friendlier and fairer, and all Americans should not be ignored while the Congress takes a month-long break.

Mr. President, in addition to these bills that I have discussed this afternoon, and many others that are also very important, there is also the issue of the Federal budget. The House, today, is likely to pass a 30-day continuing resolution to keep the Government running. We hope so. The Senate will probably pass it tomorrow. We hope so. And then what happens, Mr. President, is we all leave town. We will be doing nothing to resolve the basic problems that have prevented us from enacting a budget and passing the final six 1996 appropriations bills.

Mr. President, I am talking about finishing up the spending bills that should have been completed last year. I have not even mentioned the fact that the work on the 1997 budget should begin in 10 days when the President submits his budget to the Congress. In addition, the debt ceiling must be lifted by March 1, Mr. President. If we recess and come back on the 26th of February, we will be returning with only a precious few hours to deal with this most important, very critical issue. Moody's has already issued a warning that they may downgrade Treasury bonds as a result of this pending uncertainty. The full faith and credit of the United States of America rests on our actions. There could be possible catastrophic results if we do not take action.

Finally, the people's business needs to be tended to—it is that simple—from rural America to Wall Street, and tomorrow could be the most irresponsible time that I have ever known for us to even consider beginning a 30-day recess. Rather, we should vote tomorrow to recommit ourselves, not to our business, but to the people's business.

Mr. President, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

THE GOVERNMENT SHUTDOWNS WERE NOT ALL CONGRESS' FAULT

Mr. MURKOWSKI. Thank you, Mr. President. First of all, I would like to address my remarks to those Government employees who were victimized by the process of shutting down the Government. I am sorry—and I think all of my colleagues would share in that sentiment—for that unfortunate set of circumstances. I would like to point out, Mr. President, before we, the Members of Congress, are designated as the sole villain, consider for a moment that both the House and the Senate passed a reconciliation bill to fund the Government fully until all appropriations bills were completed. Our President chose to veto that reconciliation bill. Had he not, there would not have been a shutdown in Government. It seems the media and many have forgotten that, including some Government employees.

Further, Congress passed a significant majority of the appropriations bills, sent them to the President, and the President vetoed about half of them. The President made that decision, just as he made the decision to veto the reconciliation bill. He could have signed the appropriations bills, and those Government agencies would not have been shut down.

So, as a consequence, as we look at the fallout associated with the shutdown of Government, the blame is not all on the Congress, by any means. The President must share that blame. I find it very disturbing that the media does not seem to be able to pick up on that responsibility. There are legitimate differences of opinion in the President's version of the adequacy of the appropriations bills we passed, and he has reason to veto them. But, by the same token, I think he has to be realistic in recognizing that the responsibility is not Congress' alone.

Now, much has been said about the debt ceiling and the fact that sometime in March we are going to be asked to increase that debt ceiling from $4.9 trillion to somewhere in excess of $5.3 to $5.4 trillion, and if we do not, the Federal Government is going to go into default. Some of us feel pretty strongly that the only way to turn this train around of continued debt is to initiate a process that generates a balanced budget in real terms. Real terms means in 7 years—but not 7 years with cuts in the sixth and seventh year, as President Clinton proposes.

Clearly, in the sixth or seventh year, regardless of the election, President Clinton will not be around to bear the brunt of those cuts, and those cuts truly are draconian. Congress is not going to have the self-discipline to do it either. We simply have to get spending under control. We have to reduce the rate of growth of the entitlements. That is basically what we attempted to do with Medicare—not cut it, simply reduce the rate of growth. Many of the public, the elderly, did not seem to catch that difference. Medicare would be increased next year over this year and the year after, but not at the same rate of growth. The President's own Cabinet suggested that Medicare will be bankrupt in 7 years if we do not address that. It is not being addressed under the President's proposal. The ramifications of that suggest business as usual.

Many do not seem to have really captured what this debate was all about. It was not just about a balanced budget. It was about redirecting America, rededicating, if you will, that Washington does not know all, control all, regulate all; but the responsibility should be dictated, as much as possible, to the States and, more directly, to the people. They are capable, and they are frustrated with the dictates from Washington. But that seems to be lost in this debate.

So the significance of where we are at this time, I think, needs real examination, because if corrective action is not taken, if somehow we do not get the attention of the administration to address a real balanced budget, we are simply going to add to this accumulated debt, which, as I have said, is $4.9 trillion, and the interest on that is some $236 billion, which is more than our annual debt. That means that what we are spending in excess of what we are generating in revenues is about $160 billion. Yet, our interest on the accumulated $4.9 trillion is somewhere in the area of $350 billion.

You do not have to be an accountant to know that if your interest costs on the outstanding principal that you owe are more in each year and each year you are increasing that by an added debt in the area of $160 billion, sooner or later you are going to pay the piper, and you are going to pay the piper through the consequences of a loss of confidence in America's monetary system. That lack of confidence is going to be triggered by too much debt. It happened in Central America, it happened in South America, it happened in Europe, and it will happen in the United States if we do not address a meaningful balanced budget.

So as we look at the crucial times ahead, Mr. President, I do not know what we are going to have to do to catch the attention of the administration to get real about this process. Otherwise, we are going to pay the piper.

There is a member of my staff whose wife is expecting a baby in April. That child will come into this world with a share of debt in the area of about $157,000.

Multiply that per capita in the United States—what are we going to do, simply leave a legacy of debt? We must take the medicine now. We must address the hard decisions now. Otherwise, it is simply going to be too late. I wonder if it is not too late now. If we extend the debt ceiling when we come back sometime in the future and we do not have a commitment for a real balanced budget, we are doing a tremendous disservice to the citizens of this Nation.

As a consequence, Mr. President, I think it is time that we go home and reflect on the significance of this crisis. This is very real. Talk to our constituents about the ramifications and share with them the dilemma that is going to be facing us when we come back and we are asked to increase the accumulated debt, the authorized debt, beyond $4.9 trillion. When the only leverage we have is to suggest it should not be done, it is irresponsible to increase that until we have a commitment for a balanced budget. Only when we achieve a balanced budget can we begin to address that 4.9 trillion dollars' worth of debt, and every Member of this body knows it, but not every Member of this body or the House of Representatives is prepared to take the action. That is where we are today.

POLICY AND POLITICS

Mr. MURKOWSKI. Mr. President, another matter I bring before this body concerns the policy and politics related to mining law reform. As chairman of the Energy and Natural Resources Committee, I have been working with Senator CRAIG and other members of the committee to craft a mining bill that is realistic, that is responsive to change.

Many know that the 1872 mining law has been a topic of debate in this body for many years. My good friend from Arkansas has spent many hours suggesting reform. The environmentalists continue to cry for reform. This year in an effort to enact a responsible reform we included several mining law provisions in the budget reconciliation package.

What did we send to the President? Specifically, for the first time in history, I repeat, for the first time in history, we required miners to pay a 5-percent royalty. For the first time in history, miners were required to pay a fair market value for patented land, and for the first time in history patented lands used for nonmining purposes would revert back to the Federal Government. Patented land would have to be used for mining. If the land was used for non-mining purposes it would revert back to the Federal Government.

For the first time in history we established an abandoned mines land fund to start the process of cleaning up the old abandoned mines and try and address abuses that had taken place in the past.

We maintained the existing $100 per claim fee for 3 years and doubled the fees to $200 per fee starting in 1999. The Congressional Budget Office score over 7 years was approximately $157 million. This is significant reform.

What happened to the proposal, Mr. President? The President vetoed the reconciliation package. What is the administration's proposal? Pretty hard to get a feel for what they have in mind. Secretary Babbitt, continues to demand mining law reform, yet he does not offer a specific solution. In fact, the administration has failed to submit a comprehensive mining law reform proposal this year.

Now, let me read some comments made by the administration on mining law reform. "This process has gone from distasteful to obscene. We support common sense reform that gets the taxpayers a fair return. Congress could and should act quickly to end this travesty." Secretary Babbitt, December 1, 1995.

Second: "The idea that we are backing off of mining reform, grazing law reform, is just nonsense. We are totally committed to changing the current policy." This was Vice President GORE, May 10, 1993.

Further: "Just recently, a law on the books since 1872 that I am trying hard to change, forced the government to sell minerals worth $1 billion." President Clinton, November 4, 1995.

By reading these quotes one would think the White House wants action on mining law reform. There is an old saying around here, "actions speak louder than words." In this case I can assure my colleagues we have had no action on mining law reform from the administration this year. What we have had, Mr. President, is a lot of words. There is another old saying around here, "What is good for the goose is good for the gander." I guess it depends on who is the goose and who is the gander.

In today's Washington Times there is a very interesting and revealing editorial about Vice President GORE and Secretary Babbitt. Apparently the Vice President's family has an interest in mining property in Tennessee, a family interest I am sure—nothing wrong with a family having an investment in mining property. According to the Washington Times the Vice President or his family receives a 4-percent net royalty from minerals mined on their land.

I find this interesting because Secretary Babbitt has been pushing for a gross royalty as high as 12.5 percent. As everybody knows, I support mining in the United States. I am pleased that the Vice President and his family are in the mining business. What troubles me is this administration continues to demand a gross royalty for miners while the Vice President receives a royalty based on net. I agree with the Washington Times, if a net royalty is good enough for the Vice President, why is it not good enough for the Secretary of Interior Babbitt?

We can take this process one step further. The Vice President apparently supports exploration and development when it benefits his personal interest, yet he opposes it almost everywhere else, particularly on public land, and certainly in my State of Alaska. He opposes logging in the Tongass, he opposes exploration and development of the Arctic, including ANWR, for oil and gas.

Mr. President, what is the difference between mining and oil and gas production? Both are producing something from Mother Earth, providing a return, reducing our dependence on imported resources. It appears to be a rather inconsistent policy, Mr. President.

I think it is appropriate that the Washington Times has highlighted this because the Vice President is known as a champion of the environment. We appreciate his contribution to the environment, however, we are troubled by his strong opposition to oil and gas exploration, mining exploration, logging, grazing, and any other development of our natural resources. Yet here we have a personal interest reflected on the families' ownership of the lead and zinc mine that the Vice President and his family have in the State of Tennessee which has been highlighted in the Washington Times article.

That is why I question, Mr. President, what is good for the goose is good for the gander.

Mr. President, a good deal of this is about politics. The administration sees the environment as a political issue, and they will go to any means to exploit it. We have seen the President's remarks—protect the environment. Many of the issues are not environmental. They are jobs issues. Are we going to have blue collar jobs in this country in our timber industry, in our mining industry, in our grazing industry, in our oil and gas industry? Or are we going to continue to be dependent to an ever increasing degree on imports? We seem to be importing resources and exporting jobs.

Currently, over 51 percent of our crude oil consumption comes from imported oil. The Secretary of Energy has just come out with a forecast that is truly alarming because it suggests that this is going to increase dramatically in the coming years.

I note for the record in the "Inside Energy/with Federal Lands," of January 22, 1996, a statement from the Secretary of Energy Secretary O'Leary decrying the deficiency budget. She says an oil crisis is "imminent." That is a pretty strong statement.

Energy Secretary Hazel O'Leary last week predicted that an oil crisis is "imminent," and called on Congress [this body] to help prepare for it by shifting resources from fossil energy r&d to energy efficiency and renewable energy r&d.

O'Leary, speaking to reporters Tuesday, reiterated concerns about a possible oil crisis stated earlier in the day by Joseph Romm, DOE's Acting Deputy Assistant Secretary for Energy Efficiency and Renewable Energy. . . .

"It's pretty clear there's going to be another oil crisis. I would say, in the next 10 years," Romm said. . . .

O'Leary agreed with Romm, adding, "with the trajectory Congress has us on, we're not allowed to intervene with new technology."

I find that very revealing. It further reads:

"Any interruption in the Persian Gulf or pipeline failures could lead to supply disruptions."

Comparing the situation to the blizzard that afflicted East Coast cities earlier this month, O'Leary said, "I see crisis imminent and something we better take care of."

Asked what DOE could do to avert it, O'Leary responded that the department is "beginning to pull away from the traditional energy supply, shave some resources from unnecessary national security programs and high-tech nuclear programs, and put that effort to deploying energy efficiency and renewable energy technologies. . . .

That sounds great. Some of it is attainable, but not all of it. There are not enough renewable energy resources out there. Yes, we can increase energy efficiency. But to suggest we are moving our focus over there from increasing energy supplies to alternatives is simply unrealistic, and anybody who is in the energy business, having to supply this country with energy, will tell you, "It just ain't so."

"Romm predicted that soon"—and this is the bottom line, and I will urge all my colleagues to reflect on it because one of these days it is going to come around and bite you, it will bite each one of us, because the public is going to say, Where was Congress? Why did Congress not do something to avert this crisis of curtailing a supply of crude oil into the United States?

Romm predicted that soon the Persian Gulf region's percentage of the oil market will surpass its highest level ever, which was 67 percent in 1974. That percentage, he said, "likely will go over 70 percent."

There are solutions to the problem, and the three that are proposed by the Department of Energy suggest the following: Raise the price of oil, make it scarcer; add to the burden of the family budget, the Northeast corridor that depends on oil for heating. What is that going to do for inflation, Mr. President? They suggest one of the answers is raise the price of oil. Is that not a bureaucratic answer to a shortage? You raise the price. Put in place regulations to increase fuel economy—there is nothing wrong with that, but you can only go so far—and try to improve fuel efficiency technology. We have done that dramatically in our automobiles.

The indication here is that the administration is taking all three of these approaches, but they blame Congress for opposing all three. We do not oppose all three but we are being realistic.

It is interesting, spokesman Romm "downplayed the effect that opening the Arctic National Wildlife Refuge to oil and gas drilling would have on reducing oil imports. More oil would be saved by implementing DOE's efficiency and renewable energy programs than would be generated by ANWR, he said," if it was opened.

The inconsistency there, and what he does not tell you, is that Prudhoe Bay has been supplying this Nation with nearly 25 percent of its total crude oil production for the last 25 years. That field is in decline. As I have said, currently we are importing 51 percent of our total crude oil. As Prudhoe Bay declines, if we do not find more domestic reserves, we are simply going to import more. It is going to come into this country in foreign vessels, so we are not going to have our U.S. maritime fleet as we have currently in the movement of Alaskan oil which requires that all that oil be moved in U.S. tankers with U.S. crews.

So here we have a situation where, as Prudhoe Bay declines, if we do not find more domestic oil, if we do not look for it in the most likely place where it is likely to be, and that is, the geologists tell us, in the Arctic, we are simply going to be exporting more of our dollars and more of our jobs overseas.

We hear a lot about the deficit balance of payments. That means we spend more than other nations spend buying from us. Half of it is made up in the cost of imported oil. So I find it extraordinary at this time that we have a dire prediction that we are facing an oil crisis and the only alternative that we pursue is greater efficiency and renewable energy and do not prioritize increased domestic production.

This administration is selling America short. America has the technology. America has the engineering know-how to develop oil reserves in those delicate areas and do it safely. We have proven that time and time again.

The difficulty we have in my State of Alaska is we happen to be a new kid on the block. We have only been a State for 38 years. We are trying to develop our land patterns. The rest of the States did it 100 years ago, Virginia 200 years ago. Prudhoe Bay is the best oil field in the world. Endicott was the 10th largest producing field when it came on line. Now it is the seventh. The footprint is 56 acres. That is the technology we have in industry. If we are allowed to go into ANWR, it will generate $1.3 billion for the Federal Treasury resulting from those lease sales. Developing the 1002 area could provide nearly 700,000 jobs during the life of the field throughout the country. We do not make pipe in Alaska. We do not make valves. We do not make all the seals, all the things that go into the development. We get these supplies throughout the United States and this means jobs. And the industry says they can do it in 2,000 acres.

What does ANWR consist of? It consists of 19 million acres. Out of that 19 million, 8 million acres have been set aside as wilderness. The rest of it is in refuge, leaving 1.5 million that Congress set aside for determination to be made of whether to allow exploration. Out of that 1.5 million acres only 2,000 acres would see a footprint.

Think of the jobs in this country. Think of the dollars generated. If we lose this opportunity, Mr. President, indeed our only alternative will be to increase oil imports of oil coming in foreign vessels and the export of U.S. jobs and the export of dollars.

So, as we look at the situation in general, and this administration's attitude toward development of public lands, I think we have, indeed, a political situation. This administration sees these issues, and certainly the environmental community does, as causes—causes for membership, causes for more dollars coming in. Because the American people cannot go up and see Prudhoe Bay, see the advances that have been made in the Arctic, see what we have done to increase the caribou herds in the central Arctic that were 3,000 or 4,000, and are now over 20,000.

So, unfortunately, in their efforts to win political points, this Administration is destroying our natural resource industries. These industries have been significantly reduced—driving jobs overseas and increasing our balance of payments deficit.

So, indeed, it is about politics—not policy. I hope my colleagues will see through the smokescreen.

The editorial, which I ask unanimous consent be printed in the RECORD, is about the Vice President's mine, and his interest in that mine. I encourage my colleagues to read the editorial. If it is good enough for the Vice President, it ought to be good enough for the rest of the Nation's miners.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Jan. 25, 1996]

BRUCE BABBITT AS GOLD DIGGER

Vice President Al Gore can afford to worry about whether Earth's in the balance. He has a zinc mine at home in Carthage, Tenn., that keeps his checkbook in balance. He gets a $20,000 check every year based on a 4 percent net royalty on the value of the minerals mined on the Gores' property.

Now it may seen a little hypocritical for an environmentalist like Mr. Gore to profit so handsomely from a nasty old industry like mining. But the question for the moment is, if the deal is good enough for Mr. Gore, why isn't it good enough for Interior Secretary Bruce Babbitt.

For months now, Mr. Babbitt and congressional Republicans have been arguing over plans to reform the infamous 1872 Mining Law as part of the overall budget reconciliation package. The law provides, among other things, that mining companies can get title to government lands for as little as $2.50 an acre and then mine the minerals without paying royalties.

That doesn't mean the government collects nothing from the operation. Mining companies pay income taxes, company shareholders pay taxes on dividends, and company employees pay taxes on their wages. Such taxes make the government a partner in almost any business enterprise, including mining.

Mr. Babbitt, however, seems to want a gross royalty of 4 percent or higher, a demand to which even the formerly Democrat-controlled Congress would not agree. One says "seems" because it's not clear exactly what percentage he wants. An Interior Department spokesman this week could not provide a figure.

Republicans propose to make companies pay a 5 percent net royalty as well the fair-market value of the land. The 5 percent figure happens to be a percentage point higher than what Mr. Gore gets, but it's not good enough for Mr. Babbitt. A net royalty is "riddled with loopholes," he says. Mr. Babbitt means the kind of loopholes that allow business to deduct the cost of their expenses before paying taxes.

Again, the business dealings of the Gore family are instructive here. So eager were the Gores to capitalize on the assets of Mother Earth that they actually sued the company mining the family farm for cheating it out of royalty payments. It seems that although the company had paid royalties on zinc mined there, it had failed to pay appropriate royalties on the germanium ore it dug up. Arbitrators sided with the Gores.

"My attorney proposed an accounting methodology," the vice president's father said in 1992, "which the arbitrators accepted, to determine the value of germanium produced: Take value of germanium produced from the ore and deduct refining costs, insurance, freight and other charges. That's not difficult accounting." No it's not.

It can cost millions, perhaps hundreds of millions of dollars, to discover, explore and ultimately develop a mine. Refusal to permit companies the same kind of deductions on government lands that the Gores agreed to on their land is simply another way to shut down mining there. That may be what Mr. Babbitt wants, but employees and towns and schools who directly or indirectly depend on mining jobs don't have the luxury of handouts from Washington.

There's plenty of "gold" to be had from the Republican mining reform proposal. It would raise an estimated $157 million in federal revenues. But Mr. Babbitt needn't take Republicans' word when it comes to mining income. All he has to do is ask the Gores.

Mr. MURKOWSKI. Mr. President, I thank the Chair. I wish the President a good day.

I see another of my colleagues on the floor. I yield the floor.

The PRESIDING OFFICER (Mr. BROWN). Who seeks recognition?

The Senator from Utah is recognized.

DRUG-RELATED CHILD ABUSE

Mr. HATCH. Mr. President, it is becoming difficult to open a newspaper without reading another horrifying story of drug-related child abuse.

From Brooklyn, we learn of Elisa Izquierdo, the 6-year-old girl who was born to a crack addicted mother. Elisa's mother allegedly beat her to death, leaving New York's public welfare agencies to engage in the usual finger pointing. [New York Times, Nov. 28, 1995]

In suburban Chicago, a woman and two children are brutally murdered by a trio that includes a convicted drug dealer high on crack. [Time, Dec. 4, 1995].

In Patterson New Jersey, a crack-addicted woman beats her 14-year-old daughter with a three-foot board with a nail protruding, after a dispute over dirty dishes. [New York Times, Dec. 6]

To most of us, horrifying incidents like these seem nearly unimaginable. They demonstrate the incredible dangers of drugs like crack cocaine—drugs so addictive that they could actually impel a mother to kill her own child.

These may be extreme cases, but they are instructive because they represent the extreme end of the kind of pressures facing young people today.

Indeed, sometimes it almost seems to me as if our culture is dedicated to separating children from their innocence. A recent Carnegie Foundation report put it this way:

> Barely out of childhood, young people ages 10 to 14 are today experiencing more freedom, autonomy, and choice than ever at a time when they still need special nurturing, protection, and guidance. Without the sustained involvement of parents and other adults in safeguarding their welfare, young adolescents are at risk of harming themselves and others. [Report of the Carnegie Council on Adolescent Development.]

Lately, the harm referred to in the Carnegie report has been taking the form of increased drug use. A few numbers tell the story:

> Last year the number of 12- to-17 year-olds using marijuana hit 2.9 million, almost double the 1992 level [National Household Survey on Drug Abuse, Nov. 1995].
>
> LSD use is way up among high-school seniors—11.7 percent of the class of 1995 have tried it at least once. That is the highest rate since recordkeeping started in 1975. [Monitoring the Future Study, released Dec. 11, 1995]
>
> A parents' group survey released this November found that 1 in 3 high school seniors now smoke marijuana [Survey released Nov. 2, 1995 by Parents Resource Institute for Drug Education].
>
> Unbelievably, another survey shows that young people are more likely to be aware of the health dangers of cigarettes than of the dangers of marijuana [May 1995 survey by Frank Luntz].

As I said, kids have it rough today. They are faced with adult choices at an ever-earlier age, as the culture surrounds them with hedonistic messages. And it bothers me, frankly, when I read that sometimes our mass media, our educators, and our public officials are making things even worse.

Take the recent advent of rap and hip hop music, a kind of music that enjoys great popularity among young people. A lot of hip hop music is perfectly unobjectionable, although I have to admit it is not what I listen to.

But take a look at these lyrics by the hip hop group Total Devastation and tell me if you hear what I hear—kids as young as 10 being encouraged to take drugs. Chart No. 1 reads:

> When it comes to puffing blunts [blunts are a kind of marijuana cigarette] I'm a 12-year vet.
> And I wasn't 10 yet when I took my first hit.
> I was headed out the house to school one day,
> And guess what I found in my dad's ashtray
> Now there's only three things in life that I need
> Money, safe sex, and a whole lot of weed.
> Total Devastation, "Many Clouds of Smoke"]

If my colleagues believe that this is an isolated phenomenon, let me quote from some other songs. This is "Hits From the Bong," by the group Cypress Hill. Chart No. 2 reads:

> Pick it, pack it, fire it up,
> Come along, take a hit from the bong. . . .
> [Cypress Hill, Black Sunday, Hits From the Bong]

Of course, for those of you who have led sheltered lives, a bong is a plastic pipe used for smoking marijuana. This is what our kids get hit with every day.

This last chart has an excerpt from a No. 4 hit song by performers known as "Channel Live" and "KRS One". Chart No. 3 reads:

> Wake up in the mornin' got the yearning for herb
> Which loosens up the nouns, metaphors and verbs
> And adjectives ain't it magic, kid
> What I'm kickin'
> Multiflower bags and seeds for the pickin'. . . .
> [Group: Channel Live and KRS One; Song: "Mad Izm"]

This is not just talk, either. The author of this hit song told High Times magazine: "I love marijuana." "Anything that gives a good feeling the youth are going to gravitate towards. Period. Drugs are part of the human experience." [High Times, May 1995, p. 66]

From Atlanta we get the Black Crowes, known for unfurling large banners on stage emblazoned with a marijuana leaf and bearing the words "Free Us." Crowes lead singer Chris Robinson explained to a reporter: "Everybody in this band smokes weed. . . . We did 350 shows, smoked every night, and never got busted." [Hartford Courant, Mar. 12, 1993]

If you think it is easy to do something about this stuff, think again. Baltimore deejay Marcel Thornton lost his job after he stopped playing songs like "First of the Month," by Bone Thugs-N-Harmony, a song which according to the Washington Post talks about "getting high and selling crack to welfare recipients." [Washington Post, Dec. 2, 1995]

According to the Post, Thornton, who attended the Million Man March, got a call from a female listener pointing out the contradiction between the ideals of the march and some of the lyrics he was playing—coarse and sexually explicit lyrics that I would not repeat on the Senate floor. Thornton agreed; now he is unemployed.

Some people claim that music reflects values but has no influence over the way people really live. But how else to explain the following story, reported in the December 18 Washington Post.

A homemade video shows a man sitting at a table packaging what appears to be crack cocaine. His 4-year-old son sits next to him—also packaging a crack-like substance. The father drinks from a bottle of gin. The 4-year-old takes a drink. The father pulls a 9 mm pistol and subdues an assailant. The 4-year-old pulls a pistol—it may have been a toy, we do not know—and turns it on a younger sibling.

Why was this child being trained, for lack of a better word, to be a predatory criminal? His father says they were making a rap music video.

Of course, there are two sides to every coin. America's music and entertainment industry has brought us greater access to more kinds of music than at any time in history. Music entertains us, but it also edifies us. It has always been a source of great inspiration to me. There is so much in what the music industry produces for kids that is positive—even uplifting. And there are so many musicians out there who have put forth antidrug and other positive messages for people.

I also speak as one who has been a big supporter of the music industry. The digital performance rights bill that was recently signed by the President, and the Audio Home Recording Act of 1992, are only two of the more recent pieces of legislation that I have worked to enact.

But the industry has to admit that it just is not helpful to be peddling albums and artists whose music endorses this type of completely self-destructive activity.

To those of you at Arista, Sony, Interscope, Capricorn and Columbia Records, and the many others who produce and distribute these groups and the ones like them, I ask: How can you sit by and look at 1.3 more young people—that is more young people than 2 years ago—smoking marijuana? How can you ignore a 200-percent increase in marijuana use between 14- and 15-year-olds?

The recording industry has a positive role to play here, but I just have to ask the people promoting these groups, do you not feel irresponsible distributing this garbage?

The record industries are hardly the only sector of the entertainment industry that is sending mixed messages. In an episode of the hit TV show "Roseanne," Roseanne and her husband find a stash of marijuana in their daughter's room. After lecturing her boyfriend, whom they initially suspect of buying the marijuana, they then as parents shut themselves up in the bathroom and smoke it.

Now, that is one of the most popular shows on television. Why, I will never know, but nevertheless it is. What can our kids get from stuff like that? I, fortunately, missed this particular episode, but I understand that the writers treated it like it was something funny—as if the main characters in a top-rated show have no influence over our mores and our attitudes. ["Roseanne" show aired Oct. 5, 1993.]

Small wonder, then, that 67 percent of adults and 76 percent of kids say that pop culture—TV, movies, magazines, and pop music—encourages drug abuse. There may be no direct causality, but there is certainly positive reinforcement of a truly negative message. [May 1995 survey by Frank Luntz.]

It is not just the mass media, of course. Kids are getting the wrong message from areas as diverse as the instructional materials they receive in school, and even a new encyclopedia that glorifies drug use.

Schools all across this country hand out free copies of Scholastic Update, a magazine geared to youthful readers. Here is what an issue of Scholastic Update had to say about illegal drugs:

> Marijuana is back and coming out of the closet. Stars smoke it. Musicians . . . celebrate it. TV shows like Saturday Night Live and Kids in the Hall depict it as harmless fun. Marijuana fashion has grown into a $10 million industry. . ." [Buschbaum, Herbert, "Legalizing Drugs: Where do you Stand?" Scholastic Update, May 6, 1994 pp. 8–11].

The article gushes that "America's antidrug policy is getting a fresh look" with "[a] small but increasing number of public figures * * * calling for legalization of all drugs, not just marijuana," and strongly suggests that the Government treat drug use as a "health problem," providing addicts with controlled access to cheap drugs and clean needles.

Here is another example that surprised me. The 1995 edition of Colliers Encyclopedia—the book our kids are going to be using to write book reports in junior high and high school—tells us there is no reason to worry about drug use because "[t]he desire of human beings to alter their state of consciousness is one of the few constants in human history."

The Colliers entry on "Drugs, Prohibition of" was written by noted legalization proponent Ethan A. Nadlemann. Among other novel theories Dr. Nadlemann advances in this entry are that most drug laws, including those banning cocaine and opiates, have their historic origin in racism and the desire to crack down on socialism and other forms of political dissent and nonconformity.

What bull. I cannot believe that an organization like Colliers would go to this person to tell us and to tell our kids what is right with the world. This is the kind of material we are giving to our young people to read in school. Imagine what they are reading in their free time.

Keeping our kids off drugs is critical for all the obvious reasons—plus one. Those who reach age 21 without using drugs almost never try them later in life. Hard core drug abusers almost always start young and almost invariably start by smoking marijuana. Let us emphasize this point. Marijuana is not harmless.

According to the Center on Addiction and Substance Abuse at Columbia University, 12- to 17-year-olds who use marijuana are 85 times are more likely to graduate to cocaine than those who abstain from marijuana.

The conclusion is clear. Glamorizing drug use is just reckless, whether it is through music, TV, magazine articles, educational materials, or misguided Government policies.

Keeping kids away from drugs in the first place requires us to stigmatize drug use—a conclusion confirmed by numerous surveys and one that, unfortunately, explains our recent upturn in youthful marijuana usage.

According to a University of Michigan study, youthful use began rising in 1992, just 1 year after declines in peer disapproval were first noted.

One organization that has been doing a great job in explaining the dangers of illicit drugs is the Media Advertising Partnership for a Drug Free America.

The Partnership brought us the famous frying egg with the voice-over saying, "This is your brain on drugs." They have come a long way since the frying egg. Lately, they have been doing a terrific job of producing ads that target all sorts of high-risk groups.

But they rely on donated air time—otherwise, a very expensive commodity—to get their message out. This is becoming a problem for this group. Partnership's ad placements are off more than 20 percent—from $365 million in 1991 to a projected $290 million this year. Partnership for a Drug Free America.

Network news coverage of the drug issue has fallen dramatically, from 518 stories in 1989 to just 82 in 1994. Center for Media and Public Affairs.

We need to see more of these Partnership messages on TV, not fewer. The media have to be more generous with their time and more proactive. Unless we want a generation of junkies, more violence, more abuse and neglect, and more crime on our streets, we had better stop singing and laughing about drug abuse. It is a deadly serious matter.

I had one of the leading French law enforcement officials tell me how difficult it is because Holland, a nation which has legalized drugs, has become the sewer through which they are pouring in all the drugs and then out to the rest of the neighboring states in Europe. It is just devastating to the nations of Europe. We cannot let that happen here.

All the recent news has not been bad. I am pleased that President Clinton has responded to Congress' call for expedited nomination of a new drug czar. Gen. Barry McCaffrey is an impressive nominee with a history of courageous and energetic leadership. I am proud that he has been nominated. I look forward to the opportunity to discuss these and other issues with him before and at his confirmation hearings. I commend the President for finally grabbing the ball and doing something in this area.

I hope he will back General McCaffrey, who I do not think would take this job if he was not going to have the backing of the President. I hope the President will back him and help him to get out there and do what needs to be done.

Mr. President, in the area of drug use, we have our work cut out for us. The Senate Judiciary Committee has been holding a series of hearings to bring national attention to bear on just how bad this situation has become—and they are bipartisan hearings, I might add. We are going to begin the process of revitalizing the drug war.

Over the next 2 months I will be joining with Senators DOLE and GRASSLEY to look at specific approaches to dealing with the problem of drug use. By working together I believe we will be able to reclaim the ground that we have lost. But we cannot do it without people in America being aware of these problems that are just killing our country and killing our young people, and just satiating them with substances that are horrifying, debilitating and wrong, and that will lead them down the primrose path of drug abuse, drug addiction and ultimately death and degradation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, thank you. I just want to again thank my colleague from Utah for his very eloquent remarks on the drug problem, especially on marijuana. I say to my friend, I was listening, and he points out some very good things. I, being the parent of two teenage daughters, am as concerned as he is about the lyrics I hear on some of these songs promoting the use of drugs, such as marijuana.

I cannot add to anything my friend from Utah said, except I heard him say that hard-core drug users always start when they are young—and that is true—and they usually start with something like marijuana. Before that, they start on cigarettes. And unless and until we can get to that root problem of doing something about how these cigarette companies are pushing their products on young people we are fighting a losing battle. We have to get to that too and stop them from getting hooked on cigarettes, because it is cigarettes and alcohol and then right on to illegal drugs.

So I thank the Senator.

Mr. HATCH. I want to thank my colleague. I appreciate the kind remarks and hear him.

Mr. HARKIN. The Senator has been a great leader on this issue, and I commend him for it.

Mr. LOTT. Mr. President, will the distinguished Senator yield?

Mr. HATCH. I will be happy to do so.

Mr. LOTT. I wish to commend him for his remarks. I find them very interesting and informative. I think we can all make use of them.

ORDER FOR ALLOCATION OF TIME

Mr. LOTT. Mr. President, this has been cleared on both sides of the aisle. I ask unanimous consent that the time consumed by all previous quorum calls and any ensuing quorum calls during today's morning business be equally divided between both sides of the aisle.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I thank the Chair.

FRAUD, WASTE, AND ABUSE IN THE MEDICARE PROGRAM

Mr. HARKIN. Mr. President, I came to the floor today to talk about a letter I received just yesterday from the inspector general of the Department of Health and Human Services.

Mr. President, over the last 6 years I have spoken frequently on the Senate floor about the problem of fraud, waste and abuse in the Medicare Program. For several years I chaired the appropriations subcommittee that funded the Health Care Financing Administration. Every year I would have one full day of hearings on fraud, waste and abuse in the Medicare Program.

Through the use of our subcommittee we have had a number of GAO investigations and the inspector general's investigations. I was wondering just what might be happening to these investigations because of some of the Federal Government shutdowns and slowdowns. As background, let me just say that the GAO has estimated that up to 10 percent of Medicare spending is lost to waste, fraud and abuse. And 10 percent out of a program running about $180 billion a year means that is $18 billion a year going for waste, fraud, and abuse. So it is not just a small item. It is a big item, and it is a direct hit to the pocketbooks of taxpayers.

One of the main activities and one of the main positive forces we have going after waste, fraud and abuse is the inspector general's office. It is our main line of defense against Medicare fraud. As I pointed out before, even at last year's level, they did not have enough resources to do the job. But it is absolutely essential in stopping this terrible waste of taxpayers' dollars and saving us money.

So I was concerned about the possible impact of the Government shutdowns and the low level of temporary funding that the inspector general is operating under, and what that would mean in our fight against Medicare waste, fraud and abuse.

Last year I wrote to Inspector General June Gibbs Brown to ask her what the impact was. Mr. President, I received her letter yesterday. I want to share it with the Senate because it is absolutely shocking.

The inspector general has said that literally billions of dollars are to be lost to fraud and abuse if action is not taken now. Let me read some portions of this letter.

First of all she says:

> DEAR SENATOR HARKIN: Thank you for your recent letter expressing concern about the extent to which the critical anti-fraud and abuse activities of the Office of Inspector General (OIG) in the Department of Health and Human Services (HHS) are suffering from the government shutdowns and under the current stop-gap spending bill. Specifically, you asked the following questions:
>
> Were major enforcement initiatives, investigations, and audits suspended?
>
> [Second,] [a]re fewer initiatives, investigations, and audits being initiated?
>
> [Third,] [w]hat is the potential impact on Inspector General activities of being forced to operate under another short-term funding measure similar to the one currently in effect?

As I said, Mr. President, the answers are shocking.

I am not going to read the whole letter. I will put it in the RECORD. A few points need to be highlighted. On my question on investigations and audit activity, listen to this, Mr. President.

Cases to U.S. attorneys offices for prosecution dropped from 92 in the first quarter of last year to 51 in the first quarter of this year. Indictments fell from 50 to 34.

Criminal convictions dropped from 84 for the first quarter of last year to 36 for the same period this year.

Investigative receivables fell from approximately $77.7 million for the first quarter last year to about $30.8 million for the same period this year.

The Office of Inspector General issued 33 percent fewer reports, processed 30 percent fewer non-Federal audits, and identified 40 percent fewer dollars for recovery to the Federal Government compared to the same period last year.

> The shutdowns [she went on to say] prevented us from excluding individuals and entities from participation in Medicare and

> Medicaid. Providers were allowed to continue to bill the Medicare and Medicaid programs even though they should have been excluded due to convictions or because they [have been] abusive to patients.

Understand what she is saying. She is saying that certain individuals and entities should be excluded from participation because they have been convicted of criminal activities. They could not even keep them out because of the lack of funds caused by the shutdown in the Government and because of their underfunding.

In comparison, she states that last year at the same time there were 493 health care exclusions versus only 210 exclusions for the same period this year. Starts on 100 audit assignments were delayed or postponed.

But here is really the central point of the whole letter.

> . . . Under the continuing resolution scenario, [the Inspector General said] the number of completed inspections may drop to approximately half [of the number of last year, which was 68.] Considering the program savings generated in past years as a result of such reports, as much as $1 billion could be lost from the drop in program inspections alone.

That is $1 billion.

> Program inspections identify sources of fraud and abuse and recommend program adjustments to prevent future occurrences.

That is what will not be done this year, as she said, under the continuing resolution scenario.

Mr. President, I ask unanimous consent that the full text of the inspector general's letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH AND HUMAN SERVICES, OFFICE OF INSPECTOR GENERAL,
Washington, DC, January 24, 1996.

Hon. TOM HARKIN,
Ranking Minority Member, Subcommittee on Labor, HHS, and Education, Senate Committee on Appropriations, Washington, DC.

DEAR SENATOR HARKIN: Thank you for your recent letter expressing concern about the extent to which the critical anti-fraud and abuse activities of the Office of Inspector General (OIG) in the Department of Health and Human Services (HHS) are suffering from the government shutdowns and under the current stop-gap spending bill. Specifically, you asked the following questions:

Were major enforcement initiatives, investigations, and audits suspended?

Are fewer initiatives, investigations, and audits being initiated?

What is the potential impact on Inspector General activities of being forced to operate under another short-term funding measure similar to the one currently in effect?

SUSPENSION AND CURTAILMENT OF PENDING OIG WORK

[Note: Social Security related activities have been removed from FY 1995 figures because the Social Security Administration became an independent agency on March 31, 1995 with its own Inspector General. The FY 1996 figures include some activities funded by Operation Restore Trust—a limited Medicare demonstration project funded through the Health Care Financing Administration.]

Investigations and audit activity—comparison of the first fiscal quarters of 1995 and 1996

Presentations of cases to United States Attorneys for prosecution dropped from 92 in the first quarter of Fiscal Year (FY) 1995 to 51 in the first quarter of FY 1996 while indictments fell from 50 to 34.

Criminal convictions dropped from 84 for the first quarter of last year to 36 for the same period this year with civil judgments going from 27 to 19.

Investigative receivables fell from approximately $77.7 million for the first quarter last year to about $30.8 million for the same period this year.

The OIG issued 33 percent fewer reports (54 reports compared to 82 reports), processed 30 percent fewer nonfederal audits (861 compared to 1,223), identified 40 percent fewer dollars for recovery to the Federal Government ($14.2 million compared to $23.8 million), and is collecting 30 percent fewer dollars approved for recovery ($83.2 million compared to $120.1 million).

HHS financial statement audits

The Government Management Reform Act requires that agencies have financial statement audits beginning FY 1996. The HHS-wide financial statement audit requires audits of eight operating agencies accountable for about $280 billion. The financial statements of the Health Care Financing Administration alone comprise expenditures in excess of $230 billion that are material to the overall departmental financial statements and to the General Accounting Office effort to report on governmentwide financial statements. If travel funds are not obtained, all such audit work will be suspended with resultant impact on HHS-wide and governmentwide statements. Audit activity must be performed at multiple State agencies and Medicare contractor locations, all requiring substantial travel funds. In addition, funding must be sought for expert medical assistance to review medical claims.

Administrative sanctions—fines, penalties, and exclusions

The shutdowns prevented us from excluding individuals and entities from participation in Medicare and Medicaid. Providers were allowed to continue to bill the Medicare and Medicaid programs even though they should have been excluded due to convictions or because they are abusive to patients.

By comparison, there were 493 health care exclusions implemented for the first quarter of FY 1995 versus 210 exclusions for the same period this year. Approximately 400 exclusion cases are presently awaiting implementation.

IMPACT ON NEW OIG INITIATIVES

During the first quarter of last year, the OIG investigations component opened about 560 cases and closed about 605 cases. For the same period this year, under the continuing resolution, we opened only 425 and closed about 390. During the furlough period this year, we opened and closed only 2 criminal cases.

Starts on 100 audit assignments were delayed or postponed indefinitely because of the furlough. An example of this is the national review of prospective payment system (PPS) transfers. The United States Attorney in Pennsylvania proposed a joint review of PPS transfers based on prior audit work that identified over $150 million of overpayment to hospitals. If we are able to follow the Department of Justice proposal, we anticipate recoveries of over $300 million under the provisions of the Federal False Claims Act. The project has been suspended due to the furlough and lack of adequate travel funds.

POTENTIAL EFFECT OF CONTINUED UNDERFUNDING

Lack of funds for travel and other expenses of field work

For investigations, audits, and inspections not funded under Operation Restore Trust, travel has been reduced to about one-third of the prior year's expenditure for the same period. If the underfunding of OIG activities continues, most travel will be suspended and employees furloughed. Approximately 60 percent of ongoing or planned audits will be curtailed or severely reduced in scope because of travel requirements with the resultant loss in program savings. The FY 1995 audit-related savings totaled $5.5 billion.

Last year the OIG issued 68 program evaluation reports. Under the continuing resolution scenario, the number of completed inspections may drop to approximately half that number. Considering the program savings generated in past years as a result of such reports, as much as $1 billion could be lost from the drop in program inspections alone. Program inspections identify sources of fraud and abuse and recommend program adjustments to prevent future occurrences.

Effect on sanctions activity

The OIG expects a decline in potential settlements and exclusions as a result of fewer investigative and audit initiatives. In addition, since many of the false claim cases originating from the Department of Justice are generated through OIG investigations and audits, we expect a decline in that caseload as well.

Currently, the OIG administrative sanctions staff has under development 292 cases including false claims, Qui Tams, and civil monetary penalties, all of which will be put on hold during another furlough. Activity on them would be greatly reduced if we are operating under a continuing resolution with an inadequate level of funding.

Since the furlough, we have not been able to respond to more than 2,217 inquiries from licensing boards and private sector providers, who are required by law in inquire about the exclusion status of a practitioner before hiring, concerning the current status of a health care practitioner.

The minimum funding that would allow the OIG to meet its basic obligations and maintain its infrastructure is the amount shown in the Senate markup of the HHS appropriations bill ($75,941,000). We have enclosed at Tab A a copy of the Committee recommendation.

We sincerely appreciate the effort you have made toward achieving a level of funding for the OIG that would allow us to sustain basic services. We also appreciate your consistent support year after year toward curtailing waste, fraud, and abuse in Medicare, Medicaid and other HHS programs. The attention you give to our findings and recommendations and your enthusiastic encouragement assist us greatly in strengthening the integrity of these important programs.

Sincerely,

JUNE GIBBS BROWN,
Inspector General.

Mr. HARKIN. Thank you, Mr. President.

Much of the problem is they have no funds for travel. It is interesting that their auditors and their investigators can come to work and sit at a desk, but they cannot do anything. Much of the investigative work of the inspector general is involved in traveling and in investigative activities. So we have hundreds of these people sitting at their desks unable to do their jobs. Every day that the Government is either shut down or every day that they operate under the continuing resolution, with the short funding that they have, the crooks and the con artists are picking Medicare's and the American taxpayers' pockets costing us billions, as the inspector general said, if we fail to act.

So this is not just again some little item. It is very odd to me, Mr. President, we can pass a continuing resolution to provide a full year of funding to a number of important programs, including the Kennedy Center for the Performing Arts—that is fine—and yet we do not fully fund the inspector general's office that goes out after the crooks and the con artists and stops them and recovers money for the taxpayers.

We cannot fund that. I just wish somebody could justify that to me. I do not understand it. I guess we are going to be considering a new continuing resolution tomorrow.

I want to take this opportunity today to let my colleagues know that I intend to insist that that continuing resolution provide adequate funding for the Office of Inspector General in the Department of Health and Human Services to fight Medicare fraud, waste, and abuse. If we do not, then it is the crooks and the scam artists who will be smiling as they rip off the taxpayers even further.

I just want to point that out, Mr. President. If there is a continuing resolution and they are going to fund some portions of the Government to go on, this is one portion of the Government that this Senator is not going to let sit there and not be adequately funded. People are talking about cutting Medicare and making our beneficiaries pay more for their monthly premiums to make up for Medicare shortfalls in the future. I say, wait a minute, if the General Accounting Office is saying that up to 10 percent of Medicare money is lost to waste, fraud, and abuse, that is $18 billion a year each year for 7 years. We already have more money than we need right there to make up for the Medicare shortfall that we face.

So this is an important matter and I intend to pursue it. I hope Senators will do so on both sides of the aisle—I do not say this is a partisan issue. I just hope we pay some attention to this issue and make sure the Office of Inspector General is fully funded.

THE 1996 FARM PROGRAM

Mr. HARKIN. Mr. President, I know my colleague from Oklahoma is seeking the floor. I am going to take a few minutes on a different topic. I want to mention how greatly concerned I am that Congress appears to be set to go into recess for a month while the details of the 1996 farm program remain unresolved.

Farmers have been waiting for a long time to know what the program will be for this year. They need to be able to make plans to line up seed, fertilizer, chemicals, and credit. As we all know, and as I know the occupant of the Chair knows from representing his State and the farmers in his State, farming is a very capital-intensive business. Farmers need to know what type of Federal policy they are operating under so they know what they need in terms of capital in order to arrange the credit for this year's expenses.

Second, the farm bill is not just for farmers, it is for everyone. It is for our consumers as well as our farmers. It is for exports. It is for the whole infrastructure of processing, making and distributing our food products in this country. The fact that we do not have a farm bill has broad ramifications.

We should have had a full farm bill debate last year. I know of no one on my side of the aisle who either filibustered or in any way indicated that he or she would filibuster a farm bill. We had some committee meetings last year under the able leadership of the Senator from Indiana, Senator LUGAR. I will be very up front about it. Those on my side of the aisle, the Democrats, proffered a farm bill proposal. We debated it, we voted on it, and we lost. I understand that, but at least we had the opportunity to debate it and vote on it.

Then the majority party, the Republicans, offered their farm bill in committee. We debated it and we voted on it. They won. I have no problems with that. That is the way it ought to be. But then I expected the bill to be brought to the floor of the Senate so that other Senators who have equal interest in agriculture and agriculture policy could have their day to offer amendments, debate the bill, and then pass it. Maybe some of those amendments would have been adopted, maybe some would not have been, but that is the way the Senate should operate.

To this day, we still have not had an agriculture bill on the Senate floor for debate, amendments, and passage. What happened was—I do not cast any broad nets or use any broad brush, but some people in the majority party decided that they would sit down behind closed doors, write a bill, and put it into the massive budget reconciliation bill. Again, there was no realistic opportunity to debate, offer amendments, or to reach compromise and do what is right for rural America and our Nation.

Now I understand someone in the other body is saying that if there is going to be a continuing resolution, he wants to put his version of the farm bill on it. That proposal is basically the same as was put in the budget bill. Well, that is not the version I like. Maybe that is the version that might eventually get through. I do not know for certain, but I do not think so. I do not think it would have the votes to pass. But at least it ought to be debated, and we ought to have a full and fair opportunity to discuss it, vote on it, and amend it. That proposal should not be rushed through as part of a continuing resolution.

Farm policy is too important to be ramrodded through here without adequate time to debate it and amend it. We do not need much time. If we had a day or two to debate a farm bill, I think we could pass it. It probably would not be exactly what I want, but at least we would have our day to debate it, offer some amendments, and maybe we could reach some compromises.

All I can say about that so-called Freedom to Farm Act that the chairman on the other side wants to attach to the continuing resolution is that they ran that up and down the flagpole a number of times last year. It does not have the votes to get through. It cannot pass either the House or the Senate on its own merits.

So on that so-called Freedom to Farm Act, we ought to just say the last rites, move on and try to find some compromises we can work from, and let us do it in a bipartisan fashion.

I have worked on a number of farm bills in the past. At times they have generated a lot of emotional and intellectual debate on farm policy. They have been good debates, some of them pretty tough, but in the end, we fashioned a bipartisan compromise, and we moved on. That is the way we ought to do it again this year.

So, Mr. President, there are steps we can take. It is getting very late in the year to try to fashion some entirely new program. I had hoped that we would have had a new program for this year, but we do not. More and more, it seems the only feasible thing to do appears to be extending the present farm bill for 1 year, and making some immediate changes that we can all agree on—planting flexibility, for example. Both sides agree it is needed. We agreed on that in committee. That is no problem. We can reach agreement on how to deal with the repayment of the 1995 advance deficiency payments. I think both sides agree on working that out. We could do that. So we could resolve those important issues, and at least farmers would know what to expect this year, and they could get on with their business.

If I had my druthers, I would rather we did not have an extension of the 1990 farm bill, but it is too late to do anything markedly different now. So that seems the most likely outcome we are faced with now, to extend the 1990 bill, make a few needed changes that we agree upon and then move on.

Mr. President, I thank you and yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

MAJOR CONCERNS

WAR ON DRUGS IN AMERICA

Mr. INHOFE. Mr. President, I listened with interest when the Senator from Utah was talking about some of the drug problems that are facing this Nation and that concern all of us deeply. He made a comment that we are all pleased that Barry McCaffrey, if he is confirmed, will be taking over as drug czar to actually do something about it. It is long overdue.

I sat in the other Chamber and listened to the President during his State of the Union Message 2 days ago. He expressed this great concern about the drug problem in America. Yet he has done nothing for the first 3 years about the drug problem.

We did, I guess, have a drug czar, but the number of personnel who were supposed to be participating in the program to address the drug problem in America was cut by 75 percent, from 100 down to 25 people. The amount of money that was spent on the drug problem was actually cut in half.

I hope that Gen. Barry McCaffrey will be confirmed and will come out with a very aggressive drug program. I only regret that we lost 3 years in the battle against drugs in America. Everything that the Senator from Utah said made a lot of sense to me.

PEACEMAKING

I am also concerned about two other things that no one is talking about, Mr. President. One is a statement that was made by the President of the United States, not one time but twice during his State of the Union Message. He said that "Americans should no longer have to fend for themselves." Americans should no longer have to fend for themselves. I got to thinking—and maybe I am making the wrong interpretation on this—but is that not what made America great, what distinguishes us from other countries? If you say that Americans should no longer have to fend for themselves, then that leads you to the incontrovertible conclusion that the Government should take care of us instead. I think, in a subliminal way, that is perhaps what the President was saying.

If I were to single out the thing that bothered me the most about the message—not just the inconsistencies and the talk about the role of Government and the one-liners about large Government coming to an end and all of that—it was the statement that he made that almost went unnoticed regarding a new national policy that our military is no longer to be used to defend America, but for peacemaking.

I have watched this progress, first when we made the commitment into Somalia—and that was not President Clinton, that was actually President Bush that made that decision after he had lost the election and before President Clinton was sworn into office—when our troops were supposed to be there for 45 days. It was not until 18 of our Rangers were killed almost a year later that President Clinton agreed to bring the troops home. Well, that was a concern to me. Haiti was a concern, and Rwanda was, and now, of course, Bosnia is. We had our debate on Bosnia, and now we are going to support our troops all we can. I kept thinking that all these humanitarian gestures were kind of incidental things, or accidents that, well, if there is something that the President seems to think is very significant in a part of the world, we need to get involved because there are human rights violations and murders going on and things that we all find deplorable.

But in his State of the Union Message, he made it national policy for the first time, that our role is now peacemaking throughout the world. This is not some idle remark—it is the President of the United States who is making this statement, in a State of the Union Message which all of the world was watching. If I were sitting out there listening in any number of countries that are having problems right now, I would say, "Good, we do not have to worry because the good old United States is going to come in and solve our problems."

Now, with a starved military budget—which in purchasing dollars is less than it was in 1980 when we could not even afford spare parts—we are diluting our force by sending troops around the world on peacekeeping missions. We now have a vetoed Department of Defense authorization bill. In the veto message the President says he is vetoing it because we have money in there to complete our national missile defense system, which I contend is about 85 percent complete today—as if there is something wrong with defending America.

We keep going back and talking about the 1972 ABM Treaty. Mr. President, as you will remember, that treaty was constructed back at a time when our policy was one of mutual assured destruction. The justification was that we had two superpowers, the Soviet Union and the United States, and if we both agreed not to defend ourselves, not to have the capability to knock down missiles as they were coming over to our countries, neither country would attack the other. Well, that was the policy. Frankly, I did not agree with it at the time, but it at least made some sense in that there were two superpowers.

Now we have a totally different environment. The interesting thing about this is that Henry Kissinger, the architect of the ABM Treaty, told me not long ago that it no longer has application today. Today we have a proliferation of threats from places all over the world and it is not isolated in one place. To quote Dr. Kissinger, "it is nuts to make a virtue out of our vulnerability." That is the situation we are in today, which disturbs me so much as a member of the Intelligence Committee and the Senate Armed Services Committee. But you do not have to go to those of us who may be accused of being overly concerned about missile attacks on the United States of America. You can go to James Woolsey, former CIA Director, who was appointed not by a Republican President, but by President Clinton. Jim Woolsey said there are between 20 and 25 nations that either are developing or have developed weapons of mass destruction, either chemical, biological, or nuclear, and are working on the means to deliver those warheads.

This is what concerns me because we know right now that the threat is greater than it was during the cold war. During the State of the Union Message, the President said—and he got a rousing ovation—"For the first time, Russian missiles are not pointing at America's children." But I can say this: At least when the Russian missiles were pointing at America's children, we knew where they were. Now it could be Iran, Iraq, Syria, North Korea, or China, any number of places. We do not know where they are. But we know there are two dozen countries that are developing the technology and capability of delivering missiles to the United States.

Mr. President, the ABM Treaty stated that it is all right to have a theater missile defense system in place. It is all right if you are in the Sea of Japan and you see two missiles coming out of North Korea, one going toward Japan, which you can shoot down; but if one is going to the United States, you cannot shoot it down because that would violate the ABM Treaty of 1972. I also have contended that the ABM Treaty was between two parties, one party of which no longer exists today.

So I will support the DOD authorization bill, even though I think it was a bad decision to take the national missile defense language out of the bill.

Before somebody comes running in the Chamber and starts talking about star wars and all of these mythical things and making people believe there is not a threat out there, let me just suggest, Mr. President, that I am not talking, even right now, about space-launched missiles to intercept missiles. We are talking now about surface-launched missiles, the technology of which we already have.

Anybody who watched CNN during the Persian Gulf war watched missiles knock down missiles. That is not supernatural; that is not something out of Buck Rogers or Star Wars; that is a technology that works today. We have an investment of $40 billion in the Aegis system, which is about 22 ships that have launching capability. We are trying to spend a little bit more over a 5-year period, approximately $5 billion more, for that capability to reach to the upper tier. That would mean that if a missile were launched from North Korea, taking about 30 minutes to get over here, we would be able to do something about it and knock it down before it came into the United States. Between that and the THAAD missile technology, which is already here, we could upgrade what we already have billions of dollars invested in, and defend America.

I do not understand why this aversion toward defending America keeps coming out of the White House. We know the technology that is here, and we know what the North Koreans are doing. We know the type of missile North Korea is developing is going to be capable of reaching Alaska and Hawaii by the year 2000 and the continental United States by 2002.

I saw something only yesterday that I would like to share.

I ask unanimous consent that the entire article in yesterday's New York Times entitled "As China Threatens Taiwan, It Makes Sure U.S. Listens" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 25, 1996]

AS CHINA THREATENS TAIWAN, IT MAKES SURE U.S. LISTENS

(By Patrick E. Tyler)

BEIJING, JANUARY 23.—The Chinese leadership has sent unusually explicit warnings to the Clinton Administration that China has completed plans for a limited attack on Taiwan that could be mounted in the weeks after Taiwan's President, Lee Tenghui, wins the first democratic balloting for the presidency in March.

The purpose of this saber-rattling is apparently to prod the United States to rein in Taiwan and President Lee, whose push for greater international recognition for the island of 21 million people, has been condemned here as a drive for independence.

While no one familiar with the threats thinks China is on the verge of risking a catastrophic war against Taiwan, some China experts fear that the Taiwan issue has become such a test of national pride for Chinese leaders that the danger of war should be taken seriously.

A senior American official said the Administration has "no independent confirmation or even credible evidence" that the Chinese are contemplating an attack, and spoke almost dismissively of the prospect.

"They can fire missiles, but Taiwan has some teeth of its own," the official said. "And does China want to risk that and the international effects?"

The most pointed of the Chinese warnings was conveyed recently through a former Assistant Secretary of Defense, Chas. W. Freeman Jr., who traveled to China this winter or discussions with senior Chinese officials. On Jan. 4, after returning to Washington, Mr. Freeman informed President Clinton's national security adviser, Anthony Lake, that the People's Liberation Army had prepared plans for a missile attack against Taiwan consisting of one conventional missile strike a day for 30 days.

This warning followed similar statements relayed to Administration officials by John W. Lewis, a Stanford University political scientist who meets frequently with senior Chinese military figures here.

These warnings do not mean that an attack on Taiwan is certain or imminent. Instead, a number of China specialists say that China, through "credible preparations" for an attack, hopes to intimidate the Taiwanese and to influence American policy toward Taiwan. The goal, these experts say, is to force Taiwan to abandon the campaign initiated by President Lee, including his effort to have Taiwan seated at the United Nations, and to end high-profile visits by President Lee to the United States and to other countries.

If the threats fail to rein in Mr. Lee, however, a number of experts now express the view that China could resort to force, despite the enormous consequences for its economy and for political stability in Asia.

Since last summer, when the White House allowed Mr. Lee to visit the United States, the Chinese leadership has escalated its attacks on the Taiwan leader, accusing him of seeking to "split the motherland" and undermine the "one China" policy that had been the bedrock of relations between Beijing and its estranged province since 1949.

A Chinese Foreign Ministry spokesman, asked to comment on reports that the Chinese military has prepared plans for military action against Taiwan, said he was awaiting a response from his superiors. Last month, a senior ministry official said privately that China's obvious preparations for military action have been intended to head off an unwanted conflict.

"We have been trying to do all we can to avoid a scenario in which we are confronted in the end with no other option but a military one," the official said. He said that if China does not succeed in changing Taiwan's course, "then I am afraid there is going to be a war."

Mr. Freeman described the most recent warning during a meeting Mr. Lake had called with nongovernmental China specialists.

Participants said that Mr. Freeman's presentation was arresting as he described being told by a Chinese official of the advanced state of military planning. Preparations for a missile attack on Taiwan, he said, and the target selection to carry it out, have been completed and await a final decision by the Politburo in Beijing.

One of the most dramatic moments came when Mr. Freeman quoted a Chinese official as asserting that China could act militarily against Taiwan without fear of intervention by the United States because American leaders "care more about Los Angeles than they do about Taiwan," a statement that Mr. Freeman characterized as an indirect threat by China to use nuclear weapons against the United States.

An account of the White House meeting was provided by some of the participants. Mr. Freeman, reached by telephone, confirmed the gist of his remarks, reiterating that he believes that while "Beijing clearly prefers negotiation to combat," there is a new sense of urgency in Beijing to end Taiwan's quest for "independent international status."

Mr. Freeman said that President Lee's behavior "in the weeks following his re-election will determine" whether Beijing's Communist Party leaders feel they must act "by direct military means" to change his behavior.

In recent months, Mr. Freeman said he has relayed a number of warnings to United States Government officials. "I have quoted senior Chinese who told me" that China "would sacrifice 'millions of men' and 'entire cities' to assure the unity of China and who opined that the United States would not make comparable sacrifices."

He also asserted that "some in Beijing may be prepared to engage in nuclear blackmail against the U.S. to ensure that Americans do not obstruct" efforts by the People's Liberation Army "to defend the principles of Chinese sovereignty over Taiwan and Chinese national unity."

Some specialists at the meeting wondered if Mr. Freeman's presentation was too alarmist and suggested that parliamentary elections on Taiwan in December had resulted in losses for the ruling Nationalist Party and that President Lee appeared to be moderating his behavior to avoid a crisis.

"I am not alarmist at this point," said one specialist, who would not comment on the substance of the White House meeting. "I don't think the evidence is developing in that direction."

Other participants in the White House meeting, who said they would not violate the confidentiality pledge of the private session, separately expressed their concern that a potential military crisis is building in the Taiwan Strait.

"I think there is evidence to suggest that the Chinese are creating at least the option to apply military pressure to Taiwan if they feel that Taiwan is effectively moving out of China's orbit politically," said Kenneth Lieberthal, a China scholar at the University of Michigan and an informal adviser to the Administration.

Mr. Lieberthal, who also has traveled to China in recent months, said Beijing has redeployed forces from other parts of the country to the coastal areas facing Taiwan and set up new command structures "for various kinds of military action against Taiwan."

"They have done all this in a fashion they know Taiwan can monitor," he said, "so as to become credible on the use of force."

"I believe there has been no decision to use military force," he continued, "and they recognize that it would be a policy failure for them to have to resort to force; but they have set up the option, they have communicated that in the most credible fashion and, I believe, the danger is that they would exercise it in certain circumstances."

Several experts cited their concern that actions by Congress in the aftermath of President Lee's expected election could be a critical factor contributing to a military confrontation. If President Lee perceives that he has a strong base of support in the United States Congress and presses forward with his campaign to raise Taiwan's status, the risk of a military crisis is greater, they said. A chief concern is that Congress would seek to invite the Taiwan leader back to the United States as a gesture of American support. A Chinese military leader warned in November that such a step could have "explosive" results.

In recent months, American statements on whether United States forces would come to the defense of Taiwan if it came under attack have been deliberately vague so as to deter Beijing through a posture of what the Pentagon calls "strategic ambiguity."

> Some members of Congress assert that the Taiwan Relations Act of 1979 includes an implicit pledge to defend Taiwan if attacked, but Administration officials say that, in the end, the decision would depend on the timing, pretext and nature of Chinese aggression.

Mr. INHOFE. Mr. President, in this article, entitled "As China Threatens Taiwan, It Makes Sure U.S. Listens," the Times reporter reports on some ominous information recently passed to the National Security Adviser, Anthony Lake, concerning measures being taken by Beijing to facilitate military action against Taiwan and statements intended to deter the United States from coming to Taipei's assistance.

According to Charles Freeman, former United States Ambassador to China and now an Assistant Secretary of Defense, a Chinese official told him of the advanced state of military planning and that preparations for missile attack on Taiwan and the target selection to carry it out have been completed and await a final decision by the Politburo in Beijing. Freeman reported to Mr. Lake that a Chinese official had asserted that the Chinese could act militarily against Taiwan without fear of intervention by the United States because American leaders "care more about Los Angeles than they do about Taiwan," a statement Mr. Freeman characterized as an indirect threat by China to use nuclear weapons against the United States.

I do not think anyone who is watching what is going on in the world today can miss the threats that come both subliminally and directly from various countries. If those people watched Saddam Hussein during the Persian Gulf war, they know that he would not have hesitated to use this capability on the United States if he had had it. But today we have more than two dozen countries that are developing such a capability.

If I could single out this one thing that I heard from the President's State of the Union Message 2 days ago, this is the most disturbing thing that came out of his message. We can concentrate on the inconsistencies or the statements he made about wanting to have welfare reform, when in fact he vetoed the very bill he says he now wants; and when Americans stood up and applauded when he said he was going to downsize Government, when he, in fact, is increasing the size of Government every day in assigning new tasks and putting more jobs into job programs and into retirement programs and into environmental programs—he mentioned 14 different areas of Government he wanted to increase—in every area except for defense, he wants to increase government.

"Wait a minute," he said, "Now I am very proud to tell you we have 200,000 fewer Government employees than when I took office." Let me tell you where the employees came from. They came from the Defense Department. They came from our defense system. If you exclude the defense system, our Government has grown dramatically, whether you talk about the budget or whether you talk about the number of employees. It is very deceptive for the President to say that.

Again, all of that aside, as offensive as that may be to thinking Americans, the thing that has to be looked at is this new role that our military has of peacemaking as opposed to the role of defending America.

I wish that more people in this Senate Chamber had been able to be with me on the days following April 19 in Oklahoma City, in my beautiful State of Oklahoma, where the most devastating terrorist attack, domestic attack, in the history of the world took place. When you saw, as we saw in the Chamber the other day, Richard Dean, who went in there after he himself had gotten out of the building and dragged out three or four other people. The stories of the heroes of that disaster were just incredible. Jennifer Rodgers, the police officer acknowledged during the State of the Union Message—and I appreciate the President doing that—sure, ask Jennifer Rodgers or Richard Dean about the devastation of that bomb in Oklahoma City. That bomb was measured as equal to 1 ton of TNT. The smallest warhead we know of today, nuclear warhead, is equal to 1,000 tons of TNT.

Now, that has to tell you, if you are concerned as we were about what happened in one building and all the tragedy surrounding that, that if you multiply that by 1,000—and I do not care if it is a city in Oklahoma or New York or Washington or anywhere else in the world—that is a pretty huge threat that is out there. It is a very real threat. As yesterday's paper indicates, it is even a greater threat and a more documented threat than it was before. Yet the President has shown no regard for the defense of this country against this threat.

Mr. President, we will have a chance to address this. Yes, we do want to pass the Defense authorization bill even though missile defense has been taken out of it. But we will return to the battle over missile defense, and to this new humanitarian role that our military has, in future debates.

I guess I will conclude with another concern that is not as life-threatening. Of course, we are concerned about the lives that would be lost if we failed to defend ourselves, but in these various humanitarian peacemaking missions that is the new rule of our military, somebody has to ask the question: Who is going to pay for this? We have a President who has taken virtually all of the money out of the military budget that would go into equipment to defend America, and yet we are going to have to come around and pay for all this stuff that is going on in Bosnia and elsewhere.

I picked up something the other day in last week's Defense News that I guess has the solution. Pentagon officials said on January 3 that the budget cuts could come from areas where Congress has increased funding, such as missile defense, to pay the bill for these missions. This is from Pentagon officials. "Congress increased Clinton's overall budget request by $7 billion in 1996. It is intuitive that any money above the President's request would be reprogrammed to pay for Bosnia," one senior Pentagon official said on January 2.

That tells us two things. First of all, the $1.5 billion that the President says it will cost for the humanitarian exercise in Bosnia is grossly understated. It could be up to $7 billion. The studies I have seen show it around $5 billion. I guess we not only are redirecting our military to a new role and that new role is peacemaking, but we are also going to pay for it with the dollars we would otherwise use to defend America. This is wrong.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from Arkansas.

SENATE BUSINESS

Mr. BUMPERS. Mr. President, tomorrow is the drop-dead date for Congress on how we will keep the Government going. In addition, the deadline is fast approaching on honoring the full faith and the credit clause of the Constitution. I say not only to the people of this country but to people all over the world that we intend to honor the debentures you hold, and we will pay you interest for helping us finance our debt.

I have never really felt that when push came to shove, there would be any question about whether or not we would extend and raise the debt ceiling. There still is not. I feel sure this will happen. If it does not happen tomorrow, as it should, it will certainly happen by the last day of February. To do otherwise would be the height of irresponsibility. So I am not really worried about that, and I applaud some of the comments I have seen by Mr. ARMEY and Speaker GINGRICH on that subject.

Now, tomorrow, as I understand it, the Senate will vote on a continuing resolution to keep the Government afloat until March 1. Also, I understand that the continuing resolution will fund most of the programs not covered by enacted appropriations bills at 75 percent of the fiscal year 1995 funding level or the lower of the funding levels provided by the fiscal year 1996 House or Senate appropriations bill, if that level exceeds the 75 percent funding level. However, programs funded pursuant to the HUD–VA bill and State, Justice, Commerce bill, will be funded at the levels provided in their conference reports.

Programs funded pursuant to the third bill on which we have a conference report, namely Interior, as I understand it, are going to be funded instead as if the Interior bill did not have a conference report. All the agencies funded in that bill will have to live on the lower of the House or Senate bill, or 75 percent of what they got in 1995.

Mr. President, tomorrow when the debate on the continuing resolution begins, I hope somebody will be able to tell me why we are treating the programs funded by the Interior appropriations bill differently. I do not like that. I see no reason not to treat Interior the same way we do HUD–VA, and State, Justice, Commerce.

Second, at some point tomorrow there is going to be a motion made by the majority leader to adjourn the U.S. Senate until February 26. I can tell you categorically that I do not intend to vote for that motion. It is almost as unfathomable to me why we would leave here, with all this work undone, until February 26, as it is why we want to shut the Government down all the time around here.

I have been here 21 years and things have happened here in the last 3 months that, in my opinion, are not only unfathomable and unexplainable, but inexcusable. We are supposed to be here to govern. We are not supposed to be here making sure all 100 Senators and all 435 Congressmen, get their way. I think it was Longfellow who said one time: "You better be careful about what you pray for because you might get it." You have 100 Senators here and everybody is saying if I cannot have my way there will be no way. Governing is the art of compromise. There are strong feelings on that side of the aisle and this side of the aisle on hundreds of items.

I did not get my way on the space station or that sucker would have been dead a long time ago. One hundred billion dollars squandered. And we say we need more money for education?

Congress has provided $7 billion more for the Defense Department than the administration requested. "We don't want the extra 20 B–2's. It is true you only put $500 million in for 20 B–2's, but what is the total cost down the road? It is $30 billion. We do not need them. We do not want them." Many times, when I used to come out here if I was opposing something in the Defense bill, Members on the other side of the aisle, who are prone to vote for every single dollar for defense no matter what it is, would say to me, "You are opposed to this but the Secretary wants it, the President wants it, and all the Chiefs want it." So it would sail through here like a firestorm.

Now I raise that issue with Members on the other side and I say: The President does not want it, the Secretary does not want it, and the Chiefs do not want it. Why are you putting it in here? And they answer: What do they know? What do they know about building ships on a noncompetitive basis? What do they know about 20 B–2 bombers that we say they need and we do not care if they say they do not want them?

You see, if this were a perfect world and we had more money than we knew what to do with, I might not complain. Mr. President, 22 B–2 bombers and they would not dare fly one of them in Desert Storm for fear it would get shot down and that would kill the B–2 program, so they just did not fly them. They would not even let a B–1 fly over in Desert Storm for fear it would get shot down.

Why am I concerned about that? Because I believe in balancing the budget with compassion and with a concern for the future of the country.

When it comes to education, the people of this country have invariably reported in the polls they would pay more taxes if their children got a better education. Some of us here labor in the vineyards of education. Some of us try to keep the National Endowment for the Arts and the National Endowment for Humanities afloat because we believe culture is important. What has the majority done? They whack both endowments by 40 percent. So if there happen to be a few children around who are interested in opera or drama or art or anything else, and they need a few bucks from the Federal Government—forget it. Then you wonder why people act uncivilized. Why are people so rude? Most people who are leaving here—and in record numbers—do not say it in those words, but everybody knows that, perhaps not the principle reason, but one of the reasons is because civility no longer exists here. What a tragedy.

So, what are we going to do to improve civilized conduct? Cut every single program that has as its intention to enhance the understanding of the importance of the culture of the Nation, the importance of civilized conduct and civility, man-to-man, woman-to-woman, and so on.

They say the mining industry in this country can take billions of dollars' worth of gold, silver, platinum and palladium off lands that belong to the taxpayers of this country and not pay one dime for it while we cut Medicare and Medicaid and education and the environment. Corporate welfare is too nice a name. I call it corporate ripoff.

I saw a report the other day, Mr. President, that said only 14 percent of the people in this country pay any attention to what is going on in Washington. That is the reason I can stand here and scream my lungs out day in and day out about this mining law of 1872, where the American mining industry has ripped this country off for billions and billions and continues to do so while we sit here and argue about how much we are going to cut education and the National Endowments for the Arts and the Humanities.

Mr. President, hundreds of millions of dollars were cut from environmental protection. A British philosopher once said there is nothing more impossible than undoing something that has already been done. When you kill somebody you cannot bring him back to life. And when you rape and pillage the environment in a permanent way, you cannot bring it back.

What are we doing? We are cutting the legs right out from under the people who enforce the environmental laws of this country, which over the past 25 years have increased the "swimmability" and the "fishability" of the lakes and rivers of this country. And there is not a sober person in America who does not want to continue that.

Finally, Mr. President, I want to be supportive of the President. He mentioned just about everything in his State of the Union Address that I care anything about. I applaud his stand for saying we can balance the budget without destroying everything we hold dear. We do not have to assault the elderly, we do not have to assault the poor, and we certainly do not have to assault the children of this country in order to get a balanced budget.

If you made me king for 10 minutes, I will produce a balanced budget in 7 years that does not do any of those things. However, it now appears that the White House and the majority party may be in the process of agreeing on the inane, crazy idea of cutting taxes. I will solve all of the problems of the balanced budget. You just give up on that tax cut.

I would say both to the President and to the Speaker and the majority leader, if you absolutely insist on a tax cut, at least wait a year or two until this whole thing fleshes out and we find out. Is it going to work? Once you put the tax cut in place, everybody knows you will not ever take it back.

So when you put the tax cut in place 7 years from now, CBO's estimate is that there will be $254 billion in savings to the Government just in interest cuts alone. That may turn out to be zip, zero, nil. But the $200-plus billion in tax cuts is already gone.

So why does not the President or Senator DOLE say, look, it is an oxymoron to say we are going to cut taxes and balance the budget. We tried that, you know, back in 1981. What did we get out of it? We got a $4 trillion increase in the national debt. But people have forgotten. The majority of the people in this body were not here in 1981 when we did that. They do not remember, so I am reminding them.

I want it put on my epitaph that I was one of 11 U.S. Senators that voted no on the proposal that claimed it would raise defense spending by 100 percent and cut taxes and balance the budget. People in Arkansas are taking a pretty big hit these days, but I can tell you one thing: People down there have enough sense to know that that one will not work.

So, Mr. President, I look forward to tomorrow and what I hope will be a civilized debate, an intelligent debate, and one that will say, do not put the farm bill on this. That is a nonstarter. Pass a clean debt ceiling bill. What we ought to do is adopt a clean continuing resolution to keep the Government going until March 1, and we ought to pass a debt ceiling limit so that people in the world, not just in the United States—bear in mind, of the $5 trillion national debt, almost 40 percent of it, a third of it, is held by foreigners.

The people in this country and the people in Congress may think this holding the debt ceiling hostage is cute and funny, but the Japanese and Germans do not think it is funny. When they hold a U.S. Government bond that is supposed to return them 6 percent interest, when it comes due they want their 6 percent. They do not want all of this mickeying around about who is holding who hostage in the U.S. Congress. The very thought that we might falter in the payment of our interest on U.S. Government obligations is absolutely Byzantine.

Just to talk about things that have happened around here that you have never seen before and hope to God you never see again, here is a farm bill that the chairman of the Agriculture Committee in the House could not even get out of his committee. He is chairman. His own Republican membership reneged on him. It was brought up in the Senate just for talking purposes but not to be voted on, because everybody knew that it would be beaten soundly in the U.S. Senate. Called "Freedom to Farm," it never got out of the committee in the House, never passed the House, never passed the Senate, never was even considered by the Senate Agriculture Committee, and they talk about putting that thing on the continuing resolution tomorrow?

The farmers of my State want something definitive so they can go to the bank and borrow money and plant their rice and their soybeans. But they do not want that sucker, and nobody else does either.

So why do we not extend existing law for 1 year and put the fears and the apprehensions of the farmers of America at ease?

Mr. President, I am going to vote against the adjournment motion until some resolution of this farm program is made, and the rice farmers of my State, who produce 40 percent of all of the rice in this Nation, have some certainty. The first thing you know—as my colleague said in the press conference this morning, Senator PRYOR—you keep messing around so they cannot plant their rice, and the next thing you will know we will lose all of our world markets for American rice. We have squandered $1 to $1.5 billion mickeying around one-upping each other.

In closing, Mr. President, let me repeat. The people of the country last year had a right to be angry. They were angry for all kinds of different reasons. I will not presume to know precisely why everybody voted the way they did. They were not voting for chaos. They were not voting to see how much havoc we could create and impose on innocent people. They wanted changes. They did not want to see the Government dismantled. They did not want to see the Government shut down and leave the country defenseless, almost anarchistic.

So tomorrow I hope will be an interesting and enlightening and sensible debate. I hope when we leave here tomorrow night, if and when we do, that we leave with a pretty good feeling that we finally have begun to recognize each other's feelings about this and have finally begun to get our act together and reassure the people of the country that we are not really just a bunch of bickering children up here.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEW WORLD MINE

Mr. BUMPERS. Mr. President, as everyone in this body knows I have been a vocal proponent of reforming the 1872 mining law. This 124-year-old anachronism continues to permit the extraction of billions of dollars' worth of hardrock minerals from public land without compensating the taxpayers and in a manner that causes significant environmental degradation. Unfortunately, the new majority in Congress has little or no interest in meaningful reform of the mining law.

During the congressional recess an article appeared in the New York Times discussing the proposed New World gold mine which would be located within 2.5 miles of Yellowstone National Park. It is painfully obvious that unless action is taken soon, Yellowstone will be gravely imperiled. In fact, the World Heritage Commission recently designated Yellowstone National Park a world heritage site in danger primarily due to the proposed mine.

Mr. President, some of my colleagues from the West argue that mining is a primary way of life in their States and any changes in the mining law that made it more difficult to pollute the land or provided for the payment of meaningful royalties would have a negative impact on their States. However, as the New York Times article points out, their constituents do not necessarily agree. In fact, much of the western economy depends on pristine land, air, and water. Certain mining operations are not synonymous with such conditions, especially in the absence of more stringent environmental restrictions.

The scars of previous mining operations are littered throughout the country. In fact, 59 sites on the Superfund national priority list are directly related to mining. According to the Bureau of Mines, there are 180,000 acres of land and 12,000 miles of rivers that have been polluted by waste from abandoned mines. The cost to taxpayers to clean up this mess will be astronomical. Yet no one seems willing to do anything to prevent future disasters, such as the New World mine. Mr. President, I urge my colleagues to carefully consider what we may be doing to our national treasures, such as Yellowstone Park, if we do not act.

Mr. President, I ask unanimous consent that a report that appeared in the January 7 issue of the New York Times regarding the "Montana Mining Town Fights Gold-Rush Plan" dealing with the gold mine that is about to be built just outside the gates of Yellowstone, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 7, 1996]

MONTANA MINING TOWN FIGHTS GOLD-RUSH PLAN

(By James Brooke)

COOKE CITY, MT.—From Canadian mining barons to President Clinton to American environmentalists, the bitterest mining controversy of recent months has swirled like an alpine blizzard around this tiny mountain village of 80 people.

On one side, Canada's largest natural resources conglomerate is determined to dig $750 million of gold and silver out of a nearby 8,900-foot peak. On the other, environmentalists assert that the mine would inevitably leak acid into Yellowstone National Park, three miles to the west.

Often overlooked in the international clash of press releases and lawsuits are the residents here who would be affected. In a town founded by gold miners, one might expect to find people enthusiastic about a plan to open the state's largest gold mine on Henderson Mountain, a peak named after a gold panner. But skepticism about the proposal is surprisingly plentiful here, reflecting a growing hostility to mining in Montana, a state that is shifting its economic base from mining to tourism.

Even at the Miner's Saloon, amid mining decor of picks and shovels, criticism is rife. "I'm vehemently against it," said Chris Warren, a 24-year-old resident, who was echoed by the bartender and four men nursing drinks at the bar.

In dissent, the saloon keeper, Larry Wicker, said he appreciated the younger generation's patronage, but not their views on mining. "If it weren't for the miners, Cooke City would be part of little Russia," he said, referring to this sliver of private land surrounded by Government land, including Yellowstone and two national forests.

In a tribute to Montana's 19th century mining origins, the state seal bears the motto, "oro y plata," gold and silver. But Montana's combined income from mining and logging was surpassed in the early 1990's by recreational tourism—fly fishing, elk hunting, snowmobiling, hiking, camping and river rafting. Anglers alone spend $410 million a year in this state.

The shifting political winds from this economic transformation are buffeting the Henderson Mountain mine project, which cannot proceed until it wins environmental clearances from various state and Federal authorities. The process could easily take two years or more.

On the far side of a mountain saddle here, the mining company, Crown Butte Mines Inc., would hollow out Henderson Mountain at the rate of 1,500 tons a day. Working at almost 9,000 feet, the miners would combat a forbidding climate that includes 23 frost-free days a year and about 40 feet of snowfall a year.

Crown Butte purchased the mining rights on the private land after deciding that technological advances and new discoveries would make mining profitable.

Environmentalists, pointing out Old Faithful geyser only 60 miles to the southwest, said the proposed mining site is in the nation's secondmost seismically active area after the San Andreas Fault. They contend that an earthquake would rupture a disposal site filled with potentially toxic waste from the operation.

But Crown Butte Mines maintains that it would build a dam strong enough to withstand any tremor of the magnitude registered in the last 150 years. While mining advocates often paint their environmental opponents as outsiders or newcomers, polls indicate that Montana voters are increasingly hostile to new mines and to economic growth, especially if it means new residents.

In a poll of 817 registered voters conducted in December for The Billings Gazette, 48 percent of the respondents said that economic benefits would not outweigh possible environmental damage from the project here, the New World Mine. Only 29 percent favored the mine.

Montana, with a population of 850,000, has only six people per square mile. But 31 percent of respondents called for no more population growth, and 45 percent agreed with the statement: "We're approaching our limits." The poll's margin of sampling error was plus or minus 3 percentage points.

The dispute over the mine may heat up soon when the United States Forest Service releases an environmental impact statement.

In the six months leading up to this report, world environmental attention focused on this remote mountain village. A city in name only, Cooke has a one-room school and a three-block-long Main Street that ends in a snowdrift half the year.

On Aug. 25, President Clinton thundered over Cooke City's proposed mine site in a military helicopter. Afterward, he ordered a two-year ban on mining in the 4,500 acres of National Forest land surrounding Henderson Mountain.

In September, the village visitors were members of the World Heritage Committee, which monitors sites designated by international treaty as having "universal value to mankind." Citing the mine project, among other threats, the committee added Yellowstone to its list of "World Heritage in Danger."

To drum up support, Crown Butte hired as a consultant Birch Bayh, a former United States Senator with a record as an environmentalist. The largest investor in Crown Butte is Noranda Inc., Canada's largest natural resources company, which is controlled by the Toronto financiers Edward and Peter Bronfman.

The debate here speaks of larger tensions between mining and recreation in the state. "Mining is an anachronism now—the town has become dependent on Yellowstone for its livelihood," said Jim Barett, a local carpenter who is chairman of the Beartooth Alliance, a local environmental group that opposes the mine. "To plop this huge industrial complex into here would not only disrupt our lives, but would have serious environmental consequences."

Some people think the mine would mar tourism for a town that has four campgrounds, three hunting outfitters, three snowmobile rental companies and 15 hotels, motels and bed and breakfasts. But at Joan and Bill's Family Restaurant on Main Street, a patron, Lyle Hendricks, said the $100 million mining investment would outweigh any harm to tourism. "People worry about the stress of losing a job when the mine plays out in 20 years," said Mr. Hendricks, a bearded man who builds steel Quonset huts here. "What about the stress of not having a job now?"

After Mr. Hendricks left, the waitress, Jennifer Mullee, 20, commented, "In 10 years, the mining company will be gone, and the land will be destroyed for our children."

Opinion surveys of Montana adults indicate that women oppose mining by far greater margins than men.

Mine supporters like the saloon keeper, Mr. Wicker, say other mines have proved safe. In Jardine, Mont., he said, an underground gold mine has burrowed to "within yards" of the Yellowstone Park with no ill result.

A fifth generation Montanan and a mining engineer by training, Mr. Wicker dismissed the mine's opponents as "flatlanders, people from Nebraska." "Everyone who gets here says, 'I'm the last person here, I've got my little piece of Montana,'" said Mr. Wicker, who plans to open a poker room and expand his saloon hours if the mine is approved.

Cooke City is a far cry from the 19th century gold rush days when 5,000 raucous miners packed the town.

For half the year, the only way to get to Cody, Wyo., the nearest large city, about 40 miles away, is to travel by snowmobile over Colter Pass. A year-round mining operation would keep the road to Cody plowed.

Mining officials promise to leave local creek water cleaner than when they found it. As a legacy of past mines, sections of local streams still run rust red from acid drainage.

"We can still use some of the money made from the mine to clean up the area, to backfill the old mine sites," Joseph J. Baylis, president of Crown Butte, said in a telephone interview from Toronto. "At the end of the day, it will be better than today."

But experience has left many Montanans skeptical of mining companies. "In 20 years, the town will boom and bust, just like Butte," said Matt Schneider, the Mining Saloon's 22-year-old antimining bartender.

Long fabled as "The Richest Hill on Earth," the gold and copper deposits of Butte, Mont., petered out in recents decades, leaving a legacy of pollution and unemployment. The Atlantic Richfield Company inherited much responsibility for the environmental mess in 1983 when it bought the principal Butte operator, the Anaconda Minerals Company.

In October, in a move that reflected Montana's tougher stand towards mining companies, the State Justice Department sent Arco a cleanup bill of $713 million.

Mr. BUMPERS. Mr. President, I wonder if the Senator from Kansas is prepared, or does she need a little additional time to get ready?

Mrs. KASSEBAUM. Mr. President, I am ready to go and, rather than call for a quorum, will get started on some comments that I would like to make.

The PRESIDING OFFICER. The Senator from Kansas.

The Chair informs the Senator that there are 4 minutes remaining under the control of the majority in morning business.

HEALTH INSURANCE REFORM

Mrs. KASSEBAUM. Mr. President, I would like to offer just a few observations on comments that were made by President Clinton in his State of the Union speech the other evening regarding health insurance reform. I was pleased that President Clinton mentioned it, because I think it is a subject of great importance to us.

As we debate the future of the Medicare and Medicaid programs, American families are growing increasingly anxious about the availability, portability, and cost of their own private health coverage.

While the comprehensive health reform debate ended well over a year ago, the American people continue to rank health reform as a priority and health care as a top concern. A poll conducted late last year by Princeton Survey Research Associates found that more Americans are concerned about their own health coverage than crime, high taxes, the "political system," and the economy. Both the Princeton poll and a Times Mirror poll also found that health care topped the list of issues Americans most want the Presidential candidates to address.

The health insurance problem is not merely one of perception. The number of uninsured and underinsured Americans continues to climb:

First, there are now over 40 million Americans without health insurance.

Second, over 1 million working Americans have lost health insurance in the last 2 years alone.

Third, over 80 million Americans have preexisting conditions that could make it difficult for them to maintain health coverage when they change jobs.

Mr. President, Congress has the opportunity this year to address middle-class Americans' concerns about the diminishing availability, portability, and affordability of health coverage in a bipartisan way.

A health insurance reform bill proposed by myself and Senator KENNEDY, S. 1028, passed the Senate Labor and Human Resources Committee unanimously last August and now awaits action on the Senate Calendar. Similar measures are pending in the House of Representatives, including a companion bill introduced by Representative ROUKEMA of New Jersey.

Through sensible, market-based reforms, the Health Insurance Reform Act would:

First, limit the ability of insurers and employers to impose preexisting condition exclusions;

Second, prevent insurers from dropping coverage when an individual changes jobs or a family member becomes ill; and

Third, help small companies gain more purchasing clout in the market.

The General Accounting Office estimates that the Health Insurance Reform Act would help at least 25 million Americans each year, and the Congressional Budget Office predicts that it would do so without any cost to American taxpayers.

SUPPORT FOR THE HEALTH INSURANCE REFORM ACT

The Health Insurance Reform Act enjoys broad support. It passed the Labor and Human Resources Committee by a 16 to 0 vote and has attracted 40 cosponsors—20 Republicans and 20 Democrats—from across the political spectrum. Moreover, it has been endorsed by a wide range of outside organizations, including the National Governors' Association, the National Association of State Insurance Commissioners, the Consortium for Citizens With Disabilities, Small Business United, the National Association of Manufacturers, the U.S. Chamber of Commerce, and the American Medical Association.

I believe the legislation has achieved broad consensus for two main reasons.

First, it is narrowly focused. It does not contain employer mandates, mandatory purchasing alliances, new taxes or new bureaucracies. It does not remake the private health care system in the image of the United States Post Office. Instead, the legislation focuses only on those areas where broad, bipartisan agreement existed during the health care debate in the 104th Congress and where State insurance reforms have demonstrated the ability to work.

Second, the legislation was crafted with significant input from consumers, insurers, businesses, hospitals, and doctors. It is carefully attuned to the rapidly changing private health care market. As the U.S. Chamber of Commerce and other employers said in a recent letter, the Health Insurance Reform Act would:

> * * * improve health coverage for tens of millions of American workers and their families * * * through carefully designed rules that are workable for employers who voluntarily sponsor health plans and for their employees.

RESPONSE TO CONCERNS

The Health Insurance Reform Act is not without some detractors. We have worked closely with the health insurance industry, and insurers generally support the bill. For example, Blue-Cross Blue-Shield and the Health Insurance Association of America submitted testimony in favor of the vast majority of the bill's provisions. However, some continue to raise concerns about one provision of the legislation that is designed to help individuals and families who have played by the rules maintain health coverage if they lose their job or leave a job to work for an employer that does not offer coverage.

I believe, however, that this provision strikes a careful balance between the need to provide consumers some access to individual coverage and the need to protect the fragile individual insurance market.

The Health Insurance Reform Act would provide access to individual insurance only for those who have maintained prior continuous coverage under an employer-sponsored health plan for at least 1½ years, who have exhausted their COBRA benefits, and who are ineligible for coverage are under another group policy.

Moreover, S. 1028 contains no restrictions on premiums, and it leaves broader reforms—such as guaranteed issue for individuals who have not had prior coverage, guaranteed issue for the self-employed, and portability between individual health plans—to the States. As a result, the bill requires individuals to pay into the system for years before being able to gain access to health coverage.

This group-to-individual portability provision is not far-reaching. It is limited precisely to avoid potential premium increases and adverse selection problems that could result from broader individual market reforms. Testimony and analysis by the National Association of Insurance Commissioners and others has confirmed that this narrow provision is unlikely to have a significant impact on the cost of health coverage in the individual market. The most recent estimates from the American Academy of Actuaries show that this provision would likely affect premiums by only 2 to 3 percent.

It is true that some insurers who now thrive by refusing to cover those in poor health may be unable to survive in a market characterized by competition based on quality, price, and service. In States like New Hampshire, Vermont, and California that have enacted targeted insurance market reforms like those in the Health Insurance Reform Act, some insurers have left the market—but others have replaced them, competition has flourished, rates have come down, and consumers have benefited.

I do share the belief that State high-risk pools are one important way of providing access to insurance for certain individuals. That is why S. 1028 expressly provides that if a State has adopted, or adopts in the future, a high-risk pool or other means of allowing individuals to maintain health coverage, that State law or program will apply in lieu of the group-to-individual portability provision contained in the bill. Instead of preempting State reforms that are working or prescribing a one-size-fits-all solution from Washington, S. 1028 allows each State to fashion individual market solutions that are appropriate for individuals in that State. This is one of the main reasons that both the NGA and the NAIC support the bill.

Another argument that is sometimes made is that insurance reform should be left entirely to the States. This argument also ignores reality.

While 48 States have enacted insurance reforms targeted to small companies, over 70 percent of workers with health coverage work for firms with more than 100 employees. Moreover, the States are prevented by the broad preemption provisions of the Employee Retirement Income Security Act from providing portability to workers who receive health benefits through self-insured, employer-sponsored health plans. I believe strongly that we should retain ERISA preemption. But as we do, we must recognized that the vast majority of American workers cannot carry their insurance from one job to the next unless we enact portability reforms on the Federal level.

IT IS TIME TO MOVE FORWARD

Mr. President, I think we all know people in our own States who would be helped tremendously by this legislation. For nearly a decade, however, Congress has been unsuccessful in attempts to pass health insurance reform legislation. We now have a historic opportunity to move forward. And I believe we should seize that opportunity.

Last Congress, Republicans and the American people rejected the administration's comprehensive health reform proposal. Instead, every one of us signed onto market-based health reform legislation that was more ambitious in almost every respect than the Health Insurance Reform Act.

Now, the President of the United States has endorsed our approach. And Senator KENNEDY and other Democrats should be commended for working with us to make positive change a realty, without letting the perfect become the enemy of the good.

While the political dynamic clearly has changed, I believe strongly that Republicans' commitment to moving forward with common sense, market-based health reform legislation should not.

I want to make clear to all of my colleagues that I, for one, am absolutely committed to passing health insurance reform legislation this year—either as a freestanding bill or as an amendment to another vehicle.

The Health Insurance Reform Act does not strike out in a bold, new direction. But it is a very positive step forward that will reduce barriers to health coverage for millions of working Americans. It is also an opportunity to demonstrate to the American people that Republicans and Democrats can work together to address their most serious concerns about the health care system. I believe we should start by passing this legislation at the earliest possible opportunity.

I yield the floor, Mr. President.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 10 minutes.

I again congratulate Senator KASSEBAUM for her leadership on this extremely important issue which can make an extraordinary difference to the quality of life of millions of Americans who are, as she described, playing by the rules, working hard, trying to participate in the workplace, and also trying to fulfill some of their hopes and dreams for the future.

As Senator KASSEBAUM has pointed out, our committee, as well as other committees, dealt with the broad issue of health care for all Americans in the last Congress. We were unable to pass that legislation. But during the consideration of our committee, we had some 10 days of markup, which virtually every Member, Democrat and Republican, attended. Those were long days which began early in the morning, at 8 or 9 o'clock, and went sometimes until 8 to 10 in the evening with brief recesses. Our committee delved into the various features of the health care debate. I thought we reached some important agreements on a number of those different measures, but there were areas of difference and we were unable to secure the kind of comprehensive coverage which I basically support. At some other time, hopefully, we will have another chance to address it.

During that period of time, Senator KASSEBAUM provided great leadership by expressing her concern and also her commitment to try to address one of the particular challenges in health care coverage that remains out there and works such an extraordinary hardship on millions of Americans—lack of guaranteed health insurance.

Millions of working Americans develop some preexisting condition and, under the current system, often are individually dropped from their health insurance. Or if they are working in a small company, the company's health care costs go up enormously if they try to maintain their coverage, or otherwise all of the members, through no fault of their own or no fault of this individual, lose that coverage.

Or the individual who works hard and has an opportunity to obtain a job, maybe move up on the economic ladder, faces a circumstance where the new opportunity will not provide health care coverage. This individual is effectively in a position of job lock and is denied that opportunity again because of some preexisting condition or some ailment or some disability which is no fault of their own.

As the Senator from Kansas has pointed out, those individuals exist in the small towns and communities, rural areas, as well as cities in her own State of Kansas. And they exist in my State of Massachusetts.

Throughout this last year, very quietly, conscientiously, and deliberately, Senator KASSEBAUM reached out, as she mentioned, to the consumers, to the health care profession, to the business community, to others, including the insurance industry, to try and fashion legislation that could address one of the most egregious and serious aspects of the health care crisis that we are facing.

After a very thorough examination of this issue and listening to a broad range of interested individuals, as well as different groups, she fashioned this legislation, and I enjoyed the opportunity to work closely with her and her staff to introduce this legislation. This legislation takes into consideration a number of the points that were raised during the course of the hearings and a number of points that were raised by members of our committee. Then, in really a very special way, Senator KASSEBAUM was able to gain virtually the unanimous consent of all of the members of the committee, all 16 members of our Labor and Human Resources Committee supported that legislation.

When we look today at some of the divisiveness which exists in the course of our legislative agenda, it always continues to impress me about the willingness of those members and the various groups that they represent to come together to try and address something which has such important meaning to millions of our fellow citizens. And that is what was done. The best of the ideas that were raised and the hearings were incorporated, some of the concerns were addressed, and out of the legislative process came an even stronger bill than was even introduced by Senator KASSEBAUM and myself. And this legislation has been reported out of committee and has been on the agenda for some period of time now.

During the course of many months we have had the opportunity to talk, and talk together, about what the possibilities were of getting to present this to the Senate, to urge our colleagues to support this, as well as to try to get our friends and colleagues in the House to address this issue. And the time is moving along.

We are not here today to try and point the finger at individuals or groups or constituencies that have resisted the opportunities to bring this up and consider the legislation. But what we are basically indicating today is that the kind of response we have all received on this issue is Republican and Democrat alike. The 40 cosponsors reflect 20 Democrats and 20 Republicans with wide, diverse, different philosophical viewpoints. When we are able to gain that kind of confidence from our colleagues after they have had a chance to study the legislation, it is worthwhile for this body to consider the legislation, to consider any amendments that are directed toward the legislation, and then to move the process forward.

I hope that we would have that opportunity in a timely way. I think those of us who have supported the legislation believe that even though there may be differences with Members on different items that are not directly related to this, that we can as an institution address this and see a successful conclusion of the legislation.

This is a modest program but a very important one. I underline both those words. It does not do the comprehensive job that many of us would like to do, but it will make an enormous difference in the quality of life for millions—and I mean millions—of young and old alike. This legislation will enable more people to live a life in our society where they participate and pay their fair share of premiums for their coverage in exchange for at least some degree of security in knowing that they will have health insurance to provide some protection against financial devastation.

In terms of their health care situation, they will still, as individuals, endure the anguish and the pain that comes from many physical and mental challenges which they may face. They will have that for the rest of their lives. We cannot pass any legislation to deal with that. But with this legislation, they will know that they will be able to at least obtain decent, quality health care and that they will not put in debt the members of their families and their loved ones with the extraordinary kinds of costs that may be attendant to the treatment of some of the illness and sickness.

That kind of relief from the anxiety and the anguish for our fellow citizens is enormously important. It does not show up on the bottom line of the expenditure column. But what it does do is it makes an extraordinary difference to our fellow citizens.

So, Mr. President, I welcome the opportunity to join with Senator KASSEBAUM and urge that we consider this legislation. I know from talking with her that we are prepared to do this in a timely way. We can enter into various agreements so that individuals who have special interests or concerns can make sure that they have a full opportunity for debate and consideration of these views, and then let the Senate work its will.

This is an extraordinary piece of legislation which includes the support of the chamber of commerce, the National Small Business United, the National Association of Manufacturers, the ERISA Industry Committee, the Association of Private Pension and Welfare Plans, the National Governors' Association, the National Association of State Insurance Commissioners, the insurance companies in the Alliance for Managed Care, the American Medical Association, and the Consortium for Citizens With Disabilities. In fact, the only opposition comes from those who really profit from the abuses in the current system.

So, Mr. President, in the State of the Union Address, the President challenged Congress to pass this legislation. We are aware that there are some Senators who place these, what we call, "holds" on a bill in an attempt to kill it. They know if the legislation is brought to the floor of the Senate, it will pass overwhelmingly.

The only thing blocking action is the scheduling of the floor debate. So I join Senator KASSEBAUM in urging our leader to bring this to the floor. We welcome the opportunity to cooperate with him. With his responsibilities as the majority leader in scheduling different measures, we are glad to work out whatever agreement that is necessary. We are glad to speak to our colleagues. But we do think that it is time that we address this legislation. It is time to break the logjam. The American people deserve action, and they deserve it now.

Just finally, Mr. President—and then I will yield what remaining time we have on this side to the Senator from Texas—I hope that we might be able, as Senator KASSEBAUM has stated previously, to consider this legislation in a forum where we can have the focus and attention on this legislation.

The majority leader was extremely gracious in working out our job training program, which basically reorganizes the total training programs, involving billions and billions of dollars, and provides a reduction in total funding. But we worked that out in a matter of just hours, again, in a strong bipartisan way, after reporting the legislation out of our committee. I believe that in somewhat less than 8 or 10 hours, we were able to consider a few amendments and then take action.

With the kind of support we have for this, I think we can do it in a similar timeframe, although we are not interested in cutting off any legislation. But I hope that if we are not able to work that through, at least we would have an opportunity to raise this issue in the foreseeable future, if not as an independent measure, at least as an amendment to another piece of legislation. I agree with Senator KASSEBAUM that that would be a less desirable way to proceed, but I think we may be forced into that kind of situation.

This year Congress has the opportunity to end many of the most serious health insurance abuses that victimize millions of Americans every year. It is an opportunity we cannot afford to miss.

These abuses create endless unnecessary suffering. Millions of Americans are forced to pass up opportunities to accept jobs that would improve their standard of living or offer them greater opportunities because they are afraid they will lose their health insurance if they leave their current jobs. Many others have to abandon the goal of starting their own business, because insurance will be unavailable or unaffordable. Still others lose their health insurance because they become sick, or lose their job, or change their job—even when they have faithfully paid their insurance premiums for many years.

The private health insurance market in the United States is deeply flawed. More than half of all insurance policies impose exclusions for preexisting conditions. As a result, insurance is often denied for the very illnesses most likely to require medical care. The purpose of such exclusions is reasonable—to prevent people from gaming the system by purchasing coverage only when they get sick. But current practices are indefensible. No matter how faithfully people pay their premiums, they often have to start again with a new exclusion period if they change jobs or lose their coverage.

Eighty-one million Americans have conditions that could subject them to such exclusions if they lose their current coverage. Sometimes, the exclusions make them completely uninsurable.

Not only do insurers impose exclusions for preexisting conditions on people who do not deserve to be excluded from the coverage they need, they can deny coverage to entire firms if one employee of the firm is in poor health. Sometimes, entire categories of businesses, with millions of employees, are redlined out of coverage. Even if a firm is in an acceptable category, coverage may be denied if someone in the firm—or a member of their family—is in poor health.

Even if people are fortunate enough to gain coverage and have no preexisting condition, their coverage can be canceled if they have the misfortune to become sick—even after paying premiums for years.

One consequence of the current system is job lock. Workers who want to change jobs to improve their careers or provide a better standard of living for their families must give up the opportunity because it means losing their health insurance. A quarter of all American workers say they are forced to stay in a job they otherwise would have left, because they are afraid of losing their health insurance.

I am proud to have joined Senator KASSEBAUM in introducing legislation that will address these problems effectively. The Kassebaum-Kennedy Health Insurance Reform Act is a health insurance bill of rights for every American and for every business as well.

The legislation contains many of the provisions from the 1994 health reform debate which received broad bipartisan support—such as increased access to health insurance, increased portability, protection of health benefits for those who lose their jobs or want to start their own business, and greater purchasing power for individuals and small businesses.

Those who have insurance deserve the security of knowing that their coverage cannot be canceled, especially when they need it the most. They deserve the security of knowing that, if they pay their insurance premiums for years, they cannot be denied coverage or be subjected to a new exclusion for a preexisting condition because they change jobs and join another group policy, or because they need to purchase coverage in the individual market. Business—especially small businesses—deserve the right to purchase health insurance for their employees at a reasonable price.

Our Health Insurance Reform Act addresses these fundamental flaws in the private insurance system. The bill limits the ability of insurance companies to impose exclusions for preexisting conditions. Under the legislation, no such exclusion can last for more than 12 months. Once someone has been covered for 12 months, no new exclusion can be imposed as long as there is no gap in coverage—even if someone changes jobs, loses their job, or changes insurance companies.

The bill requires insurers to sell and renew group health policies for all employers who want coverage for their employees. It guarantees renewability of individual policies. it prohibits insurers from denying insurance to those moving from group coverage to individual coverage. It prohibits group health plans from excluding any employee based on health status.

The portability provisions of the bill mean that individuals with coverage under a group health plan will not be locked into their job for fear that they will be denied coverage or face a new exclusive for a preexisting condition. The portability provisions will benefit at least 25 million Americans annually, according to the General Accounting Office. In addition, these provisions will provide greater security for the 131 million Americans currently covered under group health plans.

The bill will also help small businesses provide better and less expensive coverage for their employees. Purchasing cooperatives will enable small groups and individuals to join together to negotiate better rates in the market. As a result, they can obtain the kind of clout in the marketplace currently available only to large employers.

The bill also provides great flexibility for States to meet the objective of access to affordable health care for individuals who leave their group health plans.

During the debate on health reform in the last Congress, even the opponents of comprehensive reform urged Congress to pass at least the reforms that everyone supported—portability of coverage, guaranteed availability of coverage, and limitations on exclusion for preexisting conditions. These are exactly the provisions included in this bill.

The Health Insurance Reform Act is a modest, responsible, bipartisan solution to many of the most obvious abuses in the health insurance market place today. The bill was approved by the Senate Labor and Human Resources Committee last August by a unanimous vote of 16 to 0. It is now cosponsored by 40 Senators—20 Republicans and 20 Democrats. It is similar to proposals made by President Clinton in his recent balanced budget plan.

The measures it includes are also virtually identical to provisions of legislation offered by Senator DOLE in the last Congress. Sponsors range from the most conservative Members of the Senate to the most liberal—because these reforms represent simple justice. They are not issues of ideology or partisanship.

Support for the bill by outside groups is equally broad. Those who have expressed their support for the legislation include the Chamber of Commerce, National Small Business United, the National Association of Manufacturers, the ERISA Industry Committee, the Association of Private Pension and Welfare Plans, the National Governors' Association, the National Association of State Insurance Commissioners, the insurance companies in the Alliance for Managed Care, the American Medical Association, and the Consortium for Citizens with Disabilities.

In fact, the only opposition to this legislation comes from those who profit from the abuses in the current system.

In his State of the Union address, President Clinton challenged Congress to pass this bill. A few Senators have placed secret holds on the bill in an attempt to kill it. They know that if the legislation is brought to the floor of the Senate, it will pass overwhelmingly. The only thing blocking action is the scheduling of the floor debate.

So I join Senator KASSEBAUM in urging Majority Leader DOLE to bring this bill to the floor. It is time to break the log jam. The American people deserve action—and they deserve it now.

Mr. President, I yield whatever time remains to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas has 10 minutes.

Mrs. HUTCHISON. Thank you, Mr. President.

BALANCED BUDGET

Mrs. HUTCHISON. Mr. President, I thank the Senator from Massachusetts for yielding the rest of his time, because I want to talk about the very important issue that I think all Americans are looking at right now, and that is the balanced budget and what is going to happen here and what will be the result after we finish the negotiations.

The great philosopher, Yogi Berra, once said, "When you come to a fork in the road, take it."

We are at a fork in the road in this country, and I think the American people are beginning to see how very difficult it is when you have a President and Congress on very different tracks, on very different tracks about what they believe is the right course for our country.

We in Congress believe that we must change the direction of our country, that we have been hurling, in deficits upon deficits upon deficits, our economy into oblivion.

So we promised in 1994 that we would change the way they do business in Washington, that we would stand firm for a balanced budget. And now we have put forward a very responsible plan to do exactly that.

Our balanced budget is over 7 years. Many of us go around the country talking about 7 years. Why 7 years? Why not 5 years? Why not 10 years? Would it be easier if it were 10 years?

Seven years is very important, because 7 years was what we reasonably believed we could achieve with numbers that we could estimate with a prediction that would be reasonable. We believe that we can predict over 7 years. Any more than that would be very hard.

There will be changes in Congress. Will there be the same commitment? Will the promises be the same? Those would be the questions if we went beyond 7 years.

Why not shorter? Why not 5 years? We believed that cutting spending and cutting the rate of growth of spending in such a drastic way might hurt our economy by causing a recession, having some sort of drastic impact. That is why we believed 7 years was achievable by slowing the rate of growth rather than cutting spending in such a harsh way that we might have a recession, but yet to be predictable. That is why 7 years.

Now we have the nugget of the problem. The nugget of the problem is what we are going to do with Medicare, Medicaid, welfare reform, and the tax cuts. I think you have heard people speaking on the floor in both Chambers of the Congress for the last few days about the tax cuts. Some people think they are terrible. Some people think it is awful to consider giving money back to the people who earned it. I do not subscribe to that theory, but it is one of the nuggets upon which the President and the Republicans in Congress disagree. So let us talk about these nuggets.

The President says we can come together on the numbers if we can just put aside welfare reform, Medicaid reform, and Medicare reform. I think the President of the United States knows that if you put aside those three items, you are not going to be able to talk about taking the first step to a balanced budget, because if you do not reform the two basic entitlements, Medicaid and welfare, you will not have a balanced budget.

It is not a matter of how much we spend, it is a matter of who makes the decisions. Is it going to be the Federal Government dictating to the States, or is it going to be the State's right to decide what is best for the people of that State and to have the money from the Federal Government without the strings so they can do it more efficiently? That is the only way it will work.

But the President believes that we must keep welfare and Medicaid with the Federal strings. He will not allow entitlement reform, and that is the crux of the disagreement between the President and Congress. We cannot set those things aside and have any predictability. So we are saying, give Medicaid to the States to produce their own programs in the most efficient way, and we are giving the President the ability to change our welfare system in a most responsible and unique way. And that is to turn it back to the States with very few strings, and the strings are that there will be limitations on how long an able-bodied person can receive welfare. It would be 18 months and a lifetime limitation of 5 years.

I know a number of people who are barely making ends meet. It is very important for these hard-working, taxpaying citizens to know that if they are going to work hard to do something for their families that they are not supporting people who can work but do not. Mr. President, that is the welfare reform package.

The President vetoed our welfare reform package, but we have not seen a substitute from the President. If he is going to take off the table that we would have entitlement reform, then we will not be able to have welfare reform because it will continue to grow out of control, just as it has for years in this country.

Tax cuts—that is the other major issue, that and Medicare reform. Let us talk about Medicare reform because that is the third piece of the reform package. We are trying to save the Medicare system. The President's own Cabinet officers have said publicly we start this year going into a deficit in our Medicare system. This year we will spend more than we take in, and we will use up the trust fund by the year 2002. Now, that is the fact.

So what can we do to save it? In fact, we are slowing the rate of growth of Medicare at an even slower rate of growth than the President presented himself in his own health care plan. We are going to save the Medicare system if the President will work with us. So far, he has refused to do that.

Now let us talk about tax cuts, the other issue upon which we disagree so strongly.

I think it is a legitimate question, why tax cuts when we are trying to bring down the deficit? It is all part of the package that would ease the impact on the economy. If we are going to slow the rate of growth of spending, that is going to have an impact on the economy. It is going to stop spending in some areas to which people have become accustomed. People who provide these services are going to get less.

So in order to ease that transition, we have decided to put money back in the system, not by more Government programs but by giving people back the money that they earned. We are letting them have the right to spend their money. And by allowing them to do that, we will spur the economy, where we have slowed it down in the slowing of the rate of spending. So we now have tax cuts that will go to the middle-income families of this country—a $500 per child tax credit. So a four-person family with two adults and two children will get $1,000 back in the mail. Now, that is going to help them be able to spend that money for their families.

Capital gains tax relief. We are trying to spur the economy by allowing people to sell assets and trade assets, and that is going to put more money into the economy. All of the economists agree on that. It will put money and investment into our capital, so that we will be able to have the jobs that that will create. We are going to spur jobs by having capital gains tax relief.

The third area is one that I have worked on since I came to the U.S. Senate, and that is equity for our homemakers in this country for their retirement security. We talk about the importance of the work done inside the home. Mr. President, I think the work done inside the home is more important than the work done outside the home. Yet, we say to a homemaker, "You cannot set aside $2,000 a year like those who work outside the home are able to do." So the homemaker, who is sacrificing to stay home and raise children will have the added disadvantage of not having the security in retirement that can be built up with the full $2,000 set aside; or if the homemaker loses his or her spouse after 15 or 20 years of marriage, there he or she is without that security in his or her own name that would allow that security to be there for their futures.

Mr. President, that is why we have tax cuts, so that we can provide more of an incentive for people to save. We have a new IRA that would apply to homemakers, as well as those who work outside the home, so they could put money aside that will build up tax free, and when you take it out, you will not have to pay taxes on any of that income. Now, that will be a spur for retirement security for our seniors. When you put that incentive in, now you are going to have the ability for people to take care of themselves better in their retirement years. Mr. President, that will make for a more stable America.

So we are fighting for a strong and stable America. We are really fighting for what made this country strong in the first place. Strong families built this country. If we are able to give tax breaks to families and more incentives to save for retirement security, that is going to strengthen the American family. That is one of the good results of tax cuts and allowing people to spend more of their own money.

So, Mr. President, we are at a fork in the road and we have a choice. We are standing for getting this country back on the right road so that we will have a strong America and the opportunity that a strong America will give for our children.

Mr. President, that is what the budget fight is about. That is why it has been so difficult, because our vision for the future of our country may be the same as the President's vision, but our ways of getting there differ greatly.

We believe that the only way we can make our country strong again is to stand firm for a 7-year balanced budget, with help for our families, giving incentives to people to save and invest, and giving people back the money they worked so hard for. Mr. President, we are standing for the hard-working, taxpaying, middle-class people of this country that deserve a break, and we are trying to give it to them. That is what this impasse is all about.

Mr. President, I yield the floor.

Mr. CHAFEE. I ask unanimous consent that I may be permitted to proceed for 10 minutes as in morning business.

The PRESIDING OFFICER (Mr. JEFFORDS). Without objection, it is so ordered.

THE "NORTH CAPE" OILSPILL

Mr. CHAFEE. Mr. President, last Friday, January 19, the barge *North Cape* ran aground on a sandbar off the coast of my home State of Rhode Island. It is estimated that more than 800,000 gallons of No. 2 diesel heating oil aboard the barge spilled into Block Island Sound, making this the worst oilspill in Rhode Island's history.

Alarmingly, the *North Cape* is grounded 100 yards offshore of the Trustom Pond National Wildlife Refuge, an area set aside as an inviolate sanctuary for migratory birds. So far, oil has penetrated salt ponds in the refuge, and along the southern coast, including Point Judith Pond, an important spawning area for winter flounder. The spill's effect may continue to have adverse impacts on fish and wildlife now that oil has entered the natural food chain in the area.

The cost to my State's environment and economy will be steep. Already, more than 11,000 lobsters have been killed by the spilled oil. Their carcasses, and those of clams, starfish, and other sea creatures, litter southern Rhode Island beaches. The Fish and Wildlife Service has collected over 300 oil-logged birds, of which more than 100 are dead, and 1 dead seal. Sadly, volunteers keep bringing in more casualties.

Because Rhode Island relies heavily on its coastal resources, the financial toll of the spill is heavy. Governor Almond has declared a state of emergency and has requested Federal disaster relief. According to Timothy Keeney, director of the Rhode Island Department of Environmental Management, damage to marine industries ultimately could run into the tens of millions of dollars.

I wish I could say that Rhode Island is a stranger to oilspills. Unfortunately, as recently as 1989, the *World Prodigy* oil tanker ran aground on Brenton Reef and leaked 420,000 gallons of oil into Narragansett Bay. And there have been a number of other spills over the years.

A constant theme in these crises has been the generosity and sacrifice demonstrated in the response of Rhode Islanders. Their response to the current spill is no exception. Volunteers—as many as 500 a day—have been pitching in energetically: bathing waterfowl, cleaning beaches, donating paper towels. It is inspiring to see individuals band together in an effort to combat a potential environmental disaster.

In addition, local environmental and emergency-preparedness officials have dropped everything. Federal workers are giving their all. My hat is off to these Government workers; people like Joe Dowhan and Paul Casey of the Fish and Wildlife Service, and Charlie Hebert, our Rhode Island Refuge Manager, who spent the first 36 hours of the crisis on his feet. Our State owes a debt of gratitude to all who have rolled up their sleeves.

While the willingness of Rhode Islanders to respond to this spill has been the same as in years past, one thing is different this time around. That is the fact that there is in existence comprehensive Federal oilspill legislation, the Oil Pollution Act, which Congress enacted in 1990. While many questions remain to be answered about why the *North Cape* spill occurred, the provisions of OPA 90 ensured that advance planning had been undertaken to expedite the response to the disaster. The law will also ensure that parties injured by the spill will receive compensation.

OPA 90 established a new national planning and response system to provide for more expeditious and well-organized responses to oilspills wherever and whenever they might occur. The system relies on a host of groups of experts and agency officials at numerous levels, including a National Response Unit, Coast Guard strike teams, 10 Coast Guard district response groups, and area committees. This structure ensures that battle stations are manned with alacrity. The immediate deployment of booms and other barriers along the south county shoreline, to keep the oil from contaminating fragile habitat, speaks to the wisdom of having such a response system in place at all times.

Furthermore, OPA 90 is designed to make sure that the polluter pays. In the case of the *North Cape*, its owner, Eklof Marine, based in Staten Island, has laudably come forward to accept responsibility for this accident. The company has provided ships, manpower, and other resources to assist in the cleanup.

As for the fishermen and others whose livelihood and property have been harmed by the oil, OPA 90 entitles them to compensation for their economic losses. The act mandates that a vessel that discharges oil is liable for the costs of the ensuing cleanup and damages, including those caused by loss of profits or impairment of earning capacity.

The act also provides that the Government, acting as public trustee for injured natural resources, may seek damages to restore the resources. This means that damages would be available to restore the fish and wildlife in Rhode Island's sensitive coastal areas, including habitat within the national wildlife refuge.

OPA 90 establishes four other categories of damages for which compensation is provided:

First, owners of real or personal property may seek damages for any economic loss arising from destruction of their property.

Second, a person who relies on injured natural resources for subsistence may seek damages for injury to those resources.

Third, the Government may seek damages for loss of tax revenue resulting from the spill.

Fourth, the Government may seek damages for net costs of providing additional public services necessary during or after cleanup of the spill.

Moreover, OPA 90 requires vessel owners to demonstrate evidence of financial responsibility at least up to the amount of a statutory liability cap—in the case of the *North Cape*, $10 million. Should claims be denied or left unsatisfied by the responsible party, OPA expanded the list of items for which compensation may be sought from the Oil Spill Liability Trust Fund. The fund currently contains more than $1 billion. In contrast, the former Clean Water Act Fund designated for oilspill cleanup was nearly bankrupt at the time of the *World Prodigy* spill. The current fund thus acts as a real safety net that helps guarantee payment of all damages arising from a spill.

Stepping back for a moment, the oilspill in Rhode Island is a perfect example of the need for strong environmental regulations. Thank goodness for OPA 90. Without it, the State and Federal Government would have been ill-prepared to cope with an oilspill of this magnitude, taking place in such rough weather conditions. Without it, Fish and Wildlife Service officials charged with the care of fragile waterfowl habitat would see many of their hard-won gains eroded, possibly for good. Without it, the lobster fishermen of southern New England would be robbed of their livelihood.

Just this week, the Washington Post reported on the results of a survey just completed by Republican pollster Linda DiVall, which—once again, I should emphasize—found strong, bipartisan backing nationwide for Federal laws that protect the environment. Ms. DiVall concluded that, "Attacking the Environmental Protection Agency is a nonstarter." We should be emphasizing the safeguarding of reasonable and balanced environmental protection done in a more efficient manner.

Just about everyone in Rhode Island—and, indeed, anyone who has viewed the oily sheen covering Rhode Island waters on the nightly television news—would say that Ms. DiVall has it just right.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE DEPARTMENT OF TRANSPORTATION FOR FISCAL YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 112

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with section 308 of Public Law 97–449 (49 U.S.C. 308(a)), I transmit herewith the Annual Report of the Department of Transportation, which covers fiscal year 1994.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 25, 1996.*

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. COHEN:

S. 1525. A bill to amend title 18 of the United States Code to prevent economic espionage and to provide for the protection of United States proprietary economic information in interstate and foreign commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHNSTON:

S. 1526. A bill to provide for retail competition among electric energy suppliers, to provide for recovery of stranded costs attributable to an open access electricity market, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GREGG.

S. 1527. A bill to amend the Internal Revenue Code of 1986 to treat recycling facilities as solid waste disposal facilities under the tax-exempt bond rules, and for other purposes; to the Committee on Finance.

By Mr. BRADLEY.

S. 1528. A bill to reform the financing of Senate campaigns, and for other purposes; to the Committee on Rules and Administration.

S.J. Res. 47. A joint resolution proposing an amendment to the Constitution to permit the Congress to limit contributions and expenditures in elections for Federal office; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COHEN:

S. 1525. A bill to amend title 18 of the United States to prevent economic espionage and to provide for the protection of United States proprietary economic information in interstate and foreign commerce, and for other purposes; to the Committee on the Judiciary.

THE ECONOMIC ESPIONAGE AND PROTECTION OF PROPRIETARY ECONOMIC INFORMATION ACT OF 1995

Mr. COHEN. Mr. President, when France, Germany, Japan, and South Korea are included in a list of nations, we automatically assume that this must be a list of America's allies—our military and political partners since the end of the Second World War. Unfortunately, this is not only a list of America's trustworthy friends, it is also a list of governments that have systematically practiced economic espionage against American companies in the past—and continue to do so to this day.

The term "espionage" evokes images of the cloak-and-dagger side of the United States-Soviet confrontation in the cold war. Since the end of the East-West struggle, however, an equally damaging and pervasive form of spying has received increasing attention—the spying that nations undertake against foreign-owned corporations in order to give their own firms an advantage in the increasingly cut-throat world of international business.

Unlike the politico-military espionage of the cold war, economic espionage pits friendly nations against each other. Instead of military strategy and weapon technologies, the sought-after secrets in economic espionage are marketing strategies and production technologies. While the cost of politico-military espionage was reduced military security, and damage from economic espionage comes in the form of billions of dollars annually in lost international contracts, pirated products and stolen corporate proprietary information. The direct cost of this espionage is borne by America's international corporations. The indirect costs are borne by the American economy as a whole—jobs and profits are lost; the competitive edge is stolen away.

The 103d Congress adopted an amendment I sponsored requiring the President to submit an annual report on foreign industrial espionage targeted against U.S. industry.

The unclassified version of the President's first annual report, which is very understated compared to the classified version, acknowledged "the post-cold-war reality that economic and technological information are as much a target of foreign intelligence collection as military and political information." The report goes on to state:

> In today's world in which a country's power and stature are often measured by its economic/industrial capability, foreign government ministries—such as those dealing with finance and trade—and major industrial sectors are increasingly look upon to play a more prominent role in their respective country's (economic) collection efforts. While a military rival steals documents for a state-of-the-art weapon or defense system, an economic competitor steals a U.S. companies proprietary business information or government trade strategies. Just as a foreign country's defense establishment is the main recipient of US defense-related information, foreign companies and commercially oriented government ministries are the main beneficiaries of US economic information. That aggregate losses that can mount as a result of such efforts can reach billions of dollars per year, constituting a serious national security concern.

According to Joseph Recci of the American Society for Industrial Security, "American corporations are losing billions of dollars each year in valuable technology and proprietary information to foreign espionage." In a recent survey of Fortune 500 companies, the society notes that the number of corporations reporting that they have been victims of economic espionage has grown by 260 percent since 1985. Peter Schweizer, in his 1994 study of state-sponsored economic espionage, "Friendly Spies," estimated that such espionage costs American business upwards of $100 billion annually.

This alarming trend in foreign corporate and state-sponsored economic espionage will continue in coming years. Intelligence agencies in industrialized nations have found themselves with a lot of time on their hands since the end of the cold war, and the governments of these nations have come to see economic competition as the new central threat to their national security. In testimony before the Senate Select Intelligence Committee earlier this year, then acting Director of Central Intelligence Adm. William Studeman predicted, "the threat to U.S. economic interests will absolutely increase as foreign governments attempt to ensure the success of their companies."

A few examples of actual cases should illustrate how pervasive the problem has become:

Pierre Marion, the former head of the French intelligence agency, the DGSE, has admitted that up to 15 hotel rooms of foreign business executives are broken into in Paris every day by DGSE agents. Proprietary papers are copied, and this information is then passed on to French companies to give them an edge in competition and negotiation.

Japanese, Korean, and German intelligence agents and corporations have been known to recruit as spies midlevel managers and scientists at American high-technology corporations. In exchange for money, these Americans have provided the foreign agents with valuable trade secrets and formulas, destroying American companies' market leadership.

The foreign offices of American corporations are often subjected to wiretaps on their phones and infiltration of their foreign national staff by agents of the host country's intelligence service. American competitiveness, profits, and jobs are the cost.

I refer my colleagues to a statement I made on March 10, 1994—140 S 2731–38—for further examples of the foreign corporate and state-sponsored economic espionage that American firms face.

The United States has taken some steps to counter this pervasive problem, but action has been neither strong enough nor smart enough to make a real dent in foreign corporate and state-sponsored economic espionage in the United States and against Americans abroad. Admiral Studeman testified in January, "the private sector's concerns about increasing signs of 'economic espionage' * * * are well founded. Despite the continuing necessity to protect sensitive sources and methods, more can and must be done against state-sponsored economic espionage." As the President's report delicately puts it: "efforts across the government to investigate and counter economic and industrial intelligence collection activities were fragmented and uncoordinated * * * resulting in many partially informed decisions and diverging collection and analytical efforts." U.S. efforts, in plain English, are chaotic and largely ineffective, which is why I wrote last year's legislation requiring the President to report not only on the threat but also on how the Federal Government is organized to counter the threat and what changes in Federal organization and law could improve that effort.

In the closing days of the Bush administration, the Justice Department confirmed to me that legislation was required to improve law enforcement officials' ability to investigate and prosecute foreign industrial espionage. But it was not until this past year that Federal officials, after consulting with industry representatives, were able to identify for me specific legislative changes to accomplish this objective, and we have spent several months refining bill language.

I rise today, Mr. President, to offer the product of these efforts, the Economic Espionage and Protection of Proprietary Economic Information Act of 1995.

The act is designed to counter this threat by creating a criminal offense for engaging in foreign corporate or state-sponsored economic espionage. The bill also clarifies existing provisions of criminal statutes relating to stolen property and racketeering to make clear that they apply to foreign corporate and state-sponsored economic espionage. Finally, the bill punishes individuals and/or corporations found guilty of practicing foreign-sponsored economic espionage by fining them and banning them from import-export activity in the United States for 5 years following their conviction.

This bill has been carefully crafted in coordination with Federal law enforcement authorities and industry representatives. In establishing this criminal offense, the bill provides for those officials ordering the espionage to be held liable, as well as those who commit the act. It provides for forfeiture of any proceeds of and assets used in such espionage in accordance with the provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970. These provisions would apply to espionage committed outside the United States if committed by a U.S. citizen or if committed against an American and resulting in an effect in the United States. Finally, the bill would allow a court to take appropriate measures to ensure that protection of proprietary information during the prosecution of economic espionage cases.

Mr. President, it is imperative that the United States send a clear message to individuals and foreign governments and corporations—both our friends and our foes—that this country does not accept international corporate and state-sponsored economic espionage as a legitimate business practice. We must demonstrate our resolve to combat this unfair economic practice, regardless of who engages in it.

The free market system has been the source of America's prosperity and her world economic might. I ask you all to join me in supporting this legislation to fight a practice which is polluting the international free market and robbing our Nation's firms and workers of the success that their technological innovation and marketing know-how has earned them.

In a report entitled "Economic Espionage: a Threat to U.S. Industry," the GAO stated the situation clearly: "The loss of proprietary information and technology through espionage activity will have broadening detrimental consequences to both U.S. economic viability and our national security interests."

I urge my colleagues to support the Economic Espionage Act to send a message to nations around the world that America will not tolerate unjust practices in international trade and the subverting of American firms' ability to compete fairly in the world marketplace.

By Mr. JOHNSTON:

S. 1526. A bill to provide for retail competition among electric energy suppliers, to provide for recovery of standard costs attributable to an open access electricity market, and for other purposes; to the Committee on Energy and Natural Resources.

THE ELECTRICITY COMPETITION ACT OF 1996

Mr. JOHNSTON. Mr. President, I am pleased today to introduce the Electricity Competition Act of 1996. This bill is intended to establish a framework for the transition of the electric industry from a regulated industry to a competitive, and deregulated, industry. Where markets are competitive, society should be saved the costs of unneeded regulation. America's electric system is the most technologically advanced and operationally safe electric system in the world. There is no doubt today that electric service can be supplied to all consumers—even retail consumers—in a fully competitive market.

Our goal then, should be to ensure that electricity markets will become competitive so that regulation will be unnecessary. Our goal must be to ensure price competition for electricity, which will create savings, efficiencies, and innovation.

This is not pie-in-the-sky economic theory. This bill will mean real savings for real people. For American families in the lowest 20-percent income bracket, a household's total utility bills are about equal to the total of mortgage/rent payments, taxes, and maintenance costs. Utility bills take slightly less of a middle-class family's disposable income, but the fact remains—a decrease in the average electric bill for the majority of middle-class Americans could achieve even greater benefits than a middle-class tax cut, without the drain on revenue which a tax cut would mean. We have the potential to gain these benefits, and we must seize this opportunity to do so.

There are six main elements of this legislation:

First, retail access. It's essential to clarify that the States are not preempted from ordering retail access. This clarification will enable the States to go forward with retail access programs without the fear of Federal preemption. Overlooking this clarification will bring years of litigation, impeding American consumers from receiving the benefits of lower electricity prices.

Second, stranded costs. When this industry moves from regulation to competition, there will be created what industry insiders refer to as "stranded costs." This means the high costs of serving all customers under the old regulatory system, which cannot be recovered in a competitive market.

It is true that similar predicaments faced firms in other once regulated markets—railroads, airlines, natural gas, and telecommunications, for instance. But the electric utility industry is completely unique, and therefore, we must account for this difference.

First, the electric industry transition cannot take the same course as deregulatory efforts in other industries due to the staggering capital requirements necessary to generate electricity. The electric industry is the most capital intensive industry by far. The Edison Electric Institute [EEI] estimates that for every dollar of electricity revenue, on average, $3.03 of capital assets is required. This is almost twice the amount of capital necessary for the next highest industry—mining, $1.74 and, three times higher than the communications industry—$1.09. Moodys Investors Service estimates that 87 of the largest investor owned utilities could lose $135 billion in stranded investment in the next 10 years. This is more than 80 percent of the total equity of these companies. Make no mistake about it. If we force the utilities to eat stranded costs, we will have a bankrupt industry.

Second, the vast majority of potential stranded costs—nuclear generation and alternative energy contracts under the Public Utility Regulatory Policies Act of 1978 [PURPA]—are the direct result of past Government energy policies. One analyst estimates that stranded cost potential for the nuclear industry is about $70 billion. This is just under two-thirds of the book value of the Nation's 108 nuclear operating plants. In addition, EEI estimates that PURPA contracts have committed utilities to pay at least $38 billion above market prices. Cambridge Energy Research Associates has estimated that standard costs attributable to PURPA in California alone are between $6.6 billion and $10.8 billion.

The old regulatory compact almost guaranteed recovery of the costs of Government energy policies. With competition, however, the market—not regulators—determines cost recovery. It is simply unfair to leave utilities holding the bag for the energy policies of the past.

It is clear that we need a healthy utility industry. One analyst surveying utility executives found that 50 percent of them believed that utility bankruptcies would increase in the near future. Under competition there will remain a very important role for utilities to serve core customers, including poor and rural customers. Many customers will want to stay with a traditional company, or will not shop for their electricity. Also, the market is best served by having many different players compete, including utilities. Because of the important role these companies play, the public interest is not served if utilities go bankrupt.

The final reason for stranded cost recovery is the legitimate expectation of investors. Utility investors stand to lose billions of dollars if stranded costs are not recovered. Who are these investors? Not Wall Street sharks—they are ordinary citizens who considered utility stocks to be a safe investment. According to an EEI survey of shareholder demographics, the majority of utility investors are of retirement age, or are approaching retirement age. The economic effect on these investors of stranded cost losses must not be forgotten.

We must encourage utilities to embrace competition. To do this, we must ensure that all costs incurred under the old regulatory compact are fully recovered in the transition to competition. Competition in this industry must be on a level playing field.

Recovery of all stranded costs is imperative. The Federal Energy Regulatory Commission has taken the lead on wholesale stranded cost recovery, and has done a great job. I believe FERC has the authority to also permit recovery of retail stranded costs, but it is essential that we clarify this authority through legislation. It is important to mandate that FERC ensure recovery of legitimate, prudent and verifiable retail stranded costs—only to the extent those costs slip through the cracks at the retail level. I would note that the Nuclear Regulatory Commission, which is primarily a licensing commission, certainly does not have the authority to require recovery of nuclear investments or nuclear decommissioning costs.

In short, if we do not enact legislation ensuring stranded cost recovery, most utilities will be reluctant to embrace competition. If we do not enact legislation, the transition to competition and lower electricity prices will be slower. If we do not enact legislation, corporate risk becomes unmanageable, and bankruptcies may occur. This is not in the public interest.

The third aspect of the bill is shared Federal and State responsibility. This bill respects the historical jurisdictional divide over the electric industry. The bill gives States the opportunity to structure their retail markets with programs suited to their local situations. Yet, the bill still holds State programs to one key Federal benchmark: competition. This gives a broad Federal policy ensuring competition, but leaves implementation to the States.

This bill would require States to begin proceedings to examine their local markets. States have three choices.

No. 1: set up a competitive wholesale procurement market.

No. 2: establish a program of retail access for all consumers; or

No. 3: devise their own program, as long as it ensures no self dealing and no unfair subsidies to alternative energy generators.

Utilities who aren't regulated by FERC or State PUC's would be required to make similar decisions. Also, States which are already in the process of moving forward with their own competitive programs would not have to start all over again.

The bill establishes a balanced framework. The Federal/State jurisdiction issue is a fine line to walk. Some will say the States should be given unfettered authority. Others will say that competition cannot wait, and that a federally mandated competitive market cannot come soon enough. In my view, a balanced policy which respects traditional federalism is the best policy.

Fourth, we have to establish a timetable for the transition to competition. We need a date certain when retail access will be the law of the land, although that may be some years down the road. A definite timetable for restructuring would remove this uncertainty. The timetable in the bill—2010—recognizes the need for the States to implement their own competition programs, and for the industry to get comfortable with retail competition.

Fifth, we must have a level playing field, and this means PURPA reform and repeal of the Public Utility Holding Company Act.

The bill provides for prospective PURPA reform. Utilities relied on the old regulatory system, and their legitimate expectations of recovery should be respected. The same is true for the contractual expectations of non-utility generators. Reform of PURPA is therefore appropriate on a prospective basis.

I believe PUHCA repeal is also essential even though it is not a part of this bill. I am the cosponsor of a bill with Senator D'AMATO and others which is currently before the Senate Banking Committee. The goal of that legislation is to put all electric utility companies on a level playing field, and to remove regulatory barriers which are no longer appropriate. I believe PUHCA repeal, with certain consumer protections, can go forward on a stand alone basis, but must be a part of comprehensive restructuring.

Sixth, the bill ensures nuclear decommissioning cost recovery, which is essential for the protection of public health and safety. Nuclear decommissioning costs are an extremely large percentage of many utilities' embedded costs. Several utilities have estimated their decommissioning liability to be in the billions of dollars. The law of the land should be that all nuclear decommissioning costs are recoverable. Moreover, no nuclear licensee should be able to avoid decommissioning liability.

This Nation cannot afford to miss this opportunity. This legislation is needed to avoid a patchwork of state policies, to bring competition to consumers on a rational timetable, and to standardize stranded cost recovery. It is essential that we make this commitment now, and set competition in motion. Every year, every month, every day that we lose debating the fine points of this transition means a loss of prosperity for this Nation. We are now fighting tooth and nail in a global economy where every dollar counts. Accordingly, this legislation is essential.

We all know that competition and deregulation have lowered prices in the national economy. What may not be so apparent is the huge ripple effect which lower electricity prices will create America. Consider these figures:

Some 90 percent of the U.S. gross domestic product is produced by the residential, commercial and industrial sectors. These sectors use 99.9 percent of the Nation's electricity, and yet account for only 34 percent of the Nation's oil consumption The other 10 percent of the Nation's GDP—transportation—uses 66 percent of the Nation's oil. In many ways, electricity is overwhelmingly more important to America's economy than oil.

America recently spent $262 billion on electricity in 1 year. The data suggest that electricity consumption is almost three times the amount spent on the next highest commodity, natural gas. Also, electricity consumption is almost four times the amount spent on unleaded gasoline.

In addition, the economy has become increasingly dependent on electricity. Between 1973 and 1993 the U.S. industrial sector grew 70 percent. Industrial electricity use increased 45 percent during that time period, while combustible fuel use declined 12 percent.

This trend is expected to continue. The Energy Information Administration estimates that by the year 2010, 60 percent of all industrial, commercial, and residential fuel use will be consumed by utilities to generate electricity in order to meet electricity demand. In contrast, in 1973, only about 30 percent of all fuel use for these purposes went to generate electricity.

As these statistics demonstrate, changes in electricity prices have profound economic consequences. Lower electricity prices mean more jobs, more economic output, and more personal income. States with the lowest electricity prices are the most likely to attract new businesses and jobs.

The benefits of lowering electricity prices are staggering. Technological changes have enabled new generators to produce electricity at a price between 3 and 5 cent/kWh. However, costs in some regions of the Nation are anywhere between 9 and 15 cents/kWh. That's at least a factor of two, and at the most, a factor of five between regional delivered electricity prices. Considering that electricity makes up about 30 percent of production costs for steel manufacturing, to give an example, you can see that lower electricity prices will have a significant impact.

From this point forward, competition must be the electric industry standard. This bill will accomplish that goal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1526

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Electricity Competition Act of 1996."

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) The term "affiliate" means, with respect to a person, any other person that controls, is controlled by, or is under common control with such person.

(2) The term "Commission" means the Federal Energy Regulatory Commission.

(3) The term "electric consumer" has the meaning given the term in section 3(5) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602(5)).

(4) The term "electric utility" has the meaning given the term in section 3(4) of the Public Utility Regulatory Policies Act of 1978 (16. U.S.C. 2602(4)).

(5) The term "Federal agency" has the meaning given the term in section 3(7) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602(7)).

(6) The term "new contract electricity" means electric energy or capacity which is sought to be procured from a party other than the purchaser for a period exceeding 60 days.

(7) The term "new generating source" means electric generating capacity requirements, planned to be acquired by construction, which cannot be met from existing resources or entitlements, and which may be met through procurement of electric capacity.

(8) The term "new renewable electric generation" means electric generation from solar, wind, waste, biomass, hydroelectric or geothermal resources constructed after the enactment of this Act.

(9) The term "nonregulated retail electric utility" means any retail electric utility other than a State regulated retail electric utility.

(10) The term "person" has the meaning given the term in section 3(4) of the Federal Power Act (16 U.S.C. 796(4)).

(11) The term "qualifying cogeneration facility" has the meaning given the term in section 3(18)(B) of the Federal Power Act (16 U.S.C. 796(18)(B)).

(12) The term "qualifying cogenerator" has the meaning given the term in section 3(18)(C) of the Federal Power Act (16 U.S.C. 796(17)(D)).

(13) The term "qualifying small power producer" has the meaning given the term in section 3(17)(D) of the Federal Power Act (16 U.S.C. 796(17)(D)).

(15) The term "retail electric utility" means any person, State agency, or Federal agency which makes retail sales of electric energy to the public or distributes such energy to the public.

(16) The term "State" means a State admitted to the Union or the District of Columbia.

(17) The term "State agency" has the meaning given the term in section 3(16) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602(16)).

(18) The term "State regulated retail electric utility" means any retail electric utility with respect to which a State regulatory authority has ratemaking authority.

(19) The term "State regulatory authority" means any State agency which has ratemaking authority with respect to the rates of any retail electric utility (other than such State agency), and in the case of a retail electric utility with respect to which the Tennessee Valley Authority has ratemaking authority, such term means the Tennessee Valley Authority.

(20) The term "unbundled local distribution services" means local distribution services which are offered by the seller of such services without the requirement that the purchaser of such local distribution services also purchase electric energy as a condition of the purchase of such local distribution services.

SEC. 3. PURPA REFORM.

(a) DEFINITION.—For purposes of this section the term "facility" means a facility for the generation of electric energy or an addition to or expansion of the generating capacity of such a facility.

(b) FACILITIES.—Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a–3) shall not apply to any facility which begins commercial operation after the effective date of this Act, except a facility for which a power purchase contract entered into under such section was in effect on the effective date of this Act.

(c) CONTRACTS.—After the effective date of this Act, no electric utility shall be required to enter into a new contract or obligation to purchase or sell electric energy pursuant to section 210 of the Public Utility Regulatory Policies Act of 1978.

(d) SAVINGS CLAUSE.—Notwithstanding subsections (b) and (c), nothing in this Act shall be construed:

(1) as granting authority to the Commission, a state regulatory authority, electric utility, or electric consumer, to reopen, force the renegotiation of, or interfere with the enforcement of power purchase contracts or arrangements in effect on the effective date of this Act between a qualifying small power producer and any electric utility or electric consumer, or any qualifying cogenerator and any electric utility or electric consumer; or

(2) to affect the rights and remedies of any party with respect to such a power purchase contract or arrangement, or any requirement in effect on the effective date of this Act to purchase or to sell electric energy from or to a qualifying small power production facility or qualifying cogeneration facility.

SEC. 4. COMPETITIVE ELECTRICITY PROCEEDINGS.

(a) STATE REGULATORY AUTHORITIES.—

(1) COMPETITIVE OPTIONS.—Not later than six months after the date of enactment of this Act, each state regulatory authority not exempted from this section by section 7 shall initiate proceedings applicable to all state regulated retail electric utilities in the State to examine and consider—

(A) requirements which establish competitive electricity procurement markets that meet the minimum requirements of section 5 of this Act;

(B) a retail access plan which requires all state regulated retail electric utilities in the State to provide nondiscriminatory and unbundled local distribution services to all electric consumers of such state regulated retail electric utilities, in order that such electric consumers may choose among competing electric energy suppliers by January 1, 2002; and

(C) an alternative plan which meets the minimum requirements of section 6.

(2) CRITERIA.—In selecting among competitive options under paragraph (1), each state regulatory authority not exempted from this section by section 7 shall determine which option best serves the public interest, considering reliability, terms of service, and price.

(3) DECISION AND IMPLEMENTATION.—Not later than 18 months after the date of enactment of this Act, each state regulatory authority not exempted from this section by section 7 shall—

(A) select a competitive option provided for in paragraph (1) based on the proceedings required under this subsection; and

(B) render a decision by rule or order adopting such competitive option; and

(C) begin implementation of such competitive option not later than 60 days after rendering such a decision.

(b) NONREGULATED RETAIL ELECTRIC UTILITIES.—

(1) COMPETITIVE OPTIONS.—Not later than six months after the date of enactment of this Act, each nonregulated retail electric utility not exempted from this section by section 7 shall examine and consider, or where applicable, initiate proceedings to examine and consider—

(A) procedures for the acquisition of new contract electricity and new generating sources by such nonregulated retail electric utility which meet the minimum requirements of section 5;

(B) a retail access plan which provides nondiscriminatory and unbundled local distribution services to all electric consumers of such nonregulated retail electric utility, in order that such electric consumers may choose among competing electric energy suppliers by January 1, 2002; and

(C) an alternative plan which meets the minimum requirements of section 6.

(2) CRITERIA.—In selecting a competitive option under paragraph (1), each nonregulated retail electric utility not exempted from this section by section 7 shall determine which option best serves the public interest, considering reliability, terms of service, and price.

(3) DECISION AND IMPLEMENTATION.—Not later than 18 months after the date of enactment of this Act each nonregulated retail electric utility not exempted from this section by section 7 shall—

(A) select a competitive option provided for in paragraph (1) based on the examination and consideration required under this subsection;

(B) provide public notice of such selection; and

(C) begin implementation of such competitive option not later than 60 days after providing such notice.

SEC. 5. PROCUREMENT MARKETS.

(a) APPLICABILITY.—

(1) Requirements or procedures to be established by a state regulatory authority or nonregulated retail electric utility pursuant to this section may apply to all or part of the new contract electricity and new generating sources to be procured by state regulated retail electric utilities within the State or, in the case of a nonregulated retail electric utility, to all or part of the new contract electricity and new generating sources to be procured by such nonregulated retail electric utility.

(2) If a state regulatory authority or nonregulated retail electric utility establishes requirements or procedures pursuant to this section that apply to only a part of the new contract electricity and new electric generating capacity to be procured by state regulated retail electric utilities within the state or, in the case of a nonregulated retail electric utility, to only a part of the new contract electricity and new generating sources to be procured by such nonregulated retail electric utility, such state regulatory authority or nonregulated retail electric utility must ensure that any other method of procuring new contract electricity and new

generating sources meets the requirements for an alternative plan pursuant to section 6.

(b) MINIMUM REQUIREMENTS.—Requirements or procedures to be established by a state regulatory authority or nonregulated retail electric utility pursuant to this section shall, at a minimum—

(1) apply to all or part of the new contract electricity or new generating sources to be procured by the state regulated retail electric utilities within the State after the effective date of requirements adopted pursuant to section 4(a)(1)(A), or in the case of a nonregulated retail electric utility, to all or part of the new contract electricity or new generating sources to be procured by such nonregulated retail electric utility after the effective date of procedures adopted pursuant to section 4(b)(1)(A);

(2) provide for public notice, by electronic bulletin board, electronic trading system, or otherwise, of the purchaser's offer to acquire new contract electricity or new generating sources;

(3) provide an appropriate and reasonable time for interested suppliers to respond to the notice of the purchaser's offer to acquire, by electronic bulletin board, electronic trading system, or otherwise, considering the size and complexity of the offer to acquire;

(4) provide that no source or supplier of new contract electricity and new generating sources is excluded from competing to supply such new contract electricity or new generating source;

(5) provide that the purchaser is not excluded from supplying new electric generating capacity to itself, and that any affiliate of the purchaser is not excluded from supplying new contract electricity or new electric generating capacity to the purchaser;

(6) provide selection of the lowest cost supplier that otherwise meets the terms and conditions of the offer, consistent with reliability; and

(7) permit the purchaser to rescind or modify the offer at any time prior to the execution of a contract to supply electric energy.

SEC. 6. ALTERNATIVE PLANS.

(a) STATE REGULATORY AUTHORITIES.—

(1) Any alternative plan adopted by a state regulatory authority must ensure that any state regulated retail electric utility within the state may not unduly discriminate in favor of its own sources of generation supply, or in favor of its affiliate's sources of generation supply, or engage in other forms of self dealing that could result in above market prices to consumers; and

(2) Notwithstanding section 10, any alternative plan adopted by a state regulatory authority shall ensure that any above market costs of new renewable electric generation are allocated on a non-discriminatory basis to all electric consumers of all state regulated retail electric utilities within the State, in order that no such electric consumer or class of such electric consumers is required, without its express consent, to subsidize the costs of such new renewable electric generation to the advantage of any other such electric consumer or class of such electric consumers.

(b) NONREGULATED RETAIL ELECTRIC UTILITIES.—Any alternative plan adopted by a nonregulated retail electric utility must ensure that such nonregulated retail electric utility does not unduly discriminate in favor of its own sources of generation supply, or engage in other forms of self dealing that could result in above market prices to consumers.

SEC. 7. EXEMPTIONS.

(a) STATE REGULATORY AUTHORITIES.—A state regulatory authority shall be exempt from the requirements of section 4(a) if such state regulatory authority, as of the date of enactment of this Act—

(1) has adopted requirements which establish competitive electricity procurement markets that meet the minimum requirements of section 5 of this Act; or

(2) has adopted a retail access plan which requires all state regulated retail electric utilities in the State to provide nondiscriminatory and unbundled local distribution services to all electric consumers of such regulated retail electric utilities, in order that such electric consumers may choose among competing electric energy suppliers by January 1, 2004.

(b) NONREGULATED RETAIL ELECTRIC UTILITIES.—A nonregulated retail electric utility shall be exempt from the requirements of section 4(b) if such nonregulated retail electric utility, as of the date of enactment of this Act—

(1) has adopted procedures for its acquisition of new contract electricity and new generating sources which meet the minimum requirements of section 5; or

(2) has adopted a retail access plan which provides nondiscriminatory and unbundled local distribution services to all electric consumers of such nonregulated retail electric utility, in order that such electric consumers may choose among competing electric energy suppliers by January 1, 2004.

(c) CERTIFICATION.—If a State regulatory authority or nonregulated retail electric utility intends to attain exempt status under this section, it shall certify its intention by public notice no later than six months after the enactment of this Act. Such notice shall specify the grounds upon which the exemption is asserted. The notice shall constitute a final decision of the state regulatory authority or nonregulated retail electric utility for purposes of section 9.

(d) VOLUNTARY RETAIL ACCESS.—Any state regulated retail electric utility shall be exempt from any requirement imposed under sections 4, 5, or 6(a)(1) if such state regulated retail electric utility has filed a tariff for nondicriminatory and unbundled local distribution services, approved by its state regulatory authority, which provides such local distribution services to all electric consumers of such state regulated retail electric utility, in order that such electric consumers may choose among competing electric energy suppliers.

SEC. 8. MANDATORY RETAIL ACCESS.

(a) EFFECTIVE DATE.—Beginning on January 1, 2010, no retail electric utility shall prohibit any electric consumer from purchasing nondiscriminatory and unbundled local distribution service or otherwise prohibit such electric consumers from choosing among competing electric energy suppliers.

(b) ENFORCEMENT.—If a State, state regulatory authority, or retail electric utility fails to comply with the requirements of this section, any aggrieved person may bring an action against such person or persons to enforce the requirements of this section in the appropriate federal district court, which court may grant appropriate relief.

SEC. 9. REVIEW AND ENFORCEMENT.

(a) STATE AUTHORITY.—Notwithstanding any other provision of this section, neither the Commission nor any court of the United States shall have jurisdiction to review the selection by a state regulatory authority or a nonregulated electric utility of a competitive option that meets the requirements of sections 4(a)(1)(B), 4(b)(1)(B), 5, and 6. Appeal from such a decision may be taken in accordance with applicable state law.

(b) COMMISSION REVIEW.—(1) Any person aggrieved by—

(A) a final order of a state regulatory authority or a nonregulated retail electric utility under section 4 or 7, or

(B) the failure of a state regulatory authority or nonregulated retail electric utility to initiate a proceeding or render a final decision in accordance with section 4 or 7—

may petition the Commission to enforce the requirements of sections 4(a)(1)(B), 4(b)(1)(B), 5, and 6.

(2) In any proceeding under this section, the Commission may:

(A) determine—

(i) whether the requirements or plan adopted by a state regulatory authority or nonregulated retail electric utility under sections 4(a)(1)(B), 4(b)(1)(B), 5, and 6 complies with the requirements of this Act, or

(ii) whether any action taken by the state regulatory authority or nonregulated retail electric utility to implement the requirements or plan complies with the requirements of this Act; and

(B) grant appropriate relief.

(c) REHEARING AND APPEAL.—Section 313 of the Federal Power Act shall apply to orders of the Commission issued pursuant to this section.

SEC. 10. RENEWABLE ELECTRIC GENERATION.

Except as provided in subsection 6(a)(2), nothing in this Act shall be construed to prohibit:

(1) a State from encouraging the production of renewable electric generation under applicable State law; or

(2) the voluntary purchase of renewable electric generation by any electric utility or electric consumer.

SEC. 11. AMENDMENTS TO FEDERAL POWER ACT.

(a) TRANSMISSION ACCESS.—Section 212(h) of the Federal Power Act (16 U.S.C. 824k(h)) is amended by striking the following:

"Nothing in this subsection shall affect any authority of any State or local government under State law concerning the transmission of electric energy directly to an ultimate consumer.",

and inserting in lieu thereof:

"Notwithstanding the other provisions of this subsection, the Commission may order, or condition orders upon, the transmission of electric energy to an ultimate consumer if the delivery of such electric energy would be accomplished through the provision of unbundled local distribution services under sections 4(a)(1)(B), 4(b)(1)(B), 7(a)(2) or 7(d) of the Electricity Competition Act of 1996.".

(b) RETAIL ACCESS AND STRANDED COSTS.—The Federal Power Act is amended further by adding the following new sections after section 214.

"SEC. 215. STATE AUTHORITY TO ORDER RETAIL ACCESS.

"Nothing in this Act shall preclude a state regulatory authority, acting under authority of state law, from requiring an electric utility to provide local distribution service to any electric consumer.

"SEC. 216. AUTHORITY TO PROVIDE FOR STRANDED COSTS.

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'utility' shall include any public utility, transmitting utility or electric utility;

"(2) the term 'stranded cost' shall be defined by the Commission, and shall include any legitimate, prudently incurred and verifiable cost previously incurred by a utility in order to provide service to an electric consumer, which cost:

(A) is not being, and except as provided in this section would not otherwise be, recovered in rates; and

(B) the utility has made reasonable attempts to mitigate.

"(b) AUTHORITY.—Notwithstanding any other provision of law, in determining or fixing rates, charges, terms and conditions under sections 205 and 206 of this Part, the Commission shall provide for the recovery of all stranded costs incurred by any utility transmitting or distributing electric energy not sold by such utility or any of its affiliates (which electric energy is sold to a customer and serves load of such customer previously served in whole or in part by such utility), included costs incurred to serve such customer not fully recovered at the time such distribution or transmission service is undertaken.

"(c) UNBUNDLED LOCAL DISTRIBUTION.—In acting pursuant to subsection (b) when determining or fixing rates subject to its jurisdiction, the Commission shall permit the recovery of all stranded costs to the extent a State or State regulatory authority requiring the provision of unbundled local distribution service has not permitted the recovery of all such costs in rates or lacks the authority under State law to permit such recovery.

"(d) LIMITATION.—The Commission shall have authority to determine or fix rates or charges under sections 205 and 206 for the provision of unbundled local distribution service by a utility solely as necessary to permit the recovery of stranded costs in accordance with this section.

"SEC. 217. RECIPROCITY.

"No retail electric utility or any affiliate of such utility may sell electric energy to or for the benefit of an ultimate consumer if the delivery of such electric energy will be accomplished through the provision of unbundled local distribution service under sections 4(a)(1)(B), 4(b)(1)(B), 7(a)(2), 7(b)(2) or 7(d) of the Electricity Competition Act of 1996.".

SEC. 12. NUCLEAR DECOMMISSIONING COSTS.

To ensure safety with regard to the public health and safe decommissioning of nuclear generating units, the Commission, and all state regulatory authorities, shall authorize and ensure the recovery in rates subject to their respective jurisdictions, of all costs associated with federal and state requirements for the decommissioning of such nuclear generating units.

SEC. 13. AMENDMENTS TO BANKRUPTCY REFORM ACT.

Section 503(b) of the Bankruptcy Reform Act of 1978, 11 U.S.C. 503(b), is amended by adding at the end of the following new paragraph:

"(7) costs incurred in complying with Nuclear Regulatory Commission regulations or orders governing the decontamination and decommissioning of nuclear power reactors licensed under section 103 or 104b. of the Atomic Energy Act of 1954, 42 U.S.C. 2133 and 2134(b), regardless of whether such costs are reduced to a fixed amount.".

By Mr. GREGG:

S. 1527. A bill to amend the Internal Revenue Code of 1986 to treat recycling facilities as solid waste disposal facilities under the tax-exempt bond rules, and for other purposes; to the Committee on Finance.

THE ENVIRNONMENTAL INFRASTRUCTURE FINANCING ACT OF 1996

• Mr. GREGG. Mr. President, I introduce the Environmental Infrastructure Financing Act of 1996. The bill will amend the Internal Revenue Code of 1986 to allow recycling facilities to be eligible for tax-exempt bond financing.

A continuing problem in the development of recycling efforts is the need for markets for the materials that are being collected. Processes exist for remanufacturing the recycled materials into new products, but they frequently require extensive capital investment.

An approach that is often attempted is the use of the Federal tax-exempt bond program, which does have a subcategory for solid waste projects. Solid waste recycling facilities should constitute a legitimate application of these funds; however, certain sections of the tax code define solid waste as being "material without value." With recycled materials now being traded as commodities they do, in fact, have value, making the facilities which might process them ineligible for tax-exempt financing. This definitional problem impedes the construction of recycling facilities and hurts the development of recycling materials markets.

My bill will correct this problem in the tax code and allow recycling facilities to obtain tax-exempt financing. The Environmental Infrastructure Financing Act of 1996 will foster the further development of the recycling industry and promote increased recycling on the State and local level.•

By Mr. BRADLEY:

S. 1528. A bill to reform the financing of Senate campaigns, and for other purposes; to the Committee on Rules and Administration.

S.J. Res. 47. A joint resolution proposing an amendment to the Constitution to permit the Congress to limit contributions and expenditures in elections for Federal office; to the Committee on the Judiciary.

CAMPAIGN FINANCE REFORM LEGISLATION

Mr. BRADLEY. Mr. President, I rise to speak about the role of money in politics, and its consequences. I rise also to introducing a legislative proposal—a constitutional amendment and a bill—to free democracy from the power of money.

Mr. President, last fall a man approached me in New Jersey. He said, "Senator, I worked at this place, in one job, for 22 years, In that 22 years, three different companies owned the place. In not one of the three companies did I vest for a pension, because none of them owned the place long enough. So I am now retiring, after 22 years of working here, without a pension, at all."

A woman came up to me on my annual walk along the Jersey Shore and said, "six months ago, my husband lost his job. Two months ago, I lost my job. We have three children and now we have no health insurance. I went to our pediatrician and he said if the kids get sick, he'll take care of them but Senator, this is America, and you shouldn't have to have a friendly pediatrician in order to get health care for your kids."

In California, a white-collar worker named Ron Smith who lost his job at McDonnell-Douglas 2 years ago told a journalist how his sense that he was "starting to lose my grip" feeds into the divisiveness that is tearing our country apart: "I get angry, and a lot of anger is coming out," he said. "I'm blaming everyone, minorities, aliens coming across the border. I don't know how much truth there is to it. I mean, I don't think there are any planners and engineers coming across the border. [But] it hurts when you go to an interview and you know damn well you can do the job, and you know they are looking at you and thinking, 'Forget it.'".

In the last 7 years, 100,000 people lost their jobs with GE, 60,000 at IBM, 40,000 at Sears. The merger of Chase Manhattan with Chemical Bank will mean the loss of 12,000 jobs. And AT&T just announced that they will eliminate 40,000 more jobs, most of them this year.

My colleague Senator BIDEN recently told me that at the Hercules Corp.'s research center outside Wilmington, the downsizing has accelerated and become brutal. When employees arrive at their office building on Monday morning, they know that they have been fired when they see a Pinkerton security man standing outside their office door. Usually he tells them that he's sorry and he knows they've worked hard for 22 years, but could they please have their desk cleaned out by noon—and if they don't mind, he'll stand at the door, because the company doesn't want to take the chance that the computer system will be sabotaged. On Mondays at the Hercules Center, no one carpools, because it is impossible to predict who will be going home at noon.

The heavy footsteps of downsizing, relocation, part-time jobs, temp jobs, middle age without health care and retirement without a pension may be near or still distant, but they are heard in every home. People are working harder for less. In 1973 the average production, nonsupervisory wage was $315. In 1994 it was $256. That's about 70 percent of workers. During the first 6 months of 1993, the Clinton administration announced that 1.3 million jobs had been created, to which a TWA machinist replied, "Yeah, my wife and I have four of them." And indeed, over half of the newly created jobs were part time.

For all but the fabulously wealthy, the idea that working hard can lead to a secure future, a chance to provide a better life for your children, and an adequate retirement is slipping away. I hear this fear everywhere: Among the urban working poor, in suburban living rooms, at factory gates, and among engineers with Ph.D.'s and 30 years of experience with large, still-profitable corporations.

The most painful part of it for me as someone who entered politics with a belief that government could make people's lives better and more secure, is that the political process seems deaf, almost willfully deaf, to the economic anxieties of nonwealthy Americans. Instead of using public power to balance the excesses of private power and enhance opportunity, too many politicians continue playing the proverbial fiddle while the lives of working people become more desperate.

Democrats and Republicans both march along the well-worn paths of symbolic politics, waving flags labeled "welfare," "crime," and "taxes" to divide Americans and win elections. Republicans cling to the illusion that government is the problem—even the enemy of freedom—and that less government and free markets will automatically relieve the fears of working Americans. Democrats cling to old programs, like worker retraining, without ever stopping to ask whether those programs are actually working to change lives for the better or whether jobs are available for the workers we're training.

The political process is paralyzed. Democracy is at a standstill. The budget stalemate is only the latest headline. The Federal Government has not been able to act decisively and with public consensus behind it in years. On health care, on taxes, on creating jobs, on reforming welfare, we have been at continual deadlock.

Democracy is paralyzed not just because politicians are needlessly partisan. The process is broken at a deeper level, and it won't be fixed by replacing one set of elected officials with another, any more than it was fixed in 1992 or 1994. Citizens believe that politicians are controlled: by special interests who give them money, by parties which crush their independence, by ambition for higher office that makes them hedge their position rather than call it like they really see it, and by pollsters who convince them that only the focus group phrases can guarantee them victory. Citizens affected by the choices we have to make about spending and regulation simply don't trust that the choice was made fairly or independently, or in some cases even democratically. They doubt that the facts will determine the result, much less the honest convictions of the politicians. Voters distrust government so deeply and so consistently that they are not willing to accept the results of virtually any decision made by this political process.

Tell people in my State of New Jersey as I did in 1989–90 that the Tax Reform Act of 1986 reduced their Federal taxes by $1 billion a year and they don't believe you because their State and local tax increases offset the reduction. It's gotten to the point that I've had constituents call on the phone to ask how I voted on a particular bill. When my office tells them that the vote hasn't occurred yet, they don't believe you because a radio talk show host who hadn't done his homework said otherwise. For at least 6 years, since the repeal of the catastrophic care legislation in 1989, through the erosion of environmental laws, to the failure of health care reform and the backlash against the crime bill last year and the budget this year, every major step government has taken has been jeopardized by this mistrust, by a deep and widespread conviction that politicians are acting is their own individual interests rather than acting as honest representatives of the democratic will. There are several reasons for this phenomenon, but one of them is money.

Those who think it's just a matter of perception that politics is driven by money should consider the following facts:

In House-Senate negotiations over reform of telecommunications laws, which are still in progress, one large telephone company, Ameritech, appears to have won a special provision allowing it to build a monopoly in the burglar and fire alarm business, while its competitors are prohibited from entering that industry. Ameritech's PAC gave almost half a million dollars last year in 600 separate contributions to hundreds of Members of Congress of both parties, primarily those on committees with jurisdiction over its industry.

Another company, Golden Rule Insurance, Inc., gives over $900,000 in PAC money and soft money contributions to Members of Congress, and hundreds of thousands more to organizations affiliated with Speaker GINGRICH. In return, the company wins endorsement of medical savings accounts, an insurance product that only Golden Rule offers and which would cost the Treasury $4 billion, as a centerpiece of the Republican Medicare reform.

Lobbyists for big corporate contributors sit in the offices of congressional leaders and write the legislation to repeal a century's worth of environmental protections.

New Members of the congressional majority, while billing themselves as reformers, collect on average more than $60,000 from Washington-based political action committees in just the first 6 months in office, a year and a half before they seek reelection. Some take more than $100,000 in their first days.

State legislatures, where most politicians get their start and which others treat as a modest, part-time contribution to citizenship, have been taken over by the same forces of money that captured Congress. State legislative races now routinely cost what congressional races used to cost. In New Jersey last year, State Senate candidates spent a record $8 million on 80 races, most of which were not competitive contests. Illinois Assembly and Senate candidates raised $49 million, $2.4 million of it from out-of-State interests, such as gambling companies that seek licenses and new markets.

I have cited more examples involving the new Republican majority than Democrats not because they are uniquely corrupt, but because these incidents are more recent, and money apparently flows to the winners when power shifts. While these abuses are not new, the amounts involved and the level of conflict seem to multiply every few years, with this year's congressional freshmen taking twice as much money from PAC's right away than the freshmen who came to office in 1993. I saw one estimate that said that, in total, at all levels of government in 1996, nearly $1 billion would be spent.

So the story becomes clear. Economic anxiety eats away at people who work in America. Government fails or refuses to respond. Voters develop a profound and unyielding mistrust of the legislative process. Legislators, including some of those posing as reformers, surrender their offices and their consciences to corporate lobbyists and big contributors with narrow interests to protect. Or, if they maintain their integrity, as many do, they still have to swim in dirty water which makes it even more difficult to stay clean. And amid biennial promises of change, nothing ever changes.

It's a story Americans have heard before. It's the story of the late 19th century, the era of the spoils system and recurrent scandal, when politics became hostage to the money power of Wall Street financiers, railroads, and industrialists, when each Senator was virtually the property of whichever magnate had engineered his appointment. It was a time when Washington was dominated by endless debates about the tariff—a dispute between wealthy financiers and wealthy manufacturers—quite willfully ignoring the economic plight of the vast majority of Americans who were farmers, miners, and factory workers, or women and African-Americans prohibited from voting. The theologian Walter Rauschenbusch wrote of that time that "In political life one can constantly see the cause of human life pleading long and vainly for redress, like the widow before the unjust judge. Then suddenly comes the voice of property, and all men stand with hat in hand."

Our Nation's history demonstrates that the conduct of democracy is not an abstraction. When politics becomes hostage to money, as it did in the late 19th century, and as it increasingly is today, people suffer. Neither economic opportunity nor economic security is given the place it deserves in our national ambitions. There is still a very tangible relationship between the level of opportunity and security available to every American family and the extent to which we can keep our democracy secure and separate from the force of money.

The late 19th century was the last time, until now, that America's prosperity failed to translate into higher wages and increased security for American workers. Teddy Roosevelt called the moneymen of politics, "the gloomy anticipations of our gold-ridden, capitalist-bestridden, userer-mastered future." But the path to a better 20th century rested on four progressive principles: Universal suffrage; direct election of Senators; initiative and referendum to give the people a direct check on policy; and campaign finance reform. Although Theodore Roosevelt proposed that "Congress provide an appropriation for the proper and legitimate expenses of each of the great national parties [and] no party receiving campaign funds should accept more than a fixed amount from any individual," only modest disclosure requirements were adopted at the time.

Until we had radically reformed our democracy, to take it away from the Goulds and Vanderbilts and give it back to the people, we could not become the kind of nation that protected seniors from abject poverty, that protected children from abuse, that respected the heritage of the land. But, over time, the failure to complete action on that last reform, on the role of money in politics, became a more glaring omission. As the television replaced the Grange hall, the saloon, or the town square as the central forum for public debate, money became an ever more important factor in who ran for office and who was elected. Today we see people spend $28 million to run for the Senate, a President raising $44 million for a primary campaign that doesn't exist, and individuals contributing hundreds of thousands of dollars to campaigns by funneling them through the various State parties.

Many accomplished and capable people are right now considering whether to become candidates for the House and Senate. They should be asking themselves, "Can I work hard enough to do a good job?" or "Do I have new ideas that would benefit my constituents?" Instead, they are wondering "Can I find a thousand individuals and PAC's willing to give me almost a million dollars?" and "Is there an interest group willing to spend a lot of money to defeat my opponent?"

Money not only determines who is elected, it determines who runs for office. Ultimately, it determines what government accomplishes—or fails to accomplish. Under the current system, Congress, except in unusual moments, will inevitably listen to the 900,000 Americans who give $200 or more to their campaigns ahead of the 259,600,000 who don't.

Real reform of democracy, reform as radical as those of the progressive era, and deep enough to get government moving again, must begin by completely breaking the connection between money and politics. It must eliminate all the interested money—that is, money with strings attached, from all congressional races.

We have to start by understanding what has happened to past efforts to free politics from the grip of money. Three profound misconceptions have led to the demise of every recent proposal to reform campaign finance.

The first misconception is constitutional. The Supreme Court in 1976, in the case of Buckley versus Valeo, held that a rich man's wallet is no different than a poor man's soapbox. Restrictions on total campaign spending, and on wealthy individuals using their own money to buy an office, were held to be equivalent to restrictions on free speech. Even reformers who found this logic absurd have felt it necessary to tiptoe around the Supreme Court, building elaborate contraptions of incentives and voluntary spending limits rather than risking the Court's wrath by simply declaring it illegal to buy a seat in the House or Senate, with your own money or someone else's. On something as crucial to democracy as the role of money in elections, a role that has destructively expanded every year I have been in the Senate, the Constitution is the place to fix the thwarting of the people's will.

The second misconception is similar, but runs deeper. It is rooted in a failure to understand that democracy and capitalism are separate parts of the American dream, and that keeping that dream alive depends on keeping one from corrupting the other. Speaker GINGRICH, for example, has accused those who advocate spending limits of "nonsensical socialist analysis based on hatred of the free enterprise system." He has compared the $600 million spent on congressional elections with the $300 million spent to advertise three new antacids, and concluded that politics is underfunded. GINGRICH is not the only person who holds this view, but he makes the sharpest accusations. I would respond by saying that I have no hatred for the free enterprise system, but it is not the same as democracy. Market share is not political power. Democracy and civil society have a different ethic from the marketplace. Democracy requires calm and thoughtful deliberation, and a willingness to accept losing in a fair process, and civil society proceeds from a belief that giving without expectation of return is the highest human gift. Both ethics are much different from the frenetic quest for market share and profit.

The third misconception is that different sources of money in politics are more or less corrupting than others. When politicians write what they call campaign finance laws they try to protect their own sources of funding while cutting off those sources that primarily go to their opponents. Thus the endless hairsplitting between political action committees, individual contributors, personal wealth of candidates, soft money, and independent expenditures. Some proposals even draw distinctions among various types of political action committees, banning some and protecting others.

The result, Mr. President, has been legislative proposals that tiptoe around actually limiting spending on campaigns; that claim to reduce corruption but don't challenge the idea that money should decide elections; and that draw endless distinctions among different types of money. If any of these proposals became law, they would make very little difference. But the biggest problem with these tortured, hairsplitting, incremental approaches is that voters can't understand them. They don't see, just as I don't see, how these bills would actually fix what's wrong with democracy. As a result, there are no consequences for politicians who block these proposals, so that even incremental reforms never pass, even when they appear to have momentum.

To free our democracy from the power of money, I believe we have to start with two straightforward principles:

First, money is not speech. A rich man's wallet does not merit the same protection as a poor man's soapbox.

Second, all interested money in politics is potentially corrupting. Whether it comes from an individual, a PAC, or a candidate's own investments, it sometimes comes with strings attached, and limiting one source will only open up others. Money in politics is like ants in the kitchen. You have to close every hole, or they will find a way in.

Today I want to present a specific legislative proposal that builds a realistic structure for a new era in American democracy around these basic principles.

I would start by amending the Constitution simply to clarify that political money is not speech. I will put forward an amendment that would give every State and the U.S. Congress explicit authority to limit spending in campaigns and contributions from any sources. Such an amendment, or a reconsideration by the Court of its decision in Buckley, would be an essential underpinning of any real reform.

I have supported few constitutional amendments during my time in public life, and I have been especially skeptical of those that sought to limit rights. However, I am convinced that this amendment would protect rights by strengthening democracy. It would not limit the first amendment, but would clarify that the right to buy an election is not a form of freedom of expression.

We should also consider the possibility that our current system of campaign finance is as deeply unconstitutional as any reform might be. Years ago the Court outlawed so-called white primaries, in which the white voters who controlled Democratic parties in southern States met to decide who their candidate would be. Today we have a wealth primary, where wealthy contributors determine who has the opportunity to run for office and who we have a chance to vote for. This amendment would eliminate the wealth primary and give every American an opportunity not only to run for office but to vote for who they want to.

With the constitutional misconception out of the way, I would start from scratch. This proposal would focus on Senate elections, but would provide a model for elections to the House, State legislatures, governorships, or even the handling of referenda. I would give the citizens of each State direct control over how much money would be spent in their State's elections. I would say to each taxpayer, in each State, you have an opportunity to give from $1 to $5,000 per year, but only to a campaign in your State. You would contribute it by adding it to your tax liability and sending the checks with your tax return. But you would be contributing to the election campaign, not to a candidate. All the money would go into a shared fund, and every Senate election year, on Labor Day, the candidates would take the fund and divide it equally among all qualified candidates—Republican, Democrat, or qualified independent.

Outside of the money from the common fund, Senate candidates could not raise or spend any money from PAC's, individual donors, the party, or their own pocketbooks to further their candidacy. If the voters and taxpayers concluded that they liked the level of information and advertising they got from a $20 million campaign—if they agreed with Speaker GINGRICH, in other words—they could choose that kind of election. If they wanted a cheaper election they could choose that option by their votes on the tax return.

To ensure that all candidates have an opportunity, an equal opportunity, to reach all voters, I would reclaim part of the public airwaves as a public forum. Every broadcast licensee, radio or television, would be required as a condition of licensing to provide 2 hours of free time to every candidate, 1 hour in prime time, in units of at least 1 minute. The airwaves are public property. They now offer the closest thing we have to a shared culture and a common forum for discussion of ideas. That forum should not be available only to the highest bidder. We have not only a right to insist that broadcasters provide that space, but a responsibility to ensure that the public's airspace is used in the interest of rebuilding democracy.

Who would be a qualified candidate, eligible to receive money from the common fund and broadcast time? Any party that had received 10 percent of the vote in the previous two Senate elections would automatically qualify once it selected a candidate. Independent candidates and new parties would be required to obtain signatures of 5 percent of all eligible voters in the State, but once they qualified, the candidates and their ideas would be treated equally. A candidate who refused to participate in at least one debate would be completely shut out—he could not participate in the shared fund or raise money separately.

Candidates seeking the nomination of a major party would not receive funds or broadcast time for the primary, and would be permitted to raise private funds. But they would be required to raise 100 percent of those funds in contributions of $100 or less.

That's it. For the general election there would be no PAC's. No private contributions from wealthy individuals. No bundling of contributions from the executives of a company to evade PAC limits. No money from out of State. No candidates using their own funds. No refusal to debate. All the sources of potential corruption in the current system would be cut off. Speech would be protected; money would be restricted.

This proposal won't sound like anything we've heard before. It will take people a while to get used to it. Some people will worry that there won't be enough money for good campaigns. But if that is so and the people are less informed, that will be their choice. No longer will special interests control it. But keep in mind that TV and radio accounts for about 50 percent of the cost of campaigns. With free broadcast time, the money which will be cut, if voters choose a low-budget campaign, would be the money that candidates spend on polling, consultants, gifts, and the rest. The process of providing information to voters would more than likely be protected, but then again, if it decreases, it will be the citizens' choice.

Other people will be offended at the idea of contributing to democracy, rather than to a candidate. Some people said to me, "I don't want my money to be shared with Senator HELMS?" or "Why should I contribute to Senator KENNEDY?" That's a fair concern. But as things now stand, an incumbent can raise as much as $17 million, $10 million more than even a well-funded opponent. Putting that incumbent and his or her opponents on a level playing field is far more important than the $1,000 that any of us, as an individual, can give to either candidate in that race. If you have the strength of your convictions, there is no reason to fear a fair fight.

Others will say that the proposal helps incumbents, but incumbents have an even bigger financial advantage in the present system and they are defeated regularly. Besides, if doing your job well helps you get reelected, who can criticize it?

Finally, still others may note that I have supported public financing of campaigns in the past and this is not exactly public financing. Indeed, it is not public financing. It does not take taxpayer dollars and provide them to political campaigns. It is not public financing, but it is public control of elections. As long as voters mistrust politicians as they do, we're not going to get past the skepticism about public financing. We have to rebuild that trust first, and I think that giving voters control of campaigns is the way to do it.

I believe there is a deep hunger for this kind of reform. I have been very impressed by the energy of activists at the State level, who are using one breakthrough in democracy—the initiative and referendum—to break down the barriers to another, campaign finance reform. Never before have we seen so much grassroots activity on the issue of campaign finance reform. In 1994, ballot initiatives won in Missouri, Oregon, and Montana, as well as the District of Columbia in 1992. And, so far, we can expect in 1996 initiatives in Maine, California, and Alaska, Arkansas, and Colorado. Other States where groups are considering initiative drives include Wisconsin, Nebraska, South Dakota, and Illinois. The initiatives on the ballot this year are radical and serious. Whether they emphasize modest public financing or limiting contributions to $100, they are big, uncompromised reforms that would go a long way toward freeing State legislatures from the grip of moneyed interests. I consider those State activists my partners in this reform proposal, and I believe they deserve to have a proposal on the table in Washington that is as radical, as serious, and as real as what people are talking about in the States.

Many politicians and academics may focus on what they see as the worst possible outcome of this proposal: that voters, given control, might choose to sharply cut back the amount of money available in campaigns. Indeed, they seem to be contributing less in the Presidential checkoff. But if that happens, the worst consequence would be a resurgence of door-to-door campaigning, of politicians listening instead of polling, and of campaigns led by candidates and their ideas rather than consultants and their focus-group-tested messages. In other words, the system would adjust in what could very well be a way that reinvigorates citizen participation. To argue against changing the status quo that everyone knows compromises democracy is a terribly pessimistic position. Now is the time to be bold.

At its best, however, I believe that giving voters control over campaigns will be enough to return democracy to the people, freeing it from the power of money. It could restore confidence and faith in the legitimacy of democratic decisionmaking, freeing both Congress and the Presidency from the cycle of gridlock, action, and backlash. Ultimately, it will free our democracy to do what it can do when it works well: use the power of government to build a structure of economic security and economic opportunity for all American families.

Mr. President, I ask unanimous consent that a summary of the proposal along with the text of both the constitutional amendment and the Senate Campaign Finance Reform Act be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Senate Campaign Finance Reform Act of 1996".

SEC. 2. SENATE ELECTION CAMPAIGN FINANCING.

(a) AMENDMENT OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971.—The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

"TITLE V—SENATE ELECTION CAMPAIGN FINANCING

"SEC. 501. SENATE CAMPAIGN FINANCING.

"No Senate candidate or authorized committee of a Senate candidate shall accept any contribution with respect to a general election or make any expenditures with respect to a general election except as provided in this title.

"SEC. 502. REQUIREMENTS FOR RECEIPT OF BENEFITS.

"(a) ELIGIBLE SENATE CANDIDATE.—For purposes of this title, a Senate candidate is an eligible Senate candidate if the candidate files a declaration with the Secretary of the Senate under penalty of perjury stating that—

"(1) the candidate agrees in writing to participate in at least 2 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are receiving payments under this title;

"(2) the candidate and the candidate's authorized committees will not accept any contribution with respect to a general election or make any expenditure with respect to a general election except from funds provided under this title;

"(3) the candidate and the authorized committees of such candidate did not accept contributions, or make expenditures, for the primary or runoff election in excess of the limitations under subsection (b); and

"(4) the candidate and the authorized committees of such candidate—

"(A) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties; and

"(B) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission.

"(b) PRIMARY AND RUNOFF EXPENDITURE AND CONTRIBUTION LIMITATIONS.—The requirements of this subsection are met if—

"(1) the candidate and the candidate's authorized committees have not received contributions from any individual for the primary or runoff election which in the aggregate exceed $100;

"(2) all contributions received by the candidate and the candidate's authorized committees are from individuals; and

"(3) the candidate and the candidate's authorized committees did not make expenditures for the primary or runoff election in excess of 50 percent of the total amount that will be available to all candidates in the State for the general election under section 504(b) (based on the State's estimate of the total amount made 30 days prior to the date of the primary or runoff election).

"(c) TIME FOR FILING.—The declaration under subsection (a) shall be filed not later than 7 days after the earlier of—

"(1) the date the candidate qualifies for the general election ballot under State law; or

"(2) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"SEC. 503. CERTIFICATION BY COMMISSION.

"(a) REQUEST.—Each eligible Senate candidate seeking to receive benefits under this title shall submit a request to the Commission, at such time and in such manner as the Commission may require in regulations, containing—

"(1) a copy of the declaration filed pursuant to section 502(a);

"(2) such additional information as the Commission may require in regulations; and

"(3) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request is correct and fully satisfies the requirements of this title.

"(b) CERTIFICATION.—

"(1) ISSUANCE.—Not later than 48 hours after a Senate candidate files a request with the Commission to receive benefits under this title, the Commission shall—

"(A) issue a certification to each candidate who satisfies the requirements of section 502;

"(B) calculate the amount of payments to which such candidate is entitled pursuant to section 504; and

"(C) transmit notification of the certification to the Secretary of the Senate.

"(2) REVOCATION.—The Commission shall revoke such certification if the Commission determines a candidate fails to continue to satisfy the requirements of section 502.

"(c) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (b)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to judicial review under section 505.

"SEC. 504. BENEFITS ELIGIBLE SENATE CANDIDATES ENTITLED TO RECEIVE.

"(a) USE OF FREE BROADCAST TIME.—

"(1) IN GENERAL.—Each eligible Senate candidate shall be entitled to free broadcast time as provided under section 315A of the Communications Act of 1934.

"(2) BROADCAST DURATION.—Free broadcast time shall be used in segments of not less than 1 minute.

"(b) GENERAL ELECTION CAMPAIGN FINANCING.—

"(1) AMOUNT OF PAYMENTS.—(A) Each eligible Senate candidate in a State shall receive a payment for the general election in an amount equal to the State share divided by the number of eligible Senate candidates in the State.

"(B) For purposes of this paragraph, the term 'State share' means, with respect to a State, the sum of—

"(i) 50 percent of the funds in the Senate Election Campaign Fund which are attributable to donations from taxpayers from such State and which remain in the fund after the last election for the office of United States Senator in that State, and interest allocable to such portion, plus

"(ii) 50 percent of the funds in the Senate Election Campaign Fund which are attributable to donations from taxpayers from such State after such election and before the 2d calendar year preceding the calendar year of the election, and interest allocable to such portion, plus

"(iii) 100 percent of the funds in the Senate Election Campaign Fund which are attributable to donations from taxpayers from such State during the 2 calendar years preceding the calendar year of the election, and interest allocable to such portion.

"(C) For purposes of this paragraph, donations made to the Senate Election Campaign Fund which are included with an income tax return for a taxable year under section 6097 of the Internal Revenue Code of 1986 shall be treated as made on the last day of the calendar year in which the taxable year ends.

"(2) FREE BROADCAST TIME.—Free broadcast time provided pursuant to subsection (a) shall not be used in calculating the amount a candidate is entitled to receive under this subsection.

"SEC. 505. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court not later than 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 506. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 505 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary of the Treasury.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States, to appeal from, and to petition the Supreme Court for certiorari to review of, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 508. PAYMENTS RELATING TO CANDIDATES.

"(a) ESTABLISHMENT OF CAMPAIGN FUND.—

"(1) ESTABLISHMENT.—There is established on the books of the Treasury of the United States a special fund to be known as the 'Senate Election Campaign Fund'.

"(2) APPROPRIATIONS.—(A) There are appropriated to the Fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, amounts equal to any contributions by persons which are specifically designated as being made to the Fund.

"(B) The Secretary of the Treasury shall, from time to time, transfer to the Fund an amount not in excess of the amounts described in subparagraph (A).

"(C) Amounts in the Fund shall remain available without fiscal year limitation.

"(3) AVAILABILITY OF FUNDS.—Amounts in the Fund shall be available only for the purposes of making payments required under this title.

"(4) ACCOUNTS.—The Secretary of the Treasury shall maintain such accounts in the Fund as may be required by this title or which the Secretary of the Treasury determines to be necessary to carry out this title.

"(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commission under section 503, the Secretary of the Treasury shall promptly pay the amount certified by the Commission to the candidate out of the Senate Election Campaign Fund.

"(c) MANAGEMENT OF FUND.—The provisions of section 9602 of the Internal Revenue Code of 1986 shall apply to the Senate Election Campaign Fund.

"SEC. 507. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—

"(1) REQUIREMENT.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(A) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible Senate candidate and the authorized committees of such candidate;

"(B) the amounts certified by the Commission under section 503 as benefits available to each Senate candidate; and

"(C) the balance in the Senate Election Campaign Fund, and the balance in any account maintained by the Fund.

"(2) PRINTING.—Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Not later than 30 days before prescribing any rule or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.".

(b) PROVISIONS TO FACILITATE VOLUNTARY CONTRIBUTIONS TO SENATE ELECTION CAMPAIGN FUND.—

(1) GENERAL RULE.—Part VIII of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following:

"Subpart B—Designation of Additional Amounts to Senate Election Campaign Fund

"Sec. 6097. Designation of additional amounts.

"SEC. 6097. DESIGNATION OF ADDITIONAL AMOUNTS.

"(a) GENERAL RULE.—Every individual (other than a nonresident alien) who files an income tax return for any taxable year may designate an additional amount which is not less than $1 and not more than $5,000 to be paid over to the Senate Election Campaign Fund established under section 508 of the Federal Election Campaign Act of 1971.

"(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made for any taxable year only at the time of filing the income tax return for the taxable year. Such designation shall be made on the page bearing the taxpayer's signature.

"(c) TREATMENT OF ADDITIONAL AMOUNTS.—Any additional amount designated under subsection (a) for any taxable year shall, for all purposes of law, be treated as an additional income tax imposed by chapter 1 for such taxable year.

"(d) INCOME TAX RETURN.—For purposes of this section, the term 'income tax return' means the return of the tax imposed by chapter 1.".

(2) CONFORMING AMENDMENTS.—(A) Part VIII of subchapter A of chapter 61 of such Code is amended by striking the heading and inserting:

"PART VIII—DESIGNATION OF AMOUNTS TO ELECTION CAMPAIGN FUNDS

"Subpart A. Presidential Election Campaign Fund.

"Subpart B. Designation of additional amounts to Senate Election Campaign Fund.

"Subpart A—Presidential Election Campaign Fund".

(B) The table of parts for subchapter A of chapter 61 of such Code is amended by striking the item relating to part VIII and inserting:

"Part VIII. Designation of amounts to election campaign funds.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1995.

(c) AMENDMENT OF COMMUNICATIONS ACT OF 1934.—Title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by inserting after section 315 the following new section:

"FREE BROADCAST TIME FOR SENATE CANDIDATES

"SEC. 315A. (a)(1) Notwithstanding section 315, a licensee shall make available 2 hours of free broadcast time to each eligible Senate candidate (as defined in section 502 of the Federal Election Campaign Act of 1971) in each State within its broadcast area. The licensee shall make at least 1 hour of the free broadcast time available during a prime time access period.

"(2) A licensee shall make free broadcast time available pursuant to this section during the period beginning on the date that is 90 days before the date of a general election or special election for the Senate and ending on the day before the date of the election.

"(3) As used in this subsection, the term 'prime time access period' means the time between 7 p.m. and 10 p.m. of a weekday.

"(b) An appearance by a Senate candidate on a news or public service program at the invitation of a broadcasting station or other organization that presents such a program shall not be counted toward time made available pursuant to subsection (a).

"(c)(1) A licensee shall make available free broadcast time in accordance with this subsection to any eligible Senate candidate (as defined in section 502 of the Federal Election Campaign Act of 1971) in each State within its broadcast area if—

"(A) broadcast time was made available by the licensee and the payment for such time constituted an independent expenditure (as defined in section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)); and

"(B) such independent expenditure was in opposition to, or on behalf of an opponent of, such eligible Senate candidate.

"(2) A person who reserves broadcast time the payment for which would constitute an independent expenditure within the meaning of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) shall—

"(A) inform the licensee that payment for the broadcast time will constitute an independent expenditure; and

"(B) inform the licensee of the names of all candidates for the office to which the proposed broadcast relates.

"(3) Free broadcast time under this subsection shall be provided within a reasonable period of time after the broadcast time constituting the independent expenditure described in paragraph (1), and shall be for the same class and amount of time, and during the same period of the day, as such broadcast time.".

SEC. 3. SOFT MONEY OF POLITICAL PARTIES.

(a) LIMITATIONS ON POLITICAL PARTY COMMITTEES.—Title III of the Federal Election Campaign Act of 1971 is amended by inserting at the end the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) LIMITATIONS ON NATIONAL COMMITTEES.—(1) A national committee of a political party, including the congressional campaign committees of a political party, and any entity that is established, financed, maintained, or controlled by a national committee of a political party, including the national congressional campaign committees of a political party, and any officer or agents of such party committees or entity, shall not solicit or accept contributions or transfers not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Any amount solicited, received, expended, or disbursed directly or indirectly by a national, State, district, or local committee of a political party during a calendar year which might affect the outcome of a Federal election shall be subject to the limitations, prohibitions, and reporting requirements of this Act, including—

"(A) voter registration;

"(B) get-out-the-vote activity;

"(C) generic campaign activity; and

"(D) any communication that identifies a Federal candidate (regardless of whether a

State or local candidate is also mentioned or identified).

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—(1) Subsection (a) shall not apply to expenditures or disbursements made by a State, district, or local committee of a political party for—

"(A) a contribution to a candidate other than for Federal office, if such contribution is not designated or otherwise earmarked to pay for activities described in subsection (a)(2);

"(B) the costs of a State, district, or local political convention;

"(C) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (excluding the compensation in any month of any individual who spends more than 20 percent of his or her time on activity during such month which may affect the outcome of a Federal election), as determined under subsection (c);

"(D) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, which solely name or depict a State or local candidate; and

"(E) the cost of any campaign activity conducted solely on behalf of a clearly identified State or local candidate, excluding activities described under subsection (a)(2).

"(2) For purposes of paragraph (1)(C), the non-Federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous Presidential election year to the committee's administrative and overhead expenses in the election year in question.

"(c) FUNDRAISING EXPENDITURES.—Any amount spent by a national committee of a political party, including the congressional campaign committees of a political party, and any entity that is established, financed, maintained, or controlled by a national committee of a political party, including the national congressional campaign committees of a political party, and any officer or agents of such party committees or entity to raise funds that are used, in whole or in part, in connection with the activities described in subsection (b) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.".

(b) RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) The limitations, prohibitions, and reporting requirements of this Act shall apply to the solicitation for, and receipt of funds by, a candidate for Federal office, an individual holding Federal office, or any agent of such candidate or officeholder, in connection with any Federal election.

"(2) Paragraph (1) shall not apply to the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law.".

(c) REPORTING REQUIREMENTS.—

(1) NATIONAL COMMITTEES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) POLITICAL COMMITTEES.—(1) The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) Any political committee to which paragraph (1) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

"(3) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in subsection (b) (3)(A), (5), or (6).

"(4) Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(2) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by inserting at the end the following:

"(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.".

(3) REPORTS BY STATE COMMITTEES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by paragraph (1), is amended by adding at the end the following new subsection:

"(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

(4) OTHER REPORTING REQUIREMENTS.—

(A) AUTHORIZED COMMITTEES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(i) by striking "and" at the end of subparagraph (H);

(ii) by inserting "and" at the end of subparagraph (I); and

(iii) by adding at the end the following new subparagraph:

"(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;".

(B) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended—

(i) by striking "within the calendar year"; and

(ii) by inserting ", and the election to which the operating expenditure relates" after "operating expenditure".

SEC. 4. PUBLIC SERVICE ANNOUNCEMENTS.

Beginning on September 1 and continuing through November 1 of each election year, the Federal Election Commission shall carry out a program, utilizing public service announcements, to provide basic information to the public about—

(1) voter registration, including locations and times; and

(2) voting requirements.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of enactment of this Act, but shall not apply with respect to activities in connection with any election occurring before December 31, 1996.

(b) CONTRIBUTIONS AND EXPENDITURES BEFORE DATE OF ENACTMENT.—This Act, and the amendments made by this Act, shall not apply to contributions and expenditures made before the date of enactment of this Act.

S.J. RES. 47

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE—

"SECTION 1. The Congress shall have the power to set limits on expenditures made by, in support of, or in opposition to the nomination or election of any person to Federal office.

"SECTION 2. The Congress shall have the power to set limits on contributions by individuals or entities by, in support of, or in opposition to the nomination or election of any person to Federal office.

"SECTION 3. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.".

GIVING ELECTIONS BACK TO CITIZENS—SUMMARY OF THE BRADLEY PROPOSAL

This proposal would restore democracy to American elections by removing *all* the corrupting sources of money in campaigns and giving voters direct control over how much money is spent in a Senate election. It would not force taxpayers to fund politics through public financing, but it would equalize funding among candidates and provide free media time. Candidates would have to compete on their ideas, and once elected, to serve all their constituents without favoring contributors.

1. CONSTITUTIONAL AMENDMENT

Amend the Constitution to clarify that Congress has the power to set limits on contributions and expenditures in support of, or in opposition to, any candidate for Federal office.

The spending limits implicit in the legislative proposal directly confront the Supreme Court's 1976 ruling in Buckley v. Valeo equating political money with free speech. If the Court will not reconsider this ruling, this amendment will correct it.

2. TAX CHECK-OFF

Add a new Senate General Election Campaign Fund line to each tax return, and allow all filers to designate between $1 and $5,000 as an add-on to taxes. Funds added-on by taxpayers in each state will be designated for Senate elections in that state only.

3. DISTRIBUTION OF FUNDS AMONG CANDIDATES

Each Senate election year, all funds received in the preceding two years (plus one-half of any funds remaining from previous years) will be divided among all qualified candidates after the nomination process has been completed in each state. All qualifying party candidates and independents will receive an equal share.

To qualify, a party or an independent candidate must obtain signatures of 5% of all registered voters in the state. Parties that have received 10% of the vote in two of the previous four Senate elections automatically qualify.

No candidate may accept or spend funds from any source other than the common fund. All candidates must participate in at least two debates with all other candidates.

4. BROADCAST TIME

Each broadcast licensee must make available to each eligible Senate candidate two hours of free broadcast time, of which at least one hour must be during prime time. Each broadcaster must make time available to candidates in all states in its broadcast area. Free time must be made available during the 90 days preceding the election. Appearances during news or public service programs will not count.

Free broadcast time will be allocated in segments of 1–30 minutes, at the candidates' choice.

The Federal Election Commission will also be required to develop a program of public service announcements providing basic information about voting requirements, voter registration, and election dates and locations, which broadcasters may carry in fulfillment of their basic public service requirements.

5. NOMINATING PROCESS

Candidates for any party's Senate nomination may accept only contributions of $100 or less. No candidate for a party's nomination may spend more than 50% of the total amount that will be available in the total fund for candidates in the general election, as estimated by the state 30 days before the primary.

A candidate for nomination who did not comply with these rules would be ineligible for all funding and free broadcast time in the general election.

6. PARTY MONEY/SOFT MONEY

Contributions to state and national party organizations will be limited to $1,000 from individuals.

7. INDEPENDENT EXPENDITURES

Broadcast licensees that accept independent expenditures for advertisements that make reference to any Senate candidate must provide equal, free time to allow any candidate mentioned negatively in the original ad to respond. If a candidate is mentioned positively, the licensee must allow all opponents the same amount of time to respond.

SOURCES OF CORRUPTION ELIMINATED IN THIS PROPOSAL

PACs (eliminated by ban on outside contributions).

Wealthy individual contributors (same).

"Bundling" to evade PAC limits (same).

Wealthy candidates (personal wealth cannot be used).

Out of state money (all money in common fund comes from in-state taxpayers).

Money funneled through party committees without disclosure or limits.

Lack of debates (debate participation required).

ADDITIONAL COSPONSORS

S. 1028

At the request of Mrs. KASSEBAUM, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1473

At the request of Ms. SNOWE, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 1473, a bill to authorize the Administrator of General Services to permit the posting in space under the control of the Administrator of notices concerning missing children, and for other purposes.

S. 1520

At the request of Mr. HELMS, the names of the Senator from Alaska [Mr. STEVENS] and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1520, a bill to award a congressional gold medal to Ruth and Billy Graham.

ADDITIONAL STATEMENTS

DEFENSE AND PRISON SPENDING DURING THE BUDGET NEGOTIATIONS

• Mr. SIMON. Mr. President, in the past few weeks, budget negotiations have ground to a halt. Unfortunately, both Republicans and Democrats have focused their budget-cutting attentions too narrowly on certain parts of the total budget pie, while ignoring other large portions of the budget. While both sides have offered to put everything on the table, two areas of enormous Federal spending have not been on the table: national defense and prisons.

I would like to call the attention of my colleagues to a recent Chicago Sun-Times column, written by William Rentschler, entitled "Sacred Cows of Arms, Prisons Are Milking the U.S. Budget." The column describes the irrationality of giving billions of tax dollars to the military-industrial complex and the prison industry with virtually no congressional debate, as we simultaneously scrutinize other programs in the difficult quest to balance the budget.

As the column suggests, current budget proposals insulate significant parts of the budget from any reductions. Instead of making cuts in all areas of Federal spending, current budget proposals target programs such as Medicare, Medicaid, child nutrition, and Head Start, which provide essential services for the elderly, children and the poor, or education and training initiatives that make the American dream possible for many ordinary citizens. In fact, the budget reconciliation plan passed by the Republicans would establish budget firewalls that allow defense spending in the next 7 years to increase by $33 billion over the request by the Department of Defense.

For 15 years, I have fought for a balanced budget amendment to the Constitution. I have done so in the firm belief that persistent budget deficits pose a grave threat to the future prosperity and vitality of the Nation. However, my support for the goal of a balanced budget does not mean that I support cutting deeply into only certain parts of the budget, while leaving other parts of the budget completely untouched.

I urge my colleagues to read the column and to work with me toward balancing the budget in a way that is sensible and fair.

I ask that the Chicago Sun-Times column be printed in the RECORD.

The column follows:

[From the Chicago Sun-Times, December 25, 1995]

SACRED COWS OF ARMS, PRISONS ARE MILKING THE U.S. BUDGET

(By William Rentschler)

Ordinary cows are generally placid and quite harmless. But sacred cows can be downright fearsome, even a danger to the well-being of a nation.

It is two monstrous sacred cows, snorting and stomping and emitting mushroom clouds of gaseous propaganda, that stand in the way of a rational balanced budget that is fair to both the poor and the powerful.

Most politicians on both sides of the aisle—including President Clinton and his Republican adversaries—cringe at the thought of bringing to heel these voracious gobblers of vast feedlots of tax dollars.

Sacred Cow No. 1 is the "military/industrial complex," which Dwight D. Eisenhower, career military hero, warned against when he left the presidency in 1960.

If Clinton, Newt Gingrich and Bob Dole had the backbones to curb the bloated appetite of the military and its handmaidens in Congress, there would be no budget impasse, no shutdown of government, no need to balance the budget on the backs of the poor and infirm, no need to devastate the environment, education, workplace and food safety, drug prevention/treatment, and a host of other social programs.

The most credible critic of outlandish defense spending in the wake of the Cold War is the Washington-based Center for Defense Information, a think tank run not by what Gingrich and Rush Limbaugh would berate as mushy-minded liberals, but by three retired U.S. Navy admirals.

CDI's triad of flag officers brands as "scandalous" and "outrageous" today's defense budget, which represents 47 percent of all discretionary federal spending. That's nearly half of all discretionary tax dollars to feed the ultimate sacred cow in peacetime.

The admirals state unequivocally that we could reduce military spending by more than $500 billion over the next seven years "without jeopardizing America's status as the preeminent military power in the world." This, they say, would preclude draconian cuts proposed by Republicans in Congress "to vital domestic programs."

Sacred Cow No. 2—not yet as fat but equally formidable in its stranglehold on Congress and state legislatures—is the "prison/industrial complex" or the "punishment industry," as it is described by sociologists J. Robert Lilly and Mathieu Deflem.

The U.S. incarceration rate is the highest in the world. On any day more than 1.5 million people are locked up. The reasons are clear. The prison propagandists, who profit from punishment extremes, have terrified the public, rigged sentencing statutes to assure an ever-increasing demand for more cells, and conned politicians into throwing tax dollars mindlessly into prison building, stuffing and staffing.

Both sacred cows are classic examples of free enterprise run amok. We implement unsound policy and practice driven by greed and the almighty buck. Billions are at stake as companies elbow each other to supply the "punishment industry." The prison-builders get ever-fatter as they graze unrestrained in the backyards of taxpayers. The prize, according to Lilly and Deflem, is $22 billion in annual sales divided among about 300 private firms.

What politicians—there are a few—will risk having the demagogues, lobbyists and editorial writers call them "soft" on national security or crime? Or will turn their backs on the cornucopia of dollars poured into their campaign coffers by these free-spending, yet sacrosanct, bovines?

So there is no rational debate on the merits, and we continue to squander billions on unneeded weapons and prisons. CDI reports that the House devoted exactly 32 minutes to its approval of the $240 billion military budget in 1994. That's $7.5 billion per minute!

Sad, isn't it, that we the people allow ourselves to be hoodwinked to this extent year after year.

Republicans in Congress, especially Gingrich and the hot-eyed freshmen, speak grandly about balancing the budget to protect our children and grandchildren. In truth, the future will be assured for some children and grandchildren—those whose parents and grandparents are members of Congress or otherwise comfortably fixed. Far greater numbers will be cast adrift in the new century.●

HONORING LINDA D. WILLIAMS FOR 25 YEARS OF SERVICE TO MARYLAND'S SENATORS

● Ms. MIKULSKI. Mr. President, I rise today to pay tribute to a dedicated Senate employee who, on February 1, 1996, will celebrate her 25th year of service to Maryland's Senators. Linda D. Williams started her career with my distinguished predecessor and friend, Senator Charles McC. Mathias in 1971. She served his office with distinction and enthusiasm for 15 years. While working for Senator Mathias, she helped bring his office into the high technology era of computers.

When I came to the Senate in 1987, I asked Linda to be my systems administrator, and she has not missed a beat. Gone are the days of carbon copies and in are the days of high-speed computers, sophisticated software, and the Internet. I have relied on Linda Williams to guide me through this maze of technology, so that I might use it to better serve the people of Maryland. I can say with a great deal of pride and happiness that Linda has helped me make the most of these opportunities. Even more important, she has helped the people of Maryland in the process.

With her help, I was one of the first Senators to have a world wide web page. Now, my staff and I navigate the NET with abandon, and my constituents navigate their way to my office online. This exciting technology will help open our democracy to more and more people. I was lucky to have Linda Williams here to see the process through.

Mr. President, I have a great deal of respect for people who have a sense of duty, for people who want to help themselves. I admire people who take on a task, make it their own, and see it through to the end. Many of these successful people live and work in Maryland. They are teaching in our schools, nursing our veterans, exploring space, and finding the cures for disease. I'm proud that one of these people is in my own office. I salute Linda Williams for her dedication, and I look forward to her next 25 years serving Maryland's Senators.●

ON THE FORTY-EIGHTH ANNIVERSARY OF SRI LANKA'S INDEPENDENCE

● Mrs. FEINSTEIN. Mr. President, I rise today to bring some thought and consideration to the 48th anniversary of Sri Lanka's independence from colonial rule.

Sri Lanka, which had been dominated by Portuguese, Dutch, and, of course, one and a half centuries of British rule, has emerged in the final decades of this century as a nation firmly committed to democracy and the rule of law.

The last few years have brought tremendous gains for democracy and freedom throughout the world, and while we applaud the successes in Eastern Europe and the former Soviet Union, we should not overlook the progress this island of some 17 million citizens has made on its own.

Since 1982, when J.R. Jayewardene was elected the first post-colonial president, Sri Lanka has held regular national elections notable for their peaceful transitions of power between its two major political parties: the United National Party [UNP] and the Sri Lanka Freedom Party [SLFP], or coalitions led by them.

Sri Lanka's third presidential election was held on November 9, 1994 with former Prime Minister Chandrika Kumaratunga winning with 62 percent of the vote. Voter turn-out was an impressive 70.5 percent. The most recent parliamentary elections were held in Sri Lanka on August 16, 1994, with the UNP and the SLFP winning a roughly equal number of seats.

President Kumaratunga intends to continue with wide-ranging, significant economic reforms that are moving Sri Lanka away from state controls and subsidies to a more decentralized, market-oriented system. This has allowed Sri Lanka to maintain a significant 5 percent average annual growth rate throughout the last decade.

Sri Lanka has also proven its commitment to providing for the basic human needs of its people. Since independence, successive Sri Lankan Governments have maintained a policy of free education from the primary level through the university level. The literacy rate, for both men and women alike, is an impressive 90 percent. The Sri Lankan Government also provides an extensive program of free health care, which includes child immunization. Sri Lanka boasts an average life expectancy of 70 years and an infant mortality rate of 19/1000 which is highly remarkable for this region of the world.

The United States has ties with Sri Lanka dating back to the nineteenth century, ties that have greatly strengthened since Sri Lanka's independence. We are now Sri Lanka's biggest trading partner with our annual bilateral trade standing at $1.4 billion. We also maintain ties to Sri Lanka through bilateral educational, information and cultural programs. The United States has a continuing, active Peace Corps Volunteer Program there, and has operated a Voice of America Station in Sri Lanka for more than 40 years.

Unfortunately, Sri Lanka continues to experience the tragedies of political violence, resulting primarily from the Tamil insurgency in the North and, to a lesser extent, from a mainly Sinhalese group in the South. The news we hear about Sri Lanka here in the United States all too often focuses only on these ongoing conflicts, which have brought death and suffering to Sri Lanka for over 10 years.

It is my hope that Sri Lanka will one day resolve its internal disputes and that peace will return to this nation which has demonstrated such an impressive commitment to democracy. President Kumaratunga has expressed her intention to seek a political solution to the ethnic conflicts and has announced a set of proposals aimed at devolving power to the regions. She has also reiterated her pledge to address minority grievances through dialog and negotiation.

On the 48th anniversary of Sri Lanka's independence, I would like to express my support to President Kumaratunga as she works to determine a lasting solution to the ethnic conflicts in Sri Lanka. I share her hope that peace, reconciliation, and a system of nonviolent negotiation between all parties will soon prevail for the people of Sri Lanka.●

ADJOURNMENT UNTIL TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 12 noon, Friday, January 26, 1996.

Thereupon, the Senate, at 4:15 p.m., adjourned until Friday, January 26, 1996, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate January 25, 1996:

THE JUDICIARY

RICHARD A. PAEZ, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE CECIL F. POOLE, RESIGNED.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

ELMER B. STAATS, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION FOR A TERM EXPIRING DECEMBER 10, 2001. (REAPPOINTMENT)

HOUSE OF REPRESENTATIVES—*Thursday, January 25, 1996*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. TAYLOR of North Carolina].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 25, 1996.

I hereby designate the Honorable CHARLES H. TAYLOR to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Among all the gifts, O gracious God, we treasure the gift of peace—in our hearts and in the world. On this day we remember with appreciation and gratitude those men and women of our armed services who seek by their skill and dedication to contribute to stability and security among those who have been at enmity. We earnestly pray that they and their families will be sustained under the shelter of Your grace and upheld by our thoughts and prayers. May the duty and honor of serving You and their country ever enable them to take pride in their calling and make them faithful in Your service. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New Jersey [Mr. PALLONE] come forward and lead the House in the Pledge of Allegiance.

Mr. PALLONE led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1494. An act to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will receive ten 1-minutes per side.

STATE OF THE UNION ANALYSIS ON TARGET

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, the pregame analysis about Tuesday night's State of the Union Address was completely on target. All the pundits and talking heads agreed that President Clinton would come to Capitol Hill and make a centrist-sounding, middle-of-the-road, warm and fuzzy speech. This time the pundits got it right. The President was his usual split-the-difference self: not too liberal, not too conservative.

But there are things that even he missed. Like reality. He said that the era of big government was over. Well, he is right. But not because of anything Bill Clinton has done. In fact, the President has become big government's little buddy. Just this month he vetoed the first major overhaul of the welfare state in a generation. And last year he vetoed the first balanced budget to reach a President's desk since 1969.

Mr. Speaker, if this truly is the end of big government, it is only because Republicans in Congress have had the courage to stop Washington liberalism and say "no" to Washington spending.

CALL FOR A CLEAN DEBT CEILING

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, we are getting perilously close to default. When I listen to some of the comments that are being made by Speaker GINGRICH and the Republican leadership about the debt ceiling and when we are going to bring up a clean debt ceiling, or whether we even will, I get very concerned.

Yesterday I listened to the Speaker, and he said that the debt ceiling or the possibility of bringing up extension of the debt ceiling was going to be linked in some way to a budget agreement, or further action on other legislation before this House. I think that is the wrong way to go.

President Clinton said very emphatically in his State of the Union Address that we should have a clean debt ceiling and we should not wait around much longer to do it. Already it is a possibility that after today we will not be in session either next week or for a few weeks thereafter, and so far I have heard no statement by the Republican leadership that they are going to bring up a clean debt ceiling bill to extend the debt and to allow us to prevent default. When is this going to come up?

How much longer are we going to have to wait around here for the Republican leadership to play around with this issue? Already it is having a negative impact on our economy and I think it is about time that we faced up to our responsibility and brought up a clean debt ceiling bill so this Government does not go into default.

DEBT CEILING MUST BE LINKED TO BALANCED BUDGET

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I listened with great interest to my friend from New Jersey again and again and again using the word "clean." I would suggest to my colleagues, Mr. Speaker, that is inappropriate for this fundamental reason: We have failed to clean up this city. Thus far, the mission is still in front of us, to try to reconcile the problems of our Nation but not to always resort to big government as the answer.

The point was made at this podium 2 nights ago. The President of the United States came in, and on the headline in the Washington Post it said the President embraces GOP themes. Well, let us break it out from party authorship or pride of authorship and let us work together.

The problem remains the same. The budget has yet to be brought into balance despite the fact that this new majority gave the President a balanced budget with some votes from the other side of the aisle. To clean up our situation, we must embrace fiscal sanity, and these things are joined together,

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

and we have to reconcile the differences.

PROTECT MEDICARE

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, last evening we had another reminder that democracy is alive and well in this great country. Yes, on national television Speaker GINGRICH conceded that his effort to dismantle Medicare this year, in his words, let it wither on the vine, has failed. That failure results directly from the voice of the American people, those who spoke out, those who wrote, those who demanded that their elected Members in Congress be accountable for protecting one of the most effective programs in American history, Medicare, which assures the security for health care of millions of older Americans and people with disabilities.

I commend the Speaker. Even though he pledged to try again to dismantle Medicare next year, he has finally yielded to the voice of the American people.

But I disagree with him on this. Mr. Speaker, we cannot walk away from our commitment to a balanced budget. We do not need a minimal down payment on the deficit. We need to bring the deficit down just as the last speaker said. And we can do that without bringing Medicare down with it. That is what the American people want. Protect Medicare, assure a balanced budget. We can deliver on that.

LET US JUDGE THE PRESIDENT BY PAST PERFORMANCE

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, in his State of the Union Address, President Clinton painted a rosy picture of our Nation's economy. He takes credit for reducing the deficit and a drop in the crime rate.

What he did not tell you is that since President Clinton took office, our national debt has increased by $800 billion, causing the debt to rise from $4.1 to $4.9 trillion. In addition, under the Clinton balanced budget proposal, our deficit would also increase from $172 billion in 1996 to $223 billion in 2002.

As for the economy, which he claims is moving in the right direction, the economic growth is questionable. From 1982 until 1990, it averaged about 4 percent a year. Under Clinton's watch, it only increased by 1.9 percent in the last year.

If there has been a drop in the crime rate, it can be attributed to our Governors implementing tough truth-in-sentencing and three-strikes-and-you're-out.

Mr. President, it is time to stop all the rhetoric and get down to business. We need a balanced budget and we need to lower our national debt.

10-YEAR-OLD TO BEAR CHILD

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, a 10-year-old girl in Houston is pregnant. The child of this child is due in about 2 weeks. The father of this child's child is the mother's boyfriend. This 22-year-old boyfriend is being charged with aggravated sexual assault. The mother's boyfriend has been with this child since she was 8 years old, and evidently the mother was completely cognizant of that fact.

Mr. Speaker, a woman who bears a child is not necessarily a mother and a man who sires a child is not necessarily a father, and this 22-year-old so-called man is not the only person at fault. This so-called mother should not pass "go." She should go directly to the damn slammer. Think about it.

ACTIONS SPEAK LOUDER THAN WORDS

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, I wonder if the President has joined the flood of other former Democrats that have switched parties? If you watched the same State of the Union speech I did, one might think so.

But it is really not what the President said that matters, because he had said it all before. What matters is what he does.

I was hoping the President would present a real plan to reduce the size of government, lower taxes, save Medicare, and reform the failed welfare system.

Instead he gave us a mirage filled with double speak. It looks good from a distance, but the closer you get, the more you realize nothing is there. The President cannot have it both ways.

Our future is too important to risk with a mirage. Now it is time to draw the line in the sand, and stand up for our principles.

The old adage is "Actions speak louder than words." The President has given us a lot of words. Now he needs to follow up with his actions.

STATE OF THE UNION ANALYSIS

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, the President gave a speech Tuesday night filled with great rhetoric about downsizing government, cutting spending, and returning power to the people. However, we know from experience that these policies of higher taxes, more government spending, and bigger Federal bureaucracy prevail. The President's record, it speaks louder than his words. He vetoed a balanced budget amendment, or a balanced budget bill. He vetoed a pro-family, pro-jobs tax cut. He vetoed real welfare reform, emphasizing work, family, and responsibility. He vetoed legislation returning power to the States, communities, and families, and he vetoed a long-term solution for Medicare.

Mr. Speaker, the President's actions are clear contradictions to his words. He will say anything and then support the liberal policies of the status quo. Big government bureaucracy, big government spending, and a big government intrusion into our lives. As Majority Leader DOLE said, "It's time to walk the walk and talk the talk."

DUMB AND MUCH DUMBER

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, if this were a movie, it would be called "Dumb and Much Dumber." It was dumb to shut the Government down for a month, but it would be much dumber to default on the national debt.

Yesterday Moody's, the world-renowned bond rater, put $400 billion of U.S. securities on the credit watch list, and Moody's has reason to worry. Many in this House, exhibiting a combination of arrogance and ignorance, a dangerous combination, want to allow us to default, in the vain hope it will bring a budget agreement. Not in the 220 years of our country's existence has America's credit rating ever been downgraded from triple A.

Some in the Republican Party are playing with fire, and if they are not careful we will all get burned. The Speaker is dancing on the edge of a fiscal abyss.

□ 1015

He may go down and take all of us with him if he does not stand up to the extremists in his own party.

Mr. Speaker, a month ago I would have said not even this Congress would be stupid enough to default on the debt. Today I am not so sure, because the inmates in a real sense, are running this asylum.

AVOCADO IMPORTATION

(Mr. CALVERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CALVERT. Mr. Speaker, it would seem Secretary of Agriculture Dan

Glickman is on a one-man crusade to destroy California's multibillion-dollar fruit and vegetable industry.

That is exactly what will happen if he allows the importation of Mexican avocados. These avocados will bring fruit flies, seed weevils, stem borers, and other pests that will destroy California's economy.

"Not to worry," says Secretary Glickman, "we have used good science."

That is not true.

An independent report by University of California Riverside, Cornell University, Boston University, and Oregon State University states that "there is no rational basis for USDA's estimate of risk." The importation of Mexican avocados could mean catastrophe for California.

The introduction of these pests will destroy our oranges, our avocados, and our grapes. Not for one season, but for a generation. This is bad public policy, based on bad science. Do not ruin California's economy.

Mr. Secretary, institute a credible peer review process, now.

CONGRESS MUST BE RESPONSIBLE ON BUDGET

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, this is no time to gloat, even though the Republicans raised $16 million at a fundraiser last night. I think it is time to listen to the President's message. We should never, never, never shut the Government down again.

But if we do not pass a new debt ceiling limit, I will tell you what we will do. We will not be able to pay Social Security payments on March 1. We will not be able to pay veterans benefits on March 1. And, yes, we will not be able to pay our troops in Bosnia on March 1.

How outrageous. Wall Street is trembling. Six former Secretaries of the Treasury said this is outrageous that we would bring a government, a nation, to its knees.

Congress, wake up, stand up, and work together. Pass a new debt ceiling limit and be responsible to the American people. This is no time to play with our lives and jeopardize the lives and the hopes and dreams of our seniors, our veterans, and our men and woman laying their lives on the line in Bosnia.

ERA OF BIG GOVERNMENT OVER?

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, no one gives an upbeat speech better than our President. Analyst Kevin Phillips described the President as a chameleon because of his extraordinary ability to delivery a conservative message that masks his liberal government agenda.

For instance, in his State of the Union Message, our President twice told Americans that the era of big government is over.

However, in the same State of the Union Message, the President twice told Americans that we cannot fend for ourselves.

Which is it, Mr. President?

Liberals believe that Americans can't fend for ourselves. That's why liberals built up the monstrous Federal Government in Washington over the last 30 years.

Americans want the Government off our backs.

Mr. Speaker, if the President is really serious about ending the era of big government, why did he propose to expand or create no less than six new Federal Government programs in his State of the Union?

Actions speak louder than words.

LIMITING INCREASE IN MARKETABLE DEBT

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I am introducing a bill this morning that I would invite all Members to cosign with me. It is a bill that says there shall be no increase in net marketable debt after December 31, 2001.

Mr. Speaker, both sides of this issue on how we reach a balanced budget have agreed to have a balanced budget and not have an increase in debt. I think when you analyze the President's budget though, we need to remember two figures: $300 billion and $200 billion. The President's budget proposal for balance has $300 billion more spending than the Republican proposal. It has $200 billion more taxes than the Republican proposal.

Mr. Speaker, if one wants to continue to tax and spend, then it is OK to go with the President's proposal. The Republicans cannot accept that if we give a hang about what happens to our kids and grandkids. Let us at least agree on the final line, the final resolution, to not increase net marketable debt after the year 2001.

"DON'T LET ME HAVE TO TELL YOU TWICE"

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, my mother always said, "Do not let me have to tell you twice."

We heard you, Moody's. We do not need to hear from Standard & Poor's, too. We need to respond that we are not the kamikaze Congress. The markets actually responded positively all during our tortured balanced budget negotiations. There were Dow Jones records broken. The reason, of course, is that they expected a balanced budget. A more balanced budget compromise would have the same effect, only this time the benefits would not be only to the markets, but also to jobs, to renewed confidence in our economy, and especially in much needed renewed confidence in the Congress of the United States.

WHAT THE DEBATE IS ABOUT

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, any time you hear Members come to the floor advocating the President's balanced budget, you need to understand what that means. The fact is the President did as he was requested to do. He came in with a balanced budget that does meet balance in 7 years. The problem is that it always reflects his sense of priorities, and in that balanced budget the President has told us he wants to spend more, he wants to tax more, he wants bigger government, not less government, and that is what the debate is about. It is not whether or not you get to balance; it is how you get there and what you are doing, what are the programs and the priorities that you espouse.

The programs and the priorities espoused by President Clinton lead us to more problems for the future. Why? Well, it is a little like going on a diet and telling yourself I am going to lose 20 pounds this month. In the President's budget, what he does is says we will not lose one pound in the first 29 days of the month, and then in the last 2 days of the month we will lose the other 19 pounds. In our budget, what we do is say let us make the hard choices up front. That is a big difference.

SCHOOLS AND INFORMATION SUPER HIGHWAY

(Mr. FARR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FARR. Mr. Speaker, I rise, first, to thank the President for challenging this Nation and those who are elected to govern it, and also for his reasonable stand on our budget crisis.

Second, I want to thank the President for recognizing the importance of educational technology in our schools. While serving in the California State Legislature, I authored the California Educational Technology Act, which now drives public schools throughout California into modern technology.

In his State of the Union Address, the President spoke of continuing and expanding on this project.

The California Educational Technology Act highlights the importance of computer technology in the classroom.

In my district, children at Manzanita Elementary School in Seaside, use computers to communicate with students from around the world to learn about geography, different cultures, and languages.

They can also communicate with scientists doing research in the Monterey Bay National Marine Sanctuary together with the National Weather Service to learn more about science.

This project is an outstanding example of the benefits that come from local, State and Federal Government partnerships with private industry.

Connecting our schools to the information super highway is exactly the type of program that will prepare America's youth to lead American economic growth and technological development into the next century. Thank you, Mr. President, for your leadership in education.

SCARE TACTICS AND DEMAGOGUERY

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, for the past 8 months liberal interest groups have been advertising in my district, and we have heard a drum beat of the same message here in the Congress from the minority, where millions of dollars have been spent trying to scare seniors about Medicare and mislead the public about what Congress is trying to do to secure America's future.

Most people recognize that the ads and the rhetoric are completely politically motivated and dismiss them, but the problem with the big lie is that if it is repeated often enough some people will believe it. And the real tragedy will be if it works, because, let us face it, it really does not matter if I am back or any particular individual is back, but what matters very, very deeply is if our Nation misses this extraordinary opportunity to stop stealing from our children's future to save Medicare from bankruptcy, most importantly, to renew the American dream and to get our country back on the right track. That would be an incalculable tragedy.

So, Mr. Speaker, I just hope that you are listening and the American people are listening, and that this demagoguery and scare-mongering is not effective.

DANGEROUS CUTS IN EDUCATION

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, last night I spoke on the House floor about the devastating cuts House Republicans are making to education.

After I left the floor, a Member on the other side of the aisle challenged the accuracy of my remarks—forcing me to repeat the facts to my colleagues and the American people today.

Fact: According to the Department of Education, the Labor-HHS appropriations bill passed by the House last year cuts education programs by 13 percent in 1 year alone. In fact, almost one-half of the bill's cuts come from education.

Fact: According to the Department of Education, if the Gingrich Republicans continue to fund education at the level in the current continuing resolution, education will be cut by a total of $3.1 billion below last year—resulting in the largest cut to education in the history of this country.

□ 1030

The facts are clear, but if my colleagues on the other side of the aisle can't do the math, I'd suggest that they go back to school for a little math refresher course. Then, maybe they'll learn that their cuts to education are both real and dangerous.

WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY COMMITTEE ON RULES

Mr. McINNIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 342 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 342

Resolved, That the requirement of clause 4(b) of rule XI for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported from that committee before March 16, 1996, and providing for consideration or disposition of any of the following measures:

(1) A bill making general appropriations for the fiscal year ending September 30, 1996, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(2) A bill or joint resolution that includes provisions making further continuing appropriations for the fiscal year 1996, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(3) A bill or joint resolution that includes provisions increasing or waiving (for a temporary period or otherwise) the public debt limit under section 3101(b) of title 31, United States Code, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The gentleman from Colorado [Mr. McINNIS] is recognized for 1 hour.

Mr. McINNIS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During the consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 342 is a simple resolution. The proposed rule merely waives the requirement of clause 4(b) of rule XI for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House for resolutions reported from the committee before March 16, 1996, under certain circumstances.

This narrow waiver will only apply to special rules providing for the consideration or disposition of measures, amendments, conference reports, or items in disagreement from a conference that: make general appropriations for fiscal year 1996; include provisions making continuing appropriations, that includes provisions increasing or waiving the public debt limit.

Mr. Speaker, House Resolution 342 is straightforward, and it was reported by the Committee on Rules with unanimous voice vote. The committee recognizes the need for expedited procedures to bring these legislative measures forward as soon as possible. I urge my colleagues to support House Resolution 342.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today's rule marks not the first but the second time my Republican colleagues have waived the two-thirds requirement for same day consideration of bills this session and this session just started.

Mr. Speaker, it's looking an awful lot like my Republican colleagues are having trouble running the Congress.

Today we are one-third of the way into the fiscal year and the Government is barely running—when it is it's doing so by the skin of its teeth, thanks only to a series of hastily passed continuing resolutions.

For those who may have forgotten why the Government keeps shutting down for those who may not realize why all these continuing resolutions are necessary in the first place.

It's because the Republican Congress has failed to fulfill its most basic responsibility.

The responsibility to pass 13 appropriations bills by October 1.

Those appropriations bills are probably the most important job Congress has and despite an unprecedented amount of wasted time and paper last year this Republican Congress has accomplished less than any Congress since World War II.

Mr. Speaker, October 1 was 116 days ago—what's the hold up?

I certainly hope this rule will prove to be the magic bullet. I certainly hope this rule the second time around will give my Republican colleagues what they need to get this Congress working and this Government running, for good.

Mr. Speaker, I recognize the need to act quickly on these long overdue bills.

Mr. Speaker, I reserve the balance of my time.

Mr. McINNIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think what is an important issue to remember here is that this decision on this budget is the most important economic decision of this generation. Not only is it the most important decision of this generation; it is the most important economic decision this generation is going to make for the next generation.

So, I find it a little interesting that my colleague and my friend over on the other side of the aisle sits there and talks about the time it has taken to change the last 24 years of deficit spending; 24 years, by the way, which were under Democratic control.

It is time that people in American have a balanced budget. It is time the people in America can expect this Congress to step forward, and if it takes some time to reverse 24 years of mismanagement of this budget, the American people can expect us to step forward with some solid decisions.

Mr. Speaker, I am a little surprised by my colleague on the other side who stands up and says that perhaps it is a badge of courage, or a badge of accomplishment, if we pass a lot of legislation. I do not think we need more laws in this country. I think we have a lot of laws in this country. The IRS has 72,000 regulations. We need more laws to tell the American people that we are doing a good job in Washington, DC?

I think what the American people are saying is, why not take a look at what we have got on the books? Is it working?

This is the first time since the days of the Great Society that a Congress has had enought guts to stand up and say, hey, what happened to individual responsibility? Should this program be questioned? Is it accountable? Those kinds of questions ought to take priority over passing a bunch of laws.

If we are going to measure the accomplishments of the U.S. Congress by a score board on how many laws we pass, geez, talk about inefficiency, that is not what we are going to do over on this side of the aisle. If we are going to pass a law, it is going to mean something, and we have passed legislation here that meant something.

But, Mr. Speaker, you know what is good? We have stopped legislation that is bad legislation.

Why not talk about what we have stopped in these Chambers that was bad legislation? I think that, first of all, it is kind of a diversion from the rule. This rule came out of the Committee on Rules on a unanimous decision. There wasn't this kind of discussion in the Committee on Rules last night. But I guess it did offer an opportunity on the House floor to try and take one more shot at discrediting what the Republicans are trying to do.

But I think the biggest credit for the Republicans is taking a look at 24 years of deficit spending, a Government right now that spends $30 million an hour and adds that to its debt every hour of the day. Some $30 million more going out than coming in, that is what we ought to take at look at.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, well, I just want to commend my good friend from Colorado for his statements.

Mr. Speaker, I heard the gentleman from Massachusetts [Mr. MOAKLEY], my good friend, question the leadership of the Republican Party and in being able to run this place. Let me just remind him and everyone else, "It's the spending, stupid." This is what got us into this mess.

Mr. Speaker, all we have to do is look at what is happening to America today. This country is going down the tubes because of the irresponsible spending habits of this U.S. Congress. And let us not go blame it on Presidents in our past; let us blame it on this Congress, particularly this House of Representatives which controls the pursestrings. They are responsible. They are the ones that have driven this deficit to a point where we are now drowning in a sea of red ink that threatens the very future of our country, especially for our children and our grandchildren.

Mr. Speaker, $5 trillion in debt? When we look at the pie that makes up the Federal budget, that huge pie of $1.5 trillion, and when we consider that $250 billion of that hunk of the pie goes to pay just the debt service, that means the interest that is due on the debt that is accumulated over these years, $250 billion. Do the American people realize how much money that is? It is almost as much money as we spend on the national defense budget of this country.

We hear the other side of the aisle railing about how much money we spend on national defense. Imagine, we spend as much on the interest payments each year as we spend on national defense.

We are kind of fortunate right now because interest rates are low and inflation rates are low. But what happens when we continue on this kind of spending spree? Interest rates rise and inflation rises like it did back in the 1970's when inflation was running rampant at about 13 percent and interest rates, the prime interest rates that small businessmen had to borrow money at from banks, was running at 22 percent. A small businessman had to pay about 2 percent over that; I know because I was one, 24 percent interest.

What would happen if interest rates go back up and inflation goes back up? That hunk of the pie would be about $400 billion. That means an additional $150 billion in interest payments. And where do we think that comes from? It comes out of those funds that might be available to help those people that are truly needy.

Mr. Speaker, I was shocked back at the beginning of last year when the President gave us a budget and projected spending for the next 5 years. He projected an increase in the deficit of over a trillion dollars, over $1 trillion. Mr. Speaker, can you imagine that? We can talk about all of the programs that we have, but the only way we are ever going to get these deficits under control is by curtailing spending, either the growth of it or actually cutting programs.

I was very proud at the beginning of last year to introduce a budget, along with 16 of my colleagues, that actually balanced the budget in 5 years, not 7 years. And it did so by making the cuts in the early years, in years 1 and 2, not in years 4, 5, 6, or 7. That is how we are going to balance this budget. That is what we are going to stick to.

Make no exception about it, no matter what happens, we are not going to veer off this course. There are those of us in this Congress that are going to stick to this. We are going to force this Congress to vote on every single one of these issues to finally put this House back in order financially, and we can count on that.

So, Mr. Speaker, I just want to say to the gentleman, he may not like the way this Congress is being run, but it is going to be run that way; as long as the Republican majority is in control in this House, there is going to be no more deficit spending.

Mr. McINNIS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, they will not be calling that economic index Standard and Poors; if we keep going like we are going, it will be just poor.

Mr. Speaker, I submit the following material for the RECORD:

FLOOR PROCEDURE IN THE 104TH CONGRESS; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive; brought up under UC with a 6 hr. time cap on amendments	N/A.
S. 2	Senate Compliance	N/A	Closed; Put on Suspension Calendar over Democratic objection	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive; makes in order only the Gibbons amendment; Waives all points of order; Contains self-executing provision.	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; makes in order only the Obey substitute	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment, waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaneness against it.	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; 7 hr. time cap on amendments; Pre-printing gets preference	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; makes in order only 15 germane amendments and denies 64 germane amendments from being considered.	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) od rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive; Makes in order only 4 amendments considered under a "Queen of the Hill" procedure and denies 21 germane amendments from being considered.	1D; 3R
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a "Queen of the Hill" procedure; All points of order are waived against the amendments.	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive; Self Executes language that makes tax cuts contingent on the adoption of a balanced budget plan and strikes section 3006. Makes in order only one substitute. Waives all points of order against the bill, substitute made in order as original text and Gephardt substitute.	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive; waives cl 2(1)(6) of rule XI against the bill; makes H.R. 1391 in order as original text; makes in order only the Dingell substitute; allows Commerce Committee to file a report on the bill at any time.	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open; waives sections 302(f) and 308(a) of the Congressional Budget Act against the bill's consideration and the committee substitute; waives cl 5(a) of rule XXI against the committee substitute.	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open; pre-printing gets preference; waives sections 302(f) and 602(b) of the Budget Act against the bill's consideration; waives cl 7 of rule XVI, cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Makes in order Shuster substitute as first order of business.	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive; Makes in order 4 substitutes under regular order; Gephardt, Neumann/Solomon, Payne/Owens, President's Budget if printed in Record on 5/17/95; waives all points of order against substitutes and concurrent resolution; suspends application of Rule XLIX with respect to the resolution; self-executes Agriculture language.	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive; Requires amendments to be printed in the Record prior to their consideration; 10 hr. time cap; waives cl 2(1)(6) of rule XI against the bill's consideration; Also waives sections 302(f), 303(a), 308(a) and 402(a) against the bill's consideration and the committee amendment in order as original text; waives cl 5(a) of rule XXI against the amendment; amendment consideration is closed at 2:30 p.m. on May 25, 1995. Self-executes provision which removes section 2210 from the bill. This was done at the request of the Budget Committee.	N/A.
H.R. 1530	National Defense Authorization Act FY 1996	H. Res. 164	Restrictive; Makes in order only the amendments printed in the report; waives all points of order against the bill, substitute and amendments printed in the report. Gives the Chairman en bloc authority. Self-executes a provision which strikes section 807 of the bill; provides for an additional 30 min. of debate on Nunn-Lugar section; Allows Mr. Clinger to offer a modification of his amendment with the concurrence of Ms. Collins.	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; 1 hr. general debate; Uses House passed budget numbers as threshold for spending amounts pending passage of Budget.	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive; Makes in order only 11 amendments; waives sections 302(f) and 308(a) of the Budget Act against the bill and cl. 2 and cl. 6 of rule XXI against the bill. All points of order are waived against the amendments.	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open; waives cl. 2, cl. 5(b), and cl. 6 of rule XXI against the bill; makes in order the Gilman amendments as first order of business; waives all points of order against the amendments; if adopted they will be considered as original text; waives cl. 2 of rule XXI against the amendments printed in the report. Pre-printing gets priority (Hall) (Menendez) (Goss) (Smith, NJ).	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; makes in order the Shuster amendment as the first order of business; waives all points of order against the amendment; if adopted it will be considered as original text. Pre-printing gets priority.	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed; provides one hour of general debate and one motion to recommit with or without instructions; if there are instructions, the MO is debatable for 1 hr.	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive; Provides for consideration of the bill in the House; Permits the Chairman of the Appropriations Committee to offer one amendment which is unamendable; waives all points of order against the amendment.	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive; Provides for further consideration of the bill; makes in order only the four amendments printed in the rules report (20 min. each). Waives all points of order against the amendments; Prohibits intervening motions in the Committee of the Whole; Provides for an automatic rise and report following the disposition of the amendments.	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open; waives sections 302(f) and 308(a) of the Budget Act and cl 2 and cl 6 of rule XXI; provides that the bill be read by title; waives all points of order against the Tauzin amendment; self-executes Budget Committee amendment; waives cl 2(e) of rule XXI against amendments to the bill; Pre-printing gets priority.	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1977	Interior Appropriations	H.Res. 187	Open; waives sections 302(f), 306 and 308(a) of the Budget Act; waives clauses 2 and 6 of rule XXI against provisions in the bill; waives all points of order against the Tauzin amendment; provides that the bill be read by title; self-executes Budget Committee amendment and makes NEA funding subject to House passed authorization; waives cl 2(e) of rule XXI against the amendments to the bill; Pre-printing gets priority.	N/A.
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open; waives clauses 2 and 6 of rule XXI against provisions in the bill; provides that the bill be read by title; Makes Skeen amendment first order of business, if adopted the amendment will be considered as base text (10 min.); Pre-printing gets priority.	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive; provides for the further consideration of the bill; allows only amendments pre-printed before July 14th to be considered; limits motions to rise.	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; provides the bill be read by title; Pre-printing gets priority.	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive; provides for consideration in the House of H.R. 2058 (90 min.) and H.J. Res. 96 (1 hr). Waives certain provisions of the Trade Act.	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open; waives cl. 3 Of rule XIII and section 401 (a) of the CBA against consideration of the bill; waives cl. 6 and cl. 2 of rule XXI against provisions in the bill; Makes in order the Clinger/Solomon amendment waives all points of order against the amendment (Line Item Veto); provides the bill be read by title; Pre-printing gets priority. ***RULE AMENDED*.**	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open; Makes in order the Resources Committee amendment in the nature of a substitute as original text; Pre-printing gets priority; Provides a Senate hook-up with S. 395.	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Pre-printing gets priority; provides the bill be read by title.	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Provides that the amendment in part 1 of the report is the first business, if adopted it will be considered as base text (30 min.); waives all points of order against the Klug and Davis amendments; Pre-printing gets priority; Provides that the bill be read by title.	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive; 3 hours of general debate; Makes in order an amendment to be offered by the Minority Leader or a designee (1 hr); If motion to recommit has instructions it can only be offered by the Minority Leader or a designee.	1D.
H.R. 2126	Defense Appropriations	H. Res. 205	Open; waives cl. 2(l)(6) of rule XI and section 306 of the Congressional Budget Act against consideration of the bill; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; self-executes a strike of sections 8021 and 8024 of the bill as requested by the Budget Committee; Pre-printing gets priority; Provides the bill be read by title.	N/A.
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive; waives sec. 302(f) of the Budget Act against consideration of the bill; Makes in order the Commerce Committee amendment as original text and waives sec. 302(f) of the Budget Act and cl. 5(a) of rule XXI against the amendment; Makes in order the Bliely amendment (30 min.) as the first order of business, if adopted it will be original text; makes in order only the amendments printed in the report and waives all points of order against the amendments; provides a Senate hook-up with S. 652.	2R/3D/3 Bi-partisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open; Provides that the first order of business will be the managers amendments (10 min.), if adopted they will be considered as base text; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; waives all points of order against certain amendments printed in the report; Pre-printing gets priority; Provides the bill be read by title.	N/A
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open; 2 hr of gen. debate. makes in order the committee substitute as original text	N/A
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive; waives sections 302(f), 308(a) and 401(b) of the Budget Act. Makes in order the committee substitute as modified by Govt. Reform amend (striking sec. 505) and an amendment striking title VII. Cl 7 of rule XVI and cl 5(a) of rule XXI are waived against the substitute. Sections 302(f) and 401(b) of the CBA are also waived against the substitute. Amendments must also be pre-printed in the Congressional record.	N/A
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open; waives cl 7 of rule XVI against the committee substitute made in order as original text; Pre-printing gets priority.	N/A
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open; waives sections 302(f) and 308(a) of the Budget Act against consideration of the bill; bill will be read by title; waives cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Pre-printing gets priority.	N/A
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open; waives section 302(f) and 401(b) of the Budget Act against the substitute made in order as original text (H.R. 2332), cl. 5(a) of rule XXI is also waived against the substitute; provides for consideration of the managers amendment (10 min.) If adopted, it is considered as base text.	N/A
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open; waives section 302(f) of the Budget Act against consideration of the bill; Makes H.R. 2349 in order as original text; waives section 302(f) of the Budget Act against the substitute; provides for the consideration of a managers amendment (10 min.) If adopted, it is considered as base text; Pre-printing gets priority.	N/A
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive; waives cl 2(L)(2)(B) of rule XI against consideration of the bill; makes in order H.R. 2347 as base text; waives cl 7 of rule XVI against the substitute; Makes Hamilton amendment the first amendment to be considered (1 hr). Makes in order only amendments printed in the report.	2R/2D
H.R. 743	The Teamwork for Employees and Managers Act of 1995	H. Res. 226	Open; waives cl 2(l)(2)(b) of rule XI against consideration of the bill; makes in order the committee amendment as original text; Pre-printing get priority.	N/A
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open; makes in order a committee amendment as original text; Pre-printing gets priority	N/A
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open; makes in order a committee amendment as original text; pre-printing gets priority	N/A
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open; self-executes a provision striking section 304(b)(3) of the bill (Commerce Committee request); Pre-printing gets priority.	N/A
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive; waives cl 2(l)(2)(B) of rule XI against the bill's consideration; makes in order the text of the Senate bill S. 1254 as original text; Makes in order only a Conyers substitute; provides a Senate hook-up after adoption.	1D
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive; waives all points of order against the bill's consideration; makes in order the text of H.R. 2485 as original text; waives all points of order against H.R. 2485; makes in order only an amendment offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5© of rule XXI (3⁄5 requirement on votes raising taxes).	1D
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive; provides for consideration of the bill in the House	N/A
H.R. 2491 H. Con. Res. 109	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive; makes in order H.R. 2517 as original text; waives all points of order against the bill; Makes in order only H.R. 2530 as an amendment only if offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5© of rule XXI (3⁄5 requirement on votes raising taxes).	1D
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive; waives all points of order against the bill's consideration; Makes in order the Walsh amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 2 and 6 of rule XXI against the bill; makes in order the Bonilla, Gunderson and Hostettler amendments (30 min.); waives all points of order against the amendments; debate on any further amendments is limited to 30 min. each.	N/A
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	N/A
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee; self-executes 4 amendments in the rule; Solomon, Medicare Coverage of Certain Anti-Cancer Drug Treatments, Habeas Corpus Reform, Chrysler (MI); makes in order the Walker amend (40 min.) on regulatory reform.	5R
H.R. 2539	ICC Termination	H. Res. 259	Open; waives section 302(f) and section 308(a)	
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A

FLOOR PROCEDURE IN THE 104TH CONGRESS; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed; provides for consideration of the bill in the House; 30 min. of debate; makes in order the Burton amendment and the Gingrich en bloc amendment (30 min. each); waives all points of order against the amendments; Gingrich is only in order if Burton fails or is not offered.	2R
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open; waives cl. 2(l)(6) of rule XI against the bill's consideration; waives all points of order against the Istook and McIntosh amendments.	N/A
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive; waives all points of order against the bill's consideration; provides one motion to amend if offered by the Minority Leader or designee (1 hr non-amendable); motion to recommit which may have instructions only if offered by Minority Leader or his designee; if Minority Leader motion is not offered debate time will be extended by 1 hr.	N/A
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open; waives all points of order against the bill's consideration; makes in order the Transportation substitute modified by the amend in the report; Bill read by title; waives all points of order against the substitute; makes in order a managers amend as the first order of business, if adopted it is considered base text (10 min.); waives all points of order against the amendment; Pre-printing gets priority.	N/A
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open; makes in order the committee substitute as original text; makes in order a managers amendment which if adopted is considered as original text (20 min.) unamendable; pre-printing gets priority.	N/A
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed; provides for the adoption of the Ways & Means amendment printed in the report. 1 hr. of general debate.	N/A
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open; waives cl 2(l)(6) of rule XI and sections 302(f) and 311(a) of the Budget Act against the bill's consideration. Makes in order the Resources substitute as base text and waives cl 7 of rule XVI and sections 302(f) and 308(a) of the Budget Act; makes in order a managers' amend as the first order of business, if adopted it is considered base text (10 min).	N/A
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed; makes in order three resolutions; H.R. 2770 (Dornan), H. Res. 302 (Buyer), and H. Res. 306 (Gephardt); 1 hour of debate on each.	1D; 2R
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed; provides 2 hours of general debate in the House	N/A
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open; pre-printing gets priority	N/A
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed; consideration in the House; self-executes Young amendment	N/A
PROCEDURE IN THE 104TH CONGRESS 2D SESSION				
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered.	N/A
H.J. Res. 134 H. Con. Res. 131	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed; provides to take from the Speaker's table H.J. Res. 134 with the Senate amendment and concur with the Senate amendment with an amendment (H. Con. Res. 131) which is self-executed in the rule. The rule provides further that the bill shall not be sent back to the Senate until the Senate agrees to the provisions of H. Con. Res. 131.	N/A
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered.	N/A

*Contract Bills, 67% restrictive; 33% open. **All legislation 1st Session, 56% restrictive; 44% open. ***Legislation 2d Session, 100% restrictive; 0% open. ****All legislation 104th Congress 59% restrictive; 41% open. *****Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. ******Not included in this chart are three bills which should have been placed on the Suspension Calendar. H.R. 101, H.R. 400, H.R. 440.

Mr. MOAKLEY. Mr. Speaker, I do not disagree with many of the things that my colleagues on the other side have said but there is still no excuse why all of the appropriation bills have not been finished on time.

We can do this without regard to the budget. We have done it when we were in the majority. And there is no reason that they could not have done it; and that is the reason we are here today in this capacity.

Mr. Speaker, I yield 6 minutes to my friend and colleague, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I was surprised to hear the gentleman from New York [Mr. SOLOMON] say that there will be no more deficit spending with the Republicans in control. I had understood the Republican budget to accept the reality of the fact that there will be deficit spending for the next 6 years.

The 7-year budget means that the deficit ends in the seventh year, but for the first 6 years of the Republican budget there is a deficit. So, to say that there will be no more deficit spending is to assume that we will go into a coma for 6 years and then come out in the seventh.

Mr. Speaker, the gentleman from New York did have a tougher budget. It is true. It was a very tough budget. That is why I believe a majority of the Republicans voted against it.

But the key here is procedural and not substantive. I gather this is the first time the House has been asked, not at the end of the session when we are trying to clean things up, but at the very outset of a session to change the rules substantially to diminish the chance to discuss publicly major legislation.

Mr. Speaker, this is doing away with the two-thirds vote. For a group that came in boasting about how open and democratic they were going to be, this is an extraordinary diminution of our ability as a legislative body to discuss things.

□ 1045

And the reason for it is simple. I want to be very clear. I am not impugning the motives of my colleagues in this regard. I would not do it even if the rules allowed me, in this one case at least. I do not think they came intending to diminish openness and fairness. I do not think it was part of their explicit program to do so. But they have a problem. The problem is their own incompetence. They have been unable to do the business of the public sufficiently well to stick to openness. And authoritarianism is the result of incompetence.

We will not have a chance fully to debate these issues because they are so disorganized, so unable to cope with their own internal divisions, apparently surprised, one of the things I have heard is Members on the other side have said, it is not our fault, there is something called the U.S. Senate, they have said. In the U.S. Senate they have something called the filibuster, and that has interfered with us.

Some of us, a year or two ago, were urging that in our rules of reform we deal with Senate filibuster. We said we did not like it. Universally the Republicans said, no, you cannot do that. That is a bad idea. So they were the great defenders of the Senate filibuster when we last talked about rules reform. When some of us talked about trying to curtail the filibuster through the mechanism of rules reform, the joint rules, Republicans said that was a terrible idea. Now they are apparently shocked to find on it that this filibuster causes some problems.

But the Republicans control the Senate and the Republicans control the House. And under Republican control, we have compiled the worst record in simply doing our job that I can remember. The appropriations bills were not passed. They were passed in November and December. They were all supposed to be passed by October 1.

So how do they deal with this problem? They come in today with a resolution that substantially diminishes the ability of the American public to look at these things and hear them debated because they abolish the rule that says you cannot do them all in the same day.

Part of the problem may be this and we have seen this from the Republican side. The Republican leadership comes up with a proposal and the Republican membership immediately attacks it. It may be that what we are being given here is an effort not to throttle the Democrats, not to keep the press out, but it may be that the Republican leadership has finally figured out that they cannot give their own membership time to read these things. Maybe they figure that Republican freshmen, being new to this place, will not be able to figure it out in a day. It will take them 2 days and they will have had it passed already. Because what they are saying is they should be able to bring up major legislation involving their failure to do appropriations bills and pass it the same day, not have that 1-day waiting period when it goes in the press, when it can be talked about on television, when the public has a chance to react. That is what we are talking about.

What we are talking about now is the ability of, apparently, the Republican leadership to bring up legislation dealing with the appropriations and get it passed the same day, lest it be talked about.

I have to say, since we are the minority, unanimously we do not have the votes to stop them from doing what they are doing. What they are afraid of are their own Members. What they are afraid of is the kind of, oh, we cannot do this.

The problem is that there is a gap; there is a gap between the views of many of the Republican Members and reality. And their fear is that the Republican leadership, now that they have learned that shutting down the Government is disruptive and unpopular and in fact fiscally quite irresponsible, since it adds to Government costs, the Republican leadership does not want again to have a Government shutdown. But they have a problem, because they have difficulty in getting the votes on their own side and with their own colleagues to pass legislation that keeps the Government working.

One way they have decided that they can minimize that difficulty is to reduce the possibility for public input, to reduce the chance for discussion, to speed this up. And that is why we have an extraordinary motion today from the advocates of procedural fairness and openness, substantially to diminish the time which the U.S. House of Representatives will have to discuss the expenditure of billions of dollars.

I regret very much that they have not been competent enough and sufficiently organized within themselves to deal with the difficult task of governing. But I do not think that democracy ought to be the victim of that incompetence.

Mr. McINNIS. Mr. Speaker, I yield myself such time as I may consume.

When I stand here and listen to the gentleman from Massachusetts, I would kindly remind my colleague that there has been more discussion and more debate about a balanced budget in these Chambers in 1 day than they have had in the last 24 years on the Democratic side of the aisle. We are serious about this situation.

We have determined there are more people riding the wagon than there are pulling the wagon. It is about time we get some people helping contribute to this. The gentleman talks about management as if the last 24 or 26 years of deficit is good management. He talks about competency as if this Congress is held out by the American people as being economically competent.

Go out and ask the American citizens, would they let the U.S. Congress run their checkbook? Go out across this country and say to somebody, If you got a gift of $100 million and you wanted to donate $10 million to the needy people of this country, would you send that check to Washington, DC, for distribution? Of course, they would not do that.

The other point that should be brought up here is part of the delay in this process is there are Members on their side of the aisle who are devoting their resources and their energy not into helping us find a solution for this budget deficit but in making sure we are not the ones that find the solution.

We want them to join the team. The time has come for economic reality. The President of this country stood up here and said the era of big Government, which was supported by that side of the aisle for the years that it had control, it is over. Power needs to shift back to the States; power needs to go back to the individuals. We have moved the President, but I am not sure we have moved many on your side of the aisle.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 8 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, first of all, what are we considering? We are considering, as both gentlemen from Massachusetts have already pointed out, a rule which allows for 1 day of consideration of matters, which means that neither Members nor the public will have an opportunity to review that which is being proposed.

I do not know whether the gentleman representing the majority on the Committee on Rules knows, but perhaps he can inform me at the end of this debate whether or not this kind of rule has ever been proposed prior to June 30 of any legislative year in the history of the Congress.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, if the gentleman from the other side does not know, I will tell him, no, it has never been proposed before June 30.

Mr. HOYER. I thank the gentleman for his comment.

Why do I ask that question? I ask that question because, when the Republicans were in the minority, they used to rail regularly about the arbitrariness of the Committee on Rules controlled by the Democratic Party. That pushed them to the position that they could not reflect or debate on issues confronting the Congress.

So what do we see? We see for some reason an incredible motivation to get out of town. This is January. We are beginning the session, the second session of the 104th Congress, the historic 104th Congress, as our Speaker, a historian himself, tells us regularly.

So how do we begin this Congress? With one of the most arbitrary rules that we have. Is there precedent for such rules? Yes, there is. Did we utilize them? Yes, we did. When did we utilize them? At the end of sessions, either because we were going on summer break in August or we were going out of session in October or November or December so that we could accelerate the process at the end of sessions. But now we have a rule that says, at the very beginning, in the first instance, before we really do any substantive business, we are going to have a rule that says we will not take the time.

Apparently, we are going to go on 30 days break, as I understand it. We are not in control, and I am not sure about that, but that is what I understand. What is the reason for this rule? I cannot figure it out.

Let me say in addition, my friend said something about management. That is an interesting concept over the last 40 years as to how long the Republicans have been in management. Under the Constitution of the United States, article II of the Constitution of the United States, article II of the Constitution gives executive authority, that is management authority, to the President of the United States. The Presidency of the United States in the last 17 or 15 years has been in the hands of Republicans 12 out of those 15 years. In fact, we hear the Republicans railing about how the President will not cooperate. That is why they cannot do their agenda.

To some degree, they are correct. But my, my, my, I never hear the Republicans say why Ronald Reagan or George Bush did not stop the irresponsibility of which they accuse the Democratic Congress. I never hear them say that for 6 of those 12 years there was a Republican leadership in U.S. Senate.

My colleagues, the fact of the matter is, we do have a serious problem. It is a budget deficit on a regular basis that this country nor its children can afford. That is why this Member of the

Congress has voted three times to pass a constitutional amendment to require a balanced budget. That is why this Member of Congress right here voted for a budget which cut deficits faster and further than the Republican alternative and is, frankly, in my opinion, the budget that we ought to pass. I think the President would sign. And it would reduce deficits further and faster than the Republican alternative.

My colleagues, this martial law rule is proposed because we need to come to grips with this year's fiscal policies, which we have not yet adopted. The fiscal policies in my opinion of the Republican leadership during the past year are worthy of careful consideration by the American public and then deserving of the American public's contempt.

The Republican shutdown of Government and the Gingrich premeditated tactics of forcing America to default prospectively on its debts, both, my colleagues, are arguably historically the most irresponsible fiscal policies proposed by any leadership of the House of Representatives in its history.

We ought to have a rule on this floor which says that we will pass a clean debt limit extension. Secretary Donald Reagan wrote me a letter and said that is what we ought to do, not on this one but when the Republicans had the Presidency. Secretary of the Treasury Jim Baker asked me to do the same. Secretary Brady asked me to do the same.

All three of those Secretaries of the Treasury said it would be the height of irresponsibility not to accommodate past policies and pay America's bills. Moody's has just yesterday made an observation that they may change the cost of borrowing in America by changing our rating. If they do that, every homeowner, every person who goes into the Hecht Co. in this area or Woodward and Lothrop or K-Mart and uses a credit card will pay more.

□ 1100

Every foreign government will up its price of money to the U.S. taxpayer. The fact of the matter is I do not know of a responsible financial person that I have talked to in my district or in this country that thinks that putting the American Government into default is anything other than insanity. Yet, it was a proposed policy by Speaker GINGRICH earlier this year. That is why I called it a premeditated policy of placing America at risk of defaulting on its debts.

Mr. Speaker, this rule is not inherently evil. It is a rule that will accommodate action. I understand that. I do not allege that it is, in and of itself, a rule that is particularly pernicious. But its timing is historic because we never found the need to do this before, in my opinion, in the history of the House of Representatives, because we were always prepared in January, February, March, April, and May to consider matters in a timely fashion. It was only at the end that we needed to accelerate.

Mr. Speaker, the President of the United States said we ought to come together. We ought to jettison confrontation and adopt cooperation and put this country on a sound fiscal footing, make a commitment that we are not going to shut down government, not just for Federal employees, but for Americans who rely on government on a daily basis, that they will not be at risk, and that we ought to commit ourselves to quickly passing a clean debt limit extension, so we can tell all the world America, America can be relied on.

Mr. McINNIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman that just spoke is an eloquent speaker, and not exactly on point, but he is an eloquent speaker. I guess the gentleman brings up that we finished talking about the word management. Now let us talk about the word participation. The gentleman acts as if there was no opportunity to participate last night. The Committee on Rules had an open meeting.

By the way, the meetings under the Republican management of this Congress have been open, sunshine. They are open to the press. By the way, we do not have proxy voting anymore. Under the old management team, the Democratic management team, you could go home to your district and you could have a proxy vote cast on your behalf. You did not even have to be at a committee hearing.

What did we do? We said, "Wait a minute, we are going to change the management around here. We expect you to be at your meetings. If you are going to cast a vote, you are expected to be there and cast a vote in person." The gentleman does not bring up the point that last night his colleagues on the Democratic side of the aisle did not carry this kind of debate in the Committee on Rules. In fact, they voted for this rule. In fact, they voted for it unanimously. We did not even do a rollcall vote on it. We did a voice vote on it. I think it is important to remember those kinds of things.

I think it is important to take a look. I think the gentleman is credible when he starts talking about his personal efforts at balancing the budget. I think he is terrific in that area. But my big question is, Why did his party not follow him? The party had 26 years since the last time this country balanced their budget, and I do not know how many years the gentleman has served over there. I know it is many, and I know he has served with distinction. But my question that I would like at some point to be answered is, Why did the gentleman not convince his own party during the period of time that he served to balance the budget? That is all we are trying to do.

Mr. Speaker, the gentleman brings up the point about the interest rates. Do Members want to lower interest rates for the working Joe and working Jane in this country? Then balance this budget. Quit spending more money than you bring in.

There is not a family in America that gets to operate under these fiscal rules. There is not a special district, there is not a city, there is not a county, there is not a State in this country that gets to operate under such crazy fiscal rules. Constantly, for a period of 24 years, you spend more than you bring in.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I just am really taken aback by my good friend, the gentleman from Maryland [Mr. HOYER], when he says this rule is not inherently evil. I thought this gentleman wanted this rule in the worst way. I know that the Federal employees that I represent want this rule in the worst way. A number of them on my way to work this morning approached me and said "We hope you can deal with this problem today. Please do not furlough us again next week."

That is exactly what this is meant to do. I understand that Speaker GINGRICH received a call from Air Force One, from the President, last night where they talked about putting together this continuing resolution that was going to continue the Government, keep it working, and that is exactly what we are trying to do here today.

Mr. Speaker, someone, I guess the gentleman from Maryland [Mr. HOYER] mentioned that this procedure had never been done before.

Mr. HOYER. Prior to June 30.

Mr. SOLOMON. We have a whole list of when it was done in the 103d Congress. Let me just point out, here is a list of all of the vetoes and the veto overrides of all of the Presidents since George Washington.

I have to point out to the gentleman, because I was here during the Reagan years, and all during those Reagan years when you had a very philosophical President with an opposing party in this body of Democrats opposing him, never once did Ronald Reagan fail to sit down and negotiate these appropriation bills that keep the Government functioning. There were several occasions when, for 1 day, we overlapped; in other words, we did not quite make it, but there was no prolonged argument.

Ronald Reagan knew that he had to govern. He recognized that this House of Representatives had control of the pursestrings. Unfortunately, he never accomplished what he wanted to accomplish, because he could not do it with these Democrats in control of this House.

Let me point out, right now most of the appropriation bills have been enacted into law. There are four major ones that have not. There is one that deals with the Department of Veterans Affairs, the Department of Housing, the National Space Center, the Environmental Protection Agency, and 47 other smaller agencies. We negotiated that with the Senate. There was no holdup over in the other body. We sent that to the President. The President vetoed it, because the cuts were too deep in the Environmental Protection Agency, he said, and a couple of other things.

We told him that there is an increase in medical care delivery systems for veterans of about $400 million, and we will not negotiate that, because that has to stay. But if you want to shift that spending in the rest of that bill, you do what you want to do. We will reenact the bill and send it to you. That whole portion of the Federal Government will be working, without any question.

The Interior Department appropriations, which funds all the national parks, the Department of Energy, Endowment for the Arts, Endowment for the Humanities, so forth, he said that the cuts were too deep in that. We told him, "Change it any way you want to. We do not care where the funding lies, but as long as you stay on the glide path to the balanced budget." He never gave us any of his recommendations.

Finally, the Commerce, Justice, State Department, that funds the Department of Commerce, Department of State, Department of Justice, he said the cuts were too deep there. Basically, he said, "We cut Commerce, technology, we cut international operations, we cut peacekeeping activities and the Legal Services Corporation too much." So we told him, "Change it any way you want to, as long as you stay in the glide path, and all of those employees will go back to work permanently through September 30, the end of this fiscal year."

I would say to the gentleman, we have been doing everything we could to cooperate, but when you stand here and say this rule is not inherently evil but it is a bad rule, I am willing to put it up to a vote, and let us let whoever wants to vote for it vote for it. But this is a rule that is going to keep this Government functioning for the next 6 weeks so we can try to work out these differences.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield briefly to the gentleman from Maryland, who knows that I fight for his rights for his employees.

Mr. HOYER. Mr. Speaker, I want to say to the public, notwithstanding the philosophical differences, the gentleman who chairs the Committee on Rules, the gentleman from New York [Mr. SOLOMON], and I are good friends, and we work closely together on a number of issues. I respect him, and believe he respects me.

The gentleman raises a number of interesting points. First of all, I do not believe I said this was a bad rule. I said the timing of this rule was historic, and the reason being because we apparently are going to go home, Mr. Speaker. Let me further say that, very frankly, the reason you need this rule is not because there could not be a unanimous consent resolution on our side which says we will keep Government working past the 26th at the levels currently in force, by unanimous consent. You would not need a rule for that.

Mr. McINNIS. Reclaiming my time, Mr. Speaker.

POINT OF ORDER

Mr. HOYER. Point of order, Mr. Speaker. I believe the gentleman yielded to the gentleman from New York [Mr. SOLOMON] who yielded to me.

Mr. SOLOMON. Reclaiming my time, I would just continue to yield to the gentleman from Maryland for 30 seconds, but I have to consider the manager of the bill.

The Speaker pro tempore. The Chair recognizes the gentleman from Colorado [Mr. McINNIS] who has reclaimed the time, and therefore would be the one to yield the time. The gentleman from New York [Mr. SOLOMON], if yielded to, may yield to the gentleman from Maryland for a question.

The Chair recognizes the gentleman from Colorado [Mr. McINNIS].

Mr. McINNIS. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. SOLOMON].

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, the gentleman pointed out under Ronald Reagan and George Bush what happened was, because we could not override the President's veto any more than you can override President Clinton's veto, and what happened from our perspective, I tell my friend, the gentleman from New York, is that the Democratic Congress accommodated President Reagan and President Bush on issues on which there was strong feeling on this side, on which the President said he will not sign a bill if it has, for instance, pregnancy termination rights, which was one of the issues on which there was deep difference.

We accommodated the President. Why? Because we could not override the veto, and there was no intent to shut down the Government. I understand what the gentleman is saying. I understand the purpose of this rule, and I understand that it if goes forward, perhaps we could have movement.

Mr. SOLOMON. Vote for the rule. It is a good rule.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, first I want to thank the gentleman from New York for pointing out that Ronald Reagan signed every appropriation bill, so the next time you hear people say this terrible deficit happened purely because of the Democrats, quote the gentleman from New York. Remind people that the gentleman from New York said that Ronald Reagan and George Bush signed every appropriations bill. No penny was spent during the Reagan and Bush administrations that they did not sign. As my friend, the gentleman from Maryland, points out, in some cases they wanted more spending. So every dollar in the deficit that we have was with the joint participation of Reagan, Bush, and the Congress. I appreciate the acknowledgment.

Second, he said we needed this rule to keep the Government open. In the first place, a two-thirds vote would allow us to pass the CR today. If you were not trying to be excessively controversial, you would not need this rule. It is a two-thirds vote. So it is not that we need this rule to pass it today, we need it to do it without a two-thirds vote.

Even more important is this point: Why are we at the point where we need to bring up a complicated policy-oriented continuing resolution and pass it the same day? It is because the other side has been too incompetent.

They have been too incompetent to do it better than this. No; it is not good management to bring it up and vote on it the same day. They have created the crisis by shutting down the Government, by their own internal ideological turmoil, and now they come to us and say "We are going to solve the crisis." They lurch from one self-created crisis to another, and then, like the arsonist who sets the fire, take credit for putting it out. It is a shambles of how to run the place.

Mr. Speaker, I will say, I admire one thing about the gentleman from Colorado, Mr. McINNIS. At no point has he defended this rule. He has talked about balancing the budget, he has talked about everything else, but in the last couple of conversations he has not defended the rule, because what we have is one more self-created crisis that the Republicans have tried to solve.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I have listened to the debate. I am seldom up on a rule. But all of us can see through this rule. We can say whatever we want to say about the rhetoric. All of us understand each other. All of us, 100 percent of us, want to balance the budget. There is no question about that. The question is balancing the budget in two diverse ways.

For the most part, the people on the Democratic side of the aisle do not want to balance the budget by cutting education, cutting all of Medicaid, cutting all of Medicare, and making sure that people do not have access to clean and safe water. We want considerations.

All of us know that when we start altering the rules of the House, coming up with different rules to get by, it is to muffle those voices. All of us know that the reason why the Government has been shut down is because the attempt has been to pass these drastic, draconian cuts in the continuing resolution. Let us not play games with each other. It is time for us to give the American people a sensible solution, and we cannot do it by forgetting that they exist.

□ 1115

They exist and they need to be given attention. We just cannot steamroll it through and think that we are taking care of the business of the American people. The bulk of the people in this Nation, 80 percent of them, care about the education of their children for the future.

We have all said we need better educated, better trained work forces. How are we going to get them with all of the opportunities to cut, and we know that that is what we are doing in a rule that simply passes all of the philosophical types of draconian cuts in a continuing resolution, knowing full well that we are going to blame the Republicans, because that is where we sincerely feel it is going to be. The Republicans are going to blame the Democrats in saying they do not want to balance the budget.

All of us want to balance the budget and all of us know that. It is the way in which we want to balance it. I would say it is time for us to stop playing games with the public and with ourselves.

Mr. McINNIS. Mr. Chairman, I yield myself such time as I may consume.

I would be interested to know how the gentlewoman from Texas voted on the balanced budget amendment, after she stands down here and talks about how everybody supports a balanced budget.

Furthermore, I should point out to the gentlewoman from Texas, with all due respect, she had 26 years to balance the budget her way, 26 years to do something. The gentlewoman had the President of her party last year; she had at least 2 years while I was here to balance this budget.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. McINNIS. I yield to the gentlewoman from Texas.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, we might have had 26 years, but the budget was unbalanced during the Reagan-Bush years on the backs of the same people we are victimizing now.

Mr. McINNIS. Mr. Speaker, if I may reclaim my time, I notice I did not get an answer to my question which was, how did the gentlewoman vote on the balanced budget amendment?

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, during that 12 years when we went toward a downward spiral, the whole philosophy was trickle-down. We are trying to reinvent that. It does not work. It did not work then; it will not work now.

We cannot victimize and enslave all of the people of this Nation just to say we are balancing the budget to give this tax break to the wealthy. It will not work.

Mr. McINNIS. Mr. Speaker, reclaiming my time, I assume that answer means the gentlewoman voted "no" on the balanced budget.

Let me move on to the rule. The gentleman from Maryland [Mr. HOYER] stated that we have never before June 30 ever had the same-day two-thirds requirement waived, and my good friend, the gentleman from the Committee on Rules, stated another statement similar to that. But I felt in order to be more credible up here I would use your statistics on has this occurred before.

Waivers of the two-thirds vote requirement for same-day rules in the 103d Congress before June 30: House Resolution 61, Family Medical Leave Act, February 3, 1993. House Resolution 111, emergency unemployment, March 3, 1993. House Resolution 142, budget resolution, March 30, 1993. House Resolution 150, supplemental appropriations, April 1, 1993. House Resolution 153, supplemental appropriations, April 21, 1993. I go on. House Resolution 322. House Resolution 356. Emergency supplemental appropriations. House Resolution 395.

The point that I am making here is that it is somewhat incredible for Members I guess opposed to this rule, and I am not even sure they are opposed to the rule, to show up at the microphone and say we are setting history or a new precedent. This whole book, which is your statistics, is full of the precedent.

Mr. Speaker, we need to have a management tool. I believe last night, if I heard the gentleman correctly and I will yield to him so he has an opportunity to correct me if I am wrong, but last night in the Committee on Rules the gentleman said, we understand the need for management. This went out of the Committee on Rules unanimously. There were not these kind of eloquent speeches last night in the Committee on Rules.

Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, first of all, the bills that my friend speaks of were single-purpose bills. This is a general bill that would allow anything to happen. Those were specific reasons to waive the two-thirds rule, but anything could be waived under this.

Yes, last night, we did not want to present an obstacle by raising any ruckus in the Committee on Rules, but that does not mean that we voted in favor of it; we just did not raise any opposition.

Mr. McINNIS. Mr. Speaker, reclaiming my time, I should point out, Mr. Speaker, that first of all to the gentleman from Massachusetts, the waiver is very specific. He said it is not specific at all. It is very specific.

Second of all, I guess the gentleman is going to sing in a different tune now. I do not remember that when he said prior to June 30 he specified it or restricted it to certain conditions or a single subject. The fact is we had this rule for a purpose. The rule was not just created last night in the Committee on Rules, it is there as a management tool.

One of our responsibilities in the Committee on Rules is to manage these bills primarily today so that we can keep the Government operating, which is a concern of everybody in this Chamber.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

I do not want to prolong the management tool. I mean, we can chop down a cherry tree with an ax or we can knock it over with a bulldozer. I think this is not a general-purpose, two-thirds waiver. Anything, any budget, any bill could be taken up in the same day.

As I say, the matters that the gentleman from Colorado referred to were specific instances in the two-thirds vote that was waived for that specific instance.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, I find this interesting because maybe somewhere on this floor there is this bill that we are talking about, but I cannot find it. My understanding is we now have this martial law rule for a bill that is not here. So after we pass this, then I guess we are going to go into recess while they are still writing it.

Someone told me that there have now been over 30 different versions of this bill, and we have not seen it yet. Maybe that is misinformation. But what we are doing is giving permission for them to write anything they want, bring it here and then it is take it or leave it, or shut the Government down again.

Mr. Speaker, I do not really care what George Washington did, nor do my constituents today. They do not want a history lesson. They want to know what we are going to do today, and they are a little tired of the fact that we have wasted almost $2 billion of their money on this stop and start of the Federal Government, and we are about to do it the third time.

The gentleman from Colorado, I guess it was the gentleman from New York, said Federal employees want this in the worst way. That is right. They are in the worst way. It gets shut down tomorrow if we do not do this. So we are being told as Members of the House, accept this bill that we have not shown you yet, give us this rule to bring it up any way we want, and then take it or leave it one more time. I do not think that is the democratic process.

Mr. MILLER of California. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, the reason that this rule is being put forth today is because obviously, I say to my colleague, the reason you put the martial law issue, at some point you want to decide you want to end the debate, you want to stifle debate and you do not want to allow alternatives, you do not want to allow amendments. We were here and we are here today because apparently at one time there was just a high principle of 7 years, CBO-scored and a balanced budget. Apparently that all evaporated sometime Tuesday night.

What we now find out is that 7 years is no longer important; CBO is no longer important; a balanced budget is no longer important. The authentic revolutionary who stood there the first day of the session in the chair of the Speaker has now become an incrementalist. Because the Speaker has now become an incrementalist, they now want to stifle the debate. They were willing to throw people out of their jobs, at risk in the Social Security system, at risk in the AFDC payment system. They were going to put them all at risk because they were going to save this country with the 7-year CBO balanced budget. Today they want to take it off the floor, they want to deny the President $700 billion in savings that he has already agreed to. They do not want to give us the alternative for $700 billion in savings.

What they want to do is patch up the system in the same old way of business as usual. That is why they need martial law, because if they do not have martial law, they have to accept amendments, they have to accept debate, and they have to accept the discussion. But they brought in their freshmen, they said there was nothing more important to the country.

Well, they have just decided that apparently something else is more important, and that is apparently the tax cut or patching up this system and getting out of town for a month and not coming back. They would rather get out of town than have a debate about whether or not we should still go for the hundreds of billions of dollars in savings that this administration has already agreed to. That is why they need martial law. And they should be denied martial law.

As was pointed out, they have martial law for a bill that we have not even written yet. That is not the democratic process, that is not an open process, and that does not allow for comment. I thank the gentleman for yielding to me.

Mrs. SCHROEDER. Mr. Speaker, reclaiming my time, I think the gentleman from California hit it right on the head. That is exactly what is happening here. We are asked to be able to bring this thing to the floor because if we do not take it, by gosh, the Government shuts down tomorrow, and guess what? We are going to be out of town, because they are planning to go off again for another 3 weeks or whatever it is. I think that is absolutely ridiculous.

What is really happening is, if we vote for this rule, what we are voting for is the right for them to write anything they want in some dark room somewhere. I happen to believe government is not a fungus, it can thrive in sunshine, and then they can bring it out here and say you either have to agree to what we wrote in the dark room with none of you around, or we go down on the Government for the third time.

Let us be real clear. That is what it is about. It is not about how many vetoes George Washington had or anything else. This is about the fact that they are all over the lot over on that side.

Mr. MILLER of California. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, this is about the fact that they have had the most massive meltdown in failure on their side after putting people at risk in this country that now what they want is a minimalist bill and get out of town. This is about just getting out of town so that nobody will discover that they have dramatically changed apparently the priorities of this Nation. They have gone from a balanced budget to business as usual.

Mrs. SCHROEDER. Mr. Speaker, reclaiming my time, I thank the gentleman for his statement, because I think that is absolutely right. People are already out of this Chamber. I wish I knew, I wish I had the bloodhounds to go find out where they are meeting and where we are now having the rewrite of this bill or whatever it is. But if this rule passes, then we are going to be faced with having a bill out here with whatever they put in it. It is going to be one more manufactured crisis. And do not forget, we are now in the fourth or fifth month of this fiscal year without having our work done. That is unbelievable. I think the American people are sick and tired of it.

I think that to constantly manufacture these crises is costing us a tremendous amount of money. As I say, now they are saying almost $2 billion for these prior shutdowns, and then putting it here where we either take it or leave it or one more time we go through this. We look terrible in this country. I have never seen this done before.

Now, I must say, on the other hand, I am one of the people who is retiring and I am sitting here in the front row thinking, why am I giving this job up? This is great. You get great pay, you show up 3 days a month. This is fabulous. You do not have to make decisions on anything. They do martial law, they go meet somewhere, they bring it out here, you duck, you do not have any responsibility, but that is not what the democratic process is about. It is not about giving people permission to meet in dark rooms and do what they want.

Mr. DOGGETT. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Texas.

Mr. DOGGETT. I would ask the gentlewoman, is the thrust of this rule to give even more power to a Speaker who already has extraordinary power?

Mrs. SCHROEDER. Mr. Speaker, reclaiming my time, the gentleman from Texas asks a very good question. I do not know where this meeting is going on, and I do not know why we do not have the bill in front of us that this rule affects.

Mr. DOGGETT. If the gentlewoman would yield further, this rule is for a bill that we do not have.

Mrs. SCHROEDER. Mr. Speaker, I would say in response to the gentleman, we do not have it on our side. And I ask if anybody had it over there. I do not see it on the table; nobody seems to be coming up with it.

My understanding is that we are going to vote for this rule that will allow whatever bill they are now writing. Whether it is in the Speaker's office or someplace else to come up and be immediate law and, once we vote on this rule, we will all go into recess for a while, do special orders until they finally get it written. But I do not think there are any Democrats in the room, I can tell you that. I do not know who is in that room, I do not even know where the room is, but I know we should be debating here in public those issues.

Mr. DOGGETT. Mr. Speaker, if the gentlewoman would continue to yield, I heard the Speaker of the House, who will have extraordinary power, announce last night on national television that his effort to dismantle

Medicare this year has failed and that he is giving up on it.

What I do not understand is why he is walking away from a balanced budget as well. He talks about some minimal down payment at a time we ought to be bringing the whole budget deficit down without bringing Medicare down with it. Is that not involved centrally, and the reason they want to walk out of town rather than debate what this is all really about?

Mrs. SCHROEDER. Mr. Speaker, reclaiming my time, I guess so. I am very troubled by that. I am also very troubled by the fact that Moody's came out and said they are close to making the bonds of this great Nation almost the junk bond. Mr. Speaker, if we are going to play fast and loose with the credit rating of this great Nation, which has never been done before, and what they are doing is, they are meeting somewhere we do not know. And we are supposed to give them authority to do anything. We get out of town, and then who knows if the credit rating sinks or falls? I do not know. I am very confused about that.

I do not know why the Speaker would say that on public television and not be willing to come here and defend it.

□ 1130

Mr. DOGGETT. They may well take us, in the month of February, right to brink of fiscal disaster, to default on this Government's full faith and credit. And when they get there to the cliff, if they mishandle this whole issue of Government default the way they have mishandled the governance in this House for the last year where they have accomplished so little after expending so much time here on the floor of this House, then we may actually fall into default.

Mrs. SCHROEDER. The gentleman is right. This is just one crisis after another, all artificially manufactured.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The time of the gentleman from Massachusetts [Mr. MOAKLEY] has expired.

Mr. McINNIS. Mr. Speaker, I yield myself such time as I may consume.

For the gentleman from Texas, the gentleman from Texas who just spoke, I want to assist the gentleman a little. We are not talking about a rule on a bill. The gentleman's procedure, if he was following procedure, we are discussing a rule on a rule. I just want to point that out to the gentleman from Texas.

The gentlewoman from Colorado, of course, stands up and talks about the gentlewoman is leaving the U.S. Congress and that we get great pay back here. I would also remind the gentlewoman we have great retirement funds back here.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. McINNIS. No, the gentlewoman has had her time. All of you have had your time. In fact, your time has expired.

To the gentleman from California, if the Republicans did nothing else this year, just to hear the gentlewoman from Colorado and the gentleman from California and the gentleman from Massachusetts talk about a balanced budget is a victory for this country.

We have had lots of debate. We have had more debate in 1 day, and I bet some days we have had more debate in 1 hour than the Democratic Congress has had in 26 years. You have had an opportunity to do this. We are trying to reverse that.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. McINNIS. The gentlewoman has had her opportunity with time. The gentlewoman took several minutes up there. The gentlewoman's time has expired. I ask that she allow me to continue with my time which I intend to do.

There was some statement made about martial law. The gentleman from California talked about martial law. I wonder if the gentleman from California made those same kinds of allegations to the Democrats, the distinguished Democrats who serve on the Rules Committee. I wonder what their feeling would be if the gentleman from California went up to these four Democratic Members who last night voted unanimously by voice vote for this rule, went up and said, "You just put in the Marshall plan," or, "You put in martial law." Of course, he is not going to say that to them. What are they doing? It is rhetoric.

Mr. Speaker, this rule has been used on a regular basis, and I gave citations, statistics to the Democrats. It is a management tool; it is a rule on a rule. Now the gentlewoman brought up the issue, what about the bill?

The bill is not here because right now negotiations are going on with the administration, in good faith, to determine what the administration can live with and what they cannot live with. Once we determine some kind of an agreement, we will get it over here because we do not want this Government to shut down.

It is a waste of our resources to go ahead today and slap a bill together without consulting with the Democratic administration, sending it over there and finding out the President is not going to approve it. Come on. We need to work as a team, and that is what we are encouraging. The Committee on Rules last night worked as a team. That is why this came out as a unanimous vote. I think that all of us should work unanimously to try to get our business done today so that we can keep the Government open tomorrow.

Mrs. SCHROEDER. Could the gentleman from Colorado at least tell us where they are meeting?

The SPEAKER pro tempore. The gentleman from Colorado [Mr. McINNIS] will not yield.

Mr. McINNIS. Addressing the gentlewoman from Colorado once again, the gentlewoman has had her time. The gentlewoman knows we are each allotted an equal amount of time. You have consumed all of your time; we now wish to continue with the allotted time we have.

Mr. Speaker, let me repeat another important part of the rule. We got somewhat diverted on the balanced budget issues. We went the whole spectrum, from there to whether this rule has been utilized. We covered the spectrum of the balanced budget, we talked about retirement pay, we talked about pay increases.

Let me refocus this issue back on the rule. It is a rule on rules, and it says, in our rule, this narrow waiver will only apply to special rules providing for the consideration or disposition of measures, amendments, conference reports or items in disagreement from a conference that makes general appropriations for fiscal year 1996, include provisions for making continuing appropriations for fiscal year 1996, or any bill or joint resolution that includes provisions increasing or waiving the public debt limit.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. McINNIS. I will not yield to the gentlewoman from Colorado.

What I think is important is that the Rules Committee is ably represented from the Democratic side, at least during the period of time that I have been able to serve on that committee. I can assure my colleagues that at any time when I was present, I have attended almost all of the meetings, at any time that I was present when members of the Democratic side felt that a rule was somewhat unfair, was somewhat nondemocratic, even had the slightest inkling of cutting the Democratic side short, they opposed it and they debated and they were well within their rights to do it, and I would say they did it, I think, very profoundly.

Last night we did not have that. Last night, not one Democratic member of that Committee on Rules stood up and made any of the kind of statement that we heard from the gentleman from California or from Maryland or Massachusetts or the gentlewoman from Colorado.

They understood last night, we need this as a management tool. They understood we need to put the Government back to work. They understood that it took teamwork. They understood that it was going to take cooperation. That is why this rule passed with a unanimous vote and not only did it pass with a unanimous vote, it passed with a voice vote.

What has happened today, what we have witnessed today, is some people who—by the way, many of the people who spoke today did not take the time last night to come to the Committee on Rules, to attend that Committee on Rules and see what was said. Instead today they have tried to divert from a procedure and try and get into peripheral arguments dealing with everything from the Marshall plan to the history of pay of the Congress, to how many days the U.S. Congress works.

This debate today is on a rule. This is a procedural debate. I would encourage all of my colleagues to vote for this rule and to follow the lead of the Committee on Rules.

The SPEAKER pro tempore. All time has expired.

Mr. McINNIS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 229, nays 191, not voting 13, as follows:

[Roll No. 17]

YEAS—229

Allard
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff
Zimmer

NAYS—191

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Watt (NC)
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—13

Archer
Chapman
Chenoweth
Jefferson
Klug
Lewis (GA)
McDade
Serrano
Waldholtz
Waters
Waxman
Wyden
Young (AK)

☐ 1158

Mr. KENNEDY of Massachusetts changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. CHENOWETH. Mr. Speaker, on rollcall No. 17, I wish to be recorded as voting "yes." My vote was missed because I was detained by a medical emergency.

☐ 1200

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The gentleman will state it.

Mr. VOLKMER. Mr. Speaker, I would like to inquire of the Chair if the rules of the House would permit the clerks to move their chairs over a little bit, so that Members who wish to sign Discharge Petition No. 8 will have plenty of room. I see there are many standing there to sign the Discharge Petition No. 8, if they could move over.

The SPEAKER pro tempore. The Chair believes there is sufficient room.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now entertain 1-minutes and special orders without prejudice to further legislative business later today.

NOW IS THE TIME TO WORK TOGETHER TO RAISE THE DEBT CEILING

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, the other evening, on Tuesday night, the President said, "Let us work together," on many things. Now is the time to work together to make sure that we increase the debt limit that needs to be done so that the financial conditions of many, not only of the U.S. Government, but of many of our municipalities, our States, and even some of my school districts that have Treasury bonds, do not have their bond rating reduced.

Mr. Speaker, we can work together to do this. All we have to do is come forward and sign the Discharge Petition No. 8 that provides that we will have before this House a clean debt limit extension so that we can do it and we can get past this hurdle.

Mr. Speaker, I am afraid that if we do not do this, that under the leadership of our Speaker, the gentleman from Georgia [Mr. GINGRICH], we are not going to get it done, and we are going to see a chaotic financial condition throughout this country for no purpose whatsoever.

There is no reason that we cannot increase the debt limit and do it now. Now is the time to do it, not to wait until the Government has to default on their bonds.

So if Members want to prevent that from happening, the easiest way to do it is to sign Discharge Petition No. 8. Any Member can sign it. They do not have to be a Democrat; Republicans can sign it, and I welcome Republicans to sign the discharge petition.

INCREASE IN DEBT CEILING MUST BE LINKED TO BALANCED BUDGET COMMITMENT

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute.)

Mr. WELDON of Florida. Mr. Speaker, the President the other night asked for a clean increase in the debt ceiling. Prior to coming to Congress, I was a practicing physician. I treated a lot of people with not only medical problems, but also with some psychological and emotional problems. One of the things that I did occasionally see is people with serious gambling problems, and the last thing that I would ever recommend for a bank to do would be to give somebody with a gambling problem a line of credit.

Mr. Speaker, we have a President that does not want to balance the budget. He has fought us on balancing the budget, he has fought us on welfare reform, he has fought us on tax cuts, even though he cannot pay for all of those things; and now he wants us to give a clean increase in the debt ceiling so that he can go on his merry way with liberal tax-and-spend programs, the programs that have driven this country almost into bankruptcy, 5 trillion dollars' worth of debt, $18,000 for every man, woman, and child.

Mr. Speaker, if we are going to increase the debt ceiling, we need to get on the road to balancing the budget and not fairy tale stories about balancing the budget, not saying that we support the balanced budget and then opposing it for the last year, like he has.

HONORING PAST COMMITMENTS IS NOT A GAMBLING DISORDER

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. HOYER. Mr. Speaker, I had not intended to give a 1-minute at this point in time, but the previous speaker is brandnew to the House, and very frankly, he is incorrect, totally, absolutely incorrect. I hope his advice as a physician was far better for his patients than his advice just now in his 1-minute.

The extension of the debt limit has to do with policies that were signed by Ronald Reagan and George Bush, as well as previously adopted policies of this Congress. Not prospective. Not prospective.

Mr. Speaker, if the gentleman does not want to pay Social Security on March 1, I understand that. He can get up and say that. If he does not want to pay veterans' benefits that are committed and expected, I understand that, and he can get up and say that. But to imply for 1 second that extending the debt limit so that America can pay its bills that it has already incurred is somehow like giving a person that has a gambling disorder additional money is totally, absolutely inaccurate and unfortunate.

REVIEW OF PAST DEBT EXTENSIONS

(Mr. CHRYSLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHRYSLER. Mr. Speaker, I yield to the gentleman from Michigan [Mr. SMITH], my neighbor and good friend.

Mr. SMITH of Michigan. Mr. Speaker, I think it would be good for all of us to review exactly where we have been in debt extensions: Since 1980, H.R. 7428, a debt extension with increases in the import fee. In 1985, H.R. 3721, a debt ceiling increase with an increase in the cigarette tax and expanded benefits for unemployed.

In House Resolution 372, debt extension with a Gramm-Rudman attached. In 1986, debt extension with budget reconciliation, with a large increase in social spending.

In 1987, a long-term debt limit extension with liberal modifications to Gramm-Rudman. It goes on and on. We have tied everything in the past to debt ceilings that we wanted to get a President that did not pay attention. This is going to continue.

APPEAL FOR A CLEAN DEBT LIMIT EXTENSION

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, the previous speaker has been here only 3 years, the same as I, but in the last several months he voted three times to extend the debt limit.

In his budget reconciliation bill, in these budget bills, in these horrendous bills that the other side put forward to give $245 billion in tax breaks to the wealthiest and cut Medicare and Medicaid, Mr. Speaker, if we look in those bills, three times my Republican colleagues have already voted to extend the debt limit. So what is the problem? Give us a cleaner CR. Let us increase the debt limit.

The other speakers would say we are spending money prospectively. Brimley School District in the Upper Peninsula is waiting for its $600,000 impact aid payment it cannot have because the other side will not pass a full, clean CR. They will not pass a debt limit extension. They will just sit on their hands as this school district has to go out and borrow money to stay afloat; while they stand here and say, "We never did this." But my Republican colleagues have done it three times already this year.

Mr. Speaker, let us be honest with the American people. Let us get a clean bill up here. Let us get a clean CR and let us raise the debt limit, as they have already voted to do three times.

CONGRESS SHOULD SUPPORT SANCTIONS AGAINST CASTRO

(Mr. DIAZ-BALART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIAZ-BALART. Mr. Speaker, I take the floor today because a most distinguished colleague of ours took the floor earlier this morning and said that he had a meeting with dissidents in Havana, Cuba, last week, and he mentioned a couple of names of dissidents who were opposed to our sanctions against Castro.

Mr. Speaker, it is not fair to mention those names and not mention that in that same meeting, in that same meeting, the most prestigious members of the internal opposition of Cuba came out in favor of sanctions and in favor of our Helms-Burton bill. I think that is only fair to mention.

It is also fair, and I have got the names. I only have 1 minute, so I will submit them into the RECORD. I have the names of those people who got up and told our colleague that they supported sanctions. Also, another most prestigious member, Osvaldo Paya Sardinas, when an aide of our colleague wanted a show of hands, said, "That's an internal intervention into our affairs and if the Congressmen of the United States want to support Cuba, they should support the internal opposition, support democracy, and start getting on the issue or putting pressure on Castro," like we have done on other dictatorships in the past, such as South Africa or Chile.

Mr. Speaker, I just want to set this record straight.

RUSSIAN ROULETTE POLITICS CAN BRING NATION DOWN

(Mr. KENNEDY of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. KENNEDY of Massachusetts. Mr. Speaker, let us recognize what is going to happen in the next few weeks if this debt limit is not extended. We are going to raise the cost, if the interest rates in this country go up just 1 percent, the average cost of a home mortgage will go up $1,200. The cost of borrowing by the Federal Government will go up by $150 billion; more than our entire education budget in the course of the next 7 years.

Mr. Speaker, my Republican colleagues are talking about fiddling with the fundamental economic system that this world has developed to pay its bills. What we can have here is the extremism of the Republicans. Not that they want just a balanced budget, which I want; not just a balanced budget scored by CBO, which I want; but, they want their particular version of the balanced budget or else they say they are going to send the entire debt of the United States of America into default.

Mr. Speaker, it is blackmail. It is the kind of Russian roulette politics that brings a nation down, and does not make it greater. We have a Constitution in this country that divides power between the President and the Congress, the House and the Senate. Let that policy of compromise move forward. Do not let one particular group of freshmen Republicans put their extremist views on the people of this country.

MEMBERS' PIQUE OVER TRAVEL OFFICE FIRINGS DOES NOT INCLUDE PRE-CHRISTMAS FIRINGS OF HOUSE EMPLOYEES

(Mr. MORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN. Mr. Speaker, yesterday about two dozen Republican Members of the House Government Operations Committee told the former members of the travel office how mortified they were, how terrible they felt that they had lost their jobs. Of course, all of them but Mr. Dale have gotten other jobs. Mr. Dale has some serious management problems and some indictable offenses that he is dealing with. But none of these Members raised a pique when 11 people who worked for the Clerk's office were fired before Christmas. One guy had four little children. They do not care what happened to him.

Mr. Speaker, they were given no justification; just fired so that the House management would not have to pay for the comp time those people had earned by working late hours. That is why. Because we voted to apply private sector laws to the Congress. Because we did, they did not want it to apply to them and so they fired them before Christmas.

But, Mr. Speaker, not one peep in their defense. Not one peep. What hypocrisy.

□ 1215

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

FULFILLING OUR RESPONSIBILITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think that once again it is important to explain to the American people really what is going on in this body. The American people have sent us to work. There are millions and millions of citizens every day going to work. They hold in this body a great deal of trust. The responsibility of funding and financing this Nation, of ensuring defense, of presiding over the commerce and making sure that the economy is both healthy and provides opportunity for jobs belongs to this Congress. Yet now we find on January 25 we do not have a budget, primarily because the Republican majority never completed the task of providing the right appropriations bill in early fall of 1995.

We find now that we are discussing not lifting the debt ceiling limit and frivolously bringing this Nation to the brink of economic destruction. We have six former Secretaries of the Treasury who have indicated that, if we do not lift this debt ceiling and default on the full faith and credit of these United States, we will send this Nation into a tailspin that will be comparable to the Depression of the 1930's. Yet, we find that being still raised as a possibility by the leadership of the Republican majority.

My plea is not personally. It is not a personal plea. I will be here to work, for it is the duty I owe to my constituents and my responsibility is to be here in the U.S. Congress to ensure that we have a budget. My plea is for those Social Security recipients on March 1 who will not get their checks. My plea is for the veterans who will not get their checks on March 1. And my plea, again, is for the Bosnian troops who will not get their checks on March 1.

It is for the working man and woman, who have a variety of credit cards. They might not want all those credit cards, but on each one is an interest amount. That will go up if we do not raise the debt ceiling by a certain period of time. So will the consumer loans, so will the education loans, all of that, the interest will be outrageous.

I do not believe that there has been a great deal of compromise to date. Much of the media reported the fact that the President spent most of the holiday in one-on-one meetings with the Republican majority leadership of the House to discuss saving Medicare, to discuss saving Medicaid, to discuss saving education opportunities for our young people and protecting the environment and to discuss balancing the budget.

Many great leaders have fallen over the last couple of weeks, and most of them were the kind of leaders who said government is not a win/win situation; government is the art of compromise and the ability to work together. Government should not allow diverse interests, singular interests to take over, but it should work toward common ground, focus, funnel your energies toward what is best for all of America.

I stand before this House because I am saddened as a freshman to believe that we have forgotten the Founding Fathers' wisdom, for we would imagine that they did not have the strength of mind to understand that this Nation would be some 200 million citizens plus when only at that time there were some 4 million in a few colonies.

They had a vision by establishing a presidency, the judiciary and these bodies of Congress, both House and Senate. They gave us our special responsibilities, the House being in control of the purse strings, getting through the budget and ensuring that this Nation stood strong with a solid economy.

Yet, I believe that the Republican leadership has forgotten the words and wisdom of our Founding Fathers, and that was that these bodies of government should work together, that we should not overtake each other but, in fact, in our own wisdom and responsibilities, we should each play our role. The President having responsibility for all of this country, and we, as a collective body, representing our constituents, coming together for the best common good.

This has not happened. So my challenge is that we must pass a clean resolution that lifts the debt ceiling to ensure that veterans are paid, to ensure that Social Security payments are made, that the troops who are laying their life on the line in Bosnia are paid and their families back home are protected and that we never, never, never again shut this Government down. We owe this not only to our working Americans but to all America, because it is a tragedy that we have forgotten the words of our Founding Fathers that we are to work for the common good and together. We must do that.

CONTINUING RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. VOLKMER] is recognized for 5 minutes.

Mr. VOLKMER. Mr. Speaker, here we go again. There are not many on the floor again. We are not doing anything. Day before yesterday we did a few minor bills. Yesterday we did one conference report that everybody basically agreed with, very few Members disagreed with.

What have we done so far today? Nothing. What are we going to do today? I do not know.

Talk about lunacy. A mental institution, that is what this is. I never saw any place that operates like this. There is one Member, we are supposed to take up a continuing resolution today to continue the operations of the Federal Government that are not funded because the Republicans have not passed the appropriation bills. They have been working behind closed doors, some of them, maybe 5 or 10 of them at the most, not one Democrat, not one member of the public, not one member of the media has been working on that bill. Nobody knows what is in it.

I have been told that there is one Democrat, one that just recently got a copy of what he thinks might be the latest version, which has gone through many changes on what they are proposing to do this afternoon to keep the Federal Government open.

It is very easy. All they have to do is come up here with a resolution that is clean and says that the Government shall be funded, those that are not shall be funded continuously for another 30 days, 60 days, up to September 30, anything they want to do. That is all they have to do. And it will pass here overwhelmingly. It will pass the Senate and the President will sign it and we can get out of here. But, no, not the way they are going to do it. It is lunacy.

What they are going to do is come up here with something nobody has seen. I doubt if one Member that is sitting here from the other party can tell me what is in that resolution. The gentleman from Michigan, can you tell me? No. The other gentleman from Michigan? No. None of them can. They cannot tell us. They do not know what is in it. I will yield to them. I want them to tell me what is in that continuing resolution.

Mr. SMITH of Michigan. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman for yielding to me.

I wanted you to know, it is not totally perfected yet. It is a continuing resolution. My understanding is it will go to March 15. It takes those appropriation bills the President has vetoed. It reinstates some of that funding to give the President another chance to keep Government open. It takes targeted legislation at appropriations that are going to extend all the way through the rest of this fiscal year.

Mr. VOLKMER. Do you know the ones that are being targeted and the ones that are not being targeted?

Mr. SMITH of Michigan. Mr. Speaker, I think the argument is still going on, including Democrats in that argument, but the fact is, no, I do not know the final resolution of that bill.

Mr. VOLKMER. None of us know.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, I serve on the Committee on Appropriations, and I have been to quite a few meetings. When were these appropriations bills due?

Mr. VOLKMER. They were due to be done by September 30. We all know that. The American public does not know. They think that we as Democrats have had something to do with the closing of the Federal Government. We do not have anything to do with it. We cannot write the legislation. We cannot bring the legislation. It is only those Republican members who can do it.

Mr. HEFNER. Mr. Speaker, there was a rumor out earlier today, they seem to persist around here, that they were on the 30th resolution of this CR and had not come up with one that is acceptable even for the Republican Party.

Mr. VOLKMER. The 30th draft.

Mr. HEFNER. Hopefully we will get there when we get to——

Mr. VOLKMER. I would just like to mention one other thing, folks, that is going on here that they are planning to do, this great majority that is running this Congress. They cannot get a dang thing done. I could use a harder word but it is not permissible on the House floor.

They did not do anything the first session. You can look at the total bills that they passed. It is the worst record since 1933. Do you know what these, I do not know what you call them, people are proposing to do today? They are going to finally bring in something here that asks us to vote for it, which we have never seen, and then they are going to say, OK, bye-bye, we are going.

They are going to send it to the Senate. They do not know what the Senate is going to do with it. And if the Senate does not pass it that way, because it has to be done that way, you cannot change one t in it, one i in it, one period in it. If they do not take it, then the Government closes down. They are not going to stay here to wait and see if they can work something out with the Senate. No, they want to leave here. Get out of here.

I say stay here, stay here until we make sure that the Senate does it. And if the Senate does not do it, we work it out with the Senate. And then after it is all worked out and we know if it takes until tomorrow we know then that the Federal Government is going to continue to operate, then we do it.

But the way you are proposing to do it, you are saying to the Senate, take it or leave it. I do not think the Senate is going to do that.

BUDGET IMPASSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I also say, let us stay here, let us resolve the issue. It seems to me that again we need a review of what is happening with this budget process.

The Democrats criticize the Republicans for probably biting off more than they can chew in terms of spending cuts. As it turned out, those Democrats were probably right. We had a lot of ideas that we wanted to accomplish to bring spending under control. But, Mr. Speaker, I say to the American citizens, wake up, America.

Anybody under 50 years old better start putting in some studying time on what is happening to this Federal budget, what is happening to overspending, overtaxing and overborrowing, because it is going to affect your lives. It is going to affect your kids' lives. We have now mounted a huge Federal debt of $4.9 trillion, plus the extra $100 billion that Secretary Rubin has creatively come up with that is no less an obligation of this country to pay back.

We are looking at a situation now where we have made such huge promises in social programs that we cannot afford to pay for them. Civil service retirement has an unfunded liability or a so-called actuary debt of a half a trillion dollars; Medicare, $5 trillion actuary debt; Social Security, $3.2 trillion actuary debt.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from North Carolina.

□ 1230

Mr. HEFNER. Mr. Speaker, I do not intend to be argumentative. I will not speak about the CR as such. I want to speak just a minute about the debt limit. I would like to make a point. The gentleman is a man of real intelligence and very well respected here.

On the extension of the debt limit, absolutely we have no choices, it has to be done. We have spent the money in my district, in your district, in 435 districts around this country. Every Member of this Congress has something in his district that calls for Federal funds. We have to do that. Why are we making such a production and tying this up? Because it has to be done. It is just like death and taxes.

Mr. SMITH of Michigan. Reclaiming my time, Mr. Speaker, it is a moral obligation to pay the bills we owe. Why it is reasonable to attach the debt limit to the consideration of an overhaul of spending is because Congress has lost its control over spending for 50 percent of what this Government spends. those are now on automatic pilot in the so-called welfare and entitlement programs. Those programs are the biggest reason that we need additional debt limit in the future. So it is reasonable to tie these two together.

I mentioned earlier today, Mr. Speaker, in a 1-minute, all of the previous debt limit extensions forcing Presidents to do things that they did not otherwise want to do by increasing taxes. The most recent, of course, was the 1993 bill, where we had the largest tax increase in history, but also George Bush in 1990, where the large tax increase was tied to that debt limit extension.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. CHRYSLER].

Mr. CHRYSLER. I thank the gentleman for yielding to me, Mr. Speaker.

Mr. Speaker, I would like to make the point, the question is really this: Mr. President, why did you not submit the balanced budget that you submitted on January 6 on December 15, and then the Federal Government would not have been shut down? It was available to them since last July, because it was the budget of Senator DASCHLE. We would have been able to keep the Government employees working and we would have kept the Government going.

So whose fault is it that this Government shutdown happened? Clearly, the President could have submitted that budget. Clearly, he could have kept the Government running. Most importantly, he could have kept his word to the American people.

Mr. SMITH of Michigan. Reclaiming my time, Mr. Speaker, I think it is absolutely correct. The eastern media do not say it, but it takes two to tango. We need to bring both sides to this table. If we are serious about a balanced budget, we can do it. The fact is that it is much easier to say you want a balanced budget than to come up with the spending cuts to do it. It is too easy for the other side to demagog every spending cut, to go to that interest group and say, Look at these mean-spirited Republicans and what they are doing to you.

Mr. Speaker, we have overcommitted ourselves. We are no longer the rich Nation we were. If people under 50 years old want anything left in Social Security, Medicare, Medicaid, the kinds of programs that we should be running, it is important that we start being reasonable. We not only reduce spending and stop deficit overspending, but we start paying back some of that huge, huge debt that we already owe.

Mr. CHRYSLER. If the gentleman will continue to yield, Mr. Speaker, we have put forth a bipartisan budget. Every budget that we have submitted in this Congress has had bipartisan support, where the President, who has now submitted five budgets, has yet to receive the first Democrat and/or Republican and/or independent vote for any of the budgets that he has supported.

So, certainly, we have a good, strong bipartisan effort, and I think that is what we are going to see come to the floor in the next few weeks, and the President has yet to get his first vote for anything.

Mr. SMITH of Michigan. There are two numbers that I think the American people and all of us should remember about the President's budget. One number is $300 billion, one number is $200 billion. He spends $300 billion more than Republicans. He increases or has higher taxes, $200 billion more, than the Republican proposal.

CUTTING BUDGET DEFICITS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Ms. SCHROEDER. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I want to set the record straight here, talking about all the budgets the President has submitted. If you want to be honest about this thing, in all honesty, the budget you people offered there was not the President's budget. You made a big to-do about it. You took some numbers out of some statements that were made. It was not a budget that was offered by the President of the United States. That is totally wrong.

Mr. Speaker, when you wanted to rewrite history, you offered a budget. The budget passed. The President vetoed it. You went into deliberations with the President of the United States. You said, "We will not talk anymore until the President offers a balanced budget scored by CBO." That was the big argument in this House and in the Senate and across this country, scored by CBO.

The President came up with a budget that was scored by CBO. It was not to your liking, so you said, "No, that is not good enough. You have to move closer to where we want to go. And if you do not, if you do not accept our deal, there will be no deal and we will shut the Government down."

Let us not rewrite history here in these 5-minute speeches. The President in good faith offered a 7-year budget scored by CBO. The President stood in this well on his State of the Union Address and said, "We have got enough cuts to balance the budget in 7 years." Why do you not agree to take these cuts and balance the budget, and then we will talk about these philosophical arguments later?

You mention Medicare, you mention Social Security, you mention Medicaid. When you start talking about these programs, gentlemen, I hate to say it, but you do not have any credibility. You opposed all of these programs since their inception. You opposed Social Security, you opposed Medicare, and one of the candidates for President of the United States, our dear Senator from the other body said, "Thirty-five years ago I stood and said it would not work. I fought Medicare." Your Speaker of this House said, "It is going to die on the vine. Medicare, we hope it dies on the vine." Your majority leader said, "Social Security should never have been established." So your record ain't good on these programs.

If you want to talk about philosophy and these things, we can talk about that, but there is a proposal that the President of the United States has offered that balances the budget in 7 years, and it is scored by CBO.

Mrs. SCHROEDER. Mr. Speaker, I yield to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank the gentlewoman for yielding to me.

My good friend from Michigan is a wonderful Member, and I am very fond of him. But his memory is short; it tends to be a little on the convenient side. The gentleman has forgotten where this big debt came from.

When Jimmy Carter left office and Ronald Reagan came in, the national debt of the United States was $700 billion. With Reagan's first budget, the so-called Gramm-Latta budget, Democrats over here warned that the practical consequences of that was going to be that it was going to enormously increase the debt because it immensely increased military expenditures, cut expenses in other programs slightly, and gave a massive tax cut to the well-to-do.

Mr. Speaker, as a result of that, the national debt by the time that Mr. Reagan left office went from $700 billion to $4.5 trillion. It multiplied somewhere between 5 and 7 times.

My Republican colleagues, in talking about debt, deficits, and fiscal irresponsibility, forget the fact that it was their budget. They also forget the fact that the Democrats during that period of time who controlled the House cut, cut the Reagan budgets by $49 billion, and they reapportioned the money so we spent less on defense and we spent more on environment, on health, on senior citizens, on education, and on things that are really important to the long life of this country.

I want to tell my good friend something else. He is complaining about the entitlement programs. The Republicans on this side of the aisle came up with a great idea, that cost-of-living should be included in Social Security. Up until that time, the Congress always raised Social Security payments and adjusted the income and the outgo so that the two figures would be roughly in balance, and so that the fund would remain safe and secure and solvent. There was a congressionally managed program, which we managed very carefully.

My Republican colleagues did not like voting on that, and they figured that the best way they could get out of casting that vote was to then tie it to the cost-of-living, so that is how Social Security began to get out of balance, because my Republican colleagues came up with a splendid idea that Social Security should become essentially a pay-as-you-go, rather than a trust fund program. That is why we have that program to address today. That is why the budget is in such a mess.

AMENDING TITLE XI, D.C. CODE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. DAVIS] is recognized for 5 minutes.

Mr. DAVIS. Mr. Speaker, I am going to speak today on a bill that we have introduced, H.R. 1855. This is a bill that amends the District of Columbia Code, title XI of the D.C. Code, but basically what it does is it allows Dr. Elizabeth Morgan and her daughter Ellen to return to the United States.

This bill is the product of my own deepest feelings and knowledge, and as a society, we are far more sensitive to the pain that children can feel than we were when I was coming of age. Legislative bodies across the land at every level have recognized the importance of listening more carefully to what children say, and the laws that we now pass arise from an enormous and growing body of evidence that in many cases of domestic stress and conflict, it is too easy to lose sight of who is being harmed.

Commonsense actions to slice through the Gordian knot of pride and anger can often prevent permanent emotional damage and allow wounds to heal as quickly and completely as possible. That is what H.R. 1855 attempts to do. That is all H.R. 1855 intends to do.

Domestic conflict and stress can take many forms. Its victims are too often unintended and innocent. As a local jurist has said in connection with the very situation that gives rise to this bill, when elephants fight, the grass suffers, so I believe that I would not be true to the great lessons I have learned in life were I to just take the easy way out when confronted with a difficult situation involving a child's life.

Yes, it would be easy for me to ignore Ellen Morgan, a soon-to-be 13-year-old American child who is afraid to come back to our country, our country, unless this bill is passed. It might be easy for us to ignore Ellen Morgan, to wash our hands of her unusual and tragic situation, but I believe that would be wrong. I believe very strongly that I owe it to this 13-year-old child still within me to try to intervene to break the truly vicious cycles that have impacted Ellen Morgan's life.

What I want to do and what this bill does is to permit Ellen Morgan to be and feel free to return to the United States with no cloud of legal intervention over her head. She deserves to have that choice. In the real world she does not have that freedom now. This bill is an opportunity, perhaps the last chance, to heal the wounds that are all too fresh in Ellen's life.

If there were another approach that Ellen could take, I know she would have taken it by now. We have attempted to allow the District of Columbia Superior Court to make appropriate motions to rehear this case, to revisit the situation, and as of yet they have been unable to do so, even though several years have elapsed since 1989, when this body and the other body put forward a bill that allowed Elizabeth Morgan to get out of jail for contempt and resume habitation with her daughter in New Zealand.

If I felt that Ellen was free to return to this country unfettered I would not do anything about this bill, but this bill, I think, represents the best approach that can be taken under all the circumstances. The bill is straightforward. It seeks to make out only very minor and temporary changes in title XI of the District of Columbia Code.

Under the Home Rule Act, the District government cannot amend title XI, and thus cannot legally legislatively affect this case. Only Congress can make these changes. These changes are only temporary and will sunset when Ellen reaches the age of majority and custody-visitation issues would be moot.

H.R. 1855 reflects the commonsense basic principle that the law ought not to compel one who has reached the age of reason from being forced to be unsupervised with someone by whom that person asserts they have been sexually abused. As a practical matter, such visitation cannot be enforced, and would create even greater danger if it were. Permitting a child of 13 and above to choose whether or not such custody or visitation should occur under the strict and limited strictures of this bill is the only sensible course.

The basic facts which form the necessary background of this bill bear repeating. There is an outstanding court order for the District Court for the District of Columbia dated August 28, 1987, in the case of Morgan versus Foretich. Under that order Dr. Morgan was jailed for civil contempt in the District of Columbia after she hid her child, Hilary, now known as Ellen, and refused to give that child up for court ordered unsupervised visitation with her father. At that point her income approached $1 million a year. She gave that up to go to jail for 2 years to protect her daughter. She spent over 2 years in the District of Columbia jail.

In September 1989, Congress enacted H.R. 2136, sponsored by my friend and colleague, the gentleman from northern Virginia [Mr. WOLF], Public Law 101–97. This law limited to 12 months the amount of time that an individual could be imprisoned for civil contempt in the family division of the D.C. Superior Court. This legislation essentially freed Dr. Morgan from jail.

□ 1245

From there she went to Australia, where she is exiled today, until this legislation can pass. Mr. Speaker, I intend to do everything I can in the coming months to move this bill out of committee and to move this bill to passage.

BRING THE MORGANS HOME

The SPEAKER pro tempore (Mr. HEFLEY). Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, let me begin by seconding and commending my colleague, the gentleman from Virginia [Mr. DAVIS] for moving this legislation.

I want to bring the House up to speed on where we are on this so when this issue comes up, we can pass it very, very quickly.

Back in 1989, Dr. Morgan was in jail for 2 years. We passed the legislation, that passed this House overwhelmingly, to have her released from jail. She and her daughter then went to New Zealand, and they are there wanting very desperately to return home.

Why is it important that we allow this to take place? Dr. Morgan has had a very serious life-threatening operation in New Zealand and will need two additional operations.

Second, Dr. Morgan's mother, who is 81 years old, who is in New Zealand taking care of both Dr. Morgan and the daughter, Ellen, is elderly; and the concern is, what if something were to happen to her, and with Dr. Morgan ill, what would happen with regard to Ellen?

Third, Dr. Morgan's father, who is in his 80's, is in a hospital now and not very well, and we do not know what is going to happen with regard to that.

Last, Dr. Morgan's husband, who lives in the Washington, DC area, can only visit her twice a year; and it is very difficult to commute to New Zealand, cost-wise and time-wise, so he visits her twice a year.

Since this Congress has acted in the past on this issue, what we are going to be asking, through the leadership of Congressman DAVIS, is that we bring this bill up early and get it out so that Dr. Morgan and her daughter, Ellen, can return to the United States without fear of Judge Dixon, without fear of incarceration.

It is the humanitarian thing to do; it is the right thing. All you have to think of is, if you have a daughter in this case, what would you do? It reminds me of the story years ago about a man without a country. These are people, frankly, without a country, that cannot get back into their own country.

I would like to also submit for the RECORD, if I may, a copy of the letter from Dr. Morgan's husband, detailing the medical condition and the circumstances surrounding Dr. Morgan.

I have pledged to the family that I am going to work with Congressman DAVIS, and we will put this bill on any bill that moves, any appropriations bill; and if we get to the end of the year and it has not passed, then as chairman of the Subcommittee on Transportation, Committee on Appropriations, I will put this bill in the transportation appropriations bill so that it will be passed and be signed.

Our goal is that Dr. Morgan and her daughter, Ellen and her mom will be allowed to return to the United States early this year, hopefully before the springtime is over.

So in closing, when Members have the opportunity to vote on this, we would hope for unanimous consent and complete support, and I want to commend my colleague, Mr. DAVIS, for taking the leadership to allow Dr. Morgan and Ellen Morgan and Mr. Morgan's mom to return to the United States.

Mr. DAVIS. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Virginia.

Mr. DAVIS. I appreciate the gentleman yielding.

Mr. Speaker, it is important for the House to know that Dr. Morgan and her daughter are, frankly, gagged right now from even communicating with Members of Congress or lawyers in the United States because a New England gag order has come as a result of legal efforts by her former husband to do that, and that has made this more difficult. So we are communicating through friends as we approach this, but our efforts to speak directly have now been thwarted, too, which I think adds to the urgency of moving this legislation through at this time.

Mr. WOLF. Mr. Speaker, reclaiming my time, the gentleman is right. Many times all we hear about on both sides are economic issues. We have passion for them. We should also have passion and compassion for people who are in a situation like this, and through the Davis bill, this family will be able to be reunited and come back to the United States, hopefully before, it would be nice, before the end of springtime.

A copy of the letter mentioned earlier follows:

U.S. COURT OF APPEALS
FOR THE FEDERAL CIRCUIT,
January 23, 1996.

Hon. TOM DAVIS,
Cannon House Office Building,
Washington, DC.

Hon. FRANK R. WOLF,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMEN DAVIS AND WOLF: As you requested, I provide the following update concerning my step-daughter, Ellen Morgan, and my wife, Dr. Elizabeth Morgan, based on my visit with them in New Zealand from December 21 to January 18.

Ellen talked of feeling rejected from still being in exile, as she has been since 1987; because of the inaction so far on the bill to allow her safe return, she fears abandonment. The high point of her life, she said, was having Congressman Davis read her letter into the record at the hearing on August 4, 1995. She said this was the first time anyone in authority ever listened to her. After the hearing, however, Ellen suffered dashed hopes as control of her future seemed to slide back to the hands of Judge Dixon after Ellen's father moved to modify Judge Dixon's orders.

As you may know, contrary to his promise to the subcommittee, in his motion to Judge Dixon Dr. Foretich did not withdraw his requests for custody and visitation, but asked Judge Dixon to remove custody from Dr. Morgan and to order visitation. To my knowledge, after holding a hearing in December, Judge Dixon has not ruled on Dr. Foretich's motion. Nor has he ever ruled on Dr. Morgan's motions of 1987 and 1988, for example to reconsider his visitation orders and admit the evidence of the abuse of Ellen's half-sister.

With respect to Dr. Morgan, I am sorry to report that she has suffered a health calamity. After months of increasing frustration, including watching Ellen's demoralization, Elizabeth developed serious ulceration throughout her large intestines. In early January, following our move to Auckland, Dr. Morgan collapsed, was hospitalized and underwent major surgery. Her entire colon was removed (colectomy) and she also had an ileostomy, as a result of which she now has to wear a bag. Fortunately, she is now home and, so far, convalescing well. Nevertheless, she faces two more operations, attempting to repair her digestive system. She must also regain the weight and energy she lost during the month she was unable to eat or drink, and from the surgery itself.

It is no exaggeration to say that she could have died prior to the operation because of what her doctors described as "toxic mega colon." Although lab tests results are still awaited, the New Zealand doctors assure me that they believe grave danger has passed. In turn, I believe that she received good care in Auckland Hospital even though a week passed between her emerging admission and her emergency surgery. While I have confidence in her New Zealand doctors, I remain concerned because, in my view, nowhere in the world can one receive the quality of medical care for serious conditions that is available here in the United States.

Another factor which I believe contributed to Ellen's discouragement and Elizabeth's health crisis was Dr. Foretich's escalating efforts throughout 1995 to gag Ellen. I am informed that he now asks the New Zealand Court to prohibit Ellen from talking with any Member of Congress, staffer, private lawyer, or journalist without his prior review, a court hearing on his objections and the Court's agreement. It is my understanding from Dr. Morgan's New Zealand lawyer that pending decision, Ellen is prohibited from discussing anything about her past with such officials and persons. Therefore, in contrast to last year when, at his request, she wrote freely to Congressman Davis and spoke to him on the phone, today she may be barred from doing so. From Ellen's discussions with me, I know how upset she feels over the present success of her father in silencing her while he continues to talk publicly. It aggravates her growing frustration with her father's success so long keeping her away from home, family and country.

Although the New Zealand Court has fully protected Ellen from contact with Dr. Foretich and has thus protected her physically, her emotional well-being has not been as successfully assured. For example, in the New Zealand Court, since January 1995, Dr. Foretich has blocked Ellen from being deposed in a lawsuit he himself brought against ABC Television for the documentary movie about Ellen and Elizabeth. This has enraged Ellen since she wishes to be heard in this sealed deposition about what happened to her and to contradict Dr. Foretich's own deposition denying everything. Indeed, the court-appointed psychiatrist in New Zealand, I understand, has opined that since Ellen herself wants to testify, such an opportunity to be heard may further heal Ellen from the trauma of her earlier years.

My report would not be complete without briefly mentioning Ellen's grandparents, Dr. William J. and Antonia Morgan, who hid and thus protected her from 1987 when the Washington Family Court refused protection until 1990 when the New Zealand Family Court gave protection. Bill is seriously ill in Suburban Hospital in Bethesda, Maryland, suffering from congestive heart failure and kidney failure. Only last week Ellen told me how horrified she feels that if her grandfather were to die, she would be prevented from attending his funeral. She is upset enough about missing the May, 1996 wedding of her step-sister, Margaret Michel, but expressed herself as finding the possibility of missing a family funeral intolerable. Antonia, now 81 and frail, remains in New Zealand helping my wife and Ellen to have as normal a family life as the courts have allowed. Understandably, however, Antonia finds it anguishing that in her twilight years family reunification for her as for everyone else seems forever deferred and delayed. Her other children and grandchildren and husband, of course, are here.

Contrary to what some people may assume, the difficulties of life in exile for all three of the women in my New Zealand family grow, now diminish, while each passing year. The recent setbacks of the gagging of Ellen and her resulting despondency and the ulcerative colitis that nearly killed Elizabeth only exacerbate those difficulties. In addition, Ellen's teenage years are not helped by being deprived of family life with her step-father. As it is, she sees me only two months each year. My long-suffering family thus suffers still—and, in the ways described above, even worse.

I cannot express how grateful I am that, in the midst of the issues you and your colleagues face, you two Congressmen have not forgotten the plight of a mother and daughter left in legal limbo and thus trapped in endless exile.

Sincerely,

PAUL R. MICHEL.

IN CHILD CUSTODY—NEW LAW LIMITS CIVIL CONTEMPT

On September 23, President Bush signed my legislation limiting the amount of time an individual can be imprisoned for civil contempt of court in a District of Columbia child custody case. The limits imposed by this new law brought about the release of Dr. Elizabeth Morgan, a local surgeon who had spend more than two years in jail for refusing to disclose the whereabouts of her daughter.

The case of Elizabeth Morgan has drawn national attention and some recent commentaries on the new law have obscured many of the important issues concerning my legislation. I believe it is important to explain the background and the effect of the new law.

Every American understands that all individuals who face significant punishment deserve to have their case heard by a jury of their peers. That is fundamental to our system of justice.

Yet in most jurisdictions no such right exists for individuals imprisoned for civil contempt of court. Such was the situation of Dr. Elizabeth Morgan. She was incarcerated for over two years and had never been accused or convicted of any crime and her case had never been heard by a jury.

My legislation, now public law 101-97, addressed this fundamental flaw in the D.C. legal system without taking sides in any specific dispute before the court.

Imprisonment for contempt of court is designed to coerce an individual to comply with a court order. Over time, however, if compliance does not occur, it becomes likely that further incarceration will not produce the desired result. In that situation, coercion has become punishment.

My legislation closed a loophole in District of Columbia law that allowed an individual to be imprisoned indefinitely for civil contempt of court in a child custody case.

With the new law in effect, no individual imprisoned for civil contempt of court in a D.C. child custody case can spend more than one year in jail unless they are charged with criminal contempt or court and given a jury trial to determine their guilt or innocence.

The legislation, written with input from the academic and legal communities, took great care to protect the ability of the court to enforce its rulings. While the jury trial provision in my legislation protects the individual from indefinite incarceration, it also protects the power of the court by creating a means by which the court can pursue additional coercive measures. Individuals cannot simply "wait out" the year-long period and expect to walk away from their obligation to obey the court. Under public law 101-97, Dr. Elizabeth Morgan technically could still be charged with criminal contempt of court and be brought before a jury.

My legislation was modeled after laws currently on the books in California and Wisconsin that limit to six and 12 months respectively the amount of time an individual can be imprisoned for civil contempt of court. Neither of those states have the jury trial provision included in my legislation.

Furthermore, an additional precedent for my legislation can be found in federal law which prohibits a recalcitrant grand jury witness from being imprisoned for more than 18 months.

I have written to the governors of the 48 remaining states asking them to consider using the new D.C. law as a model for enacting reforms in their own states.

Some individuals have characterized the congressional action as an inappropriate interference into the affairs of the District of Columbia. It should be known that under the 1974 Home Rule Act, the United States Congress is the only legislative body with jurisdiction over the District of Columbia courts. Not even the D.C. City Council was capable of changing the D.C. civil contempt statute. D.C. Congressman Walter Fauntroy was an original cosponsor of my legislation, and City Councilman James Nathanson testified in favor of a congressional remedy similar to the one that was eventually enacted. House District of Columbia Committee chairman Ronald Dellums of California was also instrumental in guiding the legislation through Congress.

I believe that my legislation meets the most important test of all—common sense. Everyone would want a jury trial, for themselves or a loved one, if they were threatened with prolonged imprisonment. We must continue to work for the day when all Americans, even those imprisoned for civil contempt of court, will enjoy this most basic protection.

LET THE BULLIES BEWARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN. Mr. Speaker, I thought I would take this opportunity during a special order break in the legislative business of the House, because we will have an important vote here at some point today to continue the Government, since tomorrow is the shutdown date, to discuss the abuse of the word "bully" in the press over the last few months, an absolute bass-ackwards concept of what bullying is.

When President Lyndon Baines Johnson used the IRS and the FBI to intimidate people, it was considered bullying in the extreme and you would even occasionally see, in conservative and liberal circles, the use of the word "fascism," as in police state tactics. When President Nixon corrupted the Central Intelligence Agency, a body formed to gather intelligence only outside the boundaries of the 50 United States and its territories, you saw much comment using the word "fascism."

But when the current occupants of the White House corrupt the Federal Bureau of Investigation as a way to intimidate and attempt to destroy the lives of the seven people in the travel office, to procure government contracts for Hollywood cronies and/or second cousins who are just 23 years old to run an office that had a bipartisan and press approval rating through 4 or 5 or 6 Presidents, that is bullying in the extreme.

That is bullying, and Billy Dale, the senior member of the travel office, who got a standing ovation last night at the largest political fundraiser in the history of the free world—I had never been in the D.C. Armory, did not have time to put on a tuxedo, was the only 1 of 9 Presidential candidates who showed up, which was bizarre in the extreme, and still it raised over $16 million, I got extremely strong, pleasant applause, I can take that—but the two standing ovations were for a dignified retired Army general of Jamaican heritage, Colin Powell, and another standing ovation for Billy Dale of the heretofore-mentioned travel office.

This man is a courageous man. Unfortunately for the other side, he has a big, handsome, open face; it reminds me of the great Irish-American actor, Pat O'Brien, a star of the 1930's, 1940's, and 1950's, and Billy Dale has asked the people in the White House, including my pal Bill Bennett's brother, Bob—"Bill, control your brother, Bob," is what I would say, Mr. Speaker—Billy Dale has asked the occupants in the White House, and top, inside-the-beltway, high-powered, highly paid lawyer Bob Bennett, "Stop slaughtering my reputation. Mr. Clinton has apologized to me," to Billy Dale, "and wished me well in life. Stop having your hatchet men abuse my reputation and tear me up."

I am told by writers that, first, we may end up here yet with taxpayers' dollars paying the lawyer fees of all seven members of the travel office who had the FBI sicced on them within days of FBI Director Sessions being relieved of his job by the White House. I forgot, it was a few days after. It all surrounded the Vince Foster suicide, if it was that, all such a sleazy period. And when people call in when you are on a talk show or a radio show, in a townhall meeting, and say, Be careful, Congressperson, it sounds a little tabloid, what you are discussing here.

My response, thanks to my wife, Sallie, is when the occupant of the White House has lived a tabloid life, how do you discuss it without sounding a little bit like a tabloid? That is the problem we have. Bullying, filthy Phil Donahue and all of this disgusting talking-head mess that you unleashed on this country when you are talking about witch-hunts and bullying and protecting certain occupants of the White House who were not elected, remember, to sic the FBI or the IRS, whether it is a Republican administration or a Democrat administration, to do that to any human being, taxpaying citizen of this country, or anybody, whether they pay taxes or not, that is flirting with fascism and police state tactics.

We know where the bullying has taken place. As I check my Clinton countdown watch, 284 days to change it.

STATE OF THE UNION MESSAGE LACKS FACTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

Mr. MICA. Mr. Speaker and my colleagues, we heard in this Chamber just a few days ago the President of the United States give his State of the Union, and I think some of the things that he alluded to should be responded to. I am going to try to use as many facts as I can in my consideration of the State of the Union.

The President came before the Congress and he talked about how good the economy is and how things are going and how people felt good about economic data. I pulled up the economic data from the Joint Economic Committee, the last report that they had, and here is what they said:

> Recent data shows the economy has slowed considerably. Manufacturing has contracted for 4 straight months, the lowest since 1991. Housing starts have fallen for 3 consecutive months. Both new orders for durable goods and leading economic indicators fell in October. Industrial production fell. New home sales fell.

This is the information that I have. In talking to the people of my district, too, during the recent recess and also around the country, I found that people are concerned about the future, that the major jobs that the President has talked about creating under this administration are, one, low-paying jobs, part-time jobs, and service jobs, all again low-paying jobs.

I heard, I think it was Senator BRADLEY, talking about one of his constituents who said he heard the President talk about this and said that several years ago the husband and wife had two jobs. And he says, now we see where the job increase has resulted. Because now we have four jobs to keep the income level that, in fact, we had some years ago.

Then we heard the President talk about the 200,000-job cut in Federal employment. Folks, that is strictly smoke and mirrors. I chair the House Subcommittee on Civil Service. We looked at the cuts. The cuts are almost 95 percent in the civilian defense work force and relate primarily to base closures, civilian defense employees. The bulk of bureaucrats, the 350,000 that we have just within 50 miles of the U.S. Capitol are still well entrenched, and there have not been cuts in that core bureaucracy.

The President talked about values, and he led off with V-chips and regulating cigarettes, and maybe he forgot that there is already a turnoff switch. Then he got to welfare. Maybe he had his priorities mixed up, because I see the crime, I see the problems in our society; and the people I have talked to say that it is coming from the welfare system that we have created in 40 years of Democratic rule of this House. It has perpetuated the problems that we see. It is not just answered by a V-chip or regulating cigarettes.

Then I heard him talk about immigration, and he said, immigration, illegal immigration is down. Well, I had a press report where 1,000 Haitians left his success story to come to the United States and had to be brought back, where over 40 died at sea in the last couple of months.

Then he talked about tightening up immigration. Well, he has, in fact, begun to talk about tightening it up, but what we have done in fact is changed our policy so many times it has been the policy de jour, like the soup de jour. In fact, we have imported into my State of Florida over 20,000 Haitians and Cubans in the last year. They have been flying them in at 500 a clip.

So this is the policy that I see, a failure. No economic plan in Haiti. We have empowered one party who has really executed the opposition, and we have no hope. We have put the entire country on a Clinton-style economic welfare program.

Then we heard about EPA, and that really galls me, because I served on the committee that oversees EPA; and the real argument with EPA is some of the policy that they have and also the operations that they have.

□ 1300

They have increased their number of employees from less than 12,000 about 10, 12 years ago, to now 18,000. They have almost as many employees, 8,000 people in Washington today, just a few miles from here, as they had in the entire program a little over a decade ago.

So this is the kind of debate that we have.

I served on that committee. We had a report that EPA wasted a half a billion dollars in a management information system. They could not even tell us where any of this money was spent.

Then we heard the President talk about cleaning up hazardous waste sites. We spent 85 percent of our money for studies and attorney's fees. I submit that that is not the way to go.

U.S. CREDIT RATING

The SPEAKER pro tempore (Mr. HEFLEY). Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 60 minutes as the designee of the minority leader.

Ms. DELAURO. Mr. Speaker, what I want to try to do is, I am here this afternoon along with several of my colleagues to talk about an issue really of great importance of the United States, the people of the United States, and, that is, in effect, what is going to happen to the credit rating of the United States in the next several weeks, a very critical issue that is on the minds of folks here, not only on their minds but we are going to have to take some action with regard to the credit rating of the United States.

The situation, just to go back a little bit. Last month, Mr. Speaker, the House Republican leadership shut down the Federal Government in an effort, and in a well-described effort by themselves, to try to blackmail the President into signing their extreme agenda. Again by their own admittance, they failed to do that. But before they have indicated that they failed in that kind of a tactic, they shut the Government down twice.

They are now at it again. This is the best way that I can describe this. They are at it again. The crowd who brought us two Government shutdowns now is threatening to destroy the Nation's credit rating by defaulting on the debt.

If Speaker GINGRICH has his way, the world will be faced with a spectacle of the United States defaulting on the obligations that it has, its financial obligations, for the first time in the history of this country.

The Republican threats of Government default have sent unbelievable shock waves up and down Wall Street. In fact, and I know several of my colleagues are going to be more detailed about this, just yesterday Moody's Investors Service warned that it is considering lowering the U.S. credit rating because of the threat.

We all understand what a credit rating is about. We all have a credit rating. We all know that when we go to purchase something and we need to use credit, that is examined. And we know when we have a low credit rating what that means in terms of our ability to purchase and to get by.

Anything that hurts that credit rating hurts our families deeply. So that playing politics with our economy is bad news for Wall Street and the world in terms of the United States, but it is disastrous for Main Street and disastrous for families in this country.

If the Government financially goes belly up, which is what we are talking about, interest rates go higher and higher. That means higher and higher mortgage payments, higher and higher car loan payments, and higher and higher credit card payments.

Sometimes people think that what happens here does not affect their lives. I talk to kids and students about this all of the time. What we do in this Chamber, how our votes are registered on this board, has a direct effect on the lives of every single American. And, my fellow Americans, understand the import of what happens when the credit rating of the United States is destroyed and what it means to your lives.

Mr. DOGGETT. Would the gentlewoman yield for a question there?

Ms. DELAURO. I would be happy to yield to my colleague, the gentleman from Texas.

Mr. DOGGETT. I have known people that have gotten a bad credit rating, they maybe have lost a job, gotten behind on their bills, or maybe they just borrowed too much.

Ms. DELAURO. Exactly.

Mr. DOGGETT. That stigma of a bad credit rating has stayed with their family and prevented them from borrowing, when they had necessities that they needed for their family, for years.

Does the gentlewoman have any idea of how long, if the Gingrich leadership forces a default for the first time in 220 years, how long it will affect the Nation to have its credit rating suddenly go below junk bonds and how much that will cost taxpayers for generations to come?

Ms. DELAURO. In terms of what happens, the United States will never get out of that hole. Our credit, our word that says we will pay our bills, will no longer be believed by the rest of the world.

I will say, and I think people can attest to this, that even if it is 15, 20 years ago, if there is a stigma on your credit rating, they look 15 years, 20 years back. That is what this is about.

The United States will never be able to say to the rest of the world, "We will make good on our credit and our financial obligations," because of what will be done in this House in the next several weeks.

I would be happy to yield to my colleague from California.

Mr. FAZIO of California. I think the gentlewoman makes an excellent point, and I think we all understand this from our own personal experience. If we go out to borrow money to furnish our living room and we default on our debt to the finance company or to the retailer who sold us the furniture, a mark goes on our record. Our credit report at the credit bureau downtown is there for every other retailer to look at before they decide to extend us credit or not. It may be that they will not extend us any more credit.

Our failure to pay our bills will be a black mark that we will not be able to live down, and we will not be able to borrow again. Or, as I think in the analogous case with the Federal debt, we will have to pay far more the next time we borrow because we are a risk. We are somebody who is a deadbeat, we are somebody who does not really pay our bills.

As a result, when we want to go back to the retailer and borrow some more money, we are going to have to pay 3.5 or 4 or 5 percent more, and that is a huge increase in what we have to pay as a family in order to be able to attain the goods and services that we need.

It is very similar to what each of us in our own life have to deal with. If you default on your mortgage, the next time you want to buy a house, you may be unable to get a mortgage, or you will pay so much it might make it impossible for you to maintain the level of standard of living, the kind of home you have come to understand that you would like to live in.

So the consequences for this country are just like they would be for us as individuals if we become a deadbeat and fail to pay our bills.

Ms. DELAURO. I think you have said it very accurately.

Mr. MILLER of California. Mr. Speaker, will the gentlewoman yield?

Ms. DELAURO. I yield to the gentleman from California.

Mr. MILLER of California. I think we should also be aware of the fact that not only is it the actual default that could cause economic havoc, but the discussion of it and the anticipation of it. Millions of Americans have personal loans at the bank, credit card loans at the bank or their credit union, what have you, they have the mortgages on their home that are tied to indexing and to indexing averages that are tied to the interest rates on various indexes.

When you take the best credit rating in the world, which is the United States of America, it is what all other credit is rated according to. When that moves on a daily basis because of the uncertainty, because of the potential risk, whether we ever default or not, you have already cost homeowners, credit card borrowers, you have already cost them money because the average is higher than it would have otherwise been over the 30-, 60-, 90-day period of time. When they reconfigure your adjustable rate mortgage or your credit card or your home mortgage, it will be higher or not as low as it might have been when we see interest rates dropping as we have seen over the last couple of months.

So, bumping around that index, every day the Republicans threaten to impeach the Secretary of Treasury, they threaten to shut down the Government, they threaten to default on the debt, to expose our credit rating to this kind of questioning, you pay instantly as a homeowner, as a person out looking and using consumer debt in this country.

So this is not free, this discussion. This is not free, their threats. This happens immediately to people in terms of how those average indexes are used for their adjustable rate mortgages. What they are doing is, by their irresponsibility, by their threatening our credit rating, they are immediately impacting the cost of credit to every American family in this country.

Ms. DELAURO. The gentleman is absolutely right. The transition here is that they want to do that very loud and clear, as recently as reported in the Washington Times, they want to do it as a specific strategy of blackmail, of holding hostage in the same way that they did with the Government shutdown.

They are making no bones. It is a tactical maneuver to force the President to do something, and they are willing to play so fast and loose with every single individual's life in this country.

Mr. HEFNER. Will the gentlewoman yield?

Ms. DELAURO. I yield to the gentleman from North Carolina.

Mr. HEFNER. I would just like to put this on a personal basis. Someone had made a statement here earlier that we were demagoguing this issue and playing fast and loose with the truth.

I think it is a bit hypocritical of any of us to go home to our constituents and say, "I am not going to vote to increase the debt of this country, I am not going to vote to borrow any more money. Let the Federal Government live within its means." That makes a good sound to a group that you are talking to.

But there is not a single Member, be he Democrat or Republican, that does not partake of the goodies that are in the budget every year. What it amounts to, the President of the United States borrows money to keep this Government going, to pay for these things, and he borrows it on behalf of every Member of this Congress.

Let me just give a little scenario. I have three district offices, and the people who work in my office work very, very hard, and they worked in the times when the Government shut down. Some people come and say, "I'm having trouble with my veterans benefits. I haven't been getting my check."

He says, "Oh, well, you come on in." And I do not care whether it is a Republican or a Democrat, he gets right on it to solve this problem for his constituents, whether it is veterans benefits, Social Security, Medicare, Medicaid, whatever. Every Member that sits in this House, unless he does not participate in Government at all, only comes for this Congress and he does not participate in any programs is responsible for his portion of this debt. To come and to tie conditions and blackmail to keep extending this debt is totally, in my view, hypocritical.

I would like to make one other point. We have borrowed this money, we have spent this money, we have spent this money for disasters, in Oklahoma, in California, in Washington, all over this country, North Carolina, and other places, we have paid for things that benefited the American people. We owe the money. It is a legitimate debt. There is no way you can escape it unless you go bankrupt and throw the country into total chaos.

For people to tie contingencies to this and say, "No, I am not going to vote to increase the debt," in my view is the height of hypocrisy. We owe the debt. We are the greatest Nation on the face of the Earth morally, militarily, and economically. We owe these bills;

they are legitimate debts. It goes beyond politics. This is something that we owe. It is a moral obligation. That goes to the question of character.

□ 1315

Do we have the character to do the thing that is right, to pay our bills, to support the American people and the things that we stand for as a moral society? It is absolutely the height of hypocrisy for anybody to come to this well and say "I am not going to support the increase of this debt," that every Member, be he Republican or Democrat, liberal or conservative, has an obligation for a certain portion of this debt, and it is absolutely the height of hypocrisy for anybody to deny that. It has to be paid.

I would challenge the Republicans, let us do the moral and right thing and pass this debt extension, where we will keep our country from having to go into default and embarrassing us on the world stage as the greatest country on the face of the Earth, look after our Social Security people, Medicare, veterans, because this would have dire circumstances to all these people that depend on us to do what is right for this country.

Ms. DELAURO. I thank the gentleman. Before I recognize my colleague from Connecticut, Mrs. KENNELLY, I just want to tell you what kind of leader she has been on this issue. In the Hartford Courant today, the headline reads "The Nation's Credit Is at Stake." They say especially what we have been talking about here. It says, "It is the height of irresponsibility if we continue to deal with lowering the credit rating of the United States." It says "Someone has to be a grown-up. Democratic representative BARBARA KENNELLY of Connecticut has introduced a bill to raise the debt ceiling with no strings attached." The next line says, "Congress should pass it."

That is what this is all about. I would like to yield the floor to my colleague from Connecticut, Mrs. KENNELLY.

Mrs. KENNELLY. Mr. Speaker, I thank the gentlewoman. I thank her for saying that and for taking this hour about the debt ceiling. It is a subject that I have been interested in, and I think anybody who understands what goes on in the financial world is certainly interested.

I have to hark back to when I was a major in economics at college, Trinity College right down here on Michigan Avenue, and then I went on to graduate school in economics, and I can well remember the phrase "full faith and credit of the United States of America." That is an impressive phrase.

The reason it is impressive is because there is something very impressive behind that phrase, and that is the securities of the United States of America. Up until now, they have been the safest in the world. The reason they have been the safest and the reason that results in our having the safest credit rating in the world is the people feel fully free, whether you are an individual buying bonds of the United States of America, whether you are a foreign country buying bonds of the United States of America, the reason our securities are so safe is that people understood across this Nation and across the oceans that the United States of America never played fast and loose with their credit rating.

I know it has been said, and it continues to be said at various gatherings here as we address this whole situation, is that in the past, in the past, other things have been attached to the debt limit. I remember some time ago when that in fact was true. But the point of the matter is, and it is something that I keep trying to bring forth, is that this is not an issue of politics. This is an issue of governance, this is an issue of policy.

So lifting the debt limit should not be a matter of politics, because one does not have to go back in history to remember when Mr. Tom Foley was Speaker of this House, and before that majority leader, and in fact we, the Democrats, were in the majority. I can remember Mr. Foley being so adamant that you could have debate, you could have discussion about lifting the debt limit, but the fact of the matter was that because we, the Democrats, were in the majority, we could not step aside from the point that we had the leadership, and it was the responsibility of those in leadership, those in the majority, no matter which party, had to raise the debt ceiling, because you just did not fool around with that.

I remember that so, so clearly. Now we do not happen to be in the majority. The opposite side of the aisle, the Republicans, are in the majority. Therefore, it still should be an issue of policy, of governance, that we lift the debt ceiling.

The point is, as the gentleman from North Carolina just made, we are not talking about anything in the future. We are talking about money owed, money that has already been spent, money that has to do with the running of this country, and there should not be any argument in substance, because in fact the majority voted on the budget reconciliation bill that had raising the debt ceiling up to $5.5 trillion. Our President of the United States has asked for the debt ceiling of the United States to be raised to $5.5 trillion.

There is no difference. So my colleague from Connecticut, having taken this hour, I just hope we can remember that it really does not do any of us any good to politicize this issue; that what we have to remember is that this is something so serious, this is something so important, that I, as a former economist, hate to even mention the word that is being floated around this floor, the word "default." To me, that is a word we should not even talk about, we should not even be saying out loud, because to me, and I think to anybody in any responsible position, that is something that we do not even consider. A, it has never happened in the United States of America. B, we do not know what would happen. But we know that none of it would be good.

Mr. MILLER of California. If the gentlewoman would yield, when Orange County could not meet its debts, they paid a premium for just the discussion of default because they said nobody has ever repudiated their debt in municipal bonds. You now have under active discussion the repudiation of your debt. You pay a premium for having that discussion. The discussion is not free. Forget the act, how horrible that would be. Just the discussion changes the way other investors look at this, because they are banking other people's money when they buy these securities and this debt of the country.

Ms. DELAURO. If I can make a point with what the gentleman said, and I would ask my colleagues to comment, in terms of our colleague from California talked about Orange County, this has enormous reverberations for every county, every mayor, every first select person, every State in terms of what happens to bonds that are issued, whether it is a school board, whether they are a general obligation. The bonds out there are in trouble.

Mrs. KENNELLY. I would like to end up by saying something about where we are. Since November 15 we should have raised the debt ceiling. We have not done it. As a result, and this is another thing that just kind of boggles my mind, we have not done it, so as a result, the Secretary of the Treasury, Mr. Rubin, has had to use legal ways of paying the bills of the United States of America, without going beyond the debt limit.

Then we hear, oh, my heavens, he is doing something that is not correct because we in the Legislature, we, the House of Representatives, we have the purse strings, and therefore he should not be trying to pay the bills. But we are the ones that can vote to raise the debt limit.

It is another interesting thing that has happened here. Mr. Rubin has such an excellent reputation because he was in fact a financier, a very successful one. He gave of his time and has come to Washington to help us by being a public servant, and he has come to Washington and he is trying to do his job. He has taken an oath not to allow the Government of the United States ever to default, and he has done some things he would rather not have done, but they are perfectly legal, to make sure we pay our bills.

Then we have some saying he should not do that. And another word I do not like to use, "impeach." Yet the same people are saying he should be impeached, will not allow him to do what he should be doing.

Then it gets even stranger and weirder. There are those on Wall Street that say, hey, the Secretary of the Treasury, Mr. Rubin, is such a fine gentleman, who knows exactly what he is doing, and he is not like those Washington kinds, so he would never allow default. The weirdness and the strangeness keeps going on.

So let me end by saying to the gentlewoman from Connecticut [Ms. DELAURO], we can end all this. We can stop it all. If in fact the majority of this House, if in fact the Speaker put on the calendar that we vote in this House on a clean debt limit, we could end all the discussion. I do not even like hearing it take place. We can raise the debt limit, pay the bills we owe.

We are always saying we have to conduct ourselves and be treated like everybody else in the United States of America, like we should be. Here is a perfect example. We should make it possible to pay the bills of those we have to, because, and I end here and I thank the gentlewoman from Connecticut, because the fact of the matter is, come March 1, there are a lot of checks that have to go out from the Government of the United States, to the citizens of the United States who have paid into their Social Security, to the citizens of the United States who have served to protect their country in the military, to the citizens of the United States who in fact are owed that check on March 1.

Mr. Speaker, let us end the conversation, raise the debt limit, and get on with balancing the budget of the United States of America in 7 years.

Ms. DELAURO. I thank my colleague. Just one point that the gentlewoman from Connecticut [Mrs. KENNELLY] made, which is the abdication of leadership. That is precisely what is happening here, when you do not want to reaffirm the credit rating of the United States and say yes, we will be there. But I will tell you this, and I will just say I do not know what we can expect, what more we can expect from the folks in the leadership in this House.

This is the group of folks who said to the President of the United States, give us a 7-year balanced budget according to our economic assumptions, Congressional Budget Office economic assumptions. He did that, and now they are walking away from that. They have just walked away from what they have been asking the President of the United States to do, lo, these months and why they closed the Government twice.

Mr. DOGGETT. If the gentlewoman would yield, just one question about that point. These are also the same Republican leaders who for decades have presented themselves to the American people as the party of fiscal prudence, of fiscal integrity. And now they are the ones who are engaged in this most imprudent act of threatening our credit rating for the first time in 220 years, for, as the gentlewoman from Connecticut said, even threatening to impeach the Secretary of the Treasury for trying to avoid that default.

All year long I have heard them call themselves revolutionaries. Do you think is what they meant by revolutionary, that they are now going to become the party of fiscal imprudence and jeopardize our credit rating?

Mr. PALLONE. If the gentlewoman would yield, I just wanted to follow up on what the gentlewoman said about this whole concept of hostage. As the other gentlewoman from Connecticut said before, we are already in a hostage situation. I think the only reason why we have not paid as much attention, if you will, to this whole problem of the credit rating, is because we faced the Government shutdown as the hostage.

In other words, for the last few months the Republican leadership and Speaker GINGRICH were holding us hostage because they threatened to shut down the Government. The only reason that we were able to continue to pay our debts was because of the effort that was being made by the Secretary of the Treasury to continue to find ways to continue the whole Government process without going into default. But now that the Republicans are saying, OK, we are not going to shut the Government down anymore, at least we hope not, we are still waiting to have an answer today, now they are saying OK, but we want to wait a little longer as this credit rating problem continues to persist.

The bottom line is, as the gentlewoman from Connecticut [Mrs. KENNELLY] said, on November 15 we were supposed to extend the debt ceiling, which would have allowed for our credit rating to remain intact and not have the threat of default. It is almost, what, 2 or 3 months later now, and we know by March 1, if we do not do something, if we do not act, if not sooner, we are very likely to go into default.

I do not think we should wait another day. One of the things I would like to mention is we have not even heard any vote being scheduled on the issue of the debt ceiling. We may very well end up passing some kind of continuing resolution tonight and be in recess or be adjourned until the end of February, and there has not been any effort to even suggest that we schedule a vote to deal with this problem of the credit rating.

In addition to that, we are now being told by GINGRICH and the Republican leadership that we will only consider dealing with the credit rating and extending the debt ceiling if you do other things, if you make certain spending cuts or do certain tax breaks or whatever.

Without commenting on the worthiness of the spending cuts or the tax breaks, or whatever, the bottom line is it is totally inappropriate to hold this Government hostage or to make this linkage between those issues and our credit rating. We are supposed to be responsible here. I am amazed, years past this session of Congress, I have never seen such irresponsible activity to suggest it is OK to threaten the credit rating.

We already know that certain reports have come out, I know my colleague from Texas is going to comment on it today, that indicate that the bond markets and the various groups that look at these things are now concerned about our ability to pay our debts. So it is not something that is pie in the sky. This is real. This is a real thing that is happening right now.

I can just go back to American history, because I listened to what the gentlewoman from Connecticut [Mr. KENNELLY] said before. I remember, I do not remember all the specifics, but I remember from back in grade school when we took American history, and we remember, that after the Revolutionary War, one of the main things that the Government wanted to do, and I think it was Alexander Hamilton who was the main proponent, was that the Government, the new American Government, back in the 1700's then, had to be put on a sound financial system. He wanted to make sure that our credit was good. He wanted to make sure we were paying our debts, and that is why from day one, this country has been successful economically. It is one of the foundations of the whole Nation that we pay our debts, that we do not go into default, and we send a message by doing that to the rest of the world that that is what every one should do.

☐ 1330

What kind of a message is this Republican leadership sending to the rest of the world when the greatest economic power and the one that drives world economy in this global market that we face is now sending a message that we are seriously thinking about going into default? It is just incredible to me. Maybe I am being naive, but I cannot believe that we are actually hearing this discussion from the Republican leadership.

Ms. DELAURO. It is taking a 200-year history of this great Nation of ours and truly trashing it, and saying that it is not worth it. I would have thought that the Speaker, who is a historian, when you brought up your frame of reference, I think what we need to do is to have some civics lessons here, and if we want to then try to really build on what the Founding Fathers have, their legacy, or whether we want to turn this country into, to quote a popular phrase today, deadbeat dads so that we are not meeting what our responsibilities are.

I see that my colleague, the gentlewoman from New York [Mrs. MALONEY], is on her feet. Let us get the gentlewoman into the discussion.

Mrs. MALONEY. I would like to add my voice to the lodge politics that is being practiced in this body.

My colleagues, the Republicans are practicing winner-take-all politics. If you do not do it my way, then we will shut the Government down for 21 days. If you do not do it my way, we will default on the Government bonds and the full faith and credit of the U.S. Government, even if this default would trigger a global financial catastrophe, not only in the United States, but globally.

This is not a revolution. My colleague, this is destruction, pure and simple. Compromise is a way of life in public policy. It is called give-and-take. It is called checks and balances. It is called making a decision and moving the Government forward even if you do not get everything you want. My way or no way is the mindset of a 5-year-old, not the leading legislative body of the Western World.

The Republicans, my colleagues know that the Republicans demanded over and over and over a 7-year balanced budget using CBO numbers. The President met that demand, but this is Stairmaster politics. The President steps up, meets the demand, only to find that he has to step again to the same place just to stay in the same place. Every time they make a demand, they just raise the bar a little higher and make another demand.

The bad faith, winner-take-all negotiating stand is unreasonable, it is irresponsible, it is dangerous. It is time for the Republicans to moderate their position, join with the President and move the country forward.

The Republicans should not be playing Russian roulette with the full faith and credit of the United States Government.

I would like to be associated with the comments of my colleagues here and the discussion that the Republicans should put forward a clean bill on debt ceiling so that we may raise it, pay our bills and move forward and stop playing Stairmaster politics.

Ms. DELAURO. I want to thank my colleague from New York.

I just remind people again that the world effects are there. Families will suffer here as well. I believe it was the Speaker who said back in September, "Even if we have to delay tax refunds, we should have our Government default." What happens with Social Security payments, with veterans' payments and military payments, all coming around. We are going to get in a few minutes our colleagues from Massachusetts to talk about that.

I see my colleague, the gentleman from Texas [Mr. DOGGETT], and let me ask you to get back into this.

Mr. DOGGETT. So much of our discussion here this afternoon has been on what might happen in the future, and the prospects are dire, indeed.

But I think it is important for the American people to understand what has already happened as of yesterday afternoon because at the same time our colleague, the gentleman from Texas [Mr. BENTSEN], and I were trying to bring some sanity to this body and bring up a motion to go ahead yesterday and deal with the debt limit. Unknown to us, one of the leading credit rating agencies in the country was issuing a warning for the first time in history concerning the obligations of the U.S. Government. And I just turned to this morning's newspaper noting that, "In a warning shot fired at Washington, one of the Nation's leading credit rating services announced late today that it was considering lowering its ratings."

Already, even before they take us right to the edge of that cliff and jump off in a kamikaze fashion, they have already issued this warning, and it would signal that the United States might soon have to pay more to borrow money.

We have talked about Orange County, and we have talked about the United States. That is us. That is every American taxpayer. Everyone who pays taxes in these United States has a stake because we will all have to pay more money just like we are paying out billions of dollars now for the excesses of the Reagan years when he signed all those appropriations into law that escalated the Federal budget deficit.

Mr. HEFNER. If the gentleman would yield, I wanted to raise one point here. People keep talking about that this money is going to be used to give the President a credit card where he can go spend. I want to remind all of my colleagues that have lived in areas where there have been disasters, like in Oklahoma and California and even now in Pennsylvania, we have got Ohio and places where we are paying for disasters that have hit this country.

This is money that is going to be spent. We have made arrangements for the money. This is not a debate about amendments and what is going to be done. This is something that has to be done. This is just as certain as death.

If the country continues to stand, this has to be extended. There is no negotiation about it, no percentage negotiation. It is something that absolutely has to be done, and the longer we put it off the more it costs us. It is just like an operation: If you put it off too long, you can become terminal and it can do permanent damage that you never recover from.

I thank the gentlewoman for taking this time, and I think if the American people would just stop and listen to the consequences of this and get on and tell their Representatives, everybody is affected by this: the old, the young, our senior citizens, our veterans, our armed services people, the people in Bosnia. If we do not have the money to pay these bills, it is going to be dire circumstances for us, and to play with this, make it a political game, in my view, as I said earlier, it is totally irresponsible and it is the height of hypocrisy for anybody to say that we do not have to do this and tie contingencies to it.

Mr. DOGGETT. I would just conclude by noting the reaction of one person, an investment banker, to note what may happen if they carry us over the cliff, but what already happened yesterday in taking us right up to the brink of disaster as this Gingrich-led Congress has done at a time when the President has come here and called for conciliation and goodwill and cooperation. Instead of doing that, they take us up to the edge of the cliff of financial disaster. The reaction of one investment banker was that this is a very strong warning to the system.

The whole notion that the U.S. bonds are on some kind of credit watch is wild. This is the kind of things that happens to some of our companies, not to the United States. It is embarrassing. And it is an embarrassment, but it is an embarrassment we are going to have to pay for.

In Texas, there are a lot of stickers and signs around that say, "Don't mess with Texas." We are saying today, Don't mess with the credit rating of Texas and these United States.

If these Republican colleagues want to go mess up somebody's credit rating, go mess up their own. Do not mess with my credit rating. I have worked to defend and preserve it. And that is what the American people should be saying to this Gingrichite leadership: Do not mess with our credit rating. We worked hard to preserve it, and you ought not to use these crazy, extremist political tactics to destroy the credit rating the generations of Americans have preserved.

Ms. DELAURO. I want to say thank you to the gentleman from Texas, and pardon me for not mentioning it earlier, and I see that our colleague also from Texas [Mr. BENTSEN], has come on to the floor, and I am going to recognize the gentleman from Massachusetts [Mr. KENNEDY] in a moment, but I want to compliment my two colleagues for your resolution of talking about a clean bill and not holding this country hostage. I know all the work that you have done.

One of the most incredible things is that they are going to do this; they have taken us to the brink and now they want to just say, Let us recess and go home, and no one knows what is going on. Talk about, as the gentlewoman from Connecticut [Mrs. KENNELLY] pointed out, an abdication of leadership. You cannot govern if you do not want to make the decisions and make the choices and let this country keep moving in a forward direction.

Let me just recognize the gentleman from Massachusetts [Mr. KENNEDY], who has also a piece of legislation, who sits on the Committee on Banking and Financial Services and clearly understands the ramifications of this, whether in the global market or whether it is for seniors, for veterans, for homeowners, or anyone else. Thanks for joining us this afternoon.

Mr. KENNEDY of Massachusetts. Let me thank the gentlewoman from Connecticut [Ms. DELAURO] for making certain that this issue is understood more clearly by the American people and by all of those that might think that this is some sort of simple political maneuver that is entirely expected out of those rascals that run Washington, DC, these days.

This is a highly unusual and very provocative and extremist tactic that is being employed to bring about the imposition of a particular set of political beliefs by a particular group of Republicans.

I think it was interesting that, in the newspapers from Boston Globe to the New York Times and a number of others in today's news reporting, that they reported that Speaker GINGRICH just yesterday evening had offered a compromise to allow the debt ceiling issue to be avoided in the Congress. Yet, in all of the discussions that are taking place today on the House floor and among Republicans, we find that there is, in fact, no real agreement among Republicans to, in fact, come to grips with this debt ceiling.

I, in fact, debated early this morning with the leader of the movement in the Republican Party, the gentleman from Michigan [Mr. SMITH], over the issue of the extension of the debt limit. I did not get any sense that he and many other Republicans are now in a process of being willing to compromise on extending the debt limit. Rather, I think that there are a number of Republicans that have signed, in their belief in a contract which requires them to hold the debt limit at its current spending levels in order to impose upon this country the set of beliefs that they ran on when they ran for the Congress of the United States.

The truth of the matter is that we have a system in this country which has worked for well over 200 years which does not say that just simply because one gets elected to the Congress that you can impose your set of beliefs on the entire country. We have a process that is set up where you have to get a bill passed by the House of Representatives, passed by the U.S. Senate, if you get it passed by both of those, then you have to get it signed into law by the President.

If the President were to sign into law all of the provisions that the Republicans, this extreme group of Republicans, want in their contract, then, in fact, we might be able to go along and have this debt ceiling raised without any controversy. The truth of the matter is there are a number of people in this country that do not believe that we ought to be gutting the Medicare Program, gutting the Medicaid Program, that do not believe that we ought to be doing that at the same time providing an enormous tax cut to the wealthiest people in the Nation. As a result of that specific provision, the Republicans are intending on dumping the entire debt of this Nation and potentially upsetting the whole apple cart of the world's economic finances and the trust that has been established over 200 years or more of history in terms of the United States being the premier creditor Nation in the entire world.

So, what essentially is taking place here is very simple. A small group of Republicans have held up the rest of the Republicans and have put a gun to the head of the entire American people and said, "You either accept our particular belief on how this country ought to move forward or else we are going to, No. 1, not pay our debt."

OK, we do not pay the first debt that is over $380 billion that is going to come up in the next month. Wall Street has told us that if that debt is defaulted on, we can expect a minimum rise of 1 percent in our borrowing cost. A 1 percent borrowing cost increase for anybody with an adjustable rate mortgage is going to cost them $1,200 a year.

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Now, the entire tax break that the Republicans are insistent upon in order to get this is not even worth $1,200 a year. So they are going to give away more to interest rate increases than they are going to get out of the tax break. This is the most ludicrous proposition that one could possibly design.

President Clinton has reached out to the Republicans and said that he will in fact come up with a 7-year balanced budget, with a CBO balanced budget; he will do it with cuts. What he will not do is go beyond the cuts that are required to get to a balanced budget and actually provide an enormous tax break, the lion's share of which goes to the wealthiest people in this country. It is a principled position. It is a reasonable thing to believe in in this country, a system of government that has been set into place, that does not allow an extremist view to come in and impose itself upon the rest of the Nation.

Those differences are what we are elected to then work out a reasonable compromise. We have a system of this country that allows that compromise to move forward. What we ought not to do is sit back and allow the imposition of a particular viewpoint to be rammed down the throat of the rest of the Nation while we sit back and diddle.

I believe that it is important for us to have this debate. It is important for us to make certain that the American public understands that if in fact we go ahead and default on this debt, that this is not a tactic that anybody, many Republicans, JOHN KASICH included, have ever endorsed. I would ask JOHN KASICH and I would ask other moderate Republicans to join with over 150 Democrats that in just 1 day have signed a clean discharge petition. All you have to do is walk up to that front desk. Ask the clerk to provide you, they will even give you a pen. They will give you that pen. You put your name to the paper, and we can make this issue go away, provide the credit of this country with the service that it needs and provide this country with the kind of compromise solution that has worked for over 200 years of American history.

I thank the gentlewoman from Connecticut.

Ms. DELAURO. Thank you for your work, Congressman KENNEDY. Well said.

My colleague from Texas, Mr. BENTSEN, who has really been the coauthor of the resolution to look at a clean debt limit extension, love to have you in this conversation. I welcome also, I might say, the ranking member of the Committee on the Budget, who will join us in this discussion in a few minutes.

I yield to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I thank the gentlewoman from Connecticut for yielding to me. I would like to take a second to talk about what is going on here.

I was asked by a reporter yesterday as to why my colleague, the gentleman from Texas [Mr. DOGGETT], and I introduced a privileged resolution to bring a clean debt limit extension to the floor. My first response was, because it is the obligation of the Congress to make sure that America pays its obligations. The Speaker has chosen not to schedule on the calendar a clean debt limit extension, which has very serious implications.

Additionally, we have had to follow what Mr. KENNEDY of Massachusetts is trying to do through a discharge petition to bring this up, because we have a small band of self-described revolutionaries who do not think that we ought to do this.

Let me briefly remind this House that the last small bank of revolutionaries who chose not to pay their obligations were the Bolsheviks who in the early 20th century decided that they would not pay the obligations of the nation of Russia and thus defaulted on what were then called czar bonds, and even today there is no market for other obligations. Even today, the former Soviet Union, which has now broken the shackles of communism, still finds trouble entering the capital markets because of that.

Let me briefly describe for the House what would happen in the event that we followed through with the default on our national debt. Not only would payments not be made on U.S. obligations, not only would Social Security checks not go out, veterans' checks, salaries to the men and women who are serving our Nation throughout this world in the armed services, including in Bosnia. But in addition, you would see a downgrade occur on the part of most debt held by State and local governments, school districts, water districts, which is backed by U.S. Treasury obligations.

You would also see a situation where there would be no secondary market for Treasury securities as pension funds and other holders, individuals, other nations would have to in effect dump their Treasury holdings. I would predict, quite confidently, that you would see interest rates on the long Treasury bond, the 30-year Treasury bond head up toward the 20-percent range, which is really quite unacceptable. I think that the impact on the stock market would be well expected to see a significant drop.

Mr. FAZIO of California. Let me ask my colleague, who understands the financial markets as well as any of the Members on our side of the aisle, if it is true, as I understand it is, that today the difference between our triple A bonds, which are the most secure bonds, the U.S. debt, and those that are graded at what Moody's says they may have to be graded at, triple B, I guess, that is about a 3.5-percent difference, is it not, in terms of additional burden that anybody borrowing with the full faith and credit of our Government would have to incur; is that about right?

Mr. BENTSEN. That is about right, around 3 to 3.5 percent, 350 basis points. That is a substantial additional interest cost. What you in effect do is you turn interest into principal and you thus incur more debt. It costs you money in the long run.

We would be raising the cost not only to the American taxpayers through the Federal Government, but we would also be raising the cost to State and local taxpayers, school districts. This is before people who have adjustable rate mortgages, which are coming due in the month of February and March, find out that exactly what that cap on their mortgage meant. If it was a 2-percent cap or a 3-percent cap, they are going to hit that cap.

This is sort of the version, the financial version of mutually assured destruction. This will cause a payment crisis in the U.S. markets that will transcend through every household in this country. It will preclude the Treasury from making Social Security payments. It is totally unwarranted. It should not be done.

The Speaker should bring this bill up, and the last thing, the last thing we ought to do in this situation is to adjourn and go home so some people can campaign or run for President. For doing this, they should probably run away from their constituents for causing this to happen, but they should not be out campaigning. We should stay here, do the Nation's business and avert a default. I thank my colleague from Connecticut for having this time. I appreciate you yielding the time.

Ms. DELAURO. Thank you very, very much, for your help in the education process.

Let us now try to get into the discussion here, the distinguished gentleman from Minnesota [Mr. SABO], the former budget chairman and the ranking member on the Committee on the Budget. No one knows this better than MARTIN SABO.

I yield to the gentleman from Minnesota [Mr. SABO].

Mr. SABO. I thank the gentlewoman from Connecticut for yielding.

Let me commend the gentleman from Texas [Mr. BENTSEN] for his outstanding work in defining this issue to both the Congress and to the American public and to the gentleman from Massachusetts [Mr. KENNEDY] for having had the foresight to introduce some time ago a bill to extend the debt ceiling.

I introduced a more recent version. For the first time in my career in Congress, I signed a discharge petition. I am not one who believes that that should be done lightly or for simple political reasons or for trivial issues. But here we are dealing with just the fundamental management of the financial integrity of this country.

I can think of nothing more foolish for the Congress to do than to refuse to extend the debt ceiling so that we go into default on our credit, so that we find ourselves in a position where we cannot send benefit checks that millions of Americans are expecting. And then the incredible long-term impact; when we look at the long-term potential of balancing the budget, one of the important ingredients that we manage is interest costs. If we are going to do foolish things now, playing political games, we may jeopardize our ability to reach any type of balanced budget over the next several years, simply because we are going to drive the interest cost factor in the Federal Government out of sight. It is foolish. It hurts people. It hurts other units of government and for no good, no good reason.

We should simply go about extending the debt ceiling so our credit remains the best in the world.

Sometimes people talk about we should run ourselves like a business. Can you imagine any business that would unilaterally go out and try and destroy their credit rating for no good purpose? That would only be described as dumb. So let us not be dumb. Let us be smart and extend the debt ceiling. I thank the gentlewoman.

Ms. DELAURO. I thank the gentleman. Aptly put, it is dumb, and to hark back to something our colleague from Texas said, that the Soviet Union is still trying to dig out of that morass of defaulting on those czar bonds. That is a history lesson well worth taking.

Let me ask my colleague from California to jump in.

Mr. FAZIO of California. I want to thank the gentlewoman from Connecticut for helping us focus on what would be one of the worst self-inflicted wounds I have ever seen this Congress contemplate. The Wall Street Journal, leading financial newspaper in the country, today talks about Moody's, which is the national version of your local credit bureau, considering downgrading the United States debt to the tune of about $387 billion to in fact create much higher costs for all of us in this country in paying that debt, rolling it over on a periodic basis. It also includes an article about the Mexican economy and the fact that in their credit crunch, loans are today almost impossible to get; and, if you can get them, they are ranging at the 50-percent level.

The reason I bring that up is this is a country that is in deep trouble today just for contemplating default. This country stepped in and helped prevent that and still, just because they flirted with default, today it is almost impossible to get a loan in that country.

We would be, by this action here that is being brought about by the freshman Republicans and others who are irresponsible, in my view, about how they want to conduct our public policy debate, are courting this kind of disaster.

We are about to move to a point where our U.S. bonds, which are the best bonds you can get anywhere in the world, which pay the lowest interest rates because of their security and lack of risk, will fall into the category of almost junk bonds. Here we are, a country that theoretically has learned about the perils of junk bonds, having come through our S&L crisis, we understand that these kinds of high yield bonds we call junk bonds, pay a premium, because of the risk involved, because of the potential for default.

It is a lesson we have got to remember as we continue to do our business in this Congress. Hopefully, the effort that Mr. KENNEDY is leading and Mr. BENTSEN and others to get this Congress to adopt a clean debt limit extension, what we mean by that is to deal with the credit rating of this country without encumbering it with any other extraneous activities, any other legislation that ought to be dealt with in separate vehicles.

We think, and I think Members of the Republican Party honestly agree with us, that if we know what is good for our country, we will act precipitously today, tomorrow, next week, whenever we can possibly get the attention of the leadership of this institution to guarantee that we do not allow ourselves to slip into default and to provide long-term detriment, additional cost to us as individuals and as taxpayers and as a Nation.

We need to sign this discharge petition. We need to bring our Republican colleagues of good will, who are willing to be independent and stand up for what is right for this country, to join us so that we can have sanity reign here and so that we are not going to find extortion and blackmail on something as fundamental to this country as the extension of that debt limit occurring.

Remember, we have written the checks. It is a question of whether we are going to cover those drafts when they come to the bank. I want to thank the gentlewoman from Connecticut for taking the time to give the American people and our colleagues a better understanding of something that I think we never really entertained, never thought was possible, until just recently when we began to see just how far irresponsibility was leading the minority, the majority party in the direction of bringing about a real financial disaster for this country.

Ms. DELAURO. I want to thank my colleague from California for just outlining what it is all about. I want to thank my other colleagues who joined with us this afternoon, and I just want to say that the issue is credit rating, the credit rating of the United States.

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When you hear the words "debt limit, debt extension," put that aside. Credit rating, that is what this is about, and whether or not we are going to say that the United States will continue to have the best credit rating in the world, which it currently has.

I would just say to you that we do have people, we have a group of people in this House that are willing to do harm to the credit rating of the United States by defaulting on our debt. This would be for the first time in this Nation's history. They are prepared to do this, and even have talked about this in terms of a strategy for holding the President hostage, for blackmailing the President to try to get something from him on the issue of the budget.

We have put to rest the issue of the balanced budget. The President has laid one on the table. It is now my Republican colleagues who are walking away from the balanced budget that the President has put down, which they asked for.

What I am begging the leadership, the Republican Gingrich leadership of this House to do, listen to Wall Street when they say what difficulty we will be in in the world if this happens to the United States; listen to Main Street; listen to the working men and women of this country, who will see their adjustable rate mortgages on their homes go up $1,200 as my colleague, the gentleman from Massachusetts, has said. Credit card payments, because the interest rates will go up, will be higher. Towns and cities and States will find, and school districts and water districts, that their bonds will be in difficulty. That is all the result of tampering with the credit rating of the United States. It will have a disastrous effect on the United States and on the people of this country.

We cannot let this happen. What we need to do is to send the President of the United States a clean debt limit credit rating bill, so that in fact we can continue on as the great Nation that we have been, and that our Founding Fathers sought for us.

Ms. BROWN of Florida. Mr. Speaker, if we don't pass a debt limit extension and the country defaults on the national debt, the result will be devastating.

The Republicans don't believe Treasury Secretary Rubin when he warned of default. Instead, they have resorted to a dangerous game of chicken with our Nation's economy.

If we do default on the national debt, it will have an adverse effect on so many people. Social Security and veteran benefit recipients may not receive checks. Interest rates would rise dramatically, affecting home, car, and student loans. Bond prices would fall dramatically, causing people to sell in fear of this.

First, the Republicans held Government employees hostage in their attempt to get the President to cave in to their extreme balanced budget plan. And now, they are fooling around with the possibility of defaulting on the debt.

They just never learn that their extreme bullying tactics just aren't going to work.

We can't afford to default on the national debt. We need a clean debt limit extension.

VOTING BALLOTS PRINTED IN FOREIGN LANGUAGES, ANOTHER EXAMPLE OF GOVERNMENT EXCESS

The Speaker pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ROTH] is recognized for 5 minutes.

Mr. ROTH. Mr. Speaker, I rise today to call attention to another example of Government excess. In the spirit of so-called multiculturalism, the Federal Government has mandated since 1965 that voting ballots and materials be printed in dozens of languages other than English. Today there are some 375 voting districts across this country that are required to print ballots in foreign languages.

In a classic example of an unfunded mandate gone amok, politicians in Washington are forcing States and localities to provide multilingual ballots without providing the funds to implement the ballots. This Don Quixote mandate, the legislation that has caused this mandate is the voting Rights Act of 1965. Under the law, counties must provide multilingual voting information and ballots in the language of any minority groups with more than 10,000 eligible voters in that county.

In the real world, these services should not be needed at all. Voting rights are extended to citizens of this country, and one needs to demonstrate some fluency in English to become a U.S. citizen, so why all of these ballots. In other languages other than English? In practice, this requirement for citizenship has been unenforced, but that does not change the facts. By law, English is the requirement for citizenship in this country. We should not be providing Government services, in direct contradiction with the spirit, if not the letter, of the law's requirement.

Morevoer, these services are expensive, as well as unnecessary. It might surprise supporters of multilingual ballots to know that very few people actually request such special treatment. By and large multilingual ballots are rarely requested, and even less often used, even when they are provided. That is what makes these costs and their cost to the local taxpayers all the more shocking.

Election officials in Alameda County, CA, told me recently that they spent almost $100,000 to produce ballots in Spanish and Chinese for the entire country, yet only 900 were ultimately requested. You can do the math. The taxpayers of Alameda County spent over $100 for every multilingual ballot that was actually used in that June 1994 election. This appears to be a trend.

The last election in Los Angeles saw ballots printed in six languages other than English. Among them were Spanish, Chinese, Japanese, Vietnamese, Tagalog, and Korean. It cost the city government over $125,000 to prepare the materials. Yet, and listen to this, only 927 ballots were used. Los Angeles spent over $135 for each voter the city helped.

Even small communities are not immune. Long Beach spent a relatively modest $1,026 preparing multilingual materials for its eligible voters when only 22 requests came in. The township spent over $280 per multilingual voter. As a frustrated election official told me recently, "This is a lot of money to help a few people." That official could not be more right.

These ballots have other, more serious costs associated with them, too. Providing these special services creates the fiction that newcomers to this country can enjoy the full benefits of citizenship without the language of the land, which is English. How can a citizen cast an informed ballot in a foreign language when most candidates' platforms, stump speeches, and media coverage are in English? Exercising one's rights of citizenship involves more than just casting a vote. It means making a thoughtful decision regarding an issue or a candidate.

Multilingual voting ballots give individuals the right to vote without granting the power to cast an informed vote. The logical extent of the argument behind the multilingual ballots is to provide these services in all the languages spoken in the country. After all, why should we privilege one linguistic minority over another? Should we not provide news reports and election coverage in all these languages, so these citizens have access to all the information they need to cast an informed vote? The simple and obvious answer is that we cannot. There are 327 languages spoken in the United States today. We cannot provide these services in all of these languages. What is more, we should not.

CALLING FOR A MUTUAL UNDERSTANDING BETWEEN TAIWAN AND THE PEOPLES REPUBLIC OF CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. TORRICELLI] is recognized for 5 minutes.

Mr. TORRICELLI. Mr. Speaker, it is said that in history, great conflicts begin more often from miscalculation than by purposeful design. Even in our own time, it is said that the Korean war may have begun by the unfortunate statement of Mr. Avenuees that the defense perimeter of the United States began in the Sea of Japan, and not the 38th parallel.

A few years ago the United States Ambassador to Iraq suggested to Saddam Hussein that in a dispute between Kuwait and Iraq, the United States would regard the matter as an internal problem in the Arab world. Today in the straits of Taiwan a foundation may be being laid for a similar misunderstanding.

I take the floor today, Mr. Speaker, as one Member of this institution, in the hope that the leaders of our country, our great allies in the People's Republic of China, come to some mutual understanding of events that are taking shape even as we speak between Taiwan and the People's Republic of China.

Only weeks ago the Peoples Republic fired missiles into the airspace and the shipping lanes around Taiwan. It is now openly being discussed what further actions, including military measures, might be taken. The leaders in Beijing are displeased with comments or activities of President Li after the Taiwanese elections.

It is the policy of the United States Government to have formal diplomatic relations with the People's Republic and to recognize it as the sole legitimate Government of China, but the Taiwan Relations Act is infinitely more complex. It also permits, and indeed, in my judgment, provides a responsibility for the United States Government to continually reassess our role and obligations if the security situation of Taiwan were to deteriorate.

I recognize that the relationship between Beijing and Washington is one of the cornerstones of world peace. It is one of this Nation's most important economic, cultural, and security relationships. I want it to be strong and I want it to be sound. But I also recognize, and history bears witness, the United States keeps its obligations, recognizes its relationships, and meets the needs of its friends.

I trust and I hope that Beijing in the coming months will act responsibly, retain the commitment that any dispute it might have with the people on Taiwan and the question of the larger China is resolved peacefully, responsibly, and diplomatically. But simply because Members of this institution and the larger U.S. Government are committed to good relations with Beijing, simply because we want good political relationships, increased investment and trade, simply because of the progress of all these years, they should not put aside that this is still a nation that keeps its obligations, defends the weak against the strong, and holds democratic governments with pluralistic governments in a singular and special category.

This is, after all, not the Taiwan of 20 years ago. There is a free press, a pluralist democracy, and now, a popularly elected President. That does not negate aspects of, or in its totality, the Taiwan Relations Act. It is simply an attempt to make an effort on my own part to communicate with the leaders in Beijing to let them know that the firing of the missiles was not only wrong, but threatening military action is irresponsible.

However they may calculate it, whatever their advisers may say, at the end of the day, in spite of all the investment and all the hopes for good relations with China, the world will not watch a military incursion, a renewal of hostilities, or even irresponsible acts that threaten the peace.

So I hope each in our private ways, parties to this potential dispute, will again renew their commitment to peace and ensure that our actions remain responsible, but that all parties at the end of the day recognize that the United States will not witness the forceful end of the Government of Taiwan.

TRAVEL HABITS OF THE SECRETARY OF THE DEPARTMENT OF COMMERCE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Michigan [Mr. CHRYSLER] is recognized for 40 minutes as the designee of the majority leader.

Mr. CHRYSLER. Mr. Speaker, once again, the Commerce Department has made news. But it's not news about any new trade deals it won for American business. It's for the travel habits of the Secretary of Commerce. It seems that the Secretary has a penchant for travel, one that has cost the taxpayers of this country millions of dollars.

In fact, the current Secretary's travel costs have increased by over 145 percent from that of his predecessor. One can only assume he is using the same travel agency as the Secretary of Energy.

This weekend, the Los Angeles Times reported that the Department of Commerce's own inspector general was sharply critical of Secretary Ron Brown's travel expenses, noting that "His spending levels are particularly striking since he took over the job from a Republican administration that was often under fire for incurring excessive travel costs."

The Los Angeles Times goes on to add, "Brown, a former chairman of the Democratic Party, was accused by his critics of using his travel budget to gain favor with political allies and party contributors, many of whom have been invited to accompany the secretary on his extensive foreign trips."

Mr. Speaker, I include for the RECORD the Los Angeles Times article.

The article referred to is as follows:

[From the Los Angeles Times, Jan. 22, 1996]

AUDIT CITES TRAVEL COSTS OF COMMERCE SECRETARY

(By Sara Fritz)

WASHINGTON.—Under Commerce Secretary Ronald H. Brown, travel expenses for the secretary's office have risen at least 145% over those of a well-traveled GOP predecessor, while many of Brown's aides are improperly using government credit cards for personal purchases, according to a confidential audit report obtained by The Times.

The report by the Commerce Department's inspector general also sharply criticizes Brown for supplementing his escalating travel budget with millions of dollars that Congress intended for other purposes.

In addition, it questions the Commerce Department's practice of paying in advance the expenses of nongovernment workers who travel as "consultants" for the administration. It notes that more than $360,000 in travel advances to these private citizens have never been repaid.

The report, which generally calls into question Brown's financial management of the Commerce Department, comes to light in the wake of the controversy over excessive travel spending by Energy Secretary Hazel O'Leary, whose penchant for numerous and expensive foreign trips was detailed by The Times.

Brown is already under investigation by a court-appointed independent counsel on a variety of charges unrelated to his travel expenditures—most of them involving his personal finances.

His spending levels are particularly striking since he took over the job from a Republican administration that was often under fire for incurring excessive travel costs. In particular, the extensive travels of former Commerce Secretary Robert A. Mosbacher, who served in the Bush administration, were often questioned by Democrats in Congress.

Like Mosbacher, Brown, a former chairman of the Democratic Party, was accused by his critics of using his travel budget to gain favor with political allies and party contributors, many of whom have been invited to accompany the secretary on his extensive foreign trips.

Carol Hamilton, Brown's press secretary, said the increased spending reflects the secretary's determination to be more of an activist than his predecessors in promoting the interests of American business.

"The Brown Department of Commerce is a far more activist Commerce Department, particularly in terms of export promotion," she said.

At the same time, she said, the department has taken steps to clamp down on the misuse of credit cards and to eliminate other problems cited by the auditors.

Judging from individual expense reports filed by Brown and his traveling companions, which also were obtained by The Times, the Commerce secretary's costs have risen in part because he makes numerous domestic and foreign trips. But records also show that he adds to the cost by taking along a sizable entourage of advisors and security personnel, along with an advance team whose tasks include arranging for hotel accommodations and ground transportation.

Overall, according to the audit, travels by Commerce Department employees cost the taxpayers nearly $68 million in 1994, exceeding the budget set by Congress by about 55%. One Commerce Department agency alone, the National Oceanic and Atmospheric Administration—which helps pay for Brown's trips—exceeded its travel budget by $22 million in 1994.

Auditors found that the secretary and his office staff spent nearly $1.4 million from their own budget on travel during 1994, nearly 1½ times more than the $552,389 spent in 1991 by Mosbacher and his aides.

In addition, auditors found, the secretary has supplemented his travel budget with hundreds of thousands of dollars drawn from other agencies within his department, including NOAA, the International Trade Administration and the Economic Development Administration.

For example, the report says the ITA and the EDA transferred funds from their budgets to pay for Brown's trips to Russia in March 1994 and to India in January 1995. Records indicate that NOAA routinely pays for Brown's bodyguards, both on foreign and domestic trips.

As a result of Brown's decision to use other agencies' funds for his trips, auditors were unable to determine precisely how much money the secretary has spent on travel. But the report quotes ITA officials as saying his travel expenditures from their budget reached $2 million in 1994 alone.

The inspector general's office says the practice of transferring funds between agencies was troublesome, but not illegal. "We found no violation of the letter of the appropriations law," the report says. "But we are concerned that the transfers weaken the integrity of the budgeting and appropriation process and expend funds in ways not anticipated by Congress."

Hamilton said Brown disagrees with the inspector general's criticism.

The report was first obtained from the Commerce Department by Citizens Against Government Waste, a conservative, Washington-based watchdog group, and the inspector general's office has declined further comment on it.

But on Capitol Hill, where decisions about Brown's travel budget are made, a spokesman for Rep. William F. Clinger Jr. (R-Pa.), chairman of the House Government Reform and Oversight Committee, expressed strong dissatisfaction with Commerce Department spending practices.

Brown's travel spending, he said, appears to be "in violation of Congress' power of the purse." Clinger, who also has a copy of the audit report, added that Americans would prefer to have their economic development funds spent on local community projects, not on foreign trips for Brown.

The auditors found widespread abuse of government credit cards within the Commerce Department, including "unpaid charges, use of charge card for personal purchases and automated teller machine advances not related to official travel." Among those issued these credit cards, according to Hamilton, are some nongovernment workers—some of them political associates of Brown—who are hired as consultants to accompany the secretary on his trips, often to make advance arrangements.

Specifically, they identified 293 employees with delinquent accounts and 567 who had used the card for ATM advances or personal charges, such as meals at fancy Washington restaurants, liquor, jewelry, flowers, books and music, online service fees and automobile insurance.

Hamilton described the problem as simply a "bookkeeping issue" and said department administrators have assured Brown that the money was not "inappropriately spent."

When confronted by the inspector general with these apparent abuses of government credit cards, according to the audit report, most agencies within the Commerce Department appear to have made a good-faith effort to ferret out the problem and respond in writing.

But Brown's own office appears to have been less cooperative. The report notes: "The coordinator in the office of the secretary gave us oral explanations for some of the questionable accounts, but told us that because of other pressing duties, she did not have sufficient time to provide written explanations."

At NOAA, the expense account coordinator complained that she could not possibly do a thorough job of monitoring credit card expenditures because she was the only person responsible for 5,000 to 6,000 cardholders.

Although the department subsequently made arrangements with American Express Co. to automatically block retail expenditures made with a government credit card, the inspector general noted that the system was far from foolproof.

The Commerce Department's efforts to collect repayments of travel advances from consultants also have been inadequate, according to the report. As of March 31, 1995, these nongovernment personnel had received 525 advance payments totaling $360,110 that had never been repaid.

Of the 83 nongovernment workers who traveled with the Commerce Department between 1992 and 1994, the report says, only two of them repaid their travel advances in full. While most of them made some accounting of their expenditures, however inadequate, nine of them filed no vouchers.

The report says 260 of the advances, totaling $119,552, were more than a year old and probably uncollectable. Recipients of 367 advances, totaling $195,861, had ignored four government notices seeking repayment.

Perhaps the hardest criticism leveled in the inspector general's report points to a lack of concern within the Commerce Department about these matters of financial management. "Oversight of travel spending by agencies appears virtually nonexistent beyond the commitment of funds," it concludes.

Earlier this year, 60 of my colleagues and I introduced legislation that would have dismantled the outdated and unnecessary bureaucracy at the Department of Commerce.

The Commerce Department is typical of the old way of Washington thinking that I was sent to challenge. While the Department is supposed to be helping the Nation's businesses, the truth is that business leaders from across the country have indicated their overwhelming support for eliminating the Department.

A Business Week poll of senior business executives taken last year indicated that those business leaders favor eliminating the Commerce Department by a 2-to-1 margin. A survey of business executives in my home State taken by the Detroit Chamber of Commerce found only 6 percent of executives and business owners in favor of keeping the Department as it is.

Yet despite this resounding vote of no confidence from the very people the Department is supposed to be serving, Secretary Brown and his liberal allies continue to defend the Department and justify ever bigger budgets.

If the Department of Commerce were truly the voice for business it claims to be, it would be supporting the things that business wants: a balanced budget and the lower interest rates and stronger economy it will bring; legal reform; and regulatory reform.

Instead, the Department has advocated against all these things, in the mistaken belief that American businesses are looking for a Secretary of Commerce with a lot of frequent flyer miles.

Is it any wonder that the majority of business leaders in this country say get rid of Commerce?

I think I speak from some experience when I talk about dismantling the Commerce Department because I came to Congress from the business world. I started a company from the corner of my living room that went on to provide jobs to over 1,200 families and did business in 52 countries.

During the whole time I ran my company, I never once called on the Department of Commerce for their help, and they never called me to offer any.

And as a businessman, if the vast majority of my customers said they thought my company was no longer needed, I would think it was time for some major reengineering.

That is precisely what the Department of Commerce faces today. When over two-thirds of the Nation's businesses—the Department of Commerce's customers—say it should be dismantled, it is time for some serious reengineering.

Our Department of Commerce Dismantling Act provides a serious and responsible blueprint for the reengineering of the Department.

It streamlines the beneficial programs of the Department, consolidates the duplicative programs, privatizes the programs better performed by the private sector, and eliminates the unnecessary programs.

☐ 1415

One of the other key features to this dismantling act is that we have found a way to consolidate many of the programs. We have 115 different trade programs that my good friend from Florida, Mr. MICA, will talk to us about, that we have consolidated into one office of trade.

If I could yield to my good friend from Florida [Mr. MICA], maybe he could embellish on that, because it was his amendment to this bill that gave us a concept for trading that puts us on a level playing field with all of our major trading partners in this country.

Mr. MICA. I thank the gentleman for yielding.

I do want to say what a pleasure it has been to work with the gentleman from Michigan and the refreshing viewpoint that he brings to the Congress, and also the background and knowledge. He is not an attorney, I am not an attorney. We both come from a background of business. He has dealt in international trade, knows what he is talking about. I ran a small consulting business that represented big and small firms around the world that was involved in international trade, and we think we have some idea of what is going on out there and what we need to do.

I spoke earlier on the floor to my colleagues about what the President said and what he did not say. One of the things that people were concerned about that I talked to and that I am concerned about is our opportunities for trade. The President talked about global competition. I cannot think of any country, major industrialized country that is more ill-prepared than the United States to deal from a government standpoint in international trade. The gentleman from Michigan [Mr. CHRYSLER] has seen it, I have seen it, and others who have been involved in international trade.

The President did not tell you that the trade deficit that we are facing, that this Nation is facing, is the most staggering from last year in probably the history of the recorded statistics, that we are going down the tubes, that we are losing jobs, we are losing opportunities for the future. We are losing good-paying jobs because we do not have our act together.

It is easy to stand here and criticize, but in fact, the President and this administration are blocking the proposal that Mr. CHRYSLER and I and others have worked on. It was not an easy task to come up with a reorganization of this Department of Commerce.

Let me tell you how disorganized our trade effort is. There are 11 committees of jurisdiction; Mr. CHRYSLER and I went to at least 5 or 6 of these committees with our dog and pony show to explain what was going on, to say we needed to make a change, we needed to reorganize the Department of Commerce, not just to spend money wildly or in excess, like you have seen the abuses outlined by Mr. CHRYSLER, but in some organized, cohesive fashion.

That is what we propose. That is what is in this budget that we have proposed, and that is what has been sitting on the President's desk and has been sitting for consideration and ignored. Unless these kinds of program changes are made, we will continue to lose our shirts and our pants and our wallets and our opportunity for the future, because we do not have our act together.

Now, that is some of the bad news. Let me tell you, it gets worse. You think about the Department of Commerce. Now, what does the Department of Commerce do? Do they help commerce? Are there a few folks involved?

Let me give you the exact statistics. There are 37,009 employees in the Department of Commerce. Do you know how many are in Washington, DC?; 20,199 as of last January, 20,199. Now you think they would all be involved in helping promote commerce. Wrong, wrong again. What they are involved in, 16,000 of them are involved in the Weather Service; 16,000 in the Weather Service. Less than 3,300 are involved actually in trade and commerce and international export promotion. But we have scattered throughout 17, 18 other Federal agencies this responsibility for export promotion, for assistance for finance and for the other things that will help our medium and small businesses compete.

In fact, we propose to bring together trade assistance, trade negotiation, trade promotion, and trade finance. You cannot cut a deal in business unless you have the ability to finance. Our medium and small businesses cannot compete. When you have the right hand not knowing what the left hand is doing and 18 agencies involved in this spending of over $3 billion in a disorganized fashion, this is what you get, the biggest trade deficit in history.

The White House continues to ignore this, and most of the people here know nothing about it. They have never been in business. Most of them are attorneys and most of them have been running for office most of their life. This new group has come in and said: We do not want business as usual, we want to conduct international business. We want our people to have good-paying jobs, and we need to get our act together.

But let me tell you. It does not matter if it does not work; they want to continue doing it that way. It does not matter if it is ineffective. They want to continue doing it that way. It does not matter if it is costly, we will spend more money on it. And you see the results of what you get with someone like Mr. Brown running the Agency.

So we have to make some changes. Even in the Weather Bureau, with 16,000 people, you know, they are still there. Let us put our thumb out and see what the weather is, our finger. That is how they did it 10 years ago, not recognizing that there are technology changes, not recognizing that we also have a Weather Service with the Department of Defense and FAA. How about some consolidation? How about some elimination of positions of duplication?

So we propose an organized attempt for this country to get together. The freshmen are called extremists. Well, yes, they are extremists if they want to see your dollars spent properly. Yes, they are extremists if they want to see 2 or 3 people doing the same job that used to take 10. Yes, they are extremists if they see us losing our pants in competition. Yes, they are extremists if they see 30,000 people in the Department of Commerce and 20,000 of them in Washington, DC, right here.

Now, folks, we have to get a grip. This Congress has to get a grip. The American people have to grip and look at what is happening with their money and look at what is happening in the area in which we have the most opportunity for the future.

This country always depended on domestic trade. Now we have to compete in an international arena the President said, and yet they do not have one idea. They will not come forward and accept this well-thought-out, well-negotiated proposal to allow us to compete, to allow us to get our act together, to allow us to give some opportunities for the future.

Mr. Speaker, one of the first things I did as a Member of Congress as a member of the Aviation Committee, I flew out to Washington. I was there because they were laying off over 10,000 employees at Boeing. We cannot allow this to happen. That was one of the few areas where we excel and exceed in exports. Now they are beating our pants off with Airbus and other activities. We are not able to compete.

We have to have a new relationship between business and Government working together to create jobs, to create opportunities, and to compete with the other guys who are beating our pants off. The Germans, the Japanese, the English, they have been trading with the Europeans for centuries with international markets as part of the nature of things. We have relied on domestic markets. Now we have to change.

Now, this class of freshmen who are not all attorneys, who are business people like Mr. CHRYSLER, have come here. They are bringing their knowledge, their experience, and applying it to an agency like the Department of Commerce. They wanted to do away with four or five agencies. Did you see the parade the other day when they started coming in, the Cabinet members? My goodness, they took up a whole row of the House of Representatives. There is not enough room for the Cabinet to sit at the table anymore.

Even Mr. Panetta, when he was on this floor and a Member of this House, had recommended that we downsize to seven Cabinet members. We are talking about consolidation of one activity, the most important, commerce, commerce and business that pays the bills for all of the rest of it. It pays for welfare, it pays for Medicare. None of this is provided by the tooth fairy; it is provided by the taxpayers, and then we get the funds and we spend them. But we have to have some basis for that, and that basis is business. Our best opportunity for business is export and getting the Department of Commerce together.

I yield back to the gentleman, and I thank him so much for the leadership he and his class has provided, for the abuse you have taken in trying to bring this country into the 21st century as far as business, economic opportunity, and I salute you.

Mr. CHRYSLER. I thank the gentleman from Florida [Mr. MICA]. I appreciate the help of the gentleman and his expertise in the area of trade.

Trade is a very important issue to this country, but we need to do it so we can compete on a level playing field with all of our trading partners.

In this Commerce dismantling act that we have passed here in the House, over 7 years the plan will save taxpayers $7 billion of their hard-earned money, money that will not be going to fund Secretary Brown's worldwide junkets any longer. And just getting rid of the Department of Commerce, which is the mother of all corporate welfare, giving away over $1 billion a year in the Department of Commerce, if you do not have a Department of Commerce for 25 years, you do not give away $25 billion of taxpayers' money.

□ 1430

Dismantling the unnecessary and duplicative bureaucracy at the Department of Commerce is a hefty down payment that we can make today on our efforts to balance the budget. If the President is serious about getting rid of wasteful Government spending, as he indicated the other night in his State of the Union Address, he should join us in this effort to make Government more effective and more efficient.

Certainly, one of my colleagues that has worked extremely hard at that in this 104th Congress is the gentleman from Kansas [Mr. BROWNBACK]. He has worked to try to right-size this Government. He has worked to dismantle not only the Department of Commerce but the Department of Energy, the Department of Education, and HUD. I am proud to say that three of those four departments were included in the Balanced Budget Act of 1995 in the House bill.

If you want to protect the status quo, then you will continue to do what Alice Rivlin indicated the other day when we met with her and said, well, she was not ready to look at dismantling the Department of Commerce because she wanted to keep it around.

I would like to yield to my friend, the gentleman from Kansas [Mr. BROWNBACK], and let him tell us a little bit about his experiences of trying to right-size Government while trying to eliminate the wasteful spending of a Secretary with the total disregard for the taxpayers' money that he has shown here.

Mr. BROWNBACK. I thank the gentleman from Michigan for yielding.

I want to recognize what the gentleman from Michigan [Mr. CHRYSLER] has been doing. Here is a businessman coming into the Congress. Normally, people would say, well, this would be the type of person that would defend the Department of Commerce, help the Department of Commerce because it is going to deliver goodies back to him or to his organization or people that he knows. Instead, he is going in saying, "Why do we have this Department of Commerce the way it is currently configured and can we not save money and help the American people and help the American taxpayer in the process?" I think that is a very worthy goal and objective and something that the gentleman from Michigan [Mr. CHRYSLER] has really put forward.

Mr. Speaker, the other night I was really attracted to be very supportive of the President's statement in the State of the Union where he said at the outset, "The era of big Government is over." The era of big Government is over. It is over.

He said that, and he said that we have got to get on past this point in time. I was very appreciative of him saying that, that the era of big Government was over. And I anticipated that shortly thereafter in the speech, the State of the Union, that he would call for the elimination of the Department of Commerce as an indication that the era of big Government is over and here is something we can do without and we can save $7 billion in doing this, $7 billion. We can cut corporate welfare in the process of doing this, as well, and we can deal with some of these issues of excessive travel expenditures in the process, too. We can show a smaller, more focused, more limited Federal Government.

We can do as the gentleman from Florida [Mr. MICA] has talked about previously as well, consolidate our trade functions. Instead of 19 different agencies and entities doing trade promotion, get it into one, and we can have an effective, focused force in international trade that will help us, although I think the biggest help we can do to help ourselves in international trade is negotiate good treaties, have less regulation, have less litigation, have less taxation and a balanced budget to cut interest rates by 2 percentage points, and if we could get the Federal Government as a smaller percentage of the gross national product, that is going to do more than anything else to help us promote international trade and get our balance of payments.

I would be happy to yield back to the gentleman from Michigan.

Mr. CHRYSLER. I just want to remind the gentleman from Kansas [Mr. BROWNBACK] also of the Freedom to Farm Act. That is the one we need to get through, too.

Mr. BROWNBACK. Yes, to be able to allow farmers to decide themselves what they want to plant rather than somebody that is planning for this out of the centralized bureaucracy in Washington telling my dad and my brother what they can plow on their farmland in Linn County near Parker, KS. They sit out there now and they go, "Now who is telling me that I have got to plant this many acres of corn and this many acres of wheat," and they are saying, "Well, OK, I will go along because that is what the system is."

But you have got to question, is that really the way it should be decided? Should the marketplace not send those signals and then individually decide in that system? And they would much rather do that.

I would say, as well, there are a number of very good things done by the Department of Commerce that we keep. Patent and Trademark Office, you have to keep that and you want to keep that. The National Weather Service does a very good job. I think we could probably do some more with some increase in technology, but they do an excellent job as well, and there are other things within that agency that do a good job.

But it is also well known about the political nature of many of the appointments within the Department of Commerce. There are problems that it has had recently, and we have seen these recent reports about the Secretary in the Department of Commerce.

I think overall, as a statement of faith and as a statement of commitment from the President of the United States and this Congress, that the era of big government is over, we should take this very first step and eliminate the Department of Commerce, keeping the core functions that are good and necessary, eliminating the corporate welfare, getting it out, saving the American people $7 billion in the process, and showing them a smaller, more limited, more focused Federal Government.

I would be happy to yield back to my colleague, the gentleman from Michigan [Mr. CHRYSLER], who has brought this debate thus far with a great deal of difficulty.

Mr. CHRYSLER. I thank the gentleman from Kansas [Mr. BROWNBACK].

The gentleman mentioned the era of big government is over, and it is true the President of the United States said that three times in his speech.

This is the same President that wanted to give us the biggest health care, national health care program, in the history of this country, gave us the biggest tax increase in the history of this country, and then presented a balanced budget to us on January 6 which he could have just as easily presented to us on December 15 and we would have had no Government shutdown. So we ask ourselves, Who shut down the Government? Only the President, the President that could have submitted that budget when the law that he signed said he would. So he broke the law, did not keep his word and shut down the Federal Government. That is very easy to understand.

In that budget, $400 billion went for a bigger government here in Washington, DC. There was also another $200 billion tax increase. And Bill Clinton has again just demonstrated that he is a tax-and-spend, liberal Democratic President. This, when he is standing there saying out of the other side of his mouth, the era of big government is over.

At this point, I yield to my good friend, the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, first let me thank the gentleman from Michigan [Mr. CHRYSLER] for the tremendous work he has done looking at wasteful government spending, and, make no mistake, there is a lot of waste.

You are exactly correct that Republicans probably made a mistake when they simply said we want the President as a starting point to give us his balanced budget that balances in 7 years as scored by CBO. So what does he do? He gives us a budget that increases taxes, does not cut spending and said, well, this is it. But do the people of this country really want to continue down that path of more taxes and more spending and more borrowing.

On the Department of Commerce, I think when we have a department that is not necessary and we start appointing political cronies to head up those departments, there is a danger of misuse of their positions.

So I am not only concerned about Secretary Brown's international travels, I am also concerned about his domestic travels. This is an individual who was chairman of the National Democratic Party, who was the major fundraiser for Democrats, who does a political evaluation test for the people that he brings in to make sure that they are partisan Democrats.

I think what happens is not only a waste of taxpayers' money but a misuse of the Department, when instead of appointing the highest qualified individuals, you go to those political patronage jobs who have done the most for your political Democratic Party or for your reelection as President and you say this is the person I am going to bring in to head this Department.

So it is no wonder that there is an abuse of travel. When we investigate this, and I would hope everybody would just take the time to read the Monday, January 22, Los Angeles Times article where it cites the travel costs of the Commerce Secretary that are 145 percent higher than his predecessor, that has evidence of misuse of credit card by the staff of that department. Here is not only the head of the Department but essentially a whole department that should be wiped out, eliminated from the Federal Government. The useful functions of that Department can well be accomplished by other agencies and other departments at much lesser cost.

We have got a problem in this country, and it is about time we face it. It is about time that every individual, say, at least under the age of 50 years old, better start looking at this Federal budget, they better start looking at the ramifications that this overspending and overtaxing and overborrowing is going to have on their future lives. Because if you look at how long Social Security is going to last, the estimates are now that Social Security is going to be broke by the year 2020, that Medicare is actually this year spending out more money than it is taking in. We have made overcommitments, we are overspenders.

Politicians in the past have decided that by promising more and more good things to people, it increases their chances of being reelected. The U.S. American citizens, when they go to the poll every election, better be saying, Is this person going to be doing what is right for my future, my kids' future and our grandkids' future? We are in a big battle now.

I will yield back to the gentleman from Michigan [Mr. CHRYSLER]. He can yield maybe on this point.

Mr. CHRYSLER. I thank the gentleman from Michigan [Mr. SMITH]. I appreciate the gentleman's comments this afternoon, and certainly they are very, very well noted.

I yield at this point to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. I thank the gentleman from Michigan [Mr. CHRYSLER] and the other gentleman from Michigan.

I wanted to say that it is interesting that just this morning I was speaking to a senatorial candidate from Georgia, and he said he started politics in 1974. In 1974 the big issue, when he was running for the State legislature, was let us balance the budget, we cannot have these deficits going on and on forever. He said, finally, after all these years, 17, 18 years later, we finally have a Congress who is doing something about the budget.

When I hear a lot of the folks back home who are bureaucracy brokers and status quo preservers saying, Oh, you can't do this, you can't do that, nobody said it was going to be easy to balance the budget. Nobody said that you could just do it overnight. We did not get in this situation overnight, and we will not get out of it overnight.

I always think it is kind of like dismantling an old white-elephant kind of house, one board at a time and maybe 1 year at a time. Perhaps we underestimated how quickly we could turn this government around. But we got used to borrowing money. Back in the days of Lyndon Johnson, we got used to borrowing money. It got so bad that by 1969, we said good-bye to our last balanced budget, and since then we have just been comfortable year after year of borrowing money.

While that would terrify our constituents back home, our moms and dads running households, to us it is not as terrifying because we have always been able to print more money. But I am glad that this Congress is taking a critical, crucial step. I wanted to just support what the gentleman from Michigan was saying in that regard.

Mr. CHRYSLER. I thank the gentleman from Georgia [Mr. KINGSTON].

☐ 1445

Mr. MICA. Mr. Speaker, I thank the gentleman for yielding and my other colleagues that have come out to talk about the scandal at the Department of Commerce and our meager attempts to try to reorganize one agency in this huge bureaucracy. I talked about 37,000 employees in the Department of Commerce, and 20,199 just in Washington, DC.

Here we are trying to balance the budget, we are trying to make some tough choices. It is not any fun to tell people they are going to get less, or the increases will not be as much, or some programs have to be eliminated. But then you have the responsibility, and I serve on the House Committee on Government Reform and Oversight, charged with looking at investigations and audits of these Federal agencies, and then these are the reports that we get about the Department of Commerce that Mr. CHRYSLER is highlighting today. Listen to this. Here is what these 20,000 people are doing in the Department of Commerce just in Washington.

This audit specifically identified 293 employees with delinquent accounts. They had Federal Government credit cards within the Department of Commerce, including unpaid charges and use of credit cards for personal purchases, even with ATM's—293 employees had delinquent accounts. Now listen to this; 567 had used the card for ATM advances for personal charges for meals at fancy Washington restaurants, liquor, jewelry, flowers, books, music, on-line service fees, we do not know what that is, and automobile insurance.

Would not all of my constituents in the Seventh District of Florida like to have one of these handy cards? This is not just a few folks; this is 567.

Now, we came, we looked at the Department of Commerce, and we saw disorganization. We saw 20,000 people out of 36,000 just here in Washington, DC. We saw us losing our shirt and pants and economic opportunity in the international trade arena, and we tried to reorganize it. We proposed that and got slammed in the face. We have been ignored.

Then we have the President come here and talk about global competition, and no one is less prepared than the United States of America to compete in this global market.

So here is what is going on. These are the choices we have to make. These are the choices Americans have to make, and we have got to do something about it. We wanted to change much more. We acceded to one department, and this is what the people are getting for their money. Their money is being wasted. We are not competing.

You heard Mr. BROWNBACK. The answer that the gentleman gave is true. We can do more for business with a balanced budget. We can do more to promote business with less taxation, less litigation, less government regulation. Those are all part of our agenda here, what we have tried to do in a sensible, responsible, commonsense business fashion.

But people do not want to listen to that. They want to stand up and say the Republicans are hurting the elderly, environment, and education. It sounds good and gets on a bumper sticker, but it does not jibe with the facts.

These are the facts, that this department and other departments are out of control, that this Federal bureaucracy is out of control. When you have 350,000 Federal employees within just a few miles of my speaking distance from the floor of the House of Representatives, that is what this argument is about.

These freshmen have come here from business, from every walk of life, and they do not care whether they get reelected. That is the difference here. They do not care whether they get reelected. They came here to get this country's finance in order. They came here to get this Government in order. That is what they care about. They do not care about the next election, they care about the next generation.

When you see this country, the threat of our debt carrying us into a lower credit rating on the international market, when you see the President talking about responsibility with pension funds, while Secretary Rubin, the Secretary of the Treasury, is rocking the shreds that are left of our Federal employees' retirement funds. It is a pitiful state of affairs for this country, for this Congress, and for the future of any American.

So I thank the gentleman. I get a little bit wound up on this, but I care too, and I know the gentleman cares, and that is why we came here. It does not matter whether we come back, because others will come to this job. It has to be done. It must be done, and it will be done for the future of this country.

Mr. CHRYSLER. I thank the gentleman and appreciate those words. The gentleman mentioned 37,000 employees in the Commerce Department. Two-thirds of those employees were deemed nonessential during the first Government shutdown, 24,000 employees. My legislation only reduced it by one-third, or about 12,000 employees, which says we are not extreme, just conservative. The extreme position is when you want to protect the status quo, and we are here to change it.

To that point, I would sure like to yield some time to my good friend from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I thank my friend from Michigan. As we are gathered here on the floor to have a little straight talk, I think it is very interesting again to recall the words of our Chief Executive, who stood here at the podium 2 nights ago and who said the days of big government are over.

Well, maybe there is a word we should insert there, because I think what the American people want to know is that the days of big spending government are over. For how could the President make that assertion 2 nights ago, and be here in this Chamber with his Cabinet officers, including two of the biggest spenders the executive branch has ever seen? If not the biggest spenders, certainly two of the most well traveled Cabinet secretaries this country has ever seen?

I exchanged pleasantries with Secretary O'Leary. Much as been made, and, indeed, the record of her travels has been chronicled for all in this free society to see. And apart from recognition of those problems, the White House has turned a deaf ear. Of course, this White House, goodness knows, has problems of its own.

Then Secretary Brown. It is almost as if the receptionist at the Commerce Department could make a recording that rhymes: "Mr. Brown is out of town." That in itself would not be so bad, I suppose, Mr. Speaker, but Mr. Brown is out of town, and he is on your expense account, you, the American taxpayer.

Mr. Speaker, all of us in here, all of the American people who pay their taxes, who play by the rules, are financing trips that need some oversight, expenditures that this Congress should take a very real look at, and, again, not questioning the sincerity of the service, but instead looking at the evidence, the compelling evidence.

A few years before we got here there was criticism of another Secretary of Commerce who served under a Republican President, and previous Congresses chose to investigate that Secretary of Commerce. And yet expenditures for the current Secretary of Commerce are some 145 percent above his Republican predecessors. Now, I realize in this town, and given the kind of quirky mathematics employed by the liberals inside the beltway, they will probably try to say that is a cut. But it is an increase, and it is to the credit of the gentleman from Michigan that he has brought it to our attention and a credit to the fact that it has not gone on his credit card, but has been brought to the attention of the American public.

Mr. CHRYSLER. Now more than ever it is time to dismantle the Department of Commerce.

BALANCING THE BUDGET

The SPEAKER pro tempore (Mr. HEFLEY). Under the Speaker's announced policy of May 12, 1995, the gentleman from Connecticut [Mr. SHAYS] is recognized for 20 minutes as the designee of the majority leader.

Mr. SHAYS. Mr. Speaker, I appreciate the opportunity to address the House.

Mr. Speaker, former Prime Minister Rabin made it very clear that he felt that politicians, elected officials, were elected by adults to represent the children, and that is in fact what our responsibility ultimately is, to represent the children and to leave this country a better place than we found it.

When I was elected in the statehouse in 1974, really at the end of the Vietnam war, our national debt was $430 billion. In the 22 years since the end of the Vietnam war, our national debt has grown to $4.9 trillion. We have seen a tenfold increase since the last really extensive war. So we fought the Revolutionary War, we fought the war with the pirates, we fought the War of 1812, we fought the Civil War, we fought the Spanish-American War, we fought World War I, we fought World War II, we fought the Korean war, we fought the Vietnam war, and our national debt was about $430 billion.

Admittedly those dollars bought more in past years, but since then our national debt has grown to $4.9 trillion.

I was elected to the statehouse, and I looked at Congress with some awe, that it is an amazing place. It is a magnificent opportunity to serve in Congress. But I looked as a State legislator and said I have to balance our State budget in Connecticut. I cannot let it be unbalanced.

I understand when times are bad you might have a year or two when you want to generate economic activity and get out of a recession, but you would not just have this systematic deficit spending that has added tenfold to our national debt.

When I was elected in 1987, I vowed that the most important thing would be to save our country from bankruptcy. Not to "balance the budget," but, no, to save it from bankruptcy, to not mortgage this country so that our children would not have a country.

I became part of an effort that the gentleman from Ohio [JOHN KASICH] started in 1989, at least that is the first time I remember voting for one of his major deficit reduction bills, and there were 38 of us that voted for it. Each year that number kept increasing.

We have three main objections as this Republican majority: We want to get our financial house in order and balance our Federal budget; we want to save our trust funds from bankruptcy, particularly Medicare from insolvency, as it is going now to bankruptcy in the year 2002, 7 years from now, now 6 years from now; and, third, we want to transform this caretaking social and corporate welfare state into a caring opportunity society.

Now, on the first area, getting our financial house in order, as a Member of Congress, I vote on one-third of the budget. I do not vote on entitlements, unless we make a proactive effort to change. What comes out of the Committee on Appropriations is one third of the budget. When I was in the statehouse, it was basically 100 percent of the budget, except for the debt issue. So we vote only one-third of the budget.

Gramm-Rudman focused on one-third of the budget. You control the budget by appropriations, but it was only one-third. Then entitlements kept growing so that they are now half of our budget.

What we are looking to do, this is the first Congress, and Wednesday are doing something that Leon Panetta, the Chief of Staff, the former head of the OMB, but then the former chairman of the Committee on the Budget said we have to do, that we will only get a handle on our budget and get our financial house in order if we look to control the growth of entitlements.

So I take tremendous pride in being part of an effort with my colleagues on this side of the aisle, who have been willing to take on every special interest to represent the children to get our financial house in order so that we do not have such large debt. And this debt is consuming 42 percent of all of our savings.

Now, what does that mean? It means that when people save money for new plant and equipment, to have it be invested in this country, 42 percent of it gets taken away to fund our national debt. So what are we doing? We are cutting some discretionary programs. We are doing that. We are downsizing Government. We are looking to have the Commerce Department not be a department anymore, to downsize and reduce the number of departments and become more efficient and not have 11 layers of decision makers within our departments; but to reduce that, like we have in the private sector.

But when I hear the word "cut," it applies to some things and not others. We are not cutting the earned income tax credit. We are not cutting the school lunch program. We are not cutting the student loan program. We are not cutting Medicare and Medicaid. Maybe we should in some instances be cutting some programs. We are not. We are allowing them to grow. They are going to grow and grow and grow, but we are trying to slow their growth.

The bottom line to this is what the earned income tax credit is is a payment that the Federal Government makes to the working poor. We are going to continue that, but it is not going to go to married couples without children, it is not going to go to single people. And we ultimately are going to cap it so it does not go to people making incomes of $35,000 or more. We are going to allow the earned income tax credit to grow from $19 to $25 billion.

□ 1500

The School Lunch Program is to grow from $5.2 to $6.8 billion. The Student Loan Program is to grow from $24 to $36 billion; that one really gets me. We are getting student loans. They are growing by 50 percent. Only in this place and in this city, when you cut the growth and allow it to continue to grow by 50 percent, do people say you are spending less.

Mr. HAYWORTH. Would the gentleman yield?

Mr. SHAYS. Yes, I will yield briefly.

Mr. HAYWORTH. I am so glad to see my friend from Connecticut here, because once again he returns to the key point in this debate. We are trying to realize budgetary savings, not by eviscerating programs but by reducing the rate of growth.

I cannot help but note with great interest when our friend who visited two nights ago, the gentleman who lives in the big White House at the other end of Pennsylvania Avenue, talks about budgetary savings, he is talking about the same type of exercise, yet he remains unchallenged on that by our friends on this side. Yet that curious mathematical exercise, where increases are called cuts, runs rampant in this institution; and I salute my good friend from Connecticut for once again bringing it to our attention.

I would like to inquire of my friends from Connecticut, because this is something that intrigued me: In the latest budget our President has offered us, he himself talked about the days of big Government being over; but as I understand it, his plan calls for some $200 billion in higher taxes and some $350 billion in additional spending over and above the real savings that you have labored so hard for to try and right-size this Government. That, to me, is especially confounding, and I am wondering why the reports of, dare I say it, budgetary neglect or overspending are not really chronicled in the White House budget offer. It is very curious what transpires inside this beltway with the representations of certain budgetary exercises.

Mr. SHAYS. The gentleman has asked a very important question, and I would like to get into that issue; but what I first want to do is be very clear about what we are doing, because I am not all that clear about what the President is doing.

I am clear about what he is saying in terms of his message, and I want to compliment the President on a few issues. And the gentleman is welcome to stay, but I want to go through a few key points; and I might have time at the end that we would have this type of analysis of the President's presentation.

We are not cutting the earned income tax credit; it is growing. The Student Loan Program is growing. The student lunches are growing. Student loans are growing by 50 percent. Every student is going to get the same amount of loans under our plan as they would get under the President's plan.

There is a difference. We are saying, with the students in that period of when they graduate to when they get a job, and we allow a 6-month, what they call grace period, interest free, we are going to have that interest paid by that student, but we are going to allow that interest to be amortized during the entire repayment of the loan. It amounts to $9 more a month. It is a movie theater and popcorn. It is a pizza. It is something that we are asking students to do. They will still have all the loans, but it is $9 more a month, and that is because we do not want the taxpayer to pay that.

We are saving, admittedly, $4 billion in the next 7 years, the taxpayers are. Medicaid is growing from $89 to $127 billion. Medicare is growing from $178 to $289 billion.

Medicare is the one that really gets me. Medicare is growing at 7.2 percent more a year, and we did it by not increasing copayments and not increasing the deduction or increasing the cost of the premium to the beneficiary. We leave it at 31.5 percent. The taxpayers will pay 68.5 percent. We left it at 31.5 percent. Under existing law, it would have dropped to 25 percent.

Why would we ask the taxpayers to pay even more? We want to be at 31.5 percent. As health care costs go up, 31.5 percent is going to be slightly higher, but the taxpayers are going to pay slightly higher at 68.5 percent, because they pay the balance of it.

The bottom line is, we are looking to get our financial house in order and balance our Federal budget, and we are doing it by cutting some programs in discretionary spending and slowing the growth of entitlements, which are 50 percent of the budget. They are on automatic pilot, and we are looking to change that, and we are doing it for our children.

Now, when we get to Medicare, in particular, we know it is starting to go insolvent. What does that mean? This year, more money is going out of the Medicare Part A fund that pays for our hospitals than is coming in; and in the seventh year, all of it is out of the fund; there is no money left. Then the only way we pay for Medicare Part A is, the money goes into the fund and it immediately disappears and it will not be enough to pay for all the costs of Medicare Part A.

So we are looking to restore $132 billion of funds to put into that system, to slow the takeout and to provide the funds to be in that system until the year 2010. And when I think about this, I am thinking about Medicare, it is growing at 7.2 percent a year. Per beneficiary, it is $4,800 to $7,100. And I am going to say it again: Only in this place, when you spend so much more, do people call it a cut. It is a 49-percent increase to beneficiaries.

Let me go through one last part. When we get to this third part, we want to get our financial house in order. We want to save our trust funds, particularly Medicare, from bankruptcy. Transforming this caretaking, social and corporate welfare state into an opportunity society is a very big part of what we are about. Instead of giving people the food, we want them to learn how to grow the food. Instead of giving them the food, we are giving them the seed to grow the food. We are looking to make people responsible.

This gets me to the President's presentation. The President gave a speech that Ronald Reagan, for the most part, would have been proud to give, and I would be. He talked about personal responsibility. He talked about downsizing Government, making it smaller. He talked about what we have been fighting for during this last year. And I want to be respectful of the President, because he was respectful of us and he is our President.

To his credit, he said that this Republican Congress is trying to do some heavy lifting and get our financial house in order. He acknowledged that, and in the end, he acknowledged what we have done with congressional accountability and the gift ban and lobby disclosure. He said it happened under this Congress, and I consider that a positive and honest statement.

I also believe in a lot of what he said about cherishing our children and our family, and dealing with crime and dealing with education issues, and the need, in fact he scolded Congress on the environment, and I happen to agree with his scolding of Congress on that one issue. The pendulum is too far this way, and unfortunately, I think too many of us on our side of the aisle want to go too far the other way. We may have an honest disagreement on that, but that is democracy.

But the bottom line is, I wrestle with this, 12-year-olds having babies. I wrestle with 14-year-olds selling drugs. I wrestle with 15-year-olds killing each other and 18-year-olds who cannot read their diplomas. I wrestle with 24-year-olds who do not have a job, not because jobs do not exist, but because those McDonald's jobs are dead-end jobs.

My dad, bless his heart, would have said to me, Son, how many hours are you working there? I would have said, 10. He would have said, Son, it just increased to 12 or 15. No job is a dead end, because it teaches you to come to work on time and to get up in the morning and to be of service. And it teaches you that you get something in return.

And so I just make this point, that if we succeed in balancing the budget, if we succeed in saving our trust funds, but we do not transform this social and corporate welfare state into an opportunity society, we have ultimately failed. And I say that as a moderate.

I say, as someone who recognizes that some of what Government has done, and some of what I have voted to have Government do, has failed.

Could I ask the Speaker how much time we have left. I want to make sure I am thoughtful of my colleague who has joined me.

The SPEAKER pro tempore (Mr. HEFLEY). The gentleman has 5 minutes left.

Mr. SHAYS. Mr. Speaker, sometimes a liberal is the person who sees someone drowning out 50 feet from the pier and runs to the end of the pier and grabs 100 feet of rope and throws this excess rope. The rope is dangling around the person, and finally it is taut and ready to be pulled in, and that liberal takes the rope, drops it, and says, I have done my good deed and on to the next.

I have criticism of conservatives if they take this position: They see someone drowning 50 feet out and they take 25 feet of rope and say, Here, I will throw 25 feet of rope. You swim halfway, and I will meet you and pull you in.

They may need 50 feet of rope, but they may need something more, and I believe this side of the aisle has not taken that view. It has taken the view that we need not only give people the seed, but show them how to grow the food. But we do not necessarily give them the food indefinitely.

Mr. Speaker, I am happy to yield to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Speaker, I think my friend offers an interesting analogy, and what I have often said, despite some of the labels and names that have been bandied about this Chamber, what difference does it make if an idea is called conservative or liberal or whatever, if it makes sense? The notion being this: that if we are able truly to empower the individual, if we are able to make sure that society has a safety net instead of a hammock, then that should be our goal.

Mr. Speaker, I thank my friend from Connecticut for his diligence in looking at budgetary issues and acknowledging, while sometimes we may not see completely eye to eye on every item that comes down the pike, certainly there is a broad consensus within this new majority to address the problems.

But even as we had our friend from the other end of Pennsylvania Avenue join us the other night and say that the days of big government were over, I was intrigued by the statement that followed that. On one occasion he said, "But we cannot fend for ourselves," or words to that effect. And I believe that we have to be very careful of that type of blanket statement, for what it does is contradict the previous statement.

For it is not the role of government to step into every home, to step into every situation; to say, Washington calling, and we are here to provide you certain safeguards, or we are here to step in and intervene in every avenue of your life. Of course not.

The notion is this: that for society's poorest, that for society's sickest, that for society's weakest, government can exist to help make sure that rights are enforced, that individual liberties are not taken away; but we must remain ever vigilant that the same government who works to empower us with those rights does not in the process take away a person's well-being, both mentally and financially.

Mr. SHAYS. Mr. Speaker, reclaiming my time, as the gentleman points out, there is a tremendous balance in that whole effort. The bottom line is, the President talked about personal responsibility, and that is where it is at.

I would like to close by making this point. I know there are a number of Members of Congress who are not running again. Some of them happen to be moderate Members. And the news media said they are not running again because this is no longer a fun place or that this is no longer a nice place. And I just want to take a little bit of a different view of that issue.

Mr. Speaker, my view is, very frankly, this is not a fun place anymore. Why would it be a fun place? Because we are doing heavy lifting. There is nothing fun about having to confront the elderly and the young and every other special interest group and say, We are going to have to do some things differently to save this country from bankruptcy. It is not a fun place.

But what bothers me is that some of the people who are leaving were here as this country went down into a deep hole of debt, and now that we are in this deep hole of debt and we have to get out of this deep hole of debt, at least stop the deficits, they are quitting. So I contend that they may be quitting, not because this is not a fun place anymore because people are not nice, but because we have to do heavy lifting.

The bottom line, Mr. Speaker, we are doing heavy lifting. This is an epic battle. We are not going to necessarily agree with our colleagues on the other side. We should continue this battle and fight it out.

PRESIDENT'S BUDGET MEETS THE TEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, we have heard since the election of November last, and all of last year, that the goal of the Republicans in Congress was a 7-year, CBO-scored, balanced budget. And the challenge over the last several months apparently was to get the President of the United States to agree to put on the table a 7-year, CBO-scored, balanced budget.

The President of the United States has done that. He has met that test. CBO has scored that budget. There is some $700 billion in savings in that proposal sufficient to balance the budget in these 7 years; and yet we now find that rather than take those savings and balance the budget, the Republican majority would rather end the negotiations. So those negotiations have been ended when there is $700 billion in cash sitting on the table that all they have to do is walk in and pick it up and walk out, and the American taxpayers get all the benefits that we have all talked about from balancing the budget.

□ 1515

Rather than do that, apparently now there is an idea afoot that what we will have is a downpayment, a downpayment on the deficit. I have been here 20 years, and I have only seen one downpayment on the deficit that lowered the deficit. That is what President Clinton did 2 years ago when the deficit was over $250 billion, and today it is $167 billion. All the other downpayments on the deficit never quite got around to lowering the deficit.

So right as we are on the eve of a balanced budget, we find ourselves in the unusual position of the people who claim to have been the strongest proponents of that balanced budget, and I do not think there is any question that they have done everything to move this Congress toward a balanced budget, they now walk away from the negotiations because it is not everything that they could have had.

Rarely in negotiations, whether it is in business or sports, in your family or in the Congress, do you get your sway on everything. And so we are talking about $700 billion in savings sitting on the table, waiting for somebody to pick it up. It is $297 billion in discretionary cuts, $124 billion changes in Medicare, $73 billion in interest savings, $67 billion in other mandatory spending changes, $59 billion changes in Medicaid, corporate subsidies and compliance, $56 billion and $41 billion in welfare changes. This is a lot of money, my colleagues. This is the largest deficit reduction that we have seen. But now we are going to turn it down because it is not perfect? Because it is not exactly apparently what the majority wanted?

We can still make these changes in Medicare. We can have a separate vote on this floor. We can have a separate vote on this floor on medical savings accounts, make them part of it, either in or out. But we do not have to hold up the changes necessary to get the largest entitlement program in the country under some control.

We can make changes and we can still discuss whether Medicaid is going to have nursing home standards or it is not going to have nursing home standards, whether it is going to be an en bloc entitlement or a personal entitlement. We can have those debates afterwards. We can spend this whole year debating that subject. But we can get the budgetary savings, we can get the deficit reduction now while it is real. That is when it is important.

We know that essentially, that essentially we would dramatically change, under the coalition welfare bill that was passed, that was voted on in this Congress, I believe every member of the Democratic Party voted for, dramatically restructures welfare as we know it in this country, dramatically restructures your ability to stay on welfare forever without meeting your responsibilities to try to find a job and to go to work, substantially changes your obligations if you are going to receive taxpayer dollars. The requirements of going to work, the requirements of time limits on welfare, all of that can be achieved and $41 billion in savings at the same time. But we are going to turn it down because it is not exactly what the Republicans wanted in their bill.

This is incredible. This is incredible that we would be here on this eve, and now we are going to back up and we are going to create some kind of stopgap budget reduction legislation with a tax cut, and we are going to sort of give some kind of partial savings.

I just find that when we see that the President of the United States has come this far and is this willing to make these kinds of concessions and these kinds of changes, changes that are needed in each and every one of these programs, that somehow the Republican majority in this Congress will not give the American people those savings, those savings that will bring the budget to balance, those savings, as one of the previous speakers in the well said, will provide for reductions in interest rates on home mortgages, on credit cards, on student loans, and all of the things that America borrows for, that will provide real money in the pockets of working families in this country, is now going to be turned down by the Republican majority.

MAJOR RULING IN ENFORCEMENT OF GATT AGAINST UNITED STATES

The SPEAKER pro tempore (Mr. HEFLEY). Under a previous order of the House, the gentleman from Oklahoma [Mr. COBURN] is recognized for 5 minutes.

Mr. COBURN. Mr. Speaker, I find it interesting that the gentleman that just spoke on the Republicans not wanting to get to a balanced budget and not negotiating, the very gentleman that spoke voted against the first balanced budget act this country has seen in 30 years.

Mr. Speaker, it is no surprise to me that the first ruling of the World Trade Organization in enforcement of the General Agreement on Tariffs and Trade was against the United States. Many people had predicted that that would happen if we in fact gave up our sovereignty to the World Trade Organization as far as our international trade is concerned.

The World Trade Organization argued that the Clean Air Act, one of the most important environmental laws that we have, unfairly discriminated against foreign oil refiners whose fuel cannot meet our clean air standards. It was predicted that this was going to happen, but everyone ignored this prediction saying it would not happen. It has happened now. Everyone said it could not, but it has.

Rather than target the harsh and blatantly protectionist regulatory regimes of our major competitors, the World Trade Organization has now predictably chosen to target U.S. environmental laws. This ruling gives major competitors against the United States a huge bonus while overturning U.S. laws written to protect the health of our citizens in one fell swoop.

And as unbelievable as all this sounds, our executive branch of Government, the President, has not decided whether to appeal this ruling. It is outrageous. This decision should be appealed immediately and, further, we should withdraw from the World Trade Organization, and we should use our contributions to reduce our deficit.

We should give significant and clear consideration to a repudiation of the last GATT treaty. Congress and the American public have clearly and consistently supported clean air standards and set an example for the world of the importance of the clean air environment. Are we now going to let the World Trade Organization thwart the will of the American people and overturn American laws? Are we going to let foreign arbiters of the World Trade Organization now dictate to this Congress, to the U.S. Congress what laws we can and cannot pass? I for one will not stand by while foreign judges of the World Trade Organization rule on the validity of the American environmental and labor laws. I will not surrender our sovereignty to the World Trade Organization, nor should we.

American business and manufacturers have invested billions of dollars in complying with the Clean Air Act. It is not correct, it is not right, it is not fair for foreign competitors that have not been faced with the kind of investment that our businesses have been faced with to import into the United States to the disadvantage of U.S. companies who have complied with our laws.

I say that we should not have any special breaks for foreign oil companies, if they cannot meet our environmental requirements, and that we should say no to the World Trade Organization or to any foreign organization telling this government what we will or will not do.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, I want to thank the gentleman for the remarks he just made.

I represent a district that has a very substantial amount of refining as part of the economic makeup of our district. It has been that way for many years in northern California. Those refiners, based upon these Federal laws, have invested billions of dollars in clean fuels projects at each of these refineries and have had to make that decision. As the gentleman knows, they were very uneasy about making that decision because the question was, what would the market be for the gasoline and would the consumer pay more for these clean fuels. They went ahead and did that on these assurances.

Now we find out that people who were on the same notice in Venezuela and elsewhere, they could have made this investment in their refineries to meet this market but they have chosen instead to go to the World Trade Organization and to challenge this legislation, to get it overturned so they can continue to sell a product into the market that undermines the decisions that this Congress made about the health and safety of our citizens.

I want to thank the gentleman very much for his remarks. I would join him. We have tried to get others in the Congress to understand that this is just the beginning of the assault on a number of environmental health and safety laws where this Congress has made a determination about those benefits for the American people that can be undermined by foreign competitors who want to continue to challenge them as though they are indirect trade tariffs when in fact they are not. They are health and safety laws for the benefit of the people of this country.

Mr. COBURN. The other thing that we ought to pay attention to is, this is the beginning. It is not just going to be on environmental laws. It is going to be on every other law that this Congress has passed that the World Trade Organization is going to try to subvert and undermine the laws that this very Congress passed for the well-being and benefit of this country.

We should stop it now before it continues, and we should appeal. And we should force, through a resolution of this Congress, the President to ask for an appeal of this ruling.

Should we not get that, then we should do the legislatively responsible thing to reverse our participation in the World Trade Organization.

ON THE CONTINUING RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 5 minutes.

Mrs. MORELLA. This is the time, Mr. Speaker, that we talk about what action is going to take place on the floor of this Chamber later today, because quite frankly, it is critical that we pass this continuing resolution today, whatever we call it, to avoid another partial Government shutdown. A partial Government shutdown leads to a massive Government slowdown. This is something we can ill afford.

The previous two shutdowns cannot be repeated. They were devastating to Federal employees, to contractors, to their families, to the local economy, universities, researchers, and the entire American public. The previous two partial Government shutdowns, as I mentioned, have resulted in a massive slowdown and an erosion of confidence in Government.

A longer-term solution is still necessary. Agencies cannot make long-term spending decisions without long-term appropriations. Vendors with long-term contractors cannot be paid. It may be unwilling or unable to continue on a month-to-month basis. Contractors, Federal employees and their families remain very anxious about their future.

Etymologically, the word "disease," if you look at the Oxford English Dictionary, comes from the words "absence of ease." There is really an absence of ease out there in our country, a disease, so to speak. This is something that we in Government can correct.

I hope that this continuing resolution, whether we call it the balanced budget down payment act or whatever, that will come up today will be the first step in increased cooperation to resolve the issues surrounding the remaining appropriations bills and a balanced budget agreement, not the first in a series of continuing resolutions that we are going to revisit every month or every 6 weeks.

I strongly urge my colleagues on both sides of the aisle to compromise on the provisions that are keeping these bills from being passed. Of course I ask the President to engage fully in coming up with a balanced budget. We must find a real solution to end the disruption we have caused in the lives of our Federal work force. So I hope, Mr. Speaker, today will be the day.

STATEMENT ON CUBA TRIP

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, my recent visit to Cuba has been the subject of some controversy. Some of my colleagues, who have surprisingly never even talked to me about the trip, have cynically tried to characterize my views and the trip as insensitive to human rights and pro-Castro.

Mr. Speaker, that is a blatant distortion of the truth.

My position on Cuba is the same as that put forth by the conference of Catholic Bishops. My position is also the same as Cuba's Catholic Cardinal, Cardinal Jaime Ortega.

I might add, as well, that my position is the same as many of Cuba's leading dissidents—including Elizardo Sanchez, Martha Beatriz Roque, Vladimiro Roca, and Rene Gomez Manzano, just to name a few.

Are these people, some of whom have spent time in Cuban jails, insensitive to human rights? Are these people pro-Castro?

Their position, and my position, it that we can best encourage human rights reforms and begin a transition to a more democratic Cuba through increased relations and not by more isolation. They, like me, oppose the so-called Helms-Burton bill.

Mr. Speaker, I realize my public position on Cuba makes me the target of a very well-financed lobby here in the United States. But, let me say clearly and sincerely, I believe in my heart that I am advocating what is best for the courageous people who live on that island and who yearn for a day when human rights and freedoms are truly respected.

MOAKLEY STATEMENT ON CUBA TRIP

WASHINGTON.—Congressman Joe Moakley released the following statement from his office today on his recent trip to Cuba:

"I traveled to Cuba for two basic reasons—first, to try to create an atmosphere in which relations between the U.S. and Cuba could be improved; and, second, to find ways to support ordinary Cuban people.

My trip was hosted by the ABC Forum on Cuba, a non-profit organization dedicated to educating U.S. citizens on issues related to Cuba and to supporting the activities of NGO's promoting human rights and helping the Cuban people.

Our delegation consisted of 23 participants ranging from business leaders to NGO's like the Boston-based Oxfam America.

I met with a variety of people while in Cuba—including top Cuban government officials, church leaders, dissidents, NGO's, foreign diplomats, U.S. officials.

I even had the chance to visit a small group of farmers who are working with Oxfam on a project to increase agriculture production for sale on the open market. These farmers and all the ordinary people I had the chance to meet, were excited to talk with our delegation and candid about their hopes for closer ties with people in the United States.

In addition, my aide Jim McGovern and I had a 2 hour private meeting with Cuban President Fidel Castro. After which, the Cuban leader met with our entire group for another 2 hour session. I told President Castro that we are at a crossroads in terms of U.S.-Cuba relations. the United States Congress is nearing final action on the so-called Helms-Burton Bill which, if signed into law, will strengthen the current economic embargo and end any possibility for improved relations anytime in the near future.

I told President Castro that there must be more movement in Cuba with regard to human rights and economic reforms—and urge him to act now. He seemed responsive and pledged to give my request very serious and immediate consideration.

We also had an excellent meeting with Jamie Cardinal Ortega—the Roman Catholic Cardinal in Cuba. His Eminence told us that the official position of the Catholic Bishops was against the US embargo for humanitarian reasons. He also was very clear about his continued concerns regarding human rights abuses that currently exist in Cuba.

On a related matter, I raised with the Cuban leadership my hope that they would invite Pope John Paul II to visit Cuba during his visit to the Caribbean later this year.

My trip began and ended with important meetings with Cuban dissident groups. While these people suggested that the difficulties in Cuba run much deeper than the economic hardships, a majority of those we meet expressed opposition to the Helms-Burton legislation.

One of the things that stunned me the most about my trip is the explosion of independent entrepreneurship. There are roughly 208,000 independent family businesses operating in Cuba. This entrepreneurship is allowing people greater personal freedom from government controls. When people are no longer dependent on the government for their jobs, they are freer from economic coercion. I got the sense that the Cuban government recognizes that these small businesses are necessary for the country's economic viability and are accepting the political space that they create.

In fact, Caritas (a Catholic charitable organization in Havana) described its plans to establish training programs to help these fledgling businesses succeed. Michael Ryan, President of ABC Forum on Cuba, which organized the trip said: "It was great to see our group get excited about helping support the Cuban people, particularly in their efforts to form small businesses and independent NGOs. A number of our participants expressed a real desire to support these efforts after we concluded our trip."

The European Union is about to hold talks with the Cubans on closer economic ties—and is using this opportunity to urge the Cuban government to improve its human rights record. The United States could have ten times more leverage with Cuba than the Europeans if we got serious about improving relations. Right now the embargo leaves us completely out of the picture. I'm afraid if we let Helms-Burton become law, we will lose an important opportunity to improve the situation in Cuba. Of all the meetings I had, there was consensus on one thing—that the future of Cuba will be decided by Cubans on the island. The degree to which we can encourage positive change will depend on whether or not we defeat Helms-Burton.

[From the Boston Globe, Jan. 23, 1996]

OUR BAN IN HAVANA

(By H.D.S. Greenway)

HAVANA.—"Socialismo O Muerte"—Socialism or Death—say the graffiti scrawled on the walls of this once grand, now crumbly Caribbean capital. But as communists the world over have found, their "socialism" means a death of sorts: stagnation and decline, a slow demise of ambition and incentive and the equality of shared poverty.

There are only five countries left that call themselves communist: China and its three abutters in Asia—North Korea, Vietnam and Laos—and then Cuba. In all, to varying degrees, the communist leaders recognize the inadequacy of their economic system, but all want to cling to political power. With some justification they can point to the death of their great progenitor, the Soviet Union, as an example of what can happen when the reins of political power are suddenly dropped. In short, they want to eat the cake of capitalism without ingesting political freedoms.

All the ambiguities of this approach are evident in Fidel Castro, the last of the founding fathers of postwar communism. All the others—Mao Zedong, Kim Il Sung, Ho Chi Minh—are dead, but Fidel remains. To some, America's most enduring bete noire is a Latin David to our gringo Goliath; to others he is an irredeemable tyrant.

Nine US presidents have tried to do him in—by invasion, assassination, economic embargo—but he lives on "to remind us of our failures," as US Rep. J. Joseph Moakley put it.

For 30 years Castro had a free ride, strutting the world's stage as a symbol of independence to a world emerging from colonialism but in fact a kept man, his bills paid by the Soviet Union. After the demise of his patron, Castro and his economy went into a free fall, bottoming out in 1993.

In desperation, Castro and his lieutenants have planted the first, few seeds of a free-market economy here. The Yankee dollar is now a legal currency in Cuba alongside the peso. Joint ventures with foreigners are beginning to bear fruit, especially in the tourist industry. Some 208,000 Cubans are permitted to work in the private sector, but the state still remains supreme, and a gulf is widening between those who work in the dollar economy and those left behind in a land of unconvertible pesos.

Small, private restaurants called "paladares" are springing up in people's homes, but the law allows no more than a dozen tables, and all the cooks and waiters must be family members because it is still illegal for one Cuban to hire another. Thus is entrepreneurship on the one hand encouraged while the other hand suppresses it.

Last week Moakley led a delegation of inquiry here of which I was a member. We talked to Castro, aging now but still in command. He is trying to probe for weak spots in the mortar of the embargo that the United States has imposed. Moakley, in turn, was trying to squeeze human rights concessions from Castro, concessions that Moakley could use back in Washington to defeat the Helms-Burton bill, sponsored by Sen. Jesse Helms of North Carolina and U.S. Rep. Dan Burton of Indiana, which would put even more restrictions on doing business with Cuba.

It seemed evident in conversations with Castro and his ministers that Cuba isn't going back on the meager reforms they have instigated. Castro said the changes are irreversible. But Cuba's leaders are afraid of moving forward too fast. Castro and his lieutenants appear to have no clear vision but are making policy up as they go along.

Listening to Castro—his famous beard now gone gray—I was struck by how much the world had changed and how much Fidel has been bypassed since the heady revolutionary days of 30 years ago. Fidel Castro no longer presents the United States with the mortal threat of Russian missiles 90 miles offshore. His expeditionary forces no longer rampage through Africa, spreading socialismo and death. Nor are his agents stirring up trouble in the hemisphere. Che Guevara and the revolution he represented lie in an unmarked Bolivian grave.

In an era when the United States is helping North Korea with nuclear power, scrambling for investment in China and no longer involved with embargoing Vietnam, the present restrictions on trade with Cuba seem somewhat anachronistic. Castro may have suffered from the U.S. embargo, but he has also benefited enormously by having someone other than himself to blame for Cuba's economic inadequacies, able to wrap himself in the nationalist flag against the big bully of the North.

In the long run, communism in Cuba is doomed. Both the United States and Cuba have a convergence of interest in seeing that the transition is smooth and the landing is soft. A breakdown of order on the island would bring another vast armada of Cubans fleeing to our shores, and that would be destabilizing to both countries.

The best way to ensure a soft landing is to defeat counterproductive legislation such as the Helms-Burton "Cuban Liberty and Democratic Solidarity Act," which would threaten our allies that do business in Cuba and tie even more restrictions on the present embargo. The bill will not help Cuba's transition to a market economy and could only retard the very forces of freedom and openness the United States wishes to encourage. The embargo is strict enough without additional baggage and should be used as a bargaining chip to nudge Cuba into the democratic and human rights reforms that will one day set its people free.

HAVANA, January 19.—Cuban dissidents have met a visiting U.S. congressman in public, the first time in years such a meeting has taken without interference from the authorities, one of dissidents said on Friday.

Elizardo Sanchez told Reuters he and other dissidents met visiting Democratic Representative Joe Moakley of Massachusetts for several hours in the state-owned Hotel Nacional.

Sanchez, leader of the Cuban Committee for Human Rights and National Reconciliation, said he was surprised the dissidents had been able to hold a meeting in public without problems. Meetings with members of Cuba's small and illegal opposition groups generally take place in dissidents' homes or foreign embassies.

We are not bothered (by officials) either entering or leaving (the hotel)," Sanchez said, adding that the group discussed issues such as proposals in Congress to toughen the longstanding U.S. embargo against communist-ruled Cuba.

Moakley, who also met the dissidents on Tuesday at the house of the senior U.S. diplomat in Cuba Joseph Sullivan, is on a fact-finding mission that included talks with President Fidel Castro on Wednesday night.

Moakley said on Thursday he found Castro flexible on the congressman's suggestion that if there were some change on the island it might help defeat moves to toughen the embargo.

FRENCH NUCLEAR TESTINGS

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. FALEOMAVAEGA. Mr. Speaker, now that it's almost certain that President Chirac of France will be making a state visit to our Nation's Capital next week to meet with President Clinton and the leadership of the Congress, this will be a sad occasion for me, Mr. Speaker, and the millions of peoples throughout the world and through representation of leaders of some 168 countries throughout the world who have earnestly pleaded with President Chirac not to break the moratorium on nuclear testing. And yet despite all this, President Chirac of France in defiance of global consensus on raising tensions and suspicion, and even to promote again the extension and proliferation of nuclear weapons testing and development, France has already now exploded five nuclear bombs to improve its nuclear delivery capabilities with its long-distance missiles.

It might interest my colleagues that French Government officials—and they're masters of these ploys—a few leaks here and some leaks there—some critical points that President Chirac is going to shove right at our noses at the joint session of Congress next Thursday.

First, a warning to Republican leaders and the President that closing our Government down will have serious economic consequences not only to France but to Europe and other regions of the world.

Second, that the United States contributes too little in foreign aid to Third World countries.

Third, that the United States should live up to its global responsibilities, whatever that means.

Fourth, that United States contributions to the crisis in Bosnia is not enough, but at the same time, France expects to play very prominent, if not, the leading role as far as Europe is concerned relative to Bosnia.

And fifth, France does not want any nation of the world to criticize its current nuclear testing program, because France does not trust the United States involvement with Europe's security needs for the past 50 years.

Mr. Speaker, I suggest to my colleagues that what we're going to get from President Chirac next week is not the eloquence of Marquis de Lafayette, but the ghost of Charles de Gaulle II.

Mr. Speaker, I include the following article from the January 24 New York Times for the RECORD:

[From the New York Times, Jan. 24, 1996]

POSSIBILITY OF DEFAULT STARTS TO WORRY EUROPE, ESPECIALLY FRANCE

(By Craig R. Whitney)

PARIS, January 23.—The possibility that the deficit-cutting impasse between Congress and the Clinton Administration could start causing the United States Government to default on its debt next month has begun to sink in on European leaders, and the French are anxious to avoid the turmoil that could result.

President Jacques Chirac, who will visit Washington next week, is prepared to warn in a speech to a joint session of Congress that default would upset economies around the world and deeply undermine the American global position, French officials said today.

Congressional Republicans have threatened to refuse to raise the national debt limit unless the Clinton Administration agrees to their agenda for cutting the Federal deficit. If the Administration refuses to give in and fails to find other ways of coming up with money, the Government could start running out of money to pay obligations due on March 1.

At this point, some European leaders are said to be beginning to feel like onlookers at a political game whose players appear little concerned about the chaos a default would cause in international currency and bond markets.

Some see a situation comparable to that in 1975, when Chancellor Helmut Schmidt of West Germany felt compelled to warn President Gerald R. Ford that letting New York City go bankrupt could send economic shock waves around the world, which was still fragile from the effects of a sudden rise in oil prices.

Mr. Chirac told the Senate majority leader, Bob Dole, and Speaker Newt Gingrich during his last visit to Washington in the summer that the United States gave too little foreign aid to developing countries, and French officials say that he plans to deliver the same message to Congress in an address planned for Feb. 1.

"We hope that Congress will be disposed to let the United States live up to its global responsibilities," one official here said.

Mr. Chirac will tell Congress, French officials say, that Europe, with about the same size economy as the United States, gives three times as much to developing countries—$31 billion, compared with less than $9 billion last year from the United States.

"Where is America and its traditional generosity, where is its desire to help reshape the world?" asked one French policy maker.

Mr. Chirac is also likely to use his visit to tell both Congress and the Administration that France will insist on reshaping the NATO alliance to reflect changes since the end of the cold war, according to officials in Brussels and Paris.

Mr. Chirac has reintegrated France into some NATO military structures that it left in 1966, but officials say he did so to push for the creation of a stronger European defense arm within the alliance. "We need to be able to deal with crises like Bosnia even if the United States doesn't want to become involved," an official said.

Mr. Chirac may also tell Washington that American plans to contribute $600 million to the reconstruction of Bosnia over the next three years are inadequate. European estimates of the total cost run to $3.7 billion. "Don't think that the Europeans will be the only ones paying for Bosnian reconstruction," Mr. Chirac said in a recent interview, adding that the Europeans expected the United States to pay about the same as they will—about one third.

American officials have responded that the United States committed 20,000 soldiers to the NATO peacekeeping force that began moving into Bosnia last month, a larger contingent than any of its allies.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 27 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 1719

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HEFLEY) at 5 o'clock and 19 minutes p.m.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

PROVIDING FOR CONSIDERATION OF H.R. 2880, THE BALANCED BUDGET DOWNPAYMENT ACT

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of the bill (H.R. 2880) and that it shall be in order at any time to consider the bill in the House; that the bill be debatable for not to exceed 1 hour, to be equally divided and controlled by myself and the gentleman from Wisconsin [Mr. OBEY]; that all points of order against the bill and against its consideration be waived; and that the previous question shall be considered as ordered on the bill to the final passage without intervening motion, except one motion to recommit with or without instructions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. OBEY. Mr. Speaker, reserving the right to object, and I do not intend to object, I simply want to take this reservation in order to observe that, unlike so many episodes which the public has seen lately in the Congress where divisions among us have caused great turmoil and consternation both on the floor and throughout the country, both sides of the political aisle have worked very hard and very intensively with a great deal of involvement of people on both sides of the aisle in order to assure that we can overcome major differences and keep the Government open.

I would simply, in continuing my reservation, make the point that there are some items in the proposition which the gentleman from Louisiana is about to bring to the House with which I have strong disagreement; for example, the reduced level of funding for education and a number of other items in the bill. But I think the overriding need of the country is for us to overcome our differences, or at least manage to live with those differences, especially since this is a CR of short-term duration, with the exception of a couple of items in the bill.

So I would simply say that I want to congratulate the gentleman from Louisiana for the way he has handled this difficult task. I am pleased to say that the White House, while they certainly do not agree with every provision in this bill, as I do not, they have signed off on this as a short-term compromise. I very much appreciate both the way they have handled things and the way the gentleman from Louisiana and other Members on both sides of the aisle have handled this.

Mr. LIVINGSTON. If the gentleman would yield to me, before he withdraws his reservation.

Mr. OBEY. Mr. Speaker, I would be happy to.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding. I want to say that I appreciate his statement, and I want to thank the gentleman for his cooperation over the last few days.

They have been hectic; this has been an incredibly tense negotiation, but the fact is that with the help of the gentleman, both sides of the aisle have come together, along with Members of the other body, and have crafted a compromise to keep the Government open for the next 45 days, one which meets the needs of satisfaction or of best desires of no side completely satisfactorily, but one which represents, I think, the finest of legislative endeavor in that we are able to understand each other's differences and reach agreement in some fashion of compromise, not only among ourselves, but with the White House. Frankly, in view of where we started, I am somewhat amazed.

But I think this also provides the seeds for a long-term solution which will provide us a continuity of Government throughout the rest of the year. At least it is a first step. We will have to judge that when this continuing resolution or this targeted appropriation cycle is over. But at any rate, I want to thank the gentleman for his cooperation and yield back to him.

Mr. OBEY. Mr. Speaker, I thank the gentleman.

Continuing my reservation, I would simply observe that we do not have to endorse every provision in this proposal in order to endorse the fundamental idea that the Government ought to stay open to continue to provide services to our tax-paying citizens.

I would simply observe that this has been an immense amount of consultation with a tremendous number of people. I think this morning we were at draft number 32. I do not know what number it is now, but whatever number it is, I am glad it is the last one.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. ORTON. Mr. Speaker, reserving the right to object, and I shall not object, but I would like to ask the chairman if he would tell me, not having had the opportunity to read the entire bill, does the bill contain any of the provisions of the line-item veto in this bill? Does it contain those provisions?

Mr. LIVINGSTON. If the gentleman would yield, I would advise the gentleman that this Balanced Budget Down Payment Act, I, as we have called it, has no language whatsoever dealing with the line-item veto, but that the line-item veto, as the gentleman does know, has passed the House of Representatives and in a much different form has passed the U.S. Senate, and is awaiting resolution in conference.

Mr. ORTON. Mr. Speaker, continuing my reservation, I would say to the gentleman that that conference not having reached a resolution, many of us here are concerned that in the middle of the 1996 process, as this body and the other body continue to identify areas of spending with which we disagree and seek to reduce or eliminate funding, we believe that it is just as important to allow the President to identify funding to attempt to cut as well through the line-item veto.

I would simply note that on Tuesday evening, the President called upon the Congress to pass the line-item veto, at which a supermajority of both Democrats and Republicans gave him a standing ovation. I would call upon this body to do so.

Mr. Speaker, I will not object, because I do understand the importance and necessity of keeping the Government operating, of having this continuing resolution. But if we are going to continue week after week or month after month passing additional continuing resolutions, I would certainly hope that the majority would include the line-item veto provisions in the next continuing resolution so that we could give that to the President and allow him to do the same thing we are attempting to do in reducing spending.

Mr. LIVINGSTON. If the gentleman would yield further, I appreciate the gentleman's statement. I especially appreciate him not making an objection.

I would point out to the gentleman that as a long-standing proponent of the line-item veto myself, I look forward to a speedy resolution of that issue in the conference, but that I would, as chairman of the Committee on Appropriations, rather not include it in the appropriations process, because I think it is a little astray of what we are trying to do. We often find that we take on a little bit more than we can carry, and then we try to chew it and have to spit it out.

So, I appreciate the gentleman's position. I certainly agree in principle with his position, and I hope that that matter will be resolved before long.

Mr. ORTON. Mr. Speaker, the gentleman's position is certainly understandable. The concern, however, is that it certainly was a major platform in the Contract With America. It passed this body with overwhelming support. The President supports it, yet the 1996 appropriation process is virtually through, and the line-item veto does not apply to it. So we would like to develop a way to get it applicable to the 1996 process, and that is the purpose for trying to put it on the appropriations bills or continuing resolutions so that we could involve the President, give this President the authority now to start cutting that kind of pork-barrel spending.

Mr. LIVINGSTON. Mr. Speaker, if the gentleman would yield one last time, I would simply point out that he is absolutely on point. However, I might add that, as the gentleman knows, for this year and in years past we have continued to appropriate within the discretionary budget limits which are being reduced more and more and more. The fact is that this Congress, since the 104th Congress was sworn in, has saved the American taxpayer, within the discretionary portion of the budget, some $20 billion under what we would have spent in original fiscal year 1995 level, and another $22 to $30 billion below that level in fiscal year 1996 already.

So we are on that glidepath toward a balanced budget, but the gentleman is correct. A line-item veto would enhance our ability to do so, and I appreciate his position.

Mr. ORTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. SKAGGS. Mr. Speaker, I reserve the right to object, and, if I may, engage the distinguished chairman in some discussion.

I hope I do not have to object, and I certainly commend everybody involved in what seems to be some progress in establishing or reestablishing a tradition of some bipartisan give and take and inclusiveness in this difficult process.

☐ 1730

I have been relying on a three-page document prepared, I assume, by the Committee on Appropriations staff that summarizes this 60-plus page bill which we have just gotten, and therefore need to be able to rely on the summary.

Mr. Speaker, a couple of things here concerns me. Down at the bottom of this first page, the summary recites essentially a 75-percent floor on certain specific items, including, for instance, the Advanced Technology Program. While earlier in the summary it is recited as the Commerce-Justice-State appropriations, we will be at the level that had been agreed to in the conference that was ultimately vetoed. My concern is the possible inconsistency or conflict between those provisions.

Is the body to understand that that 75-percent floor supersedes contrary provisions that were in the conference report, which as to ATP was at a much lower level?

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I would say it is a 75-percent cap as opposed to a floor. With that acknowledgment, I would say that the provisions of this particular legislation that we pass today do not affect programs that were addressed in targeted appropriations or in previous appropriations bills except for a few instances.

Mr. SKAGGS. Mr. Speaker, continuing my reservation, it is not that point, but the apparent internal inconsistency between the 75-percent cap and the other language in this legislation that prescribes funding levels for the Commerce Department in accordance with the earlier rejected conference report or the earlier vetoed conference report. In that conference report, for instance, the ATP program was funded at substantially lower levels than the 75 percent. I want to make sure the 75 percent controls.

Mr. LIVINGSTON. Mr. Speaker, if the gentleman will yield further, this funding would be more than what was in that conference report. The gentleman is correct that while we provide for the conference levels of funding for most programs, several of those programs which were terminated or slotted for termination, such as the one the gentleman mentioned, would be brought up to a 75-percent cap by virtue of this legislation.

Mr. SKAGGS. Mr. Speaker, continuing my reservation, I appreciate the gentleman's comments.

Mr. Speaker, just in trying to reconcile the text of this 60-plus pages with the summary, I notice that, for instance, on page 18–E of the bill, we address the question of a partial repeal of a provision recently enacted in the Lobbying Reform Act that is not mentioned in the summary.

I am just wondering if the chairman would indicate whether there are any other changes in permanent law similar to this one, which I happen to be familiar with, which are included in the bill but not itemized in the summary, so that Members can be fully informed of permanent law changes?

Mr. LIVINGSTON. Mr. Speaker, if the gentleman will yield further, I would say to the gentleman the only ones that were inserted were done so at the last minute in the process of negotiations between the House, Senate, and White House. There are a few, and I intend in my opening statement to identify those. Frankly, they are not of major significance, but I will touch on them.

Mr. SKAGGS. Mr. Speaker, continuing on my reservation and with respect to this particular point, if I may, Mr. Speaker, I am concerned about the approach that we are taking in correcting this problem with section 18 of the Lobbying Reform Act that this Congress recently passed and the President signed. I think Members have become aware of the difficulty in implementing that particular provision with respect to some of the organizations organized under section 501(c)(4) of the Internal Revenue Code and the prohibitions in section 18 against any such organization that receives a contract or a loan or award from the Federal Government engaging in any lobbying activities.

This bill, as it is presented to the House, is a partial remedy to the problem that we now know is created by section 18, in that it deletes contracts from the scope of the section 18 prohibition.

It seems to me that with the 140,000-plus 501(c)(4) organizations, that include all manner of civic organizations, housing associations, organizations of local governments, a lot of different organizations that may get from time to time a Federal grant or loan or contract, that to address only the ability of contracts of Government and not these other 501(c)(4)s to be able to fully engage in their legitimate rights to talk to us about problems facing the Nation or in legislation is unfortunate, and that we simply ought to deal with the entire scope of the difficulties that exist under section 18.

As it is, we are responding to the understandable concerns and legitimate concerns, particularly of the Blues and some HMO's who are in a particularly difficult situation. I understand that, and we ought to solve their problem. But we ought to solve the entire problem, not just the problem of people who have a lot of resources and a lot of wealth and influence around this place. We should get at all of the 501(c)(4) issue.

Mr. LIVINGSTON. Mr. Speaker, if the gentleman will continue to yield, I would only say to the gentleman there are lots of problems we could have dealt with in this bill. We dealt with those most exigent problems we felt needed to be dealt with in order to resolve anomalies that, frankly, were hanging out there that would cause great hardship had we not addressed them.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, we have had discussions in this area. The gentleman well knows that this problem was brought to our attention when the lobbying bill was moving through the Senate, as a matter of fact, and the cosponsors on the Senate side, Senator SIMPSON and Senator CRAIG, had attempted to correct it at that time.

It is not that we are responsive to a narrow segment of those who are affected by the lobbying bill. It is that this was an area which is in clear conflict because of the unique history of this particular group.

Blue Cross/Blue Shield associations were classified as 501(c)(4)'s back in the 1930's. Usually if you are classified under the Internal Revenue Tax Code as a 501(c)(4), for example, you are tax exempt in your activities. Ironically, in 1986 in the tax bill Congress placed the selfsame organizations in a taxable category, so they are now classified as 501(c)(4)'s, but they are, in fact, paying taxes, so they do not get a tax-free benefit from the classification.

In addition to that, the Blue Cross/Blue Shield associations have been carrying out on a contractual arrangement the financial management servicing for Medicare, 40 percent of the recipients of the Federal Employees Health Benefit Program under the U.S. operation, CHAMPUS, and a number of other areas.

This is a real problem faced now by virtue of a letter, and I would like to place it in the RECORD, and if you have not seen it, I want to share it with the gentleman from Colorado, dated January 16, in which the U.S. Office of Personnel Management, rightly, in trying to carry out the law as written, has sent out notices asking a series of questions, "Please fax immediately to your contract specialist those who are contractees with FEHBP," and question one, "Is the organization tax exempt?" This group would say no.

Question two, "Is the organization considered a 501(c)(4)?" This group would say yes.

What we have here is a situation in which with full knowledge we went ahead and passed a law that would put these people in a very narrow timeframe, in significant jeopardy of continuing to run the Medicare, CHAMPUS, and FEHBP program.

This group means to comply with all of the lobbying disclosure and reporting requirements. This is not an attempt to create a loophole. If people are receiving grants, then that is what we want to focus on. If they are receiving awards, we want to focus on it. But our failure to understand the complexity of the history of certain organizations and the interaction that would be triggered immediately and our inability to carry out needed functions brought about this technical amendment.

I would tell the gentleman if he identifies other groups that fall in the category of 501(c)(4) and are, in fact, taxable and would stop a significant portion of the Federal Government's ongoing contractual obligations and does not fit into this particular amendment, we may have to look at another one. This one is real, it is now, and it needs to be fixed. I commend the chairman for understanding that this is a real problem. A technical correction solves it.

Mr. SKAGGS. Mr. Speaker, continuing my reservation, I appreciate the validity of all of the points the gentleman has just made, but I think he draws the boundaries a bit narrowly on the organizations in this country that have legitimate reason to be concerned.

As it happens Blue Cross/Blue Shield is in a position to follow legislation here very closely. They did that. Their lawyers and lobbyists were able to identify this problem very quickly. But we are realizing the consequences of legislating in haste and without appropriate hearings and examination of consequences with regard to section 18 of the Lobbying Act, which was added in the Senate without any hearings and, even as it was working its way through the process, realized it was going to have unintended and unfortunate consequences.

We only are awaiting the further experience of organizations like the National Association of Counties, the National Rifle Association, which I believe has contracts or grants from the Federal Government, and some of their activities, to see exactly how intrusive and violative of the rates of other 501(c)(4) organizations to participate fully in the political life of the country. So it will not just be that nicely drawn narrow category the gentleman identified, but I think we need to be concerned more broadly than that.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, let me simply say I fully agree with everything that the gentleman has said with respect to this issue. In my view, what you have here is a case of the squeaky wheel getting the grease, which means that the Blues and a couple of other parties are being taken care of because they have raised legitimate objections about how this impacts them. But I think this Congress is remiss in not recognizing there are many other people who may not be as big, but whose proximity to them will be just as big because of the language, which ought not be in the law in the first place.

So I think this is a case here of this proposition being better than the situation that would exist without it, but not nearly as good as it ought to be, because it ought to include everybody who has a similar problem.

I would hope that, upon reflection, the Congress would recognize it has made a mistake in limiting it in the future and to correct it. But for now, I think even though I agree fully with the gentleman, I did not think that that objection would be sufficient to justify bringing down this entire proposition.

Mr. THOMAS. Mr. Speaker, if the gentleman will yield further, the letter that I indicated from the Senate was dated November 17. It has been more than 3 months. It has been almost a month since the law went into effect. Does the gentleman from Colorado have in his possession a letter from any other organization indicating a failure to carry out a contractual obligation with the Federal Government because of this legislation?

Mr. SKAGGS. No.

Mr. THOMAS. Do you have a letter?

Mr. SKAGGS. Mr. Speaker, continuing my reservation, it has only been a couple of weeks since this law became effective. I think the gentleman assumes a level of alacrity across the country which is unrealistic in this respect.

Mr. Speaker, having made these points, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Ms. JACKSON-LEE of Texas. Mr. Speaker, reserving the right to object, I would like to make inquiry, and I thank the gentleman from Louisiana and the gentleman from Wisconsin. I know that the work that was done was to assure that we did not shut the Government down. I think we need to accept that responsibility.

Can the gentleman help me as I try to answer some of the questions regarding this impact on my constituents? There is a section on page 10 that indicates a prohibition against no new grants and it lists health and human services, and particularly refers to National AIDS Program, homeless service grants. There is a whole litany, the youth gang substance abuse.

My inquiry is that this does not shut them down; what you are saying is that they cannot activate, and I want this to be my understanding, not put words in your mouth, they cannot activate any new grants, but they can carry on their business? Is that my understanding?

Mr. LIVINGSTON. Mr. Speaker, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, the gentlewoman is correct. Actually it goes a little bit beyond that. They can actually engage in providing grants up to 75 percent of previous monthly levels. So the fact is they cannot only service old grants, but they can engage in current activity up to 75 percent of previous limits.

□ 1745

This is a change put in the bill in just the last few minutes.

Ms. JACKSON-LEE of Texas. They can carry on current business and provide new grants at a 75-percent level that would include youth gangs, substance abuse, child welfare.

Mr. LIVINGSTON. There is a lengthy list, and we will make that a part of the RECORD.

Ms. JACKSON-LEE of Texas. I would appreciate that. Thank you very much.

Mr. Speaker, further reserving the right to object, I noticed in reference to NASA, as the gentleman well knows, they are engaged now in a series of space explorations and research, and, in fact, were preparing for such during the Government shutdown. There seems to be on page 2931, and I have no problem with assisting any of our sister States, some transfer of dollars, $10 million to Mississippi, but that is not going to impair any further, ongoing, present explorations that are proposed now for NASA in the coming months and impinge on any safety factors for NASA?

Mr. LIVINGSTON. If the gentlewoman would yield further, she is correct, and this measure will free up an additional $40 million for NASA; so they are actually better off because of this provision.

Ms. JACKSON-LEE of Texas. Mr. Speaker, further reserving the right to object, I am so concerned and I have two last questions.

There was an Executive order recently to deal with increased utilization of the Border Patrol coming from the State of Texas and obviously concerned with drug influx and other problems. The Department of Justice not being funded, do we have concern, or is there any way that that will not be negatively impacted, or are we in jeopardy?

Mr. LIVINGSTON. If the gentlewoman would yield further, I would advise the gentlewoman that the Department of Justice is funded at the conference level, and, in fact, most law enforcement authorities were already provided for in the targeted for appropriation under the bill that we passed early in January. So actually the Border Patrol would have been taken care of by the last bill.

Ms. JACKSON-LEE of Texas. If we pass the CR, but as you have indicated, that is protected and covered?

Mr. LIVINGSTON. Not only covered through the term of this bill, but through the end of the fiscal year by virtue of what we did earlier.

Ms. JACKSON-LEE of Texas. Mr. Speaker, lastly there were several riders in the VA-HUD bill, and, of course, we do realize that even though we are concerned and want to make sure that the Government stays open, there are still levels of disagreement on many of these pieces of legislation and, obviously, the appropriation process. Are these riders still in this CR that we might have some disagreement, particularly relating to the environment and relating to HUD in particular?

Mr. LIVINGSTON. If the gentlewoman would yield, I would advise the gentlewoman that the VA-HUD bill is funded at the conference level, but under last year's terms and conditions. So the restrictions and guidance language in the conference report would not apply.

Ms. JACKSON-LEE of Texas. Would not be included?

Mr. LIVINGSTON. Right.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Louisiana. I think that we are all trying to move to the point of resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HEFLEY). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2880, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

THE BALANCED BUDGET DOWNPAYMENT ACT, I

Mr. LIVINGSTON. Mr. Speaker, pursuant to the previous order of the House, I call up the bill (H.R. 2880) making appropriations for fiscal year 1996 to make a downpayment toward a balanced budget, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of H.R. 2880 is as follows:

H.R. 2880

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

TITLE I

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 including the authority and conditions provided in emergency supplemental appropriations Acts for fiscal year 1995 for continuing projects or activities, except for those projects and activities provided for in Public Law 104-91 and Public Law 104-92, including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act as passed each House, excluding conference reports:

The Department of the Interior and Related Agencies Appropriations Act, 1996; and

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1996:

Provided, That whenever the amount which would be made available or the authority which would be granted in these Acts is greater than that which would be available or granted under current operations, the pertinent project or activities shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided*, That where an item is not included in either version or where an item is included in only one version of the Act as passed by the House as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 111 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided*, That where an item is funded in the applicable appropriations Act for the fiscal year 1995 and not included in the version passed by the one House as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 111 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriations or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in an appropriations Act enactment in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this Act.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period of which funds or authority for such project or activity are available under this Act.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs.

SEC. 107. This title of this Act shall be implemented so that only the most limited funding action of that permitted in this title of this Act shall be taken in order to provide for continuation of projects and activities.

SEC. 108. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 109. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 110. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 111. Notwithstanding any other provision of this title of this Act, except section 106, whenever an Act listed in section 101 as passed by both the House and the Senate as of the date of enactment of this Act, does not include funding for an ongoing project or activity for which there is a budget request, or whenever an Act listed in section 101 has been passed by only the House or only the Senate as of the date of enactment of this Act, and an item funded in fiscal year 1995 is not included in the version passed by the one House, or whenever the rate for operations for an ongoing project or activity provided by section 101 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 101 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this title of this Act bears to 366. For the purposes of this title of this Act, the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

SEC. 112. Notwithstanding any other provision of this title of this Act, except section 106, whenever the rate for operations for any continuing project or activity provided by section 101 or section 111 for which there is a budget request would result in a furlough of Government employees, the rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366.

Provided, That the first sentence of section 112 shall not apply except to furloughs that exceed one workday per pay period for the affected workforce during the period of January 26, 1996 through March 15, 1996.

SEC. 113. Notwithstanding any other provision of this title of this Act, except sections 106 and 111, for those programs that had high initial rates of operations or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this Act that would impinge on final funding prerogatives.

SEC. 114. Notwithstanding any other provision of this title of this Act, except section 106, any distribution of funding under the Rehabilitation Services and Disability Research account in the Department of Education may be made up to an amount that bears the same ratio to the rate for operation for this account provided by this title of this Act as the number of days covered by this title of this Act bears to 366.

SEC. 115. Notwithstanding any other provision of this Act, except section 106, the rate for operations of the following projects or activities shall be only the minimum necessary to accomplish orderly termination:

Child Development Associate Scholarships in the Department of Health and Human Services;

Dependend Care Planning and Development in the Department of Health and Human Services;

Law Related Education in the Department of Education;

Dropout Prevention Demonstrations in the Department of Education;

Aid for Institutional Development—Endowment Grants in the Department of Education;

Aid for Institutional Development—Evaluation in the Department of Education;

Native Hawaiian and Alaska Native Cultural Arts;

Innovative Projects in Community Service in the Department of Education;

Cooperative Education in the Department of Education; and

Douglas Teacher Scholarships in the Department of Education.

SEC. 116. COMPENSATION AND RATIFICATION OF AUTHORITY.—(a) Any Federal employees furloughed as a result of a lapse in appropriations, if any, after midnight November 13, 1995, until the enactment of this Act shall be compensated at their standard rate of compensation for the period during which there was a lapse in appropriations.

All obligations incurred in anticipation of the appropriations made and the authority granted by this title of this Act for the purposes of maintaining the essential level of activity to protect life and property and bring about orderly termination of Government functions are hereby ratified and approved if otherwise in accord with the provisions of this title of this Act.

SEC. 117. Notwithstanding any other provision of this title of this Act, except section 106, upon enactment of this Act any new grants or contracts for the following programs shall be made at a level act to exceed a rate of 75 percentum of prior monthly awards:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration:

Health Resources and Services: Trauma Care; Health Care Facilities.

Assistant Secretary for Health:

Office of the Assistant Secretary for Health: National Vaccine Program; Health Care Reform Data Analysis; National AIDS Program Office.

Health Care Financing Administration:

Program Management: Essential Access Community Hospitals.

Administration for Children and Families:

Children and Families Services Program: Youth Gang Substance Abuse; Advisory Board on Child Abuse and Neglect; Child Welfare Research; Social Services Research; Homeless Service Grants; Community Schools (crime trust fund).

Administration on Aging:

Aging Services Programs: Pension Counseling; Federal Council on Aging; White House Conference on Aging.

DEPARTMENT OF EDUCATION

Education for the Disadvantaged: State School Improvement.

School Improvement Programs: Safe and Drug Free Schools and Communities: National Program; Women's Educational Equity.

Bilingual and Immigrant Education: Bilingual Education Support Services.

Higher Education: Faculty Development Fellowships; School, College, and University Partnerships.

RELATED AGENCIES

Corporation for National and Community Service: Domestic Volunteer Service Programs, Operating Expenses: Senior Demonstration Program.

National Education Standards and Improvement Council.

SEC. 118. Notwithstanding any other provision of law or this Act, upon enactment of this Act the Secretary of each cabinet level department other than State, Defense, Ambassador to the United Nations, and Central Intelligence shall not obligate a total amount of funds for their individual official travel expenses for fiscal year 1996 that would be greater than 110 per centum of the average total amount of the individual official travel expenses of the relevant departmental secretary for the fiscal years 1990 through 1995.

SEC. 119. Notwithstanding any other provision of law or of this title of this Act, the maximum Pell Grant for which a student shall be eligible under the Higher Education Act of 1965, as amended, during award year 1996–1997 shall be at least $2,440.

SEC. 120. Notwithstanding any other provision of law, the first proviso under the heading "Education for the disadvantaged" in title III of H.R. 2127, as passed by the House of Representatives, shall take effect upon enactment of this Act.

SEC. 121. 501 FIRST STREET SE., DISTRICT OF COLUMBIA.

(a) DISPOSAL OF REAL PROPERTY.—

(1) IN GENERAL.—The Architect of the Capitol shall dispose of by sale at fair market value all right, title, and interest of the United States in and to the parcel of real property described in paragraph (9), including all improvements to such real property. Such disposal shall be made by quitclaim deed.

(2) HOUSE OFFICE BUILDING COMMISSION.—The Architect of the Capitol shall carry out this section under the direction of the House Office Building Commission.

(3) PROCEDURES.—Notwithstanding any other provision of law, the disposal under paragraph (1) shall be made in accordance with such procedures as the Architect of the Capitol determines appropriate.

(4) SENSE OF CONGRESS.—It is the sense of Congress that the child care center of the House of Representatives should remain in operation during the implementation of this section.

(5) TERMS AND CONDITIONS.—The deed of conveyance for the property to be disposed of under paragraph (1) shall contain such terms and conditions as the Architect of the Capitol determines are necessary to protect the interests of the United States.

(6) DEPOSIT OF PROCEEDS.—All proceeds from the disposal under paragraph (1) shall

be deposited in the account established by subsection (b).

(7) ADVERTISING AND MARKETING.—The Architect of the Capitol shall begin advertising and marketing the property to be disposed of under paragraph (1) not later than 30 days after the date of the enactment of this Act.

(8) LOCAL ZONING AND OCCUPANCY REQUIREMENTS.—Until such date as the purchaser of the property to be disposed of under paragraph (1) takes full occupancy of such property, such property and the tenants of such property shall be deemed to be in compliance with all applicable zoning and occupancy requirements of the District of Columbia.

(9) PROPERTY DESCRIPTION.—The parcel of real property referred to in paragraph (1) is the approximately 31,725 square feet of land located at 501 First Street, SE., on square 736 S, Lot 801 (formerly part of Reservation 17) in the District of Columbia. Such parcel is bounded by E Street, SE., to the north, First Street, SE., to the east, New Jersey Avenue, SE., to the west, and Garfield Park to the south.

(b) SEPARATE ACCOUNT IN THE TREASURY.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a separate account which shall consist of amounts deposited into the account by the Architect of the Capitol under subsection (a).

(2) AVAILABILITY OF FUNDS.—Funds in the account established by paragraph (1) shall be available, in such amounts as are specified in appropriations Acts, to the Architect of the Capitol for—

(A) payment of expenses associated with relocating the tenants of the property to be disposed of under subsection (a)(1);

(B) payment of expenses associated with renovating facilities under the jurisdiction of the Architect for the purpose of accommodating such tenants; and

(C) reimbursement of expenses incurred for advertising and marketing activities related to the disposal under subsection (a)(1) in a total amount of not to exceed $75,000.

Funds made available under this paragraph shall not be subject to any fiscal year limitation.

(3) REPORTING OF TRANSACTIONS.—Receipts, obligations, and expenditures of funds in the account established by paragraph (1) shall be reported in annual estimates submitted to Congress by the Architect of the Capitol for the operation and maintenance of the Capitol Buildings and Grounds.

(4) TERMINATION OF ACCOUNT.—Not later than 2 years after the date of settlement on the property to be disposed of under subsection (a)(1), the Architect of the Capitol shall terminate the account established by paragraph (1) and all amounts remaining in the account shall be deposited into the general fund of the Treasury of the United States and credited as miscellaneous receipts.

(c) AUTHORITY TO FURNISH STEAM AND CHILLED WATER.—

(1) IN GENERAL.—The Architect of the Capitol is authorized to furnish steam and chilled water from the Capitol Power Plant to the owner of the property to be disposed of under subsection (a)(1) if the owner agrees to pay for such steam and chilled water at market rates, as determined by the Architect of the Capitol.

(2) AUTHORITY LIMITED TO EXISTING FACILITIES.—The Architect of the Capitol may furnish steam and chilled water under paragraph (1) only with respect to facilities which, on the date of the enactment of this Act, are located on the property to be disposed of under subsection (a)(1).

(3) PROCEEDS.—All proceeds from the sale of steam and chilled water under paragraph (1) shall be deposited into the general fund of the Treasury of the United States and credited as miscellaneous receipts.

SEC. 122. Notwithstanding any other provision of this title of this Act except section 106, such sums as necessary are hereby appropriated for all projects and activities funded under the account heading "Office for Civil Rights" under the Office of the Secretary in the Department of Health and Human Services at a rate for operations not to exceed an annual rate for new obligational authority of $16,153,000 for general funds together with not to exceed an annual rate for new obligational authority of $3,314,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

SEC. 123. Activities necessary to effect the following program eliminations and transfers of selected functions are funded under the terms and conditions and at a rate of operations, notwithstanding any other provision of this title of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995:

All projects and activities under the account heading "Public Development" under the Pennsylvania Avenue Development Corporation;

All projects and activities under the account heading "Mines and Minerals" under the Bureau of Mines in Department of the Interior;

All activities related to the transfer of functions from the Bureau of Mines under the account heading "Management of Lands and Resources" under the Bureau of Land Management in the Department of the Interior;

All activities related to the transfers of functions from the Bureau of Mines and from the National Biological Service under the account heading "Surveys, Investigations, and Research" under the United States Geological Survey in the Department of the Interior; and

All activities related to the transfer of functions from the Bureau of Mines under the account heading "Fossil Energy Research and Development" in the Department of Energy.

SEC. 124. Notwithstanding any other provision of this title of this Act, the appropriations and funds made available and authority granted pursuant to the preceding section shall be available until (a) enactment into law of an appropriation for any project or activity provided for in that section, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 125. Notwithstanding any other provision of this title of this Act, except section 106, such amounts as may be necessary are hereby appropriated to effect the sale of Weeks Island oil from the Strategic Petroleum Reserve under the terms and conditions and at a rate of operations provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995.

SEC. 126. Notwithstanding any other provision of this title of this Act, such amounts as may be necessary are hereby appropriated under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing, at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996, (H.R. 1977) as passed by the House of Representatives on December 13, 1995, for the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which are conducted in the fiscal year 1995: all projects or activities of the Indian Health Services, Indian Health Service Facilities Bureau of Indian Affairs, National Park Service, notwithstanding any other provision of law, the United States Fish and Wildlife Service, notwithstanding any other provision of law, and the Forest Service, notwithstanding any other provision of law, *Provided*, That appropriations and funds made available and authority granted pursuant to this section shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this section, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs.

SEC. 127. Notwithstanding any other provision of this title of this Act except section 106, projects and activities under the account heading "Salaries and expenses" under the National Labor Relations Board shall be subject to the provisions of section 112 of Public Law 104–56.

SEC. 128. None of the funds made available by Public Law 104–91 may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and 42 U.S.C. 289g(b).

For purposes of this section, the phrase "human embryo or embryos" shall include any organism, not protected as a human subject under 45 CFR 46 as of the date of enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes.

SEC. 129. TECHNICAL AMENDMENT TO PROHIBITION OF GRANTS FOR 501(c)(4) ORGANIZATIONS ENGAGING IN LOBBYING ACTIVITIES.

(a) IN GENERAL.—Section 18 of the Lobbying Disclosure Act of 1995 is amended by striking "award, grant, contract, loan, or any other form" and inserting "award, grant, or loan".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the Lobbying Disclosure Act of 1995 on the date of the enactment of such Act.

SEC. 130. No funds appropriated under this or any other Act shall be used to review or modify sourcing areas previously approved under section 490(c)(3) of the Forest Resources Conservation and Shortage Relief Act of 1990 (Public Law 101–382) or to enforce or implement Federal regulations 36 CFR part 223 promulgated on September 8, 1995. The regulations and interim rules in effect prior to September 8, 1995 (36 CFR 223.48, 36

CFR 223.87, 36 CFR 223 Subpart D, 36 CFR 223 Subpart F, and 36 CFR 261.6) shall remain in effect. The Secretary of Agriculture or the Secretary of the Interior shall not adopt any policies concerning Public Law 101–382 or existing regulations that would restrain domestic transportation or processing of timber from private lands or impose additional accountability requirements on any timber. The Secretary of Commerce shall extend until September 30, 1996, the order issued under section 491(b)(2)(A) of Public Law 101–382 and shall issue an order under section 491(b)(2)(B) of such law that will be effective October 1, 1996.

SEC. 131. Notwithstanding any other provision of this Act, an additional $2,000,000 is hereby appropriated for the National Park Service, Park Service construction for repair of flood damage to the Chesapeake and Ohio Canal National Historical Park.

TITLE II—DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS

SEC. 201. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for projects or activities, except for those projects and activities provided for in Public Law 104–91 and Public Law 104–92, including costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference, House Report 104–378, on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996 (H.R. 2076), as passed the House of Representatives on December 6, 1995, notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 701 of the United States Information and Educational Exchange Act of 1948, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), and section 53 of the Arms Control and Disarmament Act: *Provided*, That, notwithstanding any other provision of this title of this Act, the rate for operations only for program administration and the continuation of grants awarded in fiscal year 1995 and prior years of the Advanced Technology Program of the National Institute of Standards and Technology, and the rate for operations for the Ounce of Prevention Council, Drug Courts, Global Learning and Observations to Benefit the Environment and for the Cops on the Beat Program may be increased up to a level of 75 per centum of the final fiscal year 1995 appropriated amount: *Provided further*, That, under the previous proviso, no contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by the previous proviso as the number of days covered by this resolution bears to 366: *Provided further*, That any costs incurred by a Department or agency funded under this subsection resulting from personnel actions taken in response to funding reductions resulting from this Act shall be absorbed within the total budgetary resources available to such Department or agency: *Provided further*, That the authority to transfer funds between appropriations accounts as may be necessary to carry out the preceding proviso is provided in addition to authorities provided elsewhere in this subsection: *Provided further*, That funds to carry out the preceding two provisos shall not be available for obligation or expenditure except in compliance with established reprogramming procedures: *Provided further*, That, notwithstanding any other provision of this title of this Act, the amount of funds obligated or expended by the Legal Services Corporation shall not exceed an amount that bears the same ratio to the rate for operations available to the Legal Services Corporation as the number of days covered by this resolution bears to 366: *Provided further*, That, notwithstanding any other provision of this title of this Act, funding provided for Violent Offender Incarceration and Truth in Sentencing Incentive Grants, with the exception of funds available to States for incarceration of criminal aliens and the Cooperative Agreement Program, shall be withheld, pending enactment of revisions to subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994, so as not to impinge upon final funding prerogatives: *Provided further*, That, notwithstanding any other provision of this title of this Act, sufficient funds shall be provided to continue the Office of Inspector General of the United States Information Agency, to be derived from funds otherwise available to the Office of Inspector General of the Department of State.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS

(b) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities, except for those projects and activities provided for in Public Law 104–91 and Public Law 104–92, including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference, House Report 104–384, on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed the House of Representatives on December 7, 1995: *Provided*, That Senate amendment 63 shall be disposed of in the manner passed by the House on December 7, 1995, as if enacted into law: *Provided further*, That, notwithstanding any other provision of this title of this Act, the rate for operations for the Corporation for National and Community Service, the Community Development Financial Institutions Fund, and the Office of Consumer Affairs may be increased up to a level of 75 per centum of the fiscal year 1995 level: *Provided further*, That, under the previous proviso, no new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by the previous proviso as the number of days covered by this resolution bears to 366: *Provided further*, That the penultimate proviso under the heading "General Operating Expenses" and sections 107 and 109 under the heading "Administrative Provisions" in the Department of Veterans Affairs are effective to the extent and in the manner, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995.

SEC. 202. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) the enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs.

SEC. 203. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

SEC. 204. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 205. Appropriations made by section 201 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 206. No provision in the appropriations Act for the fiscal year 1996 referred to in section 201 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 202(c) of this Act.

SEC. 207. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 208. Public Law 104–92 is amended by repealing Title II and by inserting in section 101(a) after the paragraph ending with "under the Railroad Retirement Board;" the following paragraphs: "All activities, including administrative and beneficiary travel expenses of all veterans benefit programs, necessary for the provision of veterans benefits funded in the Department of Veterans Affairs under the headings "Compensation and pensions", "Readjustment benefits", "Veterans insurance and indemnities", "Guaranty and indemnity program account", "Loan guaranty program account", "Direct loan program account", "Education loan fund program account", "Vocational rehabilitation loans program account", "Native American veteran housing loan program account", and "Administrative provisions, SEC. 107" to the extent and in the manner and at the rate of operations, notwithstanding any other provision of this joint resolution, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995;

All payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs for goods and services that directly relate to patient health and safety to the extent and in the manner and at the rate for operations, notwithstanding any other provision of this joint resolution, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Departments of Veterans Affairs and

Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995;".

SEC. 209. Notwithstanding any other provision of this title of this Act, except section 202, the amount made available to the Securities and Exchange Commission, under the heading Salaries and Expenses, shall include, in addition to direct appropriations, the amount it collects under the fee rate and offsetting collection authority contained in Public Law 103–352, which fee rate and offsetting collection authority shall remain in effect during the period of this title of this Act.

SEC. 210. Notwithstanding any other provision of this title of this Act, except section 202, funds for the Environmental Protection Agency shall be made available in the appropriation accounts which are provided in H.R. 2099 as reported on September 13, 1995.

SEC. 211. Public Law 104–91 is amended by inserting after the words "the protection of the Federal judiciary" in section 101(a), the following: "to the extent and in the manner and", and by inserting at the end of the paragraph containing those words, but before the semicolon, the following: ": *Provided*, That, with the exception of section 114, the General Provisions for the Department of Justice included in Title I of the aforementioned conference report are hereby enacted into law".

SEC. 212. Notwithstanding any other provision of law or regulation, the National Aeronauties and Space Administration shall convey, without reimbursement, to the State of Mississippi, all rights, title and interest of the United States in the property known as the Yellow Creek Facility and consisting of approximately 1,200 acres near the city of Iuka, Mississippi, including all improvements thereon and also including any personal property owned by NASA that is currently located on-site and which the State of Mississippi requires to facilitate the transfer: *Provided*, That appropriated funds shall be used to effect this conveyance: *Provided further*, That $10,000,000 in appropriated funds otherwise available to the National Aeronautics and Space Administration shall be transferred to the State of Mississippi to be used in the transition of the facility: *Provided further*, That each Federal agency with prior contact to the site shall remain responsible for any and all environmental remediation made necessary as a result of its activities on the site: *Provided further*, That in consideration of this conveyance, the National Aeronautics and Space Administration may require such other terms and conditions as the Administrator deems appropriate to protect the interests of the United States: *Provided further*, That the conveyance of the site and the transfer of the funds to the State of Mississippi shall occur not later than thirty days from the date of enactment of this Act.

SEC. 213. Notwithstanding any other provision of this title of this Act except section 202, projects and activities under the account heading "Council on Environmental Quality and Office of Environmental Quality" shall be subject to the provisions of section 112 of Public Law 104–56.

SEC. 214. Notwithstanding any other provision of this title of this Act, except section 202, whenever the rate for operations for any continuing project or activity provided by section 201 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this resolution bears to 366: *Provided further*, That the first sentence of section 214 shall not apply except to furloughs that exceed one workday per pay period for the affected workforce during the period of January 26, 1996 through March 15, 1996.

TITLE III—FOREIGN OPERATIONS EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS

SEC. 301. Such amounts as may be necessary for programs, projects, or activities provided for in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (H.R. 1868), at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–295) as passed by the House of Representatives on October 31, 1995, as if enacted into law, notwithstanding any other provision of this title of this Act: *Provided*, That Senate amendment numbered 115 shall be disposed of as follows, as if enacted into law:

In lieu of the matter proposed by the Senate in amendment numbered 115, insert the following:

AUTHORIZATION OF POPULATION PLANNING

SEC. 518A. Notwithstanding section 526 of this Act, none of the funds made available in this Act for population planning activities or other population assistance pursuant to section 104(b) of the Foreign Assistance Act or any other provision of law, or funds made available in title IV of this Act as a contribution to the United Nations Population Fund (UNFPA) may be obligated or expended prior to July 1, 1996, unless such funding is expressly authorized by law: *Provided*, That if such funds are not authorized by law prior to July 1, 1996, funds appropriated in title II of this Act for population planning activities or other population assistance may be made available for obligation and expenditure in an amount not to exceed 65 percent of the total amount appropriated or otherwise made available by P.L. 103–306 and P.L. 104–19 for such activities for fiscal year 1995, and funds appropriated in title IV of this Act as a contribution to the United Nations Population Fund (UNFPA) may be made available for obligation and expenditure in an amount not to exceed 65 percent of the total amount appropriated or otherwise made available by P.L. 103–306 and P.L. 104–19 for a contribution to UNFPA for fiscal year 1995: *Provided further*, That, pursuant to the previous proviso, such funds may be apportioned only on a monthly basis, beginning July 1, 1996 and ending September 30, 1997, and such monthly apportionments may not exceed 6.67 percent of the total available for such activities: *Provided further*, That notwithstanding any other provision of this Act, funds appropriated by this Act for the United Nations Population Fund (UNFPA) shall remain available for obligation until September 30, 1997.

SEC. 302. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) the enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 303. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

SEC. 304. Expenditures made pursuant to this title of this act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

TITLE IV—HOUSING AND URBAN DEVELOPMENT

SEC. 401. During fiscal year 1996, the Secretary of Housing, and Urban Development may manage and dispose of multifamily properties owned by the Secretary, including the provision for grants form the General Insurance Fund (12 U.S.C. 1735c) for the necessary costs of rehabilitation and other related development costs and multifamily mortgages held by the Secretary without regard to any other provision of law.

PUBLIC AND ASSISTED HOUSING RENTS, INCOME ADJUSTMENTS, AND PREFERENCES

SEC. 402. (a) MINIMUM RENTS.—Notwithstanding sections 3(a) and 8(o)(2) of the United States Housing Act of 1937, as amended, effective for fiscal year 1996 and no later than October 30, 1995—

(1) public housing agencies shall require each family who is assisted under the certificate or moderate rehabilitation program under section 8 of such Act to pay a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50;

(2) public housing agencies shall reduce the monthly assistance payment on behalf of each family who is assisted under the voucher program under section 8 of such Act so that the family pays a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50;

(3) with respect to housing assisted under other programs for rental assistance under section 8 of such Act, the Secretary shall require each family who is assisted under such program to pay a minimum monthly rent of not less than $25 for the unit, and may require a minimum monthly rent of up to $50; and

(4) public housing agencies shall require each family who is assisted under the public housing program (including public housing for Indian families) of such Act to pay a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50.

(b) ESTABLISHMENT OF CEILING RENTS.—

(1) Section 3(a)(2) of the United States Housing Act of 1937 is amended to read as follows:

"(2) Notwithstanding paragraph (1), a public housing agency may—

"(A) adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the monthly costs—

"(i) to operate the housing of the agency; and

"(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency); and

"(B) allow families to pay ceiling rents referred to in subparagraph (A), unless, with respect to any family, the ceiling rent established under this paragraph would exceed the amount payable as rent by that family under paragraph (1).".

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be not less than the monthly costs to operate the housing of the agency and—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before enactment of this Act;

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(c) DEFINITION OF ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 is amended—

(1) at the end of subparagraph (F), by striking "and";

(2) at the end of subparagraph (G), by striking the period and inserting "; and"; and

(3) by inserting after subparagraph (G) the following:

"(H) for public housing, any other adjustments to earned income established by the public housing agency. If a public housing agency adopts other adjustments to income pursuant to subparagraph (H), the Secretary shall not take into account any reduction of or increase in the public housing agency's per unit dwelling rental income resulting from those adjustments when calculating the contributions under section 9 for the public housing agency for the operation of the public housing.".

(d) REPEAL OF FEDERAL PREFERENCES.—

(1) PUBLIC HOUSING.—Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended to read as follows:

"(A) the establishment, after public notice and an opportunity for public comment, of a written system of preferences for admission to public housing, if any, that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(2) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that for the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(3) SECTION 8 VOUCHER PROGRAM.—Section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended to read as follows:

"(B) For the purpose of selecting families to be assisted under this subsection, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act.".

(4) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(A) REPEAL.—Section 454(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(B) PROHIBITION.—Notwithstanding any other provision of law, no Federal tenant selection preferences under the United States Housing Act of 1937 shall apply with respect to—

(i) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937 (as such section existed on the day before October 1, 1983); or

(ii) projects financed under section 202 of the Housing Act of 1959 (as such section existed on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act).

(5) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(6) CONFORMING AMENDMENTS.—

(A) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(i) in section 6(o), by striking "preference rules specified in" and inserting "written system of preferences for selection established pursuant to";

(ii) in the second sentence of section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written system of preferences for selection established pursuant to";

(iii) in section 8(d)(2)(A), by striking the last sentence;

(iv) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An";

(v) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written system of preferences for selection established by the public housing agency pursuant to section 6(c)(4)(A)"; and

(vi) in section 24(e)—

(I) by striking "(e) EXCEPTIONS" and all that follows through "The Secretary may" and inserting the following:

"(e) EXCEPTIONS TO GENERAL PROGRAM REQUIREMENTS.—The Secretary may"; and

(II) by striking paragraph (2).

(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 522(f)(6)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written system of preferences for selection established pursuant to section 8(d)(1)(A)."

(C) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the preferences" and all that follows up to the period at the end and inserting "any preferences".

(D) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937 (as such sections existed on the day before the date of enactment of this Act) shall be considered to refer to the written system of preferences for selection established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(3)(B), respectively, of the United States Housing Act of 1937, as amended by this section.

(e) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by subsection (a), (b), (c), (d), and (f) of this section shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

(4) This section shall be effective upon the enactment of this Act and only for fiscal year 1996.

SECTION 8 FAIR MARKET RENTALS, ADMINISTRATIVE FEES, AND DELAY IN REISSUANCE

SEC. 403. (a) FAIR MARKET RENTALS.—The Secretary shall establish fair market rentals for purposes of section 8(c)(1) of the United States Housing Act of 1937, as amended, that shall be effective for fiscal year 1996 and shall be based on the 40th percentile rent of rental distributions of standard quality rental housing units. In establishing such fair market rentals, the Secretary shall consider only the rents for dwelling units occupied by recent movers and may not consider the rents for public housing dwelling units or newly constructed rental dwelling units.

(b) ADMINISTRATIVE FEES.—Notwithstanding sections 8(q) (1) and (4) of the United States Housing Act of 1937, for fiscal year 1996, the fee for each month for which a dwelling unit is covered by an assistance contract under the certificate, voucher, or moderate rehabilitation program under section 8 of such Act shall be equal to the monthly fee payable for fiscal year 1995: *Provided*, That this subsection shall be applicable to all amounts made available for such fees during fiscal year 1996, as if in effect on October 1, 1995.

(c) DELAY REISSUANCE OF VOUCHERS AND CERTIFICATES.—Notwithstanding any other provision of law, a public housing agency administering certificate or voucher assistance provided under subsection (b) or (o) of section 8 of the United States Housing Act of 1937, as amended, shall delay for 3 months, the use of any amounts of such assistance (or the certificate or voucher representing assistance amounts) made available by the termination during fiscal year 1996 of such assistance on behalf of any family for any reason, but not later than October 1, 1996; with the exception of any certificates assigned or committed to project-based assistance as permitted otherwise by the Act, accomplished prior to the effective date of this Act.

REPEAL OF PROVISIONS REGARDING INCOME DISREGARDS

SEC. 404. (a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act is hereby repealed, retroactive to November 28, 1990, and shall be of no effect.

(b) ECONOMIC INDEPENDENCE.—Section 923 of the Housing and Community Development Act of 1992 is hereby repealed, retroactive to October 28, 1992, and shall be of no effect.

SECTION 8 CONTRACT RENEWALS

SEC. 405. (a) For fiscal year 1996 and henceforth, the Secretary of Housing and Urban

Development may use amounts available for the renewal of assistance under section 8 of the United States Housing Act of 1937, upon termination or expiration of a contract for assistance under section 8 of such Act of 1937 (other than a contract for tenant-based assistance and notwithstanding section 8(v) of such Act for loan management assistance), to provide assistance under section 8 of such Act, subject to the Section 8 Existing Fair Market Rents, for the eligible families assisted under the contracts at expiration or termination, which assistance shall be in accordance with terms and conditions prescribed by the Secretary.

(b) Notwithstanding subsection (a) and except for projects assisted under section 8(e)(2) of the United States Housing Act of 1937 (as it existed immediately prior to October 1, 1991), at the request of the owner, the Secretary shall renew for a period of one year contracts for assistance under section 8 that expire or terminate during fiscal year 1996 at the current rent levels.

(c) Section 8(v) of the United States Housing Act of 1937 is amended to read as follows: "The Secretary may extend expiring contracts entered into under this section for project-based loan management assistance to the extent necessary to prevent displacement of low-income families receiving such assistance as of September 30, 1996.".

(d) Section 236(f) of the National Housing Act (12 U.S.C. 1715z–1(f)) is amended:

(1) by striking the second sentence in paragraph (1) and inserting in lieu thereof the following: "The rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, as represents 30 per centum of the tenant's adjusted income,"; and

(2) by striking paragraph (6).".

EXTENSION OF HOME EQUITY CONVERSION MORTGAGE PROGRAM

SEC. 406. Section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended—

(1) in the first sentence, by striking "September 30, 1995" and inserting "September 30, 1996"; and

(2) in the second sentence, by striking "25,000" and inserting "30,000".

FHA SINGLE-FAMILY ASSIGNMENT PROGRAM REFORM

SEC. 407. (a) FORECLOSURE AVOIDANCE.—Except as provided in subsection (e), the last sentence of section 204(a) of the National Housing Act (12 U.S.C. 1710(a)) is amended by inserting before the period the following: ": *And provided further*, That the Secretary may pay insurance benefits to the mortgagee to recompense the mortgagee for its actions to provide an alternative to the foreclosure of a mortgage that is in default, which actions may include special foreclosure, loan modification, and deeds in lieu of foreclosure, all upon terms and conditions as the mortgagee shall determine in the mortgagee's sole discretion, within guidelines provided by the Secretary, but which may not include assignment of a mortgage to the Secretary: *And provided further*, That for purposes of the preceding proviso, no action authorized by the Secretary and no action taken, nor any failure to act, by the Secretary or the mortgagee shall be subject to judicial review.".

(b) AUTHORITY TO ASSIST MORTGAGORS IN DEFAULT.—Except as provided in subsection (e), section 230 of the National Housing Act (12 U.S.C. 1715u) is amended to read as follows:

"AUTHORITY TO ASSIST MORTGAGORS IN DEFAULT

"SEC. 230. (a) PAYMENT OF PARTIAL CLAIM.—The Secretary may establish a program for payment of a partial claim to a mortgagee that agrees to apply the claim amount to payment of a mortgage on a 1- to 4-family residence that is in default. Any such payment under such program to the mortgagee shall be made in the sole discretion of the Secretary and on terms and conditions acceptable to the Secretary, except that—

"(1) the amount of the payment shall be in an amount determined by the Secretary, not to exceed an amount equivalent to 12 of the monthly mortgage payments and any costs related to the default that are approved by the Secretary; and

"(2) the mortgagor shall agree to repay the amount of the insurance claim to the Secretary upon terms and conditions acceptable to the Secretary.

The Secretary may pay the mortgagee, from the appropriate insurance fund, in connection with any activities that the mortgagee is required to undertake concerning repayment by the mortgagor of the amount owed to the Secretary.

"(b) ASSIGNMENT.—

"(1) PROGRAM AUTHORITY.—The Secretary may establish a program for assignment to the Secretary, upon request of the mortgagee, of a mortgage on a 1- to 4-family residence insured under this Act.

"(2) PROGRAM REQUIREMENTS.—The Secretary may accept assignment of a mortgage under a program under this subsection only if—

"(A) the mortgage was in default;

"(B) the mortgagee has modified the mortgage to cure the default and provide for mortgage payments within the reasonable ability of the mortgagor to pay, at interest rates not exceeding current market interest rates; and

"(C) the Secretary arranges for servicing of the assigned mortgage by a mortgagee (which may include the assigning mortgagee) through procedures that the Secretary has determined to be in the best interests of the appropriate insurance fund.

"(3) PAYMENT OF INSURANCE BENEFITS.—Upon accepting assignment of a mortgage under a program established under this subsection, the Secretary may pay insurance benefits to the mortgagee from the appropriate insurance fund, in an amount that the Secretary determines to be appropriate, not to exceed the amount necessary to compensate the mortgagee for the assignment and any losses and expenses resulting from the mortgage modification.

"(c) PROHIBITION OF JUDICIAL REVIEW.—No decision by the Secretary to exercise or forego exercising any authority under this section shall be subject to judicial review.

"(d) SAVINGS PROVISION.—Any mortgage for which the mortgagor has applied to the Secretary, before the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996, for assignment pursuant to subsection (b) of this section as in effect before such date of enactment shall continue to be governed by the provisions of this section, as in effect immediately before such date of enactment.

"(e) APPLICABILITY OF OTHER LAWS.—No provision of this Act, or any other law, shall be construed to require the Secretary to provide an alternative to foreclosure for mortgagees with mortgages on 1- to 4-family residences insured by the Secretary under this Act, or to accept assignments of such mortgages.".

(c) APPLICABILITY OF AMENDMENTS.—Except as provided in subsection (e), the amendments made by subsections (a) and (b) shall apply only with respect to mortgages insured under the National Housing Act that are originated before October 1, 1995.

(d) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue interim regulations to implement this section and the amendments made by this section.

(e) EFFECTIVENESS AND APPLICABILITY.—If this Act is enacted after the date of enactment of the Balanced Budget Act of 1995—

(1) subsections (a), (b), (c), and (d) of this section shall not take effect; and

(2) section 2052(c) of the Balanced Budget Act of 1995 is amended by striking "that are originated on or after October 1, 1995" and inserting in lieu thereof "that are originated before, during, and after fiscal year 1996.".

This Act may be cited as "The Balanced Budget Downpayment Act, I".

The SPEAKER pro tempore. Pursuant to the order of the House of today, the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes.

The Chair recognized the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, once again I want to commend the gentleman from Wisconsin [Mr. OBEY], my colleague and the distinguished ranking member on the committee, for working closely with me to make sure that we had a bill that would not only pass this House, but will pass the other body and go to the President and, in fact, will be signed into law so the Government can continue.

Mr. Speaker, I am particularly pleased that although this was a hard-fought negotiation, it is one that we can all go back to our respective constituencies and be proud of. And I hope, that it will also lead to a long-term solution, so that we do not have to close down the Government or send more agency employees out to the streets while we conduct our business.

The fact is that seven appropriations bills have been signed into law for the current fiscal year, fiscal year 1996. In addition, the District of Columbia has authority to use local funds through September 30, so all of the programs under those seven bills and the District of Columbia are virtually funded.

We hope to come before the Congress within the next week and pass a District of Columbia bill. So the District of Columbia with provision for a portion of the Federal payment in this bill, but for the purposes of the remaining five appropriations bills, they are covered in one fashion or another by this Balanced Budget Donwpayment Act.

Mr. Speaker, the activities in two appropriations acts are provided for through March 15. That is the operative date at the level of funding specified in the respective fiscal year 1996 conference agreements, but under the terms and conditions provided for, as I pointed out to the gentlewoman from Texas, in the applicable fiscal year 1995 Appropriations act. They are the Commerce, Justice, State, and Judiciary; and the VA-HUD bills.

The Foreign Operations bill, which has passed this House on numerous occasions in one form or another, is likewise provided for in its entirety through September 30, not March 15, at the level specified in the conference agreement and under the terms and conditions of that agreement as if enacted into law.

Funding for population planning activities, or funds made available to the U.N. Population Fund, are not made available for expenditure unless authorized prior to July 1, 1996. If an authorization is not enacted by that date, then no more than 65 percent of the current rate may then be obligated.

In addition to those three bills, the activities in the following two appropriations bills, the Labor-HHS and Education bill and the Interior and related agencies bill, are provided for also through March 15, but at a level of funding that is the lower of either the House-passed, the Senate passed, or fiscal year 1995 current rate, but under the terms and conditions provided for in the applicable 1995 Appropriations Act.

Programs that were terminated or would be severely impacted may be funded at a rate of operations not to exceed 75 percent of the current rate. That is a 75 percent cap.

In addition, the following programs are funded at levels not to exceed 75 percent of the current rate of operations. They a re specifically picked out. Those are AmeriCorps, ATP, Cops on the Beat, Ounce of Prevention Council, Drug Courts, Community Development Financial Institutions, and the Office of Consumer Affairs.

The bill would provide a restriction that would prohibit excessive travel by Cabinet-level Secretaries, except State, Defense, CIA, and the U.S. Ambassador to the United Nations, for obvious reasons involving national security. That level would be arrived at by computing 110 percent of the average of travel expenditures made by the Secretaries of those Departments between the years 1990 and 1995.

Let me stress, even though only certain bills are covered in this Balanced Budget Downpayment Act, I, the fact is the travel of all of the Secretaries, all of the Cabinet Secretaries, other than State, Defense, CIA, and U.S. Ambassador to the United Nations, will actually be covered by this provision. So if their travel expenditures exceed 110 percent of the mean of Secretarial travel between 1990 and 1995, they could well be in trouble and would be told by the U.S. Congress through this provision to stop traveling. I would like to restate that. They could be, and they will be.

Section 128 of the bill prohibits the use of funds for embryo research, and the bill also increases the maximum Pell grant award to at least $2,440 per individual.

I would like to pause on that. I know the gentleman from Pennsylvania [Mr. GOODLING] is keenly concerned about this. I would like to tell the gentleman and any others that are concerned about it that we have reached an agreement that can be confirmed by the gentleman from Wisconsin [Mr. OBEY], that the $2,440 per individual is a figure that is not intended by the administration to be exceeded unless there is agreement among all of the parties on both sides, Democrat and Republican, with the White House, and with the Department of Education.

That was emphatically repeated to us, the gentleman from Wisconsin and to myself, within the last hour. And I know the gentleman from Pennsylvania is here, and I would like to yield to the gentleman from Wisconsin for his understanding on that conversation.

Mr. OBEY. Mr. Speaker, I would like to say that the gentleman is correct. We had conversation with the President's chief of staff, Mr. Panetta, and he indicated although the administration certainly would like to go above the $2,440 level which is presently in the bill, and they want the flexibility for that to be considered, that they in fact have no intention of proceeding with any number that is higher than the one stipulated in this proposal, unless it is mutually agreed upon.

Mr. GOODLING. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Speaker, I just want to make sure that if we do not have it in blood, we have to understand that any time we go up 100 bucks in a Pell grant, and we have already raised it higher than it has ever been in the history of Pell grants, we are talking about $300 million. If we go up $200, we are talking about $600 million-plus, and that has to come from every other education program, and we have already lost in many other education programs.

Now, when the gentleman says "the parties have to agree," does it come back through committee? What does that mean?

Mr. LIVINGSTON. Mr. Speaker, reclaiming my time, I would say to the gentleman that in our conversations and Mr. Panetta, he swore to us that the administration would not raise the level per pupil under the Pell grants without the joint agreement of the gentleman from Pennsylvania, myself, the gentleman from Wisconsin, the gentleman's counterpart on his committee and counterparts in the Senate.

That is basically the tenor of the conversation I got. And I might add that even the $2,440 per individual which we have provided in this bill and has been provided in the conference report is $100 per individual more than was provided in any previous year. So we have gone up. On Pell grants we will actually expend a tremendous amount more money in the aggregate sense than has ever been provided before in previous years. So nobody can say we are cutting Pell grants.

Mr. OBEY. Mr. Speaker, if the gentleman would yield, I think that sooner or later in this place somebody has to trust somebody, and while we certainly did not have a long conversion, because we did not have the time to give him, there was a time squeeze on people today, it was very clear and explicit that there would have to be widely reached understanding before any number other than $2,440 would be pursued by the administration. Obviously, knowing Mr. Panetta's integrity, he certainly intends to live up to that agreement.

Mr. GOODLING. Mr. Speaker, if the gentleman would continue to yield, I just want to make sure. I want to make very, very sure that we are thoroughly convinced that the administration understands that they will not publish anything above $2,440, unless they have the permission of those who are negotiating this issue.

Mr. OBEY. That was absolutely my understanding.

Mr. LIVINGSTON. Mr. Speaker, reclaiming my time, it is my understanding as well, I would tell the gentleman.

Moving right along, Mr. Speaker, the bill directs the Architect of the Capitol to sell a House office building that has been declared excess and enacts into law $1.2 billion in legislative savings from the various housing programs under the VA-HUD appropriations bill, as shepherded by the distinguished and very capable gentleman from California [Mr. LEWIS].

It provides for the sale of 7 million barrels of oil from the strategic petroleum reserve, which results in increased Federal revenues of $100 million. There are additional program terminations; in addition to those eight programs that were terminated by an earlier continuing resolution, House Joint Resolution 122, there are 10 programs which I will incorporate in the RECORD which are terminated by this act.

Finally, as was pointed out in one of the reservations of objection to the previous unanimous consent request, the bill proposes to freeze new grant activities at a level not exceed 75 percent of the prior monthly rate for the duration of this continuing resolution for various activities which will be made part of the RECORD. I might add, those activities all come under the Labor and Health and Human Services appropriations bill and, therefore, are already capped at 75 percent funding at the very most, but this would mean on a monthly basis the grants would be frozen at 75 percent of that.

I would point out that with respect to the Interior bill, all programs in the Interior bill will, in fact, be funded at the lowest of the low levels, with the exception of the Park Service, the U.S. Fish and Wildlife Service, the Bureau of Indian Affairs, the Forest Service, The Indian Health Services, and Indian Health Service Facilities, which will be funded at conference levels.

□ 1800

The recent C&O Canal flood damage will be repaired to the tune of $2 million. Programs not at conference levels but at 75 percent include the Cops on the Beat, ATP, Drug Courts, GLOBE, Community Development Financial Institutions Fund, and Office of Consumer Affairs. The NLRB and the Council of Environmental Quality get special rates as well.

There is changed furlough language. The previous continuing resolutions provided enough funding so that we did not have to furlough people. We did not lay people off. Obviously, in view of the passage of time, one-third of the fiscal year, that language is outdated.

We are reducing many agencies and departments by 5 percent, at least 5 percent of their funding. And unless we begin to start to lay off people or furlough them, if necessary, then any savings that we might have received by virtue of the cuts become moot because everybody is still on the job. So it is important that we, in a methodical and careful way, allow the administration to go forward and start to tell those people that they can no longer afford to be carried.

I have to tell Members that the fact is, though, that we have been doing that in a workable fashion. The programs managed by the agencies and departments should not be penalized because we have not been doing it in the past and, therefore, they should not have to double up their efforts to furlough people or RIF people for the second quarter or second third of the year. Instead, we have a reasonable formula arrived at in consultation with the minority and with the administration which allows for a methodical approach in those RIF's or furloughs. So no agency, no department is unduly damaged by this provision.

Mr. Speaker, as I indicated earlier, at this point, I would like to insert a summary of the bill.

H.R. 2880—BALANCED BUDGET DOWNPAYMENT ACT, I

BACKGROUND

Seven Appropriations bills have been signed into law for the full fiscal year; in addition the District of Columbia has authority to use local funds through September 30th.

Numerous "targeted appropriations" have been funded through previous continuing resolutions.

LEVELS OF FUNDING PROVIDED IN THIS ACT

The following two Appropriations Acts are provided for, through March 15th, at a level of funding specified in the respective FY 1996 Conference agreements but under the terms and conditions provided for in the applicable FY 1995 Appropriations Act:

COMMERCE—JUSTICE—STATE & THE JUDICIARY—VA—HUD

The Foreign Operations Appropriations Act is provided for, through September 30th, at the level specified in the Conference agreement and under the terms and conditions of that agreement. Funding for population planning activities or funds made available to the UN Population Fund are not available for expenditure unless authorized prior to July 1, 1996. If an authorization is not enacted by that date, then no more than 65 percent of the current rate may be obligated.

The following two Appropriations Acts are provided for, through March 15th, at a level of funding that is the LOWER of either the House passed, Senate passed, or FY 1995 current rate but under the terms and conditions provided for in the applicable FY 1995 Appropriations Act. Programs that were terminated, or would be "severely impacted" may be funded at a rate of operations not to exceed 75 percent of the current rate:

LABOR—HHS & EDUCATION—INTERIOR & RELATED AGENCIES—ACTIVITIES FUNDED AT SPECIFIC LEVELS

In addition, the following items are funded at levels not to exceed 75 percent of the current rate of operations:

Americorp, ATP, Cops on the Beat, Ounce of Prevention Council, Drug Courts, Community Development, Financial Institutions, and the Office of Consumer Affairs.

RESTRICTION ON CABINET TRAVEL

The bill provides a restriction that would prohibit excessive travel by cabinet level Secretaries (except State, Defense, CIA & the U.S. Ambassador to the UN) that exceeds 110% of the average of travel expenditures between 1990 and 1995.

LIMITATION ON EMBRYO RESEARCH

Section 128 of the bill prohibits the use of funds for embryo research.

MISCELLANEOUS PROVISIONS

The bill increases the maximum Pell Grant award to $2,440 per individual.

The bill directs the Architect of the Capitol to sell a House Office building that has been declared excess.

The bill enacts into law $1.2 billion in legislative savings from various housing programs in the VA-HUD appropriations bill.

The bill provides for the sale of 7 million barrels of oil from the Strategic Petroleum Reserve, which results in increased federal revenues of $100 million.

ADDITIONAL PROGRAM TERMINATIONS

In addition to the eight programs that were terminated by an earlier continuing resolution (H.J. Res. 122), the following 10 programs are terminated by this Act:

Child Development Associate Scholarships in the Department of Health and Human Services; Dependent Care Planning and Development in the Department of Health and Human Services; Law Related Education in the Department of Education; Dropout Prevention Demonstrations in the Department of Education; Aid for Institutional Development—Endowment Grants in the Department of Education; Aid for Institutional Development—Evaluation in the Department of Education; Native Hawaiian and Alaska Native Cultural Arts; Innovative Projects in Community Service in the Department of Education; Cooperative Education in the Department of Education; and Douglas Teacher Scholarships in the Department of Education.

FREEZE GRANT FUNDING

The bill proposes to freeze new grant activities at a level not to exceed 75% of the prior monthly rate for the duration of this continuing resolution for the following activities:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration: Health Resources and Services: Trauma Care, Health Care Facilities.

Assistant Secretary for Health: Office of the Assistant Secretary for Health: National Vaccine Program, Health Care Reform Data Analysis, National AIDS Program Office.

Health Care Financing Administration: Program Management: Essential Access Community Hospitals.

Administration for Children and Families: Children and Families Services Program: Youth Gang Substance Abuse, Advisory Board on Child Abuse and Neglect, Child Welfare Research, Social Services Research, Homeless Service Grants, Community Schools (crime trust fund).

Administration on Aging: Aging Services Programs: Pension Counseling, Federal Council on Aging, White House Conference on Aging.

DEPARTMENT OF EDUCATION

Education for the Disadvantaged: State School Improvement.

School Improvement Programs: Safe & Drug Free Schools & Communities: National Program Women's Educational Equity.

Bilingual and Immigrant Education: Bilingual Education Support Services.

Higher Education: Faculty Development Fellowships, School, College and University Partnerships.

RELATED AGENCIES

Corporation for National and Community Service: Domestic Volunteer Service Programs, Operating Expenses: Senior Demonstration Program, and the National Education Standards and Improvement Council.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, I would simply like to urge support for this proposition.

As I said earlier, this is a result of a great deal of bipartisan work with many people involved, and no one who I know agrees with every single recommendation in the bill. I do not. I know the gentleman from Louisiana does not.

But I think by passing this bill we will all meet our higher obligation to keep the Government functioning again for at least the next 45 days, and in the case of at least one bill before us, the foreign operations bill, it will dispose of that bill for the entire year.

I am happy to report to the House, despite deep divisions which normally accompany the issue, we have with the assistance of many people on both sides of the aisle reached agreement on the family planning/abortion cluster of issues, which so often accompany that bill. And we have managed to reach common ground even though we have many differing views about how those issues ought to be handled.

I think we have found a solution which is acceptable to everyone. I would point out there are some concerns about programs such as LIHEAP, which will undoubtedly be raised by the gentleman from Vermont, but I simply want to say that I would urge support. We have had a lot of acrimony over the past several months in this House. This bill should not be an occasion for that acrimony today because it is a reasonable compromise.

I do want to say, however, that I think there are several serious problems with it. I do have strong disagreement with the fact that this level will in fact mean that we are funding education at $3.1 billion less that we were funding it last year. If that were to remain the case for the entire year, it would mean that we would be eventually placing a great additional burden on local property taxpayers, and I do not believe that we ought to be doing that.

I would point out that whether we are talking about school-to-work programs or title I or professional development programs or safe and drug-free schools or Gallaudent University or vocational education, I do not believe that we should be funding these programs at a level which is this low. I hope that we can get agreement down the line to change that.

I do not want to shut down the Government over that. I do not want to shut the Government over that because I do not believe in holding my breath and turning blue every time I lose an argument. But I do think that this is an issue that the House needs to make a choice on. I should announce, therefore, that the distinguished minority whip, the gentleman from Michigan [Mr. BONIOR], will be offering in his recommittal motion a proposition which would return these education programs to the 1995 fiscal year level, which means in essence that it would eliminate the $3.1 billion reduction which we have in these education programs.

Mr. Speaker, I know the President is concerned about that reduced level of funding; certainly we are on this side of the aisle. I know a great many other Members, including Senator KENNEDY, are concerned about it on the Senate side. I would urge support for that recommittal motion when it is offered by the distinguished minority whip. But no matter how that motion goes, I would then urge support for this bill in the interest of demonstrating to the American people that, if we disagree on some basics, we can also agree on some fundamentals. That is what we are supposed to be able to do in a legislative body.

Mr. SANDERS. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Speaker, I rise to engage in a colloquy with the chairman of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, reclaiming my time, I would ask the gentleman if he could withhold. I thought the gentleman had a question of me. I will be happy to yield him time. I do not want to be stuck in a triangular colloquy. I agree with the gentleman's concern on the program, the concerns which he has raised.

Mr. KILDEE. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Speaker, it is my understanding that the Department of Education will be funded at the House-passed level, except for those programs that were not funded by the House, in which case they will be funded at 75 percent. According to my calculations then, that means that, if we were to extend this CR for the rest of the year at that rate of funding, that would be a $3.1 billion cut from 1995.

The gentleman from Pennsylvania, [Mr. GOODLING] knows that we forward fund education, so these dollars are for the school year 1996–97, the school year starting in September. By next month, school districts will be starting to write their budgets for that school year. How in the world will they know how much money they will have when they are threatened with a possible $3.1 billion cut? Will this require in some States like Michigan, where they have to pink slip teachers at a certain time if they feel there will not be enough money, will this require certain States to pink slip teachers?

Mr. OBEY. Mr. Speaker, I cannot answer what it will require in specific States. Let me simply say that I agree with the concerns the gentleman expresses. I do not believe that these are the appropriate levels at which education ought to be funded. I think it will cause a great deal of turmoil at the local level.

Keep in mind that, while the Federal Government only provides a small share of the overall education budget, it provides a very high percentage, well over 50 percent, in virtually all districts, of the cost of meeting the education needs of children who are served by title I. I think that is going to be a big hole in those local school budgets, and that is something that the Congress ought to do something about. I know the President very badly wants to see that changed.

Mr. KILDEE. Mr. Speaker, it is important then that we support the Bonior amendment to recommit to restore those funds, at least to the 1995 level for education.

Mr. OBEY. Mr. Speaker, I certainly agree.

Mr. KILDEE. I thank the gentleman.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I rise to engage in a colloquy with the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

As the chairman knows, I am particularly concerned with the Low-Income Home Energy Assistance Program. It has been very cold in my part of the country, and during earlier CR's there have been disruptions in funding for this vital program.

The administration has released $810 million to the States, but I am concerned that the flow of funds to the States could again be disrupted. Generally I would like to know whether this CR will affect the full commitment of funds to the—funds of LIHEAP—to the States. Specifically, is it the chairman's understanding that under the current bill before the House, funds for LIHEAP will be allocated to the States and be available for distribution to the States in the normal fashion?

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, on behalf of the distinguished chairman of the Subcommittee on Labor, Health and Human Services, and Education, the gentleman from Illinois [Mr. PORTER], I would say that it is my understanding and his that the gentleman is correct.

Mr. SANDERS. Mr. Speaker, I thank the gentleman very much.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. LEWIS], chairman of the Subcommittee on VA, HUD and Independent Agencies.

Mr. LEWIS of California. Mr. Speaker, I thank my colleague for yielding time to me. I certainly will not take the 2 minutes.

I did, as the chairman may have noted, stand, thinking about being recognized during the objection opportunity that we had earlier. It certainly was not my intention to object.

The reason for my considering doing that was because, as the chairman has indicated, a significant portion of my own VA–HUD bill is within this short-term appropriations. The process that we went through in our subcommittee to begin the pattern of reducing spending was a very, very difficult process, of which I am very proud. I am particularly proud of the Members who themselves had to make many a sacrifice by way of cutting back that spending.

It is important to note that we were among those who actually went about terminating some programs, the most difficult of processes. The concern that I want to express here as I praise both my colleague and my ranking member for the difficult process they have been through is the fact that this bill does for a short-term period reverse some of those very difficult decisions, a process that is not very helpful to the committee's work. I want, beyond praising the committee, to have others around here at a higher level than those of us in the committee to know that we intend to look very carefully when we come toward March 15 regarding any similar pattern.

Mr. Speaker, this bill provides funding for the departments and agencies under the jurisdiction of the VA, HUD, and Independent Agencies Subcommittee until March 15 or the enactment of the regular appropriations act.

The funding amount for each appropriation account will be the level agreed to in the conference on H.R. 2099. Exceptions are being made for the Corporation for National and Community Service and the community development financial institutions fund which are being continued at 75 percent of the 1995 appropriation levels.

The departments and agencies are expected to administer the programs and activities consistent with the directions contained in the 1996 statement of the managers and other relevant legislative history.

The approved major construction projects for the Department of Veterans Affairs are those referenced in the conference report.

Further, it is intended that under section 107 of the VA's administrative provisions that the general operating expenses appropriation be reimbursed from the insurance funds for the entire fiscal year's administrative costs.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I have a concern here.

The new majority wanted to dispose of property and real estate at 501 First Street. It came through the Committee on Transportation and Infrastructure, and it was handled in the Subcommittee on Public Buildings and Economic Development.

I notice now that this property, the conveyance and sale of it, is in this continuing resolution. I am certainly not going to try and obstruct this particular measure but I would like to say this. This sets a precedent, and the subcommittee had, in fact, placed into that particular language that there would be a net gain from the sale of this and it would not cost the people of the United States money to convey property for the sake of getting rid of it.

Second of all, the welfare of those children in that day care center would, in fact, be addressed and handled properly in an orderly fashion. I would like to state that the welfare of those children has not been addressed in the sense of the Congress situation in here and the language relating to the fact that there shall be a net gain from the sale of this has also been removed.

I want to state that this is not the way to set a precedent for the types of action that has been taken by the new majority. I supported the sale of this transaction, but I believe that the language that has been removed is not in the good interest of precedent-setting policy in the handling of real estate by our committee.

Mr. Speaker, I yield to the distinguished gentleman from California [Mr. PACKARD].

□ 1815

Mr. PACKARD. Mr. Speaker, the language, we worked hard to get the appropriate language in this bill. The language simply authorizes the Architect of the Capitol to consummate the sale under the direction of the House Office Building Commission, but it does not create the sale. We do not consummate the sale in the language of this bill. It leaves that judgment yet to the leadership of the House. Frankly, we think it is good language that still leaves the option open whether it is right to sell property or not. We are not selling property in the language in this bill.

□ 1815

Mr. GILCHREST. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Maryland.

Mr. GILCHREST. I thank the gentleman for yielding to me.

Mr. Speaker, I know there is some concern. The gentleman from Ohio [Mr. TRAFICANT] and I sat through the hearings. We sat through both markups.

I know there are some reservations about the cost of marketing. That is still limited at $75,000. There is some concern about the profitability of this sale. With new estimates, I give the gentleman assurances that when this building is sold there is going to be a profit to the Federal Government, there is going to be a $300,000 savings on annual maintenance to the Government, and you can be firmly assured that the day care center will be retained.

Mr. TRAFICANT. Reclaiming my time, Mr. Speaker, I am glad to accept that and hear that from the subcommittee Chair, but I think for the sake of precedents, we should have had that type of defining language clearly delineated.

I will not oppose it, and I will support the measure without any further obstruction here, but I think that was a very important precedent-setting transaction.

I commend the majority for looking toward those savings, but we could have done that, I think, with better language from the authorizing end that would have been included in the appropriators' language.

Mr. LIVINGSTON. Mr. Speaker, in view of the fact that we have contained the entire foreign operations bill in the appropriations cycle for 1996 in this bill, I yield such time as he may consume to the gentleman from Alabama [Mr. CALLAHAN], the distinguished chairman of that subcommittee.

Mr. CALLAHAN. Mr. Speaker, I thank the chairman and the gentleman from Wisconsin [Mr. OBEY], as well as the staff, for reaching this agreement and including our bill in the resolution. I urge my colleagues to vote for this resolution.

Mr. Speaker, I would like to thank my chairman for yielding me time to address the foreign operations portion of the bill before us. As my colleagues know, the fiscal year 1996 foreign operations appropriations conference report was approved by the House of Representatives nearly 3 months ago by a bipartisan vote of 351 to 71. Working together with all of my colleagues on the Subcommittee on Foreign Operations, and I might add, with a great deal of help from the gentleman from Wisconsin, we were able to fashion a bipartisan bill. It is significantly below the administration's request levels, yet I believe we were very fair in determining how those cuts were apportioned. It wasn't easy but we did it.

I would like to emphasize three things for my colleagues. First, The conference report cited in this bill is the identical language passed by the House last October. There have been no changes in the agreed upon conference report language. Second, let me just remind my colleagues of some key facts. At $12.1 billion, it is nearly 19 percent below the President's requested level and 11 percent below the fiscal year 1995 levels. At the same time, the bill provides $500 million for child survival and disease prevention programs, with child survival activities funded at $25 million over the fiscal year 1995 level. We also provide the traditional amounts for Israel and Egypt. Prime Minister Rabin's tragic death reinforces the need for a peaceful settlement in the Middle East. In this respect, the subcommittee's bipartisan support for Middle East Peace Process is reflected in the conference report agreement.

But we did have one issue which was not so easy to resolve. It was the question of abortion funding and the Mexico City policy. This issue is of critical importance to me, therefore I was very disappointed that the Senate did not accept the House-passed language on this issue the very first time we sent it to them. But that is the nature of the Congress.

After months of hard work an agreement has been reached on a formula which strongly supports the House position and the authorizing committee's responsibility for this issue. The language in the bill before you is a critical two-part formula—it delays obligation of international population planning funds until July 1, 1996, unless an authorization is enacted prior to then. After July, if an authorization is not enacted, 1996 population funds will be limited to 65 percent of the 1995 level and available for obligation on a monthly basis over 2 years at a rate no greater than 6.67 percent of the total amount available under this limitation. The intent of this provision is to give the authorizers and the administration an incentive to come to agreement promptly on the issue of Mexico City and abortion.

To help understand this concept, let's assume that for every dollar for population planning activities in 1995, 75 cents would be available in 1996 under the terms of the continuing resolution that we have been operating under. Under the 1996 conference agreement, family planning activities would get approximately 81 cents on the dollar, compared to 1995, if an authorization is enacted into law. This would be the same level as other development assistance activities, assuming all programs are treated equally, except for child survival programs which will increase over the 1995 level. However, if an authorization is not enacted into law, the proposal would generate 65 cents to the dollar over the 15 months that the funds would be available for obligation.

These funds would become available at the rate of a little over 4 cents per month over these 15 months. That way the administration will not obligate and expend all the funds at once, which would remove any incentive for opponents of the Mexico City policy to negotiate in good faith on the authorization bill. At the same time, funds will continue to flow even in the absence of an agreement on Mexico City.

I think this 65-cents-to-the-dollar solution is the best outcome either side could hope for; it provides an "in-cent-tive" for both sides, and makes good "cents."

Mr. LIVINGSTON. Mr. Speaker, to answer those who have concerns that agriculture is not addressed in this bill, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Speaker, I appreciate the gentleman yielding time to me. I know it is typical that you yield to members of the Committee on Appropriations, so I appreciate the opportunity to speak to this.

When the gentleman talks about wanting to run over here and objecting to this bill, I came over here on pretty quick notice when I heard this was coming up. I heard that negotiations had broken down in trying to get agriculture authorization onto this bill.

It is very disturbing to me that, first of all, we had to go through this because the President vetoed the bill. We are now operating under the 1949 act because the President vetoed the bill. We hear that, over in the other body today, the majority leader, the gentleman from Kansas [Mr. DOLE], wanted to bring up authorization language for agriculture, farmers that are talking to their bankers as we speak, making planting decisions, talking to their suppliers, and that there is one Member of the other body sitting over there dragging his feet, objecting to this coming up, objecting to the negotiations so we could put this on this bill and calm the fears of many farmers out there that are trying to dig up someplace in their attic or basement a copy of the 1949 act.

Mr. Speaker, it would be one thing to shut down the Government, I suppose, on some farmer's whim because they are having a difficult time understanding the 1949 act, if it was not for the fact that we know that the leadership in the House, in a bipartisan fashion, are working to figure out a way to deal with this problem possibly as soon as next week.

But we have got to, I would say to my colleagues, stress to the minority leader in the Senate, Mr. DASCHLE, who continues to object to this change, continues to object to allowing farmers the kind of confidence that they need when they talk to their lenders, when they talk to their suppliers that they know what they are going to have to deal with next year.

I am not going to object to this. I am going to support it. I urge Members from the farm country to do so. But we have to put pressure on those folks in the other body.

Mr. OBEY. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, let me say to the gentleman who was just in the well, a part of the problem is not that it is one Member in the other body. The fact of the matter is it is February, just about, is it not, of 1996. I thought we were supposed to be working on a farm bill in 1995. We were supposed to pass one in 1995. We were supposed to have all of these appropriations bills done in 1995. We have been doing that for years, whether we agreed with the administration or disagreed with the administration. Do you know what we do? We sit down and try to work those matters out.

I want to get to the point I wanted to make and the reason I got up here. You preceded me, and I wanted to address that issue. I want to ask the chairman of my committee, I have served on the Committee on Appropriations now for a dozen years, I will tell Members, I have never seen a procedure or process like this, and I want to ask, who in the world was representing Illinois, New York, New Jersey, California, Texas, Florida, places that have a great need for bilingual education, in this closed meeting that I was not invited to? Who was representing them?

You all cut some bilingual education programs. I just want to say right now, here in public, that as the rhetoric becomes more harsh about immigrants in America, it is strange to me that these are the very programs we are going to be cutting are the ones that integrate immigrants into our society.

Districts like I am honored to represent need these kinds of programs. I understand that there are huge cuts in this continuing resolution.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Do I understand, Mr. Speaker, from the gentleman's question, that he is concerned about the funding of education in America, is that correct, by the U.S. Congress?

Mr. COLEMAN. Let me tell you what I understood happened: that you froze the new grant activities for support services for bilingual education.

Mr. LIVINGSTON. If the gentleman will yield further, I know the gentleman has paid attention. He knows that the Labor-Health-Education bill has passed the House of Representatives as long ago as July 1995, I would remind the gentleman.

Mr. COLEMAN. Mr. Speaker, reclaiming my time, then why in the world, I understand when you pass authorization bills, but I understand, though, that you have frozen some of the programs or made cuts in some of the programs for bilingual education? True or false?

Mr. LIVINGSTON. Does the gentleman want an answer to his questions?

Mr. COLEMAN. I would like to have an answer to my questions.

Mr. LIVINGSTON. If the gentleman would yield to me to answer the question.

Mr. COLEMAN. I will yield to the chairman so I can get a yes or no answer.

Mr. LIVINGSTON. Mr. Speaker, my answer to the gentleman is that when the Democrats in the Senate will vote this bill through the Senate and we can go to conference and send the bill to the President, then we can get all the funding that the conference will allow.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I want to repeat, I think we need to pass this bill today. I hope we can keep things as calm as possible, but I do take issue with the description of what has happened to the Labor-Health-Education bill in the Senate that has just been given by my good friend, the gentleman from Louisiana.

The situation on the Education appropriation bill is simply this: The bill which was produced, or I mean the 602 allocation, which defines what the spending levels are, that allocation process which defines the ceilings for all 13 appropriation bills, was set so low in that process that the bill that the Senate produced in the committee cannot be brought up on the floor except by unanimous consent, under Senate rules. That is the problem.

The problem is that unanimous consent has been objected to by Members of both parties. That bill has not, as has often been suggested, been subjected to a filibuster. I do not support filibusters on anything except constitutional issues.

But it seems to me important to understand, Mr. Speaker, that what has been holding up the Education appropriation bill in the Senate is the fact that the bill itself exceeds the spending level allocated to it by the Republican leadership in the Senate and, therefore, they cannot get the bill up except by unanimous consent, and there have been objections to that on both sides of the political aisle.

Without getting into a political heat wave here today, I do want to make clear that the record shows accurately what has happened in the Senate, and that is why we will be supporting the Bonior motion to recommit, which tries to do what we can on this side to correct that problem.

Mr. COLEMAN. Mr. Speaker, reclaiming my time, that is the reason that we ought to be for the Bonior motion to instruct, with language of that kind, so we can address an issue that is of great importance to many Members on both sides of the aisle on issues that are now going to be either defunded or cut so dramatically that we cannot carry out those programs appropriately.

Mr. GENE GREEN of Texas. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. Mr. Speaker, my colleague, the gentleman from Texas, pointed to the cuts in bilingual education. But let me go down the list of the cuts.

I agree with our ranking member, we have to pass this, but some of the cuts, 25 percent for Education 2000: Title I gets 17 percent, safe and drug-free schools, a 25-percent cut. That is what we are talking about.

We are up against the wall because these programs cannot function, and yet they are taking a 25-percent cut because the majority is cutting education funding that 80 percent of the people in our country support.

Mr. COLEMAN. In closing, Mr. Speaker, let me only say to the chairman that he knows and I know that part of the problem has been with the process.

The gentleman from Iowa, if he is still on the floor, I will be happy to yield to him, I understand that he is concerned that we were here at the end of the year, in fact several months, nearly half a year into the new fiscal year. The problem is you have to get these things resolved a lot earlier than this.

Mr. NUSSLE. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Speaker, regardless of the state of the history, which, of course, is a Presidential veto, the fact of the matter is we are here today. There appears to be bipartisan support to attach language to make sure we have authorization for agriculture. There is one person over in the Senate who is blocking this.

Mr. COLEMAN. Reclaiming my time, that is the problem that you continue to have with the process. You do not wait until it is the following year after you are supposed to have passed the normal appropriations.

Mr. NUSSLE. We have a President that vetoes everything.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I just want to tell the gentleman from Iowa, if he is still present, that I would have objected if the provision he wants had been in this bill.

I, for one, do not agree with the welfare bill that was tried to be passed, that could not come out of the Committee on Agriculture. They stuck it on the reconciliation package, which the President rightfully vetoed. It is nothing but a welfare bill for big farmers. Farmers get $120,000 a year and do not even have to farm under that bill.

Mr. Speaker, I did not want to talk about it, but the gentleman brought it up. What I really wanted to talk about is I want the people to know that this bill really is one that I am going to vote for because I see the need for it, but I am going to hold my nose real good when I vote for it, because it smells, it stinks for what it does to education. It is terrible for education.

I want to tell everybody that if you think this is bad for education, which my educators say is bad for education, then if the President had signed their reconciliation package, which they called the Balanced Budget Act of 1995, they would have seen the same cuts in Medicare, Medicaid, and everything down the line, just like they are cutting education in this. This is a terrible bill, but it is the only thing we have. That is the only reason I am going to be voting for it. It smells to high heaven. It cuts education.

It means a lot of my students that are in higher education next year are going to have a tough time returning. It means that a lot of kids going out of high school this year are going to have a terrible time being able to get that education next year. It means that many of my elementary and secondary institutions, schools in my district, are not going to be able to have the funds that they need that they have had in the past for necessary programs under title I. I think this should be corrected. That is why I am going to strongly support the motion to recommit.

I ask anybody that is really interested in education to support that motion. I will return now to agriculture and tell again the gentleman from Iowa, yes, I have been told, I will tell you how it goes up here, folks.

□ 1830

That bill was not reported out of the Committee on Agriculture because it was a smelly bill, a terrible bill, so they stuck it in the reconciliation.

Now they tell me, I just got word today, that next week on Tuesday we are supposed to bring it up in committee and mark it up, a different bill. I just got a copy of it today, but now my staff tells me this evening that this is not the bill we are going to mark up, we are going to have a different one, we are going to have the chairman's mark when we do it, and I will not see that until Tuesday.

That is the way they work down here. You do not even have an opportunity to read a bill much before you vote on it or act on it. It is terrible.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Speaker, I certainly rise in support of the motion to recommit to hold funding of education as the highest possible priority. The American people need assistance in keeping their schools functioning and operating at the best possible level that we could help them attain.

But I want to follow my colleague from Missouri on the issue of agriculture. I heard the gentleman from Iowa commenting earlier about how the Senate minority leader was somehow preventing us from having a farm bill. If there is an example of inability to manage an issue, it has to be on how the new Republican majority in this Congress has mismanaged agriculture.

We are confronted at the moment with a situation where the gentleman from Kansas, Mr. ROBERTS, the chairman of the committee, and Senator DOLE, his close personal friend from Kansas, cannot even agree on a proper approach to deal with the agricultural crisis that is about to occur across this land as people have to make decisions about cropping.

Now, this is ludicrous. We have not been able to get a Republican majority on the farm authorizing committee of the Committee on Agriculture to put together a bill that can attain a majority of their own members.

There is no question we are cutting funding for agriculture subsidies. We have cut 50 percent in the last decade. The question is, are we going to have a soft landing or are we going to have a crash?

Now, the Freedom to Farm bill was unanimously trashed by almost every commodity group in this country. It may have had some supporters among Kansas wheatgrowers, but it did not really go much further than that. And here we have, at the last minute, an attempt to somehow imply that a Democrat in the Senate, in the minority, is holding up having a farm bill. This is an absolute travesty.

What we face is catastrophe in commodity after commodity, going back to laws that have been on the books for years, but which we have amended essentially in every farm authorization we have enacted. We are going to give, I think probably our only hope, the Secretary of Agriculture the opportunity to run these programs because Congress cannot speak on one of the most fundamental industries that faces disaster here in this country.

Now, what we ought to do is what we have always done, and that is put a farm bill together on a bipartisan basis that can come to the floor, have broad support not only in rural communities, but in urban America where we do for nutrition and for food stamps the right thing, and pass that bill, send it to the President, let it be signed. We will take our budget savings, but we will not create catastrophe in agricultural communities across this country.

The Republicans have failed to manage one of the most important authorizations that comes before this Congress probably every 5 years. They have been unable to put their own majority together, and now they want to throw the blame at somebody else. It is a shameful act.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Speaker, I am just appalled to see what is going on here with the CR, particularly with education, and I do hope that the chairman of the Committee on Appropriations and the majority party will consider the fact that if we do not do something to change the education system in this country, we will be doing more to promote the problems that we already have.

Why should we retreat on education? We have never been fully funded on the State level or in this country for education. Therefore, I think it is criminal to cut these programs such as you have, particularly in areas where there are inner-city children, poor children, disadvantaged children. I would appeal to your sensitivity to human nature.

You have cut title I programs when young students were getting a start in life. You cut Safe and Drug-Free Schools in some of these districts where the drug problem is really, really accelerating instead of decelerating. So you must know them, if you are ever going to have good programs, they must start in schools, they must start with education.

To think that you are going to cut bilingual and immigrant programs when this country has added an influx, particularly in areas such as mine in Florida, the influx of immigrants, they must be educated, and that, I think, you should consider immediately.

The vocational education has been cut. We have so many people who are jobless in this country. They may not be in your district, but they are in a lot of Members' Districts, particularly those of us who are from urban areas. We need consideration of that.

I see what you are doing where there has been some progress in this country in education programs, and you have cut those programs, and you have labeled them for termination.

Mr. Chairman of the Committee on Appropriations, Mr. Chairman of the Committee on Appropriations, you are not listening, but I am saying to you, now is the time to listen up. It may be too late.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Wisconsin for yielding me this time, and I rise only to make two very brief points that I think are very important.

First of all, I did offer a reservation because I was concerned specifically about impacts in the Texas area that were unclear in this very lengthy document that we had seen. But I am rising to support the motion to recommit, even though the first vote of concern is to ensure that this Government never shuts down. It is important that as we stand here, we are also recognizing that we must negotiate. The reason is because, as we look at what is coming out of this CR, we see that there is targeted pain.

Very often I have had the opportunity to talk to experts in education in my district, Alma Allen, for example, and I realize the impact of Federal education dollars. What we are doing here is that we are shutting down education for our States, for many of the dollars that are being cut are impacting programs that are impacted or paid for only by Federal dollars; and that includes our special education, our safe and drug-free schools.

It is important than that we vote for the motion to recommit and that we establish that we are going to negotiate and not have this as the final budget for the upcoming year.

Mr. OBEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, first of all, I had not expected that there would be a debate on farm policy on this bill today. Let me simply say, as an upper Midwesterner, I think both parties have done a rotten job of dealing with the problems of farmers, certainly dairy farmers in the upper Midwest. I think the existing dairy law has been a joke. I have not voted for farm bills in almost 10 years because they are wildly discriminatory against the region that I represent.

I hope that the new dairy agreement, which has been announced by the Subcommittee on Agriculture, will improve the situation. I remain ready to be convinced and persuaded. I am convinced that the only way we can get a decent dairy program in this country is if we have a radical reform of the milk marketing order system which plagues this country and should have been abolished a long time ago.

Having said that, I want to make clear that that issue is not involved in this bill. The failure of the Congress to correct that problem is a failure of the Committee on Agriculture; it is not a failure of the gentleman from Louisiana or anyone else on the Committee on Appropriations, because we do not have the authority to deal with that.

I simply want to take the remaining time to discuss the motion to recommit of the gentleman from Michigan [Mr. BONIOR]. We all want to save dollars, but I think we have a fundamental obligation to, at the same time that we are doing that, do everything we can to try to make the economy grow, and most of all, to try to give working people some greater opportunity than they have had in recent years to raise their own family income by dint of their own hard work.

It is tough out there. You have working families who struggle to pay their bills, who struggle to get a little bit ahead in savings, who struggle to find a way to pay for their kids' education, and through all of life's struggles, I think they understand that education and training is one of the few ways that you can get off the treadmill, that you can make something of yourself and your family through your own hard work.

I think it is a fundamental mistake for this Congress to make things more difficult for those working families. There ought to be a rule which says that if the Congress cannot help somebody on the economic road that they are traveling, that they at least not make things more difficult; and I think Congress does make things more difficult when they do not meet their obligation to strengthen education and training in this country. And that goes for early education, it goes for elementary and secondary, and it goes for higher education.

We have an obligation to help every kid in this country prepare for the economic race that he or she is going to have to run in a very tough world. We have an obligation to help middle-class families find ways to get their kids' college educations and community college and technical school educations, and this bill does not meet that responsibility.

We have to pass this legislation, because if we do not, the Government will once again close down, and that would be an immense tragedy for the people of this country. But I do think it is also necessary to try to improve it. That is what the Bonior amendment, or what the Bonior motion will do in the motion to recommit.

I would urge very strong support for the Bonior motion, which will restore

$3.1 billion in education funding, and then I would urge that you support this bill so we can meet our basic obligation to govern.

Mr. LIVINGSTON. Mr. Speaker, I yield myself the remainder of my time.

My friends, the hour is late and this will be the last time I will have a chance to address this bill, because the distinguished gentleman from Illinois [Mr. PORTER] and the gentleman from California [Mr. CUNNINGHAM], will talk on the motion to recommit.

Mr. Speaker, I urge my colleagues to vote for this bill. If you do, and I suspect the majority will vote for it, it will go to the other body, it will pass, and the President will get it on his desk. He has agreed to the conditions and terms, and he will sign the bill, at least according to my expectations.

Mr. Speaker, the appropriations process for fiscal year 1996 is long overdue. The fact is we have gotten through 7 bills; they have become law. Of the 6 remaining which have not, 3 were voted, 3 are still working their way through the process, and 1 is included here tonight. I think that we could all say we have certainly put enough time into this process.

We have, through lack of agreement or whatever, found that closing the Government was not fun, was not tasteful, and perhaps caused a lot of suffering and hardship for people at an unfortunate time of the calendar year.

□ 1845

We do not want to repeat that experience. That is why I am proud of the committee, Republicans and Democrats alike, in this body and in the other, for finally coming together and working out their differences. There is plenty to complain about in this bill, from the conservative side, from the liberal side, perhaps even in the middle.

The fact of the matter is, the 104th Congress came in here with a mandate. The mandate is to get this country in working order, get this country on a fiscally sound basis, to start putting ourselves on a glidepath toward a balanced budget.

We have worked our way through the entitlements debate. We have not scored so well. Liberals want to spend more, conservatives want to spend less. We have not quite gotten an agreement on the entitlements on the mandatory side of the budget. That is two-thirds of the budget. But on the discretionary side, that discretionary one-third which deals with the cost of running the Government, we have already reaped great savings in the last 13 months. We have saved the American taxpayer $20 billion in fiscal year 1995 under what was initially appropriated. For fiscal year 1996, we can say with certainty we are going to save them at least $22 billion and possibly as much as $30 billion below that same level, depending on our progress with our remaining appropriations action.

We are continuing to make progress. I think today we are making great progress. As I said, we have 6 bills outstanding. One of those bills is included in its entirety, the Foreign Operations bill, the bill chaired by the gentleman from Alabama [Mr. CALLAHAN], who spoke a little while ago. That bill is incorporated in this agreement, which means that this bill, once it has gone through the processes, will be enacted into law and, instead of having 6 bills outstanding, we will have 5.

I want to take this moment to say that that would not have been possible without the valuable services of all of our staff. All of the staff on the Committee on Appropriations have contributed mightily to the progress we have made. It has been the members that have slowed down the process, not the staff. One particular staff member is marking this bill as his last. For 17 years on the Hill, he has worked within the Committee on Appropriations, both on the MILCON and the Foreign Operations bills, worked closely with me and with all the other members. He sits beside the gentleman from Wisconsin. I am talking about Terry Peel. I would ask all of the Members to give Terry Peel an expression of appreciation for his invaluable service.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Wisconsin.

Mr. OBEY. Let me simply say that I want to join the gentleman in taking note of Terry's tremendous service to this place. I think Members in both parties who worked with Terry Peel understand that he has really epitomized what the word "service" is all about. He has been of tremendous service to this House. He has been of tremendous service to this country. He has been the "brains" of many of us for years on complicated foreign assistance programs, and he must have an incredible disposition to be able to deal with that bill as long as he has and still smile as regularly as he does and still find the energy to write the plays that he has managed to write the past few years.

I appreciate the time he has taken and I appreciate the time that his wife Ann has allowed him to give us and the country in so doing.

Mr. LIVINGSTON. Mr. Speaker, reclaiming my time, I want to echo those comments, wish Terry and his wife well in their future endeavors, and I look forward to going to the performances of his plays as well.

Now, my friends, we are coming to the end of the general debate. There have been a few points made about education. The fact of the matter is that some of our friends on the Democrat side emulated what was said about Will Rogers and his relationship to mankind. "Will Rogers never saw a man he did not like." The Democrats never saw an education program they did not like. No matter how wasteful, inefficient, redundant, duplicative, or unnecessary, the fact is, they do not want to close any programs, they do not want to end them. They want to create a new program for every idea, every initiative, every whim, every speculation, and, by the way, all the others are great, do not close them, do not merge them, do not try to get any savings or efficiency for the American taxpayer.

I do not know if my colleagues are aware, but there are roughly 256 separate education programs. There are also about 163 job training programs and 47 nutrition programs, et cetera, et cetera, et cetera.

The U.S. Congress over the last 60 years has done a great deal of good with the American people's money for the American people. The problem is the process has gotten out of kilter. We create so many programs that we run out of good causes. But we do not remember that we are using other people's money. We are taking their money and putting it in a program, creating a bureaucracy, and taking that money and spreading it all over for good causes and getting reelected.

The time has come when the taxpayer is saying enough is enough is enough. After World War II, the average American family paid 5 percent of its income to the Federal Government. Today the average American family pays 25 percent of its income to the Federal Government. If they have their way, it will be 80 percent one of these days, because they do not want to balance the budget, they just want to keep taking the money and spending it.

Now it is time to pare down the bureaucracy. Even the President acknowledges that. In his State of the Union Speech just 2 days ago, he acknowledged that it is time for a smaller Government. In fact, he has suggested to this Congress that we close 36 education programs. They might all have good titles, good names. You can find a lot of constituents for those programs. But when you consider that those constituents are also being served by hundreds of other programs, there is some loss of common sense in the works.

It is time to restore common sense. Now they say that the Labor-Health-Education bill has not worked its way through the process, and it is our fault. We have not adequately funded it. They say we have cut all the programs. The fact is the House of Representatives through the appropriations process passed the Labor-Health bill in late July 1995.

They say it is not being filibustered by the Democrats in the Senate. The fact is I happened to turn on the television to watch the other body, and saw one of the Members stand up and object to the consideration of the Labor-Health bill, the presentation of the bill on the floor of the Senate. That happened. Whether that is a filibuster or not, the bill was not presented, it was not debated, it was not argued, it did not occur, it did not pass.

As we all know about the legislative process, if it does not pass one body, they cannot go to conference. If we cannot go to conference, we cannot present the bill to the President. If they cannot present the bill to the President, he cannot sign it or veto it. So the process is stuck.

What are we doing here? We are simply passing a Balanced Budget Downpayment Act for this month, between now and March 15, to keep most of these programs going. That seems logical. Keep them going so that the Government does not close down, and at the same time let us not spend excessively.

We trim them to about 75 percent of funding. We acknowledge that some people should be furloughed or RIF'd where there is not-going to be full funding over the year. And we simply tell the American taxpayer we are making a dent; we are not solving all the problems, but we are making a dent on your behalf.

The people that really need service will get service, but perhaps we will begin to cut back on this unnecessary and wasteful bureaucracy just a little bit between now and March 15, until the regular process can work its way through the system and the Labor-Health bill can be passed and the President can sign his name on it.

I hope that happens. But, in the meantime, I think it is very, very important to pass this bill. Let us quit wasting the taxpayers' money, but let us also quit wasting time debating year fiscal year 1996, because, my friends, within days we are going to be debating fiscal year 1997 and the process is going to start all over again.

So I urge my friends, vote for the bill; vote against the motion to recommit. Let us keep the Government open, let us send this to the Senate, let the Senate send it to the President, and we can go home and have a couple of days off.

Mr. STOKES. Mr. Speaker, I rise in support of H.R. 2880, a continuing resolution for fiscal year 1996. I join my ranking member for the full appropriations subcommittee, the gentleman from Wisconsin [Mr. OBEY] in commending our colleagues on the other side of the aisle for working so diligently to bring this much improve measure before us tonight.

While I am glad to see that progress appears to be occurring with respect to a final budget agreement and the remaining appropriations bills, I am certain that no one is more delighted with any progress than the hardworking Government employees, their families, and the millions of individuals and families whose lives have been held hostage over the last few months since we have been unable to resolve these pressing matters.

As ranking member of the Appropriations Subcommittee on Veterans Affairs, Housing and Urban Development, and Independent Agencies, I have been among the most ardent opponents of the many reductions to critical programs under the subcommittee's jurisdiction, as well as the numerous and harmful riders that were included in the measure. The measure before us does not address all of the areas for which I have concern. It does, however, allow the Federal Government to continue to meet important obligations to our Nation's veterans, to safeguard our environment, provide aid to the homeless, assist families and individuals in purchasing homes, and further our scientific and technological endeavors.

Mr. Speaker, this measure is by no means perfect and still requires some major fine tuning. Furthermore, we must not forget that we have to extend the debt ceiling limit to restore financial stability of our Nation's financial markets. Nonetheless, we must do the right thing for this Nation and pass this continuing resolution.

The SPEAKER pro tempore (Mr. HEFLEY). Pursuant to the order of the House of today, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BONIOR

Mr. BONIOR. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BONIOR. Mr. Speaker, in its present form I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BONIOR moves to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith with an amendment as follows:

At the end of Title I of the bill insert the following new section:

"RESTORATION FOR EDUCATION PROGRAMS

"Notwithstanding any other provision of this Act except sections 106, 115, 119 and 120, projects and activities of the Department of Education shall be continued at a rate of operations at the current rate, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995. Provided, That section 111 of this title shall not apply to this section notwithstanding any other provisions of this Act.

The SPEAKER, pro tempore. The gentleman from Michigan [Mr. BONIOR,] is recognized for 5 minutes in support of his motion to recommit.

Mr. BONIOR. Mr. Speaker, this is the ninth stopgap measure that we have had on this floor since that fiscal year began. Let us be clear what this motion to recommit is. It is one of the biggest education votes that you will have in this Congress. Do we make our kids' education a priority, or do we cut it? That is what this vote is all about.

The Republicans have presented us with a resolution that makes deep cuts. It cuts Safe and Drug Free Schools by 25 percent. That is the DARE program. That is the one we all go home and praise to the high heavens. It cuts the School-to-Work Program by 18 percent. That is the new program we adopted to take care of the 70 percent of our kids who do not graduate from college, modeled after the successful program they have in Germany. It cuts title I funding by more than $1 billion over the year, if you prorated this out over the year per this request. It kicks over 1 million kids off math and reading. It cuts teacher training for special education by 25 percent.

If we go down this road, as my friend from Wisconsin [Mr. OBEY] and the gentleman from Michigan [Mr. KILDEE] pointed out, this is going to cost about $3.1 billion. That will be the biggest cut in education in the history of this country. Its effect will be devastating. This is shortsighted. It is a strategy already being felt in communities all over this country.

Now is the time for teacher contracts to be signed, but communities cannot do that because the funding is uncertain. Now is the time for cities to submit their school budget, but they cannot do that because they do not have any numbers to work with.

Now is the time for colleges to award financial aid, but they cannot do that because they have not been told how much they are going to have to offer, and, because of it, families and students all over America are being hung out to dry.

These are the people who work hard, who play by the rules, who pay their bills, and they want a better life for their kids. They want their kids to have some opportunity. We should be standing up for them today. We should not be standing in their way.

Mr. Speaker, the motion to recommit that we offer today will protect our children's education. It will restore funds for School-to-Work, it will restore funds for Safe and Drug Free Schools, the DARE Program. It will restore funds for the Perkins loans, it will restore funds for math and science training, it will restore funds for impact aid and for title I and other things as well. Without this amendment, we will be placing an extra burden on local communities, local schools, and, I might dare say, on local property taxes.

So let me just conclude, Mr. Speaker, by suggesting that we should not be cutting education. Republicans could not cut education through the front door, and we should not let them cut it through the back door. This is one of the most important education votes that we will cast in this Congress. I urge my colleagues, vote "yes" on the motion to recommit, and give our kids an opportunity they deserve.

Mr. KILDEE. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Michigan, who has been a stalwart on this issue for many years.

□ 1900

Mr. KILDEE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, education has always had friends on the Republican side of the aisle, and they realize that elementary and secondary education is forward-funded, that this resolution provides money for the school year beginning this coming September.

If this resolution is extended for the rest of the year, there will be a $3.1 billion cut in education, the largest cut ever. Schools right now, or very soon, will be writing their budgets. They have to know how much money will be available or teachers will be pink-slipped. Programs will be cut.

I ask my friends on that side of the aisle, many of them sitting right there who have been good friends of education, we have worked together in the vineyard of education, I ask my colleagues to set aside partisanship. We have the opportunity to restore those funds to give the school districts some certainty as to their funding.

Please set aside the partisanship. Mr. GINGRICH, Professor GINGRICH, will not punish you for supporting education. Please vote for this motion to recommit.

Mr. BONIOR. Mr. Speaker, I yield back the balance of my time.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I respect the gentleman from Michigan [Mr. KILDEE]. We are on the same committee. I would say, of the 256 educational programs we have, we cannot fund all the programs that really work adequately. Where do we get this free money? We take it from the people that we supposedly send it back to, but we only give it back to them at 23 cents on the dollar after we feed the Federal bureaucracy, and when we do that it is inefficient.

Mr. Speaker, 93 percent of education is funded at the State and local level. We only funded 7 percent of it, but yet take a look. That 7 percent has over 50 percent of the rules and regulations that a State has to follow and over 75 percent of the paperwork. It is not efficient. So what we are doing is reducing it slowly.

I agree we can just chop it off. Because of the economy, we cannot put it all back at the State. You cannot fund a school bond or election for education.

But we have to reduce the waste and the spending. What did we cut? Yes, ask the gentleman from Minnesota [Mr. SABO] on the Committee on the Budget. The President's Direct Lending Program capped at 10 percent cost a billion dollars more just in administrative fees. So what did we cut? We cut the precious bureaucracy and cut that out.

We took the savings and increased student loans by 50 percent, increased Pell grants the highest they have been, and increased and level-funded the IDEA Program that my colleagues are talking about in special education. It is level-funded. It is not reduced.

And what else? We took the Goals 2000 that has 45 instances that say "States will," and we take that money and we give it back to the States where they are not required to have boards and commissions that report to a Federal bureaucracy here in Washington, DC. We turn that money and give it direct so we can get 77 cents on the dollar into the classroom, not just 23 cents. We need to be more businesslike in our education funding.

Mr. LIVINGSTON. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Illinois [Mr. PORTER] chairman of the Subcommittee on Labor, Health, and Human Services and Education.

Mr. PORTER. Mr. Speaker, 5 cents out of every $1 spent on education is spent by the Federal Government. Reductions in Federal education spending in this House bill, H.R. 2127, amount to less than 1 percent of the total money spent on primary and secondary education in the United States.

The sky is not falling. There is no hostility to the Federal role in education. What we intend to do is to spend the money better and get better results for America's children.

Let me quote Alice Rivlin in her 1992 book, "Reviving the American Dream." She says, "Presidential speeches and photo opportunities, national testing and assessments, federally funded experimental schools, even new grants spent in accordance with Federal guidelines can only make marginal contributions to fixing the schools."

What we are attempting to do is to get control over 256 separate programs that even officials in the Department of Education will say are out of control and require huge overhead to administer. These funds do not go to kids, but to directors and staffs in Washington that do nothing to improve education.

Let me talk for a moment about title I. Title I evaluations say they do not appear to be helping close the learning gap. The money is spread, Mr. Speaker, all over our country. The money goes to schools that do not need it. What we need to do with title I is to target the money to the schools with large numbers of disadvantaged children so that we get better results for kids that are most at risk. The Safe and Drug-Free Schools Program suffers from the same problem. Funding goes everywhere instead of to the schools that most need it. It has never had a national evaluation.

Goals 2000 is really an attempt to use Federal dollars to encourage States to do what they are already doing; and that is, setting up high standards that have to be met by students and teachers alike. We do not need Federal bribery to get that job done.

Finally, Mr. Speaker, let me say that this motion, with the exception of only two programs, Vocational Rehabilitation and Impact Aid, has no impact whatsoever. Most education programs are forward-funded and the funds allegedly provided in this motion will not be obligated during the continuing resolution period.

Mr. Speaker, I would urge the Members to vote "no" on the motion to recommit.

Mr. RAHALL. Mr. Speaker, I rise in strong support of the Bonior motion to recommit.

I do so on behalf of education. We cannot be a party to causing the State and local turmoil that will ensue—including the issuing of pink slips to teachers across this Nation—if we cut $3.1 billion out of education—the biggest cut in our history.

Schools must by law send layoff notices to teachers by March or April of the year prior to the next academic year—in this case the 1996–97 school year.

The impact on college students will be no less harmful.

I urge my colleagues to vote for this recommittal motion and save education for children of all ages.

Mr. CLAY. Mr. Speaker, I rise in support of the motion to recommit.

It is the height of irresponsibility for Republicans to hold education programs hostage to their plot to extract radical concessions through budget negotiations.

Governing and politics are about give and take and good faith. Republicans need a lesson in both.

Their failure to support a simple continuing resolution that funds education programs at fiscal year 1995 levels is creating serious problems for schools, teachers and children who have absolutely nothing to do with the budget fight. They are the innocent victims of a drive-by shooting. In this case, it is hard to tell who is driving this car. Is it the Speaker or the 73 Republican freshmen or the Christian coalition?

The devastating cut in title I funding will deny 1.1 million needy children the crucial help they need in reading, writing, math, and critical thinking. Drug abuse and violence prevention programs will be cut for millions of students in nearly every school district in the country. Innovative school to work strategies developed at the local level will be halted. Teachers will be fired, classroom sizes will increase.

With this continuing resolution, the Republicans are turning their backs on public education. Cuts in education are further proof that the Republican Party has not only lost its heart and soul, but has also lost its mind.

The SPEAKER pro tempore (Mr. HEFLEY). All time has expired.

Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit offered by the gentleman from Michigan [Mr. BONIOR].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BONIOR. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 193, noes 222, not voting 18, as follows:

[Roll No. 18]

AYES—193

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Franks (CT)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Heineman
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Watt (NC)
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOES—222

Allard
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—18

Baker (LA)
Barcia
Barton
Brewster
Chapman
Clyburn
Hancock
Hayes
Johnson, E. B.
Linder
Myers
Serrano
Smith (TX)
Taylor (NC)
Waters
Waxman
Wyden
Young (AK)

□ 1925

The Clerk announced the following pair:

On this vote:

Mr. Waxman for, with Mr. Linder against.

Mrs. SMITH of Washington, Mr. SHADEGG, Mr. KING, Mrs. CUBIN, and Mr. McDADE changed their vote from "aye" to "no."

Messrs. DOOLEY, BERMAN, and RUSH changed their vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 371, noes 42, not voting 20, as follows:

[Roll No. 19]

AYES—371

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon

McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOES—42

Becerra
Bonior
Bryant (TX)
Clay
Combest
Condit
Conyers
Coyne
DeFazio
Dellums
Fattah
Fields (LA)
Filner
Flake
Foglietta
Gibbons
Green
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Jefferson
Kanjorski
Kennedy (MA)
Klink
Latham
Lofgren
Maloney
Martinez
McDermott
Meek
Mfume
Owens
Pastor
Payne (NJ)
Rahall
Rangel
Sanders
Schroeder
Stark
Velazquez
Watt (NC)

NOT VOTING—20

Baker (LA)
Barcia
Barton
Brewster
Chapman
Clyburn
Frank (MA)
Hancock
Hayes
Johnson, E. B.
Linder
Moakley
Myers
Serrano
Smith (TX)
Taylor (NC)
Waters
Waxman
Wyden
Young (AK)

☐ 1941

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. WATERS. Mr. Speaker, I was unavoidably detained, due to pressing personal business during both votes on Thursday, January 25, 1996.

Had I been present, I would have voted "no" on House Resolution 342, "yes" on the motion to recommit on H.R. 2880, the short-term continuing resolution, and "yes" on final passage of H.R. 2880.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, I would inquire of the distinguished majority leader of the schedule for today and the remainder of the week and next week.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this last vote marks the end of the legislative business for the week. Members are now free to return to their families and their districts. Next week the House will not be in session on Monday, January 29.

On Tuesday, January 30, there is a possibility of a suspension day. Several items are under consideration, although none have been finalized at this time. Of course, we will consult with the minority and keep Members appraised of any additions to the schedule. Members should be advised, however, that there will be no recorded votes on Tuesday. In fact, we do not expect any recorded votes before Wednesday at 12 o'clock noon.

On Wednesday there is a possibility that we will act on emergency legislation to fund certain farm programs. Because of the President's veto of the Balanced Budget Act which contained farm program funding and reforms, there is a great deal of uncertainty in farm country that need to be addressed. We are working with Members on both sides of the aisle and will continue to do so as this legislation develop.

On Thursday, February 1, there will be a joint meeting of Congress at 11:45 a.m. to receive the President of France. After the joint session, we anticipate bringing to the floor for consideration the President's most recent complete budget submission.

We also plan to consider a sense-of-the-House resolution regarding Medicare, Medigrant, and welfare reform, directing the Committee on the Budget to report on a resolution regarding funding levels and policy priorities for these programs. We hope to have Members on their way home by a reasonable hour on Thursday evening.

We will then begin a 3-week district work period, and reconvene the House on Monday, February 26.

Mr. Speaker, I have just one more comment.

☐ 1945

This one to my esteemed colleagues from Pennsylvania. I will see you next week with a smile on my face after our beloved Dallas Cowboys win the Super Bowl.

Mr. BONIOR. I would say to my friend from Texas that the distinguished chairman of the Committee on the Budget, Mr. KASICH, is a fanatical Steelers fan, as you probably know. I was just wondering if your differences with respect to this football game are the reason why he would prefer that we go ahead with a clean debt ceiling bill, and you have expressed contrary views this past week.

Mr. ARMEY. If the gentleman would yield, I have discussed this with Mr. KASICH, and as much as he loves the Steelers, he has not been prepared to bet the budget on it.

Mr. HOYER. Mr. Speaker, will the majority leader yield?

Mr. ARMEY. I am happy to yield.

Mr. HOYER. I thank the gentleman for yielding, and my suggestion would be that when you have all of your Dallas fans watching that game on Sunday, thank God they are not playing the Washington Redskins.

Mr. ARMEY. If the gentleman would yield, we have 26 teams in the NFL; I am sure we could keep this up for a while.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I would like to discuss, if the gentleman from Texas would be so kind to do so, the statement in here about the farm bill and emergency legislation. What emergency legislation would that be?

I am on the Committee on Agriculture, and I would like to know what we are going to be faced with.

Mr. ARMEY. I appreciate the inquiry of the gentleman, and I would refer the gentleman to the chairman of the Committee on Agriculture. As the gentleman from Missouri has pointed out on many occasions, I am not personally an expert on farm policy.

Mr. VOLKMER. Well, you have done enough to agriculture programs in your time.

Mr. ARMEY. Pursuant to the recommendations of the gentleman, I have chosen to try as much as possible to leave this work in the hands of the committee. I know the committee and the members of the committee are very concerned.

They are working on it; they are working with Members of the other body, and the details of their work, I am sure, are something that the gentleman can better determine from the chairman of the Committee on Agriculture.

Mr. VOLKMER. Well, there is a great deal of uncertainty out there among all of the farmers. We have not done a farm bill. There was a welfare bill for big farmers put in the so-called Debt Ceiling Reduction Act that the President vetoed. It is my understanding that that bill, which the President said was one of the reasons he vetoed the provision on agriculture, one of the reasons he vetoed the bill, is going to be basically the same bill, so I have been told, that the Members want to take up in the Committee on Agriculture; and if that is the case, I do not know why we are doing it, because it will be vetoed again.

Now, I just do not understand why we continue to do legislation down here that is not going anywhere.

Mr. ARMEY. If the gentleman would yield, again let me refer the gentleman from Missouri to the chairman of the Committee on Agriculture. If in fact you want to have a debate on farm policy or you prefer to have a debate on welfare programs, I think you would better enjoy that debate in the Committee on Agriculture, and I would refer you to that committee.

Mr. VOLKMER. Well, I object strongly that you blame the President for something that needs to be solved right here in this body and with the chairman of the Committee on Agriculture and with the Committee on Agriculture in the Senate, because that is where the work has not been done, not with the President.

Mr. BONIOR. Mr. Speaker, reclaiming my time, one other comment to my friend from Texas concerning the concerns that Secretary Rubin has with regard to the possibility of a default by the 1st of March: For 220 years this government has paid its bills, and there is deep concern that our credit rating will in fact be destroyed.

Just yesterday, as the gentleman from Texas knows, Moody's announced they may lower America's credit rating, and of course the impact that will have on homeowners, on mortgage interest rates, on student loans and on automobile loans could be devastating to your constituents and mine. I am just wondering when we will be able to see a clean debt ceiling bill come to the floor of this House.

Mr. ARMEY. If the gentleman would yield further, I thank the gentleman for the question. I do know that the President and the Speaker have discussed this issue by phone and we will continue to work with the White House to determine the time frame for the debt limit extension.

It is also my belief that we can reach an agreement on a suitable downpayment for the balanced budget at that time.

As the gentleman will recall, the President was presented with a debt ceiling extension in November which he vetoed pursuant to the advice of the Secretary of the Treasury. The Secretary of the Treasury assured the President that he could manage affairs without that debt ceiling extension that the President vetoed at that time, and the Secretary of the Treasury has assured us that he can continue to do so until March 1. In the meantime, we are talking with the White House about the conditions under which we can send forward a debt ceiling increase that also is accompanied by a suitable downpayment on the balanced budget.

Mr. BONIOR. I just wish to advise my friend from Texas and his esteemed colleague on the other side of the aisle that we have filed a discharge petition, and we have Members who have signed it, to bring a clean debt ceiling to this floor. We invite responsible Members of the other side of the aisle who want to make sure that this does not happen to this country, that our credit rating is not besmirched, to join us so that we can bring this bill to the floor and we can get on with the business of this country without the threat hanging over our head that now looms there.

I thank my colleague.

Mr. EMERSON. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, I thank the gentleman from Michigan, the distinguished minority whip, permitting me to inquire of the distinguished majority leader.

Next Thursday, February 1, is the occasion of the annual National Prayer Breakfast, and traditionally we are accommodated so that we do not have votes in the House before, say, 10:30 or 11 o'clock, because most Members like to participate in this event, which is held off the Hill.

After inquiring of the distinguished majority leader's staff, I am advised that you have allocated for that in the schedule, and I just wanted to confirm that.

Mr. ARMEY. The gentleman is absolutely correct. We are scheduling no votes before, probably, 12 o'clock on Thursday morning, and I guess I could encourage, and I am sure the gentleman would agree, that it is a wonderful opportunity for all of us to share that time together at the National Prayer Breakfast on Thursday morning. The schedule will surely accommodate that.

HOUR OF MEETING ON TOMORROW

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourns to meet at noon tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON WAYS AND MEANS

Mr. ARMEY. Mr. Speaker, by direction of the Republican Conference, I call up a privileged resolution (H. Res. 343) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 343

Resolved, That the following named Member be, and he is hereby, elected to the following standing committees of the House of Representatives:

Committee on Ways and Means: Mr. Hayes of Louisiana.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBER TO COMMITTEE ON WAYS AND MEANS

Mr. FAZIO of California. Mr. Speaker, I offer a privileged resolution (H. Res. 344) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 344

Resolved, That the following named Member be, and is hereby, elected to the following standing committee of the House of Representatives:

To the Committee on Ways and Means: Michael McNulty of New York.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF COMMITTEE ON INTERNATIONAL RELATIONS

The SPEAKER pro tempore laid before the House the following resignation as a Member of the Committee on International Relations:

CONGRESS OF THE UNITED STATES,
New York, January 24, 1996.

The SPEAKER,
House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I hereby resign my position as a member of the House International Relations Committee (HIRC) effective upon ratification by the full House of my membership on the House Ways and Means Committee.

While I look forward to returning to my assignment on Ways and Means, I wish to thank Chairman Gilman, Ranking Member Hamilton, and all the HIRC members for the many courtesies extended to me during my service on that panel.

Sincerely,
MICHAEL R. MCNULTY,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

EXTENDING AUTHORITIES OF DEPARTMENT OF VETERANS AFFAIRS RELATING TO DELIVERY OF HEALTH AND MEDICAL CARE

Mr. STUMP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2353) to amend title 38, United States Code, to extend certain expiring authorities of the Department of Veterans Affairs relating to delivery of health and medical care, and for other purposes, with

Senate amendments thereto, and to concur in the Senate amendments with amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments and the House amendments to the Senate amendments, as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

SECTION 1. EXTENSION OF EXPIRING AUTHORITIES.

(a) AUTHORITY TO PROVIDE PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO TOXIC SUBSTANCES.—(1) Effective June 29, 1995, section 1710(e)(3) of title 38, United States Code, is amended by striking out "after June 30, 1995," and all that follows through "December 31, 1995" and inserting in lieu thereof "after December 31, 1996".

(2) Section 1712(a)(1)(D) of such title is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 1996,".

(b) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(c) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of such title is amended by striking out "September 30, 1995," and inserting in lieu thereof "December 31, 1997,".

(d) NEGOTIATED INTEREST RATES.—Section 3703(c)(4)(D) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(e) MORTGAGES FOR ENERGY EFFICIENT IMPROVEMENTS.—Section 3710(d)(7) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(f) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h)(2) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1996".

(g) AUTHORITY OF LENDERS OF AUTOMATICALLY GUARANTEED LOANS TO REVIEW APPRAISALS.—Section 3731(f)(3) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(h) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(i) USE OF DATA ON COMPENSATION FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—Effective March 31, 1995, section 7451(d)(3)(C)(iii) of such title is amended by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1997".

(j) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(k) ENHANCED-USE LEASES OF REAL PROPERTY.—Section 8169 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(l) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "December 31, 1997".

(m) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102–54 (38 U.S.C. 1718 note) is amended by striking out "fiscal years 1991 through 1995" and inserting in lieu thereof "the period beginning on October 1, 1991, and ending on December 31, 1997,".

(n) AUTHORITY TO MAKE GRANTS FOR ASSISTANCE IN FURNISHING SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—(1) Section 3(a) of the Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102–590; 106 Stat. 5136; 38 U.S.C. 7721 note) is amended by striking out "fiscal years 1993, 1994, and 1995," and inserting in lieu thereof "fiscal years 1993 through 1997,".

(2) Section 12 of such Act (106 Stat. 5142) is amended by striking out "each of the fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "each of fiscal years 1993 through 1997".

(o) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(D) $10,000,000 for fiscal year 1996".

"(E) $10,000,000 for fiscal year 1997.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1997".

(p) EFFECTIVE DATE.—Except as provided in subsections (a)(1) and (i), the amendments made by this section shall take effect on October 1, 1995.

(q) RATIFICATION OF ACTIONS.—The following actions are hereby ratified:

(1) The furnishing by the Secretary of Veterans Affairs of care and services by virtue of section 1710(a)(1)(G) of title 38, United States Code, during the period beginning on July 1, 1995, and ending on the date of the enactment of this Act.

(2) The furnishing by the Secretary of services in noninstitutional settings by virtue of section 1720C of such title during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(3) The use by any director of a Department of Veterans Affairs health-care facility of data on rates of compensation paid to certified nurse anesthetists in a labor market area under section 7451(d)(3)(C) of such title during the period beginning on April 1, 1995, and ending on the date of the enactment of this Act.

(4) The furnishing by the Secretary of care for homeless chronically mentally ill and other veterans by virtue of section 115 of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(5) The furnishing by the Secretary of work therapy and therapeutic transitional housing by virtue of section 7 of Public Law 102–54 (38 U.S.C. 1718 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

(6) Grants made by the Secretary to furnish services to veterans under section 3 of the Homeless Veterans Comprehensive Services Programs Act of 1992 (38 U.S.C. 7721 note) during the period beginning on October 1, 1995, and ending on the date of the enactment of this Act.

House amendments to the Senate amendments:

In lieu of the matter proposed to be inserted by the Senate amendment to the text of the bill, insert the following:

TITLE I—EXTENSIONS OF AUTHORITY

SEC. 101. EXTENSION OF AUTHORITIES UNDER TITLE 38, UNITED STATES CODE.

(a) AUTHORITY TO PROVIDE PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO TOXIC SUBSTANCES.—(1) Section 1710(e)(3) of title 38, United States Code, is amended by striking out "after June 30, 1995," and all that follows through "December 31, 1995" and inserting in lieu thereof "after December 31, 1996".

(2) Section 1712(a)(1)(D) of such title is amended by striking out "December 31, 1995," and inserting in lieu thereof "December 31, 1996,".

(b) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(c) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of such title is amended by striking out "September 30, 1995," and inserting in lieu thereof "December 31, 1997,".

(d) NEGOTIATED INTEREST RATES.—Section 3703(c)(4) of such title is amended by striking out subparagraph (D).

(e) MORTGAGES FOR ENERGY EFFICIENT IMPROVEMENTS.—Section 3710(d) of such title is amended by striking out paragraph (7).

(f) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h)(2) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1996".

(g) AUTHORITY OF LENDERS OF AUTOMATICALLY GUARANTEED LOANS TO REVIEW APPRAISALS.—Section 3731(f) of such title is amended by striking out paragraph (3).

(h) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(i) USE OF DATA ON COMPENSATION FOR CERTIFIED REGISTERED NURSE ANESTHETISTS.—Section 7451(d)(3)(C)(iii) of such title is amended by striking out "April 1, 1995" and inserting in lieu thereof "January 1, 1998".

(j) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

(k) ENHANCED-USE LEASES OF REAL PROPERTY.—Section 8169 of such title is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1997".

SEC. 102. EXTENSION OF AUTHORITIES UNDER OTHER PROVISIONS OF LAW.

(a) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "December 31, 1997".

(b) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102–54 (38 U.S.C. 1718 note) is amended by striking out "fiscal years 1991 through 1995" and inserting in lieu thereof "the period beginning on October 1, 1991, and ending on December 31, 1977".

(c) SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—The Homeless Veterans Comprehensive Service Programs Act of 1992 (Public Law 102–590; 38 U.S.C. 7721 note) is amended—

(1) in section 2, by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1997,";

(2) in section 3(a)—

(A) by inserting "(1)" before "Subject to";

(B) by striking out "fiscal years 1993, 1994, and 1995,"; and

(C) by adding at the end the following new paragraph:

"(2) The authority of the Secretary to make grants under this section expires on September 30, 1997."; and

(3) in section 12, by striking out "each of the fiscal years 1993, 1994, and 1995" and inserting in lieu thereof "each of fiscal years 1993 through 1997".

(d) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(D) $10,000,000 for fiscal year 1996.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "October 1, 1995" and inserting in lieu thereof "December 31, 1997".

SEC. 103. RATIFICATION OF ACTIONS TAKEN DURING PERIOD OF EXPIRED AUTHORITY.

Any action taken by the Secretary of Veterans Affairs before the date of the enactment of this Act under a provision of law amended by this title was taken during the period beginning on the date on which the authority of the Secretary under that provision of law expired and ending on the date of the enactment of this Act shall be considered to have the same force and effect as if the amendment to that provision of law made by this title had been in effect at the time of that action.

TITLE II—OTHER PROVISIONS

SEC. 201. CODIFICATION OF HOUSING REPORTING REQUIREMENTS AND CHANGES IN THEIR FREQUENCY.

(a) CODIFICATION OF HOUSING RELATED REPORTING REQUIREMENTS.—(1) Chapter 37 of title 38, United States Code, is amended by adding after section 3735 the following new section:

"§ 3736. Reporting requirements

"The annual report required by section 529 of this title shall include a discussion of the activities under this chapter. Beginning with the report submitted at the close of fiscal year 1996, and every second year thereafter, this discussion shall include information regarding the following:

"(1) Loans made to veterans whose only qualifying service was in the Selected Reserve.

"(2) Interest rates and discount points which were negotiated between the lender and the veteran pursuant to section 3703(c)(4)(A)(i) of this title.

"(3) The determination of reasonable value by lenders pursuant to section 3731(f) of this title.

"(4) Loans that include funds for energy efficiency improvements pursuant to section 3710(a)(10) of this title.

"(5) Direct loans to Native American veterans made pursuant to subchapter V of this chapter.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3735 the following new item:

"3736. Reporting requirements.".

(b) REPEAL OF SUPERSEDED REPORTING REQUIREMENTS.—The Veterans Home Loan Program Amendments of 1992 (Public Law 102-547; 106 Stat. 3633) is amended by striking out sections 2(c), 3(b), 8(d), 9(c), and 10(b).

SEC. 202. OTHER REPORT REQUIREMENTS.

(a) REPORT ON CONSOLIDATION OF CERTAIN PROGRAMS.—The Secretary of Veterans Affairs shall submit to Congress, not later than March 1, 1997, a report on the advantages and disadvantages of consolidating into one program the following three programs:

(1) The alcohol and drug abuse contract care program under section 1720A of title 38, United States Code.

(2) The program to provide community-based residential care to homeless chronically mentally ill veterans under section 115 of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note).

(3) The demonstration program under section 7 of Public Law 102-54 (38 U.S.C. 1718 note).

(b) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—(1) The Secretary shall submit to Congress, not later than March 31, 1997, a report setting forth the results of a study evaluating the operation of the health professional scholarship program under subchapter II of chapter 76 of title 38, United States Code. The study shall evaluate the efficacy of the program with respect to recruitment and retention of health care personnel for the Department of Veterans Affairs and shall compare the costs and benefits of the program with the costs and benefits of alternative methods of ensuring adequate recruitment and retention of such personnel.

(2) The Secretary shall carry out the study under this paragraph through a private contractor. The report under paragraph (1) shall include the report of the contractor and the comments, if any, of the Secretary on that report.

(c) ENHANCED USE LEASES.—The Secretary shall submit to Congress, not later than March 31, 1997, a report evaluating the operation of the program under subchapter V of chapter 81 of title 38, United States Code.

SEC. 203. CONTRACTS FOR UTILITIES, AUDIE L. MURPHY MEMORIAL HOSPITAL.

(a) AUTHORITY TO CONTRACT.—Subject to subsection (b), the Secretary of Veterans Affairs may enter into contracts for the provision of utilities (including steam and chilled water) to the Audie L. Murphy Memorial Hospital in San Antonio, Texas. Each such contract may—

(1) be for a period not to exceed 35 years;

(2) provide for the construction and operation of a production facility on or near property under the jurisdiction of the Secretary;

(3) require capital contributions by the parties involved for the construction of such a facility, such contribution to be in the form of cash, equipment, or other in-kind contribution; and

(4) provide for a predetermined formula to compute the cost of providing such utilities to the parties for the duration of the contract.

(b) FUNDS.—A contract may be entered into under subsection (a) only to the extent as provided for in advance in appropriations Acts.

(c) ADDITIONAL TERMS.—The Secretary may include in a contract under subsection (a) such additional provisions as the Secretary considers necessary to secure the provision of utilities and to protect the interests of the United States.

In lieu of the Senate amendment to the title of the bill, amend the title so as to read: "An Act to amend title 38, United States Code, to extend the authority of the Secretary of Veterans Affairs to carry out certain programs and activities, to require certain reports from the Secretary of Veterans Affairs, and for other purposes.".

Mr. STUMP (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arizona?

Mr. MONTGOMERY. Mr. Speaker, reserving the right to object, I do not plan to object, and I yield to the gentleman from Arizona [Mr. STUMP] for an explanation of his request.

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, in 1995 the House passed H.R. 1536, H.R. 1575, H.R. 2289, and H.R. 2353. These bills extended a variety of VA authority for veterans health care and benefits. The other body combined the provisions of these four bills and substituted them in the bill S. 991 as an amendment to H.R. 2353 on January 5, 1996.

We now have been able to work out these compromises on those expiring authorities. This agreement is reflected in the amendments we are asking unanimous consent for now.

The amendment also authorized utility contracts for the Audie L. Murphy Medical Center in San Antonio, TX. Chairman SIMPSON has given his commitment to address the remaining unresolved issues during the second session of the Congress.

We are seeking unanimous consent now because these must be enacted quickly. We hope the Senate will act on it tomorrow so that the expiration of these authorities will not adversely impact veterans depending on the VA for benefits and services. I hope all Members will support this amendment.

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2353, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I would like to take one moment and thank my colleague and the ranking member on the other side, the gentleman from Mississippi [Mr. MONTGOMERY], for his help in finalizing these bills.

Mr. MONTGOMERY. Mr. Speaker, further reserving the right to object, I will be brief.

As the distinguished chairman has indicated, this bill was actually necessary. It was not passed in the first session, it was sent to the Senate. They did not act on it. This will help the veterans to be able to do some wonderful things.

Mr. Speaker, with that brief explanation, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

ANNUAL REPORT OF DEPARTMENT OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Transportation and Infrastructure.

To the Congress of the United States:

In accordance with section 308 of Public Law 97-449 (49 U.S.C. 308(a)), I transmit herewith the Annual Report of the Department of Transportation, which covers fiscal year 1994.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 25, 1996.*

□ 2000

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HEFLEY). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

BALANCING THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GREENWOOD] is recognized for 5 minutes.

Mr. GREENWOOD. Mr. Speaker, tonight I had longstanding plans to be with a very special group of my constituents from Bucks and Montgomery Counties. I was very much looking forward to being there. But tonight's business was far too important to miss.

What we have done tonight is literally make a down payment on balancing America's budget, a project that this side of the aisle has worked on very hard for all of this year. We have not met our commitments. We have not reached the accord that we had hoped to reach with the White House. But what we have done tonight in a bipartisan fashion, with the agreement of the President, is to agree to agree on those things where we do not have a difference of opinion, and we have done that. But our work is still cut out for us.

Mr. Speaker, we must reach accord, we must compromise, we must find a way to reform our entitlements, to reform our Medicare system, to save it from the disastrous bankruptcy to which it is headed. We must transform our welfare system into one that offers not a handout, but a hand up. We must reform our Medicaid system, which is creating financial havoc for all of the States.

I believe, Mr. Speaker, that we can do this. But it will take a spirit of compromise, the same bipartisan spirit that we evidenced tonight on the floor, Republicans and Democrats working, the Congress and the President, getting beyond their differences and becoming less entrenched and working in the spirit of compromise. I believe the American people expect that from us. I believe the American people deserve that, and I believe for our children's future we must do that.

DEMOCRACY IN ACTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I will not use the 5 minutes, but an important event has happened in our district. When the results were in on the citizens referendum to incorporate Fort Myers Beach into a town, a resident remarked "This is the will of the people. This is democracy in action."

I rise today to salute the new municipality in my district in Florida, to commend the citizens on both sides of the incorporation debate for their sincere interest in bettering their community and to wish the newly elected town council well in its endeavor.

It was more than 20 years ago that my own community of Sanibel, FL, took the same important step into home rule. We felt then, as a majority of Fort Myers Beach residents feel now, that home rule would give residents greater access to and control over the governance of their community. I was proud to have been involved in Sanibel's efforts of democracy in action, and I am proud today of the newest municipality in my congressional district. Fort Myers Beach has always had a distinctive character and charm. Even though we have many beautiful beaches in Lee County, FL, when somebody refers to "the beach" down our way they usually mean Fort Myers Beach. That unique personality will no doubt flourish as the town of Fort Myers Beach sets out on the course to take charge of its own destiny.

I know others in Congress join me in offering a warm greeting to southwest Florida's newest town. Welcome to the town of Fort Myers Beach.

FRENCH NUCLEAR NIGHTMARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes as the designee of the minority leader.

Mr. FALEOMAVAEGA. Mr. Speaker, it's me again. At times I feel like I'm out there in the wilderness talking to the birds and the trees—as I have imagined several times that I'm standing on a beautiful sandy beach along any one of those South Pacific islands, taking a long deep breath of that warm salt air, as I observe one of the great wonders of nature—the powerful waves of the ocean pounding the shore.

Mr. Speaker, I believe I have counted at least 20 times I've taken an important matter before my colleagues and to the American people—the matter of French nuclear testing in the South Pacific and specifically in French Polynesia.

Mr. Speaker, in June of last year, I introduced House Concurrent Resolution 80, that has numerous cosponsors from both sides of the aisle—including, Mr. GILMAN from New York, Mr. HAMILTON from Indiana, Mr. LEACH from Iowa, Mr. BEREUTER from Nebraska, Mr. BERMAN from California, Mr. SMITH from New Jersey, Mr. LANTOS from California, Mr. ROHRABACHER from California, Mr. ACKERMAN from New York, Mr. KIM from California, Mr. UNDERWOOD from the Territory of Guam, Mrs. MINK from Hawaii, Mr. ABERCROMBIE also from Hawaii, Mr. MARKEY from Massachusetts, Mr. DEFAZIO from Oregon, and Mr. MINETA from California.

Mr. Speaker, House Concurrent Resolution 80 expresses the sense of the Congress of the United States to recognize the concerns of the peoples of Oceania and to call upon France to stop nuclear testing in the South Pacific.

Mr. Speaker, I want to share with my colleagues the substantive issues and concerns raised in this resolution, which delineates the environmental risks that France's testing has created for the 28 million men, women, and children who live throughout the Pacific region, which is comprised of 22 sovereign nations and territories. The resolution further calls upon the Government of France, namely President Chirac and his administration, to cease all nuclear testing in the South Pacific.

House Concurrent Resolution 80 holds that:

The Government of France has been conducting nuclear tests over 10,000 miles from Paris on the South Pacific atolls of Moruroa and Fangataufa in French Polynesia;

That since 1966 France has detonated at least 187 nuclear explosions above, on, and under these coral atolls in French Polynesia, including more than 140 underground nuclear tests;

That there is considerable concern among the 28,000,000 people of the 22 countries and territories of Oceania regarding the adverse environmental effects in the region as a result of these nuclear tests;

That the island nations of the South Pacific forum have staunchly opposed France's nuclear testing in the region, applauded France's adherence to a global nuclear testing moratorium since 1992, and strongly deplore and condemn any decision to resume France's nuclear testing in the South Pacific;

That despite France's claim that its nuclear testing program is absolutely safe, there is scientific evidence to suggest both that radioactive leakage has already occurred at the testing site and that additional, more serious leakage might occur in the next 10 to 100 years;

That there is also concern in the region that the coral atoll, Moruroa, has been subjected to premature and accelerated aging as a result of the testing program, risking the structural integrity of the atoll and increasing the possibility of its disintegration;

That the leaders of France's insular territory, French Polynesia, have stated opposition to resumed nuclear testing, joining fellow Pacific island governments, and it is inherently unfair that they should be used as a test site for France's nuclear explosions;

Therefore, the Congress of the United States should recognize the concerns of the 28 million people from nations and territories of Oceania and call upon the Government of France to cease all nuclear testing at the Moruroa and Fangataufa atolls.

Mr. Speaker, after voice votes of both the House International Relations Subcommittee on the Asia-Pacific and the full Committee on International Relations—the committees unanimously approved the concurrent resolution and forwarded it for floor action. But for some unknown reason, Mr. Speaker, the concurrent resolution is being shuffled somewhere between offices and the floor of the House, and for that unknown reason, this important matter has conveniently been put on hold indefinitely. As a bipartisan measure that has been described as moderate and well balanced, it is shameful that the Republican leadership has chosen deliberately not to bring House Concurrent Resolution 80 to the floor.

Mr. Speaker, I would also like to share with our colleagues some basic statistical data concerning nuclear testing not only in our country but other countries as well. I honestly believe there is a need for our policymakers and members of the nuclear club—the United States, Great Britain, France, Russia, and the Peoples Republic of China—to thoroughly re-examine the so-called merits—and the dark side—of having nuclear warheads as a deterrent against enemy aggression.

Mr. Speaker, according to the bulletin of the Atomic Scientists, the U.S. nuclear weapons program from 1940 to 1995 in constant U.S. dollars—is estimated to have cost America $4 trillion. Let me repeat, Mr. Speaker—$4 trillion. A $4 trillion stack of $1 bills would reach the Moon, encircle it, and start part way back. Four trillion dollar bills could paper over every State east of the Mississippi, with enough left over to blanket Louisiana, Texas, Oklahoma, Missouri, and most of Iowa.

And, Mr. Speaker, the $4 trillion figure does not even include additional nuclear weapons-related costs America expends on aerial refueling tankers, aircraft and ships; nor the costs for dismantlement of outmoded missiles, bombs and submarines. And, Mr. Speaker, the $4 trillion does not even include the estimated cost of $350 billion needed to deal with impending nuclear waste management problems.

Mr. Speaker, our nuclear weapons-related expenditure for last year alone was approximately $33.157 billion.

Of this, the Department of Defense expended over $21 billion. DOD's costs included the maintenance, operations and modernization of nuclear weapons, ballistic missile defense, satellite systems, ground-airborne command posts, and the Nunn-Lugar Cooperative Threat Reduction Program for dismantlement of nuclear weapons in the former Soviet Union.

The Department of Energy expenditure to conduct stockpile research and testing of nuclear weapons—including nuclear materials stabilization, nuclear waste management, the naval nuclear propulsion program, technology transfer, intelligence and safety/security issues, verification and implementation of treaties—cost the Department of Energy almost $12 billion.

Other agencies spent approximately $185 million on programs related to nuclear weapons.

So, Mr. Speaker, just for the past year alone, our expenditure for nuclear weapons-related costs totalled over $33 billion.

A question is raised, Mr. Speaker, whether or not the American taxpayers got their money's worth for our nuclear program. Here are some interesting figures for my colleagues to consider: The cost for not testing any nuclear bomb this year—$410 million; the total number of U.S.-built nuclear warheads and bombs from 1945 to the present—70,000; the total number of nuclear missiles the United States built from 1951 to the present—67,500; the total land area occupied by the Departments of Defense and Energy to carry out our nuclear weapons program—approximately 12,800 square miles—which is comparable to the combined area covered by the States of Maryland, Delaware and the District of Columbia; the total number of nuclear bombs we exploded in the State of Nevada—935.

The total number of nuclear bombs the United States exploded in the Marshall Islands—now the Republic of the Marshall Islands—106. One of these explosions, Mr. Speaker, was the world's first hydrogen bomb test—known as the Bravo Shot. This was a 15 megaton hydrogen bomb explosion that was 1,000 times more powerful than the atom bomb that we dropped on the city of Hiroshima, which incidently killed and vaporized some 150,000 men, women, and children. Let me go on, Mr. Speaker, after our nuclear testing program in the Marshalls, there are still, to this day, up to 26 islands that remain contaminated as a result of our nuclear tests.

Let me also add, Mr. Speaker, that we either lost or never received 11 nuclear bombs through our testing program. We have also built, Mr. Speaker, about 75 special facilities for the President and our national leaders to utilize in the event of a nuclear war. Today, over 250 million pages of documents remain secret that the Department of Energy has not yet declassified.

Mr. Speaker, I'm no pacifist. As a Vietnam veteran, I have fought for America. I firmly believe that our country must always be second to none as far as our national security is concerned.

Mr. Speaker, without boasting or arrogance on my part, I take great comfort in knowing that the United States stands not only as the preeminent leader of the free world but as the most powerful nation on this planet.

Which brings me to the question before us—and to the 187 recognized sovereign nations of the world. There are nations that test, possess, and can even deliver and explode nuclear bombs if necessary in times of national crisis. Then there are nations that because of threats and perceived danger to their national security from bordering countries with nuclear bombs—want to develop their own nuclear weapons systems. Regional examples among such nations are the problems between Pakistan, India and China; between North Korea and South Korea; and between Israel and Iran.

However, Mr. Speaker, the vast majority of the world's nations simply want nothing to do with nuclear bombs, nuclear missiles, nuclear everything. These nations consider nuclear weapons as weapons of genocide, that should be outlawed altogether by international law and standards of conduct.

So, Mr. Speaker, I commend President Clinton and his administration for taking a strong stand against nuclear testing and support of a genuine zero-yield comprehensive test ban treaty. The Clinton administration, and in particular the Arms Control and Disarmament Agency, should also be commended for their leadership in gaining the indefinite extension of the Nuclear Nonproliferation Treaty.

Mr. Speaker, 4 years ago a moratorium on testing was called for by the nuclear nations of the world. With the exception of China, all the nuclear powers, including the United States, Great Britain, Russia and France, complied and did not detonate nuclear bombs.

Unfortunately, Mr. Speaker, last year in June with a newly elected President in France, one of the first policy decisions made by President Chirac was to destroy the moratorium and announce that France would explode eight more nuclear bombs in the South Pacific in French Polynesia. Chirac maintains it is in the highest national interest of France to expand its nuclear arsenal with a new generation of nuclear weapons—a neutron warhead. Mr. Speaker, where are these weapons to be pointed—Russia, a nation striving toward democracy? Or are their nuclear missiles pointed at Germany, whose humiliating invasion of France in World War II gave birth to France's desperate need today for a nuclear security blanket?

Mr. Speaker, the cold war is over. Our Nation's taxpayers paid well over $5 trillion to overcome the global threat of Marxist communism. Thank God, Mr. Speaker, that nuclear weapons of mass destruction were never utilized—and certainly credit should be given to our country and our NATO allies, and to the former Soviet Union and members of the Warsaw Pact, for taking every precautionary measure to ensure the planet wasn't blown up into tiny pieces.

Mr. Speaker, I'm sure my colleagues are aware but perhaps many Americans are not aware of the fact that without even considering the deadliness of the former Soviet Union's nuclear arsenal, our Nation alone, Mr. Speaker, has enough nuclear bombs to blow this planet up 17 times over.

Mr. Speaker, if a nuclear war occurs, there is no such thing as a win-win result nor even a win-lose result. I submit, Mr. Speaker, the next nuclear holocaust will be a definite lose-lose result. There will be no winners—period. Everyone, everywhere, comes out a loser, as we will all ultimately suffer the harm and violence committed against the Earth's ecosystem.

Mr. Speaker, I am also greatly troubled by man's difficulty in harnessing nuclear energy for peaceful purposes. Although the electricity generated by nuclear power is a great benefit to humanity, at the same time we are faced with the very serious crisis of how to dispose of nuclear waste materials. Even now, Mr. Speaker, there is a serious debate in Congress as to which State or States in the United States are going to have the dubious honor of playing host to storage centers of nuclear waste, now and for the future. Unfortunately, some of our national leaders are looking at Nevada as the designated storage site for dangerous and hazardous nuclear waste materials—but is it fair to the citizens of Nevada that their State should bear such a burden?

And it should also be noted, Mr. Speaker, that it will cost our country over $350 billion to clean up and safely store such nuclear waste, when and if ever, our National Government decides where nuclear waste materials are to be stored.

My point, Mr. Speaker, is that we're still greatly struggling with the peaceful application and harnessing of nuclear energy. Given that we haven't even been able to control and manage the peaceful use of nuclear power, Mr. Speaker, I find it most disturbing that our Nation and other nations look at nuclear weapons as a means of providing security and protection against aggression. Literally, Mr. Speaker, nuclear bombs are weapons of genocide and mass destruction.

What bothers me greatly, Mr. Speaker, is that France—supposedly a shining example of Western values, Western virtues, and Western civilization, where there is a very high premium placed upon the value of human lives, human rights and human dignity—their Government simply went ahead 5 months ago and started exploding nuclear bombs half-a-world away from Paris, despite the protests and objections of millions of people from around the world.

France exploded these nuclear bombs in the middle of the Pacific Ocean, with no real interest or concern for the marine environment; no real concern over the ciguatera fish poisoning created; no real concern for the pleadings of the nations that are part of the Pacific Ocean; no real concern for the tremendous amount of nuclear contamination from their testing that will eventually have to be addressed in the near future; and, no real concern for the health and welfare of some 200,000 French citizens who live in French Polynesia where the nuclear tests have taken place.

Mr. Speaker, the post-cold-war era presents a rare and unique opportunity to lessen our reliance on nuclear weapons for global security and stability. With the progress achieved on the Nuclear Non-Proliferation Treaty and Comprehensive Test Ban Treaty negotiations, the world stands at a historic point in time as we move toward nuclear disarmament.

☐ 2015

Mr. Speaker, I urge my colleagues to join me to tell President Chirac that what he is doing is not only shameful on behalf of the Government of France, but certainly outrageous, as far as I am concerned, as far as those people who live in the Pacific.

Mr. Speaker, I want to express my appreciation to my two distinguished Members and colleagues from the great State of Hawaii who have volunteered to share with me their concerns about what the French Government has been doing to these areas in the South Pacific. I gladly yield to my good friend, the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Speaker, I must commend my colleague for his great leadership in calling attention, time and time again, to this Chamber of this egregious conduct on the part of the French Government.

Mr. Speaker, this particular special order is especially timely because we are told by the majority leadership that next week we are hosting the President of the French Government, Mr. Chirac himself, in this very hall in a joint session with the House and the Senate. I find it almost intolerable that such an invitation would have been extended on our behalf, in view of the huge protest that has been lodged against the French Government and President Chirac personally for his complete refusal to acknowledge the substantive basis upon which 170 nations have filed their protest and their objections to these tests that have been going on in French Polynesia.

I think that this is an example of his almost total refusal to understand the enormity of the human rights questions which this whole testing series exemplifies.

The French Government dismisses our objections on the basis that we have absolutely no evidence that any untoward damage could occur or any possible problems with respect to radiation contamination in the area.

All we have to do is to look at the record of what has happened to all of these Pacific islands where such tests have occurred in the past to know that it is not mere speculation that radioactive results could occur in this area and that the likelihood of irreparable contamination to the French Polynesian Islands is undoubtedly going to occur.

The gentleman, I am sure, has seen this article that appeared in a very timely way in the Washington Post, which the headline reads, "France Acknowledges Radioactive Leakage in South Pacific Nuclear Tests," and goes on to point out that quantities of iodine 131 has seeped into the lagoon in the test sites and dismiss it again by saying it is insignificant. The significance is that there is this fallout in terms of the test.

Mr. Speaker, I yield to my friend in the well.

Mr. FALEOMAVAEGA. Mr. Speaker, I thank the gentlewoman for pointing out that article that appeared in the Washington Post about the leakage of iodine 131 into the sea. I want to share with my colleagues and with the public a little artistic demonstration of what this atoll really looks like from the air, if we were to look down directly. We can see that those areas of the atoll, this atoll sits right on top of what is known as a volcanic formation, as we see here.

Some of our friends may think that this is how Polynesians decorate their Christmas trees with these funny red dots. I wanted to share with my good friend that these red dots represent 185 nuclear explosions that have already taken place in this atoll, and the French Government kept denying, "No, no, no problem. It is impossible for leakage."

Mr. Speaker, 185 nuclear bombs have already been exploded in this atoll, and the French Government has the gall to tell the public and the American people and our top scientists that it is perfectly safe to continue this program. This is outrageous.

This is how it looks right now in this atoll. It is like a fractured cheese full of holes, and this is exactly what the Government has been doing, and they keep insisting by saying, "It is perfectly safe. No problem over there."

It just happens to be that this is right in the middle of the Pacific Ocean. That is my definite problem. I welcome my good friend, the gentleman from Hawaii [Mr. ABERCROMIE], for his comments.

Mr. ABERCROMBIE. Mr. Speaker, one would think, would one not, that if it were perfectly safe, that they could conduct this test in the bay at Marseille in France? If the tests are perfectly safe, why do they not conduct them in the channel off the French coast? If the tests are perfectly safe, why do not they conduct them in the Mediterranean Sea off the French coast?

I yield back to my friend.

Mr. FALEOMAVAEGA. Mr. Speaker, I thank my good friend for making that observation. This has always been the question raised by everyone around the world. If it is so safe, why not test it in France? I will tell my colleagues the reason why: The French people will not allow it, and all the peoples in Europe will not permit France to do such a thing. They had to pick on the most innocent people living on this planet.

Mr. ABERCROMBIE. Is it not then the case, would you agree, that if it was, in fact, safe and it could be done in France or it could be done in the seas in the waters surrounding France, and it has not been done and has been done in the South Pacific, that this is an indication of the continued colonial atmosphere, an example of the colonial mentality that the French still maintain toward the Polynesian people, most specifically those who live in the South Pacific?

Mr. FALEOMAVAEGA. I thank my good friend for making that observation. I want to share with my colleagues and the American people, they may be Polynesians, they may be Tahitians, but, by God, these are human beings.

It is so often said that France is the home of enlightenment, France is the home of all these beautiful observations about what human life is. This is the worst example of French democracy, if they call it a democracy. It is really sad, a really sad commentary that our national leaders have seen fit to allow this man to address this Congress, while the world's condemnation sits on the head of this man, whether it be in Europe or in the British Commonwealth of Nations.

□ 2030

What in the world are we doing? I cannot believe this.

Mrs. MINK of Hawaii. If the gentleman will continue to yield, the hypocrisy of all of this is that the French Government has for some time now put itself on record declaring that it would abide by a test ban treaty. It declared a moratorium. It specified their commitment to the concept of no tests by any of these nuclear powers and, in doing so, encouraged all of these other nations to join in this tremendously, highly moral commitment that we are not ever going to have any more of these nuclear tests anywhere in the world.

When they came out in June with their announcement that, notwithstanding the moratorium that they had declared, that they were going to proceed with these tests, to me that was a violation of the confidence and trust that the peoples of this area had placed in their earlier pronouncements. That to me was a devastating reversal of their government's policies. I agree with you that coming to this Chamber next week is a very very disappointing event.

I regret that our leadership has extended such an invitation. I hope that our Members will understand the depth of our feelings about this issue and not grace this Chamber when the President appears at the joint session.

Mr. FALEOMAVAEGA. What is really funny about this, there was an article that appeared in the New York Times yesterday. The French are masters at doing this kind of thing. They leak some things here. They leak some things there and tell you what, they have already explained what Chirac is going to tell us next week.

Let me share with my colleagues and with my good friend from Hawaii what Chirac is going to be telling on this pulpit next Thursday. This is what he is going to say: The U.S. Government should not go into bankruptcy or default because it will seriously impact France's economy as well as other countries of Europe and the world for that matter. That is a real good line of instruction to our Republican friends.

Second, Chirac is going to lecture the Congress and our President and the American people that our country is not paying enough to the crisis in Bosnia. Would you believe that? This is the kind of thing that we are going to get from this man. It is OK because this is what the French officials are already telling the world. This is unbelievable.

Another thing, Chirac is also going to tell the Congress and our President that our country is not paying enough foreign aid to Third World nations. May I remind President Chirac where the United States has been for the past 50 years in providing security against aggression in Europe and when de Gaulle at the time pulled out of NATO and demanded of U.S. forces to leave France within 60 days, and what was our response to that? Does that also include the 10,000 soldiers who lie buried in the soils of France, freeing them from Nazi aggression in World War II? This is the kind of thing that we are faced with.

All I can submit to my good friends here is that this is the kind of thing that we are going to be hearing from him.

Another point, Chirac is going to say: Well, you are not contributing enough to the Bosnia crisis. But at the same time France expects to be the leading eminent role model and leader of Europe to provide the remedy that is needed for the Bosnia crisis. I think we can agree somewhat to the reason why there has been an impasse all these months, because they could not agree even among the European countries. So the United States had to be there to show real leadership how to remedy this crisis in Bosnia.

Another thing, Chirac is also going to give us a lecture that we are not a world class leader; we are not living up to our responsibilities as a world leader among nations. Could you believe this? Could you believe this? Excuse me, Mr. Speaker. This is unbelievable. This is what the French Government officials have already leaked in the press and to the media. This is what we are going to be hearing next week. Do you know what is really funny about this whole thing? He will not say anything about the French nuclear testing program. Is that not sad? Is that not totally indefensible?

Mrs. MINK of Hawaii. I think it is astounding that, if this report is accurate, the French President would dare to come here to instruct us on what should be our national posture on all of these critical issues on the pretense that the French Government serves as any kind of role model for the rest of the world in its conduct, when it denigrates the will and the passions and the emotions of the people of the Pacific region by flaunting these tests notwithstanding the fact that 170 countries all across the world have filed their protests.

I hope that our colleagues will pay attention to our protest and our deeply felt feelings about this.

As the chair of the Congressional Pacific Asian Caucus, I hope that they will follow our leadership and not grace this Chamber to allow the president of this government to come and lecture to us about how we should conduct our affairs when he has violated the fundamental principle of peoples across this country and the world; and that is to live in peace, not to be disturbed, not to be harmed and injured in this way in perpetuity.

I thank the gentleman again in the well for causing us to raise our voices on this, to increase our understanding and to make our conscience speak for us on this very, very important measure. I thank the gentleman.

Mr. ABERCROMBIE. Mr. Speaker, if the gentleman will continue to yield, carrying Mrs. MINK's point a bit further, is it not interesting, is it not instructive that the French think that they can move ahead with this testing and at the same time condemn the activities or the presumed activities with respect to testing or the utilization of atomic or hydrogen weapons by Iran or Iraq or Pakistan or the People's Republic of China.

Is it not clear that by France, ostensibly one of our allies, despite the fact that it has never cooperated with us in the North Atlantic Treaty Organization, as a member of the Committee on National Security, I can say that one of our great difficulties with respect to European security is never being able to know where France will be. Will they be behind us? Will they be beside us? If they are behind us, what do they have in mind for us? What do they have in mind for Europe?

We find ourselves in the position of attempting to establish a standard with respect to testing, asking other countries to follow our lead in ending the testing of atomic and hydrogen weapons as an act of common humanity on behalf of all the nations on the planet.

And when France moves ahead with this kind of testing, how do we have the moral authority then to be able to say to Iran, to Iraq, to India, to Pakistan, to China, where do we get the moral authority then to be able to say, no, you should cease this kind of activity?

It very quickly becomes an argument in which the Western Powers, those who are conceived of as the Western Powers by history, the imperialist colonial powers, are allowed to do as they will with respect to atomic or hydrogen testing and somehow, then, those countries which have been viewed as unindustrialized or Third World or whatever kind of set of adjectives are put upon them, those countries are disenabled from being able to do the same thing that France now carries on.

France undermines everything that we have tried to do since atomic testing and hydrogen testing took place, since all of us, from President Kennedy on, on a bipartisan basis in this country, came to the conclusion that this was against the interests of humanity. This goes beyond individual political machinations or individual political posturing. This goes to the very heart of what constitutes a responsible nation in the present-day world acting in a manner in concordance with those actions that promote peace. We are not in a position, then, to complain to other countries about possible testing that they may be doing if we are unable to discipline ours sufficiently to be able to say to France, we will not countenance this.

Now, it is one thing, perhaps, for the President to say, look, there are wider considerations. It may even be that the State Department wants to say there are wider considerations. That may be so. An argument may be made. I think it can be refuted and should be refuted. But I do not pretend to have some corner on the market of political wisdom in that respect. It perhaps should be debated.

But, to have the Speaker's chair occupied, the podium of the House of Representatives occupied by the President of France under these circumstances is beyond my comprehension. It is a privilege of the House, a privilege of the House to stand on the podium where the Speaker resides and to speak to the House assembled.

We are forced into the position of saying that we must boycott this speech, this address to the House of Representatives, and we request our colleagues to think deeply upon this subject. We do not pretend for a moment to be better than someone else or to have greater insight. We are not trying to speak from some morally superior position. Quite the contrary. We are here making an appeal, we are making a pleading, if you will, we are mounting an argument that we hope is persuasive to those who have given so much. I think this is what my good friend from Samoa referred to when we talked about World War II.

I hope you will not resent the fact that I think we can go back a little further, World War I. Who was it that left the shores of the United States to go and rescue France in World War I? Who went to rescue France in World War II? And it is a sad chapter, one that still has not been resolved in our own country, who then, with the best of intentions, tried to go into Vietnam in the wake of the disaster that the French created there in Indochina? It was the United States, for good or for ill. We have no apologies that we need to make to the French about taking a position with respect to testing in the Pacific.

Some could say to us, yes, of course, the gentleman from Samoa, the people from Hawaii, they live in the Pacific, I suppose we could be seen almost as a special interest in that regard.

Mr. FALEOMAVAEGA. Let me add to my friend, yes, we did conduct in the Pacific, but something did happen afterward. There was world outrage what our country was doing in testing in the Marshall Islands for one obvious reason. Do you know what happened? We found strontium 90 in dairy products. The clouds had shifted and it affected all over the different regions of the world. So we had good reason for having to stop because there was a real serious hazard in conducting atmospheric tests at the time.

In fact, it was at the time that the Soviet Union and our country made a band not to conduct any more atmospheric tests. We told France, please do not do this because we know the aftereffects. Do you know what happened? No way. They exploded 12 nuclear atomic explosions in the atmosphere.

Let me tell you of the problems that caused, that situation when the French Government went ahead and did it, totally disregarded the warnings from our own Government. Yes, we paid the price and we are still trying to compensate for the lives of those men, women, and children on the islands of Rongelap and Utirik to this day because those people were directly subjected to nuclear contamination and forever their lives will never be the same because they are now subjected to leukemia and all forms of cancer.

□ 2045

Mr. FALEOMAVAEGA. Mr. Speaker, I wanted to follow up on what the gentleman said by indicating and admitting for the RECORD, Mr. Speaker, I want to say that my interest is personal. I freely admit to it. I think we can make a case on the merits politically, scientifically, regionally, if you will. I think we can make a case on the morality of it in the social-political sense, but I must confess to you, Mr. Speaker, and do so quite freely, that the gentlewoman from Hawaii [Mrs. MINK] and myself are among the few people that have actually seen the results of a hydrogen bomb test, because we saw the results of the Johnson Island test that was made by our country. That is where I made by first resolve.

This is not an issue that I came to this evening, Mr. Speaker, because I have been recently converted. I saw with my own eyes what happened when we exploded a relatively minor hydrogen device 900 miles away from Hawaii, and the sky lit up. It was and remains the most awesome physical sight, the most—I have chills, Mr. Speaker. As I speak with you right now, my body is suffused with a chill, because it is etched in my mind's eye and will be for the rest of my life what that test looked like.

I resolved at that point, coming down the hill from the Manoa Valley down Punahou street to the bottom of the hill where I have spent the last three decades of my life, I resolved at that moment that I would devote whatever political energy I could bring in whatever form was made available to me as a free citizen of the United States to see to it that I would speak out and speak on the issue of atomic and hydrogen testing with the idea of ending it, ending it for everybody and for all time, because it is antihuman. It is antihumanity.

It is not just a matter of political sovereignty, it is not just a matter of one set of forces against another. It is not a matter for abstract intellectual discussion in a textbook or a military briefing on a map on the wall with little cards and drawings moving around, or scales of warfare and what are acceptable casualties and what are not. It is the most elemental circumstances of physics being made manifest in the most destructive way, not constructive, not the sense of humanity that we would like to exemplify as a species, where we see the love of God in one another, but we see the destruction of the species and the planet and what we are capable of.

Mr. Speaker, we are capable of great things as a species. We are capable of great humanity, we are capable of being worthy of the spark of life that is in us, as best we can understand it, but we are also capable as a species of committing great evil and great harm, and we will be judged. We will be judged one day, if only by ourselves, as to whether or not we have exemplified what is best in us, not what is worst in us.

These tests are an abomination in the sight of any God that is worthy of the name, and any species, anyone who has a desire to manifest his or her humanity to the best of his or her ability I think and I hope would stand with us next week and at least make this gesture, and it is nothing more than that, I understand that, but make this gesture that justifies our existence as human beings by saying that we will not stand here in this place of honor and privilege, because I hope that all of my colleagues would agree that this is a place of honor and privilege. We have been elected here by free men and women in a free society. This is a gift that has been given to us to be on this floor and to speak.

I would hope that we would honor that gift that has been given us and live up to the faith that has been put into us, that has been given to us by the voters of our respective districts, and say that we will not be on this floor when that speech is given, because the privilege of the floor should not be given under such circumstances.

Mr. FALEOMAVAEGA. I thank my friend for his observations. Mr. Speaker, we are also joined here in our special order by my good friend, and by profession, an outstanding physician from his home State of Washington. I yield to my friend, the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Speaker, I want to commend my colleague, the gentleman from American Samoa, for bringing this issue to the floor. I was sitting in my office listening and watching it on television, and I decided that I ought to come over here, because it seems as I was listening as though this was something that was just an issue of Pacific Islanders, of people out in the middle of the Pacific, or that it was just an issue of people who live in Hawaii, which is a little closer.

This is an issue that affects all Americans, affects everyone in this country, and for us, and I agree, I think we ought to boycott, not come to the speech by the French premier, because I personally do not think he should have been invited. I think he deserves the response of the Congress to someone who has done something that is offensive not only to Pacific Islanders, but the whole United States and the whole world community. The insistence by France of doing these tests is simply unacceptable.

My view comes, as does that of my colleague from Hawaii, from a personal experience. I am a physician and I work at a hospital in Seattle that has, for a long time, dealt with the folks, the people who were affected by the atomic bomb in Japan. These people have been followed for the last some 40 years now since that bomb was dropped, more than 40 years, and they have been followed as they have increasingly gotten cancers of all sorts, leukemias, a variety of deadly diseases, and we have followed that. We know what atomic warfare does.

Mr. FALEOMAVAEGA. I would say to my friend, I have made this observation earlier. It is bad enough that we cannot even harness and control the situation that we have in harnessing energy from the nuclear power in providing electricity and for other good things, the positive things that it does, but we do not know what to do with the storage. We have a very serious crisis now in our country and other countries as well that use nuclear power for electricity.

It is bad enough that we cannot even solve that problem, but it is OK to come up with as many nuclear bombs as you can among these nations that can produce them and go and shoot one another, and just simply annihilate this whole planet. Not only is it the height of hypocrisy, but contradictions that even I cannot comprehend.

Mr. MCDERMOTT. The gentleman is absolutely correct. The State of Washington has a facility that has been involved in this, and nuclear waste storage is the biggest threat to our economy. That kind of thing sitting there and rusting, silos and so forth, has been a threat for a long time.

The people of the State of Washington passed an initiative, "Don't waste Washington." We don't want anymore nuclear waste. Nobody wants nuclear waste. It is accumulating all over the place. To create bombs means you make more nuclear waste. There is no question about it. So even the process is making a problem for those people. Even if there is no war, there still is the question of how do we deal with the long-term storage of the waste.

The thing that is so, to me—if you look at the people who were in Hiroshima and Nagasaki and look at what happened to them, and recognize that if we ever—anybody should be thinking of testing such a weapon simply has never looked at these people and looked at what the effects of it are. My belief is that for us to allow somebody to come here and speak as though it did not make any difference—

Mr. FALEOMAVAEGA. As if nothing happened.

Mr. MCDERMOTT. As if nothing happened, and simply to say Well, it is OK to us, because it is done way out there in the middle of the Pacific, and somehow that will not affect us. The gentleman is absolutely correct, when that stuff goes up in the air or when it is in the water, it gets into the fish.

We have fishing fleets out of my district, the whole Pacific fleet from the State of Washington goes out of my district. They go out and catch fish everywhere. What kind of fish do they catch? What concentration of these elements is in the liver of those fish or in the roe or whatever? And we are feeding it to people.

When it comes in the air—we measured Strontium 90 in milk in Wisconsin when I was in medical school. That simply is a threat to our people, that we should be saying to them How dare you do that when you threaten us?

Mr. FALEOMAVAEGA. One of the things I want to add to my good friend, the gentleman from Washington, is sometimes our own people here in America do not realize we are also a Pacific nation. Our country may be situated a little closer to Europe and the Atlantic, but the fact of the matter is that 33 million Americans live in the State of California, which happens to be a Pacific Coast State, and my good friend, the gentleman from Washington, has in Washington State, 4½ million people.

Mr. MCDERMOTT. Almost 5½ million.

Mr. FALEOMAVAEGA. And the gentleman from Oregon, 3 million, and another 1.3 million live in Hawaii, and 150,000 in the territories of Guam and the Mariana Islands, and these are American citizens. These are not aliens. These are not people, as if we just put aside and just assume that nothing is going to happen to us. I am very fearful of this.

I want to say this to my good friends, the gentleman from Hawaii and the gentleman from Washington. This atoll, it has been estimated, is the equivalent of several Chernobyls, right now, inside this atoll, where the French Government has exploded 181 nuclear bombs, and they are telling the world that—each one of these red dots, I would say to my good friend, represents a nuclear detonation that the French Government has put in this atoll for the past 30 years, and they are saying it is OK. Jacques Cousteau in 1987 was permitted to do a study of the situation there as far as the marine ecology was concerned. He came out and made an observation, there were leakages. There were fissures.

Another problem with Jacques Cousteau's mission was he never went down further south, lower and in greater depth of exactly what is down there. In other words, nobody knows what is happening down there.

Another observation, 60 percent of the people of France did not want President Chirac to resume nuclear testing. This is another thing that really bogs my mind, when the very people that he represents did not want him to do this, he went right ahead and blew them up. Five nuclear bombs have already been exploded. Leakages are already evidenced as a result of these explosions. The French scientists and the Government of France have the gall to tell the public and throughout the world that it is still OK, we can still continue to do this.

Mr. ABERCROMBIE. Mr. Speaker, if the gentleman will continue to yield, my good friend, the gentleman from Washington, has indicated the scientific basis and the human context, as a physician. My good friend, the gentleman from American Samoa, has made it clear that the United States, too, is a Pacific Nation; that this is not some isolated event in a faroff place.

I would submit, Mr. Speaker, that this is something that very much needs the bipartisan attention of the House. I would hope that the Speaker would reconsider the question of whether or not Mr. Chirac should be allowed to speak, because I maintain that far from being a scientific test, that the information that could have been gained from the testing, ostensibly gained from the testing, we would have been happy to share. The United States of America would have been happy to share.

I can say as a member of the Committee on National Security, without violating any sense of clearances or restricted data or anything of the kind, classified data, the information to be gained here is common knowledge to those who will take the time to find out what was required or what kind of knowledge was sought with respect to the effects of this kind of testing, if that was indeed the rationale for it.

I maintain, Mr. Speaker, that this was a political statement by the French. They were doing this for political reasons, and precisely because, and I will not dispute anyone with whether or not this was a good political idea or a bad political idea. It was done for reasons that seemed good enough at the time to the French Government, and as a result, and whatever statement they wanted to make, they were willing to take the chance of opprobrium from the rest of the world if they went ahead with these tests in order to make their political statement.

I maintain, Mr. Speaker, and I would hope that the leadership of the House would take this into account with respect to my request for reconsideration of whether this speech moves forward, it is a political statement to have someone stand at the Speaker's desk, at the Speaker's chair and the podium, on the floor of the House of Representatives. That is a political statement. It says that you have the privilege of the floor, freely granted by the Members of this House. That I was a political statement.

So if the French exploded these bombs for political reasons, are we not saying, then, if we give him the privilege of the floor, that we are, in effect, approving that; that he can do this with no political disadvantage, there is no political price to pay?

All we ask, Mr. Speaker, and perhaps there is a protocol situation that the Speaker cannot now rescind, and perhaps not all of this was taken into consideration, but I ask this, then: If the privilege of the floor cannot be rescinded at this time, and I most seriously and parenthetically emphasize, reemphasize, reiterate, that I hope the Speaker and the leadership will reconsider the question of whether Mr. Chirac should be given the privilege of this House to speak from the Speaker's podium.

□ 2100

But in the event that that is not possible, I ask, because it is a political statement and will be a political statement to be on this floor, that people boycott this floor; that the cameras that will be in here to record this event will record empty seats of duly-elected Members who are saying, out of respect for the House, out of respect for the people who have sent us here to the House, out of respect for this Chamber and this institution and what it means, that we will not participate, we will not be here in our seats, we will boycott this, respectfully so, because we have a higher duty, a higher calling, a higher political statement to make by virtue of our absence.

Mr. FALEOMAVAEGA. Mr. Speaker, I thank my good friend from Hawaii and my good friend from the State of Washington.

Mr. Speaker, I can pretty much venture to raise my projections as to what we might expect next week when President Chirac supposedly is to address the House. I suppose one thing he is going to demand that all Americans should learn how to speak French, that perhaps French should be the spoken language here in America. I suspect also that our good friend from France is going to demand that nobody would be able to translate, because he is going to be speaking in French, he is not going to be speaking in English, even though he is very, very good at speaking the English language.

All that aside, Mr. Speaker, I want to thank my good friend from Washington, [Mr. McDERMOTT] and certainly my good friend from Hawaii, [Mr. ABERCROMBIE] and the gentlewoman from Hawaii, [Mrs. MINK] who was here earlier for participating in this dialog to express our real serious concern about the presence of President Chirac and the fact that it has the outrageous condemnation of so many countries throughout the world and millions of people throughout the world, having the arrogance to conduct these nuclear tests or these nuclear explosions in the Pacific for the past several months.

Mr. Speaker, I thank you for your patience, and I thank the members of the staff of the House for their patience in allowing me to address the House in this special order. Mr. Speaker, I include the following material for the RECORD.

[From the Wall Street Journal, Jan. 24, 1996]

AS NUCLEAR TESTS END, PACIFIC OUTPOSTS FEAR LOSING AID FROM PARIS

(By Thomas Kamm)

PAPEETE, FRENCH POLYNESIA.—If French Polynesia has too many beauty queens, blame it on geopolitics.

The winner of the Miss Tahiti pageant went straight to Miss World—bypassing the Miss France contest entirely. This was fine with Miss World pageant officials, but not with Vaes Devatine, a Tahitian who saw red, white and blue. She set up a rival contest to send a representative to compete in France.

"We are a French territory, and it's aberrant not to go through national channels," says Ms. Devatine, who runs a public-relations firm. "It's a strategic and political mistake."

From the seemingly trivial to the geopolitical, self-governing French Polynesia has a case of split personality. While the islands want to retain their cultural identity, they don't want to lose the benefits of their link with France. "We're constantly playing a balancing act," says Alex du Prei, the editor of Tahiti Pacifique. "The truth is, we want it both ways."

PRICE TAG OF POWER

The same may be true for France. its far-flung outposts are vital to its sense of grandeur—and to its claim of being a global power. But grandeur comes at an annual cost of about 50 billion francs ($10 billion). And so, under pressure to cut its budget deficit to meet the criteria for a common European currency, France may be forced to address a long-held taboo: Does it still need its overseas empire?

This issue already is brewing in French Polynesia. When President Jacques Chirac, breaking a three-year moratorium, resumed nuclear tests in this tropical paradise more than 10,000 miles from Paris last September. Tahiti exploded in a day of riots. On Tuesday, the French government acknowledged that its nuclear tests had caused leaks of radioactive materials in the South Pacific. While it insisted the levels were too small to pose a threat to the region, the admission is likely to spark renewed protests.

Still, now that France has pledged to end all nuclear tests beginning next month, many Tahitians are wondering how they will survive without the windfall that came with being what pro-independence militant Nelson Ortas calls "a dumping ground for the bomb." After all, French money accounts for almost 70% of its annual resources.

While France has vowed to maintain current aid levels until 2006, some question what its long-term interest will be in French Polynesia once the tests end. "The problem isn't the nuclear tests," says Nelson Levy, chief executive of Tahiti Tourisme, the tourism promotion board. "The real question is, how do we cope afterward?"

LAST GREAT COLONIAL POWER

With Britain handing over Hong Kong to China in 1997 and Portugal set to do the same with Macao in 1999, this network of overseas outposts—known in France as DOM-TOM, short for departments et territoires d'Outre Mer—is far bigger than those of the U.S., Britain or the Netherlands, and seems to some like an anachronism. "France is the last great colonial power," says Paul Neaoutyine, a leader of New Caledonia's independence movement. While many French citizens disagree, it could become increasingly difficult to justify subsidizing what they call "the confetti of empire" at a time when France is still smarting from widespread strikes over proposed cuts in entitlement programs.

But no French outposts want to break their link with the mother country. When New Caledonia, the nickel-rich South Pacific island that was racked by pro-independence violence last decade, holds a referendum on the issue in 1998, it is likely to vote to stay French. In Mayotte, an island off Africa's southeastern coast, moves are afoot to strengthen links with France by turning the territory into a full-fledged department, with all the rights accorded to French citizens.

It's easy to understand why. For if this is colonialism, it is colonialism in reverse. "They've invented a totally new form: not colonialism by exploitation, but an empire of handouts," says F. Roy Willis, a history professor at the University of California at Davis who is writing a book on overseas France.

France's ties to its outposts also are riddled with contradictions. The minimum wage in overseas France—in both the public and private sectors—was lower than in the mainland until this month; meanwhile, civil servants in some territories, including local hires, are paid nearly twice what they would earn in France. French Polynesians pay virtually no income tax, but they also don't have access to France's social safety net. And even though French officials insist that overseas territories are as French as Paris, trade with them is accounted for as foreign trade. "Double-speak is omnipresent," says Jean-Luc Mathieu, the author of several books on overseas France.

Nowhere are the distortions and ambiguities of France's influence more visible than in French Polynesia, this collection of 130 islands and turquoise lagoons that cover an expanse as big as Europe and that explorers likened to the Garden of Eden.

When Gaston Flosse, president of the self-governing territory of 200,000 people, returned last October from the United Nations General Assembly in New York, he called a news conference to express his pride at having twice represented France when President Chirac stepped out. But that same day, French Polynesia's representatives at a South Pacific Commission conference refused to enter the assembly hall because the French flag was higher than French Polynesia's banner on the table.

French Polynesia has its own flag, its own currency—the Pacific franc, pegged to the French franc—its own anthem and its own government and institutions. Yet its livelihood is owed to France: It boasts a gross domestic product per capita eight times higher than that of many neighboring Pacific Islands. "It's the most extreme case of an artificial economy," says Paul Ronciere, France's high commissioner in French Polynesia.

A SECOND COLONIAL SHOCK

Annexed by France in 1843 after a sly colonial governor negotiated control of the islands with a drunken Polynesian king in return for a small stipend, French Polynesia long remained the languid, untouched paradise immortalized by the painter Paul Gauguin. But in 1963, after Algeria gained its independence, Gen. Charles de Gaulle moved France's nuclear-test site from the Sahara to Mururoa Atoll, 750 miles southeast of Tahiti.

French contractors, businesses and public servants swelled the local population; over one-third of France's navy was stationed here. Islanders flocked to Papeete to find jobs in construction and services, disrupting the subsistence economy. Imports from France ballooned.

But this boom was short-lived, lasting only through the 1970s, and it bequeathed the highly distorted economy that exists today. "Expatriate" civil servants were paid nearly twice their normal pay—and the wages of local hires were aligned on this scale. To keep up with the bloated, high-paying public sector, private industry is in effect protected through high tariffs on imports, making it difficult to produce competitively.

Thus, French Polynesia finds itself priced out of the world market and hooked on the $1.2 billion that France pumps in each year to keep the economy going. France has pledged to keep this up for another 10 years while an economic reconversion plan is worked out, but outlays beyond 2006 are in doubt, and weaning Tahitians from this artificial standard of living will be difficult.

TROUBLE AHEAD

Some Polynesians think last September's riots are a sign of trouble ahead. The protests were led by unemployed youths, most of who were among the native Maohi people who make up 67% of the population.

Many of those youths live in Faaa, a ramshackle suburb of Papeete that is French Polynesia's biggest city, with a population of 35,000. If Tahiti is a paradise, it doesn't show here.

On a seaside plot of land, Mereta Turau shares a wooden shack without windows or electricity with his 10 grown-up children—nine of whom are unemployed. A 62-year-old who moved here from Raiatea Island to work in construction during the boom years, he is now a fisherman resigned to his fate. "With or without independence, it will be the same hard life for people like me," he says.

But the young are more radical. "The French run everything here: the state, the airport, the port, economic life, everything," says 31-year old Tefana Tavarii. "And we have nothing." Standing beside him, 24-year-old Camille Rooarii agrees. "To get a job here, you need a French diploma. But I'm not French. I'm Maohi. The French are colonialists. We're at home here, and we're treated like dogs."

Faaa's mayor is Oscar Temaru, a proindependence leader. At city hall, a series of Polynesian-style huts, the French flag and official portrait of Mr. Chirac are conspicuously absent. The 51-year-old Mr. Temaru, a former customs officer, makes a point of speaking English, not French.

"The French say Tahiti is France, but we can't accept that," says the soft-spoken Mr. Temaru. "Geographically and historically, this is my country, not Chirac's. Paris is almost 20,000 kilometers away, people are freezing there while we're sweating in the heat." Mr. Temaru hopes for a peaceful evolution toward independence, saying Tahiti has to rethink its whole development model. "If France says bye-bye, we'll tell our people we have to return to the land. We don't want to go back to the Stone Age, but to reality."

But many view Mr. Temaru as an idealist. "Independence would plunge French Polynesia into misery," asserts Mr. Flosse, the president. "France doesn't impose its presence on us. We're the ones who want France to stay."

A majority of French Polynesians agree. A poll last October showed some 57% of Polynesians don't want independence, while 15% are in favor of independence within three years. Mr. Temaru's party has only four of 41 legislative seats. But even those who want to remain part of France say the country has to break its economic dependence on the mother country, and it should wisely use the 10-year grace period to start building a local economic base.

"The departure of the nuclear-test center is both an opportunity, because we'll be obliged to change systems whether we want to or not, and a risk, because we're not really prepared to change systems," says Jean-Claude Barral, the principal of Faaa's only public high school. "But it's clear we can't continue living in the same system we've had for 25 years without money falling from the sky."

[From the Star Bulletin, Jan. 19, 1996]

NUCLEAR TEST WARNING

While protests have focused on the French nuclear weapons tests in the South Pacific, India has been secretly preparing to conduct its own nuclear explosion. The Clinton administration has quietly warned New Delhi that if it goes ahead Washington will cut off virtually all aid.

The unpublicized message was delivered last month after U.S. intelligence officials detect early signs that a nuclear test was in preparation, the Los Angeles Times reported. India was warned that such an exercise would prompt the administration to invoke a 1994 law requiring the U.S. to cut off all economic and military aid, credits, bank loans and export licenses. The total would run into billions of dollars. The law applies to all undeclared nuclear-weapons nations.

India conducted its only nuclear explosion in 1974 and has denied plans to conduct a new test. A Clinton administration official now says the U.S. accepts India's assurances, but the warning would not have been issued without evidence.

The Clinton's administration has had its problems in relations with Japan and China. The nuclear test issue could sour relations with another Asian giant.

[From the New York Times, Jan. 24, 1996]

POSSIBILITY OF DEFAULT STARTS TO WORRY EUROPE, ESPECIALLY FRANCE

(By Craig R. Whitney)

PARIS. January 23.—The possibility that the deficit-cutting impasse between Congress and Clinton Administration could start causing the United States Government to default on its debt next month has begun to sink in on European leaders, and the French are anxious to avoid the turmoil that could result.

President Jacques, Chirac, who will visit Washington next week, is prepared to warn in a speech to a joint session of Congress that default would upset economies around the world and deeply undermine the American global position, French officials said today.

Congressional Republicans have threatened to refuse to raise the national debt limit unless the Clinton Administration agrees to their agenda for cutting the Federal deficit. If the Administration refuses to give in and fails to find other ways of coming up with money, the Government could start running out of money to pay obligations due on March 1.

At this point some European leaders are said to be beginning to feel like onlookers at a political game whose players appear little concerned about the chaos a default would cause in international currency and bond markets.

Some see a situation comparable to that in 1975, when Chancellor Helmut Schmidt of West Germany felt compelled to warn President Gerald R. Ford that letting New York City go bankrupt could send economic shock waves around the world, which was still fragile from the effects of a sudden rise in oil prices.

Mr. Chirac told the Senate majority leader, Bob Dole, and Speaker Newt Gingrich during his last visit to Washington in the summer that the United States gave too little foreign aid to developing countries, and French officials say that he plans to deliver the same message to Congress in an address planned for Feb. 1.

"We hope that Congress will be disposed to let the United States lives up to its global responsibilities," one official here said.

Mr. Chirac will tell Congress, French officials say, that Europe with about the same size economy as the United States, gives three times as much to developing countries—$31 billion, compared with less than $9 billion last year from the United States.

"Where is America and its traditional generosity, where is its desire to help reshape the world?" asked one French policy maker.

Mr. Chirac is also likely to use his visit to tell both Congress and the Administration that France will insist on reshaping the NATO alliance to reflect changes since the end of cold war, according to officials in Brussels and Paris.

Mr. Chirac has reintegrated France into some NATO military structures that it left in 1966, but officials say he did so to push for the creation of a stronger European defense arm within the alliance. "We need to be able to deal with crises like Bosnia even if the United States doesn't want to become involved," an official said.

Mr. Chirac may also tell Washington that American plans to contribute $600 million to the reconstruction of Bosnia over the next three years are inadequate. European estimates of the total cost run to $3.7 billion. "Don't think that the Europeans will be the only ones paying for Bosnian reconstruction," Mr. Chirac said in a recent interview, adding that the Europeans expected the United States to pay about the same as they will—about one third.

American officials have responded that the United States committed 20,000 soldiers to the NATO peacekeeping force that began moving into Bosnia last month, a larger contingent than any of its allies.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. CHENOWETH (at the request of Mr. ARMEY), for today until 1 p.m., on account of medical reasons.

Mr. SERRANO (at the request of Mr. GEPHARDT), for today, on account of a death in the family.

Ms. EDDIE BERNICE JOHNSON of Texas (at the request of Mr. GEPHARDT), for today, after 6:30 p.m. on account of family illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOGGETT) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. DEUTSCH, for 5 minutes, today.

Mr. TORRICELLI, for 5 minutes, today.

(The following Members (at the request of Mr. CHRYSLER) to revise and extend their remarks and include extraneous material:)

Mr. GOODLING, for 5 minutes, on January 31.

Mr. DIAZ-BALART, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

Mr. DAVIS, for 5 minutes, today.

Mr. WOLF, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:

Mr. ROTH, for 5 minutes, today.

Mr. TORRICELLI, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:

Mr. COBURN, for 5 minutes, today.

Mrs. MORELLA, for 5 minutes, today.

(The following Members (at the request of Mr. GREENWOOD) to revise and extend their remarks and include extraneous material:)

Mr. STEARNS, for 5 minutes, on January 30.

Mr. MCKEON, for 5 minutes, on January 31.

Mr. GOSS, for 5 minutes, on January 26.

Mr. GREENWOOD, for 5 minutes, today.

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend his remarks and include extraneous material:)

Mr. MONTGOMERY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. LANTOS in two instances.

Mrs. MEEK of Florida in two instances.

Mr. MARKEY.

Mr. BARCIA in two instances.

Mrs. MALONEY.

Mr. ACKERMAN.

Mr. ANDREWS.

Mr. MONTGOMERY.

Mr. PALLONE.

Mr. MENENDEZ in three instances.

Mr. FROST.

Mr. GORDON.

Mr. REED.

Mr. JACOBS.

Mr. DELLUMS.

Mrs. SCHROEDER.

Ms. WOOLSEY.

Mr. SERRANO.

Mr. TOWNS.

Mr. FRAZER.

Mr. HASTINGS of Florida.

Ms. EDDIE BERNICE JOHNSON of Texas.

Mr. GIBBONS.

Mr. BROWN of California in two instances.

Mr. CLEMENT.

Ms. WATERS.

Mr. RANGEL.

Mr. WARD.

(The following Members (at the request of Mr. GREENWOOD) and to include extraneous matter:)

Mr. BAKER of California.

Mr. TATE.

Mr. CRANE.

Mr. COLLINS of Georgia in two instances.

Mr. KING.

Mr. SAXTON.

Mr. LOBIONDO.

Mr. BURTON of Indiana.

Mr. BILIRAKIS.

Mr. CALLAHAN.

Mr. SMITH of New Jersey.

Mr. FRELINGHUYSEN.

Mr. BARTON of Texas.

Mr. PACKARD.

Mrs. ROUKEMA in three instances.

Mr. SOLOMON.

Mr. WHITE.

ADJOURNMENT

Mr. FALEOMAVEGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 2 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, January 26, 1996, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of XXIV, executive communications were taken from the Speaker's table and referred as follows:

1970. A letter from the Secretary of Health and Human Services, transmitting the Department's report entitled "Report to the Congress on the Runaway and Homeless Youth Program of the Family and Youth Services Bureau for Fiscal Years 1993 and 1994," pursuant to 42 U.S.C. 11822; to the

Committee on Economic and Educational Opportunities.

1971. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the fiscal year 1994 report on the extent and disposition of United States contributions to international organizations, pursuant to 22 U.S.C. 2226(b)(1); to the Committee on International Relations.

1972. A letter from the Acting Director, U.S. Arms Control and Disarmament Agency, transmitting notification that the following reports will be delayed due to the lack of personnel to complete them: "Report on Revitalization of ACDA"—due December 31, 1995, "Annual Report to Congress"—due January 31, 1996, and "Public Annual Report on World Military Expenditures and Arms Transfers"—due December 31, 1995; to the Committee on International Relations.

1973. A letter from the Assistant Comptroller General of the United States, transmitting a report entitled "Financial Management: Implementation of the Cash Management Improvement Act," pursuant to 31 U.S.C. 6503 note; to the Committee on Government Reform and Oversight.

1974. A letter from the Chairman, Federal Communications Commission, transmitting the annual report under the Federal Managers' Financial integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1975. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on progress in correcting identified material weaknesses at NASA; to the Committee on Government Reform and Oversight.

1976. A letter from the Director, Office of Management and Budget, transmitting the annual report on its 1995 Federal financial management status report and governmentwide 5-year financial management plan, pursuant to Public Law 101-576, section 301(a) (104 Stat. 2849); to the Committee on Government Reform and Oversight.

1977. A letter from the Secretary of Education, transmitting the 13th semiannual report to Congress on audit follow-up, for the period of April 1, 1995, through September 30, 1995, pursuant to Public Law 100-504, section 106(b) (102 Stat. 2526); to the Committee on Government Reform and Oversight.

1978. A letter from the Executive Director, State Justice Institute, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1979. A letter from the Director, U.S. Information Agency, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1995, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

1980. A letter from the Chief Executive Officer, Little League Baseball, Inc., transmitting the organization's annual report for the fiscal year ending September 30, 1995, pursuant to 36 U.S.C. 1084(b); to the Committee on the Judiciary .

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GIBBONS (for himself, Mr. RANGEL, Mr. STARK, Mr. JACOBS, Mr. FORD, Mr. MATSUI, Mrs. KENNELLY, Mr. COYNE, Mr. LEVIN, Mr. CARDIN, Mr. MCDERMOTT, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. PAYNE of Virginia, Mr. NEAL of Massachusetts, and Mr. MCNULTY):

H.R. 2879. A bill to provide that individuals performing services for the peacekeeping effort in the Republic of Bosnia and Herzegovina shall be entitled to tax benefits in the same manner as if such services were performed in a combat zone; to the Committee on Ways and Means.

By Mr. LIVINGSTON:

H.R. 2880. A bill making appropriations for fiscal year 1996 to make a downpayment toward a balanced budget, and for other purposes; to the Committee on Appropriations.

By Mr. BARRETT of Nebraska:

H.R. 2881. A bill to amend title 49, United States Code, to permit States to impose fees to finance programs for providing air service to small communities; to the Committee on Transportation and Infrastructure.

By Mr. BLUTE:

H.R. 2882. A bill to require that the pay and benefits of the President, the Vice President, Members of Congress, and certain high level Government employees be treated in the same manner as the pay and benefits of Government employees who are affected by a Government shutdown; to the Committee on Government Reform and Oversight, and in addition to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BRYANT of Texas:

H.R. 2883. A bill to amend title XIX to the Social Security Act to eliminate the requirement for States to seek recovery of medical assistance properly paid and to restrict the use of liens and such recovery in any MediGrant Program and any other future medical assistance programs, and for other purposes; to the Committee on Commerce.

By Mr. DORNAN:

H.R. 2884. A bill to provide that the income tax instructions shall include an explanation of any law under which the Federal budget is projected to be in balance in 7 years; to the Committee on Ways and Means.

By Mr. GALLEGLY:

H.R. 2885. A bill to amend section 214 of the Housing and Community Development Act of 1980 to limit the use of federally assisted housing by aliens; to the Committee on Banking and Financial Services.

By Mr. JOHNSON of South Dakota:

H.R. 2886. A bill to amend the Impact Aid Program to provide for a holdharmless with respect to amounts for payments relating to the Federal acquisition of real property, to permit certain local educational agencies to apply for increased payments for fiscal year 1994 under the Impact Aid Program, and to amend the Impact Aid Program to make a technical correction with respect to maximum payments for certain heavily impacted local educational agencies; to the Committee on Economic and Educational Opportunities.

H.R. 2887. A bill to amend the Internal Revenue Code of 1986 to exempt from the highway vehicle excise tax certain equipment specially designed for off-highway seasonal harvesting of agricultural commodities; to the Committee on Ways and Means.

By Mrs. MALONEY (for herself, Mrs. COLLINS of Illinois, and Mr. BARRETT of Wisconsin):

H.R. 2888. A bill to ensure the economy, efficiency, and management of Government operations and activities relating to travel arranged by the Executive Office of the President, by abolishing the White House Travel Office and requiring procurement of travel-related services by the Executive Office of the President from private-sector sources; to the Committee on Government Reform and Oversight.

By Mrs. MYRICK:

H.R. 2889. A bill to eliminate the duties on 2-Amino-3 chlorobenzoic acid, methyl ester; to the Committee on Ways and Means.

By Mr. PAXON:

H.R. 2890. A bill relating to the tariff treatment of certain footware; to the Committee on Ways and Means.

By Mr. PETERSON of Minnesota:

H.R. 2891. A bill to amend title 38, United States Code, to provide a presumption of service connection for certain specified diseases and disabilities in the case of veterans who were exposed during military service to carbon tetrachloride; to the Committee on Veterans' Affairs.

By Mr. ROHRABACHER (for himself, Mr. ROYCE, and Mr. SMITH of New Jersey):

H.R. 2892. A bill to impose sanctions on Burma, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Banking and Financial Services, the Judiciary, Commerce, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. ROUKEMA:

H.R. 2893. A bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, and Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SALMON (for himself, Mr. DORNAN, Mr. SOUDER, Mr. DAVIS, Mr. BAKER of Louisiana, Mr. GREENWOOD, Mrs. CHENOWETH, and Mr. STEARNS):

H.R. 2894. A bill for the relief of the seven individuals who were terminated from employment with the White House Travel Office on May 19, 1993; to the Committee on the Judiciary.

By Mr. SHAW:

H.R. 2895. A bill to amend the Harmonized Tariff Schedule of the United States with respect to fireworks; to the Committee on Ways and Means.

By Mr. SMITH of Michigan (for himself and Mr. SHAYS):

H.R. 2896. A bill to limit the issuance of public debt obligations after December 31, 2001; to the Committee on Ways and Means.

By Mr. SMITH of Michigan:

H.R. 2897. A bill to increase the public debt limit, to protect the Social Security trust funds and other Federal trust funds and accounts invested in public debt obligations, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TATE:

H.R. 2898. A bill to amend the Immigration and Nationality Act to provide that aliens removed from the United States as illegal entrants or immigration violators shall permanently be inadmissible; to the Committee on the Judiciary.

By Mrs. VUCANOVICH (for herself and Mr. ENSIGN):

H.R. 2899. A bill to establish within the Department of Energy a National Test and Demonstration Center of Excellence at the Nevada Test Site, and for other purposes; to the Committee on National Security, and in addition to the Committees on Science, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WHITE (for himself, Mr. SCHAEFER, Mr. BROWN of Ohio, and Mr. RICHARDSON):

H.R. 2900. A bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles; to the Committee on Commerce, and in addition to the Committees on the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BARTLETT of Maryland (for himself, Mr. TRAFICANT, Mr. FUNDERBURK, Mr. BURTON of Indiana, Mr. CRANE, Mr. HERGER, Mr. DUNCAN, Mr. COBLE, Mr. PACKARD, Mr. TAYLOR of North Carolina, Mr. HOSTETTLER, Mrs. SEASTRAND, Mr. WAMP, Mr. STEARNS, and Mr. STOCKMAN):

H. Con. Res. 134. Concurrent resolution condemning the court-martial of Specialist Michael New of the U.S. Army in response to his refusal to wear on his military uniform the insignia of the United Nations and calling on the President to vindicate this courageous young man, override his conviction, and restore him to a place of honor in the Army; to the Committee on National Security.

By Mr. PORTER (for himself, Mr. HINCHEY, Mr. LIPINSKI, Mr. FRANK of Massachusetts, Mr. PAYNE of New Jersey, Mr. LANTOS, Mr. ENGEL, Mr. DEFAZIO, Mr. HOUGHTON, Mr. REED, and Mr. HASTINGS of Florida):

H. Con. Res. 135. Concurrent resolution expressing the sense of the House of Representatives concerning the political and human rights situation in the Republic of Kenya; to the Committee on International Relations.

By Mr. SMITH of New Jersey (for himself and Mr. HOYER):

H. Con. Res. 136. Concurrent resolution expressing the sense of the Congress concerning resolution of the conflict between the Government of Turkey and Kurdish militants; to the Committee on International Relations.

By Mr. ARMEY:

H. Res. 343. Resolution electing Representative James A. Hayes of Louisiana to the Committee on Ways and Means; considered and agreed to.

By Mr. FAZIO of California:

H. Res. 344. Resolution electing Representative Michael McNulty of New York to the Committee on Ways and Means; considered and agreed to.

By Mr. BEREUTER (for himself, Mr. BERMAN, Mr. GILMAN, Mr. ROHRABACHER, Mr. BURTON of Indiana, and Mr. SANFORD):

H. Res. 345. Resolution expressing concern about the deterioration of human rights in Cambodia; to the Committee on International Relations.

By Mr. GOSS:

H. Res. 346. Resolution amending the Rules of the House of Representatives respecting the procedures of the Committee on Standards of Official Conduct; to the Committee on Rules.

By Mr. PORTER (for himself, Mr. SMITH of New Jersey, Ms. PELOSI, Mr. ENGEL, Mr. GILMAN, Mr. WOLF, and Mr. BERMAN):

H. Res. 347. Resolution expressing the sense of the House of Representatives concerning the human rights situation in China and Tibet and encouraging the United States to sponsor and press for the enactment of a resolution condemning the human rights situation in China and Tibet at the annual meeting of the United Nations Commission on Human Rights; to the Committee on International Relations.

By Mr. SMITH of Texas (for himself, Mr. ARMEY, Mr. DELAY, Mr. Boehner, Mr. COX, Ms. MOLINARI, Mr. LIVINGSTON, Mr. KASICH, Mr. ARCHER, Mr. BLILEY, Mr. STUMP, Mr. CUNNINGHAM, Mr. SAM JOHNSON, Mr. WELDON of Florida, Mr. SOUDER, Mr. MCINTOSH, Mr. PETRI, Mrs. ROUKEMA, Mr. BALLENGER, Mr. HOEKSTRA, Mr. HUTCHINSON, Mr. KNOLLENBERG, Mr. GRAHAM, Mr. FUNDERBURK, Mr. NORWOOD, Mr. CONDIT, Mr. HEFLEY, Mr. TAYLOR of North Carolina, Mr. COBURN, Mr. ZIMMER, Mr. BEREUTER, Mr. BARTLETT of Maryland, Mr. TRAFICANT, Mr. CHABOT, Mr. STOCKMAN, Mr. BARTON of Texas, Mrs. MYRICK, Mr. CANADY, Mr. COOLEY, Mr. SCARBOROUGH, Mr. TAUZIN, Mr. MICA, Mr. CHRISTENSEN, Mr. HOSTETTLER, Mr. LAUGHLIN, Mr. BONILLA, Mr. COMBEST, Mr. COBLE, Mr. ROHRABACHER, Mr. DUNCAN, Mr. PETERSON of Florida, Mr. SALMON, Mr. FIELDS of Texas, Mr. BRYANT of Tennessee, Mr. THORNBERRY, Mr. DORNAN, Mr. BONO, Mr. DOOLITTLE, Mr. BURTON of Indiana, Mr. BILIRAKIS, Mr. SENSENBRENNER, Mr. GOSS, Mrs. VUCANOVICH, Mr. ISTOOK, Mr. LARGENT, Mr. HASTERT, Mr. ROYCE, Mr. KIM, Mr. MILLER of Florida, Mr. EMERSON, Mr. LINDER, Mr. STEARNS, Mr. JONES, Mr. SMITH of New Jersey, Mr. BAKER of Louisiana, and Mr. BAKER of California):

H. Res. 348. Resolution expressing the disapproval of the House of Representatives of the standards proposed by the National Center for History in the Schools for the teaching of U.S. history and world history; to the Committee on Economic and Educational Opportunities.

MEMORIALS

Under clause 4 of rule XXII,

199. The SPEAKER presented a memorial of the House of Representatives of the State of Georgia, relative to support for the American Troops in Bosnia and Herzegovina; to the Committee on National Security.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SCARBOROUGH introduced a bill (H.R. 2901) for the relief of Joel Andrew Dopp; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 248: Mr. STEARNS.

H.R. 249: Mr. JOHNSTON of Florida.

H.R. 264: Mr. FOX.

H.R. 322: Mr. BARCIA of Michigan.

H.R. 359: Mr. MOAKLEY.

H.R. 580: Mr. BROWDER.

H.R. 883: Ms. WOOLSEY.

H.R. 963: Mr. VENTO.

H.R. 995: Mr. NORWOOD.

H.R. 1023: Mr. SCARBOROUGH and Mr. STUPAK.

H.R. 1027: Mr. GUTIERREZ.

H.R. 1406: Mr. SHAW and Mrs. SMITH of Washington.

H.R. 1484: Mr. TORRICELLI.

H.R. 1575: Mr. FOX and Mr. KOLBE.

H.R. 1591: Mr. FROST.

H.R. 1625: Mr. PAXON and Mrs. SEASTRAND.

H.R. 1661: Mr. LAFALCE and Mr. MCDERMOTT.

H.R. 1684: Mr. GORDON, Mr. EDWARDS, Mr. TOWNS, Mr. HAYES, Mr. COBLE, Mr. GILMAN, and Mr. WALSH.

H.R. 1750: Mrs. KENNELLY.

H.R. 1757: Mrs. MINK of Hawaii, Mr. OLVER, and Mr. MANTON.

H.R. 1780: Mr. DORNAN.

H.R. 1794: Mr. BUYER and Ms. MCKINNEY.

H.R. 1876: Ms. BROWN of Florida.

H.R. 1893: Mr. HOEKSTRA.

H.R. 2011: Mr. WARD and Mr. CLEMENT.

H.R. 2039: Mr. LAFALCE.

H.R. 2133: Mr. FALEOMAVAEGA.

H.R. 2178: Mr. GUTIERREZ and Mr. BARRETT of Wisconsin.

H.R. 2192: Mr. GUTIERREZ, Mr. EVANS, Mr. LIPINSKI, and Mr. DURBIN.

H.R. 2199: Mr. ZIMMER.

H.R. 2214: Mr. PICKETT.

H.R. 2228: Mr. CAMP.

H.R. 2247: Mr. CLEMENT, Mr. JOHNSTON of Florida, Mr. KILDEE, and Mr. KLUG.

H.R. 2320: Mr. EMERSON, Mr. PACKARD, Mr. SAXTON, Mr. ROYCE, and Mr. STUMP.

H.R. 2374: Mr. BLUTE.

H.R. 2463: Mr. LAFALCE.

H.R. 2468: Mrs. MEYERS of Kansas.

H.R. 2480: Mr. RUSH.

H.R. 2566: Mr. TORKILDSEN.

H.R. 2578: Mr. MORAN, Mr. KANJORSKI, and Mr. MOORHEAD.

H.R. 2579: Mr. LUCAS, Mr. LANTOS, Mr. PETERSON of Minnesota, Mr. BILIRAKIS, Mr. FATTAH, and Mr. FRANKS of Connecticut.

H.R. 2602: Mr. GOSS, Mr. MILLER of Florida, and Mr. JOHNSTON of Florida.

H.R. 2604: Mr. WAXMAN and Ms. LOFGREN.

H.R. 2640: Mr. BATEMAN, Mr. BISHOP, Mr. EVANS, Mr. PORTER, Mr. ROSE, and Mr. THOMPSON.

H.R. 2650: Mrs. MEYERS of Kansas.

H.R. 2651: Mr. FRAZER, Mr. BAKER of Louisiana, Mr. THOMPSON, and Mr. SHUSTER.

H.R. 2682: Mr. SCHUMER, Mr. LAFALCE, and Mr. NADLER.

H.R. 2690: Mr. FRAZER.

H.R. 2691: Mr. OWENS.

H.R. 2697: Mr. BEREUTER and Mr. JACKSON.

H.R. 2700: Mr. CHAPMAN and Mr. ARMEY.

H.R. 2701: Mr. SHAYS, Mr. GRAHAM, Mr. KING, Mr. CLYBURN, Mr. PAYNE of Virginia, Mr. ROSE, and Mrs. VUCANOVICH.

H.R. 2716: Ms. ROYBAL-ALLARD.

H.R. 2728: Mr. MCINNIS, Mr. SKAGGS, and Mr. SCHAEFER.

H.R. 2745: Mrs. KENNELLY, Ms. LOFGREN, Mr. FRANKS of New Jersey, Mr. ACKERMAN, Mr. DIXON, Mr. FORD, Mr. COSTELLO, Mr. HALL of Ohio, Mr. COLEMAN, Mr. WARD, and Mr. LAFALCE.

H.R. 2755: Mr. JOHNSTON of Florida.

H.R. 2777: Mr. GUTIERREZ, Mr. MCDERMOTT, Mr. STARK, Mr. COBURN, Mr. ACKERMAN, Mr. YATES, Mr. JOHNSTON of Florida, Mr. DELLUMS, and Mr. LIPINSKI.

H.R. 2778: Mr. RIGGS, Mr. GANSKE, Mr. ACKERMAN, Mr. JONES, Mr. HORN, Mr. WELLER, Mr. FOX, Mr. BAESLER, Mr. NORWOOD, Mr. MCCOLLUM, Mr. FUNDERBURK, Mr. FALEOMAVAEGA, Mr. BOEHLERT, Mr. MONTGOMERY, Mr. CONDIT, Mr. MCNULTY, Mr. CHABOT, Mr. CLEMENT, Mr. BURR, Mr. HAYWORTH, Mr. BUNN of Oregon, Mr. NETHERCUTT, Mr. WELDON of Florida, Ms. DELAURO, Mr. HASTINGS of Florida, Mr. STUPAK, and Mr. MARTINI.

H.R. 2795: Mr. DEUTSCH, Mr. HASTINGS of Florida, Mr. DIAZ-BALART, Mrs. FOWLER, and Mr. JOHNSTON of Florida.

H.R. 2807: Mr. BAKER of Louisiana and Mr. INGLIS of South Carolina.

H.R. 2823: Mr. GOODLATTE, Mrs. KELLY, and Ms. MOLINARI.

H.R. 2827: Ms. WOOLSEY, Mr. BEILENSON, Mr. BARRETT of Wisconsin, Mr. UNDERWOOD, Ms. ESHOO, and Ms. MOLINARI.

H.R. 2828: Mr. COBURN and Mrs. KELLY.

H.R. 2837: Mr. RUSH, Mr. JOHNSTON of Florida, Mr. TORRES, and Ms. MCKINNEY.

H.R. 2854: Mr. TIAHRT, Mr. EVERETT, Mr. LEWIS of Kentucky, Mr. SMITH of Michigan, and Mr. CHRYSLER.

H.R. 2862: Mr. MOAKLEY, Mr. PETERSON of Florida, Ms. SLAUGHTER, Mr. KENNEDY of Massachusetts, Mr. BENTSEN, Ms. VELAZQUEZ, Mr. ENGEL, Mr. FRANK of Massachusetts, Mr. WARD, Mr. SAWYER, Ms. NORTON, Mr. DURBIN, Mr. FATTAH, Mr. ABERCROMBIE, Mr. LAFALCE, Mr. HINCHEY, Mr. FROST, Mr. WYNN, Mr. DEUTSCH, Ms. DELAURO, Mr. OWENS, Mr. FALEOMAVAEGA, Mr. DICKS, Mr. JOHNSTON of Florida, Mr. FAZIO of California, Mr. WATT of North Carolina, Mr. KLINK, Mr. CLEMENT, and Mr. THOMPSON.

H.R. 2867: Mr. MANZULLO, Mr. CUNNINGHAM, Ms. DANNER, Mr. CLEMENT, Mr. STUPAK, Mr. BARR, and Mr. GALLEGLY.

H.J. Res. 117: Mr. OWENS.

H. Con. Res. 23: Mr. ZIMMER and Ms. VELAZQUEZ.

H. Con. Res. 95: Mr. THOMPSON, Mr. KIM, Mrs. MEEK of Florida, Mr. ZIMMER, Mr. BURTON of Indiana, Ms. SLAUGHTER, Mr. LEACH, and Mr. MARTINI.

H. Con. Res. 132: Mrs. SMITH of Washington, Mr. DICKS, Mr. MCDERMOTT, Mr. NETHERCUTT, Mr. HASTINGS of Washington, Mr. METCALF, and Mr. TATE.

H. Res. 333: Mr. SAWYER.

EXTENSIONS OF REMARKS

TAX RELIEF FOR MILITARY PERSONNEL SERVING IN BOSNIA

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. GIBBONS. Mr. Speaker, today with other Democratic members of the Committee on Ways and Means, I am introducing a bill of great importance—a bill to provide tax relief to United States troops serving in peacekeeping efforts in Bosnia.

On November 21, 1995, the Dayton peace agreement was signed. Pursuant to this agreement, Operation Joint Endeavor under which our military men and women were committed to peacekeeping efforts in Bosnia was initiated by President Clinton. Despite our varied and disparate opinions on whether United States troops should be sent to Bosnia, it is time for us to support in whatever way possible our men and women who are being sent to Bosnia. This bill would give these individuals much-deserved tax relief.

Operation Joint Endeavor is described as a peacekeeping mission. However, the images of war-torn Bosnia that have played across our television screens and pages of every newspaper in this country make it clear that peacekeeping in that country is not without risks. I believe our troops will face similar dangers to those faced in a combat zone area while carrying out their peacekeeping efforts—the dangers of attacks on their lives by Serb soldiers and other mercenaries, ground-to-air missiles, and the ravages, or land mines. Thus, my Democratic colleagues on the committee and I believe that these men and women, as well as their families, deserve the tax benefits that would otherwise be available to them if the area were declared a combat zone.

This bill would provide, to the United States troops serving in Bosnia, benefits under the following sections of the Internal Revenue Code: Section 112 which provides for the exclusion of certain combat pay from gross income; section 692 which provides certain income tax relief if an individual dies while serving in a combat zone; section 2(a)(3) which provides certain tax treatment when a deceased spouse is in missing status while serving in a combat zone; section 2201 which provides estate tax relief for members of the Armed Forces who die while serving in a combat zone; section 3401 which provides relief from withholding on compensation excluded under section 112; section 4253(d) which provides relief from certain excise tax on telephone service which originates in a combat zone; section 6013 which provides certain tax treatment regarding the filing status where a spouse serving in a combat zone is in missing status; and section 7508 which provides relief for the due date for filing tax returns, as well as relief from certain penalties and interest.

Mr. Speaker, this bill demonstrates our commitment to support our troops in their peacekeeping efforts in Bosnia and lets their families know we care. I am proud to take this important step today with other members of the committee. This legislation sends a positive message to our men and women who are willing to put their lives on the line in honor of this country and to their families who make great sacrifices to make this possible. I personally know of the many dangers they will face and the hidden cost to their families. This bill is a small way of saying thank you to both our military personnel serving in Bosnia and their families.

INTERNATIONAL CUSTOMS DAY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. CRANE. Mr. Speaker, 43 years ago on January 26, 1953, the World Customs Organization, formally known as the Customs Cooperation Council held its first meeting in Brussels, Belgium. In recognition of this occasion, the Council observed January 26 as International Customs Day. This occasion is also being used to give recognition to Customs Services around the world in view of the role they play in producing national revenue and in protecting national borders from economically and physically harmful importations.

I am particularly proud of the U.S. Customs Service for its great contributions to the Nation over the past 207 years of its existence. U.S. Customs was once the sole revenue producer for the young United States. Its role in revenue collection continues: In fiscal year 1995 Customs collected a record $23.3 billion in revenue. In addition, Customs has taken on such important responsibilities as interdicting narcotics at our borders, preventing the exportation of critical technology, and enforcing the regulations of more than 40 Government agencies.

The U.S. Customs Service represents the United States at the World Customs Organization [WCO], a 137-member international organization founded to facilitate international trade and promote cooperation between governments on Customs matters. The WCO works to simplify and standardize legal instruments and rules of international customs. The WCO also renders technical assistance in areas such as Customs tariffs, valuation, nomenclature, and law enforcement. Its objective is to obtain, in the interest of international trade, the best possible degree of uniformity among the Customs systems of member nations. The United States became a member on November 5, 1970. The United States and its trading partners benefit when both exporters and importers operate in an atmosphere of simple unambiguous Customs operations around the world.

I want to take this opportunity to congratulate the World Customs Organization on its past accomplishments and for its ambitious goals of further harmonizing and simplifying those Customs rules which affect international commerce. I also congratulate the U.S. Customs Service for its fine work both nationally and internationally.

WELCOME STEPHEN CLEMENT METTLER II

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. KING. Mr. Speaker, I rise today to welcome a new American citizen, my nephew, Stephen Clement Mettler II, who was born on Friday, January 19, 1996, at 1:34 p.m. in Chicago. Young Stephen weighed in 9 pounds, 2 ounces, measured 21 inches long, and has blond hair and blue eyes.

I would also like to congratulate the proud parents, Stephen and Stacey Mettler, the happy grandparents Stephen and Kathy Mettler of Atlanta and Charles and Mary Kaye Montforo of Houston, and especially, Stephen II's great-grandmother, Agnes Wiedl of Atlanta.

PRESIDENT CLINTON'S TAX HIKES

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. PACKARD. Mr. Speaker, the budget the President proposes proves one thing beyond a shadow of a doubt, he is a congenital liberal. Instead of cutting taxes, scaling back the growth of Government, and putting our economy in position to create productive and stable jobs with good wages, he wants to protect the status quo with higher taxes and more bureaucracy.

In 1993, President Clinton enacted the largest tax hike in American history—imposing more than $250 billion in tax increases over 5 years on families, small businesses, and corporate America. Just a few weeks ago, with his fifth budget in less than a year, the President proposed more than $60 billion in new taxes. This tax package makes the Federal Government even bigger, more expensive, and more unwieldy than the current failed status quo.

The President tries to cover this massive tax increase with a sliver of a tax cut. And what he offers with one hand, he takes away with the other—the tax hikes are permanent and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the tax cuts are temporary. By 2002 only a measure affecting IRA's would remain on the books. All others will expire. Meanwhile, dozens of other tax increases will have snowballed into roughly $15 billion in new taxes in 2002 alone.

These tax increases will not benefit America. They will not benefit the economy. They will not contribute to lowering the budget deficit. They will simply serve to underwrite more new spending and expand the size of an already bloated Federal bureaucracy. During his State of the Union Address, the President voiced his commitment to an era of a smaller, less intrusive Government. Mr. Speaker, this is not the way to go about it.

REMEMBERING JOHN W. NASH

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BAKER of California. Mr. Speaker, John W. "Jack" Nash lived a remarkable life. As a young man, he attended Exeter Academy, hiked in the Blue Mountains, and swapped stories with John Steinbeck in Monterey. A graduate of the University of Washington, Jack enjoyed a successful career, served his country in World War II, and loved his family.

Jack died early this month in my hometown of Danville at the age of 92, fulfilling his wish to "live to be an old, old man." Yet Jack's age belied his youthful spirit, his sense of fun and laughter, and the ageless patriotism that characterized his political convictions. In his last years, he lived with his granddaughter, Susan Skelton-Fleming, and her family, beloved by his grandchildren as "Popee Jack."

John W. Nash represented some of the best things in our country: Hard work, optimism, love of family, love of America. He will be missed by his family, and his cheerful spirit will be missed by all who knew him. I am honored today to recognize the life and memory of this wonderful American in the CONGRESSIONAL RECORD.

JESUS ERAZO: AN OUTSTANDING INDIVIDUAL WITH A TRUE COMMUNITY SPIRIT

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to the memory of Jesus Erazo, a young man whose dedication to his family and friends will be remembered forever. Tomorrow, the Spanish speaking program of Kean College will honor Jesus with a musical presentation at the school's Little Theater in Union, NJ.

Tomorrow evening's commemoration will celebrate the contributions made by Jesus to his family, friends, and community. The focus of much of Jesus' young life was his family. Born in Cali, Colombia, Jesus was on a journey home when his excursion was abruptly ended by the crash of American Airlines Flight 965 in December 1995. While in the United States, part of his earnings were sent to his family to help "alleviate their financial needs."

Education also played a major role in the life of Jesus. As a resident of Elizabeth, Jesus received training in the graphic arts from learning institutions in Union County, NJ. In 1992, he graduated from the commercial art program of the Union County Vocational & Technical Schools. Building on this success, Jesus entered Kean College of New Jersey from which he was to graduate in May. While at Kean College, Jesus became a valued member of the collegiate community for his superior academic performance as well as for his unconditional support of friends and fellow students. Among the recognitions received by Jesus were being named to the dean's list for four semesters and an outstanding academic performance award from the Association of Latin American Students. In 1995, Jesus was inducted into Lambda Alpha Sigma Honor Society.

Another theme that resonated throughout Jesus' life was community involvement. His altruistic spirit manifested itself in his work with the Spanish speaking and English as a second language programs of Kean College. Jesus contributed designs for the program covers of these two highly regarded programs. Jesus provided joyful accompaniment to the lives of his friends and fellow community members. He will be remembered with tremendous love and respect by each person whose life he touch.

It is an honor to applaud the legacy of a gifted individual like Jesus Erazo. Jesus provided great joy to his friends and colleagues throughout his short life. I am certain my colleagues will rise with me and pay tribute to the memory of this magnificent young man.

THANK YOU, CHIEF LOCHINSKI

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BARCIA. Mr. Speaker, one of the greatest concerns that Americans have is the ability to feel safe in their own homes and in their neighborhoods. The most important component of the provision of that safety is conscientious, well-trained, and dedicated police men and women. The people of my home town of Bay City have been blessed with an exemplary police force, and that is due in large part to the outstanding leadership of Bay City Chief of Police Timothy Lochinski.

Chief Lochinski after more than 32 years as a member of the Department has retired, and is being honored for his service on February 8. He started as a patrolman, working on all shifts, handling all types of calls, in 1963. I know of no better way to learn the needs of a community than this kind of personal involvement. He then spent several years concentrating in vice before becoming a key figure in crime prevention activities, where he was very successful in seizing drugs and making arrests which resulted in convictions.

He became a lieutenant in charge of training in 1978, and then moved on to become captain of detectives. He is and should be proud of the fact that on his watch there were no unsolved homicides, and that drug investigative capabilities expanded to keep up its exemplary record for arrests and seizures. In 1987, he was assigned the additional duties of supervising the uniformed division along with the detective bureau, and shortly thereafter the administrative division as well. He was responsible for making the Bay City Police Department a leader in the DARE program in Michigan, eventually placing the program in every school, both public and parochial, in the city of Bay City.

Chief Lochinski has served as chief of police since 1990 when he became the acting police chief, until his formal appointment in 1991. For the last 6 years, the department has prospered under his leadership, and the people of Bay City have been lucky to have this fine gentleman.

Former Attorney General Robert Kennedy once said that "every community gets the kind of law enforcement it insists on." I believe that Bay City has succeeded in that score with its excellent police department led by a man who understood and appreciated the importance of listening to the community.

Mr. Speaker, I know you and all of our colleagues respect and appreciate the fine and difficult work done by the police. I urge you and our colleagues to join me in thanking Chief Lochinski for his dedicated service, and in wishing him the very best for his retirement and the new challenges that I am sure he will find.

ARNOLD LORBER: A LIFETIME IN THE PURSUIT OF EXCELLENCE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. LANTOS. Mr. Speaker, I rise today to recognize a truly extraordinary American and a great friend, Mr. Arnold Lorber, on the occasion of his 65th birthday. As a child, Arnold fought for his life and the lives of many victims of the Holocaust throughout World War II. Today, through his aggressive pursuit of excellence, he is a leader in an important American industry and a great asset to our country.

Arnold is truly one in a million. Cheated of his childhood, his life was molded in a torrent of evil. In early 1942, his father, a well-respected businessman and entrepreneur in his native city of Kosice, Czechoslovakia, was taken away to a forced labor camp and never seen again, with the rest of his family and community to follow shortly thereafter. Showing the courage and intellect that would characterize the rest of his life, Arnold posed as a member of the Hitler Youth while he smuggled food and supplies to those who had eluded the death camps.

Arnold Lorber's exceptional character, shown in the heroism he displayed during the horrors of the Holocaust, manifests itself today in his leadership and innovation in the business world. Arnold is a pioneer in the textile industry who has devoted his life to introducing new technologies and production methods to this important industry. Lorber Industries, which Arnold created in 1969 and has directed ever since, is the undisputed leader of the southern California textile industry and is an invaluable asset to our country's manufacturing base. Arnold has won countless awards, including the prestigious West Coast Entrepreneur of the Year and the Tommy Award, awarded by the American Printed Fabrics Council, Inc., in recognition of his innovation in design and color.

As Arnold established himself in the business world, he did not forget the important responsibility that he bears as a survivor of the Holocaust. He is a founder of the U.S. Holocaust Memorial Museum and the Museum's Los Angeles chairman. Through the museum, he has devoted countless hours of his valuable time to teaching the history and the lessons of the Holocaust to all Americans and future generations.

Arnold has contributed a great deal to our country through his willingness to take risks in pursuit of better and more efficient ways of manufacturing and his philanthropic devotion to the task of remembrance. I invite my colleagues to join me in expressing our appreciation for Arnold Lorber's many accomplishments and his continuing devotion to making this country a better place.

CORRECTING THE IMMIGRATION LAW

HON. RANDY TATE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. TATE. Mr. Speaker, I would like to introduce a simple piece of legislation designed to fix a major flaw in U.S. immigration law. Over the past decade, the subject of immigration has captured the interest of the American people. This year, it has moved to the forefront of the political arena in Washington, DC. Major bills have been introduced in both the House and Senate to control illegal immigration and reform legal immigration. The bill I bring to the floor today is not a sweeping solution to our immigration woes, but a strong step in the right direction.

From the time of our forefathers, U.S. immigration policy has provided the opportunity for millions of people to come to America to help us build the strongest, most prosperous democracy in the world. In more recent years, however, many have begun to take advantage of our open door policy. Today, some believe that immigration to the United States is a right instead of a privilege.

The Immigration and Naturalization Service estimates that 300,000 people enter the United States illegally every year, and 3.8 million currently live in this country illegally. These people are taking advantage of American generosity and openness without regard for our laws or our principles. Mr. Speaker, that is not what America is all about.

Illegal immigrants come to the United States at the expense of those who choose to play by the rules and come to America legally. Most Americans probably don't even know it, but our laws do not penalize individuals who intentionally cross our borders illegally. Under current law, any individual who enters the United States illegally and is deported is still eligible for legal immigration later. Despite the fact that they have already broken one of our laws, illegal immigrants are provided the same privileges under U.S. immigration law as anyone else.

I am introducing legislation today to put an end to this madness. Under my bill, if an individual breaks our immigration laws by intentionally entering the United States illegally, he or she will never again be eligible for any kind of temporary or immigrant visa. Not 1 year later, not 20 years later, never. We need to use our precious immigration resources wisely instead of wasting them on people who have no respect for American laws.

Mr. Speaker, I urge my colleagues to support this legislation and to stand up for honesty and integrity. Thank you.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REVISION TO GROUND OF INADMISSIBILITY FOR ILLEGAL ENTRANTS AND IMMIGRATION VIOLATORS.

(a) ALIENS PREVIOUSLY DEPORTED.—Section 212(a)(6)(A) (8 U.S.C. 1182(a)(6)(A)) is amended by—

(1) Inserting after "Any alien who" the following: "had the intent to illegally enter the United States and"; and

(2) striking "and who again seeks admission within one year of the date of such deportation".

(b) CERTAIN ALIENS PREVIOUSLY REMOVED.—Section 212(a)(6)(B) (8 U.S.C. 1182(a)(6)(B)) is amended by—

(1) inserting after "Any alien who" the following: "had the intent to illegally enter the United States and"; and

(2) striking "and (a) who seeks admission within 5 years of the date of such deportation or removal, or (b) seeks admission within 20 years in the case of an alien convicted of an aggravated felony,".

COMMEMORATING THE 80TH BIRTHDAY OF PHIL RUBENSTEIN

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. SAXTON. Mr. Speaker, it is a great privilege for me to wish a good friend and loyal public servant, Phil Rubenstein, best wishes as he celebrates his 80th birthday.

Phil has devoted 53 years to public service within the United States and Ocean County governments. An example to us all, Phil's dedication and creativity have improved the lives of many Americans.

Of course, all commentary aside, Phil Rubenstein's record speaks for itself. From 1943 to 1954 Phil served as the Assistant Chief of the Service Division of the Veterans Administration. He continued his service until 1974 by working as a Social Security Representative in the Northeast. Phil retired from the Federal Civil Service but continued to honorably serve the citizens of Ocean County, New Jersey by assuming the directorship of the Ocean County Office on Aging.

As the director of the Ocean County Office on Aging, Phil has left an indelible impression on our local community an on the lives of senior citizens across the nation.

A few of his more notable accomplishments include: Creating free mammography and prostate cancer screening programs; creating a complete senior citizen complex that among other things established nutrition sites, senior centers, home delivered meal programs, and other outreach programs; the creation of the Ocean County Handicapped and Elderly Transportation Service.

As I deliver these words of praise, I realize that I am only one voice of many that have done likewise. Phil has received, among others, awards from the Governor for "Outstanding Achievement for Innovative Programs for the Elderly," from the New Jersey Association of Freeholders for "Outstanding Service," from the Ocean County Board of Chosen Freeholders for "Distinguished," and three distinguished Federal Service Awards.

The people who probably thank Phil the most, however, are all of those who benefit from the results of his hard work. Most notable are the senior citizens who need access to transportation to receive medical care. Every day over 650 people across the Nation are able to utilize this service.

I could continue with a litany of other awards and accomplishments that Phil has earned. Instead, I will end here and say this. Phil, on this day—the day before your 80th birthday—I give you my best wishes and hopes for another rewarding and successful year. Happy birthday.

GEORGIANS SUPPORT SOLDIERS IN BOSNIA

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. COLLINS of Georgia. Mr. Speaker, I would like to share with my colleagues in the House recent action taken by the House of Representatives of the State of Georgia. While many Georgians expressed significant reservations with regard to the Clinton administration policies leading to the deployment of ground troops on the Balkan Peninsula, it is clear that American citizens and their leaders are unified in support of our courageous men and women serving in the region. Now that our men and women are fully deployed and committed to the mission given to them by the Commander in Chief, it is imperative that we provide the material support necessary to insure the safe and successful completion of this peacekeeping effort.

H.R. No. 791

By: Representatives Bunn of the 74th, Heckstall of the 55th, Hembree of the 98th, Mueller of the 152nd, Brown of the 130th and others

A RESOLUTION

Expressing support for the American troops in Bosnia and Herzegovina urging President Clinton and the Congress to give the troops sufficient resources to ensure their well-being; and for other purposes.

Whereas, President Clinton has dispatched American troops to assist in supervising the fragile peace in Bosnia and Herzegovina; and

Whereas, those American men and women along with their NATO counterparts are experiencing severe hardship and facing real personal danger in order to protect the former combatants and their respective civilian populations in that tragic region; and

Whereas, those brave men and women deserve not only our moral support but also the real material support necessary to ensure their safety in a hostile environment.

Now, therefore, be it resolved by the House of Representatives That the members of this body express their confidence that the American troops deployed in Bosnia and Herzegovina will acquit themselves professionally and honorably, pledge their unreserved support for the American troops, and pray that their mission will bring a return of peace and prosperity to the citizens of the region.

Be it further resolved That the members of this body urge the President and Congress to provide the United States contingent with the resources and support necessary to ensure the success of their mission and their early safe return home.

Be it further resolved That the Clerk of the House of Representatives is authorized and directed to transmit appropriate copies of this resolution to President Clinton, the presiding officers of the House of Representatives and Senate, the majority leader of the Senate, and the Secretary of Defense.

AMERICA'S UNSUNG HEROES

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. CALLAHAN. Mr. Speaker, during his State of the Union Address this week, President Clinton recognized one of the heroes from last year's bombing in Oklahoma City. I believe this was a tradition begun by former President Reagan but regardless who started it, it is a practice which has great merit.

For all across America, there are countless unsung heroes—men and women, boys and girls—who rise to whatever occasion is necessary to lend a helping hand to one of their fellow citizens.

Such was the case in the early morning hours of New Year's day in the city of Robertsdale, AL. Then, one of my constituents, Mr. Floyd Smith, saw that his neighbor's house trailer was engulfed in flames and without regard for his own safety, rushed in to save the lives of this family.

If it were not for Mr. Smith, George and Doris Hammock, and their grandson, Adam, would no longer be with us today.

Clearly, Floyd Smith didn't wake up intending to be a hero that day. Like most Americans, he probably had other things on his mind on this first day of the new year.

But when he saw his neighbors were at risk, he raced over to try to awake the Hammocks by beating on the walls of their trailer. Then he helped the family escape the burning home through the window.

Once the Robertsdale Fire Department arrived, it took 45 minutes to totally extinguish out the fire. The Hammocks lost everything—their home, their clothes, their possessions—but thanks to Floyd Smith, they didn't lose the one thing which is truly irreplaceable—their lives.

Just like so many other heroes, Floyd Smith deserves to be recognized for his outstanding act of bravery. He put the life and well-being of others above his own. And he did so not because it was politically popular, but because it was the right thing to do.

Mr. Smith is truly an American hero and he deserves to be praised for his outstanding acts. Everyone can learn from his example and because of it, the Hammocks now have an opportunity to live out their New Year's resolutions with many more to come.

On behalf of the people of south Alabama, I salute Mr. Floyd Smith, and ask that a copy of this statement be entered into the CONGRESSIONAL RECORD.

TRIBUTE TO MAJ. GEN. EARL G. PECK, USAF, RETIRED

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BILIRAKIS. Mr. Speaker, I would like to take this opportunity to pay tribute to a man who has served his country and his State for almost 50 years, Maj. Gen. Earl G. Peck. I have had the privilege of working with Earl for a number of years on issues of concern to veterans.

General Peck began his military service in 1948 and served for more than 36 years in the U.S. Air Force. He was a command pilot with more than 7,000 hours in fighters, bombers, tankers, and trainers. Earl received numerous military decorations, including the Defense and Air Force Distinguished Service Medals, the Legion of Merit with three oak leaf clusters, the Bronze Star, the Vietnam Service Medal with four campaign stars and the Republic of Vietnam Cross of Gallantry with Palm.

During his distinguished military career, Earl held many different positions. He served as Chief of Staff, Strategic Air Command; Director, Intelligence and Space Policy, Office of the Secretary of Defense; Deputy Commander, Sixth Allied Tactical Air Force, Izmir, Turkey; Chief, Office of Air Force History; Commandant, Squadron Officers School; Commander, 3902d Air Base Wing; Chief, Special Air Operations, Vietnam; and many others as a squadron pilot and staff officer.

When the general left the Air Force in 1985, he could have sat back and enjoyed his retirement. But as so often is the case with veterans, Earl continued to contribute to his community.

Since his retirement, he has been active in the Retired Officers Association, the Air Force Association, and the Order of Daedalians. He is also a member of the American Legion, the Veterans of Foreign Wars, Disabled American Veterans, and Paralyzed Veterans of America.

In 1989, Earl was appointed as the executive director of the Florida Department of Veterans' Affairs. Immediately preceding his appointment, he was director of the Florida Division of Veterans' Affairs, the department's predecessor.

As an advocate for Florida's veterans, Earl has worked to improve the quality of life for all of the State's 1.73 million veterans. The resources of the department has increased by 400 percent, providing increased services to veterans. During his tenure, veterans' homes have been constructed in Lake City and Daytona Beach and more are planned. He has worked to elevate the VA's understanding of Florida's problems and to improve the resources and facilities available to our veterans. He has always been a valuable resource for our congressional delegation in Washington.

Earl is the outgoing president of the National Association of State Directors of Veterans Affairs. Secretary Jesse Brown presented Earl with the Secretary's Award for Outstanding State Director—a well-deserved honor.

In 1994, I was honored by the association as "Man of the Year." I know he was instrumental in my selection for this award and I am grateful for his support.

As Earl prepares to retire from the Florida Department of Veterans Affairs, I wanted to wish him the best of luck in his retirement. Although he may be retiring, I know Earl will remain a strong advocate for Florida's veterans.

GEORGE DYKSTRA: A GREAT AMERICAN

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. FRELINGHUYSEN. Mr. Speaker, today I rise to pay tribute to the life of George Dykstra, known as Mr. Sparta to people in the town he called home. George Dykstra lived a great American life: In good times and bad, he was always there to serve his family, his neighbors, and his country.

Born in Fulton, IL, in 1921, George grew up in Prospect Park, NJ. He served his country in the U.S. Marine Corps for 7 years and received a Purple Heart while serving in the Pacific Theater as a sergeant during World War II, which included action in Guadalcanal and the Philippines. After the war, George finally settled down and moved to the township of Sparta in the heart of Sussex County, NJ. Little did George know that he would dedicate the next 50 years of his life to serving the citizens of this small, mountainous town. Whether it was the Sparta VFW Post, the North Jersey Midget Football League, flood victims in Wilkes Barre, PA, or planting flowers in front of the municipal building, George Dykstra was there to lead the way or just lend a helping hand. According to Monsignor Charles C. Cassidy, the retired pastor of Our Lady of the Lake Roman Catholic Church in Sparta, "everything he did was for someone else."

George also made significant contributions through his service in municipal government. He was a member of the Sparta Township Council for 18 years, including four terms as mayor. It was through this venue that I first met George and came to know him as a straight-shooting, thoughtful, and caring man. Whether it was keeping tabs on the Superfund sight at A.O. Polymer or acting as a sounding board for local veterans as a valued member of my Veterans Round Table, George didn't tinker around the edges, he always got right to the point. He was someone I could trust. Sparta Councilwoman Dolores Blackburn put it perfectly when she said that "he cannot be replaced. The things he did were well-intentioned, whether you agreed with him or not. He was our local color."

I could not possibly name all of the organizations that George Dykstra was involved in during his years in Sparta, he was literally a part of everything that went on in the town. According to Pat, his wife of 22 years, "he just loved Sparta. He always wanted to stay here." David Ferguson worked along side George as Sparta's township manager and wholeheartedly agrees, stating that "He is 'Mr. Sparta.' I don't know anyone who cared more and loved Sparta more than George. He was the most dedicated individual I have ever known toward his community. He had a heart of gold and we all loved him." His fellow councilman, Michael Devine, aptly described him as "straightforward, uncomplicated and reliable as a man could be." Sparta always counted on George to come through for the community and he never let them down—he was a sure thing.

George Dykstra had a way with everyone—even reporters. Carole Hartman covered George for 4 years with the Sparta Independent and the New Jersey Herald and found out quickly that he was not like most other politicians. "George shot from the hip. The words 'no comment' were not in his vocabulary." Of course covering George was no easy job, he was always on the move trying to beautify the town in some way or keep tabs on what was going on at police headquarters. And George was no stranger to controversy. As Carole Hartman said, "George didn't care if he was politically correct. Even if you disagreed with George, you always had to realize that his one and only motivation was plain and simple: He only wanted what was best for Sparta."

My sympathy goes out to George's wife Pat, their 6 children, 11 grandchildren, and his 3 sisters. While we all mourn George's death, his family, the township of Sparta, and the people that George touched in his lifetime should all feel a sense of pride for having known a man of such uncommon character. George Dykstra lived a great American life and his legacy will live on forever.

CHIEF MURAWSKI BLAZES ON

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BARCIA. Mr. Speaker, all we need to do is think about the recent snowstorms and floods to find real life heroes. Many of those heroes are firefighters, men and women who each and every day risk their safety for that of ourselves, our families, and our constituents. Fred Murawski has served the people of Bay City for the last 30 years as a member of the Bay City Fire Department, including the last 5 as its chief. Fred is retiring from this care of service, and is being honored at a retirement party next Tuesday, January 30.

Fred Murawski has spent his life caring about people. The countless calls, the many moments of anguish when a few more minutes might have meant the difference in saving a home or a life, the moments of joy when property was saved or an injury spared, the flashes of frustration when someone refused to pay attention to the warnings of danger offered by an experienced public servant, all combine to describe a career that no one can forget.

I know the Greek philosopher Heraclitus said "The world, an entity out of everything, was created by neither gods nor men, but was, is and will be eternally living fire, regularly becoming ignited and regularly becoming extinguished." Fred Murawski had a chance to live the observations of that philosopher, knowing that but for the grace of God he might be extinguished by the fire, rather than being the extinguisher of fire. His lifetime membership in both St. Stan's A.C. and St. Stan's Ushers Club, as well as his involvement with the parish council provided him with the solace that he needed after the demands of his work.

His dedication to his community also included service as a member of the Bay County Sheriff's Department, where he rose to the rank of sergeant. It included a proud tenure as a member for 17 years of the Bay County Democratic Executive Committee, including being its past chairman. His dedication to his profession urged him to become involved in a number of associations, including the International Fire Chief's Association, the Michigan Fire Chief's Association, the Southeastern Fire Chief's Association, the Bay County Fire Chief's Association, the Bay County Fire Fighter's Association, the Third District Emergency Management Association, and the Michigan Emergency Management Association.

I am sure that his wife Madeline and his daughters Rebecca and Cynthia were glad when the end of each day came and Fred was able to return home safe from harm. His grandchildren Gregory, Scott, and Mark Bokhart have probably heard a number of stories of dangerous thrills from their grandfather, and can look forward to years of many more.

Mr. Speaker, on behalf of the thousands of lives who were touched by the dedication to duty of Bay City Chief Fred Murawski, I urge you and our colleagues to join me in thanking this wonderful man for a career of caring for the public, in wishing him the happiest of retirements, and the best for whatever new challenges his life may bring.

THE OFFICIAL MURDER OF ORPHANS IN CHINA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. LANTOS. Mr. Speaker, a few days ago, the world was shocked with the recent release of a detailed report by Human Rights Watch which documented the fact that a majority of children who entered a Shanghai orphanage during the late 1980's and early 1990's died within a year. The report suggests that there has been a deliberate policy of starving these orphans rather than caring for them. This deliberate and unimaginable treatment of one of the most vulnerable groups of Chinese society is both stunning and reprehensible. Tragically, this is consistent with Chinese human rights policies that we have seen far too often in the recent past.

Mr. Speaker, an excellent article appeared in the Washington Post yesterday—Wednesday, January 24, 1996—by Dr. Walter Reich, a physician who is the director of the U.S. Holocaust Memorial Museum and the chairman of the Committee on Human Rights of the American Psychiatric Association. Dr. Reich draws chilling parallels between the practices that have been observed in China and the horrors of the Holocaust.

I urge my colleagues to read Dr. Reich's most thoughtful article and consider the somber implications of China's appalling human rights record.

HOLOCAUST: THE CHINA PARALLEL

(By Walter Reich)

On rare occasions, historical parallels of contemporary events are so sharp that they pierce decades of time to penetrate our minds and skewer our souls. Accusations of the deaths, by deliberate neglect, of disabled children in Chinese orphanages, made by a credible human rights organization, summon up memories of the deaths, by both deliberate neglect and direct killing, of disabled children in Nazi German institutions. Those memories impose on us a powerful obligation to respond to the accusations against the Chinese orphanages by calling for an international investigation—and, if the accusations are confirmed, to take decisive action to end the medicalized killing of helpless innocents.

Human Rights Watch has reported that a majority of children, who entered a Shanghai orphanage in the late 1980s and early 1990s died within a year; that this high death rate was typical of orphanages throughout China, and that it was a result of a policy, euphemistically called "summary resolution," which selected children for death by starvation, sometimes aided by the administration of sedating drugs. These deaths, the report noted, were attributed to such causes as "congenital malformations of the brain" and "mental deficiency."

Critics have cited a number of reasons for the deliberate starving of these Chinese children. Many of the children admitted to the orphanages were abandoned because they were born disabled. In a country that has an official policy limiting families to one child, some couples abandon disabled children so that they can try again for a healthy child; others may do so to shift to the state a caretaking burden they are unable to bear.

In the Chinese orphanages, according to these critics, it is these disabled children who tend to be subjected to "summary resolution"—deliberately starved, not treated when they develop easily treatable medical conditions, sometimes medicated to keep them quiet as they starve, and confined to "dying rooms." Chinese orphanages realize significant income from adoptions of healthy babies by childless Western couples; disabled babies are not only unlikely candidates for adoption but also no less burdensome for their institutional caretakers than they would have been for the parents who abandoned them.

The parallels with the treatment of disabled children in German institutions during the Nazi era are haunting. Although the vast bulk of Nazi killing was, of course, eventually focused on Jews and became what we now know as the Holocaust, it was heralded, before the start of the Second World War, by the systematic, government-sponsored killing of children and adults who were disabled—a practice that continued after the war began. The killing methods, especially in the cases of children, often involved starvation and the administration of lethal doses of medications. In the cases of disabled adults, direct killing using gas was common—a method that, once refined, was used on a mass scale against Jews after the German armies rolled into Poland.

The German killing of disabled children and adults was justified on the grounds that these persons constituted "life unworthy of life." After 1934, mental hospitals were urged to neglect their patients. In 1935, Hitler was confident that a war would require healthy people, and that during a war it would be possible to easily eliminate the "incurably ill."

According to the reports provided by Human Rights Watch, the starved children in the Chinese orphanages look very much like the starved children in the German "Children's Specialty Institutions"; the Chinese institutions, too, administer sedatives to some children selected for death; they, too, use false diagnoses as coverups; they, too, cremate the remains of starved children; and they, too, employ physicians, many of whom probably tell themselves that the children dying under their care would have died anyway, and in any case are useless eaters in a country challenged by scarce resources.

It should be clear; even if the existence of the "dying rooms" in Chinese orphanages were confirmed, it would not amount to the Holocaust, or even a semblance of it. Unlike Nazi Germany, China has not developed a systematic racial ideology, particularly one that requires all members of certain groups to be killed because of ethnic origin. Chinese leaders, as contemptuous of human rights as they have been, have not promulgated any such ideology; nor is it known that they have promulgated national or regional programs aimed at killing disabled children.

But if the report by Human Rights Watch is correct, it seems clear that the general circumstances in China, including the lack of individual human rights, have enabled at least some Chinese orphanages to engage secretly in practices that parallel some of the practices, particularly death by starvation, that were carried out by Nazi Germany against disabled children and adults.

If the Human Rights Watch report can be verified by international inspections, the parallels between the Chinese orphanages and the Nazi programs to kill disabled children are alarming. These parallels remind us that human beings, including physicians and other caregivers, are extraordinarily vulnerable to inhuman acts and extraordinarily capable of justifying their behavior on what they see as rational grounds. And they remind us that countries in which democratic institutions are forcibly forbidden and human rights systematically quashed are ones in which human life becomes, quite simply, expendable.

The experience of the Holocaust, and the world's silence in response to it, have taught us that we must never shut our ears to reports of evil acts. We must investigate such reports and respond vigorously if they are confirmed. We have an obligation to do that—to ourselves, to the most defenseless of our fellow human beings, and to memory.

CHINA THREATENS TAIWAN

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BROWN of Ohio. Mr. Speaker, An editorial in the New York Times this morning reads "China Threatens Taiwan." My Taiwanese-American constituents are extremely concerned about this news. And so am I.

According to yesterday's New York Times, Beijing has redeployed forces from other parts of the country to the coastal areas facing Taiwan and set up new command structures for various kinds of military action against Taiwan. The article quotes a Chinese official as asserting that China could act military against Taiwan without fear of intervention by the United States because American leaders care more about Los Angeles than they do about Taiwan. This statement can be interpreted as an indirect threat by China to use nuclear weapons against the United States.

This past July and August, China already carried out a series of surface-to-surface ballistic missiles, live artillery, and joint air and sea forces combat exercises in the seas 80 miles off the coast of Taiwan. And China now vows to hold more rounds of military exercises. Allegedly, the People's Liberation Army has prepared plans for a missile attack against Taiwan consisting of one conventional missile strike a day for 30 days. These strikes will take place just after this March's Presidential elections. The first democratic and direct Presidential elections in Taiwan's history.

Indeed, China has threatened to use force against Taiwan under various scenarios, including the election of a President who does not support unification with China, and second, a declaration of independence, even if that declaration is the outcome of a democratic process such as a plebiscite or democratic elections.

The United States must reject military bullying from Beijing. Not only that; in accordance with the Taiwan Relations Act of 1979, any threat to the peace and security of Taiwan is of grave concern to the United States. The act explicitly states that the United States is obliged to make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient defense capability. Article section 2(a)(5) of the act reads, and I quote, "It is the policy of the United States, to provide Taiwan with arms of a defensive character."

Peace and stability in the Taiwan Straits is in the political, security, and economic interest of the United States. United States interests are served by supporting democracy abroad. It is therefore necessary that the U.S. reaffirms its safety and security commitment to the people of Taiwan.

The U.S. should declare that any attempt by China to threaten the peace and security of Taiwan is a threat to peace and security in the Pacific and a matter of grade concern to the United States.

The United States should call upon the President of the United States to review the defense needs of Taiwan, under the terms of the Taiwan Relations Act, and act accordingly.

The United States should reaffirm that it is the right of the people of Taiwan to determine the future status of Taiwan without any interference from China.

GARABED "CHUCK" HAYTAIAN TO RECEIVE AWARD

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate Garabed "Chuck" Haytaian on an award he will receive later this month. Mr. Haytaian, the recently retired speaker of the New Jersey Assembly, will be honored on January 27 with the 1995 Humanitarian of the Year Award from the Warren County chapter of the Arc. The Arc is an organization devoted to serving individuals with development disabilities and Speaker Haytaian is being honored in recognition of his long commitment to that cause. I have known Chuck Haytaian for many years and know that this honor is well-deserved. I am extremely pleased to serve as cochair of this event.

Speaker Haytaian's extensive work on behalf of people with developmental disabilities was shown recently in his support of the human services bond issue of 1994, passed under his leadership as speaker. This vital piece of State legislation provided $160 million for the creation of new housing for those challenged by developmental disabilities, and upgrading of existing housing. This initiative benefited 4,000 people on waiting lists for residential services, including 60 people on an emergency list in Warren County alone. This assistance for Warren County is of particular importance to me, as the county is part of my congressional district as well as Speaker Haytaian's former legislative district.

Speaker Haytaian has been a longtime member of the Arc, supporting its policies, programs and fundraising. His involvement has helped attract others, who have served the organization in positions ranging from volunteers to board members.

This award is the latest recognition of Speaker Haytaian's lifetime of public service. Having served as an elected Warren County Freeholder, he spent 15 years in the New Jersey Assembly, rising through successively higher leadership posts until becoming assembly speaker in 1992. Speaker Haytaian has retired from the legislature but will continue as chairman of the New Jersey Republican State Committee, a role he took on in 1995 at the request of Gov. Christine Todd Whitman.

Prior to his 4-year term as speaker, Speaker Haytaian served as both minority leader and majority leader in the assembly. He began his political career as a member of the Warren County Board of Freeholders from 1976 to 1981, serving as Freeholder director in 1977 and 1980. He became chairman of the Warren County Republican Committee in 1990, served as a member of the reapportionment committee and was a delegate to the 1988 Republican National Convention. He was one of New

Jersey's representatives to the National Conference of State Legislatures.

Speaker Haytaian, of American heritage, is a national leader in Armenian-American affairs, participating in a number of Armenian cultural events each year, serving as a trustee of the Hovnanian Armenian School and as a director of the Armenian assembly. He is a trustee of Centenary College, a member of the honorary board of directors of Warren County Community College and a former chairman of the Warren County Cancer Society and the United Way campaign for Warren County.

A 1961 graduate of the University of Alabama, the New York City native is marketing director for Superior Graphics Inc. A wonderfully devoted family man, he is married to the former Joan Mardenly. The couple have two sons, David and Darrell, a daughter, Debra Haytaian Snyder, and a granddaughter, Nicole Corrine Snyder.

TRIBUTE TO GWYN GANDY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. TOWNS. Mr. Speaker, I come before the House today to extol the many milestones of Gwyn Gandy. Gwyn is the chief executive officer and president of G&G Insurance Brokerage Co., Inc., a full-service firm specializing in all forms of insurance. Gwyn is a 12-year veteran of the insurance industry and has the distinction of being the only African American female from New York to participate in the Democratic National Convention [DNC] which awarded a contract that provided for special events coverage as part of the DNC.

Gwyn's parents left the rural south and traveled to Brooklyn where she was raised as the oldest of six children. Financial necessity prompted Gwyn's entrepreneurial talents to shine through, as she became a very competent door-to-door saleswoman. She graduated from Franklin K. Lane High School at the age of 17. A marriage which ended in divorce produced three children, Kenneth, Sheree, and Kevin, each of whom has distinguished themselves academically and professionally.

Ms. Gandy is a graduate of Hunter College and the Fashion Institute of Technology. She is a staunch environmentalist and community activist. Gwyn serves as a member of the Bedford Stuyvesant YMCA Board of Managers, and has served on the trustee board of the First A.M.E. Zion Church in Brooklyn. I am delighted to share her vast contributions to the community and America with my House colleagues.

TRIBUTE TO BOYS AND GIRLS CLUB OF COACHELLA VALLEY, CA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BURTON of Indiana. Mr. Speaker, at a time in America, when many areas are experiencing an increase in juvenile crime, a society that is more violent than ever, when there is virtually no training for youngsters to prepare them for a productive adult life and the number of needy families and children is on the increase, there exists an organization in California that is doing their part to fight all of these social problems. It is the Boys and Girls Club of Coachella Valley.

On a recent visit to California, I had the opportunity to see firsthand the work that is being carried on by this fine organization. In addition to offering a full schedule of activities for children on a daily basis that includes athletics, homework assistance, fine arts, health education, community service, cooking instruction, and computer classes, I also witnessed the following very meaningful programs: A nutrition program where meals with substance are served on a daily basis to the children. The club also identifies needy families in the community through the churches and other social service organizations and distributes nourishing food to them. The club's nutrition program is operated in conjunction with a local food bank called FIND, Food In Need of Distribution. FIND serves 7,200 needy families weekly and distributes 3,200,000 pounds of food annually.

I also witnessed another program operated by the Boys and Girls Club called Building Horizons. How appropriate a name, as this program teaches high school students from five different high schools the skills necessary to pursue a career in the construction industry upon graduation. On-the-job training is created for the students by constructing two homes each school year. Through a partnership with a local city the homes are sold to low- and moderate-income families. This program is also run in cooperation with the local school districts and the building industry. So you can see where the Building Horizons program serves two purposes, one, to provide career opportunities for aspiring students in the construction field and much needed affordable housing in the Coachella Valley.

Finally, their criminal justice program accepts youngsters who are referred from the local police department who commit minor infractions. Successful solutions to the child's problem are found and the child is encouraged to get involved in Boys and Girls Club programs and with their professional staff, who are wonderful role models. Their counselor also works with young people who are trying to separate themselves from gang involvement.

The Boys and Girls Club of Coachella Valley does an incredible job with the children. As you can see, one of the things that they do extremely well is partnership with other agencies and organizations both private and public.

I congratulate my good friend Leo Wyler, who is one of the leaders in the Coachella Valley, for dealing with these problems as well as all of the other people in that area who are working so hard to make their young people successful, productive adults.

The future of America, in my view, depends on programs like these and the involvement of leaders in the community in making sure that we have productive alternatives for our young people. If we don't emulate programs like these, then the future of America as respects drugs, crimes, et cetera, will not be very bright.

Again, Mr. Speaker, my congratulations go out to all of those who support these programs, including my former colleagues Al McCandless and my good friend Leo Wyler.

$100 WILL BUY $1,615.00 WORTH OF FOOD

Hunger cannot be adequately described by numbers. But "numbers" tell the story of FIND's 1994 services to the needy families of eastern Riverside County:

Families served weekly	[1]7,200
Volunteers	465
Annual volunteer hours	85,000
Value of volunteer hours at minimum wage	$404,009
Pounds of food distributed annually	3,200,000
Annual operating costs (1994)	325,000

[1] 75 percent of the families served by FIND have monthly incomes of less than $800.

If purchased at store, you would have spent $5,250,000.

And we spent $325,000. This is accomplished through the energy and time of our volunteers.

[From the Desert Sun, Nov. 27, 1995]

LEAVING THE GANG BEHIND

(By Lauralee Ortiz)

Armando is thinking like a typical teenager.

He plans to graduate next year and make some serious career plans.

The 16-year-old wants to join the U.S. Marines to become a tank specialist or a military police officer.

Every time Armando steps outside, he risks being shot at or beaten up by a gang member.

The Indio High School junior has been jumped twice already—once for wandering into rival territory; the second time, he said, the gangbangers thought he was somebody else.

These days, the youth is among more than a dozen with similar tales who are making an effort to separate from a life they describe as dangerous and frightening.

But, as one former gang member named Joe said, "It's a lot easier to get in than it is to get out. You can't just walk away."

If you do, he said, the people you thought were friends become enemies.

Joe tried to change his look with long hair and a beard in hope that he wouldn't be recognized by former rivals.

Armando said he is not and never has been a gang member.

Admittedly, he's surrounded by gangs, he knows gang members and, yes, he's been hanging with them since he was 12 years old.

Guilt by association?

Last year, he was expelled from a neighboring city school for his role in beating up a student trying to dissociate himself from the group.

In his defense, Armando said he was a bystander in the incident.

He said he transferred to the school earlier in the year to get away from problems at Indio High School.

Each Monday afternoon, Armando, Joe and other teens meet at the Boys & Girls Club of Indio to talk about the trials of gang involvement. They agreed to share their stories on the condition that no real names be used. They're afraid of reprisals.

During a typical meeting, they stroll in, shake hands with everyone in the room and plop down for an hour of honesty.

As threatening as their looks appear—some with freshly shaved heads donned what they described as the gang uniform, white T-shirts, dark work pants and Nikes—their words reveal the opposite.

These boys are scared.

"I look around the room and wonder how many of us are going to wind up dead, how many will be in prison," said Raymond, a 16-year-old fresh from Indio Juvenile Hall.

"Personally, it scares me," said Armando, who added that he now spends all his free time at the club on Date Avenue. "These guys are tough. And they think by shooting someone, it makes them the toughest."

What are they killing and dying for?

"Race, property, land, streets, neighborhoods, girlfriends," Armando said.

"Every day's a risk," said Joe, a 16-year-old Indio boy who has been in Juvenile Hall three times. "You could be driving to pick up a girl, and somebody shoots at you."

Or, he said, you might get it just for looking at somebody wrong.

A self-described "mean guy" before being exposed to the Boys & Girls Club, Joe gave animated descriptions of why he participated in gang activity.

Once, he said, he got into a battle with a white man who, he claimed, was "looking kind of crazy at me."

Another time, Joe said, he beat up an elderly white man who was coughing near the pay phone he was using. He said his friend "decked" the man's wife.

Joe said he felt bad about the second incident when he learned the man had cancer.

Exaggerated, perhaps, said program counselor Ron Houston. But, by the same token, such testimonials are evidence that everyone—regardless of race of gender—is at risk of gang violence.

"You never know exactly what motivates or drives them," said Houston, who was an Indio police officer for 17 years. "A lot of it is peer pressure. They commit these violent acts to be accepted."

Frightening for society, the number of gangs continue to grow, he said. During his early years on the police force, there were a few gangs in town.

"Now every section of town has its own." Houston said. Even worse, the members are being recruited at 11 and 12 years old.

"They're the scariest," he said. "They don't have any remorse. They'll do anything to impress the older members."

Houston and Program Director Tony Williams have become father figures to the teens, many of whom never had one. Houston said the body language of the teens—the light punches, arms around him, the kidding—lets him know a connection has been made.

"We take this seriously," said Williams, 29, who worked more than two years with some of the teens during their time at Juvenile Hall. "We are genuinely concerned about kids. We want them to know that once they walk in that door, there's somebody here who cares about them."

NORTH MIAMI POLICE DEPARTMENT OFFICER OF THE YEAR, FELIX GUADARRAMA, HONORED

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mrs. MEEK of Florida. Mr. Speaker, Officer Felix Guadarrama has been selected by a committee of his peers to be the North Miami Police Department's Officer of the Year, 1995. I am certain you will agree with me that Officer Guadarrama is a fitting choice. His actions on the force since 1990 have distinguished him as an officer of valor.

During 1995, Officer Guadarrama received numerous commendations from his supervisors, the community, and other police agencies. Many noted his compassion, expertise, and judgment in handling chaotic situations. His superiors credit Guadarrama with saving the life of the victim of a violent attack.

In addition to his daily activities, Officer Guadarrama serves on the North Miami Police Honor Guard and is assigned to the motorcycle unit. He actively raises money for the Police Officers' Assistance Trust Fund and has represented the department in motorcycle escorts at local prestigious events like the recent Summit of the Americas.

Thank you, Officer Guadarrama for your bravery and diligence in the line of duty. You are certainly a credit to our community.

IN MEMORY OF CHRISTA McAULIFFE AND THE ENTIRE CREW OF THE SPACE SHUTTLE "CHALLENGER"

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. MARKEY. Mr. Speaker, I rise today to honor the memory of the crew of the space shuttle *Challenger*, and to recognize in particular, Christa Corrigan McAuliffe, one of Framingham State College's most distinguished graduates.

Ten years ago, on January 28, 1986, the *Challenger* disaster occurred and changed millions of lives instantly. For the families and friends of the astronauts, it meant incomprehensible loss. For young school children throughout the world, a dashing of hopes. But hope springs eternal.

We are fortunate in this country that our citizens respond so well to adversity. This national tragedy of a decade ago also served to spark the imagination of educators and students to develop a fitting tribute to our Nation's first teacher-astronaut.

In October 1994, Framingham State College opened the Christa Corrigan McAuliffe Center and the Challenger Learning Center, two innovative educational facilities. Inspired by the memory of the *Challenger* crew, the learning centers serve as a continuation of part of the *Challenger* mission: to motivate students to pursue math, science, and technology studies by providing them with exciting educational programs which use space exploration as a theme, and to energize teachers by providing new and interesting training.

In addition, Framingham State College is commemorating the 10th anniversary of the *Challenger* mission by sponsoring a program entitled "Christa's Teachers," a teachers' honor roll which pays tribute to Christa McAuliffe, America's teacher in space, by recognizing the best teachers in America.

Christa Corrigan McAuliffe and the *Challenger* crew were true American heroes. They have left an indelible mark on the fabric of our society, particularly in education; and their enduring legacy is the network of Challenger Centers throughout our Nation which links our students and teachers and captures the imaginations of millions.

SAMHSA REGULATION

HON. SAXBY CHAMBLISS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. CHAMBLISS. Mr. Speaker, the Food and Drug Administration and the Substance Abuse and Mental Health Services Administration [SAMHSA], both of which are located in the Department of Health and Human Services, have proposed tobacco regulations. FDA has just begun its regulatory process by issuing proposed regulations last August, while SAMHSA's final regulations are set to take effect this February. SAMHSA's regulations implement the so-called Synar amendment, which Congress passed with bipartisan support in 1992 to address the problem of underage tobacco use.

The SAMHSA regulations are superior to FDA's more extreme approach. The SAMHSA regulations implement a clear congressional mandate. They will do a better job in a shorter time, with much less Federal involvement and much greater respect for the proper role of the States in our constitutional system.

The Synar amendment conditions substance abuse grant assistance to the States on their taking steps to reduce youth access to tobacco and directs SAMSHA to issue implementing regulations. Today every State prohibits the sale of tobacco products to minors and imposes penalties for violations. In fact, as a result of the Synar amendment, since 1992 some 30 States have taken additional legislative steps to reduce youth access to tobacco.

While the SAMHSA regulations were still pending within HHS, FDA—an agency with no jurisdiction over tobacco and no authorization from Congress to act on youth tobacco issues—published its own extreme proposal to regulate tobacco products as medical devices. FDA is engaged in a blatant attempt to circumvent Congress and override the States. FDA's rules would nullify or supplant dozens of State youth access laws, in favor of an extremist, one-size-fits-all regulatory straightjacket imposed by Washington bureaucrats. FDA's proposed rules are an end-run around Congress and the States.

Mr. Speaker, in contrast to FDA's extreme proposal, SAMHSA's approach allows flexible responses by the States to reduce underage smoking. FDA's proposed regulations should be withdrawn in favor of SAMHSA's final regulations, which directly implement Congress's will and show proper respect for the constitutional authority of the States.

THE PRESIDENT'S MESSAGE

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. COLLINS of Georgia. Mr. Speaker, after reflecting on the President's State of the Union Address Tuesday evening, I am deeply disturbed over the many contradictions in his speech. In one breath the President declared: "The era of big Government is over." And in the next he states: "But we cannot go back to the time when our citizens were left to fend for themselves."

The President is again trying to be all things to all people. But, he is being dishonest with the American people. The President knows the magnitude of our Government's financial crisis.

Mr. Speaker, he knows our Nation is nearly $5 trillion in debt. He knows that Government subsidized programs and entitlements are draining our Nation's Treasury. And, he knows that to continue down this road leads us to moral and financial bankruptcy.

Yet, the President continues to try and please everyone. He continues to pander to every person and every group that has come to depend on a Government subsidy paid for by the American taxpayer. He continues to pander to his voting base for the 1996 Presidential campaign.

The elections of 1992 and 1994 were about change. The people of this Nation said "enough is enough." The people told Washington they were tired of big government. They told Washington they were tired of the Democrat's tax and spend policies.

Mr. Speaker, 1996 is another election year. And the President can read the polls. His State of the Union Address played to the people's desires and emotions. The President challenged Republicans in Congress to give him a balanced Federal budget, tax cuts for working Americans, welfare reform, educational scholarships, crime prevention programs. And the list goes on and on.

Well Republicans have already met the President's challenge. But he failed to tell the American people that in his State of the Union Address.

The President failed to tell the American people we gave him a balanced Federal budget—and he vetoed it.

The President failed to tell the American people we gave him a bill that cut taxes for all working Americans—and he vetoed it.

The President failed to tell the American people we gave him a bill to reform welfare as we know it—and he vetoed it.

The President failed to tell the American people we gave him a bill providing $2 billion in new crime prevention programs—and he vetoed it.

And, the President failed to tell the American people we gave him a bill that increases Federal funding for education, Medicare, Medicaid, veterans and all the Federal programs that help people help themselves. The President failed to tell the American people he vetoed it.

Mr. Speaker, we did all of this and cut wasteful Federal spending and the Washington bureaucracy. We also did all this and returned the power and decisionmaking to individuals, families, and States.

The President failed to tell this to the American people in his address. Why? Because Bill Clinton believes in big government. Bill Clinton believes in Washington bureaucrats making decisions instead of the people.

The President was right when he said the era of big government is over. But the rest of his address was a last gasp for tax and spend big government. The American people rejected that philosophy in 1994 and we in Congress reject it now. We will not continue to pass on more and more financial obligations to our children and grandchildren.

Mr. Speaker, Bill Clinton needs to be more honest with the American people. He needs to have a change of heart or we need to change President.

FAREWELL TO INDIA'S ENVOY TO WASHINGTON

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. ACKERMAN. Mr. Speaker, I rise to pay tribute to one of the very finest diplomats it has been my pleasure to work with during my tenure on the House International Relations Committee, India's Ambassador to the United States, Siddhartha Ray.

I worked closely with Siddhartha during my service as chairman of the House International Relations Subcommittee on Asia and the Pacific, and we have enjoyed a close friendship for the last 4 years.

During his years in Washington, Siddhartha worked tirelessly to improve Indo-United States relations, and to promote policies designed to reduce tensions between India and Pakistan. In both of these areas, he was enormously successful.

Ambassador Ray and his embassy effectively publicized the importance of the Indian market to American business. It was during Ambassador Ray's tenure that the United States Secretary of Commerce led a high level business delegation to India.

Ambassador Ray was equally effective in helping to curtail the South Asian arms race by effectively arguing against the administration's plan to transfer advanced fighter aircraft to Pakistan.

Siddhartha and his delightful wife Maya were an extraordinary team in Washington. They came to this post after distinguished careers in law and government. Siddhartha came to understand the workings of the U.S. Congress as only a former Member of Parliament could.

I join my colleagues in wishing Siddhartha and Maya Ray the very best of luck in their future endeavors, and we hope to see them back in Washington often.

TRIBUTE TO ELIZABETH REILLY

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. REED. Mr. Speaker, it gives me great pleasure today to pay tribute to the young woman who is nearing the end of her tenure as Miss Rhode Island. Elizabeth Reilly not only displays the poise, grace, and character that are often associated with participants in the Miss America contest, she has also made a significant contribution to the welfare of Rhode Island's children.

Elizabeth is a second grade teacher at West Broadway School in Providence. Her father is a teacher, and Elizabeth has long known that she, too, wanted to enter this critical field, in which she could work to help our youngest citizens.

Three years ago, while teaching at Sackett Street School in Providence, Elizabeth saw that many of her students did not have adequate clothing. This serious problem distracted the children and prevented them from focusing their energy on learning.

To address this troubling situation, Elizabeth established a clothing bank that collected donations of clothing and distributed them to children in need. Elizabeth's selection as Miss Rhode Island attracted additional attention and donations for the clothing bank, helping her to expand this vital service. Although Elizabeth's tenure as Miss Rhode Island is nearing its end, the clothing bank that she has created will continue to benefit Rhode Island children for many years to come.

On this floor, we often state that our Nation's citizens must reach out to each other in order to address the problems confronting our communities. Today, I ask my colleagues to join me in saluting Elizabeth Reilly, whose work exemplifies the true spirit of community. I know the future holds a great deal more for Elizabeth Reilly, and I wish her all the best.

IN MEMORY OF LILLIAN VEGA

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to the memory of Lillian Vega, a remarkable woman whose lifelong commitment to her family, friends, and the Bronx contributed to the nourishment and strengthening of our community.

Today her memory will be honored by her family and friends at a meeting of Community Planning Board #9, in the Bronx.

Ms. Vega was born in Ponce, PR. When she was 15 years old, Ms. Vega and her family moved to New York. After completing high school, she married Cesar Rivera and had five children.

Ms. Vega started working as a secretary at the Hunts Point Community Corporation. Fifteen years of experience, dedication, and hard work led to her promotion to deputy director of the agency.

Ms. Vega's political career began at the Hubert H. Humphrey Democratic Club in the 1970's. She was the first Puerto Rican woman to become district leader and held this office for almost 20 years. Her co leaders included Bronx Borough President Fernando Ferrer, State Senator Efrain Gonzalez, and Councilman Rafael Castaneira Colon.

Ms. Vega also worked as a community liaison for Assemblyman Hector Diaz and, most recently, as Community Associate at Community Planning board #6.

Her active work in the community and her accomplishments led to numerous awards. Among other organizations, Ms. Vega was a member of the Puerto Rican Day Parade Committee, Cruzada Civica Del Voto, Puerto Rican Civil Rights Association, Area Policy Board, Community Planning Board #9, Bronx County Democratic Committee, and the Bronx County Democratic Women.

Ms. Vega leaves a legacy of courage, faith, hope, responsibility, love, and commitment. She is survived by her five children, ten grandchildren and one great granddaughter.

Mr. Speaker, I ask my colleagues to join me in paying homage to the life of Lillian Vega, who still remains with us through the many people she served and touched.

HON. JAMES ZANGARI, A CARING PUBLIC SERVANT

HON. ROBERT MENENDEZ

OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. MENENDEZ. Mr. Speaker, I stand before you today to pay tribute to an extraordinary individual, Hon. James Zangari, minority leader pro tem of the New Jersey State Assembly. A man, who for 20 years, has served the public with dedication and conscience. A gala tribute will be held in his honor on Friday, January 26, 1996 in Old Bridge, NJ.

Assemblyman Zangari's illustrious career in politics began almost 20 years ago. Born and raised in Newark, NJ, Assemblyman Zangari was elected as an Essex County freeholder in 1978. Shortly thereafter, he was elected assemblyman of the 28th legislative district. Since his election to the General Assembly, Assemblyman Zangari has authored more than 100 pieces of legislation. Assemblyman Zangari's legislative initiatives address many issues of great concern to the residents of New Jersey, including crime prevention, drug abuse, education, unemployment, senior citizens, and environmental consumer protection.

Through his experiences as an Essex County freeholder and executive director of Irvington's property maintenance department, Assemblyman Zangari has been able to bring expertise to his Assembly leadership position. Assemblyman Zangari is a man who takes great pride in representing the area where he grew up and truly cares about his constituents. For eight terms in the General Assembly, Assemblyman Zangari has fought hard for the issues that are important to him and his community.

While in the Assembly, Assemblyman Zangari served as a member of the Revenue, Finance and Appropriations Committee, the Subcommittee on Taxation, and the Labor and Transportation Committee, as well as many others. He was elected majority whip for the 1986–87 term and served as assistant minority leader in the 1988–89 term.

A man of extraordinary talents and a fighting spirit, James Zangari has been honored by various organizations. His many civic awards include distinctions from the New Jersey Education Association, the Essex County Education Association, the Fraternal Order of Police, Irvington, P.A.L.—Man of the Year, and Essex County PBA—Legislator of the Year.

I take great pleasure and honor in paying tribute to James Zangari. He is a man that has fought hard for issues of concern to all the citizens of New Jersey. Please join me in honoring a remarkable individual.

TRIBUTE TO MAYOR EDWARD GALLAGHER

HON. MARGE ROUKEMA

OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mrs. ROUKEMA. Mr. Speaker, I rise to recognize Mayor Edward J. Gallagher of Old Tappan, NJ, on the occasion of his retirement. Mayor Gallagher served 16 years as Mayor and 4 years as councilman. His many friends will honor him at a testimonial dinner January 21. Mayor Gallagher's 20-year contribution to municipal government has been exemplary. He will be missed.

Mayor Gallagher was sworn in as a member of the Old Tappan Borough Council in 1976 and promptly rose to key leadership positions in the borough government. He served in successive years as chairman of the council's committees on finance, pubic works and health, and police and civil defense. He was also chairman of the Old Tappan Golf Course Commission.

He became mayor in 1980 and held the post until January 1 of this year.

Mayor Gallagher's expertise was well recognized throughout the State. He was a president of the New Jersey State League of Municipalities and served on Governor Jim Florio's Municipal Issues Advisory Group, which was formed to help alleviate State fiscal problems related to municipalities. He was president of the Pascack Valley Mayors Association and a member of the Northern Valley Mayors Association and the Bergen County Republican Mayors Association. He was president of the Old Tappan Republican Club, a member of the advisory committee of the Bergen County Utilities Authority and Old Tappan's representative to the joint insurance fund.

The mayor's contribution to public service has gone beyond government office. He serves as a eucharistic minister at St. Pius X Church, and has been a trustee and treasurer of the Old Tappan Lions Club, a coach of the Old Tappan Little League and active with Old Tappan Boy Scout Troops 132.

A graduate of Pace University and of Stanford University's executive program, Mayor Gallagher is the retired financial vice president of E. Leitz, Inc., and president of Optometric Inc. of Houston.

Mayor Gallagher's long commitment to public service is well appreciated by the people of Old Tappan. I offer my congratulations on his dedicated career.

46TH REPUBLIC DAY FOR THE WORLD'S LARGEST DEMOCRACY

HON. SHERROD BROWN

OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. BROWN of Ohio. Mr. Speaker, I would like to take this opportunity to congratulate India on the 46th anniversary of Republic Day.

For 46 years India has been showing the world that an extremely diverse democracy can work. With over 52 major languages, 950 million people, in a country geographically much smaller than the United States, India has upheld the ideals of judicial review, multiparty elections, secular government, and a peaceful transfer of power.

For 46 years India has encouraged higher education and self reliance. Today India is one of the world's largest software manufacturers and has put rockets into space. Their entire domestic market has developed indiginously. Now India is considered one of the most important emerging markets in the world.

For more than 46 years Americans of Indian descent have been leaders in their communities. Indian-Americans represent one of the best educated, financially secure populations in the United States.

Now our two nations are beginning a new path. America has begun to look to other nations to do business. India has begun a remarkable economic liberalization process which has opened up one of the largest consumer markets in the world. United States companies are already the largest source of foreign investment in India and will continue to be a major provider of goods and services.

I congratulate India on their success as the world's largest democracy, and look forward to our two nations becoming ever closer in the future. I join with my colleagues here in wishing India continued good fortune for the future.

IN HONOR OF WILLIAM M. SCHREIBER OF INDIANA

HON. ANDREW JACOBS, JR.

OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. JACOBS. Mr. Speaker, once in a while strong partisans are strongly liked by both parties. It happens, I think, because even though partisan, such people are also public spirited enough to put our country first and are decent enough to care about the personal feelings of their opposite numbers.

Such a person was Bill Schreiber of Indiana whom cruel cancer took from us on January 11, 1996.

He was 52 and the father of a months-old baby boy, Will. The following shows the affection felt for him by Hoosiers who knew him, Democrat and Republican alike.

Our hearts go out to little Will and his mom, Connie. Bill Schreiber is irreplaceable.

[From the Indianapolis Star, Jan. 13, 1996]

WILLIAM M. SCHREIBER, 52, WAS STRATEGIST FOR DEMOCRATS

William M. Schreiber, 52, a key strategist for the Indiana Democratic Party and an aide to Lt. Gov. Frank L. O'Bannon, died Jan. 11 in Community Hospital East.

Calling will be Tuesday from 4:30 to 6:30 p.m. in the rotunda at the Statehouse, followed immediately by a memorial service.

Mr. Schreiber died of cancer which was discovered in October, six weeks after his wife, Connie Bainbridge Schreiber, gave birth to a son, William.

State Rep. John D. Gregg, D-Sandborn, a close friend, said Thursday: "He was probably the smartest Democratic politician, with a razor-sharp wit, to hit Indiana in the '70s and '80s and this decade."

Mr. Schreiber was the mastermind behind the election in 1990 of a majority of Democrats to the Indiana House of Representatives, ending 15 years of Republican control.

He had been an assistant to former Rep. Michael K. Phillips, D-Boonville, when Phillips was minority leader and speaker.

Mr. Schreiber also was expected to play a key role in O'Bannon's gubernatorial bid this year.

In 1968, he was treasurer of Robert F. Kennedy's presidential primary campaign in Indiana.

Mr. Schreiber was Marion County Democratic Party chairman from 1972 to 1976.

Although considered mainly a strategist in the party, Mr. Schreiber ran unsuccessfully for two political offices—for the nomination for secretary of state in 1974 and mayor of Indianapolis in 1975.

In 1976 he became a backer of presidential candidate Jimmy Carter, who stayed overnight in Mr. Schreiber's home during the campaign.

When Carter was elected president, he named Mr. Schreiber a commissioner for the International Boundary Commission, which oversees U.S.-Canada border affairs.

Mr. Schreiber also served as legislative assistant to Rep. Andrew Jacobs, Jr., D-Ind., from 1969 to 1973.

He was an adjunct professor of political science, an author and a political analyst and commentator, as well as a member of the American Civil Liberties Union.

O'Bannon said Mr. Schreiber "has been a close friend and adviser in my office and we will miss him greatly."

"The good of the community came first," O'Bannon said, "and he could explain that in terms that could be partisan, but informative, but never abusive to a republican."

Gov. Evan Bayh said: "I was very saddened to hear of Bill's death. He was a fine, hardworking man, honest and dedicated to the public interest.

"At a time when there is alot of skepticism about politicians, Bill was an honorable person who always tried to do what was right for the state. We need more of his type."

Former House Speaker Phillips said Mr. Schreiber was not only a close friend but "a real politician's politician."

"He loved politics and the governmental process.

"He was a student of government and politics, had a keen insight into what caused things to work, how to get things accomplished," Phillips added.

But Democrats were not the only ones close to Mr. Schreiber.

John Sweezy, Marion County Republican Party chairman, said he had known him since 1972, when Sweezy became the GOP chairman and Mr. Schreiber was the incoming Democratic chairman.

"He was a good friend," Sweezy said. "A fierce competitor, but a good friend."

"Fierce competitor" were the same words other Republicans used to describe him. Among them were House Speaker Paul S. Mannweiler, R-Indianapolis, and GOP strategist R. Mark Lubbers.

Lubbers, presidential campaign manager for U.S. Sen. Richard G. Lugar, matched political wits and quips with Mr. Schreiber for years on radio and television on the political insight program, Indiana Week in Review.

"I think he was one of the very best political minds of our time," Lubbers said. "Bill understood the nuts and bolts of how to get voters to the polls on Election Day. No matter how much politics changed with television, Bill never lost sight of the absolute core of democracy."

And in an era when professional politicians are reviled by many, Mr. Schreiber was proud of his profession.

"Bill had been doing this long enough that he stopped caring what people thought about him being a political guru," Lubbers said.

"He was satisfied he was doing something very, very important. He was absolutely one of the very best."

Memorial contributions may be made to the William Riley Schreiber Education Fund, P.O. Box 24253, Indianapolis, Ind. 46224.

Survivors include: wife Connie; sons Matthew, Benjamin, William; daughter Claire Aileen; parents Rudolph and Margaret Schreiber; brothers Robert, Richard, Matthias Schreiber; sister Nancy Hagist.

[From the Indianapolis News, Jan. 13, 1996]

WILLIAM M. SCHREIBER

William M. Schreiber was one of those unsung heroes who made the political system work.

Schreiber died this week at the age of 52, leaving a gap in Indiana Democratic Party circles.

His death is a loss not only to the campaign for governor of Lt. Gov. Frank O'Bannon, but also to other Democrats who had come to rely on his wisdom and counsel.

"He was one of the most civil-minded people I've met in government and politics,". O'Bannon said, "The good of the community came first, and he could explain that in terms that could be partisan, but informative, but never abusive to a Republican."

Schreiber served Democrats in a number of capacities, as Marion County party chairman in the 1970s, as an aide to House Speaker Michael Phillips, then as an aide to O'Bannon.

"Bill understood the nuts and bolts of how to get voters to the polls on Election Day," noted Mark Lubbers, presidential campaign manager for Sen. Richard Lugar, R-Ind.

Schreiber had the kind of friendships across party lines that can keep two-party politics competitive, without getting nasty about it. "He was a good friend," said Republican county chairman John Sweezy. "A fierce competitor, but a good friend."

In a time when many people are mourning the loss of civility in political debate, Schreiber's example will be missed in Indiana, in both political parties. But his life and example remain a standard for those who continue in the political battles.

MEDICAID

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mrs. SCHROEDER. Mr. Speaker, I got a letter from the director of the Office of Management and Budget yesterday that made me glad once again that the President vetoed the Republican budget reconciliation bill.

OMB tells me that my State of Colorado would lose more than $1 billion under the Republican proposal to block grant Medicaid, as the reconciliation would have done.

Now, I think it's important to remember who the Republicans would have shortchanged under their Medicaid cuts—low-income families, elderly, and disabled. And they're still working on making this come true.

As OMB put it, the Republican reconciliation bill would have made extreme cuts in Medicaid. Colorado is just one example:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, January 22, 1996.

Hon. PATRICIA SCHROEDER,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE SCHROEDER: Thank you for your letter to the President expressing your particular concern about the devastating effects H.R. 2491 would have for the Medicaid program. The President asked me to respond on his behalf.

As he promised all along, the President vetoed H.R. 2491, the budget reconciliation bill adopted by the Republican majority. This bill would have balanced the budget on the backs of working families, while targeting a tax cut to those who are already the most well-off. It would have made extreme cuts in Medicare and Medicaid, and raised taxes on millions of working Americans.

The President has offered instead a detailed plan to balance the budget the right way. It balances the budget in 7 years while investing in education, the environment, and other priorities, protecting Medicare and Medicaid, and cutting taxes for middle-income Americans.

Your letter mentions a specific concern about reductions in Colorado's federal Medicaid funds for disproportionate share hospitals (DSH). I understand that Colorado would lose more than $1 billion under the Republican proposal to block grant Medicaid. We are committed to maintaining the Medicaid program as a source of guaranteed coverage for disabled and low-income Americans and will work with you and your colleagues to ensure that our plan to reduce the growth in DSH payments is fair to all states.

Thank you again for writing.

Sincerely,

ALICE M. RIVLIN,
Director.

A TRIBUTE TO DAZELLE DEAN SIMPSON, M.D., ON HER RETIREMENT

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. HASTINGS of Florida. Mr. Speaker, as educator Geraldine Rickman stated, "Firsts are always difficult. We don't know that things can be done, that dreams can be fulfilled, that great accomplishments can be realized, until somebody takes that first step and shows the way." Indeed, Dr. Dazelle Dean Simpson did not just take that first step, she blazed a trail.

Certain endowments of temper and temperment can be attributed to Dr. Simpson's significant firsts. She attended Meharry medical School in Nashville, TN, the first medical school founded for the sole education of blacks. Her years there were marked by hard work and high intelligence, as evidenced by her selection as valedictorian of her M.D. class.

Excellence in education translated into outstanding achievements throughout her career. Dr. Simpson has devoted 47 years to practicing medicine. She has accomplished a ground-breaking collection of notable firsts, including being the first black pediatrician in Florida, the first to achieve specialist certification in her specialty and the first black president of the Greater Miami Pediatrics Society.

Child care and preventive medicine are areas of concern and commitment for Dr. Simpson. She was the first black pediatrician to conduct a children's clinic for the poor in Dade County. In fact, the Family Christian Association of America recently dedicated a new child development center in Buena Vista. "Before I came here," Dr. Simpson said, "a lot of people did not even know the word pediatrician, or why it was important to go to one." As vice-chairman of the board of directors of the Miami Children's Hospital, she certainly has done a lot to change that.

Even with her busy practice, Dr. Simpson has found the energy and the time to advance the cause of medical education. She served as the national president of Meharry Medical College, and was elected Alumna of the Year in 1975 and 1995. She is a life member of the NAACP, attesting to several years of continuous service.

In addition to her professional success and community efforts, Dr. Simpson is a mother of three children and an active participant in her church. And although she is a very accomplished woman, she is modest and reluctant to call attention to her achievements. It is in this spirit that, on the occasion of her retirement, I would like to pay tribute to a role model, for all Americans, Dr. Dazelle Dean Simpson.

RECOGNITION OF FRANK PEDONE

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mrs. ROUKEMA. Mr. Speaker, I rise to recognize Frank J. Pedone, executive vice president of the Bergen County—New Jersey—Council of the Boy Scouts of America. Mr. Pedone will be presented with the distinguished Eagle Scout Award January 19 at the council's Eagle recognition dinner. This is one of scouting's highest honors, presented to only 1,200 individuals nationwide. It is a fitting and well-deserved recognition of Mr. Pedone's many years of devoted dedication to scouting and to the young men for whom scouting helps build character and integrity.

The distinguished Eagle Scout Award was established in 1969 to acknowledge Eagle Scouts who have distinguished themselves in business, professions, or service to their country. Only Eagle Scouts who have earned the Eagle Scout Award a minimum of 25 years are eligible for nomination. The award is made by the National Court of Honor upon the recommendation of a committee of distinguished Eagle Scouts.

Among past recipients have been President Gerald Ford, astronaut James Lovell, and movie director Steven Spielberg.

Mr. Pedone, of Cliffside Park, NJ, achieved the rank of Eagle Scout in 1963 and has received many scouting awards since, including the Award of Merit, Silver Beaver, Vigil Honor, Silver Wreath, Distinguished Commissioner Award and Silver Antelope. He has served as a board member of the Bergen Council since 1988 and has held many leadership positions within the council. He also serves on the executive board of the Greater New York Council of the BSA, with which he has been active since 1972.

As president of Pedone & Associates Inc., an executive recruiting firm, Mr. Pedone has used his professional skills and contacts to bring numerous high ranking and talented executives into scouting service. He and those he has recruited—both as volunteers and for BSA staff positions—have helped tremendously with BSA fundraising and organization of scouting units and activities.

He was instrumental in establishment of the $7 million Cub World facility built at Camp Alpine for Cub Scouts, among other projects.

Mr. Pedone's public service has not been limited to scouting. He has been active in the Catholic church, serving as Parish Council President, a district warden of the Knights of Columbus and chairman of a parish youth council. He has been president of three homeowners associations. He is a member of the New York University Fundraising Committee and has been cited by the New Jersey Assembly for his community service.

Mr. Pedone is a wonderful example of how a successful individual can give something back to his community. He has followed his scout's oath to do his best, to do his duty to God and country, and to help others at all times.

MARIA CHRISTINA ROSA, A DEDICATED COMMUNITY LEADER

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to honor Maria Christina Rosa, who is retiring as the president of the Puerto Rican Society of Elizabeth. An event will be held in her honor on Saturday in Union, NJ.

Ms. Rosa came to the United States from her native hometown of Tao Alto, Puerto Rico, in 1956. As a graduate of the University of Puerto Rico, Ms. Rosa attended Edison State College and worked at John E. Runnell's Hospital in Union as a patient services coordinator for 20 years. In 1979, she began working with the U.S. Equal Employment Opportunity Commission and for 16 years she has devoted herself to helping individuals fight for their civil rights.

Despite her very busy work load, Ms. Rosa is very active within the community. She has dedicated her time and efforts to improving our educational system by serving as a member or delegate in numerous city and statewide committees related to education. She served as secretary for the Advisory Committee for Bilingual Education in Elizabeth and until recently was one of the members of the Elizabeth Educational Foundation.

As president, for the past 6 years, of the Puerto Rican Society of Elizabeth, Inc., Ms. Rosa has been able to raise funds for educational scholarships. The various ethnic, historical, and cultural celebrations hosted by the Puerto Rican Society of Elizabeth have given the community an opportunity to experience the rich cultural heritage of Puerto Rico. She has also volunteered her time for a variety of social and community organizations such as the Puerto Rican State Wide Parade of New Jersey, the Puerto Rican Association of Professional Women, the Puerto Rican Congress of New Jersey, and the Elizabeth Borinquen Lions Club.

Her service and outstanding dedication to her work and to the citizenry have merited her appointments as commissioner of the Elizabeth Welfare Board, commissioner of the Union County Advisory Commission on the Status of Women, and commissioner of New Jersey State Equal Employment Opportunity Advisory Commission.

I ask that my colleagues join me in honoring Maria Christina Rosa, an outstanding community leader and role model. I wish her the best of luck on her retirement, may she always maintain that spirit of generosity and love that she has given to the public.

EXPRESSING SUPPORT FOR THE AMERICAN TROOPS IN BOSNIA AND HERZEGOVINA

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. KINGSTON. Mr. Speaker, I enter the attached resolution, H.R. 791, from the House of Representatives of the State of Georgia, into the CONGRESSIONAL RECORD:

H.R. No. 791

By: Representatives Bunn of the 74th, Heckstall of the 55th, Hembree of the 98th, Mueller of the 152nd, Brown of the 130th and others

A RESOLUTION

Expressing support for the American troops in Bosnia and Herzegovina urging President Clinton and the Congress to give the troops sufficient resources to ensure their well-being; and for other purposes.

Whereas, President Clinton has dispatched American troops to assist in supervising the fragile peace in Bosnia and Herzegovina; and

Whereas, those American men and women along with their NATO counterparts are experiencing severe hardship and facing real personal danger in order to protect the former combatants and their respective civilian populations in that tragic region; and

Whereas, those brave men and women deserve not only our moral support but also the real material support necessary to ensure their safety in a hostile environment.

Now, therefore, be it resolved by the House of Representatives, That the members of this body express their confidence that the American troops deployed in Bosnia and Herzegovina will acquit themselves professionally and honorably, pledge their unreserved support for the American troops, and pray that their mission will bring a return of peace and prosperity to the citizens of the region.

Be it further resolved, That the members of this body urge the President and Congress to provide the United States contingent with the resources and support necessary to ensure the success of their mission and their early safe return home.

Be it further resolved, That the Clerk of the House of Representatives is authorized and directed to transmit appropriate copies of this resolution to President Clinton, the presiding officers of the House of Representatives and Senate, the majority leader of the Senate, and the Secretary of Defense.

TRIBUTE TO EIGHTH LEGISLATURE OF THE VIRGIN ISLANDS

HON. VICTOR O. FRAZER

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. FRAZER. Mr. Speaker, today, I would like to pay tribute to the members of the eighth legislature of the Virgin Islands, with special recognition of Dr. Melvin Herbert Evans posthumously, the Governor of the Virgin Islands who signed this historic legislation into law.

The legislature of the Virgin Islands, in 1970 designated January 15, the birthday of Dr. Martin Luther King, Jr. as a legal holiday, in the Virgin Islands. The legislation was proposed by the Committee of the Whole, which included Senators John L. Maduro; Randall N. James, David Puritz; Earle B. Ottley; Augustin Doward; Louis P. Hestres; Horace A. Callwood; Alexander A. Farrelly; Santiago Garcia; David M. Hamilton; Arnold M. Golden; Frits E. Lawaets; Theovald E. Moorehead; Aureo Diaz Morales; and Percival H. Reese. It was received at the legislative desk February 2, 1970, reported, read in full and adopted February 2, 1970 transmitted to the Governor February 5, 1970 and approved February 16, 1970, to become effective in 1971.

This legislation became bill No. 4293 which states: It is most fitting and proper that the anniversary of the birth of Dr. Martin Luther King, Jr. be set aside each year as a day to honor the memory of a leader who symbolized the freedom and faith of America. The life, works, and philosophy of Dr. King brings to Americans and Virgin Islanders the hope and dream that what he stood for will one day become a reality. All Virgin Islanders and particularly our youth, may take comfort and gain encouragement from the life of this great apostle of nonviolence who sought through constructive measures justice and liberty for all mankind. We Virgin Islanders have long prided ourselves in having attained the liberty, justice, and brotherhood for which Martin Luther King gave his life. Therefore, let us annually, on January 15, commemorate Dr. King and examine our hearts to determine that we are honoring the dream and fulfilling the vision of brotherhood, justice, and individual liberty that gave true purpose to the life and works of Martin Luther King.

The passage of this legislation made the Virgin Islands the only place under the U.S. flag to legally celebrate the birthday of Dr. King, which also gives it historical significance. Mr. Speaker, on the 25th anniversary of the passage of this historic legislation by the eighth legislature of the Virgin Islands, I pay tribute to those individuals for their leadership and foresight. Because 13 years later in 1983, as outlined in Public Law 98–144, Dr. Martin Luther King, Jr.'s birthday became a national holiday.

SUPPORT PEACE, DEMOCRACY, AND JUSTICE FOR ALL OF TURKEY'S CITIZENS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to offer a resolution advocating a peaceful end to the conflict between the Turkish Government and Kurdish militants. The ongoing war undermines the very foundations of both the Turkish State and our bilateral relations and its persistence challenges the desires of the United States and Turkish Governments to establish a secure, long-term relationship. For the sake of the people of Turkey, the end of the conflict will strengthen Turkish democracy, help eliminate the scourge of terrorism, resuscitate a shaky economy and promote regional stability.

Mr. Speaker, Turkey is home to half of the world's 25 million Kurds and has experienced 28 Kurdish uprisings in the past century. Since 1984, more than 20,000 people have died in clashes among security forces, the Kurdistan Workers Party [PKK] and shadowy Moslem fundamentalist groups. In the past 3 years, security forces forcibly evacuated or destroyed more than 2,650 villages in southeast Turkey and displaced more than 3 million people. Villagers have been rounded up by security officials and subjected to beatings, mass arrests and intimidation. Death squads, believed connected to security forces and fundamentalists, have been responsible for hundreds of extrajudicial killings and disappearances. PKK fighters have also snuffed out the lives of innocent civilians. Each month there are reports of individuals killed in detention and torture remains widespread in cases involving political charges. Eight southwestern Turkish provinces are under a constant state of emergency authorizing local authorities to curb political and media activity.

Mr. Speaker, successive Turkish Governments have viewed the PKK solely as a terrorist phenomenum undermining its sovereignty and dividing the country along ethnic lines. The Government has dismissed as propaganda recent PKK statements renouncing violence and separatism and calling for peaceful and lasting political solutions. Turkey's Government has given the military free reign in responding to the PKK, and its heavy-handed approach has also stifled legitimate Kurdish political voices.

Mr. Speaker, in southeastern Turkey, citizens are often forced to choose between supporting the guerrillas and risking violent reprisal by Turkish security—or not helping and facing equally harsh PKK retribution. Locals believed to be sympathetic to Turkish authorities have been executed by the PKK. Eleven years of violence has polarized Turks and Kurds and threatens to rend Turkish society along ethnic lines. Kurds, resentful of military abuses, become more supportive of the PKK. Turks, angered by the costs and brutality of terrorism, become increasingly intolerant of the rights of Kurdish citizens.

Mr. Speaker, no one disputes Turkey's key role in preserving U.S. strategic, political and economic interests in a critical region. However, the inability of successive Turkish Governments to resolve the Kurdish crisis remains an obstacle to improved ties and enables persistent human rights problems to stunt Turkey's democratic development. The time has come for Turkey's true friends and supporters to call on all sides in the conflict to abandon violence and settle their differences peacefully, democratically and within the framework of the territorial unity of the Republic of Turkey. Following recent elections, Turkey's Government finds itself in a state of protracted paralysis. Observers believe that any new government is unlikely to offer substantially new approaches to the Kurdish issue because of prevailing nationalist sentiments and the possibility of new elections in the near future. Additionally, Turkey's military supports the war in southeast Turkey, although its approach has failed to do anything but foster local support for the PKK.

Mr. Speaker, I have learned from our experiences dealing with the PLO and Israel, the ANC and South Africa, and the IRA and Britain, that the longer it takes to begin reconciliation, the harder it becomes to look beyond the bloodshed and suffering. Mr. Speaker, violence will not resolve this conflict. The time for dialog is long overdue.

Mr. Speaker, the U.S. Government has often been instrumental in promoting peace in troubled areas. So too should we demonstrate our commitment to encouraging the resolution of this destructive and bloody conflict. The resolution which I am introducing, along with Mr. STENY HOYER, ranking minority member of the Helsinki Commission, is an important first step in this direction. I would ask our colleagues to join us in cosponsoring this resolution. I ask that the language of the resolution be printed in the RECORD at this time.

H. CON. RES. ____

Whereas armed conflict has existed in southeastern Turkey since 1984, and the entire region has been placed under a state of emergency since 1987;

Whereas the human toll of this conflict has been great, with the loss of more than 20,000 lives, the displacement of more than 3,000,000 civilians, and the destruction of more than 2,650 Kurdish villages;

Whereas free expression in Turkey is restricted by laws which criminalize nonviolent expression, resulting in the incarceration of journalists, writers, academics, human rights activists, and others as political prisoners;

Whereas in the past 2 years, 13 Kurdish members of Turkey's parliament have been removed from office, jailed, or exiled for expressing political opinions or having alleged contacts with the illegal Kurdistan Workers Party (PKK);

Whereas Kurdish citizens of Turkey have been denied certain basic political and civil rights such as the right to full and free participation in political life, the right to be educated in their mother language, and the right to freely write and publish materials in the Kurdish language;

Whereas the conflict between Kurdish guerrillas and Turkish armed forces has spilled over Turkey's borders and threatens the stability of the region;

Whereas the escalating conflict poses grave threats to economic stability and the existing political order and prevents realization of full-fledged democracy;

Whereas international and local humanitarian organizations, including the International Committee of the Red Cross, have been denied access to southeastern Turkey;

Whereas terrorism poses a grave threat to human rights and violates international law;

Whereas Turkey's leaders have made commitments to building a democratic society and have made significant progress in realizing this goal;

Whereas the Government of Turkey has acceded to upholding international human rights agreements, including the United Nations Universal Declaration of Human Rights, the Geneva Conventions, and the Helsinki Final Act;

Whereas Turkey, a member of the North Atlantic Treaty Organization and the Organization for Security and Cooperation in Europe, is an important strategic and economic partner of the United States;

Whereas long-term strategic and economic interests of the United States are jeopardized by the continuing conflict in Turkey;

Whereas after 11 years, Kurdistan Workers Party (PKK) guerrilla leaders have offered to lay down their weapons;

Whereas a military solution to the Kurdish question in Turkey is not possible, and only a nonviolent political solution can bring peace, stability, full democracy, and prosperity to Turkey; and

Whereas such a solution must be sought and implemented within the framework of the territorial unity of the Republic of Turkey: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the Government of Turkey should immediately release all political prisoners and lift restrictions on free expression and thereby enable all Turkish citizens, including those of Kurdish origin, to enjoy the political and cultural rights of peoples in all democratic countries;

(2) the President should take every opportunity to encourage the Government of Turkey to initiate steps to end the armed confrontation in that country;

(3) the Kurdistan Workers Party (PKK) should declare a cease-fire and restate support for resolution of the conflict through democratic means and within the framework of the territorial unity of the Republic of Turkey;

(4) the Government of Turkey should declare a cease-fire and reaffirm a foundation upon which its Republic is based: "Peace at home. Peace in the world";

(5) upon cessation of hostilities, the International Committee of the Red Cross and other appropriate humanitarian and monitoring organizations should be given access to southeastern Turkey;

(6) the Government of Turkey should take steps to further reduce the potential for future confrontation, including—

(A) allowing all political parties committed to nonviolence to participate in Turkish political life;

(B) repealing the state of emergency in southeastern Turkey;

(C) dismantling the paramilitary "village guard" system;

(D) lifting all constraints on the dissemination in the Kurdish language of television and radio broadcasts, print, music, and other media;

(E) allowing schools to offer instructions in the Kurdish language; and

(F) establishing consultative mechanisms to defuse sources of conflict and propose strategies to resolve current crisis in southeastern Turkey; and

(7) the President should support providing technical assistance to carry out paragraphs (1) through (6).

SAMHSA REGULATIONS

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. GORDON. Mr. Speaker, I came to the floor last August to express my opposition to Food and Drug Administration [FDA] Commissioner David Kessler's unilateral move to regulate tobacco products.

I said that I supported the President's goal in reducing underage use of tobacco products, but the answer was not FDA regulation. Thirteen Federal agencies already regulate tobacco.

I remarked that Congress had already spoken on the matter of youth access to tobacco products by passing the Synar amendment to the Substance Abuse and Mental Health Services Administration [SAMHSA]. I encouraged the President to direct the Health and Human Services [HHS] to release the final SAMHSA regulations so the will of Congress can proceed.

Mr. Speaker, I come to the floor today—6 months later—to express my support for the final SAMHSA regulations. Now everyone can join hands and work together toward a common goal.

The actions called for in the regulations are the most immediate and effective way to make positive gains in reducing youth access to tobacco products. The regulations recognize that the individual States—all of which have laws on the books which prohibit minors from purchasing tobacco products—are better equipped to enforce these laws than the Federal Government.

Under the regulations, States are required to enforce their laws preventing the sale of tobacco to minors in a manner that is at least 80-percent effective. States will have to conduct annual random, unannounced inspections to ensure compliance with the law. In addition, each State will be required to submit an annual report detailing its activities and its overall success.

Mr. Speaker, the issue here is not whether juvenile use of tobacco products should be curbed. Everyone agrees it must be. Rather, the question is how best can we make immediate and effective advances. Commissioner Kessler's unilateral attempt to create jurisdiction is not the answer. Over 3 years ago, Congress overwhelmingly asserted its commitment to prohibiting minors from purchasing tobacco products. Finally, Mr. Speaker, we now have the ability to start down the road of progress.

INDIA REPUBLIC DAY: A CELEBRATION OF 46 YEARS OF DEMOCRACY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. PALLONE. Mr. Speaker, tomorrow, January 26, is a date of enormous significance for all the people of India, and for the many sons and daughters of India living in the United States and around the world. January 26 marks the celebration of Republic Day, a national holiday that holds the same significance for Indians as the Fourth of July does for Americans.

On January 26, 1950, India became a Republic. The country adopted a Constitution which enshrined the principles of democracy and secularism. At that time, Dr. Rajendra Prasad was elected as the nation's first President. Since then, despite the challenges of sustaining economic development while reconciling her many ethnic, religious and linguistic communities, India has stuck to the path of free and fair elections, a multi-party political system, and the orderly transfer of power from one government to its successor.

Since many Americans may be unfamiliar with the anniversary that the people of India celebrate tomorrow, I would like to draw particular attention to the similarities and shared values of the United States and India. The framers of the Indian Constitution drew inspiration from our own Constitution and its Bill of Rights. Both of our countries are former British colonies that gained their freedom after a long and difficult struggle. English continues to be an important language of commerce in India, while the principles of common law continue to shape the nation's judicial system. Many Americans almost instinctively saw in Mahatma Gandhi a reflection of values that our country holds dear. During this month when we celebrate the birthday of one of America's greatest heros, Martin Luther King, Jr., we should remember that Dr. King derived many of his ideas of non-violent resistance to injustice from the teachings, actions, and self-sacrifice of Gandhi.

Mr. Speaker, I am happy to report that United States-India relations are continuing their trend toward greater cooperation and partnership on many key issues. Last year was marked by an unprecedented flurry of visits—in both directions—from leading government and private sector officials from both countries. Three United States Cabinet Secretaries travelled to India during 1995, and major contracts valued in the billions of dollars were concluded. In my capacity as cochairman of the Congressional Caucus on India and Indian-Americans, I am proud that our bipartisan Congressional Member Organization has been able to host forums for Members of Congress to hear from these distinguished Indian leaders, including Cabinet Ministers, Members of Parliament, opposition leaders and the heads of major firms and trade organizations. In 1996, I hope we in Congress will continue to make it a high priority to continue this momentum and move it forward. The steady improvement in United States-India relations will benefit the people of both of our countries.

In addition, Mr. Speaker, I want to point out that Republic Day will be celebrated by the one million Asian Indians here in America, a community of hard-working, family-oriented people who have contributed greatly to their new country while maintaining pride and devotion to their motherland.

Finally, Mr. Speaker, Republic Day 1996 marks one of the final events to be presided over by Ambassador Siddhartha Shankar Ray. After more than 3 years of representing his country in Washington, Ambassador Ray is returning home and returning to the political fray in this year's parliamentary elections. I would like to take this opportunity to wish a fond farewell to the Ambassador and his wife Maya Ray, herself a barrister, a former Member of Parliament, and an effective representative for her country before the international community.

Mr. Speaker, it is an honor for me, an elected Representative of the oldest continuous democratic republic on Earth, to pay tribute to the world's most populous democracy on the occasion of their great national day.

IN MEMORY OF AMBER HAGERMAN

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. FROST. Mr. Speaker, I would like to take a few moments to apprise my colleagues of a tragic incident which recently occurred in my congressional district.

Earlier this month, Amber Hagerman, a 9-year-old girl from Arlington, was kidnaped and murdered. The autopsy has not yet been completed; however, it is likely that Amber was sexually assaulted.

The crime has sparked national outrage over the brutality of the incident. Amber was kidnaped from the parking lot of a vacant shopping center on January 13. For a week, volunteers and police searched the city of Arlington hoping that they would find her safe and sound. Her body was found almost a week later on January 17. The authorities are still searching for her killer.

Arlington citizens, deeply disturbed by the incident, have held numerous community meetings and are urging passage of more State and Federal laws to strengthen prosecution of sex offenders.

I share the concerns of my constituents and agree that there is an urgent need to toughen the sentences for sex offenders.

I urge my colleagues to support legislation addressing these types of crimes. It is high time that we lock up these repeat sex offenders and throw away the key. Stricter sentencing laws can prevent sex offenses and protect our citizens from such heinous crimes.

J. KENNETH BLACKWELL AND STEVE ENTIN, TWO TREASURES IN MY DISTRICT

HON. STEVE CHABOT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. CHABOT. Mr. Speaker, the Cincinnati district that I am privileged to represent has an abundance of treasures. One of them is a good friend and former colleague of mine from our days together on the Cincinnati City Council, J. Kenneth Blackwell. After leaving the council, Ken went on to serve as Assistant Secretary for the Department of Housing and Urban Development and then as ambassador to the United Nations Human Rights Conference in Geneva during the Bush administration. He recently became the first African-American ever elected statewide in Ohio and now serves as State treasurer. He also serves as a member of the National Commission on Economic Growth and Tax Reform, which last week issued its much heralded recommendations for a new Federal tax system. Goodness knows, the present Internal Revenue System is an atrocious mess in need of complete overhaul.

I was privileged this last Martin Luther King Day to attend the Cincinnati ceremony in which Ken and his distinguished wife Rosa were presented the prestigious Dreamkeepers Award. Today, I would like to enter into the CONGRESSIONAL RECORD a November 15 speech delivered by my friend, Ken Blackwell, at Ashland University's Ashbrook Center for Public Affairs (established in honor of the late, legendary Ohio Congressman John M. Ashbrook). Additionally, I'd like to include an article written by Mr. Blackwell and Steve Entin, resident scholar at the Institute for Research on the Economics of Taxation, published in the January 18 edition of the Cincinnati Post.

The speech and article follow:

DEVOLUTION—REVOLUTION IN THE THIRD CENTURY

(By J. Kenneth Blackwell, Treasurer of State of Ohio)

For baseball fans in our home state, 1995 was a remarkable year. It was when Ohio became the third state to have two teams involved in major league post-season play in the same year. It is regrettable that Georgia's only team killed the Ohio I-71 World Series by knocking out the southern end, and that it then compounded its inconsiderate behavior by depriving the northern end of the championship. Still, for Ohioans, it was the greatest baseball year ever. Until next year.

The Season was still in full swing when I began thinking about what I would say here today. Perhaps that is why a baseball story from the sixties came to mind. Even for nonfans, the name Frank Robinson should ring bells. My first paying job was selling peanuts at old Crosley Field, and one of that job's most important fringe benefits was watching Frank Robinson play ball. Frank was a more than adequate defensive player in the outfield and at first base, but he is remembered because he was an offensive dynamo. He hit for average and he hit with power. He made all-star teams in both the National and American Leagues, he played in World Series for teams in both leagues, and he was voted MVP in both leagues. Frank became the first African American hired to manage a major league team. He also had the dubious distinction of becoming the first one fired. He was one of two players in what some people consider the worst baseball trade ever made. Reds management called him old-at-thirty and traded him to Baltimore for Milt Pappas, which had the unfortunate side effect of laying a bad Trivial Pursuit rap on a very good pitcher.

The story, which I confess may be apocryphal, takes place after Frank became a Baltimore Oriole. It is the bottom of the ninth. The Orioles are down by one run, but the bases are loaded, and Robinson is coming to bat. The crowd is going wild. You can cut the tension with a knife.

Earl Weaver, the legendary Manager of the Orioles, looks over at Frank in the on-deck circle. He must see visions of grand slam dancing in Frank's eyes. Weaver crooks his finger to beckon Frank over. He puts his face in Frank's face. In a low, deadly tone-of-voice, Weaver says, "Listen up, Mr. All-Star! Not too hard, and not too soft! Just la-de-da!".

Frank smiles at his manager. He nods. He goes to the plate, and he lays that beautiful grooved swing of his on the first pitch. He hits a frozen-rope single to center and drives in the tying and winning runs.

"Not too hard, and not too soft! Just la-de-da . . .!

That is what we must learn to do with our government as we enter our third century of nationhood. We are a nation of home run hitters. We have a two hundred year history of swinging from our heels. More often than any nation in history, we have hit home runs, but all too often these days, we strike out.

Especially at the federal level, we have forgotten that our national game is baseball, not sumo wrestling. We have considered it acceptable to weigh five hundred pounds as long as we stayed strong. It is time now for us to get back in shape. It is time for us to learn to be disciplined at the plate. We have to make our government not too hard and not too soft, not too fat and not too lean, not too big and not too small . . . just la-de-da . . .

This will not be easy for us because imbedded in our national character, indeed, imbedded in our language, is the idea that bigger is better and smaller is worse.

Expansion is good. Shrinkage is bad.

Generous people are big people. Selfish people are small.

Successful companies are green and growing. Unsuccessful companies are contracting and dying.

Not until we are talking about diets or tumors do we arrive at the idea that becoming larger can be unhealthy and becoming smaller can be beneficial, yet that is exactly the thinking we must apply to our government if we are to return national growth to the places where we want growth.

I submit that we want growth in personal opportunity. We want growth in personal freedom. And for Americans to have more personal opportunity and more personal freedom, we have to reduce the intrusion of government into our lives at all levels, but especially at the federal level.

Today our most conspicuous area of national growth is in the national debt. Some people think that our nation has been in hock from the time we fought the Revolutionary War on borrowed money, but this is not so. It is true that we entered the nineteenth century with a debt of almost one hundred million dollars, about fifteen dollars per capita in the money of that time. This would be roughly one hundred fifty dollars in today's money. The debt went up to finance Thomas Jefferson's Louisiana Purchase, but it was then steadily worked down under James Madison, James Monroe and John Quincy Adams. In 1832, Andrew Jackson was elected President, and, believe it or not, toward the end of the first term of the first modern Democrat, thanks to rapid economic growth and prudent fiscal management, the debt was eliminated. Our political landscape today would have a very different look if Jackson's Democratic successors had been equally tightfisted.

Through our first century and a half, the national debt reached its highest levels as a consequence of wars, and it was always paid down between wars. Expressed in terms of Gross National Product, the debt was close to half of GNP coming out of the Revolutionary War. From zero in 1835 and 1836, it went over twenty-five percent of GNP in the aftermath of the Civil War, and again after World War One. It reached its all-time high, about one and a quarter times GNP, following World War Two. It came down in the sixties and seventies, but its low then was still higher than the highs following the previous century's wars. And from about a third of GNP in 1980, the debt has soared to more than half of GNP today.

What has caused this growth where we do not want growth? Well, it is not low taxes. Total tax revenues have more than doubled since 1980. Taxes now consume more than forty percent of the income of the average American family. Taxes cost that family more than food and clothing and shelter combined. Taxation at the state and local levels in most parts of the country is relatively restrained. The lion's share of the American family's confiscatory tax burden goes to the federal level.

Our federal government is a five hundred pound baseball player. There is no meal of tax dollars large enough that it will not wolf it down and growl for more. We have to get the monster on a diet before it kills itself and us with it.

The first steps in curbing the federal appetite for our money have just been taken by both houses of Congress in passing budget bills which will eliminate the deficit in seven years. Differences between the bills will soon be worked out in conference committee, but there is no assurance that they will go into effect in the form they are passed because of a threatened veto.

There is a straight forward solution to this kind of obstacle to balanced budgets and ultimate elimination of the national debt. It is the balanced budget amendment to the Constitution. Forty-nine of our fifty states had balanced budgets last year. Forty-eight of those have balanced budget requirements in their constitutions. There is no doubt that some members of all of those legislatures could, and would, have found ways to spend more tax money than their states took in, but they did not because they could not. We need the same discipline at the federal level.

If the subject were not so serious and the need for the amendment so clear, the arguments of its opponents last year would have been funny. They remind me of a wonderful song in an album made some years ago by Harry Belafonte and Odetta. Odetta tells Harry, her husband in the song, to fetch some water. He can't fetch the water because the bucket has a hole in it. She makes a series of suggestions for solving the problem. He has a new objection to every suggestion. Toward the end of the song, she tells him to use a straw to mend the hole. He cannot use a straw because it is dry. She tells him to wet the straw. He cannot do that because he has no water. She tells him to fetch some water, and that brings him full circle. He cannot fetch water because the bucket has a hole in it.

The opponents of the balanced budget amendment came up with an array of arm-waving objections to it, some on lofty, if somewhat vague, constitutional principles, but the bottom line is one reason is as good as another when you do not want to do something. If only one Senate opponent changes his or her mind during the session, the amendment may yet pass during this session, but if that does not happen, the American people will surely change the composition of the next Congress to pass it. And if that prediction is correct, I have to believe that the legislatures of three-fourths of the states will hear the message clearly enough to make it happen in short order.

Requiring the Congress and the President to go on the line for the taxes necessary to support their spending will help immensely in reducing the federal appetite for our money, but in my judgment we need action which goes beyond that.

Ten states now require a super-majority in their legislatures to increase taxes. I am a strong advocate of this form of taxpayer protection, and I believe that Ohio will soon join the ten states which have it in place.

The super-majority idea should be applied at the federal level. Opponents say it is somehow anti-democratic to require more than a simple majority to raise taxes. They apparently think it is all right to require a two-thirds majority when the subject is amending the constitution, or going to war, or impeaching a president, but such a requirement is not all right when the subject is taking the property of one citizen to give to another. It would be interesting to see what the result would be if this question were put to a national referendum. I have a hunch it would pass by a super-majority.

The third area of taxation which belongs in the federal government's diet is the tax code. All of us know it is a mess, but just how much a mess strains belief.

In 1950, the tax code had one hundred and three sections. It now has one thousand five hundred and sixty-four sections.

In the past forty years, Congress has on average changed the tax code every one point three years.

Since the last major overhaul in 1986, there have been four thousand changes in the tax code.

There are seventeen thousand pages of Internal Revenue Service rules.

Each year, the IRS prints eight billion pages of tax forms.

Americans spend five point four billion hours filling them out.

Individuals and corporations spend, or should I say waste, in excess of two hundred and fifty billion dollars worth of time per year to pay their taxes.

I believe that the time is right to simplify the federal tax system to the point that we can reduce Form 1099 to a postcard and virtually eliminate the Internal Revenue Service.

I am serving on a National Commission to reshape the tax code for Senator Dole and Speaker Gingrich. Our mission is a major overhaul, not an academic review. I cannot discuss the deliberations of the Commission at this point in our work, but I can discuss some ideas I believe have merit as we move toward a better system.

I have a strong personal bias toward systems which encourage savings and investment. I would prefer a system which would tax consumption instead of income, but for solid, practical reasons, mostly rooted in the inseparability of our national economy from the global economy, I think we need to continue to rely on the basic structure of an income tax.

We can and must vastly simplify our income tax. The starting point is a single-rate tax at about twenty percent of income. I favor a substantial exclusion from paying this tax, perhaps thirty thousand dollars for a family of four. This structure passes the tests of fairness and progressivity. As incomes go up, the percent taxes represent of total income go up, though in no case will they reach the single-rate because the initial exclusion will not be subject to recapture. We can eliminate the marriage penalty by setting the exclusion for a single taxpayer at one-half the level of a married couple filing jointly. By setting the exclusion well above the poverty level, we will also eliminate the disincentive of today's tax structure to poor families working their way off welfare.

I favor retaining three deductions from gross income.

One is mortgage interest. This helps young wage-earners achieve home ownership without having to wait through a lifetime of wealth-building. I realize that this amounts to accomplishing a social objective through the tax code, but I believe the benefits to families and neighborhoods make it worth this exception to theoretical purity.

The second is money placed by individuals in savings toward retirement. We can tax that money as it comes out of savings, but while it is saved, we should let it grow. And the effect of exempting savings is to turn an income tax into a consumption tax without the complexity or wrenching transition that would be involved in moving to a national Value Added Tax or sales tax.

The third deduction is charity. As we move to replace governmental largesse with private initiatives, we need to stay away from tax disincentives.

We should apply the same single-rate to individuals and to corporations. Doing so eliminates the historical incentives to move in or out of incorporation. We should apply the same single-rate to capital gains as to income. This will eliminate a ton of IRS rules designed only to distinguish between the ways people make money.

At the corporate level, we should treat dividend payments the same way we treat interest expense. This will eliminate the bias of the current system for debt over equity.

These, then, are the key elements at the intake end of our federal diet: one, a balanced budget amendment to compel our government to live within its means; two, a super-majority tax increase requirement to compel government to look first to its spending habits to balance its budget; and three, a clean, simple, fair system of taxation to restore incentives to work, save and invest.

The next question is what we do at the outgo end.

The answer is devolution. The answer is governmental change which is faithful to the principle of subsidiarity. The answer is change which reverses the upward flow of money and power and sends it back to levels of government which are closer to the people governed.

The modern centralized welfare state—and like it or not, we are living in one—is built on a foundation of three wrong ideas.

The first is that government can do a better job with our economy than the market. Wrong.

The second is that bureaucrats can make better decisions about what is good for families than the families themselves. Wrong, wrong.

The third is that the work ethic is outdated, and that we can have a healthy society which has disconnected effort from return. Wrong, wrong, wrong.

We must reawaken our recognition of the fact that in most domestic matters, the states can perform more effectively and efficiently than the federal government. Our founders knew this. Senator Dole and Congressman Bob Dornan have repeatedly reminded their audiences of the tenth amendment to the constitution, the amendment which has been honored in the breach for most of the twentieth century. It reads, in one powerful sentence, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

It does not stop there. In most domestic matters, cities and counties can perform more effectively and efficiently than the states.

In many domestic matters, neighborhoods can perform more effectively and efficiently than cities and counties.

And in matters having to do with what to do with their money, families can perform more effectively and efficiently than any level of government. Colin Powell says it very well in his autobiography: "Every tax dollar taken away from a consumer or a business is a dollar that will be spent less efficiently than if left in private hands."

We are only just beginning to apply this thinking at the federal level, but successful state and local models are out there to show what can be done. One standout example is Indianapolis where Mayor Stephen Goldsmith reduced the size of city government, law enforcement functions not included, by an astonishing thirty-eight percent in three years. What he did was to systematically review city functions one by one using a team of entrepreneurs which he called the Service, Efficiency and Lower Taxes for Indianapolis Commission, SELTIC for short. The recommendations from SELTIC alone helped him trim $100 million from the city budget.

Indianapolis opened the operation and management of the city's waste-water treatment plants to competitive bidding. The winning bid improved water treatment and cut costs by forty-four percent.

Trash collection was opened to competitive bidding. The cost of trash collection has dropped from eighty-five dollars per household to sixty-eight dollars.

Competitive bidding cut street repair costs by twenty-five percent.

Microfilming public records was privatized for an annual cost reduction of sixty-three percent.

What do the people of Indianapolis think of all this? They answered that question last week by reelecting Mayor Goldsmith in a landslide. And if the Republican elected President in 1996 continues the work begun in this session of Congress and applies the Indianapolis approach, we can look for a landslide reelection in 2000.

The principle of subsidiarity can help us deal with two of our most intractable national problems, what to do about Social Security and Medicare.

The cynicism of our young people toward Social Security is a matter of real concern. A recent poll of 1600 Americans between the ages of eighteen and thirty-five showed that more of them expected to see a UFO in their lifetime than a social security check.

I was in Santiago, Chile last week to review what has been done there over the past fifteen years with their Social Security system. In 1980, their approach looked a lot like ours, a system of transfer payments featuring high withholding taxes and an endless, futile struggle to keep benefits up with inflation. In 1981 the government offered workers their choice of staying in the old system or moving to a new system in which a mandatory ten percent of wages are automatically invested in an individual investment account, with an option to add as much as ten percent voluntarily. The worker chooses one of several private Pension Fund Administration companies to invest the account. These AFP's are like mutual funds, putting money in stocks, bonds and government debt. Workers are free to move from one AFP to another, so there is competition among companies to provide higher returns and better service. About one-fourth of the Chilean work-force signed up for the new system in the first month, and more than ninety percent are now in it. The results have been phenomenal. More than half of Chile's retirees have done so well that they have taken early retirement.

I believe a lot of Americans would choose a system like this over Social Security or UFO's. The thirty-eight million beneficiaries of the current system and the number of workers in their forties, fifties and sixties who cannot have a full working career under a savings plan present transition problems as we change systems. We cannot break faith with these people, but we do not need to. The problems are formidable, but they are surmountable so long as we fund the transition through reduced governmental spending in other areas, not future borrowing.

A conceptually similar idea is emerging to deal with Medicare. The idea is medical savings accounts. In these, individuals would be able to put an amount like three thousand dollars into a tax-free account. The money could come either from the employer or the employee. Some form of catastrophe insurance would cover expenses beyond this first three thousand, but the effect would be to put individuals in charge of expenditures for routine care, medication, eyeglasses and the like. This would bring most health care expenditures under the control of the marketplace, with all the attendant benefits of competition and price comparison.

This, then, is the shape of the revolution which can see us safely through our third and fourth centuries of nationhood.

Devolution to give us a lean, responsive government with the power and the money where it belongs, closest to the people. Not too big and not too small. Just la-de-da.

A NEW TAX SYSTEM FOR THE 21ST CENTURY

(By J. Kenneth Blackwell and Steve Entin)

The National Commission on Economic Growth and Tax Reform has just issued its recommendations for a new tax system for the 21st century. The Commission wants to scrap the current tax system, with its biases against saving and growth and its complicated rules that give favors to some taxpayers and impose penalties and uncertainties on most of the population. In its place, the Commission favors a similar, fairer system that will reward thrift and hard work, raise employment, and lift family incomes.

The Commission would like the new tax system to have a generous exempt amount, high enough to enable lower income families and individuals to take care of their basics needs and get an economic head start before the federal government takes a part of their income. The exempt amount should not be so high, however, that too great a share of the population becomes insensitive to the cost of government.

Above the exempt amount, the Commission favors a single low tax rate that would treat all citizens equally before the law. Income is a measure of what one contributes to the economy through work, saving, and investment. Anyone contributing to the economy by producing additional goods and services should be equally rewarded. A single rate system allows that.

The current system of graduated tax rates slaps increasing tax penalties on people the more that they add to the economy. It punishes people who take the time to get an education and earn higher income over a shorter working life. It punishes people who take the risk to start their own businesses in hopes of a greater income. It punishes people the more that they save and invest. These penalties hurt not only the individuals who pay the higher rates, but all the people they might employ or who might work at higher wages with the plant and equipment that more saving would make possible.

The Commission favors extending the deduction of payroll taxes, now allowed only for employers, to employees as well. The object is to increase employment and to reduce the burden of the payroll tax on the incomes of middle income workers.

Savers and investors are treated very badly under the current tax system, unless they have access to a very good pension plan. People pay tax when they earn their income. If they use the after-tax income for consumption, there is generally no further federal tax. If they buy a bond, there is tax on the interest. If they buy stock, there is corporate tax on the earnings, individual tax on the dividends, and capital gains tax if the earnings are reinvested and the share price rises. If they buy a machine for their business, complex depreciation schedules result in understated costs and over-stated taxable income. There is an estate tax if the saver doesn't live to spend the money. Current law is clearly biased against saving and investment.

The Commission would end these biases. It would let savers defer tax on their saving until they withdraw it for consumption, as in a pension; if saving is not deductible, the returns should not be taxed, as with tax exempt bonds. Either approach would put saving on the same basis as income used for consumption, and would let people save more easily for a home, an education, or retirement. An individual saving $1,000 per year from age 20 onward could build a retirement nest egg of more than $400,000, compared to about $250,000 under current law, providing a 60% increase in retirement income and security.

The Commission would end the estate tax and the double taxation of businesses and their shareholders. It favors deducting investment in full when the outlay is made, instead of stringing the write-off out over years or decades, as under current law, losing value and depressing investment and employment.

What would such a tax system do for the average family? Professor Dale Jorgenson of

Harvard University told the Commission that a tax system that ended the biases against saving and investment would lift the level of output and income in the economy by between 15 and 20 percent within a few years. Investment, productivity, wages, and employment would all rise. Gains of that size would rise the yearly income of a typical working family by between $4,000 to $6,000, and by more if they are savers.

Some people worry that setting the system right will cost the Treasury revenue. But the current tax code is costing the economy and everyone in it a fortune in lost income. That lost income, and the added taxes that would be paid on it, must be factored into the calculation. That, and a modicum of federal spending restraint, could make a growth-friendly tax system a reality. There is no reason not to scrap the current tax system and set things right. Everyone would be a winner.

IN HONOR OF THE 46TH ANNIVERSARY OF INDIA'S REPUBLIC DAY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to honor the Indian-American community and the people of India, celebrating the 46th anniversary of India's Republic Day. Throughout the United States, members of the Indian-American community will hold festivities to mark this occasion.

On January 26, 1950, the Indian Constitution became law and the day was named Republic Day. This document symbolizes the principles of democracy and secularism, which India cherishes. Its author, Dr. B.R. Ambedkar, was influenced greatly by the U.S. Constitution and the Bill of Rights. Since India became a republic, it has continued to hold free and fair elections, to support a multiparty political system and to transfer power peacefully.

The relationship between the United States and India is still unfolding. The United States and India share many similarities. Both of our countries are former British colonies. English is a vital language of communication throughout India. Democracy continues to thrive in both places. The Indian judiciary system is based on English common law. In addition, India is proceeding with its economic reforms to develop a vibrant market economy.

India still faces the challenges of achieving economic development while ensuring harmony between its many ethnic, religious, and linguistic communities. In spite of these obstacles, India has strengthened its democratic institutions by harnessing the potential of its multireligious, multiethnic and multilinguistic citizenry.

Bilateral trade between the United States and India is flourishing. The activities of American companies have made the United States India's leading trade partner. Recently, a consortium of American companies, led by the Enron Corp., successfully renegotiated a deal to complete a $2.5 billion power plant in the state of Maharashtra. United States companies are positioned to fill India's appetite for services and products.

India is committed to maintaining its democracy and economic reform program. The Indian-American community, with over 1 million people, has taken a particular interest in promoting United States-India relations. Please join me today in honoring the world's most populous democracy, India, on the 46th anniversary of its Republic Day.

DOWN PAYMENT ON AMERICA'S FUTURE

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. PACKARD. Mr. Speaker, I am very disappointed that even after a very compelling State of the Union Address, the President still only pays lip service to a balanced budget. He spoke of a smaller Government, of reforming welfare and Medicare and of limitless possibilities for the 21st century. Well, the truth is, he has vetoed the very legislation that would implement these changes and proposed countless new programs.

Balancing the budget is not a partisan issue. It is an American issue. We need to find a way to do it—to work together as the President urged. I fear, however, that the President remains a congenital liberal, taxing and spending away America's future. Unless the President is willing to make hard decisions, such as reforming entitlements, we will never get a handle on unwieldy Federal spending. Right now, entitlement programs alone, account for more 50 percent of Federal outlays. We cannot continue on this path.

My Republican colleagues and I will continue to work for a balanced budget. While it may not be possible with this President, we can make a down payment. The funding bill before us today takes those critical first steps. It continues to fund existing programs for which the President has not signed a regular appropriations bill, reducing spending on many bloated programs, and eliminating some which have proven to be ineffective.

Mr. Speaker, the President has talked the talk, but it is time for him to walk the walk. He made a commitment to the American people on Tuesday night not to shut the Government down again. This funding measure gives him the opportunity to not only keep his word to the America, but to make a down payment on a balanced budget and a better future for the generations to come.

TRIBUTE TO MICHAEL S. WIENS ST. JOHN

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Ms. WOOLSEY. Mr. Speaker, I rise today to honor one of my district's more dedicated and caring individuals, Michael S. Wiens St. John. I wish that I could be with his colleagues, friends, and family tonight as we celebrate his remarkable accomplishments.

Michael is particularly recognized for serving the people of Marin County in his capacity as search and rescue operations coordinator and he has earned the reputation for saving lives. He has been working for many years to improve and coordinate our emergency response system in Marin County. I wish to recognize Michael for his commitment to the people of Marin County, and to thank him for his long record of public service.

He has been a role model for young men and women and he has devoted the better part of his life to helping others. Michael Wiens St. John has been instrumental in planning and implementing changes that improve the quality of Marin County emergency response, and, for developing interagency collaboration. He is largely responsible for taking what was a search and rescue program with less than a dozen members and making it into what it is today—a very well organized and recognized unit of 60 trained individuals. I continue to be impressed by his dedication and vision.

Mr. Speaker, it is my great pleasure to pay tribute to Michael S. Wiens St. John during this special evening at the Alta Mira. Marin County owes a great deal of gratitude for the tireless efforts of Michael Wiens St. John over the years. Time and time again he has extended himself on behalf of many people and for many causes. I extend my hearty congratulations and best wishes to Michael and to his wife Nancy for continued success in the years to come.

ROMANIA IS HELPING PEACE EFFORTS IN ANGOLA

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to commend the Government of Romania for its contribution to the U.N. peacekeeping force in Angola. It is heartening to see that Romania is willing to spend its own limited resources to help maintain peace and stability in an African country that has witnessed so much tragedy and fighting.

Romania currently has nearly 1,000 peacekeepers in Angola, which is the second largest national contingent in the U.N. force. Romania has also established a program to help train and educate Angolans so that they can better rebuild their country and has contributed 54 medical personnel to run a 40-bed hospital. Romania is involved in these efforts even though they have no economic or geopolitical interests in the region. As far as I can tell, Romania is participating in this humanitarian venture because of a commitment to the United Nations and a sense of responsibility to fellow human beings.

Democracy in Angola is important to the stability and the vitality of the region. In the post-Cold War era, we as a nation must work with other countries to help promote democracy and freedom throughout the world. I am pleased that Romania, despite facing its own challenges as it moves toward a market economy, understands the importance of supporting democracy elsewhere in the world. Romania's participation in the peacekeeping force in

Angola is an important reminder that we are all part of the international community and have a responsibility to help each other.

THE PRESIDENT SPEAKS

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. KINGSTON. Mr. Speaker, I enter the following story into the CONGRESSIONAL RECORD. This story was written by Nancy Welch. It was printed in the Statesboro Herald on December 10, 1995:

THE PRESIDENT SPEAKS

(By Nancy Welch)

President Clinton stood on a podium draped with army camouflage. Soldiers stood in formation on the parade field in front of him. Their families dotted the surrounding hills. It was gray and foggy. He tried to cheer them. He told the soldiers they would soon be leaving for Bosnia, not to worry, they would be back in a year or so.

I shivered, aware of that damp cold that so often enshrouds the small village of Baumholder, Germany. I could almost feel the snow stinging my face and my feet turning icy cold.

But the real chill hit my heart.

I remember too well the time I spent in Baumholder. On top of a mountain. Caring for babies. Doing laundry. Washing dishes. Being frightened.

The cold war still raged. The enemy sat just across the East German border. And our husbands were constantly put on alert.

The days of fear would begin before dawn. An MP car with a loudspeaker would cruise the streets of the military housing areas.

"This is an alert. Report to your units," would be the deafening words from the speaker. We would be jolted awake. All over the area men would rise from their beds, jump into their uniforms, grab their gear, kiss the wife and kids and leave.

We never knew at that early hour whether they would be gone an hour, a day, a month or a year. We wouldn't find out until later in the day whether the early morning call to arms was a practice or for real.

As the snow fell on the foggy mountain, we wives turned to each other for any news a husband might smuggle through. We drank hot tea and offered moral support. We continued to take care of the children, do laundry, cook, wash dishes and fight the cold fear that nagged at the pits of our stomachs.

Sometimes there was good news. Just as the early dark of winter fell, the call would come. He would be home for dinner.

But other times it would be weeks before the men would come home. It was awful.

But the wives of the soldiers in Bosnia today are faced with a greater challenge. They face at least a year, without their husbands, on the cold, snowy, foggy mountain in a country far away.

And they face the long separation just before Christmas.

My heart goes out to them. They will deal with so much. They will have to tangle with the Santa Claus wishes, do the tree, go to the school programs and church programs. They will have to put on a happy, hopeful face for the children.

They will have a strong support system. Military families do take care of their own. Christmas day they will gather in groups. The children will play happily under the tree while the women drink a glass of German wine and enjoy their turkey and dressing. But there will be a lump in every wife's throat.

There's nothing easy about what the soldiers are about to do. But, believe me, there is nothing easy about what those strong women are about to face.

Think of them during this holiday season.

TRIBUTE TO CARTER BURDEN

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mrs. MALONEY. Mr. Speaker, today I rise to pay tribute to Carter Burden, a philanthropist, former New York City councilman, candidate to Congress, publisher, and arts benefactor. It saddens me to report that Mr. Burden died on January 23, 1996 at the age of 54 years. With his death, my district has lost a compassionate advocate for the elderly and generous contributor to the arts and libraries of New York City.

Mr. Burden was city councilman in New York City from 1969 to 1978. As city councilman, he was dedicated to improving the health and housing for New York City's children and elderly. He advocated to improve standards for prisoners and introduced legislation for one of the first gay rights bills in the Nation. Mr. Burden ran for Congress in 1978, but lost to Bella S. Abzug.

Previous to his years on city council, Mr. Burden was a legislative aid to Senator Robert F. Kennedy. While working for Senator Kennedy, he was the liaison to minority groups in East Harlem and helped establish the Bedford-Stuyvesant Development Project. He was one of the founders of the New Democratic Coalition which fought for reform within the Democratic Party, and against Tammany Hall style politics.

Mr. Burden was born on August 25, 1941 in Beverly Hills, CA. He was fortunate to be a great-great-great-grandson of the railroad and shipping magnate Cornelius W. Vanderbilt, and great nephew of the actor Douglas Fairbanks. He attended Roman Catholic school, military school, and completed his secondary education at the Portsmouth Priory School in Rhode Island. Mr. Burden graduated cum laude with a bachelor of arts degree in English from Harvard college in 1963. He received a bachelor of laws degree from Columbia University Law School in 1966.

During these same years, he was active in the publishing industry. In 1969, Mr. Burden became the principal owner of the Village Voice, which was then the country's largest weekly newspaper. In 1980, Mr. Burden turned to broadcasting and founded Commodore Media, a New York City company which owns and operates 20 radio stations. At his death, he was also managing partner of William A.M. Burden & Co., and director of the Reliance Insurance Companies.

Although he never held another elected position after his loss to Ms. Abzug, he continued serving the public as a philanthropist. He established the Burden Center for the Aging in Yorkville, NY. He supported the National Crime Prevention Council, the Brookdale Center on Aging, and Survivors of Domestic Abuse.

In the arts, Mr. Burden was a major benefactor of the New York Public Library, the Morgan Library and the New York City Ballet. His collection of rare first edition books by 20th century authors is regarded as one of the world's finest. He was also a collector of drawings, most significantly of works by Sargent, Picasso, and Matisse.

I am deeply saddened by the passing of Carter Burden, and am compelled to recognize his important contributions to the people of my district and to the city of New York at large.

IN MEMORY OF PEYTON McKNIGHT

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. HALL of Texas. Mr. Speaker, it is an honor to come before this body to pay tribute to a distinguished public servant and outstanding American, Peyton McKnight of Tyler, TX. Peyton's recent death leaves behind a powerful legacy of achievement and a void that will not be easy to fill.

Peyton was widely known and admired throughout the State of Texas for his record of public service. He served as both a State representative and as a senator. The energy and enthusiasm that he brought to public service is legendary—and the results of his efforts are significant.

His legislative career began at the age of 23, when he was elected to the Texas House while attending the University of Texas at Austin Law School. As a representative, he authored the bill that established what is now the Texas Department of Mental Health and Mental Retardation. He supported prison reform and helped enact the highway safety code, and he supported a proposal that resulted in the East Texas Chest Hospital—now the UT Health Center at Tyler. As a State senator, Peyton introduced the bill which moved the University of Texas at Tyler into the University of Texas system.

At the age of 28, Peyton was appointed U.S. Marshal for the eastern district of Texas, making him the youngest marshal in history at the age of 28. He became a lifetime member of the East Texas Peace Officers Association.

He was an independent oil producer and businessman and was a member of the All-American Wildcatters Association and the Southern Legislative Conference of the Council of State Governments Committee on Energy. Peyton was active in his community and was involved in numerous worthwhile organizations. He served on the board of directors of Scott and White Memorial Hospital, the Sherwood and Brindley Foundation, and the East Texas Hospital Foundation. He was a Shriner and a member of the Sons of the American Revolution, the American Legion, and the Veterans of Foreign Wars.

Peyton also devoted his considerable talents to the field of education. He served on the board of regents of Texas A&M University for 6 years, served on the UT Tyler Development Board, and held a similar position with the University of Texas Health Center in Tyler.

Peyton was a native of Alto and a graduate of Quitman High School. He flew with the U.S. Army Air Corps on combat missions in Europe during World War II and graduated from Texas A&M with a degree in history and government.

During his lifetime he was honored on numerous occasions, including a "Peyton McKnight Day" in Tyler and in Kilgore. He was respected and admired by the State's top political leaders and loved by his many friends throughout Texas. Peyton was one of those rare individuals who made a difference in everything he tackled. He was a true American patriot and a true friend—and he leaves behind a remarkable legacy of accomplishment. He will be truly missed by all those who knew him and loved him.

RECOGNIZING THE NATIONAL BONE MARROW DONOR PROGRAM'S BLACK HISTORY MONTH CAMPAIGN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. RANGEL. Mr. Speaker, I rise today to recognize the Bertelsmann Music Group and the National Bone Marrow Donor Program's The Choice is Yours, month-long campaign. Bertelsmann Music Group designed this campaign to highlight the importance of choice and responsibility among African-American businesses and communities. This campaign will focus on the civil participation of African-Americans the recruitment of potential donors among African-Americans for nationwide bone marrow donorship and increased voter registration.

Life threatening diseases such as leukemia and aplastic anemia are nondiscriminatory diseases. They occur at similar rates among members of all races and ethnic heritage. If a patient is diagnosed with one of these life threatening diseases requiring a bone marrow transplant in order to survive, the first place to find an identical human leukocyte antigen matched bone marrow donor is among the patient's siblings. If no match is found among the patient's brothers and sisters, a donor unrelated to the patient must be found. Due to the uniqueness of antigen types and the rare occurrence for exact matches between bone marrow patients and donors, the first place to find a matched unrelated donor is from within the patient's own racial or ethnic group.

The National Bone Marrow Donor Program is vigorously engaged in an unprecedented 11-State and 15-city campaign tour to expand the pool of eligible unrelated bone marrow donors of minority heritage in order to improve the chances of minority patients finding matching unrelated donors. At this late date, African-Americans currently have a 34 percent chance of finding a matched unrelated donor on the National Bone Marrow Registry, while Caucasians have a 71 percent chance of finding a matched unrelated donor. The only way to equalize the chances of finding unrelated matched bone marrow donors for patients of minority backgrounds is for more minority donors to volunteer to join the National Bone Marrow Registry.

The Choice is Yours campaign will offer potential African-American and other donors the opportunity to join the National Bone Marrow Registry at various retail outlets across the country. This project will also feature voter registration, providing a user friendly environment for young people to become both registered voters and potential bone marrow donors.

The Choice is Yours campaign exemplifies what can be accomplished when the for-profit and nonprofit sectors, combine their resources to promote civic responsibility. Most importantly, programs of this nature help save lives. The Choice is Yours campaign demonstrates the commitment by the Bertelsmann Music Group and the National Bone Marrow Donor Program, to provide leadership and heighten awareness on these important issues that strongly impact the African-American community.

I am very pleased to recognize this campaign that will be inaugurated at the world's famous Apollo Theater in my district, the 15th Congressional District in the State of New York on February 1, 1996.

STATE OF THE UNION MESSAGE

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. CLEMENT. Mr. Speaker, last Tuesday evening we heard the President of the United States eloquently proclaim to the American people that the "era of big government is over," that "big government does not have all the answers," that "there is not a program for every problem," and how "we need a smaller, less bureaucratic government in Washington."

Mr. Speaker, I could not agree with the President more, and I venture the vast majority of working men and women in my district agree with him as well. But at the same time the President is preaching small Government, the Food and Drug Administration is proceeding in the opposite direction.

There are probably few Federal agencies which personify better than the FDA the inherent dangers of the kind of large, unwieldy, arrogant, and power-hungry bureaucracies which characterize the big Government condemned last night by the President.

By its estimates, the Food and Drug Administration regulates approximately 25 cents out of every dollar spent by Americans on products. Food and Drug Administration rules currently occupy approximately 4,270 pages of the Code of Federal Regulations.

But despite, or maybe as a result of, this wide reach, the agency had failed miserably in carrying out its core mission of approving promptly and efficiently new medical technologies, devices and pharmaceuticals. As a result, costs of these products have propelled skyward; the research and manufacture of these products has been chased overseas, and absurd scarcities have been created whereby literally hundreds of potentially lifesaving technologies and medicines are widely available abroad, but not here in America.

For example, during the last fiscal year, it took an average of 7 months for the FDA to review so-called 510K applications for low-risk medical devices—those which may duplicate devices already in the market. This is almost three times longer than it took in 1989 and well beyond the agency's statutory requirement of 90 days. The FDA's review of more complicated products, such as implants and those which may pose serious risks in the event of failure (so-called Class III devices) now takes an average of three years, despite the fact that the law requires this review process to be completed within 180 days.

In addition, the amount of time it takes to move a drug from laboratory to market has doubled since 1962 (from an average of 6 years then, to 12 years now). As approval time for drugs has lengthened, the costs pharmaceutical firms incur bringing a drug to market have similarly increased. In the 1970's, it cost approximately $50 million and took 5 to 7 years to develop a new drug. By the 1980's, the cost had increased to an average of $231 million. By the early 1990's, the cost had increased to about $369 million. Is it any wonder, then, that the cost to American consumers of prescription drugs has increased by 137 percent?

But, instead of seeking ways to do a better job at the tasks to which it is already assigned, the FDA now proposes, in 140 pages of the Federal Register, to expand its jurisdiction to include control over tobacco, its sales, its distribution, its advertising and promotion.

This past Friday, the Department of Health and Human Services published its final rule for implementation of provisions of the Alcohol, Drug, and Mental Health Administration Reorganization Act of 1992 restricting Federal assistance to States which fail to enact and enforce statutes prohibiting tobacco sales to minors, conduct random inspections, and meet certain reporting obligations.

Although almost 2 years and 5 months have passed since the agency published its preliminary regulations, last week's action comes at an opportune time; specifically in the middle of a debate as to what role, if any, the FDA should have in regulating tobacco. If it seems somewhat inconsistent for HHS to be issuing regulations imposing on the States the responsibility for dealing with underage tobacco use at the same time the FDA is attempting to grab authority to manage this issue from the Federal level, that is because it is inconsistent.

Beyond this inconsistency, as a matter of practicality and efficiency, it makes little sense for the FDA to spend its time attempting to assume the very expensive, far-reaching, and time consuming responsibilities entailed in managing underage tobacco use at a time when the agency has proven itself incapable of performing adequately its core mission of approving medical devices and drugs.

I agree with the goal of preventing underage tobacco use. But if the FDA cannot currently perform its core missions, what reason is there to believe it can effectively prevent underage tobacco use? Further diluting FDA's energies to take on a task which is outside its statutory jurisdiction will not prevent teenagers from smoking. But it will serve to further detract the agency from its primary mission of approving promptly safe new medicines and medical devices.

That is why the public interest will best be served by the FDA dropping its unauthorized campaign against tobacco and refocusing its efforts to fulfill its core mission while the States and the Federal Government work together to assure efficient and effective implementation of the ADAMHA Reorganization Act of 1992.

APPEASEMENT DOES NOT WORK: NATO MUST EXPAND

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. SOLOMON. Mr. Speaker, I insert for the RECORD the following three quotes which clearly display the flaccidity, moral bankruptcy, and ahistorical nature of current Western policy toward Central Europe:

> I want to make it clear that I don't see this as a great ambition of NATO to get bigger. What of NATO's future? There can be no security without taking Russia into account.—British Defense Minister Michael Portillo, 1/23/96.
>
> There is basically no difference between what he (Portillo) said and what we are saying.—U.S. State Dept. Official, 1/23/96.
>
> Today, out of fear of Russia, Western countries are no longer prepared to enlarge NATO. But by hesitating, they have stirred Russia's interest in this region. The longer these hesitations last, the more Russia's ambitions increase because it feels that this area is empty. If the West is not careful, I think that we can still expect many troubles.—Czech President Vaclav Havel, 1/23/96.

Mr. Speaker, the sellouts of Munich, Yalta, and detente are being repeated as we speak. We are once again reaching over the heads of smaller Central European countries to do a deal with a larger aggressor. It is important to remember that Munich, Yalta, and detente were not just immoral sellouts, they were huge intellectual failures which led to tragedies of incalculable proportions.

Mr. Speaker, there is no better source than Vaclav Havel when it comes to Russian behavior or the danger of leaving a vacuum in Central Europe, and we should heed his words. We need to expand NATO—now.

JOHN F. HENNING, UNIONIST OF THE YEAR

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. DELLUMS. Mr. Speaker, I rise today to share with my colleagues the illustrious public career of my friend John F. Henning, the executive secretary-treasurer of the California Labor Federation of the AFL–CIO. This coming February, Jack will be honored by the men and women of organized labor in Alameda County as this year's "Unionist of the Year," an honor granted each year by the Alameda County Central Labor Council.

Jack Henning has dedicated his life to improving the lot of working men and women throughout the United States. As a young union member, he fought to integrate his local union. His leadership and skills were recognized early, and he was put to work as a union representative for organized labor.

Twenty-one years after graduating from St. Mary's College, he became the director of the California State Department of Industrial Relations—1959 to 1962. His public service career would include contributions as United States Under Secretary of Labor, 1962 to 1967 and United States Ambassador to New Zealand, 1967 to 1969. These extraordinary achievements for one from a working class background allowed the entire Nation and, indeed, the world to witness the skill, vision, and leadership for which Jack has become legendary. They are a testament to the fact that all of our citizens can achieve great goals when the resources and support are available to them.

Jack has made many other public contributions as well—serving on the board of regents of both the University of California and Lone Mountain College—San Francisco—and the board of trustees of St. Mary's College. He has served on several San Francisco city and county commissions and is the past president of both the San Francisco Archdiocesan Council of Catholic Men and the St. Mary's College Alumni Association.

Since 1970, Jack has been the executive secretary-treasurer of the California Labor Federation, AFL–CIO, and one of the Nation's most respected labor leaders. Under his leadership the labor federation has assumed its rightful place in the coalition of forces that have fought for civil rights for all Americans and an end to apartheid in South Africa. Labor under his leadership helped to secure representation rights for the Nation's farm workers. And, in league with ethical visionaries such as Dr. Martin Luther King, Jack Henning helped to bring the California labor movement into the effort to end our terrible involvement in the war in Indochina.

In this time when we despair so much of a loss of public compassion, diminution of public spiritedness, and the demise of the social contribution, Jack Henning's life continues to shine as a beacon of moral commitment. He is truly one of the Nation's heroes—a man who has without fail pursued equality, justice, and a fair share for working men and women throughout his distinguished career.

I am very proud to share this brief account of the significant career of a very public servant with my colleagues and I commend it as an example for us all.

TRIBUTE FOR CHIEF MASTER SERGEANT FRED M. BEARD

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. MONTGOMERY. Mr. Speaker, I ask colleagues to join me in paying tribute to Chief Master Sergeant Fred M. Beard, who will be retiring from the Air Force after 30 years of faithful service. The chief is culminating his service to the United States as a noncommissioned officer in charge, Airman Management Branch, Airman Assignments Division, Directorate of Assignments, Headquarters Air Personnel Center, Randolph Air Force Base, TX.

During his career, Chief Beard consistently demonstrated the highest standards of leadership and management expertise in effecting major changes in the management of base closures, unit activations and deactivations, retraining, and the integration of computer programs to implement new policies in support of enlisted assignments.

His dedication and commitment were evident when he took the lead in the complete reorganization and reengineering effort for the airman branch ensuring each section was structured and aligned with the appropriate personnel to meet the challenges for the future.

Chief Beard unselfishly volunteered his assignment expertise as a member of the Air Force budget review team that was charted to conduct a systematic "cradle-to-grave" review of the process and provide viable recommendations to reduce annual expenditures. His ability to analyze all reassignment processes and provide viable recommendations to reduce costs were key to the success of this review team.

Chief Beard's accomplishments culminate a long and distinguished career in the service to our Nation and the U.S. Air Force.

FAREWELL AND THANK YOU TO INDIA'S AMBASSADOR RAY

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. ANDREWS. Mr. Speaker, I would like to bid farewell to a close friend in the diplomatic community, Ambassador Siddhartha Shankar Ray of India. Ambassador Ray's work here has greatly improved the relationship between the United States and India. During his tenure, he focused not only on government-to-government relations, but on business-to-business relations as well. He returns to India to run for elected office, and I am sure he will serve his constituents well.

Ambassador Ray is no stranger to elected life. Before coming to Washington both he and his wife served as Members of Parliament. He served in both majority and minority positions in his home state of West Bengal, and served as the Minister of Education, Social Welfare, and Culture in the Indian Cabinet. Before his appointment as Ambassador to the United States, he served as Governor of Punjab.

Ambassador Ray has always understood that good relations with the United States would have to be built upon with more than just political diplomacy. He has focused a considerable amount of his efforts on improving business relations between our two nations. Following the dramatic economic reforms instituted by Prime Minister Rao in 1991, Ambassador Ray worked hard to encourage United

States companies to go into India. He knew that having American business leaders meet their Indian counterparts would improve relations.

Because of his efforts, a number of high-level American officials traveled to India to promote United States investment there. Commerce Secretary Brown and Energy Secretary O'Leary both led delegations that succeeded in finalizing multibillion-dollar deals. From India, both the Prime Minister and the Finance Minister came to spread a message of opportunity and good will.

I join with my colleagues in thanking Ambassador Ray for his service, and I wish both him and his wife happiness in the future.

THANK YOU FOR FUNDING LIHEAP

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 25, 1996

Mr. SANDERS. Mr. Speaker, I want to offer my complete gratitude to the House of Representatives and the leadership for their support of full funding for the Low-Income Energy Assistance Program [LIHEAP] to be allocated to States immediately. Last night I delivered the following letter to the chairman of Appropriations, which was signed by 154 Members of Congress, asking for the immediate release of the $190 million remaining in fiscal year 1996 allocation for LIHEAP:

Hon. BOB LIVINGSTON,
Chairman, Committee on Appropriations, Capitol, Washington, DC.

DEAR CHAIRMAN LIVINGSTON: As you know there is approximately $190 million remaining in FY 1996 allocation for the Low-Income Home Energy Assistance Program (LIHEAP). When a continuing resolution is developed on January 26th, we would very much appreciate your releasing 100 percent of these funds immediately.

While $810 million in LIHEAP funds have been released so far this year, these funds are not even half of the LIHEAP monies allotted to the states in FY 1994 and significantly less than the $1.3 billion allocated in FY 1995. In order to deal with the problems that our cold weather states are currently experiencing, it is essential that the full $1 billion in LIHEAP funds be released this year.

As you know LIHEAP is a time sensitive program, providing heating assistance to low-income households during the cold winter months. As you also know there has been brutally cold weather throughout America, and states are in desperate need of funding for heating assistance.

Last year, an estimated 6.1 million households received LIHEAP benefits. Three-quarters of those households had incomes of less than $8,000 per year. The average LIHEAP family spent 18.4 percent of their income on the cost of home energy, compared with 6.7 percent for all households. Unless action is taken immediately, hundreds of thousands of Americans who live in the coldest states will again be unable to heat their homes. We don't want to see families forced from their homes because of unpredictably cold weather.

We encourage you to take immediate action in the next continuing resolution to assist millions of low-income Americans in need of heating assistance this winter.

Sincerely,

Representatives: Bernard Sanders, Peter Blute, Martin Sabo, Peter Torkildsen, Amo Houghton, Mike Ward, John Elias Baldacci, Joseph Moakley, Joseph Kennedy, John Olver, Phil English, Rick Boucher, Sam Gejdenson, John McHugh, Harry Johnston, Paul McHale, Ronald Dellums, Tim Johnson, Jose Serrano, Eddie Bernice Johnson, Nydia Velazquez, Sheila Jackson-Lee, Michael Doyle, Robert Borski, Collin Peterson, Luis Gutierrez, Sue Kelly, Carrie Meek, Albert Wynn, Victor Frazer, James Oberstar, Glenn Poshard, Gerry Studds, Barney Frank, Thomas Sawyer, Ed Whitfield, Frank Lobiondo, and Sherwood Boehlert.

Robert Andrews, Eva Clayton, Eliot Engel, Benjamin Gilman, Charles Schumer, Donald Payne, Nancy Johnson, Cynthia McKinney, Richard Neal, Major Owens, Rosa DeLauro, Earl Pomeroy, Elizabeth Furse, Peter DeFazio, Patrick Kennedy, David Minge, James Longley, Matthew Martinez, Paul Kanjorski, Henry Gonzalez, Bob Wise, Jim McDermott, Edolphus Towns, Tim Holden, James Clyburn, Norman Sisisky, Nick Rahall, George Brown, William Coyne, Frank Mascara, Earl Hilliard, Gerald Kleczka, Maurice Hinchey, William Clinger, Dale Kildee, Rick Lazio, Carolyn Maloney, Patricia Schroeder, Martin Meehan, Thomas Foglietta, Frank Tejeda, Ike Skelton, William Clay, Pat Williams, Jim Ramstad, and Andrew Jacobs.

Vic Fazio, Lane Evans, James Barcia, Barbara Kennelly, Sherrod Brown, Robert Menendez, Alan Mollohan, Ron Klink, John Conyers, Louise Slaughter, Jack Reed, Harold Volkmer, William Martini, Gary Ackerman, Sander Levin, Lee Hamilton, Steny Hoyer, Sanford Bishop, James Traficant, Richard Durbin, Bart Stupak, Gene Green, Jack Quinn, Bob Filner, Ron Wyden, Marcy Kaptur, Scotty Baesler, Connie Morella, Jerry Costello, Martin Frost, Jon Fox, Floyd Flake, Tom Barrett, Henry Waxman, Robert Ney, John Murtha, Michael Castle, Rodney Frelinghuysen, Charles Rangel, Jerrold Nadler, George Miller, John Dingell, Edward Esteban Torres, Lynn Rivers, George Gekas, and Bobby Rush.

John LaFalce, John Lewis, Blanche Lambert Lincoln, Susan Molinari, Eleanor Holmes Norton, Thomas Manton, Lucille Roybal-Allard, Nita Lowey, Harold Ford, Gary Franks, Michael McNulty, Tony Hall, Edward Markey, Norman Dicks, Christopher Smith, Robert Scott, Sidney Yates, Robert Torricelli, David Bonior, Thomas Petri, Marge Roukema, Michael Patrick Flanagan, Jesse Jackson, Jr., James Walsh, and Pat Danner.